

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 OR 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): January 29, 2021

CTO Realty Growth, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-11350
(Commission
File Number)

59-0483700
(IRS Employer
Identification No.)

1140 N. Williamson Blvd., Suite 140
Daytona Beach, Florida
(Address of principal executive offices)

32114
(Zip Code)

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

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
COMMON STOCK, \$0.01 PAR VALUE PER SHARE	CTO	NYSE

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

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.

EXPLANATORY NOTE

On January 29, 2021, in connection with its previously announced conversion to a real estate investment trust (“REIT”), CTO Realty Growth, Inc., a Florida corporation (the “Predecessor Registrant”), completed the merger contemplated by that certain Agreement and Plan of Merger, dated as of September 3, 2020 (the “Merger Agreement”), by and between the Predecessor Registrant and CTO NEWCO REIT, Inc., a Maryland corporation and a direct, wholly owned subsidiary of the Predecessor Registrant (the “Company”). Pursuant to the Merger Agreement, the Predecessor Registrant merged with and into the Company, with the Company continuing as the surviving corporation (the “Merger”). At 4:05 p.m., Eastern Time, on January 29, 2021, the effective time of the Merger (the “Effective Time”), the Company commenced conducting all of the operations conducted by the Predecessor Registrant immediately prior to the Merger. Promptly following the Merger, the Company changed its name to “CTO Realty Growth, Inc.”

At the Effective Time, pursuant to the Merger Agreement, the outstanding shares of the Predecessor Registrant’s common stock (the “Predecessor Common Stock”) were automatically converted into an equal number of shares of the Company’s common stock (“Company Common Stock”), which are subject to certain standard REIT ownership limitations and transfer restrictions, as described below.

This Current Report on Form 8-K is being filed for the purpose of establishing the Company as the successor issuer to the Predecessor Registrant pursuant to Rule 12g-3 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), and to disclose events required to be disclosed on Form 8-K with respect to the Predecessor Registrant prior to the Effective Time and the Company as of the Effective Time. Pursuant to Rule 12g-3(a) under the Exchange Act, the shares of Company Common Stock are deemed registered under Section 12(b) of the Exchange Act.

Item 1.01. Entry into a Material Definitive Agreement.

Reaffirmation Agreement Relating to Loan Agreement

On January 29, 2021, in connection with the Merger, the Company, certain subsidiaries of the Company 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, entered into a Reaffirmation, Consent to Transfer and Replacement of Guarantor, or the Reaffirmation Agreement, relating to the Predecessor Registrant’s Loan Agreement, dated September 30, 2014, with Wells Fargo Bank, National Association (the “Loan Agreement”). Pursuant to the Reaffirmation Agreement, as of the Effective Time, the Company assumed all of the obligations of the Predecessor Registrant under the Loan Agreement and all related loan documents and other agreements.

The foregoing description of the Reaffirmation Agreement is qualified in its entirety by reference to the Reaffirmation Agreement, a copy of which is attached hereto as Exhibit 10.1 and incorporated into this Item 1.01 by reference.

Supplemental Indenture

On January 29, 2021, in connection with the Merger, the Company, the Predecessor Registrant and U.S. Bank National Association, as trustee, entered into Supplemental Indenture No. 1 (the “Supplemental Indenture”) to the indenture, dated as of February 3, 2020 (“Indenture”), related to the Predecessor Registrant’s 3.875% Senior Notes due 2025 (the “Notes”). Pursuant to the Supplemental Indenture, as of the Effective Time, the Company assumed all of the obligations of the Predecessor Registrant under the Indenture and the Notes.

The description of the Supplemental Indenture contained in this Item 1.01 does not purport to be complete and is subject to and qualified in its entirety by reference to the Supplemental Indenture, which is filed herewith as Exhibit 4.3 and incorporated into this Item 1.01 by reference.

Item 2.01. Completion of Acquisition or Disposition of Assets.

The information set forth in the Explanatory Note of this Current Report on Form 8-K is incorporated herein by reference. The description of the Merger Agreement and the Merger contained in the Explanatory Note and this Item 2.01 does not purport to be complete and is subject to and qualified in its entirety by reference to the Merger Agreement, a copy of which is filed herewith as Exhibit 2.1 and incorporated herein by reference.

Item 2.03. Creation of a Direct Financial Obligation or an Obligation under an Off-Balance Sheet Arrangement of a Registrant.

As a result of the Merger, as of the Effective Time, the Company assumed by operation of law all of the prior debts, liabilities, obligations and duties of the Predecessor Registrant, and such debts, liabilities, obligations and duties may be enforced against the Company to the same extent as if the Company had itself incurred or contracted all such debts, liabilities, obligations and duties. For more information concerning these debts, liabilities, obligations and duties, see generally the Predecessor Registrant's Annual Report on Form 10-K for the year ended December 31, 2019, Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020 and Current Reports on Form 8-K filed prior to the date hereof.

The information included under Item 1.01 of this Current Report on Form 8-K is incorporated into this Item 2.03 by reference.

Item 3.01. Notice of Delisting or Failure to Satisfy a Continued Listing Rule or Standard; Transfer of Listing.

At the Effective Time, pursuant to the Merger Agreement, each outstanding share of Predecessor Common Stock was automatically converted into one share of Company Common Stock. On January 29, 2021, the Predecessor Registrant notified the NYSE American of the completion of the Merger and requested that the NYSE American file a Form 25 with the Securities and Exchange Commission ("SEC") to remove the shares of Predecessor Common Stock from listing on the NYSE American. Promptly following the effectiveness of the Form 25, the Company, as the successor to Predecessor Registrant, expects to file a Form 15 with the SEC to terminate the registration of shares of Predecessor Common Stock.

As of January 29, 2021, shares of Predecessor Common Stock traded on the NYSE American under the symbol CTO. As of February 1, 2021 shares of Company Common Stock will trade on the New York Stock Exchange and under the same symbol, "CTO," as the shares of Predecessor Common Stock traded prior to the Merger.

Item 3.03. Material Modification to Rights of Security Holders.

As described above, at the Effective Time, pursuant to the Merger Agreement, each outstanding share of Predecessor Common Stock was automatically converted into one share of Company Common Stock. The shares of Company Common Stock issued in the Merger were registered under the Securities Act of 1933, as amended (the "Securities Act"), pursuant to the Company's registration statement on Form S-4 (File No. 333-248583) (the "Registration Statement"), which was declared effective by the SEC on October 19, 2020.

As a result of the Merger, the rights of the holders of Company Common Stock are governed by the Maryland General Corporation Law (the "MGCL"), the Company's articles of incorporation (as amended, the "Articles") and the Company's bylaws (as amended, the "Bylaws"). Generally, the Articles and Bylaws are similar to the articles of incorporation and bylaws of the Predecessor Registrant, except that the Articles include certain standard REIT ownership limitations and transfer restrictions that are intended to facilitate the Company's ongoing compliance with the REIT requirements under the Internal Revenue Code of 1986, as amended, including a provision that generally prohibits any person (as defined in the Articles) from beneficially or constructively owning more than 9.8%, by value or number of shares, whichever is more restrictive, of the outstanding shares of Company Common Stock or any other class or series of Company capital stock (subject to the waiver or modification of such limits by the board of directors of the Company).

A more detailed comparison of the rights of the holders of Company Common Stock with the rights of the holders of Predecessor Common Stock is set forth in the section entitled "Comparison of Your Rights as a Shareholder of CTO to Your Rights as a Shareholder of NEWCO" of the Proxy Statement/Prospectus that forms a part of the Registration Statement.

The foregoing description of the Company Common Stock contained in this Item 3.03 does not purport to be complete and is subject to and qualified in its entirety by reference to the description of the Company Common Stock contained in the “Description of Capital Stock” filed herewith as Exhibit 4.1, which is incorporated herein by reference. In addition, the foregoing description of the Company Common Stock is qualified in its entirety by reference to the Articles and the Bylaws, copies of which are filed herewith as Exhibit 3.1 and Exhibit 3.2, respectively, and incorporated herein by reference.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

Directors and Officers

The directors and executive officers of the Company are the same as the directors and executive officers of the Predecessor Registrant immediately prior to the Merger, with each holding the same position or positions in the Company as he or she held in the Predecessor Registrant immediately prior to the Effective Time. Each of the Company’s directors will serve until the Company’s 2021 annual meeting of stockholders and until his or her successor is duly elected and qualified, or until his or her earlier death, resignation or removal, in accordance with the Articles and Bylaws.

Assumption of Employee Plans and Stock Awards

Pursuant to the Merger Agreement, as of the Effective Time, the Company assumed the Consolidated-Tomoka Land Co. Second Amended and Restated 2010 Equity Incentive Plan (including all amendments or modifications) (the “CTO Plan”) and related award agreements with respect to outstanding options, performance share awards and restricted stock awards under such plan. At the Effective Time, the reserve of shares of Predecessor Common Stock under the CTO Plan, whether allocated to existing awards or unallocated, was converted on a one-share-for-one-share basis into a reserve of shares of Company Common Stock, and each award under the CTO Plan assumed by the Company continued to have, and be subject to, the same terms and conditions as set forth in the CTO Plan and the agreement(s) evidencing each such award as in effect immediately prior to the Effective Time, except that the shares of common stock issuable under each such award are now shares of Company Common Stock rather than shares of Predecessor Common Stock.

The Predecessor Registrant maintained a number of benefit plans and arrangements for its directors, officers and employees. Pursuant to the Merger Agreement, the Company expressly assumed all of the Predecessor Registrant’s obligations under such plans and arrangements as of the Effective Time, and none of these plans or arrangements were otherwise affected by the Merger. None of the Company’s directors, officers or employees received any additional or special compensation (either in the form of cash, deferred compensation or equity awards) as a result of the Merger.

For more information concerning the CTO Plan and compensation and benefit arrangements, see generally the Predecessor Registrant’s Annual Report on Form 10-K for the year ended December 31, 2019 (including the portions of the Predecessor Registrant’s Proxy Statement on Schedule 14A for the Predecessor Registrant’s 2020 annual meeting of stockholders filed with the SEC on March 19, 2020 that are incorporated by reference therein), Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020 and September 30, 2020, and Current Reports on Form 8-K filed prior to the date hereof.

Item 5.03. Amendments to Articles of Incorporation or Bylaws; Change in Fiscal Year.

As described above, as a result of the Merger, the rights of the holders of Company Common Stock are governed by the MGCL, the Articles and the Bylaws. The information set forth in Item 3.03 of this Current Report on Form 8-K regarding the Articles and the Bylaws is incorporated herein by reference.

Following the Merger, on January 29, 2021, the Articles and the Bylaws were amended to change the Company’s name from “CTO NEWCO REIT, Inc.” to “CTO Realty Growth, Inc.”

The description of the Articles and the Bylaws contained in this Item 5.03 does not purport to be complete and is subject to and qualified in its entirety by reference to the Articles and the Bylaws, copies of which are filed herewith as Exhibit 3.1 and Exhibit 3.2, respectively, and incorporated herein by reference.

Item 7.01. Regulation FD Disclosure.

On February 1, 2021, the Company issued a press release announcing the completion of the Merger. A copy of that press release is attached hereto as Exhibit 99.1 and incorporated herein by reference.

The furnishing of these materials is not intended to constitute a representation that such furnishing is required by Regulation FD or other securities laws, or that the materials include material investor information that is not otherwise publicly available. In addition, the Company does not assume any obligation to update such information in the future.

The information in Item 7.01 of this Current Report on Form 8-K, including Exhibit 99.1, is being furnished and shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that Section. The information in this Current Report on Form 8-K shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act or the Exchange Act unless it is specifically incorporated by reference therein.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

- 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 \(incorporated by reference to Exhibit 2.1 to CTO Realty Growth, Inc.'s Current Report on Form 8-K, dated September 3, 2020\).](#)
- 3.1 [Articles of Amendment and Restatement of CTO Realty Growth, Inc., as amended by the Articles of Amendment \(Name Change\).](#)
- 3.2 [Second Amended and Restated Bylaws of CTO Realty Growth, Inc., effective as of January 29, 2021.](#)
- 4.1 [Description of Capital Stock.](#)
- 4.2 [Specimen Common Stock Certificate of CTO Realty Growth, Inc.](#)
- 4.3 [Supplemental Indenture No. 1, dated as of January 29, 2021, among the Company, the Predecessor Registrant and U.S. Bank National Association, as trustee, to the Indenture dated as of February 3, 2020, between the Company and U.S. Bank National Association, as trustee.](#)
- 10.1 [Reaffirmation Agreement, dated as of January 29, 2021, among the Company, certain subsidiaries of the Company 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.](#)
- 99.1 [Press Release, dated February 1, 2021.](#)
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

CTO Realty Growth, Inc.
(Registrant)

Date: February 1, 2021

By: /s/ Matthew M. Partridge
Matthew M. Partridge
Senior Vice President, Chief Financial Officer and Treasurer

CTO NEWCO REIT, INC.**ARTICLES OF AMENDMENT AND RESTATEMENT**

FIRST: CTO NEWCO REIT, Inc., a Maryland corporation, desires to amend and restate its charter as currently in effect and as hereinafter amended.

SECOND: The following provisions are all the provisions of the charter currently in effect and as hereinafter amended:

ARTICLE I**INCORPORATOR**

Zach Swartz, whose address is c/o Vinson & Elkins L.L.P., 901 East Byrd Street, Suite 1500, Richmond, VA 23219, being at least 18 years of age, formed a corporation under the general laws of the State of Maryland on August 19, 2020.

ARTICLE II**NAME**

The name of the corporation (the "**Corporation**") is:

CTO NEWCO REIT, Inc.

ARTICLE III**PURPOSE**

The purposes for which the Corporation is formed are to engage in any lawful act or activity (including, without limitation or obligation, engaging in business as a real estate investment trust under the Internal Revenue Code of 1986, as amended, or any successor statute (the "**Code**")) for which corporations may be organized under the general laws of the State of Maryland as now or hereafter in force. For purposes of the charter of the Corporation (the "**Charter**"), the term "**REIT**" means a real estate investment trust under Sections 856 through 860 of the Code or any successor provision.

ARTICLE IV**PRINCIPAL OFFICE IN STATE AND RESIDENT AGENT**

The address of the principal office of the Corporation in the State of Maryland is c/o HSC Agent Services, Inc., 245 W. Chase Street, Baltimore, MD 21201. The name of the resident agent of the Corporation in the State of Maryland is HSC Agent Services, Inc., whose post address is 245 W. Chase Street, Baltimore, MD 21201. The resident agent is a Maryland corporation.

ARTICLE V

**PROVISIONS FOR DEFINING, LIMITING
AND REGULATING CERTAIN POWERS OF THE
CORPORATION AND OF THE STOCKHOLDERS AND DIRECTORS**

Section 5.1 Number of Directors. The business and affairs of the Corporation shall be managed under the direction of the Board of Directors. The number of directors of the Corporation is one, which number may be increased or decreased only by the Board of Directors pursuant to the Bylaws of the Corporation, as the same may be amended or restated (the “**Bylaws**”), but shall never be less than the minimum number required by the Maryland General Corporation Law (the “**MGCL**”). The name of the director who shall serve until the first annual meeting of stockholders and until his successor is duly elected and qualifies is:

Daniel E. Smith

Except as otherwise provided in the Charter, any vacancy on the Board of Directors may be filled in the manner provided in the Bylaws.

The Corporation elects, effective at such time as it becomes eligible under Section 3-802 of the MGCL to make the election provided for under Section 3-804(c) of the MGCL, that, except as may be provided by the Board of Directors in setting the terms of any class or series of stock, any and all vacancies on the Board of Directors may be filled only by the affirmative vote of a majority of the directors remaining in office, even if the remaining directors do not constitute a quorum, and any director elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which such vacancy occurred and until a successor is duly elected and qualifies.

Section 5.2 Extraordinary Actions. Except as specifically provided in Section 5.8 (relating to removal of directors) and in Article VIII (relating to certain amendments to the Charter), notwithstanding any provision of law permitting or requiring any action to be taken or approved by the affirmative vote of stockholders entitled to cast a greater number of votes, any such action shall be effective and valid if declared advisable by the Board of Directors and taken or approved by the affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast on the matter.

Section 5.3 Authorization by Board of Stock Issuance. The Board of Directors may authorize the issuance from time to time of shares of stock of the Corporation of any class or series, whether now or hereafter authorized, or securities or rights convertible into shares of its stock of any class or series, whether now or hereafter authorized, for such consideration as the Board of Directors may deem advisable (or without consideration in the case of a stock split or stock dividend), subject to such restrictions or limitations, if any, as may be set forth in the Charter or the Bylaws.

Section 5.4 Preemptive and Appraisal Rights. Except as may be provided by the Board of Directors in setting the terms of classified or reclassified shares of stock pursuant to Section 6.4 or as may otherwise be provided by a contract approved by the Board of Directors, no holder of shares of stock of the Corporation shall, as such holder, have any preemptive right to purchase or subscribe for any additional shares of stock of the Corporation or any other security of the Corporation which it may issue or sell. Holders of shares of stock shall not be entitled to exercise any rights of an objecting stockholder provided for under Title 3, Subtitle 2 of the MGCL or any successor statute unless the Board of Directors upon such terms and conditions as may be specified by the Board of Directors, determines that such rights apply, with respect to all or any shares of all or any classes or series of stock, to one or more transactions occurring after the date of such determination in connection with which holders of such shares would otherwise be entitled to exercise such rights.

Section 5.5 Indemnification. To the maximum extent permitted by Maryland law in effect from time to time, the Corporation shall indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, shall pay or reimburse reasonable expenses in advance of final disposition of a proceeding to (a) any individual who is a present or former director or officer of the Corporation 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 and (b) any individual who, while a director or officer of the Corporation and at the request of the Corporation, 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 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, in either case, from and against any claim or liability to which such person may become subject or which such person may incur by reason of his or her service in such capacity. The rights to indemnification and advance of expenses provided by the Charter shall vest immediately upon election of a director or officer. The Corporation may, with the approval of its Board of Directors, provide such indemnification and advance for expenses to an individual who served a predecessor of the Corporation in any of the capacities described in (a) or (b) above and to any employee or agent of the Corporation or a predecessor of the Corporation. The indemnification and payment or reimbursement of expenses provided in the Charter shall not be deemed exclusive of or limit in any way other rights to which any person seeking indemnification or payment or reimbursement of expenses may be or may become entitled under any bylaw, resolution, insurance, agreement or otherwise.

