

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): April 30, 2020

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 April 30, 2020, Armada Hoffer Properties, Inc. (the “Company”) issued a press release announcing its financial position as of March 31, 2020, results of operations for the three months ended March 31, 2020, and other related information. Also on April 30, 2020, 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 months ended March 31, 2020. 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, except as shall be expressly set forth by specific reference in such a filing.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

In light of the coronavirus (“COVID-19”) pandemic and its ongoing impact on the Company, effective May 1, 2020, Louis S. Haddad, the Company’s President and Chief Executive Officer, voluntarily elected to reduce his base salary by 25%. This change was approved by the Compensation Committee (the “Compensation Committee”) of the Company’s Board of Directors (the “Board”) and will remain in effect until the Compensation Committee takes further action.

Item 7.01. Regulation FD Disclosure.

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

On April 30, 2020, the Company made available on its website at www.ArmadaHoffer.com a presentation regarding the Company’s response to the COVID-19 pandemic and the ongoing impact of the pandemic on the Company, 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 of 1933, as amended, except as shall be expressly set forth by specific reference in such a filing.

Item 8.01. Other Events.

In light of the COVID-19 pandemic and its ongoing impact on the Company, effective May 1, 2020, each member of the Board, including Daniel A. Hoffer and A. Russell Kirk, voluntarily elected to reduce their cash retainers and annual equity awards by 25%. This change was approved by the Compensation Committee and the Board and will remain in effect until the Board takes further action.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release, dated April 30, 2020, issued by Armada Hoffer Properties, Inc., providing its financial position as of March 31, 2020 and results of operations for the three months ended March 31, 2020.
99.2	Armada Hoffer Properties, Inc. First Quarter 2020 Supplemental Information.
99.3	Armada Hoffer Properties, Inc. COVID-19 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: April 30, 2020

By: /s/ Michael P. O'Hara

Michael P. O'Hara

Chief Financial Officer, Treasurer and Secretary



ARMADA HOFFLER PROPERTIES REPORTS FIRST QUARTER 2020 RESULTS

Net Income of \$0.11 Per Diluted Share

Normalized FFO of \$0.32 Per Diluted Share

Company Suspends Dividend on Common Stock and Reduces Board & CEO Compensation

Provides Comprehensive COVID-19 Update in Separate Presentation Published Today

VIRGINIA BEACH, VA, April 30, 2020 – Armada Hoffer Properties, Inc. (NYSE:AHH) today announced its results for the quarter ended March 31, 2020 and provided an update on current events including initiatives in response to COVID-19.

First Quarter Highlights:

- Net income attributable to common stockholders and OP Unit holders of \$8.2 million , or \$0.11 per diluted share, compared to \$6.5 million , or \$0.10 per diluted share, for the three months ended March 31, 2019 .
- Funds from operations attributable to common stockholders and OP Unit holders ("FFO") of \$22.3 million , or \$0.29 per diluted share, compared to \$16.6 million , or \$0.25 per diluted share, for the three months ended March 31, 2019 . See "Non-GAAP Financial Measures."
- Normalized funds from operations attributable to common stockholders and OP Unit holders ("Normalized FFO") of \$24.7 million , or \$0.32 per diluted share, compared to \$18.5 million , or \$0.27 per diluted share, for the three months ended March 31, 2019 .
- Core operating property portfolio occupancy at 95.6% as of March 31, 2020 compared to 96.5% as of December 31, 2019.
- Same Store Net Operating Income ("NOI") increased 1.7% on a GAAP basis and 3.6% on a cash basis compared to the quarter ended March 31, 2019 .
- Third-party construction backlog as of March 31, 2020 was \$235.6 million .
- Reaffirmed its commitment to best-in-class corporate governance practices by waiving the option to classify its Board without stockholder approval under Maryland law, commonly referred to as MUTA.
- Established a Sustainability Committee to support the Company's ongoing commitment to environmental, workplace health and safety, corporate social responsibility, corporate governance, and other sustainability matters. The Sustainability Committee's 2019 Report can be accessed through the Company's website, ArmadaHoffler.com/Sustainability.
- Adopted several new corporate governance policies related to: environmental matters, human rights, vendor code of business conduct, clawback of incentive compensation, and anti-hedging.

COVID-19 Update:

- Board of Directors suspends quarterly cash dividend on common stock and OP Units.
- Board of Directors declares cash dividend of \$0.421875 per share on its Series A Cumulative Redeemable Perpetual Preferred Stock payable on July 15, 2020 to stockholders of record on July 1, 2020.
- Board of Directors elects to reduce compensation by 25%. President and Chief Executive Officer Louis Haddad elects to reduce salary by 25%.
- Provided a comprehensive update on the current impact of the COVID-19 pandemic on the Company's business as set forth in the separate presentation found on the Investors page of the Company's website, ArmadaHoffler.com. The Company's executive management team will discuss current events including COVID-19 during today's webcast and conference call.
- As of April 24, collected 78% of total portfolio rents due for the month of April, including 100% of office tenant rents, 97% of multifamily tenant rents, and 57% of retail tenant rents. Please refer to the COVID-19 presentation for additional details regarding the composition and status of the Company's tenants and residents.
- All third-party construction sites remain active and fully operational.
- Deferred the commencement of three development projects, postponed all asset acquisition activity, and suspended non-essential capital expenditures.
- Because of the uncertainty surrounding the future impact of the COVID-19 pandemic, the Company has withdrawn its 2020 full-year Normalized FFO guidance that was previously issued on February 6, 2020.

"At Armada Hoffler, our priority is the health, safety, and well-being of our team members, tenants, and residents. Thank you to our loyal and dedicated team of professionals that continue to ensure that each of our office buildings, apartment communities, shopping centers, and construction sites remain safe places to live and work," said Louis Haddad, President & CEO. "We recognize the short-term challenges that we face, but are confident that we will successfully navigate these uncharted waters. The immediate actions taken by the Board are both proactive measures in response to our new near-term reality and investments in the long-term future of our Company. These and other steps we've taken will put us in the best possible position to capitalize on the many opportunities that are almost certain to arise once conditions improve. This is consistent with the formula that we have successfully employed during the previous four recessions. Put simply: pay your bills, work with your tenants, conserve your cash, and be ready to outpace your peers in the subsequent recovery. We remain confident in the value of our assets and the long-term prospects afforded by our diversified platform. We believe the diversity of our business model combined with the experience of our executive management team provides a high level of stability during this period of uncertainty."

Financial Results

Net income attributable to common stockholders and OP Unit holders for the first quarter increased to \$8.2 million compared to \$6.5 million for the first quarter of 2019. The period-over-period change was primarily due to increased operating income from the property portfolio as a result of property acquisitions and the completion of development projects. Interest income also increased period over period. This was partially offset by increases in interest expense and changes in the fair value of interest rate derivatives.

Normalized FFO attributable to common stockholders and OP Unit holders for the first quarter increased to \$24.7 million compared to \$18.5 million for the first quarter of 2019. FFO attributable to common stockholders and OP Unit holders for the first quarter increased to \$22.3 million compared to \$16.6 million for the first quarter of 2019. The period-over-period changes in Normalized FFO and FFO were positively impacted by property acquisitions, completion of development projects, and higher interest income. These increases in Normalized FFO and FFO were partially offset by increased interest expense.

Operating Performance

At the end of the first quarter, the Company's office, retail and multifamily core operating property portfolios were 96.6%, 96.1% and 93.7% occupied, respectively.

Total construction contract backlog was \$235.6 million at the end of the first quarter.

Balance Sheet and Financing Activity

As of March 31, 2020, the Company had \$1.0 billion of total debt outstanding, including \$150.0 million outstanding under its revolving credit facility and \$205.0 million under its senior unsecured term loan facility. Total debt outstanding excludes unamortized GAAP fair value adjustments and deferred financing costs. Approximately 57% of the Company's debt had fixed interest rates or was subject to interest rate swaps as of March 31, 2020. After giving effect to LIBOR interest rate caps with strike prices at or below 275 basis points as of March 31, 2020, 97% of the Company's debt was either fixed or hedged.

The Company has no debt maturing during the remainder of 2020.

The Company is currently in compliance with all debt covenants.

Supplemental Financial Information

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

Webcast and Conference Call

The Company will host a webcast and conference call on Thursday, April 30, 2020 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, www.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 Saturday, May 30, 2020 by dialing 844-512-2921 (domestic) or 412-317-6671 (international) and entering the pass code 13700164.

This quarter, given the combined high volume of conference calls occurring during this time of year generally and the impact that the COVID-19 virus has had on staffing and capacity at our conference call provider, we anticipate potential delays if you dial in to be connected to the live call. As a result we encourage stockholders and interested parties to join us for the Company's earnings results discussion via the webcast link. If you choose to dial in to the live call please allow extra time to be connected to the call.

About Armada Hoffler Properties, Inc.

Armada Hoffler Properties, Inc. (NYSE: AHH) is a vertically-integrated, self-managed real estate investment trust ("REIT") with 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 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, 2019 and the other documents filed by the Company with the Securities and Exchange Commission from time to time, including the Company's Current Report on Form 8-K filed with the SEC on April 2, 2020. 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; 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.

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.

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 unrealized credit losses, amortization of right-of-use assets attributable to finance leases, severance related costs, and other non-comparable items.

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

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

	March 31, 2020	December 31, 2019
	(Unaudited)	
ASSETS		
Real estate investments:		
Income producing property	\$ 1,465,882	\$ 1,460,723
Held for development	13,607	5,000
Construction in progress	155,672	140,601
	1,635,161	1,606,324
Accumulated depreciation	(235,249)	(224,738)
Net real estate investments	1,399,912	1,381,586
Real estate investments held for sale	—	1,460
Cash and cash equivalents	48,096	39,232
Restricted cash	4,692	4,347
Accounts receivable, net	22,831	23,470
Notes receivable, net	178,652	159,371
Construction receivables, including retentions, net	35,051	36,361
Construction contract costs and estimated earnings in excess of billings, net	458	249
Operating lease right-of-use assets	32,997	33,088
Finance lease right-of-use assets	23,983	24,130
Acquired lease intangible assets, net	65,014	68,702
Other assets	34,404	32,901
Total Assets	\$ 1,846,090	\$ 1,804,897
LIABILITIES AND EQUITY		
Indebtedness, net	\$ 1,006,617	\$ 950,537
Accounts payable and accrued liabilities	15,768	17,803
Construction payables, including retentions	50,161	53,382
Billings in excess of construction contract costs and estimated earnings	6,311	5,306
Operating lease liabilities	41,512	41,474
Finance lease liabilities	17,916	17,903
Other liabilities	69,404	63,045
Total Liabilities	1,207,689	1,149,450
Total Equity	638,401	655,447
Total Liabilities and Equity	\$ 1,846,090	\$ 1,804,897

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

	Three Months Ended March 31,	
	2020	2019
	(Unaudited)	
Revenues		
Rental revenues	\$ 42,289	\$ 30,909
General contracting and real estate services revenues	47,268	17,036
Total revenues	89,557	47,945
Expenses		
Rental expenses	9,375	6,725
Real estate taxes	4,333	3,128
General contracting and real estate services expenses	45,550	16,286
Depreciation and amortization	14,279	9,904
Amortization of right-of-use assets - finance leases	147	—
General and administrative expenses	3,793	3,401
Acquisition, development and other pursuit costs	27	400
Impairment charges	158	—
Total expenses	77,662	39,844
Operating income	11,895	8,101
Interest income	7,226	5,319
Interest expense on indebtedness	(7,959)	(5,886)
Interest expense on finance leases	(229)	—
Equity in income of unconsolidated real estate entities	—	273
Change in fair value of interest rate derivatives	(1,736)	(1,463)
Provision for unrealized credit losses	(377)	—
Other income (expense), net	58	60
Income before taxes	8,878	6,404
Income tax benefit	257	110
Net income	9,135	6,514
Net loss attributable to noncontrolling interests in investment entities	92	—
Preferred stock dividends	(1,067)	—
Net income attributable to common stockholders and OP Unit holders	\$ 8,160	\$ 6,514

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

	Three Months Ended March 31,	
	2020	2019
	(Unaudited)	
Net income attributable to common stockholders and OP Unit holders	\$ 8,160	\$ 6,514
Depreciation and amortization ⁽¹⁾	14,092	10,129
FFO attributable to common stockholders and OP Unit holders	\$ 22,252	\$ 16,643
Acquisition, development and other pursuit costs	27	400
Impairment of intangible assets and liabilities	158	—
Provision for unrealized credit losses	377	—
Amortization of right-of-use assets - finance leases	147	—
Change in fair value of interest rate derivatives	1,736	1,463
Normalized FFO available to common stockholders and OP Unit holders	\$ 24,697	\$ 18,506
Net income attributable to common stockholders and OP Unit holders per diluted share and unit	\$ 0.11	\$ 0.10
FFO per diluted share and unit attributable to common stockholders and OP Unit holders	\$ 0.29	\$ 0.25
Normalized FFO per diluted share and unit attributable to common stockholders and OP Unit holders	\$ 0.32	\$ 0.27
Weighted average common shares and units - diluted	77,671	67,919

(1) The adjustment for depreciation and amortization for the three months ended March 31, 2020 excludes \$0.2 million of depreciation attributable to the Company's joint venture partners. The adjustment for depreciation and amortization for the three months ended March 31, 2019 includes \$0.2 million of depreciation attributable to the Company's investment in One City Center from January 1, 2019 to March 14, 2019, which was an unconsolidated real estate investment during this period.

