



# Investor Presentation

THIRD QUARTER 2024



# Federal Realty Investment Trust

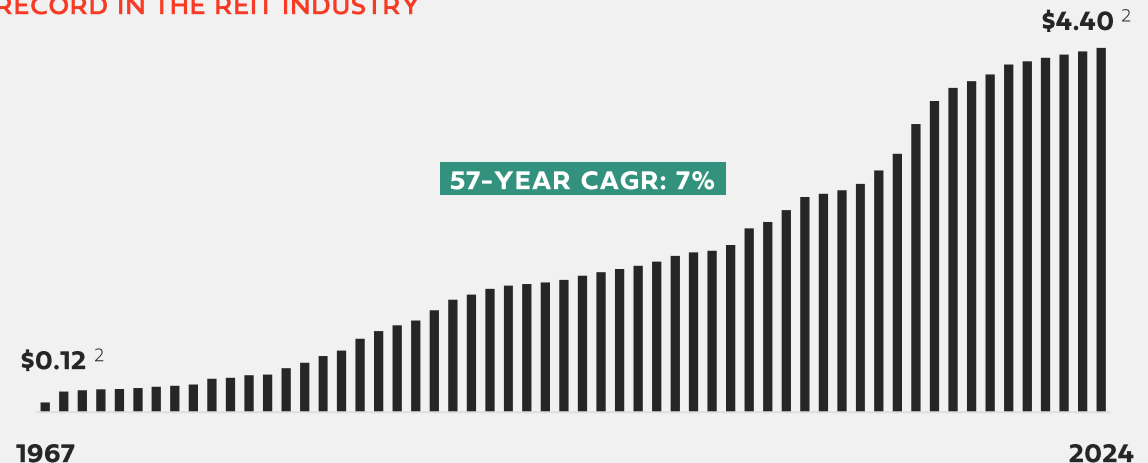
- Fully integrated US retail real estate-based company focused on risk-adjusted capital allocation
- Own, manage and re/develop mixed-use properties and high-quality open air shopping centers in first-ring suburban locations
- 102 properties include
  - ~3,500 commercial tenants
  - ~27 million square feet
  - ~3,100 residential units
- Strong balance sheet with BBB+/Baa1 stable ratings<sup>1</sup>
- Included in the S&P 500

<sup>1</sup>The complete ratings reports can be accessed at [www.federalrealty.com](http://www.federalrealty.com)  
<sup>2</sup>4Q annualized dividend per share

Strategically selected first-ring suburbs of nine metro markets with high barriers to entry



**57 consecutive years of increased annual dividends**  
**THE LONGEST RECORD IN THE REIT INDUSTRY**



# 3Q 2024 Overview

- FFO per share of \$1.71 for the quarter
- 2.9% comparable POI growth 3Q 2024 over 3Q 2023 excluding lease termination fees and prior period rents collected
- Continued elevated levels of leasing
  - 126 signed leases for 580,977 square feet of comparable retail space in 3Q24
  - 14% cash basis rollover, 26% on a straight-line basis in 3Q
- Increasing occupancy levels with room for further growth
  - Continued strong small shop leasing, ending the quarter at 93.1% leased, +60 bps q/q and +240 bps y/y
- Expanded ~\$850 million of redevelopment and expansions in process delivering over the next few years
- Acquired 2 assets year-to-date totaling 880,000 square feet on 129 acres for \$275 million
- 57<sup>th</sup> consecutive year of increased annual dividends, a REIT industry record
- 2024 FFO per share guidance
  - 4% FFO per share growth at the mid-point, \$6.81 per share

# 2024 Guidance

	Revised	Previous	Considerations
Earnings per diluted share	\$3.41 - \$3.49	\$3.33 - \$3.51	
NAREIT FFO per diluted share	\$6.77 - \$6.85	\$6.70 - \$6.88	
<i>Growth over 2023</i>	<i>~3.4% - 4.6%</i>		<i>Growth of ~4% at the midpoint of revised range</i>

## Key Assumptions

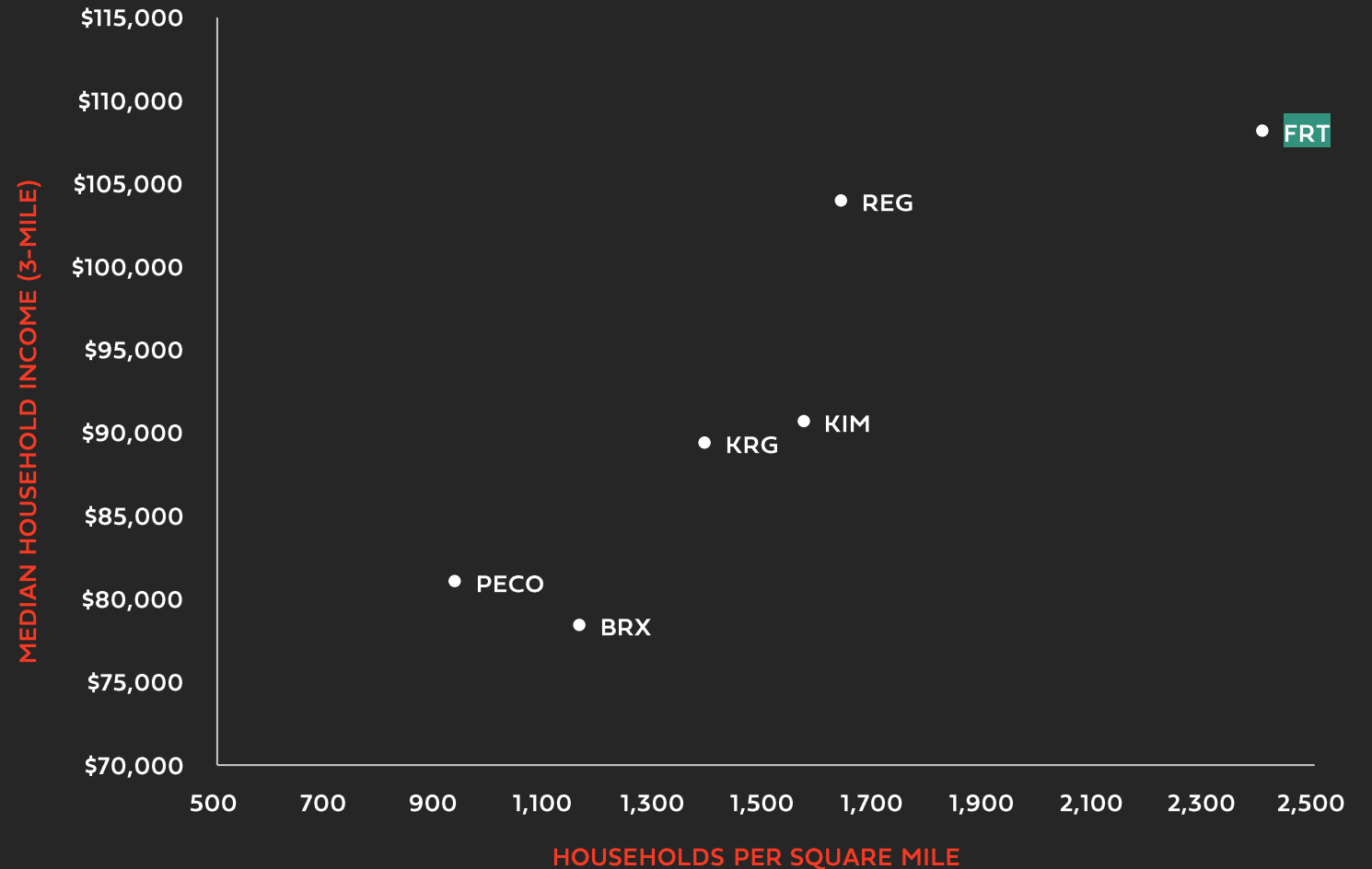
	Revised	Previous	
Comparable POI growth	2.5% - 3.25%	2.25% - 3.5%	
Comparable POI growth excluding prior period rents and lease term fees	3% - 4%	3% - 4%	
Prior period rent collections	\$3 million	\$2 - \$3 million	Vs. 2023 levels of \$5 million
Lease term fees	\$4 - \$5 million	\$4 - \$6 million	Vs. net 2023 levels of \$7 million
Incremental redevelopment / expansion POI	\$10 - \$12 million	\$9 - \$12 million	Includes the expected additional POI to be recognized in 2024 compared to the amount recognized in 2023 from all of the redevelopments listed on pages 15 of our supplemental information document filed on Form 8-K on February 12, 2024. Does not include any additional POI from "Active Property Improvement Projects."
G&A expenses	\$47 - \$50 million	\$48 - \$51 million	
Development / redevelopment capital	\$125 - \$150 million	\$100 - \$150 million	Annual spend
Capitalized Interest	\$19 - \$21 million	\$18 - \$21 million	
Total credit reserve	70 - 90 basis points	70 - 90 basis points	Consists of bad debt expense, unexpected vacancy and tenant rent relief. More in line with pre-pandemic historical averages
Dispositions / acquisitions	No additional assumed in guidance	No additional assumed in guidance	3Q24 guidance includes acquisitions and dispositions closed by October 31, 2024 (Virginia Gateway and Pinole Vista Crossing acquisitions and disposition of 3 <sup>rd</sup> Street Promenade)