Neither the amendment nor repeal of this Section, nor the adoption or amendment of any other provision of the Charter or the Bylaws inconsistent with this Section, shall apply to or affect in any respect the applicability of the preceding paragraph with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

Section 5.6 Determinations by Board. The determination as to any of the following matters, made by or pursuant to the direction of the Board of Directors, shall be final and conclusive and shall be binding upon the Corporation and every holder of shares of its stock: the amount of the net income of the Corporation for any period and the amount of assets at any time legally available for the payment of dividends, acquisition of its stock or the payment of other distributions on its stock; the amount of paid-in surplus, net assets, other surplus, annual or other cash flow, funds from operations, adjusted funds from operations, net profit, net assets in excess of capital, undivided profits or excess of profits over losses on sales of assets; the amount, purpose, time of creation, increase or decrease, alteration or cancellation of any reserves or charges and the propriety thereof (whether or not any obligation or liability for which such reserves or charges shall have been created shall have been set aside, paid or discharged); any interpretation or resolution of any ambiguity with respect to any provision of the Charter (including any of the terms, preferences, conversion or other rights, voting powers or rights, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of any shares of any class or series of stock of the Corporation) or of the Bylaws; the number of authorized or outstanding shares of stock of any class or series of the Corporation; the value, fair value, or any sale, bid or asked price to be applied in determining the value, or fair value, of any asset owned or held by the Corporation or of any shares of stock of the Corporation; any matter relating to the acquisition, holding and disposition of any assets by the Corporation; any interpretation of the terms and conditions of one or more agreements with any person, corporation, association, company, trust, partnership (limited or general) or other entity; the compensation of directors, officers, employees or agents of the Corporation; or any other matter relating to the business and affairs of the Corporation or required or permitted by applicable law, the Charter or Bylaws or otherwise to be determined by the Board of Directors.

Section 5.7 REIT Qualification. The Board of Directors shall use its best efforts to take such actions as are necessary or appropriate to preserve the status of the Corporation as a REIT; however, if the Board of Directors determines in good faith that it is no longer in the best interests of the Corporation to continue to qualify as a REIT, the Board of Directors may revoke or otherwise terminate the Corporation's REIT election pursuant to Section 856(g) of the Code. The Board of Directors, in its sole and absolute discretion, also may (a) determine that compliance with any restriction or limitation on stock ownership and transfers set forth in Article VII is no longer required for REIT qualification and (b) make any other determination or take any other action pursuant to Article VII.

Section 5.8 Removal of Directors. Subject to the rights of holders of shares of one or more classes or series of Preferred Stock (as defined below) to elect or remove one or more directors, any director, or the entire Board of Directors, may be removed from office at any time, but only for cause, and then only by the affirmative vote of at least two-thirds of the votes entitled to be cast generally in the election of directors. For the purpose of this paragraph, "cause" shall mean, with respect to any particular director, conviction of a felony or a final judgment of a court of competent jurisdiction holding that such director caused demonstrable, material harm to the Corporation through bad faith or active and deliberate dishonesty.

Section 5.9 Advisor Agreements. Subject to such approval of stockholders and other conditions, if any, as may be required by any applicable statute, rule or regulation, the Board of Directors may authorize the execution and performance by the Corporation of one or more agreements with any person, corporation, association, company, trust, partnership (limited or general) or other organization whereby, subject to the supervision and control of the Board of Directors, any such other person, corporation, association, company, trust, partnership (limited or general) or other organization shall render or make available to the Corporation managerial, investment, advisory and/or related services, office space and other services and facilities (including, if deemed advisable by the Board of Directors, the management or supervision of the investments of the Corporation) upon such terms and conditions as may be provided in such agreement or agreements (including, if deemed fair and equitable by the Board of Directors, the compensation payable thereunder by the Corporation).

Section 5.10 Subtitle 8. In accordance with Section 3-802(c) of the MGCL, the Corporation is prohibited from electing to be subject to the provisions of Sections 3-803, 3-804(a)-(b) or 3-805 of the MGCL, unless such election is approved by the affirmative vote of a majority of the votes cast on the matter by stockholders entitled to vote generally in the election of directors.

ARTICLE VI

STOCK

Section 6.1 Authorized Shares. The Corporation has authority to issue 600,000,000 shares of stock, consisting of 500,000,000 shares of Common Stock, \$0.01 par value per share (“**Common Stock**”), and 100,000,000 shares of Preferred Stock, \$0.01 par value per share (“**Preferred Stock**”). The aggregate par value of all authorized shares of stock having par value is \$6,000,000. If shares of one class or series of stock are classified or reclassified into shares of another class or series of stock pursuant to Sections 6.2, 6.3 or 6.4 of this Article VI, the number of authorized shares of the former class or series shall be automatically decreased and the number of shares of the latter class or series shall be automatically increased, in each case by the number of shares so classified or reclassified, so that the aggregate number of shares of stock of all classes and series that the Corporation has authority to issue shall not be more than the total number of shares of stock set forth in the first sentence of this paragraph. The Board of Directors, with the approval of a majority of the entire Board of Directors and without any action by the stockholders of the Corporation, may amend the Charter from time to time to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that the Corporation has authority to issue.

Section 6.2 Common Stock. Subject to the provisions of Article VII and except as may otherwise be specified in the Charter, each share of Common Stock shall entitle the holder thereof to one vote on each matter upon which holders of shares of Common Stock are entitled to vote. The Board of Directors may reclassify any unissued shares of Common Stock from time to time into one or more classes or series of stock.

Section 6.3 Preferred Stock. The Board of Directors may classify any unissued shares of Preferred Stock and reclassify any previously classified but unissued shares of Preferred Stock of any class or series from time to time, into one or more classes or series of stock.

Section 6.4 Classified or Reclassified Shares. Prior to the issuance of classified or reclassified shares of any class or series of stock, the Board of Directors by resolution shall: (a) designate that class or series to distinguish it from all other classes and series of stock of the Corporation; (b) specify the number of shares to be included in the class or series; (c) set or change, subject to the provisions of Article VII and subject to the express terms of any class or series of stock of the Corporation outstanding at the time, the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms and conditions of redemption for each class or series; and (d) cause the Corporation to file articles supplementary with the State Department of Assessments and Taxation of Maryland. Any of the terms of any class or series of stock set or changed pursuant to clause (c) of this Section 6.4 may be made dependent upon facts or events ascertainable outside the Charter (including determinations by the Board of Directors or other facts or events within the control of the Corporation) and may vary among holders thereof, provided that the manner in which such facts, events or variations shall operate upon the terms of such class or series of stock is clearly and expressly set forth in the articles supplementary or other Charter document.

Section 6.5 Action by Stockholders. Any action required or permitted to be taken at any meeting of the holders of Common Stock entitled to vote generally in the election of directors may be taken without a meeting by consent, in writing or by electronic transmission, in any manner and by any vote permitted by the MGCL and set forth in the Bylaws.

Section 6.6 Charter and Bylaws. The rights of all stockholders and the terms of all stock of the Corporation are subject to the provisions of the Charter and the Bylaws.

ARTICLE VII

RESTRICTIONS ON TRANSFER AND OWNERSHIP OF SHARES

Section 7.1 Definitions. For the purpose of this Article VII, the following terms shall have the following meanings:

“**Affiliate**” shall mean, with respect to any Person, another Person controlled by, controlling or under common control with such Person.

“**Beneficial Ownership**” shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 544 of the Code, as modified by Section 856(h)(1)(B) of the Code. The terms “**Beneficial Owner**,” “**Beneficially Owns**” and “**Beneficially Owned**” shall have the correlative meanings.

“**Business Day**” shall mean any day, other than a Saturday or Sunday, that is neither a legal holiday nor a day on which banking institutions in New York City are authorized or required by law, regulation or executive order to close.

“**Capital Stock**” shall mean all classes or series of stock of the Corporation, including, without limitation, Common Stock and Preferred Stock.

“**Charitable Beneficiary**” shall mean one or more beneficiaries of the Trust as determined pursuant to Section 7.3.6, provided that each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code.

“**Closing Price**” on any date shall mean the last sale price for such Capital Stock, regular way, or, in case no such sale takes place on such day, the average of the closing bid and asked prices, regular way, for such Capital Stock, in either case as reported in the principal consolidated transaction reporting system with respect to securities listed or admitted to trading on the NYSE or, if such Capital Stock is not listed or admitted to trading on the NYSE, as reported on the principal consolidated transaction reporting system with respect to securities listed on the principal national securities exchange on which such Capital Stock is listed or admitted to trading or, if such Capital Stock is not listed or admitted to trading on any national securities exchange, the last quoted price, or, if not so quoted, the average of the high bid and low asked prices in the over-the-counter market, as reported by the principal other automated quotation system that may then be in use or, if such Capital Stock is not quoted by any such organization, the average of the closing bid and asked prices as furnished by a professional market maker making a market in such Capital Stock selected by the Board of Directors or, in the event that no trading price is available for such Capital Stock, the fair market value of the Capital Stock, as determined by the Board of Directors.

“**Constructive Ownership**” shall mean ownership of Capital Stock by a Person, whether the interest in the shares of Capital Stock is held directly or indirectly (including by a nominee), and shall include interests that would be treated as owned through the application of Section 318(a) of the Code, as modified by Section 856(d)(5) of the Code. The terms “**Constructive Owner**,” “**Constructively Owns**” and “**Constructively Owned**” shall have the correlative meanings.

“**Excepted Holder**” shall mean a stockholder of the Corporation for whom an Excepted Holder Limit is created by the Charter or by the Board of Directors pursuant to Section 7.2.7.

“**Excepted Holder Limit**” shall mean (provided that the affected Excepted Holder agrees to comply with the requirements established by the Board of Directors pursuant to Section 7.2.7 and subject to any increase pursuant to Section 7.2.7(a) or decrease pursuant to 7.2.7(d)) the percentage limit established by the Board of Directors pursuant to Section 7.2.7.

“**Initial Date**” shall mean the date of the closing of the issuance of shares of Common Stock pursuant to the initial underwritten public offering of the Corporation.

“**Market Price**” on any date shall mean, with respect to any class or series of outstanding shares of Capital Stock, the Closing Price for such Capital Stock on such date.

“**NYSE**” shall mean the New York Stock Exchange.

“**Ownership Limit**” shall mean 9.8 percent, in value or in number of shares, whichever is more restrictive, of the outstanding shares of any class or series of Capital Stock, or such other percentage determined by the Board of Directors in accordance with Section 7.2.8, excluding any outstanding shares of Capital Stock not treated as outstanding for federal income tax purposes.

“**Person**” shall mean an individual, corporation, partnership, limited liability company, estate, trust (including a trust qualified under Sections 401(a) or 501(c)(17) of the Code), a portion of a trust permanently set aside for or to be used exclusively for the purposes described in Section 642(c) of the Code, association, private foundation within the meaning of Section 509(a) of the Code, joint stock company or other entity and also includes a group as that term is used for purposes of Section 13(d)(3) of the Securities Exchange Act of 1934, as amended, and a group to which an Excepted Holder Limit applies.

“**Prohibited Owner**” shall mean, with respect to any purported Transfer, any Person who, but for the provisions of this Article VII, would Beneficially Own or Constructively Own shares of Capital Stock in violation of Section 7.2.1, and if appropriate in the context, shall also mean any Person who would have been the record owner of the shares that the Prohibited Owner would have so owned.

“**Restriction Termination Date**” shall mean the first day after the Initial Date on which the Board of Directors determines pursuant to Section 5.7 of the Charter that it is no longer in the best interests of the Corporation to attempt to, or continue to, qualify as a REIT or that compliance with the restrictions and limitations on Beneficial Ownership, Constructive Ownership and Transfers of shares of Capital Stock set forth herein is no longer required in order for the Corporation to qualify as a REIT.

“**Transfer**” shall mean any issuance, sale, transfer, gift, assignment, devise or other disposition, as well as any other event that causes any Person to acquire or change its Beneficial Ownership or Constructive Ownership, or any agreement to take any such action or cause any such event, of Capital Stock or the right to vote (other than solely pursuant to a revocable proxy) or receive dividends on Capital Stock, including (a) the granting or exercise of any option (or any disposition of any option), (b) any disposition of any securities or rights convertible into or exchangeable for Capital Stock or any interest in Capital Stock or any exercise of any such conversion or exchange right and (c) Transfers of interests in other entities that result in changes in Beneficial Ownership or Constructive Ownership of Capital Stock; in each case, whether voluntary or involuntary, whether owned of record, Constructively Owned or Beneficially Owned and whether by operation of law or otherwise. The terms “**Transferring**” and “**Transferred**” shall have the correlative meanings.

“**TRS**” shall mean a taxable REIT subsidiary (as defined in Section 856(l) of the Code) of the Corporation.

“**Trust**” shall mean any trust provided for in Section 7.3.1.

“**Trustee**” shall mean the Person unaffiliated with the Corporation and a Prohibited Owner that is appointed by the Corporation to serve as trustee of the Trust.

Section 7.2 Capital Stock.

Section 7.2.1 **Ownership Limitations.**

(a) Basic Restrictions. During the period commencing on the Initial Date and prior to the Restriction Termination Date, but subject to Section 7.4 and except as provided in Section 7.2.7:

(1) (A) No Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own shares of any class or series of Capital Stock in excess of the Ownership Limit, and (B) no Excepted Holder shall Beneficially Own or Constructively Own shares of Capital Stock in excess of the Excepted Holder Limit for such Excepted Holder.

(2) No Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership of Capital Stock would result in the Corporation 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 a taxable year), or otherwise failing to qualify as a REIT.

(3) Any Transfer of shares of Capital Stock that, if effective, would result in the Capital Stock being beneficially owned by less than 100 Persons (determined under the principles of Section 856(a)(5) of the Code) shall be void *ab initio*, and the intended transferee shall acquire no rights in such shares of Capital Stock.

(4) No Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership would cause the Corporation to Constructively Own ten percent (10%) or more of the ownership interests in a tenant (other than a TRS) of the Corporation's real property within the meaning of Section 856(d)(2)(B) of the Code.

(b) Transfer in Trust; Transfer Void Ab Initio. If any Transfer of shares of Capital Stock occurs which, if effective, would result in any Person Beneficially Owning or Constructively Owning shares of Capital Stock in violation of Section 7.2.1(a)(1), (2), or (4),

(1) then that number of shares of the Capital Stock the Beneficial Ownership or Constructive Ownership of which otherwise would cause such Person to violate Section 7.2.1(a)(1), (2) or (4) (rounded up to the nearest whole share) shall be automatically transferred to a Trust for the exclusive benefit of a Charitable Beneficiary, as described in Section 7.3, effective as of the close of business on the Business Day prior to the date of such Transfer, and such Person shall acquire no rights in such shares; or

(2) if the transfer to the Trust described in clause (1) of this sentence would not be effective for any reason to prevent the violation of Section 7.2.1(a)(1), (2) or (4), then the Transfer of that number of shares of Capital Stock that otherwise would cause any Person to violate Section 7.2.1(a)(1), (2) or (4) shall be void *ab initio*, and the intended transferee shall acquire no rights in such shares of Capital Stock.

(3) To the extent that, upon a transfer of shares of Capital Stock pursuant to this Section 7.2.1(b), a violation of any provision of this Article VII would nonetheless be continuing (for example, where the ownership of shares of Capital Stock by a single Trust would violate the 100 stockholder requirement applicable to REITs), then shares of Capital Stock shall be transferred to that number of Trusts, each having a distinct Trustee and a Charitable Beneficiary or Charitable Beneficiaries that are distinct from those of each other Trust, such that there is no violation of any provision of this Article VII.

Section 7.2.2 Remedies for Breach. If the Board of Directors shall at any time determine that a Transfer or other event has taken place that results in a violation of Section 7.2.1 or that a Person intends to acquire or has attempted to acquire Beneficial Ownership or Constructive Ownership of any shares of Capital Stock in violation of Section 7.2.1 (whether or not such violation is intended), the Board of Directors shall take such action as it deems advisable to refuse to give effect to or to prevent such Transfer or other event, including, without limitation, causing the Corporation to redeem shares, refusing to give effect to such Transfer on the books of the Corporation or instituting proceedings to enjoin such Transfer or other event; provided, however, that any Transfer or attempted Transfer or other event in violation of Section 7.2.1 shall automatically result in the transfer to the Trust described above, and, where applicable, such Transfer (or other event) shall be void *ab initio* as provided above irrespective of any action (or non-action) by the Board of Directors.

Section 7.2.3 **Notice of Restricted Transfer.** Any Person who acquires or attempts or intends to acquire Beneficial Ownership or Constructive Ownership of shares of Capital Stock that will or may violate Section 7.2.1(a), or any Person who would have owned shares of Capital Stock that resulted in a transfer to the Trust pursuant to the provisions of Section 7.2.1(b) shall immediately give written notice to the Corporation of such event or, in the case of such a proposed or attempted transaction, give at least 15 days prior written notice, and shall provide to the Corporation such other information as the Corporation may request in order to determine the effect, if any, of such Transfer on the Corporation's status as a REIT.

Section 7.2.4 **Owners Required To Provide Information.** From the Initial Date and prior to the Restriction Termination Date:

(a) every owner of five percent or more (or such lower percentage as required by the Code or the Treasury Regulations promulgated thereunder) of the outstanding shares of Capital Stock, within 30 days after the end of each taxable year, shall give written notice to the Corporation stating the name and address of such owner, the number of shares of Capital Stock of each class or series Beneficially Owned and a description of the manner in which such shares are held. Each such owner shall promptly provide to the Corporation in writing such additional information as the Corporation may request in order to determine the effect, if any, of such Beneficial Ownership on the Corporation's status as a REIT and to ensure compliance with the Ownership Limit and any Excepted Holder Limit; and

(b) each Person who is a Beneficial Owner or Constructive Owner of Capital Stock and each Person (including the stockholder of record) who is holding Capital Stock for a Beneficial Owner or Constructive Owner shall, on demand, provide to the Corporation in writing such information as the Corporation may request, in order to determine the Corporation's 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.

Section 7.2.5 **Remedies Not Limited.** Subject to Section 5.7 of the Charter, nothing contained in this Section 7.2 shall limit the authority of the Board of Directors to take such other action as it deems necessary or advisable to protect the Corporation in preserving the Corporation's qualification as a REIT.

Section 7.2.6 **Ambiguity.** In the case of an ambiguity in the application of any of the provisions of this Article VII, the Board of Directors may determine the application of the provisions of this Article 7 with respect to any situation based on the facts known to it. In the event Section 7.2 or Section 7.3 requires an action by the Board of Directors and the Charter fails to provide specific guidance with respect to such action, the Board of Directors may determine the action to be taken so long as such action is not contrary to the provisions of Sections 7.1, 7.2 or 7.3. Absent a decision to the contrary by the Board of Directors, if a Person would have (but for the remedies set forth in Section 7.2.2) acquired Beneficial Ownership or Constructive Ownership of Capital Stock in violation of Section 7.2.1, such remedies (as applicable) shall apply first to the shares of Capital Stock that, but for such remedies, would have been actually owned by such Person, and second to the shares of Capital Stock which, but for such remedies, would have been Beneficially Owned or Constructively Owned (but not actually owned) by such Person, pro rata among the Persons who actually own such shares of Capital Stock based upon the relative number of the shares of Capital Stock held by each such Person.

