

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**
Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

Date of Report (Date of earliest event reported): February 10, 2022

ARMADA HOFFLER PROPERTIES, INC.
(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation)

001-35908
(Commission File Number)

46-1214914
(IRS Employer Identification No.)

222 Central Park Avenue , Suite 2100
Virginia Beach , Virginia
(Address of principal executive offices)

23462
(Zip Code)

Registrant's telephone number, including area code: **(757) 366-4000**

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	AHH	New York Stock Exchange
6.75% Series A Cumulative Redeemable Perpetual Preferred Stock, \$0.01 par value per share	AHHPrA	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 2.02. Results of Operations and Financial Condition.

On February 10, 2022, Armada Hoffer Properties, Inc. (the "Company") issued a press release announcing its financial position as of December 31, 2021, results of operations for the three and twelve months ended December 31, 2021, and other related information. Also on February 10, 2022, the Company made available on its website at www.ArmadaHoffer.com certain supplemental information concerning the Company's financial results and operations for the three and twelve months ended December 31, 2021. Copies of such press release and supplemental information are furnished as Exhibits 99.1 and 99.2, respectively, to this Current Report on Form 8-K and are incorporated herein by reference.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information included in this Current Report on Form 8-K, including Exhibits 99.1 and 99.2 hereto, shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or Securities Act of 1933, as amended (the "Securities Act"), except as shall be expressly set forth by specific reference in such a filing.

Item 7.01. Regulation FD Disclosure.

The disclosure contained in Item 2.02 is incorporated herein by reference.

On February 10, 2022, the Company made available a presentation regarding its 2022 full-year guidance, which is furnished as Exhibit 99.3 to this Current Report on Form 8-K.

In accordance with General Instructions B.2 and B.6 of Form 8-K, the information included in this Current Report on Form 8-K, including Exhibits 99.1, 99.2, and 99.3 hereto, shall not be deemed "filed" for purposes of Section 18 of the Exchange Act, or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any filing made by the Company under the Exchange Act or Securities Act, except as shall be expressly set forth by specific reference in such a filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release, dated February 10 2022, issued by Armada Hoffer Properties, Inc., providing its financial position as of December 31, 2021 and results of operations for the three and twelve months ended December 31, 2021.
99.2	Armada Hoffer Properties, Inc. Fourth Quarter 2021 Supplemental Information.
99.3	Armada Hoffer Properties, Inc. 2022 Guidance Presentation.
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

ARMADA HOFFLER PROPERTIES, INC.

Date: February 10, 2022

By: /s/ Michael P. O'Hara

Michael P. O'Hara
Chief Financial Officer, Treasurer, and Secretary



ARMADA HOFFLER PROPERTIES REPORTS FOURTH QUARTER AND FULL YEAR 2021 RESULTS

**Net Income of less than \$0.01 per Diluted Share for the Fourth Quarter
and \$0.17 per Diluted Share for the Full Year**

**Normalized FFO of \$0.27 per Diluted Share for the Fourth Quarter
and \$1.07 per Diluted Share for the Full Year**

Company Introduces 2022 Full-Year Normalized FFO Guidance of \$1.11 to \$1.15 per Diluted Share

VIRGINIA BEACH, VA, February 10, 2022 – Armada Hoffer Properties, Inc. (NYSE: AHH) today announced its results for the quarter and year ended December 31, 2021 and provided an update on current events.

Highlights include:

- Net income attributable to common stockholders and OP Unit holders of \$0.4 million, or less than \$0.01 per diluted share, for the quarter ended December 31, 2021 compared to \$1.9 million, or \$0.02 per diluted share, for the quarter ended December 31, 2020. Net income attributable to common stockholders and OP Unit holders of \$13.9 million, or \$0.17 per diluted share, for the year ended December 31, 2021 compared to \$29.8 million, or \$0.38 per diluted share, for the year ended December 31, 2020.
- Funds from operations attributable to common stockholders and OP Unit holders ("FFO") of \$19.9 million, or \$0.24 per diluted share, for the quarter ended December 31, 2021 compared to \$19.5 million, or \$0.25 per diluted share, for the quarter ended December 31, 2020. FFO of \$85.4 million, or \$1.05 per diluted share, for the year ended December 31, 2021 compared to \$83.0 million, or \$1.06 per diluted share, for the year ended December 31, 2020.
- Normalized funds from operations attributable to common stockholders and OP Unit holders ("Normalized FFO") of \$21.9 million, or \$0.27 per diluted share, for the quarter ended December 31, 2021 compared to \$19.9 million, or \$0.25 per diluted share, for the quarter ended December 31, 2020. Normalized FFO of \$87.3 million, or \$1.07 per diluted share, for the year ended December 31, 2021 compared to Normalized FFO of \$86.2 million, or \$1.10 per diluted share, for the year ended December 31, 2020.
- Introduced 2022 full-year Normalized FFO guidance in the range of \$1.11 to \$1.15 per diluted share, as set forth in the separate presentation that can be found on the Investors page of the Company's website, ArmadaHoffer.com. Executive management of the Company will provide further details regarding its 2022 earnings guidance during today's webcast and conference call.
- Stabilized operating property portfolio occupancy increased to 96.7% as of December 31, 2021. Office occupancy was 96.8%, retail occupancy was 96.0%, and multifamily occupancy was 97.4%.
- Positive releasing spreads on office and retail lease renewals of 8.9% on a GAAP basis and 3.6% on a cash basis during the fourth quarter and 9.0% on a GAAP basis and 4.9% on a cash basis during 2021.
- Same Store Net Operating Income ("NOI") increased 4.7% on a GAAP basis and 7.9% on a cash basis compared to the quarter ended December 31, 2020, and 2.5% on a GAAP basis and 6.3% on a cash basis compared to the year ended December 31, 2020.

- Increased quarterly cash dividend from an annualized amount of \$0.44 to \$0.68 during 2021, representing an increase of 54.5%.
- Completed the disposition of student housing asset Johns Hopkins Village for \$75M.
- Commenced construction of a mixed-use development project, Southern Post in Roswell, Georgia in the fourth quarter of 2021.
- Completed the acquisition of Class A+ mixed-use Exelon Building in Baltimore's Harbor Point during the first quarter of 2022. The features a 444,000 square feet of Class A office space, 103 multifamily units, 38,500 square feet of retail space, and 750 parking spaces, which will complement the Company's existing Harbor Point portfolio and development.

"Coming off of a year of outperforming our original guidance by 7%, 2022 is a year where our focus is to continue growing NAV through materially increasing the quality of portfolio NOI, accretive acquisitions, and multifamily development deliveries," said Lou Haddad, President & CEO. "We anticipate that our activities over the course of 2022 will build a solid case for expansion of our multiple while we continue to ramp earnings and dividends over the next few years."

Financial Results

The fourth quarter changes in net income, FFO and Normalized FFO attributable to common stockholders and OP Unit holders as compared to the fourth quarter of 2020 were positively impacted by higher property operating income due to acquisitions and developments and improved same-store performance and were negatively impacted by lower gross profit on the construction segment due to less third party revenue and higher interest expense. Additionally, the fourth quarter changes in net income and FFO attributable to common stockholders and OP Unit holders as compared to the fourth quarter of 2020 were negatively impacted by the loss on extinguishment of debt and positively impacted by changes in fair value of interest rate derivatives. Furthermore the fourth quarter net income attributable to common stockholders and OP Unit holders as compared to the fourth quarter of 2020 was negatively impacted by impairment charges recognized on the two Charleston student housing properties and positively impacted by higher gain on real estate dispositions, which was primarily caused by the \$14.4 million gain on sale of Johns Hopkins Village multifamily property in 2021.

Full year net income, FFO and Normalized FFO attributable to common stockholders and OP Unit holders as compared to 2020 were positively impacted by higher property operating income due to acquisitions and developments and improved same-store performance. Net income, FFO and Normalized FFO attributable to common stockholders and OP Unit holders as compared to 2020 were negatively impacted by lower gross profit on the construction segment due to less third party revenue, lower interest income from mezzanine lending activities, higher interest expense, and higher preferred stock dividends due to the issuance of additional preferred stock during 2020. Additionally, full year net income and FFO attributable to common stockholders and OP Unit holders as compared to 2020 were negatively impacted by loss on extinguishment of debt and positively impacted by mark-to market gains on interest rate derivatives due to higher forward London Inter-Bank Offered Rate ("LIBOR") projections. Furthermore the full year net income attributable to common stockholders and OP Unit holders as compared to 2020 was negatively impacted by impairment recognized on two Charleston student housing properties and was positively impacted by higher gain on real estate dispositions, which was primarily caused by the \$14.4 million gain on sale of Johns Hopkins Village multifamily property in 2021.

Operating Performance

At the end of the year, the Company's retail, office, and multifamily core operating property portfolios were 96.0%, 96.8%, and 97.4% occupied, respectively.

Total third-party construction contract backlog was \$215.5 million at the end of the year.

Balance Sheet and Financing Activity

As of December 31, 2021, the Company had \$957.4 million of total debt outstanding, including \$5.0 million outstanding under its revolving credit facility and \$205.0 million outstanding under its senior unsecured term loan facility. Total debt outstanding excludes unamortized GAAP fair value adjustments and deferred financing costs. Approximately 56% of the Company's debt had fixed interest rates or was subject to interest rate swaps as of December 31, 2021. After considering LIBOR and Secured Overnight Financing Rate interest rate caps with strike prices at or below 50 basis points, 96% of the Company's debt is now fixed or hedged.

Outlook

The Company is introducing its 2022 full-year Normalized FFO guidance in the range of \$1.11 to \$1.15 per diluted share, as set forth in the separate presentation that can be found on the Investors page of the Company's website, ArmadaHoffler.com. The following table outlines the Company's assumptions along with Normalized FFO per diluted share estimates for 2022. The Company's executive management will provide further details regarding its 2022 earnings guidance during today's webcast and conference call.

Full-year 2022 Guidance ^[1]	Expected Ranges	
Total NOI	\$146.4M	\$147.4M
Construction Segment Gross Profit	\$7.2M	\$8.3M
G&A Expenses	\$15.8M	\$16.3M
Mezzanine Interest Income	\$14.6M	\$15.0M
Interest Expense ^[2]	\$37.9M	\$38.6M
Normalized FFO per diluted share ^[3]	\$1.11	\$1.15

^[1] Includes the following assumptions:

- Acquisition of Exelon building, located in Baltimore's Harbor Point, which closed on January 14, 2022
- Disposition of two student housing assets in Charleston for \$80M during the second quarter of 2022
- Interest expense, net of interest rate caps, based on the Forward LIBOR Curve ending 2022 at 1%
- Acquisition targets up to \$100M, closing during the second half of 2022
- Begin funding new \$20M preferred equity loan for Solis City Park multifamily project during the first quarter of 2022
- Interlock Commercial mezzanine loan paid down by \$14M during the first quarter, then fully paid off in early 2023
- Opportunistic sale of common stock through the ATM program

^[2] Includes the interest expense on finance leases

^[3] Normalized FFO excludes certain items, including debt extinguishment losses, acquisition, development and other pursuit costs, mark-to-market adjustments for interest rate derivatives, provision for non-cash unrealized credit losses, amortization of right-of-use assets attributable to finance leases, severance related costs, and other non-comparable items. See "Non-GAAP Financial Measures." The Company does not provide a reconciliation for its guidance range of Normalized FFO per diluted share to net income per diluted share, the most directly comparable forward-looking GAAP financial measure, because it is unable to provide a meaningful or accurate estimate of reconciling items and the information is not available without unreasonable effort as a result of the inherent difficulty of forecasting the timing and/or amounts of various items that would impact net income per diluted share. For the same reasons, the Company is unable to address the probable significance of the unavailable information and believes that providing a reconciliation for its guidance range of Normalized FFO per diluted share would imply a degree of precision for its forward-looking net income per diluted share that could be misleading to investors.

Supplemental Financial Information

Further details regarding operating results, properties, and leasing statistics can be found in the Company's supplemental financial package available on the Investors page at ArmadaHoffler.com.

Webcast and Conference Call

The Company will host a webcast and conference call on Thursday, February 10, 2022 at 8:30 a.m. Eastern Time to review financial results and discuss recent events. The live webcast will be available through the Investors page of the Company's website, ArmadaHoffler.com. To participate in the call, please dial 877-407-3982 (domestic) or 201-493-6780 (international). A replay of the conference call will be available through Thursday, March 10, 2022 by dialing 844-512-2921 (domestic) or 412-317-6671 (international) and entering the pass code 13726027.

About Armada Hoffler Properties, Inc.

Armada Hoffler Properties, Inc. (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, institutional-grade office, retail, and multifamily properties located primarily in the Mid-Atlantic and Southeastern United States. In addition to developing and building properties for its own account, the Company also provides development and general contracting construction services to third-party clients. Founded in 1979 by Daniel A. Hoffler, the Company has elected to be taxed as a 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 forward-looking statements may include comments relating to the current and future performance of the Company's operating property portfolio, the Company's development pipeline, the Company's mezzanine program, the Company's construction and development business, including backlog and timing of deliveries, financing activities, as well as acquisitions, dispositions and the Company's financial outlook, guidance and 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, 2020, and the other documents filed by the Company with the Securities and Exchange Commission (the "SEC") from time to time. The Company's actual future results and trends may differ materially from expectations depending on a variety of factors discussed in the Company's filings with the SEC. These factors include, without limitation: (a) the impact of the coronavirus (COVID-19) pandemic on macroeconomic conditions and economic conditions in the markets in which the Company operates, including, among others: (i) disruptions in, or a lack of access to, the capital markets or disruptions in the Company's ability to borrow amounts subject to existing construction loan commitments; (ii) adverse impacts to the Company's tenants' and other third parties' businesses and financial condition that adversely affect the ability and willingness of the Company's tenants and other third parties to satisfy their rent and other obligations to the Company, including deferred rent; (iii) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases or to re-lease the Company's properties on the same or better terms in the event of nonrenewal or early termination of existing leases; and (iv) federal, state and local government initiatives to mitigate the impact of the COVID-19 pandemic, including additional restrictions on business activities, shelter-in place orders and other restrictions, and the timing and amount of economic stimulus or other initiatives; (b) the Company's ability to continue construction on development and construction projects, in each case on the timeframes and on terms currently anticipated; (c) the Company's ability to accurately assess and predict the impact of the COVID-19 pandemic on its results of operations, financial condition, dividend policy, acquisition and disposition activities and growth opportunities; and (d) the Company's ability to maintain compliance with the covenants under its existing debt agreements or to obtain modifications to such covenants from the applicable lenders. The Company expressly disclaims any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law. 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.

Non-GAAP Financial Measures

The Company calculates FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("Nareit"). Nareit defines FFO as net income (loss) (calculated in accordance with GAAP), excluding depreciation and amortization related to real estate, gains or losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity.

FFO is a supplemental non-GAAP financial measure. The Company uses FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring the Company's operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from property dispositions, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared period-over-period, captures trends in occupancy rates, rental rates and operating costs. We also believe that, as a widely recognized measure of the performance of REITs, FFO will be used by investors as a basis to compare the Company's operating performance with that of other REITs.

However, because FFO excludes depreciation and amortization and captures neither the changes in the value of the Company's properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of the Company's properties, all of which have real economic effects and could materially impact the Company's results from operations, the utility of FFO as a measure of the Company's performance is limited. In addition, other equity REITs may not calculate FFO in accordance with the Nareit definition as the Company does, and, accordingly, the Company's FFO may not be comparable to such other REITs' FFO. Accordingly, FFO should be considered only as a supplement to net income as a measure of the Company's performance. FFO should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends or service indebtedness. Also, FFO should not be used as a supplement to or substitute for cash flow from operating activities computed in accordance with GAAP.

Management also believes that the computation of FFO in accordance with Nareit's definition includes certain items that are not indicative of the results provided by the Company's operating property portfolio and affect the comparability of the Company's period-over-period performance. Accordingly, management believes that Normalized FFO is a more useful performance measure that excludes certain items, including but not limited to, acquisition, development and other pursuit costs, gains or losses from the early extinguishment of debt, impairment of intangible assets and liabilities, mark-to-market adjustments for interest rate derivatives, provision for non-cash unrealized credit losses, amortization of right-of-use assets attributable to finance leases, severance related costs, and other non-comparable items.