Contact:

Michael P. O'Hara
Armada Hoffer Properties, Inc.
Chief Financial Officer, Treasurer, and Secretary
Email: MOHara@ArmadaHoffler.com
Phone: (757) 366-6684



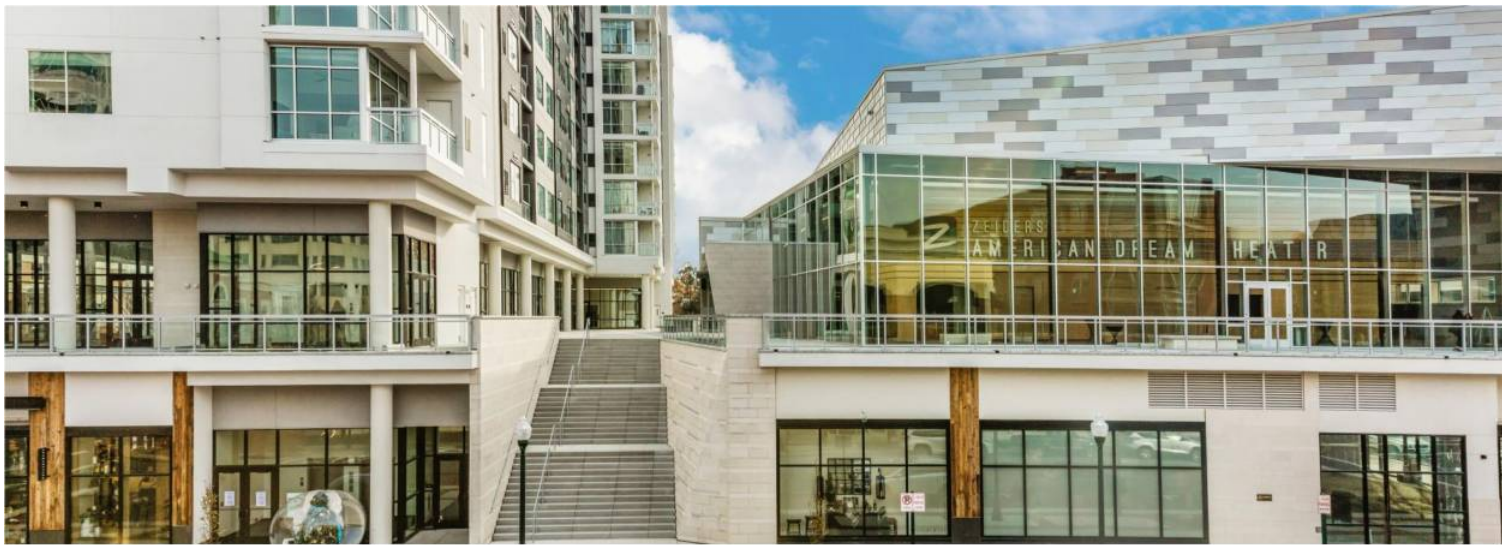
SUPPLEMENTAL FINANCIAL PACKAGE



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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 prospectus dated April 30, 2020, which has been furnished as Exhibit 99.1 to our Form 8-K filed on April 30, 2020. 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 27E 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"). Forward-looking statements may include comments relating to the current and future performance of the Company's operating property portfolio, the development pipeline, the Company's construction and development business, including backlog and timing of deliveries and estimated costs, financing 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 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, 2019 and the other documents filed by the Company with the Securities and Exchange Commission from time to time, including the Company's Report on Form 8-K filed with the SEC on April 2, 2020. The Company's actual future results and trends may differ materially from expectations depending on 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 other things, 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 covenants; (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 payments; (b) the Company's ability to continue construction on development and construction projects, in each case on the timeframes and on terms 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, policy, acquisition and disposition activities and growth opportunities; and (d) the Company's ability to maintain compliance with the covenants under its debt agreements or to obtain modifications to such covenants from the applicable lenders.

CORPORATE PROFILE

Armada Hoffler Properties, Inc. (NYSE: AHH) is a vertically-integrated, self-managed real estate investment trust ("REIT") with 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. 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
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 Manager

ANALYST COVERAGE

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HIGHLIGHTS

- Net income attributable to common stockholders and OP Unit holders of \$8.2 million, or \$0.11 per diluted share, compared to \$6.5 million, or \$0.10 per diluted share, for the three months ended March 31, 2019.
- Funds from operations attributable to common stockholders and OP Unit holders ("FFO") of \$22.3 million, or \$0.29 per diluted share, compared to \$21.5 million, or \$0.25 per diluted share, for the three months ended March 31, 2019. See "Non-GAAP Financial Measures."
- Normalized funds from operations attributable to common stockholders and OP Unit holders ("Normalized FFO") of \$24.7 million, or \$0.32 per diluted share, compared to \$18.5 million, or \$0.27 per diluted share, for the three months ended March 31, 2019.
- Core operating property portfolio occupancy at 95.6% as of March 31, 2020 compared to 96.5% as of December 31, 2019.
- Same Store Net Operating Income ("NOI") increased 1.7% on a GAAP basis and 3.6% on a cash basis compared to the quarter ended March 31, 2019.
- Third-party construction backlog as of March 31, 2020 was \$235.6 million.
- Reaffirmed its commitment to best-in-class corporate governance practices by waiving the option to classify its Board without stockholder approval under Maryland law, commonly referred to as MUTA.
- Established a Sustainability Committee to support the Company's ongoing commitment to environmental, workplace health and safety, corporate social responsibility, corporate governance, and other sustainability matters. The Sustainability Committee's 2019 Report can be accessed through the Company's website, ArmadaHoffler.com/Sustainability.
- Adopted several new corporate governance policies related to: environmental matters, human rights, vendor code of business conduct, clawback policy, executive incentive compensation, and anti-hedging.

COVID-19 UPDATE:

- Board of Directors suspends quarterly cash dividend on common stock and OP Units.
 - Board of Directors declares cash dividend of \$0.421875 per share on its Series A Cumulative Redeemable Perpetual Preferred Stock payable on July 15, 2020 to stockholders of record on July 1, 2020.
 - Board of Directors elects to reduce compensation by 25%. President and Chief Executive Officer Louis Haddad elects to reduce salary by 25%.
 - Provided a comprehensive update on the current impact of the COVID-19 pandemic on the Company's business as set forth in the separate presentation found on the Investors page of the Company's website, ArmadaHoffler.com. The Company's executive management team will discuss current impact including COVID-19 during today's webcast and conference call.
 - As of April 24, collected 78% of total portfolio rents due for the month of April, including 100% of office tenant rents, 97% of multifamily tenant rents and 57% of retail tenant rents. Please refer to the COVID-19 presentation for additional details regarding the composition and status of the Company's tenants and residents.
 - All third-party construction sites remain active and fully operational.
 - Deferred the commencement of three development projects, postponed all asset acquisition activity, and suspended non-essential capital expenditures.
 - Because of the uncertainty surrounding the future impact of the COVID-19 pandemic, the Company has withdrawn its 2020 full-year Normalized FFO guidance that was previously issued on February 6, 2020.
-

SUMMARY INFORMATION

\$ IN THOUSANDS, EXCEPT PER SHARE DATE

	Three months ended			
	3/31/2020	12/31/2019	9/30/2019	6/30/2019
OPERATIONAL METRICS				
Net income attributable to common stockholders and OP unit holders	\$8,160	\$7,215	\$9,869	\$5,992
Net income attributable to common stockholders and OP unit holders per diluted share	\$0.11	\$0.09	\$0.13	\$0.08
Rental properties Net Operating Income (NOI)	28,581	27,811	28,167	25,012
General contracting and real estate services gross profit	1,718	1,058	1,192	1,321
Adjusted EBITDA ⁽¹⁾	33,103	30,843	31,150	28,800
Funds From Operations (FFO) attributable to common stockholders and OP unit holders	22,252	22,500	21,706	19,137
FFO per diluted share attributable to common stockholders and OP unit holders	\$0.29	\$0.29	\$0.29	\$0.27
Normalized FFO attributable to common stockholders and OP unit holders	24,697	22,896	22,474	21,212
Normalized FFO per diluted share attributable to common stockholders and OP unit holders	\$0.32	\$0.30	\$0.30	\$0.30
Annualized dividend yield	8.22%	4.58%	4.64%	5.08%
CAPITALIZATION				
Common shares outstanding	56,492	56,278	54,875	52,794
Operating Partnership units outstanding	21,273	21,273	21,167	21,178
Common shares and OP units outstanding	77,765	77,551	76,042	73,972
Market price per common share	\$10.70	\$18.35	\$18.09	\$16.55
Common equity capitalization ⁽²⁾	\$832,085	\$1,423,061	\$1,375,600	\$1,224,237
Preferred equity capitalization	63,250	63,250	63,250	63,250
Total equity capitalization	\$895,335	\$1,486,311	\$1,438,850	\$1,287,487
Total debt ⁽³⁾	1,016,293	960,819	951,891	956,068
Total capitalization	1,911,628	2,447,130	2,390,741	2,243,555
Less: cash	(52,788)	(43,579)	(47,606)	(25,961)
Total enterprise value	\$1,858,840	\$2,403,551	\$2,343,135	\$2,217,594
BALANCE SHEET METRICS				
Core debt / enterprise value	45.0%	33.6%	33.4%	27.0%
Core debt + preferred equity / enterprise value	48.4%	36.2%	36.1%	29.8%
Fixed charge coverage ratio	2.8x	2.5x	2.7x	2.9x
Core debt / Annualized core EBITDA	6.5x	6.8x	6.6x	6.1x
Core debt + preferred equity / Annualized core EBITDA	7.0x	7.3x	7.2x	6.7x
CORE PORTFOLIO OCCUPANCY				
Office ⁽⁴⁾	96.6%	96.6%	96.6%	94.6%
Retail ⁽⁴⁾	96.1%	96.9%	96.8%	96.6%
Multifamily ⁽⁵⁾	93.7%	95.6%	95.8%	94.7% ⁽⁶⁾
Weighted Average ⁽⁷⁾	95.6%	96.5%	96.5%	95.6%

(1) See definition on page 28.

(2) Includes common shares and OP units.

(3) Excludes GAAP adjustments.

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

(5) Multifamily occupancy based on occupied units as a % of respective total.

(6) Includes impact of seasonality, attributed to the reduced summer occupancy at the JHU student housing property.

(7) Total occupancy weighted by annualized base rent.

NET ASSET VALUE COMPONENT DATA

\$ IN THOUSANDS

Stabilized Portfolio NOI (Cash) ⁽¹⁾			Third-Party General Contracting and Real Estate Services	
	Three months ended	Annualized		Trail
	3/31/2020	3/31/2020		
Stabilized Virginia Beach (VB) Town Center⁽¹⁾				
Office ⁽²⁾	\$3,503	\$14,012		
Retail ⁽²⁾	1,944	7,776		
Multifamily	1,812	7,248		
Total Stabilized VB Town Center NOI	\$7,259	\$29,036		
Stabilized Portfolio (Excludes VB Town Center)⁽¹⁾				
Office ⁽²⁾	\$2,912	\$11,648		
Retail	12,635	50,540		
Multifamily	4,994	19,976		
Total Stabilized Portfolio (Excludes VB Town Center)	\$20,541	\$82,164		
Combined Stabilized Portfolio NOI	\$27,800	\$111,200		
Run Rate Adjustments⁽¹⁾				
Signed Leases Not Yet Occupied or In Free Rent Period	\$901	\$3,604		
Net Dispositions Completed Intra-Quarter	-	-		
Total Run Rate Adjustments	\$901	\$3,604		
Total	\$28,701	\$114,804		
Non-Stabilized Portfolio and Development Pipeline (Cost Basis)⁽³⁾			General Contracting Gross Profit	
See page 17 for a list of properties				
		As of 3/31/2020		
Income Producing Properties		\$14,000		
Construction In Process		150,000		
Other Assets		24,000		
Total Non-Stabilized Development Portfolio		188,000		
Redevelopment in Process		17,000		
Total Non-Stabilized Redevelopment and Development Portfolio		\$205,000		
			Non-Property Assets⁽⁴⁾	
			As c	
			Cash and Cash Equivalents	
			Restricted cash	
			Accounts Receivable	
			Notes Receivable, Including Mezzanine Investments ⁽⁵⁾	
			Construction receivables, including retentions	
			Acquired lease intangible assets, net	
			Other Assets	
			Land Held for Development (Book Value)	
			Total Non-Property Assets	
			Liabilities⁽⁴⁾	
			As c	
			Mortgages and Notes Payable ⁽⁵⁾	
			Accounts Payable and Accrued Liabilities	
			Construction Payables, Including Retentions	
			Other Liabilities	
			Total Liabilities	
			Preferred Equity	
			Liqu	
			Series A Cumulative Redeemable Perpetual Preferred Stock	
			Common Equity	
			As c	
			Total common shares outstanding	
			Total OP units outstanding	
			Total Common Shares & OP Units Outstanding	

- (1) NOI from non-stabilized portfolio and development pipeline excluded from stabilized portfolio.
- (2) Includes leases for spaces occupied by Armada Hoffer which are eliminated for GAAP purposes.
- (3) NOI not included in Stabilized Portfolio.
- (4) Excludes lease right of use assets and lease liabilities.
- (5) Excludes GAAP adjustments.

