



## Investor Presentation

4th Quarter 2023



Retail Opportunity Investments Corp.  
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San Diego, CA 92130

[www.roireit.net](http://www.roireit.net)

# OVERVIEW



The Knolls – Long Beach, CA





# ROIC Today

as of 12/31/2023

|  |              |                                       |               |
|--|--------------|---------------------------------------|---------------|
| <b>NASDAQ Symbol</b>                             | <b>ROIC</b>  | <b>Total Gross Real Estate Assets</b> | <b>\$3.5B</b> |
| <b>Total # of shopping centers<sup>(1)</sup></b> | <b>93</b>    | <b>Total Owned Square Footage</b>     | <b>10.6M</b>  |
| <b>Portfolio Lease Rate<sup>(2)</sup></b>        | <b>97.7%</b> | <b>Total # of Tenants</b>             | <b>2,057</b>  |

- ✓ **Largest grocery-anchored shopping center public REIT focused exclusively on West Coast**
- ✓ **97% of portfolio is grocery and/or drug anchored (highest by far among public REITs)**
- ✓ **Investment grade debt ratings by Moody's, S&P Global Ratings and Fitch Ratings**
- ✓ **Member of the S&P SmallCap 600 Index**

# Longstanding Risk-Averse Strategy

*Since its inception as a REIT in 2009, ROIC's management team has pursued a strategy predicated on minimizing downside risk and delivering consistent, reliable performance, year after year (through all economic conditions).*

## ✓ **Stable Portfolio**

- *well-established, open-air grocery-anchored shopping centers*
- *well-situated in the heart of sought-after, mature, affluent, diverse communities*

## ✓ **Strong West Coast Markets**

- *select, leading metro markets (density and household income well above national average)*
- *high barriers-to-entry (minimal suitable land available, difficult/unpredictable to entitle)*

## ✓ **Resilient Tenants**

- *tenants predominantly focused on basic consumer goods and services*
- *no concentration to any one tenant, minimal exposure to big-box/mall tenants*

## ✓ **Proactive Management**

- *comprehensive, in-house, integrated property management, leasing and accounting*
- *constant evaluation of tenant performance (sales review, on-site tenant monitoring)*

## ✓ **Measured Growth**

- *acquire only in existing markets (capitalize on market knowledge and relationships)*
- *acquire only stable, well-established grocery-anchored shopping centers*

## ✓ **Sound Financial Position**

- *investment-grade metrics (fund business via cashflow, common equity, unsecured debt)*
- *straight-forward balance sheet (no preferred or convertible securities, no joint ventures)*



# Distinguishing Attributes Today

*Management has grown ROIC's gross real estate asset base from \$0 (November 2009) to \$3.5 billion today. ROIC is the largest grocery-anchored shopping center public REIT focused exclusively on the West Coast.*

## ✓ **Stable Portfolio**

- *93 shopping centers, 10.6 million square feet, 98% leased (highest among peers)*
- *96+% lease rate for 10 years running, including during pandemic (unmatched by peers)*

## ✓ **Strong West Coast Markets**

- *portfolio diversified across 6 distinct metro markets: 28% Los Angeles, 23% Seattle, 18% Portland, 14% San Francisco, 10% Orange County, 7% San Diego*

## ✓ **Resilient Tenants**

- *81% of base rent derived from approximately 2,000 leases (each account for less than 1%)*
- *82% of total base rent derived from daily-necessity, service and destination tenants*

## ✓ **Proactive Management**

- *consistently lease each year approximately 2x amount of space scheduled to expire*
- *consistently achieve each year same-space comparative rent growth on releasing activity*

## ✓ **Measured Growth**

- *properties predominantly acquired via one-off, private transactions with existing relationships*
- *properties acquired below replacement cost and with below-market in-place leases*

## ✓ **Sound Financial Position**

- *conservative capitalization (57% equity, 43% debt), well-laddered debt maturities*
- *investment-grade metrics, debt ratings and stable outlook (10 years running)*

