



REITworld  
November 2020





## FORWARD-LOOKING STATEMENTS/ OTHER INFORMATION

# Armada Hoffler

Armada Hoffler Properties ("AHH," the "Company," "we," or "us") has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (the "SEC") with respect to which this communication relates. Before you invest, you should read the prospectus in that registration statement and the prospectus supplement, when available, for any potential offering and the other documents we have filed or will file with the SEC for more complete information about us or such offering. You may get these documents for free by visiting EDGAR on the SEC website at <http://www.sec.gov>. Alternatively, by contacting us at [InvestorRelations@ArmadaHoffler.com](mailto:InvestorRelations@ArmadaHoffler.com) or any underwriter or any dealer participating in any such offering, we or such underwriter or dealer will arrange to send you the prospectus and related prospectus supplement (when available) if you request it. This presentation has been prepared solely for informational purposes and does not constitute an offer to sell or the solicitation of an offer to buy securities, nor shall there be any sale of securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

Certain matters within this presentation 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 statements. When used, the words "anticipate," "believe," "expect," "intend," "may," "might," "plan," "seeks," "estimate," "project," "should," "will," "result," and similar expressions, which do not relate solely to historical matters, are intended to identify forward-looking statements. The forwarding-looking statements include, but are not limited to, comments relating to the Company's development pipeline, the Company's construction and development businesses, including backlog, timing of deliveries and estimated costs, and expected financing activities. 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; (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; and (e) the information under the heading "Risk Factors" included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and in other filings the Company makes from time to time with the SEC, including the Company's Quarterly Reports on Form 10-Q for the quarters ended March 31, 2020, June 30, 2020, and September 30, 2020. 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.

All information within this presentation is as of September 30, 2020 unless otherwise noted.

### Use of Non-GAAP Financial Measures and other Definitions

This presentation contains certain financial measures not calculated and presented in accordance with generally accepted accounting principles in the U.S. ("GAAP") and other terms that have particular definitions when used by us. The definitions and calculations of these non-GAAP financial measures and other terms may differ from those used by other real estate investment trusts and, accordingly, may not be comparable. Please refer to the definitions and calculations of these terms and reconciliations to the most directly comparable GAAP measures included later in this presentation.

# CORPORATE OVERVIEW

As of 9/30/20 unless otherwise noted

Armada Hoffler is a vertically integrated, self-managed REIT based in Virginia Beach, VA with 40+ years of experience developing, acquiring and managing high-quality, institutional-grade properties

~\$1.0B

EQUITY MARKET CAP<sup>(1)</sup>

~3.7M

RETAIL RSF

~1.6M

OFFICE RSF

2,344

MULTIFAMILY UNITS<sup>(2)</sup>

1,183

STUDENT HOUSING BEDS

~95%

CORE OCCUPANCY

~14%

MANAGEMENT / BOARD  
OWNERSHIP

- Founded in 1979 by Daniel A. Hoffler, Armada Hoffler operates three complementary business segments – **Asset Management, Property Development & Construction**
- Owns 56 high-quality properties across the Mid-Atlantic & Southeast
- Development focuses on **high-occupancy, superior tenant quality & consistent cash flow**
- Provides general contracting & construction services across property types
- Significant experience with large-scale projects and public / private partnerships



(1) Based on AHH closing stock price of \$10.88 as of November 10, 2020.

(2) Includes Residences at Annapolis Junction and Edison Apartments which were acquired subsequent to 9/30/20.