NOI is the measure used by the Company's chief operating decision-maker to assess segment performance. The Company calculates NOI as property revenues (base rent, expense reimbursements, termination fees and other revenue) less property expenses (rental expenses and real estate taxes). NOI is not a measure of operating income or cash flows from operating activities as measured in accordance with GAAP and is not indicative of cash available to fund cash needs. As a result, NOI should not be considered an alternative to cash flows as a measure of liquidity. Not all companies calculate NOI in the same manner. The Company considers NOI to be an appropriate supplemental measure to net income because it assists both investors and management in understanding the core operations of the Company's real estate and construction businesses. To calculate NOI on a cash basis, we adjust NOI to exclude the net effects of straight line rent and the amortization of lease incentives and above/below market rents.

For reference, as an aid in understanding the Company's computation of NOI, NOI Cash Basis, FFO and Normalized FFO, a reconciliation of net income calculated in accordance with GAAP to NOI, NOI Cash Basis, FFO and Normalized FFO has been included at the end of this release.

ARMADA HOFFLER PROPERTIES, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(dollars in thousands)

	December 31,	
	2021 (Unaudited)	2020
ASSETS		
Real estate investments:		
Income producing property	\$ 1,658,609	\$ 1,680,943
Held for development	6,294	13,607
Construction in progress	72,535	63,367
	1,737,438	1,757,917
Accumulated depreciation	(285,814)	(253,965)
Net real estate investments	1,451,624	1,503,952
Real estate investments held for sale	80,751	1,165
Cash and cash equivalents	35,247	40,998
Restricted cash	5,196	9,432
Accounts receivable, net	29,576	28,259
Notes receivable, net	126,429	135,432
Construction receivables, including retentions, net	17,865	38,735
Construction contract costs and estimated earnings in excess of billings	243	138
Equity method investment	12,685	1,078
Operating lease right-of-use assets	23,493	32,760
Finance lease right-of-use assets	46,989	23,544
Acquired lease intangible assets	62,038	58,154
Other assets	45,927	43,324
Total Assets	\$ 1,938,063	\$ 1,916,971
LIABILITIES AND EQUITY		
Indebtedness, net	\$ 917,556	\$ 963,845
Liabilities related to assets held for sale	41,364	—
Accounts payable and accrued liabilities	29,589	23,900
Construction payables, including retentions	31,166	49,821
Billings in excess of construction contract costs and estimated earnings	4,881	6,088
Operating lease liabilities	31,648	41,659
Finance lease liabilities	46,160	17,954
Other liabilities	55,876	56,902
Total Liabilities	1,158,240	1,160,169
Total Equity	779,823	756,802
Total Liabilities and Equity	\$ 1,938,063	\$ 1,916,971

ARMADA HOFFLER PROPERTIES, INC.
CONDENSED CONSOLIDATED INCOME STATEMENTS
(in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
	(Unaudited)			
Revenues				
Rental revenues	\$ 49,461	\$ 44,648	\$ 192,140	\$ 166,488
General contracting and real estate services revenues	20,463	53,863	91,936	217,146
Total revenues	<u>69,924</u>	<u>98,511</u>	<u>284,076</u>	<u>383,634</u>
Expenses				
Rental expenses	11,653	11,053	46,494	38,960
Real estate taxes	5,538	4,810	21,852	18,136
General contracting and real estate services expenses	19,750	52,071	88,100	209,472
Depreciation and amortization	16,616	17,740	68,853	59,972
Amortization of right-of-use assets - finance leases	277	146	1,022	586
General and administrative expenses	3,653	3,523	14,610	12,905
Acquisition, development and other pursuit costs	1	29	112	584
Impairment charges	18,256	461	21,378	666
Total expenses	<u>75,744</u>	<u>89,833</u>	<u>262,421</u>	<u>341,281</u>
Gain on real estate dispositions	15,436	—	19,040	6,388
Operating income	9,616	8,678	40,695	48,741
Interest income	3,829	3,786	18,457	19,841
Interest expense	(8,685)	(8,097)	(33,905)	(31,035)
Loss on extinguishment of debt	(3,690)	—	(3,810)	—
Change in fair value of derivatives and other	1,344	294	2,182	(1,130)
Unrealized credit loss release (provision)	508	(29)	792	(256)
Other income (expense), net	101	(6)	302	515
Income before taxes	3,023	4,626	24,713	36,676
Income tax benefit	220	63	742	283
Net income	<u>3,243</u>	<u>4,689</u>	<u>25,455</u>	<u>36,959</u>
Net loss attributable to noncontrolling interests in investment entities	5	49	5	230
Preferred stock dividends	(2,887)	(2,887)	(11,548)	(7,349)
Net income attributable to common stockholders and OP Unitholders	<u>\$ 361</u>	<u>\$ 1,851</u>	<u>\$ 13,912</u>	<u>\$ 29,840</u>

ARMADA HOFFLER PROPERTIES, INC.
RECONCILIATION OF NET INCOME TO FFO & NORMALIZED FFO
(in thousands, except per share amounts)

	Three Months Ended December 31,		Year Ended December 31,	
	2021	2020	2021	2020
Net income attributable to common stockholders and OP Unitholders	\$ 361	\$ 1,851	\$ 13,912	\$ 29,840
Depreciation and amortization ⁽¹⁾	16,616	17,678	68,853	59,545
Gain on operating real estate dispositions ⁽²⁾	(15,442)	—	(18,793)	(6,388)
Impairment of real estate assets	18,339	—	21,378	—
FFO attributable to common stockholders and OP Unitholders	\$ 19,874	\$ 19,529	\$ 85,350	\$ 82,997
Acquisition, development and other pursuit costs	1	29	112	584
Impairment of intangible assets and liabilities	(83)	461	—	666
Loss on extinguishment of debt	3,690	—	3,810	—
Unrealized credit loss (release) provision	(508)	29	(792)	256
Amortization of right-of-use assets - finance leases	277	146	1,022	586
Change in fair value of derivatives and other	(1,344)	(294)	(2,182)	1,130
Normalized FFO available to common stockholders and OP Unitholders	\$ 21,907	\$ 19,900	\$ 87,320	\$ 86,219
Net income attributable to common stockholders and OP Unitholders per diluted share and unit	\$ —	\$ 0.02	\$ 0.17	\$ 0.38
FFO attributable to common stockholders and OP Unitholders per diluted share and unit	\$ 0.24	\$ 0.25	\$ 1.05	\$ 1.06
Normalized FFO attributable to common stockholders and OP Unitholders per diluted share and unit	\$ 0.27	\$ 0.25	\$ 1.07	\$ 1.10
Weighted-average common shares and units - diluted	82,280	79,171	81,445	78,309

(1) The adjustment for depreciation and amortization for the year ended December 31, 2020 excludes \$0.4 million of depreciation attributable to the Company's joint venture partners.

(2) The adjustment for gain on operating real estate dispositions for the year ended December 31, 2021 excludes the gain on sale of easement rights on a non-operating parcel and gain on sale of non-operating land parcel.

ARMADA HOFFLER PROPERTIES, INC.
RECONCILIATION OF NET INCOME TO SAME STORE NOI, CASH BASIS
(in thousands) (unaudited)

	Three Months Ended December 31,		Twelve Months Ended December 31,	
	2021	2020	2021	2020
	(Unaudited)			
Office Same Store⁽¹⁾				
Same Store NOI, Cash Basis	\$ 6,412	\$ 6,234	\$ 25,614	\$ 24,777
GAAP Adjustments ⁽²⁾	124	314	838	1,583
Same Store NOI	6,536	6,548	26,452	26,360
Non-Same Store NOI ⁽³⁾	519	524	2,387	1,224
Segment NOI	7,055	7,072	28,839	27,584
Retail Same Store⁽⁴⁾				
Same Store NOI, Cash Basis	13,091	12,248	47,264	44,352
GAAP Adjustments ⁽²⁾	382	933	844	3,326
Same Store NOI	13,473	13,181	48,108	47,678
Non-Same Store NOI ⁽³⁾	1,916	321	9,536	6,541
Segment NOI	15,389	13,502	57,644	54,219
Multifamily Same Store⁽⁵⁾				
Same Store NOI, Cash Basis	5,910	5,075	16,808	15,242
GAAP Adjustments ⁽²⁾	222	165	731	571
Same Store NOI	6,132	5,240	17,539	15,813
Non-Same Store NOI ⁽³⁾	3,694	2,971	19,772	11,776
Segment NOI	9,826	8,211	37,311	27,589
Total Property NOI	32,270	28,785	123,794	109,392
General contracting & real estate services gross profit	713	1,792	3,836	7,674
Depreciation and amortization	(16,616)	(17,740)	(68,853)	(59,972)
General and administrative expenses	(3,653)	(3,523)	(14,610)	(12,905)
Acquisition, development and other pursuit costs	(1)	(29)	(112)	(584)
Impairment charges	(18,256)	(461)	(21,378)	(666)
Gain (loss) on real estate dispositions, net	15,436	—	19,040	6,388
Interest income	3,829	3,786	18,457	19,841
Interest expense	(8,685)	(8,097)	(33,905)	(31,035)
Loss on extinguishment of debt	(3,690)	—	(3,810)	—
Unrealized credit loss release (provision)	508	(29)	792	(256)
Amortization of right-of-use assets - finance leases	(277)	(146)	(1,022)	(586)
Change in fair value of derivatives and other	1,344	294	2,182	(1,130)
Other income (expense), net	101	(6)	302	515
Income tax benefit	220	63	742	283
Net income	3,243	4,689	25,455	36,959
Net loss attributable to noncontrolling interest in investment entities	5	49	5	230
Preferred stock dividends	(2,887)	(2,887)	(11,548)	(7,349)
Net income attributable to AHH and OP unitholders	\$ 361	\$ 1,851	\$ 13,912	\$ 29,840

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- (1) Office same-store portfolio for the three and twelve months ended December 31, 2021 and 2020 excludes Wills Wharf.
 - (2) GAAP Adjustments include adjustments for straight-line rent, termination fees, deferred rent, recoveries of deferred rent, and amortization of lease incentives.
 - (3) Includes expenses associated with the Company's in-house asset management division.
 - (4) Retail same-store portfolio for the three and twelve months ended December 31, 2021 and 2020 excludes Delray Beach Plaza, Greenbrier Square, Overlook Village, and Premier Retail. In addition, retail same store results exclude the seven-property retail portfolio that was disposed in May 2020 (Alexander Pointe, Bermuda Crossroads, Gainsborough Square, Harper Hill Commons, Indian Lakes Crossing, Renaissance Square, and Stone House Square), Oakland Marketplace, Socastee Commons, and Courthouse 7-11, each of which were disposed in 2021. Additionally, retail same-store portfolio for the twelve months ended December 31, 2021 and 2020 excludes Apex Entertainment and Nexton Square.
 - (5) Multifamily same-store portfolio for the three and twelve months ended December 31, 2021 and 2020 excludes The Residences at Annapolis Junction, Edison Apartments, Johns Hopkins Village, Hoffer Place, and Summit Place. Additionally, multifamily same-store portfolio for the twelve months ended December 31, 2021 and 2020 excludes The Cosmopolitan.

Contact:

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Exelon Building, Harbor Point Baltimore

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FORWARD-LOOKING STATEMENTS



This Supplemental Financial Package should be read in conjunction with the unaudited condensed consolidated financial statements appearing in our press release dated February 10, 2022, which has been furnished as Exhibit 99.1 to our Form 8-K filed on February 10, 2022. The Company makes statements in this Supplemental Financial Package that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act")). These forward-looking statements may include comments relating to the current and future performance of the Company's operating property portfolio, the Company's development pipeline, the Company's construction and development business, including backlog and timing of deliveries and estimated costs, financing activities, and the Company's financial outlook and 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, 2020 and the other documents filed by the Company with the Securities and Exchange Commission (the "SEC") from time to time. The Company's actual future results and trends may differ materially from expectations depending on a variety of factors discussed in the Company's filings with the SEC. These factors include, without limitation: (a) the impact of the coronavirus (COVID-19) pandemic on macroeconomic conditions and economic conditions in the markets in which the Company operates, including, among others: (i) disruptions in, or a lack of access to, the capital markets or disruptions in the Company's ability to borrow amounts subject to existing construction loan commitments; (ii) adverse impacts to the Company's tenants' and other third parties' businesses and financial conditions that adversely affect the ability and willingness of the Company's tenants and other third parties to satisfy their rent and other obligations to the Company, including deferred rent; (iii) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases or to re-lease the Company's properties on the same or better terms in the event of nonrenewal or early termination of existing leases; and (iv) federal, state and local government initiatives to mitigate the impact of the COVID-19 pandemic, including additional restrictions on business activities, shelter-in place orders and other restrictions, and the timing and amount of economic stimulus or other initiatives; (b) the Company's ability to continue construction on development and construction projects, in each case on the timeframes and on terms currently anticipated; (c) the Company's ability to accurately assess and predict the impact of the COVID-19 pandemic on its results of operations, financial condition, dividend policy, acquisition and disposition activities and growth opportunities; and (d) the Company's ability to maintain compliance with the covenants under its existing debt agreements or to obtain modifications to such covenants from the applicable lenders. The Company expressly disclaims any responsibility to update forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Armada Hoffler Properties, Inc. (NYSE: AHH) is a vertically-integrated, self-managed real estate investment trust with 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. The Company also provides general construction and development services to third-party clients, in addition to developing and building properties to be placed in their 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.

BOARD OF DIRECTORS

Daniel A. Hoffler, Executive Chairman of the Board
Louis S. Haddad, Vice Chairman of the Board
James C. Cherry, Lead Independent Director
George F. Allen, Independent Director
James A. Carroll, Independent Director
Eva S. Hardy, Independent Director
A. Russell Kirk, Director
Dorothy S. McAuliffe, Independent Director
John W. Snow, Independent Director

CORPORATE OFFICERS

Louis S. Haddad, President and Chief Executive Officer
Michael P. O'Hara, Chief Financial Officer
Shawn J. Tibbetts, Chief Operating Officer
Eric E. Apperson, President of Construction
Shelly R. Hampton, President of Asset Management

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HIGHLIGHTS



- Net income attributable to common stockholders and OP Unit holders of \$0.4 million, or less than \$0.01 per diluted share, for the quarter ended December 31, 2021 compared to \$1.9 million, or \$0.02 per diluted share, for the quarter ended December 31, 2020. Net income attributable to common stockholders and OP Unit holders of \$13.9 million, or \$0.17 per diluted share, for the year ended December 31, 2021 compared to \$29.8 million, or \$0.38 per diluted share, for the year ended December 31, 2020.
- Funds from operations attributable to common stockholders and OP Unit holders ("FFO") of \$19.9 million, or \$0.24 per diluted share, for the quarter ended December 31, 2021 compared to \$19.5 million, or \$0.25 per diluted share, for the quarter ended December 31, 2020. FFO of \$85.4 million, or \$1.05 per diluted share, for the year ended December 31, 2021 compared to \$83.0 million, or \$1.06 per diluted share, for the year ended December 31, 2020.
- Normalized funds from operations attributable to common stockholders and OP Unit holders ("Normalized FFO") of \$21.9 million, or \$0.27 per diluted share, for the quarter ended December 31, 2021 compared to \$19.9 million, or \$0.25 per diluted share, for the quarter ended December 31, 2020. Normalized FFO of \$87.3 million, or \$1.07 per diluted share, for the year ended December 31, 2021 compared to Normalized FFO of \$86.2 million, or \$1.10 per diluted share, for the year ended December 31, 2020.
- Introduced 2022 full-year Normalized FFO guidance in the range of \$1.11 to \$1.15 per diluted share, as set forth in the separate presentation that can be found on the Investors page of the Company's website, ArmadaHoffler.com. Executive management of the Company will provide further details regarding its 2022 earnings guidance during today's webcast and conference call.
- Stabilized operating property portfolio occupancy increased to 96.7% as of December 31, 2021. Office occupancy was 96.8%, retail occupancy was 96.0%, and multifamily occupancy was 97.4%.
- Positive releasing spreads on office and retail lease renewals of 8.9% on a GAAP basis and 3.6% on a cash basis during the fourth quarter and 9.0% on a GAAP basis and 4.9% on a cash basis during 2021.
- Same Store Net Operating Income ("NOI") increased 4.7% on a GAAP basis and 7.9% on a cash basis compared to the quarter ended December 31, 2020, and 2.5% on a GAAP basis and 6.3% on a cash basis compared to the year ended December 31, 2020.
- Increased quarterly cash dividend from an annualized amount of \$0.44 to \$0.68 during 2021, representing an increase of 54.5%. Completed the disposition of student housing asset Johns Hopkins Village for \$75M.
- Commenced construction of a mixed-use development project, Southern Post in Roswell, Georgia in the fourth quarter of 2021.
- Completed the acquisition of Class A+ mixed-use Exelon Building in Baltimore's Harbor Point during the first quarter of 2022. The features a 444,000 square feet of Class A office space, 103 multifamily units, 38,500 square feet of retail space, and 750 parking spaces, which will complement the Company's existing Harbor Point portfolio and development.

