



# FRP Holdings, Inc. Q3'24 Earnings Presentation

NOVEMBER 2024

# Safe Harbor Disclosures

Investors are cautioned that any statements in this press release which relate to the future are, by their nature, subject to risks and uncertainties that could cause actual results and events to differ materially from those indicated in such forward-looking statements. These include, but are not limited to: the possibility that we may be unable to find appropriate investment opportunities; levels of construction activity in the markets served by our mining properties; demand for flexible warehouse/office facilities in the Baltimore-Washington-Northern Virginia area; demand for apartments in Washington D.C. and Greenville, South Carolina; our ability to obtain zoning and entitlements necessary for property development; the impact of lending and capital market conditions on our liquidity, development costs and project timelines; our ability to finance projects or repay our debt; general real estate investment and development risks; vacancies in our properties; risks associated with developing and managing properties in partnership with others; competition; our ability to renew leases or re-lease spaces as leases expire; illiquidity of real estate investments; bankruptcy or defaults of tenants;

the impact of restrictions imposed by our credit facility; the level and volatility of interest rates; environmental liabilities; inflation risks; cybersecurity risks; as well as other risks listed from time to time in our SEC filings; including but not limited to; our annual and quarterly reports. We have no obligation to revise or update any forward-looking statements, other than as imposed by law, as a result of future events or new information. Readers are cautioned not to place undue reliance on such forward-looking statements.

To supplement the financial results presented in accordance with GAAP, FRP presents a non-GAAP financial measure within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The non-GAAP financial measure included in this Presentation is net operating income (NOI). FRP uses this non-GAAP financial measure to analyze its continuing operations and to monitor, assess, and identify meaningful trends in its operating and financial performance. This measure is not, and should not be viewed as, a substitute for GAAP financial measures.

# Non-GAAP Financial Matters

To supplement the financial results presented in accordance with GAAP, FRP presents a non-GAAP financial measure within the meaning of Regulation G promulgated by the Securities and Exchange Commission. The non-GAAP financial measure included in this Presentation is net operating income (NOI). FRP uses this non-GAAP financial measure to analyze its continuing operations and to monitor, assess, and identify meaningful trends in its operating and financial performance. This measure is not, and should not be viewed as, a substitute for GAAP financial measures.

# Key Highlights

## Q3'24 HIGHLIGHTS

- 8% increase in Net Income attributable to the Company to \$1.4 million (up \$102K)
- 7% increase in Total Operating Profit to \$3.1 million
- 39% increase in pro rata NOI (\$11.3 million vs \$8.1 million) including a one-time, catch-up, minimum royalty payment of \$1.9 million that applies to the prior twenty-four months as the tenant failed to meet a production requirement contained in the lease. The revenue was straight-lined over the life of the lease.

## YTD FINANCIAL HIGHLIGHTS

- 94% increase in Net Income attributable to the Company to \$4.7 million (up \$2.3 million)
- 28% increase in pro rata NOI (\$29.0 million vs \$22.7 million)

## Q3'24 DEVELOPMENT HIGHLIGHTS

- Expecting to commence construction in Q1 2025 on a 200,000 sq. ft. warehouse in Lakeland, FL., and a 182,000 sq. ft. warehouse in Broward County, Fl. with our joint venture partner, BBX Logistics
- Shell construction is nearly complete on our 258,000 sq. ft. Chelsea warehouse in Harford County, MD, which we expect to come in under budget and exceed our underwriting expectations upon stabilization.

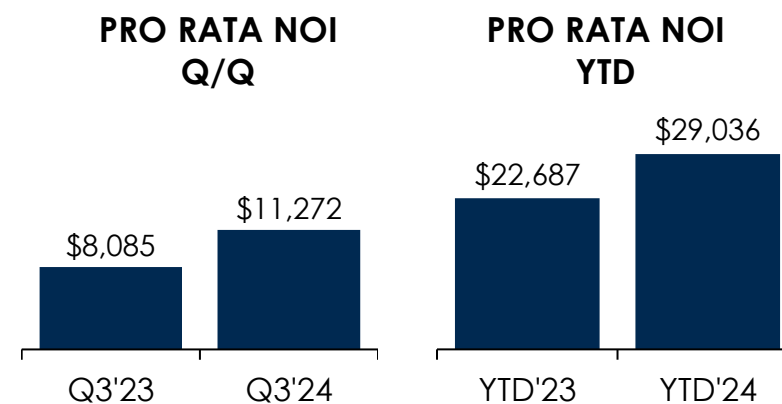