# Best-in-Class Demographics

- In a landscape marked by cautious consumer spending, FRT's targeted investment on high-income markets not only differentiates us but also anchors our portfolio with unparalleled stability and potential.
- Our strategic emphasis, highlighted by an average **aggregate income of \$10.7 billion** within a three-mile radius,<sup>(1)</sup> ensures resilience and growth amid economic shifts.

(1) ESRI as of August 2024. Defined as average household income multiplied by number of households. 3-mile radius.

## Income matters in an inflationary environment



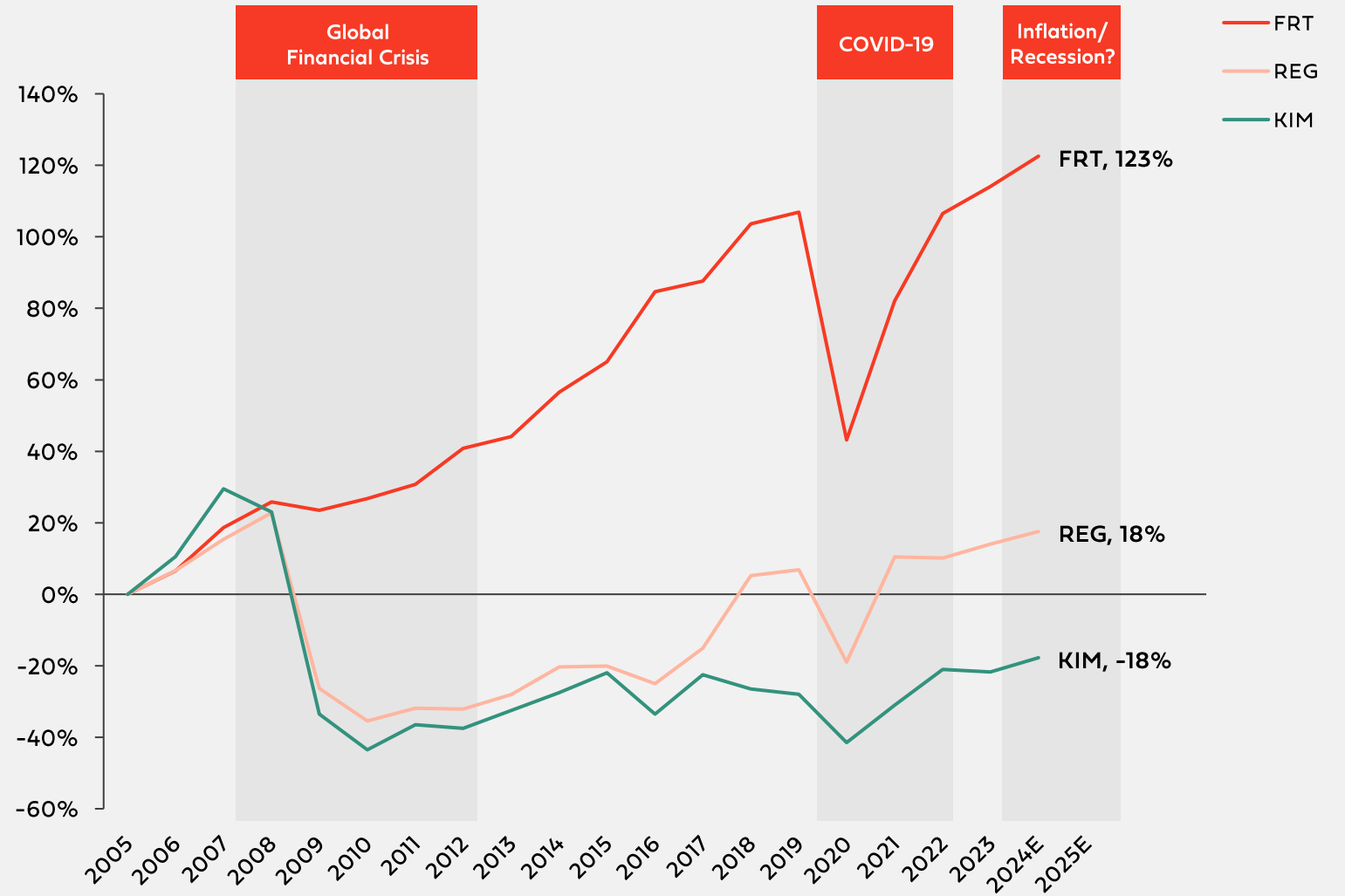
Source: BofA Global Research 5/12/23

# Cycle-Tested Business Plan

- Business plan and balance sheet built to manage through various economic cycles
- History of managing through and outperforming during difficult times
- Demonstrated consistency, stability and conservatism over the years

Source: Company Filings, 2024 assumes mid-point of company provided guidance.  
 Note: Past performance not indicative of future performance. FRT 2019 excludes \$11.9 million accounting related charge for the buyout of the Kmart lease at Assembly Row Marketplace. BRX excluded due to insufficient data given IPO in 2013.