# RECENT DEVELOPMENTS

## RESIDENCES AT ANNAPOLIS JUNCTION

11/2/20

Off-market acquisition of 416 luxury  
apartments in Annapolis Junction, MD

## REDEVELOPMENT OPPORTUNITY

10/26/20

Recaptured two prime redevelopment  
sites, formerly Regal Cinemas

3 acres in Town Center of Virginia Beach  
10 acres adjacent to James Madison University

## EDISON APARTMENTS

10/5/20

Off-market acquisition of 174  
contemporary apartments in Richmond, VA

## SOLIS GAINESVILLE

9/9/20

Announced development of \$52M  
multifamily development in Gainesville, GA



# PORTFOLIO OVERVIEW

As of 9/30/20

## RETAIL

~3.7M RSF  
~\$59.5M ABR  
94.2% OCCUPIED

## OFFICE

~1.3M RSF  
~\$34.9M ABR  
96.7% OCCUPIED

## DEVELOPMENT

### MULTIFAMILY

#### Solis Gainesville

223 units

#### Chronicle Mill

238 units

### OFFICE

#### Wills Wharf

325,000 sf

### MIXED-USE

#### Southern Post

138 units

40,000 sf retail

97,000 sf office

#### Ten Tryon

180,000 sf office

40,000 sf retail

## MULTIFAMILY

2,344 UNITS<sup>(1)</sup>  
~\$32.9M AQR  
98.6% OCCUPIED

## STUDENT HOUSING

1,183 BEDS  
~\$14.9M AQR  
91.4% OCCUPANCY

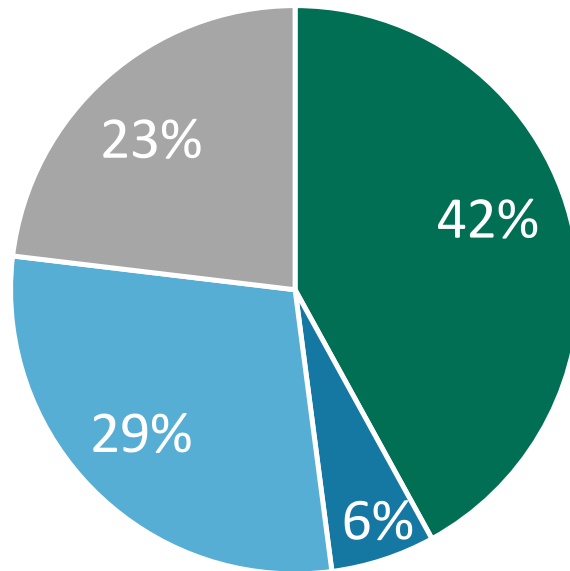


## MID-ATLANTIC & SOUTHEAST FOCUS

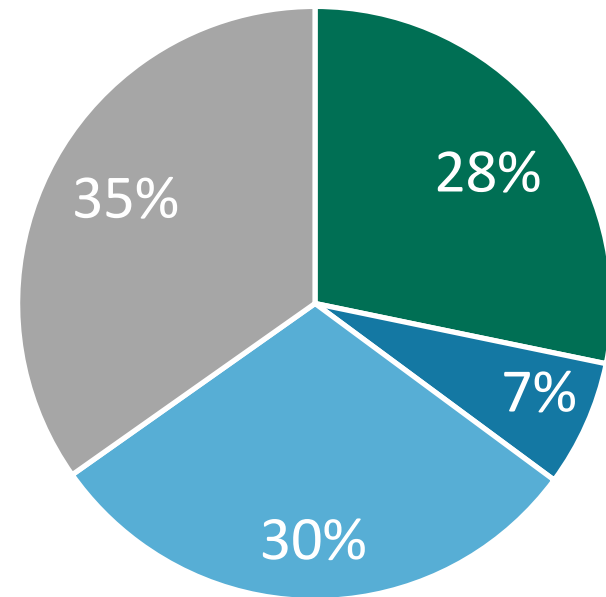
(1) Unit count includes Residences at Annapolis Junction or Edison Apartments which were acquired subsequent to 9/30/20.

# EVOLVING PORTFOLIO - GAAP NOI

3Q20<sup>(1)(2)</sup>



FUTURE PORTFOLIO WITH  
ANNOUNCED DEVELOPMENT  
STABILIZED<sup>(1)</sup>



(1) Excludes all 3Q impact and future opportunity of 2 Regal properties which were terminated in October 2020.

(2) Excludes Residences at Annapolis Junction or Edison Apartments which were acquired subsequent to 9/30/20.

