



**ARMADA HOFFLER**  
PROPERTIES

# HARBOR POINT UPDATE







## FORWARD-LOOKING STATEMENTS

# *Armada Hoffler Properties*

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 proposed development project at Harbor Point, including the anticipated timing of completion, the expected costs and the expected benefits to the Company, 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 Securities and Exchange Commission (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.

# T. Rowe Price's New Global HQ at Harbor Point



*"In Harbor Point, we will have a vibrant campus-like atmosphere, with top-notch amenities and modern spaces designed to support the collaborative way we work with each other and with our clients."*

*~William J. Stromberg, President and CEO of T. Rowe Price*

Founded in 1937, Baltimore-based T. Rowe Price Group, Inc. (troweprice.com), is a global investment management organization with **\$1.30 trillion** in assets under management as of October 31, 2020.

~450K SF

Class A Office Space,  
Conference Center &  
Auditorium

15 YR

Lease

1H24

Estimated  
Delivery

~1,700

Downtown  
Employees



# Harbor Point Site Plan



# Joint Venture Terms

## T. Rowe Price Global HQ Site

Build-To-Suit Office, Complementary Retail, Parking  
& Public Space Improvements

50/50

JV with Beatty  
Development  
Group

~\$250M

Estimated & Preliminary  
Total Development Cost

Off Balance  
Sheet

Unconsolidated  
JV for AHH

4 YR

Anticipated Hold Period  
with Double-Digit  
Expected Returns

~\$30M

Cash Equity  
Commitment  
from AHH

~\$4-5M

Estimated  
Construction  
Fees

# Joint Venture Terms

## Mixed-Use Bldg & Garage Site

60/40

JV with Beatty  
Development  
Group

Off Balance  
Sheet

Unconsolidated  
JV for AHH

~\$30M

Cash Equity  
Commitment  
from AHH

Program

Multifamily, Retail &  
Structured Parking

5 YR

Anticipated Hold Period  
with Double-Digit  
Expected Returns

~\$4M

Estimated  
Construction  
Fees



# Harbor Point's Evolution



## Harbor Point Entitled Master Plan Highlights<sup>(1)</sup>

<b>3M</b>	<b>1.6M</b>	<b>250K</b>	<b>600</b>	<b>2,500</b>
square feet of mixed-use space	square feet of office space	square feet of retail space	hotel rooms	residential units

- Current or future home to high-quality credit tenants, including Exelon Corporation, Morgan Stanley, Johns Hopkins University, EY, and T. Rowe Price
- AHH's long-term goal is the development and ownership of a transformative, vibrant urban core similar to the Town Center of Virginia Beach

## Timeline

- 2010:** AHH completes construction of Thames Street Wharf
- 2016:** AHH completes construction of the Exelon Building
- 2018:** AHH completes construction of 1405 Point
- 2019:** AHH acquires 79% ownership of 1405 Point
- 2019:** AHH acquires Thames Street Wharf
- 2020:** AHH completes construction of Wills Wharf
- 2020:** AHH acquires 100% ownership of 1405 Point
- 2020:** AHH announces joint venture to develop and build a new mixed-use building & parking garage
- 2020:** AHH announces joint venture to develop and build T. Rowe Price's new global HQ

<sup>(1)</sup> Source: Beatty Development, "Harbor Point."  
<http://beattydevelopment.com/harbor-point/>

# Thames Street Wharf

Built in 2010 by Armada Hoffer Construction, Thames Street Wharf was the first building to open in Harbor Point. This certified LEED Gold Class A office building boasts an attractive rent roll anchored by Morgan Stanley and Johns Hopkins Medicine.

Armada Hoffer Properties acquired Thames Street Wharf in 2019.



263,000

Square Feet

99%

Occupied  
As of 9/30/2020

100%

Owned by AHH



# 1405 Point



289

Residential units across 17 stories

93%

Occupied as of 9/30/2020

100%

Owned by AHH

Designed to LEED Silver standards, 1405 Point offers 289 apartment units with premium finishes, high-end appliances, and panoramic views of the city or waterfront through floor-to-ceiling windows. Other building amenities include an 11th floor rooftop pool overlooking the Inner Harbor, 24/7 fitness center, resident lounge, and spacious meeting and gathering areas.

Armada Hoffler Properties delivered 1405 Point in 2018.

# Wills Wharf

Positioned at the gateway to Baltimore's Inner Harbor, Wills Wharf is a 12-story mixed-use building, offering 325,000 square feet of Class A office and hotel space, all while providing stunning waterfront views. The top four floors of the building are leased to the owner and operator of a 156-room Canopy by Hilton hotel that opened in the fall of 2020. EY anchors the office portion of the project.

Armada Hoffler Properties delivered the building in 2020.



325,000

Square Feet

2020

Delivered

100%

Owned by AHH