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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 20549

FORM 10-K

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2021

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number 001-11350

CTO REALTY GROWTH, INC.

(Exact name of registrant as specified in its charter)

Maryland **(State or other jurisdiction of incorporation or organization)**	**59-0483700** **(I.R.S. Employer Identification No.)**
1140 N. Williamson Blvd., Suite 140 **Daytona Beach, Florida** **(Address of principal executive offices)**	**32114** **(Zip Code)**

Registrant's telephone number, including area code
(386) 274-2202

SECURITIES REGISTERED PURSUANT TO SECTION 12(b) OF THE ACT

Title of each class:	Trading Symbol	Name of each exchange on which registered:
Common Stock, $0.01 par value per share	**CTO**	**NYSE**
6.375% Series A Cumulative Redeemable Preferred Stock, $0.01 par value per share	**CTO PrA**	**NYSE**

SECURITIES REGISTERED PURSUANT TO SECTION 12(g) OF THE ACT:
NONE

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes ☐ No ☒

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes ☐ No ☒

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer ☐ Accelerated filer ☒ Non-accelerated filer ☐ Smaller reporting company ☐
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐
Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Act). YES ☐ NO ☒

At June 30, 2021, the aggregate market value of voting and non-voting common stock held by non-affiliates of the registrant was $305,315,253 based upon the last reported sale price on the NYSE on June 30, 2021, the last business day of the registrant's most recently completed second fiscal quarter. The determination of affiliate status is solely for the purpose of this report and shall not be construed as an admission for the purposes of determining affiliate status.

The number of shares of the registrant's Common Stock outstanding on February 17, 2022 was 5,968,590.

Registrant incorporates by reference into Part III (Items 10, 11, 12, 13 and 14) of this Annual Report on Form 10-K portions of CTO Realty Growth, Inc.'s definitive Proxy Statement for the 2022 Annual Meeting of Stockholders to be filed with the Securities and Exchange Commission (the "Commission") pursuant to Regulation 14A. The definitive Proxy Statement will be filed with the Commission not later than 120 days after the end of the fiscal year covered by this Annual Report on Form 10-K.

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PART I

When we refer to "we," "us," "our," or "the Company," we mean CTO Realty Growth, Inc. and its consolidated subsidiaries. References to "Notes to Financial Statements" refer to the Notes to the Consolidated Financial Statements of CTO Realty Growth, Inc. included in Item 8 of this Annual Report on Form 10-K. Statements contained in this Annual Report on Form 10-K, including the documents that are incorporated by reference, that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. Also, when the Company uses any of the words "anticipate," "assume," "believe," "estimate," "expect," "intend," or similar expressions, the Company is making forward-looking statements. Management believes the expectations reflected in such forward-looking statements are based upon present expectations and reasonable assumptions. However, the Company's actual results could differ materially from those set forth in the forward-looking statements. Further, forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise such forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, unless required by law. The risks and uncertainties that could cause our actual results to differ materially from those presented in our forward-looking statements, include, but are not limited to, the following:

- *we are subject to risks related to the ownership of commercial real estate that could affect the performance and value of our properties;*
- *our business is dependent upon our tenants successfully operating their businesses, and their failure to do so could materially and adversely affect us;*
- *competition that traditional retail tenants face from e-commerce retail sales, or the integration of brick and mortar stores with e-commerce retail operators, could adversely affect our business;*
- *we operate in a highly competitive market for the acquisition of income properties and more established entities or other investors may be able to compete more effectively for acquisition opportunities than we can;*
- *the loss of revenues from our income property portfolio or certain tenants would adversely impact our results of operations and cash flows;*
- *our revenues include receipt of management fees and potentially incentive fees derived from our provision of management services to PINE and the loss or failure, or decline in the business or assets, of PINE could substantially reduce our revenues;*
- *there are various potential conflicts of interest in our relationship with Alpine Income Property Trust, Inc. ("PINE"), including our executive officers and/or directors who are also officers and/or directors of PINE, which could result in decisions that are not in the best interest of our stockholders;*
- *a prolonged downturn in economic conditions could adversely impact our business, particularly with regard to our ability to maintain revenues from our income-producing assets;*
- *a part of our investment strategy is focused on investing in commercial loan and master lease investments which may involve credit risk;*
- *we may suffer losses when a borrower defaults on a loan and the value of the underlying collateral is less than the amount due;*
- *the Company's real estate investments are generally illiquid;*
- *if we are not successful in utilizing the like-kind exchange structure in deploying the proceeds from dispositions of income properties, or our like-kind exchange transactions are disqualified, we could incur significant taxes and our results of operations and cash flows could be adversely impacted;*
- *the Company may be unable to obtain debt or equity capital on favorable terms, if at all, or additional borrowings may impact our liquidity or ability to monetize any assets securing such borrowings;*
- *servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to service or pay our debt;*
- *our operations and properties could be adversely affected in the event of natural disasters, pandemics, or other significant disruptions;*
- *we may encounter environmental problems which require remediation or the incurrence of significant costs to resolve, which could adversely impact our financial condition, results of operations, and cash flows;*
- *failure to remain qualified as real estate investment trust ("REIT") for U.S. federal income tax purposes would cause us to be taxed a regular corporation, which would substantially reduce funds available for distribution to stockholders;*
- *the risk that the REIT requirements could limit our financial flexibility;*
- *our limited experience operating as a REIT;*
- *our ability to pay dividends consistent with the REIT requirements, and expectations as to timing and amounts of such dividends;*
- *the ability of our board of directors (the "Board") to revoke our REIT status without stockholder approval;*

- *our exposure to changes in U.S. federal and state income tax laws, including changes to the REIT requirements; and*
- *an epidemic or pandemic (such as the outbreak and worldwide spread of the novel coronavirus (the "COVID-19 Pandemic")), and the measures that international, federal, state and local governments, agencies, law enforcement and/or health authorities implement to address it, may precipitate or materially exacerbate one or more of the above-mentioned and/or other risks and may significantly disrupt or prevent us from operating our business in the ordinary course for an extended period.*

The Company describes the risks and uncertainties that could cause actual results and events to differ materially in "Risk Factors" (Part I, Item 1A of this Annual Report on Form 10-K), "Quantitative and Qualitative Disclosures about Market Risk" (Part II, Item 7A), and "Management's Discussion and Analysis of Financial Conditions and Results of Operations" (Part II, Item 7).

ITEM 1. BUSINESS

DESCRIPTION OF BUSINESS

We are a publicly traded, primarily retail-oriented, REIT that was founded in 1910. We own and manage, sometimes utilizing third-party property management companies, 22 commercial real estate properties in 10 states in the United States. As of December 31, 2021, we owned 9 single-tenant and 13 multi-tenant income-producing properties comprising 2.7 million square feet of gross leasable space.

In addition to our income property portfolio, as of December 31, 2021, our business included the following:

Management Services:

- A fee-based management business that is engaged in managing PINE, see Note 6, "Related Party Management Services Business" in the notes to the consolidated financial statements in Item 8.

Commercial Loan and Master Lease Investments:

- A portfolio of two commercial loan investments and two commercial properties, which are included in the 22 commercial real estate properties above, whose leases are classified as commercial loan and master lease investments.

Real Estate Operations:

- A portfolio of subsurface mineral interests associated with approximately 370,000 surface acres in 19 counties in the State of Florida ("Subsurface Interests"); and

- An inventory of historically owned mitigation credits as well as mitigation credits produced by the Company's mitigation bank. The mitigation bank owns a 2,500 acre parcel of land in the western part of Daytona Beach, Florida and, pursuant to a mitigation plan approved by the applicable state and federal authorities, produces mitigation credits that are sold to developers of land in the Daytona Beach area for the purpose of enabling the developers to obtain certain regulatory permits for property development (the "Mitigation Bank"). Prior to the Interest Purchase (hereinafter defined in Note 8, "Investment in Joint Ventures" in the notes to the consolidated financial statements in Item 8) completed on September 30, 2021, the Company held a 30% retained interest in the entity that owns the Mitigation Bank.

On December 10, 2021, the entity that held approximately 1,600 acres of undeveloped land in Daytona Beach, Florida (the "Land JV"), of which the Company previously held a 33.5% retained interest, completed the sale of all of its remaining land holdings for $66.3 million to Timberline Acquisition Partners, LLC an affiliate of Timberline Real Estate Partners (the "Land JV Sale"). Proceeds to the Company after distributions to the other member of the Land JV, and before taxes, were $24.5 million. Prior to the completion of the Land JV Sale, the Company was engaged in managing the Land JV, as further described in Note 6, "Related Party Management Services Business" in the notes to the consolidated financial statements in Item 8. As a result of the Land JV Sale and corresponding dissolution of the Land JV, the Company no longer holds a retained interest in the Land JV as of December 31, 2021.

Our business also includes our investment in PINE. As of December 31, 2021, the fair value of our investment totaled $41.0 million, or 15.6% of PINE's outstanding equity, including the units of limited partnership interest ("OP Units") we hold in Alpine Income Property OP, LP (the "PINE Operating Partnership"), which are redeemable for cash, based upon the value of an equivalent number of shares of PINE common stock at the time of the redemption, or shares of PINE common stock on a one-for-one basis, at PINE's election. Our investment in PINE generates investment income through the dividends distributed by PINE. In addition to the dividends we receive from PINE, our investment in PINE may benefit from any appreciation in PINE's stock price, although no assurances can be provided that such appreciation will occur, the amount by which our investment will increase in value, or the timing thereof. Any dividends received from PINE are included in investment and other income (loss) on the accompanying consolidated statements of operations.

Discontinued Operations. The Company reports the historical financial position and results of operations of disposed businesses as discontinued operations when it has no continuing interest in the business. On October 16, 2019, the Company sold a controlling interest in its wholly owned subsidiary that held 5,300 acres of undeveloped land in Daytona Beach, Florida. On October 17, 2019, the Company sold its interest in the golf operations. For the year ended December 31, 2019, the Company has reported the historical financial position and the results of operations related to the Land JV and the golf operations as discontinued operations (see Note 25, "Assets and Liabilities Held for Sale and Discontinued Operations" in the notes to the consolidated financial statements in Item 8). The cash flows related to discontinued operations have been disclosed. There were no discontinued operations during the years ended December 31, 2021 or 2020.

The Company operates in four primary business segments: income properties, management services, commercial loan and master lease investments, and real estate operations. The identifiable assets and liabilities related to the discontinued real estate operations have been separately disclosed as discontinued real estate operations for the years presented.

The following is a summary of financial information regarding the Company's business segments for the years ended December 31 (in thousands):

	2021	2020	2019
Revenues:			
Income Properties	$ 50,679	$ 49,953	$ 41,956
Management Services	3,305	2,744	304
Interest Income from Commercial Loan and Master Lease Investments	2,861	3,034	1,829
Real Estate Operations	13,427	650	852
Total Revenues	$ 70,272	$ 56,381	$ 44,941
Operating Income (Loss):			
Income Properties	$ 36,864	$ 37,965	$ 34,955
Management Fee Income	3,305	2,744	304
Commercial Loan and Master Lease Investments	2,861	3,034	1,829
Real Estate Operations	4,812	(2,573)	748
General and Administrative Expenses	(11,202)	(11,567)	(9,818)
Impairment Charges	(17,599)	(9,147)	—
Depreciation and Amortization	(20,581)	(19,063)	(15,797)
Gain on Disposition of Assets	28,316	9,746	21,978
Gain (Loss) on Extinguishment of Debt	(3,431)	1,141	—
Total Operating Income	$ 23,345	$ 12,280	$ 34,199
Identifiable Assets:			
Income Properties	$ 630,747	$ 531,325	$ 464,285
Management Services	1,653	700	381
Commercial Loan and Master Lease Investments	39,095	38,321	35,742
Real Estate Operations	26,512	59,717	65,555
Discontinued Real Estate Operations	—	833	833
Corporate and Other [1]	35,132	35,804	137,398
Total Assets	$ 733,139	$ 666,700	$ 704,194

(1) Corporate and other assets consist primarily of cash and restricted cash, property, plant, and equipment related to the other operations, as well as the general and corporate operations.

BUSINESS PLAN

Our business plan going forward is primarily focused on investing in income-producing real estate, with a focus on multi-tenant, primarily retail-oriented, properties. We may also self-develop multi-tenant income properties, as we have done in the past. We may also invest in commercial loans or similar financings secured by commercial real estate. We may acquire multi-tenant income properties, and possibly single-tenant net lease assets that fall outside our ROFO Agreement (hereinafter defined) with PINE, with proceeds from the sale of an income property currently in our portfolio, and because our current properties generally have low tax bases, we may seek to have the sale of the current income property qualify for income tax deferral through the like-kind exchange provisions under Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code"). The low tax basis in our income property portfolio is the result of us having acquired the original land primarily in the early part of our more than 100-year history.

Our investment strategy seeks to acquire income properties, primarily multi-tenants, which will continue to broaden the credit base of our lease tenants, diversify our income property portfolio geographically, with an emphasis on major markets and growth markets in the U.S., and diversify the type of income-producing properties.

Our access to sources of debt financing, particularly our borrowing capacity under our revolving credit facility (as amended and restated, the "Credit Facility"), also provide a source of capital for our investment strategy. Our strategy is to utilize leverage, when appropriate and necessary, and potentially proceeds from sales of income properties, the disposition or payoffs of our commercial loan and master lease investments, and certain transactions involving our Subsurface Interests, to acquire income properties. We may also acquire or originate commercial loan and master lease investments, invest in securities of real estate companies, or make other shorter-term investments. Our targeted investment classes may include the following:

- Multi-tenant, primarily retail-oriented, properties in major metropolitan areas and growth markets, typically stabilized;
- Single-tenant retail or other commercial, double or triple net leased, properties in major metropolitan areas and growth markets that are compliant with our commitments under the PINE ROFO Agreement;
- Ground leases, whether purchased or originated by the Company, that are compliant with our commitments under the ROFO Agreement;
- Self-developed retail or other commercial properties;
- Commercial loan and master lease investments, whether purchased or originated by the Company, with loan terms of 1-10 years with strong risk-adjusted yields secured by property types to include hotel, retail, residential, land and industrial;
- Select regional area investments using Company market knowledge and expertise to earn strong risk-adjusted yields; and
- Real estate-related investment securities, including commercial mortgage-backed securities, preferred or common stock, and corporate bonds.

Our investments in income-producing properties are typically subject to long-term leases. For multi-tenant properties, each tenant typically pays its proportionate share of the aforementioned operating expenses of the property, although for such properties we typically incur additional costs for property management services. Single-tenant leases are typically in the form of triple or double net leases and ground leases. Triple-net leases generally require the tenant to pay property operating expenses such as real estate taxes, insurance, assessments and other governmental fees, utilities, repairs and maintenance, and capital expenditures.

INCOME PROPERTIES

We have pursued a strategy of investing in income-producing properties, when possible, by utilizing the proceeds from real estate transactions, including the disposition of income properties and non-income producing assets.

Our strategy for investing in income-producing properties is focused on factors including, but not limited to, long-term real estate fundamentals and target markets, including major markets or those markets experiencing significant economic growth. We employ a methodology for evaluating targeted investments in income-producing properties which includes an evaluation of: (i) the attributes of the real estate (e.g. location, market demographics, comparable properties in the market, etc.); (ii) an evaluation of the existing tenant(s) (e.g. credit-worthiness, property level sales, tenant rent levels compared to the market, etc.); (iii) other market-specific conditions (e.g. tenant industry, job and population growth in the

market, local economy, etc.); and (iv) considerations relating to the Company's business and strategy (e.g. strategic fit of the asset type, property management needs, ability to use a Section 1031 like-kind exchange structure, etc.).

We believe investment in income-producing assets provides attractive opportunities for generally stable cash flows and increased returns over the long run through potential capital appreciation. In 2020, we experienced a short term decrease in cash from operations as our tenants were impacted by the COVID-19 Pandemic and certain tenants' rents were abated or deferred during the year. A prolonged imposition of mandated closures or other social-distancing guidelines as a result of the COVID-19 Pandemic may adversely impact more our tenants' ability to generate sufficient revenues, and could force additional tenants to default on their leases, or result in the bankruptcy or insolvency of tenants, which would diminish the rental revenue we receive under our leases. The rapid development and fluidity of the pandemic precludes any prediction as to the ultimate adverse impact on our business, however during the year ended December 31, 2021, the Company did not experience significant adverse effects related to the COVID-19 Pandemic.

During the year ended December 31, 2021, the Company acquired eight multi-tenant income properties for an aggregate purchase price of $249.1 million, or a total acquisition cost of $249.8 million including capitalized acquisition costs. Of the total acquisition cost, $78.0 million was allocated to land, $124.9 million was allocated to buildings and improvements, $49.7 million was allocated to intangible assets pertaining to the in-place lease value, leasing costs, and above market lease value, and $2.8 million was allocated to intangible liabilities for the below market lease value. The weighted average amortization period for the intangible assets and liabilities was 6.8 years at acquisition.

The properties acquired during the year ended December 31, 2021 are described below:

Tenant Description	Tenant Type	Property Location	Date of Acquisition	Property Square-Feet	Purchase Price ($000's)	Percentage Leased at Acquisition	Remaining Lease Term at Acquisition Date (in years)
Jordan Landing	Multi-Tenant	West Jordan, UT	03/02/21	170,996	$ 20,000	100%	7.9
Eastern Commons	Multi-Tenant	Henderson, NV	03/10/21	133,304	18,500	96%	6.9
The Shops at Legacy	Multi-Tenant	Plano, TX	06/23/21	236,867	72,500	83%	6.9
Beaver Creek Crossings	Multi-Tenant	Apex, NC	12/02/21	320,732	70,500	97%	5.8
125 Lincoln & 150 Washington	Multi-Tenant	Santa Fe, NM	12/20/21	136,638	16,250	66%	2.7
369 N. New York Ave.	Multi-Tenant	Winter Park, FL	12/20/21	28,008	13,200	100%	5.0
The Exchange at Gwinnett	Multi-Tenant	Buford, GA	12/30/21	69,265	34,000	98%	10.7
Ashford Lane Outparcel [1]	Multi-Tenant	Atlanta, GA	12/30/21	15,681	4,100	19%	0.9
			Total / Weighted Average	1,111,491	$ 249,050		6.5

(1) Represents a two-tenant outparcel to Ashford Lane, the Company's multi-tenant income property located in Atlanta, Georgia.

During the year ended December 31, 2021, the Company sold one multi-tenant income property and 14 single-tenant income properties for a total disposition volume of $162.3 million. The sale of the properties generated aggregate gains of $28.2 million.

The income properties disposed of during the year ended December 31, 2021 are described below (in thousands):

Tenant Description	Tenant Type	Date of Disposition	Sales Price	Gain on Sale
World of Beer/Fuzzy's Taco Shop, Brandon, FL	Multi-Tenant	01/20/21	$ 2,310	$ 599
Moe's Southwest Grill, Jacksonville, FL [4]	Single-Tenant	02/23/21	2,541	109
Burlington, N. Richland Hills, TX	Single-Tenant	04/23/21	11,528	62
Staples, Sarasota, FL	Single-Tenant	05/07/21	4,650	662
CMBS Portfolio [1]	Single-Tenant	06/30/21	44,500	3,899
Chick-fil-A, Chandler, AZ [4]	Single-Tenant [2]	07/14/21	2,884	1,582
JPMorgan Chase Bank, Chandler, AZ [4]	Single-Tenant [2]	07/27/21	4,710	2,738
Fogo De Chao, Jacksonville, FL [4]	Single-Tenant [3]	09/02/21	4,717	866
Wells Fargo, Raleigh, NC	Single-Tenant	09/16/21	63,000	17,480
24 Hour Fitness, Falls Church, VA	Single-Tenant	12/16/21	21,500	212
		Total	$ 162,340	$ 28,209

(1) On June 30, 2021, the Company sold six single-tenant income properties (the "CMBS Portfolio") to PINE for an aggregate purchase price of $44.5 million.
(2) Represents a single-tenant outparcel to Crossroads Towne Center, the Company's multi-tenant income property located in Chandler, Arizona.
(3) Represents a single-tenant property at The Strand at St. Johns Town Center, the Company's multi-tenant income property located in Jacksonville, Florida.
(4) Property or outparcel represents a ground lease.

Our current portfolio of 9 single-tenant income properties generates $12.1 million of revenues from annualized straight-line base lease payments and had a weighted average remaining lease term of 25.3 years as of December 31, 2021. Our current portfolio of 13 multi-tenant properties generates $40.9 million of revenue from annualized straight-line base lease payments and had a weighted average remaining lease term of 7.0 years as of December 31, 2021.

As part of our overall strategy for investing in income-producing properties, we self-developed two single-tenant net lease restaurant properties on a six-acre beachfront parcel in Daytona Beach, Florida. The development was completed in January of 2018 and rent commenced from both tenants pursuant to their separate leases. On a limited basis, we have acquired and may continue to selectively acquire other real estate, either vacant land or land with existing structures, that we would demolish and develop into additional income properties. Our investments in vacant land or land with existing structures would target opportunistic acquisitions of select sites, which may be distressed, with an objective of having short investment horizons. Should we pursue such acquisitions, we may seek to partner with developers to develop these sites rather than self-develop the properties. As of December 31, 2021, the Company had invested $5.7 million, including raze and entitlement costs, to acquire six acres in downtown Daytona Beach that is located in an opportunity zone. During the three months ended December 31, 2021, the Company sold the six-acre parcel for a sales price of $6.25 million.

Our focus on acquiring income-producing investments includes a continual review of our existing income property portfolio to identify opportunities to recycle our capital through the sale of income properties based on, among other possible factors, the current or expected performance of the property and favorable market conditions. We sold 14 single-tenant income properties, including four ground leases, and one multi-tenant income property during the year ended December 31, 2021. As a result of entering the Exclusivity and Right of First Offer Agreement with PINE (the “ROFO Agreement”) which generally prevents us from investing in single-tenant net lease income properties, our income property investment strategy will be focused on multi-tenant, primarily retail-oriented, properties. We may pursue this strategy by monetizing certain of our single-tenant properties, and should we do so, we would seek to utilize the 1031 like-kind exchange structure to preserve the tax-deferred gain on the original transaction(s) that pertains to the replacement asset.

As of December 31, 2021, the Company owned 9 single-tenant and 13 multi-tenant income properties in 10 states. Following is a summary of these properties:

Tenant	City	State	Area (Square Feet)
Carpenter Hotel [1]	Austin	TX	73,508
Chuy's	Jacksonville	FL	7,950
Crabby's Oceanside	Daytona Beach	FL	5,780
Fidelity	Albuquerque	NM	210,067
Firebirds Wood Fired Grill	Jacksonville	FL	6,948
General Dynamics	Reston	VA	64,319
LandShark Bar & Grill	Daytona Beach	FL	6,264
Party City Corporation	Oceanside	NY	15,500
Sabal Pavilion	Tampa	FL	120,500
9 Single-Tenant Properties			**510,836**
245 Riverside	Jacksonville	FL	136,853
Westcliff Shopping Center	Fort Worth	TX	136,185
The Strand at St. Johns Town Center	Jacksonville	FL	204,552
Crossroads Towne Center	Chandler	AZ	244,711
Ashford Lane	Atlanta	GA	285,052
Westland Gateway Plaza [1]	Hialeah	FL	108,029
Jordan Landing	West Jordan	UT	170,996
Eastern Commons	Henderson	NV	133,304
The Shops at Legacy	Plano	TX	236,867
Beaver Creek Crossings	Apex	NC	320,732
125 Lincoln & 150 Washington	Santa Fe	NM	136,638
369 N. New York Ave.	Winter Park	FL	28,008
The Exchange at Gwinnett	Buford	GA	69,265
13 Multi-Tenant Properties			**2,211,192**
22 Total Properties			**2,722,028**

(1) The leases with the Master Tenant in Hialeah (“Westland Gateway Plaza”) and Carpenter Hotel have been recorded in the accompanying consolidated balance sheets as commercial loan and master lease investments due to tenant repurchase options (see Note 5, “Commercial Loan and Master Lease Investments” in the notes to the consolidated financial statements in Item 8).

The weighted average economic and physical occupancy rates of our income properties at December 31st for each of the last three years on a portfolio basis are as follows:

Year	Single-Tenant Economic / Physical Occupancy	Multi-Tenant Economic / Physical Occupancy
2019	100% / 100%	82% / 82%
2020	100% / 100%	83% / 82%
2021	100% / 100%	86% / 85%

The information on lease expirations of our total income property portfolio for each of the ten years starting with 2022 is as follows:

Year	# of Tenant Leases Expiring	Total Square Feet of Leases Expiring	Annual Rents Expiring [(1)] ($000's)	Percentage of Gross Annual Rents Expiring [(1)]
2022	31	94,608	$ 2,486	5.0%
2023	27	187,901	$ 4,270	8.6%
2024	19	67,840	$ 1,764	3.6%
2025	21	134,236	$ 3,334	6.7%
2026	39	372,844	$ 6,694	13.5%
2027	20	255,919	$ 3,650	7.4%
2028	20	471,931	$ 9,173	18.5%
2029	16	227,747	$ 4,220	8.5%
2030	10	93,318	$ 1,783	3.6%
2031	34	111,280	$ 2,551	5.1%

(1) Annual Rents consist of the in-place base rent to be received pursuant to each lease agreement (i.e. not on a straight-line basis).

The majority of leases have additional option periods beyond the original term of the lease, which typically are exercisable at the tenant's option.

MANAGEMENT SERVICES BUSINESS

Our business plan includes generating revenue from managing PINE. Pursuant to the management agreement with PINE, the Company generates a base management fee equal to 1.5% of PINE's total equity. The structure of the base fee provides the Company with an opportunity for the base fee to grow should PINE's independent board members determine to raise additional equity capital in the future. The Company also has an opportunity to achieve additional cash flows as manager of PINE pursuant to the terms of an annual incentive fee, as further described in Note 6, "Related Party Management Services Business" in the notes to the consolidated financial statements in Item 8.

Through December 31, 2021, the Company also generated management fees as the Land JV manager. Pursuant to the terms of the operating agreement for the Land JV, the initial amount of the management fee was $20,000 per month. The management fee was evaluated quarterly, and as land sales occurred in the Land JV, the basis for our management fee was reduced as the management fee was based on the value of real property that remained in the Land JV. The monthly management fee as of December 31, 2021, was $10,000 per month.

COMMERCIAL LOAN AND MASTER LEASE INVESTMENTS

Our investments in commercial loans or similar structured finance investments, such as mezzanine loans or other subordinated debt, have been and are expected to continue to be secured by real estate or the borrower's pledge of its ownership interest in the entity that owns the real estate. The loans we invest in or originate are for commercial real estate located in the United States and its territories, and are current or performing with either a fixed or floating rate. Some of these loans may be syndicated in either a pari-passu or senior/subordinated structure. Commercial first mortgage loans generally provide for a higher recovery rate due to their senior position in the underlying collateral. Commercial mezzanine loans are typically secured by a pledge of the borrower's equity ownership in the underlying commercial real estate. Unlike a mortgage, a mezzanine loan is not secured by a lien on the property. An investor's rights in a mezzanine loan are usually governed by an intercreditor agreement that provides holders with the rights to cure defaults and exercise control on certain decisions of any senior debt secured by the same commercial property.

2021 Commercial Loan and Master Lease Investments Portfolio. During the year ended December 31, 2021, the Company originated a loan in connection with the sale of a land parcel with an existing structure located in Daytona Beach, Florida. The principal loan amount of $0.4 million bears interest at a fixed rate of 10.00% and has an initial term of 1.5 years. As of December 31, 2021, the Company's commercial loan and master lease investments portfolio included two commercial loan investments and two commercial properties with a carrying value of $39.1 million.

2020 Commercial Loan and Master Lease Investments Portfolio. During the year ended December 31, 2020, the Company invested in four commercial loans totaling $28.2 million including one $21.0 million master lease investment classified as a commercial loan and master lease investment due to future repurchase rights. In addition, the Company generated aggregate proceeds of $23.0 million resulting from (i) the sale of four of its commercial loan and master lease investments for $20.0 million, of which the Company recognized a loss of $0.4 million, (ii) the repayment of its $2.0 million loan provided to the buyer of the Company's former golf operations, and (iii) a $1.0 million principal payment on a loan prior to its disposal. In connection with marketing the loan portfolio in advance of their upcoming maturities, the Company recognized an aggregate impairment charge on the loan portfolio of $1.9 million. As of December 31, 2020, the Company's commercial loan and master lease investment portfolio included one commercial loan investment and two commercial properties with a carrying value of $38.3 million.

2019 Commercial Loan and Master Lease Investments Portfolio. During the year ended December 31, 2019, the Company invested $34.7 million on four commercial loans. Two were mortgage notes of $8.0 million and $8.25 million secured by a parcel of land in Orlando, Florida and a full-service hotel in Austin, Texas, respectively. In addition, in connection with the sale of the Company's golf operations, the Company provided a $2.1 million loan to the buyer, with a maturity of one year and an interest rate of 7.5%. The Company also invested $16.3 million in the Carpenter Hotel which is classified as a commercial loan and master lease investment due to future repurchase rights. As of December 31, 2019, the Company's commercial loan and master lease investment portfolio included the three loans with a carrying value of $34.6 million, a weighted average interest rate of 11.3% and a remaining duration to maturity of 0.5 years.

REAL ESTATE OPERATIONS – CONTINUING

Daytona Beach Development. During the three months ended September 30, 2021, the Company entered into a purchase and sale agreement to sell a six-acre parcel of land with existing structures in downtown Daytona Beach and other contiguous parcels (the "Daytona Beach Development") for a sales price of $6.25 million, which sale was completed on December 28, 2021, resulting in a gain of $0.2 million. The Daytona Beach Development, representing a substantial portion of an entire city block in downtown Daytona Beach adjacent to International Speedway Boulevard, a major thoroughfare in Daytona Beach, was acquired by the Company for $4.1 million. Prior to its disposition, the Company incurred $1.6 million in raze and entitlement costs related to the Daytona Beach Development.

Mitigation Credits. The Company owns mitigation credits and mitigation credit rights with an aggregate cost basis of $24.7 million as of December 31, 2021, representing a $22.1 million increase from the balance as of December 31, 2020. During the three months ended September 30, 2021, the Company completed the Interest Purchase, hereinafter defined in Note 8, "Investment in Joint Ventures" in the notes to the consolidated financial statements in Item 8. As a result of the Interest Purchase, as of September 30, 2021, the Company owns 100% of the Mitigation Bank, and therefore its underlying assets, which includes an inventory of mitigation credits. Certain of the mitigation credits are currently available for sale with the remainder to become available as they are released to the Mitigation Bank by the applicable state and federal authorities pursuant to the completion of phases of the approved mitigation plans ("Mitigation Credit Rights"). At the time of the Interest Purchase on September 30, 2021, the Company's cost basis in the newly acquired mitigation credits and Mitigation Credit Rights totaled $0.9 million and $21.6 million, respectively, which is comprised of (i) $15.6 million of the $18.0 million Interest Purchase allocated to the mitigation credit assets and (ii) the $6.9 million previously recorded value of the retained interest in the entity that owns the Mitigation Bank.

Revenues and the cost of sales of mitigation credit sales are reported as revenues from, and direct costs of, real estate operations, respectively, in the consolidated statements of operations. During the year ended December 31, 2021, the Company sold six mitigation credits for proceeds of $0.7 million with a cost basis of $0.5 million. Additionally, two mitigation credits with a cost basis of $0.1 million were accrued for as an expense during the year ended December 31, 2021, as such credits are to be provided to buyers of land at no cost. Mitigation credit sales totaled less than $0.1 million during the year ended December 31, 2020, which sales were offset by an aggregate charge to cost of sales totaling $3.1 million, comprised of (i) 42 mitigation credits with a cost basis of $2.9 million that were provided at no cost to buyers, (ii) the Company's purchase of two mitigation credits for $0.2 million, and (iii) 31 mitigation credits with a cost basis of less

than $0.1 million transferred to buyers of land previously sold and of which costs were accrued for in prior years at the time of the original land sale. There were no mitigation credit sales during the year ended December 31, 2019. Additionally, during the year ended December 31, 2020, the Company transferred 13.31 federal mitigation credits to the permit related to the land that gave rise to an environmental restoration matter that has been fully resolved as of December 31, 2021. These credits had an aggregate cost basis of $0.1 million and are included in general and administrative expenses in the consolidated statements of operations for the year ended December 31, 2020.

Subsurface Interests. As of December 31, 2021, the Company owns 370,000 acres of Subsurface Interests. The Company leases certain of the Subsurface Interests to mineral exploration firms for exploration. The Company's subsurface operations consist of revenue from the leasing of exploration rights and in some instances, additional revenues from royalties applicable to production from the leased acreage, which revenues are included within real estate operations in the consolidated statements of operations. During the year ended December 31, 2021, the Company sold approximately 84,900 acres of subsurface oil, gas, and mineral rights for a sales price of $4.6 million. During the year ended December 31, 2020, the Company sold 345 acres of subsurface interests totaling $0.4 million. There were no subsurface sales during the year ended December 31, 2019.

Prior to September 2019, the Company leased certain of the Subsurface Interests to a mineral exploration organization for exploration. The lessee had previously exercised renewal options through the eighth year of the lease which ended on September 22, 2019. The Lessee elected not to renew the oil exploration lease beyond September 22, 2019. Lease income generated by the annual lease payments was recognized on a straight-line basis over the guaranteed lease term. For the year ended December 31, 2019, lease income of $0.6 million was recognized with no lease income recognized during the years ended December 31, 2021 and 2020.

During the years ended December 31, 2021, 2020 and 2019, the Company also received oil royalties from operating oil wells on 800 acres under a separate lease with a separate operator. Revenues received from oil royalties totaled less than $0.1 million during each respective year.

The Company is not prohibited from selling any or all of its Subsurface Interests. The Company may release surface entry rights or other rights upon request of a surface owner for a negotiated release fee typically based on a percentage of the surface value. Should the Company complete a transaction to sell all or a portion of its Subsurface Interests or complete a release transaction, the Company may utilize the like-kind exchange structure in acquiring one or more replacement investments including income-producing properties. Cash payments for the release of surface entry rights totaled $0.1 million, $0.2 million, and $0.1 million during the years ended December 31, 2021, 2020, and 2019, respectively.

Land Impairments. There were no impairment charges on the Company's undeveloped land holdings, or its income property portfolio, during the years ended December 31, 2021, 2020, or 2019. The $17.6 million impairment charge recognized during the year ended December 31, 2021, which is comprised of a $16.5 million charge during the three months ended June 30, 2021 and a $1.1 million charge during the three months ended December 31, 2021, is related to the Company's previously held retained interest in the Land JV. The aggregate impairment charge of $17.6 million is a result of eliminating the investment in joint ventures based on the final proceeds received through distributions of the Land JV in connection with closing the sale of substantially all of the Land JV's remaining land to Timberline Acquisition Partners, an affiliate of Timberline Real Estate Partners ("Timberline"), for a final sales price of $66.3 million.

Additionally, during the year ended December 31, 2020, the Company recognized an aggregate $7.2 million impairment charge comprised of a $0.1 million impairment charge on one of the land parcels included in the Daytona Beach Development and a $7.1 million impairment charge on the Company's previously held retained interest in the Land LV. The $7.1 million impairment on the Company's previously held retained interest in the Land JV was the result of a re-forecast of the anticipated undiscounted future cash flows to be received by the Company based on the estimated timing of future land sales from the Land JV.

Real Estate Operations – Discontinued Operations

Land JV. As previously noted, the Land JV, of which the Company previously held a 33.5% retained interest, completed the sale of all of its remaining land holdings on December 10, 2021. From its inception on October 16, 2019 through December 31, 2021, the Land JV completed $147.0 million in land sales, during which period the Company pursued land sales on the acreage that formerly comprised its land holdings on behalf of the partners of the Land JV ("JV

Partners") in its role as manager of the Land JV. Upon the closing of the sale of the Land JV's remaining assets to Timberline, the value of the Company's previously held retained interest in the Land JV was realized in the form of proceeds, which totaled $24.5 million, to the Company after distributions to the other member of the Land JV.

2019 Land Sales. During the year ended December 31, 2019, the Company completed five land sales transactions, including: (i) the Magnetar Land Sale (hereinafter defined) for 5,300 acres of land, for total proceeds of $97.0 million; (ii) two transactions with Unicorp Development representing 23.6 acres and generating aggregate proceeds of $7.1 million; (iii) the sale of 38 acres for total proceeds of $0.7 million, and (iv) a land sale to NADG for 13 acres generating proceeds of $3.0 million. In total, during 2019, the Company sold 5,400 acres generating proceeds of $108.0 million. Including the $48.9 million recognized on the previously held retained interest in the Land JV, gains of $133.0 million, or $20.60 per share, after tax, were recognized.

REIT CONVERSION

On September 3, 2020, the Board unanimously approved a plan for the Company to elect to be subject to tax as a REIT for U.S. federal income tax purposes commencing with its taxable year ended December 31, 2020. Subsequently, during a special meeting of stockholders held on November 9, 2020, the Company's stockholders approved the merger of CTO Realty Growth, Inc., a Florida corporation ("CTO FL"), with and into CTO NEWCO REIT, Inc. ("CTO MD"), a wholly owned Maryland subsidiary of CTO FL (the "Merger") in order to reincorporate in Maryland and facilitate its ongoing compliance with the REIT requirements by ensuring that certain standard REIT ownership limitations and transfer restrictions apply to CTO's capital stock.

As of December 31, 2020, the Company had completed certain internal reorganization transactions necessary to begin operating in compliance with the requirements for qualification and taxation as a REIT for U.S. federal income tax purposes for the taxable year ended December 31, 2020.

In order to comply with certain REIT requirements set forth in the Code, we hold certain of our non-REIT assets and operations through taxable REIT subsidiaries ("TRSs") and subsidiaries of TRSs. A TRS is a subsidiary of a REIT that is generally subject to U.S. federal corporate income tax on its earnings. Net income from our TRSs either will be retained by our TRSs and used to fund their operations, or will be distributed to us, where it will either be reinvested by us into our business or available for distribution to our stockholders. However, distributions from our TRSs to us will not produce qualifying income for purposes of the 75% gross income test applicable to REITs and thus may be limited.

To maintain its qualification as a REIT, the Company must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of the Company's annual REIT taxable income, determined without regard to the dividends paid deduction and excluding net capital gain, to its stockholders (which is computed and which does not necessarily equal net income as calculated in accordance with generally accepted accounting principles). As a REIT, the Company is generally not subject to U.S. federal corporate income tax to the extent of its distributions to stockholders. If the Company fails to qualify as a REIT in any taxable year, the Company will be subject to U.S. federal income tax on its taxable income at regular corporate rates and generally will not be permitted to qualify for treatment as a REIT for the four taxable years following the year during which qualification is lost unless the Internal Revenue Service ("IRS") grants the Company relief under certain statutory provisions. Such an event could materially adversely affect the Company's net income and net cash available for distribution to stockholders. Even if the Company qualifies for taxation as a REIT, the Company may be subject to state and local taxes on its income and property and federal income and excise taxes on its undistributed income.

In connection with the REIT conversion, on November 9, 2020, the Board declared a special distribution on its shares of common stock in an aggregate amount of $55.8 million (the "Special Distribution"), payable in cash and shares of the Company's common stock, in order to distribute the Company's previously undistributed earnings and profits attributable to taxable periods ended on or prior to December 31, 2019, as required in connection with the Company's election to be taxable as a REIT. The Special Distribution was paid on December 21, 2020 to stockholders of record as of the close of business on November 19, 2020 through an aggregate of $5.6 million in cash and the issuance of 1,198,963 shares of the Company's common stock.

REIT CONVERSION MERGER

On January 29, 2021, in connection with the REIT conversion, the Company completed the Merger. As a result of the Merger, existing shares of CTO FL common stock were automatically converted, on a one-for-one basis, into shares of common stock of CTO MD. CTO MD is a corporation organized in the state of Maryland and has been renamed "CTO Realty Growth, Inc." CTO MD's charter includes certain standard REIT provisions, including ownership limitations and transfer restrictions applicable to the Company's capital stock. See Note 14, "Equity" for the Company's disclosure related to the equity adjustments recorded during the three months ended March 31, 2021 in connection with the Merger.

In connection with the REIT conversion and the Merger, CTO FL applied to list CTO MD's common stock on the New York Stock Exchange (the "NYSE") under CTO FL's ticker symbol, "CTO." This application was approved, and CTO MD's common stock began trading on the NYSE on February 1, 2021 under the ticker symbol "CTO."

COMPETITION

The real estate industry is, in general, a highly competitive industry. Our business plan is focused on investing in commercial real estate that produces income primarily through the leasing of assets to tenants. To identify investment opportunities in income-producing real estate assets and to achieve our investment objectives, we compete with numerous companies and organizations, both public as well as private, of varying sizes, ranging from organizations with local operations to organizations with national scale and reach, and in some cases, we compete with individual real estate investors. In all the markets in which we compete to acquire income properties, price is the principal method of competition, with transaction structure and certainty of execution also being significant considerations for potential sellers. Should we need to re-lease our single-tenant income properties or space(s) in our multi-tenant properties, we would compete with many other property owners in the local market based on, among other elements, price, location of our property, potential tenant improvements, and lease term.

Our business plan may also focus on investing in commercial real estate through the acquisition or origination of mortgage financings secured by commercial real estate. Competition for investing in commercial mortgage loans and similar financial instruments can include financial institutions such as banks, life insurance companies, institutional investors such as pension funds, and other lenders including mortgage REITs, REITs, and high net worth investors. The organizations that we compete with are of varying sizes, ranging from organizations with local operations to organizations with national scale and reach. Competition from these interested parties is based on, amongst other things, pricing or rate, financing structure, and other elements of the typical terms and conditions of a real estate financing.

REGULATION

General. Our properties are subject to various laws, ordinances and regulations, including those relating to fire and safety requirements, and affirmative and negative covenants and, in some instances, common area obligations. Our tenants have primary responsibility for compliance with these requirements pursuant to our leases. We believe that each of our properties has the necessary permits and approvals.

Americans With Disabilities Act. Under Title III of the Americans with Disabilities Act ("ADA"), and rules promulgated thereunder, in order to protect individuals with disabilities, public accommodations must remove architectural and communication barriers that are structural in nature from existing places of public accommodation to the extent "readily achievable." In addition, under the ADA, alterations to a place of public accommodation or a commercial facility are to be made so that, to the maximum extent feasible, such altered portions are readily accessible to and usable by disabled individuals. The "readily achievable" standard considers, among other factors, the financial resources of the affected site and the owner, lessor or other applicable person.

Compliance with the ADA, as well as other federal, state and local laws, may require modifications to properties we currently own or may purchase or may restrict renovations of those properties. Failure to comply with these laws or regulations could result in the imposition of fines or an award of damages to private litigants, as well as the incurrence of the costs of making modifications to attain compliance, and future legislation could impose additional obligations or restrictions on our properties. Although our tenants are generally responsible for all maintenance and repairs of the property pursuant to our lease, including compliance with the ADA and other similar laws or regulations, we could be held liable as the owner of the property for a failure of one of our tenants to comply with these laws or regulations.

ENVIRONMENTAL MATTERS

Federal, state and local environmental laws and regulations regulate, and impose liability for, releases of hazardous or toxic substances into the environment. Under various of these laws and regulations, a current or previous owner, operator or tenant of real estate may be required to investigate and clean up hazardous or toxic substances, hazardous wastes or petroleum product releases or threats of releases at the property, and may be held liable to a government entity or to third parties for property damage and for investigation, clean-up and monitoring costs incurred by those parties in connection with the actual or threatened contamination. These laws may impose clean-up responsibility and liability without regard to fault, or whether the owner, operator or tenant knew of or caused the presence of the contamination. The liability under these laws may be joint and several for the full amount of the investigation, clean-up and monitoring costs incurred or to be incurred or actions to be undertaken, although a party held jointly and severally liable may seek to obtain contributions from other identified, solvent, responsible parties of their fair share toward these costs. These costs may be substantial and can exceed the value of the property. In addition, some environmental laws may create a lien on the contaminated site in favor of the government for damages and costs it incurs in connection with the contamination. As the owner or operator of real estate, we also may be liable under common law to third parties for damages and injuries resulting from environmental contamination emanating from the real estate. The presence of contamination, or the failure to properly remediate contamination, on a property may adversely affect the ability of the owner, operator or tenant to sell or rent that property or to borrow using the property as collateral and may adversely impact our investment in that property.

Some of our properties contain, have contained or are adjacent to or near other properties that have contained or currently contain storage tanks for the storage of petroleum products or other hazardous or toxic substances. Similarly, some of our properties were used in the past for commercial or industrial purposes, or are currently used for commercial purposes, that involve or involved the use of petroleum products or other hazardous or toxic substances or are adjacent to or near properties that have been or are used for similar commercial or industrial purposes. These operations create a potential for the release of petroleum products or other hazardous or toxic substances, and we could potentially be required to pay to clean up any contamination. In addition, environmental laws regulate a variety of activities that can occur on a property, including the storage of petroleum products or other hazardous or toxic substances, air emissions, water discharges and exposure to lead-based paint. Such laws may impose fines or penalties for violations and may require permits or other governmental approvals to be obtained for the operation of a business involving such activities. As a result of the foregoing, we could be materially and adversely affected.

Environmental laws also govern the presence, maintenance and removal of asbestos-containing materials (“ACM”). Federal regulations require building owners and those exercising control over a building’s management to identify and warn, through signs and labels, of potential hazards posed by workplace exposure to installed ACM in their building. The regulations also have employee training, record keeping and due diligence requirements pertaining to ACM. Significant fines can be assessed for violation of these regulations. As a result of these regulations, building owners and those exercising control over a building’s management may be subject to an increased risk of personal injury lawsuits by workers and others exposed to ACM. The regulations may affect the value of a building containing ACM in which we have invested. Federal, state and local laws and regulations also govern the removal, encapsulation, disturbance, handling and/or disposal of ACM when those materials are in poor condition or in the event of construction, remodeling, renovation or demolition of a building. These laws may impose liability for improper handling or a release into the environment of ACM and may provide for fines to, and for third parties to seek recovery from, owners or operators of real properties for personal injury or improper work exposure associated with ACM.

When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources and other biological contaminants such as pollen, viruses and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants or others if property damage or personal injury occurs.

We obtain Phase I environmental assessments on all properties acquired. Phase I environmental site assessments are limited in scope and therefore may not reveal all environmental conditions affecting a property. However, if recommended in the initial assessments, we may undertake additional assessments such as soil and/or groundwater samplings or other limited subsurface investigations and ACM or mold surveys to test for substances of concern. A prior owner or operator of a property or historic operations at our properties may have created a material environmental condition that is not known to us or the independent consultants preparing the site assessments. Material environmental conditions may have arisen after the review was completed or may arise in the future, and future laws, ordinances or regulations may impose material additional environmental liability. If environmental concerns are not satisfactorily resolved in any initial or additional assessments, we may obtain environmental insurance policies to insure against potential environmental risk or loss depending on the type of property, the availability and cost of the insurance and various other factors we deem relevant. Our ultimate liability for environmental conditions may exceed the policy limits on any environmental insurance policies we obtain, if any.

Generally, our leases require the lessee to comply with environmental law and provide that the lessee will indemnify us for any loss or expense we incur as a result of the lessee's violation of environmental law or the presence, use or release of hazardous materials on our property attributable to the lessee. If our lessees do not comply with environmental law, or we are unable to enforce the indemnification obligations of our lessees, our results of operations would be adversely affected.

We cannot predict what other environmental legislation or regulations will be enacted in the future, how existing or future laws or regulations will be administered or interpreted or what environmental conditions may be found to exist on our properties in the future. Compliance with existing and new laws and regulations may require us or our tenants to spend funds to remedy environmental problems. If we or our tenants were to become subject to significant environmental liabilities, we could be materially and adversely affected.

HUMAN CAPITAL

We believe that our employees are one of our greatest resources. In order to attract and retain high performing individuals, we are committed to partnering with our employees to provide opportunities for their professional development and promote their well-being. To that end, we have undertaken various initiatives, including the following:

- providing opportunities to participate in industry conferences;
- providing regular feedback to assist in employee development and providing opportunities for employees to provide suggestions to management and safely register complaints;
- focusing on creating a workplace that values employee health and safety, and to that end, facilitating employees working from home during the COVID-19 pandemic;
- committing to the full inclusion of all qualified employees and applicants and providing equal employment opportunities to all persons, in accordance with the principles of the Equal Employment Opportunities Commission and the principles of the ADA; and
- appreciating the many contributions of a diverse workforce, understanding that diverse backgrounds bring diverse perspectives, resulting in unique insights.

At December 31, 2021, the Company had 19 full-time employees and considers its employee relations to be satisfactory.

AVAILABLE INFORMATION

The Company's executive offices are located at 1140 N. Williamson Blvd., Suite 140 Daytona Beach, Florida, and its telephone number is (386) 274-2202.

The Company's website is www.ctoreit.com. The Company intends to comply with the requirements of Item 5.05 of Form 8-K regarding amendments to and waivers under the code of business conduct and ethics applicable to its Chief Executive Officer, Principal Financial Officer and Principal Accounting Officer by providing such information on its website within four days after effecting any amendment to, or granting any waiver under, that code, and we will maintain such information on our website for at least twelve months. The information contained on the Company's website does not constitute part of this Annual Report on Form 10-K.

On the Company's website you can also obtain, free of charge, a copy of this Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act of 1934, as amended, as soon as reasonably practicable, after the Company files such material electronically with, or furnish it to, the Securities and Exchange Commission ("Commission" or "SEC"). The public may read and obtain a copy of any materials the Company files electronically with the Commission at www.sec.gov.

ITEM 1A. RISK FACTORS

SUMMARY OF RISK FACTORS

Below is a summary of the principal factors that make an investment in our securities speculative or risky. This summary does not address all of the risks that we face. Additional discussion of the risks summarized in this risk factor summary, and other risks that we face, can be found below under the heading "Risk Factors" and should be carefully considered, together with other information in this Annual Report on Form 10-K and our other filings with the SEC, before making an investment decision regarding our securities.

- The COVID-19 Pandemic and its variants, and the future outbreak of other highly infectious or contagious diseases, could materially and adversely impact or disrupt our tenant's business operations and as a result adversely impact our financial condition, results of operations, cash flows and performance.
- We are subject to risks related to the ownership of commercial real estate that could affect the performance and value of our properties.
- Adverse changes in U.S., global and local regions or markets that impact our tenants' businesses may materially and adversely affect us generally and the ability of our tenants to make rental payments to us pursuant to our leases.
- Our business is dependent upon our tenants successfully operating their businesses, and their failure to do so could materially and adversely affect us.
- The loss of revenues from our income property portfolio or certain tenants would adversely impact our results of operations and cash flows.
- Retail properties, particularly those with multiple tenants, depend on the presence of and successful operation of an anchor tenant or tenants and the failure of such tenant's business or the loss of the anchor tenant(s) could adversely affect the overall success of our property and thereby could adversely impact our financial condition, results of operations and cash flows.
- We are subject to risks that affect the general retail environment in the United States, such as weakness in the economy, the level of consumer spending, the adverse financial condition of large consumer retail companies and competition from discount and internet retailers, any of which could adversely affect market rents for retail space and the willingness or ability of retail tenants to lease space in our multi-tenant properties.
- A significant portion of the revenue we generate from our income property portfolio is concentrated in specific industry classifications and/or geographic locations and any prolonged dislocation in those industries or downturn in those geographic areas would adversely impact our results of operations and cash flows.
- Our revenues include receipt of management fees and potentially incentive fees derived from our provision of management services to PINE and the loss or failure, or decline in the business or assets, of PINE could substantially reduce our revenues.
- There are various potential conflicts of interest in our relationship with PINE, including our executive officers and/or directors who are also officers and/or directors of PINE, which could result in decisions that are not in the best interest of our stockholders.
- A part of our investment strategy is focused on investing in commercial loan and master lease investments which may involve credit risk.
- We may invest in fixed-rate loan investments, and an increase in interest rates may adversely affect the value of these investments, which could adversely impact our financial condition, results of operations and cash flows.
- The commercial loans or similar financings we may acquire that are secured by commercial real estate typically depend on the ability of the property owner to generate income from operating the property. Failure to do so may result in delinquency and/or foreclosure.
- We may suffer losses when a borrower defaults on a loan and the value of the underlying collateral is less than the amount due.

- The Company's real estate investments are generally illiquid.
- We may experience a decline in the fair value of our real estate assets or investments which could result in impairments and would impact our financial condition and results of operations.
- The Company has several stockholders that beneficially own more than 5% of the Company's outstanding common stock and exercise the related voting rights of those shares. Actions by these stockholders, including trading activity, could have a material adverse impact on the trading price of our stock.
- The Company may be unable to obtain debt or equity capital on favorable terms, if at all, or additional borrowings may impact our liquidity or ability to monetize any assets securing such borrowings.
- Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to service or pay our debt.
- Our operations and properties could be adversely affected in the event of natural disasters, pandemics, or other significant disruptions.
- We may encounter environmental problems which require remediation or the incurrence of significant costs to resolve, which could adversely impact our financial condition, results of operations, and cash flows.
- Failure to remain qualified as a REIT, would cause us to be taxed as a regular corporation, which would substantially reduce funds available for distributions to our stockholders.
- Even if we qualify as a REIT, we may face other tax liabilities that could reduce our cash flows and negatively impact our results of operations and financial condition.
- If we failed to distribute our Pre-REIT Conversion Earnings and Profits, we could fail to qualify as a REIT.
- Failure to make required distributions would subject us to U.S. federal corporate income tax.
- Complying with REIT requirements may limit our ability to hedge our liabilities effectively and may cause us to incur tax liabilities.
- The prohibited transactions tax may limit our ability to dispose of our properties.
- The ability of the Board to revoke our REIT qualification without stockholder approval may cause adverse consequences to our stockholders.
- If we are not successful in utilizing the like-kind exchange structure in deploying the proceeds from dispositions of income properties, or our like-kind exchange transactions are disqualified, we could incur significant taxes and our results of operations and cash flows could be adversely impacted.
- Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

RISK FACTORS

Our business is subject to a number of significant risks. The risks described below may not be the only risks which potentially could impact our business. These additional risks include those which are unknown now or that are currently considered immaterial. If any of the circumstances, events, or developments described below actually occur to a significant degree, our business, financial condition, results of operations, and/or cash flows could be materially adversely affected, and the trading price of our common stock and preferred stock could decline. You should carefully consider the following risks and all the other information set forth in this Annual Report on Form 10-K, including the consolidated financial statements and the notes thereto.

Risks Related to the COVID-19 Pandemic

The COVID-19 Pandemic, and the future outbreak of other highly infectious or contagious diseases, could materially and adversely impact or disrupt our tenant's business operations and as a result adversely impact our financial condition, results of operations, cash flows and performance.

Since late December 2019, the COVID-19 Pandemic has spread globally, including every state in the United States. The COVID-19 Pandemic has had, and other future pandemics could have, repercussions across regional and global economies and financial markets. The outbreak of COVID-19 Pandemic and its variants have significantly adversely impacted global economic activity and produced significant volatility in the global financial markets. The global impact of the outbreak has been rapidly evolving and, as cases of COVID-19 have continued to be identified in additional countries, many countries, including the United States, have reacted by instituting quarantines, mandating business and school closures and restricting travel.

Certain states and cities, including those in which we own properties, have also reacted by instituting quarantines, restrictions on travel, "shelter at home" rules, and importantly restrictions on the types of business that may continue to operate or requiring others to shut down completely. Additional states and cities may implement similar restrictions. As a result, the COVID-19 Pandemic is negatively impacting most every industry directly or indirectly. A number of our tenants have announced temporary closures of their stores and requested rent deferral, or in some instances, rent abatement while

the pandemic remains. Many experts predict that the COVID-19 Pandemic will trigger, or even has already triggered, a period of global economic slowdown or possibly a global recession. The COVID-19 Pandemic, or a future pandemic, could have material and adverse effects on our ability to successfully operate our business and, as a result, our financial condition, results of operations and cash flows due to, among other factors:

- a complete or partial closure of, or other operational issues at, one or more of our properties resulting from government or tenant action;
- the reduced economic activity could severely impact our tenants' businesses, financial condition and liquidity and may cause one or more of our tenants to be unable to meet their obligations to us in full, or at all, or to otherwise seek modifications of such obligations;
- the reduced economic activity could result in a recession, which could negatively impact consumer discretionary spending;
- difficulty accessing debt and equity capital on attractive terms, or at all, and a severe disruption and instability in the global financial markets or deteriorations in credit and financing conditions may affect our access to capital necessary to fund business operations on a timely basis;
- a general decline in business activity and demand for real estate transactions could adversely affect our ability or desire to grow our portfolio of properties;
- a deterioration in our or our tenants' ability to operate in affected areas or delays in the supply of products or services to us or our tenants from vendors that are needed for our or our tenants' efficient operations could adversely affect our operations and those of our tenants; and
- the potential negative impact on the health of the Company's personnel, particularly if a significant number of them are impacted, could result in a deterioration in our ability to ensure business continuity during a disruption.

The extent to which the COVID-19 Pandemic impacts our operations and those of our tenants will depend on future developments, which are highly uncertain and cannot be predicted with any degree of certainty, including the scope, severity, and duration of the COVID-19 Pandemic, and the impact of actions taken by governmental and health organizations to contain the COVID-19 Pandemic or mitigate its impact, and the direct and indirect economic effects of the COVID-19 Pandemic and containment measures, among others. Additional closures by our tenants of their businesses and early terminations by our tenants of their leases could reduce our cash flows, which could impact our ability to continue paying dividends to our stockholders at expected levels or at all. The rapid onset of the COVID-19 Pandemic and the continued uncertainty of its duration and long-term impact precludes any prediction of the magnitude of the adverse impact on the U.S. economy, our tenant's businesses and ours. Consequently, the COVID-19 Pandemic presents material uncertainty and risk with respect to our business operations, and therefore our financial condition, results of operations, and cash flows. Further, many risk factors disclosed in this Annual Report on Form 10-K for the year ended December 31, 2021, should be interpreted as heightened risks as a result of the impact of the COVID-19 Pandemic.

Risks Related to Our Business

Income Property Operations

We are subject to risks related to the ownership of commercial real estate that could affect the performance and value of our properties.

Factors beyond our control can affect the performance and value of our properties. Our core business is the ownership of commercial properties that generate lease revenue from either a single tenant in a stand-alone property or multiple tenants occupying a single structure or multiple structures. Accordingly, our performance is subject to risks incident to the ownership of commercial real estate, including:

- inability to collect rents from tenants due to financial hardship, including bankruptcy;
- changes in local real estate conditions in the markets where our properties are located, including the availability and demand for the properties we own;
- changes in consumer trends and preferences that affect the demand for products and services offered by our tenants;
- adverse changes in national, regional and local economic conditions;
- inability to lease or sell properties upon expiration or termination of existing leases;
- environmental risks, including the presence of hazardous or toxic substances on our properties;
- the subjectivity of real estate valuations and changes in such valuations over time;

- illiquidity of real estate investments, which may limit our ability to modify our portfolio promptly in response to changes in economic or other conditions;
- zoning or other local regulatory restrictions, or other factors pertaining to the local government institutions which inhibit interest in the markets in which our properties are located;
- changes in interest rates and the availability of financing;
- competition from other real estate companies similar to ours and competition for tenants, including competition based on rental rates, age and location of properties and the quality of maintenance, insurance and management services;
- acts of God, including natural disasters and global pandemics, such as the COVID-19 Pandemic and its variants, which impact the United States, which may result in uninsured losses;
- acts of war or terrorism, including consequences of terrorist attacks;
- changes in tenant preferences that reduce the attractiveness and marketability of our properties to tenants or cause decreases in market rental rates;
- costs associated with the need to periodically repair, renovate or re-lease our properties;
- increases in the cost of our operations, particularly maintenance, insurance or real estate taxes which may occur even when circumstances such as market factors and competition cause a reduction in our revenues;
- changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with laws and regulations, fiscal policies and ordinances including in response to global pandemics whereby our tenants' businesses are forced to close or remain open on a limited basis only; and
- commodities prices.

The occurrence of any of the risks described above may cause the performance and value of our properties to decline, which could materially and adversely affect us.

Adverse changes in U.S., global and local regions or markets that impact our tenants' businesses may materially and adversely affect us generally and the ability of our tenants to make rental payments to us pursuant to our leases.

Our results of operations, as well as the results of operations of our tenants, are sensitive to changes in U.S., global and local regions or markets that impact our tenants' businesses. Adverse changes or developments in U.S., global or regional economic conditions may impact our tenants' financial condition, which may adversely impact their ability to make rental payments to us pursuant to the leases they have with us and may also impact their current or future leasing practices. Adverse economic conditions such as high unemployment levels, rising interest rates, increased tax rates and increasing fuel and energy costs may have an impact on the results of operations and financial conditions of our tenants, which would likely adversely impact us. During periods of economic slowdown and declining demand for real estate, we may experience a general decline in rents or increased rates of default under our leases. A lack of demand for rental space could adversely affect our ability to maintain our current tenants and gain new tenants, which may affect our growth, profitability and ability to pay dividends.

Our business is dependent upon our tenants successfully operating their businesses, and their failure to do so could materially and adversely affect us.

Each of our properties is occupied by a single tenant or multiple tenants. Therefore, the success of our investments in these properties is materially dependent upon the performance of our tenants. The financial performance of any one of our tenants is dependent on the tenant's individual business, its industry and, in many instances, the performance of a larger business network that the tenant may be affiliated with or operate under. The financial performance of any one of our tenants could be adversely affected by poor management, unfavorable economic conditions in general, changes in consumer trends and preferences that decrease demand for a tenant's products or services or other factors, including the impact of a global pandemic which affects the United States, over which neither they nor we have control. Our portfolio includes properties leased to tenants that operate in multiple locations, which means we own multiple properties operated by the same tenant. To the extent we own multiple properties operated by one tenant, the general failure of that single tenant or a loss or significant decline in its business could materially and adversely affect us.

At any given time, any tenant may experience a decline in its business that may weaken its operating results or the overall financial condition of individual properties or its business as a whole. Any such decline may result in our tenant failing to make rental payments when due, declining to extend a lease upon its expiration, delaying occupancy of our property or the commencement of the lease or becoming insolvent or declaring bankruptcy. We depend on our tenants to

operate their businesses at the properties we own in a manner which generates revenues sufficient to allow them to meet their obligations to us, including their obligations to pay rent, maintain certain insurance coverage, pay real estate taxes, make repairs and otherwise maintain our properties. The ability of our tenants to fulfill their obligations under our leases may depend, in part, upon the overall profitability of their operations. Cash flow generated by certain tenant businesses may not be sufficient for a tenant to meet its obligations to us pursuant to the applicable lease. We could be materially and adversely affected if a tenant representing a significant portion of our operating results or a number of our tenants were unable to meet their obligations to us.

Retail properties, particularly those with multiple tenants, depend on the presence of and successful operation of an anchor tenant or tenants and the failure of such tenant's business or the loss of the anchor tenant(s) could adversely affect the overall success of our property and thereby could adversely impact our financial condition, results of operations and cash flows.

Retail properties, like other properties, are subject to the risk that tenants may be unable to make their lease payments or may decline to extend a lease upon its expiration. A multi-tenant property is particularly sensitive to the risk that a tenant that occupies a large area of a commercial retail property (commonly referred to as an anchor tenant) is unable to make their lease payments, does not extend their lease upon its expiration, or otherwise vacates their rented space. A lease termination by an anchor tenant or tenants could impact leases of other tenants. Other tenants may be entitled to modify the terms of their existing leases in the event of a lease termination by an anchor tenant, or the closure of the business of an anchor tenant that leaves its space vacant even if the anchor tenant continues to pay rent. Any such modifications or conditions could be unfavorable to us as the property owner and could decrease rents or expense recoveries. Additionally, should an anchor tenant vacate their leased space customer traffic to the property may be decreased, which could lead to decreased sales at other stores thus adversely impacting the tenant's operations and impacting their ability to pay rent. In the event of default by a tenant or anchor store, we may experience delays and costs in enforcing our rights as landlord to recover amounts due to us under the terms of our agreements with those parties.

We are subject to risks that affect the general retail environment in the United States, such as weakness in the economy, the level of consumer spending, the adverse financial condition of large consumer retail companies and competition from discount and internet retailers, any of which could adversely affect market rents for retail space and the willingness or ability of retail tenants to lease space in our multi-tenant properties.

A significant portion of the properties in our income property portfolio are commercial properties that were developed to be occupied by retail tenants and thus we are subject to the risks that affect the retail sector generally, as well as the market for retail space. The business environment for retail operators and the market for retail space have previously been, and could again be, adversely affected by weakness in the national, regional and local economies, the level of consumer spending and consumer confidence, the adverse financial condition of some large retail companies, the consolidation of operators that occurs from time to time in the retail sector, any excess amount of retail space in a number of markets and increasing competition from discount retail operators, outlet malls, internet or e-commerce retail businesses and other online businesses. Increases in consumer spending through e-commerce channels may significantly affect our retail tenants' ability to generate sales in their stores and could affect the way future tenants lease space. In addition, some of our retail tenants face competition from the expanding market for digital content and hardware. New and enhanced technologies, including new digital technologies and new web services technologies, may increase competition for certain of our retail tenants. While we devote considerable effort and resources to analyze and respond to tenant trends, preferences and consumer spending patterns, we cannot predict with certainty what future tenants will require to operate their business, what demands will be made for the build out of future retail spaces and how much revenue will be generated at traditional "brick and mortar" locations. If we are unable to anticipate and respond promptly to trends in the market, our occupancy levels and rental amounts may decline.

Any of the foregoing factors could adversely affect the financial condition of our retail tenants and the willingness of retail operators to lease space at our income properties. In turn, these conditions could negatively affect market rents for retail space and could materially and adversely affect our financial condition, results of operations, cash flow and our ability to satisfy our debt service obligations and to pay distributions to the Company's stockholders.

Competition that traditional retail tenants face from e-commerce retail sales, or the integration of brick and mortar stores with e-commerce retail operators, could adversely affect our business.

Our retail tenants face increasing competition from e-commerce businesses. E-commerce sales continue to account for an increasing percentage of retail sales in the U.S. and this trend is likely to continue. These trends may have an impact on decisions that retail businesses make regarding their utilization of "brick and mortar" stores. Changes in shopping trends as a result of the growth in e-commerce may also impact the profitability of retail operators that do not adapt to changes in market conditions. The continued growth of e-commerce sales could decrease the need for traditional retail outlets and reduce the demand for retail space and property requirements. These conditions could adversely impact our results of operations and cash flows if we are unable to meet the needs of our tenants or if our tenants encounter financial difficulties as a result of changing market conditions.

A key element of our future success will depend upon, among other things, our ability to successfully execute our strategy to invest in income-producing assets which if unsuccessful could adversely impact our financial condition, results of operations and cash flows.

There is no assurance that we will be able to continue to execute our strategy of investing in income-producing assets, including income properties and commercial loans or similar financings secured by real estate. There is no assurance that the number of properties in our income property portfolio or the number of loans in our loan investment portfolio will expand at all or, if they expand, at any specified rate or to any specified size. The growth in our portfolios of income-producing assets provide earnings and cash flow through the added rents or interest payments. If we continue to invest in diverse geographic markets other than the markets in which we currently own income properties or loan investments, we will be subject to risks associated with investing in new markets as those markets may be relatively unfamiliar to us. In addition, investments in new markets may introduce increased costs to us relating to factors including the regulatory environment and the local and state tax structure. Additionally, there is no assurance we will be able to continue to make investments in commercial loans or similar financings secured by real estate. Consequently, if we are unable to successfully execute our strategy of investing in income-producing assets or some or all of our investments, including in new markets, introduce increased operating costs our financial condition, results of operations, and cash flows may be adversely affected.

We operate in a highly competitive market for the acquisition of income properties and more established entities or other investors may be able to compete more effectively for acquisition opportunities than we can.

A number of entities and other investors compete with us to purchase income properties. We compete with REITs, public and private real estate focused companies, high wealth individual investors, and others. Many of our competitors are substantially larger and have considerably greater financial, technical and marketing resources than we do. Several of our public company competitors have greater access to capital, typically by raising equity or debt financing, have significant amounts of capital available and investment objectives that overlap with ours, which often creates competition for acquisition opportunities. Some competitors may have a lower cost of capital and access to funding sources that are not available to us. In addition, some of our competitors may have higher risk tolerances or different assessments of investment risk, which could allow them to consider a wider variety of income property acquisitions and establish more relationships than us. We cannot be assured that the competitive pressures we face will not have a material adverse effect on our business, financial condition, results of operations and therefore our cash flows. Also, because of this competition, we may not be able to take advantage of attractive acquisition opportunities from time to time, and we can offer no assurance that we will be able to identify and purchase assets that are consistent with our objectives.

The loss of revenues from our income property portfolio or certain tenants would adversely impact our results of operations and cash flows.

Certain of our tenants may account for a significant portion of our total revenues and or square footage in our income property portfolio (see Note 2, "Summary of Significant Accounting Policies" under the heading Concentration of Credit Risk in the notes to the consolidated financial statements in Item 8). The default, financial distress, or bankruptcy of one or all of our major tenants could cause substantial vacancies in some of the largest properties in our income property portfolio and reduce our revenues from our income property operations significantly, thereby adversely impacting our results of operations and cash flows. Vacancies reduce our revenue until the affected properties can be re-leased and could decrease the value of each such vacant property. Upon the expiration of the leases that are currently in place, we may not be able to re-lease a vacant property at a comparable lease rate or without incurring additional expenditures in connection with such re-leasing. If, following the loss of an income property tenant, we are unable to re-lease the income property at

comparable rental rates and in a timely manner, our financial condition, results of operations and cash flows could be adversely affected.

A significant portion of the revenue we generate from our income property portfolio is concentrated in specific industry classifications and/or geographic locations and any prolonged dislocation in those industries or downturn in those geographic areas would adversely impact our results of operations and cash flows.

Certain of our tenants and or geographic concentrations may account for a significant portion of our base rent revenue (see Note 2, "Summary of Significant Accounting Policies" under the heading Concentration of Credit Risk in the notes to the consolidated financial statements in Item 8). Such geographic concentrations could be heightened by the fact that our investments may be concentrated in certain areas that are affected by COVID-19 more than other areas. Any financial hardship and/or economic downturns in the financial industry, including a downturn similar to the financial crisis in 2007 through 2009, or in the states noted could have an adverse effect on our results of operations and cash flows.

Certain provisions of the Company's leases may be unenforceable.

The Company's rights and obligations with respect to its leases are governed by written agreements with its tenants. A court could determine that one or more provisions of such an agreement are unenforceable, such as a particular remedy, a termination provision, or a provision governing the Company's remedies for default of the tenant. If we were unable to enforce provisions of a lease agreement or agreements, our results of operations, financial condition, and cash flows could be adversely impacted.

We may not be able to dispose of properties we target for sale to recycle our capital.

While the Company's strategy may include selectively selling non-core or other income-producing properties to recycle our capital, we may be unable to sell properties targeted for disposition due to adverse market or other conditions or not achieve the pricing or timing that is consistent with our expectations. This may adversely affect, among other things, the Company's ability to deploy capital into the acquisition of other income-producing properties, the execution of our overall operating strategy and consequently our financial condition, results of operations, and cash flows.

We may seek to conduct development activities, including the development of new income properties or the redevelopment or renovation of existing income properties, which may cause us to experience unexpected costs and have other risks that may adversely affect our financial condition, results of operations and liquidity.

We have recently and may in the future develop new income properties. In addition, we have in recent years and may in the future redevelop, significantly renovate or otherwise invest additional capital in certain of our existing income properties to improve the assets and enhance the opportunity for increased returns on our overall investment. These various development activities, particularly the development of new income properties, is subject to a number of risks, including risks associated with construction work and risks of cost overruns due to construction delays or other factors that may increase the expected costs of a project. Furthermore, the commencement of development projects is subject to other risks including the receipt of zoning or entitlements and other required governmental permits and authorizations. In addition, we may incur development costs in connection with projects that are ultimately not pursued to completion. Any of the development activities noted may be financed under our Credit Facility or through other forms of financing. If such financing is not available on acceptable terms, our development activities may not be pursued or may be curtailed. In addition, such development activities would likely reduce the available borrowing capacity on our Credit Facility which we use for the acquisition of income properties and other operating needs. The risks associated with development activities, including but not necessarily limited to those noted, could adversely impact our financial condition, results of operations, and liquidity.

Management of and Investment in PINE

Our revenues include receipt of management fees and potentially incentive fees derived from our provision of management services to PINE and the loss or failure, or decline in the business or assets, of PINE could substantially reduce our revenues.

The fees we earn from providing management services to PINE could become a substantial source of our revenues. The revenues we generate from managing PINE depend in large part on the ability of PINE to raise capital to invest in real

estate assets and on the positive performance of their investments and stockholder returns. The performance of PINE is subject to a number of risks and uncertainties. Therefore, our operating results and our ability to maintain and grow our revenues depends upon the ability of PINE and their significant tenants to maintain and grow their respective businesses. Our operating results and our ability to maintain and grow our revenues also depend upon the ability of PINE to maintain and grow their market capitalizations and to achieve positive stockholder returns in excess of applicable total stockholder return indexes. Reduced business activities, market capitalizations or stockholder returns, sales of assets or the failure of PINE or the termination of our management agreement with PINE could materially reduce our revenues and our profitability thereby adversely impacting our cash flows and results of operations.

Our management agreement with PINE is subject to termination for events of default or non-performance, and any such termination could have a material adverse effect on our business, results of operations and financial condition.

Our management with PINE may be terminated by PINE in certain circumstances. Depending upon the circumstances of a termination, we may or may not be entitled to receive a termination fee. If our management agreement with PINE is terminated, we may be unable to replace the lost revenue. Even if we receive a termination fee upon the termination of the management agreement with PINE, we may be unable to invest the after tax proceeds from the termination fee we receive in opportunities that earn returns equal to or greater than the revenues lost as a result of the terminated management agreement. The termination of our management agreement with PINE could have a material adverse impact on our business, results of operations and financial condition.

An internalization of PINE's management functions could have a material adverse effect on our business, results of operations and financial condition.

In the future, PINE's board of directors may consider internalizing the functions performed for PINE by us. We may be unable to replace the revenue that we would have received in the future in the absence of an internalization transaction. In the event that we and PINE agree to an internalization transaction, the payment of the internalization price to us would be in lieu of the payment of any termination fee. The internalization price would be payable in cash, shares of PINE's common stock or OP Units, or a combination thereof, as determined by a majority of PINE's independent directors in their sole discretion. Even if the internalization price paid to us in connection with an internalization is substantial, we cannot assure you that any cash, shares of PINE's common stock or OP Units received in connection with an internalization transaction will ultimately lead to returns equal to or greater than the revenues lost as a result of the internalization transaction.

Internalization transactions, including without limitation, transactions involving the acquisition of external advisors or property managers affiliated with entity sponsors have also, in some cases, been the subject of litigation. Even if these claims are without merit, we could be forced to spend significant amounts of money defending claims which would reduce the amount of funds available for us to invest in properties or other investments and to pay distributions to our stockholders. All of these factors could have a material adverse effect on us.

We do not have significant experience managing a REIT.

In connection with PINE's initial public offering we entered into a management agreement with PINE pursuant to which we manage the day-to-day operations of its business. We do not have significant experience managing a REIT, and our only experience managing a REIT stems from the experience of certain of our executives who previously worked for a REIT. We will be paid a management fee to manage PINE's business and we may be paid an incentive fee which will depend on numerous factors, including our ability to make investments on behalf of PINE that generate attractive, risk-adjusted returns, and thereby result in PINE's stockholders achieving a necessary level of return. A key element of PINE's success will likely include its ability to raise additional equity capital to fund its goals for growth. Our successful performance as the manager of PINE will therefore depend, in part, our ability to assist PINE in raising equity capital in amounts sufficient to support PINE's goals and on acceptable terms. Our successful performance as the manager of PINE will also depend on our ability to access financing for PINE, and on acceptable terms. There can be no assurance that we will be successful in this business, that PINE will achieve its objectives, will invest successfully in income properties and

will generally operate successfully, or that we will earn fees from PINE sufficient to recover the costs we have incurred or to provide a suitable return on our investment in PINE.

Declines in the market values of our investment in PINE may adversely affect periodic reported results.

We hold a significant equity interest in PINE as of December 31, 2021, including the OP Units we hold in the PINE Operating Partnership as further described in Note 1, "Organization" in the notes to the consolidated financial statements in Item 8. PINE is publicly traded and as such their common stock is subject to the risks associated with public equities, include, but are not limited to market risk broadly, risks associated with the REIT industry, and risks associated with the real estate industry more specifically. The public equity markets can be volatile, and the value of PINE's share may fluctuate significantly over short periods of time. A significant decrease in the trading price of PINE's shares could result in losses that have a material adverse effect on the value of our investment in PINE which could adversely impact our financial condition.

There are various potential conflicts of interest in our relationship with PINE, including our executive officers and/or directors who are also officers and/or directors of PINE, which could result in decisions that are not in the best interest of our stockholders.

We are subject to conflicts of interest that may exist or could arise in the future with PINE, including our executive officers and/or directors who are also directors or officers of PINE. Conflicts may include, without limitation: conflicts arising from the enforcement of agreements between us and PINE; conflicts in the amount of time that our officers and employees will spend on our affairs versus PINE's affairs; and conflicts in future transactions that we may pursue with PINE. Transactions between us and PINE would be subject to certain approvals of our directors; however, there can be no assurance that such approval will be successful in achieving terms and conditions as favorable to us as would be available from a third party. Our president and chief executive officer who is also one of directors also serves on PINE's board of directors.

Our directors and executive officers have duties to our company under applicable Maryland law, and our executive officers and our directors who are also directors or officers of PINE also have duties to PINE under applicable Maryland law. Those duties may come in conflict from time to time. We have duties as the manager of PINE which may come in conflict with our duties to our stockholders from time to time. In addition, conflicts of interest may exist or could arise in the future with our duties to PINE as its manager in connection with future investment opportunities.

Commercial Loan and Master Lease Investments

A part of our investment strategy is focused on investing in commercial loan and master lease investments which may involve credit risk.

As part of our business strategy, we have invested in commercial loans secured by commercial real estate and may in the future invest in other commercial loans or similar financings secured by real estate. Investments in commercial loans or similar financings of real estate involve credit risk with regard to the borrower, the borrower's operations and the real estate that secures the financing. The credit risks include, but are not limited to, the ability of the borrower to execute their business plan and strategy, the ability of the borrower to sustain and/or improve the operating results generated by the collateral property, the ability of the borrower to continue as a going concern, and the risk associated with the market or industry in which the collateral property is utilized. Our evaluation of the investment opportunity in a mortgage loan or similar financing includes these elements of credit risk as well as other underwriting criteria and factors. Further, we may rely on third party resources to assist us in our investment evaluation process and otherwise in conducting customary due diligence. Our underwriting of the investment or our estimates of credit risk may not prove to be accurate, as actual results may vary from our estimates. In the event we underestimate the performance of the borrower and/or the underlying real estate which secures our commercial loan or financing, we may experience losses or unanticipated costs regarding our investment and our financial condition, results of operations, and cash flows may be adversely impacted.

Because of competition, we may not be able to acquire commercial loans or similar financings at all or at favorable yields.

If in the future we seek to invest in commercial loans or similar financings secured by underlying real estate, we may not be able to acquire such loan investments at favorable spreads over our borrowing costs. We will compete with many other investment groups including other REITs, public and private investment funds, life insurance companies,

commercial and investment banks and, commercial finance companies, including some of the third parties with which we expect to have relationships. In most instances the competition has greater financial capacity, are larger organizations and has a greater operating presence in the market. As a result, we may not be able to acquire commercial loans or similar financings in the future at all or at favorable spreads over our borrowing costs, which could adversely impact our results of operations and cash flows and would likely result in the need for any growth in our portfolio of income-producing assets to be achieved through the acquisition of income properties.

Debt and preferred equity investments could cause us to incur expenses, which could adversely affect our results of operations.

We may own in the future investments in first mortgages, mezzanine loans, junior participations and preferred equity interests. Such investments may or may not be recourse obligations of the borrower and are not insured or guaranteed by governmental agencies or otherwise. In the event of a default under these obligations, we may have to take possession of the collateral securing these interests including through foreclosure proceedings. Borrowers may contest enforcement of foreclosure or our other remedies and may seek bankruptcy protection to potentially block our actions to enforce their obligations to us. Relatively high loan-to-value ratios and declines in the value of the underlying collateral property may prevent us from realizing an amount equal to our investment upon foreclosure or realization even if we make substantial improvements or repairs to the underlying real estate to maximize such property's investment potential. Although we have maintained and regularly evaluated financial reserves to properly accrue for potential future losses, our reserves would reflect management's judgment of the probability and severity of losses and the value of the underlying collateral. We cannot be certain that our judgment will prove to be correct and that our reserves, if any, will be adequate over time to protect against future losses due to unanticipated adverse changes in the economy or events adversely affecting specific properties, assets, tenants, borrowers, industries in which our tenants and borrowers operate or markets in which our tenants and borrowers, or their properties are located. If we are unable to enforce our contractual rights, including but not limited to, taking possession of the collateral property in a foreclosure circumstance, or our reserves for credit losses prove inadequate, we could suffer losses which would have a material adverse effect on our financial condition, results of operations, and cash flows.

The mezzanine loan assets that we may acquire will involve greater risks of loss than senior loans secured by income-producing properties.

We may acquire mezzanine loans, which generally take the form of subordinated loans secured by the underlying property or loans secured by a pledge of the ownership interests of either the entity owning the property or a pledge of the ownership interests of the entity that owns the interest in the entity owning the property. These types of assets involve a higher degree of risk than senior mortgage lending secured by income-producing real property, because the loan may become unsecured as a result of foreclosure by the senior lender. In the event of a bankruptcy of the entity providing the pledge of its ownership interests as security, we may not have full recourse to the assets of such entity, or the assets of the entity may not be sufficient to satisfy our mezzanine loan. If a borrower defaults on our mezzanine loan or the debt that is senior to our loan, or in the event of a borrower bankruptcy, our mezzanine loan will only be satisfied after the senior debt has been satisfied. As a result, we may not recover some or all of our initial investment. In addition, mezzanine loans may have higher loan-to-value ratios than conventional mortgage loans, resulting in less equity in the property and increasing the risk of loss of principal. Significant losses related to our mezzanine loans would result in operating losses for us and could adversely impact our financial condition and cash flows.

We may invest in fixed-rate loan investments, and an increase in interest rates may adversely affect the value of these investments, which could adversely impact our financial condition, results of operations and cash flows.

Increases in interest rates may negatively affect the market value of our investments, particularly any fixed-rate commercial loans or other financings we have invested in. Generally, any fixed-rate commercial loans or other financings will be more negatively affected by rising interest rates than adjustable-rate assets. We are required to reduce the book value of our investments by the amount of any decrease in their fair value. Reductions in the fair value of our investments could decrease the amounts we may borrow to purchase additional commercial loan or similar financing investments, which could impact our ability to increase our operating results and cash flows. Furthermore, if our borrowing costs are rising while our interest income is fixed for the fixed-rate investments, the spread between our borrowing costs and the fixed-rate we earn on the commercial loans or similar financing investments will contract or could become negative which would adversely impact our financial condition, results of operations, and cash flows.

The commercial loans or similar financings we may acquire that are secured by commercial real estate typically depend on the ability of the property owner to generate income from operating the property. Failure to do so may result in delinquency and/or foreclosure.

Commercial loans are secured by commercial property and are subject to risks of delinquency and foreclosure and therefore risk of loss. The ability of a borrower to repay a loan secured by an income-producing property typically is dependent primarily upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. In the event of any default under a commercial loan held directly by us, we will bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the commercial loan, which could have a material adverse effect on our financial condition, operating results and cash flows. In the event of the bankruptcy of a commercial loan borrower, the mortgage loan to such borrower will be deemed to be secured only to the extent of the value of the underlying collateral at the time of bankruptcy (as determined by the bankruptcy court), and the lien securing the loan will be subject to the avoidance powers of the bankruptcy trustee or debtor-in-possession to the extent the lien is unenforceable under state law. Foreclosure of a loan can be an expensive and lengthy process, which could have a substantial negative effect on our anticipated return on the foreclosed commercial loan. If the borrower is unable to repay a mortgage loan or similar financing our inability to foreclose on the asset in a timely manner, and/or our inability to obtain value from reselling or otherwise disposing of the asset for an amount equal to our investment basis, would adversely impact our financial condition, results of operations, and cash flows.

The activities or actions of a third-party servicer engaged to service our investment in a commercial loan or similar debt financing could adversely impact the value of our investment or our results of operations and cash flows.

Any future investments in first mortgages, mezzanine loans or other debt financings secured by real estate may require a third-party servicer to service the loan on our behalf and/or on behalf of third parties who have invested in some portion of the debt financing. An intended or unintended breach by the servicer with regard to their servicing of the debt financing or in their contractual obligations and fiduciary duties to us or the other holders of the debt financing could adversely impact the value of our investment or our results of operations and cash flows.

We may suffer losses when a borrower defaults on a loan and the value of the underlying collateral is less than the amount due.

If a borrower defaults on a non-recourse loan, we will only have recourse to the real estate-related assets collateralizing the loan. If the underlying collateral value is less than the loan amount, we will suffer a loss. Conversely, commercial loans we invest in may be unsecured or be secured only by equity interests in the borrowing entities. These loans are subject to the risk that other lenders in the capital stack may be directly secured by the real estate assets of the borrower or may otherwise have a superior right to repayment. Upon a default, those collateralized lenders would have priority over us with respect to the proceeds of a sale of the underlying real estate. In such cases, we may lack control over the underlying asset collateralizing our loan or the underlying assets of the borrower before a default and, as a result, the value of the collateral may be reduced by acts or omissions by owners or managers of the assets. In addition, the value of the underlying real estate may be adversely affected by some or all of the risks referenced above that pertain to the income-producing properties that we own.

Commercial loans we may invest in may be backed by individual or corporate guarantees from borrowers or their affiliates which guarantees are not secured. If the guarantees are not fully or partially secured, we typically rely on financial covenants from borrowers and guarantors which are designed to require the borrower or guarantor to maintain certain levels of creditworthiness. Should we not have recourse to specific collateral pledged to satisfy such guarantees or recourse loans, we will have recourse as an unsecured creditor only to the general assets of the borrower or guarantor, some or all of which may be pledged as collateral for other lenders. There can be no assurance that a borrower or guarantor will comply with its financial covenants, or that sufficient assets will be available to pay amounts owed to us under our loans and guarantees. Because of these factors, we may suffer additional losses which could have a material adverse effect on our financial condition, operating results and cash flows.

Upon a borrower bankruptcy, we may not have full recourse to the assets of the borrower to satisfy our loan. Additionally, in some instances, our loans may be subordinate to other debt of certain borrowers. If a borrower defaults on our loan or on debt senior to our loan, or a borrower files for bankruptcy, our loan will be satisfied only after the senior debt receives payment. Where debt senior to our loan exists, the presence of inter-creditor arrangements may limit our

ability to amend our loan documents, assign our loans, accept prepayments, exercise our remedies (through "standstill" periods), and control decisions made in bankruptcy proceedings. Bankruptcy and borrower litigation can significantly increase collection costs and the time needed for us to acquire title to the underlying collateral (if applicable), during which time the collateral and/or a borrower's financial condition may decline in value, causing us to suffer additional losses.

If the value of collateral underlying a loan declines, or interest rates increase during the term of a loan, a borrower may not be able to obtain the necessary funds to repay our loan at maturity through refinancing because the underlying property revenue cannot satisfy the debt service coverage requirements necessary to obtain new financing. If a borrower is unable to repay our loan at maturity, we could suffer additional loss which may adversely impact our financial condition, operating results and cash flows.

As a result of any of the above factors or events, the losses we may suffer could adversely impact our financial condition, results of operations and cash flows.

Other Investments

Investments in securities of companies operating in the real estate industry, including debt and equity instruments such as corporate bonds, preferred or common stock, or convertible instruments could cause us to incur losses or other expenses which could adversely affect our financial position, results of operations, and cash flows.

We currently own and may own in the future, investments in corporate securities of companies operating in the real estate industry including debt and equity instruments such as corporate bonds, preferred or common stock, or convertible instruments. Certain of these investments may be traded on an exchange or other active market whereby the price of the underlying instrument is quoted daily and those quoted prices and thus the market value of the instrument varies during a given trading day. Certain of these investments may be traded on an exchange or market that is not deemed an active market but where the price of the investment fluctuates daily or otherwise. Adverse fluctuations in the value of these investments, whether market-generated or not, are reflected as unrealized losses on our balance sheet. We may choose to or be required to liquidate these investments in whole or in part and at prices that result in realized losses on our investment. Should we incur realized losses on liquidating these investments, our financial position, results of operations and cash flows would be adversely impacted.

General

We are subject to a number of risks inherent with the real estate industry and in the ownership of real estate assets or investment in financings secured by real estate, which may adversely affect our returns from our investments, our financial condition, results of operations and cash flows.

Factors beyond our control can affect the performance and value of our real estate assets including our income properties, investments in commercial loans or similar financings secured by real estate or other investments, and our Subsurface Interests. Real estate assets are subject to various risks, including but not limited to the following:

- Adverse changes in national, regional, and local economic and market conditions where our properties or the properties underlying a loan investment are located;
- Competition from other real estate companies similar to ours and competition for tenants, including competition based on rental rates, age and location of the property and the quality of maintenance, insurance, and management services;
- Changes in tenant preferences that reduce the attractiveness and marketability of our income properties to tenants or decreases in market rental rates;
- Zoning or other local regulatory restrictions, or other factors pertaining to the local government institutions which inhibit interest in the markets in which our income-producing assets are located;
- Costs associated with the need to periodically repair, renovate or re-lease our income properties;
- Increases in the cost of our operations, particularly maintenance, insurance, or real estate taxes which may occur even when circumstances such as market factors and competition cause a reduction in our revenues;
- Changes in governmental laws and regulations, fiscal policies and zoning ordinances and the related costs of compliance with laws and regulations, fiscal policies, and ordinances;
- Commodities prices;

- Illiquidity of real estate investments which may limit our ability to modify our income-producing asset portfolios promptly in response to changes in economic or other conditions;
- Acts of God, including natural disasters, which may result in uninsured losses; and
- Acts of war or terrorism, including consequences of terrorist attacks.

If any of these or similar events occurs, it may reduce our return from an affected real estate asset or investment which could adversely impact our financial condition, results of operations and cash flows.

The Company's real estate investments are generally illiquid.

Real estate investments, including investments in income properties, joint ventures and subsurface interests, are relatively illiquid; therefore, it may be difficult for us to sell such assets if the need or desire arises, and otherwise the Company's ability to make rapid adjustments in the size and content of our income property portfolio or other real estate assets in response to economic or other conditions is limited. Illiquid assets typically experience greater price volatility, as a ready market does not exist, and can be more difficult to value. In addition, validating third party pricing for illiquid assets may be more subjective than more liquid assets. As a result, if we are required to quickly liquidate all or a portion of certain of our real estate assets or income-producing assets, we may realize significantly less than the value at which we have previously recorded our assets. Further, certain expenditures necessary to operate our income property operations generally do not decrease and may in fact increase in response to weakening economic conditions or other market disruptions, which expenditures may include maintenance costs, insurance costs and, in some instances, interest expense. This relationship of revenue and expenditures may result, under certain market conditions, in declining operating results and reduced cash flows and thereby could have an adverse effect on the Company's financial condition.

We may experience a decline in the fair value of our real estate assets or investments which could result in impairments and would impact our financial condition and results of operations.

A decline in the fair market value of our long-lived assets may require us to recognize an "other-than-temporary" impairment against such assets (as defined by the Financial Accounting Standards Board ("FASB") authoritative accounting guidance) if certain conditions or circumstances related to an asset were to change and we were to determine that, with respect to any such asset, there was an unrealized loss to the fair value of the asset. The fair value of our long-lived assets depends on market conditions, including estimates of future demand for these assets, and the revenues that can be generated from such applicable assets including land or an income property. If such a determination were to be made, we would recognize the estimated unrealized losses through earnings and write down the depreciated or amortized cost of such assets to a new cost basis, based on the fair value of such assets on the date they are considered to be other-than-temporarily impaired. Such impairment charges reflect non-cash losses at the time of recognition; subsequent disposition or sale of such assets could further affect our future losses or gains, as they are based on the difference between the sales price received and the adjusted depreciated or amortized cost of such assets at the time of sale.

Downturns in the U.S. economy and real estate markets have at times caused the fair value of certain of our properties to decrease. If the real estate market were to experience another decline, we may be required to take write-downs against our earnings for other than temporary impairments in the value of our real estate assets including our income properties, commercial loan and master lease investments and similar financings or other capitalized costs. Any such non-cash charges could have an adverse effect on our financial condition and results of operations.

From time to time we make investments in companies over which we do not have control. Some of these companies may operate in industries that differ from our current operations, with different risks than investing in real estate.

From time to time we make debt or equity investments in other companies that we may not control or over which we may not have sole control. Although these businesses generally have a significant real estate component, some of them may operate in businesses that are different from our primary business segments. Consequently, investments in these businesses, among other risks, subject us to the operating and financial risks of industries other than real estate and to the risk that we do not have sole control over the operations of these businesses.

From time to time we may make additional investments in or acquire other entities that may subject us to similar risks. Investments in entities over which we do not have sole control, including joint ventures, present additional risks such as having differing objectives than our partners or the entities in which we invest, or becoming involved in disputes, or

competing with those persons. In addition, we rely on the internal controls and financial reporting controls of these entities and their failure to maintain effectiveness or comply with applicable standards may adversely affect us.

If we are not successful in utilizing the like-kind exchange structure in deploying the proceeds from dispositions of income properties, or our like-kind exchange transactions are disqualified, we could incur significant taxes and our results of operations and cash flows could be adversely impacted.

Our strategy of investing in income-producing properties includes the utilization, when possible, of proceeds obtained from the disposition of income properties or from prior land transactions which qualify for deferral of the applicable income tax through the like-kind exchange provisions of the Code ("Section 1031"). Land sales transactions that we completed in which we applied the provisions of Section 1031 may be disqualified for such treatment if we are deemed to have conducted activities on the land or in connection with the transaction that are inconsistent with the activities of a long-term investor such as the activities of a developer or a dealer. In addition, if we fail to complete a qualifying acquisition utilizing the aforementioned proceeds or complete the intended qualifying acquisition outside the specified period of time allowed for completing such transaction the application of the Section 1031 provisions would be disqualified. If a transaction we deemed qualifying for like-kind exchange treatment is subsequently disqualified by the IRS, we may be subject to increased income taxes and penalties, which would adversely impact our results of operations and our cash flows.

If the provisions of Section 1031 of the Code regarding the like-kind exchange structure were altered substantially or eliminated, our financial position, results of operations and cash flows could be adversely impacted.

A fundamental element of our strategy is investing in income-producing properties, in some instances utilizing, the proceeds obtained from the disposition of our income properties and previously in our land holdings, which qualify for deferral of the applicable income tax through the Section 1031 like-kind exchange provisions of the Code. If the provisions of Section 1031 of the Code, including the deferral of taxes on gains related to the sale of real property such as our income properties, were to be altered substantially or eliminated, or one of our Section 1031 like-kind exchanges was successfully challenged by the IRS and determined to be currently taxable, our taxable income and earnings and profits would increase, which could increase the ordinary dividend income to our stockholders. In some circumstances, we could be required to pay additional dividends or, in lieu of that, corporate income tax, possibly including interest and penalties.

Quarterly results may fluctuate and may not be indicative of future quarterly performance.

Our quarterly operating results could fluctuate; therefore, reliance should not be placed on past quarterly results as indicative of our performance in future quarters. Factors that could cause quarterly operating results to fluctuate include, among others, variations in the performance of our income-producing assets, market values of our investment in PINE, costs associated with debt, general economic conditions, the state of the real estate and financial markets and the degree to which we encounter competition in our markets.

Risks related to Our Financing

General

The Company may be unable to obtain debt or equity capital on favorable terms, if at all, or additional borrowings may impact our liquidity or ability to monetize any assets securing such borrowings.

In order to further our business objectives, we may seek to obtain additional debt financing or raise equity capital and may be unable to do so on favorable terms, if at all. We may obtain unsecured debt financing in addition to our Credit Facility which could decrease our borrowing capacity under the Credit Facility. Other sources of available capital may be more expensive or available under terms that are more restrictive than the Company's existing debt capital. Any of these occurrences could adversely affect the Company's business, financial condition, results of operations, and cash flows.

An increase in our borrowing costs would adversely affect our financial condition and results of operations.

While we have no short-term maturities in our long-term debt, should we seek to incur additional debt to help finance our acquisitions, increased interest rates would reduce the difference, or spread, that we may earn between the yield on the investments we make and the cost of the leverage we employ to finance such investments. It is possible that the spread on investments could be reduced to a point at which the profitability from investments would be significantly reduced or

eliminated entirely. This would adversely affect our returns on our assets, and therefore adversely impact our financial condition, our results of operations, and cash flows, and could require us to liquidate certain or all of these assets.

Servicing our debt requires a significant amount of cash, and we may not have sufficient cash flow from our business to service or pay our debt.

Our ability to make scheduled payments of the principal of, to pay interest on, to pay any cash due upon conversion of, or to refinance our indebtedness, including the Company's $51.0 million aggregate principal amount of 3.875% Convertible Senior Notes due 2025 (the "2025 Notes"), depends on our future operating and financial performance, which is subject to economic, financial, competitive and other factors beyond our control. Our business may not continue to generate cash flow from operations in the future sufficient to service our debt and make necessary capital expenditures. If we are unable to generate such cash flow, we may be required to adopt one or more alternatives, such as selling assets, restructuring debt or obtaining additional equity capital on terms that may be onerous or highly dilutive. Our ability to refinance our indebtedness will depend on the capital markets and our financial condition at such time. We may not be able to engage in any of these activities or engage in these activities on desirable terms, which could result in a default on our debt obligations.

Our level of indebtedness could have significant adverse consequences and our cash flow may be insufficient to meet our debt service obligations.

Our level of indebtedness, as further described in Note 17 "Long-Term Debt" in the notes to the consolidated financial statements in Item 8, could have significant adverse consequences on our business and operations, including the following:

- it may increase our vulnerability to changes in economic conditions (including increases in interest rates) and limit our flexibility in planning for, or reacting to, changes in our business and/or industry;
- we may be at a disadvantage compared to our competitors with comparatively less indebtedness;
- we may be unable to hedge our debt, or such hedges may fail or expire, leaving us exposed to potentially volatile interest or currency exchange rates; and
- we may be unable to refinance our indebtedness or obtain additional financing as needed or on favorable terms.

Our ability to generate sufficient cash flow determines whether we will be able to (i) meet our existing or potential future debt service obligations; (ii) refinance our existing or potential future indebtedness; and (iii) fund our operations, working capital, acquisitions, capital expenditures, and other important business uses. Our future cash flow is subject to many factors beyond our control and we cannot assure you that our business will generate sufficient cash flow from operations, or that future sources of cash will be available to us on favorable terms, to meet all of our debt service obligations and fund our other important business uses or liquidity needs. As a result, we may be forced to take other actions to meet those obligations, such as selling properties, raising equity, or delaying capital expenditures, any of which may not be feasible or could have a material adverse effect on us.

We continue to have the ability to incur debt; if we incur substantial additional debt, the higher levels of debt may affect our ability to pay the interest and principal of our debt.

Despite our current consolidated debt levels, we and our subsidiaries may incur substantial additional debt in the future (subject to the restrictions contained in our debt instruments), some of which may be secured debt. The indenture governing our 2025 Notes does not restrict our ability to incur additional indebtedness, whether secured or unsecured, or require us to maintain financial ratios or specified levels of net worth or liquidity. If we incur substantial additional indebtedness in the future, these higher levels of indebtedness may affect our ability to pay the principal of, and interest on, our outstanding debt and our creditworthiness generally.

Declines in the value of the assets in which we invest will adversely affect our financial condition and results of operations and make it costlier to finance these assets.

Generally, we use our income property investments as collateral for our financings or as the borrowing base for our Credit Facility. Any decline in their value, a significant decrease in the rent received from the portfolio, or perceived market uncertainty about the value of our income properties, could make it difficult for us to obtain or renew financing on favorable terms or at all, or maintain our compliance with terms of any financing arrangements already in place.

Changes in the method pursuant to which LIBOR is determined and planned discontinuation of LIBOR may affect our financial results.

In July 2017, the chief executive of the United Kingdom Financial Conduct Authority, or the FCA, which regulates LIBOR, announced that the FCA intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021. It is not possible to predict the effect of these changes, other reforms or the establishment of alternative reference rates in the United Kingdom or elsewhere. On March 5, 2021, ICE Benchmark Administration ("IBA"), the administrator of LIBOR, announced plans to cease publication of USD LIBOR on December 31, 2021 for only the one week and two month USD LIBOR tenors, and on June 30, 2023 for all other USD LIBOR tenors. While this announcement extends the transition period to June 2023, the United States Federal Reserve issued a statement advising banks to stop new USD LIBOR issuances by the end of 2021. In light of these recent announcements, the future of LIBOR at this time is uncertain and any changes in the methods by which LIBOR is determined or regulatory activity related to LIBOR's phaseout could cause LIBOR to perform differently than in the past or cease to exist. If that were to occur, the level of interest payments we incur may change. In addition, although certain of our LIBOR based obligations provide for alternative methods of calculating the interest rate payable on certain of our obligations if LIBOR is not reported, which include requesting certain rates from major reference banks in London or New York, or alternatively using LIBOR for the immediately preceding interest period or using the initial interest rate, as applicable, uncertainty as to the extent and manner of future changes may result in interest rates and/or payments that are higher than, lower than or that do not otherwise correlate over time with the interest rates and/or payments that would have been made on our obligations if LIBOR rate was available in its current form. Although regulators and IBA have made clear that the recent announcements should not be read to say that LIBOR has ceased or will cease, we cannot make assurances that LIBOR will survive in its current form, or at all.

In the United States, efforts to identify a set of alternative U.S. dollar reference interest rates include proposals by the Alternative Reference Rates Committee of the Federal Reserve Board (the "ARRC") and the Federal Reserve Bank of New York. On July 29, 2021, the ARRC formally recommended the Secured Overnight Financing Rate, or SOFR, as its preferred alternative replacement rate for LIBOR, and on December 3, 2021, the ARRC announced statutory fallback recommendations for one week and two month USD LIBOR tenors. The Federal Reserve Bank of New York began publishing SOFR rates in 2018. The market transition away from LIBOR and towards SOFR is expected to be gradual and complicated. There are significant differences between LIBOR and SOFR, such as LIBOR being an unsecured lending rate versus SOFR which is a secured lending rate, and SOFR being an overnight rate versus LIBOR which reflects term rates at different maturities. These and other differences create the potential for basis risk between the two rates. The impact of any basis risk between LIBOR and SOFR may negatively affect our operating results. Any of these alternative methods could have an adverse impact on the market for or value of any LIBOR-linked securities, loans, derivatives and other financial obligations or extensions of credit held by or due to us or on our overall financial condition or results of operations. Although SOFR is the ARRC's recommended replacement rate, whether or not SOFR attains market traction as a LIBOR replacement tool remains in question.

We may utilize derivative instruments to hedge risk, which may adversely affect our borrowing cost and expose us to other risks.

The derivative instruments we may use could be in the form of interest rate swaps, interest rate caps and or interest rate collars. Interest rate swaps effectively change variable-rate debt obligations to fixed-rate debt obligations or fixed-rate debt obligations to variable-rate debt obligations. Interest rate caps limit our exposure to rising interest rates. Interest rate collars limit our exposure to rising interest rates while also limited our benefit from declining interest rates.

Our use of derivative instruments also involves the risk that a counterparty to a hedging arrangement could default on its obligation and the risk that we may have to pay certain costs, such as transaction fees or breakage costs, if a hedging arrangement is terminated by us. To limit the risk of counterparty default, we generally seek to enter into hedging arrangements with counterparties that are large, creditworthy financial institutions typically rated at least "A/A2" by S&P and Moody's, respectively.

Developing an effective strategy for dealing with alterations in interest rates is complex and any strategy aimed at managing exposures to changing interest rates would likely not be able to completely insulate us from risks associated with such fluctuations. There can be no assurance that any hedging activities will have the desired beneficial impact on our results of operations or financial condition.

Significant increases in interest rates could have an adverse effect on our operating results.

Our operating results depend in part on the difference between the income achieved from our income-producing assets and management fee income streams and the interest expense incurred in connection with our interest-bearing liabilities. Changes in the general level of interest rates prevailing in the financial markets will affect the spread between our income-producing assets and management fee income streams and our interest-bearing liabilities subject to the impact of interest rate floors and caps, as well as the amounts of floating rate assets and liabilities. Any significant compression of the spreads between income-producing assets and management fee income streams and interest-bearing liabilities could have a material adverse effect on us. While interest rates remain low by historical standards, rates have recently risen and are generally expected to rise in the coming years, although there is no certainty as to the amount by which they may rise. Interest rates are highly sensitive to many factors, including governmental monetary and tax policies, domestic and international economic and political conditions, and other factors beyond our control. In the event of a significant rising interest rate environment, rates could create a mismatch between the income we generate from our income-producing assets and management fee income streams and the interest expense incurred on our floating rate debt that could have a significant adverse effect on our financial condition, our operating results and, our cash flows. An increase in interest rates could also, among other things, reduce the value of certain of our income-producing assets and our ability to realize gains from the sale of such assets.

Our Credit Facility

The Company's Credit Facility and secured financings include certain financial and/or other covenants that could restrict our operating activities, and the failure to comply with such covenants could result in a default that accelerates the required payment of such debt.

The Credit Facility contains certain financial and operating covenants, including, among other things, certain coverage ratios and limitations on our ability to incur debt and limits on the repurchase of the Company's stock and similar restrictions. In addition, the Credit Facility contains certain covenants pertaining to maximum levels of investment in certain types of assets, the number and make-up of the properties in the borrowing base, and similar covenants typical for this type of indebtedness. The Company's secured indebtedness generally contains covenants regarding debt service coverage ratios. The Company's ability to meet or maintain compliance with these and other debt covenants may be dependent on the performance of the Company's tenants under their leases. The Company's failure to comply with certain of our debt covenants could result in a default that may, if not cured, accelerate our payment obligations under such debt and limit the Company's available cash flow for acquisitions, dividends, or operating costs, which would likely have a material adverse impact on the Company's financial condition, results of operations, and cash flows. In addition, these defaults could impair the Company's access to the debt and equity markets.

Our Convertible Notes

Certain investors in the convertible debt issuance may also invest in our common stock utilizing trading strategies which may increase the volatility in or adversely affect the trading price and liquidity of our common stock.

Investors in, and potential purchasers of, the 2025 Notes may employ, or seek to employ, a convertible arbitrage strategy with respect to the 2025 Notes. Investors that employ a convertible arbitrage strategy with respect to our convertible debt instruments typically implement that strategy by selling short the common stock underlying the 2025 Notes and dynamically adjusting their short position while they hold the 2025 Notes. Investors may also implement this strategy by entering into swaps on our common stock in lieu of or in addition to short selling our common stock. These strategies, particularly the effect short sales or equity swaps with respect to our common stock, could increase the volatility of our stock price or otherwise adversely affect the trading price of our common stock.

We may not have the liquidity or ability to raise the funds necessary to settle conversions of the 2025 Notes or purchase the 2025 Notes as required upon a fundamental change, and our future debt may contain limitations on our ability to pay cash upon a purchase or conversion of the 2025 Notes.

Following certain potential events qualifying as a fundamental change under the indenture governing the 2025 Notes, including a change in control, holders of 2025 Notes will have the right to require us to purchase their 2025 Notes for cash. A fundamental change may also constitute an event of default or a prepayment event under, and result in the acceleration of the maturity of, our then-existing indebtedness. In addition, upon conversion of the 2025 Notes, unless we elect to

deliver solely shares of our common stock to settle such conversion (other than paying cash in lieu of delivering any fractional share), we will be required to make cash payments in respect of the 2025 Notes being converted. There is no assurance that we will have sufficient financial resources, or will be able to arrange financing, to pay the fundamental change purchase price or make cash payments upon conversion. In addition, restrictions in our then existing credit facilities or other indebtedness, if any, may not allow us to purchase the 2025 Notes upon a fundamental change or make cash payments upon conversion. Our failure to purchase the 2025 Notes upon a fundamental change or make cash payments upon conversion thereof when required would result in an event of default with respect to the 2025 Notes which could, in turn, constitute a default under the terms of our other indebtedness, if any. If the repayment of the related indebtedness were to be accelerated after any applicable notice or grace periods, we may not have sufficient funds to repay the indebtedness and purchase the 2025 Notes or make cash payments upon conversions thereof.

To the extent we issue shares of our common stock to satisfy all or a portion of the settlement of our 2025 Notes, conversions of the 2025 Notes will dilute the ownership interest of our existing stockholders, including holders who had previously converted their 2025 Notes into common stock.

To the extent we issue shares of our common stock to satisfy all or a portion of our conversion obligation pursuant to the 2025 Notes, the conversion of some or all of the 2025 Notes into common stock will dilute the ownership interests of our existing stockholders. Any sales in the public market of our common stock issuable upon such conversion could adversely affect prevailing market prices of our common stock. In addition, the existence of the 2025 Notes may encourage short selling by market participants because the conversion of the 2025 Notes could depress the price of our common stock.

The fundamental change purchase feature of our 2025 Notes may delay or prevent an otherwise beneficial attempt to take over our company.

The terms of the 2025 Notes require us to offer to purchase the 2025 Notes for cash in the event of a fundamental change, as defined in the indenture agreement of the 2025 Notes. A non-stock takeover of the Company may trigger the requirement that we purchase the 2025 Notes. This feature may have the effect of delaying or preventing a takeover of the Company that would otherwise be beneficial to investors.

The accounting method for our 2025 Notes, which may be settled in cash, may have a material effect on our reported financial results.

Under Accounting Standards Codification ("ASC") 470-20, *Debt with Conversion and Other Options*, which we refer to as ASC 470-20, an entity must separately account for the liability and equity components of the convertible debt instruments (such as the 2025 Notes) that may be settled entirely or partially in cash upon conversion in a manner that reflects the issuer's economic interest cost. The effect of ASC 470-20 on the accounting for the 2025 Notes is that the equity component is required to be included in the additional paid-in capital section of stockholders' equity on our consolidated balance sheet, and the value of the equity component would be treated as original issue discount for purposes of accounting for the debt component of the 2025 Notes. As a result, we will be required to record a greater amount of non-cash interest expense in current periods presented because of the amortization of the discounted carrying value of the 2025 Notes to their face amount over the term of the 2025 Notes. We will report lower net income (or greater net loss) in our financial results because ASC 470-20 requires interest to include both the current period's amortization of the debt discount and the instrument's coupon interest, which could adversely affect our reported or future financial results, and/or the market price of our common stock.

The Company's 2025 Notes were accounted for utilizing the treasury stock method as of and for the year ended December 31, 2021. During the periods presented, the Company overcame the presumption of share settlement and, therefore, there was no dilutive impact. In accordance with Accounting Standards Update ("ASU") 2020-06 and concurrent to adoption on January 1, 2022, the Company will be required to account for its convertible instruments utilizing the if-converted method, at which time, the Company's diluted EPS calculation will include the dilutive impact of the 2025 Notes, irrespective of intended cash settlement. The implementation of such guidance may adversely affect our diluted earnings per share.

Risks Associated with Certain Events, Environmental Issues and, Climate Change

Our operations and properties could be adversely affected in the event of natural disasters, pandemics, or other significant disruptions.