Schedule<sup>(1)</sup>

Projects	Property Type	Estimated <sup>(1)</sup>	% Leased or LOI	Construction Start	Initial Occupancy	Stabilized Operation <sup>(2)</sup>	Estimated Cost <sup>(1)</sup>	Loan Commitment	Cost to Date	AHH Ownership %	Anchor Tenants
Under Development											
Solis Gainesville Gainesville, GA	Multifamily	223 units	-	3Q20	2Q22	3Q23	\$52,000	\$31,000	\$8,000	95%	NA
Total Projects Under Development							\$52,000	\$31,000	\$8,000		
Delivered Not Stabilized											
Premier Retail (Town Center Phase VI) Virginia Beach, VA	Retail	39,000 sf	76%	4Q16	3Q18	4Q21	\$18,000	\$8,000	\$16,000	100%	Williams-Sonoma, Pottery Barn
Summit Place (Meeting Street) Charleston, SC	Multifamily	357 beds	98%	3Q17	3Q20	4Q20	56,000	35,000	56,000	90%	NA
Wills Wharf Baltimore, MD	Office	325,000 sf	53%	3Q18	2Q20	2Q22	120,000	76,000	106,000	100%	Canopy by Hilton, EY
Total Projects Delivered Not Stabilized							\$194,000	\$119,000	\$178,000		
Predevelopment or On Hold											
Chronicle Mill Belmont, NC	Multifamily	238 units / 10,000 sf	-	TBD	TBD	TBD	TBD	TBD	\$5,000	85% <sup>(3)</sup>	NA
Southern Post Roswell, GA	Mixed-use	138 units / 137,000 sf	-	TBD	TBD	TBD	TBD	TBD	10,000	100% <sup>(4)</sup>	TBD
Ten Tryon Charlotte, NC	Mixed-use	220,000 sf	38%	TBD	TBD	TBD	TBD	TBD	9,000	80% <sup>(3)</sup>	Publix, Fortune 100 office tenant
									\$24,000		

Redevelopment	Property Type	% Leased or LOI	Out of Service	Construction Start	Anticipated Completion	Restabilized Operation <sup>(2)</sup>	Estimated Cost <sup>(1)</sup>	Cost to Date	Projected ROI
The Cosmopolitan Virginia Beach, VA	Multifamily	96%	0 units	1Q18	4Q20	4Q20	\$13,000	\$13,000	9%
Apex Entertainment Building (Former Dick's Sporting Goods) Virginia Beach, VA	Mixed-use	100%	84,000 sf	1Q20	4Q20	1Q21	\$8,000	\$6,300	7%
Columbus Village II Regal Site Virginia Beach, VA	Mixed-use	3 acres of mixed-use opportunity Anticipate 250 multifamily units and 30,000 square feet of mixed-use retail							
Harrisonburg Regal Site Harrisonburg, VA	Mixed-use	10 acres of mixed-use opportunity Anticipate 200 multifamily units and 50,000 square feet of mixed-use retail							
Total Projects Under Redevelopment							\$21,000	\$19,300	8%

(1) Represents estimates that may change as the development and redevelopment process proceeds.

(2) First fully-stabilized quarter. See same store definition on page 32.

(3) Majority interest in joint venture with preferred return.

(4) Acquired remaining 20% ownership subsequent to quarter end.

# Solis Gainesville

**\$52M** total development cost

**223** multifamily units

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 is expected to commence construction during the third quarter of 2020 with delivery beginning by the end of 2021.



# Chronicle Mill

Chronicle Mill is a 117-year-old mill with a vision of revitalization into a mixed-use project. Located just outside of Charlotte, North Carolina, the project will include 238 apartment units and 10,000 square feet of retail space. A portion of the site is expected to be simultaneously developed into townhomes by another developer.



