

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):
July 27, 2016

RETAIL OPPORTUNITY INVESTMENTS CORP.
(Exact Name of Registrant as Specified in Its Charter)

Maryland
(State or other jurisdiction of
incorporation)

001-33749
(Commission
File Number)

26-0500600
(I.R.S. Employer
Identification No.)

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
(Exact Name of Registrant as Specified in Its Charter)

Delaware
(State or other jurisdiction of
incorporation)

333-189057-01
(Commission File Number)

94-2969738
(I.R.S. Employer Identification No.)

8905 Towne Centre Drive, Suite 108
San Diego, California

92122
(Zip Code)

(858) 677-0900
(Registrants' Telephone Number,
Including Area Code)

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))

Item 2.02. Results of Operations and Financial Condition.

On July 27, 2016, Retail Opportunity Investments Corp. (the "Company") issued an earnings release announcing its financial results for the quarter ended June 30, 2016. A copy of the earnings release is attached as Exhibit 99.1 hereto and incorporated herein by reference. On July 27, 2016, in connection with this earnings release, the Company posted certain supplemental information regarding the Company's operations for the quarter ended June 30, 2016 on its website, www.roireit.net. A copy of the supplemental information is attached as Exhibit 99.2 hereto and incorporated herein by reference.

The information in this Current Report, including the exhibits hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that Section. The information in this Current Report shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, unless it is specifically incorporated by reference therein.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No. Description

99.1	Earnings Release, dated July 27, 2016
99.2	Supplemental Information for the quarter ended June 30, 2016

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.

Dated: July 27, 2016

RETAIL OPPORTUNITY INVESTMENTS CORP.

By: /s/ Michael B. Haines
Name: Michael B. Haines
Title: Chief Financial Officer

RETAIL OPPORTUNITY INVESTMENTS
PARTNERSHIP, LP

By: RETAIL OPPORTUNITY INVESTMENTS GP, LLC,
its general partner

By: /s/ Michael B. Haines
Name: Michael B. Haines
Title: Chief Financial Officer

Retail Opportunity Investments Corp. Reports Strong Second Quarter Results

SAN DIEGO, July 27, 2016 (GLOBE NEWSWIRE) -- Retail Opportunity Investments Corp. (NASDAQ:ROIC) announced today financial and operating results for the second quarter ended June 30, 2016.

HIGHLIGHTS

- **Net income of \$8.6 million, or \$0.08 per diluted share**
- **17.4% increase in FFO⁽¹⁾ per diluted share to \$0.27 (2Q'16 vs. 2Q'15)**
- **\$181.8 million of grocery-anchored shopping centers acquired during 2Q'16**
- **\$289.4 million of grocery-anchored acquisitions committed year-to-date**
- **97.2% portfolio leased rate at June 30, 2016**
- **4.9% increase in same-center cash net operating income (2Q'16 vs. 2Q'15)**
- **6.3% increase in same-center cash net operating income (1st 6 months)**
- **24.7% increase in same-space comparative cash rents on new leases**
- **15.9% increase in cash rents on renewed leases**
- **\$224.2 million of common equity raised year-to-date**
- **\$200 million of senior unsecured notes private placement committed (3.95%, 2026 maturity)**
- **32.8% debt-to-total market capitalization ratio at June 30, 2016**
- **4.1x interest coverage for 2Q'16**
- **Quarterly cash dividend of \$0.18 per share declared**

⁽¹⁾ A reconciliation of GAAP net income to Funds From Operations (FFO) is provided at the end of this press release.

Stuart A. Tanz, President and Chief Executive Officer of Retail Opportunity Investments Corp. stated, "2016 is shaping up thus far to be an outstanding year for the company. We are fully on track to achieve and possibly exceed our key growth and operating objectives for the year. We are already approaching \$300 million in grocery-anchored shopping center acquisitions, enhancing our strong presence across our core metropolitan markets. Additionally, we continue to maintain our portfolio above 97% leased, and we continue to achieve solid growth in our same-center and same-space comparative numbers." Tanz further stated, "While steadily growing our portfolio, we are at the same time enhancing our financial strength and flexibility. Thus far we have secured over \$400 million of equity and debt capital, which we have lined up through a variety of sources, efficiently and seamlessly funding our growth, while also enhancing our conservative financial metrics."

FINANCIAL SUMMARY

For the three months ended June 30, 2016, GAAP net income applicable to common shareholders was \$8.6 million, or \$0.08 per diluted share, as compared to GAAP net income of \$5.4 million, or \$0.05 per diluted share for the three months ended June 30, 2015. FFO for the second quarter of 2016 was \$30.5 million, or \$0.27 per diluted share, as compared to \$22.3 million in FFO, or \$0.23 per diluted share for the second quarter of 2015, representing a 17.4% increase on a per diluted share basis. 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 at the end of this press release.

At June 30, 2016, ROIC had a total market capitalization of approximately \$3.7 billion with approximately \$1.2 billion of principal debt outstanding, equating to a 32.8% debt-to-total market capitalization ratio. ROIC's debt outstanding was comprised of \$72.0 million of mortgage debt and approximately \$1.1 billion of unsecured debt, with \$333.5 million outstanding on its unsecured revolving credit facility at June 30, 2016. Subsequent to the second quarter, ROIC completed an underwritten public offering (see below), utilizing the net proceeds to reduce borrowings outstanding on its unsecured revolving credit facility. Accordingly, ROIC currently has \$190.5 million outstanding on its unsecured revolving credit facility.

For the second quarter of 2016, ROIC's interest coverage was 4.1 times and 94.3% of its portfolio was unencumbered (based on gross leasable area) at June 30, 2016.

ACQUISITION SUMMARY

Year-to-date, ROIC has committed a total of \$289.4 million in grocery-anchored shopping center acquisitions. During the first quarter of 2016, ROIC acquired a two-property portfolio for \$63.3 million. During the second quarter, ROIC acquired the following two grocery-anchored shopping centers, in separate transactions, totaling \$181.8 million.

Bouquet Center

In April 2016, ROIC acquired Bouquet Center for \$59.0 million. The shopping center is approximately 149,000 square feet and is anchored by Safeway (Vons) Supermarket, CVS Pharmacy and Ross Dress For Less. The property is located in Santa Clarita, California, within the Los Angeles metropolitan area, and is currently 96.0% leased.

North Ranch Shopping Center

In June 2016, ROIC acquired North Ranch Shopping Center for \$122.8 million. The shopping center is approximately 147,000 square feet and is anchored by Kroger (Ralph's) Supermarket, Trade Joe's and Rite Aid Pharmacy. The property is located in Westlake Village, California, within the Los Angeles metropolitan area, and is currently 98.7% leased.

Subsequent to the second quarter, ROIC acquired the following grocery-anchored shopping center.

Monterey Center

In July 2016, ROIC acquired Monterey Center for \$12.1 million. The shopping center is approximately 26,000 square feet and is anchored by Trader Joe's and Pharmaca Pharmacy. The property is located in downtown Monterey, California and is currently 100% leased.

In addition, ROIC currently has a binding contract to acquire the following grocery-anchored shopping center.

Bridle Trails Shopping Center

ROIC has a binding contract to acquire Bridle Trails Shopping Center for \$32.2 million. The shopping center is approximately 106,000 square feet and is anchored by Red Apple (Unified) Supermarket and Bartell Drugs, a Seattle-based regional pharmacy. The property is located in Kirkland, Washington, within the Seattle metropolitan area, and is currently 100% leased.

PROPERTY OPERATIONS SUMMARY

At June 30, 2016, ROIC's portfolio was 97.2% leased. For the second quarter of 2016, same-center net operating income (NOI) was \$32.2 million, as compared to \$30.7 million in same-center NOI for the second quarter of 2015, representing a 4.9% increase. The second quarter comparative same-center NOI includes all of the properties owned by ROIC as of April 1, 2015, totaling 64 shopping centers. For the first six months of 2016, same-center NOI was \$62.3 million, as compared to \$58.6 million in same-center NOI for the first six months of 2015, representing a 6.3% increase. The first six months comparative same-center NOI includes all of the properties owned by ROIC as of January 1, 2015, totaling 61 shopping centers. ROIC reports same-center NOI on a cash basis. A reconciliation of GAAP operating income to same-center NOI is provided at the end of this press release.

During the second quarter of 2016, ROIC executed 83 leases, totaling 151,062 square feet, achieving an 18.9% increase in same-space comparative base rent, including 46 new leases, totaling 76,006 square feet, achieving a 24.7% increase in same-space comparative base rent, and 37 renewed leases, totaling 75,056 square feet, achieving a 15.9% increase in base rent. ROIC reports same-space comparative base rent on a cash basis.