2022 OUTLOOK & ASSUMPTIONS



\$ IN MILLIONS

	LOW	HIGH
TOTAL NOI	\$146.4	\$147.4
CONSTRUCTION SEGMENT GROSS PROFIT	\$7.2	\$8.3
G&A EXPENSES	\$15.8	\$16.3
INTEREST INCOME	\$14.6	\$15.0
INTEREST EXPENSE ⁽¹⁾	\$37.9	\$38.6
NORMALIZED FFO PER DILUTED SHARE	\$1.11	\$1.15

(1) Includes the interest expense on finance leases.

GUIDANCE ASSUMPTIONS

- Acquisition of Exelon building, located in Baltimore's Harbor Point, which closed on January 14, 2022
- Disposition of two student housing assets in Charleston for \$80M during the second quarter of 2022
- Interest expense, net of interest rate caps, based on the Forward LIBOR Curve ending 2022 at 1%
- Acquisition targets up to \$100M, closing during the second half of 2022
- Begin funding new \$20M preferred equity loan for Solis City Park multifamily project during the first quarter of 2022
- Interlock Commercial mezzanine loan paid down by \$14M during the first quarter, then fully paid off in early 2023
- Opportunistic sale of common stock through the ATM program

SUMMARY INFORMATION

\$ IN THOUSANDS, EXCEPT PER SHARE



	Three months ended			
	12/31/2021	9/30/2021	6/30/2021	3/31/2021
OPERATIONAL METRICS				
Net income attributable to common stockholders and OP unitholders	\$361	\$4,861	\$5,568	\$3,122
Net income per diluted share attributable to common stockholders and OP unitholders	\$0.00	\$0.06	\$0.07	\$0.04
Normalized FFO attributable to common stockholders and OP unitholders	21,907	21,518	23,320	20,575
Normalized FFO per diluted share attributable to common stockholders and OP unitholders	\$0.27	\$0.26	\$0.29	\$0.26
Annualized dividend yield	4.47%	5.09%	4.82%	4.78%
Core debt / Annualized core EBITDA	6.5x	6.9x	6.7x	7.0x
Fixed charge coverage ratio	2.3x	2.3x	2.4x	2.4x
CAPITALIZATION				
Common shares outstanding	63,012	61,324	60,992	59,894
Operating Partnership units outstanding	20,633	20,853	20,853	20,853
Common shares and Operating Partnership units outstanding	83,645	82,177	81,845	80,747
Market price per common share	\$15.22	\$13.37	\$13.29	\$12.54
Common equity capitalization	1,273,077	1,098,707	1,087,720	1,012,568
Preferred equity capitalization	171,085	171,085	171,085	171,085
Total equity capitalization	\$1,444,162	\$1,269,792	\$1,258,805	\$1,183,653
Total debt ⁽¹⁾	957,387	1,017,410	963,885	975,099
Total capitalization	2,401,549	2,287,202	2,222,690	2,158,752
Less: cash	(40,443)	(33,453)	(53,242)	(34,588)
Total enterprise value	\$2,361,106	\$2,253,749	\$2,169,448	\$2,124,164
STABILIZED PORTFOLIO OCCUPANCY				
Retail ⁽²⁾	96.0%	95.2%	94.7%	93.9%
Office ⁽²⁾	96.8%	96.9%	96.5%	97.2%
Multifamily ⁽³⁾⁽⁴⁾	97.4%	97.4%	92.2%	92.2%
Weighted Average ⁽⁵⁾	96.7%	96.4%	94.1%	94.0%
PORTFOLIO METRICS (INCLUDING NON-STABILIZED)				
Net Operating Income (NOI)	\$32,270	\$31,300	\$30,621	\$29,603
Total Number of Properties	56	58	57	57
Total Rentable Square Feet (RSF)	5,696,665	5,693,551	5,337,669	5,337,657
Retail Portfolio				
Net Operating Income	\$15,389	\$14,853	\$14,011	\$13,392
Number of Properties	37	38	37	37
Net Rentable Square Feet	4,067,355	4,064,391	3,709,490	3,709,478
Office Portfolio				
Net Operating Income	\$7,055	\$6,977	\$7,405	\$7,402
Number of Properties	8	8	8	8
Net Rentable Square Feet	1,629,310	1,629,160	1,628,179	1,628,179
Multifamily Portfolio				
Net Operating Income	\$9,826	\$9,470	\$9,205	\$8,809
Number of Properties	11	12	12	12
Units	2,344	2,344	2,344	2,344
Beds	615	1,183	1,183	1,183

(1) Excludes GAAP adjustments.

(2) Office and retail occupancy based on leased square feet as a % of respective total.

(3) Multifamily and student housing occupancy based on occupied units/beds as a % of total.

(4) Conventional: 4Q21 3Q21 2Q21 1Q21
 97.6% 97.4% 96.6% 95.8%
 Student Housing: 96.7% 97.5% 83.5% 85.0%

(5) Total occupancy weighted by annualized base rent.

NET ASSET VALUE COMPONENT DATA

\$ IN THOUSANDS



Stabilized Portfolio NOI (Cash) ⁽¹⁾				
	Three months ended 12/31/2021			Total
	Office ⁽³⁾	Retail	Multifamily	
Stable Portfolio				
Portfolio NOI ⁽²⁾	\$7,511	\$14,785	\$9,811	\$32,107
Unstabilized Properties NOI	(645)	-	-	(645)
Signed Leases Not Yet Occupied or In Free Rent Period	58	703	114	875
Net Deferrals and Recoveries	(31)	(219)	(36)	(286)
Stable Portfolio NOI	\$6,893	\$15,269	\$9,889	\$32,051
Intra-Quarter Transactions				
Net Acquisitions	-	-	-	-
Net Dispositions	-	(10)	(751)	(761)
Annualized	\$27,572	\$61,036	\$36,552	\$125,160
Non-Stabilized Portfolio				
				As of 12/31/2021
Projects Under Development at Cost				\$83,000
Projects Delivered Not Stabilized at Cost				114,000
Projects Under Predevelopment or On Hold				10,000
Unconsolidated Joint Ventures				14,000
Total Non-Stabilized Portfolio				\$221,000
Management's Estimate of Land Value				
		Size	Estimated Value ⁽⁶⁾	
Harrisonburg MF Development Opportunity		266 units	\$20,000-30,000/unit	

Third-Party General Contracting and Real Estate Services	
	Trailing 12 Months
General Contracting Gross Profit	\$3,836
Non-Property Assets⁽⁴⁾	
	As of 12/31/2021
Cash and Restricted Cash	\$40,443
Accounts Receivable	29,576
Notes Receivable, Including Mezzanine Investments ⁽⁵⁾	126,180
Construction receivables, including retentions ⁽⁵⁾	18,048
Acquired lease intangible assets, net	62,038
Other Assets	46,170
Total Non-Property Assets	\$322,455
Liabilities⁽⁴⁾	
	As of 12/31/2021
Mortgages and Notes Payable ⁽³⁾	\$957,387
Accounts Payable and Accrued Liabilities	29,589
Construction Payables, Including Retentions	31,166
Other Liabilities	59,504
Total Liabilities	\$1,077,646
Preferred Equity	
	Liquidation Value
Series A Cumulative Redeemable Perpetual Preferred Stock	\$171,085
Common Equity	
	As of 12/31/2021
Total common shares outstanding	63,012
Total OP units outstanding	20,633
Total Common Shares & OP Units Outstanding	83,645

- (1) NOI from non-stabilized portfolio and development pipeline excluded from stabilized portfolio.
- (2) Excludes expenses associated with the Company's in-house asset management division of \$0.7M for the 3 months ended 12/31/2021.
- (3) Includes leases for spaces occupied by Armada Hoffer which are eliminated for GAAP purposes.
- (4) Excludes lease right of use assets and lease liabilities.
- (5) Excludes GAAP adjustments.
- (6) Management's assessment of comparable multifamily assets in the applicable market.

SUMMARY BALANCE SHEET

\$ IN THOUSANDS



	As of	
	12/31/2021 (Unaudited)	12/31/2020
Assets		
Real estate investments:		
Income producing property	\$1,658,609	\$1,680,943
Held for development	6,294	13,607
Construction in progress	72,535	63,367
Accumulated depreciation	(285,814)	(253,965)
Net real estate investments	1,451,624	1,503,952
Real estate investments held for sale	80,751	1,165
Cash and cash equivalents	35,247	40,998
Restricted cash	5,196	9,432
Accounts receivable, net	29,576	28,259
Notes receivable, net	126,429	135,432
Construction receivables, including retentions, net	17,865	38,735
Construction contract costs and estimated earnings in excess of billings	243	138
Equity method investments	12,685	1,078
Operating lease right-of-use assets	23,493	32,760
Finance lease right-of-use assets	46,989	23,544
Acquired lease intangible assets	62,038	58,154
Other assets	45,927	43,324
Total Assets	\$1,938,063	\$1,916,971
Liabilities and Equity		
Indebtedness, net	\$917,556	\$963,845
Liabilities related to assets held for sale	41,364	-
Accounts payable and accrued liabilities	29,589	23,900
Construction payables, including retentions	31,166	49,821
Billings in excess of costs and estimated earnings	4,881	6,088
Operating lease liabilities	31,648	41,659
Finance lease liabilities	46,160	17,954
Other liabilities	55,876	56,902
Total Liabilities	1,158,240	1,160,169
Total Equity	779,823	756,802
Total Liabilities and Equity	\$1,938,063	\$1,916,971

SUMMARY INCOME STATEMENT

\$ IN THOUSANDS, EXCEPT PER SHARE



	Three months ended		Year ended	
	12/31/2021	12/31/2020	12/31/2021	12/31/2020
Revenues				
Rental revenues	\$49,461	\$44,648	\$192,140	\$166,488
General contracting and real estate services revenues	20,463	53,863	91,936	217,146
Total Revenues	69,924	98,511	284,076	383,634
Expenses				
Rental expenses	11,653	11,053	46,494	38,960
Real estate taxes	5,538	4,810	21,852	18,136
General contracting and real estate services expenses	19,750	52,071	88,100	209,472
Depreciation and amortization	16,616	17,740	68,853	59,972
Amortization of right-of-use assets - finance leases	277	146	1,022	586
General and administrative expenses	3,653	3,523	14,610	12,905
Acquisition, development and other pursuit costs	1	29	112	584
Impairment charges	18,256	461	21,378	666
Total Expenses	75,744	89,833	262,421	341,281
Gain (loss) on real estate dispositions	15,436	-	19,040	6,388
Operating Income	9,616	8,678	40,695	48,741
Interest income	3,829	3,786	18,457	19,841
Interest expense	(8,685)	(8,097)	(33,905)	(31,035)
Loss on extinguishment of debt	(3,690)	-	(3,810)	-
Change in fair value of derivatives and other	1,344	294	2,182	(1,130)
Unrealized credit loss release (provision)	508	(29)	792	(256)
Other income (expense), net	101	(6)	302	515
Income before taxes	3,023	4,626	24,713	36,676
Income tax benefit	220	63	742	283
Net Income	\$3,243	\$4,689	\$25,455	\$36,959
Net loss attributable to noncontrolling interest in investment entities	5	49	5	230
Preferred stock dividends	(2,887)	(2,887)	(11,548)	(7,349)
Net income attributable to AHH and OP unitholders	\$361	\$1,851	\$13,912	\$29,840
Net income per diluted share and unit attributable to AHH and OP unitholders	\$0.00	\$0.02	\$0.17	\$0.38
Weighted Average Shares & OP Units - Diluted	82,280	79,171	81,445	78,309

FFO, NORMALIZED FFO & ADJUSTED FFO⁽¹⁾

\$ IN THOUSANDS, EXCEPT PER SHARE



	Three months ended (Unaudited)				Year ended (Unaudited)	
	12/31/2021	9/30/2021	6/30/2021	3/31/2021	12/31/2021	12/31/2020
Funds From Operations						
Net income attributable to AHH and OP unitholders	\$361	\$4,861	\$5,568	\$3,122	\$13,912	\$29,840
Net Income per diluted share	\$0.00	\$0.06	\$0.07	\$0.04	\$0.17	\$0.38
Depreciation and amortization	16,616	16,886	17,285	18,066	68,853	59,545 ⁽²⁾
Gain (loss) on dispositions of operating real estate ⁽³⁾	(15,442)	113	-	(3,464)	(18,793)	(6,388)
Impairment of real estate assets	18,339 ⁽⁴⁾	-	-	3,039 ⁽⁵⁾	21,378 ⁽⁴⁾⁽⁵⁾	-
FFO	\$19,874	\$21,860	\$22,853	\$20,763	\$85,350	\$82,997
FFO per diluted share	\$0.24	\$0.27	\$0.28	\$0.26	\$1.05	\$1.06
Normalized FFO						
Acquisition, development & other pursuit costs	1	8	32	71	112	584
Loss on extinguishment of debt	3,690	120	-	-	3,810	-
Non cash GAAP Adjustments	(314)	(339)	749	134	230	1,508
Change in fair value of derivatives and other	(1,344)	(131)	(314)	(393)	(2,182)	1,130
Normalized FFO	\$21,907	\$21,518	\$23,320	\$20,575	\$87,320	\$86,219
Normalized FFO per diluted share	\$0.27	\$0.26	\$0.29	\$0.26	\$1.07	\$1.10
Adjusted FFO						
Non-cash stock compensation	400	390	423	1,017	2,230	2,378
Acquisition, development & other pursuit costs	(1)	(8)	(32)	(71)	(112)	(584)
Tenant improvements, leasing commissions, lease incentives ⁽⁶⁾	(1,212)	(1,837)	(1,537)	(1,264)	(5,850)	(6,740)
Property related capital expenditures	(3,145)	(3,457)	(2,054)	(1,224)	(9,880)	(7,203)
Adjustment for mezz loan modification and exit fees	(493)	(493)	(493)	(493)	(1,972)	(3,795)
Non-cash interest expense ⁽⁷⁾	1,331	1,478	1,332	988	5,129	3,119
Cash ground rent payment - finance lease	(624)	(624)	(624)	(415)	(2,287)	(1,039)
GAAP Adjustments	(666)	(645)	(1,286)	(1,707)	(4,304)	(9,903)
AFFO	\$17,497	\$16,322	\$19,049	\$17,406	\$70,274	\$62,452
AFFO per diluted share	\$0.21	\$0.20	\$0.23	\$0.22	\$0.86	\$0.80
Weighted Average Common Shares Outstanding	61,646	61,083	60,409	59,422	60,647	57,328
Weighted Average Operating Partnership Units Outstanding	20,634	20,853	20,853	20,854	20,798	20,981
Total Weighted Average Common Shares and OP Units Outstanding	82,280	81,936	81,262	80,276	81,445	78,309

- (1) See definitions in appendix.
- (2) Adjusted for the depreciation attributable to noncontrolling interests in consolidated investments.
- (3) Excludes gain/loss on non-operating parcels.
- (4) Related to Hoffer Place and Summit Place.
- (5) Related to Socastee Commons.
- (6) Excludes development, redevelopment, and first-generation space.
- (7) Includes non-cash interest expense relating to indebtedness and interest expense on finance leases.

