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

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Summary of Risk Factors The following is a summary of material risks that could affect the Company' s business, results of operations, financial condition, liquidity and cash flows. The risks summarized below are discussed in greater detail in the risk factors that follow and are not the only risks the Company faces. The Company' s business operations could also be affected by additional factors that are not presently known to it or that the Company currently considers to be immaterial to its operations. Investors should carefully consider each of the following risks and all of the other information contained in this Annual Report on Form 10- K. If any of the following risks actually occur, the Company' s business, financial condition or results of operations could be negatively affected. Risks Related to the Company' s Business, Properties and Strategies • The economic performance and value of the Company' s shopping centers depend on many factors, including **broad** ~~the macro-~~ economic climate and local conditions, each of which could have an adverse impact on the Company' s cash flows and operating results. • ~~E~~ **An increase in e** - commerce **market share** may ~~continue to~~ have an adverse impact on the Company' s tenants and business. • The Company leases a substantial portion of its square footage to large national tenants, making it vulnerable to changes in the business and financial condition of, or demand for, its space by such tenants. • The Company' s dependence on rental income may adversely affect its ability to meet its debt obligations and make distributions to shareholders. • Inflationary pressures could adversely impact operating results. • The Company' s expenses may remain constant or increase even if income from the Company' s properties decreases. • Property ownership through partnerships and joint ventures could limit the Company' s control of those investments and reduce its expected return. • The Company' s real estate assets may be subject to impairment charges. • The Company' s acquisition activities may not produce the cash flows that it expects and may be limited by competitive pressures or other factors. • Real estate property investments are illiquid; therefore, the Company may not be able to dispose of properties when desired or on favorable terms. • The **proposed spin- off of the** Company' s ~~development~~ **Curbline convenience assets into a separate** , **publicly- traded REIT may not be completed on the currently contemplated timeline or terms, or at all, and may not achieve the intended benefits. • The proposed spin- off may create, or appear to create, potential conflicts of interest for certain of the Company' s directors and officers because of their positions or relationships with Curbline. • The Company' s** redevelopment and construction activities could affect its operating results. • The Company' s real estate investments may contain environmental risks that could adversely affect its results of operations. • Expectations relating to environmental, social and governance considerations expose the Company to potential liabilities, increased costs, reputational harm and other adverse effects on the Company' s business. • ~~Health pandemics~~ **The Company may be adversely affected by laws** , ~~including~~ **regulations or** ~~the~~ **other issues related to climate change** ~~COVID- 19 pandemic, could have a significant impact on the Company and its tenants' businesses~~ . • The Company' s properties could be subject to **climate change,** damage from natural disasters **, public health crises** and weather- related factors; an uninsured loss on the Company' s properties or a loss that exceeds the limits of the Company' s insurance policies could subject the Company to lost capital or revenue on those properties. • ~~Violent crime~~ **Crime** ~~, including terrorism and mass shootings,~~ or civil unrest may affect the markets in which the Company operates its business and its profitability. • A disruption, failure or breach of the Company' s networks or systems, including as a result of cyber- attacks, could harm its business. **• A disruption or cost overrun in the transition of the Company' s commercial property management and financial system could affect its operations.** Risks Relating to the Company' s Indebtedness and Capital Structure • The Company ~~depends on external sources~~ **utilizes a significant amount** of **indebtedness** ~~capital. Disruptions~~ in ~~the financial markets could affect the Company' s ability to obtain financing on reasonable terms and have other~~ -- **the operation** ~~adverse effects on the Company and the market price~~ of **its business which** ~~the Company' s common shares. • Changes in the Company' s credit ratings or the debt markets, as well as market conditions in the credit markets,~~ could adversely affect **its financial condition, operating results and cash flows. • Changes in** the Company' s **credit ratings could adversely affect the Company' s borrowing capacity and the market price of its publicly traded securities. • Rising interest rates could adversely affect the Company' s cash flows and the market price of its** publicly traded debt and **preferred shares** ~~credit facilities. • The Company' s ability to increase its debt could adversely affect its cash flows. • The Company' s cash flows and operating results could be adversely affected by required payments of debt or related interest and other risks of its debt financing~~ . • The Company' s financial condition **and operating activities** could be adversely affected by financial covenants. • The Company ~~may incur significant~~ **' s ability to increase its** debt **could adversely affect** ~~prepayment costs as a result of repaying indebtedness prior to~~ its ~~stated maturity~~ **financial condition and cash flows** . • The Company ~~has variable- rate debt and interest rate risk~~ **may not be able to obtain additional capital to finance its operations or make investments** . Risks Related to the Company' s Taxation as a REIT • If the Company fails to qualify as a REIT in any taxable year, it will be subject to U. S. federal income tax as a regular corporation and could have significant tax liability **, which may have a significant adverse consequence to the value of the Company' s shares** . • Compliance with REIT requirements may negatively affect the Company' s operating decisions. • The Company may be forced to borrow funds to maintain its REIT status, and the unavailability of such capital on favorable terms at the desired times, or at all, may cause the Company to curtail its investment activities and / or to dispose of assets at inopportune times, which could materially and adversely affect the Company. • Dividends paid by REITs generally do not qualify for reduced tax rates. • Certain foreign shareholders may be subject to U. S. federal income tax on gain recognized on a disposition of the Company' s common shares if the Company does not qualify as a " domestically controlled " REIT. • Legislative or other actions affecting REITs could have a negative effect on the Company. Risks Related to the Company' s Organization, Structure

and Ownership • Provisions of the Company’ s Articles of Incorporation and Code of Regulations could have the effect of delaying, deferring or preventing a change in control, even if that change may be considered beneficial by some of the Company’ s shareholders. • The Company has significant shareholders who may exert influence on the Company as a result of their considerable beneficial ownership of the Company’ s common shares, and their interests may differ from the interests of other shareholders. • The Company’ s Board of Directors may change significant corporate policies without shareholder approval. Risks Related to the Company’ s Common Shares • Changes in market conditions could adversely affect the market price of the Company’ s publicly traded securities. • The Company may issue additional securities without shareholder approval. General Risks Relating to Investments in the Company’ s Securities • The Company may be unable to retain and attract key management personnel. • The Company is subject to litigation that could adversely affect its results of operations. ~~• Changes in accounting standards issued by the Financial Accounting Standards Board (" FASB") or other standard- setting bodies may adversely affect the Company’ s business.~~ The risks summarized above are discussed in greater detail below. The Economic Performance and Value of the Company’ s Shopping Centers Depend on Many Factors, Including **Broad** ~~the Macro-~~ Economic Climate and Local Conditions, Each of Which Could Have an Adverse Impact on the Company’ s Cash Flows and Operating Results The economic performance and value of the Company’ s real estate holdings can be affected by many factors, including the following: • Changes in the national, regional, local and international economic climate ~~, including as a result of pandemics~~ ; • Local conditions, such as an oversupply of space or a reduction in demand for real estate in the area and population, demographic and employment trends; • The attractiveness of the properties to tenants; • The increase in consumer purchases through the internet; • The Company’ s ability to provide adequate management services and to maintain its properties; • Increased operating costs if these costs cannot be passed through to tenants and • The expense of ~~periodically~~ renovating, repairing and re- letting spaces. Because the Company’ s properties consist of retail shopping centers, the Company’ s performance is linked to general economic conditions in the retail market, including conditions that affect consumers’ purchasing behaviors and disposable income. The market for retail space historically has been, and may continue to be, adversely affected by weakness in the national, regional and local economies, the adverse financial condition of some large retailing companies, the ongoing consolidation in the retail sector, increases in consumer internet purchases and the excess amount of retail space in a number of markets. The Company’ s performance is affected by its tenants’ results of operations, which are impacted by macroeconomic factors that affect consumers’ ability to purchase goods and services. If the price of the goods and services offered by its tenants materially increases, including as a result of inflationary pressures or increases in taxes or tariffs resulting from, among other things, potential changes in the Code, the operating results and the financial condition of the Company ~~'~~ **’** s tenants and demand for retail space could be adversely affected. To the extent that any of these conditions occur, they are likely to affect market rents for retail space. In addition, the Company may face challenges in the management and maintenance of its properties or incur increased operating costs, such as real estate taxes, insurance and utilities, that may make its properties unattractive to tenants. In addition, the Company’ s properties compete with numerous shopping venues, including regional malls, outlet centers ~~,~~ **and** other shopping centers ~~and