Risk Factors Comparison 2024-02-29 to 2023-02-23 Form: 10-K

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Our business is subject to a number of risks, including risks that may prevent us from achieving our business objectives or may adversely affect our business, financial condition, results of operations, cash flows and prospects. These summary risks provide an overview of many of the risks we are exposed to in the normal course of our business and are discussed more fully in Item 1A. Risk Factors herein. These risks include, but are not limited to, the following: • Adverse economic and geopolitical conditions and dislocations in the credit markets, ~~including as a result of the novel coronavirus (" COVID- 19"),~~ could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations ~~. • Our failure to establish new development relationships with public partners and expand our development relationships with existing public partners could have a material adverse effect on our results of operations, cash flow, and growth prospects~~. • We may be unable to identify and complete development opportunities and acquisitions of properties that meet our investment criteria, which may materially and adversely affect our results of operations, cash flow, and growth prospects. • Our real estate development activities are subject to risks particular to development, such as unanticipated expenses, delays, and other contingencies, any of which could materially and adversely affect our financial condition, results of operations, and cash flow. • The geographic concentration of our portfolio could cause us to be more susceptible to adverse economic or regulatory developments in the markets in which our properties are located than if we owned a more geographically diverse portfolio. • We have a substantial amount of indebtedness outstanding, which may expose us to the risk of default under our debt obligations and may include covenants that restrict our ability to pay distributions to our stockholders. • Failure to maintain our current credit rating could adversely affect our cost of funds, related margins, liquidity, and access to the debt capital markets. ~~iii~~ • Increases in interest rates, or failure to hedge effectively against interest rate changes, will increase our interest expense and may adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. **iii** • Our growth depends on external sources of capital that are outside of our control and may not be available to us on commercially reasonable terms or at all, which could limit our ability to, among other things, meet our capital and operating needs or make the cash distributions to our stockholders necessary to maintain our qualification as a REIT. • We may be unable to renew leases, lease vacant space, or re- lease space on favorable terms or at all as leases expire, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. • The short- term leases in our multifamily portfolio expose us to the effects of declining market rents, which could adversely affect our results of operations, cash flow, and cash available for distribution. • Mezzanine loans and similar ~~loan~~ investments are subject to significant risks, and losses related to these investments could have a material adverse effect on our financial condition and results of operations. • Most of our costs, such as operating and general and administrative expenses, interest expense, and real estate acquisition and construction costs, are subject to inflation. • Adverse economic and regulatory conditions, particularly in the Mid- Atlantic region, could adversely affect our construction and development business, which could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. • There can be no assurance that all of the projects for which our construction business is engaged as general contractor will be commenced or completed in their entirety in accordance with the anticipated cost or that we will achieve the financial results we expect from the construction of such properties. • There can be no assurance that we will be able to realize the business objectives of our real estate investments through disposition or refinancing of such at attractive prices or within certain time periods, and any related illiquidity of our real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial condition. • Daniel Hoffler and his affiliates own, directly or indirectly, a substantial beneficial interest in our company on a fully diluted basis and have the ability to exercise significant influence on our company and our Operating Partnership, including the approval of significant corporate transactions. • Our charter contains certain provisions restricting the ownership and transfer of our stock that may delay, defer, or prevent a change of control transaction that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests. • Failure to maintain our qualification as a REIT would cause us to be taxed as a regular corporation, which would substantially reduce funds available for distribution to our stockholders. • We may be unable to make distributions at expected levels, which could result in a decrease in the market price of our common stock and our 6. 75 % Series A Cumulative Redeemable Perpetual Preferred Stock, $ 0. 01 par value per share (" Series A Preferred Stock "). PART I Item 1. Business. Our Company References to" we,"" our,"" us," ~~and~~ " our company **," and" Armada Hoffler** " refer to Armada Hoffler Properties, Inc., a Maryland corporation, together with our consolidated subsidiaries, including Armada Hoffler, L. P., a Virginia limited partnership (the" Operating Partnership"), of which we are the sole general partner. We are a ~~full~~ **vertically** - ~~service real estate company~~ **integrated, self- managed REIT** with ~~extensive~~ **over four decades of** experience developing, building, ~~owning~~ **acquiring** , and managing high- quality **retail** , ~~institutional- grade~~ office ~~, retail~~ , and multifamily properties **located** ~~in attractive markets~~ primarily ~~throughout~~ **in** the Mid- Atlantic and Southeastern United States. In addition to the ownership of our operating property portfolio, we develop and build properties for our own account and through joint ventures between us and unaffiliated partners and also invest in development projects through **real estate financing** ~~mezzanine lending and preferred equity~~ arrangements. We also provide general ~~contracting~~ - **construction and development** services to third ~~parties~~ **- party clients** . Our construction and development experience includes mid- and high- rise office buildings, retail strip malls, retail power centers, multifamily apartment communities, hotels and conference centers, single- and multi- tenant industrial, distribution, and manufacturing

facilities, educational, medical and special purpose facilities, government projects, parking garages, and mixed- use town centers. Our most recent third- party construction contracts have included the mixed- use project The Interlock in Atlanta, Georgia, **Adams Hill Apartments in Greenville, South Carolina, The Apartments at Innsbrook Square in Glen Allen, Virginia, Fox Crossing Apartments in Raleigh, North Carolina,** Boulder Lake Apartments in Chesterfield, Virginia, and 27th Street Hotel in Virginia Beach. We also are proud to have completed numerous signature properties across the Mid- Atlantic region, such as the Constellation Energy Building in Baltimore, Maryland, the Inner Harbor East development in Baltimore, Maryland and the Mandarin Oriental Hotel in Washington, D. C. We were formed on October 12, 2012 under the laws of the State of Maryland and are headquartered in Virginia Beach, Virginia. We elected to be taxed as a REIT for U. S. federal income tax purposes commencing with the taxable year ended December 31, 2013. Substantially all of our assets are held by, and all of our operations are conducted through, our Operating Partnership. As of December 31, ~~2022~~ **2023** , we owned, through a combination of direct and indirect interests, ~~76~~ **75** . ~~7~~ **6** % of the common units of limited partnership interest in our Operating Partnership (" OP Units"). ~~2022~~ **2023** and Recent Highlights The following highlights our results of operations and significant transactions for the year ended December 31, ~~2022~~ **2023** : • Net ~~income~~ **loss** attributable to common stockholders and OP Unitholders of $ ~~82~~ **4** . 5 million ~~, or $ 0. 93 per diluted share, compared to $ 13. 9 million, or $ 0. 17 per diluted share,~~ for the year ended December 31, ~~2021~~ **2023 , or $ 0. 05 per diluted share** . • Funds from operations attributable to common stockholders and OP Unitholders (" FFO") of $ ~~106~~ **90** . ~~6~~ **7** million ~~, or $ 1. 21 per diluted share, compared to $ 85. 4 million, or $ 1. 05 per diluted share,~~ for the year ended December 31, ~~2021~~ **2023** , **or $ 1. 02 per diluted share** ~~representing a 15 % year- over- year increase~~ . • Normalized funds from operations attributable to common stockholders and OP Unitholders (" Normalized FFO") of $ ~~107~~ **110** . ~~2~~ **5** million, or $ 1. ~~22~~ **24** per diluted share ~~, compared to~~ **. • Announced that the Board of Directors declared a cash dividend of** $ ~~87~~ **0** . **205** ~~6 million, or $ 1. 08~~ per ~~diluted~~ **common** share, ~~for~~ **representing a 5 % increase over the prior quarter' s dividend. • Dividends declared during** the year ended December 31, ~~2021~~ **2023 of $ 0. 775 per share** , representing a ~~13~~ **7. 6** % year- over- year increase **. • As part of the Company' s leadership succession planning initiatives, appointed Shawn Tibbetts to President, in addition to his existing role as Chief Operating Officer. The Company' s Board of Directors also endorsed founder and current Chairman Dan Hoffler' s intent to relinquish his role as Chairman of the Board of Directors in June 2024. The Board of Directors expects to appoint Louis S. Haddad as Chairman of the Board of Directors, subject to his reelection to the Board of Directors at the 2024 Annual Meeting of Stockholders. If the stockholders vote to reelect Mr. Hoffler to the Board of Directors at the 2024 Annual Meeting of Stockholders, Mr. Hoffler will continue to serve as a member of the Board of Directors, and the Board of Directors expects to appoint him as" Chairman Emeritus"** . • Property segment net operating income (" NOI") of $ ~~146~~ **160** . ~~5~~ **1** million **for the year ended December 31, 2023** , which represents ~~an 18~~ **a 9** . 3 % increase compared to $ ~~123~~ **146** . ~~8~~ **5** million for the year ended December 31, ~~2021~~ **2022** ~~: • Office NOI of $ 47~~ . ~~7 million compared to $ 28. 8 million • Retail NOI of $ 63. 7 million compared to $ 57. 6 million • Multifamily NOI of $ 35. 1 million compared to $ 37. 3 million~~ • Same ~~store~~ **Store** NOI ~~of $ 108. 7 million, which represents a 5. 6 % increase compared to $ 102. 9 million~~ for the year ended December 31, ~~2021~~ **2023 increased** ~~: • Office same store NOI of $ 26. 4 million compared to $ 26. 5 million • Retail same store NOI of $ 55.~~ 0 ~~million compared to $ 51. 6 million • Multifamily same store NOI of $ 27. 2 million compared to $ 24. 8 million • Stabilized portfolio occupancy at 97. 0 % as of December 31, 2022 compared to 96. 7 % as of December 31, 2021: • Office occupancy at 96. 7 % compared to 96. 8 % • Retail occupancy at 97~~ . 9 % compared to ~~96~~ **the year ended December 31, 2022** . ~~0 %~~ • ~~Multifamily occupancy at 96.~~ **For the year ended December 31, 2023, the Company repurchased** 1 ~~% compared to 97~~ **, 204, 838 shares of common stock for a total of $ 12** . ~~4 %~~ **6 million.** • Completed the **$ 215 million** acquisition of ~~the~~ **The Interlock, a 311, 000 square foot** Class A **commercial** mixed- use **asset** ~~Constellation Energy Building~~ in ~~Baltimore~~ **Atlanta** ' s ~~Harbor Point~~ **West Midtown anchored by Georgia Tech** . **• Announced the authorization** ~~The building features 444, 000 square feet~~ of **the repurchase of up to $** ~~Class A office space, 103 multifamily units, 38, 500~~ **50 million** ~~square feet~~ of ~~retail space, and 750 parking spaces, which complements~~ the Company' s ~~Harbor Point portfolio and development. In January 2022, the Company raised $ 58. 0 million at $ 14. 45 per share~~ **shares of** ~~through an underwritten~~ common stock ~~offering in conjunction with this acquisition~~ **and Series A Preferred Stock under a newly established share repurchase program. During the year ended December 31, 2023, the Company repurchased 1, 204, 838 shares of common stock for a total of $ 12. 6 million** . • **Committed** ~~Amended the Company' s Bylaws to relax the requirements necessary for stockholders to submit binding proposals. • Appointed Matthew Barnes- Smith as Chief Financial Officer in accordance with the Company' s strategic succession plan. Former Chief Financial Officer, Michael O' Hara was a key contributor to the Company for over 25 years and continued with the Company through the end of 2022 to facilitate~~ an **aggregate** ~~orderly transition~~ of ~~his responsibilities to Mr. Barnes- Smith and oversee the Company' s major investments at Harbor Point. • In April, completed the disposition of two student housing assets in Charleston for~~ $ **75** ~~81 million. • Completed $ 177 million of sales of noncore assets • The Residences at Annapolis Junction in Baltimore for $ 150 million • Two outparcels at North Pointe in Durham, North Carolina for $ 23. 9 million • Two outparcels at Sandbridge Commons in Virginia Beach for $ 3~~ . 5 million **to new real estate financing investments across three ground- up multifamily development projects located in the Atlanta and Coastal Virginia markets.** • **Third- party construction backlog** ~~Appointed Dennis H. Gartman, renowned investor, economist, and longtime publisher of " The Gartman Letter, "~~ as ~~a member of our board of directors. He is the sixth independent member. • Executed a new office lease with Franklin Templeton for 60, 000 square feet at the Company' s Wills Wharf office building in Baltimore' s Harbor Point neighborhood. The investment management firm has agreed to lease the entire fifth floor and a portion of the fourth floor of Wills Wharf and will bring the building to 91 % occupancy. • Amended and restated our $ 355 million unsecured credit facility to increase the borrowing capacity to $ 550 million, with an option to expand to $ 1. 0 billion (subject to certain conditions), and extend the maturity date of the revolving line of credit and term loan components to 2027 and 2028, respectively. • Executed a new 46, 000 square foot lease with Morgan Stanley at Thames Street Wharf that expands the tenant' s space to over 240, 000 square feet and~~

~~extends their lease term to 2035. • Delivered Chronicle Mill, a 238- unit market rate apartment project in the Charlotte suburb of Belmont, North Carolina. As~~ of December 31, ~~2022~~ **2023** ~~, Chronicle Mill~~ was ~~already 93~~ **$ 472. 2 million and general contracting and real estate services gross profit for the year ended December 31, 2023 was $ 13. 4 million. • Weighted average stabilized portfolio occupancy was 96. 1** % ~~leased~~ **as of December 31, 2023** . ~~• Reinvested $ 26~~ **Retail occupancy was 97. 4 %, office occupancy was 95. 3 %, and multifamily occupancy was 95** . 5 ~~million of disposition proceeds to acquire Pembroke Square, a 100 % leased grocery- anchored retail property located adjacent to the Town Center of Virginia Beach. • Closed on a new $ 100 million unsecured term loan, with an option to expand to $ 200 million, subject to certain conditions, that matures in January 2027 and bears interest at term Secured Overnight Financing Rate (" SOFR") plus margin, with an effective fixed rate of 4. 80 % after considering the effect of interest rate swaps. The proceeds were used to repay mortgage debt secured by Wills Wharf and certain retail assets at the Town Center of Virginia Beach. • Entered into an additional interest rate swap agreement covering $ 100 million of indebtedness on the senior unsecured term loan facility, resulting in an effective fixed interest rate of 4. 73~~ %. For definitions and discussion of FFO, Normalized FFO, NOI, and ~~same~~ **Same** ~~store~~ **Store** NOI, see the section below entitled" Item 7. Management' s Discussion and Analysis of Financial Condition and Results of Operations." Our Competitive Strengths ~~We~~ **Armada Hoffler** ~~believe~~ **believes** that we distinguish ourselves from other REITs through the following competitive strengths: • ~~High- Quality,~~ **Armada Hoffler' s** ~~Diversified~~ **diversified** ~~Portfolio. Our~~ portfolio consists of ~~institutional~~ **high** - ~~grade~~ **quality retail** , ~~premier~~ office, ~~retail,~~ and multifamily ~~properties~~ **assets,** located primarily in the Mid- Atlantic and Southeastern regions. Our properties are generally in the top tier of commercial properties in their markets, many **of which are** in ~~master planned~~ **mixed- use** communities **that** ~~, and~~ offer Class- A amenities and finishes. • **Armada Hoffler has** ~~Seasoned, Committed, and~~ - **an** ~~Aligned~~ **experienced, dedicated, and resilient** ~~Senior~~ **senior** ~~Management~~ **management** ~~Team~~ **team** ~~with a Proven Track Record~~ **that serves as the catalyst for the organization' s success, inspiring employees, driving innovation, and creating value for all stakeholders** . Our senior management team ~~has extensive~~ **brings substantial** experience **in strategic business** ~~developing, constructing, owning, operating~~ **operations** , ~~renovating~~ **as well as ownership** , **management,** and ~~financing institutional~~ **development of high** - **quality** ~~grade office, retail~~ -- **real estate** ~~, and multifamily~~ properties ~~in the Mid- Atlantic and Southeastern regions~~ . As of December 31, ~~2022~~ **2023** , our executive officers and directors collectively ~~owned~~ **held a stake of** approximately 12. ~~1~~ **2** % ~~of~~ **in** our company on a fully diluted basis, which we believe aligns their interests with those of our stockholders. • ~~Strategic Focus~~ **Armada Hoffler strategically focuses** on ~~Attractive~~ **target markets in the** Mid- Atlantic and Southeastern ~~Markets. We focus our activities on our target markets in the Mid- Atlantic and Southeastern~~ regions of the United States ~~that~~ **. These markets** demonstrate attractive fundamentals driven by favorable supply and demand characteristics **, high- barrier to entry,** and limited competition ~~from other large, well- capitalized operators~~ . We believe that our longstanding presence in our target markets provides us with significant advantages in sourcing and executing development opportunities, identifying and mitigating potential risks, and negotiating attractive pricing. • ~~Extensive Experience with Construction~~ **Armada Hoffler leverages mezzanine lending** and **preferred equity arrangements, which provides opportunities to acquire completed** ~~Development~~ **development projects at prices that are below market or at cost and may enable us to realize profit on projects we do not intend to own** . **•** Our platform consists of ~~development, construction, and~~ asset management ~~capabilities~~ **, development, and construction expertise** , which comprise an integrated delivery system for every project that we build for our **portfolio** ~~own account~~ or for third- party clients. ~~This integrated approach provides a single source of accountability for design and construction, simplifies coordination and communication among the relevant stakeholders in each project, and provides us valuable insight from an operational perspective. We believe that being regularly engaged in construction and development projects provides us significant and distinct advantages, including enhanced market intelligence, greater insight into best practices, enhanced operating leverage, and" first look" access to development and ownership opportunities in our target markets. We also use mezzanine lending and preferred equity arrangements, which may enable us to acquire completed development projects at prices that are below market or at cost and may enable us to realize profit on projects we do not intend to own. • Longstanding Public and Private Relationships. We have extensive experience with public / private real estate development projects dating back to 1984, having worked with the Commonwealth of Virginia, the State of Georgia, and the Kingdom of Sweden, as well as various municipalities. Through our experience and longstanding relationships with governmental entities such as these, we have learned to successfully navigate the often complex and time- consuming government approval process, which has given us the ability to capture opportunities that we believe many of our competitors are unable to pursue.~~ Our Business and Growth Strategies ~~Our~~ **Armada Hoffler' s** primary business objectives are to: (i) continue to **acquire, manage,** develop, **and** build ~~, and own~~ class A **retail,** office ~~, retail~~ , and multifamily properties in our target markets, (ii) finance and operate our portfolio in a manner that increases cash flow and property values, (iii **) pursue selective acquisition and disposition opportunities, and (iv**) execute new third- party construction ~~work~~ **and real estate financing arrangements** with consistent operating margins ~~, and (iv) pursue selective acquisition opportunities, particularly when the acquisition involves a significant redevelopment aspect~~ . We seek to achieve our objectives through the following strategies: • **Armada Hoffler** ~~Pursue a Disciplined, Opportunistic Development and Acquisition Strategy Focused on Office, Retail, and Multifamily Properties. We intend~~ **intends** to continue to grow our asset base **and create value** through the selective acquisition of high- quality properties that are well- located in their submarkets, and continued strategic development of **retail,** office ~~, retail~~ , and multifamily properties. ~~Furthermore, we believe~~ **• Armada Hoffler intends to continue to use** our ~~construction~~ **real estate financing program which is integrated into our overall growth** and ~~development expertise~~ **acquisition strategy. We continue to evaluate whether properties within our real estate financing program** ~~provides~~ - **provide** ~~a~~ high **-** ~~level of~~ quality **acquisition opportunities** ~~control while ensuring that the projects we construct and develop are completed more quickly and at a lower cost than if we engaged a third- party general contractor~~ . • **Armada Hoffler** ~~Pursue New, and Expand Existing, Public / Private Relationships. We intend to continue to leverage our extensive experience in completing large, complex, mixed- use, public / private projects to establish relationships with new public partners while~~