OUTSTANDING DEBT

\$ IN THOUSANDS



Debt Maturities & Principal Payments

Debt	Stated Rate	as of		Debt Maturities & Principal Payments							Outstanding as of 12/31/2021
		12/31/2021	Maturity Date	2022	2023	2024	2025	2026	Thereafter		
Secured Notes Payable - Core Debt											
Red Mill West	4.23%	4.23%	Jun-2022	\$10,386							\$10,386
Marketplace at Hilltop	4.42%	4.42%	Oct-2022	9,706							9,706
1405 Point	L+2.25%	2.35%	Jan-2023	754	51,532						52,286
Nexton Square	L+2.25%	2.50% (2)	Feb-2023	-	20,107						20,107
249 Central Park Retail	L+1.60%	3.85% (1)	Aug-2023	260	16,092						16,352
Fountain Plaza Retail	L+1.60%	3.85% (1)	Aug-2023	156	9,685						9,841
South Retail	L+1.60%	3.85% (1)	Aug-2023	114	7,065						7,179
Hoffler Place (1)	L+2.60%	3.00% (2)	Jan-2024	-	257	18,143					18,400
Summit Place (1)	L+2.60%	3.00% (2)	Jan-2024	-	311	22,789					23,100
One City Center	L+1.85%	1.95%	Apr-2024	659	691	22,734					24,084
Red Mill Central	4.80%	4.80%	Jun-2024	175	175	1,838					2,188
Premier Apartments	L+1.55%	1.65%	Oct-2024	221	234	16,053					16,508
Premier Retail	L+1.55%	1.65%	Oct-2024	109	115	7,907					8,131
Red Mill South	3.57%	3.57%	May-2025	327	338	351	4,502				5,518
Brooks Crossing Office	L+1.60%	1.70%	Jul-2025	514	523	532	13,313				14,882
Market at Mill Creek	L+1.55%	1.65%	Jul-2025	647	647	647	11,201				13,142
North Point Center Note 2	7.25%	7.25%	Sep-2025	152	163	175	1,452				1,942
Encore Apartments	2.93%	2.93%	Feb-2026	540	556	573	590	22,264			24,523
4525 Main Street	2.93%	2.93%	Feb-2026	693	714	735	757	28,577			31,476
Delray Beach Plaza	L+3.00%	3.10%	Mar-2026	579	579	579	579	11,723			14,039
Thames Street Wharf	BSBY+1.30%	2.35% (1)	Sep-2026	1,433	1,433	1,972	3,050	62,873			70,761
Southgate Square	L+1.90%	2.10% (2)	Dec-2026	829	847	864	884	23,636			27,060
Greenbrier Square	3.74%	3.74%	Oct-2027	60	371	385	399	415	18,370		20,000
Lexington Square	4.50%	4.50%	Sep-2028	280	293	306	320	335	12,638		14,172
Red Mill North	4.73%	4.73%	Dec-2028	110	116	121	127	133	3,582		4,189
Greenside Apartments	3.17%	3.17%	Dec-2029	735	759	780	808	834	28,682		32,598
The Residences at Annapolis Junction	SOFRA+2.66%	2.71%	Nov-2030	-	147	1,753	1,809	1,860	78,306		84,375
Smith's Landing	4.05%	4.05%	Jun-2035	917	956	994	1,037	1,081	11,467		16,452
Liberty Apartments	5.66%	5.66%	Nov-2043	322	341	361	382	404	11,762		13,572
Edison Apartments	5.30%	5.30%	Dec-2044	364	384	405	427	450	13,896		15,926
The Cosmopolitan	3.35%	3.35%	Jul-2051	847	876	906	937	968	37,556		42,090
Total - Secured Core Debt				31,889	116,307	101,903	42,574	155,553	216,759		664,985
Secured Notes Payable - Development Pipeline											
Willis Wharf	L+2.25%	2.35%	Jun-2023	-	64,288						64,288
Chronicle Mill	L+3.00%	3.25% (2)	May-2024	-	-	18,114					18,114
Gainesville Apartments	L+3.00%	3.75% (2)	Aug-2024	-	-	-	-	-	-		82,402
Total - Development Pipeline				-	64,288	18,114	-	-	-		181,804
Total Secured Notes Payable				31,889	180,595	120,017	42,574	155,553	216,759		747,387
Unsecured Core Debt											
Senior Unsecured Line of Credit	L+1.30%-1.85%	1.70%	Jan-2024	-	-	5,000					5,000
Senior Unsecured Term Loan	L+1.25%-1.80%	1.65%	Jan-2025	-	-	-	19,500				19,500
Senior Unsecured Term Loan	L+1.25%-1.80%	2.05% - 4.57% (1)	Jan-2025	-	-	-	-	185,500			185,500
Total - Unsecured Core Debt				-	-	5,000	205,000	-	-		210,000
Total Notes Payable excluding GAAP Adjustments				\$31,889	\$180,595	\$125,017	\$247,574	\$155,553	\$216,759		\$957,387
GAAP Adjustments											
Total Notes Payable											\$959,056

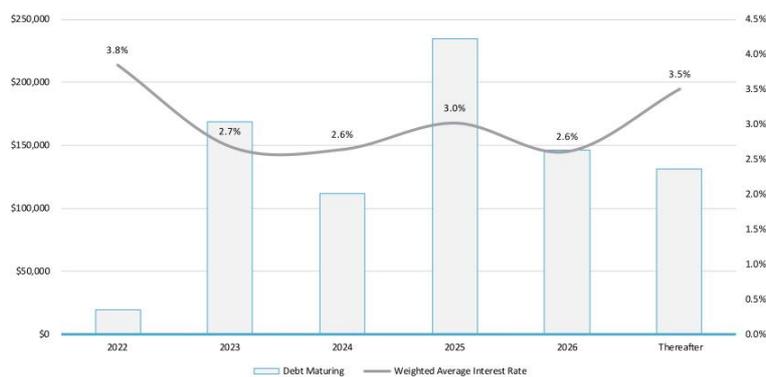
- (1) Includes debt subject to interest rate swap locks.
- (2) Subject to a LIBOR rate floor.
- (3) Held for sale as of 12/31/21.

DEBT INFORMATION⁽¹⁾

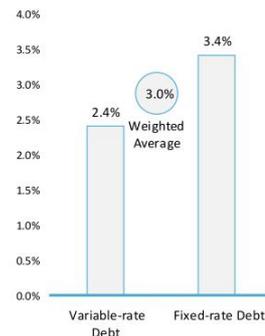
\$ IN THOUSANDS



Debt Maturities



Interest Rates



	Total Debt Composition		
	% of Debt	Weighted Average	
		Interest Rate	Maturity
Variable vs. Fixed-rate Debt			
Variable-rate Debt ⁽⁴⁾	44.2%	2.4%	3.6 Yrs
Fixed-rate Debt ⁽²⁾⁽³⁾	55.8%	3.4%	7.2 Yrs
Fixed-rate and Hedged Debt ⁽²⁾⁽³⁾	96.0%		
Secured vs. Unsecured Debt			
Unsecured Debt	21.9%	3.1%	3.0 Yrs
Secured Debt	78.1%	2.9%	6.4 Yrs
Total		3.0%	5.6 Yrs

Interest Rate Cap Agreements At or Below 0.50%			
Effective Date	Maturity Date	Strike Rate	Notional Amount
July 2020	July 2023	0.50%	\$100,000
February 2021	February 2023	0.50%	100,000
May 2021	May 2023	0.50%	35,100
May 2021	May 2023	0.50%	50,000
June 2021	July 2023	0.50%	100,000
Total Interest Rate Caps			385,100
Fixed-rate Debt ⁽²⁾⁽³⁾			\$534,371
Fixed-rate and Hedged Debt			\$919,471
Total Debt ⁽³⁾			\$957,387
% of Total Debt ⁽³⁾			96.0%

- (1) Includes debt on held for sale properties.
- (2) Includes debt subject to interest rate swap locks.
- (3) Excludes GAAP adjustments.
- (4) Excludes debt subject to interest rate swap locks.

CORE DEBT TO CORE EBITDA

\$ IN THOUSANDS

SEE APPENDIX FOR CALCULATIONS AND RECONCILIATION



	Three months ended				
	12/31/2021	9/30/2021	6/30/2021	3/31/2021	12/31/2020
Net income attributable to common stockholders and OP unitholders	\$361	\$4,861	\$5,568	\$3,122	\$1,851
Adjusted EBITDA ⁽¹⁾⁽²⁾⁽⁴⁾⁽⁵⁾	\$33,470	\$33,294	\$31,918	\$31,922	\$30,603
Other adjustments:					
Development	(681)	(725)	(819)	(1,060)	(880)
(Less) Acquisitions/Dispositions completed intra-quarter	(730)	(238)	-	(447)	(961)
Core EBITDA ⁽⁴⁾	\$32,059	\$32,331	\$31,099	\$30,415	\$28,762
Annualized Core EBITDA	\$128,236	\$129,324	\$126,756 ⁽⁶⁾	\$121,915 ⁽⁷⁾	\$115,046
Total Debt ⁽³⁾	\$957,387	\$1,017,410	\$963,885	\$975,099	\$962,812
Adjustments to debt:					
(Less) Development	(82,402)	(72,374)	(62,493)	(69,039)	(67,285)
(Less) Net Acquisitions completed intra-quarter	-	(20,000)	-	(14,473)	(84,375)
(Less) Cash & restricted cash	(40,443)	(33,453)	(53,242)	(34,588)	(50,430)
Core Debt ⁽⁴⁾	\$834,542	\$891,583	\$848,150	\$856,999	\$760,722
Core Debt/Annualized Core EBITDA	6.5x	6.9x	6.7x	7.0x	6.6x

(1) See reconciliation in appendix.

(2) Excludes non-recurring items.

(3) Excludes GAAP adjustments.

(4) See definition in appendix.

(5) Interest expense has been adjusted for the current period and for prior periods to include interest expense relating to finance leases.

(6) Includes the unannualized mezzanine loan prepayment premium of \$2.4M.

(7) Includes the unannualized gain of sale on the non-operating parcel of \$0.3M.

CAPITALIZATION & FINANCIAL RATIOS

\$ IN THOUSANDS AS OF DECEMBER 31, 2021

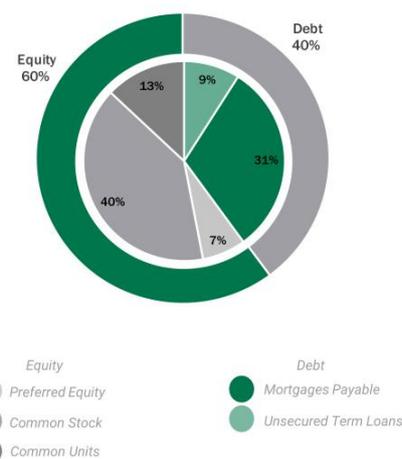
Debt	% of Total	Principal Balance
Unsecured credit facility	1%	\$5,000
Unsecured term loans	21%	205,000
Mortgages payable	78%	747,387
Total debt		\$957,387

Preferred Equity	Shares	Liquidation Value Per Share	Total Liquidation Value
6.75% Series A Cumulative Redeemable Perpetual Preferred Stock (NYSE: AHHPRA)	6,843	\$25.00	\$171,085

Common Equity	% of Total	Shares/Units	Stock Price	Market Value
Common stock (NYSE: AHH)	75%	63,012	\$15.22	\$959,043
Operating Partnership Units	25%	20,633	\$15.22	314,034
Equity market capitalization		83,645		\$1,273,077
Total capitalization				\$2,401,549

Financial Ratios	
Debt Service Coverage Ratio ⁽¹⁾	2.8x
Fixed Charge Coverage Ratio ⁽²⁾	2.3x
Net Debt to Adjusted EBITDA	7.0x
Core Debt to Core EBITDA	6.5x
Core Debt + Preferred Equity to Core EBITDA	7.8x
Debt/Total Capitalization	40%

Liquidity	
Cash on hand	\$40,443
Availability under credit facility	110,000
Availability under construction loans	61,896
	\$212,339



Unencumbered Properties	
% of Total Properties	54%
% of Annualized Base Rent	32%

(1) Reflects quarterly Adjusted EBITDA divided by total quarterly interest expense and required principal repayment.
 (2) Reflects quarterly Adjusted EBITDA divided by total quarterly interest expense, required principal repayment, and preferred equity dividends.

PROPERTY PORTFOLIO

AS OF DECEMBER 31, 2021



Retail Properties- Stabilized	Anchor Tenant(s)	Location	Town Center	Unencumbered ABR	Year Built	SF ⁽¹⁾	Occupancy ⁽²⁾	ABR ⁽¹⁾	ABR per Leased SF ⁽¹⁾
249 Central Park Retail	Cheesecake Factory, Brooks Brothers	Virginia Beach, VA	✓	-	2004	92,400	94.0%	\$2,304,127	\$26.53
Apex Entertainment	Apex Entertainment, USI	Virginia Beach, VA	✓	100%	2002	103,335	100.0%	\$1,492,772	14.45
Broad Creek Shopping Center ⁽⁶⁾⁽⁹⁾	Food Lion, PetSmart	Norfolk, VA		100%	1997/2001	121,504	96.9%	\$2,154,911	18.30
Broadmoor Plaza	Kroger	South Bend, IN		100%	1980	115,059	98.2%	\$1,349,460	11.95
Brooks Crossing Retail	Various Small Shops	Newport News, VA		100%	2016	18,349	78.3%	\$212,025	14.76
Columbus Village ⁽⁶⁾	Barnes & Noble, CAVA, Shake Shack	Virginia Beach, VA	✓	100%	1980/2013	62,207	95.0%	\$1,800,205	30.47
Columbus Village II	BB&B, Regal	Virginia Beach, VA	✓	100%	1995/1996	92,061	96.7%	\$867,428	9.74
Commerce Street Retail	Yard House	Virginia Beach, VA	✓	100%	2008	19,173	100.0%	\$955,820	49.85
Delray Beach Plaza ⁽⁶⁾⁽⁹⁾	Whole Foods	Delray Beach, FL		-	2021	87,207	100.0%	\$2,979,446	34.17
Dimmock Square	Best Buy, Old Navy	Colonial Heights, VA		100%	1998	106,166	75.3%	\$1,472,634	18.43
Fountain Plaza Retail	Ruth's Chris, Nando's	Virginia Beach, VA	✓	-	2004	35,961	100.0%	\$1,008,015	28.03
Greenbrier Square ⁽⁶⁾	Kroger, Homegoods, Dick's Sporting Goods	Chesapeake, VA		-	2017	260,710	95.4%	\$2,428,432	9.76
Greentree Shopping Center	Various Small Shops	Chesapeake, VA		100%	2014	15,719	92.6%	\$321,936	22.12
Hanbury Village ⁽⁶⁾	Harris Teeter	Chesapeake, VA		100%	2006/2009	98,638	100.0%	\$1,991,635	20.19
Harrisonburg Regal	Regal Cinemas	Harrisonburg, VA		100%	1999	49,000	100.0%	\$717,850	14.65
Lexington Square	Lowes Foods	Lexington, SC		-	2017	85,440	98.3%	\$1,832,577	21.81
Market at Mill Creek ⁽⁶⁾	Lowes Foods	Mt. Pleasant, SC		-	2018	80,319	97.7%	\$1,825,208	23.25
Marketplace at Hilltop ⁽⁶⁾⁽⁹⁾	Total Wine, Panera, Chick-Fil-A	Virginia Beach, VA		-	2000/2001	116,953	100.0%	\$2,654,334	22.70
Nexton Square	Various Small Shops	Summerville, SC		-	2020	133,608	100.0%	\$3,469,863	25.97
North Hampton Market	PetSmart, Hobby Lobby	Taylors, SC		100%	2004	114,954	100.0%	\$1,556,964	13.54
North Point Center ⁽⁶⁾	Harris Teeter, Home Depot, Costco	Durham, NC		88%	1998/2009	494,746	100.0%	\$3,905,492	7.89
Overlook Village	T.J. Maxx Homegoods, Ross	Asheville, NC		100%	1990	151,365	100.0%	\$2,194,338	14.50
Parkway Centre	Publix	Moultrie, GA		100%	2017	61,200	100.0%	\$836,604	13.67
Parkway Marketplace	Rite Aid	Virginia Beach, VA		100%	1998	37,804	100.0%	\$765,085	20.24
Patterson Place	BB&B, PetSmart, DSW	Durham, NC		100%	2004	160,942	95.2%	\$2,370,224	15.47
Perry Hall Marketplace	Safeway	Perry Hall, MD		100%	2001	74,251	98.0%	\$1,242,066	17.07
Premier Retail	Williams Sonoma, Pottery Barn	Virginia Beach, VA	✓	-	2018	38,715	82.0%	\$1,012,014	31.87
Providence Plaza	Cranfill, Sumner & Hartzog, Chipotle	Charlotte, NC		100%	2007/2008	103,118	90.5%	\$2,708,361	29.01
Red Mill Commons ⁽⁶⁾	Homegoods, Walgreens	Virginia Beach, VA		8%	2000-2005	373,808	90.7%	\$6,353,714	18.74
Sandbridge Commons ⁽⁶⁾	Harris Teeter	Virginia Beach, VA		100%	2015	76,650	100.0%	\$1,094,883	14.28
Southgate Square	Burlington, PetSmart, Michaels, Conn's	Colonial Heights, VA		-	1991/2016	260,131	93.2%	\$3,375,194	13.92
South Retail	lululemon, free people, CPK	Virginia Beach, VA	✓	-	2002	38,515	100.0%	\$993,449	25.79
South Square	Ross, Petco, Office Depot	Durham, NC		100%	1977/2005	109,590	100.0%	\$1,957,049	17.86
Southshore Shops	Buffalo Wild Wings	Chesterfield, VA		100%	2006	40,307	78.6%	\$653,369	20.63
Studio 56 Retail	Rocket Title, Legal Sea Foods	Virginia Beach, VA	✓	100%	2007	11,594	31.0%	\$94,010	26.16
Tyre Neck Harris Teeter ⁽⁶⁾⁽⁹⁾	Harris Teeter	Portsmouth, VA		100%	2011	48,859	100.0%	\$533,285	10.91
Wendover Village	T.J. Maxx, Petco, Beauty World	Greensboro, NC		100%	2004	176,997	98.8%	\$3,411,446	19.52
Stabilized Retail Total	37 Properties			55%		4,067,355	96.0%	\$66,896,225	\$17.13

PROPERTY PORTFOLIO CONT.