Section 7.2.7 **Exceptions.**

(a) Subject to Section 7.2.1(a)(2), the Board of Directors, in its sole discretion, may exempt (prospectively or retroactively) a Person from the restrictions contained in Section 7.2.1(a)(1), (2), (3) or (4), as the case may be, and may establish or increase an Excepted Holder Limit for such Person if the Board of Directors obtains such representations, covenants and undertakings as the Board of Directors may deem appropriate in order to resolve that granting the exemption and/or establishing or increasing the Excepted Holder Limit, as the case may be, will not cause the Corporation to fail to continue to qualify as a REIT, including that such Person agrees that any violations or attempted violations of such representations, covenants and undertakings (or other action which is contrary to the restrictions contained in Section 7.2.1 through 7.2.6) will result in such shares of Capital Stock being automatically transferred to a Trust in accordance with Sections 7.2.1(b) and 7.3. The Board of Directors may not grant such an exemption to any Person if such exemption would result in the Corporation failing to qualify as a REIT.

(b) Prior to granting any exception or creating or increasing an Excepted Holder Limit pursuant to Section 7.2.7(a), the 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, as it may deem necessary or advisable in order to determine or ensure the Corporation's status as a REIT. Notwithstanding the receipt of any ruling or opinion, the Board of Directors may impose such conditions or restrictions as it deems appropriate in connection with granting such exception.

(c) Subject to Section 7.2.1(a)(2), an underwriter, placement agent or initial purchaser which participates in a public offering, forward sale, a private placement or other private offering of Capital Stock (or securities convertible into or exchangeable for Capital Stock) may Beneficially Own or Constructively Own shares of Capital Stock (or securities convertible into or exchangeable for Capital Stock) in excess of the Ownership Limit, but only to the extent necessary to facilitate such public offering, forward sale, private placement or other private offering.

(d) The Board of Directors may only revoke an exemption previously granted to an Excepted Holder or reduce an Excepted Holder Limit for an Excepted Holder: (1) with the written consent of such Excepted Holder at any time, or (2) pursuant to the terms and conditions of the agreements and undertakings entered into with such Excepted Holder in connection with the establishment of the Excepted Holder Limit for that Excepted Holder. No Excepted Holder Limit shall be reduced to a percentage that is less than the Ownership Limit.

Section 7.2.8 **Increase or Decrease in Ownership Limit.** Subject to [Section 7.2.1\(a\)\(2\)](#) and this [Section 7.2.8](#), the Board of Directors may from time to time increase or decrease the Ownership Limit for one or more Persons and increase or decrease the Ownership Limit with regard to any class or series of Capital Stock for all other Persons. No decreased Ownership Limit will be effective for any Person whose percentage of ownership of Capital Stock is in excess of such decreased Ownership Limit until such time as such Person's percentage of ownership of Capital Stock equals or falls below the decreased Ownership Limit; provided, however, any further acquisition of Capital Stock by any such Person (other than a Person for whom an exemption has been granted pursuant to [Section 7.2.7\(a\)](#) or an Excepted Holder) in excess of the Capital Stock owned by such Person on the date the decreased Ownership Limit became effective will be in violation of the Ownership Limit. No increase to the Ownership Limit may be approved if the new Ownership Limit would allow five or fewer individuals (as defined in Section 542(a)(2) of the Code and taking into account all Excepted Holders) to Beneficially Own, in the aggregate more than 49.9% in value of the outstanding Capital Stock or would otherwise cause the Corporation to fail to qualify as a REIT.

Section 7.2.9 **Legend.** Each certificate, if any, for shares of Capital Stock shall bear a legend summarizing the restrictions on transfer and ownership contained in this [Article VII](#). Instead of a legend, the certificate, if any, or any notice in lieu of a certificate may state that the Corporation will furnish a full statement about certain restrictions on ownership and transfer of the shares to a stockholder on request and without charge.

Section 7.3 Transfer of Capital Stock in Trust.

Section 7.3.1 **Ownership in Trust.** Upon any purported Transfer or other event described in [Section 7.2.1\(b\)](#) that would result in a transfer of shares of Capital Stock to a Trust, such shares of Capital Stock shall be deemed to have been transferred to the Trustee as trustee of a Trust for the exclusive benefit of one or more Charitable Beneficiaries. Such transfer to the Trustee shall be deemed to be effective as of the close of business on the Business Day prior to the purported Transfer or other event that results in the transfer to the Trust pursuant to [Section 7.2.1\(b\)](#). The Trustee shall be appointed by the Corporation and shall be a Person unaffiliated with the Corporation and any Prohibited Owner. Each Charitable Beneficiary shall be designated by the Corporation as provided in [Section 7.3.6](#).

Section 7.3.2 **Status of Shares Held by the Trustee.** Shares of Capital Stock held by the Trustee shall be issued and outstanding shares of Capital Stock of the Corporation. The Prohibited Owner shall have no rights in the shares held by the Trustee. The Prohibited Owner shall not benefit economically from ownership of any shares held in trust by the Trustee, shall have no rights to dividends or other distributions and shall not possess any rights to vote or other rights attributable to the shares held in the Trust. The Prohibited Owner shall have no claim, cause of action, or any other resource whatsoever against the purported transferor of such Capital Stock.

Section 7.3.3 **Dividend and Voting Rights.** The Trustee shall have all voting rights and rights to dividends or other distributions with respect to shares of Capital Stock held in the Trust, which rights shall be exercised for the exclusive benefit of the Charitable Beneficiary. Any dividend or other distribution paid to a Prohibited Owner prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Trustee shall be paid by the recipient of such dividend or other distribution to the Trustee upon demand and any dividend or other distribution authorized but unpaid shall be paid when due to the Trustee. Any dividend or other distribution so paid to the Trustee shall be held in trust for the Charitable Beneficiary. The Prohibited Owner shall have no voting rights with respect to shares of Capital Stock held in the Trust and, subject to Maryland law, effective as of the date that the shares of Capital Stock have been transferred to the Trust, the Trustee shall have the authority (at the Trustee's sole and absolute discretion) (a) to rescind as void any vote cast by a Prohibited Owner prior to the discovery by the Corporation that the shares of Capital Stock have been transferred to the Trust and (b) to recast such vote in accordance with the desires of the Trustee acting for the benefit of the Charitable Beneficiary; provided, however, that if the Corporation has already taken irreversible corporate action, then the Trustee shall not have the authority to rescind and recast such vote. Notwithstanding the provisions of this [Article VII](#), until the Corporation has received notification that shares of Capital Stock have been transferred into a Trust, the Corporation shall be entitled to rely on its stock transfer and other stockholder records for purposes of preparing lists of stockholders entitled to vote at meetings, determining the validity and authority of proxies and otherwise conducting votes and determining the other rights of stockholders.

Section 7.3.4 Sale of Shares by Trustee. Within 20 days of receiving notice from the Corporation that shares of Capital Stock have been transferred to the Trust, the Trustee of the Trust shall sell the shares held in the Trust to a Person, designated by the Trustee, whose ownership of the shares will not violate the ownership limitations set forth in Section 7.2.1(a). Upon such sale, the interest of the Charitable Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner and to the Charitable Beneficiary as provided in this Section 7.3.4. The Prohibited Owner shall receive the lesser of (a) the price paid by the Prohibited Owner for the shares or, if the Prohibited Owner did not give value for the shares in connection with the event causing the shares to be held in the Trust (e.g., in the case of a gift, devise or other such transaction), the Market Price of the shares on the day of the event causing the shares to be held in the Trust and (b) the price per share received by the Trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the shares held in the Trust. The Trustee may reduce the amount payable to the Prohibited Owner by the amount of dividends and distributions which have been paid to the Prohibited Owner and are owed by the Prohibited Owner to the Trustee pursuant to Section 7.3.3 of this Article VII. Any net sales proceeds in excess of the amount payable to the Prohibited Owner and any other amounts held by the Trustee with respect to such shares shall be immediately paid to the Charitable Beneficiary. If, prior to the discovery by the Corporation that shares of Capital Stock have been transferred to the Trustee, such shares are sold by a Prohibited Owner, then (1) such shares shall be deemed to have been sold on behalf of the Trust and (2) to the extent that the Prohibited Owner received an amount for such shares that exceeds the amount that such Prohibited Owner was entitled to receive pursuant to this Section 7.3.4, such excess shall be paid to the Trustee upon demand.

Section 7.3.5 Purchase Right in Stock Transferred to the Trustee. Shares of Capital Stock transferred to the Trustee shall be deemed to have been offered for sale to the Corporation, or its designee, at a price per share equal to the lesser of (a) the price per share in the transaction that resulted in such transfer to the Trust (or, in the case of a devise or gift, the Market Price at the time of such devise or gift) and (b) the Market Price on the date the Corporation, or its designee, accepts such offer. The Corporation may reduce the amount payable to the Trustee by the amount of dividends and distributions which have been paid to the Prohibited Owner and are owed by the Prohibited Owner to the Trustee pursuant to Section 7.3.3 of this Article VII. The Corporation may pay the amount of such reduction to the Trustee for the benefit of the Charitable Beneficiary. The Corporation shall have the right to accept such offer until the Trustee has sold the shares held in the Trust pursuant to Section 7.3.4. Upon such a sale to the Corporation, the interest of the Charitable Beneficiary in the shares sold shall terminate and the Trustee shall distribute the net proceeds of the sale to the Prohibited Owner and any dividends or other amounts held by the Trustee with respect to the shares to the Charitable Beneficiary.

Section 7.3.6 **Designation of Charitable Beneficiaries.** By written notice to the Trustee, the Corporation shall designate one or more nonprofit organizations to be the Charitable Beneficiary or Charitable Beneficiaries of the interest in the Trust such that the shares of Capital Stock held in the Trust would not violate the restrictions set forth in Section 7.2.1(a) in the hands of such Charitable Beneficiary or Charitable Beneficiaries and (ii) each such organization must be described in Section 501(c)(3) of the Code and contributions to each such organization must be eligible for deduction under each of Sections 170(b)(1)(A), 2055 and 2522 of the Code. Neither the failure of the Corporation to make such designation nor the failure of the Corporation to appoint the Trustee before the automatic transfer provided in Section 7.2.1(b) shall make such transfer ineffective, provided that the Corporation thereafter makes such designation and appointment.

Section 7.4 **NYSE Transactions.** Nothing in this Article VII shall preclude the settlement of any transaction entered into through the facilities of the NYSE or any other national securities exchange or automated inter-dealer quotation system. The fact that the settlement of any transaction occurs shall not negate the effect of any other provision of this Article VII and any transferee in such a transaction shall be subject to all of the provisions and limitations set forth in this Article VII.

Section 7.5 **Enforcement.** The Corporation is authorized specifically to seek equitable relief, including injunctive relief, to enforce the provisions of this Article VII.

Section 7.6 **Non-Waiver.** No delay or failure on the part of the Corporation or the Board of Directors in exercising any right hereunder shall operate as a waiver of any right of the Corporation or the Board of Directors, as the case may be, except to the extent specifically waived in writing.

ARTICLE VIII

AMENDMENTS

The Corporation reserves the right from time to time to make any amendment to the Charter, now or hereafter authorized by law, including any amendment altering the terms or contract rights, as expressly set forth in the Charter, of any shares of outstanding stock. All rights and powers conferred by the Charter on stockholders, directors and officers are granted subject to this reservation. Except as set forth in this Article VIII and except for those amendments permitted to be made without stockholder approval under Maryland law or by specific provision in the Charter, any amendment to the Charter shall be valid only if declared advisable by the Board of Directors and approved by the affirmative vote of stockholders entitled to cast a majority of all the votes entitled to be cast on the matter. Any amendment to Section 5.8 of the Charter, Article VII of the Charter or to this sentence of the Charter shall be valid only if declared advisable by the Board of Directors and approved by the affirmative vote of stockholders entitled to cast two-thirds of all the votes entitled to be cast on the matter.

ARTICLE IX

LIMITATION OF LIABILITY

To the maximum extent that Maryland law in effect from time to time permits limitation of the liability of directors and officers of a corporation, no present or former director or officer of the Corporation shall be liable to the Corporation or its stockholders for money damages. Neither the amendment nor repeal of this Article IX, nor the adoption or amendment of any other provision of the Charter or Bylaws inconsistent with this Article IX, shall apply to or affect in any respect the applicability of the preceding sentence with respect to any act or failure to act which occurred prior to such amendment, repeal or adoption.

THIRD: The amendment to and restatement of the Charter as hereinabove set forth have been duly advised by the Board of Directors and approved by the stockholders of the Corporation as required by law.

FOURTH: The current address of the principal office of the Corporation in the State of Maryland is as set forth in Article IV of the foregoing amendment and restatement of the Charter.

FIFTH: The name and address of the Corporation's current resident agent in the State of Maryland are as set forth in Article IV of the foregoing amendment and restatement of the Charter.

SIXTH: The number of directors of the Corporation and the names of those currently in office are as set forth in Article V of the foregoing amendment and restatement of the Charter.

SEVENTH: The total number of shares of stock which the Corporation had authority to issue, immediately prior to this amendment and restatement of the Charter, was 1,000, consisting of 1,000 shares of Common Stock, \$0.01 par value per share. The aggregate par value of all such shares of stock having par value was \$10.00.

EIGHTH: The total number of shares of stock which the Corporation has authority to issue pursuant to the foregoing amendment and restatement of the Charter is 600,000,000, consisting of 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. The aggregate par value of all authorized shares of stock having par value is \$6,000,000.

NINTH: The undersigned officer acknowledges these Articles of Amendment and Restatement to be the corporate act of the Corporation and as to all matters or facts required to be verified under oath, the undersigned officer acknowledges that, to the best of such officer's knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment and Restatement to be signed in its name and on its behalf by its Senior Vice President, General Counsel and Corporate Secretary and attested to by its Vice President, Chief Accounting Officer and Treasurer on this 26th day of August, 2020.

ATTEST:

CTO NEWCO REIT, INC.

/s/ Lisa M. Vorakoun
Lisa M. Vorakoun
Vice President, Chief Accounting
Officer and Treasurer

By: /s/ Daniel E. Smith
Daniel E. Smith
Senior Vice President, General
Counsel and Corporate Secretary

CTO NEWCO REIT, INC.

ARTICLES OF AMENDMENT

CTO NEWCO REIT, Inc., a Maryland corporation (the "**Corporation**"), hereby certifies to the State Department of Assessments and Taxation of Maryland that:

FIRST: The Corporation desires to, and does hereby, amend the charter of the Corporation as currently in effect (the "**Charter**") by striking out the existing Article II and inserting in lieu thereof the following new Article II to effectuate a change in the name of the Corporation:

ARTICLE II

NAME

The name of the corporation (the "**Corporation**") is:

CTO Realty Growth, Inc.

SECOND: The board of directors of the Corporation, by a written consent signed by all of the directors pursuant to and in accordance with Section 2-408(c) of the Maryland General Corporation Law (the "**MGCL**"), duly advised and approved these Articles of Amendment.

THIRD: The amendment contained in these Articles of Amendment is limited to a change expressly authorized by Section 2-605(a)(1) of the MGCL to be made without action by the stockholders of the Corporation.

FOURTH: These Articles of Amendment shall become effective at 4:05 p.m. Eastern Time on January 29, 2021.

FIFTH: The undersigned officer acknowledges these Articles of Amendment to be the corporate act of the Corporation and as to all matters or facts required to be verified under oath, the undersigned officer acknowledges that, to the best of such officer's knowledge, information and belief, these matters and facts are true in all material respects and that this statement is made under the penalties for perjury.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the Corporation has caused these Articles of Amendment to be signed in its name and on its behalf by its Senior Vice President, General Counsel and Corporate Secretary and attested to by its Senior Vice President, Chief Financial Officer and Treasurer on this 29th day of January, 2021.

ATTEST:

CTO NEWCO REIT, INC.

/s/ Matthew M. Partridge

Matthew M. Partridge
Senior Vice President, Chief Financial
Officer and Treasurer

By: /s/ Daniel E. Smith

Daniel E. Smith
Senior Vice President, General
Counsel and Corporate Secretary

CTO REALTY GROWTH, INC.

SECOND AMENDED AND RESTATED BYLAWS

ARTICLE I

OFFICES

Section 1. **PRINCIPAL OFFICE.** The principal office of the Corporation in the State of Maryland shall be located at such place as the Board of Directors may designate.

Section 2. **ADDITIONAL OFFICES.** The Corporation may have additional offices, including a principal executive office, at such places as the Board of Directors may from time to time determine or the business of the Corporation may require.

ARTICLE II

MEETINGS OF STOCKHOLDERS

Section 1. **PLACE.** All meetings of stockholders shall be held at the principal executive office of the Corporation or at such other place as shall be set in accordance with these Bylaws and stated in the notice of the meeting.

Section 2. **ANNUAL MEETING.** An annual meeting of stockholders for the election of directors and the transaction of any business within the powers of the Corporation shall be held on the date and at the time and place set by the Board of Directors.

Section 3. **SPECIAL MEETINGS.**

(a) **General.** Each of the chairman of the board, chief executive officer, president and Board of Directors may call a special meeting of stockholders. Except as provided in subsection (b)(4) of this Section 3, a special meeting of stockholders shall be held on the date and at the time and place set by the chairman of the board, chief executive officer, president or Board of Directors, whoever has called the meeting. Subject to subsection (b) of this Section 3, a special meeting of stockholders shall also be called by the secretary of the Corporation to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast not less than a majority of all the votes entitled to be cast on such matter at such meeting.

(b) **Stockholder-Requested Special Meetings.** (1) Any stockholder of record seeking to have stockholders request a special meeting shall, by sending written notice to the secretary (the "**Record Date Request Notice**") by registered mail, return receipt requested, request the Board of Directors to fix a record date to determine the stockholders entitled to request a special meeting (the "**Request Record Date**"). The Record Date Request Notice shall set forth the purpose of the meeting and the matters proposed to be acted on at such meeting, shall be signed by one or more stockholders of record as of the date of signature (or their agents duly authorized in a writing accompanying the Record Date Request Notice), shall bear the date of signature of each such stockholder (or such agent) and shall set forth all information relating to each such stockholder and each matter proposed to be acted on at such meeting that would be required to be disclosed in connection with the solicitation of proxies for the election of directors or the election of each such individual, as applicable, in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such a solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder (collectively, the "**Exchange Act**"). Upon receiving the Record Date Request Notice, the Board of Directors may fix a Request Record Date. The Request Record Date shall not precede and shall not be more than ten days after the close of business on the date on which the resolution fixing the Request Record Date is adopted by the Board of Directors. If the Board of Directors, within ten days after the date on which a valid Record Date Request Notice is received, fails to adopt a resolution fixing the Request Record Date, the Request Record Date shall be the close of business on the tenth day after the first date on which a Record Date Request Notice is received by the secretary.

(2) In order for any stockholder to request a special meeting to act on any matter that may properly be considered at a meeting of stockholders, one or more written requests for a special meeting (collectively, the “**Special Meeting Request**”) signed by stockholders of record (or their agents duly authorized in a writing accompanying the request) as of the Request Record Date entitled to cast not less than a majority of all of the votes entitled to be cast on such matter at such meeting (the “**Special Meeting Percentage**”) shall be delivered to the secretary. In addition, the Special Meeting Request shall (i) set forth the purpose of the meeting and the matters proposed to be acted on at it (which shall be limited to those lawful matters set forth in the Record Date Request Notice received by the secretary), (ii) bear the date of signature of each such stockholder (or such agent) signing the Special Meeting Request, (iii) set forth (A) the name and address, as they appear in the Corporation’s books, of each stockholder signing such request (or on whose behalf the Special Meeting Request is signed), (B) the class, series and number of all shares of stock of the Corporation which are owned (beneficially or of record) by each such stockholder and (C) the nominee holder for, and number of, shares of stock of the Corporation owned beneficially but not of record by such stockholder, (iv) be sent to the secretary by registered mail, return receipt requested, and (v) be received by the secretary within 60 days after the Request Record Date. Any requesting stockholder (or agent duly authorized in a writing accompanying the revocation of the Special Meeting Request) may revoke his, her or its request for a special meeting at any time by written revocation delivered to the secretary.