~~expanding our relationships with existing public partners. • Leverage our Construction and Development Platform to Attract Additional Third- Party Clients. We believe~~ **believes** that we have a unique advantage over many of our competitors due to our integrated construction and development business that provides expertise, oversight, and a broad array of client- focused services. We intend to continue to **leverage** ~~conduct and grow~~ our construction business and other third- party services ~~by pursuing~~ **. • Armada Hoffler plans to continue to leverage our extensive experience in completing large, complex, mixed- use projects to establish relationships with** new ~~clients and~~ **partners, while** expanding our relationships with existing **partners** ~~clients. We also intend to continue to use our mezzanine lending program to leverage our development and construction expertise in serving clients~~ . • **Armada Hoffler** ~~Engage in Disciplined Capital Recycling. We intend to~~ opportunistically ~~divest~~ **divests** properties when we believe returns have been maximized and ~~to~~ **we believe** ~~redeploy~~ **redeploying** the capital into new development, acquisition, repositioning, or redevelopment projects **will** ~~that are expected to~~ generate higher potential risk- adjusted returns. Our Properties The table below sets forth certain information regarding our stabilized portfolio as of December 31, ~~2022~~ **2023** . We generally consider a property to be stabilized upon the earlier of: (i) the quarter after the property reaches 80 % occupancy or (ii) the thirteenth quarter after the property receives its certificate of occupancy. Additionally, any property that is fully or partially taken out of service for the purpose of redevelopment is no longer considered stabilized until the redevelopment activities are complete, the asset is placed back into service, and the stabilization criteria above are again met. PropertyLocation Year Built / Renovated / RedevelopedOwnership InterestNet Rentable Square Feet (1) Occupancy (2) ABR (3) ABR per Leased SF (3) ~~Retail~~ **RetailTown** ~~Properties 249~~ **Center of Virginia Beach249** Central Park ~~RetailVirginia~~ **Retail * Virginia** Beach, VA2004100 % 92, ~~456 100~~ **264 95** . ~~0~~ **8** % $ 2, ~~562~~ **514** , ~~965~~ **064** $ ~~27~~ **28** . ~~72~~ **43** Apex ~~EntertainmentVirginia~~ -------- **Entertainment * Virginia** Beach, VA2002 / 2020100 % 103, 335 **81. 3 % 1, 134, 000 13. 50 Columbus Village * Virginia Beach, VA2013 / 2020100 % 62, 207** 100. 0 % 1, ~~545~~ **933** , **084 31. 08 Commerce Street Retail * Virginia Beach, VA2008100 %** ~~919~~ - **19** ~~14~~ **, 173 100** . **0 % 943, 051 49. 19 Fountain Plaza Retail * Virginia Beach, VA2004100 % 35,** ~~96~~ **961** ~~Broad~~ **94. 4 % 1, 115, 851 32. 88 Pembroke Square * Virginia Beach, VA1966 / 2015100 % 124, 181 100. 0 % 2, 096, 262 16. 88 Premier Retail * Virginia Beach, VA2018100 % 39, 015 86. 8 % 1, 155, 936 34. 15 South Retail * Virginia Beach, VA2002100 % 38, 515 100. 0 % 1, 046, 422 27. 17 Studio 56 Retail * Virginia Beach, VA2007100 % 11, 594 100. 0 % 410, 652 35. 42 Grocery AnchoredBroad** Creek Shopping Center (4) Norfolk, VA2001100 % 121, 504 95. 7 % 2, ~~210~~ **239** , ~~002~~ **980** 19. ~~00~~ **26** Broadmoor PlazaSouth Bend, IN1980100 % 115, 059 98. 2 % 1, ~~354~~ **356** , ~~680 11. 99~~ **929 12. 01** Brooks Crossing ~~RetailNewport~~ **Retail * Newport** News, VA201665 % **(5)** 18, 349 ~~78~~ **84** . ~~3~~ **8** % ~~219~~ **202** , ~~975 15. 31 Columbus VillageVirginia Beach, VA2013 / 2020100 % 62, 207 100. 0 % 1, 899, 747 30. 54 Columbus Village II Virginia Beach, VA1996100 % 92, 061 96. 7 % 978, 078 10. 98 Commerce Street RetailVirginia Beach, VA2008100 % 19~~ **194** ~~, 173~~ - **13.** ~~100~~ - **00** ~~. 0 % 963, 746 50. 27~~ Delray Beach Plaza ***** (4) Delray Beach, FL2021100 % 87, 207 ~~100~~ **98** . 0 % 2, ~~997~~ **948** , ~~459~~ **735** 34. **49 Greenbrier SquareChesapeake** ~~37 Dimmock SquareColonial Heights~~ , ~~VA1998100~~ **VA2017100** % **260, 625 100. 0 % 2, 624, 984** ~~106~~ - **10. 07 Greentree Shopping CenterChesapeake** , ~~166~~ **VA2014100 % 15,** ~~79~~ **719 92. 6 % 329, 004 22. 60 Hanbury VillageChesapeake, VA2009100 % 98, 638 100. 0 % 2, 028, 304 20. 56 Lexington SquareLexington, SC2017100 % 85, 440 100** . 0 % 1, ~~559, 633 18. 59 Fountain Plaza RetailVirginia Beach, VA2004100 % 35, 961 93. 7 % 1, 101, 937 32. 69 Greenbrier Square Chesapeake, VA2017100 % 260, 710 95~~ **956** ~~. 4 % 2~~ , **467** ~~486, 750 10. 00 Greentree Shopping CenterChesapeake, VA2014100 % 15, 719 92. 6 % 325, 081~~ 22. **90** ~~33 Hanbury VillageChesapeake, VA2009100 % 98, 638 100. 0 % 2, 007, 780 20. 36 Harrisonburg RegalHarrisonburg, VA1999100 % 49, 000 100. 0 % 717, 850 14. 65 Lexington SquareLexington, SC2017100 % 85, 440 98. 3 % 1, 860, 608 22. 15~~ Market at Mill CreekMount Pleasant, SC2018100 % 80, 319 ~~97~~ **100** . ~~7~~ **0** % 1, ~~841~~ **916** , ~~264~~ **094** 23. **86 North Pointe Center Durham, NC2009100 % 226, 083 100. 0 % 2, 970, 860 13. 14 Parkway CentreMoultrie, GA2017100 % 61, 200 100. 0 % 855, 879 13. 98 Parkway MarketplaceVirginia Beach, VA1998100 % 37, 804 100. 0 % 800, 895 21. 19 Perry Hall MarketplacePerry Hall, MD2001100 % 74, 251 100. 0 % 1, 292, 038 17. 40 Sandbridge Commons Virginia Beach, VA2015100 % 69, 417 100. 0 % 947, 321 13. 65 Tyre Neck Harris Teeter (4) Portsmouth, VA2011100 % 48, 859 100. 0 % 559, 948 11.** 46 **Southeast SunbeltThe Interlock Retail * (4) Atlanta, GA2021100 % 107, 379 97. 2 % 4, 931, 164 47. 25 Nexton Square * Summerville, SC2020100 % 133, 608 100. 0 % 3, 487, 299 26. 10 North Hampton MarketTaylors, SC2004100 % 114, 954 100. 0 % 1, 597, 966 13. 90 Overlook VillageAsheville, NC1990100 % 151, 365 100. 0 % 2, 237, 615 14. 78 Patterson PlaceDurham, NC2004100 % 159, 842 77. 2 % 2, 082, 944 16. 77 Providence Plaza * Charlotte, NC2008100 % 103, 118 100. 0 % 3, 123, 551 30. 29 South SquareDurham, NC2005100 % 109, 590 97. 1 % 1, 918, 540 18. 02 Wendover VillageGreensboro, NC2004100 % 176, 997 99. 3 % 3, 560, 610 20. 27 Mid- AtlanticDimmock SquareColonial Heights, VA1998100 % 106, 166 100. 0 % 1, 927, 971 18. 16 Harrisonburg RegalHarrisonburg, VA1999100 % 49, 000 100. 0 % 717, 850 14. 65** Marketplace at Hilltop (4) Virginia Beach, VA2001100 % 116, 953 100. 0 % 2, ~~797~~ **848** , ~~454 23. 92 Nexton SquareSummerville, SC2020100 % 133, 608 100. 0 % 3, 479, 320 26~~ **526 24** ~~. 04 North Hampton MarketTaylors, SC2004100 % 114, 954 97. 9 % 1, 503, 219 13~~ . 36 ~~North Pointe Center Durham, NC2009100 % 226, 083 100. 0 % 2, 923, 017 12. 93 Overlook VillageAsheville, NC1990100 % 151, 365 100. 0 % 2, 197, 835 14. 52 Parkway CentreMoultrie, GA2017100 % 61, 200 100. 0 % 850, 761 13. 90 Parkway MarketplaceVirginia Beach, VA1998100 % 37, 804 100. 0 % 780, 481 20. 65 Patterson PlaceDurham, NC2004100 % 160, 942 97. 9 % 2, 472, 240 15. 69 Pembroke SquareVirginia Beach, VA1966 / 2015100 % 124, 181 100. 0 % 2, 096, 262 16. 88 Perry Hall MarketplacePerry Hall, MD2001100 % 74, 256 98. 0 % 1, 245, 907 17. 13 Premier RetailVirginia Beach, VA2018100 % 39, 015 86. 8 % 1, 140, 886 33. 70 Providence PlazaCharlotte, NC2008100 % 103, 118 100. 0 % 3, 059, 505 29. 67~~ Red Mill Commons Virginia Beach, VA2005100 % 373, 808 ~~96~~ **95** . ~~6~~ **7** % 6, ~~840~~ **960** , **834** ~~888 18. 94 Sandbridge Commons Virginia Beach, VA2015100 % 69, 417 100. 0 % 943, 064 13. 59 South RetailVirginia Beach, VA2002100 % 38, 515 100. 0 % 1, 003, 080 26. 04 South SquareDurham, NC2005100 % 109~~ - **19** ~~, 590 100~~ . **45** ~~0 % 1, 984, 616 18. 11~~ Southgate SquareColonial Heights, VA2016100 % 260, 131 100. 0 % 3, ~~755~~ **781** , ~~046~~ **724** 14. ~~44~~ **54** Southshore ShopsChesterfield, VA2006100 % 40, 307 97. 5 % ~~820~~ **841** , **626 21.** ~~402~~ - **42** ~~20. 87 Studio 56 RetailVirginia Beach,~~

~~VA2007100 % 11, 594 100. 0 % 407, 396 35. 14 Tyre Neck Harris Teeter (4) Portsmouth, VA2011100 % 48, 859 100. 0 % 559, 948 11. 46 Wendover VillageGreensboro, NC2004100 % 176, 997 98. 8 % 3, 430, 982 19. 63~~ Total / Weighted ~~Average~~ **Average3** ~~3~~ , ~~916~~ **929** , ~~001~~ **937** 97. ~~9~~ **4** % $ **75, 397, 174 $ 19.** 70 **PropertyLocationYear** ~~, 925, 783 $ 18. 51 Location Year~~ Built / Renovated / RedevelopedOwnership InterestNet Rentable Square Feet (1) Occupancy (2) ABR (3) ABR per Leased SF (3) ~~Office~~ **OfficeTown** ~~Properties4525~~ **Center of Virginia Beach4525** Main ~~StreetVirginia~~ **Street * Virginia** Beach, VA2014100 % 235, 088 100. 0 % $ 7, ~~144~~ **272** , ~~928~~ **362** $ 30. ~~39~~ **93** Armada Hoffler Tower ***** (~~5~~ **6**) Virginia Beach, VA2002100 % 315, 916 ~~98~~ **97** . ~~7~~ **8** % 9, ~~551~~ **606** , ~~515 30~~ **360 31** . ~~62 Brooks Crossing OfficeNewport News~~ **08 One Columbus * Virginia Beach** , ~~VA2019100~~ -- **VA1984100** % ~~98~~ **129** , ~~061 100~~ **066 96** . 0 % **3, 229, 531 26. 07 Two Columbus * Virginia Beach, VA2009100 % 108, 460 82. 3 % 2, 540, 344 28. 46 Harbor Point- Baltimore WaterfrontConstellation Office * Baltimore, MD201690 % 482, 209 98.** 1 **% 15** , ~~925~~ **866** , ~~167 19~~ **391 33** . ~~63 Constellation Office~~ **53 Thames Street Wharf *** (6) Baltimore, ~~MD201679 % 482, 317 97. 1 % 15, 192, 121 32. 44 One City CenterDurham, NC2019100 % 151, 599 89. 3 % 4, 455, 053 32. 89 One ColumbusVirginia Beach, VA1984100 % 129, 066 98. 3 % 3, 243, 789 25. 56 Thames Street Wharf (5) Baltimore,~~ MD2010100 % 263, 426 ~~100~~ **99** . ~~0~~ **5** % 7, ~~655~~ **990** , **745** ~~559 29. 06 Two ColumbusVirginia Beach, VA2009100 % 108, 459 98. 1 % 2, 926, 307~~ - **30** ~~27~~ . ~~51~~ **50** Wills Wharf ***** (4) Baltimore, ~~MD202091~~ - **MD2020100** % 327, 991 ~~90~~ **93** . 8 % 9, ~~046~~ **875** , ~~394 30~~ **417 32** . ~~39~~ **10 Southeast SunbeltThe Interlock Office * (4) Atlanta, GA2021100 % 198, 721 87. 1 % 6, 470, 562 37. 38 One City Center * Durham, NC2019100 % 151, 599 85. 6 % 4, 351, 672 33. 55 Mid- AtlanticBrooks Crossing Office * Newport News, VA2019100 % 98, 061 100. 0 % 1, 963, 671 20. 02** Total / Weighted ~~Average~~ **Average2** ~~2~~ , ~~111~~ **310** , ~~923 96~~ **537 95** . ~~7~~ **3** % $ ~~61~~ **69** , ~~140~~ **167** , ~~833~~ **055** $ ~~29~~ **31** . ~~92~~ **42** ~~LocationYear~~ **PropertyLocationYear** Built / Renovated / RedevelopedOwnership InterestUnitsOccupancy (2) AQR (7) Monthly Rent per Occupied ~~UnitMultifamily~~ **UnitMultifamilyTown** ~~Properties1305~~ **Center of Virginia BeachEncore Apartments * Virginia Beach, VA2014100 % 286 94. 5 % $ 5, 729, 220 $ 1, 810 Premier Apartments * Virginia Beach, VA2018100 % 131 93. 1 % 2, 861, 412 1, 923 The Cosmopolitan * (8) Virginia Beach, VA2006 / 2020100 % 342 94. 2 % 8, 663, 664 2, 315 Harbor Point- Baltimore Waterfront1305** Dock Street ***** ~~(6)~~ Baltimore, ~~MD201679~~ - **MD201690** % 103 ~~92~~ **95** . ~~9~~ **5** % ~~$~~ 2, ~~844~~ **839** , **848** ~~720 $~~ 2, ~~477~~ **519** 1405 Point ***** (4) (8) Baltimore, MD2018100 % 289 94. ~~1~~ **9** % 8, ~~463~~ **825** , ~~276~~ **124** 2, ~~593~~ **656 Southeast SunbeltChronicle Mill * (8) (9) Belmont, NC202285 % (5) 238 95. 5 % 4, 788, 024 1, 734 The Everly * (10) Gainesville, GA2022100 % 223 95. 2 % 4, 941, 168 1, 898 Greenside ApartmentsCharlotte, NC2018100 % 225 96. 0 % 5, 012, 424 1, 962 Mid- AtlanticThe** Edison ~~Apartments~~ ***** (8) Richmond, ~~VA1919 / 2014100~~ **VA2014100** % 174 ~~96~~ **93** . ~~0~~ **3** % 3, ~~028~~ **094** , ~~380~~ **824** 1, **565** ~~511 Encore ApartmentsVirginia Beach, VA2014100 % 286 95. 6 % 5, 605, 860 1, 709 Gainesville ApartmentsGainesville, GA2022100 % 223 98. 2 % 4, 838, 964 1, 841 Greenside ApartmentsCharlotte, NC2018100 % 225 97. 5 % 4, 755, 864 1, 807~~ Liberty Apartments ***** (8) Newport News, VA2013100 % 197 ~~97~~ **98** . ~~0~~ **5** % 3, ~~645~~ **849** , ~~264~~ **588** 1, **672** ~~590 Premier ApartmentsVirginia Beach, VA2018100 % 131 98. 0 % 2, 830, 644 1, 837~~ Smith' s Landing (4) Blacksburg, VA2009100 % 284 ~~97~~ **100** . ~~4~~ **0** % 5, ~~546~~ **930** , ~~400~~ **964** 1, **777** ~~671 The Cosmopolitan (8) Virginia Beach, VA2006 / 2020100 % 342 94. 6 % 8, 566, 536 2, 207~~ Total / Weighted Average2, ~~254 96~~ **492 95** . ~~1~~ **5** % $ ~~50~~ **56** , ~~125~~ **536** , ~~908~~ **260** $ 1, ~~928~~ **979**

____ *** Located in a mixed- use development** (1) The net rentable square footage for each of our **retail and** office ~~and retail~~ properties is the sum of (a) the square footage of existing leases, plus (b) for available space, management' s estimate of net rentable square footage based, in part, on past leases. The net rentable square footage included in office leases is generally consistent with the Building Owners and Managers Association 1996 measurement guidelines. (2) Occupancy for each of our **retail and** office ~~and retail~~ properties is calculated as (a) square footage under executed leases as of December 31, ~~2022~~ **2023** , divided by (b) net rentable square feet, expressed as a percentage. Occupancy for our multifamily properties is calculated as (a) average of the number of occupied units on the 20th day of each of the trailing three months from the reporting period end date, divided by (b) total units available, as of such date expressed as a percentage. (3) For the properties in our **retail and** office ~~and retail~~ portfolios, annualized base rent (" ABR") is calculated by multiplying (a) monthly base rent (defined as cash base rent, before contractual tenant concessions and abatements, and excluding tenant reimbursements for expenses paid by us) as of December 31, ~~2022~~ **2023** for in- place leases as of such date by (b) 12, and does not give effect to periodic contractual rent increases or contingent rental revenue (e. g., percentage rent based on tenant sales thresholds). ABR per leased square foot is calculated by dividing (a) ABR by (b) square footage under in- place leases as of December 31, ~~2022~~ **2023** . In the case of triple net or modified gross leases, our calculation of ABR does not include tenant reimbursements for real estate taxes, insurance, common area **,** or other operating expenses. (4) We lease all or a portion of the land underlying this property pursuant to a ground lease. (5) **We are entitled to a preferred return on our investment in this property. (6)** As of December 31, ~~2022~~ **2023** , we occupied ~~55~~ **47** , ~~390~~ **644** square feet at these two properties at an ABR of $ 1. ~~8~~ **6** million, or $ 33. ~~32~~ **8** per leased square foot, which amounts are reflected in this table. The rent paid by us is eliminated in the consolidated financial statements in accordance with U. S. generally accepted accounting principles (" GAAP") ~~. (6) As of December 31, 2022, we owned a 90 % economic interest in this property, including an 11 % economic interest through a note receivable. In January 2023, we acquired the additional 11 % membership interest in this property~~ . (7) For the properties in our multifamily portfolio, annualized quarterly rent (" AQR") is calculated by multiplying (a) revenue for the quarter ended December 31, ~~2022~~ **2023** by (b) 4. (8) The AQR for **The** ~~Liberty,~~ Cosmopolitan, ~~Edison Apartments, and~~ 1405 Point **, Chronicle Mill, The Edison, and Liberty Apartments** excludes approximately $ ~~0~~ **1** . 2 million, $ ~~1.~~ 0 **. 3** million, $ 0. **2** ~~3million~~ - **million** , ~~and~~ $ 0. ~~4~~ **1 million, and $ 0. 2** million, respectively, from ground floor retail leases **. (9) Due to tenants vacating subsequent to December 31, 2023 as a result of flooding at the property, occupancy subsequent to December 31, 2023 at this property is approximately 78. 5 %. (10) Formerly known as Gainesville Apartments** . Lease Expirations The following tables summarize the scheduled expirations of leases in our **retail and** office ~~and retail~~ operating property portfolios as of December 31, ~~2022~~ **2023** . The information in the following tables does not assume the exercise of any renewal options ~~: Office~~ **. Retail** Lease Expirations Year of Lease Expiration (1) Number of Leases ExpiringSquare Footage of Leases Expiring %