CAPITAL MARKETS SUMMARY

Year-to-date, ROIC has raised a total of approximately \$224.2 million in common equity. In March 2016, ROIC issued \$46.1 million of ROIC common equity in the form of operating partnership units in connection with a shopping center acquisitions. Additionally, thus far in 2016 ROIC has issued approximately 2.2 million shares of common stock through its ATM program, raising approximately \$45.0 million in net proceeds. Furthermore, in July 2016, ROIC issued approximately 6.6 million shares of common stock through an underwritten public offering, raising approximately \$133.1 million in net proceeds. ROIC utilized the net proceeds to reduce borrowings outstanding on its unsecured revolving credit facility.

On July 26, 2016, ROIC entered into an agreement to sell \$200 million principal amount of 3.95% senior unsecured notes due 2026 in a direct private placement. ROIC expects to close the transaction in September 2016 and intends to utilize the proceeds to reduce borrowings outstanding on its unsecured revolving credit facility, fund shopping center acquisitions and for general corporate purposes.

CASH DIVIDEND

On June 29, 2016, ROIC distributed to stockholders an \$0.18 per share cash dividend. On July 27, 2016, ROIC's board of directors declared a cash dividend of \$0.18 per share, payable on September 29, 2016 to stockholders of record on September 15, 2016.

2016 FFO GUIDANCE

ROIC currently estimates that FFO for the full year 2016 will be within the range of \$1.03 to \$1.07 per diluted share, and net income to be within the range of \$0.38 to \$0.39 per diluted share. The following table provides a reconciliation of GAAP net income to FFO.

	For the year ending December 31, 2016	
	<u>Low End</u>	<u>High End</u>
GAAP net income applicable to common stockholders	\$ 43,661	\$ 45,357
Plus:		
Depreciation & Amortization	\$ 76,128	\$ 79,084
Funds From Operations (FFO) applicable to common stockholders	\$ 119,789	\$ 124,441
Diluted Shares	<u>116,300</u>	<u>116,300</u>
Earnings per share (diluted)	\$ 0.38	\$ 0.39
FFO per share (diluted)	\$ 1.03	\$ 1.07

ROIC's estimates are based on numerous underlying assumptions. ROIC's management will discuss the company's guidance and underlying assumptions on its July 28, 2016 conference call. ROIC's guidance is a forward-looking statement and is subject to risks and other factors described elsewhere in this press release.

CONFERENCE CALL

ROIC will conduct a conference call and audio webcast to discuss its quarterly results on Thursday, July 28, 2016 at 11:00 a.m. Eastern Time / 8:00 a.m. Pacific Time. Those interested in participating in the conference call should dial (877) 312-8783 (domestic), or (408) 940-3874 (international) at least ten minutes prior to the scheduled start of the call. When prompted, provide the Conference ID: 9535671. A live webcast will also be available in listen-only mode at <http://www.roireit.net/>. The conference call will be recorded and available for replay beginning at 2:00 p.m. Eastern Time on July 28, 2016 and will be available until 11:59 p.m. Eastern Time on August 4, 2016. To access the conference call recording, dial (855) 859-2056 (domestic) or (404) 537-3406 (international) and use the Conference ID: 9535671. The conference call will also be archived on <http://www.roireit.net/> for approximately 90 days.

ABOUT RETAIL OPPORTUNITY INVESTMENTS CORP.

Retail Opportunity Investments Corp. (NASDAQ: ROIC), is a fully-integrated, self-managed real estate investment trust (REIT) that specializes in the acquisition, ownership and management of grocery-anchored shopping centers located in densely-populated, metropolitan markets across the West Coast. As of June 30, 2016, ROIC owned 77 shopping centers encompassing approximately 9.1 million square feet.

ROIC is the largest publicly-traded, grocery-anchored shopping center REIT focused exclusively on the West Coast. ROIC is a member of the S&P SmallCap 600 Index and has investment-grade corporate debt ratings from Moody's Investor Services and Standard & Poor's. Additional information is available at: www.roireit.net.

When used herein, the words "believes," "anticipates," "projects," "should," "estimates," "expects," "guidance" and similar expressions are intended to identify forward-looking statements with the meaning of that term in Section 27A of the Securities Act of 1933, as amended, and in Section 21F of the Securities and Exchange Act of 1934, as amended. Certain statements 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 of ROIC to differ materially from future results expressed or implied by such forward-looking statements. Information regarding such risks and factors is described in ROIC's filings with the SEC, including its most recent Annual Report on Form 10-K, which is available at: www.roireit.net.

RETAIL OPPORTUNITY INVESTMENTS CORP.

Consolidated Balance Sheets

(In thousands)

	<u>June 30, 2016</u>	<u>December 31, 2015</u>
ASSETS		
Real Estate Investments:		
Land	\$ 730,661	\$ 669,307
Building and improvements	1,835,071	1,627,310
	<u>2,565,732</u>	<u>2,296,617</u>
Less: accumulated depreciation	162,411	134,311
Real Estate Investments, net	2,403,321	2,162,306
Cash and cash equivalents	17,535	8,844
Restricted cash	121	227
Tenant and other receivables, net	30,480	28,652
Deposits	2,000	500
Acquired lease intangible assets, net of accumulated amortization	77,017	66,942
Prepaid expenses	943	1,953
Deferred charges, net of accumulated amortization	33,747	30,129
Other	1,778	1,895
Total assets	<u>\$ 2,566,942</u>	<u>\$ 2,301,448</u>
LIABILITIES AND EQUITY		
Liabilities:		
Term loan	\$ 298,996	\$ 298,802
Credit facility	330,591	132,028
Senior Notes Due 2024	245,092	244,833
Senior Notes Due 2023	244,736	244,426
Mortgage notes payable	71,961	62,156
Acquired lease intangible liabilities, net of accumulated amortization	142,815	124,861
Accounts payable and accrued expenses	15,479	13,205
Tenants' security deposits	5,709	5,085
Other liabilities	14,541	11,036
Total liabilities	<u>1,369,920</u>	<u>1,136,432</u>
Commitments and contingencies	—	—
Redeemable OP Units		33,674

Equity:

Preferred stock, \$.0001 par value 50,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$.0001 par value 500,000,000 shares authorized; and 101,979,470 and 99,531,034 shares issued and outstanding at June 30, 2016 and December 31, 2015, respectively	10	10
Additional paid-in-capital	1,218,721	1,166,395
Dividends in excess of earnings	(143,563)	(122,991)
Accumulated other comprehensive loss	(6,328)	(6,743)
Total Retail Opportunity Investments Corp. stockholders' equity	<u>1,068,840</u>	<u>1,036,671</u>
Non-controlling interests	128,182	94,671
Total equity	<u>1,197,022</u>	<u>1,131,342</u>
Total liabilities and equity	<u>\$ 2,566,942</u>	<u>\$ 2,301,448</u>

RETAIL OPPORTUNITY INVESTMENTS CORP.**Consolidated Statements of Operations**

(In thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Revenues				
Base rents	\$ 45,652	\$ 36,028	\$ 89,500	\$ 71,230
Recoveries from tenants	12,511	9,841	24,371	19,530
Other income	508	346	894	577
Total revenues	<u>58,671</u>	<u>46,215</u>	<u>114,765</u>	<u>91,337</u>
Operating expenses				
Property operating	8,210	6,854	15,708	13,779
Property taxes	6,053	4,686	11,708	9,418
Depreciation and amortization	21,821	16,874	42,754	34,508
General and administrative expenses	3,516	3,654	6,835	6,295
Acquisition transaction costs	298	245	434	416
Other expenses	217	104	371	253
Total operating expenses	<u>40,115</u>	<u>32,417</u>	<u>77,810</u>	<u>64,669</u>
Operating income	<u>18,556</u>	<u>13,798</u>	<u>36,955</u>	<u>26,668</u>
Non-operating expenses				
Interest expense and other finance expenses	(9,918)	(8,387)	(19,392)	(16,881)
Net income	8,638	5,411	17,563	9,787
Net income attributable to non-controlling interest	(934)	(210)	(1,832)	(386)
Net Income Attributable to Retail Opportunity Investments Corp.	<u>\$ 7,704</u>	<u>\$ 5,201</u>	<u>\$ 15,731</u>	<u>\$ 9,401</u>
Net income per share - basic and diluted:	<u>\$ 0.08</u>	<u>\$ 0.05</u>	<u>\$ 0.16</u>	<u>\$ 0.10</u>
Dividends per common share	<u>\$ 0.18</u>	<u>\$ 0.17</u>	<u>\$ 0.36</u>	<u>\$ 0.34</u>

CALCULATION OF FUNDS FROM OPERATIONS

(Unaudited)