SUMMARY BALANCE SHEET

\$ IN THOUSANDS

	As of	
	3/31/2020 (Unaudited)	12/31/2019
Assets		
Real estate investments:		
Income producing property	\$1,465,882	\$1,460,723
Held for development	13,607	5,000
Construction in progress	155,672	140,601
Accumulated depreciation	(235,249)	(224,738)
Net real estate investments	<u>1,399,912</u>	<u>1,381,586</u>
Real estate investments held for sale	-	1,460
Cash and cash equivalents	48,096	39,232
Restricted cash	4,692	4,347
Accounts receivable, net	22,831	23,470
Notes receivable, net	178,652	159,371
Construction receivables, including retentions, net	35,051	36,361
Construction contract costs and estimated earnings in excess of billings, net	458	249
Operating lease right-of-use assets, net	32,997	33,088
Finance lease right-of-use assets, net	23,983	24,130
Acquired lease intangible assets, net	65,014	68,702
Other assets	34,404	32,901
Total Assets	<u><u>\$1,846,090</u></u>	<u><u>\$1,804,897</u></u>
Liabilities and Equity		
Indebtedness, net	\$1,006,617	\$950,537
Accounts payable and accrued liabilities	15,768	17,803
Construction payables, including retentions	50,161	53,382
Billings in excess of costs and estimated earnings	6,311	5,306
Operating lease liabilities	41,512	41,474
Finance lease liabilities	17,916	17,903
Other liabilities	69,404	63,045
Total Liabilities	<u>1,207,689</u>	<u>1,149,450</u>
Total Equity	<u>638,401</u>	<u>655,447</u>
Total Liabilities and Equity	<u><u>\$1,846,090</u></u>	<u><u>\$1,804,897</u></u>

SUMMARY INCOME STATEMENT

IN THOUSANDS, EXCEPT PER SHARE DATA

	Three months ended	
	3/31/2020	3/31/2019
	(Unaudited)	
Revenues		
Rental revenues	\$42,289	\$30,909
General contracting and real estate services revenues	47,268	17,036
Total Revenues	89,557	47,945
Expenses		
Rental expenses	9,375	6,725
Real estate taxes	4,333	3,128
General contracting and real estate services expenses	45,550	16,286
Depreciation and amortization	14,279	9,904
Amortization of right-of-use assets - finance leases	147	-
General and administrative expenses	3,793	3,401
Acquisition, development and other pursuit costs	27	400
Impairment charges	158	-
Total Expenses	77,662	39,844
Operating Income	11,895	8,101
Interest income	7,226	5,319
Interest expense on indebtedness	(7,959)	(5,886)
Interest expense on finance leases	(229)	-
Change in fair value of interest rate derivatives	(1,736)	(1,463)
Equity in income of unconsolidated real estate entities	-	273
Provision for unrealized credit losses	(377)	-
Other income (expense), net	58	60
Income before taxes	8,878	6,404
Income tax benefit (provision)	257	110
Net Income	\$9,135	\$6,514
Net income attributable to noncontrolling interest in investment entities	92	-
Preferred stock dividends	(1,067)	-
Net income attributable to AHH and OP Unit holders	\$8,160	\$6,514
Net income per diluted share and unit attributable to AHH and OP Unit holders	\$0.11	\$0.10
Weighted Average Shares & Units - Diluted	77,671	67,919

FFO, NORMALIZED FFO & AFFO⁽¹⁾

\$ IN THOUSANDS, EXCEPT PER SHARE DATA

	Three months ended (Unaudited)				3/31/2020
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	
Funds From Operations					
Net income attributable to AHH and OP unit holders	\$8,160	\$7,215	\$9,869	\$5,992	
Earnings per diluted share	\$0.11	\$0.09	\$0.13	\$0.08	
Depreciation and amortization ⁽²⁾	14,092	15,285	15,057	13,145	
Gains (losses) on dispositions of operating real estate ⁽³⁾	-	-	(3,220)	-	
FFO	\$22,252	\$22,500	\$21,706	\$19,137	
FFO per diluted share	\$0.29	\$0.29	\$0.29	\$0.27	
Normalized FFO					
Acquisition, development & other pursuit costs	27	294	93	57	
Loss on extinguishment of debt	-	30	-	-	
Impairment of intangible assets and liabilities	158	252	-	-	
Provision for unrealized credit losses	377	-	-	-	
Amortization of right-of-use assets - finance leases	147	147	145	85	
Change in fair value of interest rate derivatives	1,736	(327)	530	1,933	
Normalized FFO	\$24,697	\$22,896	\$22,474	\$21,212	
Normalized FFO per diluted share	\$0.32	\$0.30	\$0.30	\$0.30	
Adjusted FFO					
Non-cash stock compensation	1,030	274	323	327	
Acquisition, development & other pursuit costs	(27)	(294)	(93)	(57)	
Tenant improvements, leasing commissions, lease incentives ⁽⁴⁾	(1,318)	(1,065)	(2,057)	(841)	
Property related capital expenditures	(1,014)	(2,426)	(1,565)	(1,983)	
Adjustment for loan modification and exit fees	(2,074)	(1,860)	(1,371)	(1,238)	
Non-cash interest expense ⁽⁵⁾	638	588	425	509	
Cash ground rent payment - finance lease	(216)	(216)	(207)	(112)	
GAAP Adjustments	(984)	(958)	(1,686)	(1,422)	
AFFO	\$20,732	\$16,939	\$16,243	\$16,395	
AFFO per diluted share	\$0.27	\$0.22	\$0.22	\$0.23	
Weighted Average Common Shares Outstanding	56,398	55,581	53,463	52,451	
Weighted Average Operating Partnership ("OP") Units Outstanding	21,273	21,181	21,080	18,781	
Total Weighted Average Common Shares and OP Units Outstanding	77,671	76,762	74,543	71,232	

(1) See definitions on pages 27-28.

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

(3) The adjustment for gain on operating real estate dispositions for the 3 months ended 9/30/2019 excludes the portion of the gain on Lightfoot Marketplace that was allocated to our joint venture partner on the gain on sale of a non-operating land parcel.

(4) Excludes development, redevelopment, and first generation space.

(5) Includes non-cash interest expense relating to indebtedness and interest expense on finance leases.

OUTSTANDING DEBT

\$ IN THOUSANDS

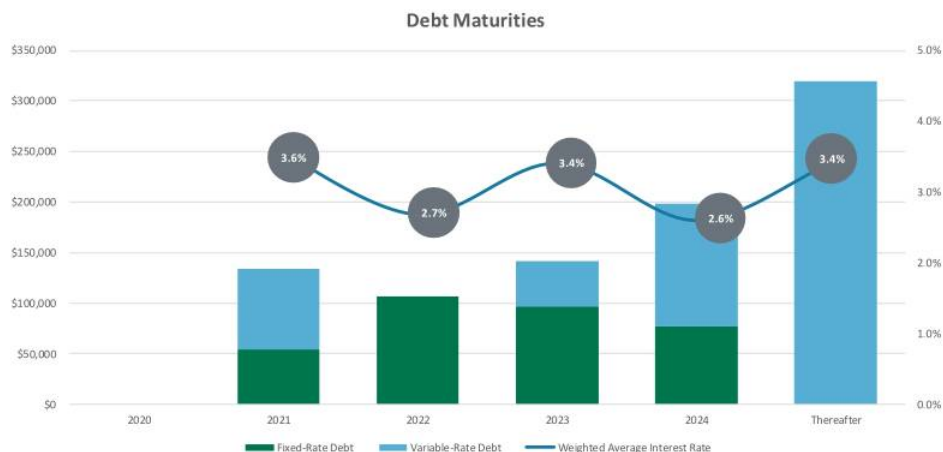
Debt Maturities & Principal Payments

Debt	Stated Rate	Effective Rate as of 3/31/2020	Maturity Date	2020	2021	2022	2023	2024	Thereafter	Outstanding 3/31/20
Secured Notes Payable - Core Debt										
Hoffler Place	L+3.24%	4.23%	Jan-2021	-	\$29,589					\$
Southgate Square	L+1.60%	2.59%	Apr-2021	660	19,682					
Encore Apartments	3.25%	3.25%	Sep-2021	379	24,338					
4525 Main Street	3.25%	3.25%	Sep-2021	487	31,230					
Red Mill West	4.23%	4.23%	Jun-2022	336	465	10,386				
Thames Street Wharf	L+1.30%	1.81% ⁽¹⁾	Jun-2022	-	-	70,000				
Hanbury Village	3.78%	3.78%	Aug-2022	79	532	17,774				
Marketplace at Hilltop	4.42%	4.42%	Oct-2022	299	414	9,706				
1405 Point	L+2.25%	3.24%	Jan-2023	-	714	754	51,532			
Socastee Commons	4.57%	4.57%	Jan-2023	82	115	120	4,223			
Sandbridge Commons	L+1.75%	2.74%	Jan-2023	186	257	268	7,248			
249 Central Park Retail	L+1.60%	3.85% ⁽¹⁾	Aug-2023	175	245	260	16,092			
Fountain Plaza Retail	L+1.60%	3.85% ⁽¹⁾	Aug-2023	105	147	156	9,685			
South Retail	L+1.60%	3.85% ⁽¹⁾	Aug-2023	77	107	114	7,065			
One City Center	L+1.85%	2.84%	Apr-2024	447	628	659	691	22,734		
Red Mill Central	4.80%	4.80%	Jun-2024	131	175	175	175	1,838		
Premier Apartments	L+1.55%	2.54%	Oct-2024	34	208	221	234	16,053		
Red Mill South	3.57%	3.57%	May-2025	229	315	327	338	351	4,502	
Brooks Crossing Office	L+1.60%	2.59%	Jul-2025	299	734	753	774	793	11,058	
Market at Mill Creek	L+1.55%	2.54%	Jul-2025	486	647	647	647	647	10,960	
Johns Hopkins Village	L+1.25%	4.19% ⁽¹⁾	Aug-2025	707	988	1,031	1,075	1,116	46,649	
North Point Center Note 2	7.25%	7.25%	Sep-2025	99	140	151	162	174	1,467	
Lexington Square	4.50%	4.50%	Sep-2028	193	268	280	293	306	13,293	
Red Mill North	4.73%	4.73%	Dec-2028	76	105	110	116	121	3,842	
Greenside Apartments	3.17%	3.17%	Dec-2029	505	697	720	743	765	30,398	
Smith's Landing	4.05%	4.05%	Jun-2035	635	880	917	956	994	13,584	
Liberty Apartments	5.66%	5.66%	Nov-2043	217	304	322	341	361	12,549	
The Cosmopolitan	3.35%	3.35%	Jul-2051	597	819	847	876	906	39,461	
Total - Secured Core Debt				\$7,520	\$114,743	\$116,698	\$103,266	\$47,159	\$187,763	\$5
Secured Notes Payable - Development Pipeline										
Summit Place	L+3.24%	4.23%	Jan-2021	-	30,135					
Wills Wharf	L+2.25%	3.24%	Jun-2023	-	-	-	45,759			
Premier Retail	L+1.55%	2.54%	Oct-2024	17	102	109	115	7,907		
Total - Development Pipeline				17	30,237	109	45,874	7,907		
Total Secured Notes Payable				\$7,537	\$144,980	\$116,807	\$149,140	\$55,066	\$187,763	\$6
Unsecured Core Debt										
Senior Unsecured Line of Credit	L+1.30%-1.85%	2.49%	Jan-2024	-	-	-	-	\$150,000		\$1
Senior Unsecured Term Loan	L+1.25%-1.80%	2.44%	Jan-2025	-	-	-	-	-	19,500 ⁽²⁾	
Senior Unsecured Term Loan	L+1.25%-1.80%	1.95% - 4.47% ⁽¹⁾⁽²⁾	Jan-2025	-	-	-	-	-	185,500 ⁽²⁾	1
Total - Unsecured Core Debt				-	-	-	-	150,000	205,000	3
Total Notes Payable excluding GAAP Adjustments				\$7,537	\$144,980	\$116,807	\$149,140	\$205,066	\$392,763	\$10
GAAP Adjustments										
Total Notes Payable										\$10

- (1) Includes debt subject to interest rate swap locks.
(2) Reflects the impact of swap locks effective 4/1/2020.

DEBT INFORMATION

\$ IN THOUSANDS



Total Debt Composition				Interest Rate Cap Agreements			
	% of Debt	Weighted Average		Effective Date	Maturity Date	Strike Rate	Notic Amc
		Interest Rate	Maturity				
Secured vs. Unsecured Debt							
Unsecured Debt	34.9%	2.9%	4.4 Yrs	July 2018	August 2020	2.50%	\$!
Secured Debt	65.1%	3.4%	6.0 Yrs	December 2018	January 2021	2.75%	!
Variable vs. Fixed-rate Debt							
Variable-rate Debt ⁽²⁾	42.8%	2.9%	3.3 Yrs	May 2019	June 2022	2.50%	1!
Fixed-rate Debt ⁽¹⁾⁽³⁾	57.2%	3.4%	7.1 Yrs	January 2020	February 2022	1.75%	1!
Fixed-rate and Hedged Debt ⁽¹⁾⁽³⁾	96.6%			March 2020	March 2022	1.50%	1!
Total		3.2%	5.5 Yrs	Total Interest Rate Caps			\$4!
				Fixed-rate Debt ⁽¹⁾⁽³⁾			5!
				Fixed-rate and Hedged Debt			\$9!
				% of Total Debt ⁽³⁾			

- (1) Includes debt subject to interest rate swap locks.
(2) Excludes debt subject to interest rate swap locks.
(3) Excludes GAAP adjustments.