(3) The secretary shall inform the requesting stockholders of the reasonably estimated cost of preparing and mailing or delivering the notice of the meeting (including the Corporation’s proxy materials). The secretary shall not be required to call a special meeting upon stockholder request and such meeting shall not be held unless, in addition to the documents required by paragraph (2) of this Section 3(b), the secretary receives payment of such reasonably estimated cost prior to the preparation and mailing or delivery of such notice of the meeting.

(4) In the case of any special meeting called by the secretary upon the request of stockholders (a “**Stockholder-Requested Meeting**”), such meeting shall be held at such place, date and time as may be designated by the Board of Directors; *provided, however*, that the date of any Stockholder-Requested Meeting shall be not more than 90 days after the record date for such meeting (the “**Meeting Record Date**”); and *provided further* that if the Board of Directors fails to designate, within ten days after the date that a valid Special Meeting Request is actually received by the secretary (the “**Delivery Date**”), a date and time for a Stockholder-Requested Meeting, then such meeting shall be held at 2:00 p.m., local time, on the 90th day after the Meeting Record Date or, if such 90th day is not a Business Day (as defined below), on the first preceding Business Day; and *provided further* that in the event that the Board of Directors fails to designate a place for a Stockholder-Requested Meeting within ten days after the Delivery Date, then such meeting shall be held at the principal executive office of the Corporation. In fixing a date for a Stockholder-Requested Meeting, the Board of Directors may consider such factors as it deems relevant, including, without limitation, the nature of the matters to be considered, the facts and circumstances surrounding any request for the meeting and any plan of the Board of Directors to call an annual meeting or a special meeting. In the case of any Stockholder-Requested Meeting, if the Board of Directors fails to fix a Meeting Record Date that is a date within 30 days after the Delivery Date, then the close of business on the 30th day after the Delivery Date shall be the Meeting Record Date. The Board of Directors may revoke the notice for any Stockholder-Requested Meeting in the event that the requesting stockholders fail to comply with the provisions of paragraph (3) of this Section 3(b).

(5) If written revocations of the Special Meeting Request have been delivered to the secretary and the result is that stockholders of record (or their agents duly authorized in writing), as of the Request Record Date, entitled to cast less than the Special Meeting Percentage have delivered, and not revoked, requests for a special meeting on the matter to the secretary: (i) if the notice of meeting has not already been delivered, the secretary shall refrain from delivering the notice of the meeting and send to all requesting stockholders who have not revoked such requests written notice of any revocation of a request for a special meeting on the matter, or (ii) if the notice of meeting has been delivered and if the secretary first sends to all requesting stockholders who have not revoked requests for a special meeting on the matter written notice of any revocation of a request for the special meeting and written notice of the Corporation’s intention to revoke the notice of the meeting or for the chairman of the meeting to adjourn the meeting without action on the matter, (A) the secretary may revoke the notice of the meeting at any time before ten days before the commencement of the meeting or (B) the chairman of the meeting may call the meeting to order and adjourn the meeting from time to time without acting on the matter. Any request for a special meeting received after a revocation by the secretary of a notice of a meeting shall be considered a request for a new special meeting.

(6) The chairman of the board, chief executive officer, president or Board of Directors may appoint regionally or nationally recognized independent inspectors of elections to act as the agent of the Corporation for the purpose of promptly performing a ministerial review of the validity of any purported Special Meeting Request received by the secretary. For the purpose of permitting the inspectors to perform such review, no such purported Special Meeting Request shall be deemed to have been received by the secretary until the earlier of (i) five Business Days after actual receipt by the secretary of such purported request and (ii) such date as the independent inspectors certify to the Corporation that the valid requests received by the secretary represent, as of the Request Record Date, stockholders of record entitled to cast not less than the Special Meeting Percentage. Nothing contained in this paragraph (6) shall in any way be construed to suggest or imply that the Corporation or any stockholder shall not be entitled to contest the validity of any request, whether during or after such five Business Day period, or to take any other action (including, without limitation, the commencement, prosecution or defense of any litigation with respect thereto, and the seeking of injunctive relief in such litigation).

(7) For purposes of these Bylaws, “**Business Day**” shall mean any day other than a Saturday, a Sunday or a day on which banking institutions in the State of New York are authorized or obligated by law or executive order to close.

Section 4. **NOTICE.** Not less than ten nor more than 90 days before each meeting of stockholders, the secretary shall give to each stockholder entitled to vote at such meeting and to each stockholder not entitled to vote who is entitled to notice of the meeting notice in writing or by electronic transmission stating the time and place of the meeting and, in the case of a special meeting or as otherwise may be required by any statute, the purpose for which the meeting is called, by mail, by presenting it to such stockholder personally, by leaving it at the stockholder’s residence or usual place of business, by electronic transmission or by any other means permitted by Maryland law. If mailed, such notice shall be deemed to be given when deposited in the United States mail addressed to the stockholder at the stockholder’s address as it appears on the records of the Corporation, with postage thereon prepaid. If transmitted electronically, such notice shall be deemed to be given when transmitted to the stockholder by an electronic transmission to any address or number of the stockholder at which the stockholder receives electronic transmissions. The Corporation may give a single notice to all stockholders who share an address, which single notice shall be effective as to any stockholder at such address, unless such stockholder objects to receiving such single notice or revokes a prior consent to receiving such single notice. Failure to give notice of any meeting to one or more stockholders, or any irregularity in such notice, shall not affect the validity of any meeting fixed in accordance with this Article II or the validity of any proceedings at any such meeting.

Subject to Section 11(a) of this Article II, any business of the Corporation may be transacted at an annual meeting of stockholders without being specifically designated in the notice, except such business as is required by any statute to be stated in such notice. No business shall be transacted at a special meeting of stockholders except as specifically designated in the notice. The Corporation may postpone or cancel a meeting of stockholders by making a public announcement (as defined in Section 11(c)(3) of this Article II) of such postponement or cancellation prior to the meeting. Notice of the date, time and place to which the meeting is postponed shall be given not less than ten days prior to such date and otherwise in the manner set forth in this section.

Section 5. **ORGANIZATION AND CONDUCT.** Every meeting of stockholders shall be conducted by an individual appointed by the Board of Directors to be chairman of the meeting or, in the absence of such appointment or appointed individual, by the chairman of the board or, in the case of a vacancy in the office or absence of the chairman of the board, by one of the following officers present at the meeting in the following order: the vice chairman of the board, if there is one, the chief executive officer, the president, the vice presidents in their order of rank and, within each rank, in their order of seniority, the secretary, or, in the absence of such officers, a chairman chosen by the stockholders by the vote of a majority of the votes cast by stockholders present in person or by proxy. The secretary or, in the case of a vacancy in the office or absence of the secretary, an assistant secretary or an individual appointed by the Board of Directors or the chairman of the meeting shall act as secretary. In the event that the secretary presides at a meeting of stockholders, an assistant secretary, or, in the absence of all assistant secretaries, an individual appointed by the Board of Directors or the chairman of the meeting, shall record the minutes of the meeting. The order of business and all other matters of procedure at any meeting of stockholders shall be determined by the chairman of the meeting. The chairman of the meeting may prescribe such rules, regulations and procedures and take such action as, in the discretion of the chairman and without any action by the stockholders, are appropriate for the proper conduct of the meeting, including, without limitation, (a) restricting admission to the time set for the commencement of the meeting; (b) limiting attendance or participation at the meeting to stockholders of record of the Corporation, their duly authorized proxies and such other individuals as the chairman of the meeting may determine; (c) limiting the time allotted to questions or comments; (d) determining when and for how long the polls should be opened and when the polls should be closed and when announcement of the results should be made; (e) maintaining order and security at the meeting; (f) removing any stockholder or any other individual who refuses to comply with meeting procedures, rules or guidelines as set forth by the chairman of the meeting; (g) concluding a meeting or recessing or adjourning the meeting, whether or not a quorum is present, to a later date and time and at a place announced at the meeting; and (h) complying with any state and local laws and regulations concerning safety and security. Unless otherwise determined by the chairman of the meeting, meetings of stockholders shall not be required to be held in accordance with any rules of parliamentary procedure.

Section 6. **QUORUM.** At any meeting of stockholders, the presence in person or by proxy of stockholders entitled to cast a majority of all the votes entitled to be cast at such meeting on any matter shall constitute a quorum; but this section shall not affect any requirement under any statute or the charter of the Corporation (the "**Charter**") for the vote necessary for the approval of any matter. If such quorum is not established at any meeting of the stockholders, the chairman of the meeting may adjourn the meeting from time to time to a date not more than 120 days after the original record date without notice other than announcement at the meeting.

The stockholders present either in person or by proxy, at a meeting which has been duly called and at which a quorum has been established, may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough stockholders to leave fewer than would be required to establish a quorum.

Section 7. **VOTING.** Except as may be provided by the Board of Directors in setting the terms of any class or series of preferred stock and in these Bylaws with respect to the filling of vacancies on the Board of Directors, directors shall be elected by a majority of all votes cast at a meeting of stockholders duly called and at which a quorum is present; provided, however, that directors shall be elected by a plurality of all the votes cast at a meeting of stockholders duly called and at which a quorum is present for which (i) the secretary receives notice that a stockholder has nominated an individual for election as a director in compliance with the requirements of advance notice of stockholder nominees for director set forth in Section 11(a) (2) of Article II of these Bylaws, and (ii) such nomination has not been withdrawn by such stockholder on or before the close of business on the tenth day before the date of filing of the definitive proxy statement of the Corporation with the Securities and Exchange Commission and as a result of which the number of nominees is then greater than the number of directors to be elected at the meeting, as determined by the secretary, irrespective of whether such nomination is thereafter withdrawn by such stockholder. If directors are to be elected by a plurality of the votes cast, the stockholders shall not be permitted to vote against a nominee but shall only be permitted to vote "for" one or more nominees or withhold their votes with respect to one or more nominees. For purposes hereof, a majority of all votes cast means the number of votes cast "for" a director nominee must exceed the number of votes cast "against" that director nominee, with abstentions and broker non-votes not counted as a vote cast either "for" or "against" that director nominee. There shall be no cumulative voting. Each share may be voted for as many individuals as there are directors to be elected and for whose election the share is entitled to be voted. A majority of the votes cast at a meeting of stockholders duly called and at which a quorum is present shall be sufficient to approve any other matter which may properly come before the meeting, unless more than a majority of the votes cast is required by statute or by the Charter. Unless otherwise provided by statute or by the Charter, each outstanding share of stock, regardless of class, shall entitle the holder thereof to cast one vote on each matter submitted to a vote at a meeting of stockholders. Voting on any question or in any election may be *viva voce* unless the chairman of the meeting shall order that voting be by ballot or otherwise.

Section 8. **PROXIES.** A stockholder of record may vote in person or by proxy executed by the stockholder or by the stockholder's duly authorized agent in any manner permitted by applicable law. Such proxy or evidence of authorization of such proxy shall be filed with the secretary of the Corporation before or at the meeting. No proxy shall be valid more than eleven months after its date unless otherwise provided in the proxy.

Section 9. **VOTING OF STOCK BY CERTAIN HOLDERS.** Stock of the Corporation registered in the name of a corporation, limited liability company, partnership, joint venture, trust or other entity, if entitled to be voted, may be voted by the president or a vice president, managing member, manager, general partner or trustee thereof, as the case may be, or a proxy appointed by any of the foregoing individuals, unless some other person who has been appointed to vote such stock pursuant to a bylaw or a resolution of the governing body of such corporation or other entity or agreement of the partners of a partnership presents a certified copy of such bylaw, resolution or agreement, in which case such person may vote such stock. Any trustee or fiduciary, in such capacity, may vote stock registered in such trustee's or fiduciary's name, either in person or by proxy.

Shares of stock of the Corporation directly or indirectly owned by the Corporation shall not be voted at any meeting and shall not be counted in determining the total number of outstanding shares entitled to be voted at any given time, unless they are held by it in a fiduciary capacity, in which case they may be voted and shall be counted in determining the total number of outstanding shares at any given time.

The Board of Directors may adopt by resolution a procedure by which a stockholder may certify in writing to the Corporation that any shares of stock registered in the name of the stockholder are held for the account of a specified person other than the stockholder. The resolution shall set forth the class of stockholders who may make the certification, the purpose for which the certification may be made, the form of certification and the information to be contained in it; if the certification is with respect to a record date, the time after the record date within which the certification must be received by the Corporation; and any other provisions with respect to the procedure which the Board of Directors considers necessary or appropriate. On receipt by the secretary of the Corporation of such certification, the person specified in the certification shall be regarded as, for the purposes set forth in the certification, the holder of record of the specified stock in place of the stockholder who makes the certification.

Section 10. **INSPECTORS.** The Board of Directors or the chairman of the meeting may appoint, before or at the meeting, one or more inspectors for the meeting and any successor to the inspector. Except as otherwise provided by the chairman of the meeting, the inspectors, if any, shall (a) determine the number of shares of stock represented at the meeting, in person or by proxy, and the validity and effect of proxies, (b) receive and tabulate all votes, ballots or consents, (c) report such tabulation to the chairman of the meeting, (d) hear and determine all challenges and questions arising in connection with the right to vote, and (e) do such acts as are proper to fairly conduct the election or vote. Each such report shall be in writing and signed by the inspector or by a majority of them if there is more than one inspector acting at such meeting. If there is more than one inspector, the report of a majority shall be the report of the inspectors. The report of the inspector or inspectors on the number of shares represented at the meeting and the results of the voting shall be *prima facie* evidence thereof.

Section 11. **ADVANCE NOTICE OF STOCKHOLDER NOMINEES FOR DIRECTOR AND OTHER STOCKHOLDER PROPOSALS.**

(a) **Annual Meetings of Stockholders.** (1) Nominations of individuals for election to the Board of Directors and the proposal of other business to be considered by the stockholders may be made at an annual meeting of stockholders (i) pursuant to the Corporation's notice of meeting, (ii) by or at the direction of the Board of Directors or (iii) by any stockholder of the Corporation who was a stockholder of record at the record date set by the Board of Directors for the purpose of determining stockholders entitled to vote at the annual meeting, at the time of giving of notice by the stockholder as provided for in this Section 11(a) and at the time of the annual meeting (and any postponement or adjournment thereof), who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with this Section 11(a).

(2) For any nomination or other business to be properly brought before an annual meeting by a stockholder pursuant to clause (iii) of paragraph (a)(1) of this Section 11, the stockholder must have given timely notice thereof in writing to the secretary of the Corporation and any such other business must otherwise be a proper matter for action by the stockholders. To be timely, a stockholder's notice shall set forth all information required under this Section 11 and shall be delivered to the secretary at the principal executive office of the Corporation not earlier than the 210th day and not later than the close of business on the 150th day prior to the first anniversary (the "Anniversary") of the preceding year's annual meeting. However, if the date of the annual meeting is advanced more than 30 days prior to or delayed by more than 60 days after the Anniversary, notice by the stockholder must be so received by the secretary not earlier than the close of business on the 120th day prior to such annual meeting and not later than the close of business on the later of the 90th day prior to such annual meeting or, if the first public announcement of the date of such annual meeting is less than one hundred days prior to such annual meeting, the 10th day following the day on which public announcement of the date of such annual meeting is first made by the Corporation. The public announcement of a postponement or adjournment of an annual meeting shall not commence a new time period for the giving of a stockholder's notice as described above.

(3) Such stockholder's notice shall set forth:

(i) as to each individual whom the stockholder proposes to nominate for election or reelection as a director (each, a "**Proposed Nominee**"), all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act;

(ii) as to any other business that the stockholder proposes to bring before the meeting, a description of such business, the stockholder's reasons for proposing such business at the meeting and any material interest in such business of such stockholder or any Stockholder Associated Person (as defined below), individually or in the aggregate, including any anticipated benefit to the stockholder or the Stockholder Associated Person therefrom;

(iii) as to the stockholder giving the notice, any Proposed Nominee and any Stockholder Associated Person,

(A) the class, series and number of all shares of stock or other securities of the Corporation or any affiliate thereof (collectively, the "**Company Securities**"), if any, which are owned (beneficially or of record) by such stockholder, Proposed Nominee or Stockholder Associated Person, the date on which each such Company Security was acquired and the investment intent of such acquisition, and any short interest (including any opportunity to profit or share in any benefit from any decrease in the price of such stock or other security) in any Company Securities of any such person,

(B) the nominee holder for, and number of, any Company Securities owned beneficially but not of record by such stockholder, Proposed Nominee or Stockholder Associated Person,

(C) whether and the extent to which such stockholder, Proposed Nominee or Stockholder Associated Person, directly or indirectly (through brokers, nominees or otherwise), is subject to or during the last six months has engaged in any hedging, derivative or other transaction or series of transactions or entered into any other agreement, arrangement or understanding (including any short interest, any borrowing or lending of securities or any proxy or voting agreement), the effect or intent of which is to (I) manage risk or benefit of changes in the price of Company Securities for such stockholder, Proposed Nominee or Stockholder Associated Person or (II) increase or decrease the voting power of such stockholder, Proposed Nominee or Stockholder Associated Person in the Corporation or any affiliate thereof disproportionately to such person's economic interest in the Company Securities and

(D) any substantial interest, direct or indirect (including, without limitation, any existing or prospective commercial, business or contractual relationship with the Corporation), by security holdings or otherwise, of such stockholder, Proposed Nominee or Stockholder Associated Person, in the Corporation or any affiliate thereof, other than an interest arising from the ownership of Company Securities where such stockholder, Proposed Nominee or Stockholder Associated Person receives no extra or special benefit not shared on a pro rata basis by all other holders of the same class or series;

(iv) as to the stockholder giving the notice, any Stockholder Associated Person with an interest or ownership referred to in clauses (ii) or (iii) of this paragraph (3) of this Section 11(a) and any Proposed Nominee,

(A) the name and address of such stockholder, as they appear on the Corporation's stock ledger, and the current name and business address, if different, of each such Stockholder Associated Person and any Proposed Nominee and

(B) the investment strategy or objective, if any, of such stockholder and each such Stockholder Associated Person who is not an individual and a copy of the prospectus, offering memorandum or similar document, if any, provided to investors or potential investors in such stockholder and each such Stockholder Associated Person;

(v) the name and address of any person who contacted or was contacted by the stockholder giving the notice or any Stockholder Associated Person about the Proposed Nominee or other business proposal; and

(vi) to the extent known by the stockholder giving the notice, the name and address of any other stockholder supporting the nominee for election or reelection as a director or the proposal of other business.