(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Net income attributable to ROIC	\$ 7,704	\$ 5,201	\$ 15,731	\$ 9,401
Plus: Depreciation and amortization	21,821	16,874	42,754	34,508
Funds from operations - basic	<u>29,525</u>	<u>22,075</u>	<u>58,485</u>	<u>43,909</u>
Net income attributable to non-controlling interests	934	210	1,832	386
Funds from operations - diluted	<u>\$ 30,459</u>	<u>\$ 22,285</u>	<u>\$ 60,317</u>	<u>\$ 44,295</u>

SAME-CENTER CASH NET OPERATING INCOME ANALYSIS

(Unaudited)

(In thousands, except number of shopping centers and percentages)

	Three Months Ended				Six Months Ended			
	6/30/16	6/30/15	\$ Change	% Change	6/30/16	6/30/15	\$ Change	% Change
	Number of shopping centers included in same-center analysis	64	64			61	61	
Same-center occupancy	97.1%	97.3%		(0.2%)	97.1%	97.2%		(0.1%)
Revenues:								
Base rents	\$33,534	\$32,127	\$ 1,407	4.4%	\$64,146	\$61,078	\$ 3,068	5.0%
Percentage rent	154	69	85	123.2%	320	169	151	89.3%
Recoveries from tenants	10,595	9,891	704	7.1%	20,378	18,922	1,456	7.7%
Other property income	513	356	157	44.1%	657	548	109	19.9%
Total Revenues	44,796	42,443	2,353	5.5%	85,501	80,717	4,784	5.9%
Operating Expenses								
Property operating expenses	\$ 6,953	\$ 6,679	\$ 274	4.1%	\$13,073	\$12,477	\$ 596	4.8%
Bad debt expense	753	333	420	126.1%	799	644	155	24.1%
Property taxes	4,842	4,682	160	3.4%	9,298	8,984	314	3.5%
Total Operating Expenses	12,548	11,694	854	7.3%	23,170	22,105	1,065	4.8%
Same Center Cash Net Operating Income	\$32,248	\$30,749	\$ 1,499	4.9%	\$62,331	\$58,612	\$ 3,719	6.3%

SAME-CENTER CASH NET OPERATING INCOME RECONCILIATION

(Unaudited)

(In thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
Same-center cash NOI	\$ 32,248	\$ 30,749	\$ 62,331	\$ 58,612
Adjustments				
Depreciation and amortization	(21,821)	(16,874)	(42,754)	(34,508)
General and administrative expenses	(3,516)	(3,654)	(6,835)	(6,295)
Acquisition transaction costs	(298)	(245)	(434)	(416)
Other expense	(217)	(104)	(371)	(253)
Property revenues and expenses ⁽¹⁾	5,627	3,735	10,710	6,923
Non same-center cash NOI	6,533	191	14,308	2,605
GAAP operating income	\$ 18,556	\$ 13,798	\$ 36,955	\$ 26,668

1. Includes straight-line rents, amortization of above and below-market lease intangibles, anchor lease termination fees, net of contractual amounts, and expense and recovery adjustments related to prior periods.

NON-GAAP DISCLOSURES

Funds from operations (“FFO”), is a widely recognized nonGAAP financial measure for REITs that the Company believes when considered with financial statements presented in accordance with GAAP, provides additional and useful means to assess its financial performance. FFO is frequently used by securities analysts, investors and other interested parties to evaluate the performance of REITs, most of which present FFO along with net income as calculated in accordance with GAAP. The Company computes FFO in accordance with the “White Paper” on FFO published by the National Association of Real Estate Investment Trusts (“NAREIT”), which defines FFO as net income attributable to common stockholders (determined in accordance with GAAP) excluding gains or losses from debt restructuring, sales of

depreciable property and impairments, plus real estate related depreciation and amortization, and after adjustments for partnerships and unconsolidated joint ventures.

The Company uses cash net operating income (“NOI”) internally to evaluate and compare the operating performance of the Company’s properties. The Company believes cash NOI provides useful information to investors regarding the Company’s financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the Company’s properties as this measure is not affected by the non-cash revenue and expense recognition items, the cost of the Company’s funding, the impact of depreciation and amortization expenses, gains or losses from the acquisition and sale of operating real estate assets, general and administrative expenses or other gains and losses that relate to the Company’s ownership of properties. The Company believes the exclusion of these items from operating income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the Company’s properties as well as trends in occupancy rates, rental rates and operating costs. Cash NOI is a measure of the operating performance of the Company’s properties but does not measure the Company’s performance as a whole and is therefore not a substitute for net income or operating income as computed in accordance with GAAP. The Company defines cash NOI as operating revenues (base rent and recoveries from tenants), less property and related expenses (property operating expenses and property taxes), adjusted for non-cash revenue and operating expense items such as straight-line rent and amortization of lease intangibles, debt-related expenses and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, acquisition transaction costs, other expense, interest expense, gains and losses from property acquisitions and dispositions, extraordinary items, tenant improvements and leasing commissions. Other REITs may use different methodologies for calculating cash NOI, and accordingly, the Company’s cash NOI may not be comparable to other REITs.

Contact:
Ashley Rubino, Investor Relations
858-255-4913
arubino@roireit.net



2nd QUARTER 2016

SUPPLEMENTAL INFORMATION



RETAIL OPPORTUNITY INVESTMENTS CORPORATION
8905 TOWNE CENTRE DRIVE SUITE 108
SAN DIEGO, CALIFORNIA 92122
www.roireit.net

Our Company

Retail Opportunity Investments Corp. (Nasdaq: ROIC), is a fully integrated, self-managed real estate investment trust (REIT) that specializes in the acquisition, ownership and management of grocery-anchored shopping centers located in densely-populated, metropolitan markets across the West Coast. As of June 30, 2016, ROIC owned 77 shopping centers encompassing approximately 9.1 million square feet. ROIC is the largest publicly-traded, grocery-anchored shopping center REIT focused exclusively on the West Coast. ROIC is a member of the S&P SmallCap 600 Index and has investment-grade corporate debt ratings from Moody's Investor Services and Standard & Poor's. Additional information is available at www.roireit.net.

Supplemental Information

The enclosed information should be read in conjunction with ROIC's filings with the Securities and Exchange Commission, including but not limited to, its Form 10-Qs filed quarterly and Form 10-Ks filed annually. Additionally, the enclosed information does not purport to disclose all items under generally accepted accounting principles ("GAAP").

Non-GAAP Disclosures

Funds from operations ("FFO"), is a widely-recognized non-GAAP financial measure for REITs that the Company believes when considered with financial statements presented in accordance with GAAP, provides additional and useful means to assess its financial performance. FFO is frequently used by securities analysts, investors and other interested parties to evaluate the performance of REITs, most of which present FFO along with net income as calculated in accordance with GAAP. The Company computes FFO in accordance with the "White Paper" on FFO published by the National Association of Real Estate Investment Trusts ("NAREIT"), which defines FFO as net income attributable to common stockholders (determined in accordance with GAAP) excluding gains or losses from debt restructuring, sales of depreciable property and impairments, plus real estate related depreciation and amortization, and after adjustments for partnerships and unconsolidated joint ventures.

The Company uses cash net operating income ("NOI") internally to evaluate and compare the operating performance of the Company's properties. The Company believes cash NOI provides useful information to investors regarding the Company's financial condition and results of operations because it reflects only those income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the Company's properties as this measure is not affected by the non-cash revenue and expense recognition items, the cost of the Company's funding, the impact of depreciation and amortization expenses, gains or losses from the acquisition and sale of operating real estate assets, general and administrative expenses or other gains and losses that relate to the Company's ownership of properties. The Company believes the exclusion of these items from operating income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the Company's properties as well as trends in occupancy rates, rental rates and operating costs. Cash NOI is a measure of the operating performance of the Company's properties but does not measure the Company's performance as a whole and is therefore not a substitute for net income or operating income as computed in accordance with GAAP. The Company defines cash NOI as operating revenues (base rent and recoveries from tenants), less property and related expenses (property operating expenses and property taxes), adjusted for non-cash revenue and operating expense items such as straight-line rent and amortization of lease intangibles, debt-related expenses and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, acquisition transaction costs, other expense, interest expense, gains and losses from property acquisitions and dispositions, extraordinary items, tenant improvements and leasing commissions. Other REITs may use different methodologies for calculating cash NOI, and accordingly, the Company's cash NOI may not be comparable to other REITs.