Portfolio Net Rentable Square FeetABR % of Office Retail Portfolio ABRAvailable — 68 103 , 766 3 302 2 . 3 6 % $ — — % Month- to- Month2 - Month — — — 1, 623 0. 1 % — — 63, 329 0. 1 % 20237 61 202458 238 , 576 898 2. 9 % 1, 693, 941 2. 8 % 202413 142, 077 6 . 7 % 3, 862, 140 6. 3 % 202520 156, 165 7. 4 % 4, 800, 586 7. 9 % 202611 54, 355 2. 6 % 1, 442, 176 2. 4 % 202718 131, 322 6. 2 % 3, 727, 300 6. 1 % 202814 113, 036 5. 4 % 3, 301, 082 5. 4 % 202911 297, 348 14. 1 % 8, 173, 497 13. 4 % 203010 149, 487 7 . 1 % 4, 358 908 , 881 914 6. 5 % 202591 439, 994 11. 2 % 8, 129, 402 10. 8 % 202691 480, 801 12. 2 % 9, 929, 103 13. 2 % 202775 425, 506 10. 8 % 8, 046, 045 10. 7 . 1 % 202871 334, 062 8. 5 % 7, 283, 607 9. 7 % 202959 309, 785 7. 9 % 6, 206, 642 8. 2 % 203051 312, 392 7. 9 % 6, 932, 267 9. 2 % 20314 203134 20 285 , 270 1 125 7. 3 % 5, 552, 279 7. 4 % 203230 304, 583 7. 8 % 5, 575, 019 7. 4 % 203327 118, 727 3 . 0 % 576 3 , 476 0 146, 290 4 . 2 % Thereafter35 577, 084 14. 7 % 9 % 20323 6 , 687, 606 214 0. 3 % 182 - 12 , 795 0 . 7 3 % Thereafter8 909, 362 42. 9 % 28, 958, 630 47. 3 % Total / Weighted Average121 Average622 2 3 , 111 929 , 923 937 100. 0 % $ 61 75 , 140 397 , 833 174 100. 0 % (1) Excludes leases from development and redevelopment properties that have been delivered but are not yet stabilized. Retail Office Lease Expirations Year of Lease ExpirationNumber ------ Expiration (1) Number of Leases ExpiringSquare Footage of Leases Expiring % Portfolio Net Rentable Square FeetABR % of Retail Office Portfolio ABRAvailable — 83 109 , 600 2 462 4 . 1 7 % $ — — % Month- to- Month4 Month3 51 5 , 737 1 906 0 . 3 % 340 193 , 578 731 0 . 3 % 2023 (2) 2 40, 675 1. 8 % 1, 527, 584 2. 2 % 20249 49, 654 2. 1 % 1, 395, 752 2. 0 % 202519 121, 878 5. 3 % 3, 702, 171 5. 4 % 202610 49, 398 2. 1 % 1, 299, 258 1. 9 % 202721 183, 324 7. 9 % 6, 024, 754 8. 7 % 202815 122, 107 5. 3 % 3, 773, 334 5 . 5 % 202914 327 2022 (1) 1 1 , 200 — 622 14. 2 % 37 9 , 818 0 380, 406 13 . 1 6 % 202347 183 203012 171 , 357 379 7. 4 % 5, 224, 589 7. 6 % 20317 108, 277 4. 7 % 3, 271, 739 4 , 127 , . 7 % 20323 714 - 14 5 , 757 0. 6 % 586, 323 0 . 8 % 202485 420 20333 52 , 685 2 397 10. 7 % 7, 990, 879 11 . 3 % 1 202594 501 , 116 12 543, 907 2 . 8 2 % 8 Thereafter13 953 , 413 817, 185 12. 4 % 202682 450, 350 11. 5 % 9, 049, 900 12. 8 % 202775 470, 148 12. 0 % 8, 741 - 41 , 304 12 . 3 % 31 202846 246 , 243 109 6. 3 % 4 , 507 953, 704 7. 0 % 202931 115, 967 3. 0 % 2, 465 - 45 , 625 3 . 1 5 % 203046 260, 461 6. 7 % 5, 818, 903 8. 2 % 203130 271, 334 6. 9 % 4, 894, 065 6. 9 % 203224 289, 109 7. 4 % 4, 670, 093 6. 6 % Thereafter33 571, 116 14. 6 % 9, 018, 015 12. 6 % Total / Weighted Average598 3 Average131 2 , 916 310 , 001 537 100. 0 % $ 70 69 , 925 167 , 783 055 100. 0 % (1 2) Lease Represents leases that expired on December 31, 2022 2023 . The spaces were available for lease as of January 1, 2024 . Tenant Diversification The following table lists the 20 largest tenants in each of our retail and office and retail operating property portfolios, based on ABR as of December 31, 2022 2023 ($ in thousands): Tenant (1) Number of LeasesLease ExpirationABR % of Total ABR / AQRConstellation Energy Group12036 Generation12036 $ 14 15 , 575 8 010 7 . 0 5 % Morgan Stanley32028- 20357 20358 , 178 733 4. 3 . 9 % Harris Teeter / Kroger62026- 20353, 766 781 1. 9 % WeWork (2 .) 22023; 20343, 732 1 . 9 % Canopy by Hilton120452 Hilton120453 , 846 171 1. 6 % Clark Nexsen120292, 801 857 1. 4 5 % WeWork120342, 180 1. 2 % Lowes Foods22037; 20391, 976 1. 1 0 % Franklin Templeton120381, 861 1. 0 . 9 % Duke University120291, 659 700 0. 9 8 % Huntington Ingalls Industries120291, 606 638 0. 9 8 % Dick ' ' s Sporting Goods120321, 553 0. 9 % PetSmart52025- 20271, 527 0. 8 % TJ Maxx / Homegoods52023 Homegoods52025 - 20291, 531 0. 8 % PetSmart52025 - 20271, 519 527 0. 8 % Mythics120301 Georgia Tech120311 , 260 418 0. 7 % Mythics120301 Johns Hopkins Medicine120231 , 213 285 0. 7 6 % Puttshack120361, 203 0. 6 % Amazon / Whole Foods120401, 144 0. 6 % Pindrop120271 Ross Dress for Less32025- 20271 , 122 137 0. 6 % Apex Entertainment120351, 092 134 0. 6 % Kimley- Horn120271 Bed Bath & Beyond22025; 20271 , 123 084 0. 6 % Regal Cinemas2MTM; 20241, 058 0. 6 % Top 20 Total $ 53 57 , 020 29 514 28. 8 % (2) Tenant vacated The Interlock subsequent to December 31, 2023. After giving effect to the removal of this lease, the tenant' s ABR would be approximately $ 2. 2 million, which represents 1 . 1 % of total annualized base rent as of December 31, 2023. Development Pipeline In addition to the properties in our operating property portfolio as of December 31, 2022 2023 , we had the following properties in various stages of development and stabilization. We generally consider a property to be stabilized upon the earlier of: (i) the quarter after the property reaches 80 % occupancy or (ii) the thirteenth quarter after the property receives its certificate of occupancy. Development, Not Delivered ($ in' 000s) Schedule (1) EstimatedEstimated Incurred Funded InitialStabilizedAHHProperty TypePropertyLocation Size (1) Cost (1) to CostStartOccupancyOperation DateStartOccupancyOperation (2) Ownership % Southern PostRoswell, GA137 units / 137, 000 sf $ 119 126 , 000 300 $ 47 82 , 000 900 4Q214Q234Q24100 4Q211Q244Q24100 % Mixed- use Redevelopment AHHProperty Delivered Not Stabilized ($ in' 000s) Schedule EstimatedEstimated Incurred InitialStabilizedAHHProperty TypePropertyLocationSize TypePropertyLocationOwnership (1) Cost (1) CostStart OccupancyOperation (1) (2) Ownership % Chronicle MillBelmont Columbus Village IIVirginia Beach , VA100 NC238 units / 14, 900 sf $ 60, 000 $ 54, 000 1Q214Q221Q2385 % Retail Multifamily Total $ 179, 000 $ 101, 000 (1) Represents estimates that may change as the development / stabilization process proceeds. (2) Estimated first full quarter of stabilized operations. Estimates are inherently uncertain, and we can provide no assurance that our assumptions regarding the timing of stabilization will prove accurate. Our execution on all of the projects identified in the preceding tables are subject to, among other factors, regulatory approvals, financing availability, and suitable market conditions. Southern Post is a $ 119 million mixed- use project that includes 137 multifamily units and 137, 000 square feet of office and retail space being developed in Roswell, Georgia, with expected delivery in 2023. Chronicle Mill is a $ 60 million 238- unit multifamily adaptive- reuse project that includes 14, 900 square feet of office and retail space in Belmont, North Carolina. Portions of the Chronicle Mill project were completed and placed in service during 2022. As of December 31, 2022, the overall project was 93. 0 % leased and 50 % occupied. Equity Method Investments- Development Equity Method Investments Investmentsas of December 31, 2023 (1) as of December 31, 2022 ($ in' 000s) Schedule EstimatedEstimated Project CostEquity requirementFunded RequirementFunded to date Date InitialStabilizedAHHPropertyPropertyLocationSizeStartOccupancyOperationOwnership Initial OccupancyStabilized Operation (2) AHHProperty TypePropertyLocationSizeStartOwnership % TypeT T . Rowe Price Global HQ (Harbor Point Parcel 3) HQBaltimore -- Baltimore , MD553, 000 sf office / 20, 200 sf retail / 250 parking spaces264 --- spaces $ 267, 400 $ 47 , 000 44 $ 42 , 900 600 40, 500 2Q223Q243Q2450 2Q223Q244Q2450 % OfficeParcel OfficeAllied | Harbor Point

(Harbor Point Parcel 4 **)** ~~Mixed- UseBaltimore~~ --- **Baltimore** , MD312 units / ~~12~~ **15** , ~~100~~ **800** sf retail / 1, ~~250~~ **252** parking ~~spaces226~~ **spaces236** , ~~000~~ **800 113, 300** 102, **100 2Q223Q24 2Q26 90** ~~600 32, 400 2Q223Q242Q2690~~ % **(3)** Mixed- useTotal $ **504** ~~490, 000 $ 147~~ , 200 $ ~~72~~ **160** , ~~900~~ **300 $ 145, 000** (1) All items in the table (other than **location,** funded to date as of December 31, ~~2022~~ **2023 , development start, our ownership percentage and property type**) are estimates that may change as the development and redevelopment process proceeds. **(3) We currently have** ~~Other Investments Interlock Commercial On December 21, 2018, we entered into~~ a **78 % ownership** ~~mezzanine loan agreement with the developer of the office and retail components of The Interlock, a new mixed- use public- private partnership with Georgia Tech in West Midtown Atlanta. The loan has a maximum principal amount of $ 70. 1 million and a total maximum commitment, including accrued~~ interest **and hold an option to increase our ownership** ~~reserves, of $ 107. 0 million. The mezzanine loan bears~~ interest **to 90** ~~at a rate of 15. 0~~ % ~~per annum, with $ 3~~ . ~~0 million of overrun advances bearing interest at a rate of 18. 0 %. The loan matures on the earlier of (i) 24 months after the original maturity date or earlier termination date of the senior construction loan or (ii) any sale, transfer, or refinancing of the project. In the event that the maturity date is established as being 24 months after the original maturity date or earlier termination date of the senior construction loan, the developer will have the right to extend the maturity date for five years. The balance on the Interlock Commercial note was $ 86. 6 million as of December 31, 2022. During the year ended December 31, 2022, we recognized $ 9. 9 million of interest income on the note. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Nexton Multifamily On April 1, 2021, we entered into a $ 22. 3 million preferred equity investment for the development of a multifamily property located in Summerville, South Carolina, adjacent to our Nexton Square property. The investment had economic terms consistent with a note receivable, including a mandatory redemption or maturity on October 1, 2026, and it is accounted for as a note receivable in our consolidated balance sheets. This investment bore interest at a rate of 11 %, compounded annually. On December 30, 2022, the borrower paid off the Nexton Multifamily note receivable in full. We received a total of $ 28. 9 million, which consisted of $ 22. 3 million outstanding principal, $ 3. 9 million of accrued interest, and a prepayment premium of $ 2. 7 million that resulted from the early payoff of the loan. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. City Park 2 On March 23, 2022, we entered into a $ 20. 6 million preferred equity investment for the development of a multifamily property located in Charlotte, North Carolina. The investment has economic terms consistent with a note receivable, including a mandatory redemption or maturity on April 28, 2026, and it is accounted for as a note receivable. The Company' s investment bears interest at a rate of 13 %, compounded annually. The balance on the City Park 2 note was $ 19. 1 million as of December 31, 2022. During the year ended December 31, 2022, we recognized $ 1. 0 million of interest income on the note. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Solis Gainesville II On October 3, 2022, we entered into a $ 19. 6 million preferred equity investment for the development of a multifamily property located in Gainesville, Georgia (Solis Gainesville II). This project is located nearby our recently completed multifamily development project in Gainesville. The preferred equity investment has economic and other terms consistent with a note receivable, including a mandatory redemption or maturity on October 3, 2026, and it is accounted for as a note receivable. Our investment bears interest at a rate of 14. 0 %, compounded annually, with a minimum preferred return of $ 5. 9 million. The balance on the Solis Gainesville II note was $ 6. 6 million as of December 31, 2022. During the year ended December 31, 2022, we recognized $ 0. 2 million of interest income on the note. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Harbor Point Parcel 3~~ During December 2020, we formed a 50 / 50 joint venture **to** ~~that will~~ develop and build T. Rowe Price' s new global headquarters in Baltimore' s Harbor Point. T. Rowe Price agreed to a 15- year lease **, with three 5- year extension options,** and plans to relocate its operations in the second half of 2024 to Harbor Point Parcel 3. They will occupy at least 553, 000 square feet of office space. Plans for this development may evolve as the development process proceeds. Project costs at this time are subject to change and currently estimated at $ ~~264~~ **267. 4** million. We have a current projected equity commitment of $ ~~44~~ **47** . ~~6~~ **0** million relating to this project, of which we had funded $ ~~40~~ **42** . ~~5~~ **9** million as of December 31, ~~2022~~ **2023** . We provided a completion guarantee to the lender for this project. The construction loan is cross- collateralized with Harbor Point Parcel 4. In conjunction with the Harbor Point Parcel 3 project, we acquired a 78 % interest in Harbor Point Parcel 4, a real estate venture with Beatty Development Group, for purposes of developing a mixed- use project, which is planned to include 312 apartments units, ~~13~~ **15** , ~~000~~ **800** square feet of retail space, and 1, ~~250~~ **252** spaces of structured parking on a neighboring site to accommodate T. Rowe Price' s parking requirements and other parking requirements for the surrounding area. We hold an option to increase our ownership to 90 %. We have a current projected equity commitment of $ ~~102~~ **113** . ~~6~~ **3** million relating to this project, of which we had funded $ ~~32~~ **102** . ~~4~~ **1** million as of December 31, ~~2022~~ **2023** . Plans for this project may also evolve as the development process proceeds. Current estimated project costs are $ ~~226~~ **236. 8** million. We **have** ~~will be expected to provide~~ **provided** a completion guarantee and a partial payment guarantee to the lender for this project. The construction loan is cross- collateralized with Harbor Point Parcel 3. **As of December 31, 2023, no amounts have been funded on this senior loan. Real Estate Financing Investments Solis City Park II On March 23, 2022, we entered into a $ 20. 6 million preferred equity investment for the development of a multifamily property located in Charlotte, North Carolina. The investment has economic terms consistent with a note receivable, including a mandatory redemption or maturity on April 28, 2026, and it is accounted for as a note receivable. Our investment bears interest at a rate of 13 %, compounded annually, with a minimum preferred return of $ 5. 7 million, which represents approximately 24 months of interest. The balance on the Solis City Park II note was $ 24. 3 million as of December 31, 2023, which includes $ 3. 8 million of cumulative accrued interest and a discount of $ 0. 1 million due to unamortized equity fees. During the year ended December 31, 2023, we recognized $ 2. 9 million of interest income on the note. As of December 31, 2023, this note was fully funded and the development property was approximately 41 % leased. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Solis Gainesville II On October 3, 2022, we entered into a $ 19. 6 million preferred equity investment for the development of a multifamily property located in**

Gainesville, Georgia (Solis Gainesville II). This project is located nearby our recently completed multifamily development project in Gainesville, The Everly. The preferred equity investment has economic and other terms consistent with a note receivable, including a mandatory redemption or maturity on October 3, 2026, and it is accounted for as a note receivable. Our investment bears interest at a rate of 14 %, compounded annually, with a minimum preferred return of $ 5. 9 million, which represents approximately 24 months of interest. On March 29, 2023, the Solis Gainesville II preferred equity investment was modified to adjust the interest rate. The interest rate of 14 % remains effective through the first 24 months of the investment. Beginning on October 3, 2024, the investment will bear interest at a rate of 10 % for 12 months. On October 3, 2025, the investment will again bear interest at a rate of 14 % through maturity. Additionally, the amendment introduced an unused commitment fee of 10 % on the unfunded portion of the investment' s maximum loan commitment, which is effective January 1, 2023. Both the interest and unused commitment fee compound annually. The balance on the Solis Gainesville II note was $ 22. 3 million as of December 31, 2023, which includes $ 2. 9 million of cumulative accrued interest and unused commitment fees as well as a discount of $ 0. 2 million due to unamortized equity fees. During the year ended December 31, 2023, we recognized $ 2. 8 million of interest income on the note. As of December 31, 2023, this note was fully funded. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. On December 21, 2018, we entered into a mezzanine loan agreement with the developer of the office and retail components of The Interlock, a new mixed- use public- private partnership with Georgia Tech in West Midtown Atlanta. The loan had a maximum principal amount of $ 70. 1 million and a total maximum commitment, including accrued interest reserves, of $ 107. 0 million. The mezzanine loan bore interest at a rate of 15. 0 % per annum, with $ 3. 0 million of overrun advances which bore interest at a rate of 18. 0 %. On May 19, 2023, we acquired The Interlock. The consideration for such acquisition included the repayment of the Company' s outstanding $ 90. 2 million mezzanine loan on the project. See Note 5 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K for further information regarding the acquisition. During the year ended December 31, 2023, we recognized $ 3. 6 million of interest income on the note. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Solis Kennesaw On May 25, 2023, we entered into a $ 37. 9 million preferred equity investment for the development of a multifamily property located in Marietta, Georgia. The investment has economic terms consistent with a note receivable, including a mandatory redemption or maturity on May 25, 2027, and it is accounted for as a note receivable. Our investment bears interest at a rate of 14. 0 % for the first 24 months. Beginning on May 25, 2025, the investment will bear interest at a rate of 9. 0 % for 12 months. On May 25, 2026, the investment will again bear interest at a rate of 14. 0 % through maturity. The interest compounds annually. We also earn an unused commitment fee of 11. 0 % on the unfunded portion of the investment' s maximum commitment, which does not compound, and an equity fee on our commitment of $ 0. 6 million to be amortized through redemption. The preferred equity investment is subject to a minimum interest guarantee of $ 13. 1 million over the life of the investment, which represents approximately 27 months of interest. The balance on the Solis Kennesaw note was $ 15. 9 million as of December 31, 2023, which includes $ 2. 7 million of cumulative accrued interest and unused commitment fees as well as a discount of $ 0. 5 million due to unamortized equity fees. During the year ended December 31, 2023, we recognized $ 2. 8 million of interest income on the note. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Solis Peachtree Corners On July 26, 2023, we entered into a $ 28. 4 million preferred equity investment for the development of a multifamily property located in Peachtree Corners, Georgia (" Solis Peachtree Corners"). The preferred equity investment has economic and other terms consistent with a note receivable, including a mandatory redemption feature effective on October 27, 2027. Our investment bears interest at a rate of 15. 0 % for the first 27 months. Beginning on November 1, 2025, the investment will bear interest at a rate of 9. 0 % for 12 months. On November 1, 2026, the investment will again bear interest at a rate of 15. 0 % through maturity. The interest compounds annually. We also earn an unused commitment fee of 10. 0 % on the unfunded portion of the investment' s maximum loan commitment, which also compounds annually, and an equity fee on our commitment of $ 0. 4 million to be amortized through redemption. The preferred equity investment is subject to a minimum interest guarantee of $ 12. 0 million over the life of the investment, which represents approximately 30 months of interest. The balance on the Solis Peachtree Corners note was $ 11. 1 million as of December 31, 2023, which includes $ 1. 4 million of cumulative accrued interest and unused commitment fees as well as a discount of $ 0. 4 million due to unamortized equity fees. During the year ended December 31, 2023, we recognized $ 1. 5 million of interest income on the note. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. The Allure at Edinburgh On July 26, 2023, we entered into a $ 9. 2 million preferred equity investment for the development of a multifamily property located in Chesapeake, Virginia (" The Allure at Edinburgh"). The preferred equity investment has economic and other terms consistent with a note receivable, including a mandatory redemption feature effective on January 16, 2028. Our investment bears interest at a rate of 15. 0 %, which does not compound. Upon The Allure at Edinburgh obtaining a certificate of occupancy, the investment will bear interest at a rate of 10. 0 %. The common equity partner in the development property holds an option to sell the property to us at a predetermined amount if certain conditions are met. We also hold an option to purchase the property at any time prior to maturity of the preferred equity investment, and at the same predetermined amount as the common equity partner' s option to sell. The balance on The Allure at Edinburgh note was $ 9. 8 million as of December 31, 2023, which includes $ 0. 6 million of cumulative accrued interest. During the year ended December 31, 2023, we recognized $ 0. 6 million of interest income on the note. As of December 31, 2023, this note was fully funded. See Note 6 to our consolidated financial statements in Item 8 of this Annual Report on Form 10- K. Acquisitions On January 14, ~~2022~~ **2023** , we acquired ~~a 79 % membership interest and~~ an ~~additional 11 % economic interest in the partnership that owns the Constellation Energy Building (previously referred to as the" Exelon Building") for a purchase~~