(4) Such stockholder's notice shall, with respect to any Proposed Nominee, be accompanied by a written undertaking executed by the Proposed Nominee (i) that such Proposed Nominee (A) is not, and will not become, a party to any agreement, arrangement or understanding with any person or entity other than the Corporation in connection with service or action as a director that has not been disclosed to the Corporation and (B) will serve as a director of the Corporation if elected; and (ii) attaching a completed Proposed Nominee questionnaire (which questionnaire shall be provided by the Corporation, upon request by the stockholder providing the notice, and shall include all information relating to the Proposed Nominee that would be required to be disclosed in connection with the solicitation of proxies for the election of the Proposed Nominee as a director in an election contest (even if an election contest is not involved), or would otherwise be required in connection with such solicitation, in each case pursuant to Regulation 14A (or any successor provision) under the Exchange Act, or would be required pursuant to the rules of any national securities exchange on which any securities of the Corporation are listed or over-the-counter market on which any securities of the Corporation are traded).

(5) Notwithstanding anything in this subsection (a) of this Section 11 to the contrary, in the event that the number of directors to be elected to the Board of Directors is increased, and there is no public announcement of such action at least 130 days prior to the first anniversary of the date of the proxy statement (as defined in Section 11(c)(3) of this Article II) for the preceding year's annual meeting, a stockholder's notice required by this Section 11(a) shall also be considered timely, but only with respect to nominees for any new positions created by such increase, if it shall be delivered to the secretary at the principal executive office of the Corporation not later than the close of business on the tenth day following the day on which such public announcement is first made by the Corporation.

(6) For purposes of this Section 11, “**Stockholder Associated Person**” of any stockholder shall mean (i) any person acting in concert with such stockholder, (ii) any beneficial owner of shares of stock of the Corporation owned of record or beneficially by such stockholder (other than a stockholder that is a depository) and (iii) any person that directly, or indirectly through one or more intermediaries, controls, or is controlled by, or is under common control with, such stockholder or such Stockholder Associated Person.

(b) **Special Meetings of Stockholders.** Only such business shall be conducted at a special meeting of stockholders as shall have been brought before the meeting pursuant to the Corporation’s notice of meeting. Nominations of individuals for election to the Board of Directors may be made at a special meeting of stockholders at which directors are to be elected only (i) by or at the direction of the Board of Directors or (ii) *provided* that the special meeting has been called in accordance with Section 3(a) of this Article II for the purpose of electing directors, by any stockholder of the Corporation who is a stockholder of record at the record date set by the Board of Directors for the purpose of determining stockholders entitled to vote at the special meeting, at the time of giving of notice provided for in this Section 11 and at the time of the special meeting (and any postponement or adjournment thereof), who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the notice procedures set forth in this Section 11. In the event the Corporation calls a special meeting of stockholders for the purpose of electing one or more individuals to the Board of Directors, any stockholder may nominate an individual or individuals (as the case may be) for election as a director as specified in the Corporation’s notice of meeting, if the stockholder’s notice, containing the information required by paragraphs (a)(3) and (4) of this Section 11, is delivered to the secretary at the principal executive office of the Corporation not earlier than the 120th day prior to such special meeting and not later than the close of business, on the later of the 90th day prior to such special meeting or the tenth day following the day on which public announcement is first made of the date of the special meeting and of the nominees proposed by the Board of Directors to be elected at such meeting. The public announcement of a postponement or adjournment of a special meeting shall not commence a new time period for the giving of a stockholder’s notice as described above.

(c) **General.** (1) If information submitted pursuant to this Section 11 by any stockholder proposing a nominee for election as a director or any proposal for other business at a meeting of stockholders shall be inaccurate in any material respect, such information may be deemed not to have been provided in accordance with this Section 11. Any such stockholder shall notify the Corporation of any inaccuracy or change (within two Business Days of becoming aware of such inaccuracy or change) in any such information. Upon written request by the secretary or the Board of Directors, any such stockholder shall provide, within five Business Days of delivery of such request (or such other period as may be specified in such request), (i) written verification, satisfactory, in the discretion of the Board of Directors or any authorized officer of the Corporation, to demonstrate the accuracy of any information submitted by the stockholder pursuant to this Section 11, and (ii) a written update of any information (including, if requested by the Corporation, written confirmation by such stockholder that it continues to intend to bring such nomination or other business proposal before the meeting) submitted by the stockholder pursuant to this Section 11 as of an earlier date. If a stockholder fails to provide such written verification or written update within such period, the information as to which written verification or a written update was requested may be deemed not to have been provided in accordance with this Section 11.

(2) Only such individuals who are nominated in accordance with this Section 11 shall be eligible for election by stockholders as directors, and only such business shall be conducted at a meeting of stockholders as shall have been brought before the meeting in accordance with this Section 11. The chairman of the meeting shall have the power to determine whether a nomination or any other business proposed to be brought before the meeting was made or proposed, as the case may be, in accordance with this Section 11.

(3) For purposes of this Section 11, “**the date of the proxy statement**” shall have the same meaning as “the date of the company’s proxy statement released to shareholders” as used in Rule 14a-8(e) promulgated under the Exchange Act, as interpreted by the Securities and Exchange Commission from time to time. “**Public announcement**” shall mean disclosure (i) in a press release reported by the Dow Jones News Service, Associated Press, Business Wire, PR Newswire or other widely circulated news or wire service or (ii) in a document publicly filed by the Corporation with the Securities and Exchange Commission pursuant to the Exchange Act.

(4) Notwithstanding the foregoing provisions of this Section 11, a stockholder shall also comply with all applicable requirements of state law and of the Exchange Act with respect to the matters set forth in this Section 11. Nothing in this Section 11 shall be deemed to affect any right of a stockholder to request inclusion of a proposal in, or the right of the Corporation to omit a proposal from, any proxy statement filed by the Corporation with the Securities and Exchange Commission pursuant to Rule 14a-8 (or any successor provision) under the Exchange Act.

Nothing in this Section 11 shall require disclosure of revocable proxies received by the stockholder or Stockholder Associated Person pursuant to a solicitation of proxies after the filing of an effective Schedule 14A by such stockholder or Stockholder Associated Person under Section 14(a) of the Exchange Act.

(5) Notwithstanding anything in these Bylaws to the contrary, except as otherwise determined by the chairman of the meeting, if the stockholder giving notice as provided for in this Section 11 does not appear in person or by proxy at such annual or special meeting to present each nominee for election as a director or the proposed business, as applicable, such matter shall not be considered at the meeting.

Section 12. **TELEPHONE MEETINGS**. The Board of Directors or chairman of the meeting may permit one or more stockholders to participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means constitutes presence in person at the meeting.

Section 13. **CONTROL SHARE ACQUISITION ACT**. Notwithstanding any other provision of the Charter or these Bylaws, Title 3, Subtitle 7 of the Maryland General Corporation Law, or any successor statute (the “**MGCL**”), shall not apply to any acquisition by any person of shares of stock of the Corporation. This section may be repealed, in whole or in part, at any time, whether before or after an acquisition of control shares and, upon such repeal, may, to the extent provided by any successor bylaw, apply to any prior or subsequent control share acquisition.

ARTICLE III

DIRECTORS

Section 1. **GENERAL POWERS.** The business and affairs of the Corporation shall be managed under the direction of the Board of Directors.

Section 2. **NUMBER, TENURE AND RESIGNATION.**

(a) The number of directors initially shall be one (1). A majority of the entire Board of Directors may establish, increase or decrease the number of directors, *provided* that the number thereof shall never be less than the minimum number required by the MGCL nor more than 15, and, *provided, further*, that the tenure of office of a director shall not be affected by any decrease in the number of directors.

(b) Any director of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation.

Section 3. **ANNUAL AND REGULAR MEETINGS.** An annual meeting of the Board of Directors may be held on the same date and at the same place as the annual meeting of stockholders, and, if so held, no notice other than this Bylaw is necessary. In the event such meeting is not so held, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors. The Board of Directors may provide, by resolution, the time and place of annual or regular meetings of the Board of Directors without other notice than such resolution.

Section 4. **SPECIAL MEETINGS.** Special meetings of the Board of Directors may be called by or at the request of the chairman of the board, the chief executive officer, the president or a majority of the directors then in office. The person or persons authorized to call special meetings of the Board of Directors may fix the time and place of any special meeting of the Board of Directors called by them. The Board of Directors may provide, by resolution, the time and place of special meetings of the Board of Directors without other notice than such resolution.

Section 5. **NOTICE.** Notice of any special meeting of the Board of Directors shall be delivered personally or by telephone, electronic mail, facsimile transmission, courier or United States mail to each director at his or her business or residence address. Notice by personal delivery, telephone, electronic mail or facsimile transmission shall be given at least 24 hours prior to the meeting. Notice by United States mail shall be given at least three days prior to the meeting. Notice by courier shall be given at least two days prior to the meeting. Telephone notice shall be deemed to be given when the director or his or her agent is personally given such notice in a telephone call to which the director or his or her agent is a party. Electronic mail notice shall be deemed to be given upon transmission of the message to the electronic mail address given to the Corporation by the director. Facsimile transmission notice shall be deemed to be given upon completion of the transmission of the message to the number given to the Corporation by the director and receipt of a completed answer-back indicating receipt. Notice by United States mail shall be deemed to be given when deposited in the United States mail properly addressed, with postage thereon prepaid. Notice by courier shall be deemed to be given when deposited with or delivered to a courier properly addressed. Neither the business to be transacted at, nor the purpose of, any annual, regular or special meeting of the Board of Directors need be stated in the notice, unless specifically required by statute or these Bylaws.

Section 6. **QUORUM.** A majority of the directors then serving shall constitute a quorum for the transaction of business at any meeting of the Board of Directors, *provided* that, if less than a majority of such directors is present at such meeting, a majority of the directors present may adjourn the meeting from time to time without further notice, and *provided further* that if, pursuant to applicable law, the Charter or these Bylaws, the vote of a majority or other percentage of a specified group of directors is required for action, a quorum must also include a majority or such other percentage of such group.

The directors present at a meeting which has been duly called and at which a quorum has been established may continue to transact business until adjournment, notwithstanding the withdrawal from the meeting of enough directors to leave fewer than required to establish a quorum.

Section 7. **VOTING.** The action of a majority of the directors present at a meeting at which a quorum is present shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws. If enough directors have withdrawn from a meeting to leave fewer than required to establish a quorum, but the meeting is not adjourned, the action of the majority of that number of directors necessary to constitute a quorum at such meeting shall be the action of the Board of Directors, unless the concurrence of a greater proportion is required for such action by applicable law, the Charter or these Bylaws.

Section 8. **ORGANIZATION.** At each meeting of the Board of Directors, the chairman of the board or, in the absence of the chairman of the board, the vice chairman of the board, if any, shall act as chairman of the meeting. In the absence of both the chairman and vice chairman of the board, the chief executive officer or, in the absence of the chief executive officer, the president or, in the absence of the president, a director chosen by a majority of the directors present, shall act as chairman of the meeting. The secretary or, in his or her absence, an assistant secretary of the Corporation or, in the absence of the secretary and all assistant secretaries, an individual appointed by the chairman of the meeting, shall act as secretary of the meeting.

Section 9. **TELEPHONE MEETINGS.** Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 10. **CONSENT BY DIRECTORS WITHOUT A MEETING.** Any action required or permitted to be taken at any meeting of the Board of Directors may be taken without a meeting, if a consent to such action is given in writing or by electronic transmission by each director and is filed with the minutes of proceedings of the Board of Directors.

Section 11. **VACANCIES.** If for any reason any or all the directors cease to be directors, such event shall not terminate the Corporation or affect these Bylaws or the powers of the remaining directors hereunder. Except as may be provided by the Board of Directors in setting the terms of any class or series of preferred stock, any vacancy on the Board of Directors may be filled only by a majority of the remaining directors, even if the remaining directors do not constitute a quorum. Any individual elected to fill a vacancy shall serve for the remainder of the full term of the directorship in which the vacancy occurred and until a successor is elected and qualifies.

Section 12. **COMPENSATION.** Directors shall not receive any stated salary for their services as directors but, by resolution of the Board of Directors, may receive compensation per year and/or per meeting and/or per visit to real property or other facilities owned or leased by the Corporation and for any service or activity they performed or engaged in as directors. Directors may be reimbursed for expenses of attendance, if any, at each annual, regular or special meeting of the Board of Directors or of any committee thereof and for their expenses, if any, in connection with each property visit and any other service or activity they perform or engage in as directors; but nothing herein contained shall be construed to preclude any directors from serving the Corporation in any other capacity and receiving compensation therefor.

Section 13. **RELIANCE.** Each director and officer of the Corporation shall, in the performance of his or her duties with respect to the Corporation, be entitled to rely on any information, opinion, report or statement, including any financial statement or other financial data, prepared or presented by an officer or employee of the Corporation whom the director or officer reasonably believes to be reliable and competent in the matters presented, by a lawyer, certified public accountant or other person, as to a matter which the director or officer reasonably believes to be within the person's professional or expert competence, or, with respect to a director, by a committee of the Board of Directors on which the director does not serve, as to a matter within its designated authority, if the director reasonably believes the committee to merit confidence.

Section 14. **RATIFICATION.** The Board of Directors or the stockholders may ratify any action or inaction by the Corporation or its officers to the extent that the Board of Directors or the stockholders could have originally authorized the matter, and if so ratified, shall have the same force and effect as if originally duly authorized, and such ratification shall be binding upon the Corporation and its stockholders. Any action or inaction questioned in any proceeding on the ground of lack of authority, defective or irregular execution, adverse interest of a director, officer or stockholder, non-disclosure, miscalculation, the application of improper principles or practices of accounting or otherwise, may be ratified, before or after judgment, by the Board of Directors or by the stockholders, and such ratification shall constitute a bar to any claim or execution of any judgment in respect of such questioned action or inaction.

Section 15. **EMERGENCY PROVISIONS.** Notwithstanding any other provision in the Charter or these Bylaws, this Section 15 shall apply during the existence of any catastrophe, or other similar emergency condition, as a result of which a quorum of the Board of Directors under Article III of these Bylaws cannot readily be obtained (an “**Emergency**”). During any Emergency, unless otherwise provided by the Board of Directors, (a) a meeting of the Board of Directors or a committee thereof may be called by any director or officer by any means feasible under the circumstances; (b) notice of any meeting of the Board of Directors during such an Emergency may be given less than 24 hours prior to the meeting to as many directors and by such means as may be feasible at the time, including publication, television or radio; and (c) the number of directors necessary to constitute a quorum shall be one-third of the entire Board of Directors.

ARTICLE IV

COMMITTEES

Section 1. **NUMBER, TENURE AND QUALIFICATIONS.** The Board of Directors may appoint from among its members an Audit Committee, a Compensation Committee, a Nominating and Corporate Governance Committee and other committees, composed of one or more directors, to serve at the pleasure of the Board of Directors. In the absence of any member of any such committee, the members thereof present at any meeting, whether or not they constitute a quorum, may appoint another director to act in the place of such absent member.

Section 2. **POWERS.** The Board of Directors may delegate to any committee appointed under Section 1 of this Article any of the powers of the Board of Directors, except as prohibited by law. Except as may be otherwise provided by the Board of Directors, any committee may delegate some or all of its power and authority to one or more subcommittees, composed of one or more directors, as the committee deems appropriate.

Section 3. **MEETINGS.** Notice of committee meetings shall be given in the same manner as notice for special meetings of the Board of Directors. A majority of the members of the committee shall constitute a quorum for the transaction of business at any meeting of the committee. The act of a majority of the committee members present at a meeting shall be the act of such committee. The Board of Directors may designate a chairman of any committee, and such chairman or, in the absence of a chairman, any two members of any committee (if there are at least two members of the committee) may fix the time and place of its meeting unless the Board of Directors shall otherwise provide.

Section 4. **TELEPHONE MEETINGS.** Members of a committee of the Board of Directors may participate in a meeting by means of a conference telephone or other communications equipment if all persons participating in the meeting can hear each other at the same time. Participation in a meeting by these means shall constitute presence in person at the meeting.

Section 5. **CONSENT BY COMMITTEES WITHOUT A MEETING.** Any action required or permitted to be taken at any meeting of a committee of the Board of Directors may be taken without a meeting, if a consent to such action is given in writing or by electronic transmission by each member of the committee and is filed with the minutes of proceedings of such committee.

Section 6. **VACANCIES.** Subject to the provisions hereof, the Board of Directors shall have the power at any time to change the membership of any committee, to appoint the chair of any committee, to fill any vacancy, to designate an alternate member to replace any absent or disqualified member or to dissolve any such committee.

ARTICLE V

OFFICERS

Section 1. **GENERAL PROVISIONS.** The officers of the Corporation shall include a president, a secretary and a treasurer and may include a chairman of the board, a vice chairman of the board, a chief executive officer, one or more vice presidents, a chief operating officer, a chief financial officer, one or more assistant secretaries and one or more assistant treasurers. In addition, the Board of Directors may from time to time elect such other officers with such powers and duties as it shall deem necessary or appropriate. The officers of the Corporation shall be elected by the Board of Directors, except that the chief executive officer or president may from time to time appoint one or more vice presidents, assistant secretaries and assistant treasurers or other officers. Each officer shall serve until his or her successor is elected and qualifies or until his or her death, or his or her resignation or removal in the manner hereinafter provided. Any two or more offices except president and vice president may be held by the same person. Election of an officer or agent shall not of itself create contract rights between the Corporation and such officer or agent.

Section 2. **REMOVAL AND RESIGNATION.** Any officer or agent of the Corporation may be removed, with or without cause, by the Board of Directors if in its judgment the best interests of the Corporation would be served thereby, but such removal shall be without prejudice to the contract rights, if any, of the person so removed. Any officer of the Corporation may resign at any time by delivering his or her resignation to the Board of Directors, the chairman of the board, the chief executive officer, the president or the secretary. Any resignation shall take effect immediately upon its receipt or at such later time specified in the resignation. The acceptance of a resignation shall not be necessary to make it effective unless otherwise stated in the resignation. Such resignation shall be without prejudice to the contract rights, if any, of the Corporation.

Section 3. **VACANCIES.** A vacancy in any office may be filled by the Board of Directors for the balance of the term.

Section 4. **CHAIRMAN OF THE BOARD.** The Board of Directors may designate from among its members a chairman of the board, who shall not, solely by reason of these Bylaws, be an officer of the Corporation. The Board of Directors may designate the chairman of the board as an executive or non-executive chairman. The chairman of the board shall preside over the meetings of the Board of Directors. The chairman of the board shall perform such other duties as may be assigned to him or her by these Bylaws or the Board of Directors.

Section 5. **CHIEF EXECUTIVE OFFICER.** The Board of Directors may designate a chief executive officer. In the absence of such designation, the president of the Corporation shall be the chief executive officer of the Corporation. The chief executive officer shall have general responsibility for implementation of the policies of the Corporation, as determined by the Board of Directors, and for the management of the business and affairs of the Corporation. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of chief executive officer and such other duties as may be prescribed by the Board of Directors from time to time.