Cumulative change in Nareit FFO per share since 2005 vs. large-cap, national peers



# Cycle-Tested Business Plan (cont.)

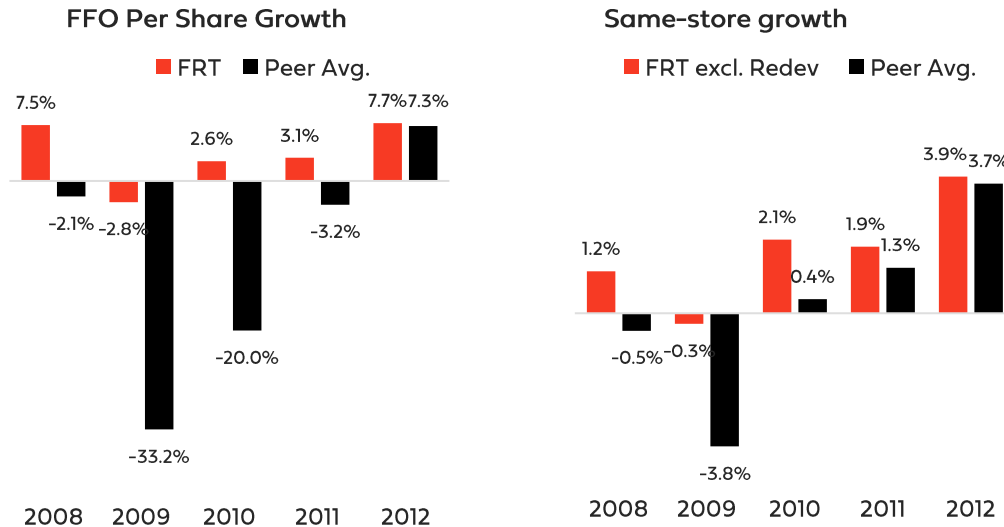
## TRACK RECORD MATTERS

### Global Financial Crisis (2008 – 2012)

We believe our outperformance in the Global Financial Crisis was driven by:

- Our sector-leading demographics → consumers in our markets were better able to absorb the recession’s impact
- The quality of our tenancy
- The quality of our assets
- The strength of our balance sheet

During the Global Financial Crisis, we outperformed our peers in FFO per share growth, same-store growth, and leased rate, among various other metrics



### COVID-19 Pandemic

- Disproportionally affected by COVID-19 due to stricter and longer government shutdowns and mandates in our markets
- Resilient higher-demographic markets have led to a strong bounce back

### Inflationary Environment with Potential Recession

- Inflation and recession risks expected to impact retail differently than COVID-19 pandemic
- Higher income demographic markets with higher income customers should be less impacted
- Stronger demographics around our properties should support better performance through inflation and recession

Source: SEC filings.  
 Note: Peers include REG, KIM (US Shopping Centers), WRI (acquired by KIM), EQY (Acquired by REG), SITE (formerly DDR).

# Investment Highlights



Open-air properties located in drivable close-in suburbs of 9 major metropolitan markets, with high barriers to entry.



Diverse income stream by market, region, use, format, tenant & tenant category with contractual near-term upside.



De-risked expansion pipeline of new product at established places in markets with significant demand drivers and job growth.

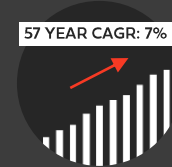


S&P  
**BBB+**

MOODY'S  
**Baa1**

Strong balance sheet with ample liquidity and a visible path to pre-pandemic leverage metrics.

57 YEAR CAGR: 7%



Tenured management team with dividend & growth track-record throughout various real estate and economic cycles.



ESG-minded company with a strong commitment to our tenants, communities, employees and stakeholders.



# 1<sup>st</sup> Ring Suburbs of 9 Strategic High-Barrier Markets

## PORTFOLIO OVERVIEW

- 102 open-air properties located in 1<sup>st</sup> ring suburbs of 9 major high-barrier markets
  - Drivable markets with public transit access
- 102 properties include:
  - ~3,500 commercial tenants
  - ~27 million commercial square feet on 2,100+ acres of land
  - ~3,100 residential units
- Best in class locations<sup>(1)</sup>
  - \$161,000 avg household income
  - 173,000 avg population
  - \$10+ billion of average aggregate income<sup>(2)</sup>
  - Highest barriers to entry



Note: Includes consolidated properties

(1) Source: ESRI as of August 2024. Calculated on a weighted-average basis. 3-mile radius.

(2) Defined as average household income multiplied by number of households. 3-mile radius.

(3) Physical structures that can be readily modified to highest and best use.

(4) Landlord retains significant control over the properties with minimal tenant protection. The better the real estate, the more leverage the landlord has.

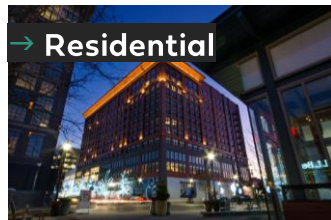
# Diversified Income Stream

## By Market

PERCENT OF 2024E POI<sup>1,2</sup>



## By Use



## By Format

PERCENT OF 2024E POI<sup>1</sup>



Mixed Use Centers  
36%



Grocery-Anchored Community Centers  
29%



Grocery-Anchored Neighborhood Centers  
20%



Power Centers  
10%



Other  
6%

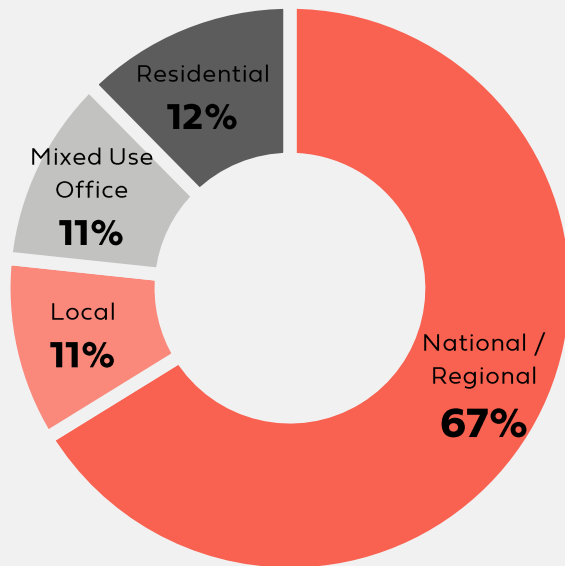
~80% of our centers have a grocery component<sup>3</sup>

Note: Property Operating Income (POI) defined as rental income and mortgage interest income, less rental expenses and real estate taxes. Only includes consolidated properties.  
<sup>1</sup> Estimated based on budget as of 9/30/24. Final POI may differ from current estimate.  
<sup>2</sup> 4% of POI from additional properties located outside these markets. Percentages may not sum to 100% due to rounding.  
<sup>3</sup> Based on GLA. Includes grocers where the lease is signed, and tenant is currently in the process of building out its space or where the property is shadow anchored by a grocer as indicated on our Real Estate Status Report. Grocers in properties in all categories except "Other".