Our corporate headquarters and many of our properties are located in Florida, where major hurricanes have occurred. We have income properties in other states or regions that experience similar or other natural disasters. Depending on where any hurricane makes landfall, our properties in Florida could experience significant damage. In addition, the occurrence and frequency of hurricanes in Florida could also negatively impact demand for our real estate assets because of consumer perceptions of hurricane risks. In addition to hurricanes, the occurrence of other natural disasters and climate conditions in Florida and other states, such as tornadoes, floods, fires, unusually heavy or prolonged rain, droughts, and heat waves, could have an adverse effect on our ability to develop properties or realize income from our properties. In addition to the various forms of natural disasters that could impact our operations and the performance of our income producing assets, pandemics occurring throughout the world could lead to disruptions in the global economy or significant economies throughout the world which could adversely impact our tenant's operations, their ability to pay rent and consequently our financial condition, results of operations and cash flows may be adversely impacted. If a hurricane, earthquake, natural disaster, health pandemic or other similar significant disruption occurs, we may experience disruptions to our operations and damage to our properties, which could have an adverse effect on our business, our financing condition, our results of operations, and our cash flows.

Acts of violence, terrorist attacks or war may affect the markets in which the Company operates and adversely affect the Company's results of operations and cash flows.

Terrorist attacks or other acts of violence may negatively affect the Company's operations. There can be no assurance that there will not be terrorist attacks against businesses within the United States. These attacks may directly impact the Company's physical assets or business operations or the financial condition of its tenants, lenders or other institutions with which the Company has a relationship. The United States may be engaged in armed conflict, which could have an impact on these parties. The consequences of armed conflict are unpredictable, and the Company may not be able to foresee events that could have an adverse effect on its business. More generally, the occurrence of any of these events or the threat of these events, could cause consumer confidence and spending to decrease or result in increased volatility in the United States and worldwide financial markets and economies. They also could result in or cause an economic recession in the United States or abroad. Any of these occurrences could have an adverse impact on the Company's financial condition, results of operations or cash flows.

We may encounter environmental problems which require remediation or the incurrence of significant costs to resolve, which could adversely impact our financial condition, results of operations, and cash flows.

Under various federal, state and local laws, ordinances and regulations, we may be required to investigate and clean up certain hazardous or toxic substances released on or in properties we own or operate or that we previously owned or operated, and we may be required to pay other costs relating to hazardous or toxic substances or incur costs or obligations associated with wetland areas on our land holdings. Any such liability may be imposed without regard to whether the Company's management had knowledge, were notified or were otherwise aware of the origination of the environmental or wetland issues or were responsible for their occurrence. The presence of environmental issues or the failure to remediate properly any such losses at any of our properties may adversely affect our ability to sell or lease those properties, or to borrow using those properties as collateral. The costs or liabilities could exceed the value of the affected real estate. The costs or liabilities associated with resolving environmental issues could be significant.

The uses of any of our income properties prior to our acquisition, and the building materials used in the construction of the property are among the property-specific factors that will affect how the environmental laws are applied to our properties. In general, before we acquire our income properties, independent environmental consultants are engaged to conduct Phase I environmental assessments, which generally do not involve invasive techniques such as soil or groundwater sampling. Depending on the Phase I results, we may elect to obtain Phase II environmental assessments which do involve this type of sampling. There can be no assurance that environmental liabilities have not developed since these environmental assessments were performed or that future uses or conditions (including changes in applicable environmental laws and regulations) or new information about previously unidentified historical conditions will not result in the imposition of environmental liabilities.

If we are subject to any material costs or liabilities associated with environmental, our financial condition, results of operations and our cash flows could be adversely affected.

We are subject to certain risks associated with investing in real estate, including potential liabilities under environmental laws and risks of loss from weather conditions, man-made or natural disasters, climate change and terrorism.

Under various U.S. federal, state and local environmental laws, ordinances and regulations, a current or previous owner of real estate (including, in certain circumstances, a secured lender that succeeds to ownership or control of a property) may become liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, under or in its property. Those laws typically impose cleanup responsibility and liability without regard to whether the owner or control party knew of or was responsible for the release or presence of such hazardous or toxic substances. The costs of investigation, remediation or removal of those substances may be substantial. The owner or control party of a site may be subject to common law claims by third parties based on damages and costs resulting from environmental contamination emanating from a site. Certain environmental laws also impose liability in connection with the handling of or exposure to asbestos-containing materials, pursuant to which third parties may seek recovery from owners of real properties for personal injuries associated with asbestos-containing materials. While a secured lender is not likely to be subject to these forms of environmental liability, when we foreclose on real property, we become an owner and are subject to the risks of environmental liability. Additionally, our net lease assets require our tenants to undertake the obligation for environmental compliance and indemnify us from liability with respect thereto. There can be no assurance that our tenants will have sufficient resources to satisfy their obligations to us.

Weather conditions and man-made or natural disasters such as hurricanes, tornadoes, earthquakes, floods, droughts, fires and other environmental conditions can damage properties we own. Additionally, we own properties located near the coastline and the value of our properties will potentially be subject to the risks associated with long-term effects of climate change. A significant number of our properties are located in major urban areas which, in recent years, have been high risk geographical areas for terrorism and threats of terrorism. Certain forms of terrorism including, but not limited to, nuclear, biological and chemical terrorism, political risks, environmental hazards and/or Acts of God may be deemed to fall completely outside the general coverage limits of our insurance policies or may be uninsurable or cost prohibitive to justify insuring against. Furthermore, if the U.S. Terrorism Risk Insurance Program Reauthorization Act is repealed or not extended or renewed upon its expiration, the cost for terrorism insurance coverage may increase and/or the terms, conditions, exclusions, retentions, limits and sub-limits of such insurance may be materially amended, and may effectively decrease the scope and availability of such insurance to the point where it is effectively unavailable. Future weather conditions, man-made or natural disasters, effects of climate change or acts of terrorism could adversely impact the demand for, and value of, our assets and could also directly impact the value of our assets through damage, destruction or loss, and could thereafter materially impact the availability or cost of insurance to protect against these events. Although we believe our owned real estate and the properties collateralizing our loan assets are adequately covered by insurance, we cannot predict at this time if we or our borrowers will be able to obtain appropriate coverage at a reasonable cost in the future, or if we will be able to continue to pass along all of the costs of insurance to our tenants. Any weather conditions, man-made or natural disasters, terrorist attack or effect of climate change, whether or not insured, could have a material adverse effect on our financial performance, liquidity and the market price of our common or preferred stock. In addition, there is a risk that one or more of our property insurers may not be able to fulfill their obligations with respect to claims payments due to a deterioration in its financial condition.

The Company's operations and financial condition may be adversely affected by climate change, including possible changes in weather patterns, weather-related events, government policy, laws, regulations, and economic conditions.

In recent years, the assessment of the potential impact of climate change has begun to impact the activities of government authorities, the pattern of consumer behavior, and other areas that impact the business environment in the United States including, but not limited to, energy-efficiency measures, water use measures, and land-use practices. The promulgation of policies, laws or regulations relating to climate change by governmental authorities in the U.S. and the markets in which the Company owns real estate may require the Company to invest additional capital in our income properties. In addition, the impact of climate change on businesses to whom the Company seeks to lease its income properties is not reasonably determinable at this time. While not generally known at this time, climate change may impact weather patterns or the occurrence of significant weather events which could impact economic activity or the value of real estate in specific markets in which the Company owns its assets. The occurrence of any of these events or conditions may

adversely impact the Company's ability to lease its income properties, which would adversely impact the Company's financial condition, results of operations, and cash flows.

Risks Related to Our Organization and Structure

Certain provisions of Maryland law could inhibit changes in control of our company.

Certain "business combination" and "control share acquisition" provisions of the Maryland General Corporation Law, or the MGCL, may have the effect of deterring a third party from making a proposal to acquire us or of impeding a change in control under circumstances that otherwise could provide the holders of our common stock with the opportunity to realize a premium over the then-prevailing market price of our common stock. Pursuant to the MGCL, the Board has by resolution exempted business combinations between us and any other person. Our bylaws contain a provision exempting from the control share acquisition statute any and all acquisitions by any person of shares of our stock. However, there can be no assurance that these exemptions will not be amended or eliminated at any time in the future. Our charter and bylaws and Maryland law also contain other provisions that may delay, defer or prevent a transaction or a change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interest.

Our charter contains stock ownership limits, which may delay, defer or prevent a change of control.

In order to maintain our qualification as a REIT, no more than 50% in value of our outstanding capital stock may be owned, directly or indirectly, by five or fewer individuals during the last half of any calendar year, and at least 100 persons must beneficially own our stock during at least 335 days for each taxable year other than our initial REIT taxable year. "Individuals" for this purpose include natural persons, private foundations, some employee benefit plans and trusts and some charitable trusts. To assist us in complying with these limitations, among other purposes, our charter generally prohibits any person from directly or indirectly owning more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our capital stock. These ownership limitations could have the effect of discouraging a takeover or other transaction in which holders of our common stock might receive a premium for their shares over the then prevailing market price or which holders might believe to be otherwise in their best interests.

Our charter's constructive ownership rules are complex and may cause the outstanding shares owned by a group of related individuals or entities to be deemed to be constructively owned by one individual or entity. As a result, the acquisition of less than these percentages of the outstanding shares by an individual or entity could cause that individual or entity to own constructively in excess of these percentages of the outstanding shares and thus violate the share ownership limits. Our charter also provides that any attempt to own or transfer shares of our common stock or preferred stock in excess of the stock ownership limits without the consent of the Board or in a manner that would cause us to be "closely held" under Section 856(h) of the Code (without regard to whether the shares are held during the last half of a taxable year) will result in the shares being automatically transferred to a trustee for a charitable trust or, if the transfer to the charitable trust is not automatically effective to prevent a violation of the share ownership limits or the restrictions on ownership and transfer of our shares, any such transfer of our shares will be null and void.

Our rights and the rights of our stockholders to take action against our directors and executive officers are limited,
which could limit your recourse in the event of actions not in your best interest.

Our charter limits the liability of our present and former directors and executive officers to us and our stockholders for money damages to the maximum extent permitted under Maryland law. Under current Maryland law, our present and former directors and executive officers will not have any liability to us or our stockholders for money damages other than liability resulting from (i) actual receipt of an improper benefit or profit in money, property or services or (ii) active and deliberate dishonesty by the director or executive officer that was established by a final judgment and is material to the cause of action. As a result, we and our stockholders have limited rights against our present and former directors and executive officers, which could limit your recourse in the event of actions not in your best interest.

Risks Related to Our Qualification and Operation as a REIT

Failure to remain qualified as a REIT, would cause us to be taxed as a regular corporation, which would substantially reduce funds available for distributions to our stockholders.

We believe that our organization and method of operation has enabled us to meet the requirements for qualification and taxation as a REIT commencing with our taxable year ended December 31, 2020, and we intend to continue to be organized and operate in such a manner. However, we cannot assure you that we will remain qualified as a REIT. Accordingly, no assurance can be given that our actual results of operations for any particular taxable year will satisfy such requirements.

If we fail to qualify as a REIT in any taxable year, we will face serious tax consequences that will substantially reduce the funds available for distributions to our stockholders because:

- we would not be allowed a deduction for dividends paid to stockholders in computing our taxable income and would be subject to U.S. federal income tax at regular corporate rates;
- we could be subject to increased state and local taxes; and
- unless we are entitled to relief under certain U.S. federal income tax laws, we could not re-elect REIT status until the fifth calendar year after the year in which we failed to qualify as a REIT.

In addition, if we fail to remain qualified as a REIT, we will no longer be required to make distributions. As a result of all these factors, our failure to remain qualified as a REIT could impair our ability to expand our business and raise capital, and it would adversely affect our business, financial condition, results of operations or ability to make distributions to our stockholders and the trading price of our common stock.

Even if we remain qualified as a REIT, we may face other tax liabilities that could reduce our cash flows and negatively impact our results of operations and financial condition.

Even if we remain qualified for taxation as a REIT, we may be subject to certain U.S. federal, state and local taxes on our income and assets, including taxes on any undistributed income, tax on income from some activities conducted as a result of a foreclosure and state or local income, property and transfer taxes. In addition, any partnership in which we have an interest may be liable at the entity level for tax imposed under those procedures. Further, our TRSs will be subject to regular corporate U.S. federal, state and local taxes. The TRS rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis. Any of these taxes would decrease cash available for distributions to stockholders, which, in turn, could materially adversely affect our business, financial condition, results of operations or ability to make distributions to our stockholders and the trading price of our common stock.

If we failed to distribute our Pre-REIT Conversion Earnings and Profits, we could fail to qualify as a REIT.

To qualify as a REIT, we must not have any non-REIT accumulated earnings and profits, as measured for U.S. federal income tax purposes, at the end of any REIT taxable year. We were treated as a C corporation prior to our first REIT year, which was our taxable year ended December 31, 2020. Thus, we were required to distribute our Pre-REIT Conversion Earnings and Profits by the end of the 2020 taxable year. While we believe that the Special Distribution satisfied the requirements relating to the distribution of our Pre-REIT Conversion Earnings and Profits, the determination of the amount of accumulated earnings and profits attributable to non-REIT years is a complex factual and legal determination. There are substantial uncertainties relating to the computation of our Pre-REIT Earnings and Profits. Information used at the time we completed our analysis may have been less than complete or we may have interpreted the applicable law differently from the IRS. In addition, the IRS could, in auditing tax years through 2019, successfully assert that our taxable income should be increased, which could increase our Pre-REIT Conversion Earnings and Profits. Thus, we could have failed to satisfy the requirement that we distribute all of our Pre-REIT Conversion Earnings and Profits by the close of our first taxable year as a REIT. Although there are procedures available to cure a failure to distribute all of our Pre-REIT Conversion Earnings and Profits, we cannot now determine whether we will be able to take advantage of them or the economic impact to us of doing so. If it is determined that we had undistributed Pre-REIT Conversion Earnings and Profits as of the end of any taxable year in which we elect to qualify as a REIT, and we are unable to cure the failure to distribute such earnings and profits, then we would fail to qualify as a REIT under the Code.

Failure to make required distributions would subject us to U.S. federal corporate income tax.

We intend to continue to operate in a manner so as to maintain our qualification as a REIT for U.S. federal income tax purposes. In order to maintain our qualification as a REIT, we generally are required to distribute at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain, each year to our stockholders. To the extent that we satisfy this distribution requirement but distribute less than 100% of our REIT taxable income, we will be subject to U.S. federal corporate income tax on our undistributed taxable income. In addition, we will be subject to a 4% nondeductible excise tax if the actual amount that we pay out to our stockholders in a calendar year is less than a minimum amount specified under the Code.

Complying with REIT requirements may cause us to forego otherwise attractive opportunities or liquidate otherwise attractive investments.

To maintain our qualification as a REIT for U.S. federal income tax purposes, we must continually satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of our stock. In order to meet these tests, we may be required to forego investments we might otherwise make. Thus, compliance with the REIT requirements may hinder our performance.

In particular, we must ensure that at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and qualified real estate assets. The remainder of our investment in securities (other than government securities, securities of TRSs and qualified real estate assets) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our assets (other than government securities, securities of TRSs and qualified real estate assets) can consist of the securities of any one issuer, no more than 20% of the value of our total assets can be represented by the securities of one or more TRSs and no more than 25% of our assets can be represented by debt of "publicly offered REITs" (i.e., REITs that are required to file annual and periodic reports with the SEC under the Exchange Act), unless secured by real property or interests in real property. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders.

Our relative lack of experience in operating under the constraints imposed on us as a REIT may hinder the achievement of our investment objectives.

The Code imposes numerous constraints on the operations of REITs that do not apply to other investment vehicles. Our qualification as a REIT depends upon our ability to meet requirements regarding our organization and ownership, distributions of our income, the nature and diversification of our income and assets and other tests imposed by the Code. Any failure to comply could cause us to fail to satisfy the requirements associated with maintaining our REIT status. We have relatively limited experience operating under these constraints, which may hinder our ability to take advantage of attractive investment opportunities and to achieve our investment objectives. As a result, we cannot assure you that we will be able to operate our business under these constraints. If we fail to qualify as a REIT for any taxable year, we will be subject to U.S. federal income tax on our taxable income at corporate rates. In addition, we would generally be disqualified from treatment as a REIT for the four taxable years following the year of losing our REIT status. Losing our REIT status would reduce our net earnings available for investment or distribution to stockholders because of the additional tax liability. In addition, distributions to stockholders would no longer qualify for the dividends paid deduction, and we would no longer be required to make distributions. If this occurs, we might be required to borrow funds or liquidate some investments in order to pay the applicable tax.

Complying with REIT requirements may limit our ability to hedge our liabilities effectively and may cause us to incur tax liabilities.

The REIT provisions of the Code may limit our ability to hedge our liabilities. Any income from a hedging transaction we enter into to manage risk of interest rate changes, price changes or currency fluctuations with respect to borrowings made or to be made to acquire or carry real estate assets, if properly identified under applicable Treasury Regulations, does not constitute "gross income" for purposes of the 75% or 95% gross income tests applicable to REITs. In addition, certain income from hedging transactions entered into to hedge existing hedging positions after any portion of

the hedged indebtedness or property is extinguished or disposed of will not be included in income for purposes of the 75% and 95% gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions will likely be treated as non-qualifying income for purposes of both of the gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because our TRSs would be subject to tax on gains or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear. In addition, losses in a TRS generally will not provide any tax benefit, except for being carried forward against future taxable income of such TRS.

Our ability to provide certain services to our tenants may be limited by the REIT rules or may have to be provided through a TRS.

As a REIT, we generally cannot provide services to our tenants other than those that are customarily provided by landlords, nor can we derive income from a third party that provides such services. If we forego providing such services to our tenants, we may be at a disadvantage to competitors that are not subject to the same restrictions. However, we can provide such non-customary services to tenants or share in the revenue from such services if we do so through a TRS, though income earned by such TRS will be subject to U.S. federal corporate income tax.

The prohibited transactions tax may limit our ability to dispose of our properties.

A REIT's net income from prohibited transactions is subject to a 100% tax. In general, prohibited transactions are sales or other dispositions of property, other than foreclosure property, held primarily for sale to customers in the ordinary course of business. We may be subject to the prohibited transaction tax equal to 100% of net gain upon a disposition of real property. Although a safe harbor to the characterization of the sale of real property by a REIT as a prohibited transaction is available, we cannot assure you that we can comply with the safe harbor or that we will avoid owning property that may be characterized as held primarily for sale to customers in the ordinary course of business. Consequently, we may choose not to engage in certain sales of our properties, may structure dispositions as Section 1031 like-kind exchanges, or may conduct such sales through a TRS, which would be subject to U.S. federal corporate income tax.

We may pay taxable dividends in our stock and cash, in which case stockholders may sell shares of our stock to pay tax on such dividends, placing downward pressure on the market price of our stock.

We may satisfy the 90% distribution test with taxable distributions of our stock. The IRS has issued Revenue Procedure 2017-45 authorizing elective cash/stock dividends to be made by "publicly offered REITs." Pursuant to Revenue Procedure 2017-45, the IRS will treat the distribution of stock pursuant to an elective cash/stock dividend as a distribution of property under Section 301 of the Code (i.e., a dividend), as long as at least 20% of the total dividend is available in cash and certain other parameters detailed in the Revenue Procedure are satisfied. On November 30, 2021, the IRS issued Revenue Procedure 2021-53, which temporarily reduced (through June 30, 2022) the minimum amount of the distribution that must be available in cash to 10%.

With respect to any taxable dividend payable in cash and stock, taxable stockholders receiving such dividends will be required to include the full amount of the dividend as ordinary income to the extent of our current and accumulated earnings and profits, as determined for U.S. federal income tax purposes. As a result, stockholders may be required to pay income tax with respect to such dividends in excess of the cash dividends received. If a U.S. stockholder sells the stock that it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. Furthermore, with respect to certain non-U.S. stockholders, we may be required to withhold U.S. federal income tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock. If we make a taxable dividend payable in cash and our stock and a significant number of our stockholders determine to sell shares of our stock in order to pay taxes owed on dividends, it may put downward pressure on the trading price of our stock.

The ability of the Board to revoke our REIT qualification without stockholder approval may cause adverse consequences to our stockholders.

Our charter provides that the Board may revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines in good faith that it is no longer in our best interest to continue to qualify as a REIT. If we cease to qualify as a REIT, we would become subject to U.S. federal income tax on our taxable income and would no

longer be required to distribute most of our taxable income to our stockholders, which may have adverse consequences on our total return to our stockholders.

There are limits on our ownership of TRSs and our transactions with a TRS may cause us to be subject to a 100% penalty tax on certain income or deductions if those transactions are not conducted on arm's-length terms.

Overall, no more than 20% of the value of a REIT's assets may consist of stock or securities of one or more TRS. A TRS will be subject to applicable U.S. federal, state and local corporate income tax on its taxable income, and its after tax net income will be available for distribution to us but is not required to be distributed to us. In addition, the Code limits the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation and, in certain circumstances, other limitations on deductibility may apply. The Code also imposes a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis. We will monitor the value of our respective investments in our TRSs for the purpose of ensuring compliance with TRS ownership limitations and will structure our transactions with such TRSs on terms that we believe are arm's length to avoid incurring the 100% excise tax described above. There can be no assurance, however, that we will be able to comply with the 20% limitation or to avoid application of the 100% excise tax.

If we are not successful in utilizing the like-kind exchange structure in deploying the proceeds from dispositions of income properties, or our like-kind exchange transactions are disqualified, we could incur significant taxes and our results of operations and cash flows could be adversely impacted.

Although, as a REIT, we generally will not be subject to U.S. federal income tax on the taxable income that we distribute to our stockholders, we will nevertheless pay tax at the highest applicable regular U.S. federal corporate income tax rate (currently 21%) if we recognize built-in gain on the sale or disposition of any asset we held on January 1, 2020 (the first day of our first REIT year), during the five-year period after such date (the "Built-in Gains Tax"). Our strategy of investing in income-producing properties includes the utilization, when possible, of proceeds obtained from the disposition of income properties or from prior land transactions which qualify for deferral of the applicable income tax through the Section 1031 like-kind exchange provisions. Conducting Section 1031 exchanges generally will not trigger the Built-in Gains Tax. However, sales transactions that we completed in which we applied the provisions of Section 1031 may be disqualified for such treatment if we are deemed to have conducted activities on the land or in connection with the transaction that are inconsistent with the activities of a long-term investor such as the activities of a developer or a dealer. In addition, if we fail to complete a qualifying acquisition utilizing the aforementioned proceeds or complete the intended qualifying acquisition outside the specified period of time allowed for completing such transaction the application of the Section 1031 provisions would be disqualified. If a transaction we deemed qualifying for like-kind exchange treatment is subsequently disqualified by the IRS, we may be subject to increased income taxes, including the Built-in Gains Tax, which would adversely impact our results of operations and our cash flows.

If the provisions of Section 1031 of the Code regarding the like-kind exchange structure were altered substantially or eliminated, our financial position, results of operations and cash flows could be adversely impacted.

A fundamental element of our strategy is investing in income-producing properties, in some instances utilizing the proceeds obtained from the disposition of our income properties in tax deferred Section 1031 like-kind exchanges. As noted above, the use of Section 1031 like-kind exchanges will generally allow us to avoid the Built-in Gains Tax that may apply during the five-year period following our REIT conversion. If the provisions of Section 1031 of the Code, including the deferral of taxes on gains related to the sale of real property such as our income properties, were to be altered substantially or eliminated, we may be subject to increased income taxes, including the Built-in Gains Tax, which may have a material adverse effect on our results of operations and our cash flows.

You may be restricted from acquiring or transferring certain amounts of our common stock.

The stock ownership restrictions of the Code for REITs and the 9.8% share ownership limit in our charter may inhibit market activity in our capital stock and restrict our business combination opportunities.

In order to maintain our qualification as a REIT, five or fewer individuals, as defined in the Code, may not own, beneficially or constructively, more than 50% in value of our issued and outstanding capital stock at any time during the last half of a taxable year. Attribution rules in the Code determine if any individual or entity beneficially or constructively owns our shares of capital stock under this requirement. Additionally, at least 100 persons must beneficially own our shares

of capital stock during at least 335 days of each taxable year other than our initial REIT taxable year. To help insure that we meet these tests, our charter restricts the acquisition and ownership of shares of our capital stock.

Our charter, with certain exceptions, requires our directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted by the Board, our charter prohibits any person from beneficially or constructively owning more than 9.8% in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our shares of capital stock. The Board may not grant an exemption from this restriction to any person if such exemption would result in our failing to qualify as a REIT. This as well as other restrictions on transferability and ownership will not apply, however, if the Board determines in good faith that it is no longer in our best interest to continue to qualify as a REIT.

Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.

The maximum U.S. federal income tax rate applicable to "qualified dividend income" payable to U.S. stockholders that are taxed at individual rates is 20% (plus the 3.8% surtax on net investment income, if applicable). Dividends payable by REITs, however, generally are not eligible for the reduced rates on qualified dividend income. However, for taxable years beginning before January 1, 2026, ordinary REIT dividends constitute "qualified business income" and thus a 20% deduction is available to individual taxpayers with respect to such dividends, resulting in a 29.6% maximum U.S. federal income tax rate (plus the 3.8% surtax on net investment income, if applicable) for individual U.S. stockholders. However, to qualify for this deduction, the stockholder receiving such dividends must hold the dividend-paying REIT stock for at least 46 days (taking into account certain special holding period rules) of the 91-day period beginning 45 days before the stock becomes ex-dividend, and cannot be under an obligation to make related payments with respect to a position in substantially similar or related property. The more favorable rates applicable to regular corporate qualified dividends could cause investors who are taxed at individual rates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could adversely affect the value of the shares of REITs, including our common stock.

We may be subject to adverse legislative or regulatory tax changes, in each instance with potentially retroactive effect, that could reduce the market price of our common stock.

At any time, the U.S. federal income tax laws governing REITs or the administrative interpretations of those laws may be amended. We cannot predict when or if any new U.S. federal income tax law, regulation or administrative interpretation, or any amendment to any existing U.S. federal income tax law, regulation or administrative interpretation, will be adopted, promulgated or become effective and any such law, regulation or interpretation may take effect retroactively. We and our stockholders could be adversely affected by any such change in the U.S. federal income tax laws, regulations or administrative interpretations which, in turn, could materially adversely affect our ability to make distributions to our stockholders and the trading price of our common stock.

Risks Associated with our Common Stock

The Company has several stockholders that beneficially own more than 5% of the Company's outstanding common stock and exercise the related voting rights of those shares. Actions by these stockholders, including trading activity, could have a material adverse impact on the trading price of our stock.

Certain of our stockholders, specifically several institutional investment funds, each beneficially own more than 5% of the outstanding common stock of the Company. The daily trading activity in our stock is substantially lower, on average, than the total amount of shares owned by these stockholders. Any substantial trading activity executed by these large stockholders could have an adverse impact on the trading price of the Company's stock which may impact our ability to raise capital through equity financing, which may adversely impact our ability to execute our business plan.

Other Operational Risks

Our operations could be negatively impacted by the loss of key management personnel.

We believe our future success depends, to a significant extent, on the efforts of each member of the Company's senior management and our ability to attract and retain key personnel. The loss of, or our inability to replace, any member of senior management could adversely affect our operations and our ability to execute our business strategies and thereby

our financial condition, results of operations and cash flows. We maintain key man life insurance on our Chief Executive Officer, but we do not have key man life insurance policies on the other members of our senior management.

Uninsured losses may adversely affect the Company's ability to pay outstanding indebtedness.

The Company's income-producing properties are generally covered by comprehensive liability, fire, and extended insurance coverage, typically paid by the tenant under the triple-net and double-net lease structure. The Company believes that the insurance carried on our properties is adequate and in accordance with industry standards. There are, however, types of losses (such as from hurricanes, earthquakes, floods or other types of natural disasters, or wars, terrorism, or other acts of violence) which may be uninsurable or the cost of insuring against these losses may not be economically justifiable. If an uninsured loss occurs or a loss exceeds policy limits, the Company could lose both its invested capital and anticipated revenues from the property, thereby reducing the Company's cash flow, impairing the value of the impacted income properties and adversely impacting the Company's financial condition and results of operations.

We are highly dependent on information systems and certain third-party technology service providers, and systems failures not related to cyber-attacks or similar external attacks could significantly disrupt our business, which may, in turn, negatively affect the market price of our common stock and preferred stock and adversely impact our results of operations and cash flows.

Our business is highly dependent on communications and information systems. Any failure or interruption of our systems or our networks could cause delays or other problems in our operations and communications. We rely heavily on our financial, accounting and other data processing systems. In addition, much of our information technology infrastructure is or may be managed by third parties and as such we also face the risk of operational failure, termination, or capacity constraints by any of these third parties with which we do business or that facilitate our business activities. It is difficult to determine what, if any, negative impact may directly result from any specific interruption or disruption of our networks or systems or any failure to maintain performance, reliability and security of our technological infrastructure, but significant events impacting our systems or networks could have a material adverse effect on our operating results and cash flows and negatively affect the market price of our common stock and preferred stock.

We are required to make a number of judgments in applying accounting policies, and different estimates and assumptions could result in changes to our financial condition and results of operations.

Material estimates that are particularly susceptible to significant change underlie our determination of the reserve for loan losses, which is based primarily on the estimated fair value of loan collateral, as well as the valuation of real estate assets and deferred tax assets. While we have identified those accounting policies that are considered critical and have procedures in place to facilitate the associated judgments, different assumptions in the application of these policies could have a material adverse effect on our financial performance and results of operations and actual results may differ materially from our estimates.

Changes in accounting rules will affect our financial reporting.

The FASB has issued new accounting standards that will affect our financial reporting.

In January 2021, the FASB issued ASU 2021-01 which is in response to concerns about structural risks of interbank offered rates ("IBORs"), and, particularly, the risk of cessation of the London Interbank Offered Rate ("LIBOR"), regulators in numerous jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. The amendments in ASU 2021-01 are effective immediately and clarify that certain optional expedients and exceptions in Topic 848 for contract modifications and hedge accounting apply to derivatives that are affected by the discounting transition. The Company believes it's interest rate swaps, hereinafter described in Note 18, "Interest Rate Swaps" in the notes to the consolidated financial statements in Item 8, meet the scope of Topic 848-10-15-3A and therefore, Company will be able to continue to apply a perfectly effective assessment method for each interest rate swap by electing the corresponding optional expedient for subsequent assessments.

In August 2020, the FASB issued ASU 2020-06 related to simplifying the accounting for convertible instruments by removing certain separation models for convertible instruments. Among other things, the amendments in the update also provide for improvements in the consistency in earnings per share ("EPS") calculations by amending the guidance by

requiring that an entity use the if-converted method for convertible instruments. The amendments in ASU 2020-06 are effective for reporting periods beginning after December 15, 2021. The Company adopted ASU 2020-06 as of January 1, 2022, at which time, the Company's diluted EPS calculation will include the dilutive impact of the 2025 Notes (hereinafter defined), irrespective of intended cash settlement. Further, the Company elected, upon adoption, to utilize the modified retrospective approach, negating the required restatement of EPS for periods prior to adoption.

In June 2016, the FASB issued ASU 2016-13, *Financial Instruments—Credit Losses: Measurement of Credit Losses on Financial Instruments* ("ASU 2016-13") which was issued to provide financial statement users with more decision-useful information about the expected credit losses on financial instruments held by a reporting entity. This amendment replaces the incurred loss impairment methodology in current accounting principles generally accepted in the United States of America ("U.S. GAAP") with a methodology that reflects expected credit losses and requires consideration of a broader range of reasonable and supportable information to inform credit loss estimates. ASU 2016-13 is effective for interim and annual reporting periods beginning after December 15, 2019. The Company adopted the changes to ASC 326, Financial Instruments-Credit Losses on January 1, 2020 and there was no material impact on the consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, *Leases* ("ASU 2016-02"), and in July 2018, the FASB issued ASU 2018-11, *Leases* ("ASU 2018-11"), to address two requirements of ASU 2016-02. ASU 2016-02 and ASU 2018-11 are effective for interim and annual reporting periods beginning after December 15, 2018. ASU 2016-02 requires the recognition of lease assets and lease liabilities by lessees for those leases classified as operating or finance leases. For operating and finance leases, a lessee will be required to recognize a right-of-use asset and a lease liability, initially measured at the present value of the lease payments, in its statement of financial position. Lessees under operating leases will be required to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term generally on a straight-line basis, and classify all cash payments within operating activities in its statement of cash flows. Lessees under finance leases will be required to recognize interest expense on the lease liability (under the effective interest method) and amortization expense of the right-of-use asset (generally on a straight-line basis), each reflected separately in its statement of operations. At the beginning of the period of adoption, January 1, 2019, through a cumulative-effect adjustment, the Company increased right-of use assets and lease liabilities for operating leases for which the Company is the lessee. The amount of the adjustment totaled $0.7 million and was reflected as an increase in other assets and accrued and other liabilities for corporate leases totaling $0.5 million and an increase in assets held for sale and liabilities held for sale for golf operations segment leases totaling $0.2 million. There were no adjustments related to the leases for which the Company is the lessor.

Management decided to elect the practical expedient package that allows us: (a) to not reassess whether any expired or existing contracts entered into prior to January 1, 2019 are or contain leases; (b) to not reassess the lease classification for any expired or existing leases entered into prior to January 1, 2019; and (c) to not reassess initial direct costs for any expired or existing leases entered into prior to January 1, 2019. In addition, we will elect to not record on our consolidated balance sheets leases whose term is less than 12 months at lease inception.

ASU 2018-11 amends ASU 2016-02 so that: (a) entities may elect to not recast the comparative periods presented when transitioning to ASC 842 by allowing entities to change their initial application to the beginning of the period of adoption; and (b) provides lessors with a practical expedient to not separate non-lease components from the associated lease component of the contractual payments if certain conditions are met. Management decided to elect both of these provisions.

Changes in accounting standards could affect the comparability of our reported results with prior periods and our ability to comply with financial covenants under our debt instruments. We may also need to change our accounting systems and processes to enable us to comply with the new standards, which may be costly.

For additional information regarding new accounting standards, refer to Note 2, "Summary of Significant Accounting Policies" in the notes to the consolidated financial statements in Item 8. under the heading "Recently Issued Accounting Standards."

Actions of the U.S. government, including the U.S. Congress, Federal Reserve, U.S. Treasury and other governmental and regulatory bodies, to stabilize or reform the financial markets, or market responses to those actions, may not achieve the intended effect and may adversely affect our business.

The U.S government, including the U.S. Congress, the Federal Reserve, the U.S Treasury and other governmental and regulatory bodies have increased their focus on the regulation of the financial industry in recent years. New or modified regulations and related regulatory guidance may have unforeseen or unintended adverse effects on the financial industry. Laws, regulations or policies, including tax laws and accounting standards and interpretations, currently affecting us may change at any time. Regulatory authorities may also change their interpretation of these statutes and regulations. Therefore, our business may also be adversely affected by future changes in laws, regulations, policies or interpretations or regulatory approaches to compliance and enforcement.

Various legislative bodies have also considered altering the existing framework governing creditors' rights and mortgage products including legislation that would result in or allow loan modifications of various sorts. Such legislation may change the operating environment in substantial and unpredictable ways. We cannot predict whether new legislation will be enacted, and if enacted, the effect that it or any regulations would have on our activities, financial condition, or results of operations.

Under the Americans with Disabilities Act of 1990, all public accommodations and commercial facilities must meet certain federal requirements related to access and use by disabled persons, compliance with which may be costly.

Compliance with the ADA requirements could involve modifications to our income properties. Other federal, state and local laws may require modifications to or restrict further renovations of our income properties. Although we believe that our income properties are sufficiently in compliance with current requirements, noncompliance with the ADA or related laws or regulations could result in the imposition of governmental fines or in the award to private litigants of damages against us. Costs such as these, as well as the general costs of compliance with these laws or regulations, may adversely affect our financial condition, results of operations, and cash flows.

The impact of financial reform legislation and legislation promulgated thereunder on us is uncertain.

The Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), enacted in 2010, instituted a wide range of reforms that will have an impact on all financial institutions. Many of the requirements called for in the Dodd-Frank Act will be implemented over time, most of which will be subject to implementing regulations over the course of several years. Many of these regulations have yet to be promulgated or are only recently promulgated In 2018, several changes were made to the Dodd-Frank Act, including the repeal of certain provisions that eased restrictions on small and medium-sized banks of the Dodd-Frank Act. It is possible that the Biden administration will reverse a number of U.S. President Trump’s policies, including those that relate to deregulation, and will increase the number of financial regulators as current vacancies in the bureaucracy are prioritized and filled under the Biden administration. Given the uncertainty associated with the Dodd-Frank Act itself and the manner in which the provisions of the Dodd-Frank Act will be implemented by the various regulatory agencies and through regulations, the full impact such requirements will have on our business, results of operations or financial condition is unclear. The changes resulting from the Dodd-Frank Act may require us to invest significant management attention and resources to evaluate and make necessary changes in order to comply with new statutory and regulatory requirements. Failure to comply with any such laws, regulations or principles, or changes thereto, may negatively impact our business, results of operations and financial condition. While we cannot predict what effect any changes in the laws or regulations or their interpretations would have on us, these changes could be materially adverse to us and our stockholders.

The Company’s failure to maintain effective internal control over financial reporting could have a material adverse effect on its business, operating results, and price of our common stock and preferred stock.

Section 404 of the Sarbanes-Oxley Act of 2002 (“SOX”) as amended or modified from time to time, requires annual management assessments of the effectiveness of the Company’s internal control over financial reporting. If the Company fails to maintain the adequacy of its internal control over financial reporting, the Company may not be able to ensure that it can conclude on an ongoing basis that it has effective internal control over financial reporting and therefore would likely not be in compliance with SOX. An effective system of internal controls over financial reporting, particularly those related to revenue recognition, are necessary for the Company to prepare and produce reliable financial reports and to maintain its qualification as a public company and are important in reducing the risk of financial fraud. If the Company cannot provide

reliable financial reports or prevent fraud, its business and operating results could be harmed, qualification as a public company listed on NYSE could be jeopardized, investors could lose confidence in the Company's reported financial information, and the market price of the Company's common stock and preferred stock could drop significantly.

If we are unable to satisfy the requirements of Section 404 of the Sarbanes-Oxley Act or our internal control over financial reporting is not effective, the reliability of our financial statements may be questioned, and the market price of our common stock and preferred stock may suffer.

Section 404 of the Sarbanes-Oxley Act requires any company subject to the reporting requirements of the U.S. securities laws to do a comprehensive evaluation of its and its consolidated subsidiaries' internal control over financial reporting. The rules governing the standards that must be met for management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation to meet the detailed standards under the rules. During the course of its testing, our management may identify material weaknesses or deficiencies which may not be remedied in time to meet the deadline imposed by the Sarbanes-Oxley Act. If our management cannot favorably assess the effectiveness of our internal control over financial reporting or our auditors identify material weaknesses in our internal controls, investors may lose confidence in our reported financial results and the market price of our common stock and preferred stock may decline.

We are subject to substantial regulation and numerous contractual obligations and internal policies, and failure to comply with these provisions could have a material adverse effect on our business, financial condition and results of operations.

We are subject to substantial regulation and numerous contractual obligations and internal policies. We are subject to regulation by the SEC, the NYSE, and other federal, state and local or international governmental bodies and agencies or self-regulatory organizations. Moreover, we must comply with the REIT rules, and we are also responsible for managing or assisting with the regulatory aspects of PINE's compliance with applicable REIT rules. The level of regulation and supervision to which we and PINE are subject varies from jurisdiction to jurisdiction and is based on the type of business activity involved. The regulations to which we and PINE are subject are extensive, complex and require substantial management time and attention. Our failure or PINE's failure to comply with any of the regulations, contractual obligations or policies applicable to it may subject us to extensive investigations, as well as substantial penalties and reputational risk, and our business and operations could be materially adversely affected. Our lack of compliance with applicable law could result in, among other things, our inability to enforce contracts, our default under contracts (including our management agreements with PINE) and our ineligibility to contract with and receive revenue from PINE. We have numerous contractual obligations with which we must comply on a continuous basis to operate our business, the default of which could have a material adverse effect on our business and financial condition. We have established internal policies designed to ensure that we manage our business in accordance with applicable law and regulation and in accordance with our contractual obligations. These internal policies may not be effective in all regards; and, if we fail to comply with our internal policies, we could be subjected to additional risk and liability.

Employee misconduct could harm us by subjecting us to significant legal liability, reputational harm and loss of business.

There is a risk that our employees could engage in misconduct that adversely affects our business. We are subject to a number of obligations and standards arising from our business and our authority over PINE or the ventures we manage. The violation of these obligations and standards by any of our employees may adversely affect PINE or the ventures we manage and us. Our business often requires that we deal with confidential matters of great significance to PINE and the ventures we manage. If our employees improperly use or disclose confidential information, we and PINE or the ventures we manage could suffer serious harm to our and its reputation, financial position and current and future business relationships and face potentially significant litigation. It is not always possible to detect or deter employee misconduct, and the precautions we take to detect and prevent this activity may not be effective in all cases. If any of our employees were to engage in or be accused of misconduct, our business and our reputation could be adversely affected. Misconduct by an employee might rise to the level of a default that would permit PINE or the ventures we manage to terminate the management agreements with us for cause and without paying a termination fee, which could materially adversely affect our business, results of operations and financial condition.

The Company's ability to pay dividends in the future is subject to many factors.

The Company has consistently paid a dividend since 1976. Payment of the Company's dividend depends upon the Company's financial condition, results of operations, and cash flows. The Company's ability to continue to pay dividends may be adversely impacted if any of the events or conditions associated with the risks described in this section were to occur.

General Risk Factors

Cybersecurity risks and cyber incidents could adversely affect the Company's business and disrupt operations.

Cyber incidents can result from deliberate attacks or unintentional events. These incidents can include, but are not limited to, gaining unauthorized access to digital systems for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. The result of these incidents could include, but are not limited to, disrupted operations, misstated financial data, liability for stolen assets or information, increased cybersecurity protection costs, litigation, and reputational damage adversely affecting customer or investor confidence. Should any such cyber incidents or similar events occur, the Company's assets, particularly cash, could be lost and, as a result, the Company's ability to execute its business and strategy could be impaired, thereby adversely affecting its financial condition, results of operations, and cash flows.

The market value of the Company's common stock and preferred stock is subject to various factors that may cause significant fluctuations or volatility.

As with other publicly-traded securities, the market price of the Company's common stock, preferred stock and convertible notes depends on various factors, which may change from time to time and/or may be unrelated to the Company's financial condition, results of operations, or cash flows and such factors may cause significant fluctuations or volatility in the market price of the Company's common stock and preferred stock. These factors include, but are likely not limited to, the following:

- General economic and financial market conditions including a weak economic environment;
- Level and trend of interest rates;
- The Company's ability to access the capital markets to raise additional debt or equity capital;
- Changes in the Company's cash flows or results of operations;
- The Company's financial condition and performance;
- Market perception of the Company compared to other real estate companies;
- Market perception of the real estate sector compared to other investment sectors; and
- Volume of average daily trading and the amount of the Company's common stock and preferred stock available to be traded.

Significant legal proceedings may adversely affect our results of operations or financial condition.

We are subject to the risk of litigation, derivative claims, securities class actions, regulatory and governmental investigations and other litigation including proceedings arising from investor dissatisfaction with our operating performance. If any claims were brought against us and resulted in a finding of substantial legal liability, the finding could materially adversely affect our business, financial condition or results of operations or cause significant reputational harm to us, which could significantly adversely impact our business. Allegations of improper conduct by private litigants or regulators, regardless of veracity, may harm our reputation, and adversely impact our ability to grow our business or maintain our management of PINE or the ventures in which we have a financial interest.

We are subject to risks related to corporate social responsibility.

Our business faces public scrutiny related to environmental, social and governance ("ESG") activities. We risk damage to our reputation if we fail to act responsibly in a number of areas, such as diversity and inclusion, environmental stewardship, support for local communities, corporate governance and transparency and considering ESG factors in our investment processes. Adverse incidents with respect to ESG activities could impact the cost of our operations and

relationships with investors, all of which could adversely affect our business and results of operations. Additionally, new legislative or regulatory initiatives related to ESG could adversely affect our business.

ITEM 1B. UNRESOLVED STAFF COMMENTS

None.

ITEM 2. PROPERTIES

Our principal offices are located at 1140 N. Williamson Blvd., Suite 140, Daytona Beach, Florida 32114.

As of December 31, 2021, the Company owns the following properties: (i) 9 properties occupied by single-tenants located in Florida, New Mexico, New York, Texas, and Virginia; (ii) 13 multi-tenant properties located in Arizona, Florida, Georgia, Nevada, New Mexico, North Carolina, Texas, and Utah; (iii) full or fractional subsurface oil, gas, and mineral interests underlying 370,000 “surface acres” in 19 counties in Florida; and (iv) a 2,500 acre parcel of land in the western part of Daytona Beach, Florida owned indirectly through the Company's 100% interest in the Mitigation Bank. Please refer to Item 1. “Business” for a more detailed discussion of our properties.

ITEM 3. LEGAL PROCEEDINGS

From time to time, the Company may be a party to certain legal proceedings, incidental to the normal course of its business. While the outcome of the legal proceedings cannot be predicted with certainty, the Company does not expect that these proceedings will have a material effect upon our financial condition or results of operations. See Note 23, “Commitments and Contingencies” in the notes to the consolidated financial statements in Item 8 for additional disclosure related to the Company’s legal proceedings.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED STOCKHOLDER MATTERS, AND ISSUER REPURCHASES OF EQUITY SECURITIES

COMMON STOCK PRICES AND DIVIDENDS

The Company's common stock trades on the NYSE under the symbol "CTO". The Company has paid dividends on a continuous basis since 1976, the year in which its initial dividends were paid. Aggregate annual dividends per common share, which were paid quarterly and exclude the Special Distribution (hereinafter defined) totaled $4.00 and $1.90 during the years ended December 31, 2021 and 2020, respectively.

On November 9, 2020, the Board declared the Special Distribution on its shares of common stock in an aggregate amount of $55.8 million, payable in cash and shares of the Company's common stock, in order to distribute the Company's previously undistributed earnings and profits attributable to taxable periods ended on or prior to December 31, 2019, as required in connection with the Company's election to be taxable as a REIT. The Special Distribution was paid on December 21, 2020 to stockholders of record as of the close of business on November 19, 2020 through an aggregate of $5.6 million in cash and the issuance of 1,198,963 shares of the Company's common stock.

The level of future dividends will be subject to an ongoing review of the Company's operating results and financial position, the annual distributions requirements under the REIT provisions of the Code and, among other factors, the overall economy, with an emphasis on our local real estate market and our capital needs.

The number of stockholders of record as of February 17, 2022 (without regard to shares held in nominee or street name) was 407. Many of the Company's shares of common stock are held by brokers and institutions on behalf of stockholders, the Company is unable to estimate the total number of stockholders represented by these record holders.

Recent Sales of Unregistered Securities

There were no unregistered sales of equity securities during the year ended December 31, 2021 which were not previously reported.

Issuer Purchases of Equity Securities

The following repurchases of shares of the Company's common stock were made during the three months ended December 31, 2021:

	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as a Part of Publicly Announced Plans or Programs [1]	Maximum Number (or Approximate Dollar Value) of Shares That May yet be Purchased Under the Plans or Programs ($000's) [1]
10/01/2021 - 10/31/2021	—	$ —	—	$ 5,908
11/01/2021 - 11/30/2021	17,779	$ 54.27	17,779	$ 4,943
12/01/2021 - 12/31/2021	22,774	$ 54.65	22,774	$ 3,698
Total	40,553	$ 54.48	40,553	

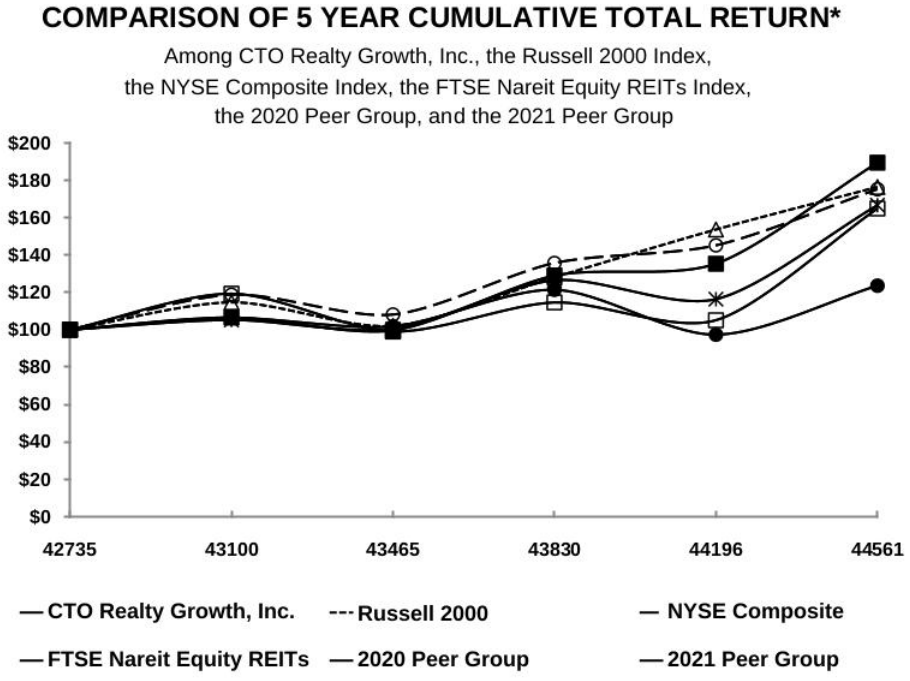
(1) In February 2020, the Board approved a $10.0 million common stock repurchase program, which was announced on February 12, 2020. The repurchase program does not have an expiration date.

STOCK PERFORMANCE GRAPH

COMPARISON OF 5-YEAR CUMULATIVE TOTAL RETURN*
Among CTO Realty Growth, Inc., the Russell 2000 Index,
the FTSE Nareit Equity REITs Index, the NYSE Composite Index, the 2020 Peer Group and the 2021 Peer Group

The following performance graph shows a comparison of cumulative total stockholder return from a $100 investment in stock of the Company over the five-year period ending December 31, 2021, with the cumulative stockholder return of the following: (i) the Russell 2000 Index; (ii) the FTSE Nareit Equity REITs Index; (iii) the NYSE Composite Index, a real estate industry index provided by Research Data Group; (iv) an index of selected issuers in our old Peer Group (composed of Agree Realty Corp., Cedar Realty Trust, Inc., Five Point Holdings, LLC, Four Corners Property Trust, Inc., Getty Realty Corp., Lexington Realty Trust, One Liberty Properties, Inc., Rexford Industrial Realty, Inc., St. Joe Company, Stratus Properties, Inc., Tejon Ranch Company, Trinity Place Holdings, Inc., Urstadt Biddle Properties, Inc., and Whitestone REIT (the "2020 Peer Group")); and (v) an index of selected issuers in our new Peer Group (composed of Armada Hoffler Properties, Inc., Acadia Realty Trust, Agree Realty Corporation, Chatham Lodging Trust, Clipper Realty Inc., Four Corners Property Trust, Inc., Getty Realty Corp., Monmouth Real Estate Investment Corp., NetSTREIT Corp., One Liberty Properties Inc., Plymouth Industrial REIT Inc., RPT Realty, Seritage Growth Properties, and Whitestone REIT (the "2021 Peer Group")). The Company has modified the 2020 Peer Group to (i) add Armada Hoffler Properties, Inc., Acadia Realty Trust, Chatham Lodging Trust, Clipper Realty Inc., Monmouth Real Estate Investment Corp., NetSTREIT Corp., Plymouth Industrial REIT Inc., RPT Realty and Seritage Growth Properties and (ii) remove Cedar Realty Trust, Inc., Five Point Holdings, LLC, Lexington Realty Trust, Rexford Industrial Realty, Inc., St. Joe Company, Stratus Properties, Inc., Tejon Ranch Company, Trinity Place Holdings, Inc. and Urstadt Biddle Properties, Inc.

The Company believes that the 2021 Peer Group more accurately and appropriately reflects its peers.



	12/16	12/17	12/18	12/19	12/20	12/21
CTO Realty Growth, Inc.	100.00	119.26	99.03	114.58	105.08	164.85
Russell 2000	100.00	114.65	102.02	128.06	153.62	176.39
NYSE Composite	100.00	118.73	108.10	135.68	145.16	175.18
FTSE Nareit Equity REITs	100.00	105.23	100.36	126.45	116.34	166.64
2020 Peer Group	100.00	106.53	99.62	128.97	135.31	189.40
2021 Peer Group	100.00	106.33	101.75	121.36	97.34	123.56

ITEM 6. [Reserved]

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Forward-Looking Statements

When the Company uses any words such as "anticipate," "assume," "believe," "estimate," "expect," "intend," or similar expressions, the Company is making forward-looking statements. Although management believes that the expectations reflected in such forward-looking statements are based upon current expectations and reasonable assumptions, the Company's actual results could differ materially from those set forth in the forward-looking statements. Certain factors or risks that could cause actual results or events to differ materially from those the Company anticipates or projects are described in "Item 1A. Risk Factors" of this Annual Report on Form 10-K. Given these uncertainties, readers are cautioned not to place undue reliance on such statements, which speak only as of the date of this Annual Report on Form 10-K or any document incorporated herein by reference. The Company undertakes no obligation to publicly release any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this Annual Report on Form 10-K.

Our Business

We are a publicly traded, primarily retail-oriented, REIT that was founded in 1910. We own and manage, sometimes utilizing third-party property management companies, 22 commercial real estate properties in 10 states in the United States. As of December 31, 2021, we owned 9 single-tenant and 13 multi-tenant income-producing properties comprising 2.7 million square feet of gross leasable space.

In addition to our income property portfolio, as of December 31, 2021, our business included the following:

Management Services:

- A fee-based management business that is engaged in managing PINE, see Note 6, "Related Party Management Services Business" in the notes to the consolidated financial statements in Item 8.

Commercial Loan and Master Lease Investments:

- A portfolio of two commercial loan investments and two commercial properties, which are included in the 22 commercial real estate properties above, whose leases are classified as commercial loan and master lease investments.

Real Estate Operations:

- A portfolio of subsurface mineral interests associated with approximately 370,000 surface acres in 19 counties in the State of Florida ("Subsurface Interests"); and

- An inventory of historically owned mitigation credits as well as mitigation credits produced by the Company's mitigation bank. The mitigation bank owns a 2,500 acre parcel of land in the western part of Daytona Beach, Florida and, pursuant to a mitigation plan approved by the applicable state and federal authorities, produces mitigation credits that are sold to developers of land in the Daytona Beach area for the purpose of enabling the developers to obtain certain regulatory permits for property development (the "Mitigation Bank"). Prior to the Interest Purchase (hereinafter defined in Note 8, "Investments in Joint Ventures") completed on September 30, 2021, the Company held a 30% retained interest in the entity that owns the Mitigation Bank.

On December 10, 2021, the Land JV, of which the Company previously held a 33.5% retained interest, completed the Land JV Sale. Proceeds to the Company after distributions to the other member of the Land JV, and before taxes, were $24.5 million. Prior to the completion of the Land JV Sale, the Company was engaged in managing the Land JV, as further described in Note 6, "Related Party Management Services Business" in the notes to the consolidated financial statements in Item 8. As a result of the Land JV Sale and corresponding dissolution of the Land JV, the Company no longer holds a retained interest in the Land JV as of December 31, 2021.

Our business also includes our investment in PINE. As of December 31, 2021, the fair value of our investment totaled $41.0 million, or 15.6% of PINE's outstanding equity, including the OP Units we hold in the PINE Operating Partnership, which are redeemable for cash, based upon the value of an equivalent number of shares of PINE common stock at the time of the redemption, or shares of PINE common stock on a one-for-one basis, at PINE's election. Our investment in PINE generates investment income through the dividends distributed by PINE. In addition to the dividends we receive from PINE, our investment in PINE may benefit from any appreciation in PINE's stock price, although no assurances can be provided that such appreciation will occur, the amount by which our investment will increase in value, or the timing thereof. Any dividends received from PINE are included in investment and other income (loss) on the accompanying consolidated statements of operations.

Discontinued Operations. The Company reports the historical financial position and results of operations of disposed businesses as discontinued operations when it has no continuing interest in the business. On October 16, 2019, the Company sold a controlling interest in its wholly owned subsidiary that held 5,300 acres of undeveloped land in Daytona Beach, Florida. On October 17, 2019, the Company sold its interest in the golf operations. For the year ended December 31, 2019, the Company has reported the historical financial position and the results of operations related to the Land JV and the golf operations as discontinued operations (see Note 25, "Assets and Liabilities Held for Sale and Discontinued Operations" in the notes to the consolidated financial statements in Item 8). The cash flows related to discontinued operations have been disclosed. There were no discontinued operations during the years ended December 31, 2021 or 2020.

REIT Conversion

As of December 31, 2020, the Company had completed certain internal reorganization transactions necessary to begin operating in compliance with the requirements for qualification and taxation as a REIT for U.S. federal income tax purposes under the Code, commencing with the taxable year ended December 31, 2020. See Item 1, "Business" for information related to the Company's REIT conversion and related transactions. On January 29, 2021, in connection with the REIT conversion, the Company completed the Merger in order to reincorporate in Maryland and facilitate its ongoing compliance with the REIT requirements.

Selected Historical Financial Information

The following table summarizes our selected historical financial information for each of the last five fiscal years (in thousands except per share amounts). The selected financial information has been derived from our audited consolidated financial statements. Additional data for fiscal years 2021, 2020, and 2019 is included elsewhere in this report.

	Fiscal Years Ended				
	2021	**2020**	**2019**	**2018**	**2017**
Total Revenues	$ 70,272	$ 56,381	$ 44,941	$ 43,658	$ 38,651
Operating Income	$ 23,345	$ 12,280	$ 34,199	$ 31,385	$ 7,745
Net Income Attributable to the Company	$ 29,940	$ 78,509	$ 114,973	$ 37,168	$ 41,719
Distributions to Preferred Stockholders	(2,325)	—	—	—	—
Net Income Attributable to Common Stockholders	$ 27,615	$ 78,509	$ 114,973	$ 37,168	$ 41,719
Per Share Information:					
Basic:					
Income From Continuing Operations Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 3.32	$ 2.72	$ 3.92
Income From Discontinued Operations (Net of Income Tax) Attributable to Common Stockholders	—	—	19.71	4.04	3.61
Basic Net Income per Share Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 23.03	$ 6.76	$ 7.53
Diluted:					
Income From Continuing Operations Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 3.32	$ 2.71	$ 3.90
Income From Discontinued Operations (Net of Income Tax) Attributable to Common Stockholders	—	—	19.68	4.01	3.58
Diluted Net Income per Share Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 23.00	$ 6.72	$ 7.48
Dividends Declared and Paid - Preferred Stock	$ 0.77	$ —	$ —	$ —	$ —
Dividends Declared and Paid - Common Stock	$ 4.00	$ 13.88	$ 0.44	$ 0.27	$ 0.18
Summary of Financial Position:					
Real Estate—Net	$ 494,695	$ 442,384	$ 370,591	$ 368,751	$ 342,628
Total Assets	$ 733,139	$ 666,700	$ 704,194	$ 556,841	$ 466,667
Stockholders' Equity	$ 430,480	$ 350,899	$ 285,413	$ 211,761	$ 184,178
Long-Term Debt	$ 278,273	$ 273,830	$ 286,310	$ 247,114	$ 195,279

Non-U.S. GAAP Financial Measures

Our reported results are presented in accordance with U.S. GAAP. We also disclose Funds From Operations ("FFO"), Core Funds From Operations ("Core FFO"), and Adjusted Funds From Operations ("AFFO"), each of which are non-U.S. GAAP financial measures. We believe these non-U.S. 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, and AFFO 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, U.S. 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 U.S. GAAP net income or loss adjusted to exclude extraordinary items (as defined by U.S. 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. To derive Core FFO, we modify the NAREIT computation of FFO to include other adjustments to U.S. GAAP net income related to gains and losses recognized on the extinguishment of debt. To derive AFFO, we further modify the NAREIT computation of FFO and Core FFO to include other adjustments to U.S. GAAP net income related to non-cash revenues and expenses such as straight-line rental revenue, amortization of above- and below-market lease related intangibles, non-cash compensation, and other non-cash amortization. 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.

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. FFO, Core FFO, and AFFO may not be comparable to similarly titled measures employed by other companies.

Reconciliation of Non-U.S. GAAP Measures (in thousands):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Net Income Attributable to the Company	$ 29,940	$ 78,509	$ 114,973
Depreciation and Amortization	20,581	19,063	15,797
Gains on Disposition of Assets	(28,316)	(9,746)	(16,507)
Losses (Gains) on the Disposition of Other Assets (Including Discontinued Operations)	(4,924)	2,480	(99,978)
Impairment Charges, Net	13,283	9,147	—
Unrealized (Gain) Loss on Investment Securities	(10,340)	8,240	(61)
Income Tax Expense (Benefit) from Non-FFO Items and De-Recognition of REIT Deferred Tax Assets and Liabilities	1,840	(80,225)	—
Funds from Operations	22,064	27,468	14,224
Distributions to Preferred Stockholders	(2,325)	—	—
Funds From Operations Attributable to Common Stockholders	19,739	27,468	14,224
Loss (Gain) on Extinguishment of Debt	3,431	(1,141)	—
Core Funds From Operations Attributable to Common Stockholders	23,170	26,327	14,224
Adjustments:			
Straight-Line Rent Adjustment	(2,443)	(2,564)	(1,680)
COVID-19 Rent Repayments (Deferrals), Net	842	(1,005)	—
Amortization of Intangibles to Lease Income	(404)	(1,754)	(2,383)
Other Non-Cash Amortization	(676)	(834)	(293)
Amortization of Loan Costs and Discount on Convertible Debt	1,864	1,833	1,801
Non-Cash Compensation	3,168	2,786	2,688
Non-Recurring G&A	155	1,426	462
Adjusted Funds From Operations Attributable to Common Stockholders	$ 25,676	$ 26,215	$ 14,819
Weighted Average Number of Common Shares:			
Basic	5,892,270	4,704,877	4,991,656
Diluted	5,892,270	4,704,877	4,998,043
Dividends Declared and Paid - Preferred Stock	$ 0.77	$ —	$ —
Dividends Declared and Paid - Common Stock	$ 4.00	$ 13.88	$ 0.44

Other Data (in thousands except per share data):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
FFO Attributable to Common Stockholders	$ 19,739	$ 27,468	$ 14,224
FFO per Common Share - Diluted	$ 3.35	$ 5.84	$ 2.85
Core FFO Attributable to Common Stockholders	$ 23,170	$ 26,327	$ 14,224
Core FFO per Common Share - Diluted	$ 3.93	$ 5.60	$ 2.85
AFFO Attributable to Common Stockholders	$ 25,676	$ 26,215	$ 14,819
AFFO per Common Share - Diluted	$ 4.36	$ 5.57	$ 2.97

COMPARISON OF THE YEARS ENDED DECEMBER 31, 2021 AND 2020

Revenue

Total revenue for the year ended December 31, 2021 is presented in the following summary and indicates the changes as compared to the year ended December 31, 2020 (in thousands):

	Year Ended			
Operating Segment	**December 31, 2021**	**December 31, 2020**	**$ Variance**	**% Variance**
Income Properties	$ 50,679	$ 49,953	$ 726	1.5%
Management Services	3,305	2,744	561	20.4%
Commercial Loan and Master Lease Investments	2,861	3,034	(173)	(5.7)%
Real Estate Operations	13,427	650	12,777	1965.7%
Total Revenue	$ 70,272	$ 56,381	$ 13,891	24.6%

Total revenue for the year ended December 31, 2021 increased to $70.3 million, compared to $56.4 million during the year ended December 31, 2020. The increase in total revenue is primarily attributable to increased revenue from real estate operations related to the sale of the Daytona Beach Development, Subsurface Interests and mitigation credits, as further described below, in addition to increased income produced by the Company's recent income property acquisitions versus that of properties disposed of by the Company during the comparative period. Revenues further benefited from increased management fee income from PINE. These increases were offset by a decrease in revenue generated from the Company's portfolio of commercial loan and master lease investments.

	Year Ended			
Income Property Operations Revenue (in thousands)	**December 31, 2021**	**December 31, 2020**	**$ Variance**	**% Variance**
Revenue From Recent Acquisitions	$ 8,846	$ —	$ 8,846	100.0%
Revenue From Recent Dispositions	—	7,986	(7,986)	(100.0)%
Revenue From Remaining Portfolio	41,429	40,213	1,216	3.0%
Accretion of Above Market/Below Market Intangibles	404	1,754	(1,350)	(77.0)%
Total Income Property Operations Revenue	$ 50,679	$ 49,953	$ 726	1.5%

	Year Ended			
Real Estate Operations Revenue (in thousands)	**December 31, 2021**	**December 31, 2020**	**$ Variance**	**% Variance**
Mitigation Credit Sales	$ 708	$ 6	$ 702	11700.0%
Subsurface Revenue	4,724	638	4,086	640.4%
Fill Dirt and Other Revenue	—	6	(6)	(100.0)%
Land Sales Revenue	7,995	—	7,995	100.0%
Total Real Estate Operations Revenue	$ 13,427	$ 650	$ 12,777	1965.7%

Income Properties

Revenue and operating income from our income property operations totaled $50.7 million and $36.9 million, respectively, during the year ended December 31, 2021, compared to total revenue and operating income of $50.0 million and $38.0 million, respectively, for the year ended December 31, 2020. The direct costs of revenues for our income property operations totaled $13.8 million and $12.0 million for the years ended December 31, 2021 and 2020, respectively. The increase in revenues of $0.7 million, or 1.5%, during the year ended December 31, 2021 is primarily related to the timing of acquisitions versus dispositions. The slight decrease in operating income from our income property operations reflects increased rent revenues, offset by an increase of $1.8 million in our direct costs of revenues which is also related to the timing of acquisitions versus dispositions.

Management Services

Revenue from our management services totaled $3.3 million during the year ended December 31, 2021, including $3.2 million and $0.1 million earned from PINE and the Land JV, respectively. Revenue from our management services totaled $2.7 million during the year ended December 31, 2020, including $2.5 million and $0.2 million earned from PINE and the Land JV, respectively

Commercial Loan and Master Lease Investments

Interest income from our commercial loan and master lease investments totaled $2.9 million and $3.0 million during the years ended December 31, 2021 and 2020, respectively. The decrease is due to the timing of investments and sales within the Company's commercial loan and master lease investment portfolio, as further described below.

2021 Portfolio. As of December 31, 2021, the Company's commercial loan and master lease investments portfolio included two commercial loan investments and two commercial properties. The timing of the investments includes (i) the origination of one commercial loan investment during the fourth quarter of 2020, (ii) the origination of one commercial loan investment during the second quarter of 2021, and (iii) the acquisition of two commercial properties during the third quarter of 2020 and 2019, individually, which are accounted for as commercial loan investments due to future repurchase rights.

2020 Portfolio. As of December 31, 2020, the Company's commercial loan and master lease investments portfolio included one commercial loan investment and two commercial properties, of which one was originated during the third quarter of 2019, and two were originated during the third and fourth quarter of 2020. Additionally, during the three months ended June 30, 2020, the Company sold four of its commercial loan and master lease investments in an effort to strengthen the Company's liquidity in light of the COVID-19 Pandemic.

Real Estate Operations

During the year ended December 31, 2021, operating income from real estate operations was $4.8 million on revenues totaling $13.4 million. During the year ended December 31, 2020, operating loss from real estate operations was $2.6 million on revenues totaling $0.7 million. The operating income during the year ended December 31, 2021 was primarily due to the sale of the Daytona Beach Development for $6.25 million, in addition to the sale of approximately 84,900 acres of Subsurface Interests totaling $4.6 million and six mitigation credits totaling $0.7 million, which revenues were offset by $8.5 million aggregate cost of sales, as compared to the year ended December 31, 2020 which includes an aggregate charge to cost of sales totaling $3.1 million, primarily comprised of $2.9 million attributable to 42 mitigation credits provided at no cost to buyers in addition to the Company's purchase of two mitigation credits for $0.2 million.

General and Administrative Expenses

Total general and administrative expenses for the year ended December 31, 2021 is presented in the following summary and indicates the changes as compared to the year ended December 31, 2020 (in thousands):

	Year Ended			
General and Administrative Expenses	December 31, 2021	December 31, 2020	$ Variance	% Variance
Recurring General and Administrative Expenses	$ 7,879	$ 7,355	$ 524	7.1%
Non-Cash Stock Compensation	3,168	2,786	382	13.7%
REIT Conversion and Other Non-Recurring Items	155	1,426	(1,271)	(89.1)%
Total General and Administrative Expenses	$ 11,202	$ 11,567	$ (365)	(3.2)%

Gains (Losses) and Impairment Charges

2021 Dispositions. During the year ended December 31, 2021, the Company sold one multi-tenant income property and 14 single-tenant income properties for a total disposition volume of $162.3 million. The sale of the properties generated aggregate gains of $28.2 million.

The income properties disposed of during the year ended December 31, 2021 are described below (in thousands):

Tenant Description	Tenant Type	Date of Disposition	Sales Price	Gain on Sale
World of Beer/Fuzzy's Taco Shop, Brandon, FL	Multi-Tenant	01/20/21	$ 2,310	$ 599
Moe's Southwest Grill, Jacksonville, FL [4]	Single-Tenant	02/23/21	2,541	109
Burlington, N. Richland Hills, TX	Single-Tenant	04/23/21	11,528	62
Staples, Sarasota, FL	Single-Tenant	05/07/21	4,650	662
CMBS Portfolio [1]	Single-Tenant	06/30/21	44,500	3,899
Chick-fil-A, Chandler, AZ [4]	Single-Tenant [2]	07/14/21	2,884	1,582
JPMorgan Chase Bank, Chandler, AZ [4]	Single-Tenant [2]	07/27/21	4,710	2,738
Fogo De Chao, Jacksonville, FL [4]	Single-Tenant [3]	09/02/21	4,717	866
Wells Fargo, Raleigh, NC	Single-Tenant	09/16/21	63,000	17,480
24 Hour Fitness, Falls Church, VA	Single-Tenant	12/16/21	21,500	212
		Total	$ 162,340	$ 28,209

(1) On June 30, 2021, the Company sold the CMBS Portfolio to PINE for an aggregate purchase price of $44.5 million.
(2) Represents a single-tenant outparcel to Crossroads Towne Center, the Company's multi-tenant income property located in Chandler, Arizona.
(3) Represents a single-tenant property at The Strand at St. Johns Town Center, the Company's multi-tenant income property located in Jacksonville, Florida.
(4) Property or outparcel represents a ground lease.

2020 Dispositions. During the year ended December 31, 2020, the Company sold 11 income properties and one vacant land parcel for a total disposition volume of $86.5 million. The sale of the properties generated aggregate gains of $8.6 million. In addition to the income property and vacant land parcel dispositions, the Company sold eight of its remaining nine billboard sites for a sales price of $1.5 million, resulting in a gain equal to the sales price.

The income properties disposed of during the year ended December 31, 2020 are described below (in thousands):

Tenant Description	Tenant Type	Date of Disposition	Sales Price	Gain (Loss) on Sale
CVS, Dallas, TX [1]	Single-Tenant	04/24/20	$ 15,222	$ 854
Wawa, Daytona Beach, FL [1]	Single-Tenant	04/29/20	6,002	1,769
JPMorgan Chase Bank, Jacksonville, FL [1]	Single-Tenant	06/18/20	6,715	959
7-Eleven, Dallas, TX	Multi-Tenant	06/26/20	2,400	(46)
Bank of America, Monterey, CA [1]	Single-Tenant	06/29/20	9,000	3,892
Wawa, Jacksonville, FL [1]	Single-Tenant	07/23/20	7,143	246
Carrabbas, Austin, TX	Single-Tenant	08/05/20	2,555	(84)
PDQ, Jacksonville, FL [1]	Single-Tenant	09/08/20	2,540	128
Macaroni Grill, Arlington, TX	Single-Tenant	10/13/20	2,500	68
Aspen Development, Aspen, CO	Single-Tenant	12/21/20	28,500	501
Outback, Austin, TX	Single-Tenant	12/23/20	3,402	222
		Total	$ 85,979	$ 8,509

(1) Property represents a ground lease.

Commercial Loan and Master Lease Investments. In light of the COVID-19 Pandemic, during the three months ended March 31, 2020, the Company began marketing its commercial loan portfolio in advance of their upcoming maturities to further strengthen the Company's liquidity. The Company received multiple bids for the portfolio including a bid offering a value that was at a discount to par. Additionally, the Company implemented the guidance regarding current expected credit losses ("CECL") effective January 1, 2020, which resulted in an allowance reserve of $0.3 million. The CECL reserve combined with the impairment related to marketing the loan portfolio resulted in an aggregate impairment charge on the loan portfolio of $1.9 million.

Additionally, during the year ended December 31, 2020, the Company sold four of its commercial loan and master lease investments in two separate transactions generating aggregate proceeds of $20.0 million, resulting in a loss of $0.4 million during the three months ended June 30, 2020. The total loss on the loan portfolio disposition, including the impairment and CECL reserve charges in the three months ended March 31, 2020, was $2.1 million.

There were no losses on the Company's commercial loan and master lease investments portfolio during the year ended December 31, 2021.

2025 Note Repurchases. During the year ended December 31, 2021, the Company repurchased $11.4 million aggregate principal amount of 2025 Notes at a $1.6 million premium, resulting in a loss on extinguishment of debt of $2.9 million. During the year ended December 31, 2020, the Company repurchased $12.5 million aggregate principal amount of 2025 Notes at a $2.6 million discount, resulting in a gain on extinguishment of debt of $1.1 million.

Mortgage Note Payable. In connection with the disposition of the CMBS Portfolio during the second quarter of 2021 and related assumption by the buyer of the Company's $30.0 million fixed-rate mortgage note payable, the Company recognized a $0.5 million loss on extinguishment of debt related to the write-off of unamortized financing costs.

Impairment Charges. There were no impairment charges on the Company's undeveloped land holdings, or its income property portfolio, during the years ended December 31, 2021 or 2020. The $17.6 million impairment charge recognized during the year ended December 31, 2021, which is comprised of a $16.5 million charge during the three months ended June 30, 2021 and a $1.1 million charge during the three months ended December 31, 2021, is related to the Company's previously held retained interest in the Land JV. The aggregate impairment charge of $17.6 million is a result of eliminating the investment in joint ventures based on the final proceeds received through distributions of the Land JV in connection with closing the sale of substantially all of the Land JV's remaining land with Timberline, for a final sales price of $66.3 million.

Additionally, during the year ended December 31, 2020, the Company recognized an aggregate $7.2 million impairment charge comprised of a $0.1 million impairment charge on one of the land parcels included in the Daytona Beach Development and a $ 7.1 million impairment charge on the Company's previously held retained interest in the Land LV. The $7.1 million impairment on the Company's previously held retained interest in the Land JV was the result of a re-forecast of the anticipated undiscounted future cash flows to be received by the Company based on the estimated timing of future land sales from the Land JV.

Depreciation and Amortization

Depreciation and amortization totaled $20.6 million and $19.1 million during the years ended December 31, 2021 and 2020, respectively. The increase of $1.5 million is primarily due to the increase in the Company's income property portfolio.

Investment and Other Income (Loss)

During the year ended December 31, 2021, the closing stock price of PINE increased by $5.05 per share, with a closing price of $20.04 on December 31, 2021. During the year ended December 31, 2020, the closing stock price of PINE decreased by $4.04 per share, with a closing price of $14.99 on December 31, 2020. The increase (decrease) resulted in an unrealized, non-cash gain (loss) on the Company's investment in PINE of $10.3 million and ($8.2) million which is included in investment and other income (loss) in the consolidated statements of operations for the years ended December 31, 2021 and 2020, respectively.

The Company earned dividend income from the investment in PINE of $2.1 million and $1.7 million during the years ended December 31, 2021 and 2020, respectively.

Interest Expense

Interest expense totaled $8.9 million and $10.8 million for the years ended December 31, 2021 and 2020, respectively. The decrease of $1.9 million resulted primarily from (i) the repurchase of $11.4 million aggregate principal amount of 2025 Notes and (ii) the disposition of the CMBS Portfolio under which the buyer assumed a $30.0 million fixed-rate mortgage note. The assumed $30.0 million mortgage note and the 2025 Notes both had higher interest rates than the Credit Facility and term loans.

Net Income

Net income attributable to the Company totaled $29.9 million and $78.5 million during the years ended December 31, 2021 and 2020, respectively. The decrease in net income is attributable to the factors described above in addition to the $83.5 million income tax benefit recorded during the year ended December 31, 2020, primarily related to the de-recognition of the deferred tax assets and liabilities associated with the entities included in the REIT totaling $82.5 million, as a result of the Company's REIT election.

COMPARISON OF THE YEARS ENDED DECEMBER 31, 2020 AND 2019

Revenue

Total revenue for the year ended December 31, 2020 is presented in the following summary and indicates the changes as compared to the year ended December 31, 2019 (in thousands):

	Year Ended			
Operating Segment	**December 31, 2020**	**December 31, 2019**	**$ Variance**	**% Variance**
Income Properties	$ 49,953	$ 41,956	$ 7,997	19.1%
Management Services	2,744	304	2,440	802.6%
Commercial Loan and Master Lease Investments	3,034	1,829	1,205	65.9%
Real Estate Operations	650	852	(202)	(23.7)%
Total Revenue	$ 56,381	$ 44,941	$ 11,440	25.5%

Total revenue for the year ended December 31, 2020 increased to $56.4 million, compared to $44.9 million during the year ended December 31, 2019. The increase in total revenue reflects the net impact of an increase in revenue from our income property operations of $8.0 million, which is the result of an increase in revenue of $23.8 million from recent acquisitions partially offset by a decrease relating to our recent dispositions of income properties, which totaled $15.4 million. Revenues further benefited from the increase of $2.4 million in connection with the management fees we earned from PINE and the Land JV in addition to $1.2 million in increased revenues generated from the commercial loan and master lease investments portfolio due to the timing of investments.

	Year Ended			
Income Property Operations Revenue (in thousands)	**December 31, 2020**	**December 31, 2019**	**$ Variance**	**% Variance**
Revenue From Recent Acquisitions	$ 23,816	$ —	$ 23,816	100.0%
Revenue From Recent Dispositions	—	15,373	(15,373)	(100.0)%
Revenue From Remaining Portfolio	24,383	24,200	183	0.8%
Accretion of Above Market/Below Market Intangibles	1,754	2,383	(629)	(26.4)%
Total Income Property Operations Revenue	$ 49,953	$ 41,956	$ 7,997	19.1%

	Year Ended			
Real Estate Operations Revenue (in thousands)	**December 31, 2020**	**December 31, 2019**	**$ Variance**	**% Variance**
Mitigation Credit Sales	$ 6	$ —	$ 6	100.0%
Subsurface Revenue	638	748	(110)	(14.8)%
Fill Dirt and Other Revenue	6	104	(98)	(94.0)%
Total Real Estate Operations Revenue	$ 650	$ 852	$ (202)	(23.7)%

Income Properties

Revenue and operating income from our income property operations totaled $50.0 million and $38.0 million, respectively, during the year ended December 31, 2020, compared to total revenue and operating income of $42.0 million and $35.0 million, respectively, for the year ended December 31, 2019. The direct costs of revenues for our income

property operations totaled $12.0 million and $7.0 million for the year ended December 31, 2020 and 2019, respectively. The increase in revenues of $8.0 million, or 19.1%, during the year ended December 31, 2020 reflects our expanded portfolio of income properties including increases of $23.8 million due to recent acquisitions, offset by the decrease of $15.4 million related to our recent disposition of income properties. Revenue from our income properties during the years ended December 31, 2020 and 2019 also includes $1.8 million and $2.4 million, respectively, in revenue from the net accretion of the above-market and below-market lease intangibles, of which a significant portion is attributable to the property located in Raleigh, North Carolina, leased to Wells Fargo. Our increased operating income from our income property operations reflects increased rent revenues, offset by an increase of $5.0 in our direct costs of revenues which was primarily comprised of $7.5 million in increased operating expenses related to the timing of acquisitions, offset by the reduction in operating expenses related to our recent disposition of income properties.

Management Services

Revenue from our management services totaled $2.7 million during the year ended December 31, 2020, including $2.5 million and $0.2 million earned from PINE and the Land JV, respectively. During the year ended December 31, 2019, the Company earned management services revenue from PINE of $0.2 million which represents the initial stub period of PINE's operations from November 26, 2019 to December 31, 2019 and $0.1 million from the Land JV which represents the initial stub period of the Land JV's operations from October 16, 2019 to December 31, 2019.

Commercial Loan and Master Lease Investments

Interest income from our commercial loan and master lease investments totaled $3.0 million $1.8 million during the years ended December 31, 2020 and 2019, respectively. The increase is due to the timing of investing in the Company's commercial loan and master lease investment portfolio, as the Company held no commercial loan and master lease investments until the second quarter 2019. The loans originated during, and subsequent to, the second quarter of 2019 through the remainder of 2019, were inclusive of four loans, two of which were sold during the second quarter of 2020 and one which was repaid in full by the buyer of the Company's former golf operations during the fourth quarter of 2020. These decreased revenues were partially offset by the Company's origination of two loans during the first quarter of 2020, which were sold during the second quarter of 2020, in addition to the origination of one loan during both the third and fourth quarter of 2020.

Real Estate Operations

During the year ended December 31, 2020, operating loss from real estate operations was $2.6 million on revenues totaling $0.6 million. During the year ended December 31, 2019, operating income from real estate operations was $0.7 million on revenues totaling $0.9 million. The operating loss during the year ended December 31, 2020, was due to the decrease in revenue of $0.2 million, in addition to the 42 mitigation credits with a cost basis of $2.9 million that were provided at no cost to buyers during 2020.

General and Administrative Expenses

Total general and administrative expenses for the year ended December 31, 2020 is presented in the following summary and indicates the changes as compared to the year ended December 31, 2019 (in thousands):

	Year Ended			
General and Administrative Expenses	December 31, 2020	December 31, 2019	$ Variance	% Variance
Recurring General and Administrative Expenses	$ 7,355	$ 6,668	$ 687	10.3%
Non-Cash Stock Compensation	2,786	2,688	98	3.6%
REIT Conversion and Other Non-Recurring Items	1,426	462	964	208.7%
Total General and Administrative Expenses	$ 11,567	$ 9,818	$ 1,749	17.8%

General and administrative expenses totaled $11.6 million and $9.8 million for the years ended December 31, 2020 and 2019, respectively, of which increase is primarily related to legal, audit, and other professional fees incurred in connection with the Company's REIT conversion totaling $1.4 million.

Gains (Losses) and Impairment Charges

2020 Dispositions. During the year ended December 31, 2020, the Company sold 11 income properties and one vacant land parcel for a total disposition volume of $86.5 million. The sale of the properties generated aggregate gains of $8.6 million. In addition to the income property and vacant land parcel dispositions, the Company sold eight of its remaining nine billboard sites for a sales price of $1.5 million, resulting in a gain equal to the sales price.

The income properties disposed of during the year ended December 31, 2020 are described below (in thousands):

Tenant Description	Tenant Type	Date of Disposition	Sales Price	Gain (Loss) on Sale
CVS, Dallas, TX [1]	Single-Tenant	04/24/20	$ 15,222	$ 854
Wawa, Daytona Beach, FL [1]	Single-Tenant	04/29/20	6,002	1,769
JPMorgan Chase Bank, Jacksonville, FL [1]	Single-Tenant	06/18/20	6,715	959
7-Eleven, Dallas, TX	Multi-Tenant	06/26/20	2,400	(46)
Bank of America, Monterey, CA [1]	Single-Tenant	06/29/20	9,000	3,892
Wawa, Jacksonville, FL [1]	Single-Tenant	07/23/20	7,143	246
Carrabbas, Austin, TX	Single-Tenant	08/05/20	2,555	(84)
PDQ, Jacksonville, FL [1]	Single-Tenant	09/08/20	2,540	128
Macaroni Grill, Arlington, TX	Single-Tenant	10/13/20	2,500	68
Aspen Development, Aspen, CO	Single-Tenant	12/21/20	28,500	501
Outback, Austin, TX	Single-Tenant	12/23/20	3,402	222
		Total	$ 85,979	$ 8,509

(1) Property represents a ground lease.

2019 Dispositions. Twenty-one single-tenant income properties were disposed of during the year ended December 31, 2019, resulting in gains totaling $22.0 million, which properties are described below:

- On November 26, 2019, as part of PINE's initial public offering (the "IPO"), the Company sold or contributed 20 single-tenant net-leased income properties to PINE and the PINE Operating Partnership for aggregate cash consideration of $125.9 million for 15 of the properties and an aggregate of 1,223,854 OP Units for five of the properties, with the OP Units having an initial value of $23.3 million, based on Alpine's IPO price, resulting in a gain of $1.0 million, or $0.16 per share, after tax.
- On August 7, 2019, the Company sold its 1.56-acre outparcel subject to a ground lease with Wawa located in Winter Park, Florida for $2.8 million (the "Wawa Sale"). The property is an outparcel to the Grove at Winter Park which the Company sold in May 2019. The gain on the Wawa Sale totaled $2.1 million, or $0.33 per share, after tax.

Additionally, three multi-tenant income properties, which were classified in assets held for sale as of December 31, 2018, were disposed of during the year ended December 31, 2019 as described below.

- On June 24, 2019, the Company sold its 76,000 square foot multi-tenant retail property located in Santa Clara, California for $37.0 million (the "Peterson Sale"). The gain on the Peterson Sale totaled $9.0 million, or $1.36 per share, after tax.
- On May 23, 2019, the Company sold its 112,000 square foot multi-tenant retail property, anchored by a 24 Hour Fitness, located in Winter Park, Florida for $18.3 million (the "Grove Sale"). The gain on the Grove Sale totaled $2.8 million, or $0.42 per share, after tax.
- On February 21, 2019, the Company sold its 59,000 square foot multi-tenant retail property, anchored by a Whole Foods Market retail store, located in Sarasota, Florida for $24.6 million (the "Whole Foods Sale"). The gain on the Whole Foods Sale totaled $6.9 million, or $0.96 per share, after tax.

Commercial Loan and Master Lease Investments. During the year ended December 31, 2020, the Company recognized aggregate impairment charges totaling $1.9 million, comprised of (i) the Company's implementation of CECL resulting in an allowance reserve of $0.3 million, and (ii) the impairment totaling $1.6 million recognized during the first quarter of 2020 related to marketing the Company's loan portfolio in advance of their upcoming maturities prior to the

disposition of four commercial loan and master lease investments during the second quarter of 2020, which sale resulted in loss of $0.4 million, or $0.06 per share, after tax.

2025 Note Repurchases. During the year ended December 31, 2020, the Company repurchased of $12.5 million aggregate principal amount of 2025 Notes at a discount totaling $2.6 million, resulting in a gain on extinguishment of debt of $1.1 million, or $0.18 per share, after tax.

Impairment Charges. There were no impairment charges on the Company's undeveloped land holdings, or its income property portfolio, during the years ended December 31, 2020 or 2019. During the year ended December 31, 2020, the Company recognized an aggregate $7.2 million impairment charge comprised of a $0.1 million impairment charge on one of the land parcels included in the Daytona Beach Development and a $ 7.1 million impairment charge on the Company's previously held retained interest in the Land LV. The $7.1 million impairment on the Company's previously held retained interest in the Land JV was the result of a re-forecast of the anticipated undiscounted future cash flows to be received by the Company based on the estimated timing of future land sales from the Land JV.

Depreciation and Amortization

Depreciation and amortization totaled $19.1 million and $15.8 million during the years ended December 31, 2020 and 2019, respectively. The increase of $3.3 million is primarily due to the increase in the Company's income property portfolio.

Investment and Other Income (Loss)

During the year ended December 31, 2020, the closing stock price of PINE decreased by $4.04 per share, with a closing price of $14.99 on December 31, 2020 versus $19.03 on December 31, 2019. As a result, the Company recognized an unrealized, non-cash loss on its 2,039,644 shares (including OP Units) of $8.2 million, or $1.75 per share, after tax, which is included in investment and other income (loss) in the consolidated statements of operations.

Interest Expense

Interest expense totaled $10.8 million and $12.5 million for the years ended December 31, 2020 and 2019, respectively. The decrease of $1.6 million is primarily attributable to the lower rate on the outstanding balance of the 2025 Notes, compared to the 2020 Notes (hereinafter defined).

Discontinued Operations

During the year ended December 31, 2020, there was no activity related to discontinued operations. During the year ended December 31, 2019, discontinued operations activity consisted of land operations and golf operations, which were sold during the fourth quarter of 2019, of which activity is further described below. For the years ended December 31, 2019 and 2018, the Company has reported the historical financial position and the results of operations related to the Land JV and the golf operations as discontinued operations.

Land Operations. On October 16, 2019, the Company sold a controlling interest in its wholly owned subsidiary that held 5,300 acres of undeveloped land in Daytona Beach, Florida (the "Magnetar Land Sale") for $97.0 million. The Magnetar Land Sale resulted in a gain of $127.5 million, which was comprised of a gain of $78.6 million, or $12.21 per share, after tax, on the land sale and a non-cash gain of $48.9 million on the Company's previously held retained interest in the Land JV, or $7.59 per share, after tax. Excluding the Magnetar Land Sale, the Company closed on five land sale transactions, generating proceeds of $11.0 million and the recognition of the cost basis in the land plus closing costs of $5.3 million.

Golf Operations. Revenues and direct cost of revenues from golf operations totaled $4.1 million and $5.3 million, respectively, for the year ended December 31, 2019. The Company did not recognize any deprecation or amortization expense for the year ended December 31, 2019 as the golf operations were treated as discontinued operations as of December 31, 2018. The Company's golf operations had a net operating loss of $1.2 million during the year ended December 31, 2019.

Net Income

Net income (loss) attributable to the Company totaled $78.5 million and $115.0 million during the years ended December 31, 2020 and 2019, respectively. The decrease in net income is attributable to the factors described above, which decrease was partially offset by the $83.5 million income tax benefit recorded during the year ended December 31, 2020, primarily related to the de-recognition of the deferred tax assets and liabilities associated with the entities included in the REIT totaling $82.5 million, as a result of the Company's REIT election, versus income tax expense of $5.5 million during the comparable period in the prior year.

LIQUIDITY AND CAPITAL RESOURCES

Cash totaled $31.3 million at December 31, 2021, including restricted cash of $22.7 million, see Note 2 "Summary of Significant Accounting Policies" under the heading Restricted Cash in the notes to the consolidated financial statements in Item 8 for the Company's disclosure related to its restricted cash balance at December 31, 2021.

Our total cash balance at December 31, 2021, reflected cash flows provided by our operating activities totaling $27.6 million during the year ended December 31, 2021, compared to the prior year's cash flows provided by operating activities totaling $16.9 million for the year ended December 31, 2020, an increase of $10.7 million. The increase of $10.7 million is primarily related to the increase in the cash flows provided by real estate operations of $7.4 million which was driven by the sale of the Daytona Beach Development for $6.25 million and the sale of $4.6 million of Subsurface Interests. The Company also received cash credits at closing for upcoming tenant improvements, leasing commissions, and prepaid rents related to the fourth quarter 2021 income property acquisitions as well as the release of escrowed funds related to the Bucee's matter. These increases in cash are partially offset by the cash outlay during the third quarter of 2021 to purchase the remaining interest in the Mitigation Bank for $16.1 million. The change in operating cash is further impacted by various other timing differences within other assets and accounts payable.

Our cash flows used in investing activities totaled $103.0 million for the year ended December 31, 2021, compared to cash flows used in investing activities of $91.1 million for the year ended December 31, 2020, an increase of $11.9 million. The increase in cash used in investing activities of $11.9 million is primarily related to a net increase in cash outflows of $44.7 million during the year ended December 31, 2021 related to the timing of income property acquisitions versus dispositions, which increase in cash outflows was partially offset by $23.9 million proceeds received from the Land Venture Sale and a net increase in cash inflows of $4.9 million related to timing of investing in the Company's commercial loan and master lease investment portfolio, in addition to decreased cash outflows of $3.6 million as a result of 48 mitigation credits put to the Company by the Mitigation Bank JV during the year ended December 31, 2020.

Our cash flows provided by financing activities totaled $72.9 million for the year ended December 31, 2021, compared to cash flows used in financing activities of $26.9 million for the year ended December 31, 2020, an increase in cash of $99.8 million. The increase of $99.8 million is primarily related to $72.4 million net proceeds received from the Company's issuance of 3,000,000 shares of its Series A Preferred Stock during the year ended December 31, 2021, in addition to the net impact of $36.6 million increased cash inflow related to the Company's debt borrowings, primarily comprised of (i) origination of the $50.0 million 2026 Term Loan and subsequent exercise of the accordion option for $15.0 million, (ii) origination of the $100.0 million 2027 Term Loan (ii) net repayments on the Company's Credit Facility of $97.9 million, (iii) payoff of the $23.2 million variable-rate mortgage note, and (iv) convertible note repurchases of $11.4 million. The aggregate increase in cash inflows was partially offset by increased cash outflows of $11.4 million related to dividends paid during the year ended December 31, 2021.

See Note 17, "Long-Term Debt" in the notes to the consolidated financial statements in Item 8 for the Company's disclosure related to its long-term debt balance at December 31, 2021.

Acquisitions and Investments. As noted previously, the Company acquired eight multi-tenant income properties during the year ended December 31, 2021 for an aggregate purchase price of $249.1 million, as further described in Note 4, "Income Properties" in the notes to the consolidated financial statements in Item 8.

The acquisitions completed during the year ended December 31, 2021 totaled $249.1 million, nearing the top end of the Company's guidance released in October 2021. We expect to fund future acquisitions utilizing cash on hand, cash from operations, proceeds from the dispositions of income properties through 1031 like-kind exchanges, and potentially the sale of all or a portion of our Subsurface Interests, and borrowings on our Credit Facility, if available. We expect dispositions of income properties and subsurface interests will qualify under the like-kind exchange deferred-tax structure, and additional financing sources.

Dispositions. During the year ended December 31, 2021, the Company sold one multi-tenant income property and 14 single-tenant income properties for a total disposition volume of $162.3 million. The sale of the properties generated aggregate gains of $28.2 million.

Contractual Obligations. The Company has committed to fund the following capital improvements. The improvements, which are related to several properties, are estimated to be generally completed within twelve months. These commitments, as of December 31, 2021, are as follows (in thousands):

	As of December 31, 2021
Total Commitment [1]	$ 19,737
Less Amount Funded	(5,041)
Remaining Commitment	$ 14,696

[1] Commitment includes tenant improvements, leasing commissions, rebranding, facility expansion and other capital improvements.

The Company is also contractually obligated under its various long-term debt and operating lease agreements. In the aggregate, the Company is obligated under such agreements to repay $0.1 million within one year, with $283.1 million being long-term to be repaid in excess of one year.

As of December 31, 2021, we have no other contractual requirements to make capital expenditures.

Other Matters. None.

We believe we will have sufficient liquidity to fund our operations, capital requirements, maintenance, and debt service requirements over the next twelve months and into the foreseeable future, with cash on hand, cash flow from our operations and $143.0 million available capacity on the existing $210.0 million Credit Facility, based on our current borrowing base of income properties, as of December 31, 2021.

In January 2019, the Board approved an increase of $10.0 million to the existing stock repurchase program, refreshing the total program to an aggregate of $10.0 million. As of the quarter ended September 30, 2019 the Company had repurchased 211,736 shares for $12.7 million. In April 2019 the Board approved the repurchase of a block of shares from the Company's largest stockholder whereby the Company repurchased 320,741 shares for $18.4 million, or $57.50 per share. In November 2019 the Board approved a $10.0 million buyback program. During the fourth quarter of 2019 the Company repurchased 158,625 shares for $10.0 million, or $63.04 per share. In February 2020, the Board approved a new $10.0 million stock repurchase program, under which 88,565 shares of the Company's stock totaling $4.1 million, or an average price of $46.29 per share, had been repurchased as of June 30, 2020. During the year ended December 31, 2021, the Company repurchased 40,553 shares for $2.2 million, or an average price of $54.48 per share. The repurchase program does not have an expiration date. The shares of the Company's common stock repurchased during each of the aforementioned years through the year ended December 31, 2021 were cancelled.

Our Board and management consistently review the allocation of capital with the goal of providing the best long-term return for our stockholders. These reviews consider various alternatives, including increasing or decreasing regular dividends, repurchasing the Company's securities, and retaining funds for reinvestment. Annually, the Board reviews our business plan and corporate strategies, and makes adjustments as circumstances warrant. Management's focus is to continue our strategy to diversify our portfolio by redeploying proceeds from like-kind exchange transactions and utilizing our Credit Facility to increase our portfolio of income-producing properties, providing stabilized cash flows with strong risk-adjusted returns primarily in larger metropolitan areas and growth markets.

CRITICAL ACCOUNTING ESTIMATES

Critical accounting estimates include those estimates made in accordance with U.S. GAAP that involve a significant level of estimation uncertainty and have had or are reasonably likely to have a material impact on the Company's financial condition or results of operations. Our most significant estimate is as follows:

Purchase Accounting for Acquisitions of Real Estate Subject to a Lease. As required by U.S. GAAP, the fair value of the real estate acquired with in-place leases is allocated to the acquired tangible assets, consisting of land, building and tenant improvements, and identified intangible assets and liabilities, consisting of the value of above-market and below-market leases, the value of in-place leases, and the value of leasing costs, based in each case on their relative fair values. In allocating the fair value of the identified intangible assets and liabilities of an acquired property, above-market and below-market in-place lease values are recorded as other assets or liabilities based on the present value. The assumptions underlying the allocation of relative fair values are based on market information including, but not limited to: (i) the estimate of replacement cost of improvements under the cost approach, (ii) the estimate of land values based on comparable sales under the sales comparison approach, and (iii) the estimate of future benefits determined by either a reasonable rate of return over a single year's net cash flow, or a forecast of net cash flows projected over a reasonable investment horizon under the income capitalization approach. The underlying assumptions are subject to uncertainty and thus any changes to the allocation of fair value to each of the various line items within the Company's consolidated balance sheets could have an impact on the Company's financial condition as well as results of operations due to resulting changes in depreciation and amortization as a result of the fair value allocation. The acquisitions of real estate subject to this estimate totaled eight multi-tenant income properties for a combined purchase price of $249.1 million for the year ended December 31, 2021 and two multi-tenant income properties and two single-tenant income properties for a combined purchase price of $185.1 million for the year ended December 31, 2020.

See Note 2, "Summary of Significant Accounting Policies", for further discussion of the Company's accounting estimates and policies.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

The principal market risk (i.e. the risk of loss arising from adverse changes in market rates and prices), to which we are exposed is interest rate risk relating to our debt. We may utilize overnight sweep accounts and short-term investments as a means to minimize the interest rate risk. We do not believe that interest rate risk related to cash equivalents and short-term investments, if any, is material due to the nature of the investments.

We are primarily exposed to interest rate risk relating to our own debt in connection with our Credit Facility, as this facility carries a variable rate of interest. Our borrowings on our $210.0 million revolving Credit Facility bear a variable rate of interest based on the 30-day LIBOR plus a rate of between 135 basis points and 195 basis points based on our level of borrowing as a percentage of our total asset value. As of December 31, 2021 and 2020, the outstanding balance on our Credit Facility totaled $67.0 million and $164.8 million, of which $67.0 million and $14.8 million, respectively, were not fixed by virtue of an interest rate swap agreement. A hypothetical change in the interest rate of 100 basis points (i.e., 1%) would affect our financial position, results of operations, and cash flows by $0.7 million and $0.1 million as of December 31, 2021 and 2020, respectively. The increase in the exposure of market rate risk is primarily due to the increase in the un-hedged portion of the Credit Facility balance as of December 31, 2021 as the interest rate swap agreements previously hedging the outstanding principal balance under the Credit Facility were redesignated to the term loan agreements during the year ended December 31, 2021. The Company has entered into interest rate swap agreements to hedge against changes in future cash flows resulting from fluctuating interest rates related to certain of its debt borrowings, see Note 18, "Interest Rate Swaps" in the notes to the consolidated financial statements in Item 8. By virtue of fixing the variable rate on certain debt borrowings, our exposure to changes in interest rates is minimal but for the impact on other comprehensive income and loss. Management's objective is to limit the impact of interest rate changes on earnings and cash flows and to manage our overall borrowing costs.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The Company's consolidated financial statements appear beginning on page F-1 of this report. See Item 15 of this report.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

There have been no disagreements with our accountants on accounting and financial disclosures.

ITEM 9A. CONTROLS AND PROCEDURES

DISCLOSURE CONTROLS AND PROCEDURES

As of the end of the period covered by this report, an evaluation, as required by rules 13(a)-15 and 15(d)-15 of the Securities Exchange Act of 1934 (the "Exchange Act") was carried out under the supervision and with the participation of the Company's management, including the Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), of the effectiveness of the Company's disclosure controls and procedures (as defined in Rules 13a-15(e) or 15d-15(e) of the Exchange Act). Based on that evaluation, the CEO and CFO have concluded that the design and operation of the Company's disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized, and reported within the time periods specified in Securities and Exchange Commission rules and forms, and to provide reasonable assurance that information required to be disclosed by the Company in such reports is accumulated and communicated to the Company's management, including its CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

MANAGEMENT'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING

The management of the Company is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act. The Company's executive offices are located at 1140 N. Williamson Blvd., Suite 140 Daytona Beach, Florida, and its telephone number is (386) 274-2202.

The Company's website is located at www.ctoreit.com. The Company intends to comply with the requirements of Item 5.05 of Form 8-K regarding amendments to and waivers under the code of business conduct and ethics applicable to its Chief Executive Officer, Principal Financial Officer and Principal Accounting Officer by providing such information on its website within four days after effecting any amendment to, or granting any waiver under, that code, and we will maintain such information on our website for at least twelve months. The information contained on the Company's website does not constitute part of this Annual Report on Form 10-K.

On the Company's website you can also obtain, free of charge, a copy of this Annual Report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and amendments to those reports filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act of 1934, as amended, as soon as reasonably practicable, after the Company files such material electronically with, or furnish it to, the Securities and Exchange Commission ("Commission" or "SEC"). The public may read and obtain a copy of any materials the Company files electronically with the Commission at *www.sec.gov*.

Additional information on the Company's website includes the guiding policies adopted by the Company, which include the Company's Corporate Governance Principles, Code of Business Conduct and Ethics Policy and Insider Trading Policy.

In May 2013, the Internal Control – Integrated Framework (the "2013 Framework") was released by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). The 2013 Framework updates and formalizes the principles embedded in the original Internal Control-Integrated Framework issued in 1992 (the "1992 Framework"), incorporates business and operating environment changes over the past two decades, and improves the original 1992 Framework's ease of use and application.

The Company's management assessed the effectiveness of the Company's internal control over financial reporting as of December 31, 2021. In conducting this assessment, it used the criteria set forth by COSO in the 2013 Framework. Based on management's assessment and those criteria, management believes that the Company has maintained effective internal control over financial reporting as of December 31, 2021. The audit report, of Grant Thornton LLP, the Company's independent registered public accounting firm, on the effectiveness of our internal control over financial reporting as of December 31, 2021, is included in this Annual Report on Form 10-K and is incorporated herein as Item 15.

CHANGES IN INTERNAL CONTROL OVER FINANCIAL REPORTING

There were no changes in the Company's internal control over financial reporting (as defined in Rules 13a-15(f) or 15d-15(f) of the Exchange Act) during the fourth fiscal quarter covered by this report that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

None.

PART III

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS, AND CORPORATE GOVERNANCE

The information required to be set forth herein will be included in the Company's definitive proxy statement for its 2022 annual stockholders' meeting to be filed with the SEC within 120 days after the end of the registrant's fiscal year ended December 31, 2021 (the "Proxy Statement"), which sections are incorporated herein by reference.

ITEM 11. EXECUTIVE COMPENSATION

The information required to be set forth herein will be included in the Proxy Statement, which section is incorporated herein by reference.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED STOCKHOLDER MATTERS

The information required to be set forth herein will be included in the Proxy Statement, which section is incorporated herein by reference.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required to be set forth herein will be included in the Proxy Statement, which section is incorporated herein by reference.

ITEM 14. PRINCIPAL ACCOUNTANT FEES AND SERVICES

The information required to be set forth herein will be included in the Proxy Statement, which section is incorporated herein by reference.

PART IV

ITEM 15. EXHIBITS, FINANCIAL STATEMENT SCHEDULES

1. FINANCIAL STATEMENTS

The following financial statements are filed as part of this report:

2. FINANCIAL STATEMENT SCHEDULES

Included in Part IV on Form 10-K:

Schedule III—Real Estate and Accumulated Depreciation

Schedule IV – Mortgage Loans on Real Estate

Other schedules are omitted because of the absence of conditions under which they are required, materiality, or because the required information is given in the financial statements or notes thereof.

3. EXHIBITS

See Exhibit Index on page 69 of this Annual Report on Form 10-K.

ITEM 16. FORM 10-K SUMMARY

Not applicable

SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

EXHIBITS

TO

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE FISCAL YEAR ENDED December 31, 2021
COMMISSION FILE NO. 001-11350

CTO REALTY GROWTH, INC.

(Exact name of registrant as specified in the charter)

EXHIBIT INDEX

(2.1)	Agreement and Plan of Merger by and between CTO Realty Growth, Inc., a Florida corporation and CTO Realty Growth, Inc. (formerly CTO NEWCO REIT, Inc.), a Maryland corporation, dated September 3, 2020, filed as Exhibit 2.1 to the registrant's Current Report on Form 8-K filed September 3, 2020, and incorporated herein by reference.
***(2.2)	Purchase and Sale Agreement, made as of May 3, 2021, filed as Exhibit 2.1 to the registrant's Current Report on Form 8-K filed May 5, 2021, and incorporated herein by reference.
(3.1)	Articles of Amendment and Restatement of CTO Realty Growth, Inc., as amended by the Articles of Amendment (Name Change), filed as Exhibit 3.1 to the registrant's Current Report on Form 8-K12B filed February 1, 2021, and incorporated herein by reference.
(3.2)	Second Amended and Restated Bylaws of CTO Realty Growth, Inc., effective as of January 29, 2021, filed as Exhibit 3.2 to the registrant's Current Report on Form 8-K12B filed February 1, 2021, and incorporated herein by reference.
(3.3)	Articles Supplementary, designating CTO Realty Growth, Inc.'s 6.375% Series A Cumulative Redeemable Preferred Stock, filed as Exhibit 3.2 to the registrant's Registration Statement on Form 8-A filed July 1, 2021 (File No. 001-11350), and incorporated herein by reference.
(4.1)	Specimen Common Stock Certificate of CTO Realty Growth, Inc., filed as Exhibit 4.2 to the registrant's Current Report on Form 8-K12B filed February 1, 2021, and incorporated herein by reference.
(4.2)	Registration Rights Agreement between Alpine Income Property Trust, Inc. and Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) filed as Exhibit 4.21 to the registrant's Current Report on Form 8-K filed November 27, 2019, and incorporated herein by reference.
(4.3)	Indenture related to the 3.875% Convertible Senior Notes due 2025, dated as of February 3, 2020, among Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) and U.S. Bank National Association as trustee, filed as Exhibit 4.1 to the registrant's Current Report on Form 8-K filed February 6, 2020, and incorporated herein by reference.
(4.4)	Supplemental Indenture No. 1, dated as of January 29, 2021, among CTO Realty Growth, Inc. (formerly CTO NEWCO REIT, Inc.), a Maryland corporation, CTO Realty Growth, Inc., a Florida corporation, and U.S. Bank National Association, as trustee, filed as Exhibit 4.3 to the registrant's Current Report on Form 8-K12B filed February 1, 2021, and incorporated herein by reference.
(4.5)	Form of 3.875% Convertible Senior Notes due 2025, included with Exhibit 4.3 with the registrant's Current Report on Form 8-K filed February 6, 2020, and incorporated herein by reference.
(4.6)	Description of the Registrant's Securities, filed as Exhibit 4.6 with this Annual Report on Form 10-K for the year ended December 31, 2021.
	Material Contracts:
*(10.1)	Third Amended and Restated CTO Realty Growth,

	Inc., 2010 Equity Incentive Plan, filed as Exhibit 10.4 to the registrant's Quarterly Report on Form 10-Q filed October 28, 2021, and incorporated herein by reference.
*(10.2)	Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) 2017 Executive Annual Cash Incentive Plan, dated February 22, 2017, filed as Exhibit 10.28 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2018, and incorporated herein by reference.
*(10.3)	Form of Restricted Share Award Agreement under the Third Amended and Restated CTO Realty Growth, Inc., 2010 Equity Incentive Plan, filed as Exhibit 10.16 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2010, and incorporated herein by reference.
*(10.4)	Form of February 27, 2019 Non-Employee Director Stock Award Agreement, filed as Exhibit 10.31 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2018, and incorporated herein by reference.
*(10.5)	Form of January 23, 2019 Performance Share Award Agreement filed as Exhibit 10.15 to the registrant's Annual Report on Form 10-K filed March 5, 2021, and incorporated herein by reference.

*(10.6)	Form of February 24, 2020 Performance Share Award Agreement, filed as Exhibit 10.23 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2019, and incorporated herein by reference.
*(10.7)	Form of February 10, 2021 Performance Share Award Agreement filed as Exhibit 10.17 to the registrant's Annual Report on Form 10-K filed March 5, 2021, and incorporated herein by reference.
*(10.8)	Form of February 17, 2022 Performance Share Award Agreement (filed herewith).
*(10.9)	Employment Agreement between Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) and John P. Albright entered into June 30, 2011, filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed July 6, 2011, and incorporated herein by reference.
*(10.10)	Employment Agreement between Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) and Daniel E. Smith entered into October 22, 2014, filed as Exhibit 10.24 to the registrant's Annual Report on Form 10-K for the year ended December 31, 2014, and incorporated herein by reference.
*(10.11)	Employment Agreement between CTO Realty Growth, Inc. and Matthew M. Partridge entered into September 2, 2020 filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed September 9, 2020, and incorporated herein by reference.
(10.12)	Reaffirmation Agreement, dated as of January 29, 2021, among CTO Realty Growth, Inc., certain subsidiaries of CTO Realty Growth, Inc. and Wilmington Trust, National Association, as trustee, for the benefit of the registered holders of WFRBS Commercial Mortgage Trust 2014-C24, Commercial Mortgage Pass-Through Certificates, Series 2014-C24, filed as Exhibit 10.1 to registrant's Current Report on Form 8-K12B filed February 1, 2021, and incorporated herein by reference.
(10.13)	Second Amended and Restated Credit Agreement, which supersedes the Company's existing Amended and Restated Credit Agreement, with Bank of Montreal ("BMO") and the other lenders thereunder, with BMO acting as Administrative Agent, dated September 7, 2017, filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed September 13, 2017, and incorporated herein by reference.
(10.14)	Second Amendment to Second Amended and Restated Credit Agreement Dated May 24, 2019, filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed June 3, 2019, and incorporated herein by reference.
(10.15)	Third Amendment to Second Amended and Restated Credit Agreement Dated November 26, 2019 filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed November 27, 2019, and incorporated herein by reference.
(10.16)	Fourth Amendment to Second Amended and Restated Credit Agreement between CTO Realty Growth, Inc., the Borrower, the Guarantors party thereto, the Lenders party thereto and Bank of Montreal, as Administrative Agent, dated July 1, 2020 filed as Exhibit 10.34 to registrant's Quarterly Report on Form 10-Q filed August 7, 2020, and incorporated herein by reference.
(10.17)	Fifth Amendment to Second Amended and Restated Credit Agreement between CTO Realty Growth, Inc., the Borrower, the Guarantors party thereto, the Lenders party thereto and Bank of Montreal, as Administrative Agent, dated November 9, 2020, filed as Exhibit 10.1 to registrant's Current Report on Form 8-K filed November 13, 2020, and incorporated herein by reference.
(10.18)	Sixth Amendment to Second Amended and Restated Credit Agreement and Joinder Dated March 10, 2021 filed as Exhibit 10.1 to the registrant's Current Report on Form 8-K filed March 12, 2021, and incorporated herein by reference.
(10.19)	Seventh Amendment to Second Amended and Restated Credit Agreement and Joinder Dated November 5, 2021 filed as Exhibit 10.19 with this Annual Report on Form 10-K for the year ended December 31, 2021.
(10.20)	Tax Protection Agreement among Alpine Income Property Trust, Inc., Alpine Income Property Trust OP, LP, Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) and Indigo Group Ltd. filed as Exhibit 10.4 to the registrant's Current Report on Form 8-K filed November 27, 2019, and incorporated herein by reference.