AS OF DECEMBER 31, 2021



Office Properties- Stabilized	Anchor Tenant(s)	Location	Town Center	Unencumbered ABR	Year Built	SF ⁽¹⁾	Occupancy ⁽²⁾	ABR ⁽³⁾	ABR per Leased SF ⁽⁴⁾
4525 Main Street	Clark Nexsen, Anthropologie, Mythics	Virginia Beach, VA	✓	-	2014	235,088	100.0%	\$7,043,627	\$29.96
Armada Hoffer Tower ⁽⁴⁾⁽⁵⁾	AHH, Troutman Pepper, Williams Mullen	Virginia Beach, VA	✓	100%	2002	315,916	99.3%	\$9,319,944	29.72
Brooks Crossing Office	Huntington Ingalls Industries	Newport News, VA	-	-	2019	98,061	100.0%	\$1,887,674	19.25
One Columbus ⁽⁵⁾	BB&T, HBA	Virginia Beach, VA	✓	100%	1984	128,770	88.3%	\$2,908,605	25.57
One City Center	Duke University, WeWork	Durham, NC	-	-	2019	151,599	87.6%	\$4,258,812	32.06
Thames Street Wharf ⁽⁴⁾	Morgan Stanley, JHU Medical	Baltimore, MD	-	-	2010	263,426	100.0%	\$7,493,734	28.45
Two Columbus	Hazen & Sawyer, Fidelity	Virginia Beach, VA	✓	100%	2009	108,459	95.4%	\$2,644,244	25.55
Stabilized Office Total	7 Properties			42%		1,301,319	96.8%	\$35,556,640	\$28.21

Office Properties- Non-Stabilized	Anchor Tenant(s)	Location	Town Center	Unencumbered ABR	Year Built	SF ⁽¹⁾	Occupancy ⁽²⁾	ABR ⁽³⁾	ABR per Leased SF ⁽⁴⁾
Wills Wharf ⁽⁵⁾	Canopy by Hilton, Transamerica, RBC	Baltimore, MD	-	-	2020	327,991	70.4%	\$6,624,582	\$28.71
Non-Stabilized Office Total	1 Property								

Multifamily Properties- Stabilized	Location	Town Center	Unencumbered AQR	Year Built	Units/Beds	Occupancy ⁽²⁾	AQR ⁽⁷⁾	Monthly AQR per Occupied Unit/Bed	Monthly AQR per Occupied SF
1405 Point ⁽⁸⁾⁽⁹⁾	Baltimore, MD	-	-	2018	289	95.8%	\$7,953,108	\$2,393	\$3.17
Encore Apartments	Virginia Beach, VA	✓	-	2014	286	98.3%	5,205,250	1,544	2.14
Edison Apartments ⁽⁹⁾	Richmond, VA	-	-	2014	174	99.4%	2,902,883	1,398	2.26
Greenside Apartments	Charlotte, NC	-	-	2018	225	98.2%	4,371,398	1,648	2.23
Liberty Apartments ⁽⁹⁾	Newport News, VA	-	-	2013	197	96.9%	3,266,997	1,426	1.94
Premier Apartments	Virginia Beach, VA	✓	-	2018	131	97.7%	2,650,720	1,726	2.78
Smith's Landing ⁽⁹⁾	Blacksburg, VA	-	-	2009	284	99.6%	5,457,429	1,607	1.69
The Cosmopolitan ⁽⁹⁾	Virginia Beach, VA	✓	-	2006	342	96.5%	8,253,518	2,084	3.14
The Residences at Annapolis Junction	Annapolis Junction, MD	-	-	2018	416	97.1%	10,227,750	2,110	2.35
Multifamily Total	9 Properties				2,344	97.6%	\$50,289,053	1,832	2.39
Hoffler Place ⁽⁸⁾⁽¹⁰⁾	Charleston, SC	-	-	2019	258	96.9%	3,818,880	1,273	4.07
Summit Place ⁽⁸⁾	Charleston, SC	-	-	2020	357	96.6%	4,005,316	967	2.70
Student Housing Total	2 Properties				615	96.7%	7,824,196	1,096	3.23
Total / Weighted Average Multifamily Portfolio					2,959	97.4%	\$58,113,249	\$1,680	\$2.48

- (1) The net rentable square footage for each of our retail & office properties is the sum of (a) the square footage of existing leases, plus (b) for available space, management's estimate of net rentable square footage based, in part, on past leases. The net rentable square footage included in office leases is generally consistent with the Building Owners and Managers Association, or BOMA, 1996 measurement guidelines.
- (2) Occupancy for each of our retail & office properties is calculated as (a) square footage under executed leases as of December 31, 2021, divided by (b) net rentable square feet, expressed as a percentage. Occupancy for our multifamily properties is calculated as (a) total units/beds occupied as of December 31, 2021, divided by (b) total units/beds available, as of such date expressed as a percentage.
- (3) For the properties in our retail & office portfolios, annualized base rent, or ABR, is calculated by multiplying (a) monthly base rent (defined as cash base rent, before contractual tenant concessions and abatements, and excluding tenant reimbursements for expenses paid by us) as of December 31, 2021 for in-place leases as of such date by (b) 12, and does not give effect to periodic contractual rent increases or contingent rental revenue (e.g., percentage rent based on tenant sales thresholds). ABR per leased square foot is calculated by dividing (a) ABR by (b) square footage under in-place leases as of December 31, 2021. In the case of triple net or modified gross leases, our calculation of ABR does not include tenant reimbursements for real estate taxes, insurance, common area or other operating expenses.
- (4) The Company occupied 55,390 square feet at these two properties at an ABR of \$1.8M, or \$32.23 per leased square foot, which are reflected in this table. The rent paid by us is eliminated in accordance with GAAP in the consolidated financial statements.
- (5) Includes ABR pursuant to a rooftop lease.
- (6) Net rentable square feet at certain of our retail properties includes pad sites leased pursuant to the ground leases.
- (7) For the properties in our multifamily portfolio, AQR is calculated by multiplying (a) revenue for the quarter ended December 31, 2021 by (b) 4.
- (8) The ABR for Liberty, Cosmopolitan, Hoffler Place, Edison, and 1405 Point excludes approximately \$0.2M, \$0.9M, \$0.3M, \$0.3M and \$0.4M, respectively, from ground floor retail leases.
- (9) The Company leases all or a portion of the land underlying this property pursuant to a ground lease.
- (10) Student Housing property that is leased by bed. Monthly effective rent per occupied unit is calculated by dividing total base rental payments for the month ended December 31, 2021 by the number of occupied beds.

DEVELOPMENT PIPELINE

\$ IN THOUSANDS



Projects	Property Type	Estimated ⁽¹⁾	% Leased or LOI	Schedule ⁽¹⁾			Estimated Cost ⁽¹⁾	Loan Commitment	Cost to Date	AHH Ownership %	Anchor Tenants
				Construction Start	Initial Occupancy	Stabilized Operation ⁽²⁾					
Under Development											
Chronicle Mill Belmont, NC	Multifamily	244 units / 14,700 sf	--	1Q21	3Q22	4Q23	\$55,000	\$35,100	\$29,000	85% ⁽³⁾	
Harrisonburg Apartments Harrisonburg, VA	Multifamily	266 units	--	2Q22	3Q24	3Q25	70,000	TBD	-	100%	
Gainesville Apartments Gainesville, GA	Multifamily	223 units	32%	3Q20	1Q22	2Q23	52,000	31,000	42,000	95% ⁽¹⁾	
Southern Post Roswell, GA	Mixed-use	137 units / 137,000 sf	-	4Q21	4Q23	4Q24	110,000	TBD	12,000	100%	
Total Projects Under Development							\$287,000	\$66,100	\$83,000		
Delivered Not Stabilized											
Wills Wharf Baltimore, MD	Office	328,000	72%	3Q18	2Q20	1Q23	\$120,000	\$76,000	\$114,000	100%	Canopy by Hilton, Transamerica, RBC, Morgan Stanley
Predevelopment											
Ten Tryon Charlotte, NC	Mixed-use	TBD	--	TBD	TBD	TBD	TBD	TBD	\$10,000	80%	
Unconsolidated JV's											
T. Rowe Price Global HQ Baltimore, MD		see page 19 for details					\$250,000	-	\$13,000	50%	T. Rowe Price
Parcel 4 Mixed-Use Baltimore, MD		see page 19 for details					192,000	-	1,000	50%	
Total Unconsolidated JV's							\$442,000	-	\$14,000		



	Q4 2021	YTD
Capitalized Interest	\$403	\$1,485
Capitalized Overhead	\$609	\$2,135

Gainesville Apts
Gainesville, GA

- (1) Represents estimates that may change as the development and redevelopment process proceeds.
- (2) First fully-stabilized quarter. See same store definition in appendix.
- (3) Majority interest in joint venture with preferred return.

DEVELOPMENT PIPELINE CONT. ⁽¹⁾

UNCONSOLIDATED JOINT-VENTURES - PREDEVELOPMENT: SUBJECT TO CHANGE



\$ IN THOUSANDS

Estimated									
Property Type	Size	Construction Start	Initial Occupancy	Stabilized Operation	Project Cost	AHH Ownership %	AHH Equity Requirement	AHH Investment To Date	Total Construction Fees
T. Rowe Price Global HQ-Baltimore, MD									
Office	450,000 sf	1Q22	1Q24	2Q24	\$250,000	50%	\$30,000	\$13,000	\$4-5M
Parcel 4 Mixed-Use-Baltimore, MD									
Mixed-Use/Garage	312 units / 10,000 sf retail / 1,250 parking spaces	1Q22	1Q24	TBD	192,000	50%	30,000	1,000	4M
Total Joint-Ventures					\$442,000		\$60,000	\$14,000	\$8-9M



(1) All items are estimated based on predevelopment assumptions.
 (2) Acquired 90% economic interest in Exelon Building January 2022.

MEZZANINE/PREFERRED EQUITY INVESTMENTS

\$ IN THOUSANDS AS OF DECEMBER 31, 2021



Schedule⁽¹⁾

	Property Type	Estimated Size ⁽¹⁾	% Leased or LOI	Initial Occupancy	Loan Maturity	Interest Rate	Loan Balance	QTD Interest Income
Outstanding Investments								
The Interlock (Expected \$14M paydown 1Q22) Atlanta, GA	Mixed-use	300,000 sf	90%	1Q21	4Q24	15%	\$95,379	\$3,125
Solis Nexton ⁽²⁾ Summerville, SC	Multifamily	320 units	NA	4Q22	4Q26	11%	23,567	594
Solis City Park ⁽²⁾ Charlotte, NC	Multifamily	250 units	NA	3Q23	1Q28	13%	-	-
							Total	\$118,946
								\$3,719



(1) Represents estimates that may change as the development process proceeds.
 (2) Preferred equity with economic terms and accounting consistent with a loan receivable.

ACQUISITIONS & DISPOSITIONS

\$ IN THOUSANDS



ACQUISITIONS						
Properties	Location	Square Feet/Units	Purchase Price	Cash Cap Rate	Purchase Date	Anchor Tenants
2022		482,000 / 103 units	\$273,000	6.1%		
Exelon Building	Baltimore, MD	482,000 / 103 units	\$273,000 ⁽¹⁾	6.1%	1Q22	Exelon Generation / Constellation
2021		412,075	\$64,850	6.5%		
Greenbrier Square	Chesapeake, VA	260,710	\$36,500	6.3%	3Q21	Kroger, Homegoods, Dick's Sporting Goods
Overlook Village	Asheville, NC	151,365	\$28,350	7.7%	3Q21	T.J. Maxx Homegoods, Ross
2020		174 units	25,700	6.8%		
Edison Apartments	Richmond, VA	174 units	25,700	6.8%	4Q20	NA
2019		757,577	208,783	7.4%		
Thames Street Wharf	Baltimore, MD	263,426	101,000	7.1%	2Q19	Morgan Stanley, JHU Medical
Red Mill Commons & Marketplace at Hilltop	Virginia Beach, VA	488,865	105,000	7.7%	2Q19	T.J. Maxx, Homegoods, Total Wine, Walgreens
Wendover Village III	Greensboro, NC	5,286	2,783	9.2%	1Q19	Verizon
2018		217,751	52,658	6.7%		
2017		35,895	14,300	7.7%		
2016		1,515,674	261,530	7.0%		
2015		409,386	95,380	7.1%		
2014		106,166	19,662	7.3%		
Total/Weighted Average		3,936,524 / 277 units	\$1,015,863	6.9%		
DISPOSITIONS						
Properties	Location	Square Feet/Units	Sale Price	Cash Cap Rate	Disposition Date	Anchor Tenants
2021		128,105 / 568 units	\$90,265	5.2%		
Johns Hopkins Village	Baltimore, MD	568 units	75,000	5.6%	4Q21	
Courthouse 7-Eleven	Virginia Beach, VA	3,177	3,065	4.5%	4Q21	7-Eleven
Socastee Commons	Myrtle Beach, SC	57,273	3,800	NA ⁽²⁾	3Q21	
Oakland Marketplace	Oakland, TN	64,538	5,500	7.8%	1Q21	Kroger
Hanbury 7-Eleven	Chesapeake, VA	3,117	2,900	5.5%	1Q21	7-Eleven
2020		645,600	97,300	7.7%		
Hanbury Walgreens	Chesapeake, VA	14,820	7,300	6.1%	3Q20	Walgreens
Retail Portfolio (7 properties)	Mid-Atlantic	630,780	90,000	7.8%	2Q20	Harris Teeter, Food Lion, Weis Markets, Office Max
2019		124,715	30,275	5.8%		
Lightfoot Marketplace	Williamsburg, VA	124,715	30,275 ⁽¹⁾	5.8%	3Q19	Harris Teeter
2018		6,047	4,400	5.4%		
2017		52,454	17,750	6.3%		
2016		481,866	97,350	8.4%		
2015		203,200 / 203 units	81,075	6.2%		
2014		31,000	8,900	6.3%		
Total/Weighted Average		1,672,987 / 771 units	\$427,315	6.8%		

- (1) Includes JV interest in the property.
- (2) Anchor tenant vacant at time of sale.
- (3) Represents 100% of property value of which company owns 90% economic interest.