# Diversified Revenue Stream

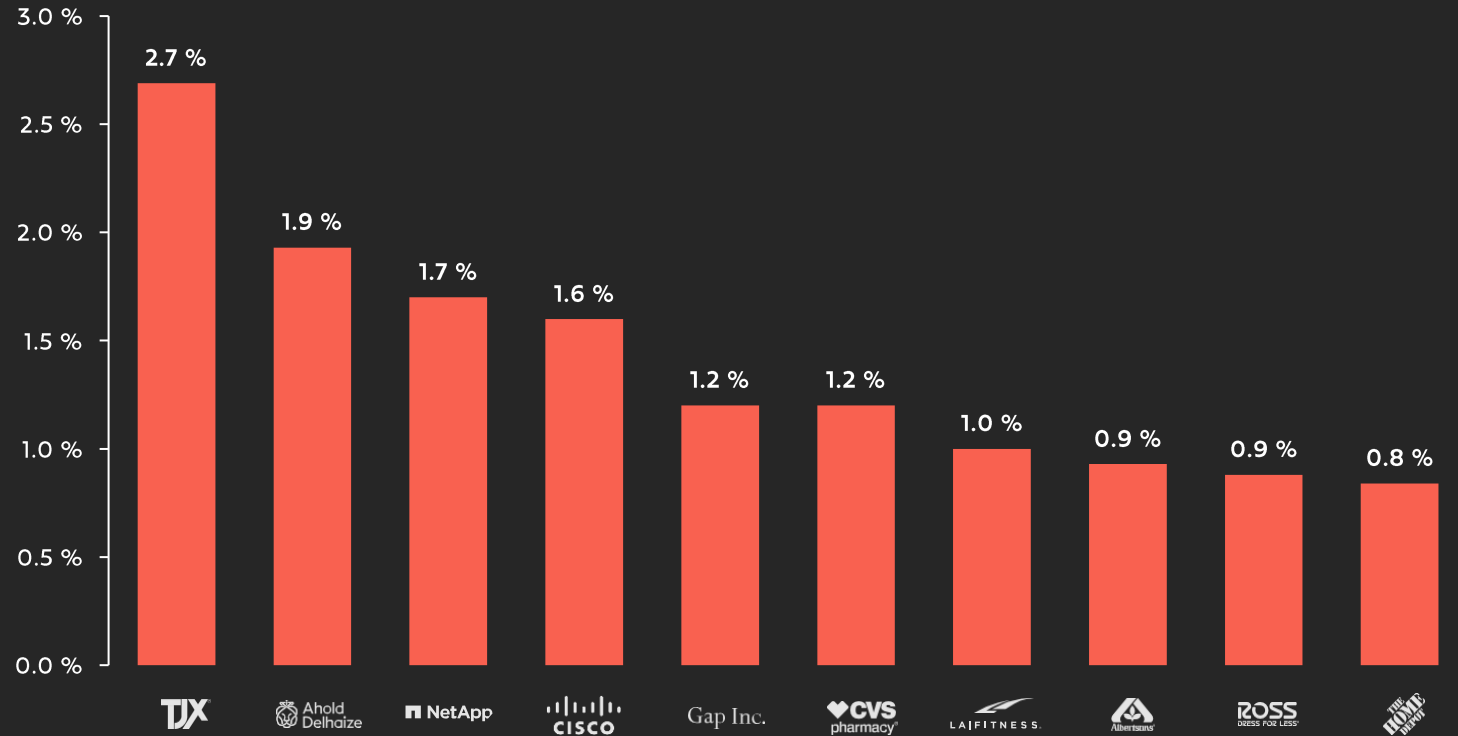
## Portfolio Composition by ABR<sup>1</sup>

- 77% Retail
- 12% Residential, less on a POI basis
- 11% Mixed-Use Office, less on a POI basis



Note: As of 9/30/24. Percentages may not sum to 100% due to rounding.  
<sup>1</sup>Reflects aggregate, annualized in-place contractual (defined as rents billed on a cash basis without taking the impact of rent abatements into account) minimum rent for all occupied spaces and occupied residential units as of 9/30/24. Excludes redevelopment square footage not yet placed in service. – (“ABR”). Reflects consolidated properties.  
<sup>2</sup>Represents consolidated properties.

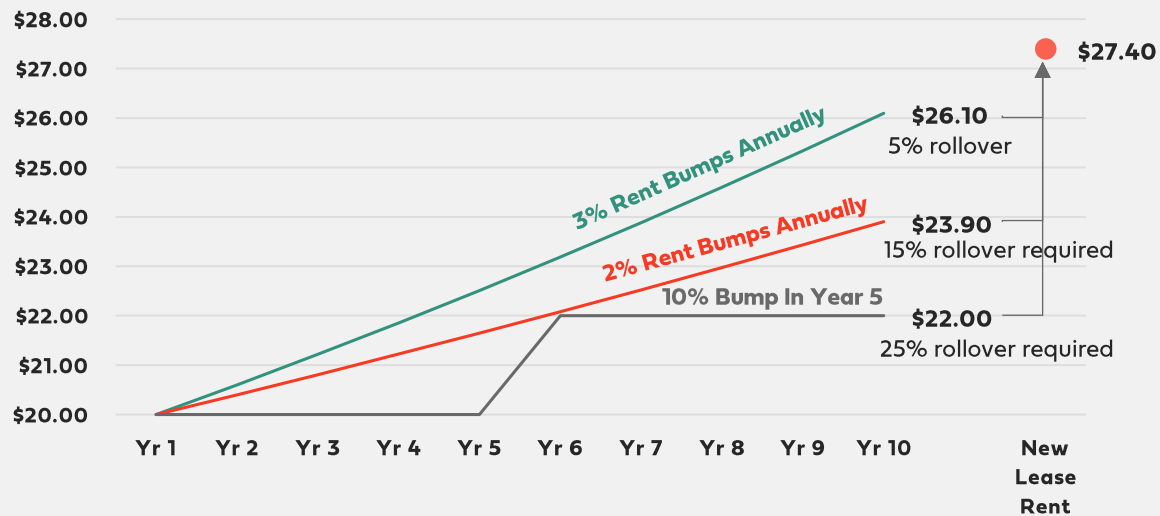
## Top 10 Tenants by ABR<sup>2</sup>



<b>S&amp;P</b>	A	BBB+	BBB+	AA-	BB	BBB	B	BB+	BBB+	A
<b>Moody's</b>	A2	Baa1	Baa2	A1	Ba3	Baa2	B2	Ba2	A2	A2

