



Armada Hoffer Announces Strategic Steps in Executing Its Balance Sheet Management Strategy

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VIRGINIA BEACH, Va., Jan. 29, 2025 (GLOBE NEWSWIRE) -- Armada Hoffer (NYSE: AHH) announced strategic steps in reducing exposure to variable rate debt as the company continues to execute its balance sheet management strategy. Since the end of the third quarter of 2024, the Company has:

- Executed a \$150 million floating-to-fixed rate swap, effective January 2, 2025, with a 2-year term, and a swap fixed rate of 2.5%. The Company bought down the rate for a total cost of \$4.6 million. With this trade, Armada Hoffer is 100% hedged on its variable rate debt exposure, which the Company expects to maintain into the fourth quarter of 2025, based on current variable rate debt levels and existing derivative expirations.
- Repaid \$45.6 million of secured variable-rate debt with a weighted average effective interest rate of 6.80%.
- Refinanced its Premier mixed-use property for greater loan proceeds at a lower fixed rate in November 2024. The new \$29.4 million agency loan is fixed at 5.53% interest-only through maturity in December 2029. The previous \$23.4 million variable-rate loan had a stated rate of SOFR plus 1.55% and an effective rate of 6.4%, paid off in September 2024.
- Paid down its SOFR referenced revolving credit facility by \$19.0 million through December 31, 2024.

"Armada Hoffer is committed to prudent financial management and continued risk mitigation, and these recent strategic initiatives are key steps in achieving those goals," said Shawn Tibbetts, Chief Executive Officer and President at Armada Hoffer. "We continue to execute on our strategy to manage interest rate risk and provide greater stability to our cash flow. We believe this enhances our ability to navigate market fluctuations and supports our long-term growth objectives."

About Armada Hoffer

Armada Hoffer (NYSE: AHH) is a vertically integrated, self-managed real estate investment trust ("REIT") 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. Hoffer, Armada Hoffer has elected to be taxed as a REIT for U.S. federal income tax purposes. For more information visit ArmadaHoffer.com.

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