CONSTRUCTION BUSINESS SUMMARY

\$ IN THOUSANDS AS OF DECEMBER 31, 2021



Highlighted Projects	Location	Total Contract Value	Work in Place	Backlog	Estimated Date of Completion
Adams Hill Apartments	Greenville, SC	\$52,363	\$2,301	\$50,062	3Q 2023
Boulders Lakeview Apartments	Richmond, VA	37,228	5,986	31,242	1Q 2023
Innsbrook Apartments & Townhomes	Glen Allen, VA	53,984	114	53,870	1Q 2024
Fox Crossing Apartments	Raleigh, NC	38,061	21	38,040	3Q 2023
Subtotal		\$181,636	\$8,422	\$173,214	
All Other Projects		428,987	386,682	42,305	
Total		\$610,623	\$395,104	\$215,519	

Gross Profit Summary		
	Q4 2021	Trailing 12 Months
	(Unaudited)	
Revenue	\$20,463	\$91,936
Expense	(19,750)	(88,100)
Gross Profit	\$713	\$3,836



Holly Springs Apartments
Holly Springs, NC

SAME STORE NOI BY SEGMENT

\$ IN THOUSANDS (RECONCILIATION TO GAAP LOCATED IN APPENDIX)



	Three months ended				Year ended			
	12/31/2021	12/31/2020	\$ Change	% Change	12/31/2021	12/31/2020	\$ Change	% Change
Summary								
NOI:								
Office	\$6,536	\$6,548	(\$12)	-0.2%	\$26,452	\$26,360	\$92	0.3%
Retail	13,473	13,181	292	2.2%	48,108	47,678	430	0.9%
Multifamily	6,132	5,240	892	17.0%	17,539	15,813	1,726	10.9%
	<u>\$26,141</u>	<u>\$24,969</u>	<u>\$1,172</u>	<u>4.7%</u>	<u>\$92,099</u>	<u>\$89,851</u>	<u>\$2,248</u>	<u>2.5%</u>
NOI, Cash Basis:								
Office	\$6,412	\$6,234	\$178	2.9%	\$25,614	\$24,777	\$837	3.4%
Retail	13,091	12,248	843	6.9%	47,264	44,352	2,912	6.6%
Multifamily	5,910	5,075	835	16.5%	16,808	15,242	1,566	10.3%
	<u>\$25,413</u>	<u>\$23,557</u>	<u>\$1,856</u>	<u>7.9%</u>	<u>\$89,686</u>	<u>\$84,371</u>	<u>\$5,315</u>	<u>6.3%</u>
Detail by Segment								
Office⁽¹⁾								
Revenue	\$10,213	\$10,167	\$46	0.5%	\$40,965	\$40,420	\$545	1.3%
Rental Expenses ⁽²⁾	2,362	2,317	45	1.9%	9,295	9,204	91	1.0%
Real Estate Taxes	1,315	1,302	13	1.0%	5,218	4,856	362	7.5%
Net Operating Income	<u>\$6,536</u>	<u>\$6,548</u>	<u>(\$12)</u>	<u>-0.2%</u>	<u>\$26,452</u>	<u>\$26,360</u>	<u>\$92</u>	<u>0.3%</u>
Retail⁽¹⁾								
Revenue	\$17,903	\$17,463	\$440	2.5%	\$64,006	\$63,147	\$859	1.4%
Rental Expenses ⁽²⁾	2,612	2,540	72	2.8%	9,039	8,619	420	4.9%
Real Estate Taxes	1,818	1,742	76	4.4%	6,859	6,850	9	0.1%
Net Operating Income	<u>\$13,473</u>	<u>\$13,181</u>	<u>\$292</u>	<u>2.2%</u>	<u>\$48,108</u>	<u>\$47,678</u>	<u>\$430</u>	<u>0.9%</u>
Multifamily⁽¹⁾								
Revenue	\$9,809	\$8,970	\$839	9.4%	\$28,727	\$26,834	\$1,893	7.1%
Rental Expenses ⁽²⁾	2,780	2,782	(2)	-0.1%	8,632	8,296	336	4.1%
Real Estate Taxes	897	948	(51)	-5.4%	2,556	2,725	(169)	-6.2%
Net Operating Income	<u>\$6,132</u>	<u>\$5,240</u>	<u>\$892</u>	<u>17.0%</u>	<u>\$17,539</u>	<u>\$15,813</u>	<u>\$1,726</u>	<u>10.9%</u>
Same Store Net Operating Income (NOI)	<u>\$26,141</u>	<u>\$24,969</u>	<u>\$1,172</u>	<u>4.7%</u>	<u>\$92,099</u>	<u>\$89,851</u>	<u>\$2,248</u>	<u>2.5%</u>
GAAP Adjustments	(728)	(1,412)	684		(2,413)	(5,480)	3,067	
Same Store Portfolio NOI, Cash Basis⁽³⁾	<u>\$25,413</u>	<u>\$23,557</u>	<u>\$1,856</u>	<u>7.9%</u>	<u>\$89,686</u>	<u>\$84,371</u>	<u>\$5,315</u>	<u>6.3%</u>

(1) See appendix for Same Store vs. Non - Same Store Properties. Excludes student housing properties held for sale.

(2) Excludes expenses associated with the Company's in-house asset management division of \$0.7M and \$0.6M for the 3 months ended 12/31/2021 & 12/31/2020, respectively.

(3) Excludes deferred rent collected of (\$0.3M) and (\$0.8M) for the three months ended 12/31/2021 & 12/31/2020, respectively.

TOP 10 TENANTS BY ABR⁽¹⁾

\$ IN THOUSANDS AS OF DECEMBER 31, 2021



Office Portfolio ⁽¹⁾					
Tenant	Number of Leases	Lease Expiration	Annualized Base Rent	% of Office Portfolio Annualized Base Rent	% of Total Portfolio Annualized Base Rent
Morgan Stanley ⁽²⁾	1	2027	\$ 5,703	16.0%	3.6%
Clark Nexsen	1	2029	2,746	7.7%	1.7%
WeWork	1	2034	2,122	6.0%	1.3%
Duke University	1	2029	1,618	4.6%	1.0%
Huntington Ingalls	1	2029	1,575	4.4%	1.0%
Mythics	1	2030	1,235	3.5%	0.8%
Johns Hopkins Medicine	1	2023	1,180	3.3%	0.7%
Pender & Coward	1	2030	950	2.7%	0.6%
Kimley-Horn	1	2027	930	2.6%	0.6%
Troutman Pepper Hamilton Sanders	1	2025	907	2.6%	0.6%
Top 10 Total			\$ 18,966	53.4%	11.9%

Retail Portfolio ⁽¹⁾					
Tenant	Number of Leases	Lease Expiration	Annualized Base Rent	% of Retail Portfolio Annualized Base Rent	% of Total Portfolio Annualized Base Rent
Harris Teeter/Kroger	6	2023 - 2035	\$ 3,739	5.6%	2.3%
Lowe's Foods	2	2037 ; 2039	1,976	3.0%	1.2%
Dick's Sporting Goods	1	2032	1,508	2.3%	0.9%
TJ Maxx/Homegoods	5	2023 - 2027	1,504	2.2%	0.9%
PetSmart	5	2025 - 2027	1,461	2.2%	0.9%
Amazon/Whole Foods	1	2040	1,144	1.7%	0.7%
Ross Dress For Less	3	2025 - 2027	1,122	1.7%	0.7%
Apex Entertainment	1	2035	1,050	1.6%	0.7%
Bed, Bath, & Beyond	2	2025 - 2027	1,047	1.6%	0.7%
Regal Cinemas	2	2021 - 2024	985	1.5%	0.6%
Top 10 Total			\$ 15,536	23.4%	9.6%

(1) Excludes leases from the development and redevelopment properties that have been delivered, but not yet stabilized.

(2) Excludes 9.3K SF Morgan Stanley lease at Armada Hoffer Tower expiring in 2023. Inclusive of both leases, Morgan Stanley contributes \$6.0M of ABR.

LEASE SUMMARY



OFFICE

Renewal Lease Summary		GAAP						Cash					
Quarter	Number of Leases Signed	Net Rentable SF Signed	Leases Expiring	Net Rentable SF Expiring	Contractual Rent per SF	Prior Rent per SF	Releasing Spread	Contractual Rent per SF	Prior Rent per SF	Releasing Spread	Wtd Average Lease Term (yrs)	TI & LC	TI & LC per SF
Q4 2021	1	23,267	2	1,410	\$27.04	\$24.97	8.3%	\$27.50	\$28.60	-3.8%	5.3	\$515,175	\$22.14
Q3 2021	1	1,400	4	16,017	25.86	27.22	-5.0%	25.00	28.90	-13.5%	3.0	2,153	1.54
Q2 2021	-	-	-	-	-	-	0.0%	-	-	-	-	-	-
Q1 2021	1	4,152	1	4,152	23.95	23.56	1.6%	24.00	25.46	-5.7%	2.0	27,960	6.73
Office Renewal Total	3	28,819	7	21,579	\$26.54	\$24.88	6.7%	\$26.87	\$28.16	-4.6%	4.7	\$545,288	\$18.92

New Lease Summary ⁽¹⁾		Cash		Wtd Average Lease Term	TI & LC	TI & LC per SF
Quarter	Number of Leases Signed	Net Rentable SF Signed	Contractual Rent per SF	(yrs)	TI & LC	TI & LC per SF
Q4 2021	1	1,428	\$26.00	10.0	\$45,198	\$31.65
Q3 2021	3	10,895	26.71	5.9	466,981	42.86
Q2 2021	1	1,700	29.50	3.3	12,583	7.40
Q1 2021	1	1,455	23.50	2.1	4,871	3.35
New Office Total	6	15,478	\$26.65	5.6	\$529,633	\$34.22

RETAIL

Renewal Lease Summary		GAAP						Cash					
Quarter	Number of Leases Signed	Net Rentable SF Signed	Leases Expiring	Net Rentable SF Expiring	Contractual Rent per SF	Prior Rent per SF	Releasing Spread	Contractual Rent per SF	Prior Rent per SF	Releasing Spread	Weighted Average Lease Term (yrs)	TI & LC	TI & LC per SF
Q4 2021	16	126,328	9	74,902	\$17.22	\$15.79	9.0%	\$17.44	\$16.45	6.0%	4.8	\$166,153	\$1.32
Q3 2021	10	43,479	7	21,163	24.96	22.04	13.3%	24.86	22.94	8.4%	5.0	86,764	2.00
Q2 2021	15	89,973	13	87,253	18.12	16.78	8.0%	18.13	16.95	6.9%	5.0	208,544	2.32
Q1 2021	8	21,317	9	22,717	23.78	22.22	7.0%	23.62	23.16	2.0%	4.5	117,685	5.52
Retail Renewal Total	49	281,097	38	206,035	\$19.20	\$17.56	9.4%	\$19.28	\$18.12	6.4%	4.9	\$579,146	\$2.06

New Lease Summary ⁽¹⁾		Cash		Wtd Average Lease Term	TI & LC	TI & LC per SF
Quarter	Number of Leases Signed	Net Rentable SF Signed	Contractual Rent per SF	(yrs)	TI & LC	TI & LC per SF
Q4 2021	17	61,922	\$18.27	6.8	\$1,267,703	\$20.47
Q3 2021	10	34,384	19.09	8.5	898,397	26.13
Q2 2021	11	55,683	16.05	9.4	3,029,735	54.41
Q1 2021	7	27,260	19.10	8.4	612,116	22.45
New Retail Total	45	179,249	\$17.86	8.2	\$5,807,951	\$32.40

(1) Excludes leases from properties in development.

OFFICE LEASE EXPIRATIONS

AS OF DECEMBER 31, 2021



Year	Number of Leases Expiring	Square Footage of Leases Expiring ⁽¹⁾	% Portfolio Net Rentable Square Feet	Annualized Base Rent ⁽¹⁾	% of Portfolio Annualized Base Rent	Annualized Base Rent per Leased Square Foot
Available	-	41,090	3.2%	\$ -	-	\$ -
M-T-M	5	2,743	0.2%	88,399	0.2%	32.23
2021	-	-	-	-	-	-
2022	9	20,125	1.5%	538,718	1.5%	26.77
2023	15	108,764	8.4%	2,994,826	8.4%	27.54
2024	12	142,077	10.9%	3,593,408	10.1%	25.29
2025	19	143,517	11.0%	4,335,349	12.2%	30.21
2026	11	54,089	4.2%	1,392,328	3.9%	25.74
2027	9	287,267	22.1%	8,426,765	23.7%	29.33
2028	10	83,637	6.4%	2,398,245	6.7%	28.67
2029	8	245,366	18.9%	6,471,877	18.2%	26.38
2030	6	107,801	8.3%	3,120,172	8.8%	28.94
2031	1	1,317	0.1%	37,535	0.1%	28.50
Thereafter	2	63,526	4.8%	2,159,018	6.2%	33.99
Total / Weighted Average	107	1,301,319	100.0%	\$35,556,640	100.0%	\$28.21

Renewals During the Quarter Over 20,000 Square Feet

Tenant	Property	Square Footage	Prior Expiration	New Expiration
Day & Zimmerman	Armada Hoffer Tower	23,267	Apr-2022	Jul-2027

Upcoming Expirations Over 20,000 Square Feet Through Dec. 2023

Tenant	Property	Expiration Month	Square Footage Expiring ⁽¹⁾	Status
Johns Hopkins Medicine	Thames Street Wharf	Apr-2023	46,233	Expected to Vacate

(1) Excludes leases from properties in development and delivered, but not yet stabilized.

RETAIL LEASE EXPIRATIONS

AS OF DECEMBER 31, 2021



Year	Number of Leases Expiring	Square Footage of Leases Expiring ⁽¹⁾	% Portfolio Net Rentable Square Feet	Annualized Base Rent ⁽¹⁾	% of Portfolio Annualized Base Rent	Annualized Base Rent per Leased Square Foot
Available	-	161,502	4.0%	\$ -	-	\$ -
M-T-M	2	5,900	0.1%	138,081	0.2%	23.40
2021 ⁽²⁾	1	51,545	1.3%	267,428	0.4%	5.19
2022	50	142,407	3.5%	2,804,504	4.2%	19.69
2023	67	442,307	10.9%	6,619,706	9.9%	14.97
2024	87	459,871	11.3%	8,638,283	12.9%	18.78
2025	84	635,648	15.6%	8,933,617	13.4%	14.05
2026	77	385,367	9.5%	7,544,643	11.3%	19.58
2027	47	366,768	9.0%	6,219,838	9.3%	16.96
2028	30	88,907	2.2%	2,641,323	3.9%	29.71
2029	29	113,829	2.8%	2,419,430	3.6%	21.25
2030	40	239,821	5.9%	5,304,423	7.9%	22.12
2031	29	206,988	5.1%	3,935,595	5.9%	19.01
Thereafter	33	766,495	18.8%	11,429,354	17.1%	14.91
Total / Weighted Average	576	4,067,355	100.0%	\$66,896,225	100.0%	\$17.13

Upcoming Expirations Over 20,000 Square Feet Through 2023

Tenant	Property	Expiration	Square Footage Expiring ⁽¹⁾	Status
Regal Cinemas	Columbus Village II	Dec-2021	51,545	Month to Month
Michaels	Red Mill Commons	Jul-2022	23,753	Renewed ⁽³⁾ - 5 years
Home Depot	North Point Center	Jan-2023	120,000	Renewed ⁽³⁾ - 10 years
Jo-Ann Fabric	Overlook Village	Jan-2023	22,835	
Golf Galaxy	Wendover Village	Jun-2023	24,946	
Harris Teeter	North Point Center	Aug-2023	57,590	
TJ Maxx	Wendover Village	Oct-2023	24,903	

Renewals During the Quarter Over 20,000 Square Feet

Tenant	Property	Square Footage	Prior Expiration	New Expiration
TJ Maxx	Red Mill Commons	30,000	Mar-2022	Mar-2027
Food Lion	Broad Creek	33,000	Aug-2022	Aug-2027
PetSmart	Southgate Square	25,950	Jan-2022	Jan-2027

- (1) Excludes leases from properties in development and delivered, but not yet stabilized.
 (2) Regal lease expires 12/31/21, lease is now month to month.
 (3) Renewed subsequent to quarter end.



APPENDIX
DEFINITIONS & RECONCILIATIONS

Town Center
Virginia Beach, VA



NET OPERATING INCOME:

We calculate Net Operating Income ("NOI") as property revenues (base rent, expense reimbursements, termination fees and other revenue) less property expenses (rental expenses and real estate taxes). Other REITs may use different methodologies for calculating NOI, and accordingly, our NOI may not be comparable to such other REITs' NOI. NOI is not a measure of operating income or cash flows from operating activities as measured by GAAP and is not indicative of cash available to fund cash needs. As a result, NOI should not be considered an alternative to cash flows as a measure of liquidity. We consider NOI to be an appropriate supplemental measure to net income because it assists both investors and management in understanding the core operations of our real estate business.

To calculate NOI on a cash basis, we adjust NOI to exclude the net effects of straight-line rent and the amortization of lease incentives and above/below market rents.

FUNDS FROM OPERATIONS:

We calculate Funds From Operations ("FFO") in accordance with the standards established by the National Association of Real Estate Investment Trusts ("Nareit"). Nareit defines FFO as net income (loss) (calculated in accordance with accounting principles generally accepted in the United States ("GAAP")), excluding depreciation and amortization related to real estate, gains or losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity.

FFO is a supplemental non-GAAP financial measure. Management uses FFO as a supplemental performance measure because it believes that FFO is beneficial to investors as a starting point in measuring our operational performance. Specifically, in excluding real estate related depreciation and amortization and gains and losses from property dispositions, which do not relate to or are not indicative of operating performance, FFO provides a performance measure that, when compared period-over-period, captures trends in occupancy rates, rental rates and operating costs. Other equity REITs may not calculate FFO in accordance with the Nareit definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO.

NORMALIZED FUNDS FROM OPERATIONS:

We calculate Normalized Funds From Operations ("Normalized FFO") as FFO calculated in accordance with the standards established by Nareit, adjusted for acquisition, development and other pursuit costs, gains or losses from the early extinguishment of debt, impairment of intangible assets and liabilities, mark-to-market adjustments on interest rate derivatives, provision for unrealized non-cash credit losses, amortization of right-of-use assets attributable to finance leases, severance related costs, and other non-comparable items.