# Contractual Rent Bumps Matter

	Initial Rent	Rent Bump(s)	Term	Square Feet	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Rollover Required	New Lease Rent	Total Rent over Term
<b>Lease A</b> 3% Rent Bumps Annually	\$20.00	3% annually	10 years	10,000	\$20.00	\$20.60	\$21.22	\$21.85	\$22.51	\$23.19	\$23.88	\$24.60	\$25.34	\$26.10	5%	\$27.40	\$ 2,292,776
<b>Lease B</b> 2% Rent Bumps Annually	\$20.00	2% annually	10 years	10,000	\$20.00	\$20.40	\$20.81	\$21.22	\$21.65	\$22.08	\$22.52	\$22.97	\$23.43	\$23.90	~15%	\$27.40	\$ 2,189,944 ~5% less than Lease A
<b>Lease C</b> 10% Rent Bump in Year 5	\$20.00	10% in Year 6	10 years	10,000	\$20.00	\$20.00	\$20.00	\$20.00	\$20.00	\$22.00	\$22.00	\$22.00	\$22.00	\$22.00	~25%	\$27.40	\$ 2,100,000 ~9% less than Lease A



- At the end of the 10-year lease term, **Lease A** rolls over at a rate of **5%**
- To achieve the same new lease rent as **Lease A**, **Lease B** would have to roll over at **~15%** and **Lease C** at **~25%**
- Additionally, **Lease A** collected **~5%** more rent over the life of the lease than **Lease B** and **~9%** more than **Lease C**

# Residential Portfolio

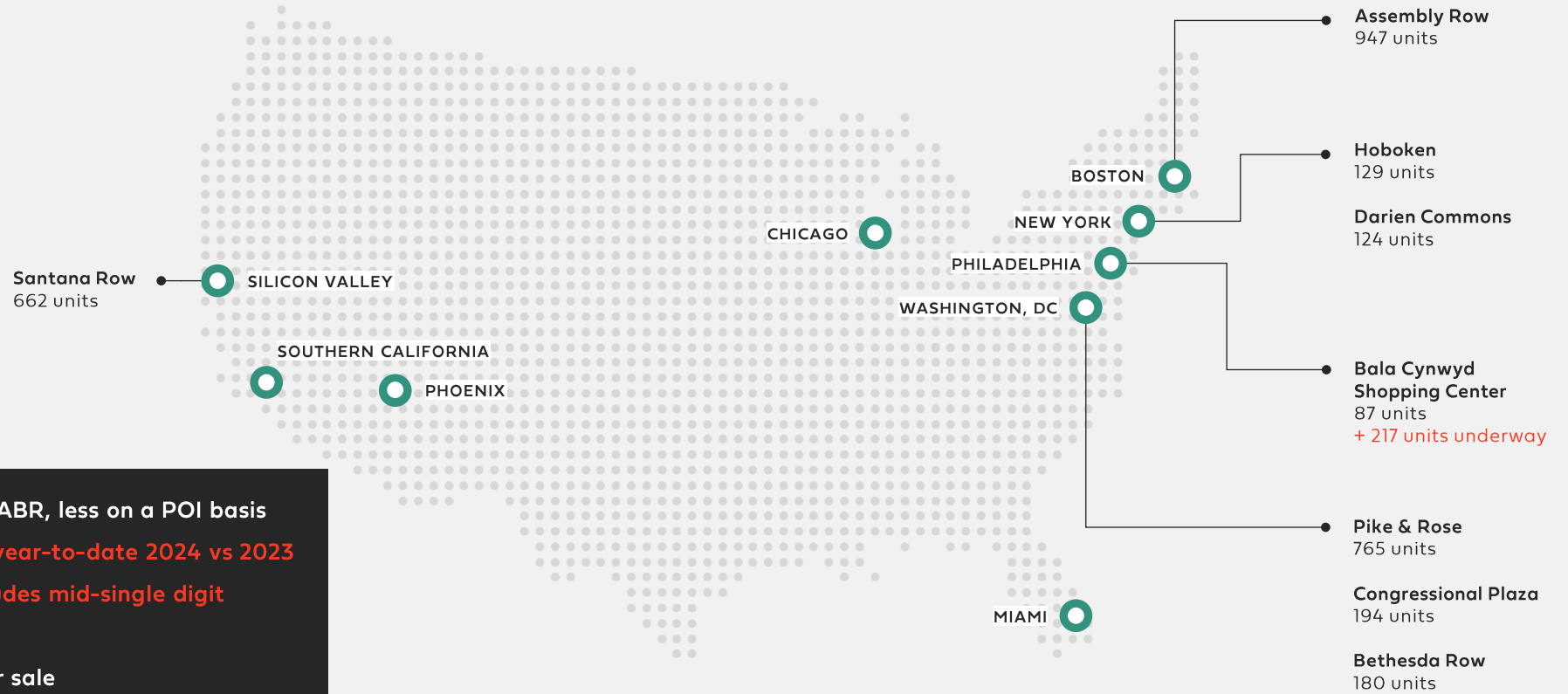
MAXIMIZING REAL ESTATE VALUE

## Existing as of 3Q24

Total Units 3,104  
Leased 97.5%

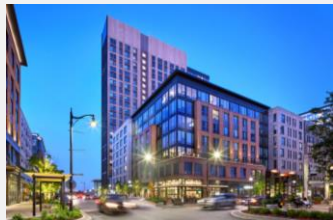
## Comparable as of 3Q24

Total Units 2,980  
Leased 97.4%



- Residential units represent 12% of total ABR, less on a POI basis
- 6% comparable residential POI growth year-to-date 2024 vs 2023
- Comparable POI growth guidance<sup>(1)</sup> includes mid-single digit residential growth
- Potential source of capital through JV or sale

Miscela at Assembly Row



Upstairs at Bethesda Row



Misora at Santana Row



The Henri at Pike & Rose



Delwyn at Bala Cynwyd



As of 9/30/24

Note: 16 additional units at Wynnewood and Linden Square.  
(1) See guidance assumptions on page 4.

# Mixed-Use Office Portfolio

## MAXIMIZING REAL ESTATE VALUE

- 2.1 million SF of amenitized Class A office space in our mixed-use portfolio
  - Representative of 11% of total ABR, less on a POI basis
- Ability to realize additional value through office and residential after creating the right retail street
- Highly desirable amenitized environment for today's office worker critical for attracting top talent for employers
- Potential future source of capital through JV or sale
- 1.1 million SF of new leases signed since 3Q 2020<sup>(1)</sup>

<sup>1</sup> Includes 218k square feet of mixed-use office space leased but not yet placed into service.