(10.21)	Management Agreement among Alpine Income Property Trust, Inc., Alpine Income Property OP, LP and Alpine Income Property Manager, LLC filed as Exhibit 10.2 to the registrant's Current Report on Form 8-K filed November 27, 2019, and incorporated herein by reference.
(10.22)	Exclusivity and Right of First Offer Agreement between Alpine Income Property Trust, Inc. and Consolidated-Tomoka Land Co.(now CTO Realty Growth, Inc.) filed as Exhibit 10.3 to the registrant's Current Report on Form 8-K filed November 27, 2019, and incorporated herein by reference.
***(10.23)	Contract for Sale and Purchase, by and between Crisp39 – 3 LLC, Crisp39 – 4 LLC, Crisp39 – 6 LLC, Crisp39 – 7 LLC, Crisp39 – 8 LLC and Timberline Acquisition Partners, LLC for the sale of 1,589 acres filed as Exhibit 10.1 to the registrant's Quarterly Report on Form 10-Q filed July 29, 2021, and incorporated herein by reference.
***(10.24)	Contract for Sale and Purchase, by and between Crisp39 – 4 LLC, LHC14 Old DeLand LLC, and TLO 12 SunGate, LLC for the sale of 856 acres filed as Exhibit 10.24 with this Annual Report on Form 10-K for the year ended December 31, 2021.
(10.25)	First Amendment to the Contract for Sale and Purchase, dated July 30, 2021, by and between Crisp39 – 3 LLC, Crisp39 – 4 LLC, Crisp39 – 6 LLC, Crisp39 – 7 LLC, Crisp39 – 8 LLC, Timberline Acquisition Partners, LLC, and LHC14 Old Deland LLC, filed as Exhibit 10.1 to the registrant's Quarterly Report on Form 10-Q filed October 28, 2021, and incorporated herein by reference.
(10.26)	Second Amendment to the Contract for Sale and Purchase, dated September 10, 2021, by and between Crisp39 – 3 LLC, Crisp39 – 4 LLC, Crisp39 – 6 LLC, Crisp39 – 7 LLC, Crisp39 – 8 LLC, LHC14 Old Deland LLC, and Timberline Acquisition Partners, LLC filed as Exhibit 10.2 to the registrant's Quarterly Report on Form 10-Q filed October 28, 2021, and incorporated herein by reference.
***(10.27)	Third Amendment to the Contract for Sale and Purchase, dated November 1, 2021, by and between Crisp39 – 3 LLC, Crisp39 – 4 LLC, Crisp39 – 6 LLC, Crisp39 – 7 LLC, Crisp39 – 8 LLC, LHC14 Old Deland LLC, and Timberline Acquisition Partners, LLC filed as Exhibit 10.27 with this Annual Report on Form 10-K for the year ended December 31, 2021.
***(10.28)	Fourth Amendment to the Contract for Sale and Purchase, dated December 1, 2021, by and between Crisp39 – 3 LLC, Crisp39 – 4 LLC, Crisp39 – 6 LLC, Crisp39 – 7 LLC, Crisp39 – 8 LLC, LHC14 Old Deland LLC, and Timberline Acquisition Partners, LLC filed as Exhibit 10.28 with this Annual Report on Form 10-K for the year ended December 31, 2021.
***(10.29)	Purchase and Sale Agreement, made as of October 18, 2021, filed as Exhibit 2.1 to the registrant's Current Report on Form 8-K filed October 22, 2021, and incorporated herein by reference.
(21.1)	Subsidiaries of the Registrant.
(23.1)	Consent of Independent Registered Public Accounting Firm.
(31.1)	Certification pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
(31.2)	Certification pursuant to Section 302 of Sarbanes-Oxley Act of 2002.
** (32.1)	Certification pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
** (32.2)	Certification pursuant to 18 U.S.C. Section 1350, adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
(101.1)	The following materials from CTO Realty Growth, Inc. Annual Report on Form 10-K for the period ended December 31, 2021, are formatted in Extensible Business Reporting Language: (i) consolidated balance sheets, (ii) consolidated statements of comprehensive income, (iii) consolidated statements of stockholders' equity (iv) consolidated statements of cash flows, and (v) notes to consolidated financial statements.
101.INS	Inline XBRL Instance Document

101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (embedded within the inline XBRL document)

* Management Contract or Compensatory Plan or Arrangement

** In accordance with Item 601(b)(32) of Regulation S-K, this Exhibit is not deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

*** Certain information has been excluded because the information is both (i) not material and (ii) the type of information that the Registrant customarily and actually treats as private and confidential.

SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

CTO REALTY GROWTH, INC. (Registrant)

Date: February 24, 2022

By: /S/ JOHN P. ALBRIGHT
John P. Albright
President and Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

February 24, 2022	President and Chief Executive Officer (Principal Executive Officer), and Director	/S/ JOHN P. ALBRIGHT
February 24, 2022	Senior Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)	/S/ MATTHEW M. PARTRIDGE
February 24, 2022	Vice President and Chief Accounting Officer (Principal Accounting Officer)	/S/ LISA M. VORAKOUN
February 24, 2022	Chairman of the Board, Director	/S/ LAURA M. FRANKLIN
February 24, 2022	Director	/S/ GEORGE R. BROKAW
February 24, 2022	Director	/S/ CHRISTOPHER J. DREW
February 24, 2022	Director	/S/ R. BLAKESLEE GABLE
February 24, 2022	Director	/S/ CHRISTOPHER W. HAGA
February 24, 2022	Director	/S/ CASEY R. WOLD

CTO REALTY GROWTH, INC.
INDEX TO FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
CTO Realty Growth, Inc.

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of CTO Realty Growth, Inc. (a Maryland corporation) and subsidiaries (the "Company") as of December 31, 2021 and 2020, the related consolidated statements of operations, comprehensive income, stockholders' equity, and cash flows for each of the three years in the period ended December 31, 2021, and the related notes and financial statement schedules included under Item 15(a) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2021 and 2020, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2021, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2021, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated February 24, 2022 expressed an unqualified opinion.

Basis for opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

The critical audit matters communicated below are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which it relates.

Fair value of real estate acquired with in-place leases

As described further in note 4 to the consolidated financial statements, the Company acquired eight multi-tenant income properties during 2021 for a total acquisition cost of $249.8 million. As described further in note 2 to the consolidated financial statements, the acquisition cost of real estate acquired with in-place leases is allocated to the acquired tangible assets, consisting of land, building and tenant improvements, and identified intangible assets and liabilities, consisting of the value of above-market and below-market leases, the value of in-place leases, and the value of leasing costs, based in each case on their relative fair values. In allocating the fair value of the identified intangible assets and liabilities of an acquired property, above-market and below-market in-place lease values are recorded as other assets or

liabilities based on the present value. We identified the evaluation of the fair value of real estate acquired with in-place leases as a critical audit matter.

The principal considerations for our determination that the evaluation of the fair value of real estate acquired with in-place leases was a critical audit matter is that auditing the estimates of fair values of the acquired tangible assets and identified intangible assets and liabilities was complex due to the significant assumptions being sensitive to changes, including discount rates, terminal rates, and market rental rates that can be impacted by expectations about future market or economic conditions.

Our audit procedures related to the evaluation of the fair value of real estate acquired with in-place leases included the following, among others.

- We evaluated the design and tested the operating effectiveness of the key controls relating to the Company's process to account for real estate acquisitions with in-place leases, including those addressing the development of the significant assumptions, including discount rates, terminal rates and market rental rates.

- We involved internal valuation professionals who assisted in comparing the discount rates, terminal rates and market rental rates to independently developed ranges.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2012.

Orlando, Florida
February 24, 2022

Report of Independent Registered Public Accounting Firm

Board of Directors and Stockholders
CTO Realty Growth, Inc.

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of CTO Realty Growth, Inc. (a Maryland corporation) and subsidiaries (the "Company") as of December 31, 2021, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2021, based on criteria established in the 2013 *Internal Control—Integrated Framework* issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the consolidated financial statements of the Company as of and for the year ended December 31, 2021, and our report dated February 24, 2022 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Orlando, Florida
February 24, 2022

CTO REALTY GROWTH, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	As of	
	December 31, 2021	**December 31, 2020**
ASSETS		
Real Estate:		
Land, at Cost	$ 189,589	$ 166,512
Building and Improvements, at Cost	325,418	305,614
Other Furnishings and Equipment, at Cost	707	672
Construction in Process, at Cost	3,150	323
Total Real Estate, at Cost	518,864	473,121
Less, Accumulated Depreciation	(24,169)	(30,737)
Real Estate—Net	494,695	442,384
Land and Development Costs	692	7,083
Intangible Lease Assets—Net	79,492	50,176
Assets Held for Sale—See Note 25	6,720	833
Investment in Joint Ventures	—	48,677
Investment in Alpine Income Property Trust, Inc.	41,037	30,574
Mitigation Credits	3,702	2,622
Mitigation Credit Rights	21,018	—
Commercial Loan and Master Lease Investments	39,095	38,320
Cash and Cash Equivalents	8,615	4,289
Restricted Cash	22,734	29,536
Refundable Income Taxes	442	26
Other Assets—See Note 13	14,897	12,180
Total Assets	$ 733,139	$ 666,700
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities:		
Accounts Payable	$ 676	$ 1,047
Accrued and Other Liabilities—See Note 19	13,121	9,090
Deferred Revenue—See Note 20	4,505	3,319
Intangible Lease Liabilities—Net	5,601	24,163
Liabilities Held for Sale—See Note 25	—	831
Deferred Income Taxes—Net	483	3,521
Long-Term Debt	278,273	273,830
Total Liabilities	302,659	315,801
Commitments and Contingencies—See Note 23		
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, 2021; 50,000 shares authorized; $100.00 par value, no shares issued or outstanding at December 31, 2020	30	—
Common Stock – 500,000,000 shares authorized; $0.01 par value, 5,916,226 shares issued and outstanding at December 31, 2021; 25,000,000 shares authorized; $1.00 par value, 7,310,680 shares issued and 5,915,756 shares outstanding at December 31, 2020	60	7,250
Treasury Stock – 0 shares at December 31, 2021 and 1,394,924 shares at December 31, 2020	—	(77,541)
Additional Paid-In Capital	85,414	83,183
Retained Earnings	343,459	339,917
Accumulated Other Comprehensive Income (Loss)	1,517	(1,910)
Total Stockholders' Equity	430,480	350,899
Total Liabilities and Stockholders' Equity	$ 733,139	$ 666,700

The accompanying notes are an integral part of these consolidated financial statements.

CTO REALTY GROWTH, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Revenues			
Income Properties	$ 50,679	$ 49,953	$ 41,956
Management Fee Income	3,305	2,744	304
Interest Income From Commercial Loan and Master Lease Investments	2,861	3,034	1,829
Real Estate Operations	13,427	650	852
Total Revenues	70,272	56,381	44,941
Direct Cost of Revenues			
Income Properties	(13,815)	(11,988)	(7,000)
Real Estate Operations	(8,615)	(3,223)	(105)
Total Direct Cost of Revenues	(22,430)	(15,211)	(7,105)
General and Administrative Expenses	(11,202)	(11,567)	(9,818)
Impairment Charges	(17,599)	(9,147)	—
Depreciation and Amortization	(20,581)	(19,063)	(15,797)
Total Operating Expenses	(71,812)	(54,988)	(32,720)
Gain on Disposition of Assets	28,316	9,746	21,978
Gain (Loss) on Extinguishment of Debt	(3,431)	1,141	—
Other Gains and Income	24,885	10,887	21,978
Total Operating Income	23,345	12,280	34,199
Investment and Other Income (Loss)	12,445	(6,432)	344
Interest Expense	(8,929)	(10,838)	(12,466)
Income (Loss) From Continuing Operations Before Income Tax Benefit (Expense)	26,861	(4,990)	22,077
Income Tax Benefit (Expense) from Continuing Operations	3,079	83,499	(5,472)
Income from Continuing Operations	29,940	78,509	16,605
Income from Discontinued Operations (Net of Income Tax)—See Note 25	—	—	98,368
Net Income Attributable to the Company	29,940	78,509	114,973
Distributions to Preferred Stockholders	(2,325)	—	—
Net Income Attributable to Common Stockholders	$ 27,615	$ 78,509	$ 114,973
Per Share Information—See Note 15:			
Basic			
Income From Continuing Operations Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 3.32
Income From Discontinued Operations (Net of Income Tax) Attributable to Common Stockholders	—	—	19.71
Basic Net Income per Share Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 23.03
Diluted			
Income From Continuing Operations Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 3.32
Income From Discontinued Operations (Net of Income Tax) Attributable to Common Stockholders	—	—	19.68
Diluted Net Income per Share Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 23.00
Weighted Average Number of Common Shares			
Basic	5,892,270	4,704,877	4,991,656
Diluted	5,892,270	4,704,877	4,998,043

The accompanying notes are an integral part of these consolidated financial statements.

CTO REALTY GROWTH, INC.
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands)

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Net Income Attributable to the Company	$ 29,940	$ 78,509	$ 114,973
Other Comprehensive Income (Loss):			
Cash Flow Hedging Derivative - Interest Rate Swaps (Net of Income Tax Benefit (Expense) of $0, $0, and ($0.1) million, respectively)	3,427	(1,984)	(413)
Total Other Comprehensive Income (Loss), Net of Income Tax	3,427	(1,984)	(413)
Total Comprehensive Income	$ 33,367	$ 76,525	$ 114,560

The accompanying notes are an integral part of these consolidated financial statements.

CTO REALTY GROWTH, INC.
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
(In thousands)

	Preferred Stock	Common Stock	Treasury Stock	Additional Paid-In Capital	Retained Earnings	Accumulated Other Comprehensive Income (Loss)	Stockholders' Equity
Balance January 1, 2019	$ —	$ 5,995	$ (32,345)	$ 24,327	$ 213,298	$ 487	$ 211,762
Net Income Attributable to the Company	—	—	—	—	114,973	—	114,973
Stock Repurchase	—	—	(41,096)	—	—	—	(41,096)
Vested Restricted Stock	—	13	—	(316)	—	—	(303)
Stock Issuance	—	9	—	523	—	—	532
Stock-Based Compensation Expense	—	—	—	2,156	—	—	2,156
Cash Dividends ($0.44 per share)	—	—	—	—	(2,198)	—	(2,198)
Other Comprehensive Loss, Net of Income Tax	—	—	—	—	—	(413)	(413)
Balance December 31, 2019	—	6,017	(73,441)	26,690	326,073	74	285,413
Net Income Attributable to the Company	—	—	—	—	78,509	—	78,509
Stock Repurchase	—	—	(4,100)	—	—	—	(4,100)
Equity Component of Convertible Debt	—	—	—	5,248	—	—	5,248
Vested Restricted Stock	—	24	—	(562)	—	—	(538)
Stock Issuance	—	10	—	503	—	—	513
Stock-Based Compensation Expense	—	—	—	2,308	—	—	2,308
Cash Dividends ($1.90 per share)	—	—	—	—	(8,866)	—	(8,866)
Special Distribution - REIT Conversion ($11.98 per share)	—	1,199	—	48,996	(55,799)	—	(5,604)
Other Comprehensive Loss	—	—	—	—	—	(1,984)	(1,984)
Balance December 31, 2020	—	7,250	(77,541)	83,183	339,917	(1,910)	350,899
Net Income Attributable to the Company	—	—	—	—	29,940	—	29,940
Stock Repurchase	—	—	—	(2,210)	—	—	(2,210)
Vested Restricted Stock and Performance Shares	—	—	—	(436)	—	—	(436)
Exercise of Stock Options and Common Stock Issuance	—	—	—	357	—	—	357
Issuance of Preferred Stock, Net of Underwriting Discount and Expenses	30	—	—	72,400	—	—	72,430
Common Stock Equity Issuance Costs	—	—	—	(197)	—	—	(197)
Stock-Based Compensation Expense	—	—	—	2,668	—	—	2,668
Par Value $0.01 per Share and Treasury Stock Derecognized at January 29, 2021	—	(7,190)	77,541	(70,351)	—	—	—
Preferred Stock Dividends Declared for the Period	—	—	—	—	(2,325)	—	(2,325)
Common Stock Dividends Declared for the Period	—	—	—	—	(24,073)	—	(24,073)
Other Comprehensive Income	—	—	—	—	—	3,427	3,427
Balance December 31, 2021	$ 30	$ 60	$ —	$ 85,414	$ 343,459	$ 1,517	$ 430,480

The accompanying notes are an integral part of these consolidated financial statements.

CTO REALTY GROWTH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Cash Flow from Operating Activities:			
Net Income Attributable to the Company	$ 29,940	$ 78,509	$ 114,973
Adjustments to Reconcile Net Income Attributable to the Company to Net Cash Provided by Operating Activities:			
Depreciation and Amortization	20,581	19,063	15,797
Amortization of Intangible Liabilities to Income Property Revenue	(404)	(1,754)	(2,383)
Amortization of Deferred Financing Costs to Interest Expense	586	454	444
Amortization of Discount on Convertible Debt	1,278	1,379	1,357
Gain on Disposition of Real Estate and Intangible Lease Assets and Liabilities	(28,316)	(7,509)	(3,296)
Gain on Disposition of Assets Held for Sale	—	(2,590)	(18,697)
Gain on Sale of Equity Interests in Joint Ventures	—	—	(127,518)
Loss on Disposition of Commercial Loan and Master Lease Investments	—	353	—
Loss (Gain) on Extinguishment of Debt	3,431	(1,141)	—
Impairment Charges	17,599	9,147	—
Accretion of Commercial Loan and Master Lease Investment Origination Fees	(2)	(161)	(135)
Non-Cash Imputed Interest	(438)	(428)	(218)
Deferred Income Taxes	(3,038)	(90,532)	35,100
Unrealized (Gain) Loss on Investment Securities	(10,340)	8,240	(61)
Non-Cash Compensation	3,168	2,786	2,688
Decrease (Increase) in Assets:			
Refundable Income Taxes	(416)	(26)	225
Assets Held for Sale	833	—	3,893
Land and Development Costs	6,391	(493)	(1,107)
Mitigation Credits and Mitigation Credit Rights	(15,750)	3,323	(1,861)
Other Assets	(3,191)	(1,802)	(3,479)
Increase (Decrease) in Liabilities:			
Accounts Payable	(370)	(340)	349
Accrued and Other Liabilities	5,680	3,402	490
Deferred Revenue	1,186	(2,511)	(540)
Liabilities Held for Sale	(831)	—	(49)
Income Taxes Payable	—	(439)	439
Net Cash Provided By Operating Activities	27,577	16,930	16,411
Cash Flow from Investing Activities:			
Acquisition of Real Estate and Intangible Lease Assets and Liabilities	(256,381)	(167,811)	(150,705)
Acquisition of Commercial Loan Investments and Master Lease Investments	(364)	(28,235)	(34,296)
Acquisition of Mitigation Credits	—	(3,621)	—
Restricted Cash Balance Received in Acquisition of Interest in Joint Venture	596	—	—
Cash Received from (Contribution to) Joint Ventures	23,864	(41)	(84)
Proceeds from Disposition of Property, Plant, and Equipment, Net, and Assets Held for Sale	129,461	85,621	207,552
Proceeds from Sale of Equity Interests in Joint Ventures	—	—	96,132
Principal Payments Received on Commercial Loan and Master Lease Investments	—	22,965	—
Acquisition of Investment Securities	(143)	—	(15,500)
Net Cash Provided By (Used In) Investing Activities	(102,967)	(91,122)	103,099
Cash Flow From Financing Activities:			
Proceeds from Long-Term Debt	314,500	66,640	141,500
Payments on Long-Term Debt	(283,519)	(72,269)	(103,073)
Cash Paid for Loan Fees	(1,587)	(2,187)	(635)
Payments for Exercise of Stock Options and Common Stock Issuance	(162)	—	—
Proceeds from Issuance of Preferred Stock, Net of Underwriting Discount and Expenses	72,430	—	—
Cash Used to Purchase Common Stock	(2,210)	(4,100)	(41,096)
Cash Paid for Vesting of Restricted Stock	(436)	(502)	(303)
Cash Paid for Equity Issuance Costs	(197)	—	—
Dividends Paid - Preferred Stock	(2,325)	—	—
Dividends Paid - Common Stock	(23,580)	(14,470)	(2,198)
Net Cash Provided By (Used In) Financing Activities	72,914	(26,888)	(5,805)
Net Increase (Decrease) in Cash and Cash Equivalents	(2,476)	(101,080)	113,705
Cash and Cash Equivalents, Beginning of Period	33,825	134,905	21,200
Cash and Cash Equivalents, End of Period	$ 31,349	$ 33,825	$ 134,905
Reconciliation of Cash to the Consolidated Balance Sheets:			
Cash and Cash Equivalents	$ 8,615	$ 4,289	$ 6,475
Restricted Cash	22,734	29,536	128,430
Total Cash	$ 31,349	$ 33,825	$ 134,905

The accompanying notes are an integral part of these consolidated financial statements.

CTO REALTY GROWTH, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS (Continued)
(In thousands)

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Supplemental Disclosure of Cash Flow Information:			
Cash Paid for Taxes, Net of Refunds Received	$ (406)	$ (5,026)	$ (1,793)
Cash Paid for Interest	$ (7,274)	$ (9,716)	$ (10,782)
Supplemental Disclosure of Non-Cash Investing and Financing Activities:			
Gain on Disposition of Land JV	$ —	$ —	$ 48,865
Contribution of Income Properties to Alpine Income Property Trust, Inc. in Exchange for OP Units	$ —	$ —	$ 23,253
Right-of-use Assets and Corresponding Lease Liability Recorded Upon ASC 842 Adoption	$ —	$ —	$ 681
Unrealized Gain (Loss) on Cash Flow Hedges	$ 3,427	$ (1,984)	$ (413)
Convertible Note Exchange	$ —	$ 57,359	$ —
Equity Component of Convertible Debt	$ —	$ 5,248	$ —
Capital Expenditures Included in Accrued and Other Liabilities	$ —	$ 1,600	$ —
Special Distribution Paid in Stock	$ —	$ 50,194	$ —
Common Stock Dividends Declared and Unpaid	$ 493	$ —	$ —
Assumption of Mortgage Note Payable by Buyer	$ 30,000	$ —	$ —
Supplemental Disclosure of Cash Provided by Discontinued Operations:			
Cash Provided by Operating Activities	$ —	$ —	$ 6,486
Cash Provided by Investing Activities	$ —	$ —	$ 98,386

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
December 31, 2021, 2020, and 2019

NOTE 1. ORGANIZATION

NATURE OF OPERATIONS

The terms "us," "we," "our," and "the Company" as used in this report refer to CTO Realty Growth, Inc. together with our consolidated subsidiaries.

We are a publicly traded, primarily retail-oriented, real estate investment trust ("REIT") that was founded in 1910. We own and manage, sometimes utilizing third-party property management companies, 22 commercial real estate properties in 10 states in the United States. As of December 31, 2021, we owned 9 single-tenant and 13 multi-tenant income-producing properties comprising 2.7 million square feet of gross leasable space.

In addition to our income property portfolio, as of December 31, 2021, our business included the following:

Management Services:

- A fee-based management business that is engaged in managing Alpine Income Property Trust, Inc. ("PINE"), see Note 6, "Related Party Management Services Business."

Commercial Loan and Master Lease Investments:

- A portfolio of two commercial loan investments and two commercial properties, which are included in the 22 commercial real estate properties above, whose leases are classified as commercial loan and master lease investments.

Real Estate Operations:

- A portfolio of subsurface mineral interests associated with approximately 370,000 surface acres in 19 counties in the State of Florida ("Subsurface Interests"); and

- An inventory of historically owned mitigation credits as well as mitigation credits produced by the Company's mitigation bank. The mitigation bank owns a 2,500 acre parcel of land in the western part of Daytona Beach, Florida and, pursuant to a mitigation plan approved by the applicable state and federal authorities, produces mitigation credits that are sold to developers of land in the Daytona Beach area for the purpose of enabling the developers to obtain certain regulatory permits for property development (the "Mitigation Bank"). Prior to the Interest Purchase (hereinafter defined in Note 8, "Investment in Joint Ventures") completed on September 30, 2021, the Company held a 30% retained interest in the entity that owns the Mitigation Bank.

On December 10, 2021, the entity that held approximately 1,600 acres of undeveloped land in Daytona Beach, Florida (the "Land JV"), of which the Company previously held a 33.5% retained interest, completed the sale of all of its remaining land holdings for $66.3 million to Timberline Acquisition Partners, LLC an affiliate of Timberline Real Estate Partners (the "Land JV Sale"). Proceeds to the Company after distributions to the other member of the Land JV, and before taxes, were $24.5 million. Prior to the completion of the Land JV Sale, the Company was engaged in managing the Land JV, as further described in Note 6, "Related Party Management Services Business." As a result of the Land JV Sale and corresponding dissolution of the Land JV, the Company no longer holds a retained interest in the Land JV as of December 31, 2021.

Our business also includes our investment in PINE. As of December 31, 2021, the fair value of our investment totaled $41.0 million, or 15.6% of PINE's outstanding equity, including the units of limited partnership interest ("OP Units") we hold in Alpine Income Property OP, LP (the "PINE Operating Partnership"), which are redeemable for cash, based upon the value of an equivalent number of shares of PINE common stock at the time of the redemption, or shares of PINE common stock on a one-for-one basis, at PINE's election. Our investment in PINE generates investment income through the dividends distributed by PINE. In addition to the dividends we receive from PINE, our investment in PINE may benefit from any appreciation in PINE's stock price, although no assurances can be provided that such appreciation

will occur, the amount by which our investment will increase in value, or the timing thereof. Any dividends received from PINE are included in investment and other income (loss) on the accompanying consolidated statements of operations.

Discontinued Operations. The Company reports the historical financial position and results of operations of disposed businesses as discontinued operations when it has no continuing interest in the business. On October 16, 2019, the Company sold a controlling interest in its wholly owned subsidiary that held 5,300 acres of undeveloped land in Daytona Beach, Florida. On October 17, 2019, the Company sold its interest in the golf operations. For the year ended December 31, 2019, the Company has reported the historical financial position and the results of operations related to the Land JV and the golf operations as discontinued operations (see Note 25, "Assets and Liabilities Held for Sale and Discontinued Operations"). The cash flows related to discontinued operations have been disclosed. There were no discontinued operations during the years ended December 31, 2021 or 2020.

REIT CONVERSION

As of December 31, 2020, the Company had completed certain internal reorganization transactions necessary to begin operating in compliance with the requirements for qualification and taxation as a REIT for U.S. federal income tax purposes under the Internal Revenue Code of 1986, as amended (the "Code"), commencing with the taxable year ended December 31, 2020.

On January 29, 2021, in connection with the REIT conversion, the Company completed the merger of CTO Realty Growth, Inc., a Florida corporation ("CTO FL"), with and into CTO NEWCO REIT, Inc., a wholly owned Maryland subsidiary of CTO FL ("CTO MD"), in order to reincorporate in Maryland and facilitate its ongoing compliance with the REIT requirements (the "Merger").

As a result of the Merger, existing shares of CTO FL common stock were automatically converted, on a one-for-one basis, into shares of common stock of the surviving entity (the "CTO Company"). The CTO Company is a corporation organized in the state of Maryland and has been renamed "CTO Realty Growth, Inc." The CTO Company's charter includes certain standard REIT provisions, including ownership limitations and transfer restrictions applicable to the Company's capital stock.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF CONSOLIDATION

The consolidated financial statements include the accounts of the Company, its wholly owned subsidiaries, and other entities in which we have a controlling interest. Any real estate entities or properties included in the consolidated financial statements have been consolidated only for the periods that such entities or properties were owned or under control by us. All inter-company balances and transactions have been eliminated in the consolidated financial statements. As of December 31, 2021, the Company has an equity investment in PINE.

Prior to the Interest Purchase (hereinafter defined in Note 8, "Investment in Joint Ventures") completed on September 30, 2021, the Company held a 30% retained interest in the entity that owns the Mitigation Bank. Additionally, prior to the Land JV Sale completed on December 10, 2021, the Company held a 33.5% retained interest in the Land JV. The Company concluded that these entities are variable interest entities, of which the Company is not the primary beneficiary and as a result, these entities were not consolidated. As of December 31, 2021, the Company had no remaining investments in joint ventures.

SEGMENT REPORTING

ASC Topic 280, *Segment Reporting*, establishes standards related to the manner in which enterprises report operating segment information. The Company operates in four primary business segments including income properties, management services, commercial loan and master lease investments, and real estate operations, as further discussed within Note 24, "Business Segment Data". The Company has no other reportable segments. The Company's chief executive officer, who is the chief operating decision maker, reviews financial information on an aggregate basis for purposes of allocating and evaluating financial performance.

USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP") requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Among other factors, fluctuating market conditions that can exist in the national real estate markets and the volatility and uncertainty in the financial and credit markets make it possible that the estimates and assumptions, most notably those related to the Company's investment in income properties, could change materially due to continued volatility in the real estate and financial markets, or as a result of a significant dislocation in those markets.

RECENTLY ISSUED ACCOUNTING STANDARDS

Cessation of LIBOR. In January 2021, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2021-01 which is in response to concerns about structural risks of interbank offered rates ("IBORs"), and, particularly, the risk of cessation of the London Interbank Offered Rate ("LIBOR"), regulators in numerous jurisdictions around the world have undertaken reference rate reform initiatives to identify alternative reference rates that are more observable or transaction based and less susceptible to manipulation. The amendments in ASU 2021-01 are effective immediately and clarify that certain optional expedients and exceptions in Topic 848 for contract modifications and hedge accounting apply to derivatives that are affected by the discounting transition. The Company believes it's interest rate swaps, hereinafter described in Note 18, "Interest Rate Swaps", meet the scope of Topic 848-10-15-3A and therefore, Company will be able to continue to apply a perfectly effective assessment method for each interest rate swap by electing the corresponding optional expedient for subsequent assessments.

Debt with Conversion and Other Options. In August 2020, the FASB issued ASU 2020-06 related to simplifying the accounting for convertible instruments by removing certain separation models for convertible instruments. Among other things, the amendments in the update also provide for improvements in the consistency in EPS calculations by amending the guidance by requiring that an entity use the if-converted method for convertible instruments. The amendments in ASU 2020-06 are effective for reporting periods beginning after December 15, 2021. The Company adopted ASU 2020-06 as of January 1, 2022, at which time, the Company's diluted EPS calculation will include the dilutive impact of the 2025 Notes (hereinafter defined), irrespective of intended cash settlement. Further, the Company elected, upon adoption, to utilize the modified retrospective approach, negating the required restatement of EPS for periods prior to adoption.

Lease Modifications. In April 2020, the FASB issued interpretive guidance relating to the accounting for lease concessions provided as a result of the COVID-19 Pandemic. In this guidance, entities can elect not to apply lease modification accounting with respect to such lease concessions and, instead, treat the concession as if it was a part of the existing contract. This guidance is only applicable to lease concessions related to the COVID-19 Pandemic that do not result in a substantial increase in the rights of the lessor or the obligations of the lessee. As of and for the year ended December 31, 2020, the Company elected to not apply lease modification accounting with respect to rent deferrals as the concessions were related to the COVID-19 Pandemic and there was not a substantial increase in the lessor's rights under the lease agreement. Accordingly, for leases in which deferred rent agreements were reached, the Company has continued to account for the lease by recognizing the normal straight-line rental income and as the deferred rents are repaid by the tenant, the straight-line receivable will be reduced. The Company did not enter into any deferred rent agreements related to the COVID-19 Pandemic during the year ended December 31, 2021. The portion of the straight-line adjustment related to COVID-19 concessions and subsequent repayments have been reflected separately in the Company's statement of cash flows for the years ended December 31, 2021 and 2020. With respect to rent abatement agreements, lease modification accounting applies as an extended term was a part of such agreements, accordingly the Company re-calculated straight-line rental income for such leases to recognize over the new lease term.

ASC Topic 326, Financial Instruments-Credit Losses. In June 2016, the FASB issued ASU 2016-13, which amends its guidance on the measurement of credit losses on financial instruments. The amendments in this update are effective for annual reporting periods beginning after December 31, 2019. ASU 2016-13 affects entities holding financial assets that are not accounted for at fair value through net income, including but not limited to, loans, trade receivables, and net investments in leases. The Company adopted the changes to FASB ASC 326, *Financial Instruments-Credit Losses* on January 1, 2020. The Company's evaluation of current expected credit losses ("CECL") resulted in a reserve of $0.3

million on the Company's commercial loan and master lease investments portfolio during the year ended December 31, 2020. See Note 5 "Commercial Loan and Master Lease Investments" for further information.

RECLASSIFICATIONS

In the first quarter of 2021, the Company reclassified deferred financing costs incurred in connection with its Credit Facility (as further described in Note 17, "Long-Term Debt"), net of accumulated amortization, as a component of other assets on the accompanying consolidated balance sheet. Accordingly, deferred financing costs of $1.2 million, net of accumulated amortization of $0.5 million, were reclassified from long-term debt to other assets as of December 31, 2020.

Additionally, certain items in the prior period's consolidated statements of operations have been reclassified to conform to the presentation as of and for the year ended December 31, 2019. Specifically, in the fourth quarter of 2019, the Company completed the sale of its remaining land holdings through the Magnetar Land Sale, hereinafter defined. Accordingly, the results of the real estate operations related to land sales have been classified as discontinued operations in the accompanying consolidated statements of operations for the year ended December 31, 2019.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents includes cash on hand, bank demand accounts, and money market accounts having original maturities of 90 days or less. The Company's bank balances as of December 31, 2021 include certain amounts over the Federal Deposit Insurance Corporation limits.

RESTRICTED CASH

Restricted cash totaled $22.7 million at December 31, 2021, of which $21.2 million is being held in various escrow accounts to be reinvested through the like-kind exchange structure into other income properties, $0.6 million is being held in an escrow account in connection with the Mitigation Bank as required by the applicable state and federal permitting authorities, and the remaining $0.9 million is being held in various escrow accounts related to certain tenant improvements and commissions payable.

INVESTMENT SECURITIES

In accordance with FASB ASC Topic 320, *Investments – Debt and Equity Securities* and pursuant to ASU 2016-01, effective January 1, 2018, the Company's investments in equity securities ("Investment Securities") are carried at fair value in the consolidated balance sheets, with the unrealized gains and losses recognized in net income. The unrealized gains and losses are included in investment income in the consolidated statements of operations.

The cost of Investment Securities sold, if any, is based on the specific identification method. Interest and dividends on Investment Securities are included in investment income in the consolidated statements of operations.

DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGING ACTIVITY

Interest Rate Swaps. The Company accounts for its cash flow hedging derivatives in accordance with FASB ASC Topic 815-20, *Derivatives and Hedging*. Depending upon the hedge's value at each balance sheet date, the derivatives are included in either other assets or accrued and other liabilities on the consolidated balance sheet at its fair value. On the date each interest rate swap was entered into, the Company designated the derivatives as a hedge of the variability of cash flows to be paid related to the recognized long-term debt liabilities.

The Company documented the relationship between the hedging instruments and the hedged item, as well as its risk-management objective and strategy for undertaking the hedge transactions. At the hedges' inception, the Company formally assessed whether the derivatives that are used in hedging the transactions are highly effective in offsetting changes in cash flows of the hedged items, and we will continue to do so on an ongoing basis. As the terms of each interest rate swap and the associated debts are identical, both hedging instruments qualify for the shortcut method; therefore, it is assumed that there is no hedge ineffectiveness throughout the entire term of the hedging instruments.

Changes in fair value of the hedging instruments that are highly effective and designated and qualified as cash-flow hedges are recorded in other comprehensive income and loss, until earnings are affected by the variability in cash flows of the designated hedged items.

FAIR VALUE OF FINANCIAL INSTRUMENTS

The carrying amounts of the Company's financial assets and liabilities including cash and cash equivalents, restricted cash, accounts receivable, accounts payable, and accrued and other liabilities at December 31, 2021 and 2020, approximate fair value because of the short maturity of these instruments. The carrying value of the Company's Credit Facility (hereinafter defined) as of December 31, 2021 and 2020, approximates current market rates for revolving credit arrangements with similar risks and maturities. The face value of the Company's fixed rate commercial loan and master lease investments, the 2026 Term Loan (hereinafter defined), the 2027 Term Loan (hereinafter defined), and convertible debt held as of December 31, 2021 and 2020 are measured at fair value based on current market rates for financial instruments with similar risks and maturities (see Note 10, "Fair Value of Financial Instruments").

FAIR VALUE MEASUREMENTS

The Company's estimates of fair value of financial and non-financial assets and liabilities is based on the framework established by U.S. GAAP. The framework specifies a hierarchy of valuation inputs which was established to increase consistency, clarity and comparability in fair value measurements and related disclosures. U.S. GAAP describes a fair value hierarchy based upon three levels of inputs that may be used to measure fair value, two of which are considered observable and one that is considered unobservable. The following describes the three levels:

- Level 1 – Valuation is based upon quoted prices in active markets for identical assets or liabilities.
- Level 2 – Valuation is based upon inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities, quoted prices in markets that are not active or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3 – Valuation is generated from model-based techniques that use at least one significant assumption not observable in the market. These unobservable assumptions reflect estimates of assumptions that market participants would use in pricing the asset or liability. Valuation techniques include option pricing models, discounted cash flow models and similar techniques.

RECOGNITION OF INTEREST INCOME FROM COMMERCIAL LOAN AND MASTER LEASE INVESTMENTS

Interest income on commercial loan and master lease investments includes interest payments made by the borrower and the accretion of purchase discounts and loan origination fees, offset by the amortization of loan costs. Interest payments are accrued based on the actual coupon rate and the outstanding principal balance and purchase discounts and loan origination fees are accreted into income using the effective yield method, adjusted for prepayments.

MITIGATION CREDITS

Mitigation credits are stated at historical cost. As these assets are sold, the related revenues and cost of sales are reported as revenues from, and direct costs of, real estate operations, respectively, in the consolidated statements of operations.

ACCOUNTS RECEIVABLE

Accounts receivable related to income properties, which are classified in other assets on the consolidated balance sheets, primarily consist of accrued tenant reimbursable expenses and other tenant receivables. Receivables related to income property tenants totaled $0.9 million and $2.3 million as of December 31, 2021 and 2020, respectively. The $1.4 million decrease is primarily attributable to a decrease in estimated accrued receivables for variable lease payments including common area maintenance, insurance, real estate taxes and other operating expenses.

Accounts receivable related to real estate operations, which are classified in other assets on the consolidated balance sheets, totaled $1.1 million and $1.3 million as of December 31, 2021 and 2020, respectively. The accounts receivable as of December 31, 2021 and 2020 are primarily related to the reimbursement of certain infrastructure costs completed by the Company in conjunction with two land sale transactions that closed during the fourth quarter of 2015 as more fully described in Note 13, “Other Assets.”

As of December 31, 2021 and 2020, $0.3 million and $0.5 million was due from the buyer of the golf operations for the rounds surcharge the Company paid to the City of Daytona Beach, respectively.

The collectability of the aforementioned receivables shall be considered and adjusted through an allowance for credit losses pursuant to ASC 326, *Financial Instruments-Credit Losses*. As of December 31, 2021 and 2020, the Company recorded an allowance for doubtful accounts of $0.5 million.

PURCHASE ACCOUNTING FOR ACQUISITIONS OF REAL ESTATE SUBJECT TO A LEASE

Investments in real estate are carried at cost less accumulated depreciation and impairment losses, if any. The cost of investments in real estate reflects their purchase price or development cost. We evaluate each acquisition transaction to determine whether the acquired asset meets the definition of a business. Under ASU 2017-01, *Business Combinations (Topic 805): Clarifying the Definition of a Business*, an acquisition does not qualify as a business when there is no substantive process acquired or substantially all of the fair value is concentrated in a single identifiable asset or group of similar identifiable assets or the acquisition does not include a substantive process in the form of an acquired workforce or an acquired contract that cannot be replaced without significant cost, effort or delay. Transaction costs related to acquisitions that are asset acquisitions are capitalized as part of the cost basis of the acquired assets, while transaction costs for acquisitions that are deemed to be acquisitions of a business are expensed as incurred. Improvements and replacements are capitalized when they extend the useful life or improve the productive capacity of the asset. Costs of repairs and maintenance are expensed as incurred.

In accordance with FASB guidance, the fair value of the real estate acquired with in-place leases is allocated to the acquired tangible assets, consisting of land, building and tenant improvements, and identified intangible assets and liabilities, consisting of the value of above-market and below-market leases, the value of in-place leases, and the value of leasing costs, based in each case on their relative fair values. In allocating the fair value of the identified intangible assets and liabilities of an acquired property, above-market and below-market in-place lease values are recorded as other assets or liabilities based on the present value. The capitalized above-market lease values are amortized as a reduction of rental income over the remaining terms of the respective leases. The capitalized below-market lease values are amortized as an increase to rental income over the initial term unless management believes that it is likely that the tenant will renew the lease upon expiration, in which case the Company amortizes the value attributable to the renewal over the renewal period. The value of in-place leases and leasing costs are amortized to expense over the remaining non-cancelable periods of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts relating to that lease would be written off.

LAND AND DEVELOPMENT COSTS

The carrying value of land and development costs includes the initial acquisition costs of land and improvements thereto. Subsurface Interests are also included in land and development costs. These costs are allocated to properties on a relative sales value basis and are charged to costs of sales as specific properties are sold. Due to the nature of the business, land and development costs have been classified as an operating activity on the consolidated statements of cash flows.

SALES OF REAL ESTATE

When income properties are disposed of, the related cost basis of the real estate, intangible lease assets, and intangible lease liabilities, net of accumulated depreciation and/or amortization, and any accrued straight-line rental income balance for the underlying operating leases are removed, and gains or losses from the dispositions are reflected in net income within gain on disposition of assets. In accordance with the FASB guidance, gains or losses on sales of real estate are generally recognized using the full accrual method.

Gains and losses on land sales, in addition to the sale of Subsurface Interests and mitigation credits, are accounted for as required by FASB ASC Topic 606, *Revenue from Contracts with Customers*. The Company recognizes revenue from such sales when the Company transfers the promised goods in the contract based on the transaction price allocated to the performance obligations within the contract. As market information becomes available, the underlying cost basis is analyzed and recorded at the lower of cost or market.

PROPERTY, PLANT, AND EQUIPMENT

Property, plant, and equipment are stated at cost, less accumulated depreciation and amortization. Such properties are depreciated on a straight-line basis over their estimated useful lives. Renewals and betterments are capitalized to property accounts. The cost of maintenance and repairs is expensed as incurred. The cost of property retired or otherwise disposed of, and the related accumulated depreciation or amortization, are removed from the accounts, and any resulting gain or loss is recorded in the consolidated statement of operations. The amount of depreciation of property, plant, and equipment, exclusive of amortization related to intangible assets, recognized for the years ended December 31, 2021, 2020, and 2019, was $12.3 million, $11.3 million, and $9.9 million, respectively. No interest was capitalized during the years ended December 31, 2021, 2020, or 2019.

The range of estimated useful lives for property, plant, and equipment is as follows:

Income Properties Buildings and Improvements	3 - 48	Years
Other Furnishings and Equipment	3 - 20	Years

LONG-LIVED ASSETS

The Company follows FASB ASC Topic 360-10, *Property, Plant, and Equipment* in conducting its impairment analyses. The Company reviews the recoverability of long-lived assets, including land and development costs, real estate held for sale, and property, plant, and equipment, for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Examples of situations considered to be triggering events include: a substantial decline in operating cash flows during the period, a current or projected loss from operations, an income property not fully leased or leased at rates that are less than current market rates, and any other quantitative or qualitative events deemed significant by our management. Long-lived assets are evaluated for impairment by using an undiscounted cash flow approach, which considers future estimated capital expenditures. Impairment of long-lived assets is measured at fair value less cost to sell.

INCOME PROPERTY LEASES

The rental of the Company's income properties are classified as operating leases. The Company recognizes lease income on these properties on a straight-line basis over the term of the lease. The periodic difference between lease income recognized under this method and contractual lease payment terms (i.e., straight-line rent) is recorded as a deferred operating lease receivable and is included in straight-line rent adjustment on the accompanying consolidated balance sheets. The Company's leases provide for reimbursement from tenants for variable lease payments including common area maintenance, insurance, real estate taxes and other operating expenses. A portion of our variable lease payment revenue is estimated each period and is recognized as rental income in the period the recoverable costs are incurred and accrued.

OPERATING LEASE EXPENSE

The Company leases property and equipment, which are classified as operating leases. The Company recognizes lease expense on a straight-line basis over the term of the lease.

GOLF OPERATIONS

The Company previously owned the LPGA International Golf Club (the "Club"), which consists of two 18-hole golf courses and a 3-hole practice facility, a clubhouse facility, including food and beverage operations, and a fitness center. Revenues from this operation, including greens fees, cart rentals, merchandise, and food and beverage sales, were recognized at the time of sale pursuant to FASB ASC Topic 606, *Revenue from Contracts with Customers*. Initiation fees

and membership dues were recognized over the life of the membership, pursuant to FASB ASC Topic 606, *Revenue from Contracts with Customers*, which was generally twelve months.

OTHER REAL ESTATE INTERESTS

From time to time, the Company will release surface entry rights related to subsurface acres owned by the Company upon request of the surface owner. The Company recognizes revenue from the release at the time the transaction is consummated, unless the right is released under a deferred payment plan and the initial payment does not meet the criteria established under FASB ASC Topic 606, *Revenue from Contracts with Customers*.

STOCK-BASED COMPENSATION

At the Annual Meeting of Stockholders of the Company held on April 28, 2010, the Company's stockholders approved the Consolidated-Tomoka Land Co. 2010 Equity Incentive Plan (the "Original 2010 Plan"). At the Annual Meeting of Stockholders of the Company held on April 24, 2013, the Company's stockholders approved an amendment and restatement of the entire Original 2010 Plan, which among other things, incorporated claw back provisions and clarified language regarding the shares available subsequent to forfeiture of any awards of restricted shares. At the Annual Meeting of Stockholders of the Company held on April 23, 2014, the Company's stockholders approved an amendment to the Original 2010 Plan increasing the number of shares authorized for issuance by 240,000 shares, bringing the total number of shares authorized for issuance to 454,000. At the Annual Meeting of Stockholders of the Company held on April 25, 2018, the Company's stockholders approved the Second Amended and Restated 2010 Equity Incentive Plan (the "Second A&R 2010 Plan") which, among other things, increased the number of shares available thereunder to 720,000. At the Annual Meeting of Stockholders of the Company held on April 29, 2020, the Company's stockholders approved an amendment to the Second A&R 2010 Plan increasing the number of shares authorized for issuance by 175,000 shares, bringing the total number of shares authorized for issuance to 895,000. On July 28, 2021, the Board approved the Third Amended and Restated 2010 Equity Incentive Plan to reflect the Company's name change to CTO Realty Growth, Inc. and the Company's reincorporation in Maryland (together with its predecessor plans, the "2010 Plan"). Awards under the 2010 Plan may be in the form of stock options, stock appreciation rights, restricted shares, restricted share units, performance shares, and performance units. Employees of the Company and its subsidiaries and non-employee directors may be selected by the Compensation Committee to receive awards under the 2010 Plan. The maximum number of shares of which stock awards may be granted under the 2010 Plan is 895,000 shares. No participant may receive awards during any one calendar year representing more than 50,000 shares of common stock. In no event will the number of shares of common stock issued under the plan upon the exercise of incentive stock options exceed 895,000 shares. These limits are subject to adjustments by the Compensation Committee as provided in the 2010 Plan for stock splits, stock dividends, recapitalizations, and other similar transactions or events. The 2010 Plan currently provides that it will expire on April 25, 2028 and that no awards will be granted under the plan after that date. All non-qualified stock option awards, restricted share awards, and performance share awards granted under the 2010 Plan were determined to be equity-based awards under FASB ASC Topic, *Share-Based Payments*.

The Company used the Black-Scholes valuation pricing model to determine the fair value of its non-qualified stock option awards. The determination of the fair value of the awards is affected by the stock price as well as assumptions regarding a number of other variables. These variables include expected stock price volatility over the expected term of the awards, annual dividends, and a risk-free interest rate assumption. Compensation cost is recognized over the vesting period.

The Company used a Monte Carlo simulation pricing model to determine the fair value and vesting period of the restricted share awards subject to market conditions. The determination of the fair value of market condition-based awards is affected by the stock price as well as assumptions regarding a number of other variables. These variables include expected stock price volatility over the requisite performance term of awards, the performance of the Company's stock price, annual dividends, and a risk-free interest rate assumptions. Compensation cost is recognized regardless of the achievement of the market conditions, provided the requisite service period is met.

INCOME TAXES

The Company elected to be taxed as a REIT for U.S. federal income tax purposes under the Code commencing with its taxable year ended December 31, 2020. The Company believes that, commencing with such taxable year, it has been organized and has operated in such a manner as to qualify for taxation as a REIT under the U.S. federal income tax laws. The Company intends to continue to operate in such a manner. As a REIT, the Company will be subject to U.S. federal and state income taxation at corporate rates on its net taxable income; the Company, however, may claim a deduction for

the amount of dividends paid to its stockholders. Amounts distributed as dividends by the Company will be subject to taxation at the stockholder level only. While the Company must distribute at least 90% of its REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain, to qualify as a REIT, the Company intends to distribute all of its net taxable income. The Company is allowed certain other non-cash deductions or adjustments, such as depreciation expense, when computing its REIT taxable income and distribution requirement. These deductions permit the Company to reduce its dividend payout requirement under U.S. federal income tax laws. Certain states may impose minimum franchise taxes. To comply with certain REIT requirements, the Company holds certain of its non-REIT assets and operations through taxable REIT subsidiaries ("TRSs") and subsidiaries of TRSs, which will be subject to applicable U.S. federal, state and local corporate income tax on their taxable income. For the periods presented, the Company held a total of five TRSs subject to taxation. The Company's TRSs will file tax returns separately as C-Corporations.

For the Company's TRSs, and prior to the three months ended December 31, 2020 preceding the Company's REIT election, the Company uses the asset and liability method to account for income taxes. Deferred income taxes result primarily from the net tax effect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes (see Note 22, "Income Taxes"). In June 2006, the FASB issued additional guidance, which clarifies the accounting for uncertainty in income taxes recognized in a company's financial statements included in income taxes. The interpretation prescribes a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The interpretation also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, and disclosure and transition. In accordance with FASB guidance included in income taxes, the Company has analyzed its various federal and state filing positions and believes that its income tax filing positions and deductions are well documented and supported. Additionally, the Company believes that its accruals for tax liabilities are adequate. Therefore, no reserves for uncertain income tax positions have been recorded pursuant to the FASB guidance.

EARNINGS PER COMMON SHARE

Basic earnings per common share is computed by dividing net income attributable to common stockholders for the period by the weighted average number of shares outstanding for the period. Diluted earnings per common share are based on the assumption of the conversion of stock options using the treasury stock method at average cost for the periods, see Note 15, "Common Stock and Earnings Per Share."

CONCENTRATION OF CREDIT RISK

Financial instruments which potentially subject the Company to concentrations of credit risk consist principally of cash and cash equivalents.

The Company also has certain tenants within our income property portfolio that make up more than 10% of our geographic concentration and/or revenues, as described below:

- *Square Footage Concentrations.* As of December 31, 2021, a total of 23%, 13%, 13%, 12%, and 16% of the Company's income property portfolio, based on square footage, were located in the state of Florida, Georgia, New Mexico, North Carolina, and Texas, respectively. As of December 31, 2020, a total of 11%, 12%, 17%, 20%, and 26% of the Company's income property portfolio, based on square footage, were located in the state of Georgia, Arizona, Texas, North Carolina, and Florida, respectively.

- *Tenant Concentrations.* We did not have any tenants that accounted for more than 10% of total revenues as of December 31, 2021. Ashford Lane, the Company's multi-tenant income property located in Atlanta, Georgia, and Beaver Creek Crossings, the Company's multi-tenant income property located in Apex, North Carolina, accounted for 10.5% and 11.8%, respectively, of the total square footage of our income property portfolio as of December 31, 2021. We had one tenant, Wells Fargo, located in Raleigh, North Carolina, that accounted for 10.9% and 12.5% of our total revenue during the years ended December 31, 2020 and 2019, respectively. This property also represented 18.1% of the total square footage of our income property portfolio as of December 31, 2020.

- *Base Rent Concentrations.* A total of 11%, 31%, 13%, and 16% of our base rent revenue during the year ended December 31, 2021 was generated from tenants located in Arizona, Florida, Georgia, and Texas, respectively.

NOTE 3. REVENUE RECOGNITION

The following table summarizes the Company's revenue from continuing operations by segment, major good and/or service, and the related timing of revenue recognition for the year ended December 31, 2021 (in thousands):

	Income Properties	Management Services	Commercial Loan and Master Lease Investments	Real Estate Operations	Total Revenues
Major Good / Service:					
Lease Revenue - Base Rent	$ 41,151	$ —	$ —	$ —	$ 41,151
Lease Revenue - CAM	3,791	—	—	—	3,791
Lease Revenue - Reimbursements	4,763	—	—	—	4,763
Lease Revenue - Billboards	6	—	—	—	6
Above / Below Market Lease Accretion	404	—	—	—	404
Contributed Leased Assets Accretion	236	—	—	—	236
Management Services	—	3,305	—	—	3,305
Commercial Loan and Master Lease Investments	—	—	2,861	—	2,861
Mitigation Credit Sales	—	—	—	708	708
Subsurface Revenue - Other	—	—	—	4,724	4,724
Land Sales Revenue	—	—	—	7,995	7,995
Interest and Other Revenue	328	—	—	—	328
Total Revenues	$ 50,679	$ 3,305	$ 2,861	$ 13,427	$ 70,272
Timing of Revenue Recognition:					
Asset/Good Transferred at a Point in Time	$ —	$ —	$ —	$ 13,427	$ 13,427
Services Transferred Over Time	328	3,305	—	—	3,633
Over Lease Term	50,351	—	—	—	50,351
Commercial Loan and Master Lease Investments Related Revenue	—	—	2,861	—	2,861
Total Revenues	$ 50,679	$ 3,305	$ 2,861	$ 13,427	$ 70,272

The following table summarizes the Company's revenue from continuing operations by segment, major good and/or service, and the related timing of revenue recognition for the year ended December 31, 2020 (in thousands):

	Income Properties	Management Services	Commercial Loan and Master Lease Investments	Real Estate Operations	Total Revenues
Major Good / Service:					
Lease Revenue - Base Rent	$ 37,826	$ —	$ —	$ —	$ 37,826
Lease Revenue - CAM	3,154	—	—	—	3,154
Lease Revenue - Reimbursements	6,182	—	—	—	6,182
Lease Revenue - Billboards	231	—	—	—	231
Above / Below Market Lease Accretion	1,754	—	—	—	1,754
Contributed Leased Assets Accretion	245	—	—	—	245
Management Services	—	2,744	—	—	2,744
Commercial Loan and Master Lease Investments	—	—	3,034	—	3,034
Mitigation Credit Sales	—	—	—	6	6
Subsurface Revenue - Other	—	—	—	638	638
Fill Dirt and Other Revenue	—	—	—	6	6
Interest and Other Revenue	561	—	—	—	561
Total Revenues	$ 49,953	$ 2,744	$ 3,034	$ 650	$ 56,381
Timing of Revenue Recognition:					
Asset/Good Transferred at a Point in Time	$ —	$ —	$ —	$ 6	$ 6
Services Transferred Over Time	561	2,744	—	644	3,949
Over Lease Term	49,392	—	—	—	49,392
Commercial Loan and Master Lease Investments Related Revenue	—	—	3,034	—	3,034
Total Revenues	$ 49,953	$ 2,744	$ 3,034	$ 650	$ 56,381

The following table summarizes the Company's revenue from continuing operations by segment, major good and/or service, and the related timing of revenue recognition for the year ended December 31, 2019 (in thousands):

	Income Properties	Management Services	Commercial Loan and Master Lease Investments	Real Estate Operations	Total Revenues
Major Good / Service:					
Lease Revenue - Base Rent	$ 35,108	$ —	$ —	$ —	$ 35,108
Lease Revenue - CAM	1,422	—	—	—	1,422
Lease Revenue - Reimbursements	2,759	—	—	—	2,759
Lease Revenue - Billboards	243	—	—	—	243
Above / Below Market Lease Accretion	2,383	—	—	—	2,383
Contributed Leased Assets Accretion	217	—	—	—	217
Lease Incentive Amortization	(277)	—	—	—	(277)
Management Services	—	304	—	—	304
Commercial Loan and Master Lease Investments	—	—	1,829	—	1,829
Subsurface Lease Revenue	—	—	—	598	598
Subsurface Revenue - Other	—	—	—	150	150
Fill Dirt and Other Revenue	—	—	—	104	104
Interest and Other Revenue	101	—	—	—	101
Total Revenues	$ 41,956	$ 304	$ 1,829	$ 852	$ 44,941
Timing of Revenue Recognition:					
Asset/Good Transferred at a Point in Time	$ —	$ —	$ —	$ 254	$ 254
Services Transferred Over Time	101	304	—	—	405
Over Lease Term	41,855	—	—	598	42,453
Commercial Loan and Master Lease Investments Related Revenue	—	—	1,829	—	1,829
Total Revenues	$ 41,956	$ 304	$ 1,829	$ 852	$ 44,941

NOTE 4. INCOME PROPERTIES

Leasing revenue consists of long-term rental revenue from retail, office, and commercial income properties, and billboards, which is recognized as earned, using the straight-line method over the life of each lease. Lease payments below include straight-line base rental revenue as well as the non-cash accretion of above and below market lease amortization. The variable lease payments are primarily comprised of reimbursements from tenants for common area maintenance, insurance, real estate taxes, and other operating expenses.

The components of leasing revenue are as follows (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Leasing Revenue			
Lease Payments	$ 41,791	$ 39,825	$ 37,431
Variable Lease Payments	8,888	10,128	4,525
Total Leasing Revenue	$ 50,679	$ 49,953	$ 41,956

Minimum future base rental revenue on non-cancelable leases subsequent to December 31, 2021, for the next five years ended December 31 are summarized as follows (in thousands):

Year Ending December 31,	Amounts
2022	$ 49,275
2023	47,369
2024	45,023
2025	43,658
2026	37,842
2027 and Thereafter (Cumulative)	168,754
Total	$ 391,921

2021 Acquisitions. During the year ended December 31, 2021, the Company acquired eight multi-tenant income properties for an aggregate purchase price of $249.1 million, or a total acquisition cost of $249.8 million including capitalized acquisition costs. Of the total acquisition cost, $78.0 million was allocated to land, $124.9 million was allocated to buildings and improvements, $49.7 million was allocated to intangible assets pertaining to the in-place lease value, leasing costs, and above market lease value, and $2.8 million was allocated to intangible liabilities for the below market lease value. The weighted average amortization period for the intangible assets and liabilities was 6.8 years at acquisition.

The properties acquired during the year ended December 31, 2021 are described below:

Tenant Description	Tenant Type	Property Location	Date of Acquisition	Property Square-Feet	Purchase Price ($000's)	Percentage Leased at Acquisition	Remaining Lease Term at Acquisition Date (in years)
Jordan Landing	Multi-Tenant	West Jordan, UT	03/02/21	170,996	$ 20,000	100%	7.9
Eastern Commons	Multi-Tenant	Henderson, NV	03/10/21	133,304	18,500	96%	6.9
The Shops at Legacy	Multi-Tenant	Plano, TX	06/23/21	236,867	72,500	83%	6.9
Beaver Creek Crossings	Multi-Tenant	Apex, NC	12/02/21	320,732	70,500	97%	5.8
125 Lincoln & 150 Washington	Multi-Tenant	Santa Fe, NM	12/20/21	136,638	16,250	66%	2.7
369 N. New York Ave.	Multi-Tenant	Winter Park, FL	12/20/21	28,008	13,200	100%	5.0
The Exchange at Gwinnett	Multi-Tenant	Buford, GA	12/30/21	69,265	34,000	98%	10.7
Ashford Lane Outparcel [1]	Multi-Tenant	Atlanta, GA	12/30/21	15,681	4,100	19%	0.9
		Total / Weighted Average		1,111,491	$ 249,050		6.5

(1) Represents a two-tenant outparcel to Ashford Lane, the Company's multi-tenant income property located in Atlanta, Georgia.

During the year ended December 31, 2021, the Company sold one multi-tenant income property and 14 single-tenant income properties for a total disposition volume of $162.3 million. The sale of the properties generated aggregate gains of $28.2 million.

The income properties disposed of during the year ended December 31, 2021 are described below (in thousands):

Tenant Description	Tenant Type	Date of Disposition	Sales Price	Gain on Sale
World of Beer/Fuzzy's Taco Shop, Brandon, FL	Multi-Tenant	01/20/21	$ 2,310	$ 599
Moe's Southwest Grill, Jacksonville, FL [4]	Single-Tenant	02/23/21	2,541	109
Burlington, N. Richland Hills, TX	Single-Tenant	04/23/21	11,528	62
Staples, Sarasota, FL	Single-Tenant	05/07/21	4,650	662
CMBS Portfolio [1]	Single-Tenant	06/30/21	44,500	3,899
Chick-fil-A, Chandler, AZ [4]	Single-Tenant [2]	07/14/21	2,884	1,582
JPMorgan Chase Bank, Chandler, AZ [4]	Single-Tenant [2]	07/27/21	4,710	2,738
Fogo De Chao, Jacksonville, FL [4]	Single-Tenant [3]	09/02/21	4,717	866
Wells Fargo, Raleigh, NC	Single-Tenant	09/16/21	63,000	17,480
24 Hour Fitness, Falls Church, VA	Single-Tenant	12/16/21	21,500	212
		Total	$ 162,340	$ 28,209

(1) On June 30, 2021, the Company sold six single-tenant income properties (the "CMBS Portfolio") to PINE for an aggregate purchase price of $44.5 million.
(2) Represents a single-tenant outparcel to Crossroads Towne Center, the Company's multi-tenant income property located in Chandler, Arizona.
(3) Represents a single-tenant property at The Strand at St. Johns Town Center, the Company's multi-tenant income property located in Jacksonville, Florida.
(4) Property or outparcel represents a ground lease.

2020 Acquisitions. During the year ended December 31, 2020, the Company acquired two multi-tenant income properties and two single-tenant income properties for an aggregate purchase price of $185.1 million, or a total acquisition cost of $185.7 million including capitalized acquisition costs. Of the total acquisition cost, $50.0 million was allocated to land, $94.6 million was allocated to buildings and improvements, $21.9 million was allocated to intangible assets pertaining to the in-place lease value, leasing costs, and above market lease value, and $1.8 million was allocated to intangible liabilities for the below market lease value. The remaining $21.0 million was classified as a commercial loan

investment, see below in addition to Note 5, “Commercial Loan and Master Lease Investments.” The weighted average amortization period for the intangible assets and liabilities was 4.5 years at acquisition.

The properties acquired during the year ended December 31, 2020 are described below:

Tenant Description	Tenant Type	Property Location	Date of Acquisition	Property Square-Feet	Purchase Price ($000's)	Percentage Leased at Acquisition	Remaining Lease Term at Acquisition Date (in years)
Crossroads Towne Center	Multi-Tenant	Chandler, AZ	01/24/20	254,109	$ 61,800	99%	5.0
Ashford Lane	Multi-Tenant	Atlanta, GA	02/21/20	268,572	75,435	80%	3.6
Sabal Pavilion	Single-Tenant	Tampa, FL	08/21/20	120,500	26,900	100%	5.6
Westland Gateway Plaza [1]	Single-Tenant	Hialeah, FL	09/25/20	108,029	21,000	100%	25.0
		Total / Weighted Average		751,210	$ 185,135		6.5

[1] The lease with the Master Tenant in Hialeah (“Westland Gateway Plaza”) includes three tenant repurchase options. Pursuant to FASB ASC Topic 842, *Leases*, the $21.0 million investment has been recorded in the accompanying consolidated balance sheets as a commercial loan and master lease investment.

2020 Dispositions. During the year ended December 31, 2020, the Company sold 11 income properties and one vacant land parcel for a total disposition volume of $86.5 million. The sale of the properties generated aggregate gains of $8.6 million. In addition to the income property and vacant land parcel dispositions, the Company sold eight of its remaining nine billboard sites for a sales price of $1.5 million, resulting in a gain equal to the sales price.

The income properties disposed of during the year ended December 31, 2020 are described below (in thousands):

Tenant Description	Tenant Type	Date of Disposition	Sales Price	Gain (Loss) on Sale
CVS, Dallas, TX [1]	Single-Tenant	04/24/20	$ 15,222	$ 854
Wawa, Daytona Beach, FL [1]	Single-Tenant	04/29/20	6,002	1,769
JPMorgan Chase Bank, Jacksonville, FL [1]	Single-Tenant	06/18/20	6,715	959
7-Eleven, Dallas, TX	Multi-Tenant	06/26/20	2,400	(46)
Bank of America, Monterey, CA [1]	Single-Tenant	06/29/20	9,000	3,892
Wawa, Jacksonville, FL [1]	Single-Tenant	07/23/20	7,143	246
Carrabbas, Austin, TX	Single-Tenant	08/05/20	2,555	(84)
PDQ, Jacksonville, FL [1]	Single-Tenant	09/08/20	2,540	128
Macaroni Grill, Arlington, TX	Single-Tenant	10/13/20	2,500	68
Aspen Development, Aspen, CO	Single-Tenant	12/21/20	28,500	501
Outback, Austin, TX	Single-Tenant	12/23/20	3,402	222
		Total	$ 85,979	$ 8,509

[1] Property represents a ground lease.

2019 Acquisitions. During the year ended December 31, 2019, the Company acquired ten single-tenant income properties and one multi-tenant income property, for an aggregate purchase price of $164.7 million, or a total acquisition cost of $165.7 million including capitalized acquisition costs. Of the total acquisition cost, $45.6 million was allocated to land, $83.5 million was allocated to buildings and improvements, $23.4 million was allocated to intangible assets pertaining to the in-place lease value, leasing fees and above market lease value, and $3.1 million was allocated to intangible liabilities for the below market lease value. The remaining $16.3 million was classified as a commercial loan investment as described in Note 5, “Commercial Loan and Master Lease Investments.” The weighted average amortization period for the intangible assets and liabilities was 9.7 years at acquisition.

2019 Dispositions. Twenty-one single-tenant income properties were disposed of during the year ended December 31, 2019 as follows:

- On November 26, 2019, as part of PINE’s initial public offering (the “IPO”), the Company sold or contributed 20 single-tenant net-leased income properties to PINE and the PINE Operating Partnership for aggregate cash consideration of $125.9 million for 15 of the properties and an aggregate of 1,223,854 OP Units for five of the properties, with the OP Units having an initial value of $23.3 million, based on Alpine’s IPO price, resulting in a gain of $1.0 million, or $0.16 per share, after tax.

In addition to investing in PINE by way of receipt of the OP Units, the Company invested $15.5 million of cash in PINE at its IPO, receiving 815,790 shares of PINE's common stock.

- On August 7, 2019, the Company sold its 1.56-acre outparcel subject to a ground lease with Wawa located in Winter Park, Florida for $2.8 million (the "Wawa Sale"). The property is an outparcel to the Grove at Winter Park which the Company sold in May 2019. The gain on the Wawa Sale totaled $2.1 million, or $0.33 per share, after tax.

Additionally, three multi-tenant income properties, which were classified in Assets Held for Sale as of December 31, 2018, were disposed of during the year ended December 31, 2019 as described below.

- On June 24, 2019, the Company sold its 76,000 square foot multi-tenant retail property located in Santa Clara, California for $37.0 million (the "Peterson Sale"). The gain on the Peterson Sale totaled $9.0 million, or $1.36 per share, after tax.
- On May 23, 2019, the Company sold its 112,000 square foot multi-tenant retail property, anchored by a 24 Hour Fitness, located in Winter Park, Florida for $18.3 million (the "Grove Sale"). The gain on the Grove Sale totaled $2.8 million, or $0.42 per share, after tax.
- On February 21, 2019, the Company sold its 59,000 square foot multi-tenant retail property, anchored by a Whole Foods Market retail store, located in Sarasota, Florida for $24.6 million (the "Whole Foods Sale"). The gain on the Whole Foods Sale totaled $6.9 million, or $0.96 per share, after tax.

2019 Leasing Activity. On July 16, 2019, the Company entered into a lease termination agreement (the "Termination Agreement") with Cocina 214, the tenant of one of the Company's beachfront restaurant properties located in Daytona Beach, Florida. Pursuant to the Termination Agreement, the Company agreed to fund Cocina 214 $1.0 million of their original contribution towards the completion of the building and tenant improvements and other personal property as described in Note 20, "Deferred Revenue." Additionally, pursuant to the Termination Agreement, the Company collected the balance of unpaid rent totaling $0.3 million that was due through the date Cocina 214 vacated the property. Accordingly, the Company made a net payment to Cocina 214 of $0.7 million in August 2019.

On July 18, 2019, the Company entered into a lease agreement with Broken Hook, LLC to operate the beachfront restaurant as Crabby's Oceanside Daytona Beach (the "Crabby's Lease"). The Crabby's Lease commenced on August 4, 2019 with rent commencing on August 26, 2019 and has an original lease term of ten years with four five-year renewal options.

NOTE 5. COMMERCIAL LOAN AND MASTER LEASE INVESTMENTS

Our investments in commercial loans or similar structured finance investments, such as mezzanine loans or other subordinated debt, have been and are expected to continue to be secured by real estate or the borrower's pledge of its ownership interest in the entity that owns the real estate. The loans we invest in or originate are for commercial real estate located in the United States and its territories, and are current or performing with either a fixed or floating rate. Some of these loans may be syndicated in either a pari-passu or senior/subordinated structure. Commercial first mortgage loans generally provide for a higher recovery rate due to their senior position in the underlying collateral. Commercial mezzanine loans are typically secured by a pledge of the borrower's equity ownership in the underlying commercial real estate. Unlike a mortgage, a mezzanine loan is not secured by a lien on the property. An investor's rights in a mezzanine loan are usually governed by an intercreditor agreement that provides holders with the rights to cure defaults and exercise control on certain decisions of any senior debt secured by the same commercial property.

2021 Activity. On June 30, 2021, the Company originated a loan in connection with the sale of a land parcel with an existing structure located in Daytona Beach, Florida. The principal loan amount of $0.4 million bears interest at a fixed rate of 10.00% and has an initial term of 1.5 years.

The Company's commercial loan and master lease investments were comprised of the following at December 31, 2021 (in thousands):

Description	Date of Investment	Maturity Date	Original Face Amount	Current Face Amount	Carrying Value	Coupon Rate
Carpenter Hotel – 400 Josephine Street, Austin, TX	July 2019	N/A	$ 16,250	$ 16,250	$ 17,189	N/A
Westland Gateway Plaza – Hialeah, FL	September 2020	N/A	21,085	21,085	21,148	N/A
Mortgage Note – 4311 Maple Avenue – Dallas, TX	October 2020	April 2023	400	400	394	7.50%
Mortgage Note – 110 N Beach Street – Daytona Beach, FL	June 2021	December 2022	364	364	364	10.00%
			$ 38,099	$ 38,099	$ 39,095	

The Company's commercial loan and master lease investments were comprised of the following at December 31, 2020 (in thousands):

Description	Date of Investment	Maturity Date	Original Face Amount	Current Face Amount	Carrying Value	Coupon Rate
Carpenter Hotel – 400 Josephine Street, Austin, TX	July 2019	N/A	$ 16,250	$ 16,250	$ 16,827	N/A
Westland Gateway Plaza – Hialeah, FL	September 2020	N/A	21,085	21,085	21,101	N/A
Mortgage Note – 4311 Maple Avenue – Dallas, TX	October 2020	April 2023	400	400	392	7.50%
			$ 37,735	$ 37,735	$ 38,320	

The carrying value of the commercial loan and master lease investment portfolio at December 31, 2021 and 2020 consisted of the following (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Current Face Amount	$ 38,099	$ 37,735
Imputed Interest over Rent Payments Received	1,002	593
Unaccreted Origination Fees	(2)	(4)
CECL Reserve	(4)	(4)
Total Commercial Loan and Master Lease Investments	$ 39,095	$ 38,320

2020 Activity. In light of the COVID-19 Pandemic, the Company began marketing its commercial loan portfolio in advance of their upcoming maturities to further strengthen the Company's liquidity. The Company received multiple bids for the portfolio including a bid offering a value that was at a discount to par. Additionally, the Company implemented the guidance regarding CECL effective January 1, 2020, which resulted in an allowance reserve of $0.3 million. The CECL reserve combined with the impairment related to marketing the loan portfolio resulted in an aggregate impairment charge on the loan portfolio of $1.9 million, or $0.30 per share, after tax during the three months ended March 31, 2020.

During the three months ended June 30, 2020, the Company sold four of its commercial loan and master lease investments in two separate transactions generating aggregate proceeds of $20.0 million and resulting in a second quarter loss of $0.4 million, or $0.06 per share, after tax. For the year ended December 31, 2020, the total loss on the loan portfolio disposition, including the $1.9 million impairment and CECL reserve charges on the four loans disposed of was $2.1 million, or $0.33 per share, after tax.

On September 25, 2020, the Company acquired a 108,000 square foot retail property in Hialeah, Florida for $21.0 million which is master-leased to a national retail developer (the "Master Tenant") . The 25-year lease includes annual rent escalations as well as certain future purchase rights by the Master Tenant ("Westland Gateway Plaza Lease"). Pursuant to FASB ASC Topic 842, *Leases*, due to the future repurchase rights, the Westland Gateway Plaza Lease does not qualify for treatment as a property purchase and has been accounted for on the consolidated balance sheets as a commercial loan and master lease investment. The Company has imputed interest on the Westland Gateway Plaza Lease which is being recognized as interest income on commercial loan and master lease investments in the Company's consolidated statements of operations.

On October 13, 2020, the Company originated a loan in connection with the sale of a vacant land parcel located adjacent to the formerly owned property in Dallas, Texas, leased to 7-Eleven which was sold in June 2020. The principal loan amount of $0.4 million bears interest at a fixed rate of 7.50% and has an initial term of 2.5 years.

On November 3, 2020, the Company's $2.0 million loan with the buyer of the Company's former golf operations was repaid by the borrower generating proceeds of $2.0 million.

NOTE 6. RELATED PARTY MANAGEMENT SERVICES BUSINESS

Alpine Income Property Trust. Pursuant to the Company's management agreement with PINE, the Company generates a base management fee equal to 0.375% per quarter of PINE's total equity (as defined in the management agreement and based on a 1.5% annual rate), calculated and payable in cash, quarterly in arrears. The structure of the base fee provides the Company with an opportunity for the base fee to grow should PINE's independent board members determine to raise additional equity capital in the future. The Company also has an opportunity to achieve additional cash flows as manager of PINE pursuant an annual incentive fee based on PINE's total stockholder return exceeding an 8% cumulative annual hurdle rate (the "Outperformance Amount") subject to a high-water mark price. PINE would pay the Company an incentive fee with respect to each annual measurement period in an amount equal to the greater of (i) $0.00 and (ii) the product of (a) 15% multiplied by (b) the Outperformance Amount multiplied by (c) the weighted average shares. No incentive fee was earned for the year ended December 31, 2021 or 2020.

During the years ended December 31, 2021, 2020, and 2019, the Company earned management fee revenue from PINE totaling $3.2 million, $2.6 million, and $0.3 million, respectively. Dividend income for the years ended December 31, 2021, 2020, and 2019 totaled $2.1 million, $1.7 million, and $0.1 million, respectively. The management fee revenue and dividend income for the year ended December 31, 2019 represents the initial stub period of PINE's operations from November 26, 2019 to December 31, 2019. Management fee revenue from PINE, included in management services, and dividend income, included in investment and other income (loss), are reflected in the accompanying consolidated statements of operations.

The following table represents amounts due from PINE to the Company as of December 31, 2021 and December 31, 2020 which are included in other assets on the consolidated balance sheets (in thousands):

	As of	
Description	**December 31, 2021**	**December 31, 2020**
Management Services Fee due From PINE	$ 913	$ 631
Dividend Receivable	330	—
Other	410	35
Total	$ 1,653	$ 666

On November 26, 2019, as part of PINE's IPO, the Company sold PINE 15 properties for aggregate cash consideration of $125.9 million. In connection with the IPO, the Company contributed to the PINE Operating Partnership five properties in exchange for an aggregate of 1,223,854 OP Units, which had an initial value of $23.3 million. Additionally, on November 26, 2019, the Company purchased 394,737 shares of PINE common stock for a total purchase price of $7.5 million in a private placement and 421,053 shares of PINE common stock in the IPO for a total purchase price of $8.0 million.

On October 26, 2021, the Board authorized the purchase by the Company of up to $5.0 million in shares of common stock of PINE, at a weighted average price not to exceed $17.75 per share. During the year ended December 31, 2021, the Company purchased 8,088 shares of PINE common stock on the open market for a total of $0.1 million, or an average price of $17.65 per share. As of December 31, 2021, CTO owns, in the aggregate, 1,223,854 OP Units and 823,878 shares of PINE common stock, representing an investment totaling $41.0 million, or 15.6% of PINE's outstanding equity.

During the three months ended June 30, 2021, PINE exercised its right to purchase the following properties from the Company pursuant to the Exclusivity and Right of First Offer Agreement (the "ROFO Agreement") including, (i) the CMBS Portfolio for a purchase price of $44.5 million, and (ii) one single-tenant income property for a purchase price of $11.5 million. In connection with the sale of the CMBS Portfolio, PINE assumed the related $30.0 million mortgage note payable which resulted in a loss on the extinguishment of debt of $0.5 million due to the write off of unamortized debt issuance costs. These sales were completed during the three months ended June 30, 2021.

Subsequent to December 31, 2021, on January 7, 2022, PINE exercised its right, pursuant to the ROFO Agreement, to purchase one single-tenant income property from the Company for a purchase price of $6.9 million (see Note 26, "Subsequent Events").

Land JV. Prior to the Land JV Sale on December 10, 2021, pursuant to the terms of the operating agreement for the Land JV, the initial amount of the management fee was $20,000 per month. The management fee was evaluated quarterly and as land sales occurred in the Land JV, the basis for the Company's management fee was reduced as the management fee was based on the value of real property that remained in the Land JV. The monthly management fee as of December 31, 2021 was $10,000 per month. The Company will not receive management fees from the Land JV subsequent to December 31, 2021.

During the years ended December 31, 2021, 2020, and 2019, the Company earned management fee revenue from the Land JV totaling $0.1 million, $0.2 million and $0.1 million, respectively, and was collected in full during the periods earned. The management fee revenue earned during the year ended December 31, 2019 represents the initial stub period of the Land JV's operations from October 16, 2019 to December 31, 2019. Management fee revenue from the Land JV is included in management services in the accompanying consolidated statements of operations.

NOTE 7. REAL ESTATE OPERATIONS

Real Estate Operations

Land and development costs at December 31, 2021 and 2020 were as follows (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Land and Development Costs	$ 358	$ 6,377
Subsurface Interests	334	706
Total Land and Development Costs	$ 692	$ 7,083

Revenue from continuing real estate operations consisted of the following for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	December 31,		
	2021	2020	2019
Mitigation Credit Sales	$ 708	$ 6	$ —
Subsurface Revenue - Other	4,724	638	748
Land Sales Revenue	7,995	—	—
Fill Dirt and Other Revenue	—	6	104
Total Real Estate Operations Revenue	$ 13,427	$ 650	$ 852

Daytona Beach Development. During the three months ended September 30, 2021, the Company entered into a purchase and sale agreement to sell a six-acre parcel of land with existing structures in downtown Daytona Beach and other contiguous parcels (the "Daytona Beach Development") for a sales price of $6.25 million, which sale was completed on December 28, 2021, resulting in a gain of $0.2 million. The Daytona Beach Development, representing a substantial portion of an entire city block in downtown Daytona Beach adjacent to International Speedway Boulevard, a major thoroughfare in Daytona Beach, was acquired by the Company for $4.1 million. Prior to its disposition, the Company incurred $1.6 million in raze and entitlement costs related to the Daytona Beach Development.

Mitigation Credits. The Company owns mitigation credits and mitigation credit rights with an aggregate cost basis of $24.7 million as of December 31, 2021, representing a $22.1 million increase from the balance as of December 31, 2020. During the three months ended September 30, 2021, the Company completed the Interest Purchase, hereinafter defined in Note 8, "Investments in Joint Ventures". As a result of the Interest Purchase, as of September 30, 2021, the Company owns 100% of the Mitigation Bank, and therefore its underlying assets, which includes an inventory of mitigation credits. Certain of the mitigation credits are currently available for sale with the remainder to become available as they are released to the Mitigation Bank by the applicable state and federal authorities pursuant to the completion of phases of the approved mitigation plans ("Mitigation Credit Rights"). At the time of the Interest Purchase on September 30, 2021, the Company's cost basis in the newly acquired mitigation credits and Mitigation Credit Rights totaled $0.9 million and $21.6 million, respectively, which is comprised of (i) $15.6 million of the $18.0 million Interest Purchase allocated to the mitigation credit assets and (ii) the $6.9 million previously recorded value of the retained interest in the entity that owns the Mitigation Bank.

Revenues and the cost of sales of mitigation credit sales are reported as revenues from, and direct costs of, real estate operations, respectively, in the consolidated statements of operations. During the year ended December 31, 2021, the Company sold six mitigation credits for proceeds of $0.7 million with a cost basis of $0.5 million. Additionally, two mitigation credits with a cost basis of $0.1 million were accrued for as an expense during the year ended December 31, 2021, as such credits are to be provided to buyers of land at no cost. Mitigation credit sales totaled less than $0.1 million during the year ended December 31, 2020, which sales were offset by an aggregate charge to cost of sales totaling $3.1 million, comprised of (i) 42 mitigation credits with a cost basis of $2.9 million that were provided at no cost to buyers, (ii) the Company's purchase of two mitigation credits for $0.2 million, and (iii) 31 mitigation credits with a cost basis of less than $0.1 million transferred to buyers of land previously sold and of which costs were accrued for in prior years at the time of the original land sale. There were no mitigation credit sales during the year ended December 31, 2019. Additionally, during the year ended December 31, 2020, the Company transferred 13.31 federal mitigation credits to the permit related to the land that gave rise to an environmental restoration matter that has been fully resolved as of December 31, 2021. These credits had an aggregate cost basis of $0.1 million and are included in general and administrative expenses in the consolidated statements of operations for the year ended December 31, 2020.

Subsurface Interests. As of December 31, 2021, the Company owns 370,000 acres of Subsurface Interests. The Company leases certain of the Subsurface Interests to mineral exploration firms for exploration. The Company's subsurface operations consist of revenue from the leasing of exploration rights and in some instances, additional revenues from royalties applicable to production from the leased acreage, which revenues are included within real estate operations in the consolidated statements of operations. During the year ended December 31, 2021, the Company sold approximately 84,900 acres of subsurface oil, gas, and mineral rights for a sales price of $4.6 million. During the year ended December 31, 2020, the Company sold 345 acres of subsurface interests totaling $0.4 million. There were no subsurface sales during the year ended December 31, 2019.

Prior to September 2019, the Company leased certain of the Subsurface Interests to a mineral exploration organization for exploration. The lessee had previously exercised renewal options through the eighth year of the lease which ended on September 22, 2019. The Lessee elected not to renew the oil exploration lease beyond September 22, 2019. Lease income generated by the annual lease payments was recognized on a straight-line basis over the guaranteed lease term. For the year ended December 31, 2019, lease income of $0.6 million was recognized with no lease income recognized during the years ended December 31, 2021 and 2020.

During the years ended December 31, 2021, 2020, and 2019, the Company also received oil royalties from operating oil wells on 800 acres under a separate lease with a separate operator. Revenues received from oil royalties totaled less than $0.1 million during each respective year.

The Company is not prohibited from selling any or all of its Subsurface Interests. The Company may release surface entry rights or other rights upon request of a surface owner for a negotiated release fee typically based on a percentage of the surface value. Should the Company complete a transaction to sell all or a portion of its Subsurface Interests or complete a release transaction, the Company may utilize the like-kind exchange structure in acquiring one or more replacement investments including income-producing properties. Cash payments for the release of surface entry rights totaled $0.1 million, $0.2 million, and $0.1 million during the years ended December 31, 2021, 2020, and 2019, respectively.

Land Impairments. There were no impairment charges on the Company's undeveloped land holdings, or its income property portfolio, during the years ended December 31, 2021, 2020, or 2019. The $17.6 million impairment charge recognized during the year ended December 31, 2021, which is comprised of a $16.5 million charge during the three months ended June 30, 2021 and a $1.1 million charge during the three months ended December 31, 2021, is related to the Company's previously held retained interest in the Land JV. The aggregate impairment charge of $17.6 million is a result of eliminating the investment in joint ventures based on the final proceeds received through distributions of the Land JV in connection with closing the sale of substantially all of the Land JV's remaining land to Timberline Acquisition Partners, an affiliate of Timberline Real Estate Partners ("Timberline"), for a final sales price of $66.3 million.

Additionally, during the year ended December 31, 2020, the Company recognized an aggregate $7.2 million impairment charge comprised of a $0.1 million impairment charge on one of the land parcels included in the Daytona Beach Development and a $7.1 million impairment charge on the Company's previously held retained interest in the Land LV. The $7.1 million impairment on the Company's previously held retained interest in the Land JV was the result of a

re-forecast of the anticipated undiscounted future cash flows to be received by the Company based on the estimated timing of future land sales from the Land JV.

Real Estate Operations – Discontinued Operations

As previously noted, the Land JV, of which the Company previously held a 33.5% retained interest, completed the sale of all of its remaining land holdings on December 10, 2021. From its inception on October 16, 2019 through December 31, 2021, the Land JV completed $147.0 million in land sales. Upon the closing of the sale of the Land JV's remaining assets to Timberline, the value of the Company's previously held retained interest in the Land JV was realized in the form of proceeds, which totaled $24.5 million, to the Company after distributions to the other member of the Land JV.

Through December 31, 2021, the Company served as the manager of the Land JV and was responsible for day-to-day operations at the direction of the partners of the Land JV (the "JV Partners"). All major decisions and certain other actions taken by the manager were approved by the unanimous consent of the JV Partners (the "Unanimous Actions"). Unanimous Actions included such matters as the approval of pricing for all land parcels in the Land JV; approval of contracts for the sale of land that contain material revisions to the standard purchase contract of the Land JV; entry into any lease agreement affiliated with the Land JV; entering into listing or brokerage agreements; approval and amendment of the Land JV's operating budget; obtaining financing for the Land JV; admission of additional members; and dispositions of the Land JV's real property for amounts less than market value.

On October 16, 2019, the Company sold a controlling interest in its wholly owned subsidiary that held 5,300 acres of undeveloped land in Daytona Beach, Florida (the "Magnetar Land Sale"). The following summarized information is provided regarding land sales activity prior to October 2019.

Revenue from discontinued real estate operations consisted of the following for the year ended December 31, 2019 (in thousands):

	December 31, 2019
Land Sales Revenue	$ 10,975
Agriculture	68
Total Real Estate Operations Revenue	$ 11,043

2019 Land Sales. During the year ended December 31, 2019, the Company completed five land sales transactions, including: (i) the Magnetar Land Sale, for total proceeds of $97.0 million; (ii) two transactions with Unicorp Development representing 23.6 acres and generating aggregate proceeds of $7.1 million; (iii) the sale of 38 acres for total proceeds of $0.7 million, and (iv) a land sale to NADG for 13 acres generating proceeds of $3.0 million. In total, during 2019, the Company sold 5,400 acres generating proceeds of $108.0 million. Including the $48.9 million recognized on the previously held retained interest in the Land JV, gains of $133.0 million, or $20.60 per share, after tax, were recognized.

NOTE 8. INVESTMENT IN JOINT VENTURES

The Company has no investments in joint ventures as of December 31, 2021. The Company's investment in joint ventures were as follows as of December 31, 2020 (in thousands):

	As of December 31, 2020
Land JV	$ 41,765
Mitigation Bank JV	6,912
Total Investment in Joint Ventures	$ 48,677

Land JV. The Company's previously held retained interest in the Land JV represented a notional 33.5% stake in the venture, the value of which was realized in the form of distributions based on the timing and the amount of proceeds achieved when the land was ultimately sold by the Land JV. As of September 30, 2021, the Land JV had completed $80.7 million in land sales since its inception in mid-October 2019. On December 10, 2021, the Land JV completed the sale of

all of its remaining land holdings to Timberline for $66.3 million. Proceeds to the Company after distributions to the other member of the Land JV, and before taxes, were $24.5 million.

Through December 31, 2021, the Company served as the manager of the Land JV and was responsible for day-to-day operations at the direction of the JV Partners. All Unanimous Actions taken by the manager were approved by the unanimous consent of the JV Partners. Pursuant to the Land JV's operating agreement, the Land JV paid the manager a management fee in the initial amount of $20,000 per month. The management fee was evaluated quarterly, and as land sales occurred in the Land JV, the basis for our management fee was reduced as the management fee was based on the value of real property that remained in the Land JV. The monthly management fee as of December 31, 2021, was $10,000 per month.

Prior to the Land JV Sale, the investment in joint ventures on the Company's consolidated balance sheets included the Company's previously held ownership interest in the Land JV. We concluded the Land JV to be a variable interest entity and therefore, it was accounted for under the equity method of accounting as the Company was not the primary beneficiary as defined in FASB ASC Topic 810, *Consolidation*. The significant factors related to this determination included, but were not limited to, the Land JV being jointly controlled by the members through the use of unanimous approval for all material actions. Under the guidance of FASB ASC 323, *Investments-Equity Method and Joint Ventures*, the Company used the equity method to account for the Land JV investment.

During the year ended December 31, 2021, the Company recognized impairment charges on its previously held retained interest in the Land JV totaling $17.6 million. The aggregate $17.6 million impairment on the previously held retained interest in the Land JV, is comprised of a $16.5 million charge during the three months ended June 30, 2021 and a $1.1 million charge during the three months ended December 31, 2021, which is a result of eliminating the investment in joint ventures based on the final proceeds received through distributions of the Land JV in connection with the sale of the Land JV's remaining land.

Additionally, during the year ended December 31, 2020, the Company recognized an impairment on its previously held retained interest in the Land JV totaling $7.1 million. The $7.1 million impairment on the Company's previously held retained interest in the Land JV is the result of a re-forecast of the then anticipated undiscounted future cash flows to be received by the Company based on the estimated timing of future land sales from the Land JV.

The following table provides summarized financial information of the Land JV as of December 31, 2020 (in thousands). No balances remain as of December 31, 2021 as a result of the Land JV Sale, the liquidation of the Land JV's assets, and the dissolution of the underlying entities:

	As of December 31, 2020
Assets, Cash and Cash Equivalents	$ 802
Assets, Receivables and Prepaid Expenses	117
Assets, Investment in Land Assets	5,658
Total Assets	$ 6,577
Liabilities, Accounts Payable, Accrued Expenses, Deferred Revenue	$ 228
Equity	$ 6,349
Total Liabilities & Equity	$ 6,577

The following table provides summarized financial information of the Land JV for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Revenues	$ 67,367	$ 65,446	$ 14,635
Direct Cost of Revenues	(8,867)	(13,012)	(1,268)
Operating Income	$ 58,500	$ 52,434	$ 13,367
Other Operating Expenses	(376)	(462)	(90)
Net Income	$ 58,124	$ 51,972	$ 13,277

The Company's share of the Land JV's net income (loss) was zero for the years ended December 31, 2021, 2020, and 2019. Pursuant to ASC 323, certain adjustments are made when calculating the Company's share of net income, including adjustments required to reflect the investor's share of changes in investee's capital to reflect distributions from the venture. Additionally, basis differences are also considered. The Company recorded the initial retained interest in the Land JV of $48.9 million at the estimated fair market value based on the relationship of the $97.0 million sales price of the 66.5% equity interest to the 33.5% retained interest. The Land JV recorded the assets contributed by the Company at carry-over basis pursuant to ASC 845 which states that transfers of nonmonetary assets should typically be recorded at the transferor's historical cost basis. Accordingly, the Company's basis difference in the 33.5% retained equity interest was evaluated each quarter upon determining the Company's share of the Land JV's net income. As a result of the Land JV Sale, the liquidation of the Land JV's assets, and the dissolution of the underlying entities, such evaluation was and will no longer be required as of and subsequent to December 31, 2021.

Mitigation Bank. The mitigation bank transaction completed in June 2018 consisted of the sale of a 70% interest in the entity that owns the Mitigation Bank (the "Mitigation Bank JV"). The purchaser of the 70% interest in the Mitigation Bank JV was comprised of certain funds and accounts managed by an investment advisor subsidiary of BlackRock, Inc. ("BlackRock"). The Company retained a 30% non-controlling interest in the Mitigation Bank JV. A third-party was retained by the Mitigation Bank JV as the day-to-day manager of the Mitigation Bank JV property, responsible for the maintenance, generation, tracking, and other aspects of wetland mitigation credits. Prior to September 30, 2021, the investment in joint ventures included on the Company's consolidated balance sheets included $6.9 million related to the fair market value of the 30% retained interest in the Mitigation Bank JV.

On September 30, 2021, the Company, through a wholly owned and fully consolidated TRS, purchased the remaining 70% interest in the Mitigation Bank JV from BlackRock for $18.0 million (the "Interest Purchase") resulting in a net cash payment by the Company of $16.1 million after utilizing the available cash in the Mitigation Bank JV of $1.9 million. As a result of the Interest Purchase, the Mitigation Bank JV is now wholly owned by the Company and is referred to as the Mitigation Bank. Pursuant to ASU 2017-01, *Business Combinations: Clarifying the Definition of a Business*, the Interest Purchase represents an asset acquisition as substantially all of the fair value of the gross assets acquired are concentrated in a group of similar identifiable assets, i.e. the mitigation credits and mitigation credit rights. Accordingly, the Company recorded the Interest Purchase by allocating the total cost of the asset group to the individual assets acquired. The Company's total cost of the Interest Purchase totaled $24.9 million which is comprised of (i) the $18.0 million Interest Purchase and (ii) the $6.9 million previously recorded value of the retained interest in the entity that owns the Mitigation Bank. In connection with the Interest Purchase, the previously recorded value of $6.9 million of the retained interest was eliminated and the $24.9 million total cost was allocated as follows: (i) $1.8 million to cash and cash equivalents, (ii) $0.6 million to restricted cash, (iii) $0.9 million to the mitigation credits, and (iv) $21.6 million to the mitigation credit rights.

During the period from June 2018 through the date of the Interest Purchase on September 30, 2021, the operations of the Mitigation Bank JV are summarized as follows. The operating agreement of the Mitigation Bank JV (the "Operating Agreement") was executed in conjunction with the mitigation bank transaction and stipulated that the Company should have arranged for sales of the Mitigation Bank JV's mitigation credits to unrelated third parties totaling no less than $6.0 million of revenue to the Mitigation Bank JV, net of commissions, by the end of 2020, utilizing a maximum of 60 mitigation credits (the "Minimum Sales Requirement"). The Operating Agreement stipulated that if the Minimum Sales Requirement was not achieved, then BlackRock had the right, but was not required, to cause the Company to purchase the number of mitigation credits necessary to reach the Minimum Sales Requirement (the "Minimum Sales Guarantee"). As a result of not having achieved the Minimum Sales Requirement prior to December 31, 2020, during the nine months ended September 30, 2021, the Company had active discussions with BlackRock whereby BlackRock did not cause the Company to effectuate the Minimum Sales Guarantee, rather, the Company purchased the remaining 70% interest in the Mitigation Bank JV from BlackRock.

During June 2018, upon closing the Mitigation Bank JV, the Company estimated the fair value of the Minimum Sales Guarantee at $0.1 million which was recorded as a reduction in the gain on the transaction and was included in accrued and other liabilities in the Company's consolidated balance sheet. As a result of the Interest Purchase, as of September 30, 2021, there is no remaining liability related to the Minimum Sales Guarantee.

Additionally, the Operating Agreement provided BlackRock had the right to cause the Company to purchase a maximum of 8.536 mitigation credits per quarter (the "Commitment Amount") from the Mitigation Bank JV at a price equal to 60% of the then fair market value for mitigation credits (the "Put Right"). The Put Right was applicable even if the Mitigation Bank JV had not yet been awarded a sufficient number of mitigation credits by the applicable federal and

state regulatory agencies. Further, in any quarter that BlackRock did not exercise its Put Right, the unexercised Commitment Amount for the applicable quarter may have been rolled over to future calendar quarters. However, the Operating Agreement also stipulated that any amount of third-party sales of mitigation credits would reduce the Put Rights outstanding on a one-for-one basis, if the sales price of the third-party sales equaled or exceeded the prices stipulated by the Put Right. Further, any sales of mitigation credits to third parties at the requisite minimum prices in a quarter that exceeded the quarterly amount of the Put Right would reduce the Put Rights in future calendar quarters on a one-for-one basis. The initial maximum potential of future payments for the Company pursuant to the Put Right was $27.0 million. During June 2018, the Company estimated the fair value of the Put Right to be $0.2 million, which was recorded as a reduction in the gain on the transaction and was included in accrued and other liabilities in the Company's consolidated balance sheet. As a result of the Interest Purchase, as of September 30, 2021, there is no remaining liability related to the Put Right.

During the nine months ended September 30, 2021, BlackRock did not exercise its Put Right. During the year ended December 31, 2020, BlackRock exercised its Put Right and put 48 mitigation credits to the Company inclusive of (i) 20 mitigation credits acquired during the three months ended March 31, 2020 totaling $1.5 million, or $75,000 per credit, (ii) 20 mitigation credits acquired during the three months ended September 30, 2020 totaling $1.5 million, or $75,000 per credit, and (iii) 8 mitigation credits acquired during the three months ended December 31, 2020 totaling $0.6 million, or $75,000 per credit. For periods prior to the Interest Purchase completed on September 30, 2021, the Company evaluated the impact of the exercised Put Right on the fair value of the Company's investment in the Mitigation Bank JV of $6.9 million, and on the fair value of the mitigation credits purchased, noting no impairment issues.

The following tables provide summarized financial information of the Mitigation Bank JV as of December 31, 2020 (in thousands). No balances remain as of December 31, 2021 as a result of the Interest Purchase:

	As of December 31, 2020
Assets, Cash and Cash Equivalents	$ 1,890
Assets, Prepaid Expenses	20
Assets, Investment in Mitigation Credit Assets	1,409
Assets, Property, Plant, and Equipment—Net	14
Total Assets	$ 3,333
Liabilities, Accounts Payable, Accrued Liabilities	$ 17
Equity	$ 3,316
Total Liabilities & Equity	$ 3,333

The following table provides summarized financial information of the Mitigation Bank JV for the years ended December 31, 2021, 2020 and 2019 (in thousands).

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Revenues	$ 512	$ 4,109	$ 1,922
Direct Cost of Revenues	(16)	(167)	(76)
Operating Income	$ 496	$ 3,942	$ 1,846
Other Operating Expenses	(162)	(175)	(197)
Net Income	$ 334	$ 3,767	$ 1,649

The Company's share of the Mitigation Bank JV's net income (loss) was zero for the years ended December 31, 2021, 2020, and 2019. Pursuant to ASC 323, certain adjustments are made when calculating the Company's share of net income, including adjustments required to reflect the investor's share of changes in investee's capital to reflect distributions from the venture. Additionally, basis differences are also considered. The Company recorded the initial retained interest in the Mitigation Bank JV of $6.8 million in June 2018 at the estimated fair market value based on the relationship of the $15.3 million sales price of the 70% equity interest to the 30% retained interest. The Mitigation Bank JV recorded the assets contributed by the Company at carry-over basis pursuant to ASC 845 which states that transfers of nonmonetary assets should typically be recorded at the transferor's historical cost basis. Accordingly, the Company's basis difference in the 30% retained equity interest was evaluated each quarter upon determining the Company's share of the Mitigation

Bank JV's net income. As a result of the Interest Purchase, such evaluation was and will no longer be required as of and subsequent to December 31, 2021.

NOTE 9. INVESTMENT SECURITIES

As of December 31, 2019 and 2020, the Company owned 815,790 shares of PINE common stock which were acquired in connection with the IPO. During the year ended December 31, 2021, the Company purchased an additional 8,088 shares of PINE common stock on the open market for a total of $0.1 million, or an average price of $17.65 per share. As of December 31, 2021, the Company owns, in the aggregate, 2.05 million shares of PINE, or 15.6% of PINE's total shares outstanding for an investment value of $41.0 million, which total includes 1.2 million OP Units, or 9.3%, which the Company received in exchange for the contribution of certain income properties to the PINE Operating Partnership, in addition to 823,878 shares of common stock owned by the Company, or 6.3%. The Company has elected the fair value option related to the aggregate investment in securities of PINE pursuant to ASC 825, otherwise such investments would have been accounted for under the equity method.

The Company calculates the unrealized gain or loss based on the closing stock price of PINE at each respective balance sheet date. The unrealized, non-cash gains and losses resulting from the changes in the closing stock price of PINE are included in investment and other income (loss) in the consolidated statements of operations for years ended December 31, 2021, 2020, and 2019.

The Company's available-for-sale securities as of December 31, 2021 and 2020 are summarized below (in thousands):

	Cost	Unrealized Gains in Investment Income	Unrealized Losses in Investment Income	Estimated Fair Value (Level 1 Inputs)
December 31, 2021				
Common Stock	$ 15,643	$ 868	$ —	$ 16,511
Operating Units	23,253	1,273	—	24,526
Total Equity Securities	38,896	2,141	—	41,037
Total Available-for-Sale Securities	$ 38,896	$ 2,141	$ —	$ 41,037
December 31, 2020				
Common Stock	$ 15,500	$ —	$ (3,271)	$ 12,229
Operating Units	23,253	—	(4,908)	18,345
Total Equity Securities	38,753	—	(8,179)	30,574
Total Available-for-Sale Securities	$ 38,753	$ —	$ (8,179)	$ 30,574

NOTE 10. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following table presents the carrying value and estimated fair value of the Company's financial instruments not carried at fair value on the consolidated balance sheets at December 31, 2021 and 2020 (in thousands):

	December 31, 2021		December 31, 2020	
	Carrying Value	Estimated Fair Value	Carrying Value	Estimated Fair Value
Cash and Cash Equivalents - Level 1	$ 8,615	$ 8,615	$ 4,289	$ 4,289
Restricted Cash - Level 1	$ 22,734	$ 22,734	$ 29,536	$ 29,536
Commercial Loan and Master Lease Investments - Level 2	$ 39,095	$ 39,109	$ 38,320	$ 38,318
Long-Term Debt - Level 2	$ 278,273	$ 288,000	$ 273,830	$ 282,884

To determine estimated fair values of the financial instruments listed above, market rates of interest, which include credit assumptions, were used to discount contractual cash flows. The estimated fair values are not necessarily indicative of the amount the Company could realize on disposition of the financial instruments. The use of different market assumptions or estimation methodologies could have a material effect on the estimated fair value amounts.

The following table presents the fair value of assets (liabilities) measured on a recurring basis by level as of December 31, 2021 and 2020 (in thousands). See Note 18, “Interest Rate Swaps” for further disclosure related to the Company’s interest rate swaps.

		Fair Value at Reporting Date Using		
	Fair Value	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)
December 31, 2021				
Cash Flow Hedge - 2026 Term Loan Interest Rate Swap [1]	$ 727	$ —	$ 727	$ —
Cash Flow Hedge - 2026 Term Loan Interest Rate Swap [2]	$ 240	$ —	$ 240	$ —
Cash Flow Hedge - 2027 Term Loan Interest Rate Swap [3]	$ 550	$ —	$ 550	$ —
Investment Securities	$ 41,037	$ 41,037	$ —	$ —
December 31, 2020				
Cash Flow Hedge - Credit Facility Interest Rate Swap [4]	$ (1,772)	$ —	$ (1,772)	$ —
Cash Flow Hedge - 2026 Term Loan Interest Rate Swap [1]	$ (50)	$ —	$ (50)	$ —
Cash Flow Hedge - Mortgage Note Payable Interest Rate Swap [5]	$ (88)	$ —	$ (88)	$ —
Investment Securities	$ 30,574	$ 30,574	$ —	$ —

(1) Effective March 10, 2021, the Company redesignated the interest rate swap, entered into as of August 31, 2020, to fix LIBOR and achieve a fixed interest rate of 0.22% plus the applicable spread on the $50.0 million 2026 Term Loan, hereinafter defined.

(2) Effective August 31, 2021, the Company utilized an interest rate swap to fix LIBOR and achieve a fixed interest rate of 0.77% plus the applicable spread on the remaining $15.0 million outstanding principal balance on the 2026 Term Loan, hereinafter defined.

(3) Effective November 5, 2021 the Company redesignated the interest rate swap, entered into as of March 31, 2020, to fix LIBOR and achieve a fixed interest rate of 0.73% plus the applicable spread on the $100.0 million 2027 Term Loan, hereinafter defined.

(4) Effective March 31, 2020, the Company utilized an interest rate swap to fix LIBOR and achieve a fixed interest rate of 0.73% plus the applicable spread on $100.0 million of the outstanding balance on the Credit Facility, hereinafter defined, which interest rate swap was redesignated to the 2027 Term Loan, hereinafter defined, effective November 5, 2021 (see note 3 above).

(5) Effective March 12, 2021, in connection with the payoff of the $23.2 million variable-rate mortgage loan secured by Wells Fargo in Raleigh, North Carolina, the interest rate swap was terminated.

No assets were measured on a non-recurring basis as of December 31, 2021 or 2020.

NOTE 11. INTANGIBLE ASSETS AND LIABILITIES

Intangible assets and liabilities consist of the value of above-market and below-market leases, the value of in-place leases, and the value of leasing costs, based in each case on their fair values. Intangible assets and liabilities consisted of the following as of December 31, 2021 and 2020 (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Intangible Lease Assets:		
Value of In-Place Leases	$ 59,293	$ 44,558
Value of Above Market In-Place Leases	23,216	10,604
Value of Intangible Leasing Costs	18,456	13,285
Sub-total Intangible Lease Assets	100,965	68,447
Accumulated Amortization	(21,473)	(18,271)
Sub-total Intangible Lease Assets—Net	79,492	50,176
Intangible Lease Liabilities (Included in Accrued and Other Liabilities):		
Value of Below Market In-Place Leases	(6,942)	(36,817)
Sub-total Intangible Lease Liabilities	(6,942)	(36,817)
Accumulated Amortization	1,341	12,654
Sub-total Intangible Lease Liabilities—Net	(5,601)	(24,163)
Total Intangible Assets and Liabilities—Net	$ 73,891	$ 26,013

During the year ended December 31, 2021, the value of in-place leases increased by $14.7 million, the value of above-market in-place leases increased by $12.6 million, the value of intangible leasing costs increased by $5.2 million, and the value of below-market in-place leases decreased by $29.9 million. Such increases reflect 2021 acquisitions, net of 2021 dispositions. Net accumulated amortization decreased by $14.5 million, for a net increase during the year ended December 31, 2021 of $47.9 million. The $29.9 million decrease in the value of below market in-place leases is primarily attributable to the disposition of the Company's office property in Raleigh, North Carolina leased to Wells Fargo ("Wells Fargo Raleigh"), which unamortized below market in-place lease value was $31.6 million prior to its disposition during the three months ended September 30, 2021. As of December 31, 2020, $19.9 million of the total below market in-place lease value was related to Wells Fargo Raleigh.

The following table reflects the net amortization of intangible assets and liabilities during the years ended December 31, 2021, 2020, and 2019 (in thousands):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Amortization Expense	$ 8,264	$ 7,805	$ 5,854
Accretion to Income Properties Revenue	(404)	(1,754)	(2,383)
Net Amortization of Intangible Assets and Liabilities	$ 7,860	$ 6,051	$ 3,471

The estimated future amortization expense (income) related to net intangible assets and liabilities is as follows (in thousands):

Year Ending December 31,	Future Amortization Amount	Future Accretion to Income Property Revenue	Net Future Amortization of Intangible Assets and Liabilities
2022	$ 9,506	$ 1,893	$ 11,399
2023	9,392	1,917	11,309
2024	9,381	2,002	11,383
2025	7,554	2,049	9,603
2026	6,438	1,905	8,343
2027 and Thereafter	18,250	3,604	21,854
Total	$ 60,521	$ 13,370	$ 73,891

As of December 31, 2021, the weighted average amortization period of total intangible assets and liabilities was 7.8 years and 8.7 years, respectively.

NOTE 12. IMPAIRMENT OF LONG-LIVED ASSETS

The Company assesses the impairment of long-lived assets whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. The fair value of long-lived assets required to be assessed for impairment is determined on a non-recurring basis using Level 3 inputs in the fair value hierarchy. These Level 3 inputs may include, but are not limited to, executed purchase and sale agreements on specific properties, third party valuations, discounted cash flow models, and other model-based techniques.

There were no impairment charges on the Company's undeveloped land holdings, or its income property portfolio, during the years ended December 31, 2021, 2020, or 2019. The $17.6 million impairment charge recognized during the year ended December 31, 2021, which is comprised of a $16.5 million charge during the three months ended June 30, 2021 and a $1.1 million charge during the three months ended December 31, 2021, is related to the Company's previously held retained interest in the Land JV. The aggregate impairment charge of $17.6 million is a result of eliminating the investment in joint ventures based on the final proceeds received through distributions of the Land JV in connection with closing the sale of the Land JV's remaining land.

Additionally, during the year ended December 31, 2020, the Company recognized an aggregate $7.2 million impairment charge comprised of a $0.1 million impairment charge on one of the land parcels included in the Daytona Beach Development and a $7.1 million impairment charge on the Company's previously held retained interest in the Land LV. The $7.1 million impairment on the Company's previously held retained interest in the Land JV was the result of a re-forecast of the anticipated undiscounted future cash flows to be received by the Company based on the estimated timing of future land sales from the Land JV.