Belmont, NC

location

238

apartment units

10,000

square feet of retail



220,000

square feet of mixed-use space

Fortune 100 Tenant

54,000 square feet of office under LOI

Publix

30,000 square feet street-level under LOI

### North Tryon

The North Tryon Vision Plan centers on creating a district that will attract, retain and strengthen creative industries, innovative arts and cultural and educational institutions. Together, these forces will advance the economy and jobs of the future. Strategically positioned in the heart of Charlotte, North Tryon will connect the thriving core of Uptown to the countless opportunities of the North End and Applied Innovation Corridor, as well as link together the unique and diverse First and Fourth Wards.



# Development Southern Post - Roswell



Roswell Town Center is a mixed-use project expected to total 270,000 square feet. The center will include 42,000 square feet of retail, 95,000 square feet of office and 138 multifamily units.

Location

Roswell, GA

Square Feet

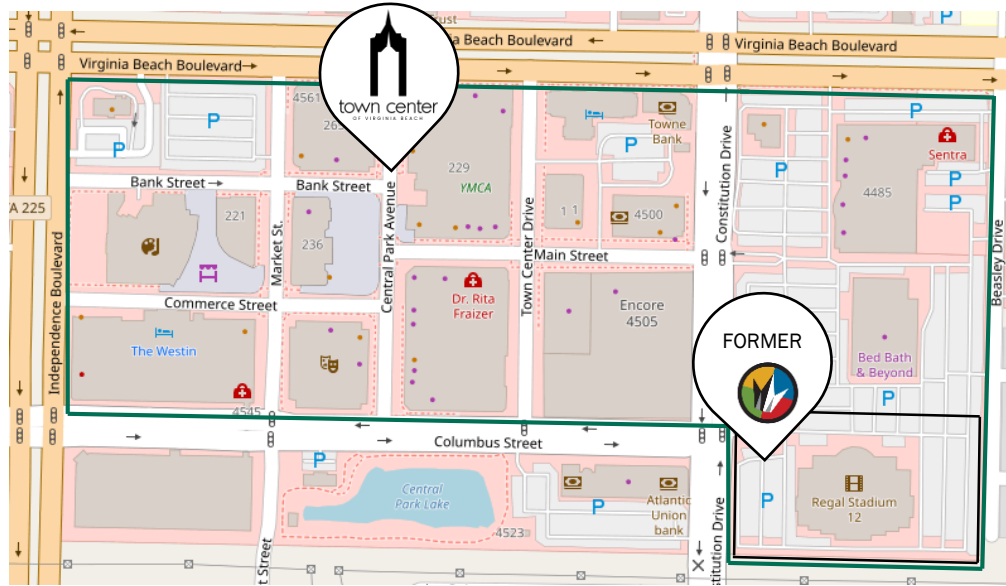
270,000

Type

Mixed-use



# REDEVELOPMENT OPPORTUNITY



## Columbus Village II

Former Regal Site

Located in the Town Center of  
Virginia Beach

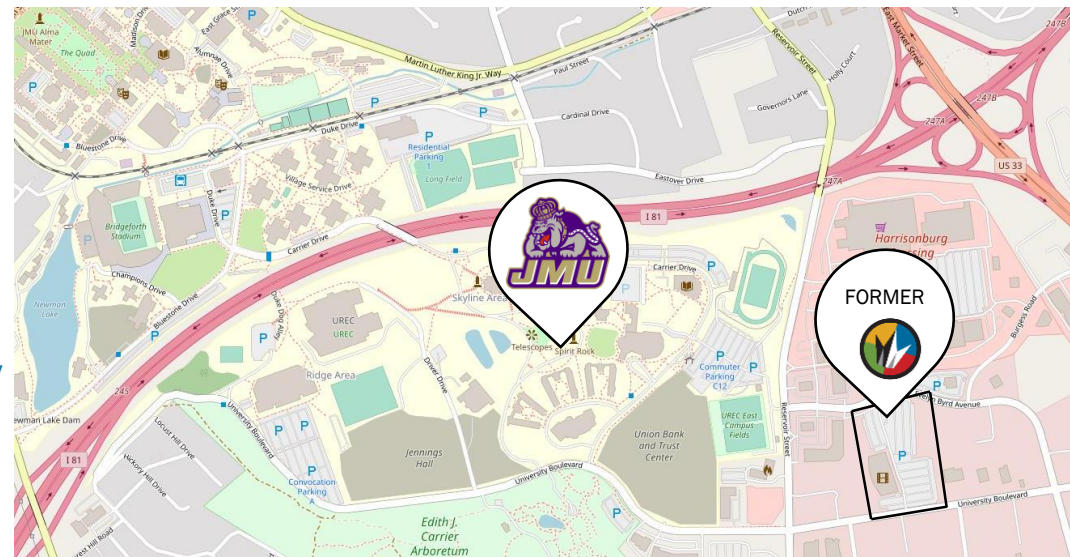
3 acres of mixed-use opportunity  
250 multifamily units  
30,000 sf of mixed-use retail