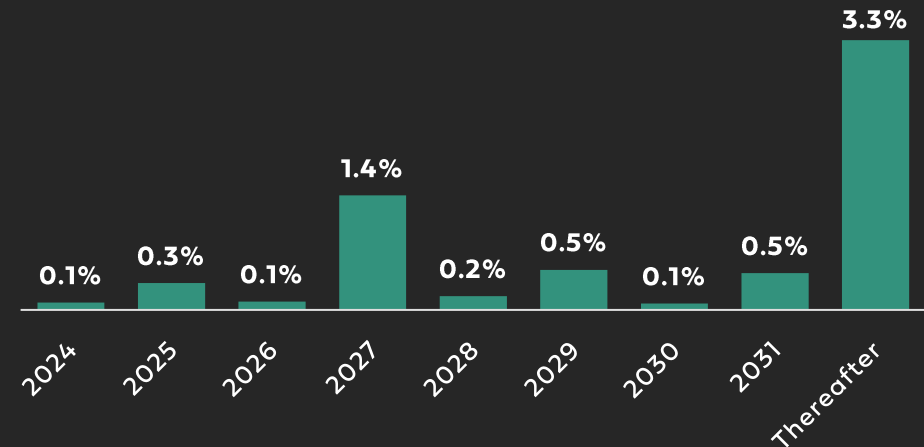
<sup>2</sup> Weighted by ABR

## Existing Portfolio

Total SF	2.1 million SF
% of Total ABR	11%
Leased (as of 9/30/24)	96%
WAVG Lease Term <sup>2</sup>	7 years

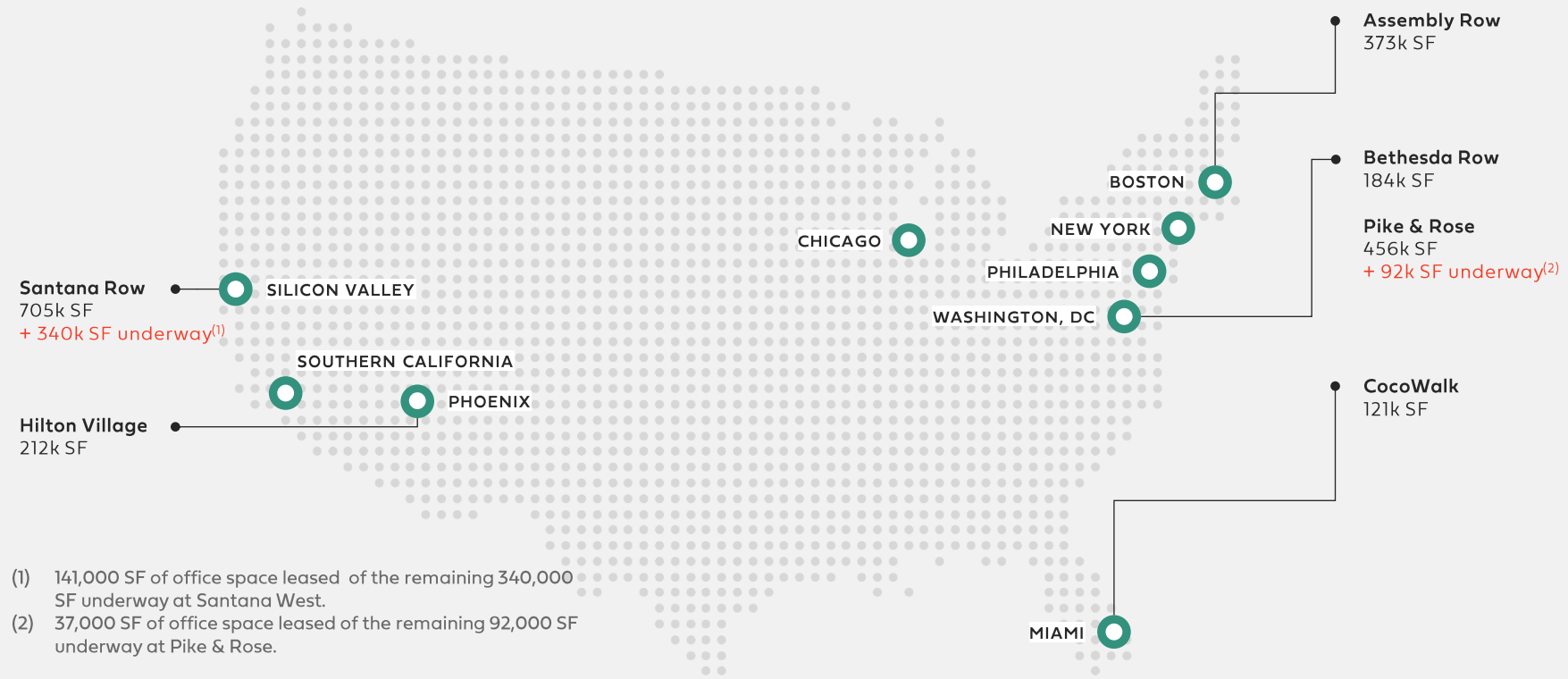
## Lease Expirations

### % OF TOTAL COMMERCIAL SF EXPIRING



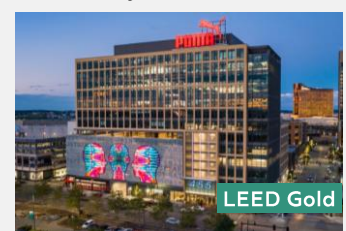
# Mixed-Use Office Portfolio

MAXIMIZING REAL ESTATE VALUE



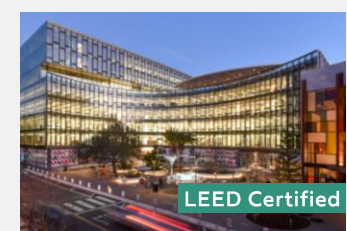
- (1) 141,000 SF of office space leased of the remaining 340,000 SF underway at Santana West.
- (2) 37,000 SF of office space leased of the remaining 92,000 SF underway at Pike & Rose.

455 Grand Union Blvd at Assembly Row



LEED Gold

700 Santana Row



LEED Certified

909 Rose at Pike & Rose



LEED Gold

915 Meeting St at Pike & Rose



LEED Gold in progress

One CocoWalk



LEED Gold

## Leading Office Roster



# In-Process Mixed-Use Expansion Pipeline

~\$515 MILLION OF MIXED-USED EXPANSION PROJECTS IN PROCESS

- Projects located in the 1<sup>st</sup> ring suburbs of major metro markets with significant demand drivers
  - Near job centers with continued growth
  - Established places
  - Amenitized environments
- Delivering desirable new product featuring:
  - State of the art building systems including contactless and touchless entry
  - New HVAC / air quality systems
  - Outdoor spaces
  - Convenient parking
  - Amenitized walkable environment
- ~\$90 million of spend remaining on current phases over the next few years<sup>(1)</sup>



915 Meeting Street  
Pike & Rose Phase 4



ONE SANTANA WEST

<b>Project Description</b>	266k SF office, 10k SF retail	369k SF office
<b>Location</b>	North Bethesda, MD Washington D.C.	San Jose, CA Silicon Valley
<b>Demand Drivers</b>	<ul style="list-style-type: none"> <li>▪ Government</li> <li>▪ Healthcare (NIH &lt;4 miles)</li> <li>▪ Biosciences</li> <li>▪ Medical technology</li> </ul>	<ul style="list-style-type: none"> <li>▪ Global center of technology</li> <li>▪ Data analytics</li> <li>▪ Social media</li> <li>▪ Cloud computing</li> </ul>
<b>Cost Remaining Spend<sup>(1)</sup></b>	\$180 - \$190 million ~\$21 million remaining spend	\$325 - \$330 million ~\$70 million remaining spend
<b>Projected POI</b>	6%	5% - 6%
<b>Update</b>	<ul style="list-style-type: none"> <li>▪ ~80% pre-leased including Choice Hotels &amp; Sodexo</li> <li>▪ Pursuing LEED Gold Certification</li> </ul>	<ul style="list-style-type: none"> <li>▪ ~53% pre-leased including anchor tenant PWC</li> <li>▪ LEED Gold Certification achieved</li> </ul>

(1) Assumes mid-point of expected total cost less costs to date.