e- commerce,~~ in attracting and retaining retailers. As of December 31, ~~2022~~ **2023** , leases at the Company’ s properties (including the proportionate share of unconsolidated properties) were scheduled to expire on a total of approximately ~~5~~ **6** . ~~0~~ **4** % of leased GLA during ~~2023~~ **2024** . For those leases that renew, rental rates upon renewal may be lower than current rates. For those leases that do not renew, the Company may not be able to promptly re- lease the space on favorable terms or with reasonable capital investments. In these situations, the Company’ s financial condition, operating results and cash flows could be adversely impacted. **An Increase in** E- Commerce **Market Share** May ~~Continue to~~ Have an Adverse Impact on the Company’ s Tenants and Business E- commerce has been broadly embraced by the public ~~, including at an increased rate throughout the COVID- 19 pandemic,~~ and growth in ~~the~~ e - commerce ~~share of overall consumer sales~~ is likely to continue in the future. Some of the Company’ s tenants have been negatively impacted by increasing competition from internet retailers, and this trend could affect the way current and future tenants lease space. For example, the migration toward e- commerce has led ~~some~~ **a number of** omni- channel retailers to reduce the number and size of their traditional “ brick and mortar ” locations, ~~use such locations for curbside pickup of items ordered online~~ and increasingly rely on e- commerce and alternative distribution channels. The Company cannot predict with certainty how continuing growth in e- commerce will impact the demand for space at its properties or how much revenue will be generated at traditional store locations in the future. If the Company is unable to anticipate and respond promptly to trends in retailer and consumer behavior, or if demand for traditional retail space significantly decreases, the Company’ s occupancy levels and operating results could be materially and adversely affected. The Company Leases a Substantial Portion of Its Square Footage to Large National Tenants, Making It Vulnerable to Changes in the Business and Financial Condition of, or Demand for, Its Space by Such Tenants As of December 31, ~~2022~~ **2023** , the annualized base rental revenues of the Company’ s tenants that are equal to or exceed 1. 5 % of the Company’ s aggregate annualized shopping center base rental revenues, including its proportionate share of joint venture aggregate annualized shopping center base rental revenues, are as follows: Tenant % of Annualized BaseRental RevenuesTJX Companies, Inc. 5. ~~9~~ **2** % Dick' s Sporting Goods, Inc. 2. ~~7~~ **5 % Ross Stores, Inc. 2. 2 % Burlington Stores, Inc. 2. 1** % PetSmart **LLC 2. 1 % Nordstrom** , Inc. ~~2~~ **1** . ~~4~~ **6** % Michaels Companies, Inc. ~~2. 2 % Ross Stores, Inc. 2.~~ 1 ~~% Bed Bath & Beyond Inc~~ . **6** ~~1. 9 % Nordstrom, Inc. 1. 8~~ % Gap Inc. 1. ~~8~~ **6 % The Kroger Co. 1. 5 % Ulta Beauty, Inc. 1. 5** % Best Buy Co., Inc. 1. **5** ~~8 % Burlington Stores, Inc. 1. 7 % Ulta Beauty, Inc. 1. 7 % Kohl' s Department Stores, Inc. 1. 6 % The Kroger Co. 1. 6 % AMC Entertainment Holdings, Inc. 1. 6~~ % The retail shopping sector has been affected by economic conditions, ~~including changing consumer behaviors following the COVID- 19 pandemic,~~ increases in consumer internet purchases and the competitive nature of the retail business and the competition for market share. In some cases, these shifts have resulted in weaker retailers losing market share and declaring bankruptcy, closing stores and / or taking advantage of early termination provisions in their leases. ~~Over the past decade, bankruptcies, store closures and reduced expansion plans by conventional department stores and national chains have resulted in a smaller overall number of tenants requiring large store formats.~~ In

addition, movie theater operators have **experienced inconsistent performance** ~~struggled to regain profitability~~ following ~~the onset of~~ the COVID- 19 pandemic and prospects for releasing any theater vacancies arising in the Company ~~'~~**’** s portfolio may be limited absent the investment of significant capital to repurpose the space. ~~As information becomes available regarding the status of the Company’ s leases with tenants in financial distress or as the future plans for their spaces change, the Company may be required to write off and / or accelerate depreciation and amortization expense associated with a significant portion of the tenant- related deferred charges in future periods. The Company’ s income and ability to meet its financial obligations could also be adversely affected in the event of the bankruptcy, insolvency or significant downturn in the business of one of these tenants or any of the Company’ s other major tenants.~~ In ~~addition~~ **2023** , **rents from movie theater operators comprised 3. 3 %** ~~the Company’ s results could be adversely affected if any~~ of ~~these tenants do not renew their leases as they~~ - **the** ~~expire on terms favorable to the~~ Company ~~or~~ **’ s aggregate annualized shopping center base revenues (** at ~~all~~ **the Company’ s share)** . The Company’ s Dependence on Rental Income May Adversely Affect Its Ability to Meet Its Debt Obligations and Make Distributions to Shareholders Substantially all of the Company’ s income is derived from rental income from real property. As a result, the Company’ s performance depends on its ability to collect rent from tenants. The Company’ s income and funds available for repayment of indebtedness and distribution to shareholders would be negatively affected if a significant number of its tenants, or any of its major tenants, were to do the following: • Experience a downturn in their business that significantly weakens their ability to meet their obligations to the Company; • Delay lease commencements; • Decline to extend or renew leases upon expiration; • Fail to make rental payments when due or • Close stores or declare bankruptcy. Any of these actions could result in the termination of tenants’ leases and the loss of rental income attributable to the terminated leases. **In addition, the Company may be required to write off and / or accelerate depreciation and amortization expense associated with a significant portion of the tenant- related deferred charges in future periods.** Lease terminations by an anchor tenant or a failure by that anchor tenant to occupy the premises may also permit other tenants in the same shopping centers to terminate their leases or reduce the amount of rent they pay under the terms of their leases. **The** ~~In addition, the~~ Company cannot be certain that any tenant whose lease expires will renew that lease or that the Company will be able to re- lease space on economically advantageous terms. The loss of rental revenues from a number of the Company’ s major tenants and its inability to replace such tenants may adversely affect the Company’ s profitability and its ability to meet debt and other financial obligations and make distributions to shareholders. **In the event the Company is able to re- lease spaces vacated by major bankrupt, distressed or non- renewing tenants, the downtime and capital expenditures required in the re- leasing process may adversely affect the Company’ s results of operations.** Inflationary Pressures Could Adversely Impact Operating Results Inflationary pressures pose risks to the Company’ s business, tenants and the U. S. economy. Inflationary pressures and rising interest rates could result in reductions in retailer profitability and consumer discretionary spending which could impact tenant demand for new and existing store locations and the Company’ s ability to grow rents. Regardless of inflation levels, base rent under most of the Company’ s long- term anchor leases will remain constant (subject to tenants’ exercise of renewal options at pre- negotiated rent increases) until the expiration of their lease terms. Inflation may result in increases in certain shopping center operating expenses including common area maintenance and other operating expenses. Although most of the Company’ s leases require tenants to pay their share of these property operating expenses, some tenants may be unable to absorb large expense increases caused by inflation and such increased expenses may limit tenants’ ability to pay higher base rents upon renewal, or renew leases at all. Inflation may also impact other aspects of the Company’ s operating costs, including insurance, employee retention costs, the cost to complete redevelopments and build- outs of recently leased vacancies and interest rate costs relating to variable- rate loans and refinancing of fixed- rate indebtedness. Increasing interest rates or capital availability constraints may also adversely impact the transaction market, including the availability of **acquisition** financing **,** asset values and the Company ~~'~~**’** s ability to buy or sell properties. Any of the foregoing risks could have a material adverse effect on the Company’ s business, results of operations and financial condition. The Company’ s Expenses May Remain Constant or Increase Even if Income from the Company’ s Properties Decreases Costs associated with the Company’ s business, such as common area expenses, utilities, insurance, real estate taxes, mortgage payments and corporate expenses, are relatively inflexible and generally do not decrease in the event that a property is not fully occupied, rental rates decrease, a tenant fails to pay rent or other circumstances cause the Company’ s revenues to decrease. In addition, **other factors can cause** ~~inflation could result in higher~~ operating costs **to increase independent of occupancy, rental and default rates, such as inflation** . If the Company is unable to lower its operating costs when **property- level** revenues decline and / or is unable to pass along cost increases to tenants, the Company’ s cash flows, profitability and ability to make distributions to shareholders could be adversely impacted. Property Ownership Through Partnerships and Joint Ventures Could Limit the Company’ s Control of Those Investments and Reduce Its Expected Return Partnership or joint venture investments may involve risks not otherwise present for investments made solely by the Company, including the possibility that the Company’ s partner or co- venturer might become bankrupt, that its partner or co- venturer might at any time have different interests or goals than the Company and that its partner or co- venturer may take action contrary to the Company’ s instructions, requests, policies or objectives, including the Company’ s policy with respect to maintaining its qualification as a REIT. In addition, the Company’ s partner or co- venturer could have different investment criteria that would impact the assets held by the joint venture or its interest in the joint venture, which may also reduce the carrying value of its equity investments if a loss in the carrying value of the investment is realized. These situations could have an impact on the Company’ s revenues from its joint ventures. Other risks of joint venture investments include impasse on decisions, such as the decision to sell or finance a property or leasing decisions with anchor tenants, because neither the Company’ s partner or co- venturer nor the Company would have full control over the partnership or joint venture. Joint venture platforms typically contain customary buy- sell provisions, which could result in either the sale of the Company’ s interest or the use of available cash or borrowings to acquire the Company’ s partner’ s interest at inopportune times, as well as the termination of applicable management contracts and fees. In addition, the Company is