Section 6. **CHIEF OPERATING OFFICER.** The Board of Directors may designate a chief operating officer. The chief operating officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 7. **CHIEF FINANCIAL OFFICER.** The Board of Directors may designate a chief financial officer. The chief financial officer shall have the responsibilities and duties as determined by the Board of Directors or the chief executive officer.

Section 8. **PRESIDENT.** In the absence of a chief executive officer, the president shall in general supervise and control all of the business and affairs of the Corporation. In the absence of a designation of a chief operating officer by the Board of Directors, the president shall be the chief operating officer. He or she may execute any deed, mortgage, bond, contract or other instrument, except in cases where the execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Corporation or shall be required by law to be otherwise executed; and in general shall perform all duties incident to the office of president and such other duties as may be prescribed by the Board of Directors from time to time.

Section 9. **VICE PRESIDENTS.** In the absence of the president or in the event of a vacancy in such office, the vice president (or in the event there be more than one vice president, the vice presidents in the order designated at the time of their election or, in the absence of any designation, then in the order of their election) shall perform the duties of the president and when so acting shall have all the powers of and be subject to all the restrictions upon the president; and shall perform such other duties as from time to time may be assigned to such vice president by the chief executive officer, the president or the Board of Directors. The Board of Directors may designate one or more vice presidents as executive vice president, senior vice president, or vice president for particular areas of responsibility.

Section 10. **SECRETARY.** The secretary shall (a) keep the minutes of the proceedings of the stockholders, the Board of Directors and committees of the Board of Directors in one or more books provided for that purpose; (b) see that all notices are duly given in accordance with the provisions of these Bylaws or as required by law; (c) be custodian of the corporate records and of the seal of the Corporation; (d) keep a register of the post office address of each stockholder which shall be furnished to the secretary by such stockholder; (e) have general charge of the stock transfer books of the Corporation; and (f) in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors.

Section 11. **TREASURER**. The treasurer shall have the custody of the funds and securities of the Corporation, shall keep full and accurate accounts of receipts and disbursements in books belonging to the Corporation, shall deposit all moneys and other valuable effects in the name and to the credit of the Corporation in such depositories as may be designated by the Board of Directors and in general perform such other duties as from time to time may be assigned to him or her by the chief executive officer, the president or the Board of Directors. In the absence of a designation of a chief financial officer by the Board of Directors, the treasurer shall be the chief financial officer of the Corporation. The treasurer shall disburse the funds of the Corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the president and Board of Directors, at the regular meetings of the Board of Directors or whenever it may so require, an account of all his or her transactions as treasurer and of the financial condition of the Corporation.

Section 12. **ASSISTANT SECRETARIES AND ASSISTANT TREASURERS**. The assistant secretaries and assistant treasurers, in general, shall perform such duties as shall be assigned to them by the secretary or treasurer, respectively, or by the chief executive officer, the president or the Board of Directors.

Section 13. **COMPENSATION**. The compensation of the officers shall be fixed from time to time by or under the authority of the Board of Directors and no officer shall be prevented from receiving such compensation by reason of the fact that he or she is also a director.

ARTICLE VI

CONTRACTS, CHECKS AND DEPOSITS

Section 1. **CONTRACTS**. The Board of Directors may authorize any officer or agent to enter into any contract or to execute and deliver any instrument in the name of and on behalf of the Corporation and such authority may be general or confined to specific instances. Any agreement, deed, mortgage, lease or other document shall be valid and binding upon the Corporation when duly authorized or ratified by action of the Board of Directors and executed by an authorized person.

Section 2. **CHECKS AND DRAFTS**. All checks, drafts or other orders for the payment of money, notes or other evidences of indebtedness issued in the name of the Corporation shall be signed by the chief executive officer, the president, the chief financial officer, the treasurer or such other officer or agent of the Corporation as shall from time to time be determined by the Board of Directors.

Section 3. **DEPOSITS**. All funds of the Corporation not otherwise employed shall be deposited or invested from time to time to the credit of the Corporation as the Board of Directors, the chief executive officer, the president, the chief financial officer, the treasurer or any other officer designated by the Board of Directors may determine.

ARTICLE VII

STOCK

Section 1. **CERTIFICATES.** Except as may be otherwise provided by the Board of Directors or any officer of the Corporation, stockholders of the Corporation are not entitled to certificates representing the shares of stock held by them. In the event that the Corporation issues shares of stock represented by certificates, such certificates shall be in such form as prescribed by the Board of Directors or a duly authorized officer, shall contain the statements and information required by the MGCL and shall be signed by the officers of the Corporation in any manner permitted by the MGCL. In the event that the Corporation issues shares of stock without certificates, to the extent then required by the MGCL the Corporation shall provide to the record holders of such shares a written statement of the information required by the MGCL to be included on stock certificates. There shall be no difference in the rights and obligations of stockholders based on whether or not their shares are represented by certificates.

Section 2. **TRANSFERS.** All transfers of shares of stock shall be made on the books of the Corporation in such manner as the Board of Directors or any officer of the Corporation may prescribe and, if such shares are certificated, upon surrender of certificates duly endorsed. The issuance of a new certificate upon the transfer of certificated shares is subject to the determination of the Board of Directors or an officer of the Corporation that such shares shall no longer be represented by certificates. Upon the transfer of any uncertificated shares, the Corporation shall provide to the record holders of such shares, to the extent then required by the MGCL, a written statement of the information required by the MGCL to be included on stock certificates.

The Corporation shall be entitled to treat the holder of record of any share of stock as the holder in fact thereof and, accordingly, shall not be bound to recognize any equitable or other claim to or interest in such share or on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise expressly provided by the laws of the State of Maryland.

Notwithstanding the foregoing, transfers of shares of any class or series of stock will be subject in all respects to the Charter and all of the terms and conditions contained therein.

Section 3. **REPLACEMENT CERTIFICATE.** Any officer of the Corporation may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the Corporation alleged to have been lost, destroyed, stolen or mutilated, upon the making of an affidavit of that fact by the person claiming the certificate to be lost, destroyed, stolen or mutilated; *provided, however*, if such shares have ceased to be certificated, no new certificate shall be issued unless requested in writing by such stockholder and the Board of Directors or an officer of the Corporation has determined that such certificates may be issued. Unless otherwise determined by an officer of the Corporation, the owner of such lost, destroyed, stolen or mutilated certificate or certificates, or his or her legal representative, shall be required, as a condition precedent to the issuance of a new certificate or certificates, to give the Corporation a bond in such sums as it may direct as indemnity against any claim that may be made against the Corporation.

Section 4. **FIXING OF RECORD DATE**. The Board of Directors may set, in advance, a record date for the purpose of determining stockholders entitled to notice of or to vote at any meeting of stockholders or determining stockholders entitled to receive payment of any dividend or the allotment of any other rights, or in order to make a determination of stockholders for any other proper purpose. Such record date, in any case, shall not be prior to the close of business on the day the record date is fixed and shall be not more than 90 days and, in the case of a meeting of stockholders, not less than ten days, before the date on which the meeting or particular action requiring such determination of stockholders of record is to be held or taken.

When a record date for the determination of stockholders entitled to notice of or to vote at any meeting of stockholders has been set as provided in this section, such record date shall continue to apply to the meeting if postponed or adjourned, except if the meeting is postponed or adjourned to a date more than 120 days after the record date originally fixed for the meeting, in which case a new record date for such meeting shall be determined as set forth herein.

Section 5. **STOCK LEDGER**. The Corporation shall maintain at its principal office or at the office of its counsel, accountants or transfer agent, an original or duplicate stock ledger containing the name and address of each stockholder and the number of shares of each class held by such stockholder.

Section 6. **FRACTIONAL STOCK; ISSUANCE OF UNITS**. The Board of Directors may authorize the Corporation to issue fractional shares of stock or authorize the issuance of scrip, all on such terms and under such conditions as it may determine. Notwithstanding any other provision of the Charter or these Bylaws, the Board of Directors may authorize the issuance of units consisting of different securities of the Corporation.

ARTICLE VIII

ACCOUNTING YEAR

The Board of Directors shall have the power, from time to time, to fix the fiscal year of the Corporation by a duly adopted resolution.

ARTICLE IX

DISTRIBUTIONS

Section 1. **AUTHORIZATION**. Dividends and other distributions upon the stock of the Corporation may be authorized by the Board of Directors, subject to the provisions of law and the Charter. Dividends and other distributions may be paid in cash, property or stock of the Corporation, subject to the provisions of law and the Charter.

Section 2. **CONTINGENCIES**. Before payment of any dividend or other distribution, there may be set aside out of any assets of the Corporation available for dividends or other distributions such sum or sums as the Board of Directors may from time to time, in its sole discretion, think proper as a reserve fund for contingencies, for equalizing dividends, for repairing or maintaining any property of the Corporation or for such other purpose as the Board of Directors shall determine, and the Board of Directors may modify or abolish any such reserve.

ARTICLE X

INVESTMENT POLICY

Subject to the provisions of the Charter, the Board of Directors may from time to time adopt, amend, revise or terminate any policy or policies with respect to investments by the Corporation as it shall deem appropriate in its sole discretion.

ARTICLE XI

SEAL

Section 1. **SEAL**. The Board of Directors may authorize the adoption of a seal by the Corporation. The seal shall contain the name of the Corporation and the year of its incorporation and the words "Incorporated Maryland" or such other language as may be approved by the Board of Directors. The Board of Directors may authorize one or more duplicate seals and provide for the custody thereof.

Section 2. **AFFIXING SEAL**. Whenever the Corporation is permitted or required to affix its seal to a document, it shall be sufficient to meet the requirements of any law, rule or regulation relating to a seal to place the word "**(SEAL)**" adjacent to the signature of the person authorized to execute the document on behalf of the Corporation.

ARTICLE XII

WAIVER OF NOTICE

Whenever any notice of a meeting is required to be given pursuant to the Charter or these Bylaws or pursuant to applicable law, a waiver thereof in writing or by electronic transmission, given by the person or persons entitled to such notice, whether before or after the time stated therein, shall be deemed equivalent to the giving of such notice. Neither the business to be transacted at nor the purpose of any meeting need be set forth in the waiver of notice of such meeting, unless specifically required by statute. The attendance of any person at any meeting shall constitute a waiver of notice of such meeting, except where such person attends a meeting for the express purpose of objecting to the transaction of any business on the ground that the meeting has not been lawfully called or convened.

ARTICLE XIII

EXCLUSIVE FORUM FOR CERTAIN LITIGATION

Unless the Corporation consents 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, shall be the sole and exclusive forum for (a) any Internal Corporate Claim, as such term is defined in Section 1-101(p) of the MGCL, or any successor provision thereof, (b) any derivative action or proceeding brought on behalf of the Corporation other than actions arising under the federal securities laws, (c) any action asserting a claim of breach of any duty owed by any director or officer or other employee of the Corporation to the Corporation or to the stockholders of the Corporation, (d) any action asserting a claim against the Corporation or any director or officer or other employee of the Corporation arising pursuant to any provision of the MGCL or the Charter or these Bylaws, or (e) any other action asserting a claim against the Corporation or any director or officer or other employee of the Corporation that is governed by the internal affairs doctrine.

ARTICLE XIV

AMENDMENT OF BYLAWS

The Board of Directors is expressly authorized to amend or repeal any provision of these Bylaws and to make new Bylaws. In addition, these Bylaws may be amended or repealed, and new Bylaws may be adopted by the stockholders of the Corporation, without the approval of the 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.

Effective as of January 29, 2021

DESCRIPTION OF CAPITAL STOCK

*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.

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 “Description of Capital Stock—General” and “Description of Capital Stock—Description of Common Stock—Power to Classify and Reclassify Unissued Stock,” 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 ending 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 ending 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.

Number *0*

Shares *0*

**SEE REVERSE FOR IMPORTANT NOTICE
ON TRANSFER RESTRICTIONS
AND OTHER INFORMATION**

THIS CERTIFICATE IS TRANSFERABLE
IN THE CITIES OF _____

CUSIP _____

CTO REALTY GROWTH, INC.
a Corporation Formed Under the Laws of the State of Maryland

THIS CERTIFIES THAT ****Specimen**** is the owner of ****Zero (0)**** fully paid and nonassessable shares of Common Stock, \$0.01 par value per share, of

CTO REALTY GROWTH, INC.

(the "Corporation") transferable on the books of the Corporation by the holder hereof in person or by its duly authorized attorney, upon surrender of this Certificate properly endorsed. This Certificate and the shares represented hereby are issued and shall be held subject to all of the provisions of the charter of the Corporation (the "Charter") and the Bylaws of the Corporation and any amendments or supplements thereto. This Certificate is not valid unless countersigned and registered by the Transfer Agent and Registrar.

IN WITNESS WHEREOF, the Corporation has caused this Certificate to be executed on its behalf by its duly authorized officers.

DATED: _____

Countersigned and Registered:
Transfer Agent
and Registrar

President (SEAL)

By: _____
Authorized Signature

Secretary

IMPORTANT NOTICE

The Corporation will furnish to any stockholder, on request and without charge, a full statement of the information required by Section 2-211(b) of the Corporations and Associations Article of the Annotated Code of Maryland with respect to the designations and any preferences, conversion and other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications, and terms and conditions of redemption of the stock of each class which the Corporation has authority to issue and, if the Corporation is authorized to issue any preferred or special class in series, (i) the differences in the relative rights and preferences between the shares of each series to the extent set, and (ii) the authority of the Board of Directors to set such rights and preferences of subsequent series. The foregoing summary does not purport to be complete and is subject to and qualified in its entirety by reference to the Charter, a copy of which will be sent without charge to each stockholder who so requests. Such request must be made to the Secretary of the Corporation at its principal office.

The shares represented by this certificate are subject to restrictions on Beneficial Ownership and Constructive Ownership and Transfer for the purpose, among others, of the Corporation's qualification as a Real Estate Investment Trust (a "REIT") under the Internal Revenue Code of 1986, as amended (the "Code"). Subject to certain further restrictions and except as expressly provided in the Corporation's Charter, (i)(a) no Person, other than an Excepted Holder, shall Beneficially Own or Constructively Own shares of any class or series of Capital Stock in excess of the Ownership Limit; and (b) no Excepted Holder shall Beneficially Own or Constructively Own shares of Capital Stock in excess of the Excepted Holder Limit for such Excepted Holder; (ii) no Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership of Capital Stock would result in the Corporation 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 a taxable year), or otherwise failing to qualify as a REIT; (iii) any Transfer of shares of Capital Stock that, if effective, would result in the Capital Stock being beneficially owned by less than 100 Persons (determined under the principles of Section 856(a)(5) of the Code) shall be void *ab initio*, and the intended transferee shall acquire no rights in such shares of Capital Stock; and (iv) no Person shall Beneficially Own or Constructively Own shares of Capital Stock to the extent that such Beneficial Ownership or Constructive Ownership would cause the Corporation to Constructively Own ten percent (10%) or more of the ownership interests in a tenant (other than a Taxable REIT subsidiary) of the Corporation's real property within the meaning of Section 856(d)(2)(B) of the Code. If any of the restrictions on transfer or ownership provided in (i), (ii), or (iv) above are violated, the shares of Capital Stock in excess or in violation of the above limitations will be automatically transferred to a Trust for the exclusive benefit of a Charitable Beneficiary. All capitalized terms in this legend have the meanings given such terms in the Charter of the Corporation, as the same may be amended from time to time, a copy of which, including the restrictions on transfer and ownership, will be furnished to each holder of shares of Capital Stock of the Corporation on request and without charge. Requests for such a copy may be directed to the Secretary of the Corporation at its Principal Office.

KEEP THIS CERTIFICATE IN A SAFE PLACE. IF IT IS LOST, STOLEN OR DESTROYED,
THE CORPORATION MAY REQUIRE A BOND OF INDEMNITY AS A CONDITION TO THE
ISSUANCE OF A REPLACEMENT CERTIFICATE.

The following abbreviations, when used in the inscription on the face of this Certificate, shall be construed as though they were written out in full according to applicable laws or regulations:

TEN COM - as tenants in common	UNIF GIFT MIN ACT _____ Custodian _____
TEN ENT - as tenants by the entireties	(Custodian) (Minor)
JT TEN - as joint tenants with right of survivorship and not as tenants in common	Under the Uniform Gifts to Minors Act of _____ (State)

FOR VALUE RECEIVED, _____ HEREBY SELLS, ASSIGNS AND TRANSFERS UNTO

(NAME & ADDRESS, INCLUDING ZIP CODE & SS# OR OTHER IDENTIFYING # OF ASSIGNEE)

_____ (_____) shares of stock of the Corporation represented by this Certificate and does hereby irrevocably constitute and appoint _____ attorney to transfer the said shares on the books of the Corporation, with full power of substitution in the premises.

Dated: _____

NOTICE: THE SIGNATURE TO THIS ASSIGNMENT MUST CORRESPOND WITH THE NAME AS WRITTEN UPON THE FACE OF THE CERTIFICATE IN EVERY PARTICULAR, WITHOUT ALTERATION OR ENLARGEMENT OR ANY OTHER CHANGE.

CTO REALTY GROWTH, INC.
(formerly known as Consolidated-Tomoka Land Co.)
(Company)

CTO NEWCO REIT, INC.
(to be renamed CTO Realty Growth, Inc.)
(Successor)

U.S. BANK NATIONAL ASSOCIATION
(Trustee)

Supplemental Indenture No. 1

Dated as of January 29, 2021

SUPPLEMENTAL INDENTURE No. 1, dated as of January 29, 2021, among CTO Realty Growth, Inc. (formerly known as Consolidated-Tomoka Land Co.), a Florida Corporation (the “**Company**”), CTO NEWCO REIT, Inc., a Maryland corporation, which will be renamed as of the date hereof and immediately following the effectiveness hereof to CTO Realty Growth, Inc. (the “**Successor**”), and U.S. Bank National Association, a national banking association having a corporate trust office at 225 Water Street, Jacksonville, Florida 32202, as trustee, (the “**Trustee**”), under the Indenture dated as of February 3, 2020 (the “**Indenture**”), this Supplemental Indenture No. 1 being supplemental thereto.

Recitals of the Company and the Successor

WHEREAS, the Indenture was authorized, executed and delivered by the Company to provide for the issuance of the Company’s 3.875% Convertible Senior Notes due 2025 (the “**Notes**”) by the Company;

WHEREAS, on August 26, 2020, the Board of Directors of the Company approved an Agreement and Plan of Merger, dated as of September 3, 2020, by and between the Company and the Successor pursuant to which the Company will merge with and into the Successor, with Successor as the surviving corporation as of the date hereof (the “**Merger**”);

WHEREAS, immediately following the Merger and the effectiveness hereof, the Successor will change its name to CTO Realty Growth, Inc.;

WHEREAS, Section 9.01 of the Indenture provides, among other things, that the Company shall not merge with or into, another Person (such term and all other capitalized terms used herein without definition having the meanings assigned to them in the Indenture), unless the Successor Company expressly assumes, by supplemental indenture, executed and delivered to the Trustee, in form satisfactory to the Trustee, all of the obligations of the Company under the Notes and the Indenture;

WHEREAS, Section 8.01(b) of the Indenture provides that, without the consent of any Holder, the Company (when authorized by a Board Resolution) and the Trustee, at any time and from time to time, may enter into one or more supplemental indentures, in form satisfactory to the Trustee, to evidence the succession by a Successor Company and to provide for the assumption by a Successor Company of the Company’s obligations under the Notes and the Indenture;

WHEREAS, the Company has heretofore delivered or is delivering contemporaneously herewith to the Trustee an Officer’s Certificate and an Opinion of Counsel, in each case described in Section 9.03 of the Indenture;

WHEREAS, each of the Company and the Successor has duly authorized the execution and delivery of this Supplemental Indenture No. 1 to provide for the assumption by the Successor of all of the Company’s obligations under the Indenture; and has duly authorized the assumption of the Notes outstanding under the Indenture by the Successor; and all acts necessary to make this Supplemental Indenture No. 1 a valid agreement of the Company and the Successor, and to make the Indenture and the Notes valid obligations of the Successor, have been performed.