NOTE 13. OTHER ASSETS

Other assets consisted of the following as of December 31, 2021 and 2020 (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Income Property Tenant Receivables	$ 885	$ 2,330
Income Property Straight-line Rent Adjustment and COVID-19 Deferral Balance	5,180	4,686
Operating Leases - Right-of-Use Asset	168	246
Golf Rounds Surcharge	338	454
Cash Flow Hedge - Interest Rate Swap	1,543	—
Infrastructure Reimbursement Receivables	1,080	1,336
Prepaid Expenses, Deposits, and Other	3,526	1,693
Due from Alpine Income Property Trust, Inc.	1,653	666
Financing Costs, Net of Accumulated Amortization	524	769

Total Other Assets	$ 14,897	$ 12,180

Income Property Straight-Line Rent Adjustment. As of December 31, 2021 and 2020, the straight-line rent adjustment includes a balance of $0.1 million and $1.0 million of deferred rent related to the COVID-19 Pandemic, respectively. Pursuant to the interpretive guidance issued by the FASB in April 2020 on lease modifications, for leases in which deferred rent agreements were reached, the Company has continued to account for the lease concessions by recognizing the normal straight-line rental income and as the deferred rents are repaid by the tenant, the straight-line receivable will be reduced.

Infrastructure Reimbursement Receivables. As of December 31, 2021 and 2020, the infrastructure reimbursement receivables were all related to the land sales within the Tomoka Town Center. The balance as of December 31, 2021 consisted of $0.8 million due from Tanger for infrastructure reimbursement to be repaid in five remaining annual installments of approximately $0.2 million each, net of a discount of $0.1 million, and $0.3 million due from Sam's Club for infrastructure reimbursement to be repaid in three remaining annual installments of $0.1 million each, net of a discount of $0.03 million.

NOTE 14. EQUITY

REIT CONVERSION MERGER

As a result of the Merger, as described in Note 1, "Organization", the Company is authorized to issue 500,000,000 shares of common stock, $0.01 par value per share, and 100,000,000 shares of preferred stock, $0.01 par value per share. Prior to the Merger, the Company's common stock had a par value of $1.00 per share. Accordingly, a $7.2 million adjustment to reduce common stock with a corresponding increase to additional paid-in capital was made during the three months ended March 31, 2021 and is reflected in the accompanying consolidated statements of stockholders' equity.

Additionally, as a result of the Merger and pursuant to Maryland state law, the Company's treasury stock ceased to be outstanding and was returned to unissued status. Accordingly, a $77.5 million adjustment to eliminate treasury stock with a corresponding decrease to additional paid-in capital was made during the three months ended March 31, 2021 and is reflected in the accompanying consolidated statements of stockholders' equity.

SHELF REGISTRATION

On April 1, 2021, the Company filed a shelf registration statement on Form S-3, relating to the registration and potential issuance of its common stock, preferred stock, debt securities, warrants, rights, and units with a maximum aggregate offering price of up to $350.0 million. The Securities and Exchange Commission declared the Form S-3 effective on April 19, 2021.

ATM PROGRAM

On April 30, 2021, the Company implemented a $150.0 million "at-the-market" equity offering program (the "ATM Program") pursuant to which the Company may sell, from time to time, shares of the Company's common stock. The Company was not active under the ATM Program during the year ended December 31, 2021.

PREFERRED STOCK

On June 28, 2021, the Company priced a public offering of 3,000,000 shares of its 6.375% Series A Cumulative Redeemable Preferred Stock (the "Series A Preferred Stock") at a public offering price of $25.00 per share. The offering closed on July 6, 2021 and generated total net proceeds to the Company of $72.4 million, after deducting the underwriting discount and expenses. The Series A Preferred Stock ranks senior to the Company's common stock with respect to dividend rights and rights upon liquidation, dissolution or winding up of the Company. The Series A Preferred Stock has no maturity date and will remain outstanding unless redeemed.

The Series A Preferred Stock is not redeemable by the Company prior to July 6, 2026 except under limited circumstances intended to preserve the Company's qualification as a REIT for U.S. federal income tax purposes or upon the occurrence of a change of control, as defined in the Articles Supplementary designating the Series A Preferred Stock (the "Articles Supplementary"). Upon such change in control, the Company may redeem, at its election, the Series A Preferred Stock at a redemption price of $25.00 per share plus any accumulated and unpaid dividends up to, but excluding

the date of redemption, and in limited circumstances, the holders of preferred stock shares may convert some or all of their Series A Preferred Stock into shares of the Company's common stock at conversion rates set forth in the Articles Supplementary.

The following details the public offering (in thousands, except per share data):

Series	Dividend Rate	Issued	Shares Outstanding	Gross Proceeds	Net Proceeds	Dividend per Share	Earliest Redemption Date
Series A	6.375%	July 2021	3,000,000	$ 75,000	$ 72,428	$ 0.3984	July 2026

DIVIDENDS

The Company elected to be taxed as a REIT for U.S. federal income tax purposes under the Code commencing with its taxable year ended December 31, 2020. In order to maintain its qualification as a REIT, the Company must annually distribute, at a minimum, an amount equal to 90% of its taxable income, determined without regard to the deduction for dividends paid and excluding net capital gains, and must distribute 100% of its taxable income (including net capital gains) to eliminate U.S. federal income taxes payable by the Company. Because taxable income differs from cash flow from operations due to non-cash revenues and expenses (such as depreciation and other items), in certain circumstances, the Company may generate operating cash flow in excess of its dividends, or alternatively, may need to make dividend payments in excess of operating cash flows.

In connection with the REIT conversion, on November 9, 2020, the Board declared a special distribution on its shares of common stock in an aggregate amount of $55.8 million (the "Special Distribution"), payable in cash and shares of the Company's common stock, in order to distribute the Company's previously undistributed earnings and profits attributable to taxable periods ended on or prior to December 31, 2019, as required in connection with the Company's election to be taxable as a REIT. The Special Distribution was paid on December 21, 2020 to stockholders of record as of the close of business on November 19, 2020 through an aggregate of $5.6 million in cash and the issuance of 1,198,963 shares of the Company's common stock.

The following table outlines dividends declared and paid for each issuance of CTO's stock during the years ended December 31, 2021, 2020, and 2019 (in thousands, except per share data):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Series A Preferred Stock			
Dividends	$ 2,325	$ —	$ —
Per Share	$ 0.77	$ —	$ —
Common Stock			
Dividends	$ 23,580	$ 64,665 (1)	$ 2,198
Per Share	$ 4.00	$ 13.88 (1)	$ 0.44

(1) Represents the aggregate of (i) $1.90 per share of regular cash dividends totaling $8.9 million and (ii) $11.98 per share Special Distribution totaling $55.8 million, of which $5.6 million was paid in cash.

NOTE 15. COMMON STOCK AND EARNINGS PER SHARE

Basic earnings per common share is computed by dividing net income (loss) attributable to common stockholders during the period by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per common share is based on the assumption of the conversion of stock options and vesting of restricted stock at the beginning of each period using the treasury stock method at average cost for the periods.

The following is a reconciliation of basic and diluted earnings per common share for each of the periods presented (in thousands, except share and per share data):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Net Income Attributable to Common Stockholders	$ 27,615	$ 78,509	$ 114,973
Weighted Average Shares Outstanding	5,892,270	4,704,877	4,991,656
Common Shares Applicable to Stock Options Using the Treasury Stock Method	—	—	6,387
Total Shares Applicable to Diluted Earnings Per Share	5,892,270	4,704,877	4,998,043
Per Share Information:			
Basic			
Income From Continuing Operations Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 3.32
Income From Discontinued Operations (Net of Income Tax) Attributable to Common Stockholders	—	—	19.71
Basic Net Income per Share Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 23.03
Diluted			
Income From Continuing Operations Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 3.32
Income From Discontinued Operations (Net of Income Tax) Attributable to Common Stockholders	—	—	19.68
Diluted Net Income per Share Attributable to Common Stockholders	$ 4.69	$ 16.69	$ 23.00

There were no potentially dilutive securities for years ended December 31, 2021, 2020, or 2019. The effect of 2,497, 39,558, and 7,500 potentially dilutive securities were not included for the years ended December 31, 2021, 2020 and 2019, respectively, as the effect would be anti-dilutive.

The Company intends to settle its 3.875% Convertible Senior Notes due 2025 (the "2025 Notes") in cash upon conversion with any excess conversion value to be settled in shares of our common stock. Pursuant to ASC 260, *Earnings per Share*, the Company has overcome the presumption of share settlement and, therefore, there is no dilutive impact for the year ended December 31, 2021. The Company adopted ASU 2020-06 as of January 1, 2022, at which time, the Company's diluted EPS calculation will include the dilutive impact of the 2025 Notes, irrespective of intended cash settlement. Further, the Company elected, upon adoption, to utilize the modified retrospective approach, negating the required restatement of EPS for periods prior to adoption.

NOTE 16. SHARE REPURCHASES

Prior to March 31, 2021, repurchases of the Company's common stock were returned to treasury. As a result of the Merger and pursuant to Maryland state law, the Company's treasury stock ceased to be outstanding and was returned to unissued status. Accordingly, a $77.5 million adjustment to eliminate treasury stock with a corresponding decrease to additional paid-in capital was made during the year ended December 31, 2021 and is reflected in the accompanying consolidated statements of stockholders' equity.

In February 2020, the Company's Board approved a $10.0 million stock repurchase program (the "$10.0 Million Repurchase Program"). During the year ended December 31, 2020, the Company repurchased 88,565 shares of its common stock on the open market for a total cost of $4.1 million, or an average price per share of $46.29. During the year ended December 31, 2021, the Company repurchased 40,553 shares of its common stock on the open market for a total cost of $2.2 million, or an average price per share of $54.48. The $10.0 Million Repurchase Program does not have an expiration date.

NOTE 17. LONG-TERM DEBT

As of December 31, 2021, long-term debt, at face value, totaled $283.0 million, which was comprised of (i) $67.0 million outstanding under our revolving credit facility (the "Credit Facility"), (ii) the $65.0 million term loan (the "2026 Term Loan"), (iii) the $100.0 million term loan (the "2027 Term Loan"), and (iv) the $51.0 million principal amount of 2025 Notes.

The long-term debt, at face value, of $283.0 million at December 31, 2021, represented an increase of $2.5 million from the balance of $280.5 million at December 31, 2020. The $2.5 million increase in long-term debt was due to the impact of (i) the origination of the $50.0 million 2026 Term Loan under the Company's Credit Facility and subsequent exercise of the accordion option of $15.0 million, (ii) the origination of the $100.0 million 2027 Term Loan under the Company's Credit Facility, (iii) the net repayments on the Credit Facility totaling $97.9 million, (iv) assumption of the $30.0 million fixed-rate mortgage note by the buyer in connection with the disposition of the CMBS Portfolio during the second quarter of 2021, (v) the payoff of the $23.2 million variable-rate mortgage note, and (vi) the repurchase of $11.4 million aggregate amount of the 2025 Notes.

As of December 31, 2021, the Company's outstanding indebtedness, at face value, was as follows (in thousands):

	Face Value Debt	Maturity Date	Interest Rate
Credit Facility	$ 67,000	May 2023	30-day LIBOR + [1.35% - 1.95%]
2026 Term Loan [(1)]	65,000	March 2026	30-day LIBOR + [1.35% - 1.95%]
2027 Term Loan [(2)]	100,000	January 2027	30-day LIBOR + [1.35% - 1.95%]
3.875% Convertible Senior Notes due 2025	51,034	April 2025	3.875%
Total Long-Term Face Value Debt	$ 283,034		

(1) The Company utilized interest rate swaps on the $65.0 million 2026 Term Loan balance, including (i) its redesignation of the existing $50.0 million interest rate swap, entered into as of August 31, 2020, and (ii) a $15.0 million interest rate swap effective August 31, 2021, to fix LIBOR and achieve a weighted average fixed interest rate of 0.35% plus the applicable spread (see Note 18, "Interest Rate Swaps" for further disclosure related to the Company's interest rate swaps).

(2) Effective November 5, 2021 the Company redesignated the interest rate swap, entered into as of March 31, 2020, to fix LIBOR and achieve a fixed interest rate of 0.73% plus the applicable spread on the $100.0 million 2027 Term Loan balance (see Note 18, "Interest Rate Swaps" for further disclosure related to the Company's interest rate swaps).

Credit Facility. The Credit Facility, with Bank of Montreal ("BMO") as the administrative agent for the lenders thereunder, is unsecured with regard to our income property portfolio but is guaranteed by certain wholly owned subsidiaries of the Company. The Credit Facility bank group is led by BMO and also includes Truist Bank and Wells Fargo. On September 7, 2017, the Company executed the second amendment and restatement of the Credit Facility (the "2017 Amended Credit Facility"). As a result of the March 2021 Revolver Amendment, as defined below, The Huntington National Bank was added as a lender to the Company's Credit Facility.

On May 24, 2019, the Company executed the second amendment to the 2017 Amended Credit Facility (the "May 2019 Revolver Amendment"). As a result of the May 2019 Revolver Amendment, the Credit Facility had a total borrowing capacity of $200.0 million with the ability to increase that capacity up to $300.0 million during the term, subject to lender approval. The Credit Facility provides the lenders with a security interest in the equity of the Company subsidiaries that own the properties included in the borrowing base. The indebtedness outstanding under the Credit Facility accrues interest at a rate ranging from the 30-day LIBOR plus 135 basis points to the 30-day LIBOR plus 195 basis points based on the total balance outstanding under the Credit Facility as a percentage of the total asset value of the Company, as defined in the 2017 Amended Credit Facility, as amended by the May 2019 Revolver Amendment. The Credit Facility also accrues a fee of 15 to 25 basis points for any unused portion of the borrowing capacity based on whether the unused portion is greater or less than 50% of the total borrowing capacity. Pursuant to the May 2019 Revolver Amendment, the Credit Facility matures on May 24, 2023, with the ability to extend the term for 1 year.

On November 26, 2019, the Company entered into the third amendment to the 2017 Amended Credit Facility (the "November 2019 Revolver Amendment"), which further amends the 2017 Amended Credit Facility. The November 2019 Revolver Amendment included, among other things, an adjustment of certain financial maintenance covenants, including a temporary reduction of the minimum fixed charge coverage ratio to allow the Company to redeploy the proceeds received from the sale of certain income properties to PINE, and an increase in the maximum amount the Company may invest in stock and stock equivalents of real estate investment trusts to allow the Company to invest in the common stock and OP Units.

On July 1, 2020, the Company entered into the fourth amendment to the 2017 Amended Credit Facility (the "July 2020 Revolver Amendment") whereby the tangible net worth covenant was adjusted to be more reflective of market terms. The July 2020 Revolver Amendment was effective as of March 31, 2020.

On November 12, 2020, the Company entered into the fifth amendment to the 2017 Amended Credit Facility (the "November 2020 Revolver Amendment"). The November 2020 Revolver Amendment provided that, among other things, (i) the Company must comply with certain adjusted additional financial maintenance requirements, including (x) a new restricted payments covenant which limits the type and amount of cash distributions that may be made by the Company and (y) an adjusted fix charges ratio, which now excludes certain onetime expenses for purposes of calculation and (ii) the Company must, from and after the date that the Company elects to qualify as a REIT, maintain its status as a REIT.

On March 10, 2021, the Company entered into the sixth amendment to the 2017 Amended Credit Facility (the "March 2021 Revolver Amendment"). The March 2021 Revolver Amendment included, among other things, (i) increase of the revolving credit commitment from $200.0 million to $210.0 million, (ii) addition of the 2026 Term Loan in the aggregate amount of $50.0 million, (iii) updates to certain financing rate provisions provided therein, and (iv) joinder of The Huntington National Bank as a 2026 Term Loan lender and Credit Facility lender. The March 2021 Revolver Amendment also includes accordion options that allow the Company to request additional 2026 Term Loan lender commitments up to a total of $150.0 million and additional Credit Facility lender commitments up to a total of $300.0 million. During the three months ended June 30, 2021, the Company exercised the 2026 Term Loan accordion option for $15.0 million, increasing total lender commitments to $65.0 million.

On November 5, 2021, the Company entered into the seventh amendment to the 2017 Amended Credit Facility (the "November 2021 Revolver Amendment"). The November 2021 Revolver Amendment included, among other things, (i) addition of the 2027 Term Loan in the aggregate amount of $100.0 million and (ii) joinder of KeyBank National Association, Raymond James Bank, and Synovus Bank as 2027 Term Loan lenders. The November 2021 Revolver Amendment also includes an accordion option that allows the Company to request additional term loan lender commitments up to a total of $400.0 million in the aggregate.

At December 31, 2021, the current commitment level under the Credit Facility was $210.0 million. The available borrowing capacity under the Credit Facility was $143.0 million, based on the level of borrowing base assets. As of December 31, 2021, the Credit Facility had a $67.0 million balance outstanding.

The Credit Facility is subject to customary restrictive covenants including, but not limited to, limitations on the Company's ability to: (a) incur indebtedness; (b) make certain investments; (c) incur certain liens; (d) engage in certain affiliate transactions; and (e) engage in certain major transactions such as mergers. In addition, the Company is subject to various financial maintenance covenants including, but not limited to, a maximum indebtedness ratio, a maximum secured indebtedness ratio, and a minimum fixed charge coverage ratio. The Credit Facility also contains affirmative covenants and events of default including, but not limited to, a cross default to the Company's other indebtedness and upon the occurrence of a change in control. The Company's failure to comply with these covenants or the occurrence of an event of default could result in acceleration of the Company's debt and other financial obligations under the Credit Facility.

Mortgage Notes Payable. On March 12, 2021, the Company repaid its $23.2 million variable-rate mortgage note payable and terminated the associated rate swap utilized to achieve a fixed interest rate of 3.17%. On June 30, 2021, the Company's $30.0 million fixed-rate mortgage note payable was assumed by the buyer in connection with the disposition of the CMBS Portfolio during the second quarter of 2021. There are no mortgage notes payable as of December 31, 2021.

Convertible Debt. The Company's $75.0 million aggregate principal amount of 4.50% Convertible Notes (the "2020 Notes") were scheduled to mature on March 15, 2020; however, the Company completed the Note Exchanges, hereinafter defined, on February 4, 2020. The initial conversion rate was 14.5136 shares of common stock for each $1,000 principal amount of the 2020 Notes, which represented an initial conversion price of $68.90 per share of common stock.

On February 4, 2020, the Company closed privately negotiated exchange agreements with certain holders of its outstanding 2020 Notes pursuant to which the Company issued $57.4 million principal amount of the 2025 Notes in exchange for $57.4 million principal amount of the 2020 Notes (the "Note Exchanges"). In addition, the Company closed a privately negotiated purchase agreement with an investor, who had not invested in the 2020 Notes, and issued $17.6 million principal amount of the 2025 Notes (the "New Notes Placement," and together with the Note Exchanges, the "Convert Transactions"). The Company used $5.9 million of the proceeds from the New Notes Placement to repurchase $5.9 million of the 2020 Notes. As a result of the Convert Transactions there was a total of $75.0 million aggregate principal amount of 2025 Notes outstanding.

In exchange for issuing the 2025 Notes pursuant to the Note Exchanges, the Company received and cancelled the exchanged 2020 Notes. The $11.7 million of net proceeds from the New Notes Placement were used to redeem at maturity on March 15, 2020 $11.7 million of the aggregate principal amount of the 2020 Notes that remained outstanding.

During the year ended December 31, 2020, the Company repurchased $12.5 million aggregate principal amount of 2025 Notes at a $2.6 million discount, resulting in a gain on extinguishment of debt of $1.1 million. All such repurchases were made during first and second quarter of 2020. During the year ended December 31, 2021, the Company repurchased $11.4 million aggregate principal amount of 2025 Notes at a $1.6 million premium, resulting in a loss on extinguishment of debt of $2.9 million. Following the repurchase, $51.0 million aggregate principal amount of the 2025 Notes remains outstanding at December 31, 2021.

The 2025 Notes represent senior unsecured obligations of the Company and pay interest semi-annually in arrears on each April 15th and October 15th, commencing on April 15, 2020, at a rate of 3.875% per annum. The 2025 Notes mature on April 15, 2025 and may not be redeemed by the Company prior to the maturity date. The conversion rate for the 2025 Notes was initially 12.7910 shares of the Company's common stock per $1,000 of principal of the 2025 Notes (equivalent to an initial conversion price of $78.18 per share of the Company's common stock). The initial conversion price of the 2025 Notes represented a premium of 20% to the $65.15 closing sale price of the Company's common stock on the NYSE American on January 29, 2020. If the Company's Board increases the quarterly dividend above the $0.13 per share in place at issuance, the conversion rate is adjusted with each such increase in the quarterly dividend amount. After the fourth quarter 2021 dividend, the conversion rate is equal to 19.4453 shares of common stock for each $1,000 principal amount of 2025 Notes, which represents an adjusted conversion price of $51.43 per share of common stock. At the maturity date, the 2025 Notes are convertible into cash, common stock or a combination thereof, subject to various conditions, at the Company's option. Should certain corporate transactions or events occur prior to the stated maturity date, the Company will increase the conversion rate for a holder that elects to convert its 2025 Notes in connection with such corporate transaction or event.

The conversion rate is subject to adjustment in certain circumstances. Holders may not surrender their 2025 Notes for conversion prior to January 15, 2025 except upon the occurrence of certain conditions relating to the closing sale price of the Company's common stock, the trading price per $1,000 principal amount of 2025 Notes, or specified corporate events including a change in control of the Company. The Company may not redeem the 2025 Notes prior to the stated maturity date and no sinking fund is provided for the 2025 Notes. The 2025 Notes are convertible, at the election of the Company, into solely cash, solely shares of the Company's common stock, or a combination of cash and shares of the Company's common stock. The Company intends to settle the 2025 Notes in cash upon conversion, with any excess conversion value to be settled in shares of our common stock. In accordance with U.S. GAAP, the 2025 Notes were accounted for as a liability with a separate equity component recorded for the conversion option. A liability was recorded for the 2025 Notes on the issuance date at fair value based on a discounted cash flow analysis using current market rates for debt instruments with similar terms. The difference between the initial proceeds from the 2025 Notes and the estimated fair value of the debt instruments resulted in a debt discount, with an offset recorded to additional paid-in capital representing the equity component. As of December 31, 2021, the unamortized debt discount of our 2025 Notes was $3.6 million.

Long-term debt consisted of the following (in thousands):

	December 31, 2021		December 31, 2020	
	Total	Due Within One Year	Total	Due Within One Year
Credit Facility	$ 67,000	$ —	$ 164,845	$ —
2026 Term Loan	65,000	—	—	—
2027 Term Loan	100,000	—	—	—
Mortgage Note Payable (Originated with Wells Fargo)	—	—	30,000	—
Mortgage Note Payable (Originated with Wells Fargo)	—	—	23,183	23,183
3.875% Convertible Senior Notes, net of Discount	47,469	—	56,296	—
Financing Costs, net of Accumulated Amortization	(1,196)	—	(494)	—
Total Long-Term Debt	$ 278,273	$ —	$ 273,830	$ 23,183

Payments applicable to reduction of principal amounts as of December 31, 2021 will be required as follows (in thousands):

Year Ending December 31,	Amount
2022	$ —
2023	67,000
2024	—
2025	51,034
2026	65,000
2027 and Thereafter	100,000
Total Long-Term Debt - Face Value	$ 283,034

The carrying value of long-term debt as of December 31, 2021 consisted of the following (in thousands):

	Total
Current Face Amount	$ 283,034
Unamortized Discount on Convertible Debt	(3,565)
Financing Costs, net of Accumulated Amortization	(1,196)
Total Long-Term Debt	$ 278,273

In addition to the $1.2 million of financing costs, net of accumulated amortization included in the table above, as of December 31, 2021, the Company also had financing costs, net of accumulated amortization related to the Credit Facility of $0.5 million which is included in other assets on the consolidated balance sheets. These costs are amortized on a straight-line basis over the term of the Credit Facility and are included in interest expense in the Company's accompanying consolidated statements of operations.

The following table reflects a summary of interest expense incurred and paid during the years ended December 31, 2021, 2020 and 2019 (in thousands):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Interest Expense	$ 7,065	$ 9,005	$ 10,665
Amortization of Deferred Financing Costs	586	454	444
Amortization of Discount on Convertible Notes	1,278	1,379	1,357
Total Interest Expense	$ 8,929	$ 10,838	$ 12,466
Total Interest Paid	$ 7,274	$ 9,716	$ 10,782

The Company was in compliance with all of its debt covenants as of December 31, 2021 and 2020.

NOTE 18. INTEREST RATE SWAPS

The Company has entered into interest rate swap agreements to hedge against changes in future cash flows resulting from fluctuating interest rates related to the below noted borrowings. The interest rate agreements were 100% effective during the year ended December 31, 2021. Accordingly, the changes in fair value on the interest rate swaps have been classified in accumulated other comprehensive income (loss). The fair value of the interest rate swap agreements are included in other assets and accrued and other liabilities, respectively, on the consolidated balance sheets. Information related to the Company's interest rate swap agreements are noted below (in thousands):

Hedged Item	Effective Date	Maturity Date	Rate	Amount	Fair Value as of December 31, 2021
2026 Term Loan [1]	3/10/2021	3/29/2024	0.22% + applicable spread	$ 50,000	$ 753
2026 Term Loan [2]	3/29/2024	3/10/2026	1.51% + applicable spread	$ 50,000	$ (26)
2026 Term Loan	8/31/2021	3/10/2026	0.77% + applicable spread	$ 15,000	$ 240
2027 Term Loan [3]	11/5/2021	3/29/2024	0.73% + applicable spread	$ 100,000	$ 352
2027 Term Loan [4]	3/29/2024	1/31/2017	1.42% + applicable spread	$ 100,000	$ 198

(1) Effective March 10, 2021, the Company redesignated the interest rate swap, entered into as of August 31, 2020, that previously hedged $50.0 million of the outstanding principal balance on the Credit Facility.
(2) The interest rate swap agreement hedges the identical $50.0 million portion of the 2026 Term Loan borrowing under different terms and commences concurrent to the interest rate agreement maturing on March 29, 2024.
(3) Effective November 5, 2021, the Company redesignated the interest rate swap, entered into as of March 31, 2020, that previously hedged $100.0 million of the outstanding principal balance on the Credit Facility.
(4) The interest rate swap agreement hedges the identical $100.0 million portion of the 2027 Term Loan borrowing under different terms and commences concurrent to the interest rate agreement maturing on March 29, 2024.

NOTE 19. ACCRUED AND OTHER LIABILITIES

Accrued and other liabilities consisted of the following (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Accrued Property Taxes	$ 813	$ 945
Reserve for Tenant Improvements	5,457	1,353
Tenant Security Deposits	1,942	824
Accrued Construction Costs	190	1,783
Accrued Interest	431	602
Environmental Reserve	81	106
Cash Flow Hedge - Interest Rate Swaps	26	1,910
Operating Leases - Liability	198	245
Other	3,983	1,322
Total Accrued and Other Liabilities	$ 13,121	$ 9,090

Reserve for Tenant Improvements. In connection with the 2021 acquisitions, the Company received, an aggregate $6.7 million from the sellers of the properties for tenant improvement allowances, leasing commissions and other capital improvements. These amounts are included in accrued and other liabilities on the consolidated balance sheets. Through December 31, 2021, payments totaling $1.2 million were made, leaving a remaining reserve for tenant improvements of $5.5 million.

Environmental Reserve. During the year ended December 31, 2014, the Company accrued an environmental reserve of $0.1 million in connection with an estimate of additional costs required to monitor a parcel of less than one acre of land owned by the Company in Highlands County, Florida, on which environmental remediation work had previously been performed. The Company engaged legal counsel who, in turn, engaged environmental engineers to review the site and the prior monitoring test results. During the year ended December 31, 2015, their review was completed, and the Company made an additional accrual of $0.5 million, representing the low end of the range of possible costs estimated by the engineers to be between $0.5 million and $1.0 million to resolve this matter subject to the approval of the state department of environmental protection (the "FDEP"). The FDEP issued a Remedial Action Plan Modification Approval Order (the

"FDEP Approval") in August 2016 which supports the approximate $0.5 million accrual made in 2015. The Company is implementing the remediation plan pursuant to the FDEP Approval. During the fourth quarter of 2017, the Company made an additional accrual of less than $0.1 million for the second year of monitoring as the low end of the original range of estimated costs was increased for the amount of monitoring now anticipated. Since the total accrual of $0.7 million was made, $0.6 million in costs have been incurred through December 31, 2021, leaving a remaining accrual of less than $0.1 million.

NOTE 20. DEFERRED REVENUE

Deferred revenue consisted of the following (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Prepaid Rent	$ 3,921	$ 2,684
Tenant Contributions	574	625
Other Deferred Revenue	10	10
Total Deferred Revenue	$ 4,505	$ 3,319

NOTE 21. STOCK-BASED COMPENSATION

SUMMARY OF STOCK-BASED COMPENSATION

A summary of share activity for all equity classified stock compensation during the year ended December 31, 2021, is presented below:

Type of Award	Shares Outstanding at 1/1/2021	Granted Shares	Vested / Exercised Shares	Expired Shares	Forfeited Shares	Shares Outstanding at 12/31/2021
Equity Classified - Performance Share Awards - Peer Group Market Condition Vesting	55,851	48,134	(17,418)	—	(8,449)	78,118
Equity Classified - Market Condition Restricted Shares - Stock Price Vesting	22,000	—	—	(22,000)	—	—
Equity Classified - Three Year Vest Restricted Shares	38,479	43,050	(21,220)	—	(8,806)	51,503
Equity Classified - Non-Qualified Stock Option Awards	80,000	20,332	(78,791)	—	—	21,541
Total Shares	196,330	111,516	(117,429)	(22,000)	(17,255)	151,162

As contemplated under the terms of the 2010 Plan, on January 20, 2021, in order to address the dilutive effect of the stock component of the Special Distribution that was paid to the Company's stockholders on December 21, 2020 in connection with the Company's REIT conversion, the Board's Compensation Committee made an equitable adjustment (the "Equitable Adjustment") to certain of the awards outstanding as of December 31, 2020. Accordingly, during the three months ended March 31, 2021, the 111,516 shares granted includes 46,237 shares attributable to the Equitable Adjustment which resulted in no incremental compensation cost.

Effective as of August 4, 2017, the Company entered into amendments to the employment agreements and certain stock option award agreements and restricted share award agreements whereby such awards will fully vest following a change in control (as defined in the executive's employment agreement) only if the executive's employment is terminated without cause or if the executive resigns for good reason (as such terms are defined in the executive's employment agreement), in each case, at any time during the 24-month period following the change in control.

Amounts recognized in the financial statements for stock-based compensation are as follows (in thousands):

	Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Total Cost of Share-Based Plans Charged Against Income Before Tax Effect	$ 3,168	$ 2,786	$ 2,688
Income Tax Expense Recognized in Income	$ —	$ (678)	$ (681)

EQUITY-CLASSIFIED STOCK COMPENSATION

Performance Share Awards – Peer Group Market Condition Vesting

Performance shares have been granted to certain employees under the 2010 Plan. The performance share awards entitle the recipient to receive, upon the vesting thereof, shares of common stock of the Company equal to between 0% and 150% of the number of performance shares awarded. The number of shares of common stock ultimately received by the award recipient is determined based on the Company's total stockholder return as compared to the total stockholder return of a certain peer group during a three-year performance period. The Company granted a total of 48,134 performance shares during the three months ended March 31, 2021, of which 15,988 were attributable to the Equitable Adjustment.

The Company used a Monte Carlo simulation pricing model to determine the fair value of its awards that are based on market conditions. The determination of the fair value of market condition-based awards is affected by the Company's stock price as well as assumptions regarding a number of other variables. These variables include expected stock price volatility over the requisite performance term of the awards, the relative performance of the Company's stock price and stockholder returns to companies in its peer group, annual dividends, and a risk-free interest rate assumption. Compensation cost is recognized regardless of the achievement of the market conditions, provided the requisite service period is met.

As of December 31, 2021, there was $1.4 million of unrecognized compensation cost, adjusted for estimated forfeitures, related to the outstanding performance share awards, which will be recognized over a remaining weighted average period of 1.7 years.

A summary of the activity for these awards during the years ended December 31, 2021, 2020, and 2019 is presented below:

Performance Shares With Market Conditions	Shares	Wtd. Avg. Fair Value
Non-Vested at January 1, 2019	28,080	$ 66.29
Granted	21,195	$ 64.66
Vested	—	—
Expired	—	—
Forfeited	—	—
Non-Vested at December 31, 2019	49,275	$ 65.59
Granted	26,441	$ 55.82
Vested	(12,635)	$ 55.66
Expired	—	—
Forfeited	(7,230)	$ 63.81
Non-Vested at December 31, 2020	55,851	$ 63.44
Granted	48,134	$ 32.04
Vested	(17,418)	$ 58.30
Expired	—	—
Forfeited	(8,449)	$ 47.04
Non-Vested at December 31, 2021	78,118	$ 47.01

Market Condition Restricted Shares– Stock Price Vesting

Restricted Company common stock has been granted to certain employees under the 2010 Plan. The restricted Company common stock outstanding from these grants vest in increments based upon the price per share of the Company common stock during the term of employment (or within sixty days after termination of employment by the Company without cause), meeting or exceeding the target trailing thirty-day average closing prices. Effective January 28, 2021, the 22,000 shares outstanding, consisting of 18,000 shares with a $70 per share price vesting criteria and 4,000 shares with a $75 per share price vesting criteria, expired prior to vesting.

The Company used a Monte Carlo simulation pricing model to determine the fair value of its awards that are based on market conditions. The determination of the fair value of market condition-based awards is affected by the Company's stock price as well as assumptions regarding a number of other variables. These variables include expected stock price volatility over the requisite performance term of the awards, the relative performance of the Company's stock price and stockholder returns to companies in its peer group, annual dividends, and a risk-free interest rate assumption. Compensation cost is recognized regardless of the achievement of the market conditions, provided the requisite service period is met.

As of December 31, 2021, there is no unrecognized compensation cost related to market condition restricted stock.

A summary of the activity for these awards during the years ended December 31, 2021, 2020, and 2019 is presented below:

Market Condition Non-Vested Restricted Shares	Shares	Wtd. Avg. Fair Value
Non-Vested at January 1, 2019	22,000	$ 41.71
Granted	—	—
Vested	—	—
Expired	—	—
Forfeited	—	—
Non-Vested at December 31, 2019	22,000	$ 41.71
Granted	—	—
Vested	—	—
Expired	—	—
Forfeited	—	—
Non-Vested at December 31, 2020	22,000	$ 41.71
Granted	—	—
Vested	—	—
Expired	(22,000)	$ 41.71
Forfeited	—	—
Non-Vested at December 31, 2021	—	—

Three Year Vest Restricted Shares

Restricted shares have been granted to certain employees under the 2010 Plan. One-third of the restricted shares will vest on each of the first, second, and third anniversaries of January 28 of the applicable year provided the grantee is an employee of the Company on those dates. In addition, any unvested portion of the restricted shares will vest upon a change in control. The Company granted a total of 43,050 shares of three-year restricted Company common stock during the three months ended March 31, 2021, of which 9,917 were attributable to the Equitable Adjustment.

The Company's determination of the fair value of the three-year vest restricted stock awards was calculated by multiplying the number of shares issued by the Company's stock price at the grant date, less the present value of expected dividends during the vesting period. Compensation cost is recognized on a straight-line basis over the vesting period.

As of December 31, 2021, there was $1.4 million of unrecognized compensation cost, adjusted for estimated forfeitures, related to the three-year vest non-vested restricted shares, which will be recognized over a remaining weighted average period of 1.7 years.

A summary of the activity for these awards during the years ended December 31, 2021, 2020, and 2019 is presented below:

Three Year Vest Non-Vested Restricted Shares	Shares	Wtd. Avg. Fair Value Per Share
Non-Vested at January 1, 2019	34,952	$ 58.07
Granted	20,696	$ 58.78
Vested	(18,053)	$ 54.43
Expired	—	—
Forfeited	—	—
Non-Vested at December 31, 2019	37,595	$ 60.21
Granted	23,451	$ 55.89
Vested	(18,054)	$ 59.69
Expired	—	—
Forfeited	(4,513)	$ 60.14
Non-Vested at December 31, 2020	38,479	$ 57.82
Granted	43,050	$ 35.47
Vested	(21,220)	$ 48.55
Expired	—	—
Forfeited	(8,806)	$ 46.59
Non-Vested at December 31, 2021	51,503	$ 44.88

Non-Qualified Stock Option Awards

Stock option awards have been granted to certain employees under the 2010 Plan. The vesting period of the options awards granted ranged from a period of one to three years. All options had vested as of December 31, 2018. The option expires on the earliest of: (a) the tenth anniversary of the grant date; (b) twelve months after the employee's death or termination for disability; or (c) thirty days after the termination of employment for any reason other than death or disability. Effective January 20, 2021, as a result of the Equitable Adjustment, the number of shares covered by the options then outstanding were increased by a total of 20,332 with an adjustment to the respective exercise prices.

The Company used the Black-Scholes valuation pricing model to determine the fair value of its non-qualified stock option awards. The determination of the fair value of the awards is affected by the stock price as well as assumptions regarding a number of other variables. These variables include expected stock price volatility over the term of the awards, annual dividends, and a risk-free interest rate assumption.

A summary of the activity for these awards during the years ended December 31, 2021, 2020, and 2019 is presented below:

Non-Qualified Stock Option Awards	Shares	Wtd. Avg. Ex. Price	Wtd. Avg. Remaining Contractual Term (Years)	Aggregate Intrinsic Value
Outstanding at January 1, 2019	80,000	$ 55.63		
Granted	—	—		
Exercised	—	—		
Expired	—	—		
Forfeited	—	—		
Outstanding at December 31, 2019	80,000	$ 55.63		
Granted	—	—		
Exercised	—	—		
Expired	—	—		
Forfeited	—	—		
Outstanding at December 31, 2020	80,000	$ 55.63		
Granted	20,332	—		
Exercised	(78,791)	$ 44.63		
Expired	—	—		
Forfeited	—	—		
Outstanding at December 31, 2021	21,541	$ 43.37	3.21	$ 388,837
Exercisable at January 1, 2021	80,000	$ 55.63	4.26	—
Exercisable at December 31, 2021	21,541	$ 43.37	3.21	$ 388,837

The total intrinsic value of options exercised during the year ended December 31, 2021 totaled $0.9 million. As of December 31, 2021, there is no unrecognized compensation cost related to non-qualified, non-vested stock option awards.

NON-EMPLOYEE DIRECTOR STOCK COMPENSATION

Each member of the Company's Board of Directors has the option to receive his or her annual retainer and meeting fees in shares of Company common stock rather than cash. The number of shares awarded to the directors making such election is calculated quarterly by dividing (i) the sum of (A) the amount of the quarterly retainer payment due to such director plus (B) meeting fees earned by such director during the quarter, by (ii) the closing price of the Company's common stock on the last business day of the quarter for which such payment applied, rounded down to the nearest whole number of shares.

Commencing in 2019, each non-employee director serving as of the beginning of each calendar year shall receive an annual award of the Company's common stock valued at $20,000 for the years ended December 31, 2019 and 2020 and $35,000 for the year ended December 31, 2021 (the "Annual Award"). The number of shares awarded is calculated based on the trailing 20-day average price of the Company's common stock as of the date two business days prior to the date of the award, rounded down to the nearest whole number of shares. Commencing in 2021, non-employee directors will no longer receive meeting fees, but will receive additional retainers for service on Board committees, as set forth in the Company's Non-Employee Director Compensation Policy available on the Company's website (www.ctoreit.com).

During the years ended December 31, 2021, 2020, and 2019, the expense recognized for the value of the Company's common stock received by non-employee directors totaled $0.5 million or 10,922 shares, $0.5 million or 10,128 shares, and $0.5 million, or 9,004 shares, respectively. The expense recognized during the years ended December 31, 2021, 2020, and 2019 includes the Annual Award received during the first quarter of each year which totaled $0.2 million, $0.1 million, and $0.2 million, respectively.

NOTE 22. INCOME TAXES

The Company elected to be taxed as a REIT for U.S. federal income tax purposes under the Code commencing with its taxable year ended December 31, 2020. The Company believes that, commencing with such taxable year, it has been organized and has operated in such a manner as to qualify for taxation as a REIT under the U.S. federal income tax laws. The Company intends to continue to operate in such a manner. As a REIT, the Company will be subject to U.S. federal and state income taxation at corporate rates on its net taxable income; the Company, however, may claim a deduction for the amount of dividends paid to its stockholders. Amounts distributed as dividends by the Company will be subject to taxation at the stockholder level only. While the Company must distribute at least 90% of its REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain, to qualify as a REIT, the Company intends to distribute all of its net taxable income. The Company is allowed certain other non-cash deductions or adjustments, such as depreciation expense, when computing its REIT taxable income and distribution requirement. These deductions permit the Company to reduce its dividend payout requirement under U.S. federal income tax laws. Certain states may impose minimum franchise taxes. To comply with certain REIT requirements, the Company holds certain of its non-REIT assets and operations through taxable REIT subsidiaries ("TRSs") and subsidiaries of TRSs, which will be subject to applicable U.S. federal, state and local corporate income tax on their taxable income. For the periods presented, the Company held a total of five TRSs subject to taxation. The Company's TRSs will file tax returns separately as C-Corporations.

As a result of the Company's election to be taxed as a REIT, during the year ended December 31, 2020, an $82.5 million deferred tax benefit was recorded to de-recognize the deferred tax assets and liabilities associated with the entities included in the REIT. A significant portion of the deferred tax benefit recognized related to the de-recognition of deferred tax liabilities resulting from Code Section 1031 like-kind exchanges ("1031 Exchanges"). The Company will be subject to corporate income taxes related to assets held by it that are sold during the 5-year period following the date of conversion to the extent such sold assets had a built-in gain as of January 1, 2020. The Company generally does not intend to dispose of any REIT assets after the REIT conversion within the 5-year period, unless various tax planning strategies, including 1031 Exchanges or other deferred tax structures are available to mitigate the built-in gain tax liability of conversion.

Total income tax benefit (expense) are summarized as follows (in thousands):

	Year Ended December 31,		
	2021	2020	2019
Income Tax (Expense) Benefit from Continuing Operations	$ 3,079	$ 83,499	$ (5,472)
Income Tax Expense from Discontinued Operations	—	—	(32,641)
Total Consolidated Income Tax Benefit (Expense)	$ 3,079	$ 83,499	$ (38,113)

The provisions for income tax benefit (expense) from continuing operations are summarized as follows (in thousands):

	2021		2020		2019	
	Current	Deferred	Current	Deferred	Current	Deferred
Federal	$ 235	$ 2,362	$ 341	$ 70,106	$ (225)	$ (4,974)
State	44	438	63	12,989	20	(293)
Total	$ 279	$ 2,800	$ 404	$ 83,095	$ (205)	$ (5,267)

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to the differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases and operating loss and tax credit carryforwards. Deferred tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

The sources of these differences and the related deferred income tax assets (liabilities) are summarized as follows (in thousands):

	Deferred Tax	
	2021	2020
Deferred Income Tax Assets		
Capital Loss Carryforward	$ 2,249	$ —
Net Operating Loss Carryforward	291	1,103
Gross Deferred Income Tax Assets	2,540	1,103
Less - Valuation Allowance	(2,249)	—
Net Deferred Income Tax Assets	291	1,103
Deferred Income Tax Liabilities		
Basis Differences in Joint Ventures	—	(4,624)
Basis Differences in Mitigation Credit Assets	(774)	—
Total Deferred Income Tax Liabilities	(774)	(4,624)
Net Deferred Income Tax Liabilities	$ (483)	$ (3,521)

In assessing the realizability of deferred income tax assets, management considers whether it is more likely than not that some portion or all of the deferred income tax assets will not be realized. The ultimate realization of deferred income tax assets is dependent upon the realization of future taxable income during the periods in which those temporary differences become deductible. We consider past history, the scheduled reversal of taxable temporary differences, projected future taxable income, and tax planning strategies in making this assessment. As of December 31, 2021 and 2020, the Company has $0.3 million and $1.1 million in net operating loss (“NOL”) carryforwards, respectively. The Tax Cuts and Jobs Act allows for indefinite carryforwards for all NOLs generated in taxable years beginning after December 31, 2017. Additionally, there is no taxable income limitation, thus allowing an NOL carryforward to fully offset taxable income in tax years beginning before January 1, 2021. Accordingly, as of December 31, 2021 and 2020, no valuation allowance was considered necessary related to the Company’s NOL carryforwards. As of December 31, 2021, the Company had a capital loss carryforward totaling $9.0 million related to the elimination of the Company’s interest in the Land JV. The Company does not currently anticipate being able to utilize the capital loss carryforward and accordingly, has allowed for the $2.2 million deferred tax asset in full as of December 31, 2021.

Following is a reconciliation of the income tax computed at the federal statutory rate of 21% for 2021, 2020, and 2019, individually, for continuing operations (in thousands):

	Year Ended December 31,					
	2021		2020		2019	
Income Tax (Expense) Benefit Computed at Federal Statutory Rate	$ 4,408	16.4 %	$ 971	(19.5)%	$ (4,410)	(20.0)%
Increase (Decrease) Resulting from:						
State Income Tax, Net of Federal Income Tax Benefit	936	3.5 %	180	(3.6)%	(1,076)	(5.0)%
Income Tax on Permanently Non-Deductible Items	—	0.0 %	(112)	2.2 %	(86)	(0.4)%
Tax Benefit due to De-Recognition of REIT Deferred Tax Liabilities	—	0.0 %	82,460	(1652.6)%	—	0.0 %
Valuation Allowance	(2,216)	(8.2)%	—	0.0 %	—	0.0 %
Other Reconciling Items	(49)	(0.2)%	—	0.0 %	100	0.5 %
Benefit (Expense) for Income Taxes	$ 3,079	11.5 %	$ 83,499	(1673.4)%	$ (5,472)	(24.9)%

The effective income tax rate assumes a blended rate for estimated state and local taxes on its income and property. The effective income tax rate for the years ended December 31, 2021, 2020, and 2019, including the discontinued operations, was 11.5%, 1673.4%, and (24.9)%, respectively. The provision for income taxes reflects the Company’s estimate of the effective rate expected to be applicable for the full fiscal year, adjusted for any discrete events, which are reported in the period that they occur. The year ended December 31, 2021 included the impact of the capital loss carryforward valuation allowance. The year ended December 31, 2020 included the impact for the discrete event described above related to the de-recognition of the deferred tax assets and liabilities associated with the entities included in the REIT. There were no discrete events during the year ended December 31, 2019.

For prior taxable years through the year ended December 31, 2020, the Company has filed a consolidated income tax return in the United States Federal jurisdiction and the states of Alabama, Arizona, California, Colorado, Florida, Georgia, Maryland, Massachusetts, Nevada, New Mexico, New York, North Carolina, Oregon, Texas, Virginia, Washington, and Wisconsin. The Internal Revenue Service ("IRS") has audited the federal tax returns through the year 2012, with all proposed adjustments settled. The Florida Department of Revenue has audited the Florida tax returns through the year 2014, with all proposed adjustments settled. For the years ended December 31, 2021, 2020, and 2019, the Company recognized no uncertain tax positions or accrued interest and penalties for uncertain tax positions. If such positions do arise, it is the Company's intent that any interest or penalty amount related to such positions will be recorded as a component of the income tax provision (benefit) in the applicable period.

Income taxes totaling $0.4 million, $5.0 million, and $2.5 million were paid during the years ended December 31, 2021, 2020, and 2019, respectively. Additionally, income taxes totaling less than $0.1 million and $0.7 million were refunded during the years ended December 31, 2021 and 2019, respectively, with no income taxes refunded during the year ended December 31, 2020.

NOTE 23. COMMITMENTS AND CONTINGENCIES

MINIMUM FUTURE RENTAL PAYMENTS

The Company leases, as lessee, certain equipment under operating leases. Minimum future rental payments under non-cancelable operating leases having remaining terms in excess of one year as of December 31, 2021, are summarized as follows (in thousands):

Year Ending December 31,	Amounts
2022	$ 132
2023	47
2024	12
2025	7
2026	—
2027 and Thereafter (Cumulative)	—
Total	$ 198

Rental expense under all operating leases amounted to $0.1 million, $0.1 million, and $0.3 million for the years ended December 31, 2021, 2020, and 2019, respectively.

LEGAL PROCEEDINGS

From time to time, the Company may be a party to certain legal proceedings, incidental to the normal course of its business. While the outcome of the legal proceedings cannot be predicted with certainty, the Company does not expect that these proceedings will have a material effect upon our financial condition or results of operations.

Buc-ee's. On March 31, 2021, the Company and its wholly-owned subsidiary, Indigo Development LLC, a Florida limited liability company (collectively, "CTO") filed a Complaint for Declaratory Relief in the Circuit Court, Seventh Judicial Circuit, in and for Volusia County, Florida (Case No. 2021-30415-CICI) against Buc-ee's Ltd., a Texas limited partnership ("Buc-ee's"), in connection with a dispute over funds deposited in escrow by CTO in the amount of $0.8 million (the "Escrowed Funds"). The Escrowed Funds were deposited simultaneously with CTO's sale to Buc-ee's in March 2018 of 35 acres of real property located in Daytona Beach, Volusia County, Florida (the "Buc-ee's Parcel"). Pursuant to a post-closing escrow agreement between CTO and Buc-ee's, the Escrowed Funds were to be released to CTO once CTO had obtained certain wetlands-related permits for the benefit of a portion of the Buc-ee's Parcel. CTO was ultimately successful in obtaining the permits, although the permits were issued later than originally contemplated by the escrow agreement. Buc-ee's was aware of and acquiesced to CTO's continuing efforts and expenditures in obtaining the permits, including after the date originally contemplated in the escrow agreement; however, not until after the permits were issued did Buc-ee's inform CTO that Buc-ee's would not agree to release the Escrowed Funds to CTO. CTO's complaint sought a declaratory judgment determining the parties' entitlement to the Escrowed Funds and to reimburse CTO for its costs associated with seeking legal relief. On October 29, 2021, the Company entered into a settlement

agreement with Buc-ee's whereby the Company received $0.6 million of the Escrowed Funds, which revenue is included within real estate operations in the consolidated statements of operations.

CONTRACTUAL COMMITMENTS – EXPENDITURES

The Company has committed to fund the following capital improvements. The improvements, which are related to several properties, are estimated to be generally completed within twelve months. These commitments, as of December 31, 2021, are as follows (in thousands):

	As of December 31, 2021
Total Commitment [1]	$ 19,737
Less Amount Funded	(5,041)
Remaining Commitment	$ 14,696

[1] Commitment includes tenant improvements, leasing commissions, rebranding, facility expansion and other capital improvements.

OFF-BALANCE SHEET ARRANGEMENTS

None.

OTHER MATTERS

None.

NOTE 24. BUSINESS SEGMENT DATA

The Company operates in four primary business segments: income properties, management services, commercial loan and master lease investments, and real estate operations. The management services segment consists of the revenue generated from managing PINE and the Land JV.

Our income property operations consist of income-producing properties, and our business plan is focused on investing in additional income-producing properties. Our income property operations accounted for 86% and 80.0% of our identifiable assets as of December 31, 2021 and 2020, respectively, and 72.1%, 88.6%, and 93.4% of our consolidated revenues for the years ended December 31, 2021, 2020, and 2019, respectively. Our management fee income consists of the management fees earned for the management of PINE and the Land JV. As of December 31, 2021, our commercial loan and master lease investments portfolio consisted of two commercial loan investments and two commercial properties whose leases are classified as commercial loan and master lease investments. Our continuing real estate operations consists of revenues generated from leasing and royalty income from our interests in subsurface oil, gas, and mineral rights, and the generation and sale of mitigation credits.

The Company evaluates segment performance based on operating income. The Company's reportable segments are strategic business units that offer different products. They are managed separately because each segment requires different management techniques, knowledge, and skills.

Information about the Company's operations in different segments for the years ended December 31, 2021, 2020, and 2019 is as follows (in thousands):

	For the Year Ended		
	December 31, 2021	December 31, 2020	December 31, 2019
Revenues:			
Income Properties	$ 50,679	$ 49,953	$ 41,956
Management Fee Income	3,305	2,744	304
Interest Income From Commercial Loan and Master Lease Investments	2,861	3,034	1,829
Real Estate Operations	13,427	650	852
Total Revenues	$ 70,272	$ 56,381	$ 44,941
Operating Income (Loss):			
Income Properties	$ 36,864	$ 37,965	$ 34,955
Management Fee Income	3,305	2,744	304
Interest Income From Commercial Loan and Master Lease Investments	2,861	3,034	1,829
Real Estate Operations	4,812	(2,573)	748
General and Corporate Expense	(31,783)	(30,630)	(25,615)
Impairment Charges	(17,599)	(9,147)	—
Gain on Disposition of Assets	28,316	9,746	21,978
Gain (Loss) on Extinguishment of Debt	(3,431)	1,141	—
Total Operating Income	$ 23,345	$ 12,280	$ 34,199
Depreciation and Amortization:			
Income Properties	$ 20,561	$ 19,036	$ 15,774
Corporate and Other	20	27	23
Total Depreciation and Amortization	$ 20,581	$ 19,063	$ 15,797
Capital Expenditures:			
Income Properties	$ 256,456	$ 188,849	$ 166,684
Commercial Loan and Master Lease Investments	364	7,150	18,047
Discontinued Real Estate Operations	—	—	2,791
Corporate and Other	34	30	4
Total Capital Expenditures	$ 256,854	$ 196,029	$ 187,526

Identifiable assets of each segment as of December 31, 2021 and 2020 are as follows (in thousands):

	As of	
	December 31, 2021	December 31, 2020
Identifiable Assets:		
Income Properties	$ 630,747	$ 531,325
Management Services	1,653	700
Commercial Loan and Master Lease Investments	39,095	38,321
Real Estate Operations	26,512	59,717
Discontinued Real Estate Operations	—	833
Corporate and Other	35,132	35,804
Total Assets	$ 733,139	$ 666,700

Operating income represents income from continuing operations before interest expense, investment income, and income taxes. General and corporate expenses are an aggregate of general and administrative expenses and depreciation and amortization expense. Identifiable assets by segment are those assets that are used in the Company's operations in each segment. Real Estate Operations includes the identifiable assets of the Land JV, the Mitigation Bank, and Subsurface Interests. Corporate and other assets consist primarily of cash and restricted cash, property, plant, and equipment related to the other operations, as well as the general and corporate operations.

The Management Services segment had no capital expenditures as of December 31, 2021, 2020 or 2019.

NOTE 25. ASSETS AND LIABILITIES HELD FOR SALE AND DISCONTINUED OPERATIONS

Assets and liabilities held for sale as of December 31, 2021 and 2020 are summarized below (in thousands).

	As of December 31, 2021		
	Land JV	Income Properties	Total Assets Held for Sale
Plant, Property, and Equipment—Net	$ —	$ 6,016	$ 6,016
Intangible Lease Assets - Net	—	704	704
Total Assets Held for Sale	$ —	$ 6,720	$ 6,720

	As of December 31, 2020		
	Land JV	Income Properties	Total Assets (Liabilities) Held for Sale
Restricted Cash	$ 833	$ —	$ 833
Total Assets Held for Sale	$ 833	$ —	$ 833
Deferred Revenue	$ (831)	$ —	$ (831)
Total Liabilities Held for Sale	$ (831)	$ —	$ (831)

Deferred Revenue on Land Sales. In conjunction with the land sale to Buc-ee's in March 2018, the Company funded an escrow account for $0.8 million related to the portion of the acreage sold for which the Company was obligated to perform wetlands mitigation. As a result of the Company's obligation, $0.8 million of the sales price collected at closing was deferred and the revenue was to be recognized upon the Company's performance of the obligation. See Note 23, "Commitments and Contingencies" for further discussion related to the release of the Escrowed Funds during the year ended December 31, 2021.

There were no discontinued operations for the years ended December 31, 2021 and 2020. The following is a summary of discontinued operations for the year ended December 31, 2019 (in thousands):

	Year Ended December 31, 2019
Golf Operations Revenue	$ 4,097
Golf Operations Direct Cost of Revenues	(5,259)
Loss From Operations	(1,162)
Gain on Disposition of Assets	15
Loss From Discontinued Operations Before Income Tax	(1,147)
Income Tax Benefit	291
Loss From Discontinued Operations (Net of Income Tax)	$ (856)
Land Operations Revenue	$ 11,043
Land Operations Direct Cost of Revenues	(6,405)
Income From Operations	4,638
Gain on Disposition of Assets	127,518
Income From Discontinued Operations Before Income Tax	132,156
Income Tax Expense	(32,932)
Income From Discontinued Operations (Net of Income Tax)	$ 99,224
Total Income From Discontinued Operations (Net of Income Tax)	$ 98,368

NOTE 26. SUBSEQUENT EVENTS

The Company reviewed all subsequent events and transactions through February 24, 2022, the date the consolidated financial statements were issued.

Income Property Disposition

On January 5, 2022, the Company entered into a purchase and sale agreement with PINE for the sale of one single-tenant, net leased property located in Oceanside, New York, and occupied by Party City, for a purchase price of $6.9 million. The disposition was completed on January 7, 2022.

Commercial Loan Investment

On January 26, 2022, the Company originated a construction loan secured by the property and improvements to be constructed thereon for the second phase of The Exchange at Gwinnett project located in Buford, Georgia of an amount up to $8.7 million (the “Construction Loan”). Funding of the loan will occur as the borrower completes the underlying construction. The Construction Loan matures on January 26, 2024, has a one-year extension option, bears a fixed interest rate of 7.25%, and requires payments of interest only prior to maturity. At closing, a loan origination fee of $0.1 million was received by the Company.

There were no other reportable subsequent events or transactions.

SCHEDULE III
REAL ESTATE AND ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(In thousands)

Description	Encumbrances	Initial Cost to Company		Costs Capitalized Subsequent to Acquisition	
		Land	Buildings & Improvements	Improvements	Carrying Costs
Income Properties:	$	$	$	$	$
245 Riverside, Jacksonville, FL	—	6,020	14,240	2,033	—
Westcliff Shopping Center, Fort Worth, TX	—	10,521	4,196	287	—
Crabby's Oceanside, Daytona Beach, FL	—	5,836	4,249	45	—
LandShark Bar & Grill, Daytona Beach, FL	—	5,836	4,577	10	—
Chuy's, Jacksonville, FL	—	5,504	—	—	—
Fidelity, Albuquerque, NM	—	5,739	29,537	12	—
Firebirds Wood Fired Grill, Jacksonville, FL	—	4,203	—	—	—
General Dynamics, Reston, VA	—	7,530	9,068	—	—
Party City Corporation, Oceanside, NY	—	2,965	3,289	—	—
The Strand at St. Johns Town Center, Jacksonville, FL	—	12,551	36,431	204	—
Crossroads Towne Center, Chandler, AZ	—	9,592	41,717	199	—
Ashford Lane, Atlanta, GA	—	37,717	33,422	825	—
Sabal Pavilion, Tampa, FL	—	3,265	20,629	—	—
Jordan Landing, West Jordan, UT	—	10,529	5,752	—	—
Eastern Commons, Henderson, NV	—	7,894	8,575	—	—
The Shops at Legacy, Plano, TX	—	22,008	27,192	87	—
Beaver Creek Crossings, Apex, NC	—	21,383	39,194	—	—
125 Lincoln & 150 Washington, Santa Fe, NM	—	459	12,525	—	—
369 N. New York Ave., Winter Park, FL	—	8,524	5,139	—	—
The Exchange at Gwinnett, Buford, GA	—	4,450	25,300	—	—
	$ —	$ 192,526	$ 325,032	$ 3,702	$ —

(1) The aggregate cost, net of deferred tax liabilities, of Income Properties, Land, Buildings, and Improvements for Federal income tax purposes at December 31, 2021 is approximately $290.8 million.
(2) The company also owns two commercial properties whose leases are classified as a commercial loan and master lease investment pursuant to U.S. GAAP and, accordingly, are included on Schedule IV, Mortgage Loans on Real Estate.

Gross Amount at Which Carried at Close of Period
December 31, 2021
(In thousands)

	Land	Buildings	Total	Accumulated Depreciation	Date of Completion of Construction	Date Acquired	Life
Income Properties:							
245 Riverside, Jacksonville, FL	$ 6,020	$ 16,273	$ 22,293	$ 4,177	N/A	07/16/15	43 Yrs.
Westcliff Shopping Center, Fort Worth, TX	10,521	4,483	15,004	2,086	N/A	03/01/17	10 Yrs.
Crabby's Oceanside, Daytona Beach, FL	5,836	4,294	10,130	919	01/25/18	N/A	40 Yrs.
LandShark Bar & Grill, Daytona Beach, FL	5,836	4,587	10,423	869	01/25/18	N/A	40 Yrs.
Chuy's, Jacksonville, FL	5,504	—	5,504	—	N/A	10/10/18	N/A
Fidelity, Albuquerque, NM	5,739	29,549	35,288	3,655	N/A	10/04/18	45 Yrs.
Firebirds Wood Fired Grill, Jacksonville, FL	4,203	—	4,203	—	N/A	10/10/18	N/A
General Dynamics, Reston, VA	7,530	9,068	16,598	1,216	N/A	7/12/2019	35 Yrs.
Party City Corporation, Oceanside, NY	2,965	3,289	6,254	237	N/A	9/24/2019	35 Yrs.
The Strand at St. Johns Town Center, Jacksonville, FL	12,551	36,635	49,186	2,906	N/A	12/9/2019	48 Yrs
Crossroads Towne Center, Chandler, AZ	9,592	41,916	51,508	2,766	N/A	1/24/2020	35 Yrs.
Ashford Lane, Atlanta, GA	37,717	34,247	71,964	2,181	N/A	2/21/2020	36 Yrs.
Sabal Pavilion, Tampa, FL	3,265	20,629	23,894	1,248	N/A	8/21/2020	40 Yrs.
Jordan Landing, West Jordan, UT	10,529	5,752	16,281	250	N/A	3/2/2021	30 Yrs.
Eastern Commons, Henderson, NV	7,894	8,575	16,469	325	N/A	3/10/2021	35 Yrs.
The Shops at Legacy, Plano, TX	22,008	27,279	49,287	918	N/A	6/23/2021	32 Yrs.
Beaver Creek Crossings, Apex, NC	21,383	39,194	60,577	149	N/A	12/2/2021	30 Yrs.
125 Lincoln & 150 Washington, Santa Fe, NM	459	12,525	12,984	20	N/A	12/20/2021	30 Yrs.
369 N. New York Ave., Winter Park, FL	8,524	5,139	13,663	10	N/A	12/20/2021	30 Yrs.
The Exchange at Gwinnett, Buford, GA	4,450	25,300	29,750	4	N/A	12/30/2021	45 Yrs.
	$ 192,526	$ 328,734	$ 521,260	$ 23,936			

REAL ESTATE AND ACCUMULATED DEPRECIATION
FOR THE YEAR ENDED DECEMBER 31, 2021
(In thousands)

	2021	2020	2019
Cost:			
Balance at Beginning of Year	$ 472,126	$ 392,842	$ 463,704
Additions and Improvements	206,646	147,359	130,005
Cost of Real Estate Sold	(157,512)	(68,075)	(200,867)
Balance at End of Year	$ 521,260	$ 472,126	$ 392,842
Accumulated Depreciation:			
Balance at Beginning of Year	30,316	22,552	28,733
Depreciation and Amortization	12,270	11,207	9,892
Depreciation on Real Estate Sold	(18,650)	(3,443)	(16,073)
Balance at End of Year	$ 23,936	$ 30,316	$ 22,552
Reconciliation to Consolidated Balance Sheet at December 31, 2021:			
Income Properties, Land, Buildings, and Improvements			$ 515,007
			515,007
Cost Basis of Assets Classified as Held for Sale on Balance Sheet			6,253
Total Per Schedule			$ 521,260

SCHEDULE IV
MORTGAGE LOANS ON REAL ESTATE
FOR THE YEAR ENDED DECEMBER 31, 2021

There was a portfolio of two commercial loan investments and two commercial properties whose leases were classified as commercial loan and master lease investments as of December 31, 2021 (in thousands).

Description	Interest Rate	Final Maturity Date	Periodic Payment Terms	Prior Liens	Face Amount of Mortgages	Carrying Amounts of Mortgages [2]	Principal Amount of Loans Subject to Delinquent Principal or Interest
Carpenter Hotel – 400 Josephine Street, Austin, TX [1]	N/A	N/A	Monthly Rent Payments	$ —	$ 16,250	$ 17,189	$ —
Westland Gateway Plaza – Hialeah, FL [1]	N/A	N/A	Monthly Rent Payments	—	21,085	21,148	—
Mortgage Note – 4311 Maple Avenue, Dallas, TX	7.50%	April 2023	Principal payable in full at maturity	—	400	394	—
Mortgage Note – 110 N Beach Street, Daytona Beach, FL	10.00%	December 2022	Principal payable in full at maturity	—	364	364	—
Totals				$ —	$ 38,099	$ 39,095	$ —

The following represents the activity within the Company's commercial loan and master lease investments segment for the years ended December 31, 2021, 2020, and 2019 (in thousands):

	2021	2020	2019
Balance at Beginning of Year	$ 38,320	$ 34,625	$ —
Additions During the Year:			
New Mortgage Loans	364	28,360	34,570
Collection of Origination Fees	—	(125)	—
Accretion of Origination Fees [3]	2	161	(139)
Imputed Interest Over Rent Payments on Ground Lease Loan	409	399	194
Deductions During the Year:			
Collection of Principal	—	(23,132)	—
Impairment / CECL Reserve	—	(1,968)	—
Balance at End of Year	$ 39,095	$ 38,320	$ 34,625

(1) Represents a commercial property whose lease is classified as a commercial loan and master lease investment pursuant to U.S. GAAP.
(2) The aggregate carrying amount of mortgages for Federal income tax purposes at December 31, 2021 totaled $18.4 million.
(3) Non-cash accretion of loan origination fees

DESCRIPTION OF THE REGISTRANT'S SECURITIES REGISTERED PURSUANT TO SECTION 12 OF THE SECURITIES EXCHANGE ACT OF 1934

*The following is a summary of the material terms of our securities registered under Section 12 of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***"), and provisions of our charter and bylaws. The summary is subject to and qualified in its entirety by reference to the charter and bylaws. The following also summarizes certain provisions of the Maryland General Corporation Law (the "***MGCL***") and is subject to and qualified in its entirety by reference to the MGCL.*

General

Pursuant to our charter, we are currently authorized to designate and issue up to 500,000,000 shares of common stock, $0.01 par value per share (our "**common stock**"), and 100,000,000 shares of preferred stock, $0.01 par value per share (our "**preferred stock**"). A majority of our entire board of directors has the power, without stockholder approval, to amend our charter to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that we are authorized to issue.

Description of Common Stock

General

Our charter provides that we have authority to issue up to 500,000,000 shares of common stock. Under Maryland law, stockholders generally are not liable for a corporation's debts or obligations solely as a result of their status as stockholders.

Distribution, Liquidation and Other Rights

Stockholders are entitled to receive distributions when authorized by our board of directors and declared by us out of assets legally available for the payment of dividends. Stockholders are also entitled to share ratably in our assets legally available for distribution to our stockholders in the event of our liquidation, dissolution, or winding up, after payment of, or adequate provision for, all of our known debts and liabilities. These rights are subject to the preferential rights of any other class or series of our stock, including any shares of preferred stock we may issue, and to the provisions of our charter regarding restrictions on ownership and transfer of our stock. See "Restrictions on Ownership and Transfer."

Our common stockholders have no preference, conversion, exchange, sinking fund or redemption rights and have no preemptive rights to subscribe for any of our capital stock. Our charter provides that our stockholders generally have no appraisal rights unless our board of directors determines that appraisal rights will apply to one or more transactions in which our common stockholders would otherwise be entitled to exercise such rights. Subject to our charter restrictions on ownership and transfer of our stock, holders of shares of our common stock have equal dividend, liquidation and other rights.

Voting Rights

Subject to our charter restrictions on ownership and transfer of our stock and the terms of any other class or series of our stock, each outstanding share of our common stock entitles the holder thereof to one vote on all matters submitted to a vote of stockholders, including the election of directors. Cumulative voting in the election of directors is not permitted. Directors will be elected by a majority of the votes cast at the meeting in which directors are being elected and at which a quorum is present; provided, however, that directors will be elected by a plurality of the votes cast if the number of nominees is greater than the number of directors to be elected.

Power to Classify and Reclassify Unissued Stock

Our charter authorizes our board of directors to reclassify any unissued shares of our common stock into other classes or series of stock, including classes or series of preferred stock, and to establish the designation and number of shares of each such class or series and to set, subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of each such class or series. Thus, our board of directors could authorize the issuance of shares of common stock or preferred stock with terms and conditions which could have the effect of delaying, deferring or preventing a transaction or a change in control that might involve a premium price for our common stock or that our common stockholders otherwise believe to be in their best interests.

Listing

Our common stock is listed on the New York Stock Exchange under the trading symbol "CTO."

Transfer Agent and Registrar

The transfer agent and registrar for our common stock is Computershare Trust Company, N.A.

Description of Series A Preferred Stock

General

3,000,000 shares of preferred stock have been designated as shares of 6.375% Series A Cumulative Redeemable Preferred Stock (the "**Series A Preferred Stock**"). A majority of our entire board of directors may authorize the issuance and sale of additional shares of Series A Preferred Stock from time to time.

Ranking

The Series A Preferred Stock ranks, with respect to distribution rights and rights upon voluntary or involuntary liquidation, dissolution or winding up of our affairs:

- senior to all classes or series of our common stock and to any other class or series of our capital stock expressly designated as ranking junior to the Series A Preferred Stock;

- on parity with any class or series of our capital stock expressly designated as ranking on parity with the Series A Preferred Stock; and

- junior to any other class or series of our capital stock expressly designated as ranking senior to the Series A Preferred Stock.

The term "capital stock" does not include convertible or exchangeable debt securities, which, prior to conversion or exchange, would rank senior in right of payment to the Series A Preferred Stock. The Series A Preferred Stock also ranks junior in right of payment to our other existing and future debt obligations.

Dividends

Subject to the preferential rights of the holders of any class or series of our capital stock ranking senior to the Series A Preferred Stock with respect to distribution rights, holders of shares of the Series A Preferred Stock are entitled to receive, when, as and if authorized by our board of directors and declared by us out of funds legally available for the payment of dividends, cumulative cash dividends at the rate of 6.375% per annum of the $25.00 liquidation preference per share of the Series A Preferred Stock (equivalent to the fixed annual amount of $1.59375 per share of the Series A Preferred Stock).

Dividends on the Series A Preferred Stock will accrue and be cumulative from, and including, the date of original issue and will be payable to holders quarterly in arrears on or about the last day of March, June, September and December of each year or, if such day is not a business day, on either the immediately preceding business day or next succeeding business day at our option, except that, if such business day is in the next succeeding year, such payment shall be made on the immediately preceding business day, in each case with the same force and effect as if made on such date. The term "business day" means each day, other than a Saturday or a Sunday, which is not a day on which banks in New York are required to close.

The amount of any dividend payable on the Series A Preferred Stock for any period greater or less than a full dividend period will be prorated and computed on the basis of a 360-day year consisting of twelve 30-day months. A dividend period is the respective period commencing on and including the first day of January, April, July and October of each year and ending on and including the day preceding the first day of the next succeeding dividend period (other than the initial dividend period and the dividend period during which any shares of Series A Preferred Stock shall be redeemed). Dividends will be payable to holders of record as they appear in our stock records at the close of business on the applicable record date, which shall be the date designated by our board of directors as the record date for the payment of dividends that is not more than 90 days prior to the scheduled dividend payment date.

Dividends on the Series A Preferred Stock will accrue whether or not:

- we have earnings;

- there are funds legally available for the payment of those dividends; or

- those dividends are authorized or declared.

Except as described in this paragraph and the next paragraph, unless full cumulative dividends on the Series A Preferred Stock for all past dividend periods shall have been or contemporaneously are declared and paid in cash or declared and a sum sufficient for the payment thereof in cash is set apart for payment, we will not:

- declare and pay or declare and set aside for payment of dividends, and we will not declare and make any distribution of cash or other property, directly or indirectly, on or with respect to any shares of our common stock or shares of any other class or series of our capital stock ranking, as to distributions, on parity with or junior to the Series A Preferred Stock, for any period; or

- redeem, purchase or otherwise acquire for any consideration, or make any other distribution of cash or other property, directly or indirectly, on or with respect to, or pay or make available any monies for a sinking fund for the redemption of, any shares of our common stock or shares of any other class or series of our capital stock ranking, as to distributions and upon liquidation, on parity with or junior to the Series A Preferred Stock.

The foregoing sentence, however, will not prohibit:

- dividends payable solely in shares of our common stock or shares of any other class or series of our capital stock ranking junior to the Series A Preferred Stock as to payment of distributions and the distribution of assets upon our liquidation, dissolution and winding up;

- the conversion into or in exchange for other shares of any class or series of capital stock ranking junior to the Series A Preferred Stock as to payment of distributions and the distribution of assets upon our liquidation, dissolution and winding up; and

- our redemption, purchase or other acquisition of shares of Series A Preferred Stock, preferred stock ranking on parity with the Series A Preferred Stock as to payment of distributions and upon liquidation, dissolution or winding up or capital stock or equity securities ranking junior to the Series A Preferred Stock pursuant to our charter to the extent necessary to preserve our status as a REIT as discussed under “Restrictions on Ownership and Transfer.”

When we do not pay dividends in full (or do not set apart a sum sufficient to pay them in full) on the Series A Preferred Stock and the shares of any other class or series of capital stock ranking, as to distributions, on parity with the Series A Preferred Stock, we will declare any dividends upon the Series A Preferred Stock and each such other class or series of capital stock ranking, as to distributions, on parity with the Series A Preferred Stock pro rata, so that the amount of dividends declared per share of Series A Preferred Stock and such other class or series of capital stock will in all cases bear to each other the same ratio that accrued dividends per share on the Series A Preferred Stock and such other class or series of capital stock (which will not include any accrual in respect of unpaid dividends on such other class or series of capital stock for prior dividend periods if such other class or series of capital stock does not have a cumulative dividend) bear to each other. No interest, or sum of money in lieu of interest, will be payable in respect of any dividend payment or payments on the Series A Preferred Stock which may be in arrears.

Holders of shares of Series A Preferred Stock are not entitled to any dividend, whether payable in cash, property or shares of capital stock, in excess of full cumulative dividends on the Series A Preferred Stock as described above. Any dividend payment made on the Series A Preferred Stock

will first be credited against the earliest accrued but unpaid dividends due with respect to those shares which remain payable. Accrued but unpaid dividends on the Series A Preferred Stock will accumulate as of the dividend payment date on which they first become payable.

We do not intend to declare dividends on the Series A Preferred Stock, or pay or set apart for payment dividends on the Series A Preferred Stock, if the terms of any of our agreements, including any agreements relating to our indebtedness, prohibit such a declaration, payment or setting apart for payment or provide that such declaration, payment or setting apart for payment would constitute a breach of or default under such an agreement. Likewise, no dividends will be authorized by our board of directors and declared by us or paid or set apart for payment if such authorization, declaration or payment is restricted or prohibited by law. We are and may in the future become a party to agreements that restrict or prevent the payment of dividends on, or the purchase or redemption of, our capital stock. Under certain circumstances, these agreements could restrict or prevent the payment of dividends on or the purchase or redemption of Series A Preferred Stock. These restrictions may be indirect (for example, covenants requiring us to maintain specified levels of net worth or assets) or direct. We do not believe that these restrictions currently have any adverse impact on our ability to pay dividends to holders or make redemptions of the Series A Preferred Stock.

Liquidation Preference

Upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, before any distribution or payment shall be made to holders of shares of our common stock or any other class or series of our capital stock ranking, as to rights upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, junior to the Series A Preferred Stock, holders of shares of Series A Preferred Stock will be entitled to be paid out of our assets legally available for distribution to our stockholders, after payment of or provision for our debts and other liabilities and any class or series of our capital stock ranking, as to rights upon any voluntary or involuntary liquidation, dissolution or winding up of our affairs, senior to the Series A Preferred Stock, a liquidation preference of $25.00 per share of the Series A Preferred Stock, plus an amount equal to any accrued and unpaid dividends (whether or not authorized or declared) up to, but excluding, the date of payment. If, upon our voluntary or involuntary liquidation, dissolution or winding up, our available assets are insufficient to pay the full amount of the liquidating distributions on all outstanding shares of Series A Preferred Stock and the corresponding amounts payable on all shares of each other class or series of capital stock ranking, as to rights upon liquidation, dissolution or winding up, on parity with the Series A Preferred Stock in the distribution of assets, then holders of shares of Series A Preferred Stock and each such other class or series of capital stock ranking, as to rights upon any voluntary or involuntary liquidation, dissolution or winding up, on parity with the Series A Preferred Stock will share ratably in any distribution of assets in proportion to the full liquidating distributions to which they would otherwise be respectively entitled.

Holders of shares of Series A Preferred Stock will be entitled to written notice of any voluntary or involuntary liquidation, dissolution or winding up of our affairs stating the payment date or dates when, and the place or places where, the amounts distributable in such circumstances shall be payable not fewer than 30 days and not more than 60 days prior to the distribution payment date. After payment of the full amount of the liquidating distributions to which they are entitled,

holders of shares of Series A Preferred Stock will have no right or claim to any of our remaining assets. Our consolidation or merger with or into any other corporation, trust or other entity, or the voluntary sale, lease, transfer or conveyance of all or substantially all of our property or business, will not be deemed to constitute a liquidation, dissolution or winding up of our affairs.

In determining whether a distribution (other than upon voluntary or involuntary liquidation), by dividend, redemption or other acquisition of shares of our capital stock or otherwise, is permitted under Maryland law, amounts that would be needed, if we were to be dissolved at the time of the distribution, to satisfy the preferential rights upon dissolution of holders of shares of Series A Preferred Stock will not be added to our total liabilities.

Optional Redemption

Except with respect to the special optional redemption described below and in certain limited circumstances relating to our maintenance of our REIT status as described in "Restrictions on Ownership and Transfer," we cannot redeem the Series A Preferred Stock prior to July 6, 2026. On and after July 6, 2026, we may, at our option, upon not fewer than 30 and not more than 60 days' written notice, redeem the Series A Preferred Stock, in whole or in part, at any time or from time to time, for cash at a redemption price of $25.00 per share, plus any accrued and unpaid dividends (whether or not authorized or declared) up to, but excluding, the date fixed for redemption, without interest, to the extent we have funds legally available for that purpose.

If fewer than all of the outstanding shares of the Series A Preferred Stock are to be redeemed (in the case of a redemption of the Series A Preferred Stock other than to preserve our status as a REIT), we will select the shares of Series A Preferred Stock to be redeemed pro rata (as nearly as may be practicable without creating fractional shares) or by lot as we determine. If such redemption is to be by lot and, as a result of such redemption, any holder of shares of Series A Preferred Stock, other than a holder of Series A Preferred Stock that has received an exemption from the ownership limit, would have actual or constructive ownership of more than 9.8% (in value or in number of shares, whichever is more restrictive) of the outstanding shares of the Series A Preferred Stock, or more than 9.8% of the value of the aggregate outstanding shares of our capital stock because such holder's shares of Series A Preferred Stock were not redeemed, or were only redeemed in part, then, except as otherwise provided in the charter, we will redeem the requisite number of shares of Series A Preferred Stock of such holder such that no holder will own in excess of 9.8% (in value or in number of shares, whichever is more restrictive) of the outstanding shares of the Series A Preferred Stock or more than 9.8% of the value of the aggregate outstanding shares of our capital stock subsequent to such redemption. See "Restrictions on Ownership and Transfer." In order for their shares of Series A Preferred Stock to be redeemed, holders must surrender their shares at the place, or in accordance with the book-entry procedures, designated in the notice of redemption. Holders will then be entitled to the redemption price and any accrued and unpaid dividends payable upon redemption following surrender of the shares as detailed below. If a notice of redemption has been given (in the case of a redemption of the Series A Preferred Stock other than to preserve our status as a REIT), if the funds necessary for the redemption have been set aside by us in trust for the benefit of the holders of any shares of Series A Preferred Stock called for redemption and if irrevocable instructions have been given to pay the redemption price and any accrued and unpaid dividends, then from and after the redemption date, dividends will cease to accrue on such shares of Series A Preferred Stock and such shares of Series A Preferred Stock will no longer be deemed

outstanding. At such time, all rights of the holders of such shares will terminate, except the right to receive the redemption price plus any accrued and unpaid dividends payable upon redemption, without interest. So long as no dividends payable on the Series A Preferred Stock and any class or series of parity preferred stock are in arrears for any past dividend periods that have ended and subject to the provisions of applicable law, we may from time to time repurchase all or any part of the Series A Preferred Stock, including the repurchase of shares of Series A Preferred Stock in open-market transactions and individual purchases at such prices as we negotiate, in each case as duly authorized by our board of directors. Regardless of whether dividends are paid in full on the Series A Preferred Stock or any class or series of parity preferred stock, we may purchase or acquire shares of Series A Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Series A Preferred Stock.

Unless full cumulative dividends on all shares of Series A Preferred Stock have been or contemporaneously are authorized, declared and paid or declared and a sum sufficient for the payment thereof set apart for payment for all past dividend periods that have ended, no shares of Series A Preferred Stock will be redeemed unless all outstanding shares of Series A Preferred Stock are simultaneously redeemed and we will not purchase or otherwise acquire directly or indirectly any shares of Series A Preferred Stock or any class or series of our capital stock ranking, as to distributions or upon liquidation, dissolution or winding up, on parity with or junior to the Series A Preferred Stock (except by exchange for our capital stock ranking junior to the Series A Preferred Stock as to distributions and upon liquidation); provided, however, that whether or not the requirements set forth above have been met, we may purchase shares of Series A Preferred Stock, preferred stock ranking on parity with the Series A Preferred Stock as to payment of distributions and upon liquidation, dissolution or winding up or capital stock or equity securities ranking junior to the Series A Preferred Stock pursuant to our charter to the extent necessary to ensure that we continue to meet the requirements for qualification as a REIT for federal income tax purposes, and may purchase or acquire shares of Series A Preferred Stock pursuant to a purchase or exchange offer made on the same terms to holders of all outstanding shares of Series A Preferred Stock. See “Restrictions on Ownership and Transfer” below.

We will mail a notice of redemption, postage prepaid, not fewer than 30 nor more than 60 days prior to the redemption date, addressed to the respective holders of record of the Series A Preferred Stock to be redeemed at their respective addresses as they appear on our stock transfer records as maintained by the transfer agent named in “—Transfer Agent and Registrar.” No failure to give, nor defect in, such notice, nor in the mailing thereof, shall affect the validity of the proceedings for the redemption of any shares of Series A Preferred Stock except as to the holder to whom notice was defective or not given. In addition to any information required by law or by the applicable rules of any exchange upon which the Series A Preferred Stock may be listed or admitted to trading, each notice will state:

- the redemption date;
- the redemption price;
- the number of shares of Series A Preferred Stock to be redeemed;

- the place or places where the certificates, if any, representing shares of Series A Preferred Stock are to be surrendered for payment of the redemption price;
- procedures for surrendering noncertificated shares of Series A Preferred Stock for payment of the redemption price;
- that dividends on the shares of Series A Preferred Stock to be redeemed will cease to accumulate on such redemption date; and
- that payment of the redemption price and any accumulated and unpaid dividends will be made upon presentation and surrender of such Series A Preferred Stock.

If fewer than all of the shares of Series A Preferred Stock held by any holder are to be redeemed, the notice mailed to such holder will also specify the number of shares of Series A Preferred Stock held by such holder to be redeemed.

We are not required to provide such notice in the event we redeem Series A Preferred Stock in order to maintain our status as a REIT.

If a redemption date falls after a dividend record date and on or prior to the corresponding dividend payment date, each holder of shares of the Series A Preferred Stock at the close of business of such dividend record date will be entitled to the dividend payable on such shares on the corresponding dividend payment date notwithstanding the redemption of such shares on or prior to such dividend payment date. Except as described above, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on Series A Preferred Stock for which a notice of redemption has been given.

All shares of Series A Preferred Stock that we redeem or repurchase will be retired and restored to the status of authorized but unissued shares of preferred stock, without designation as to series or class.

Special Optional Redemption

Upon the occurrence of a Change of Control (as defined below), we may, at our option, redeem the Series A Preferred Stock, in whole or in part within 120 days after the first date on which such Change of Control occurred, by paying $25.00 per share, plus any accrued and unpaid dividends up to, but excluding, the date of redemption. If, prior to the Change of Control Conversion Date, we have provided or provide notice of redemption with respect to the Series A Preferred Stock (whether pursuant to our optional redemption right or our special optional redemption right), the holders of Series A Preferred Stock will not have the conversion right described below under "— Conversion Rights."

We will mail to each record holder of the Series A Preferred Stock a notice of redemption no fewer than 30 days nor more than 60 days before the redemption date. We will send the notice to the address shown on our share transfer books. A failure to give notice of redemption or any defect in the notice or in its mailing will not affect the validity of the redemption of any Series A Preferred Stock except as to the holder to whom notice was defective. Each notice will state the following:

- the redemption date;
- the redemption price;
- the number of shares of Series A Preferred Stock to be redeemed;
- the place or places where the certificates, if any, representing shares of Series A Preferred Stock are to be surrendered for payment of the redemption price;
- procedures for surrendering noncertificated shares of Series A Preferred Stock for payment of the redemption price;
- that dividends on the shares of Series A Preferred Stock to be redeemed will cease to accumulate on such redemption date;
- that payment of the redemption price and any accumulated and unpaid dividends will be made upon presentation and surrender of such Series A Preferred Stock;
- that the Series A Preferred Stock is being redeemed pursuant to our special optional redemption right in connection with the occurrence of a Change of Control and a brief description of the transaction or transactions constituting such Change of Control; and
- that the holders of the Series A Preferred Stock to which the notice relates will not be able to tender such Series A Preferred Stock for conversion in connection with the Change of Control and each share of Series A Preferred Stock tendered for conversion that is selected, prior to the Change of Control Conversion Date, for redemption will be redeemed on the related date of redemption instead of converted on the Change of Control Conversion Date.

If we redeem fewer than all of the outstanding shares of Series A Preferred Stock, the notice of redemption mailed to each stockholder will also specify the number of shares of Series A Preferred Stock that we will redeem from each stockholder. In this case, we will determine the number of shares of Series A Preferred Stock to be redeemed as described above in "—Optional Redemption."

If we have given a notice of redemption and have set aside sufficient funds for the redemption in trust for the benefit of the holders of the Series A Preferred Stock called for redemption, then from and after the redemption date, those shares of Series A Preferred Stock will be treated as no longer being outstanding, no further dividends will accrue and all other rights of the holders of those shares of Series A Preferred Stock will terminate. The holders of those shares of Series A Preferred Stock will retain their right to receive the redemption price for their shares and any accrued and unpaid dividends up to, but excluding, the redemption date, without interest.

The holders of Series A Preferred Stock at the close of business on a dividend record date will be entitled to receive the dividend payable with respect to the Series A Preferred Stock on the corresponding payment date notwithstanding the redemption of the Series A Preferred Stock between such record date and the corresponding payment date or our default in the payment of the dividend due. Except as provided above, we will make no payment or allowance for unpaid dividends, whether or not in arrears, on Series A Preferred Stock to be redeemed.

A "**Change of Control**" is when, after the original issuance of the Series A Preferred Stock, the following have occurred and are continuing:

- the acquisition by any person, including any syndicate or group deemed to be a "person" under Section 13(d)(3) of the Exchange Act, of beneficial ownership, directly or indirectly, through a purchase, merger or other acquisition transaction or series of purchases, mergers or other acquisition transactions of stock of our company entitling that person to exercise more than 50% of the total voting power of all stock of our company entitled to vote generally in the election of our directors (except that such person will be deemed to have beneficial ownership of all securities that such person has the right to acquire, whether such right is currently exercisable or is exercisable only upon the occurrence of a subsequent condition); and

- following the closing of any transaction referred to in the bullet point above, neither we nor the acquiring or surviving entity has a class of common securities (or ADRs representing such securities) listed on the NYSE, the NYSE American or Nasdaq or listed or quoted on an exchange or quotation system that is a successor to the NYSE, the NYSE American or Nasdaq.

Conversion Rights

Upon the occurrence of a Change of Control, each holder of Series A Preferred Stock will have the right, unless, prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem the Series A Preferred Stock as described under "—Optional Redemption" or "—Special Optional Redemption," to convert some or all of the Series A Preferred Stock held by such holder (the "**Change of Control Conversion Right**") on the Change of Control Conversion Date into a number of shares of our common stock per share of Series A Preferred Stock (the "**Common Stock Conversion Consideration**"), which is equal to the lesser of:

- the quotient obtained by dividing (i) the sum of (x) the $25.00 liquidation preference plus (y) the amount of any accrued and unpaid dividends up to, but excluding, the Change of Control Conversion Date (unless the Change of Control Conversion Date is after a record date for a Series A Preferred Stock dividend payment and prior to the corresponding Series A Preferred Stock dividend payment date, in which case no additional amount for such accrued and unpaid dividend will be included in this sum) by (ii) the Common Stock Price (such quotient, the **"Conversion Rate**"); and

- 0.9406 (the "**Share Cap**").

The Share Cap is subject to pro rata adjustments for any share splits (including those effected pursuant to a distribution of our common stock), subdivisions or combinations (in each case, a "**Share Split**") with respect to our common stock as follows: the adjusted Share Cap as the result of a Share Split will be the number of shares of our common stock that is equivalent to the product obtained by multiplying (i) the Share Cap in effect immediately prior to such Share Split by (ii) a fraction, the numerator of which is the number of shares of our common stock outstanding after giving effect to such Share Split and the denominator of which is the number of shares of our common stock outstanding immediately prior to such Share Split.

For the avoidance of doubt, subject to the immediately succeeding sentence, the aggregate number of shares of our common stock (or equivalent Alternative Conversion Consideration (as defined below), as applicable) issuable in connection with the exercise of the Change of Control Conversion Right will not exceed 2,821,800 shares of common stock (or equivalent Alternative Conversion Consideration, as applicable) (the "**Exchange Cap**"). The Exchange Cap is subject to pro rata adjustments for any Share Splits on the same basis as the corresponding adjustments to the Share Cap and is subject to increase in the event that additional shares of Series A Preferred Stock are issued in the future.

In the case of a Change of Control pursuant to which shares of our common stock will be converted into cash, securities or other property or assets (including any combination thereof) (the "**Alternative Form Consideration**"), a holder of Series A Preferred Stock will receive upon conversion of such Series A Preferred Stock the kind and amount of Alternative Form Consideration which such holder would have owned or been entitled to receive upon the Change of Control had such holder held a number of shares of our common stock equal to the Common Stock Conversion Consideration immediately prior to the effective time of the Change of Control (the "**Alternative Conversion Consideration**," and the Common Stock Conversion Consideration or the Alternative Conversion Consideration, as may be applicable to a Change of Control, is referred to as the "**Conversion Consideration**").

If the holders of our common stock have the opportunity to elect the form of consideration to be received in the Change of Control, the Conversion Consideration will be deemed to be the kind and amount of consideration actually received by holders of a majority of the shares of our common stock that voted for such an election (if electing between two types of consideration) or holders of a plurality of the shares of our common stock that voted for such an election (if electing between more than two types of consideration), as the case may be, and will be subject to any limitations to which all holders of our common stock are subject, including, without limitation, pro rata reductions applicable to any portion of the consideration payable in the Change of Control.

We will not issue fractional shares of common stock upon the conversion of the Series A Preferred Stock. Instead, we will pay the cash value of such fractional shares. If more than one share of Series A Preferred Stock is surrendered for conversion at one time by or for the same holder, the number of full shares of the common stock issuable upon conversion thereof shall be computed on the basis of the aggregate number of shares of Series A Preferred Stock so surrendered.

Within 15 days following the occurrence of a Change of Control, we will provide to holders of Series A Preferred Stock a notice of occurrence of the Change of Control that describes the resulting Change of Control Conversion Right. This notice will state the following:

- the events constituting the Change of Control;
- the date of the Change of Control;
- the last date on which the holders of Series A Preferred Stock may exercise their Change of Control Conversion Right;
- the method and period for calculating the Common Stock Price;

- the Change of Control Conversion Date;
- that if, prior to the Change of Control Conversion Date, we have provided or provide notice of our election to redeem all or any portion of the Series A Preferred Stock, holders will not be able to convert shares of Series A Preferred Stock designated for redemption and such shares will be redeemed on the related redemption date, even if such shares have already been tendered for conversion pursuant to the Change of Control Conversion Right;
- if applicable, the type and amount of Alternative Conversion Consideration entitled to be received per share of Series A Preferred Stock;
- the name and address of the paying agent and the conversion agent; and
- the procedures that the holders of shares of Series A Preferred Stock must follow to exercise the Change of Control Conversion Right.

We will issue a press release for publication on the Dow Jones & Company, Inc., Business Wire, PR Newswire or Bloomberg Business News (or, if these organizations are not in existence at the time of issuance of the press release, such other news or press organization as is reasonably calculated to broadly disseminate the relevant information to the public), or post a notice on our website, in any event prior to the opening of business on the first business day following any date on which we provide the notice described above to the holders of shares of Series A Preferred Stock.

To exercise the Change of Control Conversion Right, the holders of Series A Preferred Stock will be required to deliver, on or before the close of business on the Change of Control Conversion Date, the certificates (if any) representing Series A Preferred Stock to be converted, duly endorsed for transfer, together with a written conversion notice completed, to our transfer agent. The conversion notice must state:

- the relevant Change of Control Conversion Date;
- the number of shares of Series A Preferred Stock to be converted; and
- that the Series A Preferred Stock is to be converted pursuant to the applicable provisions of the Series A Preferred Stock.

The "**Change of Control Conversion Date**" is the date the Series A Preferred Stock is to be converted, which will be a business day that is no fewer than 20 days nor more than 35 days after the date on which we provide the notice described above to the holders of shares of Series A Preferred Stock.

The "**Common Stock Price**" will be (i) if the consideration to be received in the Change of Control by the holders of our common stock is solely cash, the amount of cash consideration per share of our common stock or (ii) if the consideration to be received in the Change of Control by holders of our common stock is other than solely cash (x) the average of the closing sale prices per share of our common stock (or, if no closing sale price is reported, the average of the closing bid and ask prices or, if more than one in either case, the average of the average closing bid and the

average closing ask prices) for the ten consecutive trading days immediately preceding, but not including, the effective date of the Change of Control as reported on the principal U.S. securities exchange on which our common stock is then traded, or (y) the average of the last quoted bid prices for our common stock in the over-the-counter market as reported by OTC Markets Group Inc. or similar organization for the ten consecutive trading days immediately preceding, but not including, the effective date of the Change of Control, if our common stock is not then listed for trading on a U.S. securities exchange.

Holders of shares of Series A Preferred Stock may withdraw any notice of exercise of a Change of Control Conversion Right (in whole or in part) by a written notice of withdrawal delivered to our transfer agent prior to the close of business on the business day prior to the Change of Control Conversion Date. The notice of withdrawal must state:

- the number of withdrawn shares of Series A Preferred Stock;
- if certificated Series A Preferred Stock has been issued, the certificate numbers of the withdrawn shares of Series A Preferred Stock; and
- the number of shares of Series A Preferred Stock, if any, which remain subject to the conversion notice.

Notwithstanding the foregoing, if the Series A Preferred Stock is held in global form, the conversion notice and/or the notice of withdrawal, as applicable, must comply with applicable procedures of DTC.

The shares of Series A Preferred Stock as to which the Change of Control Conversion Right has been properly exercised and for which the conversion notice has not been properly withdrawn will be converted into the applicable Conversion Consideration in accordance with the Change of Control Conversion Right on the Change of Control Conversion Date, unless prior to the Change of Control Conversion Date we have provided or provide notice of our election to redeem such shares of Series A Preferred Stock, whether pursuant to our optional redemption right or our special optional redemption right. If we elect to redeem Series A Preferred Stock that would otherwise be converted into the applicable Conversion Consideration on a Change of Control Conversion Date, such Series A Preferred Stock will not be so converted and the holders of such shares will be entitled to receive on the applicable redemption date $25.00 per share, plus any accrued and unpaid dividends thereon up to, but excluding, the redemption date, in accordance with our optional redemption right or special optional redemption right. See “—Optional Redemption” and “—Special Optional Redemption” above.

We will deliver the applicable Conversion Consideration no later than the third business day following the Change of Control Conversion Date.

In connection with the exercise of any Change of Control Conversion Right, we will comply with all federal and state securities laws and stock exchange rules in connection with any conversion of Series A Preferred Stock into shares of our common stock. Notwithstanding any other provision of the Series A Preferred Stock, no holder of Series A Preferred Stock will be entitled to convert such Series A Preferred Stock into shares of our common stock to the extent that receipt of such common stock would cause such holder (or any other person) to exceed the

share ownership limits contained in our charter, including the Articles Supplementary setting forth the terms of the Series A Preferred Stock, unless we provide an exemption from this limitation for such holder. See “Restrictions on Ownership and Transfer” below.

The Change of Control conversion feature may make it more difficult for a party to take over our company or discourage a party from taking over our company.

Except as provided above in connection with a Change of Control, the Series A Preferred Stock is not convertible into or exchangeable for any other securities or property.

No Maturity, Sinking Fund or Mandatory Redemption

The Series A Preferred Stock has no stated maturity date and we are not required to redeem the Series A Preferred Stock at any time. We are not required to set aside funds to redeem the Series A Preferred Stock. Accordingly, the Series A Preferred Stock will remain outstanding indefinitely, unless we decide, at our option, to exercise our redemption right or, under circumstances where the holders of the Series A Preferred Stock have a conversion right, such holders convert the Series A Preferred Stock into our common stock. The Series A Preferred Stock is not subject to any sinking fund.

Limited Voting Rights

Holders of shares of the Series A Preferred Stock generally do not have any voting rights, except as set forth below.

If dividends on the Series A Preferred Stock are in arrears for six or more quarterly periods, whether or not consecutive (which we refer to as a preferred dividend default), holders of shares of the Series A Preferred Stock (voting separately as a class together with the holders of all other classes or series of preferred stock upon which like voting rights have been conferred and are exercisable) will be entitled to vote for the election of a total of two additional directors to serve on our board of directors (which we refer to as preferred stock directors), until all unpaid dividends for past dividend periods with respect to the Series A Preferred Stock and any other class or series of preferred stock upon which like voting rights have been conferred and are exercisable have been paid. In such a case, the number of directors serving on our board of directors will be increased by two. The preferred stock directors will be elected by a plurality of the votes cast in the election for a one-year term and each preferred stock director will serve until his successor is duly elected and qualifies or until the director’s right to hold the office terminates, whichever occurs earlier. The election will take place at:

- either a special meeting called upon the written request of holders of at least 33% of the outstanding shares of Series A Preferred Stock together with any other class or series of preferred stock upon which like voting rights have been conferred and are exercisable, if this request is received more than 90 days before the date fixed for our next annual or special meeting of stockholders or, if we receive the request for a special meeting within 90 days before the date fixed for our next annual or special meeting of stockholders, at our annual or special meeting of stockholders; and

- each subsequent annual meeting (or special meeting held in its place) until all dividends accumulated on the Series A Preferred Stock and on any other class or series of preferred stock upon which like voting rights have been conferred and are exercisable have been paid in full or declared and a sum sufficient for the payment thereof set aside for payment for all past dividend periods.

If and when all accumulated dividends on the Series A Preferred Stock and all other classes or series of preferred stock upon which like voting rights have been conferred and are exercisable shall have been paid in full, holders of shares of Series A Preferred Stock shall be divested of the voting rights set forth above (subject to re-vesting in the event of each and every preferred dividend default) and the term and office of such preferred stock directors so elected will terminate and the number of directors will be reduced accordingly.

Any preferred stock director elected by holders of shares of Series A Preferred Stock and other holders of preferred stock upon which like voting rights have been conferred and are exercisable may be removed at any time with or without cause by the vote of, and may not be removed otherwise than by the vote of, the holders of record of a majority of the outstanding shares of Series A Preferred Stock and other parity preferred stock entitled to vote thereon when they have the voting rights described above (voting as a single class). So long as a preferred dividend default continues, any vacancy in the office of a preferred stock director may be filled by written consent of the preferred stock director remaining in office, or if none remains in office, by a vote of the holders of record of a majority of the outstanding shares of Series A Preferred Stock when they have the voting rights described above (voting as a single class with all other classes or series of preferred stock upon which like voting rights have been conferred and are exercisable). The preferred stock directors shall each be entitled to one vote on any matter before our board of directors.

In addition, so long as any shares of Series A Preferred Stock remain outstanding, we will not, without the consent or the affirmative vote of the holders of at least two-thirds of the outstanding shares of Series A Preferred Stock together with each other class or series of preferred stock ranking on parity with Series A Preferred Stock with respect to distribution rights and rights upon our liquidation, dissolution or winding up and upon which like voting rights have been conferred and are exercisable (voting together as a single class):

- authorize, create or issue, or increase the number of authorized or issued shares of, any class or series of stock ranking senior to such Series A Preferred Stock with respect to distribution rights and rights upon our liquidation, dissolution or winding up, or reclassify any of our authorized capital stock into any such shares, or create, authorize or issue any obligation or security convertible into or evidencing the right to purchase any such shares; or

- amend, alter or repeal the provisions of our charter, including the terms of the Series A Preferred Stock, whether by merger, consolidation, transfer or conveyance of all or substantially all of our assets or otherwise, so as to materially and adversely affect the rights, preferences, privileges or voting powers of the Series A Preferred Stock,

except that with respect to the occurrence of any of the events described in the second bullet point immediately above, so long as the Series A Preferred Stock remains outstanding with the terms of the Series A Preferred Stock materially unchanged or the holders of shares of Series A Preferred Stock receive stock of the successor with substantially identical rights, taking into account that, upon the occurrence of an event described in the second bullet point above, we may not be the surviving entity, the occurrence of such event will not be deemed to materially and adversely affect the rights, preferences, privileges or voting powers of the Series A Preferred Stock, and in such case such holders shall not have any voting rights with respect to the events described in the second bullet point immediately above. Furthermore, if holders of shares of the Series A Preferred Stock receive the greater of the full trading price of the Series A Preferred Stock on the date of an event described in the second bullet point immediately above or the $25.00 per share liquidation preference plus any accrued and unpaid dividends thereon pursuant to the occurrence of any of the events described in the second bullet point immediately above, then such holders shall not have any voting rights with respect to the events described in the second bullet point immediately above. If any event described in the second bullet point above would materially and adversely affect the rights, preferences, privileges or voting powers of the Series A Preferred Stock disproportionately relative to other classes or series of preferred stock ranking on parity with the Series A Preferred Stock with respect to distribution rights and rights upon our liquidation, dissolution or winding up, the affirmative vote of the holders of at least two-thirds of the outstanding shares of the Series A Preferred Stock, voting separately as a class, will also be required.

Holders of shares of Series A Preferred Stock will not be entitled to vote with respect to any increase in the total number of authorized shares of our common stock or preferred stock, any increase in the number of authorized shares of Series A Preferred Stock or the creation or issuance of any other class or series of capital stock, or any increase in the number of authorized shares of any other class or series of capital stock, in each case ranking on parity with or junior to the Series A Preferred Stock with respect to the payment of distributions and the distribution of assets upon liquidation, dissolution or winding up.

Holders of shares of Series A Preferred Stock will not have any voting rights with respect to, and the consent of the holders of shares of Series A Preferred Stock is not required for, the taking of any corporate action, including any merger or consolidation involving us or a sale of all or substantially all of our assets, regardless of the effect that such merger, consolidation or sale may have upon the powers, preferences, voting powers or other rights or privileges of the Series A Preferred Stock, except as set forth above.

In addition, the voting provisions above will not apply if, at or prior to the time when the act with respect to which the vote would otherwise be required would occur, we have redeemed or called for redemption upon proper procedures all outstanding shares of Series A Preferred Stock.

In any matter in which Series A Preferred Stock may vote (as expressly provided in the Articles Supplementary setting forth the terms of the Series A Preferred Stock), each share of Series A Preferred Stock shall be entitled to one vote per $25.00 of liquidation preference. As a result, each share of Series A Preferred Stock will be entitled to one vote.

Listing

Our Series A Preferred Stock is listed on the New York Stock Exchange under the trading symbol “CTO PrA.”

Transfer Agent and Registrar

The transfer agent and registrar for our Series A Preferred Stock is Computershare Trust Company, N.A.

Certain Provisions of Maryland Law and of Our Charter and Bylaws

Our Board of Directors

Under our charter and bylaws, the number of directors of our company may be established, increased or decreased only by a majority of our entire board of directors but may not be fewer than the minimum number required under the MGCL (which is one) nor, unless our bylaws are amended, more than 15.

Removal of Directors

Our charter provides that, subject to the rights of holders of one or more classes or series of preferred stock to elect or remove one or more directors, a director may be removed only for cause (as defined in our charter) and only by the affirmative vote of at least two-thirds of the votes entitled to be cast generally in the election of directors.

Business Combinations

Under the MGCL, certain “business combinations” (including a merger, consolidation, statutory share exchange or, in certain circumstances specified under the statute, an asset transfer or issuance or reclassification of equity securities) between a Maryland corporation and any interested stockholder, or an affiliate of such an interested stockholder, are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. Maryland law defines an interested stockholder as:

- any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation’s outstanding voting stock; or

- an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner of 10% or more of the voting power of the then-outstanding voting stock of the corporation.

A person is not an interested stockholder under the MGCL if the board of directors approved in advance the transaction by which the person otherwise would have become an interested stockholder. In approving a transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of the approval, with any terms and conditions determined by it.

After such five-year period, any such business combination must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and

- two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom (or with whose affiliate) the business combination is to be effected or held by an affiliate or associate of the interested stockholder.

These supermajority approval requirements do not apply if, among other conditions, the corporation's common stockholders receive a minimum price (as defined in the MGCL) for their shares and the consideration is received in cash or in the same form as previously paid by the interested stockholder for its shares.

These provisions of the MGCL do not apply, however, to business combinations that are approved or exempted by a corporation's board of directors prior to the time that the interested stockholder becomes an interested stockholder. As permitted by the MGCL, our board of directors has adopted a resolution exempting any business combination between us and any other person from the provisions of this statute. Consequently, the five-year prohibition and the supermajority vote requirements will not apply to business combinations involving us. As a result, any person will be able to enter into business combinations with us that may not be in the best interests of our stockholders, without compliance with the supermajority vote requirements and other provisions of the statute. However, our board of directors may repeal or modify this resolution at any time in the future, in which case the applicable provisions of the MGCL will become applicable to business combinations between us and interested stockholders.

Control Share Acquisitions

The MGCL provides that a holder of "control shares" of a Maryland corporation acquired in a "control share acquisition" has no voting rights with respect to those shares except to the extent approved by the affirmative vote of at least two-thirds of the votes entitled to be cast by stockholders entitled to exercise or direct the exercise of the voting power in the election of directors generally but excluding: (1) the person who has made or proposes to make the control share acquisition; (2) any officer of the corporation; or (3) any employee of the corporation who is also a director of the corporation. "**Control shares**" are voting shares of stock that, if aggregated with all other such shares of stock previously acquired by the acquirer or in respect of which the acquirer is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise voting power in electing directors within one of the following ranges:

- one-tenth or more but less than one-third;

- one-third or more but less than a majority; or

- a majority or more of all voting power.

Control shares do not include shares that the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval. A "**control share acquisition**" means the

acquisition, directly or indirectly, of ownership of, or the power to direct the exercise of voting power with respect to, issued and outstanding control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition, upon satisfaction of certain conditions (including an undertaking to pay expenses and making an "acquiring person statement" as described in the MGCL), may compel the board of directors of the company to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the control shares. If no request for a special meeting is made, the corporation may itself present the question at any stockholders meeting.

If voting rights of control shares are not approved at the meeting or if the acquiring person does not deliver an "acquiring person statement" as required by the statute, then, subject to certain conditions and limitations, the corporation may redeem any or all of the control shares (except those for which voting rights have previously been approved) for fair value determined, without regard to the absence of voting rights for the control shares, as of the date of the last control share acquisition by the acquirer or, if a meeting of stockholders at which the voting rights of such shares are considered and not approved is held, as of the date of such meeting. If voting rights for control shares are approved at a stockholders meeting and the acquirer becomes entitled to vote a majority of the shares entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of such appraisal rights may not be less than the highest price per share paid by the acquirer in the control share acquisition.

The control share acquisition statute does not apply (1) to shares acquired in a merger, consolidation or statutory share exchange if the corporation is a party to the transaction or (2) to acquisitions approved or exempted by the charter or bylaws of the corporation.

Our bylaws contain a provision exempting from the control share acquisition statute any and all control share acquisitions by any person of shares of our stock. There can be no assurance that such provision will not be amended or eliminated at any time in the future by our board of directors.

Subtitle 8

Subtitle 8 of Title 3 of the MGCL permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to be subject to any or all of the following five provisions:

- a classified board;
- a two-thirds vote requirement for removing a director;
- a requirement that the number of directors be fixed only by vote of the directors;
- a requirement that a vacancy on the board be filled only by a vote of the remaining directors (whether or not they constitute a quorum) and for the remainder of the full term of the class of directors in which the vacancy occurred and until a successor is elected and qualifies; or

- a majority requirement for the calling of a special meeting of stockholders.

Our charter provides that, effective at such time as we are able to make a Subtitle 8 election, vacancies on our board of directors may be filled only by the remaining directors (whether or not they constitute a quorum) and that a director elected by the board of directors to fill a vacancy will serve for the remainder of the full term of the directorship. We have not elected to be subject to any of the other provisions of Subtitle 8, including the provisions that would permit us to classify our board of directors without stockholder approval. Moreover, our charter provides that, without the affirmative vote of a majority of the votes cast on the matter by stockholders entitled to vote generally in the election of directors, we may not elect to be subject to any of these additional provisions of Subtitle 8. Through provisions in our charter and bylaws unrelated to Subtitle 8, we (1) vest in our board of directors the exclusive power to fix the number of directors, (2) require, unless called by our chairman, our chief executive officer, our president or our board of directors, the request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast at the meeting to call a special meeting of stockholders and (3) provide that a director may be removed only for cause and by the affirmative vote of two-thirds of the votes entitled to be cast generally in the election of directors.

Amendments to Our Charter and Bylaws

Except as described herein and as provided in the MGCL, amendments to our charter must be advised by our board of directors and approved by the affirmative vote of our stockholders entitled to cast a majority of all of the votes entitled to be cast on the matter. Our board of directors is expressly authorized to amend and repeal any provision of our bylaws. In addition, our bylaws may be amended or repealed by our stockholders, without the approval of our board of directors, by the affirmative vote of 85% of the votes entitled to be cast on the matter by stockholders entitled to vote generally in the election of directors.

Meetings of Stockholders

Under our bylaws and pursuant to Maryland law, annual meetings of stockholders will be held each year at a date and at the time and place determined by our board of directors. Special meetings of stockholders may be called by our board of directors, the chairman of our board of directors, our president or our chief executive officer. Additionally, subject to the provisions of our bylaws, special meetings of the stockholders to act on any matter must be called by our secretary upon the written request of stockholders entitled to cast a majority of all the votes entitled to be cast on such matter at such meeting who have requested the special meeting in accordance with the procedures set forth in, and provided the information and certifications required by, our bylaws. Only matters set forth in the notice of the special meeting may be considered and acted upon at such a meeting. Our secretary will inform the requesting stockholders of the reasonably estimated cost of preparing and delivering the notice of meeting (including our proxy materials), and the requesting stockholder must pay such estimated cost before our secretary may prepare and deliver the notice of the special meeting.