obligated to maintain the REIT status of the Dividend Trust Portfolio joint venture' s REIT subsidiary and ~~may be obligated to maintain the REIT status of future joint venture platforms and~~ the Company' s failure to do so could result in substantial liability to its partner. These factors could limit the return that the Company receives from such investments, cause its cash flows to be lower than its estimates or lead to business conflicts or litigation. There is no limitation under the Company' s Articles of Incorporation, or its Code of Regulations, as to the amount of funds that the Company may invest in partnerships or joint ventures. In addition, a partner or co- venturer may not have access to sufficient capital to satisfy its funding obligations to the joint venture. Furthermore, if credit conditions in the capital markets deteriorate, the Company could be required to reduce the carrying value of its equity method investments if a loss in the carrying value of the investment is realized or considered an other than temporary decline. As of December 31, ~~2022~~ **2023** , the Company had $ ~~44~~ **39** . ~~6~~ **4** million of investments in and advances to unconsolidated joint ventures holding ~~18~~ shopping centers. The Company' s Real Estate Assets May Be Subject to Impairment Charges On a periodic basis, the Company assesses whether there are any indicators that the value of its real estate assets and other investments may be impaired. A property' s value is impaired only if the estimate of the aggregate future cash flows (undiscounted and without interest charges) to be generated by the property are less than the carrying value of the property. In the Company' s estimate of projected cash flows, it considers factors such as expected future operating income, trends and prospects, the effects of demand, competition **, estimated hold periods** and other factors. If the Company is evaluating the potential sale of an asset or development alternatives, the undiscounted future cash flows considerations include the most likely course of action at the balance sheet date based on current plans, intended holding periods and available market information. The Company is required to make subjective assessments as to whether there are impairments in the value of its real estate assets and other investments. These assessments have a direct impact on the Company' s earnings because recording an impairment charge results in an immediate negative adjustment to earnings. There can be no assurance that the Company will not take **significant impairment charges in the future, especially in light of its strategy to pursue** additional ~~charges in the future related to the impairment of its assets -~~ **asset sales** . Any future impairment could have a material adverse effect on the Company' s results of operations in the period in which the charge is taken. The Company' s Acquisition Activities May Not Produce the Cash Flows That It Expects and May Be Limited by Competitive Pressures or Other Factors The Company intends to acquire ~~retail~~ **convenience** properties to the extent that suitable acquisitions can be made ~~at appropriate returns~~ **on suitable terms** . Acquisitions of commercial properties entail risks such as the following: • The Company may be unable to identify, or may have difficulty identifying, acquisition opportunities that fit its investment strategy and cost of capital; • The Company' s estimates on expected occupancy and rental rates may differ from actual conditions; • The Company' s estimates of the costs of any redevelopment or repositioning of acquired properties may prove to be inaccurate; • The Company may be unable to operate successfully in new markets where acquired properties are located due to a lack of market knowledge or understanding of local economies; • The properties may become subject to environmental liabilities that the Company was unaware of at the time the Company acquired the property or • The Company may be unable to successfully integrate new properties into its existing operations. In addition, the Company may not be in a position or have the opportunity in the future to make suitable property acquisitions ~~at appropriate returns~~ due to competition for such properties with others engaged in real estate investment, some of which may have greater financial resources or a lower cost of capital than the Company. Real Estate Property Investments Are Illiquid; Therefore, the Company May Not Be Able to Dispose of Properties When Desired or on Favorable Terms Real estate investments generally cannot be disposed of quickly. In addition, the Code imposes restrictions, which are not applicable to other types of real estate companies, on the ability of a REIT to dispose of properties. Therefore, the Company may not be able to diversify or alter its portfolio in response to economic conditions or trends in retailer or consumer behavior promptly or on favorable terms. The Company' s inability to quickly respond to such changes or dispose of properties could adversely affect the value of the Company' s portfolio and its ability to repay indebtedness and make distributions to shareholders. The **Proposed Spin- off of the** Company' s **Curbline Convenience Assets into a Separate, Publicly- Traded REIT May Not Be Completed on the Currently Contemplated Timeline or Terms, or at All, and May Not Achieve the Intended Benefits In October 2023, the Company announced a plan to spin off its convenience assets into Curbline, a separate, publicly- traded REIT, for the purpose of pursuing the acquisition and aggregation of convenience properties. The Company expects to complete the taxable spin- off on or around October 1, 2024, although there can be no assurances as to whether or when the spin- off will occur, what the final structure of Curbline will be or the tax treatment of Curbline as a separate entity or the tax impact of the spin- off on the Company and its shareholders. The completion of the spin- off will be subject to various conditions, including effectiveness of a registration statement on Form 10 and final approval and declaration of the distribution of Curbline' s common stock to the Company' s shareholders by the Company' s Board of Directors. Satisfaction of such conditions and other unforeseen** ~~Development~~ **developments could delay or prevent the spin- off or cause the spin- off to occur on terms or conditions that are less favorable and / or different than anticipated. The Company may also elect not to proceed with the spin- off if it is unable to complete the closing of the related Mortgage Facility. Whether or not the spin- off is ultimately completed** , **the pendency of the spin- off may impose challenges on the Company and its business, including the diversion of management time on matters relating to the spin- off and potential impacts on the Company' s relationships with its employees, tenants and other counterparties. To the extent the Company is unable to complete the spin- off, the Company' s future performance and the trading price of its shares may be adversely affected. If the spin- off is consummated, the trading price of the Company' s common shares is expected to decrease significantly as a result of the value of the spin- off distribution, and the combined value of the common shares of the two publicly traded companies may not be equal to or greater than what the value of the Company' s common shares would have been had the spin- off not occurred. The Company also expects to incur significant expenses in connection with its pursuit of the spin- off. In the event the spin- off is consummated, the Company and its shareholders may not be able to achieve the full strategic and financial benefits that are currently**

anticipated to result from the spin- off, or such benefits may be delayed, particularly if Curbline is unable to acquire a sufficient number of additional convenience assets or if the Company is unable to maximize value through operations and asset sales. Curbline' s ability to execute on its plan to acquire assets is dependent on many factors, including the availability of additional sources of capital, the level of supply and pricing for such assets and the internal resources required to pursue such acquisitions. The Company' s ability to maximize value through operations and additional asset sales is dependent on many factors, including demand for space within the Company' s portfolio and the level of demand and pricing for its assets. Even if the Company disposes of additional assets, the ability to distribute sales proceeds to shareholders will be subject to any restrictions set forth in the terms of the Company' s then- outstanding indebtedness and preferred stock financings. The Proposed Spin- Off May Create, or Appear to Create, Potential Conflicts of Interest for Certain of the Company' s Directors and Officers Because of Their Positions or Relationships with Curbline In the event the spin- off of Curbline is consummated, members of the Company' s Board of Directors and management are expected to own common shares of Curbline, including as a result of the distribution of Curbline common shares made on account of Company common shares currently owned by such individuals. Ownership of Curbline common shares by these individuals could create, or appear to create, potential conflicts of interest when the Company' s directors and executive officers are faced with decisions that could have different implications for the Company and Curbline. It is expected that some of the Company' s current or former directors and executives, including the Company' s Chief Executive Officer, will also become directors and executives of Curbline following the spin- off. The Company' s Redevelopment and Construction Activities Could Affect Its Operating Results The Company intends to continue the selective ~~development and~~ redevelopment of retail properties as opportunities arise. The Company' s ~~development and~~ redevelopment activities include the following risks: • Construction costs of a project may exceed the Company' s original estimates; • ~~Occupancy rates~~ **Leasing prospects** and rents **for** ~~at a~~ newly ~~completed property~~ **constructed space** may not be sufficient to make the ~~property~~ **project** profitable ~~; • Rental rates per square foot could be less than projected~~ ; • The Company may not complete construction and lease- up on schedule, resulting in increased construction costs; • The Company may not be able to obtain, or may experience delays in obtaining, necessary zoning, land use, building, occupancy and other required governmental permits and authorizations and • The Company may abandon ~~development or~~ redevelopment opportunities after expending resources to determine feasibility. Additionally, the time