## Harrisonburg Regal

Located in Harrisonburg, VA

Adjacent to James Madison  
University

10 acres of mixed-use opportunity  
190 multifamily units  
50,000 sf of mixed-use retail



# 2020 DISPOSITION/ACQUISITION

## DISPOSITIONS

Property	Anchor(s)	Sold	Under Contract	Prospective
7 Retail Properties	Harris Teeter/Food Lion	90.0M		
Hanbury Walgreens	Walgreens	7.3M		
Oakland Marketplace-2020	Kroger		5.8M	
Hanbury 7-Eleven-2020	7-Eleven		2.9M	
Other Retail Prospects-2021	Various			~\$30.0M
<b>Total</b>		<b><u>\$97.3M</u></b>	<b><u>\$8.7M</u></b>	<b><u>~\$30.0M</u></b>

## ACQUISITIONS

Property	Type
Residences at Annapolis Junction	Multifamily
Edison Apartments	Multifamily
Nexton Square	Mixed-Use Retail

# Acquisitions

## THE EDISON

The Edison Apartments, located in downtown [Richmond, VA](#). Built in 1919 as the headquarters for Dominion power, this elegant and historic high rise has been exquisitely transformed into 174 contemporary and unique apartment homes by Armada Hoffler in 2015. It has been named The Edison to reflect its history and charm. Located in the center of Richmond business/financial district.



## NEXTON SQUARE

Nexton Square is an open-air lifestyle center under construction in [Summerville, SC](#), in the greater Charleston MSA. Located at the entrance to a new 4,500-acre master-planned community, Nexton Square serves as the retail gateway to over 10,000 new single-family and multifamily residential units with 118,000 square feet of existing space and a 30,000 square foot expansion opportunity for local retailers, restaurants, and service providers.

## ANNAPOLIS JUNCTION

The Residences at Annapolis Junction Town Center, located approximately two miles from Fort Meade in the [Baltimore-Washington corridor](#) next to the commuter rail station, is the multifamily component of a planned 18-acre mixed-use, multi-asset development that will feature 17,000 square feet of retail space, a 150-room hotel and 100,000 square feet of office space upon completion of all phases.



# MEZZANINE LOAN UPDATE

All Mezzanine projects are fully funded, no future cash requirements

\$ IN THOUSANDS

Schedule<sup>(1)</sup>

Outstanding Investments	Property Type	Estimated <sup>(1)</sup>	% Leased or LOI	Initial Occupancy	Loan Maturity	Interest Rate	Principal Mezzanine Financing	Mezzanine Interest QTD
Solis Apartments at Interlock Atlanta, GA	Multifamily	349 units	NA	4Q20	3Q22	13%	\$23,000	\$847
The Interlock Atlanta, GA	Mixed-use	300,000 sf	77%	4Q20	3Q22	15%	67,000	2,575
Nexton Square-loan paid off during quarter								380
Total							\$90,000	\$3,802
Mezzanine Interest Expense								(659)
Net Mezzanine Interest Income								\$3,143