price of approximately $ 92. 2 million in cash and a loan to the seller of $ 12. 8 million. The Constellation Energy Building is a mixed- use structure located in Baltimore' s Harbor Point and is comprised of an office building, the Constellation Office, that serves as the headquarters for Constellation Energy Corp., which was spun- off from Exelon, a Fortune 100 energy company, in February 2022, as well as a multifamily component, 1305 Dock Street. The Constellation Office includes a parking garage and retail space. The Constellation Energy Building was subject to a $ 156. 1 million loan, which we immediately refinanced following the acquisition with a new $ 175. 0 million loan. The new loan bears interest at a rate of the Bloomberg Short- Term Bank Yield Index (" BSBY") plus a spread of 1. 50 % and will mature on November 1, 2026. This loan is hedged by an interest rate derivative corridor of 1. 00 % and 3. 00 % as well as an interest rate cap of 4. 00 %. On January 14, 2022, we acquired the remaining 20 % ownership interest in the entity that is developing the Ten Tryon project in Charlotte, North Carolina for a cash payment of $ 3. 9 million. On April 11, 2022, we exercised our option to acquire an additional 16 % of the partnership that owns The Residences at Annapolis Junction, increasing our ownership to 95 %. In exchange for this increased partnership interest, the terms of the partnership waterfall calculation in the event of a capital event were modified. In October 2022, we acquired the remaining 5 % ownership interest in the entity that developed Gainesville Apartments. During 2022, we made earn- out payments totaling $ 4. 2 million to our development partner in addition to development cost savings of $ 0. 8 million paid to our development partner. On November 4, 2022, we acquired Pembroke Square a 124, 000 square foot grocery- anchored shopping center in Virginia Beach, Virginia for a purchase price of $ 26. 5 million in cash, reinvested from disposition proceeds. On December 31, 2022, we acquired the remaining 30 % of the partnership that owns the Market at Mill Creek shopping center in Mount Pleasant, South Carolina for total consideration of $ 1. 5 million. Subsequent to December 31, 2022 On January 14, 2023, we acquired the additional 11 % membership interest in the Constellation Energy Building **, increasing our ownership interest to 90 %,** in exchange for full satisfaction of the $ 12. 8 million loan that was extended to the seller upon the acquisition of the property in January 2022. **On May 19, 2023, we acquired The Interlock, a 311, 000 square foot Class A commercial mixed- use asset in West Midtown Atlanta anchored by Georgia Tech. The Interlock consists of office and retail space as well as structured parking. For segment reporting purposes, we separated the office and retail components of The Interlock into two operating properties respectively presented in the office and retail real estate segments. We acquired the asset for total consideration of $ 214. 1 million plus capitalized acquisition costs of $ 1. 2 million. As part of this acquisition, we paid $ 6. 1 million in cash, redeemed our outstanding $ 90. 2 million mezzanine loan, issued $ 12. 2 million of OP Units to the seller, and assumed the asset' s senior construction loan of $ 105. 6 million, that was paid off on the acquisition date using the proceeds of the TD term loan facility and an increase in borrowings under the revolving credit facility (each as defined below). We also assumed the leasehold interest in the underlying land owned by Georgia Tech. The ground lease has an expiration in 2117 after considering renewal options.** Dispositions During the year ended December 31, 2022 **2023** , we realized $ 53 **0** . 5 **7** million of net gain on the sales of $ 259 **1** . 8 **2** million of properties: Date of DispositionPropertySales Price (in millions) April **11, 2023Market at Mill Creek Outparcel (** 1 **)** , 2022Hoffler Place $ 43 **0** . **8** 1 April 25, 2022Summit Place37. 8June 29, 2022North Pointe Outparcels23. 9July 22, 2022The Residences at Annapolis Junction150. 0July 26, 2022Sandbridge Commons Outparcels3. 5September **September** 23 **20** , **2023Brooks Crossing** 2022Gainesville Apartments- Retail Portion **Outparcel0. 4Total** $ 1. 5 Total $ 259 **2 (1) The outparcel at Market at Mill Creek was disposed to satisfy the outstanding consideration payable for the acquisition of the noncontrolling interest in the property completed on December 31, 2022** . 8 Tax Status We have elected and qualified to be taxed as a REIT for U. S. federal income tax purposes commencing with our taxable year ended December 31, 2013. Our continued qualification as a REIT will depend upon our ability to meet, on a continuing basis, through actual investment and operating results, various complex requirements under the Internal Revenue Code of 1986, as amended (the" Code"), relating to, among other things, the sources of our gross income, the composition and values of our assets, our distribution levels, and the diversity of ownership of our capital stock. We believe that we are organized in conformity with the requirements for qualification as a REIT under the Code and that our manner of operation will enable us to maintain the requirements for qualification and taxation as a REIT for U. S. federal income tax purposes. In addition, we have elected to treat AHP Holding, Inc., which, through its wholly- owned subsidiaries, operates our construction, development, and third- party asset management businesses, as a taxable REIT subsidiary (" TRS"). As a REIT, we generally will not be subject to U. S. federal income tax on our net taxable income that we distribute currently to our stockholders. Under the Code, REITs are subject to numerous organizational and operational requirements, including a requirement that they distribute at least 90 % of their REIT taxable income each year, determined without regard to the deduction for dividends paid and excluding any net capital gains. If we fail to qualify for taxation as a REIT in any taxable year and do not qualify for certain statutory relief provisions, our income for that year will be taxed at regular corporate rates, and we would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify as a REIT. Even if we qualify as a REIT for U. S. federal income tax purposes, we may still be subject to state and local taxes on our income and assets and to federal income and excise taxes on our undistributed income. Additionally, any income earned by our services company, and any other TRS we form in the future, will be fully subject to federal, state, and local corporate income tax. Insurance We carry comprehensive liability, fire, extended coverage, business interruption, and rental loss insurance covering all of the properties in our portfolio under a blanket insurance policy in addition to other coverage that may be appropriate for certain of our properties. **For example, in December 2023, we experienced $ 1. 9 million in damages as a result of flooding at our Chronicle Mill property and, subsequent to December 31, 2023, will receive insurance proceeds to cover these damages, as well as reimbursement for revenues lost from any vacated tenants.** We believe the policy specifications and insured limits are appropriate and adequate for our properties given the relative risk of loss, the cost of the coverage, and industry practice; however, our insurance coverage may not be sufficient to fully cover our losses. We do not carry insurance for certain losses, including, but not limited to, losses caused by riots or war. Some of our policies, such as those covering losses due to terrorism and earthquakes, are insured subject to limitations involving large

deductibles or co- payments and policy limits that may not be sufficient to cover losses for such events. In addition, all but one of the properties in our portfolio as of December 31, ~~2022~~ **2023** were located in Maryland, Virginia, North Carolina, South Carolina, Florida and Georgia, which are areas subject to an increased risk of hurricanes. While we will carry hurricane insurance on certain of our properties, the amount of our hurricane insurance coverage may not be sufficient to fully cover losses from hurricanes. We may reduce or discontinue hurricane, terrorism, or other insurance on some or all of our properties in the future if the cost of premiums for any of these policies exceeds, in our judgment, the value of the coverage discounted for the risk of loss. Also, if destroyed, we may not be able to rebuild certain of our properties due to current zoning and land use regulations. As a result, we may incur significant costs in the event of adverse weather conditions and natural disasters. In addition, our title insurance policies may not insure for the current aggregate market value of our portfolio, and we do not intend to increase our title insurance coverage as the market value of our portfolio increases. If we or one or more of our tenants experiences a loss that is uninsured or that exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged. Furthermore, we may not be able to obtain adequate insurance coverage at reasonable costs in the future as the costs associated with property and casualty renewals may be higher than anticipated. Regulation General Our properties are subject to various covenants, laws, ordinances, and regulations, including regulations relating to common areas and fire and safety requirements. We believe that each of the properties in our portfolio has the necessary permits and approvals to operate its business. Americans With Disabilities Act Our properties must comply with Title III of the Americans with Disabilities Act of 1990 (the" ADA"), to the extent that such properties are" public accommodations" as defined by the ADA. Under the ADA, all public accommodations must meet federal requirements related to access and use by disabled persons. The ADA may require removal of structural barriers to access by persons with disabilities in certain public areas of our properties where such removal is readily achievable. Although we believe that the properties in our portfolio in the aggregate substantially comply with present requirements of the ADA, we have not conducted a comprehensive audit or investigation of all of our properties to determine our compliance, and we are aware that some particular properties may currently be in non- compliance with the ADA. Noncompliance with the ADA could result in the incurrence of additional costs to attain compliance, the imposition of fines, an award of damages to private litigants, and a limitation on our ability to refinance outstanding indebtedness. The obligation to make readily achievable accommodations is an ongoing one, and we will continue to assess our properties and to make alterations as appropriate in this respect. Environmental Matters Under various federal, state, and local laws and regulations relating to the environment, as a current or former owner or operator of real property, we may be liable for costs and damages resulting from the presence or discharge of hazardous or toxic substances, waste, or petroleum products at, on, in, under, or migrating from such property, including costs to investigate and clean up such contamination and liability for harm to natural resources. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such contamination, and the liability may be joint and several. These liabilities could be substantial, and the cost of any required remediation, removal, fines, or other costs could exceed the value of the property and our aggregate assets. In addition, the presence of contamination or the failure to remediate contamination at our properties may expose us to third- party liability for costs of remediation and personal or property damage or materially adversely affect our ability to sell, lease, or develop our properties or to borrow using the properties as collateral. In addition, environmental laws may create liens on contaminated sites in favor of the government for damages and costs it incurs to address such contamination. Moreover, if contamination is discovered on our properties, environmental laws may impose restrictions on the manner in which property may be used or businesses may be operated, and these restrictions may require substantial expenditures. Some of our properties contain, have contained, or are adjacent to or near other properties that have contained or currently contain storage tanks for the storage of petroleum products, propane, or other hazardous or toxic substances. Similarly, some of our properties were used in the past for commercial or industrial purposes, or are currently used for commercial purposes, that involve or involved the use of petroleum products or other hazardous or toxic substances, or are adjacent to or near properties that have been or are used for similar commercial or industrial purposes. As a result, some of our properties have been or may be impacted by contamination arising from the releases of such hazardous substances or petroleum products. Where we have deemed appropriate, we have taken steps to address identified contamination or mitigate risks associated with such contamination; however, we are unable to ensure that further actions will not be necessary. As a result of the foregoing, we could potentially incur material liability. Environmental laws also govern the presence, maintenance, and removal of asbestos- containing building materials (" ACBM"), and may impose fines and penalties for failure to comply with these requirements or expose us to third- party liability. Such laws require that owners or operators of buildings containing ACBM (and employers in such buildings) properly manage and maintain the asbestos, adequately notify or train those who may come into contact with asbestos, and undertake special precautions, including removal or other abatement, if asbestos would be disturbed during renovation or demolition of a building. In addition, the presence of ACBM in our properties may expose us to third- party liability (e. g. liability for personal injury associated with exposure to asbestos). We are not presently aware of any material adverse issues at our properties including ACBM. Similarly, environmental laws govern the presence, maintenance, and removal of lead- based paint in residential buildings, and may impose fines and penalties for failure to comply with these requirements. Such laws require, among other things, that owners or operators of residential facilities that contain or potentially contain lead- based paint notify residents of the presence or potential presence of lead- based paint prior to occupancy and prior to renovations and manage lead- based paint waste appropriately. In addition, the presence of lead- based paint in our buildings may expose us to third- party liability (e. g., liability for personal injury associated with exposure to lead- based paint). We are not presently aware of any material adverse issues at our properties involving lead- based paint. In addition, the properties in our portfolio also are subject to various federal, state, and local environmental and health and safety requirements, such as state and local fire requirements. Moreover, some of

our tenants may handle and use hazardous or regulated substances and wastes as part of their operations at our properties, which are subject to regulation. Such environmental and health and safety laws and regulations could subject us or our tenants to liability resulting from these activities. Environmental liabilities could affect a tenant' s ability to make rental payments to us. In addition, changes in laws could increase the potential liability for noncompliance. Our leases sometimes require our tenants to comply with environmental and health and safety laws and regulations and to indemnify us for any related liabilities. However, in the event of the bankruptcy or inability of any of our tenants to satisfy such obligations, we may be required to satisfy such obligations. In addition, we may be held directly liable for any such damages or claims regardless of whether we knew of, or were responsible for, the presence or disposal of hazardous or toxic substances or waste and irrespective of tenant lease provisions. The costs associated with such liability could be substantial and could have a material adverse effect on us. When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants such as pollen, viruses, and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants, or others if property damage or personal injury occurs. We are not presently aware of any material adverse indoor air quality issues at our properties. Competition We compete with a number of developers, owners, and operators of **retail,** office ~~, retail~~ , and multifamily real estate, many of which own properties similar to ours in the same markets in which our properties are located and some of which have greater financial resources than we do. In operating and managing our portfolio, we compete for tenants based on a number of factors, including location, rental rates, security, flexibility, and expertise to design space to meet prospective tenants' needs and the manner in which the property is operated, maintained, and marketed. As leases at our properties expire, we may encounter significant competition to renew or re- lease space in light of the large number of competing properties within the markets in which we operate. As a result, we may be required to provide rent concessions or abatements, incur charges for tenant improvements and other inducements, including early termination rights or below- market renewal options, or we may not be able to timely lease vacant space. We also face competition when pursuing development, acquisition, and lending opportunities. Our competitors may be able to pay higher property acquisition prices, may have private access to opportunities not available to us, may have more financial resources than we do, and may otherwise be in a better position to acquire or develop a property. Competition may also have the effect of reducing the number of suitable development and acquisition opportunities available to us or increasing the price required to consummate a development or acquisition opportunity. In addition, we face competition in our construction business from other construction companies in the markets in which we operate, including small local companies and large regional and national companies. In our construction business, we compete for construction projects based on several factors, including cost, reputation for quality and timeliness, access to machinery and equipment, access to and relationships with high- quality subcontractors, financial strength, knowledge of local markets, and project management abilities. We believe that we compete favorably on the basis of the foregoing factors and that our construction business is well- positioned to compete effectively in the markets in which we operate. However, some of the construction companies with which we compete have different cost structures and greater financial and other resources than we do, which may put them at an advantage when competing with us for construction projects. Competition from other construction companies may reduce the number of construction projects that we are hired to complete and increase pricing pressure, either of which could reduce the profitability of our construction business. Human Capital As of December 31, ~~2022~~ **2023** , we had ~~161~~ **164** employees. **We are** ~~Armada Hoffler is~~ committed to providing each employee with a safe, welcoming, and inclusive work environment and culture that enables them to contribute fully and develop to their highest potential. **We** ~~The Company invests~~ - **invest** heavily in ~~its~~ **our** employees by providing quality training and learning opportunities; promoting inclusion and diversity; and upholding a high standard of ethics and respect for human rights. Attracting, developing, and retaining team members is crucial to executing **our** ~~the Company' s~~ strategy. **We** ~~Armada Hoffler offers~~ - **offer** a comprehensive total rewards program aimed at the varying health, home- life, and financial services. This program includes market- competitive pay, broad- based stock grants and bonuses, healthcare benefits with company paid premiums, retirement savings plans, paid time off, paid parental leave, flexible work schedules, free flu vaccinations, an Employee Assistance Program and other mental health services. Additionally, **we** ~~Armada Hoffler invests~~ - **invest** in developing employees through programs such as the High- Performance Leadership program, to help ensure they have a strong pipeline of future leaders. Additional information regarding **our** ~~Armada Hoffler' s~~ activities related to ~~its~~ **our** people and sustainability, as well as ~~its~~ **our** workforce diversity data, can be found in **our** ~~Armada Hoffler' s~~ latest Sustainability Report, which is located on ~~its~~ **our** website at https: / / armadahoffler. com / sustainability /. The Sustainability Report is updated periodically. This website address is intended to be an inactive textual reference only. None of the information on, or accessible through, **our** ~~Armada Hoffler' s~~ website is part of this Form 10- K or is incorporated by reference herein. Corporate Information Our principal executive office is located at 222 Central Park Avenue, Suite 2100, Virginia Beach, Virginia 23462 in the Armada Hoffler Tower at the Town Center of Virginia Beach. In addition, we have a construction office located at 1300 Thames Street, Suite 30, Baltimore, Maryland 21231 in Thames Street Wharf at Harbor Point. The telephone number for our principal executive office is (757) 366- 4000. We maintain a website located at ArmadaHoffler. com. The information on, or accessible through, our website is not incorporated into and does not constitute a part of this Annual Report on Form 10- K or any other report or document we file with or furnish to the SEC. Available Information We file our Annual Report on Form 10- K, Quarterly Reports on Form 10- Q, Current Reports on Form 8- K, and all amendments to those reports with the SEC. You may obtain copies of these documents

by accessing the SEC' s website at www. sec. gov. In addition, as soon as reasonably practicable after such materials are furnished to the SEC, we make copies of these documents available to the public free of charge through our website or by contacting our Corporate Secretary at the address set forth above under" — Corporate Information." Our Corporate Governance Guidelines, Code of Business Conduct and Ethics, and the charters of our audit committee, compensation committee and nominating and corporate governance committee are all available in the Corporate Governance section of the Investor Relations section of our website. Any amendment to or waiver of our Code of Business Conduct and Ethics will be disclosed in the Corporate Governance section of the Investor Relations section of our website within four business days of the amendment or waiver. In addition, we maintain a variety of other governance documents, including, among others, a Human Rights Policy, an Environmental Policy, a Vendor Conduct Policy, and the charter of our Sustainability Committee, all of which are available in the Corporate Governance section of the Investor Relations section of our website. Financial Information For required financial information related to our operations, please refer to our consolidated financial statements, including the notes thereto, included with this Annual Report on Form 10- K. Item 1A. Risk Factors Set forth below are the risks that we believe are material to our stockholders. You should carefully consider the following risks in evaluating our Company and our business. The occurrence of any of the following risks could materially and adversely impact our financial condition, results of operations, cash flow, the market price of shares of our common stock, and our ability to, among other things, satisfy our debt service obligations and to make distributions to our stockholders, which in turn could cause our stockholders to lose all or a part of their investment. Some statements in this Annual Report on Form 10- K, including statements in the following risk factors constitute forward- looking statements. Please refer to the section entitled" Special Note Regarding Forward- Looking Statements" at the beginning of this Annual Report on Form 10- K. Risks Related to Our Business Adverse economic and geopolitical conditions and dislocations in the credit markets could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Our business has been, and may in the future be, affected by market and economic challenges experienced by the U. S. economy or the real estate industry as a whole ~~, including as a result of the COVID- 19 pandemic and measures intended to mitigate its spread~~ . Such conditions may materially and adversely affect us as a result of the following potential consequences, among others: • decreased demand for **retail,** office, ~~retail~~ and multifamily space, which would cause market rental rates and property values to be negatively impacted; • reduced values of our properties may limit our ability to dispose of assets at attractive prices or obtain debt financing secured by our properties and may reduce the availability of unsecured loans; • our ability to obtain financing on terms and conditions that we find acceptable, or at all, may be limited, which could reduce our ability to pursue acquisition and development opportunities and refinance existing debt, reduce our returns from our acquisition and development activities, and increase our future debt service expense; and • one or more lenders under our **amended** credit facility **(as defined below)** could refuse to fund their financing commitment to us or could otherwise fail to do so, and we may not be able to replace the financing commitment of any such lenders on favorable terms or at all. If the U. S. economy experiences an economic downturn, we may see increases in bankruptcies and defaults by our tenants, and we may experience higher vacancy rates and delays in re- leasing vacant space, which could negatively impact our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Our ~~growth strategy depends significantly on our ability to leverage our extensive experience in completing large, complex, mixed- use public / private projects to establish new relationships with public partners and expand our relationships with existing public partners. Future increases in our revenues may depend significantly on our ability to expand the scope of the work we do with the state and local government agencies with which we currently have partnered and attract new state and local government agencies to undertake public / private development projects with us. Our ability to obtain new work with state and local governmental authorities on new public / private development and financing partnerships could be adversely affected by several factors, including decreases in state and local budgets, changes in administrations, the departure of government personnel with whom we have worked, and negative public perceptions about public / private partnerships. In addition, to the extent that we engage in public / private partnerships in states or local communities in which we have not previously worked, we could be subject to risks associated with entry into new markets, such as lack of market knowledge or understanding of the local economy, lack of business relationships in the area, competition with other companies that already have an established presence in the area, difficulties in hiring and retaining key personnel, difficulties in evaluating quality tenants in the area, and unfamiliarity with local governmental and permitting procedures. If we fail to establish new relationships with public partners and expand our relationships with existing public partners, it could have a material adverse effect on our results of operations, cash flow, and growth prospects. Our~~ business and growth strategy involves the development and selective acquisition of **retail,** office ~~, retail~~ , and multifamily properties. We may expend significant management time and other resources, including out- of- pocket costs, in pursuing these investment opportunities. Our ability to complete development projects or acquire properties on favorable terms, or at all, may be exposed to the following significant risks: • we may incur significant costs and divert management attention in connection with evaluating and negotiating potential development opportunities and acquisitions, including those that we are subsequently unable to complete; • we have agreements for the development or acquisition of properties that are subject to conditions, which we may be unable to satisfy; and • we may be unable to obtain financing on favorable terms or at all. If we are unable to identify attractive investment opportunities and successfully develop new properties, our results of operations, cash flow, and growth prospects could be materially and adversely affected. The success of our activities to design, construct **,** and develop properties in which we will retain an ownership interest is dependent, in part, on the availability of suitable undeveloped land at acceptable prices as well as our having sufficient liquidity to fund investments in such undeveloped land and subsequent development. Our success in designing, constructing, and developing projects for our own account depends, in part, upon the continued availability of suitable undeveloped land at acceptable prices. The availability of undeveloped land for purchase at favorable prices depends on a number of factors outside of our control, including the risk of competitive over- bidding on land and governmental regulations that restrict the potential uses of land. If the availability of