frame required for ~~development and~~ redevelopment and lease- up of these properties means that the Company may wait several years for a significant cash return. If any of the above events occur, the ~~development and~~ redevelopment of properties may hinder the Company' s growth and have an adverse effect on its results of operations and cash flows ~~. In addition, new development activities, regardless of whether they are ultimately successful, typically require substantial time and attention from management~~ . The Company' s Real Estate Investments May Contain Environmental Risks That Could Adversely Affect Its Results of Operations The acquisition and ownership of properties may subject the Company to liabilities, including environmental liabilities. The Company' s operating expenses could be higher than anticipated due to the cost of complying with existing or future environmental laws and regulations. In addition, under various federal, state and local laws, ordinances and regulations, the Company may be considered an owner or operator of real property or to have arranged for the disposal or treatment of hazardous or toxic substances. As a result, the Company may become liable for the costs of removal or remediation of certain hazardous substances released on or in its properties. The Company may also be liable for other potential costs that could relate to hazardous or toxic substances (including governmental fines and injuries to persons and property). The Company may incur such liability whether or not it knew of, or was responsible for, the presence of such hazardous or toxic substances. Such liability could be of substantial magnitude and divert management' s attention from other aspects of the Company' s business and, as a result, could have a material adverse effect on the Company' s operating results and financial condition, as well as its ability to make distributions to shareholders. Expectations Relating to Environmental, Social and Governance Considerations Expose the Company to Potential Liabilities, Increased Costs, Reputational Harm and Other Adverse Effects on the Company' s Business Many governments, regulators, investors, employees, customers and other stakeholders are increasingly focused on environmental, social and governance **(" ESG ")** considerations relating to businesses, including climate change and greenhouse gas emissions, human capital and diversity, equity and inclusion. The Company makes statements about its **ESG** ~~environmental, social and governance~~ goals and initiatives through information provided on its website, press releases and other communications, including through its Corporate Responsibility and Sustainability Report. **Disclosures regarding ESG** ~~Responding to these environmental, social and governance~~ considerations and **the** implementation of ~~these~~ **ESG** goals and initiatives ~~involves~~ - **involve** risks and uncertainties ~~, including those described under " Forward- Looking Statements " in Item 7~~ . ~~Management' s Discussion and Analysis of Financial Conditions and Results of Operations in Part II of this Report on Form 10- K, requires investments and are impacted by factors that may be outside the Company' s control. In addition, some~~ **Some** stakeholders may disagree with the Company' s **ESG** goals and initiatives and ~~the focus of~~ stakeholders **' ESG views** may change and evolve over time. ~~Stakeholders~~ **Reporting certain ESG metrics** also ~~may have very different views~~ **involves the use of estimates and assumptions and reliance** on **third- party information that cannot** ~~where environmental, social and governance focus should~~ be ~~placed~~ **independently verified by the Company if it is available at all. The Company expects to incur additional costs and devote additional resources to implement ESG initiatives and comply with increasing ESG disclosure obligations** , including ~~differing views~~ **disclosures relating to the impact** of ~~regulators in various jurisdictions in which we operate~~ **climate change on the Company' s business** . Any failure, or perceived failure, by the Company to achieve its goals, further its initiatives, adhere to its public statements **, accurately report sustainability metrics and progress** , comply with federal or state **ESG** ~~environmental, social and governance~~ laws and regulations, or meet evolving and varied stakeholder expectations and **disclosure** standards could result in legal and regulatory proceedings against the Company and **/ or** materially adversely affect the Company' s business, reputation, results of operations, financial condition and stock price. ~~Health Pandemics, Including the COVID- 19 Pandemic,~~

~~Could Have a Significant Impact on the Company and Its Tenants' Businesses~~ The Company **May Be Adversely** ~~' s business and the businesses of its tenants could be significantly impacted~~ **Impacted** by ~~health pandemics and~~ **Laws, Regulations or** ~~the~~ **Other** ~~public perception of and reaction~~ **Issues Related To Climate Change The Company may become subject** to ~~the~~ **laws or regulations** related ~~risks. Beginning in March 2020, the COVID- 19 pandemic resulted in the closure of many tenant businesses and substantially reduced foot traffic at open tenant businesses as a result of social distancing restrictions. As a result, a significant number of tenants failed~~ to **climate change** ~~pay some or all of their monthly rent obligations, and the Company and its joint ventures ultimately agreed to defer a significant portion of these unpaid tenant rent obligations until 2021 and beyond. As of December 31, 2022, the COVID- 19- related deferred amounts for tenants that are not accounted for on the cash basis have been repaid and the level and pace of tenant collections has largely reverted to pre- pandemic norms. However, if additional surges in COVID- 19 contagion were to occur, or if new pandemics were to emerge, tenant operations could be restricted or adversely impacted and such developments could lead to nonpayment of rents, tenant requests for rent relief and tenant closures and bankruptcies. Certain tenant categories are especially vulnerable to the impacts of pandemics, including movie theaters, fitness centers and restaurants that rely on in- person dining, activities and entertainment. In addition to the impacts and uncertainties listed above, the occurrence of a pandemic may significantly limit the ability of the Company' s employees to access the Company' s offices and properties~~ , which could **cause its business, results of operations and financial condition to be impacted** adversely **. The federal government and some states and localities have enacted certain climate change laws and regulations and have begun regulating carbon footprints and greenhouse gas emissions. Although these laws and regulations have not had any known material** impact **on the Company' s business to date,** ~~the~~ **they** ~~Company' s ability to manage its properties~~ **could result in substantial costs, including compliance costs, increased energy costs, retrofit costs** and ~~complete~~ **construction costs, including monitoring and reporting costs, and capital expenditures for environmental control facilities and** other **new equipment** ~~operating and administrative functions that are important to its business~~ . **The** ~~Efforts by the~~ Company ~~' s employees to work remotely could also expose the Company to additional risks, such as~~ **has** ~~increased cybersecurity risk. Furthermore~~ **implemented strategies to reduce landlord- controlled energy and water consumption** , ~~pandemics could negatively~~ **greenhouse gas emissions and waste production across the Company' s portfolio but cannot predict how future laws and regulations related to climate change will** affect ~~global capital markets, which, in turn, could negatively affect the Company' s ability to obtain necessary financing, including property- level refinancing for its joint ventures, on favorable terms, or at all. Reduced rent collections from tenants could also impact the ability of the Company and its joint ventures to satisfy covenants and debt service obligations applicable to their financing arrangements, particularly with respect to mortgage loan indebtedness, and result in the recognition of impairment charges with respect to certain of the Company' s properties. Reduced rent collections from tenants may also have the effect of decreasing management fees collected from the Company' s joint ventures, which are often based on property cash receipts, and may also impact decisions by the Company' s Board of Directors with respect to future dividend policy. The Company' s periodic assessment of tenants' ability to pay outstanding obligations may also result in reductions to rental revenue on account of previously accrued rents for which collection is no longer considered probable. Any of the foregoing risks could have a material adverse effect on~~ the Company' s business, results of operations and financial condition. The Company' s Properties Could Be Subject to **Climate Change,** Damage from Natural Disasters **, Public Health Crises** and Weather- Related Factors; An Uninsured Loss on the Company' s Properties or a Loss That Exceeds the Limits of the Company' s Insurance Policies Could Subject the Company to Lost Capital or Revenue on Those Properties The Company' s properties are generally open- air shopping centers. Extreme weather conditions may impact the profitability of the Company' s tenants by decreasing traffic at or hindering access to the Company' s properties, which may decrease the amount of rent the Company collects. Furthermore, a number of the Company' s properties are located in **coastal** areas that are subject to natural disasters, including Florida and California. Such properties could therefore be affected by ~~rising~~ **hurricanes, tropical storms, earthquakes and wildfires. The potential impacts of climate change on the Company' s operations are highly uncertain but could include local changes in rainfall and storm patterns and intensities, water shortages, changing** sea levels ~~, hurricanes, tropical storms, earthquakes~~ and ~~wildfires~~ **changing temperature averages or extremes. Furthermore** , **a public health crisis** ~~whether caused by global climate changes~~ or other ~~factors. In addition~~ **catastrophic event could adversely affect economies** , **financial markets and consumer behaviors and lead to an economic downturn, which could harm** the **Company' s business, financial condition and operating results. The** Company' s insurance premiums have increased in recent years, and the potential increase in the frequency and intensity of natural disasters, extreme weather- related events and climate change in the future may limit the types of coverage and the coverage limits the Company is able to obtain on commercially reasonable terms. The Company currently maintains all- risk property insurance with limits of $ 150 million per occurrence and in the aggregate and general liability insurance with limits of $ 100 million per occurrence and in the aggregate, in each case subject to various conditions, exclusions, deductibles and sub- limits for certain perils such as flood and earthquake. Coverage for ~~a~~ named ~~windstorm~~ **windstorms , floods and earthquakes in high- risk areas** ~~for the Company' s continental U. S. properties~~ is generally subject to a deductible of up to 5 % of the total insured value of each property. The amount of any insurance coverage for losses due to damage or business interruption may prove to be insufficient. Should a loss occur that is uninsured or is in an amount exceeding the aggregate limits for the applicable insurance policy, or in the event of a loss that is subject to a substantial deductible under an insurance policy, the Company could lose all or part of its capital invested in, and anticipated revenue from, one or more of the properties, which could have a material adverse effect on the Company' s operating results and financial condition, as well as its ability to make distributions to shareholders. ~~Violent~~ Crime ~~, Including Terrorism and Mass Shootings,~~ or Civil Unrest May Affect the Markets in Which the Company Operates Its Business and Its Profitability Certain of the Company' s properties are located in or near major metropolitan areas or other areas that **are** ~~have experienced, and remain~~ susceptible to, **property and** violent crime, including terrorist attacks ~~and~~ **,** mass shootings and civil unrest. ~~Any~~ **Increased incidence of property crime,**