AHH Investment to Acquisitions	Property Type	Estimated <sup>(1)</sup>	% Leased or LOI	9/30/20 Principal Financing Outstanding	Acquisition Status
Nexton Square-Phase I Summerville, SC	Mixed-use	118,000 sf	94%	\$ -	Exercised Discounted Purchase Option 9/22/20
Delray Plaza (Whole Foods) <sup>(2)</sup> Delray Beach, FL	Retail	83,000 sf	100%	12,000	Signed LOI to acquire property
The Residences at Annapolis Junction <sup>(2)</sup> Annapolis Junction, MD	Multifamily	416 units	96%	36,000	Acquired 10/30/20



(1) Represents estimates that may change as the development process proceeds  
(2) Stopped GAAP recognition of mezzanine income as of 4/1/20



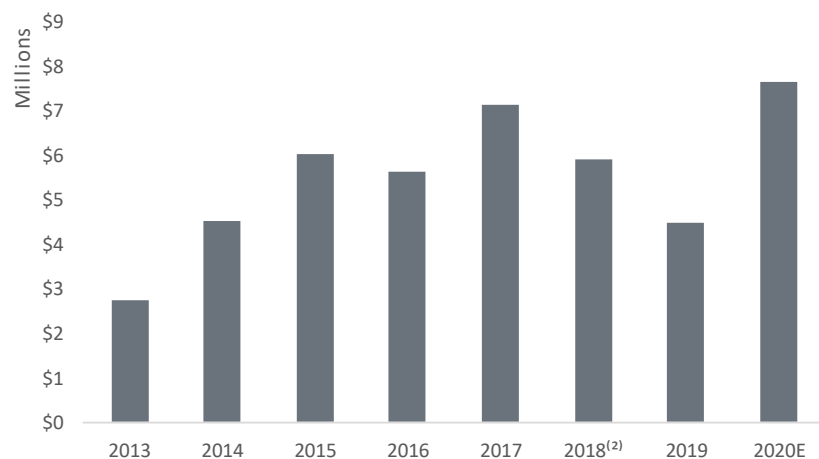