# Highly Experienced Team

- ✓ Focused exclusively on West Coast for over 25 years
- ✓ Focused exclusively on grocery-anchored sector for over 25 years
- ✓ Focused exclusively on executing the same strategy for over 25 years
- ✓ Unparalleled West Coast shopping center relationships and market knowledge
- ✓ Acquired \$6 billion of West Coast shopping centers (sold over \$4 billion)
- ✓ Senior executives have worked together as a team for over 20 years
- ✓ Successfully operated two public REITs:
  - **Retail Opportunity Investments Corp. (2009 – present)**
    - *grown from \$0 to \$3.5 billion in total gross real estate assets*
  - **Pan Pacific Retail Properties (1995 – 2006)**
    - *grew from \$400mm IPO to \$4 billion in portfolio value (sold in Oct. 2006)*



# PORTFOLIO



Happy Valley Town Center – Happy Valley, OR

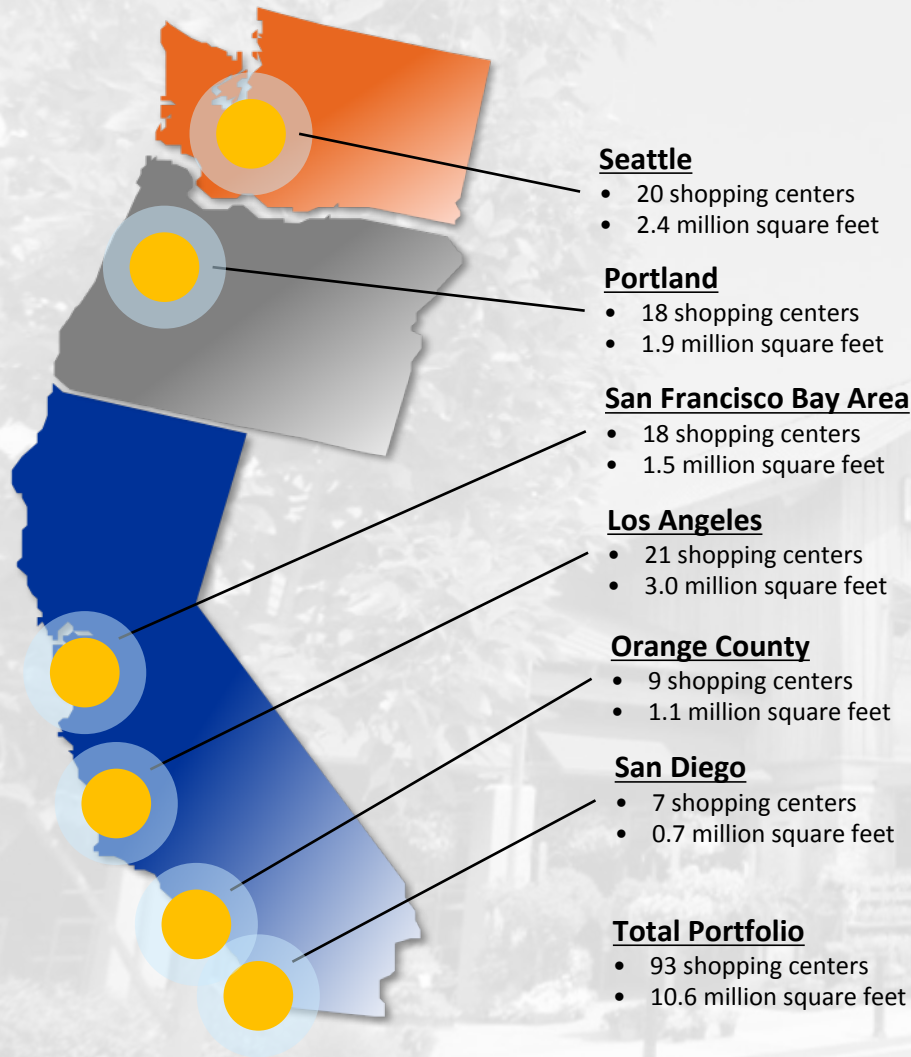
# Key Attributes

- ✓ **Densely-populated, desirable West Coast metropolitan markets**
- ✓ **Shopping centers well-located in the heart of diverse communities**
- ✓ **Anchored by leading supermarkets tailored to community preferences**
- ✓ **Value retailers providing basic goods and services (always in demand)**
- ✓ **Longer-term leases to daily-necessity anchor retailers (stable cash flow base)**
- ✓ **Shorter-term leases to destination shop retailers (potential cash flow growth)**
- ✓ **Controlled pad build-out and expansion/densification potential**