Charter Amendments and Extraordinary Transactions

Under Maryland law, a Maryland corporation generally cannot dissolve, amend its charter, merge, sell all or substantially all of its assets, convert into another form of entity, engage in a statutory share exchange or engage in similar transactions unless such transaction is declared advisable by the board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of all of the votes entitled to be cast on the matter unless a lesser percentage (but not less than a majority of the votes entitled to be cast on the matter) is set forth in the corporation's charter. Our charter provides for approval of these matters by the affirmative vote of stockholders entitled to cast a majority of the votes entitled to be cast on such matter, except that the affirmative vote of stockholders holding at least two-thirds of the shares entitled to vote on such matter is required to amend the provisions of our charter relating to the removal of directors or the vote required to amend the removal provisions. Maryland law also permits a corporation to transfer all or substantially all of its assets without the approval of its stockholders to an entity all of the equity interests of which are owned, directly or indirectly, by the corporation.

Advance Notice of Director Nominations and New Business

Our bylaws provide that:

- with respect to an annual meeting of stockholders, nominations of individuals for election to our board of directors and the proposal of business to be considered by stockholders at the annual meeting may be made only:
  - pursuant to our notice of the meeting;
  - by or at the direction of our board of directors; or
  - by a stockholder who was a stockholder of record at the record date set by the board of directors for the meeting, at the time of giving of the notice of the meeting and at the time of the annual meeting (and any postponement or adjustment thereof), who is entitled to vote at the meeting in the election of each individual so nominated or on such other business and who has complied with the advance notice procedures set forth in, and provided the information and certifications required by, our bylaws; and
- with respect to special meetings of stockholders, only the business specified in our company's notice of meeting may be brought before the special meeting of stockholders, and nominations of individuals for election to our board of directors may be made only:
  - by or at the direction of our board of directors; or
  - provided that the special meeting has been called in accordance with our bylaws for the purpose of electing directors, by any stockholder who is a stockholder of record at the record date set by the board of directors for the special meeting, at the time of giving of the notice required by our bylaws and at the time of the meeting (and any postponement or adjustment thereof), who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the advance notice

provisions set forth in, and provided the information and certifications required by, our bylaws.

The purpose of requiring stockholders to give advance notice of nominations and other proposals is to afford our board of directors and our stockholders the opportunity to consider the qualifications of the proposed nominees or the advisability of the other proposals and, to the extent considered necessary by our board of directors, to inform stockholders and make recommendations regarding the nominations or other proposals. Although our bylaws do not give our board of directors the power to disapprove timely stockholder nominations and proposals, our bylaws may have the effect of precluding a contest for the election of directors or proposals for other action if the proper procedures are not followed, and of discouraging or deterring a third party from conducting a solicitation of proxies to elect its own slate of directors to our board of directors or to approve its own proposal.

Anti-takeover Effect of Certain Provisions of Maryland Law and of Our Charter and Bylaws

The restrictions on ownership and transfer of our stock discussed below, the supermajority vote required to remove directors, our election to be subject to the provision of Subtitle 8 vesting in our board of directors the exclusive power to fill vacancies on our board of directors, and the advance notice provisions of our bylaws could delay, defer or prevent a transaction or a change of control of our company. Likewise, if our board of directors were to elect to be subject to the business combination provisions of the MGCL or if the provision in our bylaws opting out of the control share acquisition provisions of the MGCL were amended or rescinded, these provisions of the MGCL could have similar anti-takeover effects.

Further, a majority of our entire board of directors has the power to increase or decrease the aggregate number of authorized shares of stock or the number of shares of any class or series of stock that we are authorized to issue, to classify and reclassify any unissued shares of our stock into other classes or series of stock and to authorize us to issue the newly classified shares, as discussed under the captions “General”, “Description of Common Stock—Power to Classify and Reclassify Unissued Stock” and “Description of Series A Preferred Stock—General” and could authorize the issuance of shares of common stock or another class or series of stock, including a class or series of preferred stock, that could have the effect of delaying, deferring or preventing a change in control of us. These actions may be taken without stockholder approval unless such approval is required by applicable law, the terms of any other class or series of our stock or the rules of any stock exchange or automated quotation system on which any of our stock is listed or traded. We believe that the power of our board of directors to increase or decrease the number of authorized shares of stock and to classify or reclassify unissued shares of our common stock or preferred stock and thereafter to cause us to issue such shares of stock will provide us with increased flexibility in structuring possible future financings and acquisitions and in meeting other needs which might arise.

Our charter and bylaws also provide that the number of directors may be established only by our board of directors, which prevents our stockholders from increasing the number of our directors and filling any vacancies created by such increase with their own nominees. The provisions of our bylaws discussed above under the captions “—Meetings of Stockholders” and “—Advance Notice of Director Nominations and New Business” require stockholders seeking to

call a special meeting, nominate an individual for election as a director or propose other business at an annual or special meeting to comply with certain notice and information requirements. We believe that these provisions will help to assure the continuity and stability of our business strategies and policies as determined by our board of directors and promote good corporate governance by providing us with clear procedures for calling special meetings, information about a stockholder proponent's interest in us and adequate time to consider stockholder nominees and other business proposals. However, these provisions, alone or in combination, could make it more difficult for our stockholders to remove incumbent directors or fill vacancies on our board of directors with their own nominees and could delay, defer or prevent a change in control, including a proxy contest or tender offer that might involve a premium price for our common stockholders or otherwise be in the best interest of our stockholders.

Exclusive Forum

Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Baltimore Division, will be the sole and exclusive forum for (a) any Internal Corporate Claim, as such term is defined in the MGCL, (b) any derivative action or proceeding brought on our behalf other than actions arising under the federal securities laws, (c) any action asserting a claim of breach of any duty owed by any of our directors, officers or other employees to us or to our stockholders, (d) any action asserting a claim against us or any of our directors, officers or other employees arising pursuant to any provision of the MGCL or our charter or bylaws or (e) any action asserting a claim against us or any of our directors, officers or other employees that is governed by the internal affairs doctrine.

Limitation of Liability and Indemnification of Directors and Officers

Maryland law permits a Maryland corporation to include in its charter a provision limiting the liability of its directors and officers to the corporation and its stockholders for money damages except for liability resulting from actual receipt of an improper benefit or profit in money, property or services or active and deliberate dishonesty that is established by a final judgment and is material to the cause of action. Our charter contains such a provision that eliminates such liability to the maximum extent permitted by Maryland law.

The MGCL requires a Maryland corporation (unless its charter provides otherwise, which our charter does not) to indemnify a director or officer who has been successful, on the merits or otherwise, in the defense of any proceeding to which he or she is made or threatened to be made a party by reason of his or her service in that capacity. The MGCL permits a Maryland corporation to indemnify its present and former directors and officers, among others, against judgments, penalties, fines, settlements and reasonable expenses actually incurred by them in connection with any proceeding to which they may be made or are threatened to be made a party by reason of their service in those or other capacities unless it is established that:

- the act or omission of the director or officer was material to the matter giving rise to the proceeding and:
    - was committed in bad faith; or

- was the result of active and deliberate dishonesty;

- the director or officer actually received an improper personal benefit in money, property or services; or

- in the case of any criminal proceeding, the director or officer had reasonable cause to believe that the act or omission was unlawful.

However, under the MGCL, a Maryland corporation may not indemnify a director or officer for an adverse judgment in a suit by or on behalf of the corporation or if the director or officer was adjudged liable on the basis that personal benefit was improperly received, unless, in either case, a court orders indemnification and then only for expenses. A court may order indemnification if it determines that the director or officer is fairly and reasonably entitled to indemnification, even though the director or officer did not meet the prescribed standard of conduct or was adjudged liable on the basis that personal benefit was improperly received.

In addition, the MGCL permits a Maryland corporation to advance reasonable expenses to a director or officer upon the corporation's receipt of:

- a written affirmation by the director or officer of his or her good faith belief that he or she has met the standard of conduct necessary for indemnification by the corporation; and

- a written undertaking, which may be unsecured, by the director or officer or on the director's or officer's behalf to repay the amount paid if it shall ultimately be determined that the standard of conduct has not been met.

Our charter obligates us, to the maximum extent permitted by Maryland law in effect from time to time, to indemnify and to pay or reimburse reasonable expenses in advance of final disposition of a proceeding without requiring a preliminary determination of the director's or officer's ultimate entitlement to indemnification to:

- any present or former director or officer who is made or threatened to be made a party to or witness in the proceeding by reason of his or her service in that capacity; or

- any individual who, while a director or officer of our company and at our request, serves or has served as a director, officer, partner, member, manager, trustee, employee or agent of another corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or any other enterprise and who is made or threatened to be made a party to or witness in the proceeding by reason of his or her service in that capacity.

Our charter also permits us, with the approval of our board of directors, to indemnify and advance expenses to any person who served a predecessor of ours in any of the capacities described above and to any employee or agent of our company or a predecessor of our company.

We maintain directors' and officers' liability insurance which would indemnify our directors and officers against damages arising out of certain kinds of claims which might be made against them based on their negligent acts or omissions while acting in their capacity as such.

REIT Qualification

Our charter provides that our board of directors may revoke or otherwise terminate our election to be taxed as a real estate investment trust ("**REIT**") for U.S. federal income tax purposes, without approval of our stockholders, if it determines that it is no longer in our best interest to continue to qualify as a REIT.

Restrictions on Ownership and Transfer

For us to qualify and maintain our qualification as a REIT for each taxable year commencing with our taxable year ended December 31, 2021, our shares of stock must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year. Also, not more than 50% of the value of our outstanding shares of stock may be owned, directly or indirectly, by five or fewer individuals (as defined in the Internal Revenue Code of 1986, as amended (the "**Code**"), to include certain entities) during the last half of a taxable year commencing with our taxable year ended December 31, 2021.

Because our board of directors believes it is at present essential for us to qualify as a REIT, our charter, subject to certain exceptions, restricts the amount of our shares of stock that a person may beneficially or constructively own. Our charter provides that, subject to certain exceptions, no person may beneficially or constructively own more than 9.8% in value or in number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our capital stock.

Our charter also prohibits any person from (i) beneficially owning shares of our capital stock to the extent that such beneficial ownership would result in our being "closely held" within the meaning of Section 856(h) of the Code (without regard to whether the ownership interest is held during the last half of the taxable year), (ii) transferring shares of our capital stock to the extent that such transfer would result in shares of our capital stock being beneficially owned by less than 100 persons (determined under the principles of Section 856(a)(5) of the Code), (iii) beneficially or constructively owning shares of our capital stock to the extent such beneficial or constructive ownership would cause us to constructively own 10% or more of the ownership interests in a tenant (other than a taxable REIT subsidiary (as defined in Section 856(l) of the Code)) of our real property within the meaning of Section 856(d)(2)(B) of the Code or (iv) beneficially or constructively owning or transferring shares of our capital stock if such ownership or transfer would otherwise cause us to fail to qualify as a REIT. Any person who acquires or attempts or intends to acquire beneficial or constructive ownership of shares of our capital stock that will or may violate any of the foregoing restrictions on transferability and ownership, or any person who would have owned shares of our capital stock that resulted in a transfer of shares of our capital stock to a charitable trust, is required to give written notice immediately to us, or in the case of a proposed or attempted transaction, to give at least 15 days' prior written notice, and provide us with such other information as we may request in order to determine the effect of such transfer on our qualification as a REIT. The foregoing restrictions on transferability and ownership will not

apply if our board of directors determines that it is no longer in our best interests to attempt to qualify, or to continue to qualify, as a REIT.

Our board of directors, in its sole discretion, may prospectively or retroactively exempt a person from the limits described above and may establish or increase an excepted holder percentage limit for such person. The person seeking an exemption must provide to our board of directors such representations, covenants and undertakings as our board of directors may deem appropriate in order to conclude that granting the exemption will not cause us to fail to qualify as a REIT. Our board of directors may not grant such an exemption to any person if such exemption would result in our failing to qualify as a REIT. Our board of directors may require a ruling from the Internal Revenue Service or an opinion of counsel, in either case in form and substance satisfactory to the board of directors, in its sole discretion, in order to determine or ensure our status as a REIT.

Any attempted transfer of shares of our capital stock which, if effective, would violate any of the restrictions described above will result in the number of shares causing the violation (rounded up to the nearest whole share) to be automatically transferred to a trust for the exclusive benefit of one or more charitable beneficiaries, except that any transfer that results in the violation of the restriction relating to shares of our capital stock being beneficially owned by fewer than 100 persons will be void ab initio. In either case, the proposed transferee will not acquire any rights in such shares. The automatic transfer will be deemed to be effective as of the close of business on the business day prior to the date of the purported transfer or other event that results in the transfer to the trust. Shares held in the trust will be issued and outstanding shares. The proposed transferee will not benefit economically from ownership of any shares held in the trust, will have no rights to dividends or other distributions and will have no rights to vote or other rights attributable to the shares held in the trust. The trustee of the trust will have all voting rights and rights to dividends or other distributions with respect to shares held in the trust. These rights will be exercised for the exclusive benefit of the charitable beneficiary. Any dividend or other distribution paid prior to our discovery that shares have been transferred to the trust will be paid by the recipient to the trustee upon demand. Any distribution authorized but unpaid will be paid when due to the trustee. Any dividend or other distribution paid to the trustee will be held in trust for the charitable beneficiary. Subject to Maryland law, the trustee will have the authority (i) to rescind as void any vote cast by the proposed transferee prior to our discovery that the shares have been transferred to the trust and (ii) to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary. However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast the vote.

Within 20 days of receiving notice from us that shares of our capital stock have been transferred to the trust, the trustee will sell the shares to a person designated by the trustee, whose ownership of the shares will not violate the above ownership and transfer limitations. Upon the sale, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the proposed transferee and to the charitable beneficiary as follows. The proposed transferee will receive the lesser of (i) the price paid by the proposed transferee for the shares or, if the proposed transferee did not give value for the shares in connection with the event causing the shares to be held in the trust (e.g., a gift, devise or other similar transaction), the market price (as defined in our charter) of the shares on the day of the event causing the shares to be held in the trust and (ii) the price received by the trustee (net of any commission and other

expenses of sale) from the sale or other disposition of the shares. The trustee may reduce the amount payable to the proposed transferee by the amount of dividends or other distributions paid to the proposed transferee and owed by the proposed transferee to the trustee. Any net sale proceeds in excess of the amount payable to the proposed transferee will be paid immediately to the charitable beneficiary. If, prior to our discovery that shares of our capital stock have been transferred to the trust, the shares are sold by the proposed transferee, then (i) the shares shall be deemed to have been sold on behalf of the trust and (ii) to the extent that the proposed transferee received an amount for the shares that exceeds the amount he or she was entitled to receive, the excess shall be paid to the trustee upon demand.

In addition, shares of our capital stock held in the trust will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of (i) the price per share in the transaction that resulted in the transfer to the trust (or, in the case of a devise or gift, the market price at the time of the devise or gift) and (ii) the market price on the date we, or our designee, accept the offer, which we may reduce by the amount of dividends and distributions paid to the proposed transferee and owed by the proposed transferee to the trustee. We will have the right to accept the offer until the trustee has sold the shares. Upon a sale to us, the interest of the charitable beneficiary in the shares sold will terminate and the trustee will distribute the net proceeds of the sale to the proposed transferee.

If a transfer to a charitable trust, as described above, would be ineffective for any reason to prevent a violation of a restriction, the transfer that would have resulted in such violation will be void ab initio, and the proposed transferee shall acquire no rights in such shares.

Every owner of more than 5% (or such lower percentage as required by the Code or the regulations promulgated thereunder) of shares of our capital stock, within 30 days after the end of each taxable year, is required to give us written notice, stating his or her name and address, the number of shares of each class and/or series of our stock that he or she beneficially owns and a description of the manner in which the shares are held. Each such owner must provide us with such additional information as we may request in order to determine the effect, if any, of his or her beneficial ownership on our status as a REIT and to ensure compliance with the ownership limits. In addition, each stockholder will upon demand be required to provide us with such information as we may request in order to determine our status as a REIT and to comply with the requirements of any taxing authority or governmental authority or to determine such compliance and to ensure compliance with the ownership limit.

These ownership limitations could delay, defer or prevent a transaction or a change in control that might involve a premium price for our common stock or otherwise be in the best interest of our stockholders.

CTO REALTY GROWTH, INC.
PERFORMANCE SHARE AWARD AGREEMENT

This PERFORMANCE SHARE AWARD AGREEMENT (this "Agreement") is made as of the 17th day of February, 2022 (the "Grant Date"), by and between CTO REALTY GROWTH, INC., a Maryland corporation (the "Company"), and _____ ("Grantee").

BACKGROUND

The Company has adopted the Third Amended and Restated CTO Realty Growth, Inc. 2010 Equity Incentive Plan (the "Plan"), which is administered by the Compensation Committee (the "Committee") of the Company's Board of Directors (the "Board"). Section 8 of the Plan provides that the Committee shall have the discretion and right to grant Performance Shares, subject to the terms and conditions of the Plan and any additional terms provided by the Committee. The Committee has granted Performance Shares to Grantee as of the Grant Date pursuant to the terms of the Plan and this Agreement. Grantee desires to accept the grant of Performance Shares and agrees to be bound by the terms and conditions of the Plan and this Agreement. Unless otherwise defined herein, capitalized terms used herein shall have the meaning ascribed to such terms in the Plan.

AGREEMENT

1. Award of Performance Shares. Subject to the terms and conditions provided in this Agreement and the Plan, the Company hereby grants to Grantee _____ (_____) (the "Performance Shares") as of the Grant Date. The extent to which Grantee's rights and interest in the Performance Shares become vested and non-forfeitable shall be determined in accordance with the provisions of Section 2 of this Agreement. The grant of the Performance Shares is made in consideration of the services to be rendered by Grantee to the Company.

2. Performance Vesting.

(a) The vesting of Grantee's rights and interest in the Performance Shares shall be determined in accordance with the performance vesting criteria set forth in **Exhibit A** hereto. In addition to such vesting criteria, Grantee must remain in continuous employment with the Company or one of its Subsidiaries from the Grant Date through the end of the Performance Period in order to have a vested and nonforfeitable right to the Performance Shares, and any termination of employment prior to the end of the Performance Period shall result in the forfeiture of the Performance Shares. Notwithstanding the foregoing, Grantee's rights and interest in the Performance Shares, unless previously forfeited, shall fully vest upon Grantee's termination of employment (a) without "Cause" (as defined below) or (b) for "Good Reason" (as defined below), in each case, at any time during the 24-month period following a Change in Control (as defined below).

(b) "Cause" shall have the meaning ascribed to such term in Grantee's employment or similar agreement with the Company; provided, that if Grantee is not a party to such an agreement with the Company, then "Cause" shall mean (i) Grantee's arrest or conviction for, plea of *nolo contendere* to, or admission of the commission of, any act of fraud, misappropriation, or embezzlement, or a criminal felony involving dishonesty or

moral turpitude; (ii) a breach by Grantee of any material provision of this Agreement or any employment or similar agreement, provided that Grantee is given reasonable notice of, and a reasonable opportunity to cure within thirty (30) days of such notice (if such breach is curable), any such breach; (iii) any act or intentional omission by Grantee involving dishonesty or moral turpitude; (iv) Grantee's material failure to adequately perform his or her duties and responsibilities as such duties and responsibilities are, from time to time, in the Company's discretion, determined and after reasonable notice of, and a reasonable opportunity to cure within thirty (30) days of such notice (if such breach is curable), any such breach; or (iv) any intentional independent act by Grantee that would cause the Company significant reputational injury.

(c) "Change in Control" means any of the following events: (i) any person (as such term is used in Section 13(d) of the Securities Exchange Act of 1934 (the "Exchange Act")) or group (as such term is defined in Sections 3(a)(9) and 13(d)(3) of the Exchange Act), other than a subsidiary of the Company or any employee benefit plan (or any related trust) of the Company or a subsidiary, becomes the beneficial owner of 50% or more of the Company's outstanding voting shares and other outstanding voting securities that are entitled to vote generally in the election of directors ("Voting Securities"); (ii) approval by the shareholders of the Company and consummation of either of the following: (A) a merger, reorganization, consolidation or similar transaction (any of the foregoing, a "Merger") as a result of which the persons who were the respective beneficial owners of the outstanding Common Stock and/or the Voting Securities immediately before such Merger are not expected to beneficially own, immediately after such Merger, directly or indirectly, more than 50% of, respectively, the outstanding voting shares and the combined voting power of the voting securities resulting from such merger in substantially the same proportions as immediately before such Merger; or (B) a plan of liquidation of the Company or a plan or agreement for the sale or other disposition of all or substantially all of the assets of the Company; or (iii) a change in the composition of the Board such that, during any 12-month period, the individuals who, as of the beginning of such period, constitute the Board (the "Existing Board") cease for any reason to constitute more than 50% of the Board; provided, however, that any individual becoming a member of the Board subsequent to the beginning of such period whose election, or nomination for election by the Company's stockholders, was approved by a vote of at least two-thirds of the directors immediately prior to the date of such appointment or election will be considered as though such individual were a member of the Existing Board.

(d) "Good Reason" shall have the meaning ascribed to such term in Grantee's employment or similar agreement with the Company; provided, that if Grantee is not a party to such an agreement with the Company, then "Good Reason" shall mean a material reduction in Grantee's compensation or employment related benefits, or a material change in Grantee's status, working conditions or management responsibilities. Unless provided otherwise in Grantee's employment or similar agreement, Grantee's termination of employment shall not constitute a termination for Good Reason unless Grantee first provides written notice to the Company of the existence of the Good Reason within sixty (60) days following the effective date of the occurrence of the Good Reason, and the Good Reason remains uncorrected by the Company for more than thirty (30) days following such written notice of the Good Reason from Grantee to the Company, and the effective date of

Grantee's termination of employment is within one (1) year following the effective date of the occurrence of the Good Reason.

3. Shareholder Rights; Restrictions on Transfer.

(a) Grantee shall not have any right to vote any Performance Shares and shall not receive any dividends with respect to any unvested Performance Shares. Notwithstanding the foregoing, if the Company declares and pays dividends on its outstanding Shares during the Performance Period, Grantee will be entitled to have dividend equivalents accrued with respect to the Performance Shares. Such dividend equivalents shall vest or be forfeited in the same manner and to the same extent as the Performance Shares to which they relate, and shall, to the extent they become vested, be paid to Grantee in cash no later than sixty (60) days after the conclusion of the Performance Period.

(b) Except as otherwise provided for in Section 12 of the Plan, the Performance Shares may not be sold, assigned, transferred, pledged or otherwise disposed of by Grantee. Any attempt to transfer the Performance Shares in violation of this Section 3(b) shall render the Performance Shares null and void.

4. Taxes. Grantee shall pay to the Company all applicable federal, state and local income and employment taxes (including taxes of any foreign jurisdiction) which the Company is required to withhold at any time with respect to the Performance Shares. Such payment shall be made in full, at Grantee's election, in cash or check, by withholding from Grantee's next normal payroll, or by the tender of Shares of the Company's common stock (including the withholding of Shares otherwise issuable upon vesting of the Performance Shares, provided that the number of Shares so withheld does not exceed the amount necessary to satisfy the maximum statutory tax rates in Grantee's applicable jurisdictions). Shares tendered or withheld as payment of required withholding shall be valued at the closing price per share of the Company's common stock on the date such withholding obligation arises.

5. No Effect on Employment or Rights under Plan. Nothing in the Plan or this Agreement shall confer upon Grantee the right to continue in the employment of the Company or affect any right which the Company may have to terminate the employment of Grantee regardless of the effect of such termination of employment on the rights of Grantee under the Plan or this Agreement. If Grantee's employment is terminated for any reason whatsoever (and whether lawful or otherwise), Grantee will not be entitled to claim any compensation for or in respect of any consequent diminution or extinction of Grantee's rights or benefits (actual or prospective) under this Agreement or any Award (including any unvested portion of any Performance Shares) or otherwise in connection with the Plan. The rights and obligations of Grantee under the terms of Grantee's employment with the Company or any Subsidiary will not be affected by Grantee's participation in the Plan or this Agreement, and neither the Plan nor this Agreement form part of any contract of employment between Grantee and the Company or any Subsidiary. The granting of Awards (including the Performance Shares) under the Plan is entirely at the discretion of the Committee, and Grantee shall not in any circumstances have any right to be granted any other award concurrently or in the future.

6. Governing Law; Compliance with Law.

(a) This Agreement shall be construed and enforced in accordance with the laws of the State of Florida without regard to conflict of law principles.

(b) The issuance and transfer of Performance Shares shall be subject to compliance by the Company and Grantee with all applicable requirements of federal and state securities laws and with all applicable requirements of any stock exchange on which the Company's securities may be listed. No Performance Shares, or any share of common stock underlying such Performance Shares, shall be issued or transferred unless and until any then applicable requirements of state and federal laws and regulatory agencies have been fully complied with to the satisfaction of the Company and its counsel.

(c) A legend may be placed on any certificate(s) or other document(s) delivered to Grantee indicating restrictions on transferability of the Performance Shares pursuant to this Agreement or any other restrictions that the Committee may deem advisable under the rules, regulations and other requirements of any applicable federal or state securities laws or any stock exchange on which the Company's securities may be listed.

7. Successors. This Agreement shall inure to the benefit of, and be binding upon, the Company and Grantee and their heirs, legal representatives, successors and permitted assigns.

8. Severability. In the event that any one or more of the provisions or portion thereof contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, the same shall not invalidate or otherwise affect any other provisions of this Agreement, and this Agreement shall be construed as if the invalid, illegal or unenforceable provision or portion thereof had never been contained herein.

9. Entire Agreement. Subject to the terms and conditions of the Plan, which are incorporated herein by reference, this Agreement expresses the entire understanding and agreement of the parties hereto with respect to such terms, restrictions and limitations.

10. Headings. Section headings used herein are for convenience of reference only and shall not be considered in construing this Agreement.

11. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

12. No Impact on Other Benefits. The value of the Performance Shares is not part of Grantee's normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

13. Additional Acknowledgements. By their signatures below, Grantee and the Company agree that the Performance Shares are granted under and governed by the terms and

conditions of the Plan and this Agreement. Grantee has reviewed in their entirety the prospectus that summarizes the terms of the Plan and this Agreement, has had an opportunity to request a copy of the Plan in accordance with the procedure described in the prospectus, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of the Plan and this Agreement. Grantee hereby agrees to accept as binding, conclusive and final all decisions or interpretations of the Committee upon any questions relating to the Plan and this Agreement.

IN WITNESS WHEREOF, the Company and Grantee have executed this Agreement as of the Grant Date set forth above.

CTO REALTY GROWTH, INC.

BY: _____
Name:
Title:

I have read the Third Amended and Restated CTO Realty Growth, Inc. 2010 Equity Incentive Plan originally adopted by the Company's stockholders on April 28, 2010, last amended, amended July 28, 2021, and by my signature I agree to be bound by the terms and conditions of said Plan and this Agreement.

Date: _____
[name of Grantee]

EXHIBIT A

VESTING OF PERFORMANCE SHARES (3-YEAR PERFORMANCE)

1. Vesting of Performance Shares:

The number of Performance Shares that shall vest under this Agreement shall be based upon the following performance goal: The Company's Total Shareholder Return as compared to the Total Shareholder Return of the Comparison Group during the Performance Period, as further described below. Upon (a) the expiration of the Performance Period, and (b) the Committee's determination and certification of the extent to which the performance goal has been achieved, the Participant shall become vested in the number of Performance Shares that corresponds to the level of achievement of the performance goal set forth below that is certified by the Committee. Such determination and certification shall occur no later than sixty (60) days after the conclusion of the Performance Period.

2. Determination of Comparison Group:

The "Comparison Group" used for purposes of this **Exhibit A** shall consist of the companies comprising the MSCI US REIT Index as of the date of this Agreement, which companies are listed on the attached **Schedule A-1**.

If a company in the Comparison Group experiences a bankruptcy event during the Performance Period, the company will remain in the Comparison Group and its stock price will continue to be tracked for purposes of the Total Shareholder Return calculation. If the company is subsequently acquired or goes private, the provisions below will apply. If the company liquidates, the company will remain in the Comparison Group and its Ending Stock Price will be reduced to zero.

If a company in the Comparison Group is acquired by another company in the Comparison Group, the acquired company will be removed from the Comparison Group and the surviving company will remain in the Comparison Group.

If a company in the Comparison Group is acquired by a company not in the Comparison Group, the acquired company will remain in the Comparison Group, and its Ending Stock Price will be equal to the value per share of the consideration paid to the shareholders of the acquired company in the transaction. The surviving company in such transaction will not be added to the Comparison Group.

If a company in the Comparison Group ceases to be a public company due to a going private transaction, the company will remain in the Comparison Group, and its Ending Stock Price shall be equal to the value per share of the consideration paid to the shareholders of the target company in the transaction.

3. Calculation of Total Shareholder Return:

"Total Shareholder Return" for the Company and each company in the Comparison Group shall include dividends paid and shall be determined as follows:

$$\text{Total Shareholder Return} = \frac{\text{Change in Stock Price + Dividends Paid}}{\text{Beginning Stock Price}}$$

"Beginning Stock Price" shall mean the average closing sale price of one (1) share of common stock for the twenty (20) trading days immediately prior to the first day of the Performance Period, as reported by the New York Stock Exchange, such other national securities exchange on which the stock is traded or, if the stock is traded over-the-counter, the OTC Bulletin Board, Pink OTC Markets Inc. or other applicable reporting organization. The Beginning Stock Price shall be appropriately adjusted to reflect any stock splits, reverse stock splits or stock dividends during the Performance Period.

"Change in Stock Price" shall mean the difference between the Ending Stock Price and the Beginning Stock Price.

"Dividends Paid" shall mean the total of all cash and in-kind dividends paid on (1) share of stock during the Performance Period.

"Ending Stock Price" shall mean the average closing sale price of one (1) share of common stock for the twenty (20) trading days immediately prior to the last day of the Performance Period, except as otherwise provided under "Determination of Comparison Group" above. Such closing sale prices shall be as reported by the New York Stock Exchange, such other national securities exchange on which the stock is traded or, if the stock is traded over-the-counter, the OTC Bulletin Board, Pink OTC Markets Inc. or other applicable reporting organization.

"Performance Period" shall mean the period commencing on January 1, 2022 and ending on December 31, 2024.

4. Calculation of Percentile Rank:

Following the Total Shareholder Return determination for the Company and the companies in the Comparison Group, the "Company Rank" within the Comparison Group shall be determined by listing each company in the Comparison Group (including the Company) from the highest Total Shareholder Return to lowest Total Shareholder Return and counting up to the Company from the company with the lowest Total Shareholder Return.

The Company's "Percentile Rank" shall then be determined as follows:

$$\text{Percentile Rank for Comparison Group} = \frac{\text{Company Rank in Comparison Group}}{\text{Total Number of Companies in the Comparison Group Including the Company}}$$

In the event that the Company's Total Shareholder Return for the Performance Period is equal to the Total Shareholder Return(s) of one or more other companies in the Comparison Group for that same period, the Company's Total Shareholder Return Percentile Rank will be determined by ranking the Company's Total Shareholder Return for that period as being greater than such other companies in the Comparison Group.

5. Calculation of Number of Vested Performance Shares:

The percent of Performance Shares that vest shall then be determined based on the following chart:

Company's Percentile Rank	Percent of Performance Shares to Vest
67th and above	150%
51st	100%
34th	50%
Below 34th	0%

Interpolation shall be used to determine the percent of Performance Shares that vest in the event the Company's Percentile Rank does not fall directly on one of the ranks listed in the above chart. Once the percent of Performance Shares to vest has been determined, the percent shall be multiplied by the number of Performance Shares awarded to determine the actual number of Performance Shares that vest, rounded to the next highest whole share. All Performance Shares that do not vest in accordance with this **Exhibit A** shall be automatically forfeited and canceled.

6. Absolute TSR Governor:

Notwithstanding anything set forth in Section 5 above, and regardless of the Company's Percentile Rank, if the Company's Total Shareholder Return for the Performance Period does not exceed 3% per annum, then the number of Performance Shares that vest pursuant to Section 5 shall not exceed 100% of the number of Performance Shares granted.

SCHEDULE A-1

Component Companies of the RMZ MSCI US REIT Index as of 2/1/2022

	Name	Ticker	Exchange
1	Acadia Realty Trust	AKR	NYSE
2	Agree Realty Corp	ADC	NYSE
3	Alexander & Baldwin Inc	ALEX	NYSE
4	Alexander's Inc	ALX	NYSE
5	Alexandria Real Estate Equities Inc	ARE	NYSE
6	American Assets Trust Inc	AAT	NYSE
7	American Campus Communities Inc	ACC	NYSE
8	American Finance Trust Inc	AFIN	NASDAQ
9	American Homes 4 Rent	AMH	NYSE
10	Americold Realty Trust	COLD	NYSE
11	Apartment Income REIT Corp	AIRC	NYSE
12	Apartment Investment and Management Co	AIV	NYSE
13	Apple Hospitality REIT Inc	APLE	NYSE
14	Armada Hoffler Properties Inc	AHH	NYSE
15	AvalonBay Communities Inc	AVB	NYSE
16	Boston Properties Inc	BXP	NYSE
17	Brandywine Realty Trust	BDN	NYSE
18	Brixmor Property Group Inc	BRX	NYSE
19	Broadstone Net Lease Inc	BNL	NYSE
20	Camden Property Trust	CPT	NYSE
21	CareTrust REIT Inc	CTRE	NASDAQ
22	Centerspace	CSR	NYSE
23	Chatham Lodging Trust	CLDT	NYSE
24	City Office REIT Inc	CIO	NYSE
25	Community Healthcare Trust Inc	CHCT	NYSE
26	CorePoint Lodging Inc	CPLG	NYSE
27	CoreSite Realty Corp	COR	NASDAQ
28	Corporate Office Properties Trust	OFC	NYSE
29	Cousins Properties Inc	CUZ	NYSE
30	CubeSmart	CUBE	NYSE
31	CyrusOne Inc	CONE	NASDAQ
32	DiamondRock Hospitality Co	DRH	NYSE
33	Digital Realty Trust Inc	DLR	NYSE
34	DigitalBridge Group Inc	DBRG	NYSE
35	Diversified Healthcare Trust	DHC	NASDAQ
36	Douglas Emmett Inc	DEI	NYSE

	Name	Ticker	Exchange
37	Duke Realty Corp	DRE	NYSE
38	Easterly Government Properties Inc	DEA	NYSE
39	EastGroup Properties Inc	EGP	NYSE
40	Empire State Realty Trust Inc	ESRT	NYSE
41	EPR Properties	EPR	NYSE
42	Equinix Inc	EQIX	NASDAQ
43	Equity Commonwealth	EQC	NYSE
44	Equity LifeStyle Properties Inc	ELS	NYSE
45	Equity Residential	EQR	NYSE
46	Essential Properties Realty Trust Inc	EPRT	NYSE
47	Essex Property Trust Inc	ESS	NYSE
48	Extra Space Storage Inc	EXR	NYSE
49	Federal Realty Investment Trust	FRT	NYSE
50	First Industrial Realty Trust Inc	FR	NYSE
51	Four Corners Property Trust Inc	FCPT	NYSE
52	Franklin Street Properties Corp	FSP	NYSE
53	Gaming and Leisure Properties Inc	GLPI	NASDAQ
54	GEO Group Inc/The	GEO	NYSE
55	Getty Realty Corp	GTY	NYSE
56	Gladstone Commercial Corp	GOOD	NASDAQ
57	Gladstone Land Corp	LAND	NASDAQ
58	Global Medical REIT Inc	GMRE	NYSE
59	Global Net Lease Inc	GNL	NYSE
60	Healthcare Realty Trust Inc	HR	NYSE
61	Healthcare Trust of America Inc	HTA	NYSE
62	Healthpeak Properties Inc	PEAK	NYSE
63	Highwoods Properties Inc	HIW	NYSE
64	Host Hotels & Resorts Inc	HST	NASDAQ
65	Hudson Pacific Properties Inc	HPP	NYSE
66	Independence Realty Trust Inc	IRT	NYSE
67	Industrial Logistics Properties Trust	ILPT	NASDAQ
68	Innovative Industrial Properties Inc	IIPR	NYSE
69	Invitation Homes Inc	INVH	NYSE
70	Iron Mountain Inc	IRM	NYSE
71	iStar Inc	STAR	NYSE
72	JBG SMITH Properties	JBGS	NYSE
73	Kilroy Realty Corp	KRC	NYSE
74	Kimco Realty Corp	KIM	NYSE
75	Kite Realty Group Trust	KRG	NYSE
76	Lexington Realty Trust	LXP	NYSE

	Name	Ticker	Exchange
77	Life Storage Inc	LSI	NYSE
78	LTC Properties Inc	LTC	NYSE
79	Macerich Co/The	MAC	NYSE
80	Medical Properties Trust Inc	MPW	NYSE
81	MGM Growth Properties LLC	MGP	NYSE
82	Mid-America Apartment Communities Inc	MAA	NYSE
83	Monmouth Real Estate Investment Corp	MNR	NYSE
84	National Health Investors Inc	NHI	NYSE
85	National Retail Properties Inc	NNN	NYSE
86	National Storage Affiliates Trust	NSA	NYSE
87	NETSTREIT Corp	NTST	NYSE
88	NexPoint Residential Trust Inc	NXRT	NYSE
89	Office Properties Income Trust	OPI	NASDAQ
90	Omega Healthcare Investors Inc	OHI	NYSE
91	One Liberty Properties Inc	OLP	NYSE
92	Orion Office REIT Inc	ONL	NYSE
93	Paramount Group Inc	PGRE	NYSE
94	Park Hotels & Resorts Inc	PK	NYSE
95	Pebblebrook Hotel Trust	PEB	NYSE
96	Phillips Edison & Co Inc	PECO	NASDAQ
97	Physicians Realty Trust	DOC	NYSE
98	Piedmont Office Realty Trust Inc	PDM	NYSE
99	Plymouth Industrial REIT Inc	PLYM	NYSE
100	Prologis Inc	PLD	NYSE
101	PS Business Parks Inc	PSB	NYSE
102	Public Storage	PSA	NYSE
103	Realty Income Corp	O	NYSE
104	Regency Centers Corp	REG	NASDAQ
105	Retail Opportunity Investments Corp	ROIC	NASDAQ
106	Rexford Industrial Realty Inc	REXR	NYSE
107	RLJ Lodging Trust	RLJ	NYSE
108	RPT Realty	RPT	NYSE
109	Ryman Hospitality Properties Inc	RHP	NYSE
110	Sabra Health Care REIT Inc	SBRA	NASDAQ
111	Safehold Inc	SAFE	NYSE
112	Saul Centers Inc	BFS	NYSE
113	Seritage Growth Properties	SRG	NYSE
114	Service Properties Trust	SVC	NASDAQ
115	Simon Property Group Inc	SPG	NYSE
116	SITE Centers Corp	SITC	NYSE

	Name	Ticker	Exchange
117	SL Green Realty Corp	SLG	NYSE
118	Spirit Realty Capital Inc	SRC	NYSE
119	STAG Industrial Inc	STAG	NYSE
120	STORE Capital Corp	STOR	NYSE
121	Summit Hotel Properties Inc	INN	NYSE
122	Sun Communities Inc	SUI	NYSE
123	Sunstone Hotel Investors Inc	SHO	NYSE
124	Tanger Factory Outlet Centers Inc	SKT	NYSE
125	Terreno Realty Corp	TRNO	NYSE
126	UDR Inc	UDR	NYSE
127	UMH Properties Inc	UMH	NYSE
128	Universal Health Realty Income Trust	UHT	NYSE
129	Urban Edge Properties	UE	NYSE
130	Urstadt Biddle Properties Inc	UBA	NYSE
131	Ventas Inc	VTR	NYSE
132	Veris Residential Inc	VRE	NYSE
133	VICI Properties Inc	VICI	NYSE
134	Vornado Realty Trust	VNO	NYSE
135	Washington Real Estate Investment Trust	WRE	NYSE
136	Welltower Inc	WELL	NYSE
137	WP Carey Inc	WPC	NYSE
138	Xenia Hotels & Resorts Inc	XHR	NYSE

SEVENTH AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND JOINDER

This SEVENTH AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND JOINDER (herein, this *"Amendment"*) is entered into as of November 5, 2021, among CTO Realty Growth, Inc., a Maryland corporation, and together with its successors and assigns (the *"Borrower"*), the Guarantors party hereto, the Lenders party hereto and Bank of Montreal, as Administrative Agent (the *"Administrative Agent"*), L/C Issuer and Swing Line Lender.

PRELIMINARY STATEMENTS

A. The Borrower, the Guarantors party thereto (the *"Guarantors"*), the financial institutions party thereto (the *"Lenders"*), and the Administrative Agent entered into that certain Second Amended and Restated Credit Agreement, dated as of September 7, 2017, as amended by the First Amendment to Second Amended and Restated Credit Agreement dated as of May 14, 2018, as amended by the Second Amendment to Second Amended and Restated Credit Agreement dated as of May 24, 2019, as amended by the Third Amendment to Second Amended and Restated Credit Agreement dated as of November 26, 2019, as amended by the Fourth Amendment to Second Amended and Restated Credit Agreement dated as of July 1, 2020, as amended by the Fifth Amendment to Second Amended and Restated Credit Agreement and Consent dated as of November 12, 2020, and as amended by the Sixth Amendment to Second Amended and Restated Credit Agreement and Joinder dated as of March 10, 2021 (such Second Amended and Restated Credit Agreement, as heretofore amended, and as the same may be amended, restated, supplemented or otherwise modified, including by this Amendment, the *"Credit Agreement"*). All capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Credit Agreement.

B. The Borrower has requested that the Lenders (i) increase the Term Loan Commitment by $100,000,000 through new 2027 Term Loan Commitments (the *"2027 Term Loan Commitments"*) and, in connection therewith, the Borrower has requested that KeyBank National Association, Raymond James Bank, and Synovus Bank (collectively, the *"Additional Lenders"* and each, an *"Additional Lender"*) be joined as Term Loan Lenders under the Credit Agreement, (ii) reallocate certain Revolving Commitments and outstanding Revolving Loans of Bank of Montreal, Truist Bank, and Wells Fargo Bank, National Association, to the Additional Lenders as provided for herein (the *"Reallocation"*).

C. The Borrower, the Administrative Agent and the Lenders party hereto propose to amend the Credit Agreement to, among other things, provide for the 2027 Term Loan Commitments, the Reallocation and the joinder of the Additional Lender on the terms and conditions set forth in this Amendment.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

SECTION 1. JOINDER OF ADDITIONAL LENDERS.

1.1 Upon the satisfaction of the conditions precedent set forth in Section 4 below, each Additional Lender agrees to become a Lender pursuant to and in accordance with the Credit Agreement and to be bound by the terms of the Credit Agreement and the other Loan Documents as a Lender thereunder and have the rights and obligations of a Lender thereunder.

1.2. Each Additional Lender: (a) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered to the Lenders pursuant to Section 8.5(a) and (c) thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Amendment; (b) agrees that it will, independently and without reliance upon the Administrative Agent, or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement, (c) appoints and authorizes the Administrative Agent to take such action as agent on its behalf and to exercise such powers and discretion under the Credit Agreement and the other Loan Documents as are delegated to the Administrative Agent by the terms thereof, together with such powers and discretion as are reasonably incidental thereto; (d) agrees that it will perform in accordance with their terms all of the obligations that by the terms of the Credit Agreement and the other Loan Documents are required to be performed by it as a Lender; (e) acknowledges that it has delivered to the Administrative Agent completed and signed copies of any forms that may be required by the United States Internal Revenue Service (together with any additional supporting documentation required pursuant to applicable Treasury Department regulations or such other evidence satisfactory to the Borrowers and the Administrative Agent) in order to certify such Additional Lender's exemption from United States withholding taxes with respect to any payments or distributions made or to be made to it in respect of the Loans or under the Credit Agreement and the other Loan Documents; and (f) acknowledges that one or more conditions precedent to the making of any Loan prior to the Seventh Amendment Effective Date may have been waived in connection with such Loan and agrees to be bound thereby.

1.3. Following the execution of this Amendment by all parties hereto, this Amendment will be delivered to the Administrative Agent for acceptance and recording by the Administrative Agent. Upon the satisfaction of the conditions precedent in Section 4 of this Amendment, each Additional Lender shall be a party to the Credit Agreement and the other Loan Documents and have the rights and obligations of a Lender thereunder.

1.4. The Term Loan Commitments and Revolving Credit Commitments for each Lender after giving effect to this Amendment are reflected on Schedule 1 contained in Annex A to this Amendment.

SECTION 2. EQUALIZATION OF REVOLVING CREDIT; ASSIGNMENTS BETWEEN LENDERS.

Upon the satisfaction of the conditions precedent set forth in Section 4 below, all Revolving Loans outstanding immediately prior to the Seventh Amendment Effective Date shall remain

outstanding under the Credit Agreement. On the Seventh Amendment Effective Date, the Lenders each agree to make such purchases and sales of interests in the outstanding Revolving Loans and Revolving Credit Commitments among themselves so that each Lender is then holding its Percentage of the Revolving Loans and Revolving Credit Commitments. Such purchases and sales shall be arranged through the Administrative Agent and each Lender hereby agrees to execute such further instruments and documents, if any, as the Administrative Agent may reasonably request in connection therewith.

In connection with any assignment between Lenders, each assignor Lender (i) represents and warrants that to the assignee Lender it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim, lien, or encumbrance of any kind; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or any Subsidiary or the performance or observance by the Borrower or any Subsidiary of any of their respective obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto.

SECTION 3. INCREMENTAL TERM LOAN AND AMENDMENTS TO CREDIT AGREEMENT.

3.1 The Borrower confirms and agrees that (i) it has requested an increase in the aggregate amount of Term Loans, to be referred to in the Credit Agreement as 2027 Term Loans, in the aggregate principal amount of $100,000,000 from the Incremental Term Loan Lenders pursuant to and on the terms set forth in Section 1.15 of the Credit Agreement, effective on the Seventh Amendment Effective Date and (ii) on the Seventh Amendment Effective Date, the Borrower will borrow the full amount of the 2027 Term Loans from the Incremental Term Loan Lenders.

3.2 Each Incremental Term Loan Lender agrees that (i) effective on and at all times after the Seventh Amendment Effective Date, in addition to all Term Loans of such Incremental Term Loan Lender (if any) outstanding immediately prior to the Seventh Amendment Effective Date, such Incremental Term Loan Lender will be bound by all obligations of a Lender under the Credit Agreement in respect of its 2027 Term Loan Commitment and its 2027 Term Loan and (ii) subject to the terms and conditions set forth herein and in the Credit Agreement, on the Seventh Amendment Effective Date, such Incremental Term Loan Lender will fund its 2027 Term Loan in the amount of its 2027 Term Loan Commitment.

3.3 Upon funding of the 2027 Term Loans on the Seventh Amendment Effective Date, such 2027 Term Loans shall automatically (and without any further action or notice by any party), constitute Term Loans for all purposes of the Credit Agreement and the other Loan Documents except as otherwise set forth herein.

3.4 Subject to the satisfaction of the conditions precedent set forth in Section 4 below, the Credit Agreement is, effective as of the date of this Amendment, hereby amended to delete the

struck text (indicated textually in the same manner as the following example: ~~struck text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the pages of the Credit Agreement attached as Annex I hereto, including all Schedules or Exhibits to the Credit Agreement.

SECTION 4. CONDITIONS PRECEDENT.

4.1. The Borrower, the Guarantors, the Lenders, the Additional Lenders, the Administrative Agent, the L/C Issuer and the Swing Line Lender shall have executed and delivered this Amendment to the Administrative Agent.

4.2. The Borrower shall have executed and delivered (a) an Eighth Amended and Restated Revolving Note to each of Bank of Montreal and Truist Bank, (b) a Seventh Amended and Restated Revolving Note to Wells Fargo Bank, National Association, (c) a Revolving Note to each of KeyBank, National Association, Raymond James Bank and Synovus Bank and (d) a 2027 Term Note to each of Bank of Montreal, The Huntington National Bank, KeyBank, National Association, Raymond James Bank, Synovus Bank, Truist Bank and Wells Fargo Bank, National Association.

4.3. The Borrower and the Administrative Agent shall have executed the Fee Letter, dated of even date herewith (the *"Fee Letter"*).

4.4. All fees that are due and payable on the date of this Agreement by the terms of the Fee Letter and any fee letter between the Borrower and any Joint Lead Arranger shall have been paid in full in immediately available funds.

4.5. The Administrative Agent shall have received a satisfactory legal opinion from counsel to the Borrower and Guarantors.

4.6. The Administrative Agent shall have received such other agreements, instruments, documents, and certificates as the Administrative Agent may reasonably request, and legal matters incident to the execution and delivery of this Amendment shall be reasonably satisfactory to the Administrative Agent and its counsel.

SECTION 5. REPRESENTATIONS.

In order to induce the Administrative Agent and the Lenders to execute and deliver this Amendment, the Borrower hereby represents to the Administrative Agent and the Lenders that (a) after giving effect to this Amendment, the representations and warranties set forth in Section 6 of the Credit Agreement are and shall be and remain true and correct in all material respects (except in the case of a representation or warranty qualified by materiality in which case such representation or warranty shall be true and correct in all respects) as of the date hereof (or, if any such representation and warranty is expressly stated to have been made as of a specific date, as of such specific date) and (b) no Default or Event of Default has occurred and is continuing under the Credit Agreement or shall result after giving effect to this Amendment.

SECTION 6. MISCELLANEOUS.

6.1. Except as specifically amended herein, the Credit Agreement and the other Loan Documents shall continue in full force and effect in accordance with their original terms. Reference to this specific Amendment need not be made in the Credit Agreement, the Notes, the other Loan Documents, or any other instrument or document executed in connection therewith, or in any certificate, letter or communication issued or made pursuant to or with respect to the Credit Agreement or any other Loan Document, any reference in any of such items to the Credit Agreement and each other Loan Document being sufficient to refer to the Credit Agreement or such Loan Document as amended hereby.

6.2. The Borrower agrees to pay all reasonable costs and out-of-pocket expenses of or incurred by the Administrative Agent in connection with the negotiation, preparation, execution and delivery of this Amendment, including the reasonable fees and out-of-pocket expenses of counsel for the Administrative Agent.

6.3. Each of the Borrower and certain Guarantors heretofore executed and delivered to the Administrative Agent and the Lenders certain Collateral Documents to which they are a party. Each of the Borrower and each applicable Guarantor hereby acknowledges and agrees that the Liens created and provided for by the Collateral Documents continue to secure, among other things, the Obligations arising under the Credit Agreement as amended hereby; and the Collateral Documents and the rights and remedies of the Administrative Agent and the Lenders thereunder, the obligations of the Borrower or applicable Guarantor thereunder, and the Liens created and provided for thereunder remain in full force and effect and shall not be affected, impaired or discharged hereby. Nothing herein contained shall in any manner affect or impair the priority of the liens and security interests created and provided for by the Collateral Documents as to the indebtedness which would be secured thereby prior to giving effect to this Amendment.

6.4. Each Guarantor consents to the amendments, modifications and waivers to the Credit Agreement and other Loan Documents as set forth herein and confirms all of its obligations under its Guaranty remain in full force and effect. Furthermore, each Guarantor acknowledges and agrees that the consent of the Guarantors, or any of them, to any further amendments, modifications or waivers to the Credit Agreement shall not be required as a result of this consent having been obtained.

6.5. The Borrower and the Guarantors acknowledge that the Preliminary Statements set forth above are true and correct. This Amendment is a Loan Document. This Amendment may be executed in any number of counterparts, and by the different parties on different counterpart signature pages, all of which taken together shall constitute one and the same agreement. Any of the parties hereto may execute this Amendment by signing any such counterpart and each of such counterparts shall for all purposes be deemed to be an original. Delivery of executed counterparts of this Amendment by Adobe portable document format (a "PDF") via e-mail or by facsimile shall be effective as an original. The words "execution", "executed", "signed", "signature" and words of similar import in or related to this Amendment and the other Loan Documents shall be deemed to include electronic signatures and the electronic matching of assignment terms and contract formations on electronic platforms approved by Administrative Agent for the keeping of records

in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other similar applicable state laws based on the Uniform Electronic Transactions Act. This Amendment, and the rights and the duties of the parties hereto, shall be construed and determined in accordance with the internal laws of the State of New York.

[Signature Pages Follow]

This Seventh Amendment to Second Amended and Restated Credit Agreement and Joinder is entered into as of the date and year first above written

"Borrower"

CTO Realty Growth, Inc., a Maryland corporation

By /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

[Signature Page to Seventh Amendment to Second Amended and Restated Credit Agreement and Joinder – CTO Realty Growth, Inc.]

"GUARANTORS"

LHC15 RIVERSIDE FL LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO17 WESTCLIFF TX LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole member

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

INDIGO GROUP INC., a Florida corporation

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO18 JACKSONVILLE FL LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO18 ALBUQUERQUE NM LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGI19 FC VA LLC, a Delaware limited liability company

By: Indigo Group, Inc., a Florida corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 OCEANSIDE NY LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 RESTON VA LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 CARPENTER AUSTIN LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

INDIGO GROUP LTD., a Florida limited partnership

By: Indigo Group, Inc., a Florida corporation, its General Partner

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 STRAND JAX LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

DAYTONA JV LLC, a Florida limited liability company

By: LHC15 Atlantic DB JV LLC, a Delaware limited liability company, its sole manager

By: CTO Realty Growth, Inc., a Maryland corporation, its sole member

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 CROSSROADS AZ LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGI20 CROSSROADS AZ LLC, a Delaware limited liability company

By: Indigo Group Inc., a Florida corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 PERIMETER LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 PERIMETER II LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 TAMPA LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGI20 TAMPA LLC, a Delaware limited liability company

By: Indigo Group Inc., a Florida corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGL20 TAMPA LLC, a Delaware limited liability company

By: Indigo Group Ltd., a Florida limited partnership,

By: Indigo Group Inc., a Florida corporation, its general partner

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 HIALEAH LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO21 ACQUISITIONS LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO21 Acquisitions II LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: /s/ Matthew M. Partridge
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

Accepted and Agreed to:

"ADMINISTRATIVE AGENT AND L/C ISSUER"

BANK OF MONTREAL, as L/C Issuer and as Administrative Agent

By: /s/ Gwendlyn M. Gatz
Name: Gwendolyn Gatz
Title: Director

"LENDERS"

BANK OF MONTREAL, as a Lender and Swing Line Lender

By: /s/ Gwendlyn Gatz
Name: Gwendolyn Gatz
Title: Director

TRUIST BANK

By: /s/ Ryan Almond
Name: Ryan Almond
Title: Director

[SIGNATURE PAGE TO SEVENTH AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND JOINDER -
CTO REALTY GROWTH, INC.]

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: /s/ Colleen Sears
Name: Colleen Sears
Title: Associate

[SIGNATURE PAGE TO SEVENTH AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND JOINDER
CTO REALTY GROWTH, INC.]

THE HUNTINGTON NATIONAL BANK

By: /s/ Joe White
Name: Joe White
Title: Vice President

[SIGNATURE PAGE TO SEVENTH AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND JOINDER
CTO REALTY GROWTH, INC.]

KeyBank National Association

By: /s/ Thomas Z. Schmitt
Name: Thomas Z. Schmitt
Title: Vice President

[Signature Page to Seventh Amendment to
Second Amended and Restated Credit Agreement and Joinder
CTO Realty Growth, Inc.]

RAYMOND JAMES BANK

By: /s/ Dennis Szczesuil
Name: Dennis Szczesuil
Title: SVP, Commercial Real Estate Lending

SYNOVUS BANK, as a Lender

By: /s/ Robert Haley

Name: Robert Haley
Title: Corporate Banking Officer

ANNEX I TO SEVENTH AMENDMENT TO
SECOND AMENDED AND RESTATED CREDIT AGREEMENT AND JOINDER

[See attached.]

Annex A

SEVENTH AMENDMENT TO SECOND AMENDED AND RESTATED CREDIT AGREEMENT

SECOND AMENDED AND RESTATED CREDIT AGREEMENT

DATED AS OF SEPTEMBER 7, 2017

as amended by:

First Amendment to Second Amended and Restated Credit Agreement, dated as of May 14, 2018
Second Amendment to Second Amended and Restated Credit Agreement, dated as of May 24, 2019
Third Amendment to Second Amended and Restated Credit Agreement, dated as of November 26, 2019
Fourth Amendment to Second Amended and Restated Credit Agreement, dated as of July 1, 2020
Fifth Amendment to Second Amended and Restated Credit Agreement and Consent, dated as of November 12, 2020
Sixth Amendment to Second Amended and Restated Credit Agreement and Consent, dated as of March 10, 2021
Seventh Amendment to Second Amended and Restated Credit Agreement and Joinder, dated as of November 5, 2021

AMONG

CTO REALTY GROWTH, INC.,

THE GUARANTORS FROM TIME TO TIME PARTIES HERETO,

THE LENDERS FROM TIME TO TIME PARTIES HERETO,

BANK OF MONTREAL,
AS ADMINISTRATIVE AGENT,

TRUIST BANK AND WELLS FARGO BANK, NATIONAL ASSOCIATION,
AS REVOLVING CREDIT CO-SYNDICATION AGENTS

TRUIST BANK, AS 2026 TERM LOAN SYNDICATION AGENT

KEYBANK, NATIONAL ASSOCIATION AND WELLS FARGO BANK, NATIONAL ASSOCIATION,
AS 2027 TERM LOAN CO-SYNDICATION AGENTS

BMO CAPITAL MARKETS CORP., TRUIST SECURITIES, INC., WELL FARGO SECURITIES, LLC,
AS REVOLVING CREDIT JOINT LEAD ARRANGERS AND JOINT BOOK RUNNERS

BMO CAPITAL MARKETS CORP. AND TRUIST SECURITIES, INC.,
AS 2026 TERM LOAN JOINT LEAD ARRANGERS AND JOINT BOOK RUNNERS

BMO CAPITAL MARKETS CORP., KEYBANK CAPITAL MARKETS INC. AND
WELL FARGO SECURITIES, LLC,
AS 2027 TERM LOAN JOINT LEAD ARRANGERS AND JOINT BOOK RUNNERS

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SECOND AMENDED AND RESTATED CREDIT AGREEMENT

This Second Amended and Restated Credit Agreement (this *"Agreement"*) is entered into as of September 7, 2017, by and among CTO Realty Growth, Inc., a Maryland corporation (the *"Borrower"*), and each Material Subsidiary from time to time party to this Agreement, as Guarantors, the several financial institutions from time to time party to this Agreement, as Lenders, and BANK OF MONTREAL, as Administrative Agent as provided herein. All capitalized terms used herein without definition shall have the same meanings herein as such terms are defined in Section 5.1 hereof.

PRELIMINARY STATEMENT

WHEREAS, the Borrower and certain Material Subsidiaries of the Borrower, as Guarantors, the financial institutions party thereto as "Lenders" and Bank of Montreal, as Administrative Agent, Swing Line Lender and the L/C Issuer, previously entered into a Second Amended and Restated Credit Agreement dated as of September 7, 2017 (as heretofore extended, renewed, amended, modified, amended and restated or supplemented, the *"Prior Credit Agreement"*).

NOW, THEREFORE, in consideration of the mutual agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

SECTION 1. THE CREDIT FACILITIES.

Section 1.1. Revolving Credit Commitments. Subject to the terms and conditions hereof, each Revolving Lender, by its acceptance hereof, severally agrees to make a loan or loans (individually a *"Revolving Loan"* and collectively for all the Revolving Lenders the *"Revolving Loans"*) in U.S. Dollars to the Borrower from time to time on a revolving basis up to the amount of such Revolving Lender's Revolving Credit Commitment, subject to any reductions thereof pursuant to the terms hereof, before the Revolving Credit Termination Date. The sum of the aggregate principal amount of Revolving Loans, Swing Loans and L/C Obligations at any time outstanding, (x) may at no time exceed the Revolving Credit Commitments and (y) when taken together with the aggregate principal amount of Term Loans then outstanding, shall not exceed the Borrowing Base as then determined and computed. Each Borrowing of Revolving Loans shall be made ratably by the Revolving Lenders in proportion to their respective Revolver Percentages. As provided in Section 1.6(a) hereof, the Borrower may elect that each Borrowing of Revolving Loans be either Base Rate Loans or Eurodollar Loans. Revolving Loans may be repaid and the principal amount thereof reborrowed before the Revolving Credit Termination Date, subject to the terms and conditions hereof.

Section 1.2. Term Loan . Subject to the terms and conditions hereof, each Term Loan Lender, by its acceptance hereof, severally agrees to make Term Loans in U.S. Dollars to the Borrower in the amount of such Lender's Term Loan Commitment. The 2027 Term Loans will be advanced in a single Borrowing on the Seventh Amendment Effective Date and shall be made ratably by the Term Loan Lenders in proportion to their respective Term Loan Percentages, at which time the 2027 Term Loan Commitments shall expire; *provided, that* after giving effect to

the 2027 Term Loans advanced on the Seventh Amendment Effective Date, the aggregate principal amount of the outstanding Revolving Loans, 2026 Term Loans and 2027 Term Loans shall not exceed the Borrowing Base as then computed and determined. As provided in Section 1.6(a) hereof, the Borrower may elect that the Term Loans be outstanding as Base Rate Loans or Eurodollar Loans. No amount repaid or prepaid on the Term Loan may be borrowed again.

Section 1.3. Letters of Credit . (a) *General Terms.* Subject to the terms and conditions hereof, as part of the Revolving Credit, the L/C Issuer shall issue standby and commercial letters of credit (each a *"Letter of Credit"*) or amend or extend Letters of Credit issued by it for the account of the Borrower or for the account of the Borrower and one or more of its Subsidiaries in an aggregate undrawn face amount up to the L/C Sublimit. Each Letter of Credit shall be issued by the L/C Issuer, but each Revolving Lender shall be obligated to reimburse the L/C Issuer for such Revolving Lender's Revolver Percentage of the amount of each drawing thereunder and, accordingly, each Letter of Credit shall constitute usage of the Revolving Credit Commitment of each Revolving Lender pro rata in an amount equal to its Revolver Percentage of the L/C Obligations then outstanding.

(b) *Applications.* At any time before the Revolving Credit Termination Date, the L/C Issuer shall, at the request of the Borrower, issue one or more Letters of Credit in U.S. Dollars, in a form satisfactory to the L/C Issuer, with expiration dates no later than the earlier of 12 months from the date of issuance (or which are cancelable not later than 12 months from the date of issuance and each renewal) or thirty (30) days prior to the Revolving Credit Termination Date (provided that such expiration date may extend up to 12 months beyond the Revolving Credit Termination Date if any such Letter of Credit is cash collateralized at one hundred three percent (103%) of its face amount (to cash collateralize fees and interest as well as the amount of the Letter of Credit) in the manner set forth in Section 9.4 no less than thirty (30) days prior to the Revolving Credit Termination Date), in an aggregate face amount as set forth above, upon the receipt of an application duly executed by the Borrower and, if such Letter of Credit is for the account of one of its Subsidiaries, such Subsidiary for the relevant Letter of Credit, in the form then customarily prescribed by the L/C Issuer for the Letter of Credit requested (each an *"Application"*). Notwithstanding anything contained in any Application to the contrary: (i) the Borrower shall pay fees in connection with each Letter of Credit as set forth in Section 2.1(b) hereof, (ii) except as otherwise provided in Section 1.8(b) or Section 1.14 hereof, unless an Event of Default exists, the L/C Issuer will not call for the funding by the Borrower of any amount under a Letter of Credit before being presented with a drawing thereunder, and (iii) if the L/C Issuer is not timely reimbursed for the amount of any drawing under a Letter of Credit on the date such drawing is paid, the Borrower's obligation to reimburse the L/C Issuer for the amount of such drawing shall bear interest (which the Borrower hereby promises to pay) from and after the date such drawing is paid at a rate per annum equal to the sum of the Applicable Margin plus the Base Rate from time to time in effect (computed on the basis of a year of 365 or 366 days, as the case may be, and the actual number of days elapsed). If the L/C Issuer issues any Letter of Credit with an expiration date that is automatically extended unless the L/C Issuer gives notice that the expiration date will not so extend beyond its then scheduled expiration date, then the L/C Issuer will give such notice of non-renewal before the time necessary to prevent such automatic extension if before such required notice date: (i) the expiration date of such Letter of Credit if so extended would be after the date that is thirty (30) days prior to the Revolving Credit Termination Date (provided that such

expiration date may extend up to 12 months beyond the Revolving Credit Termination Date if any such Letter of Credit is cash collateralized at one hundred three percent (103%) of its face amount (to cash collateralize fees and interest as well as the amount of the Letter of Credit) in the manner set forth in Section 9.4 no less than thirty (30) days prior to the Revolving Credit Termination Date), (ii) the Revolving Credit Commitments have been terminated, or (iii) a Default or an Event of Default exists and either the Administrative Agent or the Required Lenders (with notice to the Administrative Agent) have given the L/C Issuer instructions to not permit the extension of the expiration date of such Letter of Credit. The L/C Issuer agrees to issue amendments to the Letter(s) of Credit increasing the amount, or extending the expiration date, thereof at the request of the Borrower subject to the conditions of Section 7 hereof and the other terms of this Section 1.3. Notwithstanding anything contained herein to the contrary, if a default of any Revolving Lender's obligations to fund under Section 1.3(c) exists or any Revolving Lender is at such time a Defaulting Lender hereunder, the L/C Issuer shall be under no obligation to issue, extend or amend any Letter of Credit unless the L/C Issuer has entered into arrangements with Borrower (including for cash collateralization as set forth above) or such Revolving Lender satisfactory to the L/C Issuer to eliminate the L/C Issuer's risk with respect to such Revolving Lender.

(c) *The Reimbursement Obligations.* Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall promptly notify the Borrower and the Administrative Agent thereof. Subject to Section 1.3(b) hereof, the obligation of the Borrower to reimburse the L/C Issuer for all drawings under a Letter of Credit (a "*Reimbursement Obligation*") shall be governed by the Application related to such Letter of Credit, except that reimbursement shall be made by no later than 1:00 p.m. (Chicago time) on the date when each drawing is to be paid if the Borrower has been informed of such drawing by the L/C Issuer on or before 11:00 a.m. (Chicago time) on the date when such drawing is to be paid or, if notice of such drawing is given to the Borrower after 11:00 a.m. (Chicago time) on the date when such drawing is to be paid, by no later than 12:00 Noon (Chicago time) on the following Business Day, in immediately available funds at the Administrative Agent's principal office in Chicago, Illinois or such other office as the Administrative Agent may designate in writing to the Borrower (who shall thereafter cause to be distributed to the L/C Issuer such amount(s) in like funds). If the Borrower does not make any such reimbursement payment on the date due and the Participating Lenders fund their participations therein in the manner set forth in Section 1.3(e) below, then all payments thereafter received by the Administrative Agent in discharge of any of the relevant Reimbursement Obligations shall be distributed in accordance with Section 1.3(e) below; *provided*, *however*, if the Borrower does not make any such reimbursement payment on the due date, the Borrower shall be deemed to have requested a Borrowing of Base Rate Loans under the Revolving Credit and, subject to satisfaction of the conditions set forth in Section 7.1 except for 7.1(c) hereof, a Revolving Loan shall be made on such date in the amount of the Reimbursement Obligations then due which Revolving Loan proceeds shall be applied to pay the Reimbursement Obligations then due.

(d) *Obligations Absolute.* The Borrower's obligation to reimburse L/C Obligations as provided in subsection (c) of this Section shall be absolute, unconditional and irrevocable, and shall be performed strictly in accordance with the terms of this Agreement and the relevant Application under any and all circumstances whatsoever and irrespective of (i) any lack of validity or enforceability of any Letter of Credit or this Agreement, or any term or provision therein, (ii)

any draft or other document presented under a Letter of Credit proving to be forged, fraudulent or invalid in any respect or any statement therein being untrue or inaccurate in any respect, (iii) payment by the L/C Issuer under a Letter of Credit against presentation of a draft or other document that does not strictly comply with the terms of such Letter of Credit, or (iv) any other event or circumstance whatsoever, whether or not similar to any of the foregoing, that might, but for the provisions of this Section 1.3, constitute a legal or equitable discharge of, or provide a right of setoff against, the Borrower's obligations hereunder, except for events or circumstances arising from the willful misconduct or gross negligence on behalf of the L/C Issuer. None of the Administrative Agent, the Revolving Lenders, or the L/C Issuer shall have any liability or responsibility by reason of or in connection with the issuance or transfer of any Letter of Credit or any payment or failure to make any payment thereunder (irrespective of any of the circumstances referred to in the preceding sentence), or any error, omission, interruption, loss or delay in transmission or delivery of any draft, notice or other communication under or relating to any Letter of Credit (including any document required to make a drawing thereunder), any error in interpretation of technical terms or any consequence arising from causes beyond the control of the L/C Issuer; *provided* that the foregoing shall not be construed to excuse the L/C Issuer from liability to the Borrower to the extent of any direct damages (as opposed to consequential damages, claims in respect of which are hereby waived by the Borrower to the extent permitted by applicable law) suffered by the Borrower that are caused by the L/C Issuer's (i) failure to exercise care when determining whether drafts and other documents presented under a Letter of Credit comply with the terms thereof or (ii) willful misconduct or gross negligence. The parties hereto expressly agree that, in the absence of gross negligence or willful misconduct on the part of the L/C Issuer (as finally determined by a court of competent jurisdiction), the L/C Issuer shall be deemed to have exercised care in each such determination. In furtherance of the foregoing and without limiting the generality thereof, the parties agree that, with respect to documents presented which appear on their face to be in substantial compliance with the terms of a Letter of Credit, the L/C Issuer may, in its sole good faith discretion, either accept and make payment upon such documents without responsibility for further investigation, regardless of any notice or information to the contrary, or refuse to accept and make payment upon such documents if such documents are not in strict compliance with the terms of such Letter of Credit.

(e) *The Participating Interests.* Each Revolving Lender (other than the Revolving Lender acting as L/C Issuer in issuing the relevant Letter of Credit), by its acceptance hereof, severally agrees to purchase from the L/C Issuer, and the L/C Issuer hereby agrees to sell to each such Revolving Lender (a *"Participating Lender"*), an undivided percentage participating interest (a *"Participating Interest")*, to the extent of its Revolver Percentage, in each Letter of Credit issued by, and each Reimbursement Obligation owed to, the L/C Issuer. Upon any failure by the Borrower to pay any Reimbursement Obligation at the time required on the date the related drawing is to be paid, as set forth in Section 1.3(c) above, or if the L/C Issuer is required at any time to return to the Borrower or to a trustee, receiver, liquidator, custodian or other Person any portion of any payment of any Reimbursement Obligation, each Participating Lender shall, not later than the Business Day it receives a certificate in the form of Exhibit A hereto from the L/C Issuer (with a copy to the Administrative Agent) to such effect, if such certificate is received before 1:00 p.m. (Chicago time), or not later than 1:00 p.m. (Chicago time) the following Business Day, if such certificate is received after such time, pay to the Administrative Agent for the account of the L/C Issuer an amount equal to such Participating Lender's Revolver Percentage of such unpaid

or recaptured Reimbursement Obligation together with interest on such amount accrued from the date the related payment was made by the L/C Issuer to the date of such payment by such Participating Lender at a rate per annum equal to: (i) from the date the related payment was made by the L/C Issuer to the date two (2) Business Days after payment by such Participating Lender is due hereunder, the Federal Funds Rate for each such day and (ii) from the date two (2) Business Days after the date such payment is due from such Participating Lender to the date such payment is made by such Participating Lender, the Base Rate in effect for each such day. Each such Participating Lender shall thereafter be entitled to receive its Revolver Percentage of each payment received in respect of the relevant Reimbursement Obligation and of interest paid thereon, with the L/C Issuer retaining its Revolver Percentage thereof as a Revolving Lender hereunder. The several obligations of the Participating Lenders to the L/C Issuer under this Section 1.3 shall be absolute, irrevocable, and unconditional under any and all circumstances whatsoever and shall not be subject to any set-off, counterclaim or defense to payment which any Participating Lender may have or have had against the Borrower, the L/C Issuer, the Administrative Agent, any Revolving Lender or any other Person whatsoever. Without limiting the generality of the foregoing, such obligations shall not be affected by any Default or Event of Default or by any reduction or termination of any Revolving Credit Commitment of any Revolving Lender, and each payment by a Participating Lender under this Section 1.3 shall be made without any offset, abatement, withholding or reduction whatsoever.

(f) *Indemnification.* The Participating Lenders shall, to the extent of their respective Revolver Percentages, indemnify the L/C Issuer (to the extent not reimbursed by the Borrower) against any cost, expense (including reasonable counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from such L/C Issuer's gross negligence or willful misconduct) that the L/C Issuer may suffer or incur in connection with any Letter of Credit issued by it. The obligations of the Participating Lenders under this Section 1.3(f) and all other parts of this Section 1.3 shall survive termination of this Agreement and of all Applications, Letters of Credit, and all drafts and other documents presented in connection with drawings thereunder.

(g) *Manner of Requesting a Letter of Credit.* The Borrower shall provide at least five (5) Business Days' advance written notice to the Administrative Agent of each request for the issuance of a Letter of Credit, such notice in each case to be accompanied by an Application for such Letter of Credit properly completed and executed by the Borrower and, in the case of an extension or amendment or an increase in the amount of a Letter of Credit, a written request therefor, in a form acceptable to the Administrative Agent and the L/C Issuer, in each case, together with the fees called for by this Agreement. The Administrative Agent shall promptly notify the L/C Issuer of the Administrative Agent's receipt of each such notice (and the L/C Issuer shall be entitled to assume that the conditions precedent to any such issuance, extension, amendment or increase have been satisfied unless notified to the contrary by the Administrative Agent or the Required Revolving Lenders) and the L/C Issuer shall promptly notify the Administrative Agent and the Revolving Lenders of the issuance of the Letter of Credit so requested.

(h) *Replacement of the L/C Issuer*. The L/C Issuer may be replaced at any time by written agreement among the Borrower, the Administrative Agent, the replaced L/C Issuer and the successor L/C Issuer. The Administrative Agent shall notify the Revolving Lenders of any such replacement of the L/C Issuer. At the time any such replacement shall become effective, the

Borrower shall pay all unpaid fees accrued for the account of the replaced L/C Issuer. From and after the effective date of any such replacement (i) the successor L/C Issuer shall have all the rights and obligations of the L/C Issuer under this Agreement with respect to Letters of Credit to be issued thereafter and (ii) references herein to the term "L/C Issuer" shall be deemed to refer to such successor or to any previous L/C Issuer, or to such successor and all previous L/C Issuers, as the context shall require. After the replacement of a L/C Issuer hereunder, the replaced L/C Issuer shall remain a party hereto and shall continue to have all the rights and obligations of a L/C Issuer under this Agreement with respect to Letters of Credit issued by it prior to such replacement, but shall not be required to issue additional Letters of Credit.

Section 1.4. Applicable Interest Rates . (a) *Base Rate Loans.* Each Base Rate Loan made or maintained by a Lender shall bear interest (computed on the basis of a year of 365 or 366 days, as the case may be, and the actual days elapsed) on the unpaid principal amount thereof from the date such Loan is advanced, or created by conversion from a Eurodollar Loan, until maturity (whether by acceleration or otherwise) at a rate per annum equal to the sum of the Applicable Margin plus the Base Rate from time to time in effect, payable by the Borrower on each Interest Payment Date and at maturity (whether by acceleration or otherwise).

"*Base Rate*" means, for any day, the rate per annum equal to the greatest of: (a) the rate of interest announced or otherwise established by the Administrative Agent from time to time as its prime commercial rate, or its equivalent, for U.S. Dollar loans to borrowers located in the United States as in effect on such day, with any change in the Base Rate resulting from a change in said prime commercial rate to be effective as of the date of the relevant change in said prime commercial rate (it being acknowledged and agreed that such rate may not be the Administrative Agent's best or lowest rate), (b) the sum of (i) the Federal Funds Rate for such day, *plus* (ii) 1/2 of 1%, and (c) the LIBOR Quoted Rate for such day *plus* 1.00%. As used herein, the term "*LIBOR Quoted Rate*" means, for any day, the rate per annum equal to the quotient of (i) the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a one-month interest period as reported on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) as of 11:00 a.m. (London, England time) on such day (or, if such day is not a Business Day, on the immediately preceding Business Day) divided by (ii) one (1) minus the Eurodollar Reserve Percentage, *provided* that in no event shall the "LIBOR Quoted Rate" be less than 0.00%, unless such Loan is subject to a Hedging Agreement consisting of an interest rate swap.

"*Federal Funds Rate*" means, for any day, the rate per annum equal to the weighted average of the rates on overnight federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; *provided* that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, and (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to the Administrative Agent on such day on such transactions as determined by the Administrative Agent; *provided* that in no event shall the Federal Funds Rate be less than 0.00%.

(b) *Eurodollar Loans.* Each Eurodollar Loan made or maintained by a Lender shall bear interest during each Interest Period it is outstanding (computed on the basis of a year of 360 days and actual days elapsed) on the unpaid principal amount thereof from the date such Loan is advanced or continued, or created by conversion from a Base Rate Loan, until maturity (whether by acceleration or otherwise) at a rate per annum equal to the sum of the Applicable Margin plus the Adjusted LIBOR applicable for such Interest Period, payable by the Borrower on each Interest Payment Date and at maturity (whether by acceleration or otherwise).

"*Adjusted LIBOR*" means, for any Borrowing of Eurodollar Loans, a rate per annum determined in accordance with the following formula:

$$\text{Adjusted LIBOR} = \frac{\text{LIBOR}}{1 - \text{Eurodollar Reserve Percentage}}$$

"*Eurodollar Reserve Percentage*" means the maximum reserve percentage, expressed as a decimal, at which reserves (including, without limitation, any emergency, marginal, special, and supplemental reserves) are imposed by the Board of Governors of the Federal Reserve System (or any successor) on "*eurocurrency liabilities*", as defined in such Board's Regulation D (or any successor thereto), subject to any amendments of such reserve requirement by such Board or its successor, taking into account any transitional adjustments thereto. For purposes of this definition, the relevant Loans shall be deemed to be "*eurocurrency liabilities*" as defined in Regulation D without benefit or credit for any prorations, exemptions or offsets under Regulation D. The Eurodollar Reserve Percentage shall be adjusted automatically on and as of the effective date of any change in any such reserve percentage.

"*LIBOR*" means, for an Interest Period for a Borrowing of Eurodollar Loans, (a) the LIBOR Index Rate for such Interest Period, if such rate is available, and (b) if the LIBOR Index Rate cannot be determined, the arithmetic average of the rates of interest per annum (rounded upwards, if necessary, to the nearest 1/100 of 1%) at which deposits in U.S. Dollars in immediately available funds are offered to the Administrative Agent at 11:00 a.m. (London, England time) two (2) Business Days before the beginning of such Interest Period by three (3) or more major banks in the interbank eurodollar market selected by the Administrative Agent for delivery on the first day of and for a period equal to such Interest Period and in an amount equal or comparable to the principal amount of the Eurodollar Loan scheduled to be made as part of such Borrowing, provided that in no event shall "LIBOR" be less than 0.00%, unless such Loan is subject to a Hedging Agreement consisting of an interest rate swap.

"*LIBOR Index Rate*" means, for any Interest Period, the greater of (a) the rate per annum (rounded upwards, if necessary, to the next higher one hundred-thousandth of a percentage point) for deposits in U.S. Dollars for a period equal to such Interest Period, as reported on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) as of 11:00 a.m. (London, England time) on the day two (2) Business Days before the commencement of such Interest Period and (b) 0% per annum, unless such Loan is subject to a Hedging Agreement consisting of an interest rate swap.

(c) *Rate Determinations.* The Administrative Agent shall determine each interest rate applicable to the Loans and the Reimbursement Obligations hereunder, and its determination thereof shall be conclusive and binding except in the case of manifest error.

Section 1.5. Minimum Borrowing Amounts; Maximum Eurodollar Loans . Each Borrowing of Base Rate Loans shall be in an amount not less than $100,000. Each Borrowing of Eurodollar Loans advanced, continued or converted to a Eurodollar Loan shall be in an amount equal to $100,000 or such greater amount which is an integral multiple of $100,000. Without the Administrative Agent's consent, there shall not be more than eight (8) Borrowings of Eurodollar Loans outstanding hereunder.

Section 1.6. Manner of Borrowing Loans and Designating Applicable Interest Rates. (a) *Notice to the Administrative Agent.* The Borrower shall give notice to the Administrative Agent by no later than 10:00 a.m. (Chicago time): (i) at least three (3) Business Days before the date on which the Borrower requests the Lenders to advance a Borrowing of Eurodollar Loans and (ii) on the date the Borrower requests the Lenders to advance a Borrowing of Base Rate Loans, *provided that* with respect to any Borrowing of 2027 Term Loans or Borrowing of Revolving Loans to be made on the Seventh Amendment Effective Date, the foregoing deadlines may be waived by the Administrative Agent. The Loans included in each Borrowing shall bear interest initially at the type of rate specified in such notice of a new Borrowing. Thereafter, subject to the terms and conditions hereof, the Borrower may from time to time elect to change or continue the type of interest rate borne by each Borrowing or, subject to the minimum amount requirement for each outstanding Borrowing set forth in Section 1.5 hereof, a portion thereof, as follows: (i) if such Borrowing is of Eurodollar Loans, on the last day of the Interest Period applicable thereto, the Borrower may continue part or all of such Borrowing as Eurodollar Loans or convert part or all of such Borrowing into Base Rate Loans or (ii) if such Borrowing is of Base Rate Loans, on any Business Day, the Borrower may convert all or part of such Borrowing into Eurodollar Loans for an Interest Period or Interest Periods specified by the Borrower. The Borrower shall give all such notices requesting the advance, continuation or conversion of a Borrowing to the Administrative Agent by telephone, telecopy, or other telecommunication device acceptable to the Administrative Agent (which notice shall be irrevocable once given and, if by telephone, shall be promptly confirmed in writing), substantially in the form attached hereto as Exhibit B (Notice of Borrowing) or Exhibit C (Notice of Continuation/Conversion), as applicable, or in such other form acceptable to the Administrative Agent. Notice of the continuation of a Borrowing of Eurodollar Loans for an additional Interest Period or of the conversion of part or all of a Borrowing of Base Rate Loans into Eurodollar Loans must be given by no later than 10:00 a.m. (Chicago time) at least three (3) Business Days before the date of the requested continuation or conversion. All such notices concerning the advance, continuation or conversion of a Borrowing shall specify the date of the requested advance, continuation or conversion of a Borrowing (which shall be a Business Day), the amount of the requested Borrowing to be advanced, continued or converted, the type of Loans to comprise such new, continued or converted Borrowing and, if such Borrowing is to be comprised of Eurodollar Loans, the Interest Period applicable thereto. No Borrowing of Eurodollar Loans shall be advanced, continued, or created by conversion if any Default or Event of Default then exists. The Borrower agrees that the Administrative Agent may rely on any such telephonic, telecopy or other telecommunication notice given by any person the Administrative Agent in good faith believes is an Authorized Representative without the necessity of independent

investigation, and in the event any such notice by telephone conflicts with any written confirmation such telephonic notice shall govern if the Administrative Agent has acted in reliance thereon.

(b) *Notice to the Lenders*. The Administrative Agent shall give prompt telephonic, telecopy or other telecommunication notice to each Lender of any notice from the Borrower received pursuant to Section 1.6(a) above and, if such notice requests the Lenders to make Eurodollar Loans, the Administrative Agent shall give notice to the Borrower and each Lender by like means of the interest rate applicable thereto promptly after the Administrative Agent has made such determination.

(c) *Borrower's Failure to Notify*. If the Borrower fails to give notice pursuant to Section 1.6(a) above of the continuation or conversion of any outstanding principal amount of a Borrowing of Eurodollar Loans before the last day of its then current Interest Period within the period required by Section 1.6(a) and such Borrowing is not prepaid in accordance with Section 1.8(a), the Borrower shall be deemed to have given the notice three (3) Business Days prior to the end of the then current Interest Period and such Borrowing shall automatically be continued as a Borrowing of a Eurodollar Loan with a one (1) month Interest Period; *provided* that all Lenders are able to accommodate such one (1) month Interest Period and such Eurodollar Loan shall be subject to the funding indemnity set forth in Section 1.11 hereof in the event it is prepaid prior to the end of the Interest Period. In the event the Borrower fails to give notice pursuant to Section 1.6(a) above of a Borrowing equal to the amount of a Reimbursement Obligation and has not notified the Administrative Agent by 12:00 noon (Chicago time) on the day such Reimbursement Obligation becomes due that it intends to repay such Reimbursement Obligation through funds not borrowed under this Agreement, the Borrower shall be deemed to have requested a Borrowing of Base Rate Loans under the Revolving Credit (or at the option of the Swing Line Lender under the Swing Line) on such day in the amount of the Reimbursement Obligation then due, which Borrowing shall be applied to pay the Reimbursement Obligation then due.

(d) *Disbursement of Loans*. Not later than 1:00 p.m. (Chicago time) on the date of any requested advance of a new Borrowing, subject to Section 7 hereof, each Lender shall make available its Loan comprising part of such Borrowing in funds immediately available at the principal office of the Administrative Agent in Chicago, Illinois (or at such other location as the Administrative Agent shall designate). The Administrative Agent shall make the proceeds of each new Borrowing available to the Borrower no later than 2:00 p.m. (Chicago time) on the date of such Borrowing as instructed by the Borrower.

(e) *Administrative Agent Reliance on Lender Funding.* Unless the Administrative Agent shall have been notified by a Lender prior to (or, in the case of a Borrowing of Base Rate Loans, by 1:00 p.m. (Chicago time) on) the date on which such Lender is scheduled to make payment to the Administrative Agent of the proceeds of a Loan (which notice shall be effective upon receipt) that such Lender does not intend to make such payment, the Administrative Agent may assume that such Lender has made such payment when due and the Administrative Agent may in reliance upon such assumption (but shall not be required to) make available to the Borrower the proceeds of the Loan to be made by such Lender and, if any Lender has not in fact made such payment to the Administrative Agent, (1) such Lender shall, on demand, pay to the Administrative Agent the amount made available to the Borrower attributable to such Lender together with interest thereon

in respect of each day during the period commencing on the date such amount was made available to the Borrower and ending on (but excluding) the date such Lender pays such amount to the Administrative Agent at a rate per annum equal to: (i) from the date the related advance was made by the Administrative Agent to the date two (2) Business Days after payment by such Lender is due hereunder, the Federal Funds Rate for each such day and (ii) from the date two (2) Business Days after the date such payment is due from such Lender to the date such payment is made by such Lender, the Base Rate in effect for each such day, and (2) the Administrative Agent shall notify the Borrower of such Lender's failure to pay. If such amount is not received from such Lender by the Administrative Agent immediately upon demand, the Borrower will, on demand, promptly, and in no event later than 11:00 a.m. (Chicago time) on the date that is two (2) Business Days following such demand, repay to the Administrative Agent the proceeds of the Loan attributable to such Lender with interest thereon at a rate per annum equal to the interest rate applicable to the relevant Loan, which payment may be in the form of a Base Rate Loan under this Agreement, but without such payment being considered a payment or prepayment of a Loan under Section 1.11 hereof so that the Borrower will have no liability under such Section with respect to such payment.

Section 1.7. Maturity of Loans . Each Revolving Loan and Swing Loan, both for principal and interest not sooner paid or accelerated after the occurrence of an Event of Default, shall mature and be due and payable by the Borrower on the Revolving Credit Termination Date. Each Term Loan, both for principal and interest not sooner paid or accelerated after the occurrence of an Event of Default, shall mature and be due and payable on the Term Loan Maturity Date.

Section 1.8. Prepayments. (a) *Optional*. The Borrower may prepay any Loan in whole or in part (but, if in part, then: (i) if such Borrowing is of Base Rate Loans, in an amount not less than $100,000, (ii) if such Borrowing is of Eurodollar Loans, in an amount not less than $100,000, and (iii) in each case, in an amount such that the minimum amount required for a Borrowing pursuant to Section 1.5 hereof remains outstanding) any Borrowing of Eurodollar Loans at any time upon three (3) Business Days prior notice by the Borrower to the Administrative Agent or, in the case of a Borrowing of Base Rate Loans, notice delivered by the Borrower to the Administrative Agent no later than 10:00 a.m. (Chicago time) on the date of prepayment (or, in any case, such shorter period of time then agreed to by the Administrative Agent), such prepayment to be made by the payment of the principal amount to be prepaid and, in the case of any Eurodollar Loans, accrued interest thereon to the date fixed for prepayment plus any amounts due the Lenders under Section 1.11 hereof.

(b) *Mandatory*.

(i) If at any time the sum of the unpaid principal balance of the Loans, Swing Loans and the L/C Obligations then outstanding shall be in excess of the Borrowing Base as then determined and computed, as contained in the most recent Borrowing Base Certificate delivered in accordance with Section 8.5(d) hereof, the Borrower shall promptly, and in no event later than 11:00 a.m. (Chicago time) on the date that is two (2) Business Days following such delivery, and without notice or demand pay the amount of the excess to the Administrative Agent for the account of the Lenders as a mandatory prepayment on such Obligations, with each such prepayment first to be applied to the Revolving Loans and Swing Loans until paid in full, and then to the Term Loans

and the Incremental Term Loans (if any) on a combined ratable basis with respect to all such Loans until such Loans are paid in full, with any remaining balance to be held by the Administrative Agent in the Collateral Account as security for the Obligations owing with respect to the Letters of Credit.

(ii) If at any time the sum of the unpaid principal balance of the Revolving Loans, Swing Loans and the L/C Obligations then outstanding shall be in excess of the Revolving Credit Commitment, the Borrower shall promptly, and in no event later than 11:00 a.m. (Chicago time) on such Business Day, and without notice or demand pay the amount of the excess to the Administrative Agent for the account of the Lenders as a mandatory prepayment on such Obligations, with each such prepayment first to be applied to the Revolving Loans and Swing Loans until paid in full, with any remaining balance to be held by the Administrative Agent in the Collateral Account as security for the Obligations owing with respect to the Letters of Credit.

(iii) Unless the Borrower otherwise directs, prepayments of Loans under this Section 1.8(b) shall be applied first to Borrowings of Base Rate Loans until payment in full thereof with any balance applied to Borrowings of Eurodollar Loans in the order in which their Interest Periods expire. Each prepayment of Loans under this Section 1.8(b) shall be made by the payment of the principal amount to be prepaid and, in the case of any Eurodollar Loans, accrued interest thereon to the date of prepayment together with any amounts due the Lenders under Section 1.11 hereof. Each prefunding of L/C Obligations shall be made in accordance with Section 9.4 hereof.

(c) *Reborrowing.* Any amount of Revolving Loans or Swing Loans paid or prepaid before the Revolving Credit Termination Date may, subject to the terms and conditions of this Agreement, be borrowed, repaid and borrowed again. Any amount of the Term Loans or Incremental Term Loans paid or prepaid shall not be reborrowed.

Section 1.9. Default Rate . Notwithstanding anything to the contrary contained herein, while any Event of Default exists or after acceleration, if so directed by the Required Lenders, the Borrower shall pay interest (after as well as before entry of judgment thereon to the extent permitted by law) on the principal amount of all Loans and Reimbursement Obligations, and letter of credit fees at a rate per annum equal to:

(a) for any Base Rate Loan, the sum of 2.0% *plus* the Applicable Margin *plus* the Base Rate from time to time in effect;

(b) for any Eurodollar Loan, the sum of 2.0% *plus* the rate of interest in effect thereon at the time of such default until the end of the Interest Period applicable thereto *plus* the Applicable Margin and, thereafter, at a rate per annum equal to the sum of 2.0% *plus* the Applicable Margin for Base Rate Loans *plus* the Base Rate from time to time in effect;

(c) for any Reimbursement Obligation, the sum of 2.0% *plus* the amounts due under Section 1.3 with respect to such Reimbursement Obligation; and

(d) for any Letter of Credit, the sum of 2.0% *plus* the letter of credit fee due under Section 2.1 with respect to such Letter of Credit;

provided, however, that in the absence of acceleration, any adjustments pursuant to this Section 1.9 shall be made by the Administrative Agent, acting at the request or with the consent of the Required Lenders, with written notice to the Borrower. While any Event of Default exists or after acceleration, interest shall be paid on the demand of the Administrative Agent at the request or with the consent of the Required Lenders.

Section 1.10. Evidence of Indebtedness . (a) Each Lender shall maintain in accordance with its usual practice an account or accounts evidencing the indebtedness of the Borrower to such Lender resulting from each Loan made by such Lender from time to time, including the amounts of principal and interest payable and paid to such Lender from time to time hereunder.

(b) The Administrative Agent shall also maintain accounts in which it will record (i) the amount of each Loan made hereunder, the type thereof and the Interest Period with respect thereto, (ii) the amount of any principal or interest due and payable or to become due and payable from the Borrower to each Lender hereunder and (iii) the amount of any sum received by the Administrative Agent hereunder from the Borrower and each Lender's share thereof.

(c) The entries maintained in the accounts maintained pursuant to paragraphs (a) and (b) above shall be *prima facie* evidence of the existence and amounts of the Obligations therein recorded absent manifest error; *provided, however,* that the failure of the Administrative Agent or any Lender to maintain such accounts or any error therein shall not in any manner affect the obligation of the Borrower to repay the Obligations in accordance with their terms.

(d) Any Lender may request that its Loans be evidenced by a promissory note or notes in the forms of Exhibit D-1 (in the case of its Revolving Loans, a *"Revolving Note"* and collectively, the *"Revolving Notes"*), Exhibit D-2 (in the case of its Swing Loans, a *"Swing Note"*), Exhibit D-3 (in the case of its Term Loan and referred to herein as a *"Term Note"* and collectively the *"Term Notes"*) or Exhibit D-4 (in the case of its Incremental Term Loans and referred to herein as a *"Incremental Term Note"* and collectively the *"Incremental Term Notes"*) as applicable (Revolving Notes, the Swing Note, Term Notes and Incremental Term Notes being herein referred to collectively as the *"Notes"* and individually as a *"Note"*). In such event, the Borrower shall prepare, execute and deliver to such Lender a Note payable to such Lender or its registered assigns in the amount of the relevant Revolving Credit Commitment, Swing Line Sublimit, Term Loan Commitment or Term Loan, as then applicable, or Incremental Term Loan or Incremental Term Loan Commitment, as then applicable. Thereafter, the Loans evidenced by such Note or Notes and interest thereon shall at all times (including after any assignment pursuant to Section 12.12) be represented by one or more Notes payable to the order of the payee named therein or any assignee pursuant to Section 12.12, except to the extent that any such Lender or assignee subsequently returns any such Note for cancellation and requests that such Loans once again be evidenced as described above.

Section 1.11. Funding Indemnity . If any Lender shall incur any loss, cost or reasonable expense (including, without limitation, any loss, cost or reasonable expense incurred by reason of the liquidation or re-employment of deposits or other funds acquired by such Lender to fund or maintain any Eurodollar Loan or the relending or reinvesting of such deposits or amounts paid or prepaid to such Lender) as a result of:

(a) any payment, prepayment or conversion of a Eurodollar Loan on a date other than the last day of its Interest Period,

(b) any failure (because of a failure to meet the conditions of Section 7 or otherwise) by the Borrower to borrow or continue a Eurodollar Loan, or to convert a Base Rate Loan into a Eurodollar Loan, on the date specified in a notice given pursuant to Section 1.6(a) hereof,

(c) any failure by the Borrower to make any payment of principal on any Eurodollar Loan when due (whether by acceleration or otherwise), or

(d) any acceleration of the maturity of a Eurodollar Loan as a result of the occurrence of any Event of Default hereunder,

then, upon the demand of such Lender, the Borrower shall pay to such Lender such amount as will reimburse such Lender for such loss, cost or reasonable expense. If any Lender makes such a claim for compensation, it shall provide to the Borrower, with a copy to the Administrative Agent, a certificate setting forth the amount of such loss, cost or reasonable expense in reasonable detail and the amounts shown on such certificate shall be conclusive if reasonably determined absent manifest error.

Section 1.12. Commitment Terminations . (a) *Optional Revolving Credit Terminations.* The Borrower shall have the right at any time and from time to time, upon five (5) Business Days prior written notice to the Administrative Agent (or such shorter period of time agreed to by the Administrative Agent), to terminate the Revolving Credit Commitments without premium or penalty and in whole or in part, any partial termination to be (i) in an amount not less than $1,000,000 and (ii) allocated ratably among the Revolving Lenders in proportion to their respective Revolver Percentages, *provided that* the Revolving Credit Commitments may not be reduced to an amount less than the sum of the aggregate principal amount of Revolving Loans, Swing Loans and L/C Obligations then outstanding. Any termination of the Revolving Credit Commitments below the L/C Sublimit or the Swing Line Sublimit then in effect shall reduce the L/C Sublimit or the Swing Line Sublimit, as applicable, by a like amount. The Administrative Agent shall give prompt notice to each Revolving Lender of any such termination of the Revolving Credit Commitments.

(b) Any termination of the Revolving Credit Commitments pursuant to this Section 1.12 may not be reinstated.

Section 1.13. Substitution of Lenders . In the event (a) the Borrower receives a claim from any Lender for compensation under Section 10.3 or 12.1 hereof, (b) the Borrower receives notice

from any Lender of any illegality pursuant to Section 10.1 hereof, (c) any Lender is then a Defaulting Lender or such Lender is a Subsidiary or Affiliate of a Person who has been deemed insolvent or becomes the subject of a bankruptcy or insolvency proceeding or a receiver or conservator has been appointed for any such Person, or (d) a Lender fails to consent to an amendment or waiver requested under Section 12.13 hereof at a time when the Required Lenders have approved such amendment or waiver (any such Lender referred to in clause (a), (b), (c), or (d) above being hereinafter referred to as an *"Affected Lender"*), the Borrower may, in addition to any other rights the Borrower may have hereunder or under applicable law, require, at its expense, any such Affected Lender to assign, at par, without recourse (other than with respect to claims or Liens arising by, through or under such Affected Lender), all of its interest, rights, and obligations hereunder (including all of its Revolving Credit Commitments, Term Loan Commitments, if any, and Incremental Term Loan Commitments, if any, and the Loans and participation interests in Letters of Credit and other amounts at any time owing to it hereunder and the other Loan Documents) to an Eligible Assignee specified by the Borrower, *provided* that (i) such assignment shall not conflict with or violate any law, rule or regulation or order of any court or other governmental authority, (ii) the Borrower shall have paid to the Affected Lender all monies (together with amounts due such Affected Lender under Section 1.11 hereof as if the Loans owing to it were prepaid rather than assigned) other than such principal owing to it hereunder, and (iii) the assignment is entered into in accordance with, and subject to the consents required by, Section 12.12 hereof (provided any reimbursable expenses due thereunder shall be paid by the Borrower and any assignment fees shall be waived).

Section 1.14. Defaulting Lenders . Anything contained herein to the contrary notwithstanding, in the event that any Lender at any time is a Defaulting Lender, then (a) during any Defaulting Lender Period with respect to such Defaulting Lender, such Defaulting Lender shall be deemed not to be a *"Lender"* for purposes of voting on any matters (including the granting of any consents or waivers) with respect to any of the Loan Documents and such Defaulting Lender's Revolving Credit Commitments shall be excluded for purposes of determining *"Required Lenders"* (provided that the foregoing shall not permit an increase in such Lender's Revolving Credit Commitments or an extension of the maturity date of such Lender's Loans or other Obligations without such Lender's consent); (b) to the extent permitted by applicable law, until such time as the Defaulting Lender Excess with respect to such Defaulting Lender shall have been reduced to zero, any voluntary prepayment of the Loans shall, if the Administrative Agent so directs at the time of making such voluntary prepayment, be applied to the Loans of other Lenders as if such Defaulting Lender had no Loans outstanding; (c) such Defaulting Lender's Revolving Credit Commitments and outstanding Loans shall be excluded for purposes of calculating any commitment fee payable to Lenders pursuant to Section 2.1 in respect of any day during any Defaulting Lender Period with respect to such Defaulting Lender, and such Defaulting Lender shall not be entitled to receive any fee pursuant to Section 2.1 with respect to such Defaulting Lender's Revolving Credit Commitment in respect of any Defaulting Lender Period with respect to such Defaulting Lender (and any Letter of Credit fee otherwise payable to a Lender who is a Defaulting Lender shall instead be paid to the L/C Issuer for its use and benefit); (d) the utilization of Revolving Credit Commitments as at any date of determination shall be calculated as if such Defaulting Lender had funded all Loans of such Defaulting Lender; and (e) if so requested by the L/C Issuer at any time during the Defaulting Lender Period with respect to such Defaulting Lender, the Borrower shall deliver to the Administrative Agent cash collateral in an amount equal to such

Defaulting Lender's Revolver Percentage of L/C Obligations then outstanding (to be, held by the Administrative Agent as set forth in Section 9.4 hereof). No Revolving Credit Commitment of any Lender shall be increased or otherwise affected, and, except as otherwise expressly provided in this Section 1.14, performance by the Borrower of its obligations hereunder and the other Loan Documents shall not be excused or otherwise modified as a result of the operation of this Section 1.14. The rights and remedies against a Defaulting Lender under this Section 1.14 are in addition to other rights and remedies which the Borrower may have against such Defaulting Lender and which the Administrative Agent or any Lender may have against such Defaulting Lender.

Section 1.15. Increase in Revolving Credit Commitments and Incremental Term Loan Commitments . The Borrower may, from time to time, on any Business Day prior to the Revolving Credit Termination Date or Term Loan Maturity Date, as applicable, increase the aggregate amount of the Revolving Credit Commitments or establish one or more new term loan commitments (any such new term loan commitment, an "*Incremental Term Loan Commitment*"), respectively, by delivering a Commitment Amount Increase Request substantially in the form attached hereto as Exhibit H or in such other form acceptable to the Administrative Agent at least five (5) Business Days prior to the desired effective date of such increase (the "*Revolving Credit Commitment Amount Increase*") or establishment of such Incremental Term Loan Commitment providing for the advance of new term loans (individually an "*Incremental Term Loan*" and collectively for all the Incremental Term Loan Lenders the "*Incremental Term Loans*"), identifying one or more additional Lenders (or additional Revolving Credit Commitments for existing Revolving Lenders, or by a combination of existing Lenders and additional Lenders, and the amount of each such Lender's additional Revolving Credit Commitment or Incremental Term Loan Commitment, as applicable); *provided, however,* that (i) the aggregate amount of the Revolving Credit Commitments shall not be increased to an amount in excess of $300,000,000, (ii) the aggregate amount of Term Loans may not exceed $400,000,000, (iii) each Revolving Credit Commitment Amount Increase or Incremental Term Loan request shall be in an amount of not less than $5,000,000 or such lesser amount as approved by the Administrative Agent, (iv) no Default or Event of Default shall have occurred and be continuing at the time of the request or the effective date of the Revolving Credit Commitment Amount Increase or advance of the Incremental Term Loan and (v) all representations and warranties contained in Section 6 hereof shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) at the time of such request and on the effective date of such Revolving Credit Commitment Amount Increase or advance of such Incremental Term Loans, except for representations and warranties that relate to a prior date, which shall have been true and correct in all material respects (except in the case of a representation or warranty qualified by materiality, in which case such representation or warranty shall be true and correct in all respects) as of the applicable date on which they were made. The effective date of the Revolving Credit Commitment Amount Increase or advance of any Incremental Term Loan shall be agreed upon by the Borrower and the Administrative Agent. Upon the effectiveness of any Revolving Credit Commitment Amount Increase or advance of the Incremental Term Loan, the new Lender(s) (or, if applicable, existing Lender(s)) shall advance Revolving Loans or Incremental Term Loans in an amount sufficient such that after giving effect to its advance each Lender shall have outstanding its Revolver Percentage of Revolving Loans and Incremental Term Loan Percentage of Incremental Term Loans, as applicable. It shall be a condition to such effectiveness that if any Eurodollar Loans are outstanding on the date of

such effectiveness, such Eurodollar Loans shall be deemed to be prepaid on such date and the Borrower shall pay any amounts owing to the Lenders pursuant to Section 1.11 hereof. In the event that the Borrower shall have terminated any portion of the Revolving Credit Commitments pursuant to Section 1.11 hereof, the amount available for a Revolving Credit Commitment Amount Increase shall be reduced by the terminated commitment amount. The Borrower agrees to pay any reasonable expenses of the Administrative Agent relating to any Revolving Credit Commitment Amount Increase or Incremental Term Loan and arrangement fees related thereto as agreed upon in writing between Administrative Agent and the Borrower, if any. Notwithstanding anything herein to the contrary, (x) no Lender shall have any obligation to increase its Revolving Credit Commitment or to provide an Incremental Term Loan Commitment and no Lender's Revolving Credit Commitment shall be increased without its consent thereto, and each Lender may at its option, unconditionally and without cause, decline to increase its Revolving Credit Commitment or to provide any Incremental Term Loan Commitment, (y) no declining Lender shall have any consent rights with respect to such Revolving Credit Commitment Amount Increase or such Incremental Term Loan Commitment, as applicable, and (z) any new Lender shall be acceptable to the Administrative Agent (to the extent the consent of the Administrative Agent would be required in connection with an assignment to such new Lender under Section 12.12(a)(iii) hereof) with such consent not to be unreasonably withheld or delayed. Upon the effectiveness thereof, Schedule 1 shall be deemed amended to reflect any Revolving Credit Commitment Amount Increase and any Incremental Term Loan Commitment, as applicable. Subject to Section 7.1 hereof, on the effective date of any new Incremental Term Loan Commitments, any new or existing Lender with an Incremental Term Loan Commitment shall advance in a single Borrowing an Incremental Term Loan in the amount of its new Incremental Term Loan Commitment. The Borrower shall deliver or cause to be delivered any documents reasonably requested by the Administrative Agent in connection with any such transaction and consistent with Section 7.2 hereof.

The Incremental Term Loans (a) shall rank *pari passu* in right of payment and of security with the Revolving Loans and the existing Term Loans and shall not be secured by any additional collateral or guaranteed by any additional Guarantors than the existing Term Loans, (b) shall have (i) a final maturity date no earlier than the Term Loan Maturity Date and (ii) a weighted average life not less than the then remaining weighted average life to maturity of the Term Loans, (c) shall be subject to covenants and events of default that are identical to or not materially more restrictive to the Borrower than those in the existing Term Loan (except to the extent such terms apply only after the latest maturity date of the existing Term Loans) and (d) shall have any mandatory prepayments made pursuant to Section 1.8(b) hereof allocated ratably between the existing Term Loans and the Incremental Term Loans (if any); *provided*, that except as set forth above, the terms and conditions applicable to Incremental Term Loans (including interest rates and amortization applicable thereto) shall be determined by the Borrower, the Administrative Agent and the Lenders providing such Incremental Term Loans.

Section 1.16. Extension of Revolving Credit Termination Date . Borrower may, by notice to Administrative Agent (which shall promptly deliver a copy to each of the Lenders) given at least thirty (30) days and not more than ninety (90) days prior to the then Revolving Credit Termination Date (the "*Existing Commitment Termination Date*"), request that Lenders extend the Existing Commitment Termination Date for one additional one-year period. Upon the

Borrower's timely delivery of such notice to Administrative Agent and *provided, that* (i) no Default or Event of Default has occurred and is continuing (both on the date the notice is delivered and on the then Existing Commitment Revolving Credit Termination Date), (ii) the Borrower and the Subsidiaries are in compliance with all covenants contained in Section 8 hereof, (iii) all representations and warranties contained in Section 6 hereof shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality in which case such representation or warranty shall be true and correct in all respects) on the date the notice is delivered and on the then Existing Commitment Termination Date except for representations and warranties that relate to a prior date, which shall have been true and correct in all material respects (except in the case of a representation or warranty qualified by materiality in which case such representation or warranty shall be true and correct in all respects) as of the applicable date on which they were made and (iv) the Borrower has paid in immediately available funds the Extension Fee on or prior to the first day of any requested extension period, then the Revolving Credit Termination Date shall be extended to the first anniversary of the then Existing Commitment Termination Date. Should the Revolving Credit Termination Date be extended, the terms and conditions of this Agreement will apply during any such extension period, and from and after the date of such extension, the term Revolving Credit Termination Date shall mean the last day of the extended term.

Section 1.17. Swing Loans . (a) *Generally.* Subject to the terms and conditions hereof, as part of the Revolving Credit, the Swing Line Lender may, in its sole discretion, make loans in U.S. Dollars to the Borrower under the Swing Line (individually a *"Swing Loan"* and collectively the *"Swing Loans"*) which shall not in the aggregate at any time outstanding exceed the Swing Line Sublimit; *provided,* that if the Swing Line Lender declines to make a Swing Loan, the Borrower shall be deemed to have requested a Borrowing of a Base Rate Loan under Section 1.6 hereof in the amount of such requested Swing Loan. Swing Loans may be availed of from time to time and borrowings thereunder may be repaid and used again during the period ending on the Revolving Credit Termination Date. Each Swing Loan shall be in a minimum amount of $100,000 or such greater amount which is an integral multiple of $100,000.

(b) *Interest on Swing Loans.* Each Swing Loan shall bear interest until maturity (whether by acceleration or otherwise) at a rate per annum equal to the sum of the Base Rate plus the Applicable Margin for Base Rate Loans under the Revolving Credit as from time to time in effect (computed on the basis of a year of 365 or 366 days, as the case may be, for the actual number of days elapsed). Interest on each Swing Loan shall be due and payable by the Borrower on each Interest Payment Date and at maturity (whether by acceleration or otherwise).

(c) *Requests for Swing Loans.* The Borrower shall give the Administrative Agent prior notice (which may be written or oral) no later than 12:00 Noon (Chicago time) on the date upon which the Borrower requests that any Swing Loan be made, of the amount and date of such Swing Loan. The Administrative Agent shall promptly advise the Swing Line Lender of any such notice received from the Borrower. Subject to the terms and conditions hereof, the proceeds of each Swing Loan extended to the Borrower shall be deposited or otherwise wire transferred as agreed to by the Borrower, the Administrative Agent, and the Swing Line Lender. Anything contained in the foregoing to the contrary notwithstanding, the undertaking of the Swing Line Lender to make Swing Loans shall be subject to all of the terms and conditions of this Agreement (provided that

the Swing Line Lender shall be entitled to assume that the conditions precedent to an advance of any Swing Loan have been satisfied unless notified to the contrary by the Administrative Agent or the Required Revolving Lenders).

(d) *Refunding Loans*. In its sole and absolute discretion, the Swing Line Lender may at any time, on behalf of the Borrower (which hereby irrevocably authorizes the Swing Line Lender to act on its behalf for such purpose) and with notice to the Borrower and the Administrative Agent, request each Revolving Lender to make a Revolving Loan in the form of a Base Rate Loan in an amount equal to such Revolving Lender's Revolver Percentage of the amount of the Swing Loans outstanding on the date such notice is given. Unless an Event of Default described in Section 9.1(j) or 9.1(k) exists with respect to the Borrower, regardless of the existence of any other Event of Default, each Revolving Lender shall make the proceeds of its requested Revolving Loan available to the Administrative Agent for the account of the Swing Line Lender, in immediately available funds, at the Administrative Agent's office in Chicago, Illinois (or such other location designated by the Administrative Agent), before 12:00 Noon (Chicago time) on the Business Day following the day such notice is given. The Administrative Agent shall promptly remit the proceeds of such Borrowing to the Swing Line Lender to repay the outstanding Swing Loans.