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Balance Sheets

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands, except par values and share amounts)

	<u>06/30/16</u>	<u>12/31/15</u>
ASSETS:		
Real Estate Investments:		
Land	\$ 730,661	\$ 669,307
Building and improvements	1,835,071	1,627,310
Less: accumulated depreciation	<u>(162,411)</u>	<u>(134,311)</u>
<i>Real Estate Investments, net</i>	2,403,321	2,162,306
Cash and cash equivalents	17,535	8,844
Restricted cash	121	227
Tenant and other receivables, net	30,480	28,652
Deposits	2,000	500
Acquired lease intangible assets, net of accumulated amortization	77,017	66,942
Prepaid expenses	943	1,953
Deferred charges, net of accumulated amortization	33,747	30,129
Other	1,778	1,895
TOTAL ASSETS	<u>\$ 2,566,942</u>	<u>\$ 2,301,448</u>
LIABILITIES:		
Term loan	\$ 298,996	\$ 298,802
Credit facility	330,591	132,028
Senior Notes Due 2024	245,092	244,833
Senior Notes Due 2023	244,736	244,426
Mortgage notes payable	71,961	62,156
Acquired lease intangible liabilities, net of accumulated amortization	142,815	124,861
Accounts payable and accrued expenses	15,479	13,205
Tenants' security deposits	5,709	5,085
Other liabilities	14,541	11,036
TOTAL LIABILITIES	<u>1,369,920</u>	<u>1,136,432</u>
Non-controlling interests - redeemable OP Units	-	33,674
EQUITY:		
Common stock, \$0.001 par value 500,000,000 shares authorized	10	10
Additional paid-in-capital	1,218,721	1,166,395
Accumulated deficit	(143,563)	(122,991)
Accumulated other comprehensive loss	<u>(6,328)</u>	<u>(6,743)</u>
Total Retail Opportunity Investments Corp. stockholders' equity	1,068,840	1,036,671
Non-controlling interests	<u>128,182</u>	<u>94,671</u>
TOTAL EQUITY	<u>1,197,022</u>	<u>1,131,342</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 2,566,942</u>	<u>\$ 2,301,448</u>

The Company's Form 10-Q for the quarter ended June 30, 2016, and Form 10-K for the year ended December 31, 2015 should be read in conjunction with the above information.

Income Statements

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	06/30/16	06/30/15	06/30/16	06/30/15
REVENUES:				
Base rents	\$ 45,652	\$ 36,028	\$ 89,500	\$ 71,230
Recoveries from tenants	12,511	9,841	24,371	19,530
Other income	508	346	894	577
TOTAL REVENUES	58,671	46,215	114,765	91,337
OPERATING EXPENSES:				
Property operating	\$ 8,210	\$ 6,854	\$ 15,708	\$ 13,779
Property taxes	6,053	4,686	11,708	9,418
Depreciation and amortization	21,821	16,874	42,754	34,508
General and administrative expenses	3,516	3,654	6,835	6,295
Acquisition transaction costs	298	245	434	416
Other expense	217	104	371	253
TOTAL OPERATING EXPENSES	40,115	32,417	77,810	64,669
OPERATING INCOME	18,556	13,798	36,955	26,668
NON-OPERATING EXPENSES:				
Interest expense and other finance expenses	(9,918)	(8,387)	(19,392)	(16,881)
TOTAL NON-OPERATING EXPENSES	(9,918)	(8,387)	(19,392)	(16,881)
NET INCOME	\$ 8,638	\$ 5,411	\$ 17,563	\$ 9,787
NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	(934)	(210)	(1,832)	(386)
NET INCOME ATTRIBUTABLE TO RETAIL OPPORTUNITY INVESTMENTS CORP.	\$ 7,704	\$ 5,201	\$ 15,731	\$ 9,401
NET INCOME PER COMMON SHARE - BASIC	\$ 0.08	\$ 0.05	\$ 0.16	\$ 0.10
NET INCOME PER COMMON SHARE - DILUTED	\$ 0.08	\$ 0.05	\$ 0.16	\$ 0.10
Weighted average common shares outstanding - basic	100,166	93,586	99,789	93,339
Weighted average common shares outstanding - diluted	112,643	97,612	111,689	97,425

The Company's Form 10-Q for the quarters ended June 30, 2016 and June 30, 2015 should be read in conjunction with the above information.

Funds From Operations

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands, except per share amounts)

	Three Months Ended		Six Months Ended	
	06/30/16	06/30/15	06/30/16	06/30/15
<i>Funds from Operations (FFO) ⁽¹⁾:</i>				
Net income attributable to ROIC common stockholders	\$ 7,704	\$ 5,201	\$ 15,731	\$ 9,401
Plus:				
Depreciation and amortization expense	21,821	16,874	42,754	34,508
FUNDS FROM OPERATIONS - BASIC	\$ 29,525	\$ 22,075	\$ 58,485	\$ 43,909
Net income attributable to non-controlling interests	934	210	1,832	386
FUNDS FROM OPERATIONS - DILUTED	\$ 30,459	\$ 22,285	\$ 60,317	\$ 44,295
FUNDS FROM OPERATIONS PER SHARE - BASIC	\$ 0.29	\$ 0.24	\$ 0.59	\$ 0.47
FUNDS FROM OPERATIONS PER SHARE - DILUTED	\$ 0.27	\$ 0.23	\$ 0.54	\$ 0.45
Weighted average common shares outstanding - basic	100,166	93,586	99,789	93,339
Weighted average common shares outstanding - diluted	112,643	97,612	111,689	97,425
Common dividends per share	\$ 0.18	\$ 0.17	\$ 0.36	\$ 0.34
FFO Payout Ratio	66.7%	73.9%	66.7%	75.6%

(1) - Funds from operations ("FFO"), is a widely recognized non GAAP financial measure for REITs that ROIC believes, when considered with financial statements determined in accordance with GAAP, provides additional and useful means to assess its financial performance. FFO is frequently used by securities analysts, investors and other interested parties to evaluate the performance of REITs. ROIC computes FFO in accordance with the "White Paper" on FFO published by the National Association of Real Estate Investment Trusts ("NAREIT"), which defines FFO as net income attributable to common shareholders (determined in accordance with GAAP) excluding gains or losses from debt restructuring and sales of property, plus real estate related depreciation and amortization, and after adjustments for partnerships and unconsolidated joint ventures.

The above does not purport to disclose all items required under GAAP.

Summary of Debt Outstanding

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands)

	Outstanding Balance	Interest Rate	GAAP Interest Rate	Maturity Date	Percent of Total Indebtedness
Fixed Rate Debt					
Mortgage Debt:					
Bernardo Heights Plaza	\$ 8,312	5.7%	3.3%	07/11/17	0.7%
Santa Teresa Village	10,499	6.2%	3.3%	02/01/18	0.9%
Magnolia Shopping Center	9,223	5.5%	3.9%	10/01/18	0.8%
Casitas Plaza Shopping Center	7,517	5.3%	4.2%	06/01/22	0.6%
Diamond Hills Plaza	35,500	3.6%	3.6%	10/01/25	2.8%
Net unamortized premiums on mortgages	1,379				
Net unamortized deferred financing charges	(469)				
Total Mortgage Debt	\$ 71,961	4.7%	3.7%	5.9 Years (WA)	5.8%
Unsecured Senior Notes:					
Senior Notes Due 2023	\$ 250,000	5.0%	5.2%	12/15/23	20.8%
Net unamortized discount on notes	(3,303)				
Net unamortized deferred financing charges	(1,961)				
Senior Notes Due 2023, net	244,736				
Senior Notes Due 2024	250,000	4.0%	4.2%	12/15/24	20.8%
Net unamortized discount on notes	(3,043)				
Net unamortized deferred financing charges	(1,865)				
Senior Notes Due 2024, net	245,092				
Total Unsecured Senior Notes	\$ 489,828	4.4%	4.7%	8.0 Years (WA)	41.6%
Interest rate swaps	100,000	2.0%	2.0%	1/31/2019	8.3%
Total Fixed Rate Debt	\$ 661,789	4.1%	4.1%	6.9 Years (WA)	55.7%
Variable Rate Debt					
Credit Facility					
Credit Facility	\$ 333,500	1.4%	1.4%	01/31/19 ⁽¹⁾	27.7%
Net unamortized deferred financing charges	(2,909)				
Credit Facility, net	330,591				
Term Loan					
Term Loan	300,000	1.5%	1.5%	01/31/19 ⁽¹⁾	24.9%
Net unamortized deferred financing charges	(1,004)				
Term Loan, net	298,996				
Interest rate swaps	(100,000)				(8.3%)
Total Variable Rate Debt	\$ 529,587	1.5%	1.5%	2.6 Years (WA)	44.3%
TOTAL DEBT	\$ 1,191,376	2.9%	3.0%	5.0 Years (WA)	100.0%
Net unamortized premiums on mortgages	(1,379)				
Net unamortized discount on notes	6,346				
Net unamortized deferred financing charges	8,208				
Total Principal Debt	\$ 1,204,551				

(1) Does not include extension options available to ROIC.