Management believes that the computation of FFO in accordance to Nareit's definition includes certain items that are not indicative of the results provided by the Company's operating portfolio and affect the comparability of the Company's period-over-period performance. Our calculation of Normalized FFO differs from Nareit's definition of FFO. Other equity REITs may not calculate Normalized FFO in the same manner as us, and, accordingly, our Normalized FFO may not be comparable to other REITs' Normalized FFO.

ADJUSTED FUNDS FROM OPERATIONS:

We calculate Adjusted Funds From Operations ("AFFO") as Normalized FFO adjusted for the impact of non-cash stock compensation, tenant improvement, leasing commission and leasing incentive costs associated with second generation rental space, capital expenditures, non-cash interest expense, proceeds from the sale of a purchase option (in excess of amounts recognized in net income), straight-line rents, cash ground rent payments for finance leases, the amortization of leasing incentives and above (below) market rents, recognition of mezzanine loan exit fees and proceeds from government development grants.

Management believes that AFFO provides useful supplemental information to investors regarding our operating performance as it provides a consistent comparison of our operating performance across time periods and allows investors to more easily compare our operating results with other REITs. However, other REITs may use different methodologies for calculating AFFO or similarly entitled FFO measures and, accordingly, our AFFO may not always be comparable to AFFO or other similarly entitled FFO measures of other REITs.

ADJUSTED EBITDA:

We calculate Adjusted EBITDA as net income (loss) (calculated in accordance with GAAP), excluding interest expense, income taxes, depreciation and amortization, gains (or losses) from sales of depreciable operating property, impairment of real estate assets, debt extinguishment losses, non-cash stock compensation, mark-to-market adjustments on interest rate derivatives, mezzanine loan prepayment premiums, and other one-time adjustments including non-recurring bad debt and termination fees. Management believes Adjusted EBITDA is useful to investors in evaluating and facilitating comparisons of our operating performance between periods and between REITs by removing the impact of our capital structure (primarily interest expense) and asset base (primarily depreciation and amortization) from our operating results along with other non-comparable items.

CORE EBITDA:

We calculate Core EBITDA as Adjusted EBITDA, excluding certain items, including, but not limited to, the impact of redevelopment and development pipeline projects that are still in lease-up. We generally consider a property to be in lease-up until the earlier of (i) the quarter after which the property reaches 80% occupancy or (ii) the thirteenth quarter after the property receives its certificate of occupancy. Management believes that Core EBITDA provides useful supplemental information to investors regarding our reoccurring operating performance as it provides a consistent comparison of our operating performance across time periods and allows investors to more easily compare our operating results with other REITs. However, other REITs may use different methodologies for calculating Core EBITDA or similarly entitled measures and, accordingly, our Core EBITDA may not always be comparable to Core EBITDA or other similarly entitled measures of other REITs.

CORE DEBT:

We calculate Core Debt as our total debt, excluding loans associated with our development pipeline, cash & cash equivalents, and restricted cash.

DEFINITIONS

SAME STORE PORTFOLIO:

We define same store properties as those that we owned and operated and that were stabilized for the entirety of both periods compared. We generally consider a property to be stabilized upon the earlier of: (i) the quarter after the property reaches 80% occupancy or (ii) the thirteenth quarter after the property receives its certificate of occupancy. Additionally, any property that is fully or partially taken out of service for the purpose of redevelopment is no longer considered stabilized until the redevelopment activities are complete, the asset is placed back into service, and the stabilization criteria above are again met. A property may also be fully or partially taken out of service as a result of a disposition, depending on the significance of the portion of the property disposed. Finally, any property classified as Held for Sale is taken out of service for the purpose computing same store operating results. The following table shows the properties included in the same store and non-same store portfolio for the comparative periods presented.

SAME STORE VS. NON-SAME STORE



	Three Months Ended		Year Ended	
	12/31/2021 to 2020		12/31/2021 to 2020	
	Same Store	Non-Same Store	Same Store	Non-Same Store
Retail Properties				
249 Central Park Retail	X		X	
Apex Entertainment	X			X
Broad Creek Shopping Center	X		X	
Broadmoor Plaza	X		X	
Brooks Crossing (Retail)	X		X	
Columbus Village	X		X	
Columbus Village II	X		X	
Commerce Street Retail	X		X	
Delray Beach Plaza		X		X
Dimmock Square	X		X	
Fountain Plaza Retail	X		X	
Greenbrier Square		X		X
Greentree Shopping Center	X		X	
Hanbury Village	X		X	
Harrisonburg Regal	X		X	
Lexington Square	X		X	
Market at Mill Creek	X		X	
Marketplace at Hilltop	X		X	
Nexton Square	X			X
North Hampton Market	X		X	
North Point Center	X		X	
Overlook Village		X		X
Parkway Centre	X		X	
Parkway Marketplace	X		X	
Patterson Place	X		X	
Perry Hall Marketplace	X		X	
Premier Retail		X		X
Providence Plaza	X		X	
Red Mill Commons	X		X	

	Three Months Ended		Year Ended	
	12/31/2021 to 2020		12/31/2021 to 2020	
	Same Store	Non-Same Store	Same Store	Non-Same Store
Retail Properties (Continued)				
Sandbridge Commons	X		X	
South Retail	X		X	
South Square	X		X	
Southgate Square	X		X	
Southshore Shops	X		X	
Studio 56 Retail	X		X	
Tyre Neck Harris Teeter	X		X	
Wendover Village	X		X	
Office Properties				
4525 Main Street	X		X	
Armada Hoffer Tower	X		X	
Brooks Crossing (Office)	X		X	
One City Center	X		X	
One Columbus	X		X	
Thames Street Wharf	X		X	
Two Columbus	X		X	
Wills Wharf		X		X
Multifamily Properties				
1405 Point	X		X	
Edison Apartments		X		X
Encore Apartments	X		X	
Greenside Apartments	X		X	
Hoffer Place		X		X
Liberty Apartments	X		X	
Premier Apartments	X		X	
Smith's Landing	X		X	
Summit Place		X		X
The Cosmopolitan	X		X	
The Residences at Annapolis Junction		X		X

RECONCILIATION OF ADJUSTED EBITDA, CORE EBITDA, AND CORE DEBT⁽¹⁾



\$ IN THOUSANDS

	Three months ended				
	12/31/2021	9/30/2021	6/30/2021	3/31/2021	12/31/2020
Net income attributable to common stockholders and OP unitholders	\$361	\$4,861	\$5,568	\$3,122	\$1,851
Excluding:					
Depreciation and amortization	16,616	16,886	17,285	18,066	17,678 ⁽²⁾
Loss (gain) on real estate dispositions	(15,436)	113	-	(3,717)	-
Impairment of real estate assets	18,339	-	83	3,039	-
Income tax provision (benefit)	(220)	(42)	(461)	(19)	(63)
Interest expense ⁽⁴⁾	8,685	8,827	8,418	7,975	8,044
Change in fair value of derivatives and other	(1,344)	(131)	(314)	(393)	(294)
Preferred dividends	2,887	2,887	2,887	2,887	2,887
Loss on extinguishment of debt	3,690	120	-	-	-
Mezzanine loan prepayment premium	-	-	(2,359)	-	-
Unrealized credit loss provision (release)	(508)	(617)	388	(55)	29
Non-cash stock compensation	400	390	423	1,017	471
Adjusted EBITDA⁽³⁾	\$33,470	\$33,294	\$31,918	\$31,922	\$30,603
Development:					
Premier Retail	-	-	-	(221)	(202)
Wills Wharf	(681)	(725)	(819)	(839)	(678)
Total Development	(681)	(725)	(819)	(1,060)	(880)
Dispositions completed intra-quarter	(730)	-	-	(111)	-
Acquisitions completed intra-quarter	-	(238)	-	(336)	(961)
Core EBITDA	\$32,059	\$32,331	\$31,099	\$30,415	\$28,762
Annualized Core EBITDA	\$128,236	\$129,324	\$126,756⁽⁶⁾	\$121,915⁽⁷⁾	\$115,046
Total debt⁽⁵⁾	\$957,387	\$1,017,410	\$963,885	\$975,099	\$962,812
(Less) Development:					
Premier Retail	-	-	-	(8,208)	(8,241)
Wills Wharf	(64,288)	(62,601)	(61,235)	(60,831)	(59,044)
Solis Gainesville	(18,114)	(9,773)	(1,258)	-	-
Total Development	(82,402)	(72,374)	(62,493)	(69,039)	(67,285)
(Less) Net Acquisitions completed intra-quarter	-	(20,000)	-	(14,473)	(84,375)
(Less) Cash & restricted cash	(40,443)	(33,453)	(53,242)	(34,588)	(50,430)
Core Debt	\$834,542	\$891,583	\$848,150	\$856,999	\$760,722
Core Debt/Annualized Core EBITDA	6.5x	6.9x	6.7x	7.0x	6.6x

(1) See definitions in appendix.

(2) Adjusted for the depreciation and interest expense attributable to noncontrolling interests in consolidated investments.

(3) Excludes non-recurring items.

(4) Interest expense has been adjusted for the current period and for prior periods to include interest expense relating to finance leases.

(5) Excludes GAAP Adjustments.

(6) Includes the unannualized mezzanine loan prepayment premium of \$2.4M.

(7) Includes the unannualized gain of sale on the non-operating parcel of \$0.3M.

CAPITAL EXPENDITURES

\$ IN THOUSANDS AS OF DECEMBER 31, 2021



QUARTER TO DATE⁽¹⁾

	Leasing Commissions	Lease Incentive	Tenant Improvements	Land Improvements	Building Improvements	Furniture Fixtures & Equipment	Total Second Generation Capex
Retail	\$513	\$47	\$474	\$257	\$878	\$ -	\$2,169
Office	40	-	134	3	707	-	884
Multifamily	4	-	-	5	1,076	219	1,304
Total Portfolio	\$557	\$47	\$608	\$265	\$2,661	\$219	\$4,357

YEAR TO DATE⁽¹⁾

	Leasing Commissions	Lease Incentive	Tenant Improvements	Land Improvements	Building Improvements	Furniture Fixtures & Equipment	Total Second Generation Capex
Retail	\$2,006	\$47	\$2,318	\$1,050	\$2,320	\$ -	\$7,741
Office	214	-	992	22	1,893	-	3,121
Multifamily	274	-	-	116	3,411	1,068	4,869
Total Portfolio	\$2,494	\$47	\$3,310	\$1,188	\$7,624	\$1,068	\$15,731

(1) Excludes activity related to held for sale, acquired and/or disposed properties.

RECONCILIATION TO PROPERTY PORTFOLIO NOI

\$ IN THOUSANDS



	Three months ended 12/31		Year ended 12/31	
	2021	2020	2021	2020
Office Same Store⁽¹⁾				
Rental revenues	\$10,213	\$10,167	\$40,965	\$40,420
Property expenses	3,677	3,619	14,513	14,060
NOI	6,536	6,548	26,452	26,360
Non-Same Store NOI ⁽²⁾	519	524	2,387	1,224
Segment NOI	\$7,055	\$7,072	\$28,839	\$27,584
Retail Same Store⁽¹⁾				
Rental revenues	\$17,903	\$17,463	\$64,006	\$63,147
Property expenses	4,430	4,282	15,898	15,469
NOI	13,473	13,181	48,108	47,678
Non-Same Store NOI ⁽²⁾	1,916	321	9,536	6,541
Segment NOI	\$15,389	\$13,502	\$57,644	\$54,219
Multifamily Same Store⁽¹⁾				
Rental revenues	\$9,809	\$8,970	\$28,727	\$26,834
Property expenses	3,677	3,730	11,188	11,021
NOI	6,132	5,240	17,539	15,813
Non-Same Store NOI ⁽²⁾	3,694	2,971	19,772	11,776
Segment NOI	\$9,826	\$8,211	\$37,311	\$27,589
Total Property Portfolio NOI	\$32,270	\$28,785	\$123,794	\$109,392

(1) See appendix for the Same Store vs. Non-Same Store properties.
(2) Includes expenses associated with the Company's in-house asset management division.

RECONCILIATION TO GAAP NET INCOME



\$ IN THOUSANDS

	Three months ended 12/31/2021					Total
	Office	Retail	Multifamily	Total Rental Properties	General Contracting & Real Estate Services	
Segment revenues	\$ 12,039	\$ 20,890	\$ 16,532	\$ 49,461	\$ 20,463	\$ 69,924
Segment expenses	4,984	5,501	6,706	17,191	19,750	36,941
Net operating income	\$ 7,055	\$ 15,389	\$ 9,826	\$ 32,270	\$ 713	\$ 32,983
Depreciation and amortization						(16,616)
General and administrative expenses						(3,653)
Acquisition, development and other pursuit costs						(1)
Impairment charges						(18,256)
Gain (loss) on real estate dispositions						15,436
Interest income						3,829
Interest expense						(8,685)
Loss on extinguishment of debt						(3,690)
Unrealized credit loss release (provision)						508
Amortization of right-of-use assets - finance leases						(277)
Change in fair value of derivatives and other						1,344
Other income (expense)						101
Income tax benefit						220
Net income						\$ 3,243
Net loss attributable to noncontrolling interest in investment entities						5
Preferred stock dividends						(2,887)
Net income attributable to AHH and OP unitholders						\$ 361
	Year ended 12/31/2021					
	Office	Retail	Multifamily	Total Rental Properties	General Contracting & Real Estate Services	Total
Segment revenues	\$ 47,363	\$ 78,572	\$ 66,205	\$ 192,140	\$ 91,936	\$ 284,076
Segment expenses	18,524	20,928	28,894	68,346	88,100	156,446
Net operating income	\$ 28,839	\$ 57,644	\$ 37,311	\$ 123,794	\$ 3,836	\$ 127,630
Depreciation and amortization						(68,853)
General and administrative expenses						(14,610)
Acquisition, development and other pursuit costs						(112)
Impairment charges						(21,378)
Gain (loss) on real estate dispositions						19,040
Interest income						18,457
Interest expense						(33,905)
Unrealized credit loss release (provision)						792
Amortization of right-of-use assets - finance leases						(1,022)
Loss on extinguishment of debt						(3,810)
Change in fair value of derivatives and other						2,182
Other income (expense)						302
Income tax benefit						742
Net income						\$ 25,455
Net loss attributable to noncontrolling interest in investment entities						5
Preferred stock dividends						(11,548)
Net income attributable to AHH and OP unitholders						\$ 13,912



LEGGMASON

Exelon

GUIDANCE PRESENTATION

2022

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06	ESTIMATED NOI & FEE INCOME
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12	CORE LOCATIONS
13	EXELON HQ ACQUISITION
14	DEVELOPMENT DETAILS



This presentation should be read in conjunction with the unaudited condensed consolidated financial statements appearing in our press release dated February 11, 2021, which has been furnished as Exhibit 99.1 to our Form 8-K filed on February 10, 2022. The Company makes statements that are forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). In particular, statements pertaining to our capital resources, portfolio performance and results of operations contain forward-looking statements. Likewise, all of our statements regarding our 2022 outlook and related assumptions, projections, anticipated growth in our funds from operations, normalized funds from operations, adjusted funds from operations, funds available for distribution and net operating income are forward-looking statements. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "will," "should," "seeks," "intends," "plans," "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases which are predictions of or indicate future events or trends and which do not relate solely to historical matters. You can also identify forward-looking statements by discussions of strategy, plans or intentions.

Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and the Company may not be able to realize them. The Company does not guarantee that the transactions and events described will happen as described (or that they will happen at all). For further discussion of risk factors and other events that could impact our future results, please refer to the section entitled "Risk Factors" in our most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission (the "SEC"), and the documents subsequently filed by us from time to time with the SEC. The Company's actual future results and trends may differ materially from expectations depending on a variety of factors discussed in the Company's filings with the SEC. These factors include, without limitation: (a) the impact of the coronavirus (COVID-19) pandemic on macroeconomic conditions and economic conditions in the markets in which the Company operates, including, among others: (i) disruptions in, or a lack of access to, the capital markets or disruptions in the Company's ability to borrow amounts subject to existing construction loan commitments; (ii) adverse impacts to the Company's tenants' and other third parties' businesses and financial condition that adversely affect the ability and willingness of the Company's tenants and other third parties to satisfy their rent and other obligations to the Company, including deferred rent; (iii) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration of the leases or to re-lease the Company's properties on the same or better terms in the event of nonrenewal or early termination of existing leases; and (iv) federal, state and local government initiatives to mitigate the impact of the COVID-19 pandemic, including additional restrictions on business activities, shelter-in place orders and other restrictions, and the timing and amount of economic stimulus or other initiatives; (b) the Company's ability to continue construction on development and construction projects, in each case on the timeframes and on terms currently anticipated; (c) uncertainty regarding the timing of distribution and effectiveness of COVID-19 vaccines; (d) the Company's ability to accurately assess and predict the impact of the COVID-19 pandemic on its results of operations, financial condition, dividend policy, acquisition and disposition activities and growth opportunities; and (e) the Company's ability to maintain compliance with the covenants under its existing debt agreements or to obtain modifications to such covenants from the applicable lenders. 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.