suitable land opportunities decreases, the number of development projects we may be able to undertake could be reduced. In addition, our ability to make land purchases will depend upon our having sufficient liquidity or access to external sources of capital to fund such purchases. Thus, the lack of availability of suitable land opportunities and insufficient liquidity to fund the purchases of any such available land opportunities could have a material adverse effect on our results of operations and growth prospects ~~. Our real estate development activities are subject to risks particular to development, such as unanticipated expenses, delays and other contingencies, any of which could materially and adversely affect our financial condition, results of operations, and cash flow~~ . We engage in development and redevelopment activities and will be subject to the following risks associated with such activities: • unsuccessful development or redevelopment opportunities could result in direct expenses to us and cause us to incur losses; • construction or redevelopment costs of a project may exceed original estimates, possibly making the project less profitable than originally estimated, or unprofitable; • the inability to obtain or delays in obtaining necessary governmental or quasi- governmental permits and authorizations could result in increased costs or abandonment of the project if necessary permits or authorizations are not obtained; • delayed construction may give tenants the right to terminate pre- development leases, which may adversely impact the financial viability of the project; • occupancy rates, rents and concessions of a completed project may fluctuate depending on a number of factors and may not be sufficient to make the project profitable; and • the availability and pricing of financing to fund our development activities on favorable terms or at all may result in delays or even abandonment of certain development activities. These risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of development or redevelopment activities once undertaken, any of which could have a material adverse effect on our financial condition, results of operations, and cash flow. The majority of the properties in our portfolio are located in Virginia, Maryland, and North Carolina, which expose us to greater economic risks than if we owned a more geographically diverse portfolio. As of December 31, ~~2022~~ **2023** , our properties in the Virginia, Maryland **,** and North Carolina markets represented approximately ~~46~~ **45** %, ~~28~~ **25** %, and ~~15~~ **14** %, respectively, of the total net operating income of the properties in our portfolio. Furthermore, many of our properties are located in the Town Center of Virginia Beach and Harbor Point at Baltimore, and net operating income from each represented ~~23~~ **20** % and ~~19~~ **18** %, respectively, of our total net operating income for the year ended December 31, ~~2022~~ **2023** . As a result of this geographic concentration, we are particularly susceptible to adverse economic, regulatory or other conditions in the Virginia, Maryland **,** and North Carolina markets (such as periods of economic slowdown or recession, business layoffs or downsizing, industry slowdowns, relocations of businesses, increases in real estate and other taxes, and the cost of complying with governmental regulations or increased regulation), as well as to natural disasters that occur in these markets (such as hurricanes and other events). For example, the markets in Virginia, Maryland, and North Carolina in which many of the properties in our portfolio are located contain high concentrations of military personnel and operations, and a reduction of the military presence or cuts in defense spending in these markets could have a material adverse effect on us. If there is a downturn in the economy in Virginia, Maryland **,** or North Carolina, our operations, revenue, and cash available for distribution, including cash available to pay distributions to our stockholders, could be materially and adversely affected. We cannot assure you that these markets will grow or that underlying real estate fundamentals will be favorable to owners and operators of **retail,** office ~~, retail~~ , or multifamily properties. Our operations may also be adversely affected if competing properties are built in these markets. Moreover, submarkets within any of our target markets may be dependent upon a limited number of industries. Any adverse economic or real estate developments in our markets, or any decrease in demand for **retail,** office, ~~retail~~ or multifamily space resulting from the regulatory environment, business climate or energy or fiscal problems, could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to satisfy our debt service obligations. We may not be able to rebuild our existing properties to their existing specifications if we experience a substantial or comprehensive loss of such properties, including as a result of hurricanes or other disasters. In the event that we experience a substantial or comprehensive loss of one of our properties, we may not be able to rebuild such property to its existing specifications. For example, all but one of the properties in our portfolio as of December 31, ~~2022~~ **2023** are located in Maryland, Virginia, North Carolina, South Carolina, Georgia, and Florida, which are areas particularly susceptible to hurricanes. While we carry insurance on certain of our properties, the amount of our insurance coverage may not be sufficient to fully cover losses from hurricanes and will be subject to limitations involving large deductibles or co- payments. Further, reconstruction or improvement of properties would likely require significant upgrades to meet zoning and building code requirements. Environmental and legal restrictions could also restrict the rebuilding of our properties. As of December 31, ~~2022~~ **2023** , we had total debt of approximately $ 1. ~~1~~ **4** billion, including amounts drawn under our **amended** credit facility, a substantial portion of which is guaranteed by our Operating Partnership, and we may incur significant additional debt to finance future acquisition and development activities. Excluding unamortized fair value adjustments and debt issuance costs, the aggregate outstanding principal balance of our debt was $ 1. ~~1~~ **4** billion as of December 31, ~~2022~~ **2023** . Payments of principal and interest on borrowings may leave us with insufficient cash resources to operate our properties or to pay the dividends currently contemplated or necessary to maintain our REIT qualification. Our level of debt and the limitations imposed on us by our debt agreements could have significant adverse consequences, including the following: • our cash flow may be insufficient to meet our required principal and interest payments; • we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our ability to meet operational needs; • we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our original indebtedness, particularly if interest rates remain elevated; • we may be forced to dispose of one or more of our properties, possibly on unfavorable terms or in violation of certain covenants to which we may be subject; • we may default on our obligations, in which case the lenders or mortgagees may have the right to foreclose on any properties that secure the loans or collect rents and other income from our properties; • we may violate restrictive covenants in our loan documents, which would entitle the lenders to accelerate our debt obligations or reduce our ability to pay, or prohibit us from paying, distributions to our stockholders; and • our default under any loan with cross- default provisions

could result in a default on other indebtedness. If any one of these events were to occur, our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations could be materially and adversely affected. Furthermore, foreclosures could create taxable income without accompanying cash proceeds, which could hinder our ability to meet the REIT distribution requirements imposed by the Code. See" Management' s Discussion and Analysis of Financial Condition and Results of Operations — Liquidity and Capital Resources." **Morningstar** DBRS ~~Morningstar~~ is expected to periodically evaluate our debt levels and other factors, which likely will include **Morningstar** DBRS ~~Morningstar~~' s assessment of our financial strength, liquidity, capital structure, asset quality, and sustainability of cash flow and earnings. Due to changes in these factors and market conditions, we may not be able to maintain our current credit rating, which could adversely affect our cost of funds and related margins, liquidity, and access to the debt capital markets. We have incurred, and may in the future incur, additional indebtedness that bears interest at a variable rate. An increase in interest rates would increase our interest expense and increase the cost of refinancing existing debt and issuing new debt, which would adversely affect our cash flow and ability to make distributions to our stockholders. In addition, if we need to repay existing debt during periods of rising interest rates, we could be required to liquidate one or more of our investments at times that may not permit realization of the maximum return on such investments. The effect of prolonged interest rate increases could adversely impact our ability to make acquisitions and develop properties. Subject to maintaining our qualification as a REIT, we expect to continue to enter into hedging transactions to protect us from the effects of interest rate fluctuations on floating rate debt. Our existing hedging transactions have included, and future hedging transactions may include, entering into interest rate cap agreements or interest rate swap agreements, which involve risk. Our failure to hedge effectively against interest rate changes may adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Additionally, as a result of rising interest rates, the cost of hedging transactions has increased significantly and may continue to increase. In order to maintain our qualification as a REIT, we are required under the Code to, among other things, distribute annually at least 90 % of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gain. In addition, we will be subject to income tax at regular corporate rates to the extent that we distribute less than 100 % of our REIT taxable income, including any net capital gains. Because of these distribution requirements, we may not be able to fund future capital needs, including any necessary capital expenditures, from operating cash flow. Consequently, we intend to rely on third- party sources to fund our capital needs. We may not be able to obtain such financing on favorable terms or at all and any additional debt we incur will increase our leverage and likelihood of default. Our access to third- party sources of capital depends, in part, on: • general market conditions; • the market' s perception of our growth potential; • our current debt levels; • our current and expected future earnings; • our cash flow and cash distributions; and • the market price per share of our common stock and Series A Preferred Stock. If we cannot obtain capital from third- party sources, we may not be able to acquire or develop properties when strategic opportunities exist, meet the capital and operating needs of our existing properties, satisfy our debt service obligations or make the cash distributions to our stockholders necessary to maintain our qualification as a REIT. As of December 31, ~~2022~~ **2023** , approximately ~~2~~ **3** . ~~5~~ **4** % of the square footage of the stabilized properties in our office and retail portfolios was available. Additionally, 2. ~~8~~ **0** % and ~~6~~ **5** . ~~3~~ **4** % of the ABR in our office portfolio was scheduled to expire in ~~2023 and~~ 2024 **and 2025** , respectively, and **6.** 5 **% and 10** . 8 ~~% and 11. 3~~ % of the ABR in our retail portfolio was scheduled to expire in ~~2023 and~~ 2024 **and 2025** , respectively. We cannot assure you that new leases will be entered into, that leases will be renewed, or that our properties will be re- leased at net effective rental rates equal to or above the current average net effective rental rates or that substantial rent abatements, tenant improvements, early termination rights or below- market renewal options will not be offered to attract new tenants or retain existing tenants. In addition, our ability to lease our multifamily properties at favorable rates, or at all, may be adversely affected by the increase in supply of multifamily properties in our target markets. Our ability to lease our properties depends upon the overall level of spending in the economy, which is adversely affected by, among other things, job losses and unemployment levels, fears of a recession, personal debt levels, the housing market, stock market volatility, and uncertainty about the future. If rental rates for our properties decrease, our existing tenants do not renew their leases, or we do not re- lease a significant portion of our available space and space for which leases expire, our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations could be materially and adversely affected. Tenant demand in our office portfolio may decline due to disruptions to the office sector, which could materially and adversely affect us. Companies have been increasing their utilization of ~~shared office spaces, co- working spaces, telecommuting, flexible work schedules,~~ work- from- home alternatives ~~and~~ **,** videoconferencing **, shared office spaces, co- working spaces, telecommuting, and flexible work schedules** . To the extent these trends continue, tenant demand for our office space may be reduced, which could materially and adversely affect us. The short- term leases in our multifamily portfolio expose us to the effects of declining market rents, which could adversely affect our results of operations, cash flow and cash available for distribution. Substantially all of the leases in our multifamily portfolio are for terms of 12 months or less. As a result, even if we are able to renew or re- lease apartment ~~and student housing~~ units as leases expire, our rental revenues will be impacted by declines in market rents more quickly than if all of our leases had longer terms, which could adversely affect our results of operations, cash flow, and cash available for distribution. Competition for property acquisitions and development opportunities may reduce the number of opportunities available to us and increase our costs, which could have a material adverse effect on our growth prospects. The current market for property acquisitions and development opportunities continues to be extremely competitive. This competition may increase the demand for the types of properties in which we typically invest and, therefore, reduce the number of suitable investment opportunities available to us and increase the purchase prices for such properties in the event we are able to acquire or develop such properties. We face significant competition for attractive investment opportunities from an indeterminate number of investors, including publicly traded and privately held REITs, private equity investors, and institutional investment funds, some of which have greater financial resources than we do, a greater ability to borrow funds to make investments in

properties than we do, and the ability to accept more risk than we can prudently manage, including risks with respect to the geographic proximity of investments and the payment of higher acquisition prices. This competition will increase if investments in real estate become more attractive relative to other forms of investment. If the level of competition for investment opportunities is significant in our target markets, it could have a material adverse effect on our growth prospects. Increased competition and increased affordability of residential homes could limit our ability to retain our residents, lease apartment units, or increase or maintain rents at our multifamily apartment communities. Our multifamily apartment communities compete with numerous housing alternatives in attracting residents, including other multifamily apartment communities and single- family rental units, as well as owner- occupied single- family and multifamily units. Competitive housing in a particular area and an increase in affordability of owner- occupied single- family and multifamily units due to, among other things, declining housing prices, oversupply, mortgage interest rates, and tax incentives and government programs to promote home ownership, could adversely affect our ability to retain residents, lease apartment units, and increase or maintain rents at our multifamily properties, which could adversely impact our results of operations, cash flow, and cash available for distribution. The failure of properties that we develop or acquire to meet our financial expectations could have a material adverse effect on us, including our financial condition, results of operations, cash flow, cash available for distribution, ability to service our debt obligations, the per share trading price of our common stock and Series A Preferred Stock, and growth prospects. Our acquisitions and development projects and our ability to successfully operate these properties may be exposed to the following significant risks, among others: • we may acquire or develop properties that are not accretive to our results upon acquisition, and we may not successfully manage and lease those properties to meet our expectations; • our cash flow may be insufficient to enable us to pay the required principal and interest payments on the debt secured by the property; • we may spend more than budgeted amounts to make necessary improvements or renovations to acquired properties or to develop new properties; • we may be unable to quickly and efficiently integrate new acquisitions or developed properties into our existing operations; • market conditions may result in higher- than- expected vacancy rates and lower than expected rental rates; and • we may acquire properties subject to liabilities without any recourse, or with only limited recourse, with respect to unknown liabilities such as liabilities for clean- up of undisclosed environmental contamination, claims by tenants, vendors, or other persons dealing with the former owners of the properties, liabilities incurred in the ordinary course of business, and claims for indemnification by general partners, directors, officers, and others indemnified by the former owners of the properties. If we cannot operate acquired or developed properties to meet our financial expectations, our financial condition, results of operations, cash flow, cash available for distribution, ability to service our debt obligations, the per share trading price of our common stock and Series A Preferred Stock, and growth prospects could be materially and adversely affected. Failure to succeed in new markets may limit our growth. We have acquired in the past, and we may acquire in the future if appropriate opportunities arise, properties that are outside of our primary markets. Entering into new markets exposes us to a variety of risks, including difficulty evaluating local market conditions and local economies, developing new business relationships in the area, competing with other companies that already have an established presence in the area, hiring and retaining key personnel, evaluating quality tenants in the area, and a lack of familiarity with local governmental and permitting procedures. Furthermore, expansion into new markets may divert management time and other resources away from our current primary markets. As a result, we may not be successful in expanding into new markets, which could adversely impact our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. **Real estate financing investments are subject to significant risks, and losses related to these investments could have a material adverse effect on our financial condition and results of operations.** We have originated, and in the future expect to originate or acquire, mezzanine **loans, preferred equity investments,** or similar ~~loans~~ **investments (together" real estate financing investments")** , which take the form of subordinated loans secured by second mortgages on the underlying property or loans secured by a pledge of the ownership interests of either the entity owning the property or a pledge of the ownership interests of the entity that owns the interest in the entity owning the property. As of December 31, ~~2022~~ **2023** , we had approximately $ ~~112~~ **83** . ~~3~~ **4** million in outstanding **real estate financing** ~~mezzanine loans or similar~~ investments. These types of ~~loans~~ **investments** involve a higher degree of risk than long- term senior mortgage loans secured by income- producing real property because the ~~loan~~ **investment** may become unsecured as a result of foreclosure by the senior lender. In addition, these ~~loans~~ **investments** may have higher **"** loan- to- value **"** ratios than conventional mortgage loans, with little or no equity invested by the borrower, increasing the risk of loss of principal. If a borrower defaults on our ~~mezzanine loan~~ **real estate financing investment** or debt senior to our ~~loan~~ **investment** , or in the event of a borrower bankruptcy, our ~~mezzanine loan~~ **real estate financing investment** will be satisfied only after the senior debt is paid in full. In the event of a bankruptcy of the entity providing the pledge of its ownership interests as security, we may not have full recourse to the assets of such entity, or the assets of the entity may not be sufficient to satisfy our ~~mezzanine loan~~ **real estate financing investment** . As a result, we may not recover some or all of our initial investment. Additionally, in conjunction with certain **investments** ~~mezzanine loans~~ , we issue partial payment guarantees to the senior lender for the property, which may require us to make payments to the senior lender in the event of a default on the senior note. Finally, in connection with our ~~loan~~ **real estate financing** investments, we may have options to purchase all or a portion of the underlying property upon maturity of the ~~loan~~ **investment** ; however, if a developer' s costs for a project are higher than anticipated, exercising such options may not be attractive or economically feasible, or we may not have sufficient funds to exercise such options even if we desire to do so. Significant losses related to **real estate financing** ~~mezzanine or similar loan~~ investments could have a material adverse effect on our financial condition and results of operations. A bankruptcy or insolvency of any of our significant tenants in our office or retail properties could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. If a significant tenant in our office or retail properties becomes bankrupt or insolvent, federal law may prohibit us from evicting such tenant based solely upon such bankruptcy or insolvency. In addition, a bankrupt or insolvent tenant may be authorized to reject

and terminate its lease with us. Any claim against such tenant for unpaid, future rent would be subject to a statutory cap that might be substantially less than the remaining rent owed under the lease. If any of these tenants were to experience a downturn in its business or a weakening of its financial condition resulting in its failure to make timely rental payments or causing it to default under its lease, we may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment. In many cases, we may have made substantial initial investments in the applicable leases through tenant improvement allowances and other concessions that we may not be able to recover. Any such event could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Many of our operating costs and expenses are fixed and will not decline if our revenues decline. Our results of operations depend, in large part, on our level of revenues, operating costs, and expenses. The expense of owning and operating a property is not necessarily reduced when circumstances such as market factors and competition cause a reduction in revenue from the property. As a result, if revenues decline, we may not be able to reduce our expenses to keep pace with the corresponding reductions in revenues. Many of the costs associated with real estate investments, such as real estate taxes, insurance, loan payments, and maintenance generally will not be reduced if a property is not fully occupied or other circumstances cause our revenues to decrease, which could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. In ~~2022~~ **2023** , the consumer price index rose by approximately **3 % over the previous year, following 2022' s increase in the index of** 7 % ~~over the previous year,~~ which was the largest annual inflation surge in 40 years. The recent rise in inflation has been due to, among other things, the disruption in global supply chains, labor shortages, and resulting increasing consumer demand, many of which were exacerbated by the COVID- 19 pandemic. A significant portion of our operating expenses and construction- related costs are sensitive to inflation. Operating expenses include those for property- related contracted services such as janitorial and engineering services, utilities, repairs and maintenance, and insurance. Property taxes are also impacted by inflationary changes as taxes are regularly reassessed based on changes in the fair value of our properties. We also have ground lease expenses in certain of our properties. Ground lease costs are contractual, but in some cases, lease payments reset every few years based on changes on consumer price indices. Our operating expenses, with the exception of ground lease rental expenses and multifamily properties, are typically recoverable through our lease arrangements, which allow us to pass through substantially all expenses associated with property taxes, insurance, utilities, repairs and maintenance, and other operating expenses (including increases thereto) to our tenants. Our remaining leases are generally gross leases, which provide for recoveries of operating expenses above the operating expenses from the initial year within each lease. During inflationary periods, we expect to recover increases in operating expenses from our triple net leases and our gross leases. In addition, our multifamily leases generally have lease terms ranging from 7 to 15 months with a majority having 12- month lease terms allowing negotiation of rental rates at term end, which we believe reduces our exposure to the effects of inflation, although an extreme and sustained escalation in costs could have a negative impact on our residents and their ability to absorb rent increases. As a result, we do not believe that inflation would result in a significant adverse effect on our net operating income and operating cash flows at the property level. However, there is no guarantee that our tenants would be able to absorb these expense increases and be able to continue to pay us their portion of operating expenses, capital expenditures, and rent. Our general and administrative expenses consist primarily of compensation costs, technology services, and professional service fees. Annually, our employee compensation is adjusted to reflect merit increases; however, to maintain our ability to successfully compete for the best talent, rising inflation rates may require us to provide compensation increases beyond historical annual merit increases, which may unexpectedly or significantly increase our compensation costs. Similarly, technology services and professional service fees are also subject to the impact of inflation and expected to increase proportionately with increasing market prices for such services. Consequently, inflation is expected to increase our general and administrative expenses over time and may adversely impact our results of operations and operating cash flows. Adverse conditions in the general retail environment could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Approximately ~~41~~ **39** . ~~3~~ **6** % of our net operating income for the year ended December 31, ~~2022~~ **2023** ~~is~~ **was** from retail properties. As a result, we are subject to factors that affect the retail sector generally as well as the market for retail space. The retail environment and the market for retail space have been, and in the future could be, adversely affected by weakness in the national, regional, and local economies, the level of consumer spending and consumer confidence, the adverse financial condition of some large retail companies, the ongoing consolidation in the retail sector, the excess amount of retail space in a number of markets, increasing competition from discount retailers, outlet malls, internet retailers, and other online businesses, and epidemics, pandemics and other health crises and measures intended to mitigate their spread. Increases in consumer spending via the internet may significantly affect our retail tenants' ability to generate sales in their stores. New and enhanced technologies, including new digital and web services technologies, may increase competition for certain of our retail tenants. Any of the foregoing factors could adversely affect the financial condition of our retail tenants and the willingness of retailers to lease space in our retail properties, including the anchor stores or major tenants in our retail shopping center properties, the loss of which could result in a material impact on our retail tenants. In turn, these conditions could negatively affect market rents for retail space and could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations ~~. The phase- out of LIBOR and the transition to alternative benchmark interest rates, such as SOFR and BSBY, could have adverse effects. The interest rate on some of our variable rate debt is based on LIBOR (the London Inter- Bank Offered Rate). It is expected that no new contracts will reference LIBOR and will instead use alternative benchmark interest rates, such as SOFR and the Bloomberg Short- Term Bank Yield Index (" BSBY"). In 2018, the Alternative Reference Rate Committee identified SOFR as the alternative to LIBOR. SOFR is a broad measure of the cost of borrowing cash overnight collateralized by U. S. Treasury securities, published by the Federal Reserve Bank of New York. BSBY is a new series of reference rates made available by Bloomberg Index Services Limited that aims to measure the average~~