such as shoplifting or damage caused by civil unrest, could reduce tenant profitability or demand for space and, as a result, decrease the rents the Company is able to collect from affected properties. Furthermore, any kind of violent criminal acts, including terrorist acts against public institutions or buildings or modes of public transportation (including airlines, trains or buses), or civil unrest could alter shopping habits, deter customers from visiting the Company' s shopping centers or result in damage to its properties ~~, which~~ **. The Company may also incur increased expenses as a result of its efforts to provide enhanced security measures at its properties to contend with criminal or other threats. Any of the foregoing circumstances** ~~would~~ **could** have a negative effect on the Company' s business, the operations of its tenants and the value of its properties. A Disruption, Failure or Breach of the Company' s Networks or Systems, Including as a Result of Cyber-Attacks, Could Harm Its Business The Company relies extensively on computer systems to manage its business. While the Company maintains some of its own critical information technology systems, it also depends on third parties to provide important information technology services relating to several key business functions, such as payroll, human resources, electronic communications and certain finance functions. These systems are subject to damage or interruption from power outages, facility damage, computer or telecommunications failures, computer viruses, security breaches, vandalism, natural disasters, catastrophic events, human error and potential cyber threats, including phishing attacks, ransomware and other sophisticated cyber- attacks. Although the Company and such third parties employ a number of measures to prevent, detect and mitigate cyber threats, including password protection, firewalls, backup servers, threat monitoring and periodic penetration testing, the techniques used to obtain unauthorized access change frequently and there is no guarantee that such efforts will be successful. Should they occur, these threats could compromise the confidential information of the Company' s tenants, employees and third- party vendors; disrupt the Company' s business operations and the availability and integrity of data in the Company' s systems; and result in litigation, violation of applicable privacy and other laws, investigations, actions, fines or penalties. In the event of damage or disruption to the Company' s business due to these occurrences, the Company may not be able to successfully and quickly recover all of its critical business functions, assets and data. Furthermore, while the Company maintains insurance, the coverage may not sufficiently cover all types of losses, claims or fines that may arise. For additional information see Item 1 **.** " Business — Information Technology and Cybersecurity " in Part I of this Annual Report on Form 10-K. ~~The Company Depends on External Sources of Capital.~~ Disruptions **or Cost Overruns** in the **Transition of the Company' s Commercial Property Management and** Financial ~~Markets~~ **System** Could Affect ~~the~~ **Its Operations The** Company **is in the process of transitioning to a new commercial property management and financial system. Implementation of the new system is a major undertaking, both financially and from a management and personnel perspective, and the conversion process is complex because of the wide range of existing processes and data that must be migrated to the new system. Should the new system not be implemented successfully and within budget, or if the system does not perform in a satisfactory manner, it could disrupt and adversely affect the Company** ' s **operations, including the** ~~Ability~~ **ability** to ~~Obtain Financing~~ **timely bill and collect tenant payments and otherwise adequately service tenants, operating results and cash flows, the ability to report accurate and timely financial results and the ability to consummate the spin- off of Curbline** on ~~Reasonable Terms and Have Other~~ -- **the currently contemplated schedule. The Company Utilizes a Significant Amount of Indebtedness in the Operation of its Business Which Could** ~~Adverse~~ **Adversely** ~~Effects~~ - **Affect** ~~on the Company~~ **Its Financial Condition, Operating Results** and ~~the Market Price~~ **Cash Flows As** of **December 31, 2023,** the Company ~~' s Common Shares To qualify~~ **had approximately $ 1. 6 billion aggregate principal amount of consolidated indebtedness outstanding with a weighted- average maturity of 2. 5 years. The Company** ~~as~~ **has** ~~a REIT~~ **approximately $ 482. 4 million** , ~~the Company must~~ **$ 399. 3 million and $ 649. 7 million of consolidated indebtedness** , ~~among~~ **with weighted- average interest rates of 3. 8 %, 4. 4 % and 4. 6 %, maturing in 2025, 2026 and 2027, respectively. In addition,** ~~other~~ -- **the** ~~things, distribute~~ **Company' s unconsolidated joint ventures have $ 483. 7 million of indebtedness ($ 115. 2 million** at ~~least 90~~ **SITE' s share) with a weighted- average interest rate of 7. 0** % **and a weighted average maturity** of ~~its REIT taxable income~~ **4. 1 years** (excluding **extension option** ~~any net capital gains~~) ~~to its stockholders each year~~ . ~~Because~~ **In connection with the Company' s plan to spin** ~~of~~ **off its convenience assets into a separate, publicly- traded REIT, in October 2023,** ~~these~~ -- **the** ~~distribution requirements, the~~ Company ~~has relied on~~ **obtained a commitment for the $ 1. 1 billion Mortgage Facility and intends to use proceeds from this financing and additional asset sales to repay all of the Company' s outstanding unsecured indebtedness prior to the spin- off' s consummation. The Mortgage Facility commitment is subject to various closing conditions, including debt yield and loan- to- value thresholds, the lender' s receipt of acceptable** third- party **reports** ~~sources of capital, including debt~~ and ~~preferred equity financings,~~ **satisfaction of other customary closing requirements. The Company is not obligated** to ~~fund growth opportunities~~ **close or draw on the Mortgage Facility** and ~~capital needs~~ **no assurances can be given that the Company will satisfy the conditions to close the Mortgage Facility or that the Mortgage Facility will close on the terms set forth in the commitment or at all. Although the Company believes that it maintains prudent leverage levels, in the event the Mortgage Facility does not close, the Company' s ability to refinance its existing indebtedness at maturity will depend on its future performance and credit market conditions generally** . The U. S. and global ~~equity and~~ credit markets have experienced significant ~~price volatility,~~ dislocations and liquidity disruptions in the past, which have caused ~~market prices of many stocks to fluctuate substantially and~~ the spreads on prospective debt financings to **fluctuate** ~~widen considerably~~ . These circumstances materially affected liquidity in the financial markets, making terms for certain financings less attractive and, in certain cases, resulting in the unavailability of financing for businesses and assets similar to those operated by the Company. ~~Uncertainty in the equity and credit markets may negatively affect the Company' s ability to access additional financing at reasonable terms or at all, which may negatively affect the Company' s ability to refinance its debt, obtain new financing or make acquisitions. These circumstances may also adversely affect the Company' s tenants, including their ability to enter into new leases, pay their rents when due and renew their leases at rates at least as favorable as their current rates. A prolonged downturn in the equity or credit markets may cause the Company to~~

~~seek alternative sources of potentially less attractive financing and may require it to adjust its business plan accordingly.~~ In addition, **recent volatility in benchmark interest rates may cause interest rates applicable to refinancings to exceed** ~~these~~ -- **the interest rates applicable** ~~factors may make it more difficult for the Company~~ to ~~sell properties or may~~ **the Company' s existing indebtedness which would negatively impact the Company' s results of operations and could** adversely ~~affect~~ **impact** the **amount** ~~price it receives for properties that it does sell, as prospective buyers may experience increased costs of financing or difficulties in obtaining financing. These events in~~ the ~~equity and credit markets may make it more difficult or costly for the~~ Company ~~to raise capital through the issuance of its~~ - **is able** ~~equity or debt securities. These disruptions in the financial markets also may have a material adverse effect on the market value of the Company' s common shares and other adverse effects on the Company or the economy in general. There can be no assurances that government responses~~ to **distribute to its shareholders** ~~the disruptions in the financial markets will restore consumer confidence, stabilize the markets or increase liquidity and the availability of equity or credit financing~~ . Changes in the Company' s Credit Ratings ~~or the Debt Markets, as Well as Market Conditions in the Credit Markets,~~ Could Adversely Affect the Company' s **Borrowing Capacity and the Market Price of Its** Publicly Traded **Securities** ~~Debt and~~ Credit ~~Facilities The market value for the Company' s publicly traded debt depends on many factors, including the following: • The Company' s credit ratings with major credit rating agencies; • The prevailing interest rates being paid by, or the market price for publicly traded debt issued by, other companies similar to the Company; • The Company' s financial condition, liquidity, leverage, financial performance and prospects and • The overall condition of the financial markets. The condition of the financial markets and prevailing interest rates have fluctuated in the past and are likely to fluctuate in the future. The U. S. credit markets have experienced severe dislocations and liquidity disruptions in the past. Furthermore, uncertain market conditions can be exacerbated by leverage. The occurrence of these circumstances in the credit markets and / or additional fluctuations in the financial markets and prevailing interest rates could have an adverse effect on the Company' s ability to access capital and its cost of capital. In addition, credit~~ rating agencies continually review their ratings for the companies they follow, including the Company. ~~For example, credit rating agencies may review and change their credit ratings for the Company as a result of disruptions to retail tenants and property- level revenues caused by macroeconomic trends or other developments such as the COVID- 19 pandemic. The credit rating agencies also evaluate the real estate industry as a whole and may change their credit rating for the Company based on their overall view of the industry. Any rating organization that rates the Company' s publicly traded debt may lower the rating or decide, at its sole discretion, not to rate the Company' s publicly traded debt.