CORE DEBT TO CORE EBITDA⁽¹⁾

\$ IN THOUSANDS

	Three months ended				3/31/2020
	3/31/2020	12/31/2019	9/30/2019	6/30/2019	
Net income attributable to common stockholders and OP unit holders	\$8,160	\$7,215	\$9,869	\$5,992	
Excluding:					
Depreciation and amortization ⁽²⁾	14,092	15,285	15,057	13,145	
Amortization of right-of-use assets - finance leases	147	147	145	85	
(Gain) Loss on operating real estate dispositions	-	-	(3,220) ⁽³⁾	-	
Income tax provision (benefit)	(257)	(152)	(199)	(30)	
Interest expense ⁽²⁾	7,805	8,359	8,624	7,348	
Interest expense - finance leases	229	228	228	112	
Change in fair value of interest rate derivatives	1,736	(327)	530	1,933	
Cash ground rent payment - finance leases	(216)	(216)	(207)	(112)	
Loss on extinguishment of debt	-	30	-	-	
Provision for unrealized credit losses	377	-	-	-	
Non-cash stock compensation	1,030	274	323	327	
Adjusted EBITDA	\$33,103	\$30,843	\$31,150	\$28,800	
Other adjustments:					
Development/Redevelopment ⁽²⁾⁽⁵⁾	(1,133)	(1,010)	(1,499)	(2,183)	
(Less) Net Acquisitions/Dispositions completed intra-quarter	-	-	(226)	(1,978)	
Core EBITDA	\$31,970	\$29,833	\$29,425	\$24,639	
Total debt⁽⁴⁾	\$1,016,293	\$960,819	\$951,891	\$956,068	
Adjustments to debt:					
(Less) Development/Redevelopment ⁽²⁾⁽⁵⁾	(127,650)	(109,930)	(122,597)	(161,528)	
(Less) Net Acquisitions/Dispositions completed intra-quarter	-	-	-	(170,476)	
(Less) Cash & restricted cash	(52,788)	(43,579)	(47,606)	(25,961)	
Core Debt	\$835,855	\$807,310	\$781,688	\$598,103	
Core Debt/Annualized Core EBITDA	6.5x	6.8x	6.6x	6.1x	

(1) See definitions on page 28.

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

(3) The adjustment for gain on operating real estate dispositions excludes the portion of the gain on Lightfoot Marketplace in 3Q19 that was allocated to our joint venture partner.

(4) Excludes GAAP Adjustments.

(5) Includes the redevelopment of the Cosmopolitan apartments

CAPITALIZATION & FINANCIAL RATIOS

\$ IN THOUSANDS AS OF MARCH 31, 2020

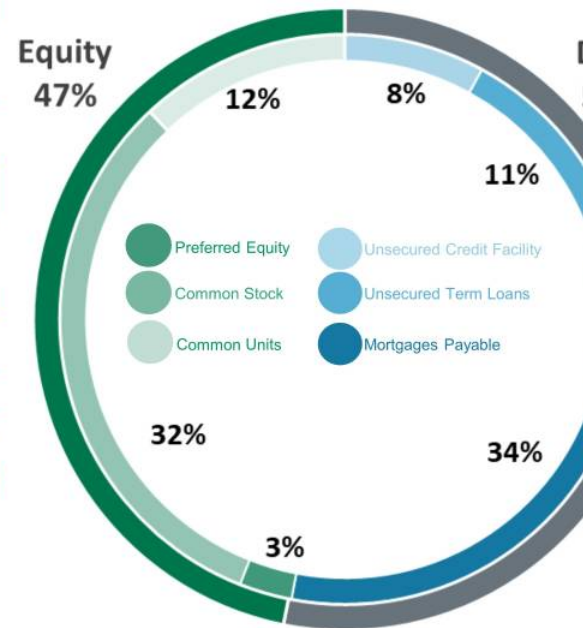
Debt	% of Total	Principal Balance
Unsecured credit facility	15%	\$150,000
Unsecured term loans	20%	205,000
Mortgages payable	65%	661,293
Total debt		\$1,016,293

Preferred Equity	Shares	Liquidation Value Per Share	Total Liquidation Value
6.75% Series A Cumulative Redeemable Perpetual Preferred Stock (NYSE: AHHPrA)	2,530	\$25.00	\$63,250

Common Equity	% of Total	Shares/Units	Stock Price	Market Value
Common stock (NYSE: AHH)	73%	56,492	\$10.70	\$604,464
Common units	27%	21,273	\$10.70	227,621
Equity market capitalization		77,765		\$832,085
Total capitalization				\$1,911,628

Financial Ratios	
Debt Service Coverage Ratio ⁽¹⁾	3.0x
Fixed Charge Coverage Ratio ⁽²⁾	2.8x
Net Debt to Adjusted EBITDA	7.7x
Core Debt to Core EBITDA	6.5x
Core Debt + Preferred Equity to Core EBITDA	7.0x
Debt/Market capitalization	53%

Liquidity	
Cash on hand	\$52,788
Availability under credit facility	-
Availability under construction loans	40,381
	\$93,169



(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 MARCH 31, 2020

Net Rentable Square Feet (RSF)⁽¹⁾

Property	Anchor Tenant(s)	Location	Town Center	Unencumbered ABR	Year Built	Core Properties	Development/Redevelopment Properties	Total	Core Occupancy ⁽²⁾	Development/Redevelopment Leased ⁽²⁾	ABR ⁽³⁾
Retail Properties											
249 Central Park Retail	Cheesecake Factory, Brooks Brothers	Virginia Beach, VA	✓	-	2004	92,400	-	92,400	97.9%	-	\$2,561
Alexander Pointe ⁽⁶⁾	Harris Teeter	Salisbury, NC		100%	1997	64,724	-	64,724	95.7%	-	649
Apex Entertainment	Apex Entertainment, USI	Virginia Beach, VA	✓	100%	2002	-	103,335	103,335	-	100.0%	1,471
Bermuda Crossroads ⁽⁶⁾	Food Lion, OfficeMax	Chester, VA		100%	2001	122,566	-	122,566	98.4%	-	1,755
Broad Creek Shopping Center ⁽⁶⁾⁽⁹⁾	Food Lion, PetSmart	Norfolk, VA		100%	1997/2001	121,504	-	121,504	95.5%	-	2,072
Broadmoor Plaza	Kroger	South Bend, IN		100%	1980	115,059	-	115,059	97.5%	-	1,383
Brooks Crossing Retail	Various Small Shops	Newport News, VA		100%	2016	18,349	-	18,349	66.3%	-	169
Columbus Village ⁽⁶⁾	Barnes & Noble, Shake Shack	Virginia Beach, VA	✓	100%	1980/2013	-	62,362	62,362	-	90.8%	1,715
Columbus Village II	Regal Cinemas, BB&B	Virginia Beach, VA	✓	100%	1995/1996	92,061	-	92,061	96.7%	-	1,595
Commerce Street Retail ⁽⁵⁾	Yard House	Virginia Beach, VA	✓	100%	2008	19,173	-	19,173	100.0%	-	886
Courthouse 7-Eleven	7-Eleven	Virginia Beach, VA		100%	2011	3,177	-	3,177	100.0%	-	139
Dimmock Square	Best Buy, Old Navy	Colonial Heights, VA		100%	1998	106,166	-	106,166	79.0%	-	1,513
Fountain Plaza Retail	Ruth's Chris, Ann Taylor	Virginia Beach, VA	✓	-	2004	35,961	-	35,961	100.0%	-	1,051
Gainsborough Square	Food Lion	Chesapeake, VA		100%	1999	88,862	-	88,862	95.6%	-	1,329
Greentree Shopping Center	Various Small Shops	Chesapeake, VA		100%	2014	15,719	-	15,719	92.6%	-	309
Hanbury Village ⁽⁶⁾	Harris Teeter, Walgreens	Chesapeake, VA		32%	2006/2009	116,635	-	116,635	100.0%	-	2,547
Harper Hill Commons ⁽⁶⁾	Harris Teeter	Winston-Salem, NC		100%	2004	96,914	-	96,914	85.0%	-	947
Harrisonburg Regal	Regal Cinemas	Harrisonburg, VA		100%	1999	49,000	-	49,000	100.0%	-	717
Indian Lakes Crossing ⁽⁶⁾	Harris Teeter	Virginia Beach, VA		100%	2008	64,973	-	64,973	97.5%	-	877
Lexington Square	Lowe's Foods	Lexington, SC		-	2017	85,540	-	85,540	98.2%	-	1,829
Market at Mill Creek ⁽⁶⁾	Lowe's Foods	Mt. Pleasant, SC		-	2018	80,405	-	80,405	95.8%	-	1,755
Marketplace at Hilltop ⁽⁶⁾⁽⁹⁾	Total Wine, Panera	Virginia Beach, VA		-	2000/2001	116,953	-	116,953	100.0%	-	2,605
North Hampton Market	PetSmart, Hobby Lobby	Taylors, SC		100%	2004	114,935	-	114,935	95.8%	-	1,394
North Point Center ⁽⁶⁾	Harris Teeter, Home Depot, Costco	Durham, NC		88%	1998/2009	494,746	-	494,746	100.0%	-	3,827
Oakland Marketplace ⁽⁶⁾	Kroger	Oakland, TN		100%	2004	64,538	-	64,538	100.0%	-	481
Parkway Centre	Publix	Moultrie, GA		100%	2017	61,200	-	61,200	98.0%	-	814
Parkway Marketplace	Rite Aid	Virginia Beach, VA		100%	1998	37,804	-	37,804	94.4%	-	727
Patterson Place	BB&B, PetSmart, DSW	Durham, NC		100%	2004	160,942	-	160,942	94.3%	-	2,476
Perry Hall Marketplace	Safeway	Perry Hall, MD		100%	2001	74,256	-	74,256	100.0%	-	1,270
Premier Retail	Williams Sonoma, Pottery Barn	Virginia Beach, VA	✓	-	2018	-	39,162	39,162	-	75.6%	969
Providence Plaza	Cranfill, Sumner & Hartzog, Chipotle	Charlotte, NC		100%	2007/2008	103,118	-	103,118	97.5%	-	2,764
Red Mill Commons ⁽⁶⁾	HomeGoods, Walgreens	Virginia Beach, VA		8%	2000-2005	373,808	-	373,808	94.4%	-	6,177
Renaissance Square	Harris Teeter	Davidson, NC		100%	2008	80,467	-	80,467	90.4%	-	1,269
Sandbridge Commons ⁽⁶⁾	Harris Teeter	Virginia Beach, VA		-	2015	76,650	-	76,650	98.5%	-	1,056
Socastee Commons	Bi-Lo	Myrtle Beach, SC		-	2000/2014	57,273	-	57,273	100.0%	-	651
Southgate Square	Burlington, PetSmart, Michaels, Conn's	Colonial Heights, VA		-	1991/2016	260,131	-	260,131	93.6%	-	3,346
South Retail	Iululemon, free people, CPK	Virginia Beach, VA	✓	-	2002	38,515	-	38,515	100.0%	-	997
South Square	Ross, Petco, Office Depot	Durham, NC		100%	1977/2005	109,590	-	109,590	98.1%	-	1,794
Southshore Shops	Buffalo Wild Wings	Chesterfield, VA		100%	2006	40,307	-	40,307	78.8%	-	669
Stone House Square ⁽⁶⁾	Weis Markets	Hagerstown, MD		100%	2008	112,274	-	112,274	93.1%	-	1,791
Studio 56 Retail	McCormick & Schmick's	Virginia Beach, VA	✓	100%	2007	11,594	-	11,594	100.0%	-	473
Tyre Neck Harris Teeter ⁽⁶⁾⁽⁹⁾	Harris Teeter	Portsmouth, VA		100%	2011	48,859	-	48,859	100.0%	-	533
Wendover Village	BB&B, T.J. Maxx, Petco	Greensboro, NC		100%	2004	176,939	-	176,939	100.0%	-	3,564
Total / Weighted Avg Retail Portfolio				63%		4,004,087	204,859	4,208,946	96.1%		\$66,935

PROPERTY PORTFOLIO CONT.