# Largest West Coast Grocery Anchored REIT

## Leading Metro Markets

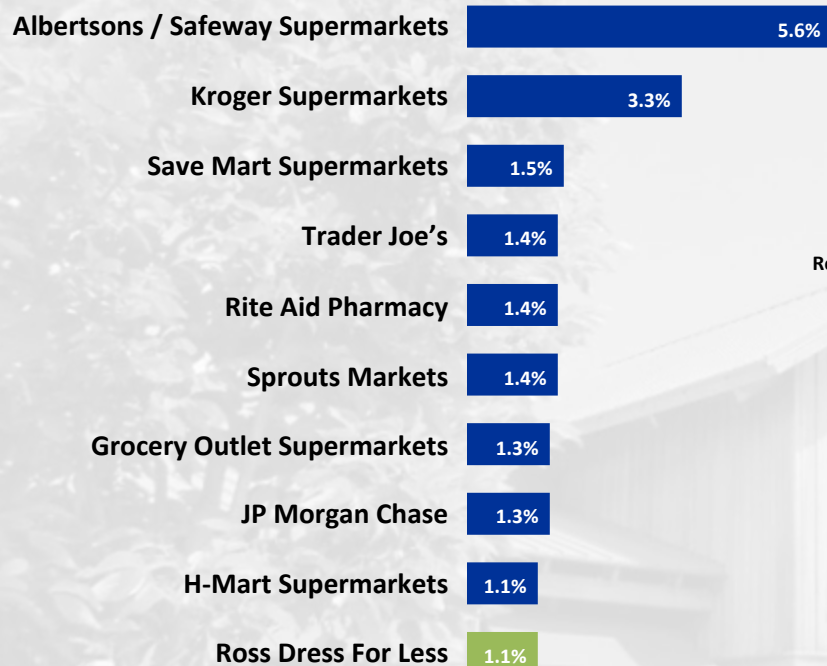


## Strong Market Fundamentals

- ✓ **Densely populated communities**
- ✓ **Diverse, affluent demographics**
- ✓ **Above-average household income**
- ✓ **High barriers to entry**
- ✓ **Limited new construction**

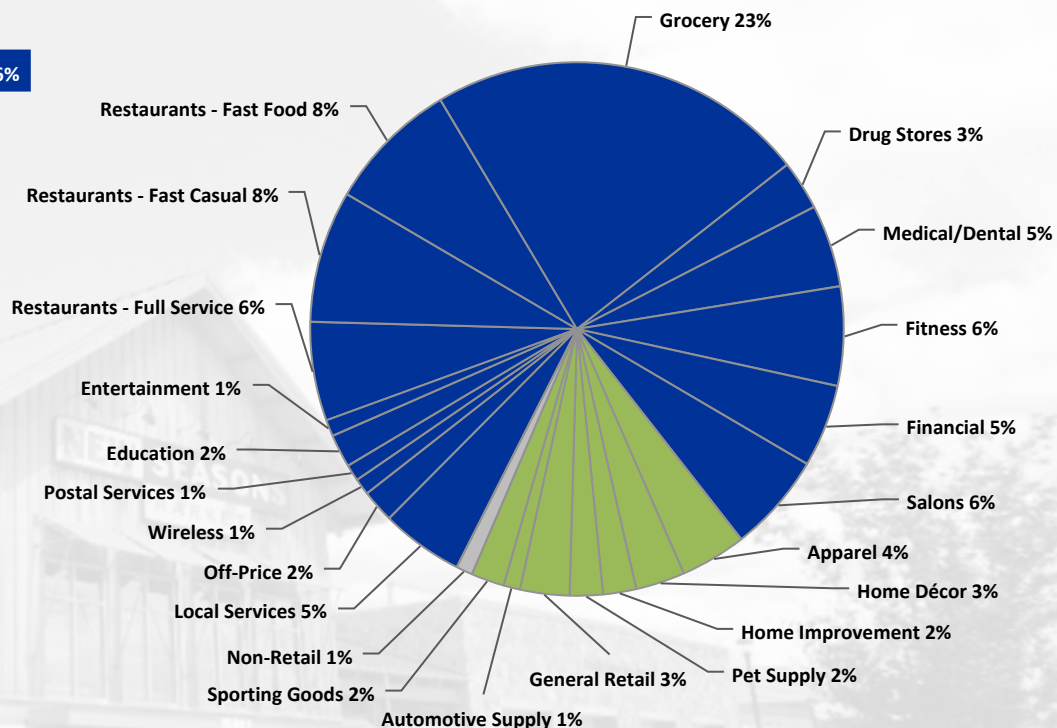
# Broad Base of Daily-Necessity, Service & Destination Retailers

