



Armada Hoffer Earns Investment Grade Credit Rating

February 7, 2023

Company awarded BBB rating with a stable trend from DBRS Morningstar

VIRGINIA BEACH, Va., Feb. 07, 2023 (GLOBE NEWSWIRE) -- Armada Hoffler Properties, Inc. (NYSE: AHH) announced that it has achieved an investment grade credit rating from DBRS Morningstar, one of the world's largest credit ratings agencies. The Company was assigned a BBB rating with a stable trend.

In its analysis of the Company, DBRS Morningstar cited several factors supporting the investment grade credit rating:

- the Company's market position in the Mid-Atlantic region,
- the asset quality of the Company's multifamily portfolio,
- the quality and diversification of the Company's commercial tenant base, and
- the longer term weighted average lease terms of the Company's office and retail assets.

Regarding Armada Hoffler's strengths, DBRS Morningstar highlighted the Company's, "dominant market" position in Virginia Beach, the Company's asset sector diversification with a "desirable exposure" to core office, retail, and multifamily properties, and "plenty of excess cash flow relative to [the Company's] financial obligations."

"Achieving an investment grade rating is a tremendous accomplishment for our Company and our team," said Louis Haddad, President and Chief Executive Officer of Armada Hoffler. "The BBB credit rating is an independent testament to the quality of our diversified and mixed-use portfolio, the durability and underlying credit worthiness of our tenant base, and the experience and conservative nature of our management team. Most importantly, this investment grade rating will provide us access to an expanded pool of investors and additional sources of capital to fund our growth initiatives."

This is a major milestone for the Company that was founded over 40 years ago and went public nearly a decade ago. In the 10 years since its initial public offering, Armada Hoffler has more than tripled in size, been added to both the MSCI U.S. REIT Index and S&P Small Cap 600 Index, and has now earned an investment grade credit rating from an international market leading ratings agency.

More information regarding Armada Hoffler's credit rating assignment can be found in the DBRS Morningstar press release dated Feb. 7, 2023 and at www.dbrsmorningstar.com.

About Armada Hoffler

Armada Hoffler (NYSE: AHH) is a vertically integrated, self-managed real estate investment trust with over four decades of experience developing, building, acquiring, and managing high-quality office, retail, and multifamily properties located primarily in the Mid-Atlantic and Southeastern United States. We also provide general construction and development services to third-party clients, in addition to developing and building properties to be placed in our stabilized portfolio. Founded in 1979 by Daniel A. Hoffler, Armada Hoffler has elected to be taxed as a REIT for U.S. federal income tax purposes. For more information visit ArmadaHoffler.com.

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 Armada Hoffler's pursuit of growth opportunities and future capital raising efforts. The forward-looking statements presented herein are based on the company's current expectations. For a description of factors that may cause the company's actual results or performance to differ from its forward-looking statements, please review the information under the heading "Risk Factors" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2021, and the other documents filed by the company with the Securities and Exchange Commission from time to time. The company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement contained herein, to reflect any change in the company's expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except to the extent otherwise required by applicable law.

Contact:

Chelsea Forrest
Armada Hoffler
Director of Corporate Communications and Investor Relations
Email: CForrest@ArmadaHoffler.com
Phone: (757) 612-4248



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