(e) *Participations.* If any Revolving Lender refuses or otherwise fails to make a Revolving Loan when requested by the Swing Line Lender pursuant to Section 1.17(d) above (because an Event of Default described in Section 9.1(j) or 9.1(k) exists with respect to the Borrower or otherwise), such Revolving Lender will, by the time and in the manner such Revolving Loan was to have been funded to the Swing Line Lender, purchase from the Swing Line Lender an undivided participating interest in the outstanding Swing Loans in an amount equal to its Revolver Percentage of the aggregate principal amount of Swing Loans that were to have been repaid with such Revolving Loans. Each Revolving Lender that so purchases a participation in a Swing Loan shall thereafter be entitled to receive its Revolver Percentage of each payment of principal received on the Swing Loan and of interest received thereon accruing from the date such Revolving Lender funded to the Swing Line Lender its participation in such Loan. The several obligations of the Revolving Lenders under this Section shall be absolute, irrevocable, and unconditional under any and all circumstances whatsoever and shall not be subject to any set-off, counterclaim or defense to payment which any Revolving Lender may have or have had against the Borrower, any other Revolving Lender, or any other Person whatsoever. Without limiting the generality of the foregoing, such obligations shall not be affected by any Default or Event of Default or by any reduction or termination of the Revolving Credit Commitments of any Revolving Lender, and each payment made by a Lender under this Section shall be made without any offset, abatement, withholding, or reduction whatsoever.

(f) *Sweep to Loan Arrangement*. So long as a Sweep to Loan Arrangement is in effect, and subject to the terms and conditions thereof, Swing Loans may be advanced and prepaid hereunder notwithstanding any notice, minimum amount, or funding and payment location requirements hereunder for any advance of Swing Loans or for any prepayment of any Swing Loans. The making of any such Swing Loans shall otherwise be subject to the other terms and conditions of this Agreement. All Swing Loans advanced or prepaid pursuant to such Sweep to Loan Arrangement shall be Base Rate Loans; and, so long as a Sweep to Loan Arrangement is in effect, all Swing Loans (whether or not advanced pursuant to the Sweep to Loan Arrangement)

shall be Base Rate Loans. The Swing Line Lender shall have the right in its sole discretion to suspend or terminate the making and/or prepayment of Swing Loans pursuant to such Sweep to Loan Arrangement with notice to the Sweep Depositary and the Borrower (which may be provided on a same-day basis), whether or not any Default or Event of Default exists. The Swing Line Lender shall not be liable to the Borrower or any other Person for any losses directly or indirectly resulting from events beyond the Swing Line Lender's reasonable control, including without limitation any interruption of communications or data processing services or legal restriction or for any special, indirect, consequential or punitive damages in connection with any Sweep to Loan Arrangement.

SECTION 2. FEES.

Section 2.1. Fees . (a) *Revolving Credit Unused Commitment Fee*. The Borrower shall pay to the Administrative Agent for the ratable account of the Revolving Lenders in accordance with their Revolver Percentages an unused commitment fee at a rate per annum equal to (x) 0.15% if the average daily Unused Revolving Credit Commitments are less than or equal to 50% of the Revolving Credit Commitments then in effect and (y) 0.25% if the average daily Unused Revolving Credit Commitments are greater than 50% of the Revolving Credit Commitments then in effect (computed on the basis of a year of 360 days and the actual number of days elapsed) and determined based on the average daily Unused Revolving Credit Commitments during such previous quarter. Such commitment fee shall be payable quarterly in arrears on the last day of each March, June, September, and December in each year (commencing on the first such date occurring after the date hereof) and on the Revolving Credit Termination Date, unless the Revolving Credit Commitments are terminated in whole on an earlier date, in which event the commitment fee for the period to the date of such termination in whole shall be calculated and paid on the date of such termination.

(b) *Letter of Credit Fees.* On the date of issuance or extension, or increase in the amount, of any Letter of Credit pursuant to Section 1.3 hereof, the Borrower shall pay to the L/C Issuer for its own account a fronting fee equal to 0.20% of the face amount of (or of the increase in the face amount of) such Letter of Credit. Quarterly in arrears, on the last day of each March, June, September, and December, commencing on the first such date occurring after the date hereof, the Borrower shall pay to the Administrative Agent, for the ratable benefit of the Revolving Lenders in accordance with their Revolver Percentages, a letter of credit fee at a rate per annum equal to the Applicable Margin (computed on the basis of a year of 360 days and the actual number of days elapsed) in effect during each day of such quarter applied to the daily average face amount of Letters of Credit outstanding during such quarter. If no Letters of Credit were outstanding during such quarter, no such fee shall be owed. In addition, the Borrower shall pay to the L/C Issuer for its own account the L/C Issuer's standard issuance, drawing, negotiation, amendment, cancellation, assignment, and other administrative fees for each Letter of Credit as established by the L/C Issuer from time to time.

(c) *Administrative Agent and Other Fees*. The Borrower shall pay to the Administrative Agent, for its own use and benefit and for the benefit of the Lenders, as applicable, the fees agreed to between the Administrative Agent and the Borrower in a fee letter dated August 7, 2017, or as otherwise agreed to in writing between them.

SECTION 3. PLACE AND APPLICATION OF PAYMENTS .

Section 3.1. Place and Application of Payments . All payments of principal of and interest on the Loans and the Reimbursement Obligations, and of all other Obligations payable by the Borrower under this Agreement and the other Loan Documents, shall be made by the Borrower to the Administrative Agent by no later than 12:00 Noon (Chicago time) on the due date thereof at the office of the Administrative Agent in Chicago, Illinois (or such other location as the Administrative Agent may designate to the Borrower) for the benefit of the Lender(s) or L/C Issuer entitled thereto. Any payments received after such time shall be deemed to have been received by the Administrative Agent on the next Business Day. All such payments shall be made in U.S. Dollars, in immediately available funds at the place of payment, in each case without set-off or counterclaim. The Administrative Agent will promptly thereafter cause to be distributed like funds relating to the payment of principal or interest on Loans and on Reimbursement Obligations in which the Lenders have purchased Participating Interests ratably to the Lenders and like funds relating to the payment of any other amount payable to any Lender to such Lender, in each case to be applied in accordance with the terms of this Agreement. If the Administrative Agent causes amounts to be distributed to the Lenders in reliance upon the assumption that the Borrower will make a scheduled payment and such scheduled payment is not so made, each Lender shall, on demand, repay to the Administrative Agent the amount distributed to such Lender together with interest thereon in respect of each day during the period commencing on the date such amount was distributed to such Lender and ending on (but excluding) the date such Lender repays such amount to the Administrative Agent, at a rate per annum equal to: (i) from the date the distribution was made to the date two (2) Business Days after payment by such Lender is due hereunder, the Federal Funds Rate for each such day and (ii) from the date two (2) Business Days after the date such payment is due from such Lender to the date such payment is made by such Lender, the Base Rate in effect for each such day.

Anything contained herein to the contrary notwithstanding (including, without limitation, Section 1.8(b) hereof), all payments and collections received in respect of the Obligations by the Administrative Agent or any of the Lenders after acceleration or the final maturity of the Obligations or termination of the Revolving Credit Commitments as a result of an Event of Default shall be remitted to the Administrative Agent and distributed as follows:

(a) first, to the payment of any outstanding costs and expenses incurred by the Administrative Agent in protecting, preserving or enforcing rights under the Loan Documents, and in any event including all costs and expenses of a character which the Borrower has agreed to pay the Administrative Agent under Section 12.15 hereof (such funds to be retained by the Administrative Agent for its own account unless it has previously been reimbursed for such costs and expenses by the Lenders, in which event such amounts shall be remitted to the Lenders to reimburse them for payments theretofore made to the Administrative Agent);

(b) second, to the payment of Swing Loans, both for principal and accrued but unpaid interest;

(c) third, to the payment of any outstanding interest and fees due under the Loan Documents to be allocated pro rata in accordance with the aggregate unpaid amounts owing to each holder thereof;

(d) fourth, to the payment of principal on the Term Loans, Incremental Term Loans (if any), the Revolving Loans, unpaid Reimbursement Obligations, together with amounts to be held by the Administrative Agent as collateral security for any outstanding L/C Obligations pursuant to Section 9.4 hereof (until the Administrative Agent is holding an amount of cash equal to the then outstanding amount of all such L/C Obligations), Hedging Liability, and Funds Transfer and Deposit Account Liability, with the aggregate amount paid to, or held as collateral security for, the Lenders and L/C Issuer and, in the case of Hedging Liability, their Affiliates to be allocated *pro rata* in accordance with the aggregate unpaid amounts owing to each holder thereof;

(e) fifth, to the payment of all other unpaid Obligations and all other indebtedness, obligations, and liabilities of the Borrower and its Subsidiaries evidenced by the Loan Documents to be allocated pro rata in accordance with the aggregate unpaid amounts owing to each holder thereof; and

(f) finally, to the Borrower or whoever else may be lawfully entitled thereto.

SECTION 4. GUARANTIES .

Section 4.1. Guaranties . The payment and performance of the Obligations, Hedging Liability, and Funds Transfer and Deposit Account Liability shall at all times be guaranteed by each direct and indirect Material Subsidiary of the Borrower pursuant to Section 13 hereof or pursuant to one or more guaranty agreements in form and substance acceptable to the Administrative Agent, as the same may be amended, modified or supplemented from time to time (individually a *"Guaranty"* and collectively the *"Guaranties"* and each such Material Subsidiary executing and delivering a Guaranty being referred to herein as a *"Guarantor"* and collectively the *"Guarantors"*); *provided, however,* that, with respect to any Guarantor, Hedging Liability guaranteed by such Guarantor shall exclude all Excluded Swap Obligations.

Section 4.2. Further Assurances . In the event the Borrower or any Guarantor forms or acquires any other Material Subsidiary after the date hereof, except as otherwise provided in Section 4.1, the Borrower shall promptly upon such formation or acquisition cause such newly formed or acquired Material Subsidiary to execute a Guaranty or an Additional Guarantor Supplement in the form of Exhibit G attached hereto (the *"Additional Guarantor Supplement"*) as the Administrative Agent may then require, and the Borrower shall also deliver to the Administrative Agent, or cause such Material Subsidiary to deliver to the Administrative Agent, at the Borrower's cost and expense, such other instruments, documents, certificates, and opinions reasonably required by the Administrative Agent in connection therewith.

SECTION 5. DEFINITIONS; INTERPRETATION.

Section 5.1. Definitions . The following terms when used herein shall have the following meanings:

"*1031 Property Holder*" means the "qualified intermediary" or "exchange accommodation titleholder" with respect to a 1031 Property as contemplated under Section 1031 of the Code, the regulations of the U.S. Department of Treasury adopted thereunder and related revenue procedures related thereto.

"*1031 Property Security Documents*" means a collateral assignment and pledge of (x) any promissory note made by the applicable 1031 Property Holder in favor of the Borrower or a Guarantor, which promissory note is limited recourse to the 1031 Property, (y) the equity interest of the 1031 Property Holder and (z) the Borrower's or the applicable Guarantor's, as the case may be, rights under an "exchange agreement", a "qualified exchange accommodation agreement" (as defined in IRS Revenue Procedure 2000-37) or any similar agreement, in each case, pursuant to collateral assignment and pledge documentation reasonably acceptable to the Administrative Agent, which shall include (i) a written acknowledgement and consent by the 1031 Property Holder of such collateral assignments and pledges and (ii) an acknowledgement and agreement by the 1031 Property Holder that, following receipt of a notice from Administrative Agent stating that an Event of Default under the Agreement has occurred, it will comply with the requirements of Section 8.25 hereof, in each case, reasonably acceptable to the Administrative Agent.

"*Adjusted EBITDA*" means EBITDA *minus* the Annual Capital Expenditure Reserve.

"*Adjusted FFO*" means for any period, "funds from operations" as defined in accordance with resolutions adopted by the Board of Governors of the National Association of Real Estate Investment Trusts as in effect from time to time; *provided*, that Adjusted FFO shall (i) be based on net income after payment of distributions to holders of preferred partnership units in Borrower and distributions necessary to pay holders of preferred stock of Borrower, and (ii) at all times exclude (a) charges for impairment losses from property sales, (b) stock-based compensation, (c) write-offs or reserves of straight-line rent related to sold assets, (d) amortization of debt costs, and (e) non-recurring charges, including, without limitation, acquisition expenses, non-cash charges related to the write-off of deferred equity and financing costs and one-time charges related to the transition to self-management.

"*Adjusted LIBOR*" is defined in Section 1.4(b) hereof.

"*Administrative Agent*" means Bank of Montreal, in its capacity as Administrative Agent hereunder, and any successor in such capacity pursuant to Section 11.6 hereof.

"*Administrative Questionnaire*" means an Administrative Questionnaire in a form supplied by the Administrative Agent.

"*Affected Lender*" is defined in Section 1.13 hereof.

"*Affiliate*" means any Person directly or indirectly controlling or controlled by, or under direct or indirect common control with, another Person. A Person shall be deemed to control another Person for purposes of this definition if such Person possesses, directly or indirectly, the power to direct, or cause the direction of, the management and policies of the other Person, whether through the ownership of voting securities, common directors, trustees or officers, by contract or otherwise; *provided that*, in any event for purposes of this definition, any Person that owns, directly or indirectly, 20% or more of the securities having the ordinary voting power for the election of directors or governing body of a corporation or 20% or more of the partnership or other ownership interest of any other Person (other than as a limited partner of such other Person) will be deemed to control such corporation or other Person.

"*Agreement*" means this Credit Agreement, as the same may be amended, modified, restated or supplemented from time to time pursuant to the terms hereof.

"*Alpine*" means Alpine Income Property Trust, Inc, a Maryland corporation.

"*Annual Capital Expenditure Reserve*" means the sum of (a) an amount equal to the product of (i) $0.15 *multiplied by* (ii) the aggregate net rentable area, determined on a square footage basis, for retail and industrial properties, *plus* (b) an amount equal to the product of (i) $0.50 *multiplied by* (ii) the aggregate net rentable area, determined on a square footage basis, for office properties, *plus* (c) an amount equal to the product of (i) four percent (4.0%) *multiplied by* (ii) the gross revenues from any hotels, motels and resorts; *provided*, *however*, this definition of Annual Capital Expenditure Reserve shall not apply to any Land Assets or any Ground Leases; *provided* that the Borrower is not obligated for Capital Expenditures.

"*Anti-Corruption Law*" means the FCPA and any law, rule or regulation of any jurisdiction concerning or relating to bribery or corruption that are applicable to Borrower or any Subsidiary or Affiliate.

"*Applicable Margin*" means, with respect to Loans, Reimbursement Obligations, and the commitment fees and letter of credit fees payable under Section 2.1 hereof, until the first Pricing Date, the rates shown opposite Level I below, and thereafter, from one Pricing Date to the next the rates per annum determined in accordance with the following schedule:

Level	Total Indebtedness to Total Asset Value Ratio for Such Pricing Date	Applicable Margin for Base Rate Loans and Reimbursement Obligations shall be:	Applicable Margin for Eurodollar Loans and Letter of Credit Fee Shall Be:
I	Less than or equal to 0.45 to 1.00	0.35%	1.35%
II	Less than or equal to 0.50 to 1.00, but greater than 0.45 to 1.00	0.50%	1.50%
III	Less than or equal to	0.65%	1.65%

Level	Total Indebtedness to Total Asset Value Ratio for Such Pricing Date	Applicable Margin for Base Rate Loans and Reimbursement Obligations shall be:	Applicable Margin for Eurodollar Loans and Letter of Credit Fee Shall Be:
	0.55 to 1.00, but greater than 0.50 to 1.00		
IV	Greater than 0.55 to 1.00	0.95%	1.95 %

For purposes hereof, the term *"Pricing Date"* means, for any fiscal quarter of the Borrower, the last date on which the Borrower's most recent Compliance Certificate and financial statements (and, in the case of the year-end financial statements, audit report) for the fiscal quarter then ended are due, pursuant to Section 8.5 hereof. The Applicable Margin shall be established based on the Total Indebtedness to Total Asset Value Ratio for the most recently completed fiscal quarter and the Applicable Margin established on a Pricing Date shall remain in effect until the next Pricing Date. If the Borrower has not delivered its Compliance Certificate and financial statements by the date the Compliance Certificate and financial statements (and, in the case of the year-end financial statements, audit report) are required to be delivered under Section 8.5 hereof, then until such Compliance Certificate and financial statements and/or audit report are delivered, the Applicable Margin shall be the highest Applicable Margin (*i.e.*, Level IV shall apply). If the Borrower subsequently delivers such Compliance Certificate and financial statements before the next Pricing Date, the Applicable Margin established by such late delivered Compliance Certificate and financial statements shall take effect from the date of delivery until the next Pricing Date. In all other circumstances, the Applicable Margin established by such Compliance Certificate and financial statements shall be in effect from the Pricing Date that occurs immediately after the end of the fiscal quarter covered by such financial statements until the next Pricing Date. Borrower, Administrative Agent, L/C Issuer and Lenders understand that the applicable interest rate for the Obligations and certain fees set forth herein may be determined and/or adjusted from time to time based upon certain financial ratios and/or other information to be provided or certified to the Administrative Agent and Lenders by Borrower (the *"Borrower Information"*). If it is subsequently determined that any such Borrower Information was incorrect (for whatever reason, including, without limitation, because of a subsequent restatement of earnings by the Borrower) at the time it was delivered to the Administrative Agent, and if the applicable interest rate or fees calculated for any period were lower than they should have been had the correct information been timely provided, then, such interest rate and such fees for such period shall be automatically recalculated using correct Borrower Information; *provided* that no recalculation shall be done for any period that is more than 2 years earlier than the date of recalculation. The Administrative Agent shall promptly notify Borrower in writing of any additional interest and fees due because of such recalculation, and the Borrower shall pay such additional interest or fees due to the Administrative Agent, for the account of each Lender or the L/C Issuer, within five (5) Business Days of receipt of such written notice. Any recalculation of interest or fees required by this provision shall survive the termination of this Agreement, and this provision shall not in any way limit any of the Administrative Agent's, the L/C Issuer's, or any Lender's other rights under this Agreement. Each determination of the Applicable Margin made by the Administrative Agent in

accordance with the foregoing shall be conclusive, absent manifest error, and binding on the Borrower and the Lenders if reasonably determined.

"*Application*" is defined in Section 1.3(b) hereof.

"*Approved Fund*" means any Fund that is administered or managed by (a) a Lender, (b) an Affiliate of a Lender or (c) an entity or an Affiliate of an entity that administers or manages a Lender.

"*Assets Under Development*" means any real property under construction (excluding any completed Property under minor renovation) until such property has received a certificate of occupancy.

"*Assignment and Acceptance*" means an assignment and acceptance entered into by a Lender and an Eligible Assignee (with the consent of any party whose consent is required by Section 12.12 hereof), and accepted by the Administrative Agent, in substantially the form of Exhibit F or any other form approved by the Administrative Agent.

"*Authorized Representative*" means those persons shown on the list of officers provided by the Borrower pursuant to Section 7.2 hereof or on any update of any such list provided by the Borrower to the Administrative Agent, or any further or different officers of the Borrower so named by any Authorized Representative of the Borrower in a written notice to the Administrative Agent.

"*Bail-In Action*" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"*Bail-In Legislation*" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"*Bankruptcy Event*" means, with respect to any Person, any event of the type described in clause (j) or (k) of Section 9.1 hereof with respect to such Person.

"*Base Rate*" is defined in Section 1.4(a) hereof.

"*Base Rate Loan*" means a Loan bearing interest at a rate specified in Section 1.4(a) hereof.

"*Borrower*" is defined in the introductory paragraph of this Agreement.

"*Borrowing*" means the total of Loans of a single type advanced, continued for an additional Interest Period, or converted from a different type into such type by the Lenders on a single date and, in the case of Eurodollar Loans, for a single Interest Period. Borrowings of Loans are made and maintained ratably from each of the Lenders according to their Percentages. A Borrowing is "*advanced*" on the day Lenders advance funds comprising such Borrowing to the Borrower, is "*continued*" on the date a new Interest Period for the same type of Loans commences for such Borrowing, and is "*converted*" when such Borrowing is changed from one type of Loans to the other, all as determined pursuant to Section 1.6 hereof. Borrowings of Swing Loans are made by the Swing Line Lender in accordance with the procedures set forth in Section 1.17 hereof.

"*Borrowing Base*" means, at any date of its determination, an amount equal to:

(x) (i) the lesser of (A) 60% of the Borrowing Base Value of all Eligible Properties on such date and (B) the Debt Service Coverage Amount of all Eligible Properties on such date, *minus*

(y) the aggregate amount of Other Unsecured Indebtedness if an Other Guaranty Trigger has occurred but a Collateral Trigger Event has not occurred.

"*2026 Term Loan*" means the Term Loan made by each Lender in the amount of such Lender's 2026 Term Loan Commitment on the Sixth Amendment Effective Date and the Incremental Term Loan made by Wells Fargo in the amount of its 2026 Term Loan Commitment on June 17, 2021.

"*2026 Term Loan Commitment*" means, as to any Lender, the obligation of such Lender to make its Term Loan on Sixth Amendment Effective Date or June 17, 2021, as applicable in the principal amount not to exceed the amount set forth opposite such Lender's name under the heading 2026 Term Loan Commitment on Schedule 1 attached hereto and made a part hereof. The Borrower and the Lenders acknowledge and agree that the 2026 Term Loan Commitments of the Lenders aggregate $65,000,000 as of June 17, 2021.

"*2027 Term Loan*" means the Incremental Term Loan made by each Lender in the amount of such Lender's 2027 Term Loan Commitment pursuant to Section 1.15 hereof.

"*2027 Term Loan Commitment*" means, as to any Lender, the obligation of such Lender to make its 2027 Term Loan on the Seventh Amendment Effective Date in the principal amount not to exceed the amount set forth opposite such Lender's name under the heading 2027 Term Loan Commitment on Schedule 1 attached hereto and made a part hereof. The Borrower and the Lenders acknowledge and agree that the 2027 Term Loan Commitments of the Lenders aggregate $100,000,000 on the Seventh Amendment Effective Date.

"*Borrowing Base Certificate*" means the certificate in the form of Exhibit I hereto, or in such other form acceptable to the Administrative Agent, to be delivered to the Administrative Agent pursuant to Sections 7.2(i), 7.3 and 8.5(d) hereof.

"*Borrowing Base Determination Date*" means each date on which the Borrowing Base is certified in writing to the Administrative Agent, as follows:

(a) *Quarterly*. As of the last day of each Fiscal Quarter.

(b) *Property Adjustments*. Following each addition or deletion of an Eligible Property, the Borrowing Base Value shall be adjusted accordingly.

"*Borrowing Base NOI*" means for the most recent Rolling Period, the aggregate Property NOI attributable to the Eligible Properties.

"*Borrowing Base Requirements*" means with respect to the calculation of the Borrowing Base, collectively that (a) at all times such calculation shall be based on no less than twenty (20) Eligible Properties; (b) $200,000,000; (c) no more than 35% of the Borrowing Base Value may be comprised of Eligible Properties which are not used as retail, office or mixed-use retail/office Properties; (d) no more than 25% of the Borrowing Base Value may be comprised of any one Eligible Property (for the avoidance of doubt, an Eligible Property that exceeds this sublimit may be included in the calculation of Borrowing Base Value, *provided* any amount over 25% of the Borrowing Base Value is excluded from the calculation of the Borrowing Base Value); (e) no more than 20% of Borrowing Base Value may be from any single Tenant unless such Tenant's Rating is equal to or better than BBB-/Baa3 from S&P or Moody's, respectively (for the avoidance of doubt, an Eligible Property that exceeds this sublimit may be included in the calculation of Borrowing Base Value, *provided* any amount over 20% of the Borrowing Base Value is excluded from the calculation of the Borrowing Base Value), (f) no more than 30% of Borrowing Base Value may be comprised of Permitted Ground Lease Investments, (g) no more than 20% of the Borrowing Base Value may be comprised of Eligible Properties which are operated as hotels, motels or resorts, (h) the Eligible Properties (other than Permitted Ground Lease Investments) must have an aggregate Occupancy Rate of at least 85% and no more than 35% of the Borrowing Base Value may be comprised of Eligible Properties which are located in the same MSA (for the avoidance of doubt, an Eligible Property that exceeds this sublimit may be included in the calculation of Borrowing Base Value, *provided* any amount over 35% of the Borrowing Base Value is excluded from the calculation of the Borrowing Base Value).

"*Borrowing Base Value*" means an amount equal to the sum of (a) for all Eligible Properties owned for more than twelve (12) months, the quotient of (i) the Borrowing Base NOI divided by (ii) the Capitalization Rate *plus* (b) for all Eligible Properties owned for twelve (12) months or less, the lesser of (i) the book value (as defined by GAAP) of any such Eligible Property and (ii), the value of any such Eligible Property as determined by the calculation in clause (a) above measured on an annualized basis rather than for the most recently ended period of four quarters; *provided* that Borrowing Base Value shall be reduced by excluding a portion of the Property NOI or book value of any Eligible Properties attributable to any Eligible Properties that exceed the concentration limits in the Borrowing Base Requirements.

"*Business Day*" means any day (other than a Saturday or Sunday) on which banks are not authorized or required to close in Chicago, Illinois and, if the applicable Business Day relates to

the advance or continuation of, or conversion into, or payment of a Eurodollar Loan, on which banks are dealing in U.S. Dollar deposits in the interbank eurodollar market in London, England.

"*Capital Expenditures"* means, with respect to any Person for any period, the aggregate amount of all expenditures (whether paid in cash or accrued as a liability) by such Person during that period for the acquisition or leasing (pursuant to a Capital Lease) of fixed or capital assets or additions to property, plant, or equipment (including replacements, capitalized repairs, and improvements) which are required to be capitalized on the balance sheet of such Person in accordance with GAAP.

"*Capital Lease*" means any lease of Property which in accordance with GAAP is required to be capitalized on the balance sheet of the lessee.

"*Capitalization Rate"* means (i) 6.25% for single-tenant Properties occupied by tenants maintaining a BBB- or Baa3 Rating or better from S&P's or Moody's, respectively, (ii) 7.00% for all retail Properties, including mixed-use retail/office Properties not covered under the foregoing clause (i), (iii) 8.00% for all office Properties not covered under the foregoing clause (i), (iv) 9.25% for hotel, motel or resort Properties and (v) 10% for all other Properties not covered under the foregoing clauses (i), (ii), (iii) or (iv)*; provided*, for all Properties that are subject to Permitted Ground Lease Investments, the applicable Capitalization Rate shall be determined as if Borrower was the owner of the fully-completed building located on such Property.

"*Capitalized Lease Obligation"* means, for any Person, the amount of the liability shown on the balance sheet of such Person in respect of a Capital Lease determined in accordance with GAAP.

"*CERCLA"* means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, 42 U.S.C. **§§**9601 *et seq.*, and any future amendments.

"*Change in Law"* means the occurrence, after the date of this Agreement, of any of the following: (a) the adoption or taking effect of any law, rule, regulation or treaty, (b) any change in any law, rule, regulation or treaty or in the administration, interpretation, implementation or application thereof by any Governmental Authority, or (c) the making or issuance of any request, rule, guideline or directive (whether or not having the force of law) by any Governmental Authority; *provided* that notwithstanding anything herein to the contrary, (x) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, regulations, guidelines or directives thereunder or issued in connection therewith shall be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued and (y) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "Change in Law", regardless of the date enacted, adopted or issued.

"*Change of Control"* means any of (a) the acquisition by any "*person"* or "*group"* (as such terms are used in sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as

amended) at any time that causes such person or group to become the "*beneficial owner*" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, as amended) of 51% or more of the outstanding capital stock or other equity interests of the Borrower on a fully-diluted basis, other than acquisitions of such interests by any party who is an officer or director of the Borrower as of the Closing Date or (b) the failure of individuals who are members of the board of directors (or similar governing body) of Borrower on the Closing Date (together with any new or replacement directors whose initial nomination for election was approved by a majority of the directors who were either directors on the Closing Date or previously so approved) to constitute a majority of the board of directors (or similar governing body) of Borrower.

"*Closing Date*" means the date of this Agreement or such later Business Day upon which each condition described in Section 7.2 shall be satisfied or waived in a manner acceptable to the Administrative Agent in its discretion.

"*Code*" means the Internal Revenue Code of 1986, as amended, and any successor statute thereto.

"*Collateral*" means all properties, rights, interests, and privileges from time to time subject to the Liens granted to the Administrative Agent, or any security trustee therefor, by the Collateral Documents.

"*Collateral Account*" is defined in Section 9.4(b) hereof.

"*Collateral Documents*" means the Pledge Agreement, Mortgages (if any), the Omnibus Amendment and General Reaffirmation Agreement, the 1031 Property Security Documents (if any), and all other mortgages, deeds of trust, security agreements, pledge agreements, assignments, financing statements, control agreements, and other documents as shall from time to time secure or relate to the Obligations or any part thereof.

"*Collateral Trigger Event*" is defined in Section 8.24(b) hereof.

"*Commodity Exchange Act*" means the Commodity Exchange Act (7 U.S.C. § 1 et seq.), as amended from time to time, and any successor statute.

"*Compliance Certificate*" is defined in Section 8.5(e) hereof.

"*Connection Income Taxes*" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profit Taxes.

"*Controlled Group*" means all members of a controlled group of corporations and all trades or businesses (whether or not incorporated) under common control which, together with the Borrower, are treated as a single employer under Section 414 of the Code.

"*Convertible Senior Notes*" means the Borrower's 3.875% Convertible Senior Notes due 2025.

"*Corresponding Tenor*" with respect to any Available Tenor means, as applicable, either a tenor (including overnight) or an interest payment period having approximately the same length (disregarding business day adjustment) as such Available Tenor.

"*Credit Event*" means the advancing of any Loan, or the issuance of, or extension of the expiration date or increase in the amount of, any Letter of Credit.

"*Debt Service Coverage Amount*" means the principal amount of a loan that would be serviced by the Borrowing Base NOI for the Rolling Period most recently ended for which financial statements have been delivered pursuant to Section 8.5 hereof at a debt service coverage ratio of 1.50 to 1.00 with interest and principal payments (in each case assuming a 30-year amortization) at the greater of (i) 6.5% per annum, (ii) a Eurodollar Loan with an Interest Period of one (1) month (including the Applicable Margin) and (iii) the 10-year treasury rate on the last day of such period plus 2.5%; *provided* that Borrowing Base NOI shall be reduced by excluding a portion of Property NOI attributable to Eligible Properties that exceed the concentration limits in the Borrowing Base Requirements.

"*Debtor Relief Laws*" means the Bankruptcy Code of the United States of America, and all other liquidation, conservatorship, bankruptcy, assignment for the benefit of creditors, moratorium, rearrangement, receivership, insolvency, reorganization, or similar debtor relief Laws of the United States or other applicable jurisdictions from time to time in effect.

"*Default*" means any event or condition the occurrence of which would, with the passage of time or the giving of notice, or both, constitute an Event of Default.

"*Defaulted Loan*" is defined in the definition of "*Defaulting Lender*" in this Section 5.1.

"*Defaulting Lender*" means any Lender that (a) has failed to fund any portion of the Loans or participations in L/C Obligations or Swing Loans required to be funded by it hereunder (herein, a "*Defaulted Loan*") within two (2) Business Days of the date required to be funded by it hereunder unless such failure has been cured, (b) has otherwise failed to pay over to the Administrative Agent or any other Lender any other amount required to be paid by it hereunder (except for up to $25,000 in the aggregate from a Lender which is owing for less than five (5) Business Days) within two (2) Business Days of the date when due, unless the subject of a good faith dispute or unless such failure has been cured, (c) has experienced a Bankruptcy Event or (d) a receiver or conservator has been appointed for such Lender or (e) has become the subject of a Bail-In Action.

"*Defaulting Lender Excess*" means, with respect to any Defaulting Lender, the excess, if any, of such Defaulting Lender's Revolver Percentage of the aggregate outstanding principal amount of Loans of all Lenders (calculated as if all Defaulting Lenders other than such Defaulting Lender had funded all of their respective Defaulted Loans) over the aggregate outstanding principal amount of all Loans of such Defaulting Lender.

"*Defaulting Lender Period*" means, with respect to any Defaulting Lender, the period commencing on the date upon which such Lender first became a Defaulting Lender and ending on

the earliest of the following dates: the date on which (a) such Defaulting Lender is no longer the subject of a Bankruptcy Event or, if applicable, under the direction of a receiver or conservator, (b) the Defaulting Lender Excess with respect to such Defaulting Lender shall have been reduced to zero (whether by the funding by such Defaulting Lender of any Defaulted Loans of such Defaulting Lender or otherwise), and (c) such Defaulting Lender shall have delivered to Borrower and the Administrative Agent a written reaffirmation of its intention to honor its obligations hereunder, including with respect to its Revolving Credit Commitments.

"*Dividends*" means any dividend paid (or declared and then payable), as the case may be, in cash on any equity security issued by the Borrower.

"*EBITDA*" means, for any period, determined on a consolidated basis of the Borrower and its Subsidiaries, in accordance with GAAP, the sum of net income (or loss) *plus*: (i) depreciation and amortization expense, to the extent included as an expense in the calculation of net income (or loss); (ii) Interest Expense; (iii) income tax expense, to the extent included as an expense in the calculation of net income (or loss); (iv) extraordinary, unrealized or non-recurring losses, including (A) impairment charges, (B) losses from the sale of real property, and (v) non-cash compensation paid to employees of Borrower in the form of Borrower's equity securities, *minus*: (a) extraordinary, unrealized or non-recurring gains, including (x) the write-up of assets and (y) gains from the sale of real property and (b) income tax benefits. Pro forma adjustments shall be made for any Property acquired or sold during any period as if the acquisition or disposition occurred on the first day of the applicable period.

"*EEA Financial Institution*" means (a) any institution established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"*EEA Member Country*" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"*EEA Resolution Authority*" means any public administrative authority or any Person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"*Eligible Assignee*" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by (i) the Administrative Agent, (ii) the L/C Issuer, and (iii) unless an Event of Default has occurred and is continuing, the Borrower (each such approval not to be unreasonably withheld or delayed); *provided* that notwithstanding the foregoing, "Eligible Assignee" shall not include the Borrower or any Guarantor or any of the Borrower's or such Guarantor's Affiliates or Subsidiaries.

"Eligible Property" means, as of any Borrowing Base Determination Date, any Property owned by the Borrower, a Guarantor or a 1031 Property Holder which satisfies the following conditions:

(a) Is real property one hundred percent (100%) owned in fee simple, individually or collectively, by the Borrower, any Guarantor or any 1031 Property Holder, including Permitted Ground Lease Investments;

(b) Is a Property located in the contiguous United States;

(c) If such Property is owned by the Borrower, (i) neither the Borrower's beneficial ownership interest in such Property nor the Property is subject to any Lien (other than Permitted Liens or Liens in favor of the Administrative Agent) or to any negative pledge and (ii) the Borrower has the unilateral right (including the absence of any restrictions in a Ground Lease) to sell, transfer or otherwise dispose of such Property and to create a Lien on such Property as security for Indebtedness for Borrowed Money;

(d) If such Property is owned by a Material Subsidiary, (i) neither the Borrower's beneficial ownership interest in such Material Subsidiary nor the Property is subject to any Lien (other than Permitted Liens or Liens in favor of the Administrative Agent) or to any negative pledge, (ii) the Material Subsidiary has the unilateral right (including the absence of any restrictions in a Ground Lease) to sell, transfer or otherwise dispose of such Property and to create a Lien on such Property as security for Indebtedness for Borrowed Money, and (iii) the Material Subsidiary has provided an Additional Guarantor Supplement or other Guaranty to the Administrative Agent pursuant to Section 4.2 hereof;

(e) The Administrative Agent shall have received to the extent requested historic operating statements for such Property for the previous three (3) years, if available, and historic rent rolls for such Property for the previous three (3) years, if available;

(f) That such Property, based on the Borrower's or any Material Subsidiary's actual knowledge, is free of all material structural defects or major architectural deficiencies, material title defects (other than Permitted Liens), material environmental conditions or other adverse matters which, individually or collectively, materially impair the value of such Property and, if the Property has an underground storage tank located thereon or any other material environmental concern as determined by the Administrative Agent, then the Administrative Agent shall have received satisfactory environmental assessments, including, to the extent requested, Phase I and Phase II reports, the results of which disclose environmental conditions which are satisfactory to the Administrative Agent in its sole discretion;

(g) With respect to such Property, any Tenant under a Significant Lease is not more than 60 days past due with respect to any monthly rent payment obligations under such Lease;

(h) For each such Property, the Borrower, to the extent not previously provided, shall have delivered to the Administrative Agent a copy, certified as true and correct by the Borrower, of each of the following: if the Property Owner is not the Borrower, the Property Owner's articles of incorporation, by-laws, partnership agreements, operating agreements, as applicable, and certificates of existence, good standing and authority to do business from each appropriate state authority, and partnership, corporate or limited liability company, as applicable, authorizations authorizing the execution, delivery and performance of the Additional Guarantor Supplement all certified to be true and complete by a duly authorized officer of such Property Owner; and

(i) The Property is not an Asset Under Development or a Land Asset.

"*Environmental Claim*" means any investigation, notice, violation, demand, allegation, action, suit, injunction, judgment, order, consent decree, penalty, fine, lien, proceeding or claim (whether administrative, judicial or private in nature) arising (a) pursuant to, or in connection with an actual or alleged violation of, any Environmental Law, (b) in connection with any Hazardous Material, (c) from any abatement, removal, remedial, corrective or response action in connection with a Hazardous Material, Environmental Law or order of a governmental authority or (d) from any actual or alleged damage, injury, threat or harm to health, safety, natural resources or the environment.

"*Environmental Law*" means any current or future Legal Requirement pertaining to (a) the protection of health, safety and the indoor or outdoor environment, (b) the conservation, management or use of natural resources and wildlife, (c) the protection or use of surface water or groundwater, (d) the management, manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation or handling of, or exposure to, any Hazardous Material or (e) pollution (including any Release to air, land, surface water or groundwater), and any amendment, rule, regulation, order or directive issued thereunder.

"*Equity Interests*" means with respect to any Person, any share of capital stock of (or other ownership or profit interests in) such Person, any warrant, option or other right for the purchase or other acquisition from such Person of any share of capital stock of (or other ownership or profit interests in) such Person whether or not certificated, any security convertible into or exchangeable for any share of capital stock of (or other ownership or profit interests in) such Person or warrant, right or option for the purchase or other acquisition from such Person of such shares (or such other interests), and any other ownership or profit interest in such Person (including, without limitation, partnership, member or trust interests therein), whether voting or nonvoting, and whether or not such share, warrant, option, right or other interest is authorized or otherwise existing on any date of determination.

"*ERISA*" means the Employee Retirement Income Security Act of 1974, as amended, or any successor statute thereto.

"*EU Bail-In Legislation Schedule*" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor Person), as in effect from time to time.

"*Eurodollar Loan*" means a Loan bearing interest at the rate specified in Section 1.4(b) hereof.

"*Eurodollar Reserve Percentage*" is defined in Section 1.4(b) hereof.

"*Event of Default*" means any event or condition identified as such in Section 9.1 hereof.

"*Excluded Swap Obligation*" means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the guarantee of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor's failure for any reason not to constitute an "eligible contract participant" as defined in the Commodity Exchange Act and the regulations thereunder at the time the guarantee of such Guarantor or the grant of such security interest becomes effective with respect to such related Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such guarantee or security interest is or becomes illegal.

"*Excluded Taxes*" means any of the following Taxes imposed on or with respect to a Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its applicable lending office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Revolving Credit Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Revolving Credit Commitment (other than pursuant to an assignment request by the Borrower under Section 1.13 hereof) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 12.1 amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its lending office, (c) Taxes attributable to such Recipient's failure to comply with Section 12.1(b) or Section 12.1(d), and (d) any U.S. federal withholding Taxes imposed under FATCA.

"*Existing Commitment Termination Date*" is defined in Section 1.16 hereof.

"*Extension Fee*" means an extension fee payable by the Borrower for a one-year extension pursuant to Section 1.16 hereto in an amount equal to 0.15% of the Revolving Credit Commitments then in effect.

"*FATCA*" means Sections 1471 through 1474 of the Code, as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more

onerous to comply with), any current or future regulations or official interpretations thereof, and any agreements entered into pursuant to Section 1471(b)(1) of the Code.

"*FCPA*" means the Foreign Corrupt Practices Act, 15 U.S.C. §§78dd-1, et seq.

"*Federal Funds Rate*" is defined in Section 1.4(a) hereof.

"*Federal Reserve Bank of New York's Website*" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"*Fiscal Quarter*" means each of the three-month periods ending on March 31, June 30, September 30 and December 31.

"*Fiscal Year*" means the twelve-month period ending on December 31.

"*Fixed Charges*" means, for any Rolling Period, (a) Interest Expense, plus (b) scheduled principal amortization paid on Total Indebtedness (exclusive of any balloon payments or prepayments of principal paid on such Total Indebtedness), plus (c) Dividends and required distributions on the Borrower's preferred equity securities for such Rolling Period plus (d) all income taxes (federal, state and local) paid by Borrower in cash during such Rolling Period; *provided*, that for purposes of calculating income taxes under clause (d) for any Rolling Period, such amount shall not include any income taxes paid from and in connection with any extraordinary gain for such Rolling Period. Pro forma adjustments shall be made for any Property acquired or sold during any period as if the acquisition or disposition occurred on the first day of the applicable period.

"*FRB*" means the Board of Governors of the Federal Reserve System of the United States.

"*Fund*" means any Person (other than a natural person) that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of its business.

"*Funds Transfer and Deposit Account Liability*" means the liability of the Borrower, or any Subsidiary owing to any of the Lenders, or any Affiliates of such Lenders, arising out of (a) the execution or processing of electronic transfers of funds by automatic clearing house transfer, wire transfer or otherwise to or from deposit accounts of the Borrower and/or any Subsidiary now or hereafter maintained with any of the Lenders or their Affiliates, (b) the acceptance for deposit or the honoring for payment of any check, draft or other item with respect to any such deposit accounts, and (c) any other deposit, disbursement, and cash management services afforded to the Borrower or any Subsidiary by any of such Lenders or their Affiliates.

"*GAAP*" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within

the U.S. accounting profession), which are applicable to the circumstances as of the date of determination.

"*Governmental Authority*" means the government of the United States of America or any other nation, or of any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government (including any supra-national bodies such as the European Union or the European Central Bank).

"*Ground Lease*" means a long term lease of real Property granted by the fee owner of the real Property.

"*Ground Lease Debt Yield*" means, (a) annual Property NOI (as defined per the definition, but with Property NOI received by the lessee and operator) divided by (b) the book value of outstanding debt, plus the book value of land with the ground lease investment; based on the most recent fiscal year end.

"*Guarantor*" and "*Guarantors*" are defined in Section 4.1 hereof.

"*Guaranty*" and "*Guaranties*" are defined in Section 4.1 hereof.

"*Hazardous Material*" means any substance, chemical, compound, product, solid, gas, liquid, waste, byproduct, pollutant, contaminant or material which is hazardous or toxic, and includes, without limitation, (a) asbestos, polychlorinated biphenyls and petroleum (including crude oil or any fraction thereof) and (b) any material classified or regulated as "hazardous" or "toxic" or words of like import pursuant to an Environmental Law.

"*Hazardous Material Activity*" means any activity, event or occurrence involving a Hazardous Material, including, without limitation, the manufacture, possession, presence, use, generation, transportation, treatment, storage, disposal, Release, threatened Release, abatement, removal, remediation, handling of or corrective or response action to any Hazardous Material other than any activity, event or occurrence performed in compliance with or allowed under applicable law.

"*Hedging Agreement*" means any agreement with respect to any swap, forward, future or derivative transaction or option or similar agreement involving, or settled by reference to, one or more rates, currencies, commodities, equity or debt instruments or securities, or economic, financial or pricing indices or measures of economic, financial or pricing risk or value or any similar transaction or any combination of these transactions; *provided* that no phantom stock or similar plan providing for payments only on account of services provided by current or former directors, officers, employees or consultants of Borrower or any Subsidiary shall be a Hedging Agreement.

"*Hedging Liability*" means the liability of the Borrower or any Subsidiary to any of the Lenders, or any Affiliates of such Lenders, in respect of any Hedging Agreement as the Borrower

or such Subsidiary, as the case may be, may from time to time enter into with any one or more of the Lenders party to this Agreement or their Affiliates.

"*Incremental Term Credit*" means the credit facility for making Incremental Term Loans described in Section 1.15 hereof.

"*Incremental Term Loan*" is defined in Section 1.15 hereof, and, as so defined, includes a Base Rate Loan or an Eurodollar Loan, each of which is a type of Incremental Term Loan hereunder and includes, without limitation, the 2027 Term Loans.

"*Incremental Term Loan Commitments*" is defined in Section 1.15 hereof and includes, without limitation, the 2027 Term Loan Commitments.

"*Incremental Term Loan Lender*" is a Lender hereunder that provides an Incremental Term Loan Commitment pursuant to Section 1.15 hereof or holds an Incremental Term Loan, including each assignee Lender pursuant to Section 12.12 hereof.

"*Incremental Term Loan Percentage*" means for each Incremental Term Loan Lender, the percentage of the aggregate Incremental Term Loan Commitments represented by such Lender's portion thereof or, if such Incremental Term Loan Commitments have been terminated, the percentage held by such Lender of the aggregate principal amount of all Incremental Term Loans then outstanding.

"*Incremental Term Note*" is defined in Section 1.10 hereof.

"*Indebtedness for Borrowed Money*" means for any Person (without duplication) (a) all indebtedness created, assumed or incurred in any manner by such Person representing money borrowed (including by the issuance of debt securities), (b) all indebtedness for the deferred purchase price of property or services (other than trade accounts payable arising in the ordinary course of business), (c) all indebtedness secured by any Lien upon Property of such Person, whether or not such Person has assumed or become liable for the payment of such indebtedness, (d) all Capitalized Lease Obligations of such Person, (e) all obligations of such Person on or with respect to letters of credit, bankers' acceptances and other extensions of credit whether or not representing obligations for borrowed money and (f) all net obligations of such Person under any interest rate, foreign currency, and/or commodity swap, exchange, cap, collar, floor, forward, future or option agreement, or any similar interest rate, currency or commodity hedging arrangement.

"*Indemnified Taxes*" means (a) all Taxes other than Excluded Taxes and (b) to the extent not otherwise described in (a), Other Taxes.

"*Interest Expense*" means, with respect to a Person for any period of time, the interest expense whether paid, accrued or capitalized (without deduction of consolidated interest income) of such Person for such period. Interest Expense shall exclude any amortization of (i) deferred financing fees, including the write-off such fees relating to the early retirement of such related

Indebtedness for Borrowed Money, and (ii) debt discounts (but only to the extent such discounts do not exceed 3.0% of the initial face principal amount of such debt).

"*Interest Payment Date*" means (a) with respect to any Eurodollar Loan, the last day of each Interest Period with respect to such Eurodollar Loan and on the maturity date and, if the applicable Interest Period is longer than (3) three months, on each day occurring every three (3) months after the commencement of such Interest Period, (b) with respect to any Base Rate Loan (other than Swing Loans), the last day of every calendar quarter, (c) with respect to any Swing Loan, the last day of each calendar month and (d) with respect to any Eurodollar Loan or Base Rate Loan (including Swing Loans), the maturity date.

"*Interest Period*" means the period commencing on the date a Borrowing of Eurodollar Loans is advanced, continued, or created by conversion and ending one (1), two (2), three (3), or six (6) months thereafter, *provided, however,* that:

(i) no Interest Period shall extend beyond the Revolving Credit Termination Date or Term Loan Maturity Date, as applicable;

(ii) whenever the last day of any Interest Period would otherwise be a day that is not a Business Day, the last day of such Interest Period shall be extended to the next succeeding Business Day, *provided* that, if such extension would cause the last day of an Interest Period for a Borrowing of Eurodollar Loans to occur in the following calendar month, the last day of such Interest Period shall be the immediately preceding Business Day; and

(iii) for purposes of determining an Interest Period for a Borrowing of Eurodollar Loans, a month means a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month; *provided, however,* that if there is no numerically corresponding day in the month in which such an Interest Period is to end or if such an Interest Period begins on the last Business Day of a calendar month, then such Interest Period shall end on the last Business Day of the calendar month in which such Interest Period is to end.

"*ISDA Definitions*" means the 2006 ISDA Definitions published by the International Swaps and Derivatives Association, Inc. or any successor thereto, as amended or supplemented from time to time, or any successor definitional booklet for interest rate derivatives published from time to time by the International Swaps and Derivatives Association, Inc. or such successor thereto.

"*Land Assets*" means any real property which is not an Asset Under Development and on which no significant improvements have been constructed; *provided*, that real property that is adjacent to an Eligible Property but is undeveloped shall not constitute "*Land Assets*".

"*L/C Issuer*" means Bank of Montreal, in its capacity as the issuer of Letters of Credit hereunder, and its successors in such capacity as provided in Section 1.3(h) hereof.

"*L/C Obligations*" means the aggregate undrawn face amounts of all outstanding Letters of Credit and all unpaid Reimbursement Obligations.

"*L/C Sublimit*" means $5,000,000, as such amount may be reduced pursuant to the terms hereof.

"*Lease*" means each existing or future lease, sublease, license, or other agreement under the terms of which any Person has or acquires any right to occupy or use any Property of the Borrower or any Subsidiary, or any part thereof, or interest therein, as the same may be amended, supplemented or modified.

"*Legal Requirement*" means any treaty, convention, statute, law, regulation, ordinance, license, permit, governmental approval, injunction, judgment, order, consent decree or other requirement of any governmental authority, whether federal, state, or local.

"*Lenders*" means and includes the Revolving Lenders, the Term Loan Lenders and the Incremental Term Loan Lenders.

"*Lending Office*" is defined in Section 10.4 hereof.

"*Letter of Credit*" is defined in Section 1.3(a) hereof.

"*LIBOR*" is defined in Section 1.4(b) hereof.

"*LIBOR Index Rate*" is defined in Section 1.4(b) hereof.

"*LIBOR Quoted Rate*" is defined in Section 1.4(a) hereof.

"*Lien*" means any mortgage, lien, security interest, pledge, charge or encumbrance of any kind in respect of any Property, including the interests of a vendor or lessor under any conditional sale, Capital Lease or other title retention arrangement.

"*Loan*" means any Revolving Loan, Swing Loan, Term Loan or Incremental Term Loan, whether outstanding as a Base Rate Loan or Eurodollar Loan or otherwise, each of which is a "*type*" of Loan hereunder.

"*Loan Documents*" means this Agreement, the Notes (if any), the Applications, the Guaranties, if any, the Collateral Documents and each other instrument or document to be delivered hereunder or thereunder or otherwise in connection therewith. Deposit account agreements, cash management agreements and other documents executed in connection with Funds Transfer and Deposit Account Liability (other than deposit account control agreements, if any) are not Loan Documents hereunder.

"*Material Adverse Effect*" means (a) a material adverse change in, or material adverse effect upon, the operations, business, Property, or financial condition of the Borrower or of the Borrower and its Subsidiaries taken as a whole, (b) a material impairment of the ability of the

Borrower or any Subsidiary to perform its obligations under any Loan Document or (c) a material adverse effect upon the legality, validity, binding effect or enforceability against the Borrower or any Subsidiary of any Loan Document or the rights and remedies of the Administrative Agent and the Lenders thereunder.

"*Material Subsidiary*" means, each Subsidiary that owns an Eligible Property included in the Borrowing Base Value.

"*Moody's*" means Moody's Investors Service, Inc., or any successor thereof.

"*Mortgages*" means, collectively, each mortgage and deed of trust delivered to the Administrative Agent hereunder, as the same may be amended, modified, supplemented or restated from time to time.

"*MSA*" means any major metropolitan area of the United States of America that has a population size that is in the fifty (50) largest metropolitan areas of the United States of America.

"*Note*" and "*Notes*" are defined in Section 1.10(d) hereof.

"*NYFRB*" means the Federal Reserve Bank of New York.

"*NYFRB's Website*" means the website of the Federal Reserve Bank of New York at http://www.newyorkfed.org, or any successor source.

"*Obligations*" means all obligations of the Borrower to pay principal and interest on the Loans, all Reimbursement Obligations owing under the Applications, all fees and charges payable hereunder, all other payment obligations of the Borrower or any of its Subsidiaries arising under or in relation to any Loan Document and all Hedging Liability, in each case whether now existing or hereafter arising, due or to become due, direct or indirect, absolute or contingent, and howsoever evidenced, held or acquired. For the avoidance of doubt, Obligations shall not include any Funds Transfer and Deposit Account Liability.

"*Occupancy Rate*" means for any Property, the percentage of the rentable square footage of such Property occupied by bona fide Tenants of such Property or leased by such Tenants pursuant to bona fide Tenant Leases, in each case, which Tenants (a) are not more than 60 days in arrears on base rental or other similar payments due under the Leases and (b) are not subject to a then continuing Bankruptcy Event, or if subject to a then continuing Bankruptcy Event (i) the trustee in bankruptcy of such tenant shall have accepted and assumed such Lease or the Tenant shall be in compliance with the rental payments described above in *clause (a)*; (ii) to the extent that the Tenant shall have filed and the bankruptcy court shall have approved the Tenant's plan for reorganization, the Tenant shall be performing its obligations pursuant to the approved plan of reorganization; or (iii) is otherwise reasonably acceptable to the Administrative Agent.

"*OFAC*" means the United States Department of Treasury Office of Foreign Assets Control.

"*OFAC Event*" means the event specified in Section 8.13(c) hereof.

"*OFAC Sanctions Programs*" means all laws, regulations, and Executive Orders administered by OFAC, including without limitation, the Bank Secrecy Act, anti-money laundering laws (including, without limitation, the Patriot Act), and all economic and trade sanction programs administered by OFAC, any and all similar United States federal laws, regulations or Executive Orders (whether administered by OFAC or otherwise), and any similar laws, regulators or orders adopted by any State within the United States.

"*Omnibus Amendment and General Reaffirmation Agreement*" means that Omnibus Amendment and General Reaffirmation Agreement dated as of the date hereof by and among the Borrower, the Material Subsidiaries, as Guarantors, and the Administrative Agent.

"*Other Connection Taxes*" means, with respect to any Recipient, Taxes imposed as a result of a present or former connection between such Recipient and the jurisdiction imposing such Tax (other than connections arising from such Recipient having executed, delivered, become a party to, performed its obligations under, received payments under, received or perfected a security interest under, engaged in any other transaction pursuant to or enforced any Loan Document, or sold or assigned an interest in any Loan or Loan Document).

"*Other Guaranty Trigger*" is defined in Section 8.24(b) hereof.

"*Other Taxes*" means all present or future stamp, court or documentary, intangible, recording, filing or similar Taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Loan Document, except any such Taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 1.13 hereof).

"*Other Unsecured Indebtedness*" means any Unsecured Indebtedness (other than the Obligations) that is *pari passu* with or structurally senior to the Obligations and is recourse to the Borrower, including, without limitation, the Convertible Senior Notes.

"*Participating Interest*" is defined in Section 1.3(e) hereof.

"*Participating Lender*" is defined in Section 1.3(e) hereof.

"*Patriot Act*" means the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Pub. L. 107-56.

"*PBGC*" means the Pension Benefit Guaranty Corporation or any Person succeeding to any or all of its functions under ERISA.

"*Percentage*" means, for any Lender, its Revolver Percentage, Term Loan Percentage, or Incremental Term Loan Percentage, as applicable; and where the term "*Percentage*" is applied on an aggregate basis, such aggregate percentage shall be calculated by aggregating the separate

components of the Revolver Percentage, Term Loan Percentage or Incremental Term Loan Percentage and expressing such components on a single percentage basis.

"*Permitted Ground Lease Investments*" means a Ground Lease where the Borrower or a Wholly-owned Subsidiary is the lessor under such Ground Lease and which is a Ground Lease (a) of unencumbered land located in a MSA that is owned in fee simple by the Borrower or a Wholly-owned Subsidiary and on which a fully completed building is located (all such improvements to be unencumbered), (b) which may not be transferred, mortgaged or assigned to an alternate lessee without the prior written consent of the lessor and (c) which may be transferred and assigned to an alternate lessor without the consent of the lessee; *provided, however,* that any Ground Lease may be designated as a Permitted Ground Lease Investment upon written request by the Borrower to the Administrative Agent and written approval of such request by the Required Lenders. Ground Leases of Land Assets or on which an Asset under Development is located shall not be a Permitted Ground Lease Investment.

"*Permitted Liens*" means each of the following: (a) Liens for taxes, assessments and governmental charges or levies to the extent not required to be paid under Section 8.3; (b) Liens imposed by law, such as materialmen's, mechanics', carriers', workmen's and repairmen's Liens and other similar Liens arising in the ordinary course of business securing obligations that are not overdue or that are being contested in good faith and by proper proceedings and as to which appropriate reserves are being maintained; (c) pledges or deposits to secure obligations under workers' compensation laws or similar legislation or to secure public or statutory obligations; (d) easements, zoning restrictions, rights of way and other encumbrances on title to real property that, in the aggregate, do not materially and adversely affect the value of such property or the use of such property for its present purposes; (e) deposits to secure the performance of bids, trade contracts (other than for borrowed money), leases, statutory obligations, surety and appeal bonds, performance bonds and other obligations of like nature incurred in the ordinary course of business; (f) Liens in favor of the United States of America for amounts paid to the Borrower or any Subsidiary as progress payments under government contracts entered into by it; (g) attachment, judgment and other similar Liens arising in connection with court, reference or arbitration proceedings, provided that the same have been in existence less than twenty (20) days, that the same have been discharged or that execution or enforcement thereof has been stayed pending appeal; (h) the rights of tenants or lessees under leases or subleases not interfering with the ordinary conduct of business of such Person; (i) Liens in favor of the Administrative Agent for its benefit and the benefit of the Lenders and the L/C Issuer; (j) Liens in favor of the Borrower or a Guarantor securing obligations owing by a Subsidiary to the Borrower or a Guarantor, which obligations have been subordinated to the obligations owing by the Borrower and the Guarantors under the Loan Documents on terms satisfactory to the Administrative Agent; (k) Liens in existence as of the Sixth Amendment Effective Date and set forth in Schedule 8.7, (l) Liens on Properties that are not Eligible Properties and whose Borrowing Base Values are not included in the calculation of the Borrowing Base and (m) Liens on the Equity Interest in any direct Material Subsidiary securing Other Unsecured Indebtedness (which Other Unsecured Indebtedness will be subtracted under clause (y) of each Borrowing Base calculation), *provided, that* prior to the grant of any such Lien securing Other Unsecured Indebtedness, the Administrative Agent and the holders of such Other Unsecured Indebtedness have entered into an intercreditor agreement on terms reasonably acceptable to the Administrative Agent.

"*Person*" means an individual, partnership, corporation, limited liability company, association, trust, unincorporated organization or any other entity or organization, including a government or agency or political subdivision thereof.

"*Plan*" means any employee pension benefit plan covered by Title IV of ERISA or subject to the minimum funding standards under Section 412 of the Code that either (a) is maintained by a member of the Controlled Group for employees of a member of the Controlled Group or (b) is maintained pursuant to a collective bargaining agreement or any other arrangement under which more than one employer makes contributions and to which a member of the Controlled Group is then making or accruing an obligation to make contributions or has within the preceding five plan years made contributions.

"*Pledge Agreement*" means a Pledge Agreement dated as of April 20, 2015, among the Borrower and the Administrative Agent, as the same may be amended, modified, supplemented or restated from time to time, related to a pledge of the Equity Interests of each Material Subsidiary to secure the Obligations.

"*Property*" or "*Properties*" means, as to any Person, all types of real, personal, tangible, intangible or mixed property, including property encumbered by Ground Leases, owned by such Person whether or not included in the most recent balance sheet of such Person and its subsidiaries under GAAP, including any Eligible Property owned by the Borrower or any of its Subsidiaries.

"*Property Expenses*" means the costs (including, but not limited to, payroll, taxes, assessments, insurance, utilities, landscaping and other similar charges) of operating and maintaining any Eligible Property, which are the responsibility of the Borrower or the applicable Guarantor that are not paid directly by the tenant, including without limitation, the Annual Capital Expenditure Reserve and the greater of (a) 3% of rents and (b) actual management fees paid in cash, but excluding depreciation, amortization and interest costs.

"*Property Income*" means cash rents (excluding non-cash straight-line rent) and other cash revenues received by the Borrower or a Guarantor in the ordinary course for any Eligible Property, but excluding security deposits and prepaid rent except to the extent applied in satisfaction of tenants' obligations for rent.

"*Property Net Operating Income*" or "*Property NOI*" means, with respect to any Property for any Rolling Period (without duplication), the aggregate amount of (i) Property Income for such period *minus* (ii) Property Expenses for such period.

"*Property Owner*" means the Person who owns fee title interest in and to a Property.

"*Qualified ECP Guarantor*" means, in respect of any Swap Obligation, each Guarantor that has total assets exceeding $10,000,000 at the time the relevant guarantee or grant of the relevant security interest becomes effective with respect to such Swap Obligation or such other person as constitutes an "eligible contract participant" under the Commodity Exchange Act or any regulations promulgated thereunder and can cause another person to qualify as an "eligible contract

participant" at such time by entering into a keepwell under Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

"*Rating*" means the debt rating provided by S&P or Moody's with respect to the unsecured senior long-term non-credit enhanced debt of a Person.

"*RCRA*" means the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and Hazardous and Solid Waste Amendments of 1984, 42 U.S.C. §§6901 *et seq.*, and any future amendments.

"*Recipient*" means (a) the Administrative Agent, (b) any Lender, and (c) the L/C Issuer, as applicable.

"*Reference Time*" with respect to any setting of the then-current Benchmark means (1) if such Benchmark is the LIBOR Index Rate, 11:00 a.m. (London time) on the day that is two London banking days preceding the date of such setting, and (2) if such Benchmark is not the LIBOR Index Rate, the time determined by the Administrative Agent in its reasonable discretion.

"*REIT*" means a "real estate investment trust" in accordance with Section 856 et. seq. of the Code.

"*Reimbursement Obligation*" is defined in Section 1.3(c) hereof.

"*Related Parties*" means, with respect to any Person, such Person's Affiliates and the partners, directors, officers, employees, agents, trustees, administrators, managers, advisors and representatives of such Person and of such Person's Affiliates.

"*Release*" means any spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migration, dumping, or disposing into the indoor or outdoor environment, including, without limitation, the abandonment or discarding of barrels, drums, containers, tanks or other receptacles containing or previously containing any Hazardous Material.

"*Required Lenders*" means, as of the date of determination thereof, (i) at any time in which there are only two Lenders, both Lenders and (ii) at any other time Lenders whose outstanding Loans and interests in Letters of Credit and Unused Revolving Credit Commitments constitute 66 2/3% or more of the sum of the total outstanding Loans, interests in Letters of Credit, and Unused Revolving Credit Commitments of the Lenders.

"*Required Revolving Lenders*" means, as of the date of determination thereof, (i) at any time in which there are only two Revolving Lenders, both Revolving Lenders and (ii) at any other time Revolving Lenders whose outstanding Revolving Loans and interests in Letters of Credit and Unused Revolving Credit Commitments constitute 66 2/3% or more of the sum of the total outstanding Revolving Loans, interests in Letters of Credit, and Unused Revolving Credit Commitments of the Lenders.

"*Resolution Authority*" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"*Responsible Officer*" means, with respect to the Borrower or any of its Subsidiaries, the chief executive officer, the chief financial officer, chief legal officer or the chief operating officer of the Borrower or such Subsidiary.

"*Restricted Payments*" means dividends on or other distributions in respect of any class or series of Stock, Stock Equivalents or other Equity Interests of the Borrower or its Subsidiaries or the direct or indirect purchase, redemption, acquisition, or retirement of any of the Borrower's or a Subsidiaries' Stock, Stock Equivalents or other Equity Interest.

"*Revolver Percentage*" means, for each Lender, the percentage of the Revolving Credit Commitments represented by such Lender's Revolving Credit Commitment or, if the Revolving Credit Commitments have been terminated, the percentage held by such Lender (including through participation interests in Reimbursement Obligations) of the aggregate principal amount of all Revolving Loans, Swing Loans and L/C Obligations then outstanding.

"*Revolving Credit*" means the credit facility for making Revolving Loans and Swing Loans and issuing Letters of Credit described in Sections 1.1, 1.3 and 1.17 hereof.

"*Revolving Credit Availability*" means the Borrowing Base *minus* the outstanding principal amount of Loans and Swing Loans and L/C Obligations.

"*Revolving Credit Commitment*" means, as to any Revolving Lender, the obligation of such Revolving Lender to make Revolving Loans and to participate in Swing Loans and Letters of Credit issued for the account of the Borrower hereunder in an aggregate principal or face amount at any one time outstanding not to exceed the amount set forth opposite such Revolving Lender's name on Schedule 1 attached hereto and made a part hereof, as the same may be reduced or modified at any time or from time to time pursuant to the terms hereof. The Borrower and the Revolving Lenders acknowledge and agree that the Revolving Credit Commitments of the Revolving Lenders, in the aggregate, is equal to $210,000,000 on the Seventh Amendment Effective Date.

"*Revolving Credit Termination Date*" means the earliest of (i) May 24, 2023, as such date may be extended pursuant to Section 1.16, (ii) the date on which the Revolving Credit Commitments are terminated in whole pursuant to Section 1.12, 9.2 or 9.3 hereof and (iii) the date on which a mandatory prepayment under Section 1.8(b)(iii) is required to be made.

"*Revolving Lender*" means a lender hereunder with a Revolving Credit Commitment including each assignee Lender pursuant to Section 12.12 hereof.

"*Revolving Loan*" and "*Revolving Loans*" are defined in Section 1.1 hereof and, as so defined, includes a Base Rate Loan or a Eurodollar Loan, each of which is a "*type*" of Revolving Loan hereunder.

"*Revolving Note*" and "*Revolving Notes*" are defined in Section 1.10(d) hereof.

"*Rolling Period*" means, as of any date, the four Fiscal Quarters ending on or immediately preceding such date.

"*S&P*" means S&P Global, Inc. or any successor thereof.

"*Second Amendment Effective Date*" means May 24, 2019.

"*Secured Indebtedness*" means all Indebtedness for Borrowed Money of the Borrower and its Subsidiaries, that is secured by a Lien, other than the Obligations.

"*Secured Recourse Indebtedness*" means Secured Indebtedness for which recourse for payment (except for customary exceptions for fraud, misapplication of funds, environmental indemnities and other similar exceptions to recourse liability) is to Borrower or any Guarantor, other than the Obligations.

"*Seventh Amendment Effective Date*" means November 5, 2021.

"*Seventh Amendment Effective Date Properties*" means collectively the Properties listed on Schedule 1.1 and "*Seventh Amendment Effective Date Property*" means any of such Properties.

"*Significant Lease*" means, as to any particular Property, each Lease which constitutes 20% or more of all base rent revenue of such Property.

"*Sixth Amendment Effective Date*" means March 10, 2021.

"*Stock*" means shares of capital stock, beneficial or partnership interests, participations or other equivalents (regardless of how designated) of or in a corporation or equivalent entity, whether voting or non-voting, and includes, without limitation, common stock.

"*Stock Equivalents*" means all securities (other than Stock) convertible into or exchangeable for Stock at the option of the holder, and all warrants, options or other rights to purchase or subscribe for any stock, whether or not presently convertible, exchangeable or exercisable.

"*Subsidiary*" means, as to any particular parent corporation or organization, any other corporation or organization more than 50% of the outstanding Voting Stock of which is at the time directly or indirectly owned by such parent corporation or organization or by any one or more other entities which are themselves subsidiaries of such parent corporation or organization. Unless otherwise expressly noted herein, the term "*Subsidiary*" means a Subsidiary of the Borrower or of any of its direct or indirect Subsidiaries.

"*Swap Obligation*" means, with respect to any Guarantor, any obligation to pay or perform under any agreement, contract or transaction that constitutes a "swap" within the meaning of Section 1a(47) of the Commodity Exchange Act.

"*Sweep to Loan Arrangement*" means a cash management arrangement established by the Borrower with the Swing Line Lender or an Affiliate of the Swing Line Lender, as depositary (in such capacity, the "*Sweep Depositary*"), pursuant to which the Swing Line Lender is authorized (a) to make advances of Swing Loans hereunder, the proceeds of which are deposited by the Swing Line Lender into a designated account of the Borrower maintained at the Sweep Depositary, and (b) to accept as prepayments of the Swing Loans hereunder proceeds of excess targeted balances held in such designated account at the Sweep Depositary, which cash management arrangement is subject to such agreement(s) and on such terms acceptable to the Sweep Depositary and the Swing Line Lender.

"*Swing Line*" means the credit facility for making one or more Swing Loans described in Section 1.17 hereof.

"*Swing Line Lender*" means Bank of Montreal, acting in its capacity as the Lender of Swing Loans hereunder, or any successor Lender acting in such capacity appointed pursuant to Section 12.12 hereof.

"*Swing Line Sublimit*" means $5,000,000.00, as reduced pursuant to the terms hereof.

"*Swing Loan*" and "*Swing Loans*" each is defined in Section 1.17 hereof.

"*Swing Note*" is defined in Section 1.10(d) hereof.

"*Tangible Net Worth*" means for each applicable period, total shareholder's equity on the Borrower's consolidated balance sheet as reported in its Form 10-K or 10-Q for such period, plus (i) accumulated depreciation and amortization and (ii) unrealized losses related to marketable securities, minus, to the extent included when determining stockholders' equity, (x) all unrealized gains related to marketable securities and (y) all amounts appearing on the assets side of the Borrower's consolidated balance sheet representing an intangible asset under GAAP (other than lease intangibles, net of lease liabilities) net of all amounts appearing on the liabilities side of its consolidated balance sheet representing an intangible liability under GAAP, in each case as determined on a consolidated basis in accordance with GAAP.

"*Taxes*" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including back up withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"*Tenant*" means any Person leasing, subleasing or otherwise occupying any portion of a Property under a Lease or other occupancy agreement with the Borrower or a Subsidiary that is the direct owner of such Property.

"*Term Credit*" means the credit facility for the Term Loans described in Section 1.2(a) hereof.

"*Term Loan Lenders*" means each Lender hereunder with a Term Loan Commitment or holding a Term Loan, including each assignee Lender pursuant to Section 12.12 hereof.

"*Term Loan*" means the 2026 Term Loans, the 2027 Term Loan and any other Incremental Term Loans made pursuant to Section 1.15 hereof and each includes a Base Rate Loan or a Eurodollar Loan, each of which is a "*type*" of Term Loan hereunder.

"*Term Loan Commitment*" means, as to any Lender, the 2026 Term Loan Commitment, the 2027 Term Loan Commitment and any other Incremental Term Loan Commitment made pursuant to Section 1.15 hereof.

"*Term Loan Maturity Date*" means the earlier of (i) (x) for the 2026 Term Loans, March 10, 2026 and (y) for the 2027 Term Loans, January 31, 2027, and (ii) the date on which the principal amount of the Term Loans has been declared or automatically has become due and payable (whether by acceleration or otherwise).

"*Term Loan Percentage*" means for each Term Loan Lender, the percentage of the Term Loan Commitments represented by such Term Loan Lender's Term Loan Commitment, or if the Term Loan Commitments have been terminated or have expired, the percentage held by such Term Loan Lender of the aggregate amount of all Term Loans then outstanding.

"*Third Amendment*" means that certain Third Amendment to Second Amended and Restated Credit Agreement entered into as of November 26, 2019, among Borrower, the Guarantors party hereto, the Lenders party hereto and the Administrative Agent

"*Third Amendment Effective Date*" means the later of (i) November 26, 2019 and (ii) the date on which all conditions set forth in Section 3 of the Third Amendment are satisfied.

"*Total Asset Value*" means, as of the end of any Rolling Period, an amount equal to the sum of (a) for all Properties owned by the Borrower and its Subsidiaries for more than twelve (12) months, the quotient of (i) the Property NOI from such Properties divided by (ii) the Capitalization Rate *plus* (b) for all Properties owned by the Borrower and its Subsidiaries for twelve (12) months or less, the lesser of (i) the book value (as defined in GAAP) of any such property or (ii), the value of any such Property as determined by the calculation in clause (a) above measured on an annualized basis rather than for the most recently ended period of four quarters *plus* (c) the aggregate book value of all unimproved land holdings, mortgage or mezzanine loans, notes receivable and/or construction in progress owned by the Borrower and its Subsidiaries *plus* (d) cash, cash equivalents and marketable securities owned by the Borrower and its Subsidiaries that are not then being held in or subject to escrow in connection with funding commitments of the Borrower or such Subsidiary

"*Total Indebtedness*" means, as of a given date, all liabilities of the Borrower and its Subsidiaries which would, in conformity with GAAP, be properly classified as a liability on a consolidated balance sheet of the Borrower and its Subsidiaries as of such date, excluding any amounts categorized as accrued expenses, accrued dividends, deposits held, deferred revenues, minority interests and other liabilities not directly associated with the borrowing of money.

"*UCC*" means the Uniform Commercial Code as in effect in the State of New York.

"*UK Financial Institution*" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"*UK Resolution Authority*" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"*Unfunded Vested Liabilities*" means, for any Plan at any time, the amount (if any) by which the present value of all vested nonforfeitable accrued benefits under such Plan exceeds the fair market value of all Plan assets allocable to such benefits, all determined as of the then most recent valuation date for such Plan, but only to the extent that such excess represents a potential liability of a member of the Controlled Group to the PBGC or the Plan under Title IV of ERISA.

"*Unsecured Indebtedness*" means Total Indebtedness minus Secured Indebtedness.

"*Unused Revolving Credit Commitments*" means, at any time, the difference between the Revolving Credit Commitments then in effect and the aggregate outstanding principal amount of Revolving Loans and L/C Obligations.

"*U.S. Dollars*" and "*$*" each means the lawful currency of the United States of America.

"*Voting Stock*" of any Person means capital stock or other equity interests of any class or classes (however designated) having ordinary power for the election of directors or other similar governing body of such Person, other than stock or other equity interests having such power only by reason of the happening of a contingency.

"*Welfare Plan*" means a "welfare plan" as defined in Section 3(1) of ERISA.

"*Wholly-owned Subsidiary*" means a Subsidiary of which all of the issued and outstanding shares of capital stock (other than directors' qualifying shares as required by law) or other equity interests are owned by the Borrower and/or one or more Wholly-owned Subsidiaries within the meaning of this definition.

"*Write-Down and Conversion Powers*" means, (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to

suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 5.2. Interpretation . The foregoing definitions are equally applicable to both the singular and plural forms of the terms defined. The words "*hereof*", "*herein*", and "*hereunder*" and words of like import when used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. All references to time of day herein are references to Chicago, Illinois, time unless otherwise specifically provided. Where the character or amount of any asset or liability or item of income or expense is required to be determined or any consolidation or other accounting computation is required to be made for the purposes of this Agreement, it shall be done in accordance with GAAP except where such principles are inconsistent with the specific provisions of this Agreement. Whenever reference is made to the Borrower's knowledge or awareness, or a similar qualification, knowledge or awareness means the actual knowledge of the Borrower's Responsible Officers.

Section 5.3. Change in Accounting Principles . If, after the date of this Agreement, there shall occur any change in GAAP from those used in the preparation of the financial statements referred to in Section 6.5 hereof and such change shall result in a change in the method of calculation of any financial covenant, standard or term found in this Agreement, either the Borrower or the Required Lenders may by written notice to the Lenders and the Borrower, respectively, require that the Lenders and the Borrower negotiate in good faith to amend such covenants, standards, and terms so as equitably to reflect such change in accounting principles, with the desired result being that the criteria for evaluating the financial condition of the Borrower and its Subsidiaries shall be the same as if such change had not been made. No delay by the Borrower or the Required Lenders in requiring such negotiation shall limit their right to so require such a negotiation at any time after such a change in accounting principles. Until any such covenant, standard, or term is amended in accordance with this Section 5.3, financial covenants shall be computed and determined in accordance with GAAP in effect prior to such change in accounting principles. Without limiting the generality of the foregoing, the Borrower shall neither be deemed to be in compliance with any financial covenant hereunder nor out of compliance with any financial covenant hereunder if such state of compliance or noncompliance, as the case may be, would not exist but for the occurrence of a change in accounting principles after the date hereof.

SECTION 6. REPRESENTATIONS AND WARRANTIES .

The Borrower represents and warrants to the Administrative Agent, the Lenders, and the L/C Issuer as follows:

Section 6.1. Organization and Qualification . The Borrower is duly organized, validly existing, and in good standing as a corporation under the laws of the State of Maryland. The Borrower has full and adequate power to own its Property and conduct its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying and where the failure to be so qualified could reasonably be expected to have, in each instance, a Material Adverse Effect.

Section 6.2. Subsidiaries . Each Subsidiary is duly organized, validly existing, and in good standing under the laws of the jurisdiction in which it is organized, has full and adequate power to own its Property and conduct its business as now conducted, and is duly licensed or qualified and in good standing in each jurisdiction in which the nature of the business conducted by it or the nature of the Property owned or leased by it requires such licensing or qualifying and where the failure to be so qualified could reasonably be expected to have, in each instance, a Material Adverse Effect. Schedule 6.2 hereto identifies each Subsidiary as of the date hereof and as updated from time to time as provided in Section 8.5(l), the jurisdiction of its organization, the percentage of issued and outstanding shares of each class of its capital stock or other equity interests owned by the Borrower and the other Subsidiaries and, if such percentage is not 100% (excluding directors' qualifying shares as required by law), a description of each class of its authorized capital stock and other equity interests and the number of shares of each class issued and outstanding. All of the outstanding shares of capital stock and other equity interests of each Subsidiary are validly issued and outstanding and fully paid and nonassessable and all such shares and other equity interests indicated on Schedule 6.2 as owned by the Borrower or another Subsidiary are owned, beneficially and of record, by the Borrower or such Subsidiary free and clear of all Liens (other than Permitted Liens). There are no outstanding commitments or other obligations of any Subsidiary to issue, and no options, warrants or other rights of any Person to acquire, any shares of any class of capital stock or other equity interests of any Subsidiary.

Section 6.3. Authority and Validity of Obligations . The Borrower has full right and authority to enter into this Agreement and the other Loan Documents executed by it, to make the borrowings herein provided for, to grant to the Administrative Agent the Liens described in the Collateral Documents from time to time executed by the Borrower and to perform all of its obligations hereunder and under the other Loan Documents executed by it. Each Material Subsidiary has full right and authority to enter into the Loan Documents executed by it, to guarantee the Obligations, Hedging Liability, and Funds Transfer and Deposit Account Liability, to grant to the Administrative Agent the Liens described in the Collateral Documents from time to time executed by such Material Subsidiary and to perform all of its obligations under the Loan Documents executed by it. The Loan Documents delivered by the Borrower and its Material Subsidiaries have been duly authorized, executed, and delivered by such Persons and constitute valid and binding obligations of the Borrower and its Material Subsidiaries enforceable against them in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, fraudulent conveyance or similar laws affecting creditors' rights generally and general principles of equity (regardless of whether the application of such principles is considered in a proceeding in equity or at law); and this Agreement and the other Loan Documents do not, nor does the performance or observance by the Borrower or any Subsidiary of any of the matters and things herein or therein provided for, (a) contravene or constitute a default under any provision of law or any judgment, injunction, order or decree binding upon the Borrower or any Subsidiary or any provision of the organizational documents (*e.g.*, charter, certificate or articles of incorporation and by-laws, certificate or articles of association and operating agreement, partnership agreement, or other similar organizational documents) of the Borrower or any Material Subsidiary, (b) contravene or constitute a default under any covenant, indenture or agreement of or affecting the Borrower or any Material Subsidiary or any of their Property, in each case where such contravention or default, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect, or (c) result in the creation or imposition of any Lien on any Property of

the Borrower or any Material Subsidiary (other than in favor of the Administrative Agent for its benefit and the benefit of the Lenders and the L/C Issuer).

Section 6.4. Use of Proceeds; Margin Stock. The Borrower shall use the proceeds of the Term Loans, Incremental Term Loans or Revolving Credit for its general corporate purposes, to refinance existing indebtedness, finance capital expenditures, real estate related investments (including investments permitted pursuant to Section 8.8 hereof), working capital and stock buybacks and for such other legal and proper purposes as are consistent with all applicable laws. Neither the Borrower nor any Subsidiary is engaged in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulation U of the Board of Governors of the Federal Reserve System), and no part of the proceeds of any Loan or any other extension of credit made hereunder will be used to purchase or carry any such margin stock (except for such stock repurchases as permitted hereunder) or to extend credit to others for the purpose of purchasing or carrying any such margin stock. Margin stock (as hereinabove defined) constitutes less than 25% of the assets of the Borrower and its Subsidiaries which are subject to any limitation on sale, pledge or other restriction hereunder.

Section 6.5. Financial Reports . The consolidated balance sheet of the Borrower and its Subsidiaries as of December 31, 2020, and the related consolidated statements of income, retained earnings and cash flows of the Borrower and its Subsidiaries for the fiscal year then ended, and accompanying notes thereto, which consolidated financial statements are accompanied by the unqualified audit report of independent public accountants, heretofore furnished to the Administrative Agent and the Lenders, fairly present the consolidated financial condition of the Borrower and its Subsidiaries as at said date and the consolidated results of their operations and cash flows for the period then ended in conformity with GAAP applied on a consistent basis. None of the Borrower or any Subsidiary has contingent liabilities which are material to it and are required to be set forth in its consolidated financial statements or notes thereto in accordance with GAAP other than as indicated on such consolidated financial statements and notes thereto, including with respect to future periods, on the consolidated financial statements furnished pursuant to Section 8.5 hereof.

Section 6.6. No Material Adverse Effect . Except as set forth on Schedule 6.6, since December 31, 2020, there has been no change in the financial condition or business of the Borrower or any Subsidiary except those occurring in the ordinary course of business, none of which individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

Section 6.7. Full Disclosure . The statements and information furnished to the Administrative Agent and the Lenders in connection with the negotiation of this Agreement and the other Loan Documents and the commitments by the Lenders to provide all or part of the financing contemplated hereby do not contain any untrue statements (known by Borrower to be untrue) of a material fact known to Borrower or omit a material fact necessary to make the material statements contained herein or therein, in light of the circumstances under which they were made, not misleading, the Administrative Agent and the Lenders acknowledging that (a) as to any projections or forward looking information furnished to the Administrative Agent and the Lenders, the Borrower only represents that the same were prepared on the basis of information and estimates

the Borrower believed to be reasonable and (b) the financial information provided to the Administrative Agent and the Lenders is governed by Section 6.5 hereof.

Section 6.8. Trademarks, Franchises, and Licenses. To Borrower's knowledge, the Borrower and its Subsidiaries own, possess, or have the right to use all patents, licenses, franchises, trademarks, trade names, trade styles, copyrights, trade secrets, know how, and confidential commercial and proprietary information necessary to conduct their businesses substantially as now conducted, without known conflict with any patent, license, franchise, trademark, trade name, trade style, copyright or other proprietary right of any other Person, which conflict could reasonably be expected to have a Material Adverse Effect.

Section 6.9. Governmental Authority and Licensing . The Borrower and its Subsidiaries have received all licenses, permits, and approvals of all federal, state, and local governmental authorities, if any, necessary to conduct their businesses, in each case where the failure to obtain or maintain the same could reasonably be expected to have a Material Adverse Effect. No investigation or proceeding, which could reasonably be expected to result in revocation or denial of any license, permit or approval and could reasonably be expected to have a Material Adverse Effect, is pending or, to the knowledge of the Borrower, threatened.

Section 6.10. Good Title . The Borrower and its Subsidiaries have good and defensible title (or valid leasehold interests) to their material assets as reflected on the most recent consolidated balance sheet of the Borrower and its Subsidiaries furnished to the Administrative Agent and the Lenders (except for sales of assets in the ordinary course of business), subject to no Liens other than such thereof as are permitted by Section 8.7 hereof.

Section 6.11. Litigation and Other Controversies . Except as set forth on Schedule 6.11, there is no litigation or governmental or arbitration proceeding or labor controversy pending, nor to the knowledge of the Borrower threatened, against the Borrower or any Subsidiary or any of their Property which individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

Section 6.12. Taxes . All material tax returns required to be filed by the Borrower or any Subsidiary in any jurisdiction have, in fact, been filed, and all taxes, assessments, fees, and other governmental charges upon the Borrower or any Subsidiary or upon any of its Property, income or franchises, which are shown to be due and payable in such returns, have been paid, except such taxes, assessments, fees and governmental charges, if any, as are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and as to which adequate reserves established in accordance with GAAP have been provided. The Borrower has not received written notice of any proposed additional tax assessment against the Borrower or its Subsidiaries for which adequate provisions in accordance with GAAP have not been made on their accounts. Adequate provisions in accordance with GAAP for taxes on the books of the Borrower and each Subsidiary have been made for all open years, and for its current fiscal period.

Section 6.13. Approvals . Except those already received and filings which are necessary to perfect the security interests under the Collateral Documents, no authorization, consent, license or exemption from, or filing or registration with, any court or governmental

department, agency or instrumentality, nor any approval or consent of any other Person, is or will be necessary to the valid execution, delivery or performance by the Borrower or any Guarantor of any Loan Document.

Section 6.14. Affiliate Transactions . Except as permitted by Section 8.14 hereof, none of the Borrower or any Subsidiary is a party to any contracts or agreements with any of its Affiliates on terms and conditions which are less favorable to the Borrower or such Subsidiary than would be usual and customary in similar contracts or agreements between Persons not affiliated with each other.

Section 6.15. Investment Company . None of the Borrower or any Subsidiary is an "investment company" or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940, as amended.

Section 6.16. ERISA . The Borrower and each other member of their Controlled Group has fulfilled its obligations under the minimum funding standards of and is in compliance in all material respects with ERISA and the Code to the extent applicable to it and has not incurred any liability to the PBGC or a Plan under Title IV of ERISA other than a liability to the PBGC for premiums under Section 4007 of ERISA. None of the Borrower or any Subsidiary has any material contingent liabilities with respect to any post-retirement benefits under a Welfare Plan, other than liability for continuation coverage described in article 6 of Title I of ERISA.

Section 6.17. Compliance with Laws . (a) The Borrower and its Subsidiaries are in compliance with the requirements of all federal, state and local laws, rules and regulations applicable to or pertaining to their Property or business operations (including, without limitation, the Occupational Safety and Health Act of 1970, the Americans with Disabilities Act of 1990, and laws and regulations establishing quality criteria and standards for air, water, land and toxic or hazardous wastes and substances), where any such non-compliance, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) Without limiting the representations and warranties set forth in Section 6.17(a) above, except for such matters individually or in the aggregate, which could not reasonably be expected to result in a Material Adverse Effect, the Borrower represents and warrants that, except as set forth in Schedule 6.17: (i) the Borrower and its Subsidiaries, and each of the Properties, comply in all material respects with all applicable Environmental Laws; (ii) the Borrower and its Subsidiaries have obtained all governmental approvals required for their operations and each of the Properties by any applicable Environmental Law; (iii) the Borrower and its Subsidiaries have not, and the Borrower has no knowledge of any other Person who has, caused any Release, threatened Release or disposal of any Hazardous Material at, on, about, or off any of the Properties in any material quantity and, to the knowledge of the Borrower, none of the Properties are adversely affected by any Release, threatened Release or disposal of a Hazardous Material originating or emanating from any other property; (iv) none of the Properties, to the Borrower's knowledge, contain or have contained any: (1) underground storage tank, (2) material amounts of asbestos containing building material, (3) landfills or dumps, (4) hazardous waste management facility as defined pursuant to RCRA or any comparable state law, or (5) site on or nominated for the National Priority List promulgated pursuant to CERCLA or any state remedial priority list

promulgated or published pursuant to any comparable state law; (v) the Borrower and its Subsidiaries have not used a material quantity of any Hazardous Material and have conducted no Hazardous Material Activity at any of the Properties; (vi) other than in compliance with applicable law in all material respects the Borrower and its Subsidiaries have no material liability for response or corrective action, natural resource damage or other harm pursuant to CERCLA, RCRA or any comparable state law; (vii) the Borrower and its Subsidiaries are not subject to, have no notice or knowledge of and are not required to give any notice of any Environmental Claim involving the Borrower or any Subsidiary or any of the Properties, and there are no conditions or occurrences at any of the Properties which could reasonably be anticipated to form the basis for an Environmental Claim against the Borrower or any Subsidiary or such Properties; (viii) none of the Properties are subject to any, and the Borrower has no knowledge of any imminent restriction on the ownership, occupancy, use or transferability of the Properties in connection with any (1) Environmental Law or (2) Release, threatened Release or disposal of a Hazardous Material, which would affect the lawful use of any such Property as currently used; and (ix) there are no conditions or circumstances at any of the Properties which pose an unreasonable risk to the environment or the health or safety of Persons. Promptly after the reasonable request of the Administrative Agent, the Borrower shall deliver to the Administrative Agent a Phase I Environmental Report in form and substance acceptable to the Administrative Agent from an environmental firm acceptable to the Administrative Agent with respect to any (y) Eligible Property specified by the Administrative Agent that has an environmental issue that would materially affect the value or use of such Eligible Property and (z) Property that is not an Eligible Property if the environmental issues associated with such Property could reasonably be expected to have a Material Adverse Effect and, if such Phase I Environmental Report indicates any environmental issues, a Phase II Environmental Report; *provided* that the Administrative Agent shall be entitled to make only one (1) such request per Property during the term of this Agreement unless an Event of Default has occurred and is continuing.

(c) The Borrower and each of its Subsidiaries is in material compliance with all Anti-Corruption Laws. The Borrower and each of its Subsidiaries has implemented and maintains in effect policies and procedures designed to ensure compliance by such Person, its Subsidiaries and their respective directors, officers, employees and agents with Anti-Corruption Laws. Neither Borrower nor any Subsidiary has made a payment, offering, or promise to pay, or authorized the payment of, money or anything of value (a) in order to assist in obtaining or retaining business for or with, or directing business to, any foreign official, foreign political party, party official or candidate for foreign political office, (b) to a foreign official, foreign political party or party official or any candidate for foreign political office, and (c) with the intent to induce the recipient to misuse his or her official position to direct business wrongfully to such Borrower or such Subsidiary or to any other Person, in violation of any Anti-Corruption Laws.

Section 6.18. OFAC . (a) The Borrower is in compliance, in all material respects, with the requirements of all OFAC Sanctions Programs applicable to it, (b) each Subsidiary of the Borrower is in compliance, in all material respects, with the requirements of all OFAC Sanctions Programs applicable to such Subsidiary, (c) the Borrower has provided to the Administrative Agent, the L/C Issuer, and the Lenders all information regarding the Borrower and its Affiliates and Subsidiaries necessary for the Administrative Agent, the L/C Issuer, and the Lenders to comply with all applicable OFAC Sanctions Programs, and (d) neither the Borrower nor any of its

Affiliates or Subsidiaries nor, to the knowledge of Borrower, any officer, director or Affiliate of any such Person or any of its Subsidiaries, is a person, that is, or is owned or controlled by Persons that are (i) the target of any OFAC Sanctions Programs or (ii) located, organized or resident in a country or territory that is, or whose government is, the subject of any OFAC Sanctions Programs.

Section 6.19. Other Agreements . Neither the Borrower nor any Subsidiary is in default under the terms of any covenant, indenture or agreement of or affecting such Person or any of its Property, which default could reasonably be expected to have a Material Adverse Effect. Neither the Borrower nor any Subsidiary shall enter into an amendment or modification of any contract or agreement which could, in the Responsible Officer's business judgment, reasonably be expected to have a Material Adverse Effect.

Section 6.20. Solvency. The Borrower and its Subsidiaries are solvent, able to pay their debts as they become due, and have sufficient capital to carry on their business and all businesses in which they are about to engage.

Section 6.21. No Default . No Default or Event of Default has occurred and is continuing.

Section 6.22. No Broker Fees. No broker's or finder's fee or commission will be payable with respect hereto or any of the transactions contemplated thereby with respect to any broker or finder claim for which the Borrower is responsible; and the Borrower hereby agrees to indemnify the Administrative Agent and the Lenders against, and agrees that it will hold the Administrative Agent and the Lenders harmless from, any such claim, demand, or liability for any such broker's or finder's fees alleged to have been incurred by the Borrower in connection herewith or therewith and any expenses (including reasonable attorneys' fees) arising in connection with any such claim, demand, or liability.

Section 6.23. Condition of Property; Casualties; Condemnation . Each Property owned by the Borrower and each Subsidiary, in all material respects (a) is in good repair, working order and condition, normal wear and tear excepted, (b) is free of material structural defects, (c) is not subject to material deferred maintenance, (d) has and will have all building systems contained therein in good repair, working order and condition, normal wear and tear excepted and (e) is not located in a flood plain or flood hazard area, or if located in a flood plain or flood hazard area is covered by full replacement cost flood insurance. None of the Properties owned by the Borrower or any Subsidiary is currently materially and adversely affected as a result of any fire, explosion, earthquake, flood, drought, windstorm, accident, strike or other labor disturbance, embargo, requisition or taking of property or cancellation of contracts, permits or concessions by a Governmental Authority, riot, activities of armed forces or acts of God or of any public enemy which is not in the process of being repaired. No condemnation or other like proceedings that has had, or could reasonably be expected to result in, a Material Adverse Effect, are pending and served nor threatened against any Property owned by it in any manner whatsoever. No casualty has occurred to any such Property that could reasonably be expected to have a Material Adverse Effect. Promptly after the reasonable request of the Administrative Agent, the Borrower shall deliver a current property condition report in form and substance acceptable to Administrative Agent from an independent engineering or architectural firm acceptable to Administrative Agent with respect

to any (i) Eligible Property specified by Administrative Agent that has a material maintenance or structural issue that would materially affect the value or use of such Eligible Property and (ii) Property that is not an Eligible Property that has a material maintenance or structural issue associated with such Property that could reasonably be expected to have a Material Adverse Effect; *provided* that the Administrative Agent shall be entitled to make only one (1) such request with respect to each Property during the term of this Agreement unless an Event of Default has occurred and is continuing.

Section 6.24. Legal Requirements and Zoning . To Borrower's knowledge, the use and operation of each Property owned by the Borrower and its Subsidiaries constitutes a legal use (including legally nonconforming use) under applicable zoning regulations (as the same may be modified by special use permits or the granting of variances) and complies in all material respects with all Legal Requirements, and does not violate in any material respect any approvals, restrictions of record or any material agreement affecting any such Property (or any portion thereof).

Section 6.25. No Defaults; Landlord is in Compliance with Leases . The Borrower and each Subsidiary shall at all times maintain accurate and complete records of each Significant Lease. Except as disclosed to the Administrative Agent in writing in accordance with Section 8.5(l) hereof, none of the tenants under Significant Leases on Properties owned by the Borrower, Material Subsidiaries or any other Subsidiary of the Borrower are in default for a period in excess of sixty (60) days on the monthly contractual rent payments.

Section 6.26. EEA Financial Institution . Neither Borrower nor any Subsidiary is an EEA Financial Institution.

Section 6.27. REIT Status . The Borrower (a) will elect to be taxed as a REIT beginning with its taxable year ending December 31, 2020, upon the filing of its federal income tax return for such year and will continue to operate in a manner so as to qualify as a REIT, and (b) will not revoke its election to be taxed as a REIT.

SECTION 7. CONDITIONS PRECEDENT .

Section 7.1. All Credit Events . At the time of each Credit Event hereunder:

(a) each of the representations and warranties set forth herein and in the other Loan Documents shall be and remain true and correct in all material respects (except in the case of a representation or warranty qualified by materiality in which case such representation or warranty shall be true and correct in all respects) as of said time, except to the extent the same expressly relate to an earlier date (in which case, the same shall be true and correct in all material respects (except in the case of a representation or warranty qualified by materiality in which case such representation or warranty shall be true and correct in all respects) as of such earlier date);

(b) no Default or Event of Default shall have occurred and be continuing or would occur as a result of such Credit Event and, after giving effect to such Credit Event,

the Revolving Credit Availability as then determined and computed shall be no less than $0;

(c) in the case of a Borrowing the Administrative Agent shall have received the notice required by Section 1.6 hereof, in the case of the issuance of any Letter of Credit, the L/C Issuer shall have received a duly completed Application for such Letter of Credit together with any fees called for by Section 2.1(b) hereof, and, in the case of an extension or increase in the amount of a Letter of Credit, a written request therefor in a form acceptable to the L/C Issuer together with fees called for by Section 2.1(b) hereof;

(d) such Credit Event shall not violate any order, judgment or decree of any court or other authority or any provision of law or regulation applicable to the Administrative Agent, the L/C Issuer or any Lender (including, without limitation, Regulation U of the Board of Governors of the Federal Reserve System) as then in effect; and

(e) no Change of Control shall have occurred as a result of (i) the termination set forth in clause (c) of the definition "Change of Control" and (ii) the Borrower's failure to cure such Change of Control by appointing a replacement chief executive officer of the Borrower reasonably acceptable to the Administrative Agent within four (4) months.

Each request for a Borrowing hereunder and each request for the issuance of, increase in the amount of, or extension of the expiration date of, a Letter of Credit shall be deemed to be a representation and warranty by the Borrower on the date on such Credit Event as to the facts specified in subsections (a) through (c), inclusive, of this Section 7.1; *provided, however,* that the Lenders may continue to make advances under the Revolving Credit, in the sole discretion of the Lenders with Revolving Credit Commitments, notwithstanding the failure of the Borrower to satisfy one or more of the conditions set forth above and any such advances so made shall not be deemed a waiver of any Default or Event of Default or other condition set forth above that may then exist.

Section 7.2. Initial Credit Event. Before or concurrently with the initial Credit Event:

(a) the Administrative Agent shall have received this Agreement duly executed by the Borrower, the Material Subsidiaries, as Guarantors, and the Lenders and the Omnibus Amendment and General Reaffirmation Agreement duly executed by the Borrower and the Material Subsidiaries, as Guarantors.

(b) if requested by any Lender, the Administrative Agent shall have received for such Lender such Lender's duly executed Note of the Borrower dated the date hereof and otherwise in compliance with the provisions of Section 1.10 hereof;

(c) the Administrative Agent shall have received copies of the Borrower's and each Material Subsidiary's articles of incorporation and bylaws (or comparable organizational documents) and any amendments thereto, certified in each instance by its Secretary or Assistant Secretary;

(d) the Administrative Agent shall have received copies of resolutions of the Borrower's and each Material Subsidiary's Board of Directors (or similar governing body) authorizing the execution, delivery and performance of this Agreement and the other Loan Documents to which it is a party and the consummation of the transactions contemplated hereby and thereby, together with specimen signatures of the persons authorized to execute such documents on the Borrower's and each Material Subsidiary's behalf, all certified in each instance by its Secretary or Assistant Secretary or other Authorized Representative;

(e) the Administrative Agent shall have received copies of the certificates of good standing for the Borrower and each Material Subsidiary (dated no earlier than forty-five (45) days prior to the date hereof) from the office of the secretary of the state of its incorporation or organization and of each state in which it is required to the qualified to do business as a foreign corporation or organization under Sections 6.1 or 6.2;

(f) the Administrative Agent shall have received a list of the Borrower's Authorized Representatives;

(g) the Administrative Agent shall have received the initial fees called for by Section 2.1 hereof;

(h) the capital and organizational structure of the Borrower and its Subsidiaries shall be reasonably satisfactory to the Administrative Agent;

(i) the Administrative Agent shall have received a Closing Date Borrowing Base Certificate;

(j) the Administrative Agent shall have received financing statement, tax, and judgment lien search results against each Eligible Property of the Borrower and each Material Subsidiary evidencing the absence of Liens on its Property except as Permitted Liens or as otherwise permitted by Section 8.8 hereof;

(k) the Administrative Agent shall have received a written opinion of counsel to the Borrower and each Material Subsidiary, in form and substance reasonably satisfactory to the Administrative Agent;

(l) the Administrative Agent shall have received a fully executed Internal Revenue Service Form W-9 for the Borrower; and the Administrative Agent and the Borrower shall have received the Internal Revenue Service Forms and any applicable attachments required by Section 12.1(b);

(m) the Administrative Agent shall have received such other agreements, instruments, documents, certificates, and opinions as the Administrative Agent may reasonably request;

(n) the Administrative Agent and any Lender shall have received any information or materials reasonably required by the Administrative Agent or such Lender

in order to assist the Administrative Agent or such Lender in maintaining compliance with (i) the Patriot Act and (ii) any applicable *"know your customer"* or similar rules and regulations;

(o) the Administrative Agent shall have received pay-off and lien release letters (except with respect to any Permitted Liens) from secured creditors of the Borrower and each Subsidiary setting forth, among other things, the total amount of indebtedness outstanding and owing to them (or outstanding letters of credit issued for the account of the Borrower or any Subsidiary) and containing an undertaking to cause to be delivered to the Administrative Agent UCC termination statements and any other lien release instruments necessary to release their Liens on the assets of the Borrower and each Subsidiary, which pay-off and lien release letters shall be in form and substance reasonably acceptable to the Administrative Agent;

(p) the secured creditors of the Borrower and each Subsidiary shall have deposited in escrow UCC termination statements and other lien release instruments necessary to release their Liens (other than Permitted Liens) on the assets of the Borrower and each Subsidiary; and

(q) the Borrower shall have delivered (a) either (i) original stock certificates or other similar instruments representing all of the issued and outstanding shares of capital stock or other equity interests in each Material Subsidiary, together with stock powers or other instruments of transfer executed in blank, or (ii) if the Equity Interests are uncertificated, an acknowledgement of collateral assignment in form and substance acceptable to the Administrative Agent duly executed by the issuer of the Equity Interest and (b) UCC financing statements with respect to the pledged Equity Interests to be filed against the Borrower, as debtor, in favor of the Administrative Agent, as secured party.

Section 7.3. Eligible Property Additions and Deletions to the Borrowing Base . The Borrower represents and warrants to the Lenders and the Administrative Agent that Schedule 1.1 sets forth each of the Eligible Properties as of the Seventh Amendment Effective Date and that the information provided on Schedule 1.1 is true and correct in all material respects.

Upon not less than 10 Business Days prior written notice from the Borrower to the Administrative Agent, the Borrower can designate that a Property be added (subject to the other requirements for a Property qualifying as an Eligible Property) or deleted as an Eligible Property included in calculating the Borrowing Base. Such notice shall be accompanied by a Borrowing Base Certificate setting forth the components of the Borrowing Base as of the addition or deletion of the designated Property as an Eligible Property, and with respect to a deletion, Borrower's certification in such detail as reasonably required by the Administrative Agent that no Default or Event of Default exists under this Agreement and such deletion shall not (A) cause the Eligible Properties to violate the Borrowing Base Requirements, (B) cause a Default, or (C) cause or result in the Borrower failing to comply with any of the financial covenants contained in Section 8.20 hereof. Each addition with respect to Eligible Properties shall be an Eligible Property in a minimum amount equal to $500,000 Borrowing Base Value or $500,000 Debt Service Coverage Amount, or shall be comprised of more than one qualifying Eligible Properties that in the aggregate

have a minimum amount equal to $1,000,000 Borrowing Base Value or $1,000,000 Debt Service Coverage Amount, and all such additions shall be subject to reasonable approval by the Administrative Agent.

If no Default exists at the time of any deletion of a Property from qualifying as an Eligible Property included in calculating the Borrowing Base, any Material Subsidiary which owned such Property, but that does not otherwise own any other Eligible Property, shall be released from its obligations under its Guaranty.

SECTION 8. COVENANTS .

The Borrower agrees that, so long as any credit is available to or in use by the Borrower hereunder, except to the extent compliance in any case or cases is cured or waived in writing pursuant to the terms of Section 12.13 hereof:

Section 8.1. Maintenance of Existence . (i) The Borrower shall, and shall cause each Guarantor to, preserve and maintain its existence, except as otherwise provided in Section 8.10(c) hereof and where failure to preserve and maintain its existence could not reasonably be expected to have a Material Adverse Effect. The Borrower shall, and shall cause each Guarantor to, preserve and keep in force and effect all licenses, permits, franchises, approvals, patents, trademarks, trade names, trade styles, copyrights, and other proprietary rights necessary to the proper conduct of its business except where such failure to preserve and keep in force and effect could not reasonably be expected to have a Material Adverse Effect.

(ii) (a) At least one class of common stock of the Borrower shall at all times be duly listed on the New York Stock Exchange, the NYSE American or The NASDAQ Stock Market and (b) the Borrower shall timely file all reports required to be filed by it with the New York Stock Exchange, the NYSE American or The NASDAQ Stock Market, as applicable, and the Securities and Exchange Commission, unless such failure to timely file could not reasonably be expected to have a Material Adverse Effect.

Section 8.2. Maintenance of Properties, Agreements . The Borrower and each Guarantor shall cause each of its tenants to maintain, preserve, and keep all of the Borrower's and each Guarantor's Property in working condition and order (ordinary wear and tear excepted) in all material respects, and Borrower and each Guarantor shall from time to time make all needful and proper repairs, renewals, replacements, additions, and betterments to its Property so that it shall at all times be fully preserved and maintained in all material respects. The Borrower shall, and shall cause each Subsidiary to, keep in full force and effect all material contracts and agreements (except any terminations in accordance with the terms therein or approved by the Board of Directors of the Borrower in its business judgment or due to any breach by the other party thereto) and shall not modify or amend any material contract or agreement that would cause a Material Adverse Effect.

Section 8.3. Taxes and Assessments . The Borrower and each Guarantor shall, or shall cause its tenants to, duly pay and discharge all taxes, rates, assessments, fees, and governmental charges upon or against it or its Property, in each case before the same become delinquent and

before penalties accrue thereon, unless and to the extent that the same are being contested in good faith and by appropriate proceedings which prevent enforcement of the matter under contest and adequate reserves are provided therefor.

Section 8.4. Insurance . Except where the Tenant of a Property shall maintain insurance pursuant to the terms of its Lease, the Borrower shall insure and keep insured, and shall cause each Subsidiary to insure and keep insured, with good and responsible insurance companies all insurable Property owned by it which is of a character usually insured by Persons similarly situated and operating like Properties against loss or damage from such hazards and risks, and in such amounts, as are insured by Persons similarly situated and operating like Properties; and the Borrower shall insure, and shall cause each Subsidiary to insure, such other hazards and risks (including, without limitation, business interruption, employers' and public liability risks) with good and responsible insurance companies as and to the extent usually insured by Persons similarly situated and conducting similar businesses. The Borrower shall, upon the reasonable request of the Administrative Agent, furnish to the Administrative Agent and the Lenders a certificate setting forth in summary form the nature and extent of the insurance maintained pursuant to this Section 8.4. The Borrower and each Material Subsidiary shall maintain insurance on the Collateral to the extent required by the Collateral Documents. After the occurrence of an Collateral Trigger Event, such policies of insurance shall contain satisfactory mortgagee/lender's loss payable endorsements, naming the Administrative Agent (or its security trustee) as mortgagee or lender loss payee, assignee or additional insured, as appropriate, as its interest may appear, and showing only such other loss payees, assignees and additional insureds as are satisfactory to the Administrative Agent. After the occurrence of an Collateral Trigger Event, each policy of insurance or endorsement shall contain a clause requiring the insurer to give not less than thirty (30) days' (or ten (10) days' in the case of nonpayment of insurance premiums) prior written notice to the Administrative Agent in the event of cancellation of the policy for any reason whatsoever and a clause specifying that the interest of the Administrative Agent shall not be impaired or invalidated by any act or neglect of any Material Subsidiary or Tenant, or the owner of the premises or Property or by the occupation of the premises for purposes more hazardous than are permitted by said policy.

Section 8.5. Financial Reports . The Borrower shall, and shall cause each Subsidiary to, maintain a standard system of accounting in accordance with GAAP and shall furnish to the Administrative Agent, each Lender, the L/C Issuer and each of their duly authorized representatives such information respecting the business and financial condition of the Borrower and each Subsidiary as the Administrative Agent or such Lender may reasonably request; and without any request, shall furnish to the Administrative Agent for distribution to the Lenders, and L/C Issuer:

(a) as soon as available, and in any event no later than ninety (90) days after the last day each fiscal year of the Borrower, a copy of the consolidated and consolidating balance sheet of the Borrower and its Subsidiaries as of the last day of the fiscal year then ended and the consolidated and consolidating statements of income, retained earnings, and cash flows of the Borrower and its Subsidiaries for the fiscal year then ended, and accompanying notes thereto, each in reasonable detail showing in comparative form the figures for the previous fiscal year, accompanied by an unqualified opinion of independent

public accountants of recognized national standing, selected by the Borrower and reasonably satisfactory to the Administrative Agent, to the effect that the consolidated financial statements have been prepared in accordance with GAAP and present fairly in accordance with GAAP the consolidated financial condition of the Borrower and its Subsidiaries as of the close of such fiscal year and the results of their operations and cash flows for the fiscal year then ended and that an examination of such accounts in connection with such financial statements has been made in accordance with generally accepted auditing standards and, accordingly, such examination included such tests of the accounting records and such other auditing procedures as were considered necessary in the circumstances;

(b) within the period provided in subsection (a) above, the written statement of the accountants who certified the audit report thereby required that in the course of their audit they have obtained no knowledge of any Default or Event of Default, or, if such accountants have obtained knowledge of any such Default or Event of Default, they shall disclose in such statement the nature and period of the existence thereof;

(c) as soon as available, and in any event no later than forty-five (45) days after the last day of each fiscal quarter of each fiscal year of the Borrower, a copy of the consolidated and consolidating balance sheet of the Borrower and its Subsidiaries as of the last day of such fiscal quarter and the consolidated and consolidating statements of income, retained earnings, and cash flows of the Borrower and its Subsidiaries for the fiscal quarter and for the fiscal year-to-date period then ended, each in reasonable detail showing in comparative form the figures for the corresponding date and period in the previous fiscal year, prepared by the Borrower in accordance with GAAP (subject to the absence of footnote disclosures and year-end audit adjustments) and certified to by its chief financial officer or another officer of the Borrower reasonably acceptable to the Administrative Agent;

(d) as soon as available, and in any event within forty-five (45) days after the last day of each Fiscal Quarter (or ninety (90) days after the last day of each Fiscal Year) a Borrowing Base Certificate showing the computation of the Borrowing Base in reasonable detail as of the close of business on the last day of such fiscal quarter, prepared by the Borrower and certified to by its chief financial officer or another officer of the Borrower acceptable to the Administrative Agent;

(e) with each of the financial statements delivered pursuant to subsections (a) and (b) above, a Compliance Certificate (*"Compliance Certificate"*) in the form attached hereto as Exhibit E signed by the chief financial officer of the Borrower or another officer of the Borrower reasonably acceptable to the Administrative Agent to the effect that to the best of such officer's knowledge and belief no Default or Event of Default has occurred during the period covered by such statements or, if any such Default or Event of Default has occurred during such period, setting forth a description of such Default or Event of Default and specifying the action, if any, taken by the Borrower or any Subsidiary to remedy the same. Such certificate shall also set forth the calculations supporting such statements in respect of Section 8.20 hereof;

(f) promptly after receipt thereof, any additional written reports, management letters or other detailed information contained in writing concerning significant aspects of the Borrower's or any Subsidiary's operations and financial affairs given to it by its independent public accountants;

(g) promptly after the sending or filing thereof, copies of each financial statement, report, notice or proxy statement sent by the Borrower or any Subsidiary to its stockholders or other equity holders, and upon written request from the Administrative Agent, copies of each regular, periodic or special report, registration statement or prospectus (including all Form 10-K, Form 10-Q and Form 8-K reports) filed by the Borrower or any Subsidiary with any securities exchange or the Securities and Exchange Commission or any successor agency;

(h) promptly after receipt thereof, a copy of each audit made by any regulatory agency of the books and records of the Borrower or any Subsidiary or of notice of any material noncompliance with any applicable law, regulation or guideline relating to the Borrower or any Subsidiary, or its business;

(i) *reserved;*

(j) notice of any Change of Control;

(k) promptly after knowledge thereof shall have come to the attention of any Responsible Officer of the Borrower, written notice of (i) any threatened (in writing) or pending litigation or governmental or arbitration proceeding or labor controversy against the Borrower or any Subsidiary or any of their Property which could reasonably be expected to have a Material Adverse Effect, (ii) the occurrence of any matter which could reasonably be expected to have a Material Adverse Effect or (iii) the occurrence of any Default or Event of Default hereunder;

(l) within forty-five (45) days of the end of each of the first three (3) fiscal quarters and within 90 days after the close of the last fiscal quarter of the year (i) a list of all newly formed or acquired Subsidiaries during such quarter (such list shall contain the information relative to such new Subsidiaries as set forth in Schedule 6.2 hereto); (ii) a list of newly executed Significant Leases during such quarter; (iii) a copy of any notice of a material default or any other material notice (including without limitation property condition reviews) received by the Borrower or any Guarantor from any ground lessor under a Significant Lease during such quarter and (iv) a schedule showing for such quarter (A) any Significant Lease that was or is continuing to be in default with respect to monthly contractual rent payments in excess of 60 days;

(m) promptly after knowledge thereof shall have come to the attention of any Responsible Officer of the Borrower, written notice to each Lender if amounts payable under a Lease of any Eligible Property or portion thereof included in the Borrowing Base Value is more than sixty (60) days past due; and

(n) promptly after the request of any Lender, any other information or report reasonably requested by a Lender.

provided, however, to the extent such items set forth above are filed with the Securities and Exchange Commission or otherwise are publicly available, the Borrower shall be deemed to have satisfied this covenant once it provides notice to the Administrative Agent of such availability.