~~yields at which investors are willing to invest U. S. dollar funds on a senior, unsecured basis in certain global, systemically important banks, and certain other systemically relevant banks, at various tenors. In connection with the phase- out of LIBOR, we have incurred floating- rate indebtedness that bears interest based on SOFR and BSBY. Due to the broad use of LIBOR as a reference rate, all financial market participants, including us, are impacted by the risks associated with this transition and, therefore, it could adversely affect our operations and cash flows~~ . Mortgage debt obligations expose us to the possibility of foreclosure, which could result in the loss of our investment in a property or group of properties subject to mortgage debt. Mortgage and other secured debt obligations increase our risk of property losses because defaults on indebtedness secured by properties may result in foreclosure actions initiated by lenders and ultimately our loss of the property securing any loans for which we are in default. Any foreclosure on a mortgaged property or group of properties could adversely affect the overall value of our portfolio of properties. For tax purposes, a foreclosure on any of our properties that is subject to a nonrecourse mortgage loan would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds, which could hinder our ability to meet the REIT distribution requirements imposed by the Code. Foreclosures could also trigger our tax indemnification obligations under the terms of our tax protection agreements with respect to the sales of certain properties. Our **amended** credit facility restricts our ability to engage in certain business activities, including our ability to incur additional indebtedness, make capital expenditures, and make certain investments. Our **amended** credit facility contains customary negative covenants and other financial and operating covenants that, among other things: • restrict our ability to incur additional indebtedness; • restrict our ability to incur additional liens; • restrict our ability to make certain investments (including certain capital expenditures); • restrict our ability to merge with another company; • restrict our ability to sell or dispose of assets; • restrict our ability to make distributions to our stockholders; and • require us to satisfy minimum financial coverage ratios, minimum tangible net worth requirements, and maximum leverage ratios. These limitations restrict our ability to engage in certain business activities, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. In addition, our **amended** credit facility may contain specific cross- default provisions with respect to specified other indebtedness, giving the lenders the right, in certain circumstances, to declare a default if we are in default under other loans. An epidemic, pandemic or other health crisis ~~, including the ongoing COVID- 19 pandemic,~~ and measures intended to prevent the spread of such an event could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. We face risks related to an epidemic, pandemic or other health crisis ~~, including the ongoing COVID- 19 pandemic,~~ which has impacted, and in the future could impact, the markets in which we operate and could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. The impact of an epidemic, pandemic or other health crisis ~~, including the COVID- 19 pandemic,~~ and measures intended to prevent the spread of such an event could materially and adversely affect our business in a number of ways. Our rental revenue and operating results depend significantly on the occupancy levels at our properties and the ability of our tenants to meet their rent obligations to us, which have been in certain cases, and could in the future be, adversely affected by, among other things, job losses, furloughs, store closures, lower incomes, uncertainty about the future as a result of an epidemic, pandemic or other health crisis and related governmental actions including eviction moratoriums, shelter- in- place orders, prohibitions on charging certain fees, and limitations on collection laws and rent increases, which have **in the past** affected, and, ~~if such restrictions are not lifted, or are reinstated, or new restrictions imposed,~~ may ~~continue to~~ **in the future** affect **,** our ability to collect rent or enforce legal or contractual remedies for the failure to pay rent, which ~~have~~ negatively impacted, and may ~~continue to~~ **in the future** negatively impact, our ability to remove tenants who are not paying rent and our ability to rent their space to new tenants. In addition, the federal government has in the past allocated, and may in the future allocate, funds to rent relief programs to be run by state and local authorities. In certain locations, the funds available may not be sufficient to pay all past due rent and reallocation of such funds may result in markets in which we operate not having access to the funds anticipated. Further, certain of our tenants with past due rent have not qualified, and may not in the future qualify, to participate in such programs. In addition, some of such programs have required, and programs in the future may require, the forgiveness of a portion of the past due rent or agreeing to other limitations that may adversely affect our business in order to participate or may only provide funds to pay a portion of the past due rent. In addition, while certain locations have adopted programs that may reimburse past due rent owed by tenants who have left a community, such programs have only been adopted in a minority of our markets. ~~It is uncertain how the rent relief programs will impact our business.~~ Our development and construction projects also have been and could in the future be adversely affected by factors related to an epidemic, pandemic or other health crisis, ~~including the COVID- 19 pandemic,~~ although, to date, such impacts have not been material. An epidemic, pandemic or other health crisis ~~, including the COVID- 19 pandemic~~ , or related impacts thereof also could adversely affect the businesses and financial conditions of our counterparties, including our joint venture partners and general contractors and their subcontractors, and their ability to satisfy their obligations to us and to complete transactions or projects with us as intended. A cybersecurity incident or other technology disruptions could negatively impact our business, our relationships, and our reputation. We use computers and computer networks in most aspects of our business operations. We also use mobile devices to communicate with our employees, suppliers, business partners, and tenants. These devices are used to transmit sensitive and confidential information including financial and strategic information about us, employees, business partners, tenants, and other individuals and organizations. Additionally, we utilize third- party service providers that host personally identifiable information and other confidential information of our employees, business partners, tenants, and others. We also maintain confidential financial and business information regarding us and persons and entities with which we do business on our information technology systems. Cybersecurity incidents, including physical or electronic break- ins, computer viruses, malware, attacks by hackers, ransomware attacks, phishing attacks, supply chain attacks,

breaches due to employee error or misconduct and other similar breaches can create system disruptions, shutdowns or unauthorized access to information maintained in our information technology systems and in the information technology systems of our third- party service providers. We have in the past experienced cybersecurity incidents involving information technology systems, **including through phishing attacks,** but we have not experienced any material cybersecurity incidents. We expect cybersecurity incidents to continue to occur in the future and we are constantly ~~managing~~ **attempting to mitigate** efforts to infiltrate and compromise our information technology systems and data. The theft, destruction, loss, or release of sensitive and confidential information or operational downtime of the systems used to store and transmit our or our tenants' confidential business **and personal** information could result in disruptions to our business, negative publicity, brand damage, violation of privacy laws, financial liability, difficulty attracting and retaining tenants, loss of business partners, and loss of business opportunities, any of which may materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Although we carry cybersecurity insurance that is designed to protect us against certain losses related to cybersecurity incidents, that insurance coverage may not be sufficient or available to cover all expenses or other losses or all types of claims that may arise in connection with cybersecurity incidents. Furthermore, in the future, such insurance may not be available on commercially reasonable terms, or at all. Any material weakness in our internal control over financial reporting could have an adverse effect on the trading price of our common stock and Series A Preferred Stock. Management is required to have an independent auditor assess the effectiveness of our internal control over financial reporting, pursuant to Section 404 of the Sarbanes- Oxley Act of 2002, as amended (the " Sarbanes- Oxley Act "). We cannot give any assurances that material weaknesses will not be identified in the future in connection with our compliance with the provisions of Section 404 of the Sarbanes- Oxley Act. The existence of any material weakness described above would preclude a conclusion by management and our independent auditors that we maintained effective internal control over financial reporting. Our management may be required to devote significant time and expense to remediate any material weaknesses that may be discovered and may not be able to remediate such material weaknesses in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations, and cause investors to lose confidence in our reported financial information, any of which could lead to a decline in the per share trading price of our common stock and Series A Preferred Stock. We may be required to make rent or other concessions or significant capital expenditures to improve our properties in order to retain and attract tenants, which may materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Upon expiration of our leases to our tenants, we may be required to make rent or other concessions, accommodate requests for renovations, build- to- suit remodeling, and other improvements, or provide additional services to our tenants, any of which would increase our costs. As a result, we may have to make significant capital or other expenditures in order to retain tenants whose leases expire and to attract new tenants in sufficient numbers. Additionally, we may need to raise capital to make such expenditures. If we are unable to do so or capital is otherwise unavailable, we may be unable to make the required expenditures. This could result in non- renewals by tenants upon expiration of their leases. If any of the foregoing were to occur, it could have a material adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Our use of **OP** ~~units~~ **Units** ~~in our Operating Partnership~~ as consideration to acquire properties could result in stockholder dilution or limit our ability to sell such properties, which could have a material adverse effect on us. We have acquired, and in the future may acquire, properties or portfolios of properties through tax deferred contribution transactions in exchange for OP Units. This acquisition structure may have the effect of, among other things, reducing the amount of tax depreciation we could deduct over the tax life of the acquired properties and requiring that we agree to protect the contributors' ability to defer recognition of taxable gain through restrictions on our ability to dispose of the acquired properties or the allocation of partnership debt to the contributors to maintain their tax bases. These restrictions also could limit our ability to sell properties at a time, or on terms, that would be favorable absent such restrictions. In addition, future issuances of OP Units would reduce our ownership percentage in our Operating Partnership and affect the amount of distributions made to us by our Operating Partnership and, therefore, the amount of distributions we can make to our stockholders. To the extent that our stockholders do not directly own OP Units, our stockholders will not have any voting rights with respect to any such issuances or other partnership level activities of our Operating Partnership. Our success depends on key personnel whose continued service is not guaranteed, and the loss of one or more of our key personnel could adversely affect our ability to manage our business and to implement our growth strategies or could create a negative perception of our company in the capital markets. Our continued success and our ability to manage anticipated future growth depend, in large part, upon the efforts of key personnel who have extensive market knowledge and relationships and exercise substantial influence over our operational, financing, development, and construction activity. Individuals currently considered key personnel each ~~has~~ **have** a national or regional industry reputation that attracts business and investment opportunities and assists us in negotiations with lenders, existing and potential tenants, and industry personnel, and we have not currently entered into employment agreements with any of these individuals. If we lose their services, our relationships with such industry personnel could diminish. Many of our other senior executives also have extensive experience and strong reputations in the real estate industry, which aid us in identifying opportunities, having opportunities brought to us, and negotiating with tenants and build- to- suit prospects. The loss of services of one or more members of our senior management team, or our inability to attract and retain highly qualified personnel, could adversely affect our business, diminish our investment opportunities, and weaken our relationships with lenders, business partners, existing and prospective tenants, and industry participants, which could materially and adversely affect our financial condition, results of operations, cash flow, and the per share trading price of our common stock and Series A Preferred Stock. Joint venture investments could be materially and adversely affected by our lack of sole decision- making authority, our reliance on co- venturers' financial condition, and disputes between us and our co- venturers. In the past, we have,

and in the future, we expect to, co- invest with third parties through partnerships, joint ventures or other entities, acquiring noncontrolling interests in or sharing responsibility for developing properties and managing the affairs of a property, partnership, joint venture, or other entity. In particular, in connection with the formation transactions related to our initial public offering, we provided certain of the prior investors with the right to co- develop certain projects with us in the future and the right to acquire a minority equity interest in certain properties that we may develop in the future, in each case under certain circumstances and subject to certain conditions set forth in the applicable agreement. Furthermore, we are often a joint venture partner in development projects. In the event that we co- develop a property together with a third party, we would be required to share a portion of the development fee. With respect to any such arrangement or any similar arrangement that we may enter into in the future, we may not be in a position to exercise sole decision- making authority regarding the development, property, partnership, joint venture, or other entity. Investments in partnerships, joint ventures or other entities may, under certain circumstances, involve risks not present where a third party is not involved, including the possibility that partners or co- venturers might become bankrupt or fail to fund their share of required capital contributions. Partners or co- venturers may have economic or other business interests or goals which are inconsistent with our business interests or goals and may be in a position to take actions contrary to our policies or objectives, and they may have competing interests in our markets that could create conflicts of interest. Such investments may also have the potential risk of impasses on decisions, such as a sale or financing, because neither we nor the partner (s) or co- venturer (s) would have full control over the partnership or joint venture. In addition, a sale or transfer by us to a third party of our interests in the joint venture may be subject to consent rights or rights of first refusal, in favor of our joint venture partners, which would in each case restrict our ability to dispose of our interest in the joint venture. Where we are a limited partner or non- managing member in any partnership or limited liability company, if such entity takes or expects to take actions that could jeopardize our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. Disputes between us and partners or co- venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our business. Consequently, actions by or disputes with partners or co- venturers might result in subjecting properties owned by the partnership or joint venture to additional risk. In addition, we may in certain circumstances be liable for the actions of our third- party partners or co- venturers. Our joint ventures may be subject to debt and, during periods of volatile credit markets, the refinancing of such debt may require equity capital calls. Expectations of our company relating to environmental, social and governance factors may impose additional costs and expose us to new risks. There is an increasing focus from certain investors, tenants, employees, and other stakeholders concerning corporate responsibility, specifically related to environmental, social and governance factors. In addition, there is an increased focus on such matters by various regulatory authorities, including the SEC, and the activities and expense required to comply with new regulations or standards may be significant. Some investors may use these factors to guide their investment strategies and, in some cases, may choose not to invest in us if they believe our policies relating to corporate responsibility are inadequate. Third- party providers of corporate responsibility ratings and reports on companies have increased to meet growing investor demand for measurement of corporate responsibility performance. In addition, the criteria by which companies' corporate responsibility practices are assessed may change, which could result in greater expectations of us and cause us to undertake costly initiatives to satisfy such new criteria. Alternatively, if we elect not to or are unable to satisfy such new criteria, investors may conclude that our policies with respect to corporate responsibility are inadequate. We may face reputational damage in the event that our corporate responsibility procedures or standards do not meet the standards set by various constituencies. Furthermore, if our competitors' corporate responsibility performance is perceived to be greater than ours, potential or current investors may elect to invest with our competitors instead. In addition, ~~in the event that~~ we ~~communicate certain~~ **could fail, or be perceived to fail, in our achievement of** initiatives ~~and~~ **or** goals regarding environmental, social **,** and governance matters **publicly communicated** , **including through** ~~we could fail, or~~ **our Sustainability Report** ~~be perceived to fail, in our achievement of such initiatives or goals~~ , or we could be criticized for the scope of such initiatives or goals. If we fail to satisfy the expectations of investors, tenants and other stakeholders or our initiatives are not executed as planned, our reputation and financial results could be materially and adversely affected. We may be subject to ongoing or future litigation, including existing claims relating to the entities that owned the properties prior to our initial public offering and otherwise in the ordinary course of business, which could have a material adverse effect on our financial condition, results of operations, cash flow, the per share trading price of our common stock and Series A Preferred Stock, cash available for distribution, and ability to service our debt obligations. We may be subject to ongoing or future litigation, including existing claims relating to the entities that owned the properties and operated the businesses prior to our initial public offering and otherwise in the ordinary course of business. Some of these claims may result in significant defense costs and potentially significant judgments against us, some of which are not, or cannot be, insured against. We generally intend to vigorously defend ourselves; however, we cannot be certain of the ultimate outcomes of currently asserted claims or of those that may arise in the future. In addition, we may become subject to litigation in connection with the formation transactions related to our initial public offering in the event that prior investors dispute the valuation of their respective interests, the adequacy of the consideration received by them in the formation transactions or the interpretation of the agreements implementing the formation transactions. Resolution of these types of matters against us may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if the fines, judgments, and settlements exceed insured levels, could adversely impact our earnings and cash flow, thereby having an adverse effect on our financial condition, results of operations, cash flow, the per share trading price of our common stock and Series A Preferred Stock, cash available for distribution, and ability to service our debt obligations. Certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage, which could materially and adversely affect our results of operations and cash flow, expose us to increased risks that would be uninsured, and adversely impact our ability to attract officers and directors. Risks Related to Our Third- Party Construction Business Our third- party construction activities have been, and are expected to

continue to be, primarily focused in the Mid- Atlantic region, although we have also historically undertaken construction projects in various states in the Southeast, Northeast, and Midwest regions of the U. S. As a result of our concentration of construction projects in the Mid- Atlantic region of the U. S., we are particularly susceptible to adverse economic or other conditions in markets in this region (such as periods of economic slowdown or recession, business layoffs or downsizing, industry slowdowns, relocations of businesses, labor disruptions, and the costs of complying with governmental regulations or increased regulation), as well as to natural disasters that occur in this region. We cannot assure you that our target markets will support construction and development projects of the type in which we typically engage. While we have the ability to provide a wide range of development and construction services, any adverse economic or real estate developments in the Mid- Atlantic region could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. There can be no assurance that all of the projects for which our construction business is engaged as general contractor will be commenced or completed in their entirety in accordance with the anticipated cost, or that we will achieve the financial results we expect from the construction of such properties, which could materially and adversely affect our results of operations, cash flow, and growth prospects. For serving as general contractor, our construction business earns profit equal to the difference between the total construction fees that we charge and the costs that we incur to build a property. If the decision is made by a third- party client to abandon a construction project for any reason, our anticipated fee revenue from such project could be significantly lower than we expect. In addition, we defer pre- contract costs when such costs are directly associated with specific anticipated construction contracts and their recovery is deemed probable. In the event that we determine that the execution of a construction contract is no longer probable, we would be required to expense those pre- contract costs in the period in which such determination is made, which could materially and adversely affect our results of operations in such period. Our ability to complete the projects in our construction pipeline on time and on budget could be materially and adversely affected as a result of the following factors, among others: • shortages of subcontractors, equipment, materials, or skilled labor; • unscheduled delays in the delivery of ordered materials and equipment; • unanticipated increases in the cost of equipment, labor, and raw materials; • unforeseen engineering, environmental, or geological problems; • weather interferences; • difficulties in obtaining necessary permits or in meeting permit conditions; • client acceptance delays; or • work stoppages and other labor disputes. If we do not complete construction projects on time and on budget, it could have a material adverse effect on us, including our results of operations, cash flow, and growth prospects. We recognize revenue for the majority of our construction projects based on estimates; therefore, variations of actual results from our assumptions may reduce our profitability. In accordance with GAAP, we record revenue as work on the contract progresses. The cumulative amount of revenues recorded on a contract at a specified point in time is that percentage of total estimated revenues that costs incurred to date bear to estimated total costs. Accordingly, contract revenues and total cost estimates are reviewed and revised as the work progresses. Adjustments are reflected in contract revenues in the period when such estimates are revised. Estimates are based on management' s reasonable assumptions and experience, but are only estimates. Variations of actual results from assumptions on an unusually large project or on a number of average size projects could be material. We are also required to immediately recognize the full amount of the estimated loss on a contract when estimates indicate such a loss. Such adjustments and accrued losses could result in reduced profitability, which could negatively impact our cash flow from operations. Construction project sites are inherently dangerous workplaces, and, as a result, our failure to maintain safe construction project sites could result in deaths or injuries, reduced profitability, the loss of projects or clients, and possible exposure to litigation, any of which could materially and adversely affect our financial condition, results of operations, cash flow, and reputation. Construction and maintenance sites often put our employees, employees of subcontractors, our tenants, and members of the public in close proximity with mechanized equipment, moving vehicles, chemical and manufacturing processes, and highly regulated materials. On many sites, we are responsible for safety and, accordingly, must implement appropriate safety procedures. If we fail to implement these procedures or if the procedures we implement are ineffective, we may suffer the loss of or injury to our employees, fines, or expose our tenants and members of the public to potential injury, thereby creating exposure to litigation. As a result, our failure to maintain adequate safety standards could result in reduced profitability or the loss of projects, clients, and tenants, which may materially and adversely affect our financial condition, results of operations, cash flow, and reputation. Our failure to successfully and profitably bid on construction contracts could materially and adversely affect our results of operations and cash flow. Many of the costs related to our construction business, such as personnel costs, are fixed and are incurred by us irrespective of the level of activity of our construction business. The success of our construction business depends, in part, on our ability to successfully and profitably bid on construction contracts for private and public sector clients. Contract proposals and negotiations are complex and frequently involve a lengthy bidding and selection process, which can be impacted by a number of factors, many of which are outside our control, including market conditions, financing arrangements, and required governmental approvals. If we are unable to maintain a consistent backlog of third- party construction contracts, our results of operations and cash flow could be materially and adversely affected. If we fail to timely complete a construction project, miss a required performance standard, or otherwise fail to adequately perform on a construction project, we may incur losses or financial penalties, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, ability to service our debt obligations, and reputation. We may contractually commit to a construction client that we will complete a construction project by a scheduled date at a fixed cost. We may also commit that a construction project, when completed, will achieve specified performance standards. If the construction project is not completed by the scheduled date or fails to meet required performance standards, we may either incur significant additional costs or be held responsible for the costs incurred by the client to rectify damages due to late completion or failure to achieve the required performance standards. In addition, completion of projects can be adversely affected by a number of factors beyond our control, including unavoidable delays from governmental inaction, public opposition, inability to obtain financing, weather conditions, unavailability of vendor materials, availabilities of subcontractors, changes in the project scope of services requested by our

clients, industrial accidents, environmental hazards, labor disruptions, and other factors. In some cases, if we fail to meet required performance standards or milestone requirements, we may also be subject to agreed- upon financial damages in the form of liquidated damages, which are determined pursuant to the contract governing the construction project. To the extent that these events occur, the total costs of the project could exceed our estimates and our contracted cost and we could experience reduced profits or, in some cases, incur a loss on a project, which may materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Failure to meet performance standards or complete performance on a timely basis could also adversely affect our reputation. Unionization or work stoppages could have a material adverse effect on us. From time to time, our construction business and the subcontractors we engage may use unionized construction workers, which requires us to pay the prevailing wage in a jurisdiction to such workers. Due to the highly labor- intensive and price- competitive nature of the construction business, the cost of unionization or prevailing wage requirements for new developments could be substantial, which could adversely affect our profitability. In addition, the use of unionized construction workers could cause us to become subject to organized work stoppages, which would materially and adversely affect our ability to meet our construction timetables and could significantly increase the cost of completing a construction project. Risks Related to the Real Estate Industry Our business is subject to risks associated with real estate assets and the real estate industry, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Our ability to pay expected dividends to our stockholders depends on our ability to generate revenues in excess of expenses, scheduled principal **and interest** payments on debt, and capital expenditure requirements. Events and conditions generally applicable to owners and operators of real property that are beyond our control may decrease cash available for distribution and the value of our properties. These events include many of the risks set forth above under" — Risks Related to Our Business," as well as the following: • oversupply or reduction in demand for **retail,** office ~~, retail~~ , or multifamily space in our markets; • adverse changes in financial conditions of buyers, sellers, and tenants of properties; • vacancies or our inability to rent space on favorable terms, including possible market pressures to offer tenants rent abatements, tenant improvements, early termination rights **, rights to reduce leased- space during their lease** , or below- market renewal options, and the need to periodically repair, renovate, and re- lease space; • increased operating costs, including insurance premiums, utilities, real estate taxes, and state and local taxes; • increased property taxes due to property tax changes or reassessments; • a favorable interest rate environment that may result in a significant number of potential residents of our multifamily apartment communities deciding to purchase homes instead of renting; • rent control or stabilization laws or other laws regulating rental housing, which could prevent us from raising rents to offset increases in operating costs; • civil unrest, acts of war, terrorist attacks, and natural disasters, including hurricanes, which may result in uninsured or underinsured losses; • decreases in the underlying value of our real estate; • changing submarket demographics; and • changing traffic patterns. In addition, periods of economic downturn or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Illiquidity of real estate investments could significantly impede our ability to respond to adverse changes in the performance of our properties and harm our financial condition. The real estate investments made, and to be made, by us are difficult to sell quickly. As a result, our ability to promptly sell one or more properties in our portfolio in response to changing economic, financial, and investment conditions is limited. Return of capital and realization of gains, if any, from an investment generally will occur upon disposition or refinancing of the underlying property. We may be unable to realize our investment objectives by disposition or refinancing at attractive prices within any given period of time or may otherwise be unable to complete any exit strategy. In particular, our ability to dispose of one or more properties within a specific time period is subject to certain limitations imposed by our tax protection agreements, as well as weakness in or even the lack of an established market for a property, changes in the financial condition or prospects of prospective purchasers, changes in national or international economic conditions, and changes in laws, regulations or fiscal policies of jurisdictions in which the property is located. In addition, the Code imposes restrictions on a REIT' s ability to dispose of properties that are not applicable to other types of real estate companies. In particular, the tax laws applicable to REITs effectively require that we hold our properties for investment, rather than primarily for sale in the ordinary course of business, which may cause us to forego or defer sales of properties that otherwise would be in our best interests **or may subject us to penalties in the event any sales of our properties are not permitted under such laws** . **See " — The prohibited transactions tax may limit our ability to dispose of our properties. "** Therefore, we may not be able to vary our portfolio in response to economic or other conditions promptly or on favorable terms. Our tax protection agreements could limit our ability to sell or otherwise dispose of certain properties. In connection with **certain property acquisitions** ~~the formation transactions related to our initial public offering~~ , **we have** ~~our Operating Partnership~~ entered into tax protection agreements that provide that if we dispose of any interest in certain protected properties in a taxable transaction **within** ~~prior to the seventh (or, in~~ a ~~limited number~~ **certain period** of ~~cases,~~ the **acquisition** ~~tenth) anniversary of the completion of the formation transactions~~ , subject to certain exceptions, we will indemnify ~~certain~~ **the** contributors ~~, including Messrs. Hoffler, Haddad, Kirk, and Apperson and their respective affiliates and certain of our other officers,~~ for their tax liabilities attributable to the built- in gain that existed with respect to such property interests as of the time of **the acquisition** ~~our initial public offering~~ , and the tax liabilities incurred as a result of such tax protection payment ~~. In addition, in connection with certain acquisitions completed since our initial public offering, we entered into tax protection agreements that require us to indemnify the contributors for their tax liabilities in the event that we dispose of the properties subject to the tax protection agreements~~ , and may enter into similar agreements in connection with future property acquisitions. Therefore, although it may be in our stockholders' best interests that we sell one of these properties, it may be economically prohibitive or unattractive for us to do so because of these obligations ~~. Moreover, as a result of these potential tax liabilities, Messrs. Hoffler, Haddad, Kirk,~~