# In-Process Strategic Redevelopment Pipeline

~\$330 MILLION OF PROJECTS IN PROCESS

- Integrated team focused on real estate expansion and redevelopment projects
- Successful track record of completing complex redevelopment projects
- 8 total redevelopment projects underway in 2024, stabilizing over the next few years
- ~\$90 million of remaining redevelopment spend over the next few years

## SELECT PROJECTS



### **DARIEN COMMONS | Darien, CT**

124 apartments, 75,000 SF of new retail + parking  
Projected Cost: \$110 - \$120 million | Projected ROI: 6%  
\$2 million remaining spend



### **HUNTINGTON | Huntington, NY**

102,000 SF of redesigned retail  
Projected Cost: \$80 - \$85 million | Projected ROI: 8%  
\$5.5 million remaining spend



### **BALA CYNWYD | Bala Cynwyd, PA**

217 apartments, 16,000 SF retail + parking structure  
Projected Cost: \$90 - \$95 million | Projected ROI: 7%  
\$80 million remaining spend

# Entitlements

## PIPELINE OF ADDITIONAL DENSIFICATION OPPORTUNITIES

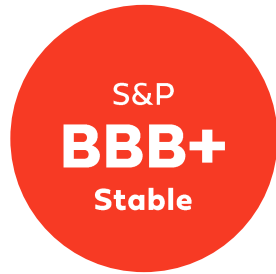
- ~1 million SF and 300+ residential units shovel ready (i.e. entitled and designed) expansions
  - Pike & Rose, Assembly Row and Santana Row
- ~3,700 residential units with design and entitlements in-process
  - Predominantly located on underutilized land at our shopping centers
- ~7 million SF and 1,000+ residential units of additional vested entitlements
  - Primarily in our mixed-use portfolio
- ~7 million SF (commercial + residential) of active major re-zonings in-process



Note: Entitlement information covers entirety of properties. There are no guarantees that we will be successful in obtaining any of the rezonings or entitlements that we are currently pursuing, that final entitlements actually obtained will be in the amounts reflected above or that we will utilize all or any of the entitlements that are currently vested or ultimately obtained.

# Balance Sheet Snapshot

## Credit Ratings



The complete ratings report can be accessed at [www.federalrealty.com](http://www.federalrealty.com).

## Ample Liquidity & Financial Flexibility

- **\$1.4+ billion** of total liquidity in cash, credit facility and forward equity
  - \$1.25 billion revolving credit facility largely undrawn
- Demonstrated access to diverse and innovative capital sources
  - \$485 million of 3.25% Exchangeable Senior Notes due January 2029 issued in January 2024
  - \$200 million mortgage loan secured by Bethesda Row in December 2023
  - \$350 million 5-year green bond in April 2023
- No debt maturities remaining in 2024 and no material maturities until 2026

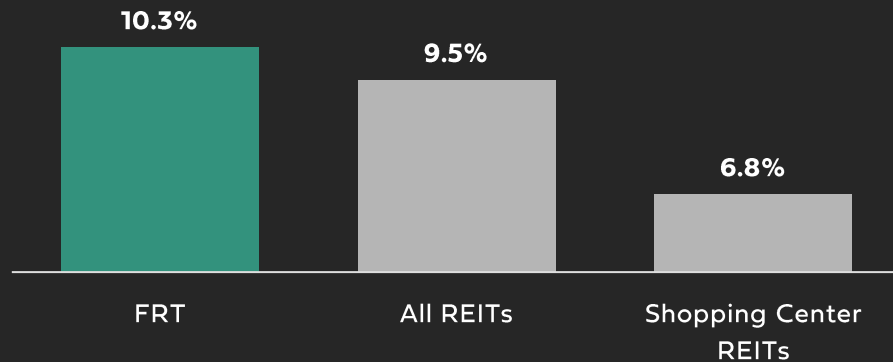
## 3Q24 Balance Sheet Update

- 5.5x annualized consolidated net debt to EBITDA
- 87% of total debt is fixed rate
- Free cash flow expected to return to pre-COVID levels in 2024

# Cycle-Tested Management Team

- Average 20+ years at Federal Realty and 25+ years of real estate experience, including managing through difficult real estate and economic cycles.
- Lean and nimble corporate structure enables management to be closer to the real estate and the real estate decisions which can affect properties for decades.
- Proven ability to make smart, risk-adjusted capital allocation decisions throughout investment cycles

## Total Annual Return since 2003<sup>1,2</sup>



<sup>1</sup> Don Wood has been CEO since January 2003.

<sup>2</sup> Indices represent: FTSE NAREIT Index, Bloomberg Shopping Center REIT Index. As of 12/31/23.