## 2020 Guidance Midpoint

**Construction Gross Profit** **\$7.6M**

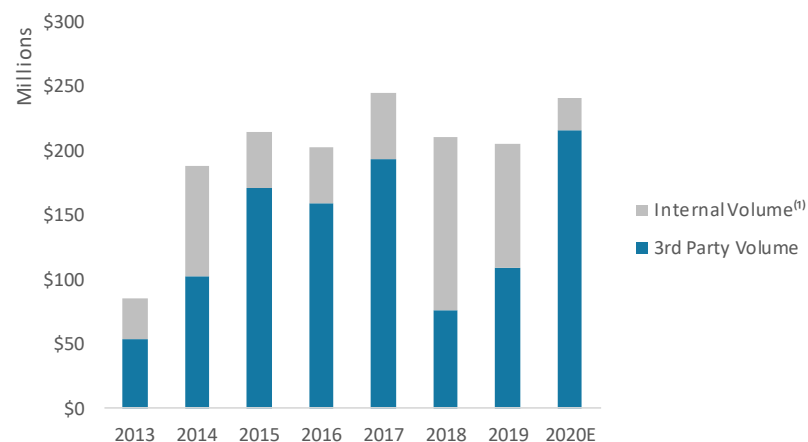
## Third-Party Construction Backlog

**As of 09/30/20** **\$123M**

**3rd Party Gross Profit<sup>(1)</sup>**



**Volume**

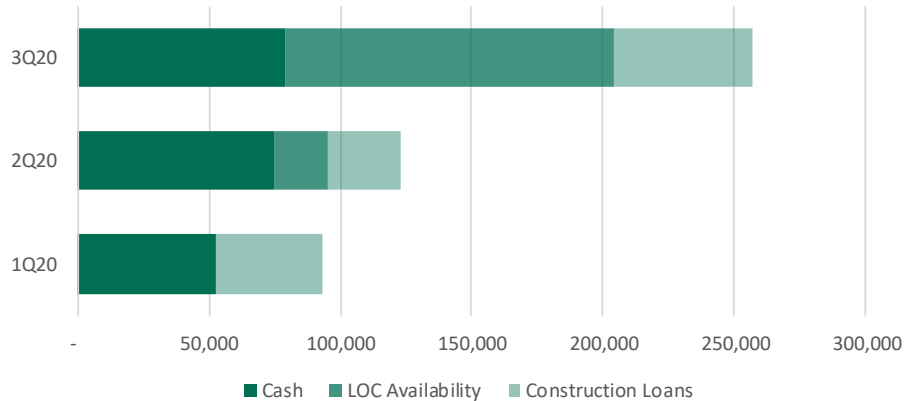


(1) No profit recognized on internal volume

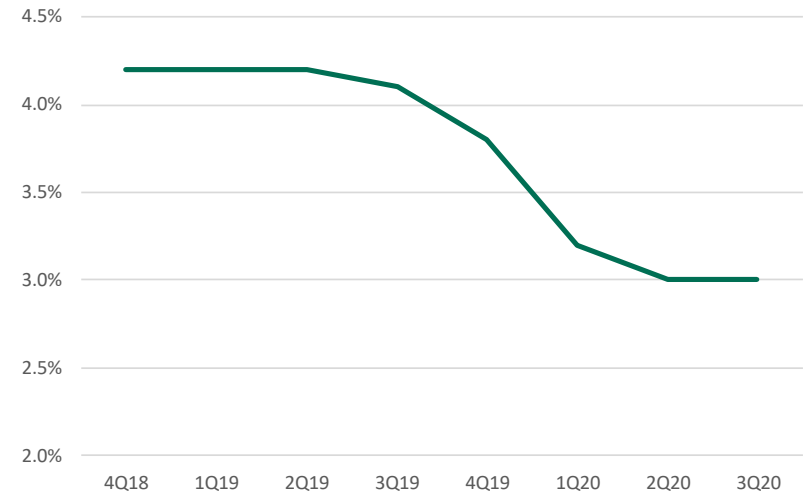
(2) Includes \$3.4M sale of distribution center

# BALANCE SHEET PHILOSOPHY

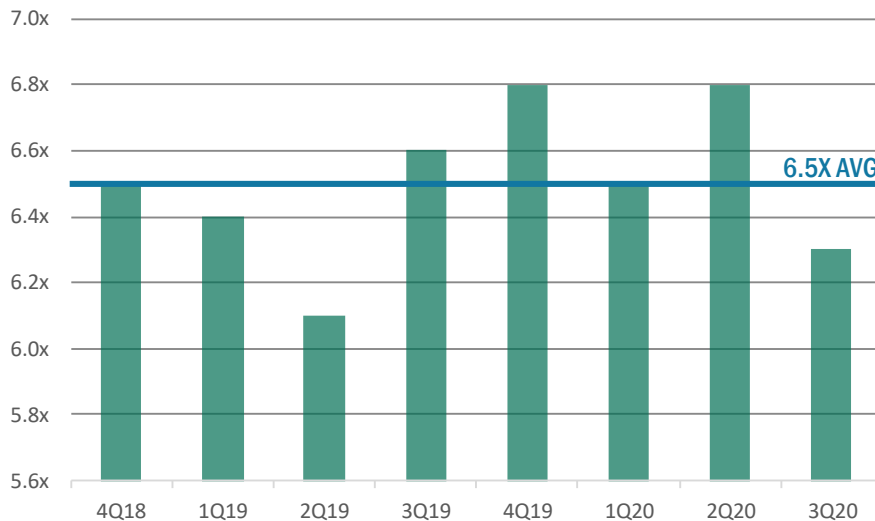
## LIQUIDITY



## WEIGHTED AVERAGE INTEREST RATE



## CORE DEBT/CORE EBITDA



## GAAP FIXED CHARGE COVERAGE



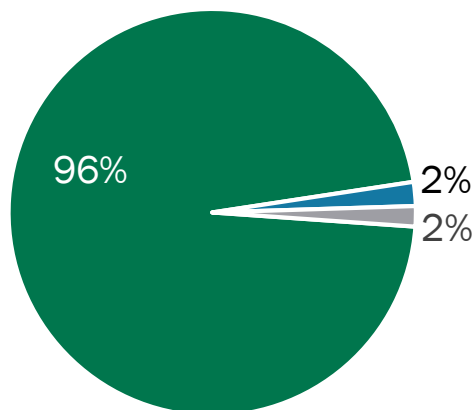
# COVID-19 OVERALL COLLECTIONS<sup>(2)</sup>