Summary of Debt Outstanding, continued

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands)

Summary of Principal Maturities

Year	Mortgage Principal Amortization	Mortgage Principal due at Maturity	Credit Facility	Term Loan	Senior Unsecured Notes	Total Principal Payments	Percentage of Debt Maturing
2016 ⁽¹⁾	\$ 370	\$ -	\$ -	\$ -	\$ -	\$ 370	0.1%
2017	687	8,099	-	-	-	8,786	0.7%
2018	337	18,900	-	-	-	19,237	1.6%
2019	157	-	333,500 ⁽²⁾	300,000 ⁽²⁾	-	633,657	52.6%
2020	166	-	-	-	-	166	0.0%
2021	282	-	-	-	-	282	0.0%
2022	737	6,585	-	-	-	7,322	0.6%
2023	686	-	-	-	250,000	250,686	20.8%
2024	708	-	-	-	250,000	250,708	20.8%
2025	550	32,787	-	-	-	33,337	2.8%
	\$ 4,680	\$ 66,371	\$ 333,500	\$ 300,000	\$ 500,000	\$ 1,204,551	100.0%

Summary of Unencumbered/Encumbered Properties

	Number of Properties	GLA	Percentage of GLA
Unencumbered properties	72	8,608,955	94.3%
Encumbered properties	5	516,163	5.7%
	77	9,125,118	100.0%

Summary of Unsecured Debt/Secured Debt

	Amount	Percentage of Total Principal Debt
Unsecured principal debt	\$ 1,133,500	94.1%
Secured principal debt	71,051	5.9%
Total Principal Debt	\$ 1,204,551	100.0%

(1) On April 1, 2016, ROIC paid off the mortgage note encumbering the Gateway Village III shopping center scheduled to expire July 2016.

(2) Does not include extension options available to ROIC.

Selected Financial Analysis

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands, except per share amounts)

	06/30/16	03/31/16 ⁽¹⁾	12/31/15	09/30/15	06/30/15
<i>Debt coverage ratios, three months ending:</i>					
Interest coverage ratio (EBITDA/interest expense)	4.1x	4.2x	4.0x	3.8x	3.7x
Debt service coverage (EBITDA/(interest expense + scheduled principal payments))	4.0x	4.1x	3.9x	3.7x	3.6x
Net principal debt (Total principal debt less cash & equivalents)/Annualized EBITDA	7.3x	6.5x	6.9x	6.6x	6.8x
<i>Debt/equity ratios, at period end:</i>					
Total principal debt/total market capitalization	32.8%	31.8%	33.2%	33.9%	36.0%
Total principal debt/total equity market capitalization	48.9%	46.6%	49.7%	51.3%	56.2%
Total principal debt/total book assets	46.9%	44.0%	42.9%	42.3%	43.7%
Total principal debt/undepreciated book value	44.1%	41.4%	40.6%	39.9%	41.4%
Secured principal debt/undepreciated book value	2.6%	3.1%	2.6%	2.9%	3.7%
<i>Market capitalization calculations, at period end:</i>					
Common shares outstanding	101,564	99,526	99,148	99,123	93,601
Operating partnership units (OP units) outstanding	12,180	12,274	12,196	3,771	3,771
Common stock price per share	\$21.67	\$20.12	\$ 17.90	\$ 16.54	\$ 15.62
Total equity market capitalization	\$ 2,464,823	\$ 2,249,419	\$ 1,993,043	\$ 1,701,866	\$ 1,520,959
Total principal debt	1,204,551	1,047,869	991,432	872,264	855,090
TOTAL MARKET CAPITALIZATION	\$ 3,669,374	\$ 3,297,288	\$ 2,984,475	\$ 2,574,130	\$ 2,376,049
<i>Unsecured Senior Notes Financial Covenants: ⁽²⁾</i>					
Total debt to total assets not to exceed 60%	46.1%	43.3%	42.9%	42.6%	44.2%
Total secured debt to total assets not to exceed 40%	2.8%	3.3%	2.7%	3.1%	3.9%
Total unencumbered assets to total unsecured debt not to be less than 150%	216.6%	232.9%	237.6%	240.5%	223.1%
Consolidated income available for debt service to interest expense not to be less than 1.5:1	4.0x	3.9x	3.8x	3.8x	3.8x

(1) Commencing Q1 2016, calculations are measured using actual principal debt outstanding without adjustment for debt insurance costs, premiums or discounts. All prior periods are as historically reported.

(2) Calculated in accordance with GAAP pursuant to underlying bond indentures.

2016 Property Acquisitions

Supplemental Disclosure
Quarter Ended June 30, 2016

(Dollars in thousands)

<u>Shopping Centers</u>	<u>Location</u>	<u>Date Acquired</u>	<u>Purchase Amount</u>	<u>Owned GLA</u>
<i>1Q 2016</i>				
Magnolia Shopping Center	Santa Barbara, CA	03/10/16	\$ 39,154	116,360
Casitas Plaza Shopping Center	Carpinteria, CA	03/10/16	24,866	97,407
Total 1Q 2016			<u>\$ 64,020</u>	<u>213,767</u>
<i>2Q 2016</i>				
Bouquet Center	Santa Clarita, CA	04/28/16	\$ 59,000	148,903
North Ranch Shopping Center	Westlake Village, CA	06/01/16	122,800	146,625
Total 2Q 2016			<u>\$ 181,800</u>	<u>295,528</u>
Total 2016 Acquisitions			<u>\$ 245,820</u>	<u>509,295</u>

Property Portfolio

Supplemental Disclosure
Quarter Ended June 30, 2016

(dollars in thousands)

Southern California	City	State	Date Acquired	Owned GLA	% Leased	ABR ⁽¹⁾	Major Tenants
Los Angeles metro area							
Paramount Plaza	* Paramount	CA	12/22/09	95,062	100.0%	\$ 1,766	Grocery Outlet Supermarket, 99¢ Only Stores, Rite Aid Pharmacy
Claremont Promenade	* Claremont	CA	09/23/10	92,297	97.4%	2,153	Super King Supermarket
Gateway Village	* Chino Hills	CA	12/17/10	96,959	90.3%	2,633	Sprouts Market
Seabridge Marketplace	* Oxnard	CA	05/31/12	93,630	100.0%	1,594	Safeway (Vons) Supermarket
Glendora Shopping Center	* Glendora	CA	08/01/12	106,535	96.0%	1,198	Albertson's Supermarket
Redondo Beach Plaza	* Redondo Beach	CA	12/28/12	110,509	100.0%	2,107	Safeway (Vons) Supermarket, Petco
Diamond Bar Town Center	* Diamond Bar	CA	02/01/13	100,342	98.5%	2,142	Walmart Neighborhood Market, Crunch Fitness
Diamond Hills Plaza	* Diamond Bar	CA	04/22/13	139,505	100.0%	3,464	H-Mat Supermarket, Rite Aid Pharmacy
Plaza de la Cañada	* La Cañada Flintridge	CA	12/13/13	100,408	100.0%	2,440	Oelson's Supermarket, TJ Maxx, Rite Aid Pharmacy
Fallbrook Shopping Center	* Los Angeles	CA	06/13/14	766,471	98.4%	11,741	Sprouts Market, Trader Joe's, Kroger (Ralph's) Supermarket ⁽²⁾ , TJ Maxx
Moorpark Town Center	* Moorpark	CA	12/03/14	133,547	100.0%	2,010	Kroger (Ralph's) Supermarket, CVS Pharmacy
Ontario Plaza	* Ontario	CA	01/06/15	149,651	93.1%	1,941	El Super Supermarket, Rite Aid Pharmacy
Park Oaks Shopping Center	* Thousand Oaks	CA	01/06/15	110,092	100.0%	2,700	Safeway (Vons) Supermarket, Dollar Tree
Warner Plaza	Woodland Hills	CA	12/31/15	112,261	88.0%	3,963	Sprouts Market
Magnolia Shopping Center	Santa Barbara	CA	03/10/16	116,360	100.0%	2,183	Kroger (Ralph's) Supermarket
Cuestas Plaza Shopping Center	Carpinteria	CA	03/10/16	97,407	100.0%	1,528	Albertson's Supermarket, CVS Pharmacy
Bosquet Center	Santa Clarita	CA	04/28/16	148,903	96.0%	3,171	Safeway (Vons) Supermarket, CVS Pharmacy, Ross Dress For Less
North Ranch Shopping Center	Westlake Village	CA	06/01/16	146,625	98.7%	5,024	Kroger (Ralph's) Supermarket, Trader Joe's, Rite Aid Pharmacy, Petco
Los Angeles metro area total				2,716,564	97.7%	\$ 53,758	
Orange County metro area							
Santa Ana DOWNTOWN Plaza	* Santa Ana	CA	01/26/10	100,305	100.0%	\$ 1,996	Kroger (Food 4 Less) Supermarket, Marshall's
Sycamore Creek	* Corona	CA	09/30/10	74,198	100.0%	1,717	Safeway (Vons) Supermarket, CVS Pharmacy ⁽³⁾
Desert Springs Marketplace	* Palm Desert	CA	02/17/11	105,111	98.7%	2,421	Kroger (Ralph's) Supermarket, Rite Aid Pharmacy
Cypress Center West	* Cypress	CA	12/04/12	107,246	99.0%	1,924	Kroger (Ralph's) Supermarket, Rite Aid Pharmacy
Harbor Place Center	* Garden Grove	CA	12/28/12	119,821	100.0%	1,601	AA Supermarket, Ross Dress For Less
Five Points Plaza	* Huntington Beach	CA	09/27/13	160,536	99.1%	3,909	Trader Joe's, Pier 1
Peninsula Marketplace	* Huntington Beach	CA	10/15/13	95,416	100.0%	2,419	Kroger (Ralph's) Supermarket, Planet Fitness
Mission Foothill Marketplace	* Mission Viejo	CA	12/04/14	110,678	93.7%	1,731	Safeway (Vons) Supermarket ⁽²⁾ , CVS Pharmacy
Orange County metro area total				873,311	98.7%	\$ 17,718	
San Diego metro area							
Marketplace Del Rio	* Oceanside	CA	01/03/11	177,142	95.9%	\$ 3,270	Stater Brothers Supermarket, Walgreens
Renaissance Towne Centre	* San Diego	CA	08/03/11	53,074	100.0%	2,370	CVS Pharmacy
Euclid Plaza	* San Diego	CA	03/29/12	77,044	100.0%	1,450	Vallarta Supermarket, Walgreens
Bay Plaza	* San Diego	CA	10/05/12	73,324	89.0%	1,674	Seafood City Supermarket
Bernardo Heights Plaza	* Rancho Bernardo	CA	02/06/13	37,729	100.0%	915	Sprouts Market
Hawthorne Crossings	* San Diego	CA	06/27/13	141,288	100.0%	3,251	Mitsuwa Supermarket, Ross Dress For Less, Staples
Creekside Plaza	* Poway	CA	02/28/14	128,852	100.0%	2,703	Stater Brothers Supermarket, DigiPlex Theatre
San Diego metro area total				688,453	97.8%	\$ 15,633	
Southern California Totals				4,278,328	97.9%	\$ 87,109	