~~ The ratings of the Company' s publicly traded debt are based primarily on the rating ~~organization~~ **agency** ' s assessment of the likelihood of timely payment of interest **and principal** when due **which is dependent on the rating agency' s assessment of the Company' s operating performance, liquidity and leverage ratios, financial condition and prospects and other factors relevant to the Company' s industry. Credit rating agencies are also expected to continue to closely monitor and review the Company' s debt ratings in connection with the recently announced intent to spin- off the Company' s convenience assets and related plans regarding the refinancing of the Company' s outstanding unsecured indebtedness. The Company' s credit rating can affect its ability to access debt capital (including for the purpose of refinancing existing indebtedness), as well as the interest rate and terms of certain existing and future unsecured debt financing the Company may obtain. Since the Company depends on debt financing to fund its business,** ~~and~~ - **an adverse change in its credit rating, including changes in its credit outlook, or even** the **initiation of a review of the Company' s credit rating that could result in an adverse change, could adversely affect the Company' s financial condition and the market price of its publicly traded debt and equity shares. Rising Interest Rates Could Adversely Affect the Company' s Cash Flows and the Market Price of Its Publicly Traded Debt and Preferred Shares As of December 31, 2023, the Company maintained a $ 200 million unsecured term loan and an unsecured revolving credit facility providing for borrowings of up to $ 950 million that bear interest at variable rates. The Company may also incur additional variable- rate debt in the future. Increases in interest rates applicable to variable- rate debt would increase the Company' s interest expense, which would negatively affect the Company' s net earnings and cash available for operations,** payment of **debt obligations and distributions to its shareholders. In order to partially mitigate the Company' s exposure to interest rate risk, the Company has entered into an interest rate swap agreement on its term loan which swaps the variable- rate component of the interest rate applicable to such indebtedness to a fixed rate. In addition, an increase in market interest rates may lead purchasers of the Company' s debt and equity securities to demand a higher yield, which could adversely affect the market price of the Company' s outstanding securities and the timing, cost and feasibility of refinancings or issuances of additional debt or equity securities. The Company' s Financial Condition and Operating Activities Could Be Adversely Affected by Financial Covenants The Company' s credit facilities and the indenture under which its senior unsecured indebtedness is, or may be, issued contain certain financial and operating covenants, including, among other things, leverage ratios and certain coverage ratios, as well as limitations on the Company' s ability to incur secured and unsecured indebtedness, sell all or substantially all of its assets and engage in mergers and certain acquisitions. These credit facilities and indenture also contain customary default provisions including, but not limited to, the failure to pay** principal **and interest issued thereunder** ~~on the maturity date. A negative change~~ in **a timely manner,** the **failure to comply with the** Company' s **financial and** ~~rating~~ **operating covenants and the failure of the Company or its majority- owned subsidiaries (i. e., entities in which the Company has a greater than 50 % interest) to pay when due certain indebtedness in excess of certain thresholds beyond applicable grace and cure periods. These covenants could limit the Company' s ability to obtain additional funds needed to address cash shortfalls or pursue growth opportunities or transactions that would provide substantial return to its shareholders. In addition, a breach of these covenants could cause a default and / or accelerate some or all of the Company' s indebtedness, which** could have ~~an~~ **a material** adverse effect on ~~the Company' s credit facilities and market price of the Company' s publicly traded debt, as well as the Company' s ability to access capital and~~ its **financial condition** ~~cost of capital~~ . The Company' s Ability to

Increase Its Debt Could Adversely Affect Its **Financial Condition and** Cash Flows ~~At December 31, 2022, the Company had outstanding debt of $ 1. 7 billion (excluding its proportionate share of unconsolidated joint venture mortgage debt aggregating $ 110. 6 million as of December 31, 2022). The Company intends to maintain prudent leverage levels.~~ The Company is subject to limitations under its credit facilities and indentures relating to its ability to incur additional debt; however, the Company' s organizational documents do not contain any limitation on the amount or percentage of indebtedness it may incur. If the Company were to become more highly leveraged, its cash needs to fund debt service would increase accordingly. Under such circumstances, the Company' s risk of decreases in cash flow due to fluctuations in the real estate market, reliance on its major tenants, acquisition and development costs and the other factors discussed in these risk factors could subject the Company to an even greater adverse impact on its financial condition and results of operations. In addition, increased leverage could increase the risk of default on the Company' s debt obligations, which could further reduce its cash available for distribution and adversely affect its ability to dispose of its portfolio on favorable terms, which could cause the Company to incur losses and reduce its cash flows. The Company **May Not** ~~' s Cash Flows and Operating Results Could~~ Be **Able to Obtain Additional Capital to Finance** ~~Adversely Affected by Required Payments of Debt or Related Interest and Other Risks of~~ Its **Operations or Make Investments To qualify** ~~Debt Financing The Company is generally subject to the risks associated with debt financing. These risks include the following: • The Company' s cash flows may not satisfy required payments of principal and interest; • The Company may not be able to refinance existing indebtedness on its properties~~ as ~~necessary~~ **a REIT** , ~~or the interest rate and other~~ -- **the** ~~terms of the refinancing may be less favorable to the~~ Company **must** ~~than the interest rate and terms applicable to the existing debt; • Required debt payments are not reduced if the economic performance of any property declines; • Debt service obligations could reduce funds available for distribution to the Company' s shareholders and funds available for development, redevelopment and acquisitions; • Any default on the Company' s indebtedness could result in acceleration of those obligations, which could result in the acceleration of other debt obligations and possible loss of property to foreclosure and • The Company may not be able to finance necessary capital expenditures for purposes such as re- leasing space on favorable terms or at all. If a property is mortgaged to secure payment of indebtedness and the Company cannot or does not make the mortgage payments, it may have to surrender the property to the lender with a consequent loss of any prospective income and equity value from such property, which may also adversely affect the Company' s credit ratings. Any of these risks can place strains on the Company' s cash flows, reduce its ability to grow and adversely affect its results of operations. The Company' s Financial Condition Could Be Adversely Affected by Financial Covenants The Company' s credit facilities and the indenture under which its senior unsecured indebtedness is, or may be, issued contain certain financial and operating covenants, including~~ , among other things, ~~leverage ratios and certain coverage ratios~~ **distribute at least 90 % of its REIT taxable income (excluding net capital gains) to its stockholders each year. Because of these distribution requirements** , **the Company** ~~as~~ **has relied** ~~well as limitations~~ on ~~the Company' s ability to incur~~ **third- party sources of capital, including** secured and unsecured **debt** ~~indebtedness, sell all or substantially all of its assets~~ and **common** ~~engage in mergers~~ and **preferred equity financings** ~~certain acquisitions. These credit facilities and indenture also contain customary default provisions including~~ , ~~but not limited~~ to ~~, the failure to pay principal and interest issued thereunder in a timely manner, the failure to comply with the Company' s financial and operating covenants and the failure of the Company or its majority- owned subsidiaries (i. e., entities in which the Company has a greater than 50 % interest) to pay when due certain indebtedness in excess of certain thresholds beyond applicable grace and cure periods. These covenants could limit the Company' s ability to obtain additional funds~~ - **fund** ~~needed to address cash shortfalls or pursue~~ growth opportunities **and capital needs** ~~or transactions that would provide substantial return to its shareholders~~ . **Economic conditions and conditions in** ~~In addition, a breach of these~~ -- **the** ~~covenants could~~ **capital markets may not be favorable at the time the Company needs to raise capital which may** cause ~~a default or accelerate some or all of~~ the Company ~~' s indebtedness, which could~~ **to seek alternative sources of potentially less attractive financing and may require it to adjust its business plan accordingly. Disruptions in the financial markets may also** have a material adverse effect on ~~its financial condition. The Company May Incur Significant Debt Prepayment Costs as a Result of Repaying Indebtedness Prior to Its Stated Maturity In prudently managing its capital structure and refinancing risk in~~ the ~~past,~~ **market value of** the Company **' s common shares** ~~has chosen to retire debt prior to its stated maturity date, and in doing so, has incurred prepayment or defeasance premiums in accordance with the relevant loan agreements. If the Company chooses to retire debt prior to its stated maturity date in the future, it may incur significant debt prepayment costs or defeasance premiums, which could have an~~ **and other** adverse ~~effect~~ **effects** on the Company ~~' s cash flows and results of operations. The Company Has Variable- Rate Debt and Interest Rate Risk The Company has indebtedness with interest rates that vary depending upon the market index. In addition, the Company has a revolving credit facility that bears interest at a variable rate on any amounts drawn on the facility. The Company may incur additional variable- rate debt in the future. Increases in interest rates on variable- rate debt would increase the Company' s interest expense, which would negatively affect net earnings and cash available for~~ - **or the economy in general** ~~payment of its debt obligations and distributions to its shareholders~~ . If the Company Fails to Qualify as a REIT in Any Taxable Year, It Will Be Subject to U. S. Federal Income Tax as a Regular Corporation and Could Have Significant Tax Liability **, Which May Have a Significant Adverse Consequence to the Value of the Company' s Shares** The Company intends to operate in a manner that allows it to qualify as a REIT for U. S. federal income tax purposes. However, REIT qualification requires that the Company satisfy numerous requirements (some on an annual or quarterly basis) established under highly technical and complex provisions of the Code, for which there are a limited number of judicial or administrative interpretations. The Company' s status as a REIT requires an analysis of various factual matters and circumstances that are not entirely within its control. Accordingly, the Company' s ability to qualify and remain qualified as a REIT for U. S. federal income tax purposes is not certain. Even a technical or inadvertent violation of the REIT requirements could jeopardize the Company' s REIT qualification. Furthermore, Congress or the Internal Revenue Service (" IRS ") might change the tax laws or regulations and the courts could issue new rulings, in each case potentially having a retroactive effect that could make it more

difficult or impossible for the Company to continue to qualify as a REIT. If the Company fails to qualify as a REIT in any tax year, the following will result: • The Company would be taxed as a regular domestic corporation, which, among other things, means that it would be unable to deduct distributions to its shareholders in computing its taxable income and would be subject to U. S. federal income tax on its taxable income at regular corporate rates; • Any resulting tax liability could be substantial and would reduce the amount of cash available for distribution to shareholders and could force the Company to liquidate assets or take other actions that could have a detrimental effect on its operating results and • Unless the Company were entitled to relief under applicable statutory provisions, it would be disqualified from treatment as a REIT for the four taxable years following the year during which the Company lost its qualification, and its cash available for debt service obligations and distribution to its shareholders, therefore, would be reduced for each of the years in which the Company does not qualify as a REIT. Even if the Company remains qualified as a REIT, it may face other tax liabilities that **directly or indirectly** reduce its cash flow. The Company' s TRS is subject to taxation, and any changes in the laws affecting the Company' s TRS may increase the Company' s tax expenses. The Company may also be subject to certain federal, state and local taxes on its income and property either directly or at the level of its subsidiaries. Any of these taxes would decrease cash available for debt service obligations and distribution to the Company' s shareholders. Compliance with REIT Requirements May Negatively Affect the Company' s Operating Decisions To maintain its status as a REIT for U. S. federal income tax purposes, the Company must meet certain requirements on an ongoing basis, including requirements regarding its sources of income, the nature and diversification of its assets, the amounts the Company distributes to its shareholders and the ownership of its shares. The Company may also be required to make distributions to its shareholders when it does not have funds readily available for distribution or at times when the Company' s funds are otherwise needed to fund capital expenditures or debt service obligations. As a REIT, the Company must distribute at least 90 % of its annual net taxable income (excluding net capital gains) to its shareholders. To the extent that the Company satisfies this distribution requirement, but distributes less than 100 % of its net taxable income, the Company will be subject to U. S. federal corporate income tax on its undistributed taxable income. In addition, the Company will be subject to a 4 % non- deductible excise tax if the actual amount paid to its shareholders in a calendar year is less than the minimum amount specified under U. S. federal tax laws. From time to time, the Company may generate taxable income greater than its income for financial reporting purposes, or its net taxable income may be greater than its cash flows available for distribution to its shareholders. If the Company does not have other funds available in these situations, it could be required to borrow funds, sell its securities or a portion of its properties at unfavorable prices or find other sources of funds in order to meet the REIT distribution requirements and avoid corporate income tax and the 4 % excise tax. In addition, the REIT provisions of the Code impose a 100 % tax on income from " prohibited transactions. " Prohibited transactions generally include sales of assets, other than foreclosure property, that constitute inventory or other property held for sale to customers in the ordinary course of business. This 100 % tax could affect the Company' s decisions to sell property if it believes such sales could be treated as a prohibited transaction. However, the Company would not be subject to this tax if it were to sell assets through its TRS. The Company will also be subject to a 100 % tax on certain amounts if the economic arrangements between the Company and its TRS are not comparable to similar arrangements among unrelated parties. The Company May Be Forced to Borrow Funds to Maintain Its REIT Status, and the Unavailability of Such Capital on Favorable Terms at the Desired Times, or at All, May Cause the Company to Curtail Its Investment Activities and / or to Dispose of Assets at Inopportune Times, Which Could Materially and Adversely Affect the Company To qualify as a REIT, the Company generally must distribute to shareholders at least 90 % of its REIT taxable income each year, determined without regard to the dividends paid deduction and excluding any net capital gains, and the Company will be subject to regular corporate income taxes on its undistributed taxable income to the extent that the Company distributes less than 100 % of its REIT taxable income, determined without regard to the dividends paid deduction and including any net capital gains, each year. In addition, the Company will be subject to a 4 % nondeductible excise tax on the amount, if any, by which distributions paid by the Company in any calendar year are less than the sum of 85 % of the Company' s ordinary income, 95 % of its capital gain net income and 100 % of its undistributed income from prior years. The Company could have a potential distribution shortfall as a result of, among other things, differences in timing between the actual receipt of cash and recognition of income for U. S. federal income tax purposes or the effect of nondeductible capital expenditures, the creation of reserves or required debt or amortization payments. In order to maintain REIT status and avoid the payment of income and excise taxes, the Company may need to borrow funds to meet the REIT distribution requirements. The Company may not be able to borrow funds on favorable terms or at all, and the Company' s ability to borrow may be restricted by the terms of the instruments governing the Company' s existing indebtedness. The Company' s access to third- party sources of capital depends on a number of factors, including the market' s perception of the Company' s growth potential, current debt levels, the market price of common shares and current and potential future earnings. The Company cannot assure shareholders that it will have access to such capital on favorable terms at the desired times, or at all, which may cause the Company to curtail its investment activities and / or to dispose of assets at inopportune times and could materially and adversely affect the Company. The Company may make taxable in- kind distributions of common shares, which may cause shareholders to be required to pay income taxes with respect to such distributions in excess of any cash received, or the Company may be required to withhold taxes with respect to such distributions in excess of any cash shareholders receive. Dividends Paid by REITs Generally Do Not Qualify for Reduced Tax Rates In general, the maximum U. S. federal income tax rate for dividends paid to individual U. S. shareholders is 20 %. Due to its REIT status, the Company' s distributions to individual shareholders generally are not eligible for the reduced rates. However, U. S. shareholders that are individuals, trusts or estates generally may deduct up to 20 % of the ordinary dividends (e. g., REIT dividends that are not designated as capital gain dividends or qualified dividend income) received from a REIT for taxable years beginning after December 31, 2017, and before January 1, 2026. Although this deduction reduces the effective tax rate applicable to certain dividends paid by REITs (generally to 29. 6 %, assuming the shareholder is subject to the 37 % maximum rate), such tax rate is still higher than the tax rate applicable to corporate dividends