AS OF MARCH 31, 2020

Net Rentable Square Feet (RSF)⁽¹⁾

Office Properties	Anchor Tenant	Location	Town Center	Unencumbered ABR	Year Built	Core Properties	Development Properties	Total	Core Occupancy ⁽²⁾	Development Leased ⁽²⁾	ABR ⁽³⁾	ABR p
4525 Main Street	Clark Nexsen, Anthropologie, Mythics	Virginia Beach, VA	✓	-	2014	234,938	-	234,938	98.1%	-	\$6,760,796	
Armada Hoffer Tower ⁽⁴⁾⁽⁵⁾	AHH, Troutman Sanders, Williams Mullen	Virginia Beach, VA	✓	100%	2002	320,680	-	320,680	94.9%	-	8,822,528	
Brooks Crossing Office	Huntington Ingalls Industries	Newport News, VA	-	-	2019	98,061	-	98,061	100.0%	-	1,814,129	
One Columbus ⁽⁵⁾	BB&T, HBA	Virginia Beach, VA	✓	100%	1984	128,876	-	128,876	97.5%	-	3,153,421	
One City Center	Duke University, WeWork	Durham, NC	-	-	2019	152,815	-	152,815	87.8%	-	4,397,609	
Thames Street Wharf ⁽⁴⁾	Morgan Stanley, JHU Medical	Baltimore, MD	-	-	2010	263,426	-	263,426	99.4%	-	7,206,502	
Two Columbus	HBA Architects	Virginia Beach, VA	✓	100%	2009	108,459	-	108,459	100.0%	-	2,781,346	
Total / Weighted Average Office Portfolio				42%		1,307,255	-	1,307,255	96.6%		\$34,936,331	

Units/Beds

Multifamily	Location	Town Center	Unencumbered ABR	Year Built	Core Properties	Development/Redevelopment Properties	Total Units/Beds	Core Occupancy ⁽²⁾	Development/Redevelopment Occupancy ⁽²⁾	ABR ⁽⁷⁾	Month Occup	
1405 Point ⁽⁸⁾⁽⁹⁾	Baltimore, MD	-	-	2018	289	-	289	91.0%	-	\$6,773,664		
Encore Apartments	Virginia Beach, VA	✓	-	2014	286	-	286	87.4%	-	3,976,332		
Greenside Apartments	Charlotte, NC	-	-	2018	225	-	225	94.2%	-	4,040,370		
Hoffler Place ⁽¹⁰⁾	Charleston, SC	-	-	2019	258	-	258	86.0%	-	3,507,356		
Johns Hopkins Village ⁽⁸⁾⁽⁹⁾⁽¹⁰⁾	Baltimore, MD	-	-	2016	568	-	568	97.7%	-	7,624,416		
Liberty Apartments ⁽⁸⁾	Newport News, VA	-	-	2013	197	-	197	93.9%	-	2,495,257		
Premier Apartments	Virginia Beach, VA	✓	-	2018	131	-	131	96.2%	-	2,207,352		
Smith's Landing ⁽¹¹⁾	Blacksburg, VA	-	-	2009	284	-	284	100.0%	-	4,284,972		
The Cosmopolitan ⁽⁸⁾	Virginia Beach, VA	✓	-	2006	-	342	342	-	84.8% ⁽¹¹⁾	4,879,512		
Total / Weighted Avg Multifamily Portfolio						2,238	342	2,580	93.7%		\$39,789,230	

Properties with Tenants Subject to Ground Lease	Number of Ground Leases	Square Footage Leased Pursuant to Ground Leases	ABR
Alexander Pointe	1	7,014	\$11
Bermuda Crossroads	2	11,000	17
Broad Creek Shopping Center	6	23,825	64
Columbus Village	1	3,403	20
Hanbury Village	2	55,586	1,08
Harper Hill Commons	1	41,520	37
Indian Lakes Crossing	1	50,311	59
Market at Mill Creek	1	7,014	6
Marketplace at Hilltop	1	4,211	9
North Point Center	4	280,556	1,14
Oakland Marketplace	1	45,000	18
Red Mill Commons	8	33,961	77
Sandbridge Commons	3	60,521	73
Stone House Square	1	3,650	18
Tyre Neck Harris Teeter	1	48,859	53
Total / Weighted Avg	34	676,431	\$6,81

(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 March 31, 2020, divided by (b) net rentable square feet, expressed as a percentage. Occupancy for our multifamily properties is calculated as (a) total units occupied as of March 31, 2020, divided by (b) total units available, as of such date expressed as a percentage.

(3) For the properties in our office and retail 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 March 31, 2020 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 March 31, 2020. 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 \$1.7M, or \$31.30 per leased square foot, which amounts 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 in the table to the right.

(7) For the properties in our multifamily portfolio, ABR is calculated by multiplying (a) base rental payments for the month ended March 31, 2020 by (b) 12.

(8) The ABR for Liberty, Cosmopolitan, Johns Hopkins Village, Hoffler Place and 1405 Point excludes \$0.3M, \$0.9M, \$1.1M, \$0.1M 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) Monthly rent per occupied unit is calculated by dividing total base rental payments for the month ended March 31, 2020 by the number of occupied beds.

(11) Occupancy calculation excludes 60 units that are offline for redevelopment.

DEVELOPMENT & REDEVELOPMENT PIPELINE

\$ IN THOUSANDS

Schedule⁽¹⁾

Projects	Property Type	Estimated ⁽¹⁾	% Leased or LOI	Construction Start	Initial Occupancy	Stabilized Operation ⁽²⁾	Estimated Cost ⁽¹⁾	Loan Commitment	Cost to Date	AHH Ownership %	Anchor Tenants
Under Development											
Summit Place (Meeting Street) Charleston, SC	Multifamily	357 beds	47%	3Q17	3Q20	4Q20	\$56,000	\$35,000	\$53,000	90%	NA
Wills Wharf Baltimore, MD	Office	325,000 sf	68%	3Q18	2Q20	2Q21	120,000	76,000	98,000	100%	Canopy by Hilton, EY, Wev
On Hold											
Chronicle Mill Belmont, NC	Multifamily	239 units / 10,000 sf	-	TBD	TBD	TBD	TBD	TBD	4,000	85% ⁽³⁾	NA
Southern Post Roswell, GA	Mixed-use	138 units / 137,000 sf	-	TBD	TBD	TBD	TBD	TBD	9,000	80% ⁽³⁾	TBD
Ten Tryon Charlotte, NC	Mixed-use	220,000 sf	38%	TBD	TBD	TBD	TBD	TBD	8,000	80% ⁽³⁾	Publix, Fortune 100 office
Total Projects Under Development or On Hold							\$176,000	\$111,000	\$172,000		
Delivered Not Stabilized											
Premier Retail (Town Center Phase VI) Virginia Beach, VA	Retail	39,000 sf	76%	4Q16	3Q18	3Q21	18,000	8,000	16,000	100%	Williams-Sonoma, Pottery
Total							\$194,000	\$119,000	\$188,000		
Redevelopment											
Redevelopment	Property Type	% Leased or LOI	Out of Service	Construction Start	Anticipated Completion	Restabilized Operation ⁽²⁾	Estimated Cost ⁽¹⁾	Cost to Date	Projected ROI	Scope	
The Cosmopolitan Virginia Beach, VA	Multifamily	83% ⁽⁴⁾	60 units	1Q18	TBD	TBD	\$14,000	\$9,000	9%	Renovate all 342 units including upgraded finish cabinetry and flooring, energy efficient appliance lighting; modernize resident clubhouse, business leasing office.	
Columbus Village I Virginia Beach, VA	Mixed-use	95%	9,609 sf	2Q19	3Q20	4Q20	9,000	7,000	8%	Reposition 62,000 SF center to better incorporate Center and add Virginia Beach Boulevard small s along with Shake Shack, Cava, Hand & Stone, Eur Center , and new Barnes & Noble prototype.	
Apex Entertainment Building (Former Dick's Sporting Goods) Virginia Beach, VA	Mixed-use	100%	84,000 sf	1Q20	4Q20	1Q21	8,000	1,000	7%	Revitalize 84,000 SF of big box retail space withi into a destination entertainment concept for a n tenant, Apex Entertainment.	
Total Projects Under Redevelopment							\$31,000	\$17,000	8%		

	Q1 20:
Capitalized Interest	\$1,
Capitalized Overhead	\$

- (1) Represents estimates that may change as the development and redevelopment process proceeds.
(2) First fully-stabilized quarter. See same store definition on page 29.
(3) Majority interest in joint venture with preferred return.
(4) Occupancy calculation excludes 60 units that are offline for redevelopment.

MEZZANINE INVESTMENTS

\$ IN THOUSANDS

Schedule⁽¹⁾

	Property Type	Estimated ⁽¹⁾	% Leased or LOI	Initial Occupancy	Loan Maturity	Interest Rate	Principal Mezzanine Financing	Mezzanine Interest QTD	
Investments with Discounted Purchase Options									
Nexton Square-Phase I Summerville, SC	Mixed-use	118,000 sf	99%	3Q19	4Q20	10%	\$14,000	\$392	
Short Term Investments									
Delray Plaza (Whole Foods) ⁽²⁾ Delray Beach, FL	Retail	83,000 sf	100%	3Q19	4Q20	15%	12,000	489	
The Residences at Annapolis Junction ⁽²⁾ Annapolis Junction, MD	Multifamily	416 units	80%	3Q17	2Q20	10%	36,000	1,009	
Solis Apartments at Interlock Atlanta, GA	Multifamily	349 units	NA	4Q20	3Q22	13%	23,000	838	
The Interlock Atlanta, GA	Mixed-use	300,000 sf	74%	4Q20	3Q22	15%	67,000	2,403	
							Total	\$152,000	\$5,131
							Mezzanine Interest Expense		(1,122)
							Net Mezzanine Interest Income		<u>\$4,009</u>



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

ACQUISITIONS & DISPOSITIONS

\$ IN THOUSANDS

ACQUISITIONS

Properties	Location	Square Feet	Purchase Price ⁽¹⁾	Reinvested 1031 Proceeds	\$ Value of OP Units/Stock ⁽²⁾	Cash Cap Rate	Purchase Date	Anchor Tenants
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	-	63,755	7.7%	2Q19	T.J. Maxx, Homegoods, Total 1 Walgreens
Wendover Village III	Greensboro, NC	5,286	2,783	2,424	-	9.2%	1Q19	Verizon
Lexington Square	Lexington, SC	85,531	26,758	-	2,769	6.7%	3Q18	Lowes Foods
Parkway Centre	Moultrie, GA	61,200	11,200	-	1,624	6.4%	1Q18	Publix
Indian Lakes	Virginia Beach, VA	71,020	14,700	-	-	7.1%	1Q18	Harris Teeter, Wawa
Wendover Village Outparcel	Greensboro, NC	35,895	14,300	7,900	-	7.7%	3Q17	Panera, Rooms to Go Kids
Renaissance Square	Davidson, NC	80,468	17,085	-	-	7.1%	4Q16	Harris Teeter
Columbus Village II	Virginia Beach, VA	92,061	26,200	-	26,200	5.6%	4Q16	Regal, Bed Bath & Beyond
Southshore Shops	Midlothian, VA	40,333	9,160	-	2,475	7.8%	3Q16	Buffalo Wild Wings
Southgate Square	Colonial Heights, VA	220,131	38,585	-	17,485	7.3%	2Q16	PetSmart, Michael's, Burlingtc
Retail Portfolio (11 properties)	Mid-Atlantic	1,082,681	170,500	87,000	-	7.2%	1Q16	Harris Teeter, Bed Bath & Bey
Providence Plaza	Charlotte, NC	103,118	26,200	14,000	-	7.3%	3Q15	Chipotle
Socastee Commons	Myrtle Beach, SC	57,573	8,600	3,600	-	7.3%	3Q15	BiLo
Columbus Village	Virginia Beach, VA	65,746	21,025	-	14,025	6.4%	3Q15	Barnes & Noble
Perry Hall Marketplace & Stone House Square	Maryland	182,949	39,555	15,200	4,155	7.4%	2Q15	Safeway & Weis Markets
Dimmock Square	Colonial Heights, VA	106,166	19,662	-	9,662	7.3%	3Q14	Old Navy, Best Buy
Total/Weighted Average		3,042,449	\$652,313	\$130,124	\$142,150	7.2%		

DISPOSITIONS

Properties	Location	Square Feet/Units	Sale Price	Cash Proceeds	Gain on Sale	Cash Cap Rate	Disposition Date	Anchor Tenants
Lightfoot Marketplace	Williamsburg, VA	124,715	\$30,275	\$11,800	\$4,477 ⁽⁴⁾	5.8%	3Q19	Harris Teeter
Indian Lakes Wawa	Virginia Beach, VA	6,047	4,400	4,400	-	5.4%	2Q18	Wawa
Commonwealth of VA Buildings	Virginia Beach & Chesapeake, VA	47,366	13,150	8,000	4,194	6.8%	3Q17	Commonwealth of VA
Greentree Wawa	Chesapeake, VA	5,088	4,600	4,400	3,396	5.0%	1Q17	Wawa
Oyster Point ⁽³⁾	Newport News, VA	100,139	6,500	-	3,793	16.4%	3Q16	GSA
Non-Core Retail Portfolio	Various	174,758	12,850	12,600	(27)	7.1%	2Q16 - 3Q16	Kroger, Family Dollar
Richmond Tower	Richmond, VA	206,969	78,000	77,000	26,674	7.9%	1Q16	Williams Mullen
Oceanearing	Chesapeake, VA	154,000	30,000	10,000	4,987	6.7%	4Q15	Oceanearing International
Whetstone Apartments	Durham, NC	203 units	35,625	17,600	7,210	5.7%	2Q15	NA
Sentara Williamsburg	Williamsburg, VA	49,200	15,450	15,200	6,197	6.3%	1Q15	Sentara
Virginia Natural Gas	Virginia Beach, VA	31,000	8,900	7,400	2,211	6.3%	4Q14	Virginia Natural Gas
Total/Weighted Average		899,282 sf/ 203 units	\$239,750	\$168,400	\$63,112	7.0%		

- (1) Contractual purchase price.
- (2) Value of OP Units/Stock at issuance.
- (3) Anchor tenant vacated 12/31/16, which would represent a 2.5% Cash Cap Rate.
- (4) Includes JV interest in the property.