~~and Apperson and certain of our other officers may have a conflict of interest with respect to our determination as to certain of our properties~~ . As an owner of real estate, we could incur significant costs and liabilities related to environmental matters. Under various federal, state, and local laws and regulations relating to the environment, as a current or former owner or operator of real property, we may be liable for costs and damages resulting from the presence or discharge of hazardous or toxic substances, waste, or petroleum products at, on, in, under, or migrating from such property, including costs to investigate and clean up such contamination and liability for harm to natural resources. Such laws often impose liability without regard to whether the owner or operator knew of, or was responsible for, the presence of such contamination, and the liability may be joint and several. These liabilities could be substantial and the cost of any required remediation, removal, fines, or other costs could exceed the value of the property and our aggregate assets. In addition, the presence of contamination or the failure to remediate contamination at our properties may expose us to third- party liability for costs of remediation and personal or property damage or materially and adversely affect our ability to sell, lease, or develop our properties or to borrow using the properties as collateral. In addition, environmental laws may create liens on contaminated sites in favor of the government for damages and costs it incurs to address such contamination. Moreover, if contamination is discovered on our properties, environmental laws may impose restrictions on the manner in which the properties may be used or businesses may be operated, and these restrictions may require substantial expenditures. See" Part I — Business — Regulation." Some of our properties have been or may be impacted by contamination arising from current or prior uses of the property, or adjacent properties, for commercial or industrial purposes. Such contamination may arise from spills of petroleum or hazardous substances or releases from tanks used to store such materials. For example, some of the tenants of properties in our retail portfolio operate gas stations or other businesses that utilize storage tanks to store petroleum products, propane, or wastes typically associated with automobile service or other operations conducted at the properties, and spills or leaks of hazardous materials from those storage tanks could expose us to liability. See" Part I — Business — Regulation — Environmental Matters." In addition to the foregoing, while we obtained Phase I Environmental Site Assessments for each of the properties in our portfolio, the assessments are limited in scope and may have failed to identify all environmental conditions or concerns. For example, they do not generally include soil sampling, subsurface investigations or hazardous materials surveys. Furthermore, we do not have current Phase I Environmental Site Assessment reports for all of the properties in our portfolio and, as such, may not be aware of all potential or existing environmental contamination liabilities at the properties in our portfolio. As a result, we could potentially incur material liability for these issues. As the owner of the buildings on our properties, we could face liability for the presence of hazardous materials, such as asbestos or lead, or other adverse conditions, such as poor indoor air quality, in our buildings. Environmental laws govern the presence, maintenance, and removal of hazardous materials in buildings, and if we do not comply with such laws, we could face fines for such noncompliance. Also, we could be liable to third parties, such as occupants of the buildings, for damages related to exposure to hazardous materials or adverse conditions in our buildings, and we could incur material expenses with respect to abatement or remediation of hazardous materials or other adverse conditions in our buildings. In addition, some of our tenants may routinely handle and use hazardous or regulated substances and wastes as part of their operations at our properties, which are subject to regulation. Such environmental and health and safety laws and regulations could subject us or our tenants to liability resulting from these activities. Environmental liabilities could affect a tenant' s ability to make rental payments to us, and changes in laws could increase the potential liability for noncompliance. This may result in significant unanticipated expenditures or may otherwise materially and adversely affect our operations, or those of our tenants, which could in turn have an adverse effect on us. If we incur material environmental liabilities in the future, we may face significant remediation costs, and we may find it difficult to sell any affected properties. We are subject to risks from natural disasters, such as hurricanes and flooding, and the risks associated with the physical effects of climate change. Natural disasters and severe weather such as flooding, earthquakes, tornadoes or hurricanes may result in significant damage to our properties. Many of our properties are located in Virginia Beach, Virginia, Baltimore, Maryland, and elsewhere in the Mid-Atlantic, which historically have experienced heightened risk for natural disasters like hurricanes and flooding. The extent of our casualty losses and loss in operating income in connection with such events is a function of the severity of the event and the total amount of exposure in the affected area. When we have geographic concentration of exposures, a single catastrophe (such as an earthquake) or destructive weather event (such as a tornado or hurricane) affecting a region may have a significant negative effect on our financial condition and results of operations. Our financial results may be adversely affected by our exposure to losses arising from natural disasters or severe weather. We also are exposed to risks associated with inclement winter weather, particularly in the Mid- Atlantic, including increased costs for the removal of snow and ice. Inclement weather also could increase the need for maintenance and repair of our properties. Lastly, to the extent that climate change does occur, its physical effects could have a material adverse effect on our properties, operations, and business. To the extent climate change causes changes in weather patterns, our markets could experience increases in storm intensity. These conditions could result in physical damage to our properties or declining demand for space in our buildings or the inability of us to operate the buildings at all in the areas affected by these conditions. Climate change also may have indirect effects on our business by increasing the cost of (or making unavailable) property insurance on terms we find acceptable, increasing the cost of energy, and increasing the cost of snow removal or related costs at our properties. Proposed legislation and regulatory actions to address climate change could increase utility and other costs of operating our properties which, if not offset by rising rental income, would reduce our net income. Should the impact of climate change be material in nature or occur for lengthy periods of time, our properties, operations, or business would be adversely affected. We may be subject to unknown or contingent liabilities related to acquired properties and properties that we may acquire in the future, which could have a material adverse effect on us. Properties that we have acquired and properties that we may acquire in the future may be subject to unknown or contingent liabilities for which we may have no recourse, or only limited recourse, against the sellers. In general, the representations and warranties provided under the transaction agreements related to the purchase of properties that we acquire may not survive the completion of the

transactions. Furthermore, indemnification under such agreements may be limited and subject to various materiality thresholds, a significant deductible, or an aggregate cap on losses. As a result, there is no guarantee that we will recover any amounts with respect to losses due to breaches by the sellers of their representations and warranties. In addition, the total amount of costs and expenses that may be incurred with respect to liabilities associated with these properties may exceed our expectations, and we may experience other unanticipated adverse effects, all of which may materially and adversely affect us. Our properties may contain or develop harmful mold or suffer from other air quality issues, which could lead to liability for adverse health effects and costs of remediation. When excessive moisture accumulates in buildings or on building materials, mold growth may occur, particularly if the moisture problem remains undiscovered or is not addressed over a period of time. Some molds may produce airborne toxins or irritants. Indoor air quality issues can also stem from inadequate ventilation, chemical contamination from indoor or outdoor sources, and other biological contaminants such as pollen, viruses, and bacteria. Indoor exposure to airborne toxins or irritants above certain levels can be alleged to cause a variety of adverse health effects and symptoms, including allergic or other reactions. As a result, the presence of significant mold or other airborne contaminants at any of our properties could require us to undertake a costly remediation program to contain or remove the mold or other airborne contaminants from the affected property or increase indoor ventilation. In addition, the presence of significant mold or other airborne contaminants could expose us to liability from our tenants, employees of our tenants, or others if property damage or personal injury is alleged to have occurred. We may incur significant costs complying with various federal, state, and local laws, regulations, and covenants that are applicable to our properties. Properties are subject to various covenants and federal, state, and local laws and regulatory requirements, including permitting and licensing requirements. Local regulations, including municipal or local ordinances, zoning restrictions, and restrictive covenants imposed by community developers may restrict our use of our properties and may require us to obtain approval from local officials or community standards organizations at any time with respect to our properties, including prior to developing or acquiring a property or when undertaking renovations of any of our existing properties. Among other things, these restrictions may relate to fire and safety, seismic, or hazardous material abatement requirements. There can be no assurance that existing laws and regulatory policies will not adversely affect us or the timing or cost of any future development, acquisitions, or renovations, or that additional regulations will not be adopted that increase such delays or result in additional costs. Our growth strategy may be affected by our ability to obtain permits, licenses, and zoning relief. In addition, federal and state laws and regulations, including laws such as the ADA and the Fair Housing Amendment Act of 1988 (" FHAA"), impose further restrictions on our properties and operations. Under the ADA and the FHAA, all public accommodations must meet federal requirements related to access and use by disabled persons. Some of our properties may currently be in non- compliance with the ADA or the FHAA. If one or more of the properties in our portfolio is not in compliance with the ADA, the FHAA, or any other regulatory requirements, we may incur additional costs to bring the property into compliance, incur governmental fines or the award of damages to private litigants, or be unable to refinance such properties. In addition, we do not know whether existing requirements will change or whether future requirements will require us to make significant unanticipated expenditures that will adversely impact our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Risks Related to Our Organizational Structure As of December 31, ~~2022~~ **2023** , Daniel Hoffler, our Executive Chairman, owned approximately 5. 8 % and, collectively, Messrs. Hoffler, Haddad, and Kirk owned approximately 10. 1 % of the combined outstanding shares of our common stock and OP Units of our Operating Partnership (which OP Units may be redeemable for shares of our common stock). Consequently, these individuals may be able to significantly influence the outcome of matters submitted for stockholder action, including the approval of significant corporate transactions, including business combinations, consolidations, and mergers. Conflicts of interest may exist or could arise in the future between the interests of our stockholders and the interests of holders of units in our Operating Partnership, which may impede business decisions that could benefit our stockholders. Conflicts of interest may exist or could arise in the future as a result of the relationships between us and our affiliates, and our Operating Partnership or any partner thereof. Our directors and officers have duties to our company under Maryland law in connection with their management of our company. At the same time, we, as the general partner of our Operating Partnership, have fiduciary duties and obligations to our Operating Partnership and its limited partners under Virginia law and the partnership agreement of our Operating Partnership in connection with the management of our Operating Partnership. Our fiduciary duties and obligations as the general partner of our Operating Partnership may come into conflict with the duties of our directors and officers to our company. Messrs. Hoffler, Haddad, and Kirk own a significant interest in our Operating Partnership as limited partners and may have conflicts of interest in making decisions that affect both our stockholders and the limited partners of our Operating Partnership. Under Virginia law, a general partner of a Virginia limited partnership has fiduciary duties of loyalty and care to the partnership and its partners and must discharge its duties and exercise its rights as general partner under the partnership agreement or Virginia law consistently with the obligation of good faith and fair dealing. The partnership agreement provides that, in the event of a conflict between the interests of our Operating Partnership or any partner, and the separate interests of our company or our stockholders, we, in our capacity as the general partner of our Operating Partnership, are under no obligation not to give priority to the separate interests of our company or our stockholders, and that any action or failure to act on our part or on the part of our directors that gives priority to the separate interests of our company or our stockholders that does not result in a violation of the contractual rights of the limited partners of the Operating Partnership under its partnership agreement does not violate the duty of loyalty that we, in our capacity as the general partner of our Operating Partnership, owe to the Operating Partnership and its partners. Additionally, the partnership agreement provides that we will not be liable to the Operating Partnership or any partner for monetary damages for losses sustained, liabilities incurred, or benefits not derived by the Operating Partnership or any limited partner, except for liability for our intentional harm or gross negligence. Our Operating Partnership must indemnify us, our directors and officers, and our designees from and against any and all claims that relate to the operations of our Operating Partnership, unless: (i) an act or omission of the person was material to the matter giving rise to

the action and either was committed in bad faith or was the result of active and deliberate dishonesty, (ii) the person actually received an improper personal benefit in violation or breach of the partnership agreement, or (iii) in the case of a criminal proceeding, the indemnified person had reasonable cause to believe that the act or omission was unlawful. Our Operating Partnership must also pay or reimburse the reasonable expenses of any such person upon its receipt of a written affirmation of the person' s good faith belief that the standard of conduct necessary for indemnification has been met and a written undertaking to repay any amounts paid or advanced if it is ultimately determined that the person did not meet the standard of conduct for indemnification. Our Operating Partnership will not indemnify or advance funds to any person with respect to any action initiated by the person seeking indemnification without our approval (except for any proceeding brought to enforce such person' s right to indemnification under the partnership agreement) or if the person is found to be liable to our Operating Partnership on any portion of any claim in the action. Our charter contains certain ownership limits with respect to our stock. Our charter, among other restrictions, prohibits the beneficial or constructive ownership by any person of more than 9. 8 % in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our stock, excluding any shares that are not treated as outstanding for federal income tax purposes. Our board of directors, in its sole and absolute discretion, may exempt a person, prospectively or retroactively, from this ownership limit if certain conditions are satisfied. This ownership limit as well as other restrictions on ownership and transfer of our stock in our charter may: • discourage a tender offer or other transactions or a change in management or of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests; and • result in the transfer of shares acquired in excess of the restrictions to a trust for the benefit of a charitable beneficiary and, as a result, the forfeiture by the acquirer of certain of the benefits of owning the additional shares. We could increase the number of authorized shares of stock, classify and reclassify unissued stock, and issue stock without stockholder approval. Our board of directors, without stockholder approval, has the power under our charter 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. In addition, under our charter, our board of directors, without stockholder approval, has the power to authorize us to issue authorized but unissued shares of our common stock or preferred stock and to classify or reclassify any unissued shares of our common stock or preferred stock into one or more classes or series of stock and set the preference, conversion or other rights, voting powers, restrictions, limitations as to dividends and other distributions, qualifications, or terms or conditions of redemption for such newly classified or reclassified shares. As a result, we may issue series or classes of common stock or preferred stock with preferences, dividends, powers, and rights, voting or otherwise, that are senior to, or otherwise conflict with, the rights of holders of our common stock. Although our board of directors has no such intention at the present time, it could establish a class or series of preferred stock that could, depending on the terms of such series, delay, defer, or prevent a transaction or a change of control that might involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests. Certain provisions of Maryland law could inhibit changes of control, which may discourage third parties from conducting a tender offer or seeking other change of control transactions that could involve a premium price for our common stock or that our stockholders otherwise believe to be in their best interests. Certain provisions of the Maryland General Corporation Law (the" MGCL") may have the effect of inhibiting a third party from making a proposal to acquire us or of impeding a change of control under circumstances that otherwise could provide the holders of shares of our common stock with the opportunity to realize a premium over the then- prevailing market price of such shares, including: •" business combination" provisions that, subject to limitations, prohibit certain business combinations between us and an" interested stockholder" (defined generally as any person who beneficially owns 10 % or more of the voting power of our outstanding voting shares or an affiliate or associate of ours who was the beneficial owner, directly or indirectly, of 10 % or more of the voting power of our then outstanding stock at any time within the two- year period immediately prior to the date in question) or an affiliate thereof for five years after the most recent date on which the stockholder becomes an interested stockholder, and thereafter impose certain fair price and supermajority stockholder voting requirements on these combinations; and •" control share" provisions that provide that holders of" control shares" of our company (defined as shares of stock that, when aggregated with other shares of stock controlled by the stockholder, entitle the stockholder to exercise one of three increasing ranges of voting power in electing directors) acquired in a" control share acquisition" (defined as the direct or indirect acquisition of ownership or control of issued and outstanding" control shares") have no voting rights with respect to their control shares, except to the extent approved by our stockholders by the affirmative vote of at least two- thirds of all the votes entitled to be cast on the matter, excluding all interested shares. By resolution of our board of directors, we have opted out of the business combination provisions of the MGCL and provided that any business combination between us and any other person is exempt from the business combination provisions of the MGCL, provided that the business combination is first approved by our board of directors (including a majority of directors who are not affiliates or associates of such persons). In addition, pursuant to a provision in our bylaws, we have opted out of the control share provisions of the MGCL. However, our board of directors may by resolution elect to opt in to the business combination provisions of the MGCL and we may, by amendment to our bylaws, opt in to the control share provisions of the MGCL in the future. Certain provisions of the MGCL permit our board of directors, without stockholder approval and regardless of what is currently provided in our charter or bylaws, to implement certain corporate governance provisions, some of which are not currently applicable to us. If implemented, these provisions may have the effect of limiting or precluding a third party from making an unsolicited acquisition proposal for us or of delaying, deferring, or preventing a change in control of us under circumstances that otherwise could provide the holders of shares of our common stock with the opportunity to realize a premium over the then current market price. Our charter contains a provision whereby we elect, at such time as we become eligible to do so, to be subject to the provisions of Title 3, Subtitle 8 of the MGCL relating to the filling of vacancies on our board of directors. Certain provisions in the partnership agreement of our Operating Partnership may delay, make more difficult, or prevent unsolicited acquisitions of us. Provisions in the partnership agreement of our Operating Partnership may delay, make more difficult, or