## Top 10 Tenants



■ Approximately 94% of Top 10 Tenant ABR<sup>(3)</sup>  
Derived from Daily-Necessity Retailers

## Portfolio Composition



■ 82% of Total ABR<sup>(3)</sup> Derived From Daily-Necessity,  
Service and Destination E-Commerce Resistant Retailers



# Consistent Operating Performance

|   | Year Ended |           |           |           |           |           |
|---|------------|-----------|-----------|-----------|-----------|-----------|
|   | 2023       | 2022      | 2021      | 2020      | 2019      | 2018      |
|   | (COVID)    |           |           |           |           |           |
| <b><u>Portfolio Size (at period end)</u></b>                  |            |           |           |           |           |           |
| Total number of shopping centers                              | 93         | 93        | 89        | 88        | 88        | 91        |
| Total gross leasable area (in 000s)                           | 10,557     | 10,560    | 10,164    | 10,067    | 10,058    | 10,375    |
| <b><u>Lease Rate (at period end)</u></b>                      |            |           |           |           |           |           |
| Total portfolio   | 98 %       | 98 %      | 98 %      | 97 %      | 98 %      | 98 %      |
| Anchor  | 99 %       | 100 %     | 100 %     | 100 %     | 100 %     | 100 %     |
| Non-anchor  | 96 %       | 96 %      | 95 %      | 93 %      | 96 %      | 95 %      |
| <b><u>Income Statement</u></b>                                |            |           |           |           |           |           |
| Total GAAP revenues (in 000s)                                 | \$327,732  | \$312,929 | \$284,100 | \$284,114 | \$295,040 | \$295,798 |
| Total operating income (in 000s)                              | \$109,843  | \$114,685 | \$114,895 | \$94,447  | \$115,370 | \$109,254 |
| Same-center cash net operating income <sup>(4)</sup> % growth | 4 %        | 5 %       | 3 %       | (5)%      | 4 %       | 3 %       |
| <b><u>Releasing Base Rent Growth<sup>(5)</sup></u></b>        |            |           |           |           |           |           |
| New leases - same-space                                       | 22 %       | 23 %      | 15 %      | 13 %      | 33 %      | 22 %      |
| Renewed leases  | 7 %        | 8 %       | 4 %       | 8 %       | 10 %      | 9 %       |

# FINANCIAL STRENGTH



Country Club Village – San Ramon, CA

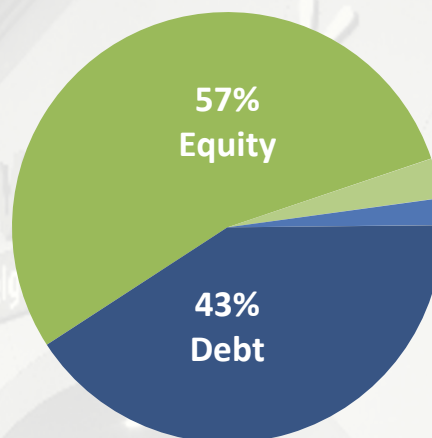


# Conservative Financial Position

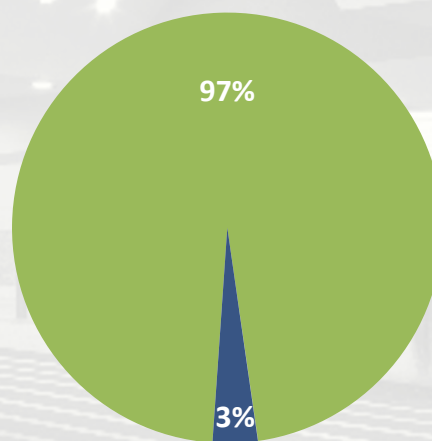
## Well-Laddered Debt Maturity Schedule

|              | <u>\$ Maturing<sup>(7)</sup></u> | <u>% of Total</u> |
|--------------|----------------------------------|-------------------|
| 2024         | \$ 276.7 M                       | 20.0 %            |
| 2025         | 233.3 M                          | 16.9 %            |
| 2026         | 200.0 M                          | 14.4 %            |
| 2027         | 325.0 M                          | 23.5 %            |
| 2028         | 350.0 M                          | 25.2 %            |
| Thereafter   | —                                | — %               |
| <b>Total</b> | <b>\$ 1,385.0 M</b>              | <b>100.0 %</b>    |