(1) ABR is equal to annualized base rent on a cash basis for all leases in-place at period end.

(2) These retailers own their own space and are not tenants of ROIC.

(3) This tenant is not in possession of the space but has an ongoing financial obligation to ROIC.

* Denotes properties in same center pool for 2Q 2016.

Property Portfolio, continued

Supplemental Disclosure
Quarter Ended June 30, 2016

(dollars in thousands)

Northern California	City	State	Date Acquired	Owned GLA	% Leased	ABR ⁽¹⁾	Major Tenants
San Francisco metro area							
Pleasant Hill Marketplace	* Pleasant Hill	CA	04/08/10	69,715	100.0%	\$ 1,471	Buy Buy Baby, Total Wine and More, Bassett Furniture
Pinole Vista Shopping Center	* Pinole	CA	01/06/11	223,502	91.3%	2,495	SaveMart (Lucky) Supermarket, Kmart
Country Club Gate Center	* Pacific Grove	CA	07/08/11	109,331	92.0%	1,941	SaveMart (Lucky) Supermarket, Rite Aid Pharmacy
Marlin Cove Shopping Center	* Foster City	CA	05/04/12	73,186	96.8%	1,962	99 Ranch Market
The Village at Novato	* Novato	CA	07/24/12	20,081	100.0%	521	Trader Joe's
Santa Teresa Village	* San Jose	CA	11/08/12	125,162	91.2%	2,302	Raleys (Nob Hill) Supermarket, Dollar Tree
Granada Shopping Center	* Livermore	CA	06/27/13	69,325	100.0%	1,194	SaveMart (Lucky) Supermarket
Country Club Village	* San Ramon	CA	11/26/13	111,093	100.0%	2,061	Walmart Neighborhood Market, CVS Pharmacy
North Park Plaza	* San Jose	CA	04/30/14	76,697	98.2%	2,150	H-Mart Supermarket
Winston Manor	* South San Francisco	CA	01/07/15	49,852	100.0%	1,273	Grocery Outlet Supermarket
Jackson Square	Hayward	CA	07/01/15	114,220	100.0%	2,113	Safeway Supermarket, CVS Pharmacy, 24 Hour Fitness
Gateway Centre	San Ramon	CA	09/01/15	110,440	96.4%	2,384	SaveMart (Lucky) Supermarket, Walgreens
Iron Horse Plaza	Danville	CA	12/04/15	61,860	96.3%	2,113	Lunardi's Market
San Francisco metro area total				1,214,464	95.9%	\$ 23,980	
Sacramento metro area							
Norwood Shopping Center	* Sacramento	CA	04/06/10	88,851	93.6%	\$ 1,184	Viva Supermarket, Rite Aid Pharmacy, Citi Trends
Mills Shopping Center	* Rancho Cordova	CA	02/17/11	239,081	87.0%	2,473	Viva Supermarket, Ross Dress For Less (dd's Discounts), Dollar Tree, Planet Fitness
Morada Ranch	* Stockton	CA	05/16/11	101,842	99.4%	2,250	Raleys Supermarket
Round Hill Square Shopping Center	* Zephyr Cove	NV	09/21/11	115,984	99.2%	1,980	Safeway Supermarket, Dollar Tree, US Postal Service
Green Valley Station	* Cameron Park	CA	06/15/12	52,245	87.8%	854	CVS Pharmacy
Sacramento metro area total				598,003	92.5%	\$ 8,741	
Northern California Totals				1,812,467	94.8%	\$ 32,721	

(1) ABR is equal to annualized base rent on a cash basis for all leases in-place at period end.

(2) These retailers own their own space and are not tenants of ROIC.

* Denotes properties in same center pool for 2Q 2016.

Property Portfolio, continued

Supplemental Disclosure
Quarter Ended June 30, 2016

(dollars in thousands)

Pacific Northwest	City	State	Date Acquired	Owned GLA	% Leased	ABR ⁽¹⁾	Major Tenants
Seattle metro area							
Mendian Valley Plaza	* Kent	WA	02/01/10	51,597	96.9%	\$ 602	Kroger (QFC) Supermarket
The Market at Lake Stevens	* Lake Stevens	WA	03/11/10	74,130	100.0%	1,447	Albertson's (Huggan) Supermarket
Canyon Park Shopping Center	* Bothell	WA	07/29/11	123,519	100.0%	2,319	PCC Natural Markets, Rite Aid Pharmacy, Petco
Hawks Prairie Shopping Center	* Lacey	WA	09/09/11	157,529	92.6%	1,630	Safeway Supermarket, Dollar Tree, Big Lots
The Kress Building	* Seattle	WA	09/30/11	74,616	100.0%	1,805	IGA Supermarket, TJMaxx
Gateway Shopping Center	* Marysville	WA	02/16/12	106,104	87.7%	2,300	WinCo Foods ⁽²⁾ , Rite Aid Pharmacy, Ross Dress For Less
Aurora Square	* Shoreline	WA	05/02/12	38,030	100.0%	334	Central Supermarket
Canyon Crossing	* Puyallup	WA	04/15/13	120,508	95.4%	2,489	Safeway Supermarket
Crossroads Shopping Center	* Bellevue	WA	20/10/2013	463,846	99.5%	9,523	Kroger (QFC) Supermarket, Bed Bath & Beyond, Sports Authority
Aurora Square II	* Shoreline	WA	05/22/14	65,680	100.0%	1,065	Marshall's, Pier 1 Imports
Bellevue Marketplace ⁽³⁾	Bellevue	WA	12/10/15	113,758	100.0%	2,327	Asian Food Center
Four Corner Square	Maple Valley	WA	12/21/15	119,560	100.0%	2,508	Grocery Outlet Supermarket, Walgreens, Johnsons Home & Garden
Seattle metro area total				1,508,877	97.7%	\$ 28,349	
Portland metro area							
Vancouver Market Center	* Vancouver	WA	06/17/10	118,385	77.6%	\$ 1,084	Skyzone
Happy Valley Town Center	* Happy Valley	OR	07/14/10	138,662	100.0%	3,351	New Seasons Supermarket
Wilsonville Old Town Square	* Wilsonville	OR	20/10/2012	49,937	97.6%	1,639	Kroger (Fred Meyer) Supermarket ⁽²⁾
Cascade Summit Town Square	* West Linn	OR	08/20/10	94,934	100.0%	1,610	Safeway Supermarket
Heritage Market Center	* Vancouver	WA	09/23/10	107,468	94.9%	1,582	Safeway Supermarket, Dollar Tree
Division Crossing	* Portland	OR	12/22/10	103,561	100.0%	1,195	Rite Aid Pharmacy, Ross Dress For Less, Ace Hardware
Halsey Crossing	* Gresham	OR	12/22/10	99,428	100.0%	912	Safeway Supermarket, Dollar Tree
Hillsboro Market Center	* Hillsboro	OR	11/23/11	156,021	100.0%	2,408	Albertson's Supermarket, Dollar Tree, Marshall's
Robinwood Shopping Center	* West Linn	OR	08/23/13	70,831	98.3%	938	Walmart Neighborhood Market
Tigard Marketplace	* Tigard	OR	02/18/14	136,889	100.0%	1,932	H-Mat Supermarket, Bi-Mart Pharmacy
Wilsonville Town Center	* Wilsonville	OR	12/11/14	167,829	98.9%	2,382	Thriftway Supermarket, Rite Aid Pharmacy, Dollar Tree
Tigard Promenade	Tigard	OR	07/28/15	88,043	97.7%	1,380	Safeway Supermarket
Sunnyside Village Square	Happy Valley	OR	07/28/15	84,870	100.0%	1,268	Albertson's Supermarket ⁽²⁾ , Ace Hardware
Johnson Creek Center	Happy Valley	OR	11/09/15	108,588	100.0%	2,170	Trader Joe's, Walgreens, Sportsman's Warehouse
Portland metro area total				1,525,446	97.5%	\$ 24,051	
Pacific Northwest Totals				3,034,323	97.6%	\$ 52,400	
TOTAL SHOPPING CENTERS				9,125,118	97.2%	\$ 172,230	