The Company does not provide a reconciliation for its guidance range of Normalized FFO per diluted share to net income per diluted share, the most directly comparable forward-looking GAAP financial measure, because it is unable to provide a meaningful or accurate estimate of reconciling items and the information is not available without unreasonable effort as a result of the inherent difficulty of forecasting the timing and/or amounts of various items that would impact net income per diluted share. For the same reasons, the Company is unable to address the probable significance of the unavailable information and believes that providing a reconciliation for its guidance range of Normalized FFO per diluted share would imply a degree of precision for its forward-looking net income per diluted share that could be misleading to investors.



2022 OUTLOOK & ASSUMPTIONS

\$ in millions

	LOW	HIGH
Total NOI	\$146.4	\$147.4
Construction Segment Gross Profit	\$7.2	\$8.3
G&A Expenses	\$15.8	\$16.3
Interest Income	\$14.6	\$15.0
Interest Expense ⁽¹⁾	\$37.9	\$38.6
Normalized FFO Per Diluted Share	\$1.11	\$1.15

(1) Includes the interest expense on finance leases.

GUIDANCE ASSUMPTIONS

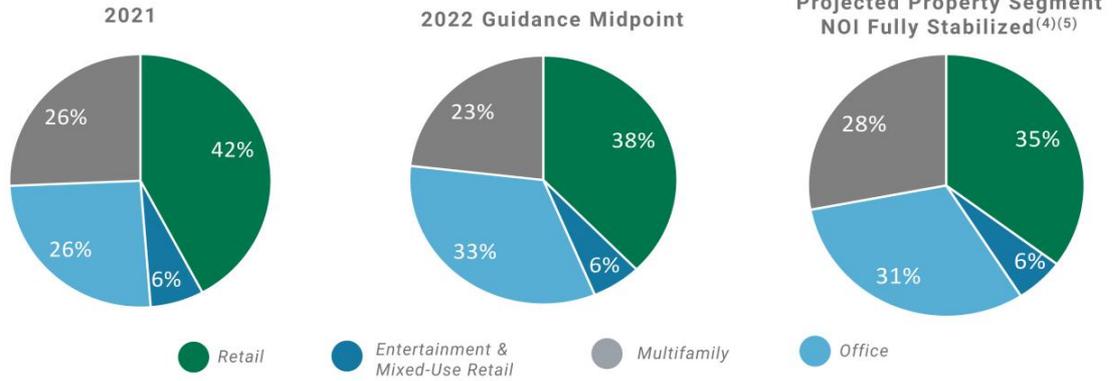
- Acquisition of Exelon building, located in Baltimore's Harbor Point, which closed on January 14, 2022
- Disposition of two student housing assets in Charleston for \$80M during the second quarter of 2022
- Interest expense, net of interest rate caps, based on the Forward LIBOR Curve ending 2022 at 1%
- Acquisition targets up to \$100M, closing during the second half of 2022
- Begin funding new \$20M preferred equity loan for Solis City Park multifamily project during the first quarter of 2022
- Interlock Commercial mezzanine loan paid down by \$14M during the first quarter, then fully paid off in early 2023
- Opportunistic sale of common stock through the ATM program



EVOLVING PORTFOLIO GAAP NOI COMPOSITION

\$ in millions

PORTFOLIO COMPOSITION ⁽¹⁾	2021	2022 MIDPOINT	FULLY STABILIZED
RETAIL ⁽²⁾	\$51	\$57	\$68
ENTERTAINMENT & MIXED USE RETAIL	\$8	\$9	\$11
OFFICE	\$31	\$50	\$60
MULTIFAMILY ⁽³⁾	\$31	\$35	\$54
TOTAL	\$121	\$151	\$193



(1) Includes AHH rent and excludes expenses associated with the Company's in house asset management division
 (2) Includes \$100M acquisition target per 2022 guidance
 (3) Excludes student housing assets
 (4) Fully Stabilized Portfolio assumes announced pipeline is delivered and stabilized per schedule on page 10
 (5) Assumes company acquired 100% interest in Parcel 4 Mixed-Use development and disposes of T. Rowe Price world headquarters



ESTIMATED NOI & FEE INCOME⁽¹⁾⁽²⁾

\$ in millions

Excludes all student housing properties



	2020	2021	2022	2023 ⁽³⁾	2024 ⁽³⁾	Fully Stabilized
Portfolio NOI	\$106	\$121	\$151	\$168	\$183	\$193
Construction Gross Profit (net of taxes)	8	5	7	7	7	7
Mezz Income	20	18	15	8	9	9
Fee Income	\$28	\$23	\$22	\$15	\$16	\$16
Total	\$134	\$144	\$173	\$183	\$199	\$209

(1) Includes AHH rent elimination, \$100M acquisition target per 2022 guidance, 100% NOI from Parcel 4 Mixed-Use project, excludes T. Rowe Price Global HQ

(2) Excludes expenses associated with the Company's in house asset management division

(3) Based on management's goals

(4) Fully Stabilized Portfolio assumes announced pipeline is delivered and stabilized per schedule on page 10

MULTIFAMILY SEGMENT

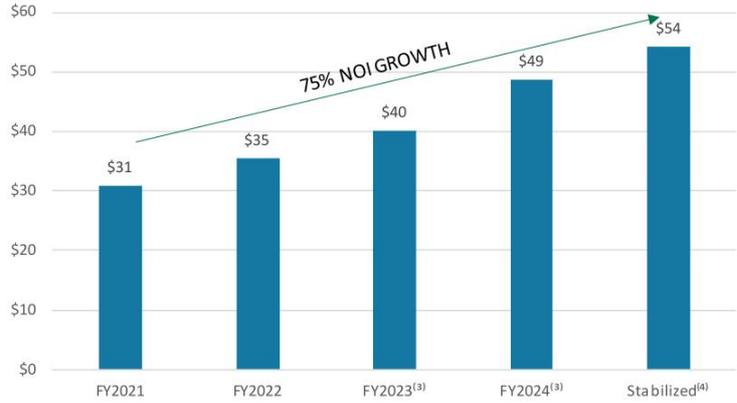
\$ in millions as of 12/31/21, unless otherwise noted
Excludes all student housing properties



97%
occupied

10%
positive 2021 YoY same store cash NOI

ESTIMATED SEGMENT NOI GROWTH⁽¹⁾⁽²⁾



(1) Assumes company acquires 100% of Parcel 4 mixed use building
 (2) Excludes expenses associated with the Company's in house asset management division
 (3) Based on management's goals
 (4) Fully Stabilized Portfolio assumes announced pipeline is delivered and stabilized per schedule on page 10

\$ in millions
As of 12/31/21, unless otherwise noted

NATIONALLY RECOGNIZED TOP TENANTS

1
upcoming large office
expiration⁽¹⁾
(April 2023)

97%
occupied

7%
positive GAAP releasing
spreads in 2021

3%
positive Cash same
store NOI in 2021



(1) Defined as any tenant over 20,000 square feet
 (2) Assumes T. Rowe Price global headquarters is sold upon completion
 (3) Based on management's goals
 (4) Fully Stabilized Portfolio assumes announced pipeline is delivered and stabilized per schedule on page 10

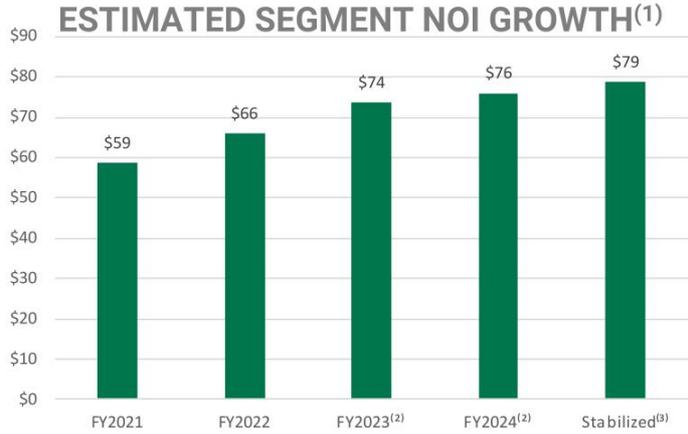
\$ in millions
As of 12/31/21, unless otherwise noted

NATIONALLY RECOGNIZED TOP TENANTS

96%
occupied

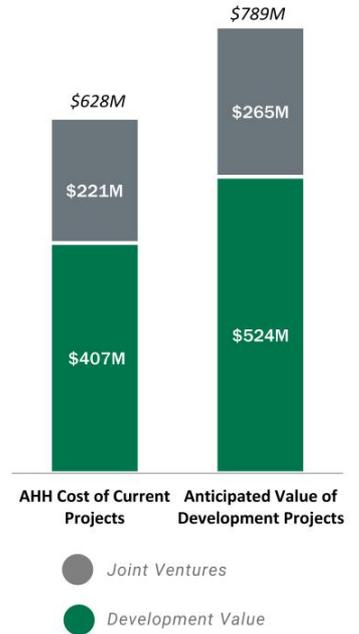
7%
positive Cash same store
NOI in 2021 (1% GAAP)

9%
positive GAAP releasing
spreads in 2021



(1) Includes \$100M acquisition target per 2022 guidance
 (2) Based on management's goals
 (3) Fully Stabilized Portfolio assumes announced pipeline is delivered and stabilized per schedule on page 10

PROJECT ⁽¹⁾	PROPERTY TYPE	INITIAL OCCUPANCY ⁽²⁾	AHH OWNERSHIP	TOTAL COST ⁽²⁾
DEVELOPMENT				
Chronicle Mill Belmont, NC	Multifamily	3Q22	85% ⁽³⁾	\$55M
Harrisonburg Apartments Harrisonburg, VA	Multifamily	3Q24	100%	\$70M
Gainesville Apartments Gainesville, GA	Multifamily	1Q22	95% ⁽³⁾	\$52M
Southern Post Roswell, GA	Multifamily / Office / Retail	4Q23	100%	\$110M
DELIVERED NOT STABILIZED				
Wills Wharf Baltimore, MD	Office	2Q20	100%	\$120M
UNCONSOLIDATED JOINT VENTURE (Estimated, Subject to Change)				
T. Rowe Price Global HQ Baltimore, MD	Office	1Q24	50%	\$125M ⁽⁴⁾
Parcel 4 Mixed-Use Baltimore, MD	Multifamily / Garage	1Q24	50%	\$96M ⁽⁴⁾
Total				\$628M



(1) For our ownership structure, see page 18 & 19 of the 4Q21 Supplemental Financial Package
 (2) Timing and investment amounts are estimates and subject to change as the development process demands
 (3) AHH receives preferred return on investment
 (4) Reflects AHH portion of joint venture cost

ACQUISITION ACTIVITY 4Q20 – 1Q22

\$ in millions

Property	Size	Acquisition Date	Price	2022 Est. GAAP NOI	Est. Return
Annapolis Junction	416 MF units	4Q20	\$125	\$6	5.1%
Edison Apartments	174 MF units	4Q20	\$26	\$2	7.8%
Delray Plaza Whole Foods	87K sf retail	1Q21	\$42	\$3	7.3%
Overlook Village	151K sf retail	3Q21	\$28	\$2	8.6%
Greenbrier Square	261K sf retail	3Q21	\$37	\$2	6.4%
Exelon Building	444K sf office 103 MF units 39K sf retail 750 parking spaces	1Q22	\$273 ⁽¹⁾	\$20	7.4%
TOTAL			\$531	\$36	6.9%



538,000 sf retail **693 MF units**
444,000 sf office

(1) Represents 100% of building value, AHH holds 90% economic interest

Maryland

Virginia

North Carolina

South Carolina

Georgia



Acquired the Exelon Building at Harbor Point, Baltimore's premiere downtown waterfront property



 **Investment Thesis**

- ✓ Acquisition of Exelon Building is immediately accretive to FFO
- ✓ Multifamily component is complimentary to adjacent Baltimore multifamily property
- ✓ Consistent with long-term plan of building scale in Harbor Point submarket
- ✓ Highly familiar with Exelon Building
 - AHH constructed in 2016 alongside Beatty Development Group (25 year working relationship)

 **Acquisition Details**

- ✓ Acquisition value of \$246M⁽¹⁾
 - Acquired 90% economic interest for \$105M plus debt assumption⁽²⁾
 - 10% retained by Beatty Development Group (\$12mm)
 - Refinanced \$175M of note debt at BSBY 1.5%
- ✓ Estimated Year 1 cap rate: 7.4% GAAP, 6.1% cash

 **Financial Features**

- ✓ Strong credit tenant base
 - Lead tenant - Exelon Constellation
- ✓ Exelon lease has 15 remaining years
 - Contractual rent escalation of 3% annually
- ✓ Upside of cost synergies due to adjacent multifamily property
- ✓ Desirable retail location and square footage
 - Upside from ~13,500 sf of vacant retail space

(1) Excludes \$12M of equity and its 10% share of related debt retained by the Beatty Development Group for a total value of \$273M
 (2) Represents a 79% interest and an additional 11% economic interest



AHH Owned		JV Development with Beatty Development Group	
1 - Thames Street Wharf	263,000 office	5 - T. Rowe Price Global HQ	450,000 office
2 - 1405 Point	289 MF units		250 parking spaces
3 - Wills Wharf	328,000 office	6 - Parcel 4 Mixed-Use	312 MF units
4 - Exelon Building ⁽¹⁾	444,000 office		10,000 retail
	103 MF units		1,250 parking spaces
	38,500 retail		
<hr/>		<hr/>	
1,073,500 sf & 392 MF units		460,000 sf, 312 MF units, 1,500 parking	

(1) Represents 100% of the property of which the company owns 90% economic interest



UNCONSOLIDATED JOINT VENTURE - PREDEVELOPMENT: SUBJECT TO CHANGE

50%

Ownership in JVs with
Beatty Development Group

Off Balance Sheet

Unconsolidated Joint Ventures

~\$60M

Estimated AHH Cash Equity

~10%

Expected Annual Cash Return⁽¹⁾

T. Rowe Price Global HQ Site

450,000 sf office
250 parking spaces
\$250M Estimated Cost
~\$4-5M Estimated Construction Fees



Parcel 4 Mixed-Use

312 multifamily units
10,000 sf retail
1,250 parking spaces
\$192M Estimated Cost
~\$4M Estimated Construction Fees

(1) Does not include exit profit





Additional Development Opportunities



1 Block 2 is a **1.3-acre** future site for development, currently used as a surface parking lot

2 a **5-acre** retail center currently featuring Bed, Bath & Beyond with future redevelopment opportunities

3 an **8-acre** retail center currently featuring Regal Cinemas with future redevelopment opportunities

\$52M

total development cost

223

multifamily units

95%

Ownership with a preferred return

Located an hour north of Atlanta, GA, Solis Gainesville will be a \$52 million multifamily development joint-venture with our partners, Terwilliger Pappas. This 223-unit development commenced construction during the third quarter of 2020 and began delivering units during the first quarter of 2022.



Chronicle Mill is an historic textile mill that will be revitalized into a mixed-use project just steps from historic downtown Belmont, NC (Charlotte MSA). The project will encompass 244 apartment units and 14,700 square feet of commercial space and is expected to begin delivery during the third quarter of 2022.

\$55M

total development costs

85%

Ownership with a preferred return

244

apartment units

14,700

square feet of commercial space



Harbor Point Baltimore, MD

100% AHH ownership

Delivered in 2020

Notable Tenants

*Transamerica, RBC, Morgan Stanley,
and Canopy by Hilton*

\$120M *total estimated development cost*

~70% *leased*

328,000 *square feet of mixed-use hotel
and class A office space*



<i>Location</i> Roswell, GA	<i>Square Feet</i> 137,000	<i>Roswell Town Center is a mixed-use project expected to total 137,000 square feet that began construction in late 2021. The center will include 42,000 square feet of retail, 95,000 square feet of office, 137 multifamily units.</i>
<i>AHH Ownership</i> 100%	<i>Estimated Cost</i> \$110M	





100%

AHH ownership

266

apartment units

\$70M

total development cost
estimated

Harrisonburg Apartments is a multifamily project located within the central business district of Harrisonburg, VA and adjacent to James Madison University. The Company negotiated redevelopment rights to the property in 2021 and construction is expected to start in the second quarter of 2022.
