



Alpine Income Property Trust, Inc. Reports Operating Results for the Period Beginning November 26, 2019 and Ended December 31, 2019

February 3, 2020

DAYTONA BEACH, Fla. , Feb. 03, 2020 (GLOBE NEWSWIRE) -- Alpine Income Property Trust, Inc. (NYSE: PINE) (the "Company") today announced its operating results and earnings for the stub period ended December 31, 2019.

Operating Results Highlights

	For the Period from November 26, 2019 to December 31, 2019
Total Revenues	\$ 1,394,200
Net Loss Attributable to Alpine Income Property Trust, Inc.	\$ (39,150)
Net Loss Attributable to Alpine Income Property Trust, Inc. per diluted share	\$ —
FFO	\$ 641,772
FFO per diluted share	\$ 0.07
AFFO	\$ 805,508
AFFO per diluted share	\$ 0.09
Dividend per share	\$ 0.058

Net loss attributable to Alpine Income Property Trust, Inc., net loss attributable to Alpine Income Property Trust, Inc. per diluted share and FFO (1) per diluted share includes a non-recurring charge of approximately \$216,000 of closing and related costs associated with the Company's acquisition of its initial portfolio because the acquisition was treated as a business combination for accounting purposes.

Selected Highlights

- In November 2019, completed our initial public offering of 7.5 million shares of common stock at \$19 per share and a \$7.5 million concurrent private placement of our common stock with Consolidated-Tomoka Land Co. (NYSE American: CTO) at the IPO price; acquired 20 single-tenant net leased income properties for approximately \$149 million, entered into a \$100 million revolving credit facility; and other formation transactions.
- Investments Subsequent to December 31, 2019:
 - Acquired two corporate operated 7-Eleven convenience stores in the Austin, Texas market under new 15-year triple-net leases, including rent escalations during the initial lease term for combined purchase price of approximately \$10.2 million, representing a blended going-in cap rate of 6.4%.
 - Acquired a property leased to Conn's HomePlus in the Dallas/Fort Worth Texas Metroplex, with 11.6 years remaining on the initial lease term for \$6.1 million, representing a going-in cap rate of 7.4%.
 - Acquired a property leased to Lehigh Gas Wholesale Services, Inc. in Highland Heights, KY, with 10.8 years remaining on the initial lease term, with annual rent escalations, for \$4.25 million, representing a going-in cap rate of 7.0%.
- Announces First Quarter 2020 Dividend. The Company's Board of Directors declared a quarterly dividend of \$0.20 per share payable on March 31, 2019, to shareholders of record on March 20, 2019.

Income Property Portfolio

The Company's income property portfolio consisted of the following as of February 3, 2020:

Total Number of Properties	24
Total Square Feet	≈871,000
Weighted Average Remaining Lease Term	8.5 Years
Total States where Properties Located	12
% of Annualized Base Rent – Retail Tenants	≈62%

% of Annualized Base Rent – Office Tenants	≈38%
% of Portfolio w/Rent Escalations	≈58%
% of Portfolio w/Credit Rated Tenants ⁽¹⁾	≈89%

(1) Tenant, or tenant parent, rated entity.

Operating Results

The operating results for the period from the date the Company completed its IPO and certain other related transactions on November 26, 2019, through December 31, 2019 (the "Initial Stub Period") were impacted by the recognition of approximately \$216,000 in expenses associated with the acquisition of the Company's initial portfolio, primarily closing costs, which were charged to income based on the accounting for the acquisition of the Company's initial portfolio as a business combination. The table below provides our net loss from operations, net loss and net loss per share for our Initial Stub Period and those results excluding the effect of the approximately \$216,000 of acquisition costs:

	For the Period from November 26, 2019 to December 31, 2019 ACTUAL	Adjustment for Acquisition Costs Associated with Initial Portfolio Acquisition	For the Period from November 26, 2019 to December 31, 2019 ADJUSTED
Net Income (Loss) from Operations	\$ (3,983)	\$ 216,102	\$ 212,119
Net Income (Loss) Attributable to PINE	\$ (39,150)	\$ 216,102	\$ 176,952
Net Income (Loss) Per Share (diluted) Attributable to PINE	\$ —	\$ 0.02	\$ 0.02

2020 Guidance

The following summary provides the Company's guidance for the full year ending December 31, 2020:

	Guidance for 2020
Earnings Per Share (Diluted)	\$0.10-\$0.20
Acquisition of Income-Producing Assets	\$120mm
Target Investment Yields (Initial Yield – Unlevered) ⁽¹⁾	6.50% - 7.50%
Funds From Operations per diluted share	\$1.20 - \$1.30
Adjusted Funds From Operations per diluted share	\$1.15 - \$1.25

(1) Targeted range reflects the range of anticipated cap rates on a weighted average basis, as such individual income property acquisitions may be completed at an initial investment yield above or below this range.