## Capitalization<sup>(6)</sup>



|                     |     |
|---------------------|-----|
| Public Stockholders | 54% |
| OP Unit Holders     | 3%  |
| Unsecured Debt      | 41% |
| Secured Debt        | 2%  |



|                  |     |
|------------------|-----|
| Unencumbered GLA | 97% |
| Encumbered GLA   | 3%  |

# Consistent Financial Metrics

|  | 4Q 2023 | 4Q 2022 | 4Q 2021 | 4Q 2020<br>(COVID) | 4Q 2019 | 4Q 2018 |
|--|---------|---------|---------|--------------------|---------|---------|
| <b><u>Encumbrance Data (at period end)</u></b>             |         |         |         |                    |         |         |
| Mortgage debt / total debt                                 | 4 %     | 4 %     | 6 %     | 6 %                | 6 %     | 6 %     |
| Unencumbered gross leasable area / total GLA               | 97 %    | 97 %    | 95 %    | 95 %               | 95 %    | 95 %    |
| <b><u>Debt Coverage ratios (3 months ended)</u></b>        |         |         |         |                    |         |         |
| Net debt / Annualized EBITDA                               | 6.2     | 6.6     | 7.0     | 7.5                | 7.0     | 7.1     |
| EBITDA / total interest expense                            | 2.7     | 3.2     | 3.3     | 3.4                | 3.4     | 3.4     |
| <b><u>Senior Notes Covenants (at period end)</u></b>       |         |         |         |                    |         |         |
| Consolidated Income / total interest expense >1.5          | 2.9     | 3.5     | 3.2     | 3.2                | 3.3     | 3.3     |
| Total debt / total assets <60%                             | 40 %    | 41 %    | 41 %    | 44 %               | 45 %    | 47 %    |
| Total secured debt / total assets <40%                     | 2 %     | 2 %     | 3 %     | 3 %                | 3 %     | 3 %     |
| Total unencumbered assets / total unsecured debt >150%     | 253 %   | 245 %   | 246 %   | 228 %              | 221 %   | 215 %   |
| <b><u>Floating vs. Fixed Rate Debt (at period end)</u></b> |         |         |         |                    |         |         |
| \$600mm unsecured credit facility: amount drawn (in mm)    | \$75    | \$88    | \$0     | \$48               | \$84    | \$156   |
| % drawn on \$600mm unsecured credit facility               | 13 %    | 15 %    | — %     | 8 %                | 14 %    | 26 %    |
| Floating-rate debt / total debt                            | 9 %     | 28 %    | — %     | 4 %                | 6 %     | 10 %    |
| Fixed-rate debt / total debt                               | 91 %    | 72 %    | 100 %   | 96 %               | 94 %    | 90 %    |

# ESG STRATEGY



PCC Community Markets Plaza - Edmonds, WA



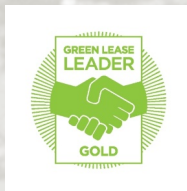
# ESG Overview

## ✓ Long-standing commitment to:

- *operate responsibly and sustainably*
- *conduct our business with the utmost integrity and transparency*
- *drive a positive impact for all our stakeholders through improving our environmental performance as well as supporting the health and well-being of our employees and tenants*

## In 2020:

- ✓ ROIC formally adopted an ESG Plans and Policies Guide
- ✓ Established ESG Management Committee (reports to Board's Nominating and Corporate Governance Committee)
- ✓ Issued inaugural Environmental, Social and Governance Report
- ✓ Established measurable, time-bound targets (2019 baseline)
- ✓ ROIC's ESG Plan is aligned with leading frameworks



# ESG Achievements

*In 2020, we issued our inaugural ESG annual report, whereby we formally set forth our longstanding ESG practices and established benchmarks (utilizing 2019 as a baseline), to measure our progress going forward. Since 2020, we have made notable progress and achieved a number of milestones.*