**DON WOOD**  
CEO  
Joined 1998



**JEFF BERKES**  
EVP, President & COO  
Joined 2000



**DAN GUGLIELMONE**  
EVP, CFO & Treasurer  
Joined 2016



**DAWN BECKER**  
EVP, General Counsel  
& Secretary  
Joined 1997



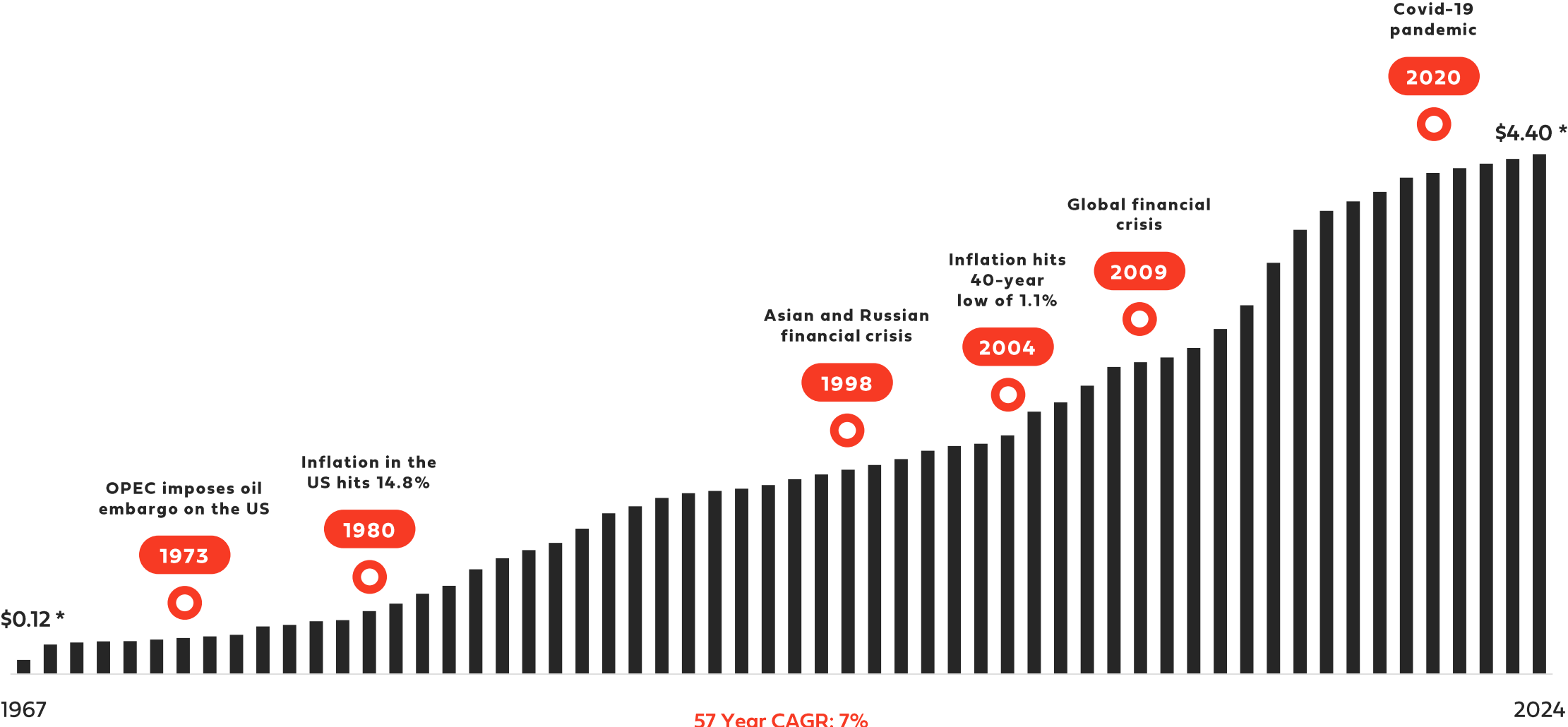
**WENDY SEHER**  
EVP, Eastern Region,  
President  
Joined 2002



**JAN SWEETNAM**  
EVP, Chief Investment  
Officer  
Joined 1997

# 57 Consecutive Years of Increased Dividends

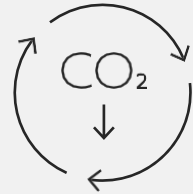
1 OF 56 PUBLICLY TRADED COMPANIES CONSIDERED A DIVIDEND KING



\*4Q annualized dividend per share

# Environmental, Social and Governance Snapshot

→ Our ESG program focuses on five key objectives that directly support our company mission—to deliver long-term, sustainable growth through best-in-class retail-based real estate.



## Advance Decarbonization

Minimize the carbon footprint of our company and our assets.

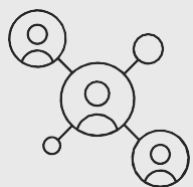
- Science-based target to reduce Scope 1 and 2 emissions by 46% by 2030 (2019 baseline)
- 32% reduction in Scope 1 & 2 market based GHG emissions between 2019 and 2022
- 5.3 million square feet of LEED projects, completed or in progress
- 64% of electric consumption in 2023 provided by zero-carbon sources
- 90% properties fully or partially upgraded with energy-efficient LED lighting in landlord-controlled areas
- 14.3 MW of solar power generating capacity in solar arrays at 27 properties



## Strengthen Resiliency

Invest in and manage our assets to protect value from increasing frequency and severity of weather-related events and other hazards of climate change.

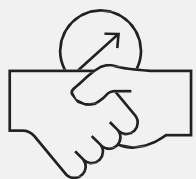
- Climate change scenario analysis using RCP 8.5 showing minimal financial risk over short, medium and long term
- Physical risk exposures incorporated into property-level capital planning and investment decisions
- Management of water usage through technology and landscaping choices
- Focus on reducing waste generation



## Connect Communities

Use our real estate to contribute to social and economic prosperity of the community and advance social equity.

- 
- Local scholarships provided at Freedom Plaza in Los Angeles
  - \$450 million invested with Primestor in historically underrepresented communities
  - Local cultural programming and events (more than 300 in 2023)
  - Partnerships with local artists and support for local causes
  - ~325 affordable housing units provided at our properties



## Empower Teams

Create a work environment that is diverse, engaging and helps employees grow personally and professionally.

- 
- Competitive pay and benefits
  - Average tenure in excess of 9 years
  - Pay equity analysis shows no pay anomalies based on race or gender
  - Women represented 54% of our workforce and 67% of promotions in 2023
  - Minorities represented 54% of new hires and 31% of promotions in 2023
  - Comprehensive health and wellness initiatives through our Be Well at Federal program



## Govern Responsibly

Establish foundation to run the company ethically with appropriate fiscal and decision-making controls to manage risk.

- 
- Annual election of all trustees
  - Independent non-executive chairperson
  - Majority voting and proxy access for trustee elections
  - Prohibition on hedging and pledging our stock combined with clawback policy and equity hold requirements

Note: More information about our Board, the Board's committees, and each of our trustees is available on Federal Realty's website.

→ More information about our ESG program can be found in our [2023 Environmental Social and Governance Report](#), which provides additional detailed information in alignment with the frameworks established by the Global Reporting Initiative, Task Force for Climate Related Financial Disclosures and Sustainability Accounting Standards Board.

## Awards & Recognition







# Appendix

## Reconciliation of FFO Guidance as of September 30, 2024

The following tables provide a reconciliation of the range of estimated earnings per diluted share to estimated FFO per diluted share for the full year 2024.

	Full Year 2024 Guidance Range	
	Low	High
Estimated net income available to common shareholders, per diluted share	\$3.40	\$3.50
Adjustments:		
Estimated gain on sale of real estate, net	(0.62)	(0.62)
Estimated depreciation and amortization	3.98	3.98
Estimated FFO per diluted share	\$6.76	\$6.86

# Safe Harbor and Non-GAAP Information

Certain matters included in this presentation may be forward looking statements within the meaning of federal securities laws. Actual future performance and results may differ materially from those included in forward looking statements. Please refer to our most recent annual report on Form 10K and quarterly report on Form 10Q filed with the SEC which include risk factors and other information that could cause actual results to differ from what is included in forward looking statements.

Supplemental information is provided in this presentation for certain portions of our office and residential portfolios. These portions of our portfolio are managed holistically with the rest of our portfolio and inclusion of this supplemental information should not be construed as an indication that these portions of our portfolio are run independently or constitute a separately managed independently from the remainder of the portfolio.

This presentation includes certain non-GAAP financial measures that the company considers meaningful measures of financial performance. Additional information regarding these non-GAAP measures, including reconciliations to GAAP, are included in documents we have filed with the SEC.

Definitions of terms not defined in this presentation can be found in our documents filed with the SEC.



[ir.federalrealty.com](http://ir.federalrealty.com)