Section 8.6. Inspection . The Borrower shall, and shall cause each Subsidiary to, permit the Administrative Agent, each Lender, the L/C Issuer and each of their duly authorized representatives and agents during normal business hours to visit and inspect any of its Property, corporate books, and financial records, to examine and make copies of its books of accounts and other financial records (which shall be subject to the confidentiality requirements of Section 12.25 hereof), and to discuss its affairs, finances, and accounts with, and to be advised as to the same by, its officers, employees (in the presence of a Responsible Officer) and independent public accountants (and by this provision the Borrower hereby authorizes such accountants with the Borrower present to discuss with the Administrative Agent, such Lenders, and L/C Issuer the finances and affairs of the Borrower and its Subsidiaries) at such reasonable times and intervals as the Administrative Agent or any such Lender or L/C Issuer may designate and, so long as no Default or Event of Default exists, with reasonable prior notice to the Borrower. The Administrative Agent, Lenders and L/C Issuer shall use reasonable efforts to coordinate inspections undertaken in accordance with this Section 8.6 to reduce the administrative burden of such inspections on the Borrower and their Subsidiaries.

Section 8.7. Liens . The Borrower shall not, nor shall it permit any Subsidiary to, create, incur or permit to exist any Lien of any kind on any Property owned by any such Person; *provided, however,* that the foregoing shall not apply to nor operate to prevent any Permitted Liens.

Section 8.8. Investments, Acquisitions, Loans and Advances . The Borrower shall not, nor shall it permit any Subsidiary to (i) directly or indirectly, make, retain or have outstanding any investments (whether through the purchase of stock or obligations or otherwise) in any Person, real property or improvements on real property, or any loans, advances, lines of credit, mortgage loans or other financings (including pursuant to sale/leaseback transactions) to any other Person, or (ii) acquire any real property, improvements on real property or all or any substantial part of the assets or business of any other Person or division thereof; *provided, however,* that the foregoing shall not apply to nor operate to prevent, with respect to the Borrower or any Subsidiary, any of the following:

(a) investments in direct obligations of the United States of America or of any agency or instrumentality thereof whose obligations constitute full faith and credit obligations of the United States of America, provided that any such obligations shall mature within one (1) year of the date of issuance thereof;

(b) investments in commercial paper with a Rating of at least P-1 by Moody's and at least A-1 by S&P maturing within one (1) year of the date of issuance thereof;

(c) interest bearing assets or investments in certificates of deposit issued by any Lender or by any United States commercial bank having capital and surplus of not less than $100,000,000 which have a maturity of one (1) year or less;

(d) investments in repurchase obligations with a term of not more than seven (7) days for underlying securities of the types described in subsection (a) above entered into with any bank meeting the qualifications specified in subsection (c) above, provided all such agreements require physical delivery of the securities securing such repurchase agreement, except those delivered through the Federal Reserve Book Entry System;

(e) investments in money market funds that invest solely, and which are restricted by their respective charters to invest solely, in investments of the type described in the immediately preceding subsections (a), (b), (c), and (d) above;

(f) (i) investments in (x) corporate debt issued by any real estate company or real estate investment trust, (y) Stock or Stock Equivalents issued by any real estate company or real estate investment trust, so long as in each case the real estate company or real estate investment trust is listed on the New York Stock Exchange, the NYSE American or The NASDAQ Stock Market or (z) Stock issued by Alpine; or (ii) investments in Stock Equivalents issued by Alpine or its operating partnership;

(g) the Borrower's investments from time to time in its Subsidiaries, and investments made from time to time by a Subsidiary in one or more of its Subsidiaries;

(h) intercompany advances made from time to time among the Borrower and its Subsidiaries in the ordinary course of business to finance working capital needs;

(i) investments from time to time in individual Properties, including Eligible Properties, or in entities which own such individual Properties including Eligible Properties and Permitted Ground Lease Investments, provided that such investment does not cause a breach of the financial covenants set forth in Section 8.20 hereof;

(j) cash investments in joint ventures in an amount not to exceed in the aggregate at any one time outstanding 10% of the Total Asset Value of the Borrower and its Subsidiaries at such time;

(k) investments in Assets Under Development in an amount not to exceed in the aggregate at any one time outstanding 7.5% of the Total Asset Value of the Borrower and its Subsidiaries at such time;

(l) mortgages, deeds of trust, deeds to secure debt or similar instruments that are a lien upon Property, mezzanine loans and notes receivable directly or indirectly secured by or related to Property and are in an amount not to exceed in the aggregate at any one time outstanding 25% of the Total Asset Value of the Borrower and to Subsidiaries at such time;

(m) investments in Ground Leases, other than Permitted Ground Lease Investments, in an amount not to exceed in the aggregate at any one time outstanding 20% of the Total Asset Value of the Borrower and its Subsidiaries at such time;

(n) repurchases (including tender offers (*e.g.* Dutch or modified Dutch tender offers)) of Borrower's stock or other publicly traded securities; and

(o) investments in Land Assets and Land Assets contributed to joint ventures not to exceed in the aggregate at any one time outstanding 10% of Total Asset Value of the Borrower and its Subsidiaries.

Investments of the type described in clauses (j), (k), (l), and (m) immediately preceding shall at no time exceed in the aggregate at any one time outstanding 30% of the Total Asset Value of the Borrower and its Subsidiaries at such time. In determining the amount of investments, acquisitions, loans, and advances permitted under this Section, investments and acquisitions shall always be taken at the book value (as defined in GAAP) thereof, and loans and advances shall be taken at the principal amount thereof then remaining unpaid.

Section 8.9. Mergers, Consolidations and Sales . Except with the prior written consent of the Required Lenders (which shall not be unreasonably withheld, conditioned or delayed), the Borrower shall not, nor shall it permit any Subsidiary to, be a party to any merger or consolidation, or sell, transfer, lease or otherwise dispose of all or substantially all of its Property; *provided, however,* so long as the Borrower and Subsidiaries are in compliance with all covenants and agreements in this Agreement and no Default or Event of Default then exist, this Section shall not apply to nor operate to prevent:

(a) the sale, transfer, lease or other disposition of Property of the Borrower and its Subsidiaries to one another in the ordinary course of its business;

(b) the merger of any Subsidiary with and into the Borrower or any other Subsidiary, *provided* that, in the case of any merger involving the Borrower, the Borrower is the corporation surviving the merger;

(c) the sale, transfer or other disposition of any tangible personal property that, in the reasonable business judgment of the Borrower or its Subsidiary, has become obsolete or worn out, and which is disposed of in the ordinary course of business; and

(d) the sale, transfer, lease or other disposition of Property of the Borrower or any Subsidiary (including any disposition of Property as part of a sale and leaseback transaction) aggregating not more than all or substantially all of the Total Asset Value of the Borrower on the last day of the prior Fiscal Quarter, as applicable; and

(e) any merger if it results in the simultaneous payoff in immediately available funds of the Obligations.

Section 8.10. Maintenance of Subsidiaries . The Borrower shall not assign, sell or transfer, nor shall it permit any Material Subsidiary to issue, assign, sell or transfer, any shares of capital stock or other equity interests of a Material Subsidiary; *provided, however*, that the foregoing shall not operate to prevent (a) Liens on the capital stock or other equity interests of Material Subsidiaries granted to the Administrative Agent, (b) the issuance, sale and transfer to any Person of any shares of capital stock of a Material Subsidiary solely for the purpose of qualifying, and to the extent legally necessary to qualify, such person as a director of such Subsidiary, and (c) any transaction permitted by Section 8.9(b) above.

Section 8.11. ERISA . The Borrower shall, and shall cause each Subsidiary to, promptly pay and discharge all obligations and liabilities arising under ERISA in excess of $1,000,000 of a character which if unpaid or unperformed could reasonably be expected to result in the imposition of a Lien against any of its Property. Upon the Borrower or a Subsidiary obtaining knowledge of any of the following events, the Borrower shall, and shall cause each Subsidiary to, promptly notify the Administrative Agent and each Lender of: (a) the occurrence of any reportable event (as defined in Section 4043 of ERISA) with respect to a Plan (except for events for which reporting is waived), (b) receipt of any notice from the PBGC of its intention to seek termination of any Plan or appointment of a trustee therefor, (c) its intention to terminate or withdraw from any Plan, and (d) the occurrence of any event with respect to any Plan (other than normal operation of the Plan or investments of Plan assets) which would result in the incurrence by the Borrower or any Subsidiary of any material increase in liability, material penalty, or any material increase in the contingent liability of the Borrower or any Subsidiary with respect to any post-retirement Welfare Plan benefit.

Section 8.12. Compliance with Laws . (a) The Borrower shall, and shall cause each Subsidiary to, comply in all material respects with the requirements of all federal, state, and local laws, rules, regulations, ordinances and orders applicable to or pertaining to its Property or business operations, where any such non-compliance, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect.

(b) The Borrower shall and shall cause each Subsidiary to, at all times, do the following to the extent the failure to do so, individually or in the aggregate, could reasonably be expected to have a Material Adverse Effect: (i) comply in all material respects with, and maintain each of the Properties in compliance in all material respects with, all applicable Environmental Laws; (ii) use commercially reasonable efforts to require that each tenant and subtenant, if any, of any of the Properties or any part thereof comply in all material respects with all applicable Environmental Laws; (iii) obtain and maintain in full force and effect all material governmental approvals required by any applicable Environmental Law for operations at each of the Properties; (iv) cure any material violation by it or at any of the Properties of applicable Environmental Laws; (v) not allow the presence or operation at any of the Properties of any (1) landfill or dump or (2) hazardous waste management facility or solid waste disposal facility as defined pursuant to RCRA or any comparable state law; (vi) not manufacture, use, generate, transport, treat, store, release, dispose or handle any Hazardous Material at any of the Properties except in the ordinary course of its business and in compliance with law; (vii) within ten (10) Business Days notify the Administrative Agent in writing of and provide any reasonably requested documents upon receipt of written notice of any of the following in connection with the Borrower or any Subsidiary or any of the Properties

that could reasonably be expected to have a Material Adverse Effect: (1) any material liability for response or corrective action, natural resource damage or other harm pursuant to CERCLA, RCRA or any comparable state law; (2) any material Environmental Claim; (3) any material violation of an Environmental Law or material Release, threatened Release or disposal of a Hazardous Material; (4) any restriction on the ownership, occupancy, use or transferability arising pursuant to any (x) Release, threatened Release or disposal of a Hazardous Material or (y) Environmental Law; or (5) any environmental, natural resource, health or safety condition, which could reasonably be expected to have a Material Adverse Effect; (viii) conduct at its expense any investigation, study, sampling, testing, abatement, cleanup, removal, remediation or other response action necessary to remove, remediate, clean up or abate any material Release, threatened Release or disposal of a Hazardous Material as required to be performed by the Borrower or its Subsidiaries by any applicable Environmental Law, (ix) abide by and observe any restrictions on the use of the Properties imposed by any governmental authority as set forth in a deed or other instrument affecting the Borrower's or any Subsidiary's interest therein; (x) promptly provide or otherwise make available to the Administrative Agent any reasonably requested environmental record concerning the Properties which the Borrower or any Subsidiary possesses or can reasonably obtain; and (xi) perform, satisfy, and implement any operation or maintenance actions required by any governmental authority or Environmental Law, or included in any no further action letter or covenant not to sue issued by any governmental authority under any Environmental Law.

Section 8.13. Compliance with OFAC Sanctions Programs and Anti-Corruption Laws. (a) The Borrower shall at all times comply in all material respects with the requirements of all OFAC Sanctions Programs applicable to the Borrower and shall cause each of its Subsidiaries to comply with the requirements of all OFAC Sanctions Programs applicable to such Subsidiary.

(b) The Borrower shall provide the Administrative Agent, the L/C Issuer, and the Lenders any information regarding the Borrower, its Affiliates, and its Subsidiaries necessary for the Administrative Agent, the L/C Issuer, and the Lenders to comply with all applicable OFAC Sanctions Programs; subject however, in the case of Affiliates, to the Borrower's ability to provide information applicable to them.

(c) If a Responsible Officer of the Borrower obtains actual knowledge or receives any written notice that the Borrower, any Subsidiary of Borrower, or any officer, director or Affiliate of Borrower or any Subsidiary or that any Person that owns or controls any such Person is the target of any OFAC Sanctions Programs or is located, organized or resident in a country or territory that is, or whose government is, the subject of any OFAC Sanctions Programs (such occurrence, an *"OFAC Event"*), the Borrower shall promptly (i) give written notice to the `Administrative Agent, the L/C Issuer, and the Lenders of such OFAC Event, and (ii) comply with all applicable laws with respect to such OFAC Event (regardless of whether the target Person is located within the jurisdiction of the United States of America), including the OFAC Sanctions Programs, and the Borrower hereby authorizes and consents to the Administrative Agent, the L/C Issuer, and the Lenders taking any and all steps the Administrative Agent, the L/C Issuer, or the Lenders deem necessary, in their sole but reasonable discretion, to avoid violation of all applicable laws with respect to any such OFAC Event, including the requirements of the OFAC Sanctions Programs (including the freezing and/or blocking of assets and reporting such action to OFAC).

(d) Borrower will not, nor will it permit any Subsidiary to directly or, to any such Person's knowledge, indirectly, use the proceeds of the Loans, or lend, contribute or otherwise make available such proceeds to any other Person, (i) to fund any activities or business of or with any Person or in any country or territory, that, at the time of such funding, is, or whose government is, the subject of any OFAC Sanctions Programs, or (ii) in any other manner that would result in a violation of OFAC Sanctions Programs or Anti-Corruption Laws by any Person (including any Person participating in the Loans, whether as underwriter, lender, advisor, investor, or otherwise).

(e) Borrower will not, nor will it permit any Subsidiary to, violate any Anti-Corruption Law in any material respect.

(f) Borrower and each Subsidiary will maintain in effect policies and procedures designed to ensure compliance by such Persons, their Subsidiaries, and their respective directors, officers, employees, and agents with applicable Anti-Corruption Laws.

Section 8.14. Burdensome Contracts With Affiliates . Except (a) compensation, bonus and benefit arrangements with employees, officers and directors approved by the Board of Directors or committee thereof, (b) transactions permitted by Section 8.9 hereof, (c) transactions in the ordinary course of business of the Borrower or its Subsidiaries or (d) transactions approved by the Borrower's board of directors and reasonably acceptable to the Administrative Agent, the Borrower shall not, nor shall it permit any Subsidiary to, enter into any contract, agreement or business arrangement with any of its Affiliates on terms and conditions which are less favorable to the Borrower or such Subsidiary than would be usual and customary in similar contracts, agreements or business arrangements between Persons not affiliated with each other.

Section 8.15. No Changes in Fiscal Year . The Fiscal Year of the Borrower and its Subsidiaries ends on December 31 of each year; and the Borrower shall not, nor shall it permit any Subsidiary to, change its Fiscal Year from its present basis.

Section 8.16. Formation of Subsidiaries . Promptly upon the formation or acquisition of any Material Subsidiary, the Borrower shall provide the Administrative Agent and the Lenders notice thereof and timely comply with the requirements of Sections 4.2 and 8.24 hereof.

Section 8.17. Change in the Nature of Business . The Borrower shall not, nor shall it permit any Subsidiary to, engage in any business or activity if as a result the general nature of the business of the Borrower or any Subsidiary would be changed in any material respect from the general nature of the business engaged in by it on the Sixth Amendment Effective Date.

Section 8.18. Use of Proceeds. The Borrower shall use the credit extended under this Agreement solely for the purposes set forth in, or otherwise permitted by, Section 6.4 hereof.

Section 8.19. No Restrictions . Except as provided herein, the Borrower shall not, nor shall it permit any Subsidiary to, directly or indirectly create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind on the ability of the Borrower or any Subsidiary to: (a) pay Dividends or make any other distribution on any Subsidiary's capital stock or other equity interests owned by the Borrower or any other Subsidiary,

(b) pay any indebtedness owed to the Borrower or any other Subsidiary, (c) make loans or advances to the Borrower or any other Subsidiary, (d) transfer any of its Property to the Borrower or any other Subsidiary*; provided however, that* the foregoing does not apply to any limitation on transfers of property that is subject to a Permitted Lien or (e) guarantee the Obligations, Hedging Liability, and Funds Transfer and Deposit Account Liability and/or grant Liens on its assets to the Administrative Agent.

Section 8.20. Financial Covenants .

(a) *Maximum Total Indebtedness to Total Asset Value Ratio*. As of the last day of each Fiscal Quarter of the Borrower, the Borrower shall not permit the ratio of Total Indebtedness to Total Asset Value to be greater than 0.60 to 1.00.

(b) *Maximum Secured Indebtedness to Total Asset Value Ratio*. As of the last day of each Fiscal Quarter of the Borrower, the Borrower shall not permit the ratio of Secured Indebtedness to Total Asset Value to be greater than 0.40 to 1.00.

(c) *Minimum Adjusted EBITDA to Fixed Charges Ratio.* As of the last day of each Fiscal Quarter of the Borrower, the Borrower shall not permit the ratio of Adjusted EBITDA for the applicable Rolling Period to Fixed Charges for such Rolling Period to be less than 1.50 to 1.0.

(d) *Maximum Secured Recourse Indebtedness to Total Asset Value Ratio.* As of the last day of each Fiscal Quarter of the Borrower, the Borrower and its Subsidiaries shall not permit the ratio of Secured Recourse Indebtedness to Total Asset Value to be greater than 0.05 to 1.0.

(e) *Maintenance of Net Worth*. The Borrower shall, as of the last day of each Fiscal Quarter, maintain a Tangible Net Worth of not less than the sum of (a) $263,312,927, plus (b) 75% of the aggregate net proceeds received by the Borrower or any of its Subsidiaries after March 31, 2020 in connection with any offering of Stock or Stock Equivalents of the Borrower or the Subsidiaries.

Section 8.21. Borrowing Base Covenant . The Borrower shall cause the Eligible Properties in the Borrowing Base to at all times comply with the Borrowing Base Requirements (other than with respect to Eligible Properties that may exceed concentration limits but still be included in the Borrowing Base Value in compliance with the definition of Borrowing Base Requirements) and shall exclude from the calculation of Borrowing Base Value any portion of Property NOI or book value of any Eligible Properties attributable to any Eligible Properties that exceed the concentration limits set forth in the Borrowing Base Requirements.

Section 8.22. Reserved. .

Section 8.23. Electronic Delivery of Certain Information . (a) Documents, including financial reports to be delivered pursuant to Section 8.5 hereof, required to be delivered pursuant to this Agreement may be delivered by electronic communication and delivery, including, the Internet, including the website maintained by the Securities and Exchange Commission, e-mail or intranet websites to which the Administrative Agent and each Lender have access (including a

commercial, third-party website or a website sponsored or hosted by the Administrative Agent or the Borrower) provided that the foregoing shall not apply to (i) notices to any Lender (or the L/C Issuer) pursuant to Section 1. The Administrative Agent or the Borrower may, in its discretion, agree to accept notices and other communications to it hereunder by electronic delivery pursuant to procedures approved by it for all or particular notices or communications. Documents or notices delivered electronically shall be deemed to have been delivered on the date and time on which the Administrative Agent or the Borrower posts such documents or the documents become available on a commercial website and the Borrower notifies the Administrative Agent of said posting by causing an e-mail notification to be sent to an e-mail address specified from time to time by the Administrative Agent and provides a link thereto; provided if such notice or other communication is not sent or posted during the normal business hours of the recipient, said posting date and time shall be deemed to have commenced as of 9:00 a.m. Chicago time on the opening of business on the next business day for the recipient. Notwithstanding anything contained herein, in every instance the Borrower shall be required to provide paper copies of the certificates required by Sections 8.5(d) and 8.5(e) to the Administrative Agent. Except for the certificates required by Sections 8.5(d) and 8.5(e), the Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents delivered electronically, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request for delivery.

(b) Documents required to be delivered pursuant to Section 1 may be delivered electronically to a website provided for such purpose by the Administrative Agent pursuant to the procedures provided to the Borrower by the Administrative Agent.

Section 8.24. Pledge of Equity Interest in Material Subsidiaries; Springing Lien .

(a) *Pledge of Equity Interests in Material Subsidiaries.* The Borrower shall at all times cause the Obligations to be secured by a valid, perfected, enforceable, first priority pledge of and Liens on all right, title, and interest in the Equity Interest owned by Borrower in all of its direct and indirect Material Subsidiaries, subject to Permitted Liens. Borrower acknowledges and agrees that such Liens on Equity Interest shall be granted to the Administrative Agent for the benefit of the holders of the Obligations pursuant to the Pledge Agreement in form and substance satisfactory to the Administrative Agent. In addition, with respect to Material Subsidiaries acquired or arising after the Closing Date, the Borrower shall deliver the documentation required by the Pledge Agreement and the documentation described in Section 7.2(q) hereof.

(b) *Springing Lien.* If at any time (i) any Other Unsecured Indebtedness is required to be guaranteed, or otherwise becomes guaranteed, by any or all of the Material Subsidiaries, or is required to be secured, or otherwise becomes secured, by the Equity Interest owned by Borrower in any or all of its direct and indirect Material Subsidiaries, the occurrence of any such event is an *"Other Guaranty Trigger"*) and (ii) the sum of the outstanding Loans and L/C Obligations *plus* the outstanding Other Unsecured Indebtedness would exceed the amount described in *clause (x*) of the definition of "Borrowing Base" as then calculated (the occurrence of such event and an Other Guaranty Trigger is a *"Collateral Trigger Event"*), then, within ninety (90) days of the Collateral Trigger Event and at all times thereafter, the Borrower shall comply with Section 8.24(c) hereof. Promptly upon the occurrence of an Other Guaranty Trigger, and in any event within two

(2) Business Days of such event, the Borrower shall deliver to the Administrative Agent a duly completed Borrowing Base Certificate calculating the Borrowing Base in the manner described in clause (ii) of the previous sentence.

(c) *Collateral Requirements.* Within ninety (90) days after the occurrence of Collateral Trigger Event, the Borrower and each Material Subsidiary, as applicable, shall deliver, or cause to be delivered, to the Administrative Agent:

(i) Mortgages duly executed by Borrower or the relevant Material Subsidiaries for each Eligible Property, in form and substance reasonably acceptable to Borrower, each applicable Material Subsidiary, and Administrative Agent;

(ii) evidence of insurance required to be maintained under the Loan Documents, naming the Administrative Agent as mortgagee/lender's loss payee and as an additional insured, as applicable;

(iii) mortgagee's title insurance policies with respect to each Eligible Property (or a prepaid binding commitment therefor) in form and substance reasonably acceptable to the Administrative Agent from a title insurance company acceptable to the Administrative Agent in the aggregate principal amount of the outstanding Term Loans and Incremental Term Loans (if any), *plus* then aggregate Revolving Credit Commitments (subject to the underwriting requirements of the applicable title insurance company) insuring the Lien of the Mortgages to be valid first priority Liens subject only to Permitted Liens, together with such endorsements as the Administrative Agent may reasonably require;

(iv) a survey in form acceptable to the Administrative Agent and disclosing no Liens other than Permitted Liens prepared by a licensed surveyor for each parcel of Eligible Property, which surveys shall also state whether or not any portion of any Eligible Property is in a federally designated flood hazard area;

(v) a report as to whether or not any portion of each Eligible Property is in a federally designated flood hazard area and, if any improvements thereon are in a federally designated flood hazard area, evidence of the maintenance of flood insurance (including on the improvements, personal property, structures and contents, as applicable), as may be required by applicable law;

(vi) a report of an independent firm of environmental engineers acceptable to the Administrative Agent concerning the environmental conditions of each parcel of Eligible Property subject to the Lien of the Mortgages, together with a reliance letter thereon acceptable to the Administrative Agent;

(vii) an appraisal report prepared for the Administrative Agent by a state certified appraiser selected and retained by the Administrative Agent, which appraisal report describes the fair market value of each Eligible Property and otherwise meets the

requirements of applicable law for appraisals prepared for federally insured depository institutions;

(viii) the favorable written opinion of local counsel to each Material Subsidiary covering due authorization, execution and delivery and enforceability of the Mortgages, together with customary real estate opinions as to sufficiency of the Mortgages for recordation and perfection of the liens provided therein and otherwise in form and substance satisfactory to the Administrative Agent;

(ix) a property condition report satisfactory to Administrative Agent with respect to each Eligible Property; and

(x) to the extent necessary for the Administrative Agent or any Lender to comply with its internal policies generally applicable to loans of this nature or with applicable Legal Requirements, any other agreement, instrument, document, certificate or opinion requested by the Administrative Agent.

(d) *Further Assurances.* Borrower and each Material Subsidiary (including any Material Subsidiary formed or acquired after the Closing Date) agrees that it shall, from time to time at the request of the Administrative Agent, execute and deliver such documents and do such acts and things as the Administrative Agent may reasonably request in order to provide for or perfect or protect such Liens on the Collateral. In the event Borrower or any Material Subsidiary forms or acquires any other Subsidiary after the date hereof, the Borrower or such Material Subsidiary shall promptly upon such formation or acquisition cause such newly formed or acquired Material Subsidiary to execute such Collateral Documents as the Administrative Agent may then require, and the Borrower or such Material Subsidiary shall also deliver to the Administrative Agent, or cause such Material Subsidiary to deliver to the Administrative Agent, at the Borrower's cost and expense, such other instruments, documents, certificates, and opinions reasonably required by the Administrative Agent in connection therewith.

Section 8.25. 1031 Properties. Upon the request of the Required Lenders after the occurrence and during the continuance of a Default, the Borrower hereby agrees that it shall, or it shall cause any applicable Guarantor to, cause any 1031 Property Holder to (i) follow instructions given by the Administrative Agent regarding the transfer of the 1031 Property to any other Person without the further consent of the Borrower, any Guarantor or any other Person and (ii) transfer fee simple title to any 1031 Property to the Borrower, a Guarantor or another entity acceptable to the Required Lenders regardless of whether such required transfer shall cause the Borrower or any Subsidiary to incur any additional liabilities or reduce or negate the tax or other anticipated benefits to the Borrower or any Subsidiary.

Section 8.26. [Reserved]

Section 8.27. [Reserved]

Section 8.28. REIT Status . From and after the date that the Borrower elects to qualify as a REIT, the Borrower shall maintain its status as a REIT.

Section 8.29. Restricted Payments . The Borrower shall not permit, nor shall it permit any Subsidiary to, declare or make any Restricted Payment; *provided* that:

(a) (i) Borrower may declare or make cash distributions to its equity holders in an aggregate amount not to exceed the greater of (x) ninety-five percent (95%) of Borrower's Adjusted FFO for each Rolling Period, or (y) the amount necessary for Borrower to be able to make distributions required to maintain its status as a REIT and to avoid the imposition of any federal or state income tax, and to avoid the imposition of the excise tax described by Section 4981 of the Code, in each case on Borrower; *provided*, that, in either case, (A) during the continuance of an Event of Default, Restricted Payments made pursuant to this clause (a) shall not exceed the amounts described in clause (y), and (B) following a Bankruptcy Event with respect to the Borrower or the acceleration of the Obligations, Borrower shall not make any cash distributions;

(b) each Subsidiary may make Restricted Payments ratably to the holders of its Equity Interests;

(c) the Borrower or any Guarantor may declare and make dividend payments or other distributions payable solely in the common equity interests or other equity interests of such entity including (i) "cashless exercises" of options granted under any share option plan adopted by such entity, (ii) distributions of rights or equity securities under any rights plan adopted by such entity and (iii) distributions (or effect stock splits or reverse stock splits) with respect to its equity interests payable solely in additional shares of its equity interests;

(d) the Borrower and each Guarantor may make cash payments in lieu of the issuance of fractional shares representing insignificant interests in connection with the exercise of warrants, options or other securities convertible into or exchangeable for equity interests of the Borrower or any Subsidiary;

(e) so long as no Change of Control results therefrom, the Borrower and each Subsidiary may make Restricted Payments in connection with the implementation of or pursuant to any retirement, health, stock option and other benefit plans, bonus plans, performance based incentive plans, and other similar forms of compensation;

(e) so long as no Change of Control results therefrom, the Borrower and each Subsidiary that is a Guarantor may make dividends or distributions to allow Borrower to make payments in connection with share purchase programs, to the extent not otherwise prohibited by the terms of this Agreement;

(f) Borrower may exercise any redemption or conversion rights with respect to its Equity Interests in accordance with the terms of the governing documents setting out any such rights; and

(e) Borrower may make a one-time cash distribution of earnings and profits in connection with its initial election to be taxed as a REIT.

SECTION 9. EVENTS OF DEFAULT AND REMEDIES.

Section 9.1. Events of Default . Any one or more of the following shall constitute an *"Event of Default"* hereunder:

(a) default in the payment when due of all or any part of the principal of any Loan (whether at the stated maturity thereof or at any other time provided for in this Agreement, including a mandatory prepayment required by Section 1.8(b)) or of any Reimbursement Obligation; or default for a period of three (3) Business Days in the payment when due of any interest, fee or other Obligation payable hereunder or under any other Loan Document;

(b) default in the observance or performance of any covenant set forth in Sections 8.1 (only with respect to the first sentence thereof), 8.5 (for a period of five (5) days), 8.7, 8.8, 8.9, 8.10, 8.20, 8.21 (if not replaced with another Eligible Property or Eligible Properties in accordance with Section 7.3 hereof within ten (10) Business Days after the period of notice required by Section 7.3), 8.22, 8.24, 8.25 or 8.29 hereof or of any provision in any Loan Document dealing with the use, disposition or remittance of the proceeds of Collateral or requiring the maintenance of insurance thereon;

(c) default in the observance or performance of any other provision hereof or of any other Loan Document which is not remedied within thirty (30) days after the earlier of (i) the date on which such failure shall first become known to any Responsible Officer of the Borrower or (ii) written notice thereof is given to the Borrower by the Administrative Agent; *provided, however*, if such a default is susceptible of cure but cannot reasonably be cured within such thirty (30) day period and provided further that the Borrower shall have commenced to cure such default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for such time as is reasonably necessary for the Borrower in the exercise of due diligence to cure such default, provided such additional period shall not exceed sixty (60) days;

(d) any representation or warranty made herein or in any other Loan Document or in any certificate furnished to the Administrative Agent or the Lenders pursuant hereto or thereto or in connection with any transaction contemplated hereby or thereby proves untrue in any material respect as of the date of the issuance or making or deemed making thereof; *provided,* that such breach of a representation or warranty shall not constitute an Event of Default if within ten (10) days of the Borrower's knowledge of such breach, the Borrower takes such action as may be required to make such representation or warranty to be true in all material respects as made and it did not have a Material Adverse Effect;

(e) any event occurs or condition exists (other than those described in subsections (a) through (d) above) which is specified as an event of default under any of the other Loan Documents (and the related grace period, if any, shall have expired), or any of the Loan Documents shall for any reason not be or shall cease to be in full force and effect or is declared to be null and void or any of the Collateral Documents shall for any reason fail to create a valid and perfected first priority Lien in favor of the Administrative

Agent in any Collateral purported to be covered thereby except as expressly permitted by the terms hereof;

(f) default and expiration of any cure periods related thereto shall occur under (x) any Indebtedness for Borrowed Money issued, assumed or guaranteed by the Borrower or any Subsidiary aggregating in excess of $10,000,000 or (y) any recourse Indebtedness for Borrowed Money issued, assumed or guaranteed by the Borrower or any Subsidiary aggregating in excess of $5,000,000, or a default and expiration of any cure periods related thereto, shall occur under any indenture, agreement or other instrument under which such Indebtedness for Borrowed Money may be issued, and such default shall continue for a period of time sufficient to permit the acceleration of the maturity of any such Indebtedness for Borrowed Money (whether or not such maturity is in fact accelerated), or any such Indebtedness for Borrowed Money shall not be paid when due (whether by demand, lapse of time, acceleration or otherwise);

(g) any judgment or judgments, writ or writs or warrant or warrants of attachment, or any similar process or processes, shall be entered or filed against the Borrower or any Subsidiary, or against any of its Property, in an aggregate amount in excess of $5,000,000 (except to the extent fully covered by insurance pursuant to which the insurer has accepted liability therefor in writing), and which remains undischarged, unvacated, unbonded or unstayed for a period of thirty (30) days;

(h) the Borrower or any Subsidiary, or any member of its Controlled Group, shall fail to pay when due an amount or amounts aggregating in excess of $10,000,000 which it shall have become liable to pay to the PBGC or to a Plan under Title IV of ERISA; or notice of intent to terminate a Plan or Plans having aggregate Unfunded Vested Liabilities in excess of $5,000,000 (collectively, a "*Material Plan*") shall be filed under Title IV of ERISA by the Borrower or any Subsidiary, or any other member of its Controlled Group, any plan administrator or any combination of the foregoing; or the PBGC shall institute proceedings under Title IV of ERISA to terminate or to cause a trustee to be appointed to administer any Material Plan or a proceeding shall be instituted by a fiduciary of any Material Plan against the Borrower or any Subsidiary, or any member of its Controlled Group, to enforce Section 515 or 4219(c)(5) of ERISA and such proceeding shall not have been dismissed within thirty (30) days thereafter; or a condition shall exist by reason of which the PBGC would be entitled to obtain a decree adjudicating that any Material Plan must be terminated;

(i) any Change of Control shall occur;

(j) the Borrower or any Material Subsidiary shall (i) have entered involuntarily against it an order for relief under the United States Bankruptcy Code, as amended, (ii) not pay, or admit in writing its inability to pay, its debts generally as they become due, (iii) make an assignment for the benefit of creditors, (iv) apply for, seek, consent to or acquiesce in, the appointment of a receiver, custodian, trustee, examiner, liquidator or similar official for it or any substantial part of its Property, (v) institute any proceeding seeking to have entered against it an order for relief under the United States Bankruptcy

Code, as amended, to adjudicate it insolvent, or seeking dissolution, winding up, liquidation, reorganization, arrangement, adjustment or composition of it or its debts under any law relating to bankruptcy, insolvency or reorganization or relief of debtors or fail to file an answer or other pleading denying the material allegations of any such proceeding filed against it within sixty (60) days, (vi) take any board of director or shareholder action (including the convening of a meeting) in furtherance of any matter described in parts (i) through (v) above, or (vii) fail to contest in good faith any appointment or proceeding described in Section 9.1(k) hereof;

(k) a custodian, receiver, trustee, examiner, liquidator or similar official shall be appointed for the Borrower or any Subsidiary, or any substantial part of any of its Property, or a proceeding described in Section 9.1(j)(v) shall be instituted against the Borrower or any Subsidiary, and such appointment continues undischarged or such proceeding continues undismissed or unstayed for a period of sixty (60) days;

(l) the Common Stock of Borrower fails to be duly listed on the New York Stock Exchange, the NYSE American or The NASDAQ Stock Market; or

(m) any material provision of any Loan Document, at any time after its execution and delivery and for any reason other than in accordance with the terms hereof or thereof, or satisfaction in full or all the Obligations, is revoked, terminated, cancelled or rescinded, without the prior written approval of the Administrative Agent; or any Borrower or any Guarantor commences any legal proceeding at law or in equity to contest, or make unenforceable, cancel, revoke or rescind any of the Loan Documents, or any court or any other Governmental Authority of competent jurisdiction shall make a determination that, or issue a judgment, order, decree or ruling to the effect that, any one or more of the Loan Documents is illegal, invalid or unenforceable as to any material terms thereof.

Section 9.2. Non-Bankruptcy Defaults. When any Event of Default (other than those described in subsection (j) or (k) of Section 9.1 hereof) has occurred and is continuing, the Administrative Agent shall, by written notice to the Borrower: (a) if so directed by the Required Lenders, terminate the remaining Revolving Credit Commitments and all other obligations of the Lenders hereunder on the date stated in such notice (which may be the date thereof); (b) if so directed by the Required Lenders, declare the principal of and the accrued interest on all outstanding Loans to be forthwith due and payable and thereupon all outstanding Loans, including both principal and interest thereon, shall be and become immediately due and payable together with all other amounts payable under the Loan Documents without further demand, presentment, protest or notice of any kind; and (c) if so directed by the Required Lenders, demand that the Borrower immediately pay to the Administrative Agent the full amount then available for drawing under each or any Letter of Credit, and the Borrower agrees to immediately make such payment. The Administrative Agent, after giving notice to the Borrower pursuant to Section 9.1(c) or this Section 9.2, shall also promptly send a copy of such notice to the other Lenders, but the failure to do so shall not impair or annul the effect of such notice.

Section 9.3. Bankruptcy Defaults . When any Event of Default described in subsections (j) or (k) of Section 9.1 hereof has occurred and is continuing, then all outstanding

Loans shall immediately become due and payable together with all other amounts payable under the Loan Documents without presentment, demand, protest or notice of any kind, the obligation of the Lenders to extend further credit pursuant to any of the terms hereof shall immediately terminate and the Borrower shall immediately pay to the Administrative Agent the full amount then available for drawing under all outstanding Letters of Credit.

Section 9.4. Collateral for Undrawn Letters of Credit . (a) If the prepayment of the amount available for drawing under any or all outstanding Letters of Credit is required under Section 1.8(b), Section 1.14, Section 9.2 or Section 9.3 above, the Borrower shall forthwith pay one hundred three percent (103%) of the amount required to be so prepaid (to cash collateralize fees and interest as well as the amount of the Letter of Credit), to be held by the Administrative Agent as provided in subsection (b) below.

(b) All amounts prepaid pursuant to subsection (a) above shall be held by the Administrative Agent in one or more separate collateral accounts (each such account, and the credit balances, properties, and any investments from time to time held therein, and any substitutions for such account, any certificate of deposit or other instrument evidencing any of the foregoing and all proceeds of and earnings on any of the foregoing being collectively called the *"Collateral Account"*) as security for, and for application by the Administrative Agent (to the extent available) to, the reimbursement of any payment under any Letter of Credit then or thereafter made by the L/C Issuer, and to the payment of the unpaid balance of all other Obligations (and to all Hedging Liability and Funds Transfer and Deposit Account Liability). The Collateral Account shall be held in the name of and subject to the exclusive dominion and control of the Administrative Agent for the benefit of the Administrative Agent, the Lenders, and the L/C Issuer. If and when requested by the Borrower, the Administrative Agent shall invest funds held in the Collateral Account from time to time in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America with a remaining maturity of one year or less, *provided* that the Administrative Agent is irrevocably authorized to sell investments held in the Collateral Account when and as required to make payments out of the Collateral Account for application to amounts then due and owing from the Borrower to the L/C Issuer, the Administrative Agent or the Lenders; *provided, however,* that (i) if the Borrower shall have made payment of all obligations referred to in subsection (a) above required under Section 1.8(b) and Section 1.14 hereof, if any, at the request of the Borrower the Administrative Agent shall release to the Borrower amounts held in the Collateral Account so long as at the time of the release and after giving effect thereto no Default or Event of Default exists and, in the case of Section 1.14 hereof, the Defaulting Lender Period with respect to the relevant Defaulting Lender has terminated, and (ii) if the Borrower shall have made payment of all obligations referred to in subsection (a) above required under Section 9.2 or 9.3 hereof, so long as no Letters of Credit, Revolving Credit Commitments, Revolving Loans or other Obligations, Hedging Liability, or Funds Transfer and Deposit Account Liability remain outstanding, at the request of the Borrower the Administrative Agent shall release to the Borrower any remaining amounts held in the Collateral Account.

Section 9.5. Notice of Default . The Administrative Agent shall give notice to the Borrower under Section 9.1(c) hereof promptly upon being requested to do so by any Lender and shall thereupon notify all the Lenders thereof.

SECTION 10. CHANGE IN CIRCUMSTANCES .

Section 10.1. Change of Law . Notwithstanding any other provisions of this Agreement or any other Loan Document, if at any time any Change in Law makes it unlawful for any Lender to make or continue to maintain any Eurodollar Loans or to perform its obligations as contemplated hereby related to Eurodollar Loans, such Lender shall promptly give written notice thereof to the Borrower and such Lender's obligations to make or maintain Eurodollar Loans under this Agreement shall be suspended until it is no longer unlawful for such Lender to make or maintain Eurodollar Loans. The Borrower shall promptly prepay the outstanding principal amount of any such affected Eurodollar Loans, together with all interest accrued thereon and all other amounts then due and payable to such Lender under this Agreement or, subject to all of the terms and conditions of this Agreement, convert such affected Eurodollar Loans into Base Rate Loans; *provided, however,* subject to all of the terms and conditions of this Agreement (unless the affected Eurodollar Loans are converted into Base Rate Loans), the Borrower may then elect to borrow the principal amount of the affected Eurodollar Loans from such Lender by means of Base Rate Loans from such Lender, which Base Rate Loans shall not be made ratably by the Lenders but only from such affected Lender.

Section 10.2. Unavailability of Deposits or Inability to Ascertain, or Inadequacy of, LIBOR. If on or prior to the first day of any Interest Period for any Borrowing of Eurodollar Loans:

(a) the Administrative Agent determines that deposits in U.S. Dollars (in the applicable amounts) are not being offered to it in the interbank eurodollar market for such Interest Period, or that by reason of circumstances affecting the interbank eurodollar market adequate and reasonable means do not exist for ascertaining the applicable LIBOR, or

(b) the Required Lenders advise the Administrative Agent that (i) LIBOR as determined by the Administrative Agent will not adequately and fairly reflect the cost to such Lenders of funding their Eurodollar Loans for such Interest Period or (ii) that the making or funding of Eurodollar Loans become impracticable,

then the Administrative Agent shall forthwith give notice thereof to the Borrower and the Lenders, whereupon until the Administrative Agent notifies the Borrower that the circumstances giving rise to such suspension no longer exist, the obligations of the Lenders to make Eurodollar Loans shall be suspended.

Section 10.3. Increased Cost and Reduced Return . (a) If any Change in Law shall:

(i) subject any Lender (or its Lending Office) or the L/C Issuer to any Tax (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, and (C) Connection Income Taxes) with respect to its Eurodollar Loans, its Notes, its Letter(s) of Credit, or its participation in any thereof, any Reimbursement Obligations owed to it or its obligation to make Eurodollar Loans, issue a Letter of Credit, or to participate therein, or shall change the basis of taxation of payments to any Lender (or its Lending Office) or the L/C Issuer of the principal of or interest on its Eurodollar Loans, Letter(s) of Credit, or participations therein or any other amounts due under this Agreement or any other Loan Document

in respect of its Eurodollar Loans, Letter(s) of Credit, any participation therein, any Reimbursement Obligations owed to it, or its obligation to make Eurodollar Loans, or issue a Letter of Credit, or acquire participations therein (except for changes in the basis or rate of (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes); or

(ii) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement (including, without limitation, any such requirement imposed by the Board of Governors of the Federal Reserve System, but excluding with respect to any Eurodollar Loans any such requirement included in an applicable Eurodollar Reserve Percentage) against assets of, deposits with or for the account of, or credit extended by, any Lender (or its Lending Office) or the L/C Issuer or shall impose on any Lender (or its Lending Office) or the L/C Issuer or on the interbank market any other condition affecting its Eurodollar Loans, its Notes, its Letter(s) of Credit, or its participation in any thereof, any Reimbursement Obligation owed to it, or its obligation to make Eurodollar Loans, or to issue a Letter of Credit, or to participate therein;

and the result of any of the foregoing is to increase the cost to such Lender (or its Lending Office) or the L/C Issuer of making or maintaining any Eurodollar Loan, issuing or maintaining a Letter of Credit, or participating therein, or to reduce the amount of any sum received or receivable by such Lender (or its Lending Office) or the L/C Issuer under this Agreement or under any other Loan Document with respect thereto, by an amount deemed by such Lender or L/C Issuer to be material, then, within 15 days after demand by such Lender or L/C Issuer (with a copy to the Administrative Agent), the Borrower shall be obligated to pay to such Lender or L/C Issuer such additional amount or amounts as will compensate such Lender or L/C Issuer for such increased cost or reduction.

(b) If any Lender or L/C Issuer determines that any Change in Law affecting such Lender or L/C Issuer or any lending office of such Lender or such Lender's or L/C Issuer's holding company, if any, regarding capital or liquidity requirements, has or would have the effect of reducing the rate of return on such Lender's or L/C Issuer's capital or on the capital of such Lender's or L/C Issuer's holding company, if any, as a consequence of this Agreement, the Revolving Credit Commitments of such Lender or the Loans made by, or participations in Letters of Credit or Swing Loans held by, such Lender, or the Letters of Credit issued by any L/C Issuer, to a level below that which such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or L/C Issuer's policies and the policies of such Lender's or L/C Issuer's holding company with respect to capital adequacy), then from time to time, within 15 days after demand by such Lender or L/C Issuer (with a copy to the Administrative Agent), the Borrower shall pay to such Lender or L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or L/C Issuer or such Lender's or L/C Issuer's holding company for any such reduction suffered.

(c) A certificate of a Lender or L/C Issuer claiming compensation under Sections 1.11, 10.1, 10.3 and 12.1 and setting forth the additional amount or amounts to be paid to it hereunder

shall be conclusive if reasonably determined. In determining such amount, such Lender or L/C Issuer may use any reasonable averaging and attribution methods.

(d) Failure or delay on the part of any Lender or L/C Issuer to demand compensation pursuant to this Section shall not constitute a waiver of such Lender's or L/C Issuer's right to demand such compensation; *provided* that the Borrower shall not be required to compensate a Lender or L/C Issuer pursuant to this Section for any increased costs incurred or reductions suffered more than nine months prior to the date that such Lender or L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions, and of such Lender's or L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the nine-month period referred to above shall be extended to include the period of retroactive effect thereof).

Section 10.4. Lending Offices. Each Lender may, at its option, elect to make its Loans hereunder at the branch, office or affiliate specified on the appropriate signature page hereof (each a "*Lending Office*") for each type of Revolving Loan available hereunder or at such other of its branches, offices or affiliates as it may from time to time elect and designate in a written notice to the Borrower and the Administrative Agent. To the extent reasonably possible, a Lender shall designate an alternative branch or funding office with respect to its Eurodollar Loans to reduce any liability of the Borrower to such Lender under Section 10.3 hereof or to avoid the unavailability of Eurodollar Loans under Section 10.2 hereof, so long as such designation is not otherwise disadvantageous to the Lender.

Section 10.5. Discretion of Lender as to Manner of Funding. Notwithstanding any other provision of this Agreement, each Lender shall be entitled to fund and maintain its funding of all or any part of its Loans in any manner it sees fit, it being understood, however, that for the purposes of this Agreement all determinations hereunder with respect to Eurodollar Loans shall be made as if each Lender had actually funded and maintained each Eurodollar Loan through the purchase of deposits in the interbank eurodollar market having a maturity corresponding to such Loan's Interest Period, and bearing an interest rate equal to LIBOR for such Interest Period.

Section 10.6 Benchmark Replacement Setting. Notwithstanding anything to the contrary herein or in any other Loan Document (and any Hedging Agreement shall be deemed not to be a "*Loan Document*" for the purposes of this Section 10.6):

(a) *Replacing LIBOR.* Notwithstanding anything to the contrary herein or in any other Loan Document:

(i) On March 5, 2021, the Financial Conduct Authority ("*FCA*"), the regulatory supervisor of USD LIBOR's administrator ("*IBA*"), announced in a public statement the future cessation or loss of representativeness of overnight/Spot Next, 1-month, 3-month, 6-month and 12-month LIBOR Index Rate tenor settings. On the earlier of (i) the date that all Available Tenors of LIBOR have either permanently or indefinitely ceased to be provided by IBA or have been announced by the FCA pursuant to public statement or publication of information to be no longer representative and (ii) the Early Opt-in Effective Date, if the then-current Benchmark is LIBOR, the Benchmark Replacement will replace such

Benchmark for all purposes hereunder and under any Loan Document in respect of any setting of such Benchmark on such day and all subsequent settings without any amendment to, or further action or consent of any other party to this Agreement or any other Loan Document. If the Benchmark Replacement is Daily Simple SOFR, all interest payments will be payable on a quarterly basis.

(ii) Subject to the proviso below in this paragraph, if a Term SOFR Event has occurred in respect to the then-current Benchmark, then the applicable Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder or under any Loan Document in respect of such Benchmark setting and subsequent Benchmark settings, without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document; provided that, this clause (a)(ii) shall not be effective until 30 days after the Administrative Agent has delivered to the Lenders and the Borrower a Term SOFR Notice (or such later date as the Administrative Agent may select for effectiveness in the Term SOFR Notice) and, *provided, that,* if the Borrower has provided a notification to the Administrative Agent in writing on or prior to the date on which the Benchmark Replacement will become effective that the Borrower has a Hedging Agreement in place with respect to any of the Loans as of the date of such notice (which such notification the Administrative Agent shall be entitled to rely upon and shall have no duty or obligation to ascertain the correctness or completeness of), then the Administrative Agent will not determine the Benchmark Replacement pursuant to this clause (1)(a) for such Benchmark Transition Event or Early Opt-in Election, as applicable; or for the avoidance of doubt, the Administrative Agent shall not be required to deliver a Term SOFR Notice after a Term SOFR Event and may elect or not elect to do so in its sole discretion.

(b) *Replacing Future Benchmarks.* Upon the occurrence of a Benchmark Transition Event, the Benchmark Replacement will replace the then-current Benchmark for all purposes hereunder and under any Loan Document in respect of any Benchmark setting at or after 5:00 p.m. on the fifth (5th) Business Day after the date notice of such Benchmark Replacement is provided to the Lenders without any amendment to, or further action or consent of any other party to, this Agreement or any other Loan Document so long as the Administrative Agent has not received, by such time, written notice of objection to such Benchmark Replacement from Lenders comprising the Required Lenders. At any time that the administrator of the then-current Benchmark has permanently or indefinitely ceased to provide such Benchmark or such Benchmark has been announced by the regulatory supervisor for the administrator of such Benchmark pursuant to public statement or publication of information to be no longer representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored, the Borrower may revoke any request for a borrowing of, conversion to or continuation of Loans to be made, converted or continued that would bear interest by reference to such Benchmark until the Borrower's receipt of notice from the Administrative Agent that a Benchmark Replacement has replaced such Benchmark, and, failing that, the Borrower will be deemed to have converted any such request into a request for a borrowing of or conversion to Base Rate Loans. During the period referenced in the foregoing sentence, the component of the Base Rate based upon the Benchmark will not be used in any determination of the Base Rate.

(c) *Benchmark Replacement Conforming Changes.* In connection with the implementation and administration of a Benchmark Replacement, the Administrative Agent will have the right to make Benchmark Replacement Conforming Changes from time to time and, notwithstanding anything to the contrary herein or in any other Loan Document, any amendments implementing such Benchmark Replacement Conforming Changes will become effective without any further action or consent of any other party to this Agreement or any other Loan Document.

(d) *Notice Standards for Decisions and Determination.* The Administrative Agent will promptly notify the Borrower and the Lenders of (i) the implementation of any Benchmark Replacement, and (ii) the effectiveness of any Benchmark Replacement Conforming Changes. Any determination, decision or election that may be made by the Administrative Agent or, if applicable, any Lender (or group of Lenders) pursuant to this Section 10.6, including any determination with respect to a tenor, rate or adjustment or of the occurrence or non-occurrence of an event, circumstance or date and any decision to take or refrain from taking any action or any selection, will be conclusive and binding absent manifest error and may be made in its or their sole discretion and without consent from any other party to this Agreement or any other Loan Document, except, in each case, as expressly required pursuant to this Section 10.6.

(e) *Unavailability of Tenor of Benchmark.* At any time (including in connection with the implementation of a Benchmark Replacement), (i) if the then-current Benchmark is a term rate (including Term SOFR or LIBOR), then the Administrative Agent may remove any tenor of such Benchmark that is unavailable or non-representative for Benchmark (including Benchmark Replacement) settings and (ii) the Administrative Agent may reinstate any such previously removed tenor for Benchmark (including Benchmark Replacement) settings.

(f) *Certain Defined Terms:* As used in this Section title *"Benchmark Replacement Setting"*:

"Available Tenor" means, as of any date of determination and with respect to the then-current Benchmark, as applicable, (x) if the then-current Benchmark is a term rate, any tenor for such Benchmark that is or may be used for determining the length of an Interest Period or (y) otherwise, any payment period for interest calculated with reference to such Benchmark, as applicable, pursuant to this Agreement as of such date.

"Benchmark" means, initially, LIBOR; *provided that* if replacement of the Benchmark has occurred pursuant to Section 10.6, then "Benchmark" means the applicable Benchmark Replacement to the extent that such Benchmark Replacement has replaced such prior benchmark rate. Any reference to "Benchmark" shall include, as applicable, the published component used in the calculation thereof.

"Benchmark Replacement" means, for any Available Tenor, the first alternative set forth below that can be determined by the Administrative Agent:

(1) For the purposes of Section 10.6(a):

(a) the sum of: (a) Term SOFR and (b) 0.11448% (11.448 basis points) for an Available Tenor of one-month's duration, 0.26161% (26.161 basis points) for an Available Tenor of three-months' duration, and 0.42826% (42.826 basis points) for an Available Tenor of six-months' duration; *provided, that,* if the Borrower has provided a notification to the Administrative Agent in writing on or prior to the date on which the Benchmark Replacement will become effective that the Borrower has a Hedging Agreement in place with respect to any of the Loans as of the date of such notice (which such notification the Administrative Agent shall be entitled to rely upon and shall have no duty or obligation to ascertain the correctness or completeness of), then the Administrative Agent will not determine the Benchmark Replacement pursuant to this clause (1)(a) for such Benchmark Transition Event or Early Opt-in Election, as applicable; or

(b) the sum of: (a) Daily Simple SOFR and (b) 0.11448% (11.448 basis points);

(2) For the purposes of Section 10.6(b), the sum of: (a) the alternate benchmark rate and (b) and adjustment that may be positive, negative or zero in each case that has been selected by the Administrative Agent and the Borrower as the replacement for such Available Tenor of such Benchmark giving due consideration to any evolving or then-prevailing market convention including any applicable recommendation made by the Relevant Governmental Body, for U.S. dollar-denominated syndicated credit facilities at such time;

If the Benchmark Replacement as determined pursuant to clause (1) or (2) above would be less than 0.00%, the Benchmark Replacement will be deemed to be 0.00% for the purposes of this Agreement and the other Loan Documents.

"*Benchmark Replacement Conforming Changes*" means, with respect to any Benchmark Replacement, any technical, administrative or operational changes (including changes to the definition of "Base Rate," the definition of "Business Day," the definition of "Interest Period," the timing and frequency of determining rates and making payments of interest, the timing of borrowing requests or prepayment, conversion or continuation notices, the applicability and length of lookback periods, the applicability of breakage provisions, and other technical, administrative or operational matters) that the Administrative Agent decides may be appropriate to reflect the adoption and implementation of such Benchmark Replacement and to permit the administration thereof by the Administrative Agent in a manner substantially consistent with market practice (or, if the Administrative Agent decides that adoption of any portion of such market practice is not administratively feasible or if the Administrative Agent determines that no market practice for the administration of such Benchmark Replacement exists, in such other manner of administration as the Administrative Agent decides is reasonably necessary in connection with the administration of this Agreement and the other Loan Documents).

"*Benchmark Transition Event*" means, with respect to any then-current Benchmark other than the LIBOR, the occurrence of a public statement or publication of information by or on behalf of the administrator of the then-current Benchmark, the regulatory supervisor for the administrator of such Benchmark, the Board of Governors of the Federal Reserve System, the Federal Reserve Bank of New York, an insolvency official with jurisdiction over the administrator for such Benchmark, a resolution authority with jurisdiction over the administrator for such Benchmark or

a court or an entity with similar insolvency or resolution authority over the administrator for such Benchmark, announcing or stating that such administrator has ceased or will cease on a specified date to provide all Available Tenors of such Benchmark, permanently or indefinitely, provided that, at the time of such statement or publication, there is no successor administrator that will continue to provide any Available Tenor of such Benchmark or (b) all Available Tenors of such Benchmark are or will no longer be representative of the underlying market and economic reality that such Benchmark is intended to measure and that representativeness will not be restored.

"*Daily Simple SOFR*" means, for any day, SOFR, with the conventions for this rate (which will include a lookback) being established by the Administrative Agent in accordance with the conventions for this rate recommended by the Relevant Governmental Body for determining

"*Daily Simple SOFR*" for syndicated business loans; *provided, that* if the Administrative Agent decides that any such convention is not administratively feasible for the Administrative Agent, then the Administrative Agent may establish another convention in its reasonable discretion.

"*Early Opt-in Effective Date*" means, with respect to any Early Opt-in Election, the sixth (6th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, so long as the Administrative Agent has not received, by 5:00 p.m. (New York City time) on the fifth (5th) Business Day after the date notice of such Early Opt-in Election is provided to the Lenders, written notice of objection to such Early Opt-in Election from Lenders comprising the Required Lenders.

"*Early Opt-in Election*" means the occurrence of:

(1) a notification by the Administrative Agent to (or the request by the Borrower to the Administrative Agent to notify) each of the other parties hereto that at least five currently outstanding U.S. dollar-denominated syndicated credit facilities at such time contain (as a result of amendment or as originally executed) a SOFR-based rate (including SOFR, a term SOFR or any other rate based upon SOFR) as a benchmark rate (and such syndicated credit facilities are identified in such notice and are publicly available for review), and

(2) the joint election by the Administrative Agent and the Borrower to trigger a fallback from LIBOR and the provision by the Administrative Agent of written notice of such election to the Lenders.

"*Relevant Governmental Body*" means the Federal Reserve Bank and/or the Federal Reserve Bank of New York, or a committee officially endorsed or convened by the Federal Reserve Bank and/or the Federal Reserve Bank of New York, or any successor thereto.

"*SOFR*" means a rate per annum equal to the secured overnight financing rate for such Business Day published by the Federal Reserve Bank of New York (or a successor administrator of the secured overnight financing rate) on the website of the Federal Reserve Bank of New York, currently at http://www.newyorkfed.org (or any successor source for the secured overnight

financing rate identified as such by the administrator of the secured overnight financing rate from time to time).

"*Term SOFR*" means, for the applicable corresponding tenor, the forward-looking term rate based on SOFR that has been selected or recommended by the Relevant Governmental Body.

"*Term SOFR Event*" means the determination by the Administrative Agent that (a) Term SOFR has been recommended for use by the Relevant Governmental Body, (b) the administration of Term SOFR is administratively feasible for the Administrative Agent and (c) LIBOR has already been replaced with a Benchmark Replacement in accordance with Section 10.6 that is not Term SOFR.

"*Term SOFR Notice*" means a notification by the Administrative Agent to the Lenders and the Borrower of the occurrence of a Term SOFR Event.

Section 11.The Administrative Agent.

Section 11.1. Appointment and Authority . Each of the Lenders and the L/C Issuer hereby irrevocably appoints Bank of Montreal to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Section 11 are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuer, and neither the Borrower nor any Guarantor shall have rights as a third-party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

Section 11.2. Rights as a Lender . The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent, and the term "Lender" or "Lenders" shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for, and generally engage in any kind of business with, the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

Section 11.3. Action by Administrative Agent; Exculpatory Provisions . (a) The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent and its Related Parties:

(i) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(ii) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Lenders as shall be expressly provided for herein or in the other Loan Documents), *provided* that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law. The Administrative Agent shall in all cases be fully justified in failing or refusing to act hereunder or under any other Loan Document unless it first receives any further assurances of its indemnification from the Lenders that it may require, including prepayment of any related expenses and any other protection it requires against any and all costs, expense, and liability which may be incurred by it by reason of taking or continuing to take any such action; and

(iii) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty or responsibility to disclose, and shall not be liable for the failure to disclose, any information relating to Borrower or any of its Affiliates or any Guarantor or any of their Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

(b) Neither the Administrative Agent nor any of its Related Parties shall be liable for any action taken or not taken by the Administrative Agent under or in connection with this Agreement or any other Loan Document or the transactions contemplated hereby or thereby (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 9.2, 9.3, 9.4, 9.5 and 12.13), or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. Any such action taken or failure to act pursuant to the foregoing shall be binding on all Lenders. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given to the Administrative Agent in writing by the Borrower, a Lender, or the L/C Issuer.

(c) Neither the Administrative Agent nor any of its Related Parties shall be responsible for or have any duty or obligation to any Lender or L/C Issuer or participant or any other Person to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement,

instrument or document, or the creation, perfection or priority of any Lien purported to be created by the Collateral Documents, (v) the value or sufficiency of any Collateral, or (vi) the satisfaction of any condition set forth in Section 7.1 or 7.2 or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

Section 11.4. Reliance by Administrative Agent . The Administrative Agent shall be entitled to rely upon, and shall be fully protected in relying and shall not incur any liability for relying upon, any notice, request, certificate, communication, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution) believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall be fully protected in relying and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or an L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the Borrower or Guarantors), independent accountants and other experts selected by it, and shall not be liable for any action taken or not taken by it in accordance with the advice of any such counsel, accountants or experts.

Section 11.5. Delegation of Duties . The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Section shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the Loans as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and nonappealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

Section 11.6. Resignation of Administrative Agent; Removal of Administrative Agent. (a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Borrower. The Required Lenders may remove the Administrative Agent from its capacity as Administrative Agent in the event of the Administrative Agent's willful misconduct or gross negligence. Upon receipt of any such notice of resignation or removal, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States of America, or an Affiliate of any such bank with an office in the United States of America. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within thirty (30) days after the retiring Administrative Agent gives notice of its resignation or after removal by the Required Lenders (or such earlier day as shall be agreed by the Required Lenders) (the "*Resignation*

Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to), on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation or removal shall become effective in accordance with such notice on the Resignation Effective Date.

(b) With effect from the Resignation Effective Date, (i) the retiring Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents, and (ii) except for any indemnity payments owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. If on the Resignation Effective Date no successor has been appointed and accepted such appointment, the Administrative Agent's rights in the Collateral Documents shall be assigned without representation, recourse or warranty to the Lenders and L/C Issuer as their interests may appear. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring Administrative Agent (other than any rights to indemnity payments or other amounts owed to the retiring Administrative Agent), and the retiring Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents. The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring Administrative Agent's resignation hereunder and under the other Loan Documents, the provisions of this Section 11 and Section 12.15 shall continue in effect for the benefit of such retiring Administrative Agent, its sub-agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring Administrative Agent was acting as Administrative Agent.

Section 11.7. Non-Reliance on Administrative Agent and Other Lenders . Each Lender and L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

Upon a Lender's written request, the Administrative Agent agrees to forward to such Lender, when complete, copies of any field audit, examination, or appraisal report prepared by or for the Administrative Agent with respect to the Borrower or any Material Subsidiary or the Collateral (herein, *"Reports"*). Each Lender hereby agrees that (a) it has requested a copy of each Report prepared by or on behalf of the Administrative Agent; (b) the Administrative Agent (i) makes no representation or warranty, express or implied, as to the completeness or accuracy of any Report or any of the information contained therein or any inaccuracy or omission contained in or relating to a Report and (ii) shall not be liable for any information contained in any Report; (c)

the Reports are not comprehensive audits or examinations, and that any Person performing any field examination will inspect only specific information regarding the Borrower and the other Material Subsidiaries and will rely significantly upon the books and records of Borrower and the other Material Subsidiaries, as well as on representations of personnel of the Borrower and the other Material Subsidiaries, and that the Administrative Agent undertakes no obligation to update, correct or supplement the Reports; (d) it will keep all Reports confidential and strictly for its internal use, not share the Report with any other Person except as otherwise permitted pursuant to this Agreement; and (e) without limiting the generality of any other indemnification provision contained in this Agreement, it will pay and protect, and indemnify, defend, and hold the Administrative Agent and any such other Person preparing a Report harmless from and against, the claims, actions, proceedings, damages, costs, expenses, and other amounts (including reasonable attorney fees) incurred by as the direct or indirect result of any third parties who might obtain all or part of any Report through the indemnifying Lender.

Section 11.8. L/C Issuer and Swing Line Lender. The L/C Issuer shall act on behalf of the Revolving Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the Swing Line Lender shall act on behalf of the Revolving Lenders with respect to the Swing Line Loans made hereunder. The L/C Issuer and the Swing Line Lender shall each have all of the benefits and immunities (i) provided to the Administrative Agent in this Section 11 with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and the Applications pertaining to such Letters of Credit or by the Swing Line Lender in connection with Swing Line Loans made or to be made hereunder as fully as if the term "Administrative Agent", as used in this Section 11, included the L/C Issuer and the Swing Line Lender with respect to such acts or omissions and (ii) as additionally provided in this Agreement with respect to such L/C Issuer or Swing Line Lender, as applicable. Any resignation by the Person then acting as Administrative Agent pursuant to Section 11.6 shall also constitute its resignation or the resignation of its Affiliate as L/C Issuer and Swing Line Lender except as it may otherwise agree. If such Person then acting as L/C Issuer so resigns, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto, including the right to require the Lenders to make Loans or fund risk participations in Reimbursement Obligations pursuant to Section 1.3. If such Person then acting as Swing Line Lender resigns, it shall retain all the rights of the Swing Line Lender provided for hereunder with respect to Swing Line Loans made by it and outstanding as of the effective date of such resignation, including the right to require the Revolving Lenders to make Revolving Loans or fund risk participations in outstanding Swing Line Loans pursuant to Section 1.3(b). Upon the appointment by the Borrower of a successor L/C Issuer or Swing Line Lender hereunder (which successor shall in all cases be a Lender other than a Defaulting Lender), (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer or Swing Line Lender, as applicable (other than any rights to indemnity payments or other amounts that remain owing to the retiring L/C Issuer or Swing Line Lender), and (ii) the retiring L/C Issuer and Swing Line Lender shall be discharged from all of their respective duties and obligations hereunder or under the other Loan Documents other than with respect to its outstanding Letters of Credit and Swing Line Loans, and (iii) upon the request of the resigning L/C Issuer, the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements

satisfactory to the resigning L/C Issuer to effectively assume the obligations of the resigning L/C Issuer with respect to such Letters of Credit.

Section 11.9. Hedging Liability and Funds Transfer and Deposit Account Liability. By virtue of a Lender's execution of this Agreement or an assignment agreement pursuant to Section 12.10, as the case may be, any Affiliate of such Lender with whom the Borrower or any other Material Subsidiary has entered into an agreement creating Hedging Liability or Funds Transfer and Deposit Account Liability shall be deemed a Lender party hereto for purposes of any reference in a Loan Document to the parties for whom the Administrative Agent is acting, it being understood and agreed that the rights and benefits of such Affiliate under the Loan Documents consist exclusively of such Affiliate's right to share in payments and collections out of the Collateral and the Guaranties as more fully set forth in Section 10.5. In connection with any such distribution of payments and collections, or any request for the release of the Guaranties and the Administrative Agent's Liens in connection with the termination of the Revolving Credit Commitments, Term Loan Commitments and Incremental Term Loan Commitments and the payment in full of the Obligations, the Administrative Agent shall be entitled to assume no amounts are due to any Lender or its Affiliate with respect to Hedging Liability or Funds Transfer and Deposit Account Liability unless such Lender has notified the Administrative Agent in writing of the amount of any such liability owed to it or its Affiliate prior to such distribution or payment or release of Guaranties and Liens.

Section 11.10. Designation of Additional Agents . The Administrative Agent shall have the continuing right, for purposes hereof, at any time and from time to time to designate, with the consent of the Borrower, which consent shall not be unreasonably withheld or delayed, one or more of the Lenders (and/or its or their Affiliates) as "syndication agents," "documentation agents," "book runners," "lead arrangers," "arrangers," or other designations for purposes hereto, but such designation shall have no substantive effect, and such Lenders and their Affiliates shall have no additional powers, duties or responsibilities as a result thereof.

Section 11.11. Authorization to Enter into, and Enforcement of, the Collateral Documents; Possession of Collateral . The Administrative Agent is hereby irrevocably authorized by each of the Lenders and the L/C Issuer to execute and deliver the Collateral Documents on behalf of each of the Lenders, the L/C Issuer, and their Affiliates and to take such action and exercise such powers under the Collateral Documents as the Administrative Agent considers appropriate; *provided* the Administrative Agent shall not amend the Collateral Documents unless such amendment is agreed to in writing by the Required Lenders. Upon the occurrence of an Event of Default, the Administrative Agent shall take such action to enforce its Lien on the Collateral and to preserve and protect the Collateral as may be directed by the Required Lenders. Unless and until the Required Lenders give such direction, the Administrative Agent may (but shall not be obligated to) take or refrain from taking such actions as it deems appropriate and in the best interest of all the Lenders and L/C Issuer. Each Lender and L/C Issuer acknowledges and agrees that it will be bound by the terms and conditions of the Collateral Documents upon the execution and delivery thereof by the Administrative Agent. The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Material Subsidiary in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders,

the L/C Issuer or their Affiliates for any failure to monitor or maintain any portion of the Collateral. The Lenders and L/C Issuer hereby irrevocably authorize (and each of their Affiliates holding any Funds Transfer and Deposit Account Liability and Hedging Liability entitled to the benefits of the Collateral shall be deemed to authorize) the Administrative Agent, based upon the instruction of the Required Lenders, to credit bid and purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale thereof conducted by the Administrative Agent (or any security trustee therefore) under the provisions of the Uniform Commercial Code, including pursuant to Sections 9-610 or 9-620 of the Uniform Commercial Code, at any sale thereof conducted under the provisions of the United States Bankruptcy Code, including Section 363 of the United States Bankruptcy Code, or at any sale or foreclosure conducted by the Administrative Agent or any security trustee therefore (whether by judicial action or otherwise) in accordance with applicable law. Except as otherwise specifically provided for herein, no Lender, L/C Issuer, or their Affiliates, other than the Administrative Agent, shall have the right to institute any suit, action or proceeding in equity or at law for the foreclosure or other realization upon any Collateral or for the execution of any trust or power in respect of the Collateral or for the appointment of a receiver or for the enforcement of any other remedy under the Collateral Documents; it being understood and intended that no one or more of the Lenders or L/C Issuer or their Affiliates shall have any right in any manner whatsoever to affect, disturb or prejudice the Lien of the Administrative Agent (or any security trustee therefor) under the Collateral Documents by its or their action or to enforce any right thereunder, and that all proceedings at law or in equity shall be instituted, had, and maintained by the Administrative Agent (or its security trustee) in the manner provided for in the relevant Collateral Documents for the benefit of the Lenders, the L/C Issuer, and their Affiliates. Each Lender and L/C Issuer is hereby appointed agent for the purpose of perfecting the Administrative Agent's security interest in assets which, in accordance with Article 9 of the Uniform Commercial Code or other applicable law can be perfected only by possession. Should any Lender or L/C Issuer (other than the Administrative Agent) obtain possession of any Collateral, such Lender or L/C Issuer shall notify the Administrative Agent thereof, and, promptly upon the Administrative Agent's request therefor shall deliver such Collateral to the Administrative Agent or in accordance with the Administrative Agent's instructions.

Section 11.12. Authorization to Release, Limit or Subordinate Liens or to Release Guaranties. The Administrative Agent is hereby irrevocably authorized by each of the Lenders, the L/C Issuer, and their Affiliates to (a) except in conjunction with the deletion of an Eligible Property from the Borrowing Base in accordance with Section 7.3 hereof and Section 18(b) of the Pledge Agreement, release any Lien covering any Collateral that is sold, transferred, or otherwise disposed of in accordance with the terms and conditions of this Agreement and the relevant Collateral Documents (including a sale, transfer, or disposition permitted by the terms of Section 8.9 or which has otherwise been consented to in accordance with Section 12.13), (b) except in conjunction with the transfer of a 1031 Property so that it is a real property one hundred percent (100%) owned in fee simple, individually or collectively, by the Borrower or any Guarantor, release or subordinate any Lien on Collateral consisting of goods financed with purchase money indebtedness or under a Capital Lease to the extent such purchase money indebtedness or Capitalized Lease Obligation, and the Lien securing the same, are permitted by the provisions of this Agreement, reduce or limit the amount of the indebtedness secured by any particular item of Collateral to an amount not less than the estimated value thereof to the extent

necessary to reduce mortgage registry, filing and similar tax, (c) release Liens on the Collateral following termination or expiration of the Revolving Credit Commitments, Term Loan Commitments and Incremental Term Loan Commitments and payment in full in cash of the Obligations (other than contingent indemnification obligations) and the expiration or termination of all Letters of Credit (other than Letters of Credit that have been cash collateralized to the satisfaction of the Administrative Agent and relevant L/C Issuer) and, if then due, Hedging Liability and Funds Transfer and Deposit Account Liability, and (d) release any Material Subsidiary from its obligations as a Guarantor if such Person ceases to be a Material Subsidiary as a result of a transaction permitted under the Loan Documents. Upon the Administrative Agent's request, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of Property or to release any Material Subsidiary from its obligations as a Guarantor under the Loan Documents.

Section 11.13. Authorization of Administrative Agent to File Proofs of Claim In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to Borrower or any Guarantor, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of Lenders, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under the Loan Documents including, but not limited to, Sections 1.1, 10.3, 1.11, and 12.15) allowed in such judicial proceeding; and

(b) to collect and receive any monies or other property payable or deliverable on any such claims and to distribute the same;

and any custodian, receiver, assignee, trustee, liquidator, sequestrator or other similar official in any such judicial proceeding is hereby authorized by each Lender and L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.1 and 12.15. Nothing contained herein shall be deemed to authorize the Administrative Agent to authorize or consent to or accept or adopt on behalf of any Lender or L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Obligations or the rights of any Lender or L/C Issuer or to authorize the Administrative Agent to vote in respect of the claim of any Lender or L/C Issuer in any such proceeding.

SECTION 12. MISCELLANEOUS .

Section 12.1. Withholding Taxes . (a) *Payments Free of Withholding*. Except as otherwise required by law and subject to Section 12.1(b) hereof, each payment by the Borrower and the Guarantors under this Agreement or the other Loan Documents shall be made without withholding for or on account of any present or future Indemnified Taxes. If any such withholding is so required, the Borrower or such Guarantor shall make the withholding, pay the amount withheld to the appropriate governmental authority before penalties attach thereto or interest accrues thereon, and forthwith pay such additional amount as may be necessary to ensure that the net amount actually received by each Lender, the L/C Issuer, and the Administrative Agent free and clear of such taxes (including such taxes on such additional amount) is equal to the amount which that Lender, L/C Issuer, or the Administrative Agent (as the case may be) would have received had such withholding not been made. If the Administrative Agent, the L/C Issuer, or any Lender pays any amount in respect of any such taxes, penalties or interest, the Borrower or such Guarantor shall reimburse the Administrative Agent, the L/C Issuer or such Lender for that payment on demand in the currency in which such payment was made.

(b) *U.S. Withholding Tax Exemptions*. Each Lender or L/C Issuer that is not a United States person (as such term is defined in Section 7701(a)(30) of the Code) shall submit to the Borrower and the Administrative Agent on or before the date the initial Credit Event is made hereunder or, if later, the date such financial institution becomes a Lender or L/C Issuer hereunder, two duly completed and signed copies of (i) either Form W-8 BEN-E (relating to such Lender or L/C Issuer and entitling it to a complete exemption from withholding under the Code on all amounts to be received by such Lender or L/C Issuer, including fees, pursuant to the Loan Documents and the Obligations) or Form W-8 ECI (relating to all amounts to be received by such Lender or L/C Issuer, including fees, pursuant to the Loan Documents and the Obligations) of the United States Internal Revenue Service or (ii) solely if such Lender is claiming exemption from United States withholding tax under Section 871(h) or 881(c) of the Code with respect to payments of "portfolio interest", a Form W-8 BEN-E, or any successor form prescribed by the Internal Revenue Service, and a certificate representing that such Lender is not a bank for purposes of Section 881(c) of the Code, is not a 10-percent shareholder (within the meaning of Section 871(h)(3)(B) of the Code) of the Borrower and is not a controlled foreign corporation related to the Borrower (within the meaning of Section 864(d)(4) of the Code). Thereafter and from time to time, each Lender and L/C Issuer shall submit to the Borrower and the Administrative Agent such additional duly completed and signed copies of one or the other of such Forms (or such successor forms as shall be adopted from time to time by the relevant United States taxing authorities) and such other certificates as may be (i) requested by the Borrower in a written notice, directly or through the Administrative Agent, to such Lender or L/C Issuer and (ii) required under then-current United States law or regulations to avoid or reduce United States withholding taxes on payments in respect of all amounts to be received by such Lender or L/C Issuer, including fees, pursuant to the Loan Documents or the Obligations. Upon the request of the Borrower or the Administrative Agent, each Lender and L/C Issuer that is a United States person (as such term is defined in Section 7701(a)(30) of the Code) shall submit to the Borrower and the Administrative Agent a certificate to the effect that it is such a United States person.

(c) *Inability of Lender to Submit Forms.* If any Lender or L/C Issuer determines, as a result of any change in applicable law, regulation or treaty, or in any official application or interpretation thereof, that it is unable to submit to the Borrower or the Administrative Agent any form or certificate that such Lender or L/C Issuer is obligated to submit pursuant to subsection (b) of this Section 12.1 or that such Lender or L/C Issuer is required to withdraw or cancel any such form or certificate previously submitted or any such form or certificate otherwise becomes ineffective or inaccurate, such Lender or L/C Issuer shall promptly notify the Borrower and Administrative Agent of such fact and the Lender or L/C Issuer shall to that extent not be obligated to provide any such form or certificate and will be entitled to withdraw or cancel any affected form or certificate, as applicable.

(d) *Compliance with FATCA.* If a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (d), "*FATCA*" shall include any amendments made to FATCA after the date of this Agreement.

(e) *Indemnification by the Lenders.* Each Lender shall severally indemnify the Administrative Agent, within 10 days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that the Borrower or Guarantor has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Borrower or any Guarantor to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 12.11 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by the Administrative Agent in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender under any Loan Document or otherwise payable by the Administrative Agent to the Lender from any other source against any amount due to the Administrative Agent under this clause (e).

(f) *Treatment of Certain Refunds.* If any Lender or L/C Issuer determines, in its sole discretion exercised in good faith, that it has received a refund in respect of any taxes as to which indemnification or additional amounts have been paid to it by the Borrower or a Guarantor pursuant to this Section 12.1, it shall pay to the indemnifying party an amount equal to such refund (but only to the extent of indemnity payments made under this Section with respect to the taxes

giving rise to such refund), net of all out-of-pocket expenses of such Lender or L/C Issuer and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund); *provided* that the Borrower or such Guarantor, upon the request of such Lender or L/C Issuer, agrees to promptly repay the amount paid over with respect to such refund (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to such Lender or L/C Issuer in the event such Lender or L/C Issuer is required to repay such refund to the relevant Governmental Authority. Nothing herein contained shall interfere with the right of a Lender or L/C Issuer to arrange its tax affairs in whatever manner it thinks fit nor oblige any Lender or L/C Issuer to claim any tax refund or to make available its tax returns or disclose any information relating to its tax affairs or any computations in respect thereof or any other confidential information or require any Lender or L/C Issuer to do anything that would prejudice its ability to benefit from any other refunds, credits, reliefs, remissions or repayments to which it may be entitled.

(g) *Evidence of Payments.* As soon as practicable after any payment of Taxes by the Borrower or a Guarantor to a Governmental Authority pursuant to this Section, the Borrower or such Guarantor shall deliver to the Administrative Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Administrative Agent.

Section 12.2. No Waiver, Cumulative Remedies . No delay or failure on the part of the Administrative Agent, the L/C Issuer, or any Lender, or on the part of the holder or holders of any of the Obligations, in the exercise of any power or right under any Loan Document shall operate as a waiver thereof or as an acquiescence in any default, nor shall any single or partial exercise of any power or right preclude any other or further exercise thereof or the exercise of any other power or right. The rights and remedies hereunder of the Administrative Agent, the L/C Issuer, the Lenders, and of the holder or holders of any of the Obligations are cumulative to, and not exclusive of, any rights or remedies which any of them would otherwise have.

Section 12.3. Non-Business Days . If any payment hereunder becomes due and payable on a day which is not a Business Day, the due date of such payment shall be extended to the next succeeding Business Day on which date such payment shall be due and payable. In the case of any payment of principal falling due on a day which is not a Business Day, interest on such principal amount shall continue to accrue during such extension at the rate per annum then in effect, which accrued amount shall be due and payable on the next scheduled date for the payment of interest.

Section 12.4. Documentary Taxes . The Borrower agrees to pay on demand any U.S. documentary, stamp or similar taxes payable in respect of this Agreement or any other Loan Document, including interest and penalties, in the event any such taxes are assessed, irrespective of when such assessment is made and whether or not any credit is then in use or available hereunder.

Section 12.5. Survival of Representations . All representations and warranties made herein or in any other Loan Document or in certificates given pursuant hereto or thereto shall

survive the execution and delivery of this Agreement and the other Loan Documents, and shall continue in full force and effect with respect to the date as of which they were made as long as any credit is in use or available hereunder.

Section 12.6. Survival of Indemnities . All indemnities and other provisions relative to reimbursement to the Lenders and L/C Issuer of amounts sufficient to protect the yield of the Lenders and L/C Issuer with respect to the Revolving Loans and Letters of Credit, including, but not limited to, Sections 1.11, 10.3, and 12.15 hereof, shall (subject to Section 10.3(c) hereof) survive the termination of this Agreement and the other Loan Documents and the payment of the Obligations.

Section 12.7. Sharing of Set-Off . Each Lender agrees with each other Lender a party hereto that if such Lender shall receive and retain any payment, whether by set-off or application of deposit balances or otherwise, on any of the Loans or Reimbursement Obligations in excess of its ratable share of payments on all such Obligations then outstanding to the Lenders, then such Lender shall purchase for cash at face value, but without recourse, ratably from each of the other Lenders such amount of the Loans or Reimbursement Obligations, or participations therein, held by each such other Lenders (or interest therein) as shall be necessary to cause such Lender to share such excess payment ratably with all the other Lenders; *provided, however,* that if any such purchase is made by any Lender, and if such excess payment or part thereof is thereafter recovered from such purchasing Lender, the related purchases from the other Lenders shall be rescinded ratably and the purchase price restored as to the portion of such excess payment so recovered, but without interest. For purposes of this Section 12.7, amounts owed to or recovered by the L/C Issuer in connection with Reimbursement Obligations in which Lenders have been required to fund their participation shall be treated as amounts owed to or recovered by the L/C Issuer as a Lender hereunder.

Section 12.8. Notices . Except as otherwise specified herein, all notices hereunder and under the other Loan Documents shall be in writing (including, without limitation, notice by telecopy) and shall be given to the relevant party at its address or telecopier number set forth below, or such other address or telecopier number as such party may hereafter specify by notice to the Administrative Agent and the Borrower given by courier, by United States certified or registered mail, by telecopy or by other telecommunication device capable of creating a written record of such notice and its receipt. Notices under the Loan Documents to any Lender shall be addressed to its address or telecopier number set forth on its Administrative Questionnaire; and notices under the Loan Documents to the Borrower, the Administrative Agent, or L/C Issuer shall be addressed to its respective address or telecopier number set forth below:

to the Borrower:

CTO Realty Growth, Inc.
1140 Williamson Boulevard
Suite 140
Daytona Beach, Florida 32114
Attention: Matthew M. Partridge
Telephone: 386-944-5643
Email:
mpartridge@ctoreit.com
Fax: 386-274-1223

CTO Realty Growth, Inc.
1140 Williamson Boulevard
Suite 140
Daytona Beach, Florida 32114
Attention: Teresa Thornton Hill
Telephone: 386-944-5638
Email: tthorntonhill@ctlc.com
Fax: 386-274-1223

With copy to:

Vinson & Elkins LLP
1001 Fannin Street, Suite 2500
Houston, TX 77002-6760
Attention: Noelle Alix
Telephone: 713-758-1124
Email: nalix@velaw.com
Fax: 713-615-5837

to the Administrative Agent and L/C Issuer:

Bank of Montreal
115 South LaSalle Street
Chicago, Illinois 60603
Attention: Gwendolyn Gatz
Telephone: 312-461-2238
Email: gwendolyn.gatz@bmo.com
Fax: 312-461-2968

Each such notice, request or other communication shall be effective (i) if given by telecopier, when such telecopy is delivered to the telecopier number specified in this Section 12.8 or in the relevant Administrative Questionnaire and a confirmation of such telecopy has been received by the sender, (ii) if given by mail, upon receipt or first refusal of delivery or (iii) if given by any other means, when delivered at the addresses specified in this Section 12.8 or in the relevant Administrative Questionnaire; *provided* that any notice given pursuant to Section 1 hereof shall be effective only upon receipt.

Section 12.9. Counterparts . This Agreement may be executed in any number of counterparts, and by the different parties hereto on separate counterpart signature pages, and all such counterparts taken together shall be deemed to constitute one and the same instrument. The words “execution”, “executed”, “signed”, “signature” and words of similar import in or related to this Agreement and the other Loan Documents shall be deemed to include electronic signatures

and the electronic matching of assignment terms and contract formations on electronic platforms approved by Administrative Agent for the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act and any other similar applicable state laws based on the Uniform Electronic Transactions Act.

Section 12.10. Successors and Assigns. This Agreement shall be binding upon the Borrower, the Guarantors and their respective successors and permitted assigns, and shall inure to the benefit of the Administrative Agent, the L/C Issuer, and each of the Lenders, and the benefit of their respective successors and permitted assigns, including any subsequent holder of any of the Obligations. The Borrower and the Guarantors may not assign any of its rights or obligations under any Loan Document without the written consent of all of the Lenders and, with respect to any Letter of Credit or the Application therefor, the L/C Issuer.

Section 12.11. Participants . Each Lender shall have the right at its own cost to grant participations (to be evidenced by one or more agreements or certificates of participation) in the Loans made and Reimbursement Obligations and/or Revolving Credit Commitments held by such Lender at any time and from time to time to one or more other Persons; *provided* that no such participation shall relieve any Lender of any of its obligations under this Agreement, and, provided, further that no such participant shall have any rights under this Agreement except as provided in this Section 12.11, and the Administrative Agent and the Borrower shall have no obligation or responsibility to such participant. Any agreement pursuant to which such participation is granted shall provide that the granting Lender shall retain the sole right and responsibility to enforce the obligations of the Borrower under this Agreement and the other Loan Documents including, without limitation, the right to approve any amendment, modification or waiver of any provision of the Loan Documents, except that such agreement may provide that such Lender will not agree to any modification, amendment or waiver of the Loan Documents that would reduce the amount of or postpone any fixed date for payment of any Obligation in which such participant has an interest. Any party to which such a participation has been granted shall have the benefits of Section 1.11 and Section 10.3 hereof. The Borrower and each Guarantor authorizes each Lender to disclose to any participant or prospective participant under this Section 12.11 any financial or other information pertaining to each Guarantor, the Borrower or any Subsidiary; *provided* that prior to any such disclosure any such participant or prospective participant shall agree in writing to be subject to the confidentiality provisions contained herein. No participation may be granted or sold to the Borrower, any Guarantor, any Affiliate or Subsidiary of Borrower or Guarantor, any Defaulting Lender or any natural person.

Section 12.12. Assignments . (a) Any Lender may at any time assign to one or more Eligible Assignees all or a portion of such Lender's rights and obligations under this Agreement (including all or a portion of its Revolving Credit Commitment and the Loans at the time owing to it); *provided* that any such assignment shall be subject to the following conditions:

(i) *Minimum Amounts*. (A) In the case of an assignment of the entire remaining amount of the assigning Lender's Revolving Credit Commitment and the Revolving Loans, and

participation interest in L/C Obligations at the time owing to it, or the entire amount of Term Loan or Incremental Loans, or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and (B) in any case not described in subsection (a)(i)(A) of this Section 12.12, the aggregate amount of the Revolving Credit Commitment (which for this purpose includes Revolving Loans and participation interest in L/C Obligations outstanding thereunder) or, if the Revolving Credit Commitment is not then in effect, the principal outstanding balance of the Revolving Loans and participation interest in L/C Obligations, or the principal outstanding balance of the Term Loans or Incremental Term Loans of the assigning Lender subject to each such assignment (determined as of the date the Assignment and Acceptance with respect to such assignment is delivered to the Administrative Agent or, if "Effective Date" is specified in the Assignment and Acceptance, as of the Effective Date specified in such Assignment and Acceptance) shall not be less than $5,000,000 unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed);

(ii) *Proportionate Amounts*. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Revolving Loan or the Revolving Credit Commitment or Term Loan or Incremental Term Loan.

(iii) *Required Consents*. No consent shall be required for any assignment except to the extent required by Section 12.12(a)(i)(B) and, in addition:

(a) the consent of the Borrower (such consent not to be unreasonably withheld or delayed and to be given or denied within five (5) Business Days of written request therefor) shall be required unless (x) an Event of Default has occurred and is continuing at the time of such assignment or (y) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund;

(b) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed and to be given or denied within five (5) Business Days of written request therefor) shall be required in respect of (i) if such assignment is to a Person that is not a Lender with a Revolving Credit Commitment, an Affiliate of such Lender or an Approved Fund with respect to such Lender or (ii) the Term Loans or Incremental Term Loans (if any) to a Person who is not a Lender, an Affiliate of a Lender or an Approved Fund;

(c) the consent of the L/C Issuer (such consent not to be unreasonably withheld or delayed and to be given or denied within five (5) Business Days of written request therefor) shall be required for any assignment that increases the obligation of the assignee to participate in exposure under one or more Letters of Credit (whether or not then outstanding); and

(d) the consent of the Swing Line Lender (such consent not to be unreasonably withheld or delayed and to be given or denied within five (5) Business Days of written request therefor) shall be required for any assignment that increases the obligation of the

assignee to participate in exposure under one or more Swing Loans (whether or not then outstanding).

(iv) *Assignment and Acceptance*. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Acceptance, together with a processing and recordation fee of $3,500, and the assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) *No Assignment to Borrower, Guarantors, Affiliates or Subsidiaries*. No such assignment shall be made to the Borrower, any Guarantor or any Affiliate or Subsidiary of the Borrower or any Guarantor.

(vi) *No Assignment to Natural Persons*. No such assignment shall be made to a natural person.

(vii) *No Assignment to Defaulting Lender.* No such assignment shall be made to a Defaulting Lender.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to Section 12.12(b) hereof, from and after the effective date specified in each Assignment and Acceptance, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Acceptance, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Acceptance, be released from its obligations under this Agreement (and, in the case of an Assignment and Acceptance covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 12.6 and 12.15 with respect to facts and circumstances occurring prior to the effective date of such assignment. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this Section shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with Section 12.11 hereof.

(b) *Register*. The Administrative Agent, acting solely for this purpose as an agent of the Borrower, shall maintain at one of its offices in Chicago, Illinois, a copy of each Assignment and Acceptance delivered to it and a register for the recordation of the names and addresses of the Lenders, and the Revolving Credit Commitments of, and principal amounts of the Revolving Loans, Term Loans and Incremental Term Loans owing to, each Lender pursuant to the terms hereof from time to time (the "*Register*"). The entries in the Register shall be conclusive absent manifest error, and the Borrower, the Administrative Agent, and the Lenders may treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice. Each Lender or L/C Issuer that grants a participation as described in Section 12.11 shall, acting solely for this purpose as an agent of the Borrower, maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Revolving Loans, Term Loans and Incremental Term

Loans made and Reimbursement Obligations and/or Revolving Credit Commitments or other obligations under this Agreement (the "*Participant Register*"); provided that no Lender or L/C Issuer shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any participant or any information relating to a participant's interest in any Revolving Loans made and Reimbursement Obligations and/or Revolving Credit Commitments or other obligations under this Agreement) except to the extent that such disclosure is necessary to establish that such Obligation or Revolving Credit Commitment is in registered form under Section 5f.103-1(c) of the Treasury Regulations or is otherwise required by this Agreement. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender or L/C Issuer shall treat each person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary.

(c) Any Lender may at any time pledge or grant a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any such pledge or grant to a Federal Reserve Bank, and this Section 12.12 shall not apply to any such pledge or grant of a security interest; *provided* that no such pledge or grant of a security interest shall release a Lender from any of its obligations hereunder or substitute any such pledgee or secured party for such Lender as a party hereto; *provided further, however,* the right of any such pledgee or grantee (other than any Federal Reserve Bank) to further transfer all or any portion of the rights pledged or granted to it, whether by means of foreclosure or otherwise, shall be at all times subject to the terms of this Agreement.

(d) Notwithstanding anything to the contrary herein, if at any time the Swing Line Lender assigns all of its Revolving Credit Commitments and Revolving Loans pursuant to subsection (a) above, the Swing Line Lender may terminate the Swing Line. In the event of such termination of the Swing Line, the Borrower shall be entitled to appoint another Lender to act as the successor Swing Line Lender hereunder (with such Lender's consent); *provided, however,* that the failure of the Borrower to appoint a successor shall not affect the resignation of the Swing Line Lender. If the Swing Line Lender terminates the Swing Line, it shall retain all of the rights of the Swing Line Lender provided hereunder with respect to Swing Loans made by it and outstanding as of the effective date of such termination, including the right to require Lenders to make Revolving Loans or fund participations in outstanding Swing Loans pursuant to Section 1.17 hereof.

Section 12.13. Amendments . Any provision of this Agreement or the other Loan Documents may be amended or waived if, but only if, such amendment or waiver is in writing and is signed by (a) the Borrower, (b) the Required Lenders (or Administrative Agent acting at the direction of the Required Lenders), and (c) if the rights or duties of the Administrative Agent, the L/C Issuer, or the Swing Line Lender are affected thereby, the Administrative Agent, the L/C Issuer, or the Swing Line Lender, as applicable; provided that:

(i) no amendment or waiver pursuant to this Section 12.13 shall (A) increase any Revolving Credit Commitment of any Lender without the consent of such Lender or (B) reduce the amount of or postpone the date for any scheduled payment of any principal of or interest on any Loan or of any Reimbursement Obligation or of any fee payable hereunder (including by way of a waiver of a Default or Event of Default under Section

9.1(a)) without the consent of the Lender to which such payment is owing or which has committed to make such Revolving Loan or Letter of Credit (or participate therein) hereunder, (C) extend the Revolving Credit Termination Date without the consent of each affected Revolving Lender or (D) extend the Term Loan Maturity Date or the maturity date of any Incremental Term Loan without the consent of each affected Term Loan Lender or Incremental Term Loan Lender, as applicable;

(ii) no amendment or waiver pursuant to this Section 12.13 shall, unless signed by each Lender, change the definitions of Required Lenders, Required Revolving Lenders, Borrowing Base, Borrowing Base NOI, Borrowing Base Requirements, Borrowing Base Value or Revolving Credit Availability, change the provisions of Section 8.21, change the provisions of this Section 12.13, affect the number of Lenders required to take any action hereunder or under any other Loan Document, change the pro rata application of payments or order of application of payments and collections set forth in Section 3.1 of this Agreement or release any Guarantor or any material portion of the Collateral (except as expressly contemplated in this Agreement); and

(iii) no amendment to Section 13 hereof shall be made without the consent of the Guarantors affected thereby.

Section 12.14. Headings. Section headings used in this Agreement are for reference only and shall not affect the construction of this Agreement.

Section 12.15. Costs and Expenses; Indemnification . (a) The Borrower agrees to pay all reasonable costs and expenses of the Administrative Agent in connection with the preparation, negotiation, syndication, and administration of the Loan Documents, including, without limitation, the reasonable fees and disbursements of counsel to the Administrative Agent, in connection with the preparation and execution of the Loan Documents, and any amendment, waiver or consent related thereto, whether or not the transactions contemplated herein are consummated. The Borrower agrees to pay to the Administrative Agent, the L/C Issuer, and each Lender all costs and expenses reasonably incurred or paid by the Administrative Agent, the L/C Issuer, such Lender, or any such holder, including reasonable attorneys' fees and disbursements and court costs, in connection with any Default or Event of Default hereunder or in connection with the enforcement of any of the Loan Documents (including all such costs and expenses incurred in connection with any proceeding under the United States Bankruptcy Code involving the Borrower or any Guarantor as a debtor thereunder). The Borrower further agrees to indemnify the Administrative Agent, the L/C Issuer, each Lender, and any security trustee therefor, and their respective directors, officers, employees, agents, financial advisors, and consultants (each such Person being called an *"Indemnitee"*) against all losses, claims, damages, penalties, judgments, liabilities and expenses (including, without limitation, all reasonable fees and disbursements of counsel for any such Indemnitee and all reasonable expenses of litigation or preparation therefor, whether or not the Indemnitee is a party thereto, or any settlement arrangement arising from or relating to any such litigation) which any of them may pay or incur arising out of or relating to any Loan Document or any of the transactions contemplated thereby or the direct or indirect application or proposed application of the proceeds of any Revolving Loan or Letter of Credit, other than those which arise from the gross negligence or willful misconduct of the party claiming indemnification. The

Borrower, upon demand by the Administrative Agent, the L/C Issuer, or a Lender at any time, shall reimburse the Administrative Agent, the L/C Issuer, or such Lender for any reasonable legal or other expenses (including, without limitation, all reasonable fees and disbursements of counsel for any such Indemnitee) incurred in connection with investigating or defending against any of the foregoing (including any settlement costs relating to the foregoing) except to the extent the same is due to the gross negligence or willful misconduct of the party to be indemnified. To the extent permitted by applicable law, the parties hereto shall not assert, and each hereby waives, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement or the other Loan Documents or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, any Revolving Loan or Letter of Credit or the use of the proceeds thereof. The obligations of the parties under this Section 12.15 shall survive the termination of this Agreement.

(b) The Borrower unconditionally agrees to forever indemnify, defend and hold harmless, and covenants not to sue for any claim for contribution against, each Indemnitee for any damages, costs, loss or expense, including without limitation, response, remedial or removal costs and all fees and disbursements of counsel for any such Indemnitee, arising out of any of the following: (i) any presence, release, threatened release or disposal of any hazardous or toxic substance or petroleum by the Borrower or any Subsidiary or otherwise occurring on or with respect to its Property (whether owned or leased), (ii) the operation or violation of any environmental law, whether federal, state, or local, and any regulations promulgated thereunder, by the Borrower or any Subsidiary or otherwise occurring on or with respect to its Property (whether owned or leased), (iii) any claim for personal injury or property damage in connection with the Borrower or any Subsidiary or otherwise occurring on or with respect to its Property (whether owned or leased), and (iv) the inaccuracy or breach of any environmental representation, warranty or covenant by the Borrower or any Subsidiary made herein or in any other Loan Document evidencing or securing any Obligations or setting forth terms and conditions applicable thereto or otherwise relating thereto, except for damages arising from the willful misconduct or gross negligence of the relevant Indemnitee. This indemnification shall survive the payment and satisfaction of all Obligations and the termination of this Agreement for a period of five (5) years, and shall remain in force beyond the expiration of any applicable statute of limitations and payment or satisfaction in full of any single claim under this indemnification. This indemnification shall be binding upon the successors and assigns of the Borrower and shall inure to the benefit of each Indemnitee and its successors and assigns.

Section 12.16. Set-off . In addition to any rights now or hereafter granted under the Loan Documents or applicable law and not by way of limitation of any such rights, during the continuance of any Event of Default, with the prior written consent of the Administrative Agent, each Lender, the L/C Issuer, each subsequent holder of any Obligation, and each of their respective affiliates, is hereby authorized by the Borrower and each Guarantor at any time or from time to time, without notice to the Borrower or such Guarantor or to any other Person, any such notice being hereby expressly waived, to set-off and to appropriate and to apply any and all deposits (general or special, including, but not limited to, indebtedness evidenced by certificates of deposit, whether matured or unmatured, and in whatever currency denominated, but not including trust accounts) and any other indebtedness at any time held or owing by that Lender, L/C Issuer,

subsequent holder, or affiliate, to or for the credit or the account of the Borrower or such Guarantor, whether or not matured, against and on account of the Obligations then due of the Borrower or such Guarantor to that Lender, L/C Issuer, or subsequent holder under the Loan Documents, including, but not limited to, all claims of any nature or description arising out of or connected with the Loan Documents, irrespective of whether or not that Lender, L/C Issuer, or subsequent holder shall have made any demand hereunder.

Section 12.17. Entire Agreement . The Loan Documents constitute the entire understanding of the parties thereto with respect to the subject matter thereof and any prior agreements, whether written or oral, with respect thereto are superseded hereby.

Section 12.18. Governing Law . This Agreement and the other Loan Documents (except as otherwise specified therein), and the rights and duties of the parties hereto, shall be construed and determined in accordance with the internal laws of the State of New York.

Section 12.19. Severability of Provisions. Any provision of any Loan Document which is unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such unenforceability without invalidating the remaining provisions hereof or affecting the validity or enforceability of such provision in any other jurisdiction. All rights, remedies and powers provided in this Agreement and the other Loan Documents may be exercised only to the extent that the exercise thereof does not violate any applicable mandatory provisions of law, and all the provisions of this Agreement and other Loan Documents are intended to be subject to all applicable mandatory provisions of law which may be controlling and to be limited to the extent necessary so that they will not render this Agreement or the other Loan Documents invalid or unenforceable.

Section 12.20. Excess Interest . Notwithstanding any provision to the contrary contained herein or in any other Loan Document, no such provision shall require the payment or permit the collection of any amount of interest in excess of the maximum amount of interest permitted by applicable law to be charged for the use or detention, or the forbearance in the collection, of all or any portion of the Revolving Loans or other obligations outstanding under this Agreement or any other Loan Document ("*Excess Interest*"). If any Excess Interest is provided for, or is adjudicated to be provided for, herein or in any other Loan Document, then in such event (a) the provisions of this Section 12.20 shall govern and control, (b) neither the Borrower nor any guarantor or endorser shall be obligated to pay any Excess Interest, (c) any Excess Interest that the Administrative Agent or any Lender may have received hereunder shall, at the option of the Administrative Agent, be (i) applied as a credit against the then outstanding principal amount of Obligations hereunder and accrued and unpaid interest thereon (not to exceed the maximum amount permitted by applicable law), (ii) refunded to the Borrower, or (iii) any combination of the foregoing, (d) the interest rate payable hereunder or under any other Loan Document shall be automatically subject to reduction to the maximum lawful contract rate allowed under applicable usury laws (the "*Maximum Rate*"), and this Agreement and the other Loan Documents shall be deemed to have been, and shall be, reformed and modified to reflect such reduction in the relevant interest rate, and (e) neither the Borrower nor any guarantor or endorser shall have any action against the Administrative Agent or any Lender for any damages whatsoever arising out of the payment or collection of any Excess Interest. Notwithstanding the foregoing, if for any period of time interest on any of Borrower's Obligations is calculated at the Maximum Rate rather than the applicable rate under this

Agreement, and thereafter such applicable rate becomes less than the Maximum Rate, the rate of interest payable on the Borrower's Obligations shall remain at the Maximum Rate until the Lenders have received the amount of interest which such Lenders would have received during such period on the Borrower's Obligations had the rate of interest not been limited to the Maximum Rate during such period.

Section 12.21. Construction . The parties acknowledge and agree that the Loan Documents shall not be construed more favorably in favor of any party hereto based upon which party drafted the same, it being acknowledged that all parties hereto contributed substantially to the negotiation of the Loan Documents. The provisions of this Agreement relating to Subsidiaries shall only apply during such times as the Borrower has one or more Subsidiaries.

Section 12.22. Lender's and L/C Issuer's Obligations Several . The obligations of the Lenders and L/C Issuer hereunder are several and not joint. Nothing contained in this Agreement and no action taken by the Lenders or L/C Issuer pursuant hereto shall be deemed to constitute the Lenders and L/C Issuer a partnership, association, joint venture or other entity.

Section 12.23. Submission to Jurisdiction; Waiver of Jury Trial . The Borrower and each Guarantor hereby submits to the nonexclusive jurisdiction of the United States District Court for the Southern District of New York and of any New York State court sitting in the City of New York for purposes of all legal proceedings arising out of or relating to this Agreement, the other Loan Documents or the transactions contemplated hereby or thereby. The Borrower and each Guarantor irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such proceeding brought in such a court and any claim that any such proceeding brought in such a court has been brought in an inconvenient forum. THE BORROWER, EACH GUARANTOR, THE ADMINISTRATIVE AGENT, THE L/C ISSUER, AND THE LENDERS HEREBY IRREVOCABLY WAIVE ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDING ARISING OUT OF OR RELATING TO ANY LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED THEREBY.

Section 12.24. USA Patriot Act. Each Lender and L/C Issuer that is subject to the requirements of the Patriot Act hereby notifies the Borrower that pursuant to the requirements of the Patriot Act, it is required to obtain, verify, and record information that identifies the Borrower, which information includes the name and address of the Borrower and other information that will allow such Lender or L/C Issuer to identify the Borrower in accordance with the Patriot Act.

Section 12.25. Confidentiality . Each of the Administrative Agent, the Lenders, and the L/C Issuer severally agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed in compliance with applicable law (a) to its and its Affiliates' directors, officers, employees and agents, including accountants, legal counsel and other advisors to the extent any such Person has a need to know such Information (it being understood that the Persons to whom such disclosure is made will first be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent requested by any regulatory authority (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, *provided* that to the extent practicable and

permitted by applicable law, the party requested to disclose any information will provide prompt written notice of such request to the Borrower, will allow the Borrower a reasonable opportunity to seek appropriate protective measures prior to disclosure and will disclose the minimum amount of information required to comply with such applicable law, regulation, subpoena or legal process, (d) to any other party hereto, (e) to the extent reasonably necessary after consultation with counsel, in connection with the exercise of any remedies hereunder or under any other Loan Document or any suit, action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, *provided* that, to the extent reasonably practicable, the party requested to disclose any such information will provide prompt written notice of such request to the Borrower and will allow the Borrower a reasonable opportunity to seek appropriate protective measures prior to such disclosure, (f) subject to an agreement containing provisions substantially the same as those of this Section 12.25, to (A) any assignee of or participant in, or any prospective assignee of or participant in, any of its rights or obligations under this Agreement or (B) any actual or prospective counterparty (or its advisors) to any swap or derivative transaction relating to the Borrower or any Subsidiary and its obligations, (g) with the prior written consent of the Borrower, (h) to the extent such Information (A) becomes publicly available other than as a result of a breach of this Section 12.25 or (B) becomes available to the Administrative Agent, any Lender or the L/C Issuer on a non-confidential basis from a source other than the Borrower or any Subsidiary or any of their directors, officers, employees or agents, including accountants, legal counsel and other advisors; *provided* that the Administrative Agent, any Lender or the L/C Issuer may use such Information as permitted by clause (a) above, but the Administrative Agent, any Lender or the L/C Issuer shall not otherwise disclose such Information except as permitted by clauses (b) - (g), (i), (j) or (k) of this Section 12.25, (i) to rating agencies if requested or required by such agencies in connection with a rating relating to the Revolving Loans or the Revolving Credit Commitments hereunder, (j) to Gold Sheets and other similar bank trade publications (such information to consist of deal terms and other information regarding the credit facilities evidenced by this Agreement customarily found in such publications), or (k) to entities which compile and publish information about the syndicated loan market, *provided* that only basic information about the pricing and structure of the transaction evidenced hereby may be disclosed pursuant to this subsection (j). For purposes of this Section 12.25, *"Information"* means all information received from the Borrower or any of the Subsidiaries or from any other Person on behalf of the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the L/C Issuer on a non-confidential basis prior to disclosure by the Borrower or any of its Subsidiaries or from any other Person on behalf of the Borrower or any of the Subsidiaries. Each of the Administrative Agent, the Lenders, and the L/C Issuer specifically acknowledges that the common stock of the Borrower is traded on the NYSE American exchange under the trading symbol "CTO." Each of the Administrative Agent, the Lenders, and the L/C Issuer further expressly acknowledges that it is aware that the securities laws of the United States prohibit any person who has received from an issuer material, non-public information, including information concerning the matters that are the subject of this Agreement, from purchasing or selling securities of such issuer on the basis of material, non-public information concerning the issuer of such securities or, subject to certain limited exceptions, from communicating such information to any other Person.

Section 12.26. Limitation of Recourse . There shall be full recourse to the Borrower and the Guarantors and all of their assets and properties for the Obligations and any other liability under

the Loan Documents. Subject to clauses (i) and (ii) of the following sentence, in no event shall any officer or director of the Borrower or any of its Subsidiaries be personally liable or obligated for the Obligations or any other liability under the Loan Documents. Nothing herein contained shall limit or be construed to (i) release any such officer or director from liability for his or her fraudulent actions, misappropriation of funds or willful misconduct or (ii) limit or impair the exercise of remedies with respect to the Borrower and the Guarantors under the Loan Documents. The provisions of this Section 12.26 shall survive the termination of this Agreement.

Section 12.27. Other Taxes. The Borrower agrees to pay on demand, and indemnify and hold the Administrative Agent, the Lenders, and the L/C Issuer harmless from, any Other Taxes payable in respect of this Agreement or any other Loan Document, including interest and penalties, in the event any such taxes are assessed, irrespective of when such assessment is made and whether or not any credit is then in use or available hereunder.

Section 12.28. Amendment and Restatement; No Novation . From and after the date of this Agreement, all references to that certain Credit Agreement dated February 27, 2012 between the Borrower and certain Material Subsidiaries of the Borrower, as Guarantors, the financial institutions party thereto as "Lenders" and Bank of Montreal, a Canadian chartered bank acting through its Chicago branch, as Administrative Agent, Swing Line Lender and the L/C Issuer, which agreement was amended and restated in its entirety by the Prior Credit Agreement (the "Original Credit Agreement") or the Prior Credit Agreement in any Loan Document or in any other instrument or document shall, unless otherwise explicitly stated therein, be deemed to refer to this Agreement. This Agreement shall become effective as of the date hereof, and supersede all provisions of the Prior Credit Agreement as of such date, upon the execution of this Agreement by each of the parties hereto and fulfillment of the conditions precedent contained in Section 7.2 hereof. This Agreement shall constitute for all purposes an amendment and restatement of the Prior Credit Agreement and not a new agreement and all obligations outstanding under the Prior Credit Agreement shall continue to be outstanding hereunder and shall not constitute a novation of the indebtedness or other obligations outstanding under the Prior Credit Agreement.

Section 12.29. Acknowledgement and Consent to Bail-In of EEA Financial Institutions . Notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Loan Document may be subject to the write-down and conversion powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent entity, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Loan Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of the applicable Resolution Authority.