NOW, THEREFORE, THIS SUPPLEMENTAL INDENTURE NO. 1 WITNESSETH, that, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, it is mutually covenanted and agreed as follows:

ARTICLE ONE

Agreement to Assume Obligations

Section 1. Immediately upon the consummation of the Merger:

(A) pursuant to Section 9.02 of the Indenture, Successor hereby assumes from the Company the due and punctual payment of all amounts (including legal fees and expenses) owing to or to be paid to the Trustee and Conversion Agent, the due and punctual payment of the principal of and premium (including any Fundamental Change Purchase Price), if any, and accrued and unpaid interest, if any, on all of the Notes, the due and punctual payment or delivery of any Settlement Amount due upon conversion of the Notes and the due and punctual performance of all of the covenants, indemnities and conditions of the Indenture to be performed by the Company under the Indenture; and

(B) the Successor hereby succeeds to, and is substituted for, and may exercise every right and power of, the Company under this Indenture, with the same effect as if the Successor had been named therein as the party of the first part.

ARTICLE TWO

Miscellaneous Provisions

Section 1. This Supplemental Indenture No. 1 is a supplement to the Indenture. As supplemented by this Supplemental Indenture No. 1, the Indenture is in all respects ratified, approved and confirmed, and the Indenture and this Supplemental Indenture No. 1 shall together constitute one and the same instrument.

Section 2. The recitals contained in this Supplemental Indenture No. 1 shall be taken as the statements of the Company and the Successor, and the Trustee assumes no responsibility for their correctness and makes no representations as to the validity or sufficiency of this Supplemental Indenture No. 1.

Section 3. This instrument may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

[Remainder of Page Intentionally Left Blank Signature Page Follows]

IN WITNESS WHEREOF, the parties hereto have caused this Supplemental Indenture No. 1 to be duly executed as of the day and year first written above.

CTO REALTY GROWTH, INC.

By: /s/ John P. Albright
Name: John P. Albright
Title: President, CEO

CTO NEWCO REIT, INC.

By: /s/ John P. Albright
Name: John P. Albright
Title: President, CEO

U.S. BANK NATIONAL ASSOCIATION

By: /s/ Sheryl Lear
Name: Sheryl Lear
Title: Vice President

[Signature Page to Supplemental Indenture No. 1]

**REAFFIRMATION, CONSENT TO TRANSFER
AND REPLACEMENT OF GUARANTOR**

THIS REAFFIRMATION, CONSENT TO TRANSFER AND REPLACEMENT OF GUARANTOR (this "**Agreement**") is dated as of made as of this 29th day of January, 2021 (the "**Effective Date**"), by and among THE ENTITIES SET FORTH ON **SCHEDULE I** ATTACHED HERETO (collectively, "**Borrower**"), CTO NEWCO REIT, INC. (to be renamed CTO REALTY GROWTH, INC. following merger), a Maryland corporation ("**New Guarantor**") 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 ("**Lender**").

RECITALS:

A. Wells Fargo Bank, National Association (the "**Original Lender**") made a loan to Borrower in the original principal amount of \$30,000,000.00 (the "**Loan**"). The Loan is evidenced and secured by the following documents:

1. Promissory Note, dated as of September 30, 2014, payable by Borrower to Original Lender in the original principal amount of the Loan (the "**Note**");
2. Loan Agreement, dated of even date with the Note, by and among Borrower and Original Lender (the "**Loan Agreement**");
3. each Deed of Trust, Assignment of Leases and Rents, Security Agreement and Fixture Filing and the Multistate Mortgage, Assignment of Leases and Rents, Security Agreement and Fixture Filing (each a "**Security Instrument**" and collectively, the "**Security Instruments**") by Borrower to or for the benefit of Original Lender covering the Properties (as defined in the Loan Agreement);
4. UCC-1 financing statements with Borrower as debtor and Original Lender as secured party filed with the Delaware Secretary of State and with the appropriate recorder's office in the county where each Property is located;
5. Deposit Account Control Agreement (Springing Lockbox), dated of even date with the Note (the "**Deposit Account Agreement**"), by and among Borrower, Original Lender and Wells Fargo Bank, National Association (in such capacity, "**Deposit Bank**");
6. Cash Management Agreement, dated of even date with the Note (the "**Cash Management Agreement**"), by and among Borrower and Original Lender;
7. Environmental Indemnity Agreement, dated of even date with the Note, by Borrower and Consolidated-Tomoka Land Co., a Florida corporation, Guarantor's predecessor in interest, in favor of Original Lender (the "**Current Environmental Indemnity**"); and
8. Guaranty of Recourse Obligations of Borrower, dated of even date with the Note, by Consolidated-Tomoka Land Co., a Florida corporation, Guarantor's predecessor in interest, in favor of Original Lender (the "**Current Guaranty**"); and

The foregoing documents, together with any and all other documents executed by Borrower and/or Guarantor (including Guarantor's predecessor in interest, Consolidated-Tomoka Land Co.) in connection with the origination of Loan, are collectively called the "**Original Loan Documents**."

B. Original Lender subsequently assigned, sold and transferred its interest in the Loan and the Original Loan Documents to Lender, and the Lender is the current holder of all of Original Lender's interest in the Loan and the Original Loan Documents.

C. The Original Loan Documents, together with, this Agreement and the other documents executed in connection with this Agreement, including the Joinder (as defined below), as the same may be amended, restated, replaced, supplemented or otherwise modified from time to time, are hereinafter collectively defined as the "**Loan Documents**". Capitalized terms not otherwise defined herein shall have the meaning given to such terms in the Loan Agreement, as modified by this Agreement.

D. Borrower continues to be the owner of the Property.

E. On April 30, 2020, Consolidated-Tomoka Land Co. filed an Articles of Amendment to Articles of Incorporation of Consolidated-Tomoka Land Co. (the "**Articles of Amendment**") with the Florida Department of State changing the name of originally named "**Guarantor**" under the Loan Documents to CTO Realty Growth, Inc., and on May 1, 2020, CTO Realty Growth Inc., a Florida corporation filed an additional Articles of Correction for CTO Growth, Inc., which corrected the effective date of the previously filed Articles of Amendment to be May 11, 2020. As of May 11, 2020, the identity of "**Guarantor**" under the Loan Documents was and prior to the date hereof, has been, CTO Realty Growth, Inc, a Florida corporation. All references hereafter to "**Guarantor**" shall be understood to refer to CTO Realty Growth, Inc., a Florida corporation.

F. Pursuant to that certain Agreement and Plan of Merger, dated as of September 3, 2020 (the "**Merger Agreement**") by and between Guarantor and CTO NEWCO REIT, Inc., a Maryland corporation ("**Newco**"), Borrower has requested Lender's consent for Guarantor to restructure its business operations so that it can elect and will qualify for U.S. federal income tax purposes as a "real estate investment trust" commencing with its taxable year ending December 31, 2021, such that Guarantor will merge with and into Newco, and Newco will subsequently change its name to New Guarantor (such transaction, collectively, the "**REIT Conversion**"). As a result of the REIT Conversion, (1) Guarantor will cease to exist, (2) New Guarantor will own 100% of the indirect ownership interests in each Borrower and (3) subject to Lender's approval, New Guarantor will assume the obligations of Guarantor as the "**Guarantor**" under the Loan Documents (the "**Guarantor Substitution**"). Further as a result of the REIT Conversion, New Guarantor will replace Guarantor as the publicly held corporation through which its operations are conducted and will (through its subsidiaries) conduct all of the operations conducted by Guarantor immediately prior to the REIT Conversion.

G. In connection with the above actions, Borrower and New Guarantor have requested Lender's consent to (1) the REIT Conversion and (2) the Guarantor Substitution (the Guarantor Substitution, together with the REIT Conversion, are hereafter referred to as, collectively, the "**Transaction**").

H. The Transaction requires the consent of the Lender under the Loan Documents, and Borrower and New Guarantor have requested, and Lender has agreed, to consent to the Transaction, subject to the terms and conditions hereof and in the Loan Agreement.

AGREEMENTS:

NOW, THEREFORE, Borrower, New Guarantor and Lender agree as of the Effective Date as follows:

1. **Incorporation.** The foregoing recitals are incorporated herein by this reference.

2. **Loan Balance and Reserves.** The parties acknowledge and agree, as of the Effective Date, that:

- a. The principal balance outstanding under the Note is \$30,000,000.00;
- b. Accrued interest on the Note has been paid as of January 10, 2021;
- c. The balance in the Tax Reserve Account held by Lender pursuant to Section 8.1 of the Loan Agreement is \$0.00;
- d. The balance in the Insurance Reserve Account held by Lender pursuant to Section 8.2 of the Loan Agreement is \$0.00;
- e. The balance in the Replacement Reserve Account held by Lender pursuant to Section 8.4 of the Loan Agreement is \$315,225.00;
- f. The balance in the Leasing Reserve Account held by Lender pursuant to Section 8.5 of the Loan Agreement is \$155,610.00, which reflects the amount previously paid by Borrower as required in Section 4(i) below; and
- g. The balance in the Existing TI/LC Reserve Account held by Lender pursuant to Section 8.9 of the Loan Agreement is \$0.00.

3. **Transfer Fee.** As consideration for Lender's execution of this Agreement and in addition to any other sums due hereunder, Borrower agrees to pay Lender or Lender's servicer(s) a transfer fee of \$300,000.00 (1.0% of the outstanding principal balance of the Loan).

4. **Conditions Precedent.** The following are conditions precedent to Lender's obligations under this Agreement:

a. The representations and warranties contained herein are true and correct in all material respects;

b. Lender's receipt of the organizational documents and evidence of good standing of Borrower, New Guarantor and any constituent parties, as applicable, including, without limitation, an amended and restated operating agreement of Golden Arrow 6 LLC, a Delaware limited liability company, all in form and substance acceptable to Lender, together with such resolutions or certificates as Lender may reasonably require, in form and content reasonably acceptable to Lender, authorizing the Transaction and the execution of this Agreement and the other documents contemplated herein, executed by the appropriate persons and/or entities on behalf of Borrower and New Guarantor;

c. Receipt by Lender of a fully executed original of this Agreement and any other documents and agreements which are required pursuant to this Agreement, in form and content acceptable to Lender;

d. Receipt by Lender of a fully executed original of an additional Reaffirmation of Joinder By and Agreement of New Indemnitor (the "*Joinder*") by New Guarantor in favor of Lender, in form and substance acceptable to Lender;

e. Lender shall have received evidence that satisfies the requirements of the Loan Documents that the insurance coverages will be in compliance with the insurance provisions of the Loan Documents and otherwise be satisfactory to Lender and that the annual premiums for such insurance has been paid as of the Effective Date;

f. Receipt by Lender of a current title report for the Property containing no new title exceptions other than those previously approved pursuant to the Loan Documents or otherwise approved by Lender in connection with the REIT Conversion;

g. Receipt and approval by Lender of the Merger Agreement and any amendments thereto and all other documents executed in connection with, or otherwise evidencing, the REIT Conversion;

h. Payment of Lender's standard administrative processing fee of \$750.00 and Lender's standard application fee of \$10,000.00;

i. Borrower's deposit of all uncollected Leasing Reserve Monthly Payments accruing since the Monthly Payment Date occurring in December 2019 through the Monthly Payment Date occurring in January 2021 in the total amount of \$155,610.00 on or prior to the Effective Date;

j. Receipt by Lender of a Rating Agency Confirmation with respect to the Transaction;

k. Borrower's reimbursement to Lender of Lender's costs and expenses incurred in connection with this Agreement and the Transaction, including, without limitation, title insurance costs, escrow and recording fees, attorneys' fees, appraisal, engineers' and inspection fees, Rating Agency fees and expenses and documentation costs and charges, whether such services are furnished by Lender's employees, agents or independent contractors;

l. Receipt and approval by Lender of a transaction opinion from Borrower's, Guarantor's and New Guarantor's counsel; and

m. Satisfaction or waiver of all other requirements under the Loan Documents, the conditional approval letter issued by Lender and the closing checklist for this transaction as determined by Lender and Lender's counsel.

Lender's execution and release of its signature page to this Agreement shall serve as evidence that the foregoing conditions have been satisfied.

5. **Consent to Transaction.** Subject to the terms and conditions contained herein and in the Loan Agreement, Lender hereby consents to the Transaction, and Lender further consents to, in connection with the REIT Conversion, (i) Guarantor filing the Articles of Merger in the form attached hereto as **Exhibit C-1** with the Florida Secretary of State, (ii) New Guarantor filing the Articles of Merger in the form attached hereto as **Exhibit C-2** with the Maryland Secretary of State and (iii) New Guarantor filing the Articles of Amendment in the form attached hereto as **Exhibit C-3** with the Maryland Secretary of State. Lender hereby reserves its rights under the terms of the Loan Agreement and any other Loan Document with respect to any subsequent sale, transfer, encumbrance or other conveyance of the Property or any interest in Borrower, except as permitted by the Loan Agreement, as amended hereby.

6. Consent and Reaffirmation of Borrower.

a. Borrower hereby represents and warrants to Lender that Borrower has reviewed this Agreement and the Merger Agreement and all the documents executed in accordance therewith or herewith. Borrower consents to the Transaction under the terms and conditions of this Agreement and the Merger Agreement. Borrower further covenants and agrees that the Transaction shall not, and shall not be deemed to, impair, limit, abrogate or reduce in any manner or to any extent the liability or obligations of Borrower under the Loan Documents.

b. Borrower hereby renews, reaffirms, ratifies and confirms the Loan Documents to which it is a party and acknowledges and agrees that such Loan Documents remain in full force and effect without impairment and without modification (except as specifically provided herein), and that no rights or remedies of Lender under the Loan Documents have been waived. Borrower reaffirms the truth and accuracy in all material respects of all representations and warranties made by Borrower in the Loan Documents as if such representations and warranties were made on the Effective Date. Borrower confirms that the recitals of this Agreement are true and accurate.

c. Borrower agrees to continue to pay, perform, and discharge each and every obligation of Borrower for the payment and performance under, pursuant to and as set forth in the Loan Documents at the time and manner therein provided.

d. To the extent applicable, Borrower agrees to maintain and comply with any existing Operations and Maintenance Plan (such plan, an “**O&M Plan**”) affecting any Property to the fullest extent required by such O&M plan.

7. Consent and Reaffirmation of New Guarantor.

a. New Guarantor hereby represents and warrants to Lender that it has reviewed this Agreement and the Merger Agreement and all the documents executed in accordance therewith or herewith. New Guarantor consents to the Transaction under the terms and conditions of this Agreement and the Merger Agreement. New Guarantor further covenants and agrees that the Transaction shall not, and shall not be deemed to, impair, limit, abrogate or reduce in any manner or to any extent the liability or obligations of the New Guarantor under the Loan Documents, as such obligations of “*Guarantor*” under the Loan Documents are hereafter assumed by New Guarantor.

b. New Guarantor hereby renews, reaffirms, ratifies and confirms the Loan Documents to which it has assumed as if New Guarantor was the originally named “*Guarantor*” thereunder and acknowledges and agrees that such Loan Documents remain in full force and effect without impairment and without modification and that no rights or remedies of Lender under such Loan Documents have been waived. New Guarantor reaffirms the truth and accuracy of all representations and warranties made by Guarantor in the Loan Documents as if such representations and warranties were made on the Effective Date by New Guarantor.

8. **Default.** Any breach by Borrower or New Guarantor of its representations, warranties and covenants herein shall constitute a default by such party under this Agreement and under the Loan Agreement.

9. Certain Representations, Warranties, and Covenants Regarding the Transaction.

a. Borrower and New Guarantor represent, warrant and covenant to Lender that, prior to the REIT Conversion, the organizational chart attached as **Exhibit A** hereto was true and correct.

b. Borrower and New Guarantor represent, warrant and covenant to Lender that: (i) after the consummation of the REIT Conversion, the organizational chart of Borrower will be as depicted on **Exhibit B** attached hereto; (ii) all necessary consents for the Transaction have or will be obtained and (iii) the Transaction is being conducted in accordance with the applicable Legal Requirements.

c. Borrower and New Guarantor represent, warrant and covenant to Lender that, simultaneously herewith, (i) Guarantor has filed the Articles of Merger in the form attached hereto as **Exhibit C-1** with the Florida Secretary of State, (ii) New Guarantor has filed the Articles of Merger in the form attached hereto as **Exhibit C-2** with the Maryland Secretary of State and (iii) New Guarantor has filed the Articles of Amendment in the form attached hereto as **Exhibit C-3** with the Maryland Secretary of State.