that constitute qualified dividend income. Accordingly, investors who are individuals, trusts or estates may perceive investments in REITs to be relatively less attractive than investments in stocks of non- REIT corporations that pay dividends, which could materially and adversely affect the value of the shares of REITs, including the per share trading price of the Company' s common shares. Certain Foreign Shareholders May Be Subject to U. S. Federal Income Tax on Gain Recognized on a Disposition of the Company' s Common Shares if the Company Does Not Qualify as a " Domestically Controlled " REIT A foreign person disposing of a U. S. real property interest, including shares of a U. S. corporation whose assets consist principally of U. S. real property interests, is generally subject to U. S. federal income tax on any gain recognized on the disposition. This tax does not apply, however, to the disposition of stock in a REIT if the REIT is " domestically controlled. " In general, the Company will be a domestically controlled REIT if at all times during the five- year period ending on the applicable stockholder' s disposition of the Company' s stock, less than 50 % in value of the stock was held directly or indirectly by non- U. S. persons. If the Company were to fail to qualify as a domestically controlled REIT, gain recognized by a foreign stockholder on a disposition of the Company' s common shares would be subject to U. S. federal income tax unless the common shares were traded on an established securities market and the foreign stockholder did not at any time during a specific testing period directly or indirectly own more than 10 % of the Company' s outstanding common stock. Legislative or Other Actions Affecting REITs Could Have a Negative Effect on the Company The rules dealing with U. S. federal income taxation are constantly under review by persons involved in the legislative process and by the IRS and the Department of the Treasury. Changes to the tax laws, with or without retroactive application, could materially and adversely affect the Company or its shareholders. The Company cannot predict how changes in the tax laws might affect shareholders or the Company. New legislation, Treasury regulations, administrative interpretations or court decisions could significantly and negatively affect the Company' s ability to qualify as a REIT, the U. S. federal income tax consequences of such qualification or the U. S. federal income tax consequences of an investment in the Company. In addition, the law relating to the tax treatment of other entities, or an investment in other entities, could change, making an investment in such other entities more attractive relative to an investment in a REIT. Furthermore, potential amendments and technical corrections, as well as interpretations and implementation of regulations by the Treasury and IRS, may have or may in the future occur or be enacted, and, in each case, they could lessen or increase the impact of the Tax Cuts and Jobs Act of 2017 (the " TCJA "). In addition, states and localities, which often use federal taxable income as a starting point for computing state and local tax liabilities, continue to react to the TCJA, and these may exacerbate its negative, or diminish its positive, effects on the Company. It is impossible to predict the nature or extent of any new tax legislation, regulation or administrative interpretations, but such items could adversely affect the Company' s operating results, financial condition and / or future business planning. Provisions of the Company' s Articles of Incorporation and Code of Regulations Could Have the Effect of Delaying, Deferring or Preventing a Change in Control, Even if That Change May Be Considered Beneficial by Some of the Company' s Shareholders The Company' s Articles of Incorporation and Code of Regulations contain provisions that could have the effect of rendering more difficult, delaying or preventing an acquisition deemed undesirable by the Company' s Board of Directors. Among other things, the Articles of Incorporation and Code of Regulations include these provisions: • Prohibiting any person, except for certain shareholders (including the family of Mr. Alexander Otto) as set forth in the Company' s Articles of Incorporation, from owning more than 5 % of the Company' s outstanding common shares in order to maintain the Company' s status as a REIT; • Authorizing " blank check " preferred stock, which could be issued by the Board of Directors without shareholder approval and may contain voting, liquidation, dividend and other rights superior to the Company' s common shares; • Providing that any vacancy on the Board of Directors may be filled only by the affirmative vote of a majority of the remaining directors then in office; • Providing that no shareholder may cumulate the shareholder' s voting power in the election of directors; • Providing that shareholders may not act by written consent unless such written consent is unanimous and • Requiring advance notice of shareholder proposals for business to be conducted at meetings of the Company' s shareholders and for nominations of candidates for election to the Board of Directors. These provisions, alone or together, could delay or prevent hostile takeovers and changes in control or changes in the Company' s management. The Company believes these provisions protect its shareholders from coercive or otherwise unfair takeover tactics and are not intended to make the Company immune from takeovers. However, these provisions apply even if the offer may be considered beneficial by some shareholders and could delay, defer or prevent an acquisition that the Board of Directors determines is not in the best interests of the Company and its shareholders, which under certain circumstances could reduce the market price of its common shares. The Company Has Significant Shareholders Who May Exert Influence on the Company as a Result of Their Considerable Beneficial Ownership of the Company' s Common Shares, and Their Interests May Differ from the Interests of Other Shareholders The Company has shareholders, including Mr. Alexander Otto, who is a member of the Board of Directors, who, because of their considerable beneficial ownership of the Company' s common shares, are in a position to exert significant influence over the Company. These shareholders may exert influence with respect to matters that are brought to a vote of the Company' s Board of Directors and / or the holders of the Company' s common shares. Among others, these matters include the election of the Company' s Board of Directors, corporate finance transactions and joint venture activity, merger, acquisition and disposition activity, and amendments to the Company' s Articles of Incorporation and Code of Regulations. In the context of major corporate events, the interests of the Company' s significant shareholders may differ from the interests of other shareholders. For example, if a significant shareholder does not support a merger, tender offer, sale of assets or other business combination because the shareholder judges it to be inconsistent with the shareholder' s investment strategy, the Company may be unable to enter into or consummate a transaction that would enable other shareholders to realize a premium over the then- prevailing market prices for common shares. Furthermore, significant shareholders of the Company have sold in the past, and may sell in the future, substantial amounts of the Company' s common shares in the public market to enhance the shareholders' liquidity positions, fund alternative investments or for other reasons. This has caused in the past, and may cause in the future, the trading price of the Company' s common shares to decline

significantly, resulting in other shareholders being unable to sell their common shares at favorable prices. The Company cannot predict or control how the Company' s significant shareholders may use the influence they have as a result of their common share holdings. The Company' s Board of Directors May Change Significant Corporate Policies Without Shareholder Approval The Company' s strategies and investment, financing and dividend policies will be determined by its Board of Directors. These strategies and policies may be amended or revised at any time at the discretion of the Board of Directors without a vote of the Company' s shareholders. A change in any of these strategies and policies could have an adverse effect on the Company' s financial condition, operating results and cash flow and on its ability to pay dividends to shareholders. Changes in Market Conditions Could Adversely Affect the Market Price of the Company' s Publicly Traded Securities As with other publicly traded securities, the market price of the Company' s publicly traded securities depends on various market conditions, which may change from time to time. Among the market conditions that may affect the market price of the Company' s publicly traded securities are the following: • The extent of institutional investor interest in the Company and the properties it owns; • The reputation of REITs generally and the reputation of REITs with similar portfolios; • The attractiveness of the securities of REITs in comparison to securities issued by other entities (including securities issued by other real estate companies or sovereign governments), bank deposits or other investments; • The Company' s financial condition and performance; • The market' s perception of the Company' s growth potential and future cash dividends; • An increase in market interest rates, which may lead prospective investors to demand a higher distribution rate in relation to the price paid for the Company' s shares and • General economic and financial market conditions. The Company May Issue Additional Securities Without Shareholder Approval The Company can issue preferred shares and common shares without shareholder approval subject to certain limitations in the Company' s Articles of Incorporation. Holders of preferred shares have priority over holders of common shares, and the issuance of additional shares reduces the ownership interest of existing holders in the Company. The Company May Be Unable to Retain and Attract Key Management Personnel The Company may be unable to retain and attract talented executives. In the event of the loss of key management personnel to competitors, or upon unexpected death, disability or retirement, the Company may not be able to find replacements with comparable skill, ability and industry expertise. The Company' s operating results and financial condition could be materially and adversely affected until suitable replacements are identified and retained, if at all. The Company Is Subject to Litigation That Could Adversely Affect Its Results of Operations The Company is a defendant from time to time in lawsuits and regulatory proceedings relating to its business. Due to the inherent uncertainties of litigation and regulatory proceedings, the Company cannot accurately predict the ultimate outcome of any such litigation or proceedings. An unfavorable outcome could adversely affect the Company' s business, financial condition or results of operations. Any such litigation could also lead to increased volatility of the trading price of the Company' s common shares. For a further discussion of litigation risks, see " Legal Matters " in Note ~~11~~ **9** , " Commitments and Contingencies, " to the Company' s consolidated financial statements. ~~Changes in Accounting Standards Issued by the Financial Accounting Standards Board or Other Standard-Setting Bodies May Adversely Affect the Company' s Business The Company' s financial statements are subject to the application of U. S. generally accepted accounting principles (" GAAP "), which are periodically revised and / or expanded. From time to time, the Company is required to adopt new or revised accounting standards issued by recognized authoritative bodies, including the FASB and the SEC. It is possible that accounting standards the Company is required to adopt may require changes to the current accounting treatment that it applies to its consolidated financial statements and may require it to make significant changes to its systems. Changes in accounting standards could result in a material adverse impact on the Company' s business, financial condition and results of operations.~~