AS OF OCTOBER 27, 2020

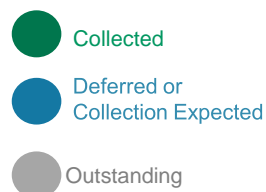
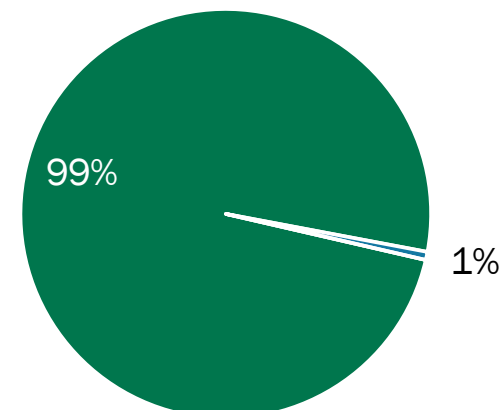
\$ in Thousands

Period	COLLECTIONS BY SECTOR							
	OFFICE		MULTIFAMILY		RETAIL		TOTAL	
	\$	%	\$	%	\$	%	\$	%
2Q20 <sup>(3)</sup>	\$ 9,811	100%	\$ 10,527	99%	\$ 12,030	72%	\$ 62,368	87%
3Q20	\$ 9,895	100%	\$ 12,187	98%	\$ 15,260	93%	\$ 37,342	96%
October <sup>(1)</sup>	\$ 3,349	100%	\$ 4,215	97%	\$ 5,191	94%	\$ 12,755	96%

## 3Q20 COLLECTIONS<sup>(4)</sup>



## 3Q20 TOP 20 COLLECTIONS<sup>(1)(4)</sup>



(1) Excludes 2 Regal leases which were terminated subsequent to 9/30/20.

(2) Data reported relates to rent charges and collections through 10/27/20 and does not correspond to the reporting segment classification of the properties as a whole.

(3) Data from second quarter supplemental package.

(4) As a percentage of 3Q20 rent and recovery charges due.

# COVID-19 EFFECT

AS OF OCTOBER 27, 2020

\$ in Thousands

## SIGNIFICANT KNOWN TERMINATIONS

Tenant	Property	Effective Date	SF Impact	ABR Impact	ABR per Leased SF
Bed, Bath, & Beyond	North Point Center	1/31/2021	30,000	\$300,000	\$10.00
Bed, Bath, & Beyond	Wendover Village	1/31/2021	33,696	404,352	12.00
Regal Cinemas <sup>(A)</sup>	Columbus Village II	10/20/2020	51,545	995,334	19.31
Regal Cinemas <sup>(A)</sup>	Harrisonburg Regal	10/25/2020	49,000	717,850	14.65
Bi-Lo <sup>(A)</sup>	Socastee Commons	1/31/2021	46,673	492,400	10.55
<b>Total / Weighted Avg</b>			<b>210,914</b>	<b>\$2,909,936</b>	<b>\$13.80</b>
<b>Proforma Retail 3Q20 Occupancy Assuming Vacancy of Known Terminations</b>					<b>88.3%</b>
<b>Proforma Total 3Q20 Occupancy Assuming Vacancy of Known Terminations</b>					<b>92.9%</b>

(A) Vacancy of tenant allows the Company to consider redevelopment of this property

## DEFERRED RENT

Deferred Rent Outstanding <sup>(1)</sup>	Repayment Period		
	YTG 2020	2021	2022
\$2,500	\$700	\$1,700	\$100

## Quarter-Over-Quarter Rent Deferral



(1) Includes \$0.1M of unsigned deferrals that are under negotiation or with the tenant for execution.