Guidance is based on current plans and assumptions and is subject to risks and uncertainties more fully described in the Company's filings with the Securities and Exchange Commission.

4th Quarter Earnings Conference Call & Webcast

The Company will host a conference call to present its operating results for the stub period ended December 31, 2019 tomorrow, Tuesday, February 4, 2020, at 9:00 a.m. eastern time. Stockholders and interested parties may access the earnings call via teleconference or webcast:

Teleconference: USA (Toll Free): 1-888-317-6016
 International: 1-412-317-6016
 Canada (Toll Free): 1-855-669-9657

Please dial in at least fifteen minutes prior to the scheduled start time and use the code 5022082 when prompted.

A webcast of the call can be accessed at: <https://services.choruscall.com/links/pine200204.html>

To access the webcast, log on to the web address noted above or go to <http://www.alpinereit.com> and log in at the investor relations section.

About Alpine Income Property Trust, Inc.

Alpine Income Property Trust, Inc. is a publicly traded real estate investment trust that acquires, owns and operates a portfolio of high-quality single-tenant net leased commercial income properties.

We encourage you to review our most recent investor presentation which is available on our website at <http://www.alpinereit.com>.

SAFE HARBOR

This press release may contain "forward-looking statements." Forward-looking statements include statements that may be identified by words such as "could," "may," "might," "will," "likely," "anticipates," "intends," "plans," "seeks," "believes," "estimates," "expects," "continues," "projects" and similar references to future periods, or by the inclusion of forecasts or projections. Forward-looking statements are based on the Company's current expectations and assumptions regarding capital market conditions, the Company's business, acquisition volumes, capitalization rates for future

acquisitions, the economy and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, known and unknown risks and changes in circumstances that are difficult to predict. As a result, the Company's actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include general business and economic conditions, continued volatility and uncertainty in the credit markets and broader financial markets, the availability of capital, risks related to the Company's status as a REIT, risks inherent in the real estate business, including tenant defaults, local real estate conditions, increases in operating costs, the preferences and financial condition of the Company's tenants, potential liability relating to environmental matters, illiquidity of real estate investments and potential damages from natural disasters, competition for acquisitions satisfying our investment criteria and other factors. Additional information concerning these and other factors that could cause actual results to differ materially from these forward-looking statements is contained from time to time in the Company's filings with the Securities and Exchange Commission (the "Commission"), including those set forth under "Risk Factors" in the Company's Registration Statement on Form S-11 and the Company's Annual Report on Form 10-K for the year ended December 31, 2019 which will be filed by early March 2020 (the "Company 10-K"). Copies of each filing may be obtained from the Company's or the Commission's website. Any forward-looking statement made in this press release speaks only as of the date on which it is made. Such forward-looking statements should be regarded solely as reflections of the Company's current operating plans and estimates. Actual operating results may differ materially from what is expressed or forecast in this press release. The Company undertakes no obligation to publicly release the results of any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date these statements were made. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise. The reported results are preliminary and not final and there can be no assurance that the results will not vary from the final information that will be contained in the Company's 10-K. In the opinion of management, all adjustments considered necessary for a fair presentation of these reported results have been made.

Non-GAAP Financial Measures

Our reported results are presented in accordance with GAAP. We also disclose Funds From Operations ("FFO") and Adjusted Funds From Operations ("AFFO") both of which are non-GAAP financial measures. We believe these two non-GAAP financial measures are useful to investors because they are widely accepted industry measures used by analysts and investors to compare the operating performance of REITs.

FFO and AFFO do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements; accordingly, they should not be considered alternatives to net income as a performance measure or cash flows from operations as reported on our statement of cash flows as a liquidity measure and should be considered in addition to, and not in lieu of, GAAP financial measures.

We compute FFO in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts, or NAREIT. NAREIT defines FFO as GAAP net income or loss adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate related depreciation and amortization, including the pro rata share of such adjustments of unconsolidated subsidiaries. To derive AFFO, we modify the NAREIT computation of FFO to include other adjustments to GAAP net income related to non-cash revenues and expenses such as straight-line rental revenue, amortization of deferred financing costs, amortization of capitalized lease incentives and above- and below-market lease related intangibles, and non-cash compensation. Such items may cause short-term fluctuations in net income but have no impact on operating cash flows or long-term operating performance. We use AFFO as one measure of our performance when we formulate corporate goals.

FFO is used by management, investors and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers primarily because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We believe that AFFO is an additional useful supplemental measure for investors to consider because it will help them to better assess our operating performance without the distortions created by other non-cash revenues or expenses. FFO and AFFO may not be comparable to similarly titled measures employed by other companies.