CONSTRUCTION BUSINESS SUMMARY

\$ IN THOUSANDS

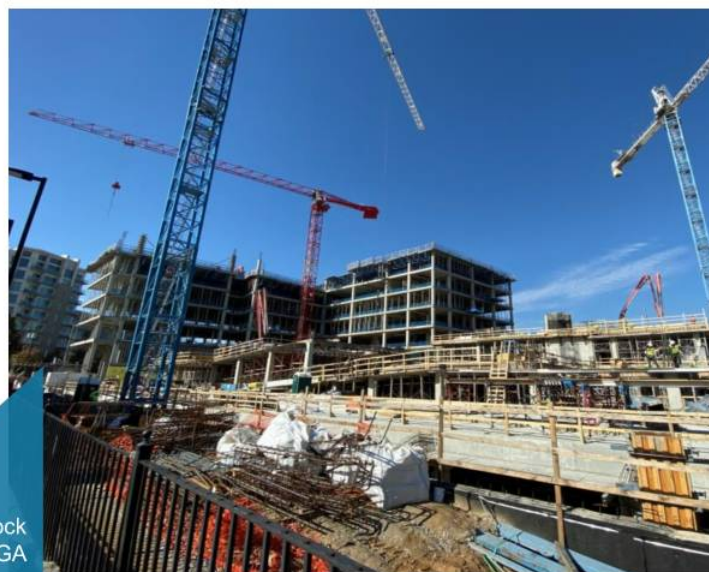
Highlighted Projects	Location	Total Contract Value	Work in Place as of 3/31/2020	Backlog	Estimated of Compl
The Interlock	Atlanta, GA	\$93,671	\$60,692	\$32,979	3Q 20
Solis Apartments at Interlock	Atlanta, GA	64,097	23,840	40,257	1Q 20
Boulders Lakeside Apartments	Chesterfield, VA	35,707	15,852	19,855	1Q 20
27th Street Garage and Apartments	Virginia Beach, VA	79,550	14,298	65,252	3Q 20
Holly Springs Apartments	Holly Springs, NC	34,729	193	34,536	4Q 20
Sub Total		307,754	114,875	192,879	
All Other Projects		293,730	250,967	42,763	
Total		\$601,484	\$365,842	\$235,642	

Gross Profit Summary

	Q1 2020	Trailing 12 Months
	(Unaudited)	
Revenue	\$47,268	\$136,091
Expense	(45,550)	(130,802)
Gross Profit	\$1,718	\$5,289



The Interlock
Atlanta, GA



SAME STORE NOI BY SEGMENT

\$ IN THOUSANDS (RECONCILIATION TO GAAP LOCATED IN APPENDIX ON PG. 33)

	Three months ended			
	3/31/2020	3/31/2019	\$ Change	% Change
Office⁽¹⁾	(Unaudited)			
Revenue	\$5,303	\$5,326	(\$23)	-0.4%
Rental Expenses ⁽²⁾	1,402	1,346	56	4.2%
Real Estate Taxes	554	513	41	8.0%
Net Operating Income	\$3,347	\$3,467	(\$120)	-3.5%
Retail⁽¹⁾				
Revenue	\$15,909	\$15,587	\$322	2.1%
Rental Expenses ⁽²⁾	2,088	2,129	(41)	-1.9%
Real Estate Taxes	1,765	1,667	98	5.9%
Net Operating Income	\$12,056	\$11,791	\$265	2.2%
Multifamily⁽¹⁾				
Revenue	\$5,620	\$5,449	\$171	3.1%
Rental Expenses ⁽²⁾	1,671	1,690	(19)	-1.1%
Real Estate Taxes	422	396	26	6.6%
Net Operating Income	\$3,527	\$3,363	\$164	4.9%
Same Store Net Operating Income (NOI)	\$18,930	\$18,621	\$309	1.7%
GAAP Adjustments	(235)	(570)	335	
Same store portfolio NOI, cash basis	\$18,695	\$18,051	\$644	3.6%
NOI, Cash Basis:				
Office	\$3,306	\$3,136	\$170	5.4%
Retail	11,905	11,653	252	2.2%
Multifamily	3,484	3,262	222	6.8%
	\$18,695	\$18,051	\$644	3.6%
NOI:				
Office	\$3,347	\$3,467	(\$120)	-3.5%
Retail	12,056	11,791	265	2.2%
Multifamily	3,527	3,363	164	4.9%
	\$18,930	\$18,621	\$309	1.7%

(1) See page 30 for Same Store vs. Non – Same Store Properties.

(2) Excludes expenses associated with the Company's in house asset management division of \$419K and \$402K for the 3 months ended 3/31/2020 & 3/31/2019, respectively.

TOP 10 TENANTS BY ABR⁽¹⁾

\$ IN THOUSANDS AS OF MARCH 31, 2020

Office Portfolio

Tenant	Number of Leases	Lease Expiration	Annualized Base Rent	% of Office Portfolio Annualized Base Rent	% of Total Portfolio Annualized Base Rent
Morgan Stanley	2	2023 ; 2027	\$ 5,879	16.8%	4.2%
Clark Nexsen	1	2029	2,639	7.6%	1.9%
WeWork	1	2034	2,259	6.5%	1.6%
Duke University	1	2029	1,579	4.5%	1.1%
Huntington Ingalls	1	2029	1,513	4.3%	1.1%
Mythics	1	2030	1,211	3.5%	0.9%
Johns Hopkins Medicine	1	2023	1,118	3.2%	0.8%
Pender & Coward	1	2030	926	2.7%	0.7%
Kimley-Horn	1	2027	894	2.6%	0.6%
Troutman Sanders	1	2025	889	2.5%	0.6%
Top 10 Total			\$ 18,907	54.2%	13.5%

Retail Portfolio

Tenant	Number of Leases	Lease Expiration	Annualized Base Rent	% of Retail Portfolio Annualized Base Rent	% of Total Portfolio Annualized Base Rent
Harris Teeter/Kroger	10	2020 - 2035	\$ 5,645	8.4%	4.0%
Lowe's Foods	2	2037 ; 2039	1,976	3.0%	1.4%
Bed, Bath, & Beyond	4	2022 ; 2025	1,751	2.6%	1.2%
Regal Cinemas	2	2022 - 2024	1,713	2.6%	1.2%
PetSmart	5	2022 - 2025	1,461	2.2%	1.0%
Food Lion	3	2022 - 2024	1,315	2.0%	0.9%
Petco	4	2022 - 2030	892	1.3%	0.6%
Weis Markets	1	2028	802	1.2%	0.6%
Total Wine & More	2	2024 ; 2027	765	1.1%	0.5%
Ross Dress for Less	2	2022 ; 2025	762	1.1%	0.5%
Top 10 Total			\$ 17,082	25.5%	11.9%

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

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	Weighted Average Lease Term (yrs)	TI & LC
Q1 2020	1	17,194	4	7,373	\$ 32.77	\$30.32	8.1%	\$ 29.75	31.40	-5.3%	8.00	\$ 1,004.3
Q4 2019	2	8,147	1	3,929	25.43	24.23	4.9%	24.74	25.69	-3.7%	4.06	64.6
Q3 2019	1	1,120	4	26,201	38.50	37.00	4.1%	38.50	37.00	4.1%	2.00	1.7
Q2 2019	1	30,009	1	5,253	20.37	21.71	-6.1%	19.00	23.77	-20.1%	5.00	114.5

New Lease Summary⁽¹⁾

Quarter	Number of Leases Signed	Net Rentable SF Signed	Cash Contractual Rent per SF	Weighted Average Lease Term	TI & LC	TI & LC per SF
Q1 2020	1	3,186	\$26.50	5.00	\$112,578	\$35.34
Q4 2019	1	2,363	23.75	6.00	138,300	58.53
Q3 2019	7	21,345	24.73	5.30	716,641	33.57
Q2 2019	4	22,712	27.11	8.60	1,122,865	49.44

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
Q1 2020	3	35,767	16	158,218	\$13.11	\$12.98	1.0%	\$ 13.15	13.00	1.1%	4.81	\$74.1
Q4 2019	23	110,368	14	34,291	17.94	16.79	6.9%	17.87	17.15	4.2%	5.25	202.1
Q3 2019	28	201,931	8	14,338	16.44	15.47	6.3%	16.32	15.72	3.9%	5.14	568.1
Q2 2019	19	193,546	12	36,364	13.37	12.64	5.7%	13.37	12.84	4.1%	4.87	137.1

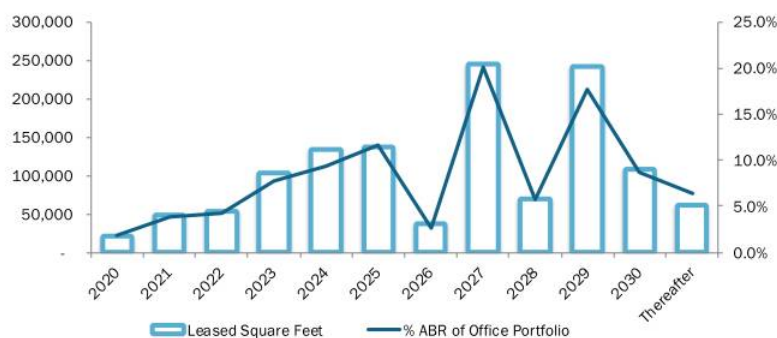
New Lease Summary⁽¹⁾

Quarter	Number of Leases Signed	Net Rentable SF Signed	Cash Contractual Rent per SF	Weighted Average Lease Term (yrs)	TI & LC	TI & LC per SF
Q1 2020	7	13,073	\$18.33	5.24	\$184,426	\$14.11
Q4 2019	12	72,921	17.50	10.02	3,207,564	43.99
Q3 2019	5	14,720	20.60	9.60	733,422	49.82
Q2 2019	7	31,696	27.36	9.41	1,857,154	58.59

OFFICE LEASE EXPIRATIONS

AS OF MARCH 31, 2020

Year	Number of Leases Expiring	Square Footage of Leases Expiring	% Portfolio Net Rentable Square Feet	Annualized Base Rent	% of Portfolio Annualized Base Rent	Annual Rent per Square
Available	-	44,302	3.4%	\$ -	-	\$
M-T-M	2	0	-	2,400	-	
2020	8	21,641	1.7%	669,935	1.9%	
2021	12	48,532	3.7%	1,337,860	3.8%	
2022	10	54,082	4.1%	1,487,997	4.3%	
2023	12	103,647	7.9%	2,723,325	7.8%	
2024	10	134,075	10.3%	3,248,397	9.3%	
2025	16	137,605	10.5%	4,044,721	11.6%	
2026	8	36,863	2.8%	926,963	2.7%	
2027	4	244,864	18.7%	7,036,462	20.1%	
2028	7	69,036	5.3%	1,979,242	5.7%	
2029	7	242,709	18.6%	6,176,768	17.7%	
2030	6	107,801	8.2%	3,043,135	8.7%	
Thereafter	1	62,098	4.8%	2,259,126	6.4%	
Total / Weighted Average	103	1,307,255	100.0%	\$ 34,936,331	100.0%	\$



Square Feet Under Lease	% of Portfolio ABR
2,500 or less	3%
2,501-10,000	14%
10,001-20,000	16%
20,001-40,000	21%
40,001-100,000	30%
Greater than 100,000	16%
Office Portfolio Total	100%

RETAIL LEASE EXPIRATIONS

AS OF MARCH 31, 2020

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	Annual Rent per Square
Available	-	172,605	4.1%	\$ -	-	\$
M-TM	5	10,500	0.2%	251,932	0.4%	
2020	45	185,983	4.4%	2,766,441	4.1%	
2021	91	351,636	8.4%	6,796,036	10.2%	
2022	87	502,490	11.9%	8,254,616	12.3%	
2023	90	518,121	12.3%	8,487,650	12.7%	
2024	85	524,109	12.5%	8,623,779	12.9%	
2025	69	592,430	14.1%	8,217,231	12.3%	
2026	28	166,357	4.0%	3,285,448	4.9%	
2027	21	134,265	3.2%	2,920,596	4.4%	
2028	24	252,999	6.0%	3,523,589	5.3%	
2029	23	108,253	2.6%	2,158,462	3.2%	
2030	17	98,880	2.3%	1,984,845	3.0%	
Thereafter	26	590,318	14.0%	9,665,130	14.4%	
Total / Weighted Average	611	4,208,946	100.0%	\$ 66,935,755	100.0%	\$



Square Feet Under Lease	% of Portfolio ABR
2,500 or less	15
2,501-10,000	33
10,001-20,000	14
20,001-40,000	15
40,001-100,000	22
Greater than 100,000	1
Retail Portfolio Total	100

(1) Includes leases from properties in development, redevelopment, and delivered, not yet stabilized.



APPENDIX

DEFINITIONS & RECONCILIATIONS

DEFINITIONS

NET OPERATING INCOME:

We calculate Net Operating Income ("NOI") as property revenues (base rent, expense reimbursements and other revenue) less property expenses (rent 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 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 control, and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in 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 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.

