



Armada Hoffer Properties Announces Commencement of Public Offering of Common Stock

January 6, 2022

VIRGINIA BEACH, Va., Jan. 06, 2022 (GLOBE NEWSWIRE) -- Armada Hoffer Properties, Inc. (NYSE: AHH) today announced that it has commenced an underwritten public offering of 3,500,000 shares of its common stock. The Company also has granted the underwriter a 30-day option to purchase up to an additional 525,000 shares of its common stock.

The Company intends to use the net proceeds from the offering, together with approximately \$28.6 million of net proceeds from recent sales under its at-the-market continuous equity offering program and borrowings under its credit facility, to pay the cash portion of the purchase price for the previously announced acquisition of a 79% interest and an additional 11% economic interest in the property known as the Exelon Building, a mixed-use property located in Baltimore's Harbor Point, which is comprised of a 23-story, 444,000 square foot Class A office building that serves as the regional headquarters for Exelon Corporation, as well as a multifamily component comprised of 103 units, 750 parking spaces and 38,500 square feet of retail space. The Company intends to use any remaining net proceeds (i) to repay outstanding indebtedness, including amounts outstanding under the Company's unsecured revolving credit facility, and/or (ii) for general corporate purposes and working capital, including development, redevelopment, construction and other commitments. The acquisition of the Exelon Building is expected to be accretive to funds from operations per share immediately upon closing, which is expected to take place in the first quarter of 2022. This offering is not conditioned on the successful completion of the acquisition of the Exelon Building.

BofA Securities is serving as the sole book-running manager for the offering.

Copies of the preliminary prospectus supplement and accompanying prospectus related to these securities may be obtained from: BofA Securities, Inc., NC1-004-03-43, 200 North College Street, 3rd Floor, Charlotte, NC 28255-0001, Attn: Prospectus Department, or by e-mailing dg.prospectus_requests@bofa.com.

The offering is being made pursuant to a shelf registration statement on Form S-3, which became automatically effective upon filing with the Securities and Exchange Commission on March 9, 2020. A prospectus supplement relating to the offering will be filed with the Securities and Exchange Commission. Prospective investors should read the prospectus forming a part of that registration statement and the prospectus supplement related to the offering and the other documents that the Company has filed with the SEC for more complete information about the Company and this offering. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any of these securities, nor shall there be any sale of these securities in any state or other jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or other jurisdiction.

About Armada Hoffer Properties, Inc.

Armada Hoffer Properties, Inc. is a full service real estate company with extensive experience developing, building, owning and managing high-quality, institutional-grade office, retail and multifamily properties in attractive markets primarily throughout the Mid-Atlantic and Southeastern United States. The Company has elected to be taxed as a real estate investment trust (REIT) for U.S. federal income tax purposes.

Forward-Looking Statements

Certain matters within this press release are discussed using forward-looking language as specified in the Private Securities Litigation Reform Act of 1995, and, as such, may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statement. These statements relate to the Company's offering of common stock and the anticipated use of the net proceeds, including the proposed acquisition of the Exelon Building. No assurance can be given that the offering will be completed on the terms described, or at all, that the net proceeds from the offering will be used as indicated or that the Company will consummate the acquisition of the Exelon Building on the timeline or terms anticipated or at all. Completion of the offering on the terms described and the application of net proceeds are subject to numerous conditions, many of which are beyond the control of the Company, including, market conditions, general economic conditions and other factors, including those set forth under the heading "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2020, and those set forth in other documents filed by the Company from time to time with the Securities and Exchange Commission.

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