10. **Representations, Warranties and Covenants of Borrower.** Borrower hereby represents and warrants that: (a) no Default or Event of Default has occurred and is continuing; (b) the direct and indirect ownership structure of Borrower prior to the Effective Date is as depicted on **Exhibit A** attached hereto; (c) after the consummation of the REIT Conversion, the direct and indirect ownership structure of Borrower is as depicted on **Exhibit B**; (d) no direct or indirect equity interest in any Borrower has been, or will be in connection with the REIT Conversion, pledged, hypothecated or otherwise encumbered except to the extent permitted under the Loan Documents, and that no portion of the capital contributed to any Borrower, directly or indirectly, in connection with the REIT Conversion consists of borrowed funds; (e) each Borrower is duly formed, validly existing and in good standing under the laws of the State of Delaware and has full power and authority to enter into and carry out the terms of this Agreement and the other documents to be executed by Borrower in connection herewith and to continue to carry out the terms of the applicable Loan Documents to which it is a party; (f) there is no action, proceeding or investigation involving any Borrower or any Property pending or, to any Borrower's knowledge, threatened which questions, directly or indirectly, the validity or enforceability of this Agreement or the other Loan Documents, or any action taken or to be taken pursuant hereto or thereto, or which could be reasonably anticipated by any Borrower to result in any material adverse change in the condition (financial or otherwise) or business of any Borrower; (g) the financial statements and other data and information supplied by or on behalf of each Borrower in connection with this matter, if any, were in all material respects true and correct on the dates they were supplied, and since their dates no material adverse change in the financial condition of each Borrower has occurred, and there is not any pending or, to each Borrower's knowledge, threatened litigation or proceedings which each Borrower could reasonably anticipate will impair to a material extent the business or financial condition of each Borrower; (h) this Agreement and the other Loan Documents to which each Borrower is a party constitute the legal, valid and binding obligations of each Borrower enforceable in accordance with their terms; (i) the execution and delivery of this Agreement by each Borrower does not contravene, result in a breach of or constitute a default under any deed of trust, deed to secure debt, mortgage, security instrument, indenture or other contract, agreement or undertaking to which each Borrower is a party or by which any property of each Borrower may be bound (nor would such execution and delivery constitute such a default with the passage of time or the giving of notice or both) and, to each Borrower's knowledge, do not violate or contravene any law, order, decree, rule or regulation to which any Borrower is subject; (j) each Security Instrument is a valid first lien mortgage on the applicable Property for the full unpaid principal amount of the Loan and all other amounts as stated therein; (k) all provisions of the Loan Documents are in full force and effect, except as modified herein; (l) there are no rights of set-off or counterclaim, nor any defenses of any kind, whether legal, equitable or otherwise, which would enable any Borrower to avoid or delay timely performance of any such Borrower's obligations under the Loan Documents; (m) there are no monetary encumbrances or liens of any kind or nature against any Borrower or Property except those created by the Loan Documents or otherwise permitted under the Loan Documents; (n) all rights, priorities, titles, liens and equities securing the payment of Borrower's obligations to Lender are expressly recognized as valid and are in all things renewed, continued and preserved in force to secure payment of such obligations; (o) each Borrower remains in compliance with the Loan Documents, including, without limitation, the provisions relating to ERISA, OFAC and the Patriot Act; (p) Borrower continues to maintain the Deposit Account with Deposit Bank, and Borrower has complied and will continue to comply with the terms of the Deposit Account Agreement; (q) the organizational documents of each Borrower have not been modified, amended, altered or changed since the date of the closing of the Loan without the prior written consent of Lender; (r) the tax identification number of each Borrower will not change in connection with the Transaction; (s) the Transaction is being conducted in accordance with all applicable Legal Requirements; (t) each Borrower is and will remain in compliance with the Loan Documents, including, without limitation, the provisions relating to its status as a Single Purpose Entity; and (u) the foregoing representations and warranties of Borrower do not contain any untrue statement of material fact or omit to state a material fact necessary in order to make such representations and warranties not misleading in light of the circumstances under which they are made.

11. Representations, Warranties and Covenants of New Guarantor. New Guarantor hereby represents and warrants that: (a) prior to the filing of the Articles of Merger referenced above, Guarantor was duly formed, validly existing and in good standing under the State of Florida, and had full power and authority to enter into and carry out the terms of the Merger Agreement, (b) New Guarantor is duly formed, validly existing and in good standing under the laws State of Maryland, and has full power and authority to enter into and carry out the terms of this Agreement; (c) there is no action, proceeding or investigation involving Guarantor or New Guarantor pending or, to New Guarantor's knowledge, threatened which questions, directly or indirectly, the validity or enforceability of this Agreement, the Merger Agreement or the other Loan Documents to which New Guarantor or Guarantor is a party; (d) the financial statements and other data and information supplied by or on behalf of Guarantor and New Guarantor in connection with this matter, if any, were in all material respects true and correct on the dates they were supplied and, since their dates, no material adverse change in the financial condition of Guarantor or New Guarantor has occurred, and there is not any pending or, to New Guarantor's knowledge, threatened litigation or proceedings which Guarantor or New Guarantor could reasonably anticipate will impair to a material extent the business or financial condition of Guarantor or New Guarantor; (e) no equity interest in Borrower, Guarantor or New Guarantor or any entity that, directly or indirectly, owns an equity interest in Borrower, Guarantor or New Guarantor has been, or will be in connection with the Transaction, pledged, hypothecated or otherwise encumbered except as permitted under the Loan Documents, and that no portion of the capital contributed to Borrower, directly or indirectly, in connection with the Transaction consists of borrowed funds; (f) New Guarantor is an Affiliate of Borrower and will derive substantial economic benefit from the Lender's agreement to consent to the Transaction and there is adequate consideration for New Guarantor's execution of this Agreement and the Joinder; (g) this Agreement and the other Loan Documents to which New Guarantor is a party constitutes the legal, valid and binding obligations of New Guarantor enforceable in accordance with its terms; (h) the execution and delivery of this Agreement by New Guarantor does not contravene, result in a breach of or constitute a default under any deed of trust, deed to secure debt, mortgage, security instrument, indenture or other contract, agreement or undertaking to which New Guarantor is a party or by which New Guarantor or any of their properties may be bound (nor would such execution and delivery constitute such a default with the passage of time or the giving of notice or both) and, to New Guarantor's knowledge, do not violate or contravene any law, order, decree, rule or regulation to which New Guarantor are subject; (i) no Default or Event of Default has occurred and is continuing; (j) all provisions of the Loan Documents are in full force and effect, except as modified herein; (k) there are no rights of set-off or counterclaim, nor any defenses of any kind, whether legal, equitable or otherwise, which would enable New Guarantor to avoid or delay timely performance of New Guarantor's obligations under the Loan Documents; (l) the Transaction is being conducted in accordance with all applicable Legal Requirements; and (m) the foregoing representations and warranties of New Guarantor do not contain any untrue statement of material fact or omit to state a material fact necessary in order to make such representations and warranties not misleading in light of the circumstances under which they are made.

2. **Modification of Loan Documents.** The Loan Documents are hereby modified as follows:

- a. The definition of “*Environmental Indemnity Agreement*” in Section 1.1 of the Loan Agreement is hereby modified to refer to, collectively, the Current Environmental Indemnity and the Joinder.
- b. The definition of “*Guarantor*” in Section 1.1 of the Loan Agreement is hereby modified to refer to New Guarantor as the Guarantor, or any other Person that now or hereafter guarantees the obligations of any Borrower under any Loan Document in accordance with the Loan Documents.
- c. The definition of “*Guaranty*” in Section 1.1 of the Loan Agreement is hereby modified to refer to, collectively, the Current Guaranty and the Joinder.
- d. The definition of “*Loan Documents*” in Section 1.1 of the Loan Agreement is hereby deleted and replaced with the definition contained in Recital C above.
- e. The references to the notice address of the “Lender” in Section 14.1 of the Loan Agreement (together with all other references to the notice address of Lender in the Loan Documents) is hereby deleted and replaced with the following:

If to Lender: 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
c/o Wells Fargo Commercial Mortgage Servicing
Duke Energy Center
550 S. Tryon Street, 14th Floor
MAC D1086-120
Charlotte, NC 28202
Attn: Asset Manager
Fax: 704.715.0036

with a copy to: Alston & Bird LLP
101 South Tryon Street, Suite 4000
Charlotte, NC 28280
Attn: James A. L. Daniel, Jr., Esq.
Fax: 704.444.1776

- f. The organizational chart attached to Schedule II (Organizational Chart) to the Loan Agreement is hereby deleted in its entirety and replaced with the organizational chart attached as **Exhibit B** hereto.

12. **No Other Modifications of the Loan Documents.** Except as specifically provided for herein, the parties acknowledge and agree that the Transaction will not result in any modifications to the Loan Documents, and that, except as modified hereby, the Loan Documents shall continue in full force and effect.

13. **Deferred Maintenance.** Borrower covenants and agrees that it will repair or cause to have repaired, in a good and workmanlike manner, free and clear of all mechanic's, materialmen's or other similar Liens on the Property, all deferred maintenance described on Wells Fargo Bank, National Association's notice to Borrower dated as of September 21, 2020 for the Harris Teeter property (collectively, the "***Deferred Maintenance***"), within ninety (90) days of the Effective Date. Borrower further covenants and agrees that should such items of Deferred Maintenance not be repaired as provided herein, that an immediate Event of Default shall have occurred, and that Lender shall have all remedies available to it under the terms of the Loan Documents, including but not limited to the immediate right to accrue interest on the Loan at the Default Rate.

14. **Release and Covenant Not to Sue.** Borrower and New Guarantor, on behalf of themselves and their heirs, successors and assigns, hereby release and forever discharge Lender, each of their predecessors in interest and their successors and assigns, together with any officers, directors, partners, employees, investors, certificate holders and agents (including, without limitation, servicers of the loan) of each of the foregoing (collectively, the "***Lender Parties***"), from all debts, accountings, bonds, warranties, representations, covenants, promises, contracts, controversies, agreements, claims, damages, judgments, executions, actions, inactions, liabilities demands or causes of action of any nature, at law or in equity, known or unknown, which Borrower and New Guarantor now have by reason of any cause, matter, or thing through and including the Effective Date, that arise out of or relate to: (a) the Loan, including, without limitation, its funding, administration and servicing; (b) the Loan Documents; (c) the Property and the Leases; (d) any reserve and/or escrow balances held by Lender or any servicers of the Loan; and (e) any other disclosed agreement or transaction between Borrower and New Guarantor and the Lender Parties. The review by the Lender Parties of any surveys, reports, documents, instruments or written information provided by Borrower or New Guarantor or any of their respective agents in connection with the Loan or the Transaction is solely to determine whether Borrower and New Guarantor are properly discharging their respective obligations to Lender and are in substantial compliance with Lender's underwriting requirements with respect to the Transaction, and may not be relied upon by Borrower or New Guarantor as a representation or warranty of compliance with the Loan Documents or any other agreement. The Lender Parties owe no duty of care to Borrower, New Guarantor or any third party to protect against, or to inform such parties of, any negligent, faulty, inadequate or defective matter. Borrower and New Guarantor, on behalf of themselves and their heirs, successors and assigns, covenant and agree never to institute or cause to be instituted or continue prosecution of any suit or other form of action or proceeding of any kind or nature whatsoever against any of the Lender Parties by reason of or in connection with any of the foregoing matters.

15. **Incorporation.** This Agreement shall form a part of each Loan Document. Any capitalized terms contained in this Agreement and not defined herein shall have the meanings set forth in the Loan Agreement.

16. **No Prejudice; Reservation of Rights; No Novation.** This Agreement shall not prejudice any rights or remedies of Lender under the Loan Documents, as modified. The parties do not intend this Agreement nor the transactions contemplated hereby to be, and this Agreement and the transactions contemplated hereby shall not be construed to be, a novation of any of the obligations owing by Borrower under, or in connection with, the Loan Documents.

17. **No Impairment.** The Security Instrument shall continue to secure payment and performance of the obligations of Borrower under the Loan Documents as modified, and nothing in this Agreement shall impair the lien of the Security Instrument.

18. **Integration.** The Loan Documents, including this Agreement (a) integrate all the terms and conditions mentioned in or incidental to the Loan Documents; (b) supersede all oral negotiations and prior and other writings with respect to their subject matter; and (c) are intended by the parties as the final expression of the agreement with respect to the terms and conditions set forth in those documents and as the complete and exclusive statement of the terms agreed to by the parties. If there is any conflict between the terms, conditions and provisions of this Agreement and those of any other agreement or instrument, including any of the Loan Documents, the terms, conditions and provisions of this Agreement shall prevail.

19. **Miscellaneous.** This Agreement and any attached consents or exhibits requiring signatures may be executed in counterparts (and delivered via facsimile or through electronic delivery of a pdf file), and all such counterparts and documents delivered via facsimile or through electronic delivery of a pdf file shall constitute but one and the same document. If any court of competent jurisdiction determines any provision of this Agreement or any of the Loan Documents to be invalid, illegal or unenforceable, that portion shall be deemed severed from the rest, which shall remain in full force and effect as though the invalid, illegal or unenforceable portion had never been a part of the Loan Documents. This Agreement shall be governed in accordance with Section 11.3 of the Loan Agreement. Time is of the essence with respect to all provisions of this Agreement.

20. **WAIVER OF JURY TRIAL. BORROWER, NEW GUARANTOR AND LENDER, TO THE FULL EXTENT PERMITTED BY LAW, HEREBY KNOWINGLY, INTENTIONALLY AND VOLUNTARILY, WITH AND UPON THE ADVICE OF COMPETENT COUNSEL, WAIVE, RELINQUISH AND FOREVER FORGO THE RIGHT TO A TRIAL BY JURY IN ANY ACTION OR PROCEEDING BASED UPON, ARISING OUT OF, OR IN ANY WAY RELATING TO THE LOAN DOCUMENTS OR THIS AGREEMENT.**

21. **Attorneys' Fees; Enforcement.** If any attorney is engaged by the Lender to enforce, construe or defend any provision of this Agreement, or as a consequence of any default under or breach of this Agreement, with or without the filing of any legal action or proceeding, Borrower shall pay to the Lender, upon demand, the amount of all attorneys' fees and costs reasonably incurred by the Lender in connection therewith, together with interest thereon from the date of such demand at the default rate provided in the Loan Documents.

[Remainder of page left blank; signature pages follow]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed and delivered as of the day and year first above written.

BORROWER:

BLUEBIRD ARROWHEAD PHOENIX LLC,
a Delaware limited liability company,

By: Golden Arrow 6 LLC,
a Delaware limited liability company,
Its sole member,

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 & Treasurer

GOLDEN ARROW CLERMONT FL LLC,
a Delaware limited liability company,

By: Golden Arrow 6 LLC,
a Delaware limited liability company,
Its sole member,

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 & Treasurer

Signature Page to Reaffirmation, Consent to Transfer, and Replacement of Guarantor

BLUEBIRD GERMANTOWN MD LLC,
a Delaware limited liability company,

By: Golden Arrow 6 LLC,
a Delaware limited liability company,
Its sole member,

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 & Treasurer

GOLDEN ARROW CHARLOTTE NC LLC,
a Delaware limited liability company,

By: Golden Arrow 6 LLC,
a Delaware limited liability company,
Its sole member,

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 & Treasurer

Signature Page to Reaffirmation, Consent to Transfer, and Replacement of Guarantor

GOLDEN ARROW KATY LLC,
a Delaware limited liability company,

By: Golden Arrow 6 LLC,
a Delaware limited liability company,
Its sole member,

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 & Treasurer

BLUEBIRD RENTON WA LLC,
a Delaware limited liability company,

By: Golden Arrow 6 LLC,
a Delaware limited liability company,
Its sole member,

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 & Treasurer

Signature Page to Reaffirmation, Consent to Transfer, and Replacement of Guarantor

**NEW
GUARANTOR:**

CTO NEWCO REIT, INC. (to be renamed CTO REALTY GROWTH, INC. following merger), a Maryland corporation

By: /s/ Matthew M. Partridge

Name: Matthew M. Partridge

Title: Senior Vice President, Chief Financial Officer & Treasurer

Signature Page to Reaffirmation, Consent to Transfer, and Replacement of Guarantor

LENDER: 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

By: Rialto Capital Advisors, LLC, a Delaware limited liability company, its attorney-in-fact

By: /s/ Niral Shah
Name: Niral Shah
Title: Managing Director

Signature Page to Reaffirmation, Consent to Transfer, and Replacement of Guarantor

SCHEDULE I

LIST OF BORROWER ENTITIES

Bluebird Arrowhead Phoenix LLC,
Golden Arrow Clermont FL LLC,
Bluebird Germantown MD LLC,
Golden Arrow Charlotte NC LLC,
Golden Arrow Katy LLC and
Bluebird Renton WA LLC, each a Delaware limited liability company

Sch. I-1

EXHIBIT A

ORGANIZATIONAL CHART OF BORROWER PRIOR TO THE REIT CONVERSION

[ATTACHED]

A-1

EXHIBIT B

ORGANIZATIONAL CHART OF BORROWER FOLLOWING THE REIT CONVERSION

[ATTACHED]

B-1

EXHIBIT C-1

FORM OF ARTICLES OF MERGER (FL)

[ATTACHED]

C-1-1

EXHIBIT C-2

FORM OF ARTICLES OF MERGER (MD)

[ATTACHED]

C-2-1

EXHIBIT C-3

FORM OF ARTICLES OF AMENDMENT

[ATTACHED]

C-3-1



Press Release

Contact: Matthew M. Partridge
 Senior Vice President and Chief Financial Officer
 (386) 944-5643
mpartridge@ctoreit.com

FOR
 IMMEDIATE
 RELEASE

**CTO REALTY GROWTH COMPLETES MERGER IN CONNECTION
 WITH REIT CONVERSION AND UPLISTS TO THE NYSE**

DAYTONA BEACH, FL – February 1, 2021 – CTO Realty Growth, Inc. (“CTO”) today announced the completion of the merger of CTO with and into CTO NEWCO REIT, Inc., a wholly owned subsidiary of CTO (the “Merger”). The Merger was undertaken in connection with CTO’s previously announced plan for CTO to elect to be subject to tax as a real estate investment trust (“REIT”) for U.S. federal income tax purposes commencing with its taxable year ended December 31, 2020.

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

In connection with the REIT conversion and the Merger, CTO applied to list the Company’s common stock on the New York Stock Exchange (the “NYSE”) under CTO’s current ticker symbol, “CTO.” This application has been approved, and the Company’s common stock is expected to begin trading on the NYSE on February 1, 2021 under the ticker symbol “CTO.”

About CTO Realty Growth, Inc.

CTO Realty Growth, Inc. is a publicly traded diversified real estate investment trust that owns and operates a diversified portfolio of income properties comprising approximately 2.4 million square feet in in the United States. CTO also owns an approximate 23.5% interest in Alpine Income Property Trust, Inc., a publicly traded net lease real estate investment trust (NYSE: PINE).

Forward-Looking Statements

Certain statements contained in this press release (other than statements of historical fact) are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can typically be identified by words such as “believe,” “estimate,” “expect,” “intend,” “anticipate,” “will,” “could,” “may,” “should,” “plan,” “potential,” “predict,” “forecast,” “project,” and similar expressions, as well as variations or negatives of these words.

Although forward-looking statements are made based upon management's present expectations and reasonable beliefs concerning future developments and their potential effect upon the Company, a number of factors could cause the Company's actual results to differ materially from those set forth in the forward-looking statements. Such factors may include, but are not limited to: (1) the Company's ability to remain qualified as a REIT; (2) the Company's exposure to U.S. federal and state income tax law changes, including changes to the REIT requirements; (3) general adverse economic and real estate conditions; (4) the ultimate geographic spread, severity and duration of pandemics such as the recent outbreak of the novel coronavirus, actions that may be taken by governmental authorities to contain or address the impact of such pandemics, and the potential negative impacts of such pandemics on the global economy and the Company's financial condition and results of operations; (5) the inability of major tenants to continue paying their rent or obligations due to bankruptcy, insolvency or a general downturn in their business; (6) the loss or failure, or decline in the business or assets of PINE or the entity that holds undeveloped land in Daytona Beach, Florida, in which the Company owns a retained interest; (6) the completion of 1031 exchange transactions; (7) the availability of investment properties that meet the Company's investment goals and criteria; (8) the uncertainties associated with obtaining required governmental permits and satisfying other closing conditions for planned acquisitions and sales; and the uncertainties and risk factors discussed in the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2019, in the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2020 and in the Company's Definitive Proxy Statement on Schedule 14A dated October 19, 2020, each as filed with the Securities and Exchange Commission.

There can be no assurance that future developments will be in accordance with management's expectations or that the effect of future developments on the Company will be those anticipated by management. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to update the information contained in this press release to reflect subsequently occurring events or circumstances.