(1) ABR is equal to annualized base rent on a cash basis for all leases in-place at period end.

(2) These retailers own their own space and are not tenants of ROIC.

(3) This tenant is not in possession of the space but has an ongoing financial obligation to ROIC.

(4) Formerly known as Sterno Shopping Center.

* Denotes properties in same center pool for 2Q 2016.

Same-Center Cash Net Operating Income Analysis

Supplemental Disclosure
Quarter Ended June 30, 2016

(unaudited, dollars in thousands)

	Three Months Ended				Six Months Ended			
	06/30/16	06/30/15	\$ Change	% Change	06/30/16	06/30/15	\$ Change	% Change
Number of shopping centers included in same-center analysis ⁽¹⁾	64	64			61	61		
Same-center occupancy	97.1%	97.3%		(0.2%)	97.1%	97.2%		(0.1%)
REVENUES:								
Base rents	\$ 33,534	\$ 32,127	\$ 1,407	4.4%	\$ 64,146	\$ 61,078	\$ 3,068	5.0%
Percentage rent	154	69	85	123.2%	320	169	151	89.3%
Recoveries from tenants	10,595	9,891	704	7.1%	20,378	18,922	1,456	7.7%
Other property income	513	356	157	44.1%	657	548	109	19.9%
TOTAL REVENUES	44,796	42,443	2,353	5.5%	85,501	80,717	4,784	5.9%
OPERATING EXPENSES:								
Property operating expenses	\$ 6,953	\$ 6,679	\$ 274	4.1%	\$ 13,073	\$ 12,477	\$ 596	4.8%
Bad debt expense	753	333	420	126.1%	799	644	155	24.1%
Property taxes	4,842	4,682	160	3.4%	9,298	8,984	314	3.5%
TOTAL OPERATING EXPENSES	12,548	11,694	854	7.3%	23,170	22,105	1,065	4.8%
SAME-CENTER CASH NET OPERATING INCOME	\$ 32,248	\$ 30,749	\$ 1,499	4.9%	\$ 62,331	\$ 58,612	\$ 3,719	6.3%
SAME-CENTER CASH NET OPERATING INCOME RECONCILIATION								
Same-center cash net operating income	\$ 32,248	\$ 30,749			\$ 62,331	\$ 58,612		
ADJUSTMENTS:								
Depreciation and amortization	(21,821)	(16,874)			(42,754)	(34,508)		
General and administrative expenses	(3,516)	(3,654)			(6,835)	(6,295)		
Acquisition transaction costs	(298)	(245)			(434)	(416)		
Other expense	(217)	(104)			(371)	(253)		
Property revenues and expenses ⁽²⁾	5,627	3,735			10,710	6,923		
Non same-center cash NOI	6,533	191			14,308	2,605		
GAAP OPERATING INCOME	\$ 18,556	\$ 13,798			\$ 36,955	\$ 26,668		

(1) Same centers are those properties which were owned for the entirety of the current and comparable prior year period.

(2) Includes straight-line rents, amortization of above and below-market lease intangibles, anchor lease termination fees net of contractual amounts, and expense and recovery adjustments related to prior periods.

Top Ten Tenants

Supplemental Disclosure
Quarter Ended June 30, 2016

(dollars in thousands)

Tenant	Number of Leases	Leased GLA	Percent of Total Leased GLA	ABR	Percent of Total ABR
1 Albertson's / Safeway Supermarkets	19	954,505	10.8%	\$ 10,814	6.3%
2 Kroger Supermarkets	9	368,461	4.2%	5,334	3.1%
3 Rite Aid Pharmacy	13	245,682	2.8%	3,108	1.8%
4 SaveMart Supermarkets	4	187,639	2.1%	2,723	1.6%
5 JP Morgan Chase	19	85,873	1.0%	2,643	1.5%
6 Marshall's / TJMaxx	6	178,645	2.0%	2,587	1.5%
7 Ross Dress For Less / dd's Discounts	7	191,703	2.2%	2,558	1.5%
8 Sprouts Markets	4	159,163	1.8%	2,544	1.5%
9 H-Mart Supermarkets	3	147,040	1.7%	2,383	1.4%
10 CVS Pharmacy	8	150,359	1.7%	2,182	1.3%
Top 10 Tenants Total	92	2,669,070	30.3%	\$ 36,876	21.5%
Other Tenants	1,654	6,196,195	69.7%	135,354	78.5%
Total Portfolio	1,746	8,865,265	100.0%	\$ 172,230	100.0%

Lease Expiration Schedule

Supplemental Disclosure
Quarter Ended June 30, 2016

(Dollars in thousands)

<i>Anchor Tenants</i> ⁽¹⁾		Number of Leases Expiring ⁽²⁾	Leased GLA	Percent of Total Leased GLA	Total ABR	Percent of Total ABR	ABR Per Sq. Ft.
2016		2	112,057	1.3%	\$ 560	0.3%	\$ 5.00
2017		9	255,058	2.9%	2,657	1.5%	10.42
2018		19	544,783	6.1%	8,373	4.9%	15.37
2019		14	430,453	4.9%	6,788	3.9%	15.77
2020		15	535,337	6.0%	5,606	3.3%	10.47
2021		13	435,082	4.9%	5,248	3.0%	12.06
2022		10	309,305	3.5%	4,212	2.4%	13.62
2023		13	493,278	5.6%	7,748	4.5%	15.71
2024		5	246,034	2.8%	3,092	1.8%	12.57
2025		10	341,785	3.9%	4,919	2.9%	14.39
2026+		27	1,191,899	13.3%	16,663	9.7%	13.98
		<u>137</u>	<u>4,895,071</u>	<u>55.2%</u>	<u>\$ 65,866</u>	<u>38.2%</u>	<u>\$ 13.46</u>
<i>Non-Anchor Tenants</i>		Number of Leases Expiring ⁽²⁾	Leased GLA	Percent of Total Leased GLA	Total ABR	Percent of Total ABR	ABR Per Sq. Ft.
2016		139	238,244	2.6%	\$ 6,877	4.0%	\$ 28.87
2017		277	599,153	6.8%	16,209	9.4%	27.05
2018		253	542,279	6.1%	15,482	9.0%	28.55
2019		239	560,406	6.3%	14,345	8.3%	25.60
2020		213	510,125	5.8%	13,945	8.1%	27.34
2021		203	495,472	5.6%	13,031	7.6%	26.30
2022		72	245,509	2.8%	6,375	3.7%	25.97
2023		39	120,734	1.4%	3,331	1.9%	27.59
2024		55	166,951	1.9%	4,483	2.6%	26.85
2025		42	158,236	1.8%	3,766	2.2%	23.80
2026+		77	333,085	3.7%	8,520	5.0%	25.58
		<u>1,609</u>	<u>3,970,194</u>	<u>44.8%</u>	<u>\$ 106,364</u>	<u>61.8%</u>	<u>\$ 26.79</u>
<i>All Tenants</i>		Number of Leases Expiring ⁽²⁾	Leased GLA	Percent of Total Leased GLA	Total ABR	Percent of Total ABR	ABR Per Sq. Ft.
2016		141	350,301	3.9%	\$ 7,437	4.3%	\$ 21.23
2017		286	854,211	9.7%	18,866	10.9%	22.09
2018		272	1,087,062	12.2%	23,855	13.9%	21.94
2019		253	990,859	11.2%	21,133	12.2%	21.33
2020		228	1,045,462	11.8%	19,551	11.4%	18.70
2021		216	930,534	10.5%	18,279	10.6%	19.64
2022		82	554,814	6.3%	10,587	6.1%	19.08
2023		52	614,012	7.0%	11,079	6.4%	18.04
2024		60	412,985	4.7%	7,575	4.4%	18.34
2025		52	500,021	5.7%	8,685	5.1%	17.37
2026+		104	1,524,984	17.0%	25,183	14.7%	16.51
		<u>1,746</u>	<u>8,865,265</u>	<u>100.0%</u>	<u>\$ 172,230</u>	<u>100.0%</u>	<u>\$ 19.43</u>

(1) Anchor tenants are leases equal to or greater than 15,000 square feet.
(2) Does not assume exercise of renewal options.