Section 12.30. Acknowledgement Regarding Any Supported QFCs . To the extent that the Loan Documents provide support, through a guarantee or otherwise, for Hedging Agreements or any other agreement or instrument that is a QFC (such support, "*QFC Credit Support*" and each such QFC a "*Supported QFC*"), the parties acknowledge and agree as follows with respect to the resolution power of the Federal Deposit Insurance Corporation under the Federal Deposit Insurance Act and Title II of the Dodd-Frank Wall Street Reform and Consumer Protection Act (together with the regulations promulgated thereunder, the "*U.S. Special Resolution Regimes*") in respect of such Supported QFC and QFC Credit Support (with the provisions below applicable notwithstanding that the Loan Documents and any Supported QFC may in fact be stated to be governed by the laws of the State of New York and/or of the United States or any other state of the United States):

(a) In the event a Covered Entity that is party to a Supported QFC (each, a "*Covered Party*") becomes subject to a proceeding under a U.S. Special Resolution Regime, the transfer of such Supported QFC and the benefit of such QFC Credit Support (and any interest and obligation in or under such Supported QFC and such QFC Credit Support, and any rights in property securing such Supported QFC or such QFC Credit Support) from such Covered Party will be effective to the same extent as the transfer would be effective under the U.S. Special Resolution Regime if the Supported QFC and such QFC Credit Support (and any such interest, obligation and rights in property) were governed by the laws of the United States or a state of the United States. In the event a Covered Party or a BHC Act Affiliate of a Covered Party becomes subject to a proceeding under a U.S. Special Resolution Regime, Default Rights under the Loan Documents that might otherwise apply to such Supported QFC or any QFC Credit Support that may be exercised against such Covered Party are permitted to be exercised to no greater extent than such Default Rights could be exercised under the U.S. Special Resolution Regime if the Supported QFC and the Loan Documents were governed by the laws of the United States or a state of the United States. Without limitation of the foregoing, it is understood and agreed that rights and remedies of the parties with respect to a Defaulting Lender shall in no event affect the rights of any Covered Party with respect to a Supported QFC or any QFC Credit Support.

(b) As used in this Section, the following terms have the following meanings:

"*BHC Act Affiliate*" of a party means an "affiliate" (as such term is defined under, and interpreted in accordance with, 12 U.S.C. 1841(k)) of such party.

"*Covered Entity*" means any of the following:

(i) a "covered entity" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §252.82(b);

(ii) a "covered bank" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §47.3(b); or

(iii) a "covered FSI" as that term is defined in, and interpreted in accordance with, 12 C.F.R. §382.2(b).

"*Default Rights*" has the meaning assigned to that term in, and shall be interpreted in accordance with, 12 C.F.R. §§252.81, 47.2 or 382.1, as applicable.

"*QFC*" has the meaning assigned to the term "qualified financial contract" in, and shall be interpreted in accordance with, 12 U.S.C. 5390(c)(8)(D).

SECTION 13. THE GUARANTEES .

Section 13.1. The Guarantees. To induce the Lenders to provide the credits described herein and in consideration of benefits expected to accrue to the Borrower by reason of the Loans and Revolving Credit Commitments and for other good and valuable consideration, receipt of which is hereby acknowledged, each Material Subsidiary party hereto (including any Material Subsidiary formed or acquired after the Closing Date executing an Additional Guarantor Supplement in the form attached hereto as Exhibit G or such other form acceptable to the Administrative Agent) hereby unconditionally and irrevocably guarantees jointly and severally to the Administrative Agent, the Lenders, and their Affiliates, the due and punctual payment of all present and future Obligations, including, but not limited to, the due and punctual payment of principal of and interest on the Term Loans, Incremental Term Loans (if any), Revolving Loans, Swing Loans, the Reimbursement Obligations, Hedging Liability, Funds Transfer and Deposit Account Liability, and the due and punctual payment of all other obligations now or hereafter owed by the Borrower under the Loan Documents as and when the same shall become due and payable, whether at stated maturity, by acceleration, or otherwise, according to the terms hereof and thereof (including interest which, but for the filing of a petition in bankruptcy, would otherwise accrue on any such indebtedness, obligation, or liability). In case of failure by the Borrower or other obligor punctually to pay any obligations guaranteed hereby, each Guarantor hereby unconditionally agrees to make such payment or to cause such payment to be made punctually as and when the same shall become due and payable, whether at stated maturity, by acceleration, or otherwise, and as if such payment were made by the Borrower or such obligor.

Section 13.2. Guarantee Unconditional . The obligations of each Guarantor under this Section 13 shall be unconditional and absolute and, without limiting the generality of the foregoing, shall not be released, discharged, or otherwise affected by:

(a) any extension, renewal, settlement, compromise, waiver, or release in respect of any obligation of the Borrower or other obligor or of any other guarantor under this Agreement or any other Loan Document or by operation of law or otherwise;

(b) any modification or amendment of or supplement to this Agreement or any other Loan Document;

(c) any change in the corporate existence, structure, or ownership of, or any insolvency, bankruptcy, reorganization, or other similar proceeding affecting, the Borrower or other obligor, any other guarantor, or any of their respective assets, or any resulting release or discharge of any obligation of the Borrower or other obligor or of any other guarantor contained in any Loan Document;

(d) the existence of any claim, set-off, or other rights which the Borrower or other obligor or any other guarantor may have at any time against the Administrative Agent, any Lender, or any other Person, whether or not arising in connection herewith;

(e) any failure to assert, or any assertion of, any claim or demand or any exercise of, or failure to exercise, any rights or remedies against the Borrower or other obligor, any other guarantor, or any other Person or Property;

(f) any application of any sums by whomsoever paid or howsoever realized to any obligation of the Borrower or other obligor, regardless of what obligations of the Borrower or other obligor remain unpaid;

(g) any invalidity or unenforceability relating to or against the Borrower or other obligor or any other guarantor for any reason of this Agreement or of any other Loan Document or any provision of applicable law or regulation purporting to prohibit the payment by the Borrower or other obligor or any other guarantor of the principal of or interest on any Term Loans, Incremental Term Loans (if any), Revolving Loan or any Reimbursement Obligation or any other amount payable under the Loan Documents; or

(h) any other act or omission to act or delay of any kind by the Administrative Agent, any Lender, or any other Person or any other circumstance whatsoever that might, but for the provisions of this paragraph, constitute a legal or equitable discharge of the obligations of any Guarantor under this Section 13.

Section 13.3. Discharge Only upon Payment in Full; Reinstatement in Certain Circumstances. Each Guarantor's obligations under this Section 13 shall remain in full force and effect until the Revolving Credit Commitments are terminated, all Letters of Credit have expired, and the principal of and interest on the Loans and all other amounts payable by the Borrower and the Guarantors under this Agreement and all other Loan Documents have been paid in full. If at

any time any payment of the principal of or interest on any Loan or any Reimbursement Obligation or any other amount payable by the Borrower or other obligor or any Guarantor under the Loan Documents is rescinded or must be otherwise restored or returned upon the insolvency, bankruptcy, or reorganization of the Borrower or other obligor or of any guarantor, or otherwise, each Guarantor's obligations under this Section 13 with respect to such payment shall be reinstated at such time as though such payment had become due but had not been made at such time.

Section 13.4. Subrogation . Each Guarantor agrees it will not exercise any rights which it may acquire by way of subrogation by any payment made hereunder, or otherwise, until all the obligations guaranteed hereby shall have been paid in full subsequent to the termination of all the Revolving Credit Commitments and Swing Line and expiration of all Letters of Credit. If any amount shall be paid to a Guarantor on account of such subrogation rights at any time prior to the later of (x) the payment in full of the Obligations, Funds Transfer and Deposit Account Liability and Hedging Liability and all other amounts payable by the Borrower hereunder and the other Loan Documents and (y) the termination of the Revolving Credit Commitments and Swing Line and expiration of all Letters of Credit, such amount shall be held in trust for the benefit of the Administrative Agent and the Lenders (and their Affiliates) and shall forthwith be paid to the Administrative Agent for the benefit of the Lenders (and their Affiliates) or be credited and applied upon the Obligations, Funds Transfer and Deposit Account Liability and Hedging Liability, whether matured or unmatured, in accordance with the terms of this Agreement.

Section 13.5. Waivers . Each Guarantor irrevocably waives acceptance hereof, presentment, demand, protest, and any notice except as specifically provided for herein, as well as any requirement that at any time any action be taken by the Administrative Agent, any Lender, or any other Person against the Borrower or other obligor, another guarantor, or any other Person.

Section 13.6. Limit on Recovery . Notwithstanding any other provision hereof, the right of recovery against each Guarantor under this Section 13 shall not exceed $1.00 less than the lowest amount which would render such Guarantor's obligations under this Section 13 void or voidable under applicable law, including, without limitation, fraudulent conveyance law.

Section 13.7. Stay of Acceleration . If acceleration of the time for payment of any amount payable by the Borrower or other obligor under this Agreement or any other Loan Document, is stayed upon the insolvency, bankruptcy or reorganization of the Borrower or such obligor, all such amounts otherwise subject to acceleration under the terms of this Agreement or the other Loan Documents, shall nonetheless be payable by the Guarantors hereunder forthwith on demand by the Administrative Agent made at the request of the Required Lenders.

Section 13.8. Benefit to Guarantors . The Borrower and the Guarantors are engaged in related businesses and integrated to such an extent that the financial strength and flexibility of the Borrower has a direct impact on the success of each Guarantor. Each Guarantor will derive substantial direct and indirect benefit from the extensions of credit hereunder.

Section 13.9. Guarantor Covenants . Each Guarantor shall take such action as the Borrower is required by this Agreement to cause such Guarantor to take, and shall refrain from

taking such action as the Borrower is required by this Agreement to prohibit such Guarantor from taking.

Section 13.10. Keepwell. Each Qualified ECP Guarantor hereby jointly and severally absolutely, unconditionally and irrevocably undertakes to provide such funds or other support as may be needed from time to time by each other Guarantor to honor all of its obligations under this Guaranty in respect of Swap Obligations (provided, however, that each Qualified ECP Guarantor shall only be liable under this Section for the maximum amount of such liability that can be hereby incurred without rendering its obligations under this Section, or otherwise under this Guaranty, voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations of each Qualified ECP Guarantor under this Section shall remain in full force and effect until discharged in accordance with Section 13.3. Each Qualified ECP Guarantor intends that this Section constitute, and this Section shall be deemed to constitute, a "keepwell, support, or other agreement" for the benefit of each other Guarantor for all purposes of Section 1a(18)(A)(v)(II) of the Commodity Exchange Act.

[SIGNATURE PAGES TO FOLLOW]

This Credit Agreement is entered into between us for the uses and purposes hereinabove set forth as of the date first above written.

"BORROWER"

CTO REALTY GROWTH, INC., a Maryland corporation

By_____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

"ADMINISTRATIVE AGENT AND L/C ISSUER"

BANK OF MONTREAL, as L/C Issuer and as Administrative Agent

By_____
Name: Gwendolyn Gatz
Title: Director

"LENDERS"

BANK OF MONTREAL, as a Lender and Swing Line Lender

By_____
Name: Gwendolyn Gatz
Title: Director

[Signature Page Second Amended and Restated Credit Agreement]

TRUIST BANK, as a Lender

By_____
Name: _____
Title: _____

[Signature Page Second Amended and Restated Credit Agreement]

THE HUNTINGTON NATIONAL BANK, as a Lender

By: _____
Name: _____
Title: _____

[Signature Page Second Amended and Restated Credit Agreement]

WELLS FARGO BANK, NATIONAL ASSOCIATION, as a Lender

By_____
Name: _____
Title: _____

[Signature Page Second Amended and Restated Credit Agreement]

KEYBANK NATIONAL ASSOCIATION, as a Lender

By_____
Name: _____
Title: _____

[Signature Page Second Amended and Restated Credit Agreement]

RAYMOND JAMES BANK, as a Lender

By _____
Name: _____
Title: _____

[Signature Page Second Amended and Restated Credit Agreement]

SYNOVUS BANK, as a Lender

By_____
Name: _____
Title: _____

[Signature Page Second Amended and Restated Credit Agreement]

"GUARANTORS"

LHC15 RIVERSIDE FL LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO17 WESTCLIFF TX LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole member

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

INDIGO GROUP INC., a Florida corporation

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO18 JACKSONVILLE FL LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO18 ALBUQUERQUE NM LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGI19 FC VA LLC, a Delaware limited liability company

By: Indigo Group, Inc., a Florida corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 Oceanside NY LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 Reston VA LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 Carpenter Austin LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

INDIGO GROUP LTD., a Florida limited partnership

By: Indigo Group, Inc., a Florida corporation, its General Partner

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO19 STRAND JAX LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

DAYTONA JV LLC, a Florida limited liability company

By: LHC15 Atlantic DB JV LLC, a Delaware limited liability company, its sole manager

By: CTO Realty Growth, Inc., a Maryland corporation, its sole member

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 CROSSROADS AZ LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGI20 CROSSROADS AZ LLC, a Delaware limited liability company

By: Indigo Group Inc., a Florida corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 PERIMETER LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 PERIMETER II LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its sole manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 TAMPA LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGI20 TAMPA LLC, a Delaware limited liability company

By: Indigo Group Inc., a Florida corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

IGL20 TAMPA LLC, a Delaware limited liability company

By: Indigo Group Ltd., a Florida limited partnership,

By: Indigo Group Inc., a Florida corporation, its general partner

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO20 HIALEAH LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge
Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO21 ACQUISITIONS LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge

Title: Senior Vice President, Chief Financial Officer and Treasurer

CTO21 ACQUISITIONS II LLC, a Delaware limited liability company

By: CTO Realty Growth, Inc., a Maryland corporation, its manager

By: _____
Name: Matthew M. Partridge

Title: Senior Vice President, Chief Financial Officer and Treasurer

[Signature Page Second Amended and Restated Credit Agreement]

EXHIBIT A

NOTICE OF PAYMENT REQUEST

[Date]

[Name of Lender]
[Address]

Attention:

Reference is made to the Second Amended and Restated Credit Agreement, dated as of September 7, 2017, among CTO Realty Growth, Inc., the Guarantors from time to time party thereto, the Lenders from time to time party thereto, and Bank of Montreal, as Administrative Agent (as extended, renewed, amended or restated from time to time, the "*Credit Agreement*"). Capitalized terms used herein and not defined herein have the meanings assigned to them in the Credit Agreement. [The Borrower has failed to pay its Reimbursement Obligation in the amount of $_____. Your Revolver Percentage of the unpaid Reimbursement Obligation is $_____] or [_____ has been required to return a payment by the Borrower of a Reimbursement Obligation in the amount of $_____. Your Revolver Percentage of the returned Reimbursement Obligation is $_____.]

Very truly yours,

BANK OF MONTREAL, as L/C Issuer

By_____
Name_____
Title_____

EXHIBIT B

NOTICE OF BORROWING

Date: _____, ____

To: Bank of Montreal, as Administrative Agent for the Lenders from time to time parties to the Second Amended and Restated Credit Agreement dated as of September 7, 2017 (as extended, renewed, amended or restated from time to time, the "*Credit Agreement*"), among CTO REALTY GROWTH, INC., certain Guarantors which are signatories thereto, certain Lenders which are from time to time parties thereto, and Bank of Montreal, as Administrative Agent

Ladies and Gentlemen:

The undersigned, CTO Realty Growth, Inc. (the "*Borrower*"), refers to the Credit Agreement, the terms defined therein being used herein as therein defined, and hereby gives you notice irrevocably, pursuant to Section 1.6 of the Credit Agreement, of the Borrowing specified below:

1. The Business Day of the proposed Borrowing is _____, ____.

2. The aggregate amount of the proposed Borrowing is $_____.

3. The Borrowing is being advanced under the Revolving Credit.

4. The Borrowing is to be comprised of $_____ of **[Base Rate] [Eurodollar]** Loans.

[5. The duration of the Interest Period for the Eurodollar Loans included in the Borrowing shall be _____ months.]

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the date of the proposed Borrowing, before and after giving effect thereto and to the application of the proceeds therefrom:

(a) the representations and warranties of the Borrower contained in Section 6 of the Credit Agreement are true and correct as though made on and as of such date (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct as of such date); and

(b) no Default or Event of Default has occurred and is continuing or would result from such proposed Borrowing.

CTO REALTY GROWTH, INC.

By: _____
Name: _____
Title: _____

EXHIBIT C

NOTICE OF CONTINUATION/CONVERSION

Date: _____, ____

To: Bank of Montreal, as Administrative Agent for the Lenders from time to time parties to the Second Amended and Restated Credit Agreement dated as of September 7, 2017 (as extended, renewed, amended or restated from time to time, the "*Credit Agreement*") among CTO Realty Growth, Inc., certain Guarantors which are from time to time signatories thereto, certain Lenders which are from time to time parties thereto, and Bank of Montreal, as Administrative Agent

Ladies and Gentlemen:

The undersigned, CTO Realty Growth, Inc. (the "*Borrower*"), refers to the Credit Agreement, the terms defined therein being used herein as therein defined, and hereby gives you notice irrevocably, pursuant to Section 1.6 of the Credit Agreement, of the **[conversion] [continuation]** of the Loans specified herein, that:

1. The conversion/continuation Date is _____, ____.

2. The aggregate amount of the **[Revolving Loans] [2026 Term Loans] [2027 Term Loans]** to be **[converted] [continued]** is $_____.

3. The **[Revolving Loans] [2026 Term Loans] [2027 Term Loans]** are to be **[converted into] [continued as] [Eurodollar] [Base Rate]** Loans.

4. **[If applicable:]** The duration of the Interest Period for the **[Revolving Loans] [2026 Term Loans] [2027 Term Loans]** included in the **[conversion] [continuation]** shall be _____ months.

The undersigned hereby certifies that the following statements are true on the date hereof, and will be true on the proposed conversion/continuation date, before and after giving effect thereto and to the application of the proceeds therefrom:

(a) the representations and warranties of the Borrower contained in Section 6 of the Credit Agreement are true and correct as though made on and as of such date (except to the extent such representations and warranties relate to an earlier date, in which case they are true and correct as of such date); *provided, however,* that this condition shall not apply to the conversion of an outstanding Eurodollar Loan to a Base Rate Loan; and

(b) no Default or Event of Default has occurred and is continuing, or would result from such proposed **[conversion] [continuation]**.

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

[NOTICE OF CONTINUATION/CONVERSION]

EXHIBIT D-1

[INSERT NUMBER] AMENDED AND RESTATED REVOLVING NOTE

U.S. $_____ _____, 20___

FOR VALUE RECEIVED, the undersigned, CTO Realty Growth, Inc., a Maryland corporation (the *"Borrower"*), hereby promises to pay to _____ (the *"Lender"*) or its permitted assigns on the Revolving Credit Termination Date of the hereinafter defined Credit Agreement, at the principal office of the Administrative Agent in Chicago Illinois (or such other location as the Administrative Agent may designate to the Borrower), in immediately available funds, the principal sum of _____ Dollars ($_____) or, if less, the aggregate unpaid principal amount of all Revolving Loans made by the Lender to the Borrower pursuant to the Credit Agreement, together with interest on the principal amount of each Revolving Loan from time to time outstanding hereunder at the rates, and payable in the manner and on the dates, specified in the Credit Agreement.

[This [Insert Number] Amended and Restated Revolving Note (this *"Note"*) amends and restates that certain [[Insert Number] Amended and Restated] Revolving Note dated [_____] made by the Borrower in favor of the Lender (the *"Original Revolving Note"*) and t] [T]his Note is one of the Revolving Notes referred to in the Second Amended and Restated Credit Agreement dated as of September 7, 2017, among the Borrower, the Guarantors party thereto, the Lenders parties thereto, the Swing Line Lender, the L/C Issuer and Bank of Montreal, as Administrative Agent (as extended, renewed, amended or restated from time to time, the *"Credit Agreement"*), and this Note and the holder hereof are entitled to all the benefits provided for thereby or referred to therein, to which Credit Agreement reference is hereby made for a statement thereof. **[This Note is issued in replacement and substitution for, and supersedes, the Original Revolving Note.]** All defined terms used in this Note, except terms otherwise defined herein, shall have the same meaning as in the Credit Agreement. This Note shall be governed by and construed in accordance with the internal laws of the State of New York.

Voluntary prepayments may be made hereon, certain prepayments are required to be made hereon, and this Note may be declared due prior to the expressed maturity hereof, all in the events, on the terms and in the manner as provided for in the Credit Agreement.

The Borrower hereby waives demand, presentment, protest or notice of any kind hereunder.

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

EXHIBIT D-2

[INSERT NUMBER] AMENDED AND RESTATED SWING NOTE

U.S. $5,000,000.00 September 7, 2017

FOR VALUE RECEIVED, the undersigned, CTO Realty Growth, Inc., a Maryland corporation (the *"Borrower"*), hereby promises to pay to _____ (the *"Lender"*) or its permitted assigns on the Revolving Credit Termination Date of the hereinafter defined Credit Agreement, at the principal office of the Administrative Agent in Chicago, Illinois (or such other location as the Administrative Agent may designate to the Borrower), in immediately available funds, the principal sum of Five Million and 00/100 Dollars ($5,000,000.00) or, if less, the aggregate unpaid principal amount of all Swing Loans made by the Lender to the Borrower pursuant to the Credit Agreement, together with interest on the principal amount of each Swing Loan from time to time outstanding hereunder at the rates, and payable in the manner and on the dates, specified in the Credit Agreement.

[This [Insert Number] Amended and Restated Swing Note (this *"Note"*) amends and restates that certain [[Insert Number] Amended and Restated] Swing Note dated [_____] made by the Borrower in favor of the Lender (the *"Original Swing Note"*) and t] [T]his Note is the Swing Note referred to in the Second Amended and Restated Credit Agreement dated as of September 7, 2017, among the Borrower, the Guarantors party thereto, the Lenders. Swing Line Lender and L/C Issuer parties thereto, and Bank of Montreal, as Administrative Agent (as extended, renewed, amended or restated from time to time, the *"Credit Agreement"*), and this Note and the holder hereof are entitled to all the benefits provided for thereby or referred to therein, to which Credit Agreement reference is hereby made for a statement thereof. **[This Note is issued in replacement and substitution for, and supersedes, the Original Swing Note.]** All defined terms used in this Note, except terms otherwise defined herein, shall have the same meaning as in the Credit Agreement. This Note shall be governed by and construed in accordance with the internal laws of the State of New York.

Voluntary prepayments may be made hereon, certain prepayments are required to be made hereon, and this Note may be declared due prior to the expressed maturity hereof, all in the events, on the terms and in the manner as provided for in the Credit Agreement.

The Borrower hereby waives demand, presentment, protest or notice of any kind hereunder.

CTO REALTY GROWTH, INC.

By_____
Name_____
Title_____

EXHIBIT D-3

TERM NOTE

U.S. $_____ _____, 20__

FOR VALUE RECEIVED, the undersigned, CTO Realty Growth, Inc., a Maryland corporation (the *"Borrower"*), hereby promises to pay to _____ (the *"Lender"*) or its permitted assigns on the Term Loan Maturity Date, at the principal office of the Administrative Agent in Chicago Illinois (or such other location as the Administrative Agent may designate to the Borrower), in immediately available funds, the principal sum of _____ Dollars ($_____) or, if less, the aggregate unpaid principal amount of all Term Loans made by the Lender to the Borrower pursuant to the Credit Agreement, together with interest on the principal amount of each Term Loan from time to time outstanding hereunder at the rates, and payable in the manner and on the dates, specified in the Credit Agreement.

This Note is one of the Term Notes referred to in the Second Amended and Restated Credit Agreement dated as of September 7, 2017, among the Borrower, the Guarantors party thereto, the Lenders parties thereto, the Swing Line Lender, the L/C Issuer and Bank of Montreal, as Administrative Agent (as extended, renewed, amended or restated from time to time, the *"Credit Agreement"*), and this Note and the holder hereof are entitled to all the benefits provided for thereby or referred to therein, to which Credit Agreement reference is hereby made for a statement thereof. All defined terms used in this Note, except terms otherwise defined herein, shall have the same meaning as in the Credit Agreement. This Note shall be governed by and construed in accordance with the internal laws of the State of New York.

Voluntary prepayments may be made hereon, certain prepayments are required to be made hereon, and this Note may be declared due prior to the expressed maturity hereof, all in the events, on the terms and in the manner as provided for in the Credit Agreement.

The Borrower hereby waives demand, presentment, protest or notice of any kind hereunder.

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

EXHIBIT D-4

[__] INCREMENTAL TERM NOTE

U.S. $_____ _____, 20__

FOR VALUE RECEIVED, the undersigned, CTO Realty Growth, Inc., a Maryland corporation (the "*Borrower*"), hereby promises to pay to _____ (the "*Lender*") or its permitted assigns on the [Term Loan Maturity Date], at the principal office of the Administrative Agent in Chicago Illinois (or such other location as the Administrative Agent may designate to the Borrower), in immediately available funds, the principal sum of _____ Dollars ($_____) or, if less, the aggregate unpaid principal amount of all [__] Incremental Term Loans made by the Lender to the Borrower pursuant to the Credit Agreement, together with interest on the principal amount of each [__] Incremental Term Loan from time to time outstanding hereunder at the rates, and payable in the manner and on the dates, specified in the Credit Agreement.

This Note is one of the Incremental Term Notes referred to in the Second Amended and Restated Credit Agreement dated as of September 7, 2017, among the Borrower, the Guarantors party thereto, the Lenders parties thereto, the Swing Line Lender, the L/C Issuer and Bank of Montreal, as Administrative Agent (as extended, renewed, amended or restated from time to time, the "*Credit Agreement*"), and this Note and the holder hereof are entitled to all the benefits provided for thereby or referred to therein, to which Credit Agreement reference is hereby made for a statement thereof. All defined terms used in this Note, except terms otherwise defined herein, shall have the same meaning as in the Credit Agreement. This Note shall be governed by and construed in accordance with the internal laws of the State of New York.

Voluntary prepayments may be made hereon, certain prepayments are required to be made hereon, and this Note may be declared due prior to the expressed maturity hereof, all in the events, on the terms and in the manner as provided for in the Credit Agreement.

The Borrower hereby waives demand, presentment, protest or notice of any kind hereunder.

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

EXHIBIT E

COMPLIANCE CERTIFICATE

To: Bank of Montreal, as Administrative Agent under, and the Lenders party to, the Credit Agreement described below

This Compliance Certificate is furnished to the Administrative Agent and the Lenders pursuant to that certain Second Amended and Restated Credit Agreement dated as of September 7, 2017, as amended, among CTO Realty Growth, Inc. (the *"Borrower"*), the Guarantors signatory thereto, the Administrative Agent and the Lenders party thereto (the *"Credit Agreement"*). Unless otherwise defined herein, the terms used in this Compliance Certificate have the meanings ascribed thereto in the Credit Agreement.

THE UNDERSIGNED HEREBY CERTIFIES THAT:

1. I am the duly elected _____ of CTO Realty Growth, Inc.;

2. I have reviewed the terms of the Credit Agreement and I have made, or have caused to be made under my supervision, a detailed review of the transactions and conditions of the Borrower and its Subsidiaries during the accounting period covered by the attached financial statements;

3. The examinations described in paragraph 2 did not disclose, and I have no knowledge of, the existence of any condition or the occurrence of any event which constitutes a Default or Event of Default during or at the end of the accounting period covered by the attached financial statements or as of the date of this Compliance Certificate, except as set forth below;

4. The financial statements required by Section 8.5 of the Credit Agreement and being furnished to you concurrently with this Compliance Certificate are true, correct and complete as of the date and for the periods covered thereby; and

5. The Schedule I hereto sets forth financial data and computations evidencing the Borrower's compliance with certain covenants of the Credit Agreement, all of which data and computations are, to the best of my knowledge, true, complete and correct and have been made in accordance with the relevant Sections of the Credit Agreement.

Described below are the exceptions, if any, to paragraph 3 by listing, in detail, the nature of the condition or event, the period during which it has existed and the action which the Borrower has taken, is taking, or proposes to take with respect to each such condition or event:

The foregoing certifications, together with the computations set forth in Schedule I hereto and the financial statements delivered with this Certificate in support hereof, are made and delivered this _____ day of _____ 20___.

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

SCHEDULE I
TO COMPLIANCE CERTIFICATE

COMPLIANCE CALCULATIONS
FOR SECOND AMENDED AND RESTATED CREDIT AGREEMENT
DATED AS OF SEPTEMBER 7, 2017, AS AMENDED

CALCULATIONS AS OF _____, _____

A.	Maximum Total Indebtedness to Total Asset Value Ratio (Section 8.20(a))		
	1.	Total Indebtedness	$_____
	2.	Total Asset Value as calculated on Exhibit A hereto	_____
	3.	Ratio of Line A1 to A2	____:1.0
	4.	Line A3 must not exceed	0.60:1.0
	5.	The Borrower is in compliance (circle yes or no)	yes/no
B.	Maximum Secured Indebtedness to Total Asset Value Ratio (Section 8.20(b))		
	1.	Secured Indebtedness	$_____
	2.	Total Asset Value as calculated on Exhibit A hereto	_____
	3.	Ratio of Line B1 to B2	____:1.0
	4.	Line B3 must not exceed	0.40:1.0
	5.	The Borrower is in compliance (circle yes or no)	yes/no
C.	Minimum Adjusted EBITDA to Fixed Charges Ratio (Section 8.20(c))		
	1.	Net Income	$_____
	2.	Depreciation and amortization expense	_____
	3.	Interest Expense	_____
	4.	Income tax expense	_____

	5.	Extraordinary, unrealized or non-recurring losses	_____
	6.	Non-Cash Compensation Paid in Equity Securities	_____
	7.	Extraordinary, unrealized or non-recurring gains	_____
	8.	Income tax benefits	_____
	9.	Sum of Lines C2, C3, C4, C5 and C6	_____
	10.	Sum of Lines C7 and C8	_____
	11.	Line C1 plus Line C9 minus Line C10 (*"EBITDA"*)	_____
	12.	Annual Capital Expenditure Reserve	_____
	13.	Line C11 minus Line C12 (*"Adjusted EBITDA"*)	_____
	14.	Interest Expense	_____
	15.	Principal Amortization Payments	_____
	16.	Dividends	_____
	17.	Income Taxes Paid	_____
	18.	Sum of Lines C14, C15, C16 and C17 (*"Fixed Charges"*)	_____
	19.	Ratio of Line C13 to Line C18	____:1.0
	20.	Line C19 shall not be less than	1.50:1.0
	21.	The Borrower is in compliance (circle yes or no)	yes/no
D.	<u>Maximum Secured Recourse Indebtedness to Total Asset Value Ratio (Section 8.20(d))</u>		
	1.	Secured Recourse Indebtedness	$_____
	2.	Total Asset Value as calculated on Exhibit A hereto	_____
	3.	Ratio of Line D1 to Line D2	____:1.0
	4.	Line D3 shall not exceed	0.05:1.0
	5.	The Borrower is in compliance (circle yes or no)	yes/no

E. Tangible Net Worth (Section 8.20(e))

1.	Tangible Net Worth	$_____
2.	Aggregate net proceeds of Stock and Stock Equivalent offerings after March 31, 2020	_____
3.	75% of Line E2	_____
4.	$263,312,927 plus Line E3	_____
5.	Line E1 shall not be less than Line E4	
6.	The Borrower is in compliance (circle yes or no)	yes/no

F. *Reserved.*

G. Investments (Joint Ventures) (Section 8.8(j))

1.	Cash Investments in Joint Ventures	$_____
2.	Total Asset Value	_____
3.	Line G1 divided by Line G2	_____
4.	Line G3 shall not exceed 10% of Total Asset Value	
5.	The Borrower is in compliance (circle yes or no)	yes/no

H. Investments (Assets Under Development) (Section 8.8(k))

1.	Assets Under Development	$_____
2.	Total Asset Value	_____
3.	Line H1 divided by Line H2	_____
4.	Line H3 shall not exceed 7.5% of Total Asset Value	
5.	The Borrower is in compliance (circle yes or no)	yes/no

I. Investments (Mortgage Loans, Mezzanine Loans and Notes Receivable) (Section 8.8(l))

1.	Mortgage Loans, Mezzanine Loans and Notes Receivable	$_____
2.	Total Asset Value	_____

	3.	Line I1 divided by Line I2	_____
	4.	Line I3 shall not exceed 25% of Total Asset Value	
	5.	The Borrower is in compliance (circle yes or no)	yes/no
J.	Investments (Ground Leases) (Section 8.8(m))		
	1.	Investments in Ground Leases other than Permitted Ground Lease Investments	$_____
	2.	Total Asset Value	_____
	3.	Line J1 divided by Line J2	_____
	4.	Line J3 shall not exceed 20% of Total Asset Value	
	5.	The Borrower is in compliance (circle yes or no)	yes/no
K.	Investments (Land Assets) (Section 8.8(o))		
	1.	Land Assets	$_____
	2.	Total Asset Value	_____
	3.	Line L1 divided by Line L2	_____
	4.	Line L3 shall not exceed 10% of Total Asset Value	
	5.	The Borrower is in compliance (circle yes or no)	yes/no
L.	Aggregate Investment Limitation to Total Asset Value (Section 8.8)		
	1.	Sum of Lines F3, F6, G1, H1, I1, J1 and K3	$_____
	2.	Total Asset Value	_____
	3.	Line M1 divided by Line M2	_____
	4.	Line M3 shall not exceed 30% of Total Asset Value	
	5.	The Borrower is in compliance (circle yes or no)	yes/no
M.	Restricted Payments (Section 8.29(a))		

1.	Aggregate amount of cash distributions made by the Borrower to its equity holders during such period	$_____
2.	Borrower's Adjusted FFO for such period	_____
3.	95% of Line N2	_____
4.	Amount necessary for the Borrower to be able to make distributions required to maintain its status as a REIT (i.e., to satisfy the distribution requirements set forth in Section 4981 of the Code)	_____
5.	Greater of Line N3 and Line N4	_____
6.	Line N1 shall not exceed Line N5	
7.	The Borrower is in compliance (circle yes or no)	yes/no

EXHIBIT A TO SCHEDULE I
TO COMPLIANCE CERTIFICATE
OF CTO REALTY GROWTH, INC.

This Exhibit A, with a calculation date of _____,_____, is attached to Schedule I to the Compliance Certificate of CTO Realty Growth, Inc. dated _____, 20__ , as amended, and delivered to Bank of Montreal, as Administrative Agent, and the Lenders party to the Credit Agreement, as amended, referred to therein. The undersigned hereby certifies that the following is a true, correct and complete calculation of Total Asset Value for Rolling Period most recently ended:

[Insert Calculation]

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

EXHIBIT B TO SCHEDULE I
TO COMPLIANCE CERTIFICATE
OF CTO REALTY GROWTH, INC.

This Exhibit B, with a calculation date of _____, 20___, is attached to Schedule I to the Compliance Certificate of CTO Realty Growth, Inc. dated _____, 20__ , as amended, and delivered to Bank of Montreal, as Administrative Agent, and the Lenders party to the Credit Agreement, as amended, referred to therein. The undersigned hereby certifies that the following is a true, correct and complete calculation of Property NOI for all Properties for Rolling Period most recently ended:

PROPERTY	PROPERTY INCOME	MINUS	PROPERTY EXPENSES (WITHOUT CAP. EX. RESERVE OR MANAGEMENT FEES)	MINUS	ANNUAL CAPITAL EXPENDITURE RESERVE	MINUS	GREATER OF 3% OF RENTS OR ACTUAL MANAGEMENT FEES	EQUALS	PROPERTY NOI
	$_____	-	$_____					=	$_____
	$_____	-	$_____					=	$_____
	$_____	-	$_____					=	$_____
	$_____	-	$_____					=	$_____

TOTAL PROPERTY NOI FOR ALL PROPERTIES: **$_____**

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

EXHIBIT F

ASSIGNMENT AND ACCEPTANCE

Dated _____, _____

Reference is made to the Second Amended and Restated Credit Agreement dated as of September 7, 2017 (as extended, renewed, amended or restated from time to time, the "*Credit Agreement*") among CTO Realty Growth, Inc., the Guarantors from time to time party thereto, the Lenders and L/C Issuer parties thereto, and Bank of Montreal, as Administrative Agent (the "*Administrative Agent*"). Terms defined in the Credit Agreement are used herein with the same meaning.

_____ (the "*Assignor*") and _____ (the "*Assignee*") agree as follows:

1. The Assignor hereby sells and assigns to the Assignee, and the Assignee hereby purchases and assumes from the Assignor, the amount and specified percentage interest shown on Annex I hereto of the Assignor's rights and obligations under the Credit Agreement as of the Effective Date (as defined below), including, without limitation, the Assignor's Revolving Credit Commitments as in effect on the Effective Date and the Loans, if any, owing to the Assignor on the Effective Date and the Assignor's Revolver Percentage of any outstanding L/C Obligations.

2. The Assignor (i) represents and warrants that it is the legal and beneficial owner of the interest being assigned by it hereunder and that such interest is free and clear of any adverse claim, lien, or encumbrance of any kind; (ii) makes no representation or warranty and assumes no responsibility with respect to any statements, warranties or representations made in or in connection with the Credit Agreement or the execution, legality, validity, enforceability, genuineness, sufficiency or value of the Credit Agreement or any other instrument or document furnished pursuant thereto; and (iii) makes no representation or warranty and assumes no responsibility with respect to the financial condition of the Borrower or any Subsidiary or the performance or observance by the Borrower or any Subsidiary of any of their respective obligations under the Credit Agreement or any other instrument or document furnished pursuant thereto.

3. The Assignee (i) confirms that it has received a copy of the Credit Agreement, together with copies of the most recent financial statements delivered to the Lenders pursuant to Section 8.5(b) and (c) thereof and such other documents and information as it has deemed appropriate to make its own credit analysis and decision to enter into this Assignment and Acceptance; (ii) agrees that it will, independently and without reliance upon the Administrative Agent, the Assignor or any other Lender and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking action under the Credit Agreement; (iii) appoints and authorizes the Administrative Agent to take such action as Administrative Agent on its behalf and to exercise such powers under the Credit Agreement and the other Loan Documents as are delegated to the Administrative Agent by the terms thereof, together with such powers as are reasonably incidental thereto; (iv) agrees that it will

perform in accordance with their terms all of the obligations which by the terms of the Credit Agreement are required to be performed by it as a Lender; and (v) specifies as its lending office (and address for notices) the offices set forth on its Administrative Questionnaire.

4. As consideration for the assignment and sale contemplated in Annex I hereof, the Assignee shall pay to the Assignor on the Effective Date in Federal funds the amount agreed upon between them. It is understood that commitment and/or letter of credit fees accrued to the Effective Date with respect to the interest assigned hereby are for the account of the Assignor and such fees accruing from and including the Effective Date are for the account of the Assignee. Each of the Assignor and the Assignee hereby agrees that if it receives any amount under the Credit Agreement which is for the account of the other party hereto, it shall receive the same for the account of such other party to the extent of such other party's interest therein and shall promptly pay the same to such other party.

5. The effective date for this Assignment and Acceptance shall be _____ (the "*Effective Date*"). Following the execution of this Assignment and Acceptance, it will be delivered to the Administrative Agent for acceptance and recording by the Administrative Agent and, if required, the Borrower.

6. Upon such acceptance and recording, as of the Effective Date, (i) the Assignee shall be a party to the Credit Agreement and, to the extent provided in this Assignment and Acceptance, have the rights and obligations of a Lender thereunder and (ii) the Assignor shall, to the extent provided in this Assignment and Acceptance, relinquish its rights and be released from its obligations under the Credit Agreement.

7. Upon such acceptance and recording, from and after the Effective Date, the Administrative Agent shall make all payments under the Credit Agreement in respect of the interest assigned hereby (including, without limitation, all payments of principal, interest and commitment fees with respect thereto) to the Assignee. The Assignor and Assignee shall make all appropriate adjustments in payments under the Credit Agreement for periods prior to the Effective Date directly between themselves.

8. This Assignment and Acceptance shall be governed by, and construed in accordance with, the internal laws of the State of New York.

[ASSIGNOR LENDER]

By_____
Name_____
Title_____

[ASSIGNEE LENDER]

By_____
Name_____
Title_____

Accepted and consented this
____ day of _____

CTO REALTY GROWTH, INC.

By_____
Name_____
Title_____

Accepted and consented to by the Administrative Agent and L/C Issuer this ___ day of _____

BANK OF MONTREAL, as Administrative Agent and L/C Issuer

By_____
Name_____
Title_____

ANNEX I
TO ASSIGNMENT AND ACCEPTANCE

The assignee hereby purchases and assumes from the assignor the following interest in and to all of the Assignor's rights and obligations under the Credit Agreement as of the effective date.

FACILITY ASSIGNED	AGGREGATE REVOLVING CREDIT COMMITMENT/LOANS FOR ALL LENDERS	AMOUNT OF REVOLVING CREDIT COMMITMENT/LOANS ASSIGNED	PERCENTAGE ASSIGNED OF REVOLVING CREDIT COMMITMENT/LOANS
Revolving Credit	$_____	$_____	_____%
Term Loan	$_____	$_____	$_____
Incremental Term Loan	$_____	$_____	$_____

EXHIBIT G

ADDITIONAL GUARANTOR SUPPLEMENT

_____, ___

Bank of Montreal, as Administrative Agent for the Lenders named in the Second Amended and Restated Credit Agreement dated as of September 7, 2017, among CTO Realty Growth, Inc., as Borrower, the Guarantors signatories thereto, the Lenders from time to time party thereto, and the Administrative Agent (the "*Credit Agreement*")

Ladies and Gentlemen:

Reference is made to the Credit Agreement described above. Terms not defined herein which are defined in the Credit Agreement shall have for the purposes hereof the meaning provided therein.

The undersigned, **[name of Subsidiary Guarantor]**, a **[jurisdiction of incorporation or organization]** hereby elects to be a "*Guarantor*" for all purposes of the Credit Agreement, effective from the date hereof. The undersigned confirms that the representations and warranties set forth in Section 6 of the Credit Agreement are true and correct as to the undersigned as of the date hereof and the undersigned shall comply with each of the covenants set forth in Section 8 of the Credit Agreement applicable to it.

Without limiting the generality of the foregoing, the undersigned hereby agrees to perform all the obligations of a Guarantor under, and to be bound in all respects by the terms of, the Credit Agreement, including, without limitation, Section 13 thereof, to the same extent and with the same force and effect as if the undersigned were a signatory party thereto.

The undersigned acknowledges that this Agreement shall be effective upon its execution and delivery by the undersigned to the Administrative Agent, and it shall not be necessary for the Administrative Agent or any Lender, or any of their Affiliates entitled to the benefits hereof, to execute this Agreement or any other acceptance hereof. This Agreement shall be construed in accordance with and governed by the internal laws of the State of New York.

Very truly yours,

[NAME OF SUBSIDIARY GUARANTOR]

By_____
Name_____
Title_____

EXHIBIT H

COMMITMENT AMOUNT INCREASE REQUEST

_____, ____

To: Bank of Montreal, as Administrative Agent for the Lenders parties to the Second Amended and Restated Credit Agreement dated as of September 7, 2017 (as extended, renewed, amended or restated from time to time, the "*Credit Agreement*"), among CTO Realty Growth, Inc., the Guarantors which are signatories thereto, certain Lenders parties thereto, and Bank of Montreal, as Administrative Agent

Ladies and Gentlemen:

The undersigned, CTO Realty Growth, Inc. (the "*Borrower*") hereby refers to the Credit Agreement and requests that the Administrative Agent consent to an **[increase in the aggregate Revolving Credit Commitments] [[__] Incremental Term Loan Commitment]** (the "*Commitment Amount Increase*"), in accordance with Section 1.15 of the Credit Agreement, to be effected by **[an increase in the Revolving Credit Commitment of [name of existing Lender] [[__] Incremental Term Loan Commitment] [the addition of [name of new Lender] (the "*New Lender*") as a Lender under the terms of the Credit Agreement]**. Capitalized terms used herein without definition shall have the same meanings herein as such terms have in the Credit Agreement.

After giving effect to such Commitment Amount Increase, **[the Revolving Credit Commitment] [[__] Incremental Term Loan Commitment]** of the **[Lender] [New Lender]** shall be $_____.

[Include paragraphs 1-4 for a New Lender]

1. The New Lender hereby confirms that it has received a copy of the Loan Documents and the exhibits related thereto, together with copies of the documents which were required to be delivered under the Credit Agreement as a condition to the making of the Revolving Loans and other extensions of credit thereunder. The New Lender acknowledges and agrees that it has made and will continue to make, independently and without reliance upon the Administrative Agent or any other Lender and based on such documents and information as it has deemed appropriate, its own credit analysis and decisions relating to the Credit Agreement. The New Lender further acknowledges and agrees that the Administrative Agent has not made any representations or warranties about the credit worthiness of the Borrower or any other party to the Credit Agreement or any other Loan Document or with respect to the legality, validity, sufficiency or enforceability of the Credit Agreement or any other Loan Document or the value of any security therefor.

2. Except as otherwise provided in the Credit Agreement, effective as of the date of acceptance hereof by the Administrative Agent, the New Lender (i) shall be deemed automatically

to have become a party to the Credit Agreement and have all the rights and obligations of a *"Lender"* under the Credit Agreement as if it were an original signatory thereto and (ii) agrees to be bound by the terms and conditions set forth in the Credit Agreement as if it were an original signatory thereto.

3. The New Lender shall deliver to the Administrative Agent an Administrative Questionnaire.

[4. The New Lender has delivered, if appropriate, to the Borrower and the Administrative Agent (or is delivering to the Borrower and the Administrative Agent concurrently herewith) the tax forms referred to in [Section 12.1] of the Credit Agreement.]*

THIS AGREEMENT SHALL BE DEEMED TO BE A CONTRACTUAL OBLIGATION UNDER, AND SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH, THE INTERNAL LAWS OF THE STATE OF NEW YORK.

The Commitment Amount Increase shall be effective when the executed consent of the Administrative Agent is received or otherwise in accordance with Section 1.15 of the Credit Agreement, but not in any case prior to _____, ____. It shall be a condition to the effectiveness of the Commitment Amount Increase that all expenses referred to in Section 1.15 of the Credit Agreement shall have been paid.

The Borrower hereby certifies that no Default or Event of Default has occurred and is continuing.

---

* Insert bracketed paragraph if New Lender is organized under the law of a jurisdiction other than the United States of America or a state thereof.

Please indicate the Administrative Agent's consent to such Commitment Amount Increase by signing the enclosed copy of this letter in the space provided below.

Very truly yours,

CTO REALTY GROWTH, INC.

By:_____
Name:_____
Title:_____

[NEW OR EXISTING LENDER INCREASING COMMITMENTS]

By:_____
Name:_____
Title:_____

The undersigned hereby consents on this __ day of _____, _____ to the above-requested Commitment Amount Increase.

BANK OF MONTREAL,
as Administrative Agent

By_____
Name_____
Title_____

EXHIBIT I

BORROWING BASE CERTIFICATE

To: Bank of Montreal, as Administrative Agent under, and the Lenders party to, the Credit Agreement described below.

Pursuant to the terms of the Second Amended and Restated Credit Agreement dated as of September 7, 2017, as amended, among us (the *"Credit Agreement"*), we submit this Borrowing Base Certificate to you and certify that the calculation of the Borrowing Base set forth below and on any Exhibits to this Certificate is true, correct and complete as of the Borrowing Base Determination Date.

A. Borrowing Base Determination Date: _____ ____, 20___.

B. The Borrowing Base and Revolving Credit Availability as of the Borrowing Base Determination Date is calculated as:

1.	60% of the Borrowing Base Value as calculated on Exhibit A hereto	$_____
2.	Debt Service Coverage Amount as calculated on Exhibit B hereto	$_____
3.	The *lesser* of Line 1 and Line 2	$_____
4.	Other Unsecured Indebtedness (other than the Obligations)	$_____
5.	Line 3 minus Line 4 (the *"Borrowing Base"*)	$_____
6.	Aggregate 2026 Term Loans and 2027 Term Loans outstanding	$_____
7.	Aggregate Revolving Loans, Swing Loans and L/C Obligations outstanding	$_____
8.	Line 5 *minus* Line 6 minus Line 7 (the *"Revolving Credit Availability"*)	$_____

The foregoing certifications, together with the computations set forth in Schedule I hereto are made and delivered this _____ day of _____ 20___.

CTO Realty Growth, Inc.

By:_____

Name:_____

Title:_____

EXHIBIT A TO BORROWING BASE CERTIFICATE OF CTO REALTY GROWTH, INC.

This Exhibit A is attached to the Borrowing Base Certificate of CTO Realty Growth, Inc. for the Borrowing Base Determination Date of _____ ____, 20___ and delivered to Bank of Montreal, as Administrative Agent, and the Lenders party to the Second Amended and Restated Credit Agreement dated September 7, 2017, as amended, referred to therein. The undersigned hereby certifies that the following is a true, correct and complete calculation of Borrowing Base Value as of the Borrowing Base Determination Date set forth above:

[Insert Calculation or attach Schedule with exclusions for concentration limits]

BORROWING BASE VALUE OF ALL ELIGIBLE PROPERTIES: **$_____**

BORROWING BASE REQUIREMENTS:

A. Number of Properties

1. The number of Eligible Properties _____
2. Line A1 shall not be less than 20
3. The Borrower is in compliance (circle yes or no) yes/no

B. Borrowing Base Value

1. Borrowing Base Value $_____
2. Line B1 shall not be less than $200,000,000
3. The Borrower is in compliance (circle yes or no) yes/no

C. Non-Retail, Office or Mixed-Use Retail/Office Properties

1. Percent of Borrowing Base Value attributable to Non-Retail, Office or Mixed-Use Retail/Office Properties _____%
2. Line C1 shall not be greater than 35%
3. The Borrower is in compliance (circle yes or no) yes/no

D. Individual Eligible Property Value

1. The Percentage of Borrowing Base Value of each Eligible Property is set forth [above or on the attached Schedule] and the largest Borrowing Base Value or any Eligible Property is $_____ for the _____ Eligible Property.

2. No Eligible Property comprises more than 25% of Borrowing Base Value

3. The Borrower is in compliance (circle yes or no) yes/no[1]

E. Single Tenant Borrowing Base Value

1. The largest amount of Borrowing Base Value from a single Tenant that does not maintain a Rating of at least BBB-/Baa3 from S&P or Moody's, respectively, is $_____ from _____.

2. No single Tenant that does not maintain a Rating of at least BBB-/Baa3 from S&P or Moody's, respectively, comprises more than 20% of Borrowing Base Value

3. The Borrower is in compliance (circle yes or no) yes/no[2]

F. Permitted Ground Lease Investments

1. Percent of Borrowing Base Value attributable to Permitted Ground Lease Investments __%

2. Line F1 shall not be greater than 30%

3. The Borrower is in compliance (circle yes or no) yes/no[3]

G. Hotels, Motels and Resorts

1. Percent of Borrowing Base Value attributable to Hotels, Motels or Resorts __%

2. Line G1 shall not be greater than 20%

3. The Borrower is in compliance (circle yes or no) yes/no

H. Occupancy Rate

1 If applicable, the calculation of Borrowing Base Value includes an adjustment to exclude that portion of the Property NOI or book value of any Eligible Properties attributable to any Eligible Properties to the extent it exceeds the 25% concentration limit.

2 If applicable, the calculation of Borrowing Base Value includes an adjustment to exclude that portion of the Property NOI or book value of any Eligible Properties attributable to any Eligible Properties to the extent it exceeds the 20% concentration limit.

3 If applicable, the calculation of Borrowing Base Value includes an adjustment to exclude that portion of the Property NOI or book value of any Permitted Ground Lease Investments attributable to any Permitted Ground Lease Investments to the extent it exceeds the 35% concentration limit.

	1.	Aggregate Occupancy Rate of Eligible Properties	__%
	2.	Line H1 shall not be less than 85%	
	3.	The Borrower is in compliance (circle yes or no)	yes/no
I.	MSA		
	1.	Percentage of the Borrowing Base Value comprised of Eligible Properties located in the same MSA	__%
	2.	Line I1 shall be not greater than 35%	
	3.	The Borrower is in compliance (circle yes or no)	yes/no

EXHIBIT B TO BORROWING BASE CERTIFICATE OF CTO REALTY GROWTH, INC.

This Exhibit B is attached to the Borrowing Base Certificate of CTO Realty Growth, Inc. for the Borrowing Base Determination Date of _____ ___, 20__ and delivered to Bank of Montreal, as Administrative Agent, and the Lenders party to the Second Amended and Restated Credit Agreement dated September 7, 2017, as amended, referred to therein. The undersigned hereby certifies that the following is a true, correct and complete calculation of Debt Service Coverage Amount as of the Borrowing Base Determination Date set forth above:

ELIGIBLE PROPERTIES	DEBT SERVICE COVERAGE AMOUNT AS CALCULATED ON ANNEX I TO THIS EXHIBIT B
	$_____
	$_____
	$_____
	$_____

TOTAL DEBT SERVICE COVERAGE AMOUNT OF ALL ELIGIBLE PROPERTIES: $_____

ANNEX I TO EXHIBIT B TO BORROWING BASE CERTIFICATE OF CTO REALTY GROWTH, INC.

[Borrower to Insert Calculation of Debt Service Coverage Amount for each Eligible Property with concentration limit exclusions]

SCHEDULE I

REVOLVING CREDIT COMMITMENTS
AS OF THE SEVENTH AMENDMENT EFFECTIVE DATE

NAME OF LENDER	REVOLVING CREDIT COMMITMENT
Bank of Montreal	$55,000,000
Wells Fargo Bank, National Association	$48,500,000
Truist Bank	$46,500,000
The Huntington National Bank	$25,000,000
KeyBank, National Association	$20,000,000
Raymond James Bank	$10,000,000
Synovus Bank	$5,000,000
TOTAL	$210,000,000

SCHEDULE I

TERM LOAN COMMITMENTS
AS OF THE SEVENTH AMENDMENT EFFECTIVE DATE

NAME OF LENDER	2026 TERM LOAN	2027 TERM LOAN
Bank of Montreal	$17,500,000	$10,000,000
Truist Bank	$22,500,000	$10,000,000
KeyBank, National Association	$0.00	$25,000,000
Wells Fargo Bank, National Association	$15,000,000	$25,000,000
The Huntington National Bank	$10,000,000	$10,000,000
Raymond James Bank	$0.00	$10,000,000
Synovus Bank	$0.00	$10,000,000
TOTAL	$65,000,000	$100,000,000

SCHEDULE 1.1

SEVENTH AMENDMENT EFFECTIVE DATE PROPERTIES

PROPERTY OR TENANT DBA	CITY, STATE	SQUARE FEET
Crabby's Oceanside	Daytona Beach, Florida	5,780
LandShark Bar & Grill	Daytona Beach, Florida	6,264
Firebirds Wood Fired Grill	Jacksonville, Florida	6,948
Chuy's	Jacksonville, Florida	7,950
Fidelity	Albuquerque, New Mexico	210,067
24 Hour Fitness	Falls Church, Virginia	46,000
The Carpenter Hotel	Austin, Texas	73,508
General Dynamics	Reston, Virginia	64,319
Party City	Oceanside, New York	15,500
Ford Motor Credit	Tampa, Florida	120,500
Westland Gateway Plaza (Master Leased Property)	Hialeah, Florida	112,150
245 Riverside	Jacksonville, Florida	136,855
Westcliff Shopping Center	Fort Worth, Texas	108,029
The Strand	Jacksonville, Florida	204,552
Crossroads Town Center	Chandler, Arizona	197,797

Property or Tenant DBA	City, State	Square Feet
Mattress Firm	Phoenix, Arizona	6,527
Olive Garden	Phoenix, Arizona	8,000
Village Inn	Phoenix, Arizona	4,500
Party City	Phoenix, Arizona	12,000
Jimmy Johns/BBQ Galore	Phoenix, Arizona	8,000
Old Time Chicago	Phoenix, Arizona	5,627
Del Taco	Phoenix, Arizona	2,260
Ashford Lane	Atlanta, Georgia	269,682
West Jordan Shopping Center	West Jordan, Utah	170,996
At Home, Seafood City, Jollibee	Henderson, Nevada	133,304
The Shops at Legacy	Plano, Texas	236,867
Total	**29 Properties**	**2,198,017**

SCHEDULE 6.2

SUBSIDIARIES

ALPINE INCOME PROPERTY MANAGER, LLC
Date of Formation: August 16, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

BLUEBIRD ARROWHEAD PHOENIX LLC (limited liability company)
Date of Formation: January 14, 2013
State of Formation: Delaware
Member: Golden Arrow 6 LLC, 100% Managing Member

BLUEBIRD GERMANTOWN MD LLC (limited liability company)
Date of Formation: August 15, 2013
State of Formation: Delaware
Member: Golden Arrow 6 LLC, 100% Managing Member

BLUEBIRD RENTON WA LLC (limited liability company)
Date of Formation: July 11, 2013
State of Formation: Delaware
Member: Golden Arrow 6 LLC, 100% Managing Member

CRISP39-1 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-2 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-3 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-4 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-5 LLC (limited liability company)
Date of Formation: October 14, 2019

State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-6 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-7 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39-8 LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CRISP39 SPV LLC

CRISP39 SPV LLC (limited liability company)
Date of Formation: October 14, 2019
State of Formation: Florida
Member: CTO Realty Growth, Inc.: 33.748%
Various Joint Venture Partner entities: 66.252%

CTLC GOLDEN ARROW KATY LLC (limited liability company)
Date of Formation: March 24, 2014
State of Formation: Delaware
Member: Golden Arrow 6 LLC, 100% Managing Member

CTO Gemini Holdings (CTLC) LLC (limited liability company)
Date of Formation: November 8, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO Gemini Holdings (IDL) LLC (limited liability company)
Date of Formation: November 8, 2019
State of Formation: Delaware
Member: Indigo Development LLC 100%

CTO Gemini Holdings (IGI) LLC (limited liability company)
Date of Formation: November 8, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO TRS Crisp 39 LLC (limited liability company)

Date of Formation: October 17, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO TRS CW LLC (limited liability company)
Date of Formation: March 5, 2020
State of Formation: Delaware
Member: CTO TRS CRISP39 LLC 100%

CTO TRS MITIGATION LLC (limited liability company)
Date of Formation: March 5, 2020
State of Formation: Delaware
Member: CTO TRS CRISP39 LLC 100%

CTO TRS TBMB LLC (limited liability company)
Date of Formation: March 3, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO16 ATLANTIC LLC (limited liability company)
Date of Formation: November 9, 2016
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO16 AUSTIN LLC (limited liability company)
Date of Formation: August 17, 2016
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO16 DALLAS LLC (limited liability company)
Date of Formation: February 9, 2016
State of Formation: Delaware
Member: Indigo Group Inc. 100% Managing Member

CTO16 MONTEREY LLC (limited liability company)
Date of Formation: August 12, 2016
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO16 OLIVE TX LLC (limited liability company)
Date of Formation: September 9, 2016
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO16 OSI LLC (limited liability company)
Date of Formation: August 17, 2016

State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO16 PETERSON LLC (limited liability company)
Date of Formation: October 11, 2016
State of Formation: Delaware
Member: CTO Realty Growth, Inc. (100%)

CTO17 ARUBA LAND LLC (limited liability company)
Date of Formation: May 11, 2017
State of Formation: Delaware
Member: CTO Realty Growth, Inc. (100%)

CTO17 SARASOTA LLC (limited liability company)
Date of Formation: January 10, 2017
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO17 WESTCLIFF TX LLC (limited liability company)
Date of Formation: January 10, 2017
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

CTO18 ALBUQUERQUE NM LLC (limited liability company)
Date of Formation: August 8, 2018
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO18 ARLINGTON TX LLC (limited liability company)
Date of Formation: December 10, 2018
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO18 ASPEN LLC (limited liability company)
Date of Formation: January 25, 2018
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO18 JACKSONVILLE FL LLC (limited liability company)
Date of Formation: September 13, 2018
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 CARPENTER AUSTIN LLC (limited liability company)
Date of Formation: June 20, 2019

State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 Josephine Austin LLC (limited liability company)
Date of Formation: June 20, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 NRH TX LLC (limited liability company)
Date of Formation: October 8, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 OCEANSIDE NY LLC (limited liability company)
Date of Formation: August 20, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 RESTON VA LLC (limited liability company)
Date of Formation: June 28, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 STRAND JAX LLC (limited liability company)
Date of Formation: December 2, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 TAFT VINELAND LLC (limited liability company)
Date of Formation: June 11, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO19 WOFAT LLC (limited liability company)
Date of Formation: December 17, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 CORNERSTONE LLC (limited liability company)
Date of Formation: November 5, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 CROSSROADS AZ LLC (limited liability company)
Date of Formation: December 16, 2019

State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 FALLS CENTRE LLC (limited liability company)
Date of Formation: January 16, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 HIALEAH LLC (limited liability company)
Date of Formation: September 11, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 PERIMETER II LLC (limited liability company)
Date of Formation: February 18, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. (100%)

CTO20 PERIMETER LLC (limited liability company)
Date of Formation: February 18, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 SANTA FE LLC (limited liability company)
Date of Formation: January 16, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO20 TAMPA LLC (limited liability company)
Date of Formation: August 14, 2020
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO21 ACQUISITIONS LLC (limited liability company)
Date of Formation: March 3, 2021
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

CTO21 ACQUISITIONS II LLC (limited liability company)
Date of Formation: May 28, 2021
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

DAYTONA JV LLC (limited liability company)
Date of Formation: August 5, 2015
State of Formation: Florida

Members: LHC15 Atlantic DB JV LLC (50%, managing member) and CTO16 Atlantic LLC (50% managing member)

DB BEACH LAND LLC (limited liability company)
Date of Formation: July 14, 2017
State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100% Managing Member

DB MAIN STREET LLC (limited liability company)
Date of Formation: March 13, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

DB MAINLAND LLC (limited liability company)
Date of Formation: May 11, 2017; Name Change Amendment 7/14/2017
State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100% Managing Member

DB MAINLAND TWO LLC (limited liability company)
Date of Formation: April 23, 2018
State of Formation: Delaware
Member: Indigo Group Inc. 100%

FIVE GOLF LLC (limited liability company)
Date of Formation: September 25, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

GOLDEN ARROW 6 LLC (limited liability company)
Date of Formation: September 16, 2014
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100% Managing Member

GOLDEN ARROW CHARLOTTE NC LLC (limited liability company)
Date of Formation: August 29, 2014
State of Formation: Delaware
Member: Golden Arrow 6 LLC, 100% Managing Member

GOLDEN ARROW CLERMONT FL LLC (limited liability company)
Date of Formation: August 29, 2014
State of Formation: Delaware
Member: Golden Arrow 6 LLC, 100% Managing Member

GOLDEN ARROW FIRST ST. SARASOTA LLC (limited liability company)
Date of Formation: September 5, 2014

State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

GOLDEN ARROW WPP LLC (limited liability company)
Date of Formation: December 10, 2014
State of Formation: Delaware
Member: Indigo Group Inc., 100%

IGI16 PETERSON LLC (limited liability company)
Date of Formation: October 12, 2016
State of Formation: Delaware
Member: Indigo Group Inc 100%

IGI18 Back 40 LLC (limited liability company)
Date of Formation: February 23, 2018
State of Formation: Delaware
Member: Indigo Group Inc 100%

IGI19 FC VA LLC (limited liability company)
Date of Formation: March 21, 2019
State of Formation: Delaware
Member: CTO Realty Growth, Inc. 100%

IGI20 CROSSROADS AZ LLC (limited liability company)
Date of Formation: January 16, 2020
State of Formation: Delaware
Member: Indigo Group Inc. (100%)

IGI20 TAMPA LLC (limited liability company)
Date of Formation: August 19, 2020
State of Formation: Delaware
Member: Indigo Group, Inc. 100%

IGL20 TAMPA LLC (limited liability company)
Date of Formation: August 19, 2020
State of Formation: Delaware
Member: Indigo Group Ltd. 100%

INDIGO DEVELOPMENT LLC (limited liability company)
Date of Formation: January 13, 2009
State of Formation: Florida
Member: CTO Realty Growth, Inc., 100% Managing Member

INDIGO GRAND CHAMPIONS FIVE LLC (limited liability company)
Date of Formation: July 20, 2010
State of Formation: Florida

Member: Palms Del Mar Inc., 100% Managing Member

INDIGO GRAND CHAMPIONS SIX LLC (limited liability company)
Date of Formation: July 20, 2010
State of Formation: Florida
Member: Palms Del Mar Inc., 100% Managing Member

INDIGO GRAND CHAMPIONS TEN LLC (limited liability company)
Date of Formation: July 20, 2010
State of Formation: Florida
Member: Palms Del Mar Inc., 100% Managing Member

INDIGO GROUP INC. (corporation)
Date of Incorporation: September 27, 1984, name change amendments 4/7/1987 and 7/23/1991
State of Incorporation: Florida
Shareholder: CTO Realty Growth, Inc.

INDIGO GROUP LTD (limited partnership)
Date of Formation: April 30, 1987, name change amendment 8/1/1991
State of Formation: Florida

Partners:

Indigo Group Inc. (Managing General Partner)	1.460%
Palms Del Mar Inc. (Limited Partner)	5.065%
CTO Realty Growth, Inc.	93.475%

INDIGO INTERNATIONAL LLC (limited liability company)
Date of Formation: January 13, 2009
State of Formation: Florida
Member: CTO Realty Growth, Inc., 100% Managing Member

INDIGO MALLARD CREEK LLC (limited liability company)
Date of Formation: March 12, 2008
State of Formation Florida
Member: Indigo Development LLC, 100%

LHC14 OLD DELAND LLC (limited liability company)
Date of Formation: June 4, 2014; name change amendment 05/11/2015
State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100% Managing Member

LHC15 ATLANTIC DB JV LLC (limited liability company)
Date of Formation: August 3, 2015

State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100% Managing Member

LHC15 RALEIGH NC LLC (limited liability company)
Date of Formation: October 26, 2015
State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100% Managing Member

LHC15 RIVERSIDE FL LLC (limited liability company)
Date of Formation: June 30, 2015
State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100% Managing Member

LHC15 WPP LLC (limited liability company)
Date of Formation: May 20, 2015
State of Formation: Delaware
Member: CTO Realty Growth, Inc., 100%

PALMS DEL MAR INC. (corporation)
Date of formation: May 12, 1978 (Acquired by CTO Realty Growth, Inc., The Predecessor
State of formation: Florida
Sole Shareholder: CTO Realty Growth, Inc.

PLAY IT FORWARD DAYTONA INC.
501(c)3 charitable entity
Date of Incorporation: October 5, 2015
State of Incorporation: Florida

TIGER BAY MITIGATION LLC (limited liability company)
Date of Formation: January 17, 2018
State of Formation: Florida
Member: Originally CTO Realty Growth, Inc. 100%; as of 6/7/2018, a 69.77% interest in the entity was conveyed to ASG Tiger Bay Holdings LLC.

TOMOKA AG INC. (corporation)
Ag Operations
(Name changed from W. Hay Inc., effective July 18, 2012)
Date of Incorporation: December 21, 2004
State of Incorporation: Florida
Authorized Shares: 1,000 common shares, $1.00 par value

SCHEDULE 6.6

MATERIAL ADVERSE CHANGE

NONE.

SCHEDULE 6.11

LITIGATION

This Schedule 6.11 is qualified in its entirety by reference to specific provisions of the Credit Agreement to which it relates, and to the extent such provisions contain representations and warranties, this Schedule 6.11 is intended to only qualify and shall not be deemed to expand in any way the scope or effect of any such representations and warranties. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Credit Agreement. Inclusion of information herein shall not be construed as an admission that such information is material to the Borrower or to any of the Subsidiaries. Matters reflected in this Schedule are not necessarily limited to matters required by the Credit Agreement to be reflected herein. Any such additional matters are included herein for informational purposes and do not necessarily include other matters of similar nature. Headings have been inserted herein for convenience of reference only and shall to no extent have the effect of amending or changing the express description of this Schedule in the Credit Agreement.

SCHEDULE 6.17

ENVIRONMENTAL ISSUES

This Schedule 6.17 is qualified in its entirety by reference to specific provisions of the Credit Agreement to which it relates, and to the extent such provisions contain representations and warranties, this Schedule 6.17 is intended to only qualify and shall not be deemed to expand in any way the scope or effect of any such representations and warranties. Capitalized terms used herein but not defined herein shall have the meanings ascribed to them in the Credit Agreement. Inclusion of information herein shall not be construed as an admission that such information is material to the Borrower or to any of the Subsidiaries. Matters reflected in this Schedule are not necessarily limited to matters required by the Credit Agreement to be reflected herein. Any such additional matters are included herein for informational purposes and do not necessarily include other matters of similar nature. Headings have been inserted herein for convenience of reference only and shall to no extent have the effect of amending or changing the express description of this Schedule in the Credit Agreement.

Property	Address	Description of Environmental Issue
Little Lake Grassy	Lake Placid, FL	Little Lake Grassy is a small pond located adjacent to a large citrus grove operation that was formerly operated by the Company. The contamination originated at a maintenance facility used as part of the irrigation system for the citrus grove. The Company fully implemented the Remedial Action Plan (RAP) previously approved by the State and the State recently confirmed that the testing and treatment activities performed pursuant to the RAP were completed satisfactorily. The State also recently approved the Company's plan for monitoring the site which calls for the Company providing monitoring results once per year. The monitoring program is now underway. The First Post Active Remediation

Monitoring Report was submitted on or about March 28, 2019. Overall, groundwater quality conditions showed improvement with the exception of one monitoring well; nevertheless, the results at this well were still testing below the Natural Attenuation Default. The Second Post Active Remediation Monitoring Report was submitted on or about April 21, 2020, and reflected groundwater quality conditions to be generally similar to last year's results with all wells are testing well below the Natural Attenuation Default. It was recommended that the next annual monitoring event occur in March 2021.

SCHEDULE 8.7

EXISTING LIENS

[NONE.]

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. REDACTED INFORMATION IS INDICATED BY [****].

CONTRACT FOR SALE AND PURCHASE

THIS CONTRACT FOR SALE AND PURCHASE (hereinafter, the "Contract") is entered into by and between **CRISP39 – 4 LLC**, a Florida limited liability company, and **LHC14 Old DeLand LLC**, a Delaware limited liability company (jointly and severally, collectively, "Seller"), and **TLO 12 SunGate, LLC**, a Delaware limited liability company ("Buyer").

1. The Portfolio.

(a) Buyer agrees to buy and Seller agrees to sell approximately 856 acres of certain real property located in the City of Daytona Beach (the "City"), Volusia County, Florida (the "County"), more particularly described on **Exhibit A** attached hereto and by this reference made a part hereof (each a "Property" and, collectively, the "Portfolio"), subject to the terms and conditions of this Contract.

2. Purchase Price.

(a) The purchase price for the Portfolio shall be SIX MILLION SEVEN HUNDRED FIFTY-NINE THOUSAND AND NO/100 DOLLARS ($6,759,000.00) (the "Purchase Price").

(b) Buyer shall be responsible to pay all costs and expenses for any permits Buyer is required to obtain to develop a Property or the Portfolio that are issued by St. Johns River Water Management District ("SJRWMD") or the U.S. Army Corps of Engineers ("ACOE"). If Buyer wishes to apply for permission to remove any wetlands on the Portfolio before Closing (as defined in Paragraph 9 below), Buyer shall bear any costs and expenses related thereto, including

all mitigation costs and expenses (including those under Paragraph 2(c) below) required to comply with the terms of such permit.

(i) [****].

(c) [****].

3. Deposit. Buyer has deposited the sum of [****] (including any interest earned thereon, the "Deposit") with [****] (the "Escrow Agent"), to be held in escrow pursuant to the terms of this Contract. The Deposit (as hereinafter defined) is refundable to Buyer pursuant to the terms of this Contract. The Escrow Agent shall provide Buyer and Seller with a written receipt for any Deposit held under this Contract. Any Deposit paid to Escrow Agent shall be placed in an interest-bearing account using Buyer's tax identification number, which Buyer shall provide to Escrow Agent. Failure by Buyer to pay any Deposit required under this Contract by the time specified herein shall be a default under this Contract. If this Contract is not terminated by Buyer prior to the expiration of the Inspection Period, the Deposit shall, subject to the provisions of this Contract, become non-refundable to Buyer and fully at risk.

4. Inspection Period.

(a) Notwithstanding any other provision of this Contract to the contrary, Buyer and Seller agree that Buyer shall have an inspection period (the "Inspection Period"), commencing on the Effective Date and expiring on [****], within which to inspect and investigate all aspects of the Portfolio (including, but not limited to, applicable zoning, comprehensive land use designations, concurrency requirements, applicable statutes, ordinances and regulations, availability and capacity of all utilities necessary to serve the Portfolio, wetland issues, survey and environmental matters and subsurface conditions)**;** provided, however, if Buyer does not terminate this Contract prior to the expiration of the Inspection Period, Buyer may continue such inspection

and investigation after the expiration of the Inspection Period. Buyer shall have the right, in its sole and absolute discretion, to terminate this Contract at any time during the Inspection Period upon giving Seller written notice of Buyer's election to terminate this Contract (a "Termination Notice"). Upon giving such Termination Notice, all rights and obligations of the parties hereunder, except for those which expressly survive the termination of this Contract, shall terminate and this Contract shall be null and void. Upon receipt of a copy of the Termination Notice, the Escrow Agent shall disburse the Deposit to Buyer, subject to the provisions of Paragraph 5(b) below.

(b) If Buyer fails to terminate this Contract properly before the expiration of the Inspection Period, Buyer shall be deemed to have waived this Paragraph 4 and Buyer shall be obligated to close this transaction subject to all other terms and conditions of this Contract.

(c) [****].

5. Existing Portfolio Information and Right of Entry.

(a) Seller has provided to Buyer any copies of surveys including any wetlands jurisdictional surveys, topographical data, engineering and environmental reports, drawings and plans, and any other material information relating to the use and development of each Property in the possession or control of Seller, to the extent any of the same exist or are in Seller's possession or control (the reference to such information herein does not imply, or constitute a representation, that Seller has any of the same) ("Seller's Due Diligence Materials"). Buyer and its authorized agents, employees and contractors shall have the right to enter upon each Property for the purpose of reasonable inspections and non-invasive testing of each Property incident to Buyer's Inspection Period, design work and obtaining development approvals. Buyer may not conduct invasive testing/Phase 2 environmental testing without Seller's prior written consent, which consent may be granted or withheld in Seller's sole discretion; [****]. In connection with the foregoing right

of entry, Buyer agrees to, and shall indemnify and hold Seller harmless from any claim, liability, loss or damage occasioned by any act or omission of Buyer or Buyer's employees, agents or contractors. Buyer represents, warrants and agrees that, in making any physical or environmental inspections of any Property, Buyer or Buyer's agents will carry not less than TWO MILLION DOLLARS ($2,000,000.00) in the aggregate, ONE MILLION DOLLARS ($1,000,000.00) per incident, comprehensive general liability insurance with contractual liability endorsement which insures Buyer's indemnity obligations hereunder. Upon request of Seller, Buyer will provide Seller with written evidence of same and/or provide Seller with a certificate of insurance naming Seller as an additional insured. Any entry upon any Property for the taking of test samples shall be done in material compliance with industry standards and all such samples shall be properly disposed of by Buyer in compliance with all applicable laws, all at Buyer's expense.

(b) Seller's Due Diligence Materials contain copies of any agricultural leases or any land management that affect the Portfolio. During the Inspection Period, Buyer shall determine if it chooses to assume same at Closing, or if it elects to have Seller terminate same prior to Closing, at Seller's sole cost and expense.

(c) If Buyer terminates this Contract in accordance with any of its terms, Buyer shall: (1) restore each Property to substantially the same condition that existed prior to Buyer's entry on such Property; (2) promptly return Seller's Due Diligence Materials to Seller as well as all tests, inspections, studies, reports, engineering data, plats, governmental submissions, or other data Buyer has completed and in Buyer's possession as to the Portfolio ("Buyer's Due Diligence Reports") which Seller may use at its own risk; provided, however, Buyer may retain copies of Buyer's Due Diligence Reports in accordance with its document retention policies and due to automatic archiving and back-up procedures and shall not be required to provide to Seller any

confidential or attorney-client privileged information; (3) notify its relevant professionals and consultants of such termination and authorize them to release Buyer's Due Diligence Reports to Seller for Seller's use; and (4) at Seller's option, use commercially reasonable efforts to transfer or assign, to the extent transferable or assignable, any permits, permit applications, zoning requests, or other such petitions or applications which have been obtained by Buyer regarding a Property. Any release of the Deposit to Buyer shall be subject to Buyer providing to Seller a statement from an officer of Buyer certifying that Buyer has complied with the foregoing sentence.

6. Title.

(a) Within two (2) days after the Effective Date, Seller shall order, at Seller's expense, a title insurance commitment ("Commitment") for a title insurance policy on each Property, issued by an agent for a nationally recognized title insurance company ("Title Company"). The Commitment shall also include legible copies of all documents referred to on the Commitment as affecting each Property. The Commitment shall agree to issue to Buyer a title insurance policy (ALTA Form with Florida revisions), in the amount of the Purchase Price allocated to each Property, insuring Buyer's title to such Property to be conveyed hereunder, subject only to those exceptions accepted by Buyer expressly referenced herein or provided for herein. If Buyer does not terminate the Contract during the Inspection Period, Buyer agrees to take title to each Property subject to: (i) comprehensive land use plans, zoning, restrictions, prohibitions, and other requirements imposed by governmental authorities; (ii) restrictions and matters appearing on the plat (if any) or otherwise common to the subdivision (if one);
(iii) outstanding oil, gas and mineral rights of record without the right of entry; (iv) unplatted public utility easements of record; (v) real property taxes on the Portfolio not yet due and payable; and (vi) the restrictions and matters appearing of record in the Public Records of the County which

Seller does not agree, during the Inspection Period, to have removed ("Permitted Exceptions"). References to the foregoing documents (but not the plat) are referenced in **Exhibit D** attached hereto and by reference made a part hereof. Other title exceptions may also be shown on the title insurance commitment, as the documents referenced in Exhibit D are not necessarily all of the exceptions to Seller's title. Seller shall take such actions as are necessary so that prior to Closing, the exceptions for rights of parties other than the owner in possession, unrecorded easements, mechanics, materialmen's and laborers' liens, and any other monetary encumbrance not caused by Buyer are deleted by the Title Company.

(b) If the Commitment contains exceptions, restrictions or easements other than those set forth herein that are not acceptable to Buyer or if the Commitment is otherwise not acceptable to Buyer, Buyer may terminate the Contract during the Inspection Period, and in such event this Contract shall be null and void (except for those provisions which expressly survive termination of the Contract) and the Escrow Agent shall return to Buyer the Deposit, if any.

(c) Buyer shall have [****] from the date of receipt of the Commitment for each Property to examine the same. If Buyer determines from the Commitment that the title to a Property is subject to any exceptions not set forth in this Contract or that any of the exceptions on the Commitment are otherwise not acceptable to Buyer, then, Buyer may either immediately terminate the Contract as set forth above or may, within the [****] review period, notify Seller to remove certain exceptions not set forth in this Contract, and Seller shall have thirty (30) days to elect whether or not to remove such exceptions and to provide Buyer proof of the removal, if Seller elects to cure or remove same. Seller may elect not to cure any or all of the matters to which Buyer takes exception. If Seller is unwilling or unsuccessful in removing the exceptions that it has elected to cure or remove within that time, Buyer shall have the option of (1) accepting the title as it then

is; or (2) demanding a return of the Deposit, thereby terminating this Contract. If Seller is successful in removing the title exceptions it has chosen to cure within the permitted time period, then the closing of this Contract shall take place on the date specified in this Contract for closing. Seller agrees that, if Seller agrees to attempt to remove the exceptions, Seller will use diligent effort to correct the exceptions within the time limit provided.

7. Survey. Buyer, at Buyer's expense, during the Inspection Period, may have each Property surveyed by a registered Florida surveyor. Any such survey shall be certified to Seller. If Buyer objects to any matter of Survey, the same shall be addressed in the same manner as title exceptions to which Seller objects as set forth in Paragraph 6.

8. Intentionally Omitted.

9. Closing Date. This Contract shall be closed and the closing documents delivered no later than [****] (the "Closing"), unless modified by other provisions of this Contract. Closing shall be held at a location of Seller's choosing, however Buyer shall have the option of closing by mail or another registered delivery service.

10. Closing Costs.

[****]

11. Prorations. Taxes and assessments shall be prorated through the day before Closing. Taxes shall be prorated on the current taxes. If Closing occurs on a date when the current year's millage is not fixed and the current year's assessments are not available, then taxes will be prorated on the prior year's tax.

12. Intentionally Omitted.

13. [****]

14. Intentionally Omitted.

15. Intentionally Omitted.

16. Intentionally Omitted.

17. Intentionally Omitted.

18. Condemnation. If, prior to the Closing Date, all of a Property or a part thereof shall be taken (or shall be given notice thereof) by any governmental authority under its power of eminent domain which would thereby materially interfere with Buyer's intended operation or use of or access/ingress to such Property, Buyer shall have the option, to be exercised by written notice given to Seller not later than [****] after Buyer receives written notice of such taking from Seller, which notice shall be provided by Seller to Buyer within [****] after Seller's receipt thereof:

(a) To take title to such Property on the Closing Date without any abatement or adjustment in the Purchase Price, in which event Seller shall assign its rights in the condemnation award to Buyer (or Buyer shall receive the condemnation award from Seller if it has already been paid before the Closing Date). If Buyer elects to take title to a Property that Seller has received a notice of condemnation from a governmental authority, Buyer shall have the right to negotiate the condemnation award with said governmental authority; or,

(b) To cancel this Contract, whereupon this Contract shall be null and void, the deposit shall be returned to Buyer, and neither party shall have any further right or remedy against the other except for those provisions which expressly survive the termination of this Contract.

19. Default.

(a) If Buyer fails to perform under this Contract within the time specified, including payment of all Deposits, [****].

(b) If, for any reason other than failure of Seller to make Seller's title marketable after Seller's best efforts, Seller fails, neglects or refuses to perform under this Contract, Buyer [****].

20. Attorneys' Fees and Costs. In any dispute, including, without limitation, litigation for breach, enforcement, specific performance, or interpretation, arising out of this Contract, the prevailing party shall be entitled to recover from the non-prevailing party reasonable attorneys' fees, costs and expenses, but in no event will either party be liable for consequential damages.

21. No Broker. Seller and Buyer each represent and warrant to the other that each party has not employed, retained or consulted any broker, agent or other finder with respect to the purchase of the Portfolio or this Contract. Seller and Buyer agree to indemnify and hold the other harmless from and against any and all claims, demands, causes of action, debts, liabilities, judgments and damages (including costs and reasonable attorneys' fees incurred in connection with the enforcement of this indemnity) which may be asserted or recovered against the other on account of any brokerage fee, commission, or other compensation arising in breach of this representation and warranty. This warranty shall survive the Closing.

22. Escrow Agent. The Escrow Agent is authorized, and agrees by acceptance of the Deposit, to deposit them promptly, hold same in escrow and, subject to clearance, disburse them in accordance with the terms and conditions of the Contract. Failure of Buyer's funds to clear shall not excuse Buyer's performance; provided, however, Buyer shall not be in default under this Contract in the event that Escrow Agent, due to no fault of Buyer, is delayed in providing funds to Seller on the date of Closing. If in doubt as to Escrow Agent's duties or liabilities under the provisions of this Contract, the Escrow Agent may, at Escrow Agent's option, continue to hold the subject matter of the escrow until the parties hereto agree to its disbursement or until a judgment

of a court of competent jurisdiction shall determine the rights of the parties, or Escrow Agent may deposit same with the Clerk of the Circuit Court having jurisdiction of the dispute. An attorney who represents a party and also acts as Escrow Agent may represent such party in such action. Upon notifying all parties concerned of such action, all liability on the part of the Escrow Agent shall fully terminate, except to the extent of accounting for any items previously delivered out of escrow. Any suit between Buyer and Seller wherein Escrow Agent is made a party because of acting as Escrow Agent hereunder, or in any suit wherein Escrow Agent interpleads the subject matter of the escrow, Escrow Agent shall recover reasonable attorneys' fees and costs incurred with these amounts to be paid from and out of the escrowed funds or equivalent and charged and awarded as court costs in favor of the prevailing party. The Escrow Agent shall not be liable to any party or person for misdelivery to Buyer or Seller of items subject to the escrow, unless such misdelivery is due to willful breach of the provisions of the Contract or gross negligence of the Escrow Agent.

(a) [****].

23. Miscellaneous.

(a) Effective Date. The "Effective Date" shall be June 23, 2021.

(b) Time. Time is of the essence in this Contract. Any expiration date that falls on a non-Business Day shall be extended until 5:00 PM EST of the next Business Day. For purposes of this Contract, the term "Business Day" shall be a day other than a Saturday, a Sunday or a day on which commercial bank are authorized or required to be closed in the State of Florida.

(c) Assignment. Buyer may assign this Contract, in its entirety, to any affiliate of Buyer without the consent of Seller. An "affiliate of Buyer" shall mean a person or business entity, corporate or otherwise, that directly or indirectly through one or more intermediaries,

controls or is controlled by, or is under common control with Buyer. Furthermore, Buyer may, in Buyer's sole and absolute discretion, partially assign this Contract to any affiliate of Buyer such that a Property or a group of Properties may be purchased by an affiliate of Buyer in various separate transactions; provided, however, Buyer shall remain liable for all of Buyer's obligations under this Contract until the closing of the sale of any Property under such partial assignment. Seller shall not be permitted to assign this Contract without the consent of Buyer.

(d) Entire Agreement. This Contract, together with all Exhibits attached hereto which are incorporated into this Contract by this reference, represents the entire agreement between the parties as to the subject matter set forth herein.

(e) Authority. Seller and Buyer represent, warrant and covenant to the other that the execution and delivery of this Contract will not result in a breach of any of the terms of, or constitute a default under, any (i) indenture, contract or instrument to which Seller is a party or by which Seller or a Property is bound, or (ii) law, order, ruling, ordinance, rule, order or regulation with respect to Seller or a Property or the use or construction thereof. [****].

(f) OFAC. Buyer represents that Buyer is not a person or entity with whom Seller is restricted from doing business with under regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury (including, but not limited to, the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism), or other governmental action and is not and shall not engage in any dealings or transactions or be otherwise associated with such person or entities. Buyer is not acting, directly or indirectly for, or on behalf of, any person, group, entity or nation named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit,

or Support Terrorism) or the United States Treasury Department as a terrorist, "Specially Designated National and Blocked Person," or other banned or blocked person, entity, or nation pursuant to any law that is enforced or administered by the Office of Foreign Asset Control, and is not engaging in the transactions contemplated by this Agreement, directly or indirectly, on behalf of, or instigating or facilitating such transactions, directly or indirectly, on behalf of, any such person, group, entity or nation.

(g) Merger. No prior or present agreements or representations shall be binding upon Buyer or Seller unless specifically included in this Contract.

(h) Modifications. No modification or amendment to the terms of this Contract shall be valid or binding upon the parties unless such modification or amendment is reduced to a writing executed by the parties.

(i) Severability and Waiver. In the event that any provision of this Contract shall be held to be invalid or unenforceable, that provision shall be deleted herefrom without affecting, in any respect whatsoever, the validity of the remainder of this Contract, unless so severing would impair a party's material right or materially increase a party's burden. No waiver of any provisions hereof shall be binding, unless executed in writing by the party making the waiver. No waiver of any of the provisions of this Contract shall be deemed or inferred from a party's conduct or for any other reason, nor shall any waiver of a provision constitute a waiver of any other provisions, whether or not similar. No waiver of any provision hereof shall constitute a continuing waiver.

(j) Construction. The language used in this Contract will be construed according to its fair and common meaning and will not be construed more stringently against or more liberally for, either party. The use of singular in this Contract shall include the plural and

vice versa and the use of one gender shall include all other genders. The section headings used herein are for convenience or reference only and are not intended to augment, qualify, explain or vary the content of this Contract, or limit the provisions or scope of any section hereof.

(k) Survival. Except as expressly set forth in this Contract, all indemnities, covenants, agreements, warranties, and representations made by the parties to this Contract shall survive Closing.

(l) Florida Contract. The parties agree that this Contract shall be construed in accordance with the laws of the State of Florida.

(m) Interpretation. Buyer and Seller acknowledge and agree that both parties participated in the drafting of this Contract and in the event of any conflict, ambiguity or discrepancy herein, this Contract or such provision shall not be construed against Seller due to Seller having drafted this Contract or such provision.

(n) Notice. Any notice required or permitted to be given under this Contract shall be in writing and shall be deemed to be an adequate and sufficient notice if given in writing and service is made either by: (1) regular mail, in which case the notice shall be deemed received the date of such delivery by the U.S. Postal Services; (2) certified mail, in which case, the notice shall be deemed to have been given when such letter is received or refused by the addressee; (3) hand delivery, in which case the notice shall be deemed received the date of such personal delivery; (4) electronic mail ("e-mail") (when provided by another delivery method contained herein), in which case the notice shall be deemed received at the time of being sent by e-mail if delivery is confirmed by a time stamped email generated by sender's e-mail program, which confirms that the e-mail was successfully transmitted in its entirety and provided the e-mail was forwarded prior to 5:00 p.m. Eastern Time, and if forwarded after 5:00 p.m. Eastern Time shall be

deemed to have been received on the next succeeding Business Day; or (5) overnight delivery, in which case the notice shall be deemed received upon receipt at the address to which it is delivered, except that if delivery is not accepted, notice shall be deemed given on the date of such non-acceptance. For the purpose of calculating time limits which run from the giving of a particular notice the time shall be calculated from receipt of the notice as determined by this Paragraph. Such notices shall be given to the parties hereto at the following addresses:

As to Seller:

[****]

With a copy to:

[****]

And, with a copy to:

[****]

As to Buyer:

[****]

With a copy to:

[****]

Any party may change the address to where notices are required to be delivered hereunder by delivering notice in accordance with this Section. If any party represented by legal counsel, such legal counsel is authorized to give notice or make deliveries under this Contract directly to the other party on behalf of his or her client, and the same shall be deemed proper notice or delivery hereunder if given or made in the manner hereinabove specified.

24. Counterparts. This Contract may be executed in multiple counterparts all of which taken together shall constitute one executed original. PDF signatures shall be considered original signatures.

25. Covenants of Seller. Seller covenants and agrees that after the Effective Date, Seller shall not, without the prior written consent of Buyer, enter into any new leases, ground leases, or other material contractual obligations or arrangements related to the Portfolio, nor make any material amendments to any existing contractual obligations of Seller relating to the Portfolio, including the Third Party Contracts or other agreements with any other third party. For the avoidance of doubt, however, Seller shall be permitted to close any transactions pursuant to any Third Party Contracts entered prior to the Effective Date provided that Seller provide Buyer complete and accurate copies of the documentation relating to such transactions.

26. **Additional Purchase Contract**. Seller and Buyer acknowledge and agree that LHC14 Old DeLand LLC, a Delaware limited liability company, an affiliate of Seller ("LHC14"), in consultation with Buyer, entered into (1) that certain Vacant Land Contract, dated July 30, 2021, with [****] and (2) that certain Commercial Contract, dated November 16, 2021, as amended by that certain First Amendment to Contract dated November 16, 2021, with [****], true, correct and complete copies of each are set forth on Exhibit H attached hereto (collectively, the "Purchase Contracts"). Buyer and Seller acknowledge and agree that, subject to Buyer's approval of any amendments to the Purchase Contracts, the Purchase Contracts shall be assigned to Buyer effective as of the consummation of Closing, whereby Buyer shall assume all obligations, liabilities, requirements, and benefits of LHC14 under the Purchase Contracts, including any deposits or monthly payments made by LHC14 pursuant to the Purchase Contracts, and the Purchase Price shall be increased by the amount of any such deposits and monthly payments under the Purchase

Contracts which Buyer assumes. Buyer hereby agrees to indemnify Seller and LHC14 for any claims against Seller or LCH14 due to any act of Buyer or Buyer's employees, agents or contractors while performing any inspections or similar investigations in connection with the Purchase Contracts.

[Signatures begin on following page]

IN WITNESS WHEREOF, the parties have hereunto set their respective hands and seals the day and year written below their signatures hereto.

"**SELLER**"

CRISP39 – 4 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

LHC14 OLD DELAND LLC,
a Delaware limited liability company

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

"**BUYER**"

TLO 12 SunGate, LLC, a Delaware limited liability company

[****]

[Signatures continue on following page]

ESCROW AGENT'S ACKNOWLEDGMENT

The undersigned hereby: (i) accepts the escrow created by the foregoing Contract; (ii) expressly acknowledges the obligations of Escrow Agent contained in the Contract; and (iii) agrees to act in accordance with the terms of the Contract as Escrow Agent.

"ESCROW AGENT"

[****]

JOINDER

Signature Page

Exhibit 10.24

CTO Realty Growth, Inc. hereby joins in this Contract for Sale and Purchase for the sole and limited purpose of guarantying the obligations of Seller to Buyer hereunder, but only to the extent that (a) the Closing occurs and (b) Seller expressly has liability to Buyer under this Agreement. From and after the Closing, such obligations of the undersigned and Seller under this Agreement shall be joint and several.

In witness whereof, the undersigned has executed this Joinder effective as of June 23, 2021.

CTO REALTY GROWTH, INC.,
a Maryland corporation

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

29193242v.16
11628853

EXHIBIT A

LEGAL DESCRIPTION

[****]

EXHIBIT B

[INTENTIONALLY OMITTED]

EXHIBIT C

[INTENTIONALLY OMITTED]

EXHIBIT D

[****]

29193242v.16
11628853

EXHIBIT E

[****]

F-1

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. REDACTED INFORMATION IS INDICATED BY [****].

THIRD AMENDMENT TO CONTRACT FOR SALE AND PURCHASE

This THIRD AMENDMENT FOR SALE AND PURCHASE (this "**Third Amendment**") dated effective November 1, 2021, is made by and between **CRISP39 – 3 LLC**, a Florida limited liability company, **CRISP39 – 4 LLC**, a Florida limited liability company, **CRISP39 – 6 LLC**, a Florida limited liability company, **CRISP39 – 7 LLC**, a Florida limited liability company, **CRISP39 – 8 LLC**, a Florida limited liability company, and **LHC14 OLD DELAND LLC**, a Delaware limited liability company (collectively, "**Seller**"), and **TIMBERLINE ACQUISITION PARTNERS, LLC**, a Texas limited liability company ("**Buyer**").

RECITALS

A. Pursuant to that certain Contract for Sale and Purchase, dated effective as of June 23, 2021, between Buyer and Seller, and amended by that certain First Amendment to Contract for Sale and Purchase dated July 30, 2021, and as further amended by that certain Second Amendment to Contract for Sale and Purchase dated September 10, 2021 (as amended, the "**Purchase Agreement**"), Buyer agreed to purchase and Seller agreed to sell the Portfolio (as defined in the Purchase Agreement); and

B. Seller and Buyer now desire to amend the Purchase Agreement to include as if originally therein set forth, the terms and conditions set forth in this Third Amendment;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer do hereby agree as follows:

1. **Capitalized Terms**. Capitalized terms used but not defined in this Third Amendment shall have their respective meanings as set forth in the Purchase Agreement.

2. [****].

3. **Parcel** [****].

3.1 Inspection Period. Buyer and Seller hereby agree that, solely as it relates Site [****] of the Portfolio, the defined term "Inspection Period" set forth in Section 4 of the Purchase Agreement shall be revised to be the period commencing on [****] (the "**[****] Inspection Period**"). Notwithstanding anything herein or in the Purchase Agreement to the contrary, until the expiration of the [****] Inspection Period, Buyer may remove [****] from the Portfolio (with the remaining Portfolio constituting the Reduced Portfolio) in the manner as set

forth in Section 4(d) of the Purchase Agreement. For the avoidance of doubt, Buyer and Seller acknowledge and agree that in accordance with the Purchase Agreement, the Inspection Period for the Portfolio (other than Site [****]) shall expire [****]

3.1.1 [****].

4. **Incorporation by Reference**. This Third Amendment is deemed part of the Purchase Agreement, including and subject to all of its provisions incorporated by reference as if herein set forth.

5. **Counterparts.** This Third Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g. www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6. **Miscellaneous**. This Third Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements. Except as modified herein, all terms and conditions of the Purchase Agreement are hereby ratified and confirmed by Buyer and Seller and are in full force and effect. In the event of any conflict between the terms and conditions of the Purchase Agreement and this Third Amendment, this Third Amendment shall govern.

[SIGNATURE PAGES FOLLOWS]

IN WITNESS WHEREOF, the parties shave caused this Third Amendment to be duly executed to be effective as of the Effective Date.

"**SELLER**"

CRISP39 - 3 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ John P. Albright
Name: John P. Albright
Title: President and Chief Executive Officer

Date: November 1, 2021

CRISP39 - 4 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a
Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ John P. Albright
Name: John P. Albright
Title: President and Chief Executive Officer

Date: November 1, 2021

CRISP39 - 6 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a
Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ John P. Albright
Name: John P. Albright
Title: President and Chief Executive Officer

Date: November 1, 2021

CRISP39 - 7 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a
Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ John P. Albright
Name: John P. Albright
Title: President and Chief Executive Officer

Date: November 1, 2021

CRISP39 - 8 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a
Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ John P. Albright
Name: John P. Albright
Title: President and Chief Executive Officer

Date: November 1, 2021

"**BUYER**"

TIMBERLINE ACQUISITION PARTNERS, LLC,
a Texas limited liability company

[****]

Date: November 1, 2021

"**LHC14**"

LHC14 OLD DELAND LLC, a Delaware limited liability company

By: /s/ Daniel Smith
Its: _____

Date: November 1, 2021

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THE EXHIBIT BECAUSE IT IS BOTH NOT MATERIAL AND IS THE TYPE THAT THE REGISTRANT TREATS AS PRIVATE OR CONFIDENTIAL. REDACTED INFORMATION IS INDICATED BY [****].

FOURTH AMENDMENT TO CONTRACT FOR SALE AND PURCHASE

This FOURTH AMENDMENT FOR SALE AND PURCHASE (this "**Fourth Amendment**") dated effective December 1, 2021, is made by and between **CRISP39 – 3 LLC**, a Florida limited liability company, **CRISP39 – 4 LLC**, a Florida limited liability company, **CRISP39 – 6 LLC**, a Florida limited liability company, **CRISP39 – 7 LLC**, a Florida limited liability company, **CRISP39 – 8 LLC**, a Florida limited liability company, and **LHC14 OLD DELAND LLC**, a Delaware limited liability company (collectively, "**Seller**"), and **TIMBERLINE ACQUISITION PARTNERS, LLC**, a Texas limited liability company ("**Buyer**").

RECITALS

A. Pursuant to that certain Contract for Sale and Purchase, dated effective as of June 23, 2021, between Buyer and Seller, and amended by that certain First Amendment to Contract for Sale and Purchase dated July 30, 2021, and as further amended by that certain Second Amendment to Contract for Sale and Purchase dated September 10, 2021, and as further amended by that certain Third Amendment to Contract for Sale and Purchase dated November 1, 2021 (as amended, the "**Purchase Agreement**"), Buyer agreed to purchase and Seller agreed to sell the Portfolio (as defined in the Purchase Agreement); and

B. Seller and Buyer now desire to amend the Purchase Agreement to include as if originally therein set forth, the terms and conditions set forth in this Fourth Amendment;

NOW THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller and Buyer do hereby agree as follows:

1. **Capitalized Terms**. Capitalized terms used but not defined in this Fourth Amendment shall have their respective meanings as set forth in the Purchase Agreement.

2. **Exhibit B**. Seller and Buyer hereby agree that the Third Party Contracts attached hereto as Exhibit "B" are hereby added as Third Party Contracts to the Purchase Agreement.

3. **Additional Purchase Contracts**. Seller and Buyer hereby agree that Section 27 of the Purchase Agreement is hereby deleted in its entirety and shall have no further force or effect.

4. **Definition of Property**. Seller and Buyer agree that [****] shall no longer be considered a Property or a portion of the Portfolio, and any reference to [****] in the Purchase

Agreement shall be deleted in its entirety. Furthermore, the reference to "1,589 acres" in Section 1(a) of the Purchase Contract is hereby replaced with "725 acres".

5. **Purchase Price**. Seller and Buyer agree that the definition of "Purchase Price" in the Purchase Agreement is hereby revised to "FIFTY-NINE MILLION, FOUR HUNDRED SIXTEEN THOUSAND AND NO/100 DOLLARS ($59,416,000.00)".

6. **Deposit**. The parties acknowledge that on the Closing Date through a separate transaction, [****], an affiliate of Purchaser, is purchasing [****] from Seller [****]. In connection with the [****], Seller and Buyer agree that [****] of the Deposit be transferred by the Escrow Agent to constitute the "Deposit" for the [****], whereby the remaining amount of the Deposit under the Purchase Agreement shall be [****].

7. **Exhibit C**. Seller and Buyer hereby agree that Exhibit C to the Purchase Agreement is hereby replaced with the Exhibit "C" attached hereto.

8. **[****]**.

9. **[****]**.

10. **Incorporation by Reference**. This Fourth Amendment is deemed part of the Purchase Agreement, including and subject to all of its provisions incorporated by reference as if herein set forth.

11. **Counterparts.** This Fourth Amendment may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, e.g. www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

12. **Miscellaneous**. This Fourth Amendment sets forth the entire agreement between the parties with respect to the matters set forth herein. There have been no additional oral or written representations or agreements. Except as modified herein, all terms and conditions of the Purchase Agreement are hereby ratified and confirmed by Buyer and Seller and are in full force and effect. In the event of any conflict between the terms and conditions of the Purchase Agreement and this Fourth Amendment, this Fourth Amendment shall govern.

[SIGNATURE PAGES FOLLOWS]

IN WITNESS WHEREOF, the parties shave caused this Fourth Amendment to be duly executed to be effective as of the Effective Date.

"**SELLER**"

CRISP39 - 3 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

Date: 12-10-2021

CRISP39 - 4 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a
Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

Date: 12-10-2021

CRISP39 - 6 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a
Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

Date: 12-10-2021

CRISP39 - 7 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

Date: 12-10-2021

CRISP39 - 8 LLC,
a Florida limited liability company

By: Crisp39 SPV LLC,
a Florida limited liability company,
its sole member

By: CTO TRS Crisp39 LLC,
a Delaware limited liability company,
its Manager

By: CTO Realty Growth, Inc. (f/k/a Consolidated-Tomoka Land Co.),
a Maryland corporation,
its sole member

By: /s/ Steven R. Greathouse
Name: Steven R. Greathouse
Title: Chief Investment Officer

Date: 12-10-2021

"**BUYER**"

TIMBERLINE ACQUISITION PARTNERS, LLC,
a Texas limited liability company

[****]

Date: 12/10/21

[Signature Page to Fourth Amendment to Contract for Sale and Purchase]

"**LHC14**"

LHC14 OLD DELAND LLC, a Delaware limited liability company

By: /s/ Steven R. Greathouse
Its: Chief Investment Officer

Date: 12-10-2021

[Signature Page to Fourth Amendment to Contract for Sale and Purchase]

EXHIBIT B

Additional Third Party Contracts

[****]

EXHIBIT C

Allocated Sales Prices

[****]
Exhibit C

Exhibit 21.1

Subsidiaries of the Registrant: CTO Realty Growth, Inc.
as of December 31, 2021:

	Organized Under Laws of	Percentage of Voting Securities Owned by Immediate Parent
Alpine Income Property Manager, LLC	Delaware	100.0 (3)
Bluebird Arrowhead Phoenix LLC	Delaware	100.0 (6)
Bluebird Germantown MD LLC	Delaware	100.0 (6)
Bluebird Renton WA LLC	Delaware	100.0 (6)
Conservation Park LLC	Delaware	100.0 (3)
CTLC Golden Arrow Katy LLC	Delaware	100.0 (6)
CTO Gemini Holdings (CTLC) LLC	Delaware	100.0 (3)
CTO Gemini Holdings (IDL) LLC	Delaware	100.0 (5)
CTO Gemini Holdings (IGI) LLC	Delaware	100.0 (7)
CTO TRS Crisp39 LLC	Delaware	100.0 (3)
CTO TRS CW LLC	Delaware	100.0 (11)
CTO TRS Mitigation LLC	Delaware	100.0 (11)
CTO TRS TBMB LLC	Delaware	100.0 (3)
CTO16 Atlantic LLC	Delaware	100.0 (3)
CTO16 Austin LLC	Delaware	100.0 (3)
CTO16 Dallas LLC	Delaware	100.0 (3)
CTO16 Monterey LLC	Delaware	100.0 (3)
CTO16 Olive TX LLC	Delaware	100.0 (3)
CTO16 OSI LLC	Delaware	100.0 (3)
CTO16 Peterson LLC	Delaware	100.0 (3)
CTO17 Aruba Land LLC	Delaware	100.0 (3)
CTO17 Sarasota LLC	Delaware	100.0 (3)
CTO17 Westcliff TX LLC	Delaware	100.0 (3)
CTO18 Albuquerque NM LLC	Delaware	100.0 (3)
CTO18 Arlington TX LLC	Delaware	100.0 (3)
CTO18 Aspen LLC	Delaware	100.0 (3)
CTO18 Jacksonville FL LLC	Delaware	100.0 (3)
CTO19 Carpenter Austin LLC	Delaware	100.0 (3)
CTO19 Josephine Austin LLC	Delaware	100.0 (3)
CTO19 NRH TX LLC	Delaware	100.0 (3)
CTO19 Oceanside NY LLC	Delaware	100.0 (3)
CTO19 Reston VA LLC	Delaware	100.0 (3)
CTO19 Strand Jax LLC	Delaware	100.0 (3)
CTO19 Taft Vineland LLC	Delaware	100.0 (3)
CTO19 WOFAT LLC	Delaware	100.0 (3)
CTO20 Cornerstone LLC	Delaware	100.0 (3)
CTO20 Crossroads AZ LLC	Delaware	100.0 (3)
CTO20 Falls Centre LLC	Delaware	100.0 (3)
CTO20 Hialeah LLC	Delaware	100.0 (3)
CTO20 Perimeter II LLC	Delaware	100.0 (3)
CTO20 Perimeter LLC	Delaware	100.0 (3)
CTO20 Santa Fe	Delaware	100.0 (3)
CTO20 Tampa LLC	Delaware	100.0 (3)
CTO21 Acquisitions II LLC	Delaware	100.0 (3)
CTO21 Acquisitions LLC	Delaware	100.0 (3)
CTO21 Apex LLC f/k/a CTO20 Falls Centre LLC	Delaware	100.0 (3)
CTO21 Buford 1 LLC	Delaware	100.0 (3)
CTO21 Exchange LLC	Delaware	100.0 (3)
CTO21 Santa Fe LLC	Delaware	100.0 (3)
CTO21 Winter Park LLC	Delaware	100.0 (3)
Daytona JV LLC	Delaware	100.0 (8)
DB Beach Land LLC	Delaware	100.0 (3)
DB Main Street LLC	Delaware	100.0 (3)
DB Mainland LLC	Delaware	100.0 (3) (10)
DB Mainland Two LLC	Delaware	100.0 (3)
Five Golf LLC	Delaware	100.0 (3)

	Organized Under Laws of	Percentage of Voting Securities Owned by Immediate Parent
Golden Arrow 6 LLC	Delaware	100.0 (3)
Golden Arrow First St. Sarasota LLC	Delaware	100.0 (3)
Golden Arrow WPP LLC	Delaware	100.0 (7)
IGI16 Peterson LLC	Delaware	100.0 (7)
IGI18 Back 40 LLC	Delaware	100.0 (7)
IGI19 FC VA LLC	Delaware	100.0 (7)
IGI20 Crossroads AZ LLC	Delaware	100.0 (7)
IGI20 Tampa LLC	Delaware	100.0 (7)
IGI21 Katy LLC	Delaware	100.0 (7)
IGL20 Tampa LLC	Delaware	100.0 (12)
Indigo Development LLC	Florida	100.0 (3)
Indigo Grand Champion Five LLC	Florida	100.0 (4)
Indigo Grand Champion Six LLC	Florida	100.0 (4)
Indigo Grand Champion Ten LLC	Florida	100.0 (4)
Indigo Group Inc.	Florida	100.0
Indigo Group Ltd. (A Limited Partnership)	Florida	93.475 (1)
Indigo International LLC	Florida	100.0 (3)
Indigo Mallard Creek LLC	Florida	100.0 (5)
LHC14 Old DeLand LLC	Delaware	100.0 (3)(9)
LHC15 Atlantic DB JV LLC	Delaware	100.0 (3)
LHC15 Raleigh NC LLC	Delaware	100.0 (3)
LHC15 Riverside FL LLC	Delaware	100.0 (3)
LHC15 WPP LLC	Delaware	100.0 (7)
Palms Del Mar Inc.	Florida	100.0
Tomoka Ag Inc.	Florida	0.0 (2)

(1) CTO Realty Growth, Inc. is a limited partner of Indigo Group Ltd., and owns 93.475% of the total partnership equity. Palms Del Mar, Inc. is the other limited partner and owns 5.065% of the total partnership equity. Indigo Group Inc. is the managing general partner and owns 1.46% of the partnership equity.

(2) Tomoka Ag Inc. is 100% owned by Indigo Group Inc.

(3) CTO Realty Growth, Inc. is the Member.

(4) Palms Del Mar Inc. is the Member.

(5) Indigo Development LLC is the Managing Member.

(6) Golden Arrow 6 LLC is the Managing Member.

(7) Indigo Group Inc. is the Managing Member.

(8) LHC15 Atlantic DB JV LLC is the 50% Managing Member. CTO16 Atlantic LLC is the other 50% Member.

(9) Formerly known as Golden Arrow Plaza Retail LLC.

(10) Formerly known as DB LAND LLC, formerly known as CTO17 Atlanta LLC.

(11) CTO TRS CRISP 39 LLC is the Member.

(12) Indigo Group LTD is the Managing Member.

All subsidiaries are included in the Consolidated Financial Statements of the Company and its subsidiaries appearing elsewhere herein.

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We have issued our reports dated February 24, 2022, with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of CTO Realty Growth, Inc. on Form 10-K for the year ended December 31, 2021. We consent to the incorporation by reference of said reports in the Registration Statements of CTO Realty Growth, Inc. on Forms S-3 (File No. 333-254970 and File No. 333-249209) and on Forms S-8 (File No. 333-168379, File No. 333-176162, File No. 333-204875 and File No. 333-227885).

/s/ GRANT THORNTON LLP

Orlando, Florida
February 24, 2022

Exhibit 31.1

CERTIFICATIONS

I, John P. Albright, certify that:

1. I have reviewed this annual report on Form 10-K of CTO Realty Growth, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

By: /s/ JOHN P. ALBRIGHT

John P. Albright
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATIONS

I, Matthew M. Partridge, certify that:

1. I have reviewed this annual report on Form 10-K of CTO Realty Growth, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: February 24, 2022

By: /s/ MATTHEW M. PARTRIDGE

Matthew M. Partridge
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

Exhibit 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of CTO Realty Growth, Inc. (the "Company") on Form 10-K for the year ended December 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, John P. Albright, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 24, 2022

/s/ JOHN P. ALBRIGHT
John P. Albright
President and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of CTO Realty Growth, Inc. (the "Company") on Form 10-K for the year ended December 31, 2021, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matthew M. Partridge, Senior Vice President, Chief Financial Officer, and Treasurer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

February 24, 2022

/s/ MATTHEW M.PARTRIDGE

Matthew M. Partridge
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)