ALPINE INCOME PROPERTY TRUST, INC.
CONSOLIDATED STATEMENT OF OPERATIONS
(Unaudited)

	For the Period from November 26, 2019 to December 31, 2019	
Revenues:		
Lease Income	\$ 1,394,200	
Total Revenues	1,394,200	
Operating Expenses:		
Real Estate Expenses	372,535	
General and Administrative Expenses	338,663	
Depreciation and Amortization	686,985	
Total Operating Expenses	1,398,183	
Net Loss from Operations	(3,983))
Interest Expense	41,230	
Net Loss	(45,213))
Less: Net Loss Attributable to Noncontrolling Interest	6,063	
Net Loss Attributable to Alpine Income Property Trust, Inc.	\$ (39,150))

Per Common Share Data:

Net Loss	
Basic	\$ -
Diluted	\$ -
Weighted Average Number of Common Shares:	
Basic	7,902,737
Diluted ⁽¹⁾	9,126,591

Dividends Declared and Paid Per Share **\$ 0.058**

(1) Includes 1,223,854 shares underlying OP units issued to Consolidated-Tomoka Land Co. in connection with our formation transactions

NON-GAAP FINANCIAL MEASURES
(Unaudited)

**For the Period from
November 26, 2019 to
December 31, 2019**

Net Loss	\$ (45,213)
Real Estate Depreciation and Amortization	686,985	
FFO	641,772	
Adjustments:		
Straight-Line Rent Adjustment	(68,016)
Non-Cash Compensation	4,300	
Amortization of Deferred Loan Costs to Interest Expense	16,230	
Amortization of Intangible Assets and Liabilities to Lease Income	(4,880)
Non-Recurring Acquisition Cost Charge	216,102	
AFFO	\$ 805,508	

ALPINE INCOME PROPERTY TRUST, INC.
CONSOLIDATED BALANCE SHEETS

**As of December 31,
2019**

**(Unaudited) 2018
Predecessor**

ASSETS

Real Estate:		
Land, at cost	\$ 54,386,511	\$ 42,008,362
Building and Improvements, at cost	74,070,181	78,143,602
Total Real Estate, at cost	128,456,692	120,151,964
Less, Accumulated Depreciation	(416,235) (9,000,328
Real Estate—Net	128,040,457	111,151,636
Cash and Cash Equivalents	12,341,978	8,258
Intangible Lease Assets—Net	22,357,633	10,555,596
Straight-Line Rent Adjustment	68,016	1,483,390
Deferred Expenses	577,272	3,223,768
Other Assets	787,317	128,300
Total Assets	\$ 164,172,673	\$ 126,550,948

LIABILITIES AND EQUITY

Liabilities:

Accounts Payable, Accrued Expenses, and Other Liabilities	\$ 1,471,722	\$ 307,133
Prepaid Rent and Deferred Revenue	87,481	344,682
Intangible Lease Liabilities—Net	1,908,193	1,710,037
Total Liabilities	3,467,396	2,361,852

Commitments and Contingencies

Equity:

Alpine Income Property Trust Inc. Predecessor Equity	-	124,189,096
Alpine Income Property Trust Inc. Shareholders' Equity:		
Preferred Stock, \$0.01 par value per share, 100 million shares authorized, no shares issued and outstanding as of December 2019 and 2018, respectively	-	-
Common Stock, \$0.01 par value per share, 500 million shares authorized, 7,902,737 and -0- shares issued and outstanding as of December 2019 and 2018, respectively	79,027	-
Additional Paid-in Capital	137,947,575	-

Retained Earnings (Deficit)	(497,508)	-
Shareholders' Equity	137,529,094		124,189,096
Noncontrolling Interest	23,176,183		-
Total Equity	160,705,277		124,189,096
Total Liabilities and Equity	\$ 164,172,673		\$ 126,550,948

ALPINE INCOME PROPERTY TRUST, INC.
INCOME PROPERTY PORTFOLIO
As of February 3, 2020

TOP 10 TENANTS

Tenant	Credit Rating	% of Annualized Base Rent	
Wells Fargo	A+	21	%
Hilton Grand Vacations	BB+	17	%
LA Fitness	B+	7	%
At Home	B+	5	%
Century Theater	BB	5	%
Container Store	B	5	%
Live Nation Entertainment, Inc.	BB-	4	%
Hobby Lobby	NR	4	%
Total		68	%

STATES

State	% of Annualized Base Rent	
Florida	26	%
Oregon	21	%
North Carolina	10	%
Georgia	10	%
Texas	8	%
Nevada	5	%
Arizona	5	%
Massachusetts	4	%
Wisconsin	4	%
Alabama	3	%
Kentucky	2	%
Virginia	2	%
Total	12 States 100	%

INDUSTRIES

Industry	% of Annualized Base Rent	
Financial Services	21	%
Hospitality	17	%
Leisure Retailer	10	%
Entertainment	9	%
Convenience Store	7	%
Pharmacy	7	%
Fitness	7	%
Home Goods	5	%
Casual Dining	5	%
Home Improvement	5	%
Specialty Retail	3	%
Consumer Electronics	2	%
Car Wash	1	%
Discount	1	%
Total	14 Industries 100	%

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Source: Alpine Income Property Trust