Leasing Summary

Supplemental Disclosure
Quarter Ended June 30, 2016

	For the Three Months Ended June 30, 2016			For the Six Months Ended June 30, 2016		
	Non-Anchor	Anchor	Total	Non-Anchor	Anchor	Total
New Leases						
Number of Leases	46	-	46	75	3	78
Gross Leasable Area (sq. ft.)	76,006	-	76,006	124,879	62,996	187,875
Initial Base Rent (\$/sq. ft.) ⁽¹⁾	\$ 25.14	\$ -	\$ 25.14	\$ 25.06	\$ 17.37	\$ 22.48
Tenant Improvements (\$/sq. ft.)	\$ 35.72	\$ -	\$ 35.72	\$ 26.72	\$ 21.14	\$ 24.85
Leasing Commissions (\$/sq. ft.)	\$ 1.41	\$ -	\$ 1.41	\$ 1.31	\$ 1.64	\$ 1.42
Weighted Average Lease Term (Yrs.) ⁽²⁾	5.2	-	5.2	5.4	11.2	7.3
Renewals						
Number of Leases	37	-	37	104	-	104
Gross Leasable Area (sq. ft.)	75,056	-	75,056	215,888	45,262	261,150
Initial Base Rent (\$/sq. ft.) ⁽¹⁾	\$ 30.64	\$ -	\$ 30.64	\$ 30.54	\$ 21.02	\$ 28.89
Tenant Improvements (\$/sq. ft.)	\$ 0.07	\$ -	\$ 0.07	\$ 0.81	\$ -	\$ 0.67
Leasing Commissions (\$/sq. ft.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Weighted Average Lease Term (Yrs.) ⁽²⁾	4.4	-	4.4	4.6	4.1	4.5
Total						
Number of Leases	83	-	83	179	5	184
Gross Leasable Area (sq. ft.)	151,062	-	151,062	340,767	108,258	449,025
Initial Base Rent (\$/sq. ft.) ⁽¹⁾	\$ 27.87	\$ -	\$ 27.87	\$ 28.54	\$ 18.90	\$ 26.21
Tenant Improvements (\$/sq. ft.)	\$ 18.01	\$ -	\$ 18.01	\$ 10.30	\$ 12.30	\$ 10.79
Leasing Commissions (\$/sq. ft.)	\$ 0.71	\$ -	\$ 0.71	\$ 0.48	\$ 0.95	\$ 0.60
Weighted Average Lease Term (Yrs.) ⁽²⁾	4.8	-	4.8	4.9	8.2	5.7

(1) Initial Base Rent is on a cash basis and is the initial contractual monthly rent, annualized.

(2) Does not assume exercise of renewal options.

Same-Space Comparative Leasing Summary

Supplemental Disclosure
Quarter Ended June 30, 2016

	For the Three Months Ended June 30, 2016			For the Six Months Ended June 30, 2016		
	Non-Anchor	Anchor	Total	Non-Anchor	Anchor	Total
New Leases						
Comparative # of Leases	27	-	27	45	3	48
Comparative GLA (sq. ft.) ⁽¹⁾	44,363	-	44,363	76,417	62,996	139,413
Prior Base Rent (\$/sq. ft.) ⁽²⁾	\$ 23.02	\$ -	\$ 23.02	\$ 23.29	\$ 14.47	\$ 19.31
Initial Base Rent (\$/sq. ft.)	\$ 28.70	\$ -	\$ 28.70	\$ 27.57	\$ 17.37	\$ 22.96
Percentage Change in Base Rents	24.7%	-	24.7%	18.4%	20.0%	18.9%
Tenant Improvements (\$/sq. ft.)	\$ 53.22	\$ -	\$ 53.22	\$ 34.53	\$ 21.14	\$ 28.48
Leasing Commissions (\$/sq. ft.)	\$ 1.78	\$ -	\$ 1.78	\$ 1.51	\$ 1.64	\$ 1.57
Weighted Average Lease Term (Yrs.) ⁽³⁾	5.5	-	5.5	5.6	11.2	8.1
Renewals						
Comparative # of Leases	37	-	37	104	-	104
Comparative GLA (sq. ft.)	75,056	-	75,056	215,888	45,262	261,150
Prior Base Rent (\$/sq. ft.) ⁽²⁾	\$ 26.44	\$ -	\$ 26.44	\$ 26.62	\$ 20.56	\$ 25.57
Initial Base Rent (\$/sq. ft.)	\$ 30.64	\$ -	\$ 30.64	\$ 30.54	\$ 21.02	\$ 28.89
Percentage Change in Base Rents	15.9%	-	15.9%	14.7%	2.3%	13.0%
Tenant Improvements (\$/sq. ft.)	\$ 0.07	\$ -	\$ 0.07	\$ 0.81	\$ -	\$ 0.67
Leasing Commissions (\$/sq. ft.)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Weighted Average Lease Term (Yrs.) ⁽³⁾	4.4	-	4.4	4.6	4.1	4.5
Total						
Comparative # of Leases	64	-	64	149	3	152
Comparative GLA (sq. ft.) ⁽¹⁾	119,419	-	119,419	292,305	108,258	400,563
Prior Base Rent (\$/sq. ft.) ⁽²⁾	\$ 25.17	\$ -	\$ 25.17	\$ 25.75	\$ 17.02	\$ 23.39
Initial Base Rent (\$/sq. ft.)	\$ 29.92	\$ -	\$ 29.92	\$ 29.77	\$ 18.90	\$ 26.83
Percentage Change in Base Rents	18.9%	-	18.9%	15.0%	11.1%	14.7%
Tenant Improvements (\$/sq. ft.)	\$ 19.81	\$ -	\$ 19.81	\$ 9.63	\$ 12.30	\$ 10.35
Leasing Commissions (\$/sq. ft.)	\$ 0.66	\$ -	\$ 0.66	\$ 0.39	\$ 0.95	\$ 0.55
Weighted Average Lease Term (Yrs.) ⁽³⁾	4.8	-	4.8	4.9	8.2	5.8

(1) Comparative GLA includes spaces that were vacant for less than 12 months, excluding spaces that were not leased at the time of acquisition.

(2) Prior Base Rent is on a cash basis and is the final monthly rent paid, annualized, for the prior tenant or the prior lease that was renewed.

(3) Does not assume exercise of renewal options.

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Baird Equity Research	RJ Milligan	813.273.8252
Bank of America Merrill Lynch	Craig Schmidt	646.855.3640
Bank of Montreal	Paul Adornato	212.885.4170
Canaccord Genuity	Paul Morgan	415.325.4187
Capital One Securities, Inc.	Chris Lucas	571.633.8151
Citi	Michael Bilerman Christy McElroy	212.816.1383 212.816.6981
D.A. Davidson & Co.	James O. Lykins	503.603.3041
FBR & Co.	Bryan Maher	646.885.5423
Green Street	Jason White Jay Carlington	949.640.8780 949.640.8780
J.P. Morgan	Michael W. Mueller	212.622.6689
KeyBanc Capital Markets	Todd Thomas	917.368.2286
Raymond James	Paul Puryear Collin Mings	727.567.2253 727.567.2585
RBC Capital Markets	Rich Moore	440.715.2646
Wells Fargo	Jeff Donnelly	617.603.4262

Fixed Income Research Coverage

J.P. Morgan	Mark Streeter	212.834.5086
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Ratings Agency Coverage

Moody's Investors Service	Merrie Frankel	212.553.3652
S&P Global Ratings	Michael Souers	212.438.2508