DEFINITIONS

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, and amortization of leasing incentives and above (below) market rents 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 and mark-to-market adjustments on interest rate derivatives, and including cash ground rent payments for finance leases. 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 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 the thirteenth quarter after the property receives its certificate of occupancy. Management believes that Core EBITDA provides useful supplemental information to investors regarding our ongoing 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 PROPERTIES

	Three Months Ended 3/31/2020 to 2019			Three Months Ended 3/31/2020 to 2019	
	Same Store	Non-Same Store		Same Store	Non-Same Store
Retail Properties					
249 Central Park Retail	X				
Alexander Pointe	X				
Bermuda Crossroads	X				
Broad Creek Shopping Center	X				
Broadmoor Plaza	X				
Brooks Crossing (Retail)				X	
Columbus Village				X	
Columbus Village II	X				
Commerce Street Retail	X				
Courthouse 7-Eleven	X				
Apex Entertainment				X	
Dimmock Square	X				
Fountain Plaza Retail	X				
Greentree Shopping Center	X				
Gainsborough Square	X				
Hanbury Village	X				
Harper Hill Commons	X				
Harrisonburg Regal	X				
Indian Lakes Crossing	X				
Lexington Square	X				
Market at Mill Creek				X	
Marketplace at Hilltop				X	
North Hampton Market	X				
North Point Center	X				
Oakland Marketplace	X				
Parkway Centre	X				
Parkway Marketplace	X				
Patterson Place	X				
Perry Hall Marketplace	X				
Premier Retail				X	
Providence Plaza	X				
Retail Properties (Continued)					
Red Mill Commons					X
Renaissance Square			X		
Sandbridge Commons			X		
Socastee Commons			X		
South Retail			X		
South Square			X		
Southgate Square			X		
Southshore Shops			X		
Stone House Square			X		
Studio 56 Retail			X		
Tyre Neck Harris Teeter			X		
Wendover Village			X		
Wendover Village II			X		
Wendover Village III					X
Office Properties					
4525 Main Street			X		
Armada Hoffer Tower			X		
Brooks Crossing (Office)					X
One City Center					X
One Columbus			X		
Thames Street Wharf					X
Two Columbus			X		
Multifamily Properties					
1405 Point					X
Encore Apartments			X		
Greenside Apartments					X
Hoffer Place					X
Johns Hopkins Village			X		
Liberty Apartments			X		
Premier Apartments					X
Smith's Landing			X		
The Cosmopolitan					X

RECONCILIATION TO PROPERTY PORTFOLIO NOI

\$ IN THOUSANDS

	Three months ended 3/31	
	2020	2019
<u>Office Same Store⁽¹⁾</u>		
Rental revenues	\$5,303	\$5,326
Property expenses	1,956	1,859
NOI	3,347	3,467
<u>Non-Same Store NOI⁽²⁾</u>		
Segment NOI	\$6,500	\$3,544
<u>Retail Same Store⁽¹⁾</u>		
Rental revenues	\$15,909	\$15,587
Property expenses	3,853	3,796
NOI	12,056	11,791
<u>Non-Same Store NOI⁽²⁾</u>		
Segment NOI	\$15,225	\$12,846
<u>Multifamily Same Store⁽¹⁾</u>		
Rental revenues	\$5,620	\$5,449
Property expenses	2,093	2,086
NOI	3,527	3,363
<u>Non-Same Store NOI⁽²⁾</u>		
Segment NOI	\$6,856	\$4,666
Total Property Portfolio NOI	\$28,581	\$21,056

(1) See page 30 for the Same Store vs. Non-Same Store properties

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

RECONCILIATION TO PROPERTY PORTFOLIO NOI

\$ IN THOUSANDS

	Three months ended 3/31/2020			
	Office	Retail	Multifamily	Total
<u>Diversified Portfolio</u>				
NOI - Cash Basis	\$2,912	\$12,635	\$4,994	\$20,541
GAAP Adjustments	396	660	29	1,085
Elimination of intercompany rent	(72)	-	-	(72)
NOI	\$3,236	\$13,295	\$5,023	\$21,554
<u>Town Center of Virginia Beach</u>				
NOI - Cash Basis	\$3,503	\$1,944	\$1,812	\$7,259
GAAP Adjustments	40	(155)	21	(94)
Elimination of intercompany rent	(279)	(65)	-	(344)
NOI	\$3,264	\$1,724	\$1,833	\$6,821
<u>NOI</u>				
Diversified Portfolio	\$3,236	\$13,295	\$5,023	\$21,554
Town Center of Virginia Beach	3,264	1,724	1,833	6,821
Unstabilized Properties	-	206	-	206
Total Property Portfolio NOI	\$6,500	\$15,225	\$6,856	\$28,581

RECONCILIATION TO GAAP NET INCOME

\$ IN THOUSANDS

Three months ended 3/31/2020

	Office	Retail	Multifamily	Total Rental Properties	General Contracting & Real Estate Services	Total
Segment revenues	\$ 10,192	\$ 20,411	\$ 11,686	\$ 42,289	\$ 47,268	\$ 89,5
Segment expenses	3,692	5,186	4,830	13,708	45,550	59,2
Net operating income	\$ 6,500	\$ 15,225	\$ 6,856	\$ 28,581	\$ 1,718	\$ 30,2
Depreciation and amortization						(14,2)
Amortization of right-of-use assets - finance leases						(1)
General and administrative expenses						(3,7)
Acquisition, development and other pursuit costs						(
Impairment charges						(1)
Interest income						7,2
Interest expense						(7,9)
Interest expense - finance leases						(2)
Change in fair value of interest rate derivatives						(1,7)
Other income (loss) benefit						
Provision for unrealized credit losses						(3)
Income tax benefit						2
Net income						\$ 9,1
Net loss attributable to noncontrolling interest in investment entities						
Preferred stock dividends						(1,0)
Net income attributable to AHH and OP unit holders						\$ 8,1

COVID-19 IMPACT



FORWARD LOOKING STATEMENTS

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 results or performance to differ from those projected in the forward-looking statements. When used, the words "anticipate," "believe," "expect," "intend," "may," "might," "plan," "estimate," "project," "should," "will," "result," and similar expressions do not relate solely to historical matters, are intended to identify forward-looking statements. The forward-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 the Company's expectations and projections, including the estimated construction segment gross profit range, projected mezzanine loan interest income and expected financing activities such as issuances under the Company's at-the-market equity offering program. The Company's 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 current (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 parties' businesses and financial condition that adversely affect the ability and willingness of the Company's tenants and other 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 operations, 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 the terms currently anticipated; (c) the Company's ability to accurately assess and predict the impact of the COVID-19 pandemic on its 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 Current Report on Form 8-K filed with the SEC on April 2, 2020.

INTRODUCTION

“AT ARMADA HOFFLER, OUR PRIORITY IS THE HEALTH, SAFETY, AND WELL-BEING OF OUR TEAM MEMBERS, TENANTS, AND RESIDENTS. THANK YOU TO OUR LOYAL AND DEDICATED TEAM OF PROFESSIONALS WHO CONTINUES TO ENSURE THAT EACH OF OUR OFFICE BUILDINGS, APARTMENT COMMUNITIES, SHOPPING CENTERS, AND CONSTRUCTION JOB SITES REMAIN SAFE PLACES TO LIVE AND WORK.” –LOUIS HADDAD, PRESIDENT AND CEO

EMPLOYEES

- Ensured the safety of our employees by transitioning to a remote work environment for all office employees beginning in March
- Transitioned seamlessly, aided by significant IT enhancements to infrastructure and Cloud platform investment over last 18 months
- Instituted company wide travel ban on non-essential travel and maximized use of technology to stay in constant communication

OPERATIONS

- Regularly communicating with tenants, property managers and vendors, providing assistance and guidance
- Reviewing relief requests and, if warranted, establishing tenant-tailored deferral/repayment plans
- Enhancing cleaning and sanitizing protocols at all properties while reducing other non-essential activities
- Ensuring our portfolio remains open and operating
- Managing controllable expenses to lessen the CAM charges where possible for tenants

CONSTRUCTION

- All field workers are considered essential employees under applicable guidelines, and thus, are allowed to continue construction activity
- Protocols for temperature monitoring, communication, and protective equipment and procedures in place
- All recommended containment and notification protocols in place for each site based on local jurisdiction
- No positive COVID-19 tests to date
- Ensuring all job sites are conforming to state and local protocols and using enhanced cleaning and sanitizing

FINANCIAL

- Temporarily suspended common dividend
- Board of Directors elects to reduce compensation for President and CEO Louis Haddad elects to reduce compensation by 25%
- Withdrew 2020 earnings guidance and deferred the commencement of three development projects
- Suspended non-essential capex spending
- Fully drew credit facility and reduced planned capital redevelopment spending to preserve liquidity
- Suspended asset recycling initiative and postponed acquisitions due to adverse market conditions
- Paused interest recognition on two mezzanine notes for extended hold period



AHH ADVANTAGE

CONSTRUCTION BUSINESS IS ON TRACK FOR ANOTHER STRONG YEAR, HELPING TO MITIGATE THE IMPACT OF THE PANDEMIC ON OUR BUSINESS

AHH RESPONSE

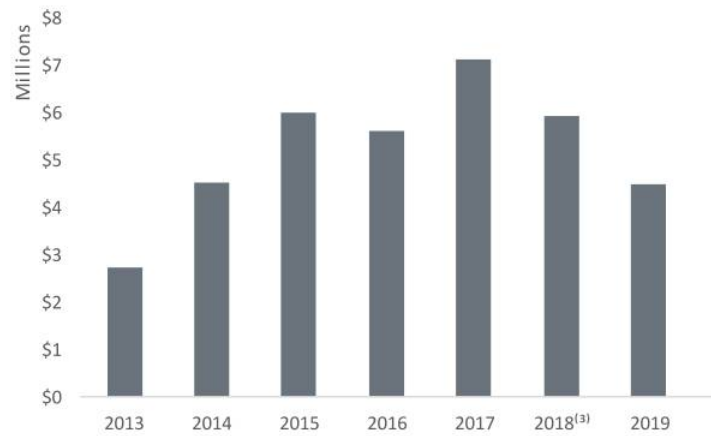
- All job sites will remain open and operating under current guidelines
- No significant third-party projects have been canceled or indefinitely delayed to date as a result of COVID-19
- All field workers are considered essential employees under state and local guidance, and thus, are allowed to continue construction activity

Third-Party Construction Backlog

As of 3/31/20	\$236M
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	LOW	H
Expected Construction Segment Gross Profit Range ⁽¹⁾	\$7.3M	\$8

Third-Party Gross Profit⁽²⁾



(1) Assuming all job sites remain open and operating under current federal, state, and local guidelines
 (2) No profit recognized on internal volume
 (3) Includes \$3.4M profit from sale of distribution center

OVERALL RENT COLLECTIONS – APRIL⁽¹⁾

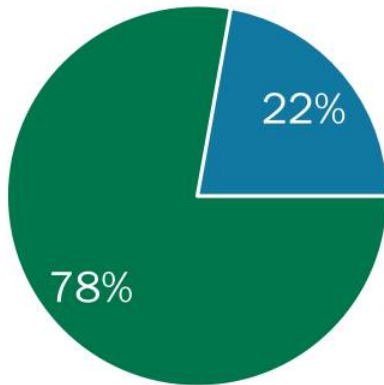
\$ in thousands



78% OF APRIL RENT COLLECTED ACROSS PORTFOLIO

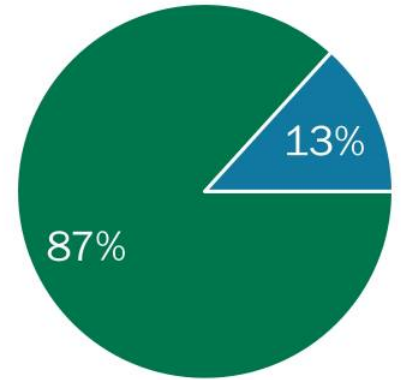
APRIL RENT	COLLECTED	DEFERRED
\$12,997	\$10,113	\$2,854

TOTAL PORTFOLIO⁽²⁾⁽³⁾



APRIL RENT	COLLECTED	DEFERRED
\$ 3,296	\$ 2,859	\$ 437

TOP 20 TENANTS⁽²⁾



- (1) April rent due plus recoveries due and rent collected as of 4/24/20
- (2) WeWork at One City Center excluded. April rent was not charged due to a loss of elevator service resulting from a fire in an apartment over the office space; anticipating business interruption insurance proceeds to cover April's rent
- (3) Immaterial \$30K of uncollectable multifamily rent excluded

MULTIFAMILY RENT COLLECTIONS – APRIL⁽¹⁾

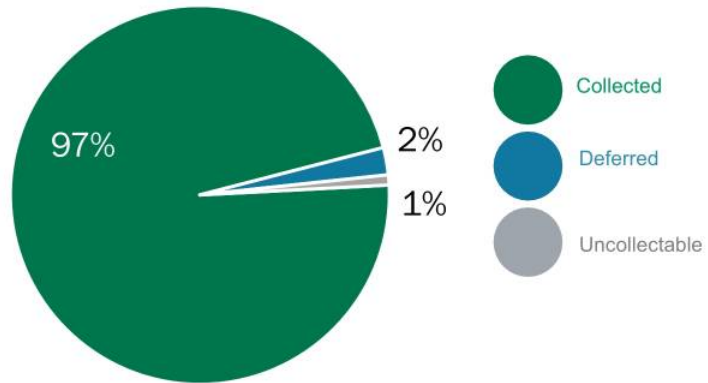
\$ in thousands

AHH RESPONSE

- Setting up reasonable payment plans for tenants that have asked for rent relief due to loss of employment
- Maximizing the use of technology and limiting interaction with leasing/maintenance staff to essential tasks
- Closing amenities, reducing common area access and implementing enhanced cleaning and sanitizing protocols
- Optimizing marketing and providing flexible lease options to support tenant retention and new leasing

APRIL RENT	COLLECTED	UNCOLLECTABLE	DEFERRED
\$3,479	\$3,368	\$30	\$81

APRIL RENT COLLECTED

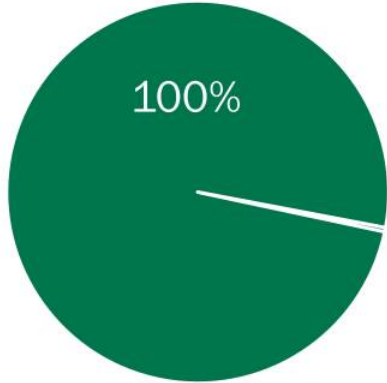


(1) Data reported relates to April rent charges and collections for multifamily tenants through 4/24/20, and does not correspond to the reporting segment classification of the properties as a whole

OFFICE RENT COLLECTIONS – APRIL⁽¹⁾

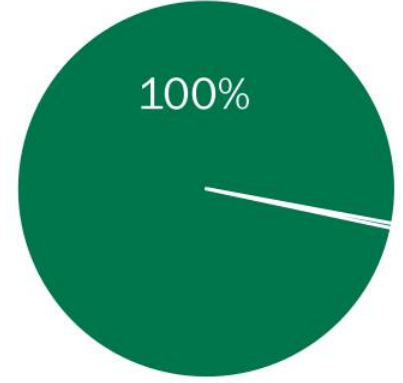
\$ in thousands

APRIL RENT COLLECTED⁽²⁾



APRIL RENT	COLLECTED	DEFERRED
\$3,035	\$3,024	\$11

TOP 10 TENANTS: APRIL RENT COLLECTED⁽²⁾



AHH RESPONSE

- Communicating regularly with tenants ensuring compliance with state and local guidelines
- Managing controllable expenses to lessen the CAM burden where possible
- Enhancing cleaning and sanitizing protocols at all properties

(1) Data reported relates to April rent charges and collections for office tenants through 4/24/20, and does not correspond to the reporting segment classification of the properties as a whole

(2) WeWork at One City Center excluded. April rent was not charged due to a loss of elevator service resulting from a fire in an apartment over the office space; anticipating business interruption insurance proceeds to cover April's rent

RETAIL RENT COLLECTIONS – APRIL⁽¹⁾

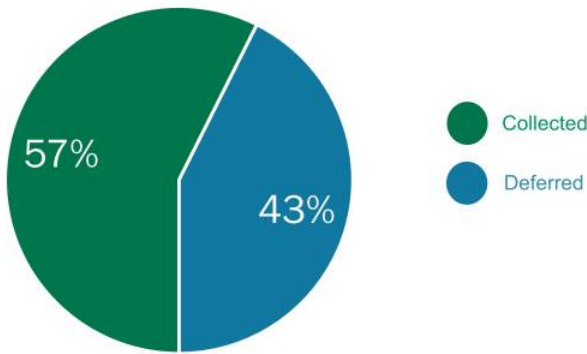
\$ in thousands

AHH RESPONSE

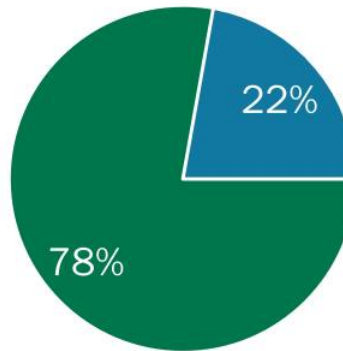
- Communicating regularly with tenants and ensuring compliance with state and local guidelines
- Reviewing relief requests and, if warranted, establishing tenant-specific deferral/repayment plans
- Managing controllable expenses to lessen the CAM burden where possible

APRIL RENT	COLLECTED	DEFERRED
\$6,483	\$3,721	\$2,762

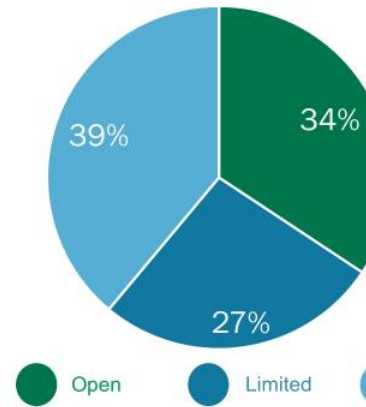
APRIL RENT COLLECTED



TOP 10 TENANTS: APRIL RENT COLLECTED⁽²⁾



TENANT OPERATING STATUS⁽²⁾

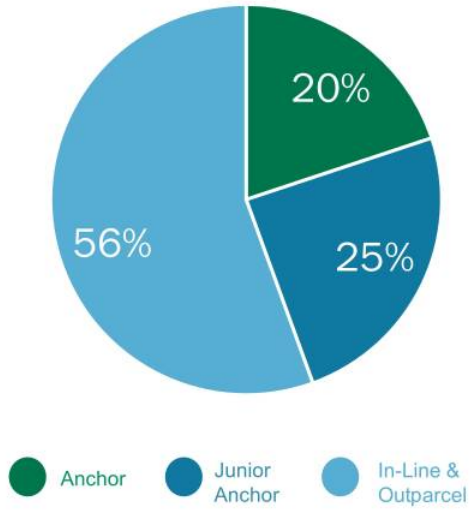


	TENANTS	DEFERRED	% OF TOTAL
Resolved	115	\$900	33%
Negotiating	194	1,862	67%
	309	\$2,762	

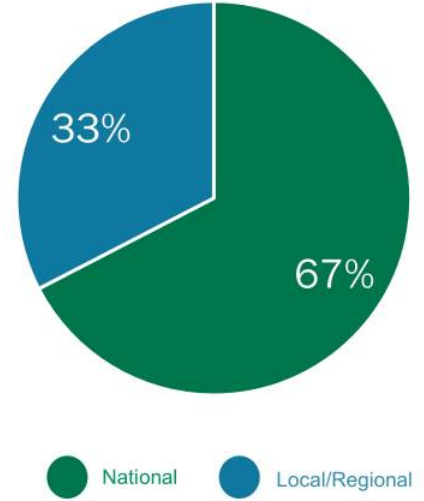
(1) Data reported relates to April rent charges and collections for retail tenants through 4/24/20, and does not correspond to the reporting segment classification of the properties as a whole
 (2) As a percentage of April rent and recovery charges

RETAIL RENT COMPOSITION – APRIL⁽¹⁾

TENANT MIX BASED ON
APRIL RENT DUE⁽²⁾



TENANT MIX BASED ON
APRIL RENT DUE⁽²⁾



	Collected	Deferred
Anchors	88%	12%
Junior Anchors	58%	42%
In-Line & Outparcels	46%	54%

	Collected	Deferred
National	58%	42%
Local/Regional	56%	44%

- (1) Data reported relates to April rent charges and collections for retail tenants through 4/24/20, and does not correspond to the reporting segment classification of the properties as a whole
 (2) As a percentage of April rent and recovery charges

DEVELOPMENT UPDATE

As of 3/31/20

	PROPERTY TYPE	ESTIMATED COST	COST TO DATE	COST TO COMPLETE	CONSTRUCTION LOAN AVAILABLE	CASH REQUIREMENT
DEVELOPMENT						
Summit Place (Meeting Street) Charleston, SC	Multifamily	\$56M	\$53M	\$3M	\$3M	
Wills Wharf Baltimore, MD	Office	\$120M	\$98M	\$22M	\$22M	
TOTAL DEVELOPMENT		\$176M	\$151M	\$25M	\$25M	
REDEVELOPMENT						
The Cosmopolitan Virginia Beach, VA	Multifamily	\$10M	\$9M	\$1M ⁽¹⁾	NA	SHORT REQ
Columbus Village I Virginia Beach, VA	Mixed-Use	\$8M	\$7M	\$1M ⁽¹⁾	NA	
Apex Entertainment Building (Former Dick's Sporting Goods) Virginia Beach, VA	Mixed-Use	\$8M	\$1M	\$7M	NA	
TOTAL REDEVELOPMENT		\$26M	\$17M	\$9M		
DEVELOPMENT ON HOLD DEVELOPMENT PROJECTS WITH OUTSTANDING CASH REQUIREMENTS HAVE BEEN PUT ON HOLD						
Chronicle Mill Belmont, NC	Multifamily	TBD	\$4M	NA	NA	
Southern Post Roswell, GA	Multifamily/Mixed-Use	TBD	\$9M	NA	NA	
Ten Tryon Charlotte, NC	Mixed-Use	TBD	\$8M	NA	NA	
TOTAL DEVELOPMENT ON HOLD			\$21M			
TOTAL DEVELOPMENT, REDEVELOPMENT, & ON HOLD		\$202M	\$189M	\$34M	\$25M	

(1) Represents the estimated cost to complete work thru 2020

MEZZANINE LOAN UPDATE



ALL MEZZANINE PROJECTS ARE FULLY FUNDED,
NO FUTURE CASH REQUIREMENTS

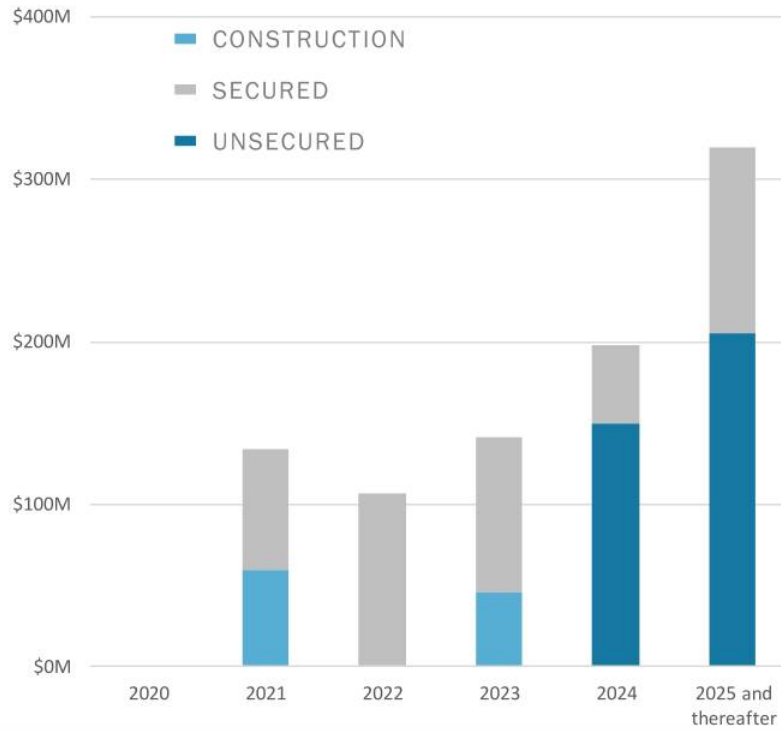
PROJECT	CASH REQUIREMENT REMAINING	ORIGINAL 2020 EXPECTATION	CURRENT 2020 EXPECTATION	VARIANCE
Nexton Square	\$0	\$0.4M	\$1.2M	\$0.8
The Residences at Annapolis Junction ⁽¹⁾	\$0	\$5.2M	\$2.5M	(\$2.7)
Delray Beach Plaza (Whole Foods) ⁽¹⁾	\$0	\$0.5M	\$0.5M	
Solis Apartments at Interlock	\$0	\$3.3M	\$3.3M	
The Interlock	\$0	\$12.5M	\$12.5M	
Total Projected	\$0	\$21.9M	\$20.0M	(\$1.9)
Total Projected Mezzanine Loan Interest Expense		(\$4.2M)	(\$3.4M) ⁽²⁾	\$0.8
Total Projected Net Mezzanine Loan Interest Income		\$17.7M	\$16.6M	(\$1.1)

(1) Stopped GAAP recognition of mezzanine income as of 4/1/20

(2) Based on current projected forward yield interest curve

DEBT MATURITIES

As of 3/31/20



Property (\$ in thousands)	Stated Rate	Effective Rate as of 3/31/2020	Maturity Date	Balance at Maturity
Hoffler Place	L+3.24%	4.23%	Jan-2021	\$29,589
Summit Place	L+3.24%	4.23%	Jan-2021	30,135
Southgate Square	L+1.60%	2.59%	Apr-2021	19,462
4525 Main Street/Encore Apartments	3.25%	3.25%	Sep-2021	54,780
Total Maturities through 2021				\$133,966

DEBT METRICS

As of 3/31/20 unless otherwise noted

SWAPS/CAPS

\$145M of 4-year interest rate swaps were entered into during 1Q20

Maturity Date	Notional Amount	Rate
Swaps		
April 1, 2024	\$ 25,000,000	0.496%
April 1, 2024	\$ 25,000,000	0.503%
April 1, 2024	\$ 25,000,000	0.550%
June 26, 2024	\$ 70,000,000	0.512%
Total/WA New Swaps	\$ 145,000,000	0.514%

Maturity Date	Notional Amount	Strike Rate
Caps		
February 1, 2022	\$ 100,000,000	1.750%
March 1, 2022	\$ 100,000,000	1.500%
Total/WA New Caps	\$ 200,000,000	1.625%

WEIGHTED AVERAGE INTEREST RATE

3.2%

TOTAL FIXED/HEDGED

97%

CASH FIXED CHARGE COVERAGE –
ANNUALIZED APRIL RENT COLLECTION⁽¹⁾

1.6X

(1) Management's anticipated cash EBITDA adjusted to reflect April's rent collection (77.6%) less capex and mezzanine income divided by fixed charges (inclusive of the preferred dividend)