prevent unsolicited acquisitions of us or changes of our control. These provisions could discourage third parties from making proposals involving an unsolicited acquisition of us or change of our control, although some of our stockholders might consider such proposals, if made, desirable. These provisions include, among others: • redemption rights; • a requirement that we may not be removed as the general partner of our Operating Partnership without our consent; • transfer restrictions on OP Units; • our ability, as general partner, in some cases, to amend the partnership agreement and to cause the Operating Partnership to issue units with terms that could delay, defer, or prevent a merger or other change of control of us or our Operating Partnership without the consent of the limited partners; and • the right of the limited partners to consent to direct or indirect transfers of the general partnership interest, including as a result of a merger or a sale of all or substantially all of our assets, in the event that such transfer requires approval by our common stockholders. The limited partners in our Operating Partnership (other than us) owned approximately ~~23~~ **24** . ~~3~~ **4** % of the outstanding OP Units of our Operating Partnership as of December 31, ~~2022~~ **2023** . Our rights and the rights of our stockholders to take action against our directors and officers are limited. Under Maryland law, generally, a director will not be liable if he or she performs his or her duties in good faith, in a manner he or she reasonably believes to be in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. In addition, our charter limits the liability of our directors and officers to us and our 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 by the director or officer that was established by a final judgment as being material to the cause of action adjudicated. Our charter authorizes us to indemnify our directors and officers for actions taken by them in those capacities to the maximum extent permitted by Maryland law. Our bylaws require us to indemnify each director and officer, to the maximum extent permitted by Maryland law, 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 to us. In addition, we may be obligated to advance the defense costs incurred by our directors and officers. We have entered into indemnification agreements with each of our executive officers and directors whereby we agreed to indemnify our directors and executive officers to the fullest extent permitted by Maryland law against all expenses and liabilities incurred in their capacity as an officer or director, subject to limited exceptions. As a result, we and our stockholders may have more limited rights against our directors and officers than might otherwise exist absent the current provisions in our charter and bylaws and the indemnification agreements or that might exist with other companies. We are a holding company with no direct operations and, as such, we will rely on funds received from our Operating Partnership to pay liabilities, and the interests of our stockholders will be structurally subordinated to all liabilities and obligations of our Operating Partnership and its subsidiaries. We are a holding company and conduct substantially all of our operations through our Operating Partnership. We do not have, apart from an interest in our Operating Partnership, any independent operations. As a result, we rely on cash distributions from our Operating Partnership to pay any dividends we might declare on shares of our common stock and preferred stock. We also rely on distributions from our Operating Partnership to meet any of our obligations, including any tax liability on taxable income allocated to us from our Operating Partnership. In addition, because we are a holding company, your claims as a stockholder will be structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of our Operating Partnership and its subsidiaries. Therefore, in the event of our bankruptcy, liquidation, or reorganization, our assets and those of our Operating Partnership and its subsidiaries will be available to satisfy the claims of our stockholders only after all of our and our Operating Partnership' s and its subsidiaries' liabilities and obligations have been paid in full. Our Operating Partnership may issue additional OP Units to third parties without the consent of our stockholders, which would reduce our ownership percentage in our Operating Partnership and could have a dilutive effect on the amount of distributions made to us by our Operating Partnership and, therefore, the amount of distributions we can make to our stockholders. As of December 31, ~~2022~~ **2023** , we owned ~~76~~ **75** . ~~7~~ **6** % of the outstanding OP Units in our Operating Partnership. We regularly have issued OP Units to third parties as consideration for acquisitions, and we may continue to do so in the future. Any such future issuances would reduce our ownership percentage in our Operating Partnership and could affect the amount of distributions made to us by our Operating Partnership and, therefore, the amount of distributions we can make to our stockholders. Because stockholders do not directly own OP Units, you do not have any voting rights with respect to any such issuances or other partnership level activities of our Operating Partnership. Risks Related to Our Status as a REIT We have elected to be taxed and to operate in a manner that will allow us to qualify as a REIT for federal income tax purposes commencing with our taxable year ended December 31, 2013. We have not requested and do not plan to request a ruling from the Internal Revenue Service (the" IRS") that we qualify as a REIT. Therefore, we cannot be assured that we will qualify as a REIT, or that we will remain qualified as such in the future. If we fail to qualify as a REIT or otherwise lose our REIT status in any taxable year, we will face serious tax consequences that would substantially reduce the funds available for distribution to our stockholders for each of the years involved because: • we would not be allowed a deduction for dividends paid to stockholders in computing our taxable income and would be subject to U. S. federal income tax at regular corporate rates; • we could be subject to increased state and local taxes; and • unless we are entitled to relief under certain U. S. federal income tax laws, we could not re- elect REIT status until the fifth calendar year after the year in which we failed to qualify as a REIT. In addition, if we fail to qualify as a REIT, we will no longer be required to make distributions. As a result of all these factors, our failure to qualify as a REIT could impair our ability to expand our business and raise capital, and it would adversely affect the value of our common stock and Series A Preferred Stock. Even if we qualify as a REIT, we may face other tax liabilities that reduce our cash flows. Even if we qualify for taxation as a REIT, we may be subject to certain federal, state, and local taxes on our income and assets, including taxes on any undistributed income, tax on income from some activities conducted as a result of a foreclosure, and state or local income, property, and transfer taxes. In addition, our TRS will be subject to regular corporate federal, state, and local taxes. Any of these taxes would decrease cash available for distribution to our stockholders. Complying with REIT requirements may cause us to forego otherwise attractive opportunities or liquidate otherwise attractive investments. To qualify as a REIT for federal income tax purposes, we must continually satisfy tests concerning, among other things, the

sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders, and the ownership of our capital stock. In order to meet these tests, we may be required to forego investments we might otherwise make. Thus, compliance with the REIT requirements may hinder our performance. In particular, we must ensure that at the end of each calendar quarter, at least 75 % of the value of our assets consists of cash, cash items, government securities, and qualified real estate assets. The remainder of our investment in securities (other than government securities, securities of TRSs, and qualified real estate assets) generally cannot include more than 10 % of the outstanding voting securities of any one issuer or more than 10 % of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5 % of the value of our assets (other than government securities, securities of TRSs, and qualified real estate assets) can consist of the securities of any one issuer, and no more than 20 % of the value of our total assets can be represented by the securities of one or more TRSs. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate otherwise attractive investments. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders ~~. The prohibited transactions tax may limit our ability to dispose of our properties~~ . A REIT' s net income from prohibited transactions is subject to a 100 % tax. In general, prohibited transactions are sales or other dispositions of property other than foreclosure property, held primarily for sale to customers in the ordinary course of business. We may be subject to the prohibited transaction tax equal to 100 % of the net gain upon a disposition of real property. Although a safe harbor to the characterization of the sale of real property by a REIT as a prohibited transaction is available, we cannot assure you that we can comply with the safe harbor or that we will avoid owning property that may be characterized as held primarily for sale to customers in the ordinary course of business. Consequently, we may choose not to engage in certain sales of our properties or may conduct such sales through our TRS, which would be subject to federal and state income taxation. Changes to the U. S. federal income tax laws, including the enactment of certain tax reform measures, could have an adverse impact on our business and financial results. In recent years, numerous legislative, judicial and administrative changes have been made to the U. S. federal income tax laws applicable to investments in real estate and REITs, and it is possible that additional legislation may be enacted in the future. There can be no assurance that future changes to the U. S. federal income tax laws or regulatory changes will not be proposed or enacted that could impact our business and financial results. The REIT rules are regularly under review by persons involved in the legislative process and by the IRS and the U. S. Treasury Department, which may result in revisions to regulations and interpretations in addition to statutory changes. If enacted, certain of such changes could have an adverse impact on our business and financial results. We cannot predict whether, when, or to what extent any new U. S. federal tax laws, regulations, interpretations, or rulings will impact the real estate investment industry or REITs. Prospective investors are urged to consult their tax advisors regarding the effect of potential future changes to the federal tax laws on an investment in our shares. The ability of our board of directors to revoke our REIT qualification without stockholder approval may cause adverse consequences to our stockholders. Our charter provides that our board of directors may revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines that it is no longer in our best interests to continue to qualify as a REIT. If we cease to qualify as a REIT, we would become subject to U. S. federal income tax on our taxable income and would no longer be required to distribute most of our taxable income to our stockholders, which may have adverse consequences on the total return to our stockholders. Our ownership of our TRS will be subject to limitations and our transactions with our TRS will cause us to be subject to a 100 % penalty tax on certain income or deductions if those transactions are not conducted on arm' s-length terms. Overall, no more than 20 % of the value of a REIT' s assets may consist of stock or securities of one or more TRS. In addition, the Code limits the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. The Code also imposes a 100 % excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm' s- length basis. We will monitor the value of our respective investments in our TRS for the purpose of ensuring compliance with TRS ownership limitations and will structure our transactions with our TRS on terms that we believe are arm' s length to avoid incurring the 100 % excise tax described above. There can be no assurance, however, that we will be able to comply with the 20 % REIT subsidiaries limitation or to avoid application of the 100 % excise tax. Shareholders may be restricted from acquiring or transferring certain amounts of our capital stock. The restrictions on ownership and transfer in our charter may inhibit market activity in our capital stock and restrict our business combination opportunities. In order to qualify as a REIT for each taxable year after 2013, five or fewer individuals, as defined in the Code, may not own, beneficially or constructively, more than 50 % in value of our issued and outstanding stock at any time during the last half of a taxable year. Attribution rules in the Code determine if any individual or entity beneficially or constructively owns our capital stock under this requirement. Additionally, at least 100 persons must beneficially own our capital stock during at least 335 days of a taxable year for each taxable year after 2013. To help ensure that we meet these tests, our charter restricts the acquisition and ownership of shares of our capital stock. Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary to preserve our qualification as a REIT. Unless exempted by our board of directors, our charter prohibits any person from beneficially or constructively owning more than 9. 8 % in value or number of shares, whichever is more restrictive, of the outstanding shares of any class or series of our capital or preferred stock. Our board of directors may not grant an exemption from this restriction to any proposed transferee whose ownership in excess of 9. 8 % of the value of our outstanding shares would result in our failing to qualify as a REIT. This restriction, as well as other restrictions on transferability and ownership will not apply, however, if our board of directors determines that it is no longer in our best interests to continue to qualify as a REIT. Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends. The maximum tax rate applicable to" qualified dividend income" payable to U. S. stockholders that are taxed at individual rates is 20 %. Dividends payable by REITs, however, generally are not eligible for the reduced rates on qualified dividend income. Instead, our ordinary dividends generally are taxed at the higher tax rates applicable to ordinary income, the

current maximum rate of which is 37 %. However, for taxable years prior to 2026, individual stockholders are generally allowed to deduct 20 % of the aggregate amount of ordinary dividends distributed by us, subject to certain limitations, which would reduce the maximum marginal effective tax rate for individuals on the receipt of such ordinary dividends to 29. 6 %. If our Operating Partnership failed to qualify as a partnership for federal income tax purposes, we would cease to qualify as a REIT and suffer other adverse consequences. We believe that our Operating Partnership will be treated as a partnership for federal income tax purposes. As a partnership, our Operating Partnership will not be subject to federal income tax on its income. Instead, each of its partners, including us, will be allocated, and may be required to pay tax with respect to, its share of our Operating Partnership' s income. We cannot assure you, however, that the IRS will not challenge the status of our Operating Partnership or any other subsidiary partnership in which we own an interest as a partnership for federal income tax purposes, or that a court would not sustain such a challenge. If the IRS were successful in treating our Operating Partnership or any such other subsidiary partnership as an entity taxable as a corporation for federal income tax purposes, we would fail to meet the gross income tests and certain of the asset tests applicable to REITs and, accordingly, we would likely cease to qualify as a REIT. Also, the failure of our Operating Partnership or any subsidiary partnerships to qualify as a partnership could cause it to become subject to federal and state corporate income tax, which would reduce significantly the amount of cash available for debt service and for distribution to its partners, including us. To maintain our REIT status, we may be forced to borrow funds during unfavorable market conditions, and the unavailability of such capital on favorable terms at the desired times, or at all, may cause us to curtail our investment activities or dispose of assets at inopportune times or on unfavorable terms, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. To qualify as a REIT, we generally must distribute to our stockholders at least 90 % of our REIT taxable income each year, excluding net capital gains, and we will be subject to regular corporate income taxes to the extent that we distribute less than 100 % of our REIT taxable income each year. In addition, we will be subject to a 4 % nondeductible excise tax on the amount, if any, by which distributions paid by us in any calendar year are less than the sum of (1) 85 % of our ordinary income, (2) 95 % of our capital gain net income and (3) 100 % of our undistributed income from prior years. In order to maintain our REIT status and avoid the payment of income and excise taxes, we may need to borrow funds to meet the REIT distribution requirements even if the then prevailing market conditions are not favorable for these borrowings. These borrowing needs could result from, among other things, differences in timing between the actual receipt of cash and inclusion of income for federal income tax purposes, or the effect of non- deductible capital expenditures, the creation of reserves or required principal or amortization payments. These sources, however, may not be available on favorable terms or at all. Our access to third- party sources of capital depends on a number of factors, including the market' s perception of our growth potential, our current debt levels, the market price of our common stock and Series A Preferred Stock, and our current and potential future earnings. We cannot assure you that we will have access to such capital on favorable terms at the desired times, or at all, which may cause us to curtail our investment activities or dispose of assets at inopportune times or on unfavorable terms, which could materially and adversely affect our financial condition, results of operations, cash flow, cash available for distribution, and ability to service our debt obligations. Risks Related to Our Capital Stock We may be unable to make distributions at expected levels, which could result in a decrease in the market price of our common stock and Series A Preferred Stock. We intend to continue to pay regular quarterly distributions to our stockholders. All distributions will be made at the discretion of our board of directors and will be based upon, among other factors, our historical and projected results of operations, financial condition, cash flows and liquidity, maintenance of our REIT qualification and other tax considerations, capital expenditure and other expense obligations, debt covenants, contractual prohibitions or other limitations, applicable law, and such other matters as our board of directors may deem relevant from time to time. If sufficient cash is not available for distribution from our operations, we may have to fund distributions from working capital, borrow to provide funds for such distributions, or reduce the amount of such distributions. To the extent we borrow to fund distributions, our future interest costs would increase, thereby reducing our earnings and cash available for distribution from what they otherwise would have been. If cash available for distribution generated by our assets is less than our current estimate, or if such cash available for distribution decreases in future periods from expected levels, our inability to make the expected distributions could result in a decrease in the market price of our common stock and Series A Preferred Stock. Our ability to make distributions may also be limited by our amended credit facility ~~(as defined below)~~ . Under the terms of the amended credit facility, we may not pay cash dividends if a default has occurred and is continuing or would result therefrom. However, if certain defaults or events of default exist, we may pay cash dividends to the extent necessary to (i) maintain our status as a REIT and (ii) avoid federal or state income excise taxes. As a result of the foregoing, we may not be able to make distributions in the future, and our inability to make distributions, or to make distributions at expected levels, could result in a decrease in the per share price of our common stock and Series A Preferred Stock. The market price and trading volume of our common stock and Series A Preferred Stock may be volatile and could decline substantially in the future. The market price of our common stock and Series A Preferred Stock may be volatile in the future. In addition, the trading volume in our common stock and Series A Preferred Stock may fluctuate and cause significant price variations to occur. We cannot assure stockholders that the market price of our common stock and Series A Preferred Stock will not fluctuate or decline significantly in the future, including as a result of factors unrelated to our operating performance or prospects in **2024 compared to** 2023 ~~compared to 2022~~ . In particular, the market price of our common stock and Series A Preferred Stock could be subject to wide fluctuations in response to a number of factors, including, among others, the following: • actual or anticipated variations in our quarterly operating results or dividends; • changes in our FFO, Normalized FFO, or earnings estimates; • publication of research reports about us or the real estate industry; • increases in market interest rates that lead purchasers of our shares to demand a higher yield; • changes in market valuations of similar companies **; • adverse market views with respect to asset classes in which we invest** ; • adverse market reaction to any additional debt we incur in the future; • additions or departures of key management personnel; • actions by institutional

stockholders; • speculation in the press or investment community; • the realization of any of the other risk factors presented in this Annual Report on Form 10- K; • the extent of investor interest in our securities; • the general reputation of REITs and the attractiveness of our equity securities in comparison to other equity securities, including securities issued by other real estate-based companies; • changes in the federal government; • our underlying asset value; • investor confidence in the stock and bond markets generally; • further changes in tax laws; • future equity issuances; • failure to meet earnings estimates; • failure to meet and maintain REIT qualifications; • changes in our credit ratings; • general market and economic conditions; • our issuance of debt securities or additional preferred equity securities; and • our financial condition, results of operations, and prospects. In the past, securities class action litigation has often been instituted against companies following periods of volatility in the price of their common stock. This type of litigation could result in substantial costs and divert our management' s attention and resources, which could have a material and adverse effect on our financial condition, results of operations, cash flow, cash available for distribution, ability to service our debt obligations, and the per share trading price of our common stock and Series A Preferred Stock. Increases in market interest rates may have an adverse effect on the trading prices of our common stock and Series A Preferred Stock as prospective purchasers of our common stock and Series A Preferred Stock may expect a higher dividend yield and as an increased cost of borrowing may decrease our funds available for distribution. One of the factors that will influence the trading prices of our common stock and Series A Preferred Stock will be the dividend yield on the stock (as a percentage of the price of our common stock or Series A Preferred Stock, as applicable) relative to market interest rates. An increase in market interest rates may lead prospective purchasers of our common stock or Series A Preferred Stock to expect a higher dividend yield (with a resulting decline in the trading prices of our common stock or Series A Preferred Stock, as applicable) and higher interest rates would likely increase our borrowing costs and potentially decrease funds available for distribution. Thus, higher market interest rates could cause the market price of our common stock or Series A Preferred Stock to decrease. **We cannot guarantee that our Share Repurchase Program will be fully consummated or that it will enhance long- term stockholder value. Share repurchases could also increase the volatility of the trading price of our stock and could diminish our cash reserves. In June 2023, our board of directors authorized the Share Repurchase Program (as defined below) to repurchase up to $ 50. 0 million of our outstanding common stock and Series A Preferred Stock, with no expiration date. The Share Repurchase Program does not obligate us to acquire any specific number of shares or acquire shares over any specific period of time. The actual timing and amount of repurchases remain subject to a variety of factors, including stock price, trading volume, market conditions and other general business considerations. The Share Repurchase Program may be modified, suspended, or terminated at any time, and we cannot guarantee that the program will be fully consummated or that it will enhance long- term stockholder value. The Share Repurchase Program could affect the trading price of our stock and increase volatility, and any announcement of a termination of this program may result in a decrease in the trading price of our stock. In addition, the Share Repurchase Program could diminish our cash and cash equivalents and marketable securities.** Our Series A Preferred Stock is subordinate to our existing and future debt, and the interests of holders of our Series A Preferred Stock could be diluted by the issuance of additional shares of preferred stock and by other transactions. Our Series A Preferred Stock ranks junior to all of our existing and future indebtedness, any classes and series of our capital stock expressly designated as ranking senior to our Series A Preferred Stock as to distribution rights and rights upon our liquidation, dissolution or winding up, and other non- equity claims on us and our assets available to satisfy claims against us, including claims in bankruptcy, liquidation, or similar proceedings. Subject to limitations prescribed by Maryland law and our charter, our board of directors is authorized to issue, from our authorized but unissued shares of capital stock, preferred stock in such classes or series as our board of directors may determine and to establish from time to time the number of shares of preferred stock to be included in any such class or series. The issuance of additional shares of Series A Preferred Stock or additional shares of capital stock ranking on parity with our Series A Preferred Stock would dilute the interests of the holders of our Series A Preferred Stock, and the issuance of shares of any class or series of our capital stock expressly designated as ranking senior to our Series A Preferred Stock as to distribution rights and rights upon our liquidation, dissolution or winding up, or the incurrence of additional indebtedness could adversely affect our ability to pay dividends on, redeem, or pay the liquidation preference on our Series A Preferred Stock. Other than the conversion right afforded to holders of our Series A Preferred Stock that may become exercisable in connection with a change of control (as defined in the articles supplementary designating the terms of our Series A Preferred Stock), none of the provisions relating to our Series A Preferred Stock contain any terms relating to or limiting our indebtedness or affording the holders of our Series A Preferred Stock protection in the event of a highly leveraged or other transaction, including a merger or the sale, lease, or conveyance of all or substantially all our assets, that might adversely affect the holders of our Series A Preferred Stock, so long as the rights of the holders of our Series A Preferred Stock are not materially and adversely affected. Holders of our Series A Preferred Stock have extremely limited voting rights. Our common stock is the only class of our securities that carry full voting rights. Voting rights for holders of our Series A Preferred Stock exist primarily with respect to the ability to elect, together with holders of our capital stock ranking on parity with our Series A Preferred Stock and having similar voting rights, two additional directors to our board of directors in the event that six quarterly dividends (whether or not consecutive) payable on our Series A Preferred Stock are in arrears, and with respect to voting on amendments to our charter or articles supplementary relating to our Series A Preferred Stock that materially and adversely affect the rights of the holders of our Series A Preferred Stock or create additional classes or series of our capital stock expressly designated as ranking senior to our Series A Preferred Stock as to distribution rights and rights upon our liquidation, dissolution, or winding up. Other than as described above and as set forth in more detail in the articles supplementary designating the terms of our Series A Preferred Stock, holders of our Series A Preferred Stock will not have any ~~voting rights.~~ Holders of our Series A Preferred Stock may not be permitted to exercise conversion rights upon a change of control. If exercisable, the change of control conversion feature of our Series A Preferred Stock may not adequately compensate preferred stockholders, and the change of control conversion and redemption features of

our Series A Preferred Stock may make it more difficult for a party to take over our company or discourage a party from taking over our company . Upon the occurrence of a change of control (as defined in the articles supplementary designating the terms of our Series A Preferred Stock), holders of our Series A Preferred Stock will have the right to convert some or all of their Series A Preferred Stock into shares of our common stock (or equivalent value of alternative consideration). Notwithstanding that we generally may not redeem our Series A Preferred Stock prior to June 18, 2024, we have a special optional redemption right to redeem our Series A Preferred Stock in the event of a change of control, and holders of our Series A Preferred Stock will not have the right to convert any shares of our Series A Preferred Stock that we have elected to redeem prior to the change of control conversion date. Upon such a conversion, the holders will be limited to a maximum number of shares of our common stock equal to the 2. 97796 (i. e. the" Share Cap"), subject to certain adjustments, multiplied by the number of our Series A Preferred Stock converted. If the Common Stock Price (as defined in the articles supplementary designating the terms of our Series A Preferred Stock) is less than $ 8. 395 (which is approximately 50 % of the per- share closing sale price of our common stock on June 10, 2019), subject to adjustment, each holder will receive a maximum of 2. 97796 shares of our common stock per share of our Series A Preferred Stock, which may result in a holder receiving value that is less than the liquidation preference of our Series A Preferred Stock. In addition, those features of our Series A Preferred Stock may have the effect of inhibiting a third party from making an acquisition proposal for our company or of delaying, deferring or preventing a change of control of our company under circumstances that otherwise could provide the holders of our common stock and Series A Preferred Stock with the opportunity to realize a premium over the then- current market price or that stockholders may otherwise believe is in their best interests.