- ✓ **28% reduction (2022 vs. 2019) in like-for-like assets' green house emissions**
- ✓ **26% reduction (2022 vs. 2019) in like-for-like assets' energy consumption**
- ✓ **Since 2021, recognized as a Green Lease Leader by the U.S. Department of Energy**
- ✓ **Achieved Certified Sustainable Property Certification for three flagship properties**
- ✓ **Since 2020, conducted annual diversity and inclusion training (100% participation)**
- ✓ **Since 2020, ESG milestones are part of executive officer compensation evaluation**
- ✓ **Starting in 2021, commenced implementing Board of Directors refreshment program**
- ✓ **Since 2021, each year achieved improved GRESB public disclosure score and level**



# SUMMARY



Canyon Crossing – Puyallup, WA





# 2023 Highlights

- ✓ \$34.5 million of net income attributable to common stockholders (\$0.27 per diluted share)
- ✓ \$140.9 million in Funds From Operations<sup>(8)</sup> (\$1.06 per diluted share)
- ✓ 3.7% increase in same-center cash net operating income (2023 vs. 2022)
- ✓ 97.7% portfolio lease rate at year-end
- ✓ 1.7 million square feet leased (all-time record activity)
- ✓ 22.2% increase in same-space cash rents on new leases (6.7% increase on renewals)
- ✓ \$350.0 million unsecured senior notes issued
- ✓ \$250.0 million December 2023 unsecured senior notes retired
- ✓ \$100.0 million of floating-rate debt repaid
- ✓ \$150.0 million of floating-rate debt fixed via interest rate swap agreements
- ✓ 91.0% of principal debt outstanding effectively fixed-rate at year-end
- ✓ 96.6% of portfolio's gross leasable area unencumbered at year-end
- ✓ Unsecured credit facility maturity extended by three years

# Key Takeaways

## ✓ Risk-averse business

- *stable portfolio of grocery-anchored shopping centers (93 properties, 10.6 million square feet)*
- *portfolio diversified across six leading, highly-protected West Coast metro markets*
- *broad mix of necessity/service/destination tenants (no concentration or credit concerns)*
- *proactive, in-house property management and leasing (close monitoring of tenants)*
- *measured growth through relationship-driven acquisitions of stable properties in existing markets*

## ✓ Experienced management team

- *focused exclusively on West Coast and grocery-anchored sector for over 25 years*
- *proven track record of leading, growing and managing public REITs (investment-grade)*

## ✓ Consistent performance year after year

- *maintaining portfolio lease rate (since 2013) at or above 96% (unmatched by peers)*
- *achieving consistent, stable, reliable financial results and financial metrics*
- *leasing approximately 2x the amount of space originally scheduled to expire each year*
- *achieving releasing rent growth every quarter since 2012 (11 years running)*
- *maintaining investment-grade debt ratings and stable outlook*
- *maintaining straight-forward, easy to underwrite business and balance sheet*

# Footnotes & Disclosures

## Footnotes

1. Property Portfolio excludes one shopping center that is currently planned for redevelopment and is no longer being managed as a retail asset.
2. "Portfolio Lease Rate" definition: all leases in-place at period end.
3. "ABR" definition: total monthly base rent (cash basis, annualized) in-place at period end.
4. Same-center cash net operating income (SCNOI) growth is based on comparing net operating income for all shopping centers owned by the Company during the entirety of both periods presented. ROIC reports SCNOI on a cash basis. Reconciliation of SCNOI to GAAP operating income is provided in ROIC's earnings press releases.
5. ROIC reports releasing base rent growth on a cash basis.
6. Percentages based on total market capitalization as of 12/31/2023, calculated as follows: stock price multiplied by total shares outstanding (including operating partnership units) plus total principal debt outstanding.
7. Amounts in years 2024 and 2025 include principal amortization of property mortgages.
8. ROIC reports FFO as a supplemental performance measure in accordance with the definition set forth by the National Association of Real Estate Investment Trusts. A reconciliation of GAAP net income to FFO is provided in ROIC's earnings press release dated February 14, 2024.

## Disclosures

Past performance may not be indicative of future results. Additionally, certain information contained herein may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of ROIC to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Information regarding such risks is described in ROIC's filings with the Securities and Exchange Commission, including its most recent Annual Report on Form 10-K and ROIC's Quarterly Reports on Form 10-Q. Forward-looking statements are based on estimates as of the date of this presentation. ROIC disclaims any obligation to publicly release the results of any revisions to these forward-looking statements reflecting new estimates, events or circumstances after the date of this presentation. For further information, please refer to ROIC's filings with the Securities and Exchange Commission, which can be found on its website: [www.roireit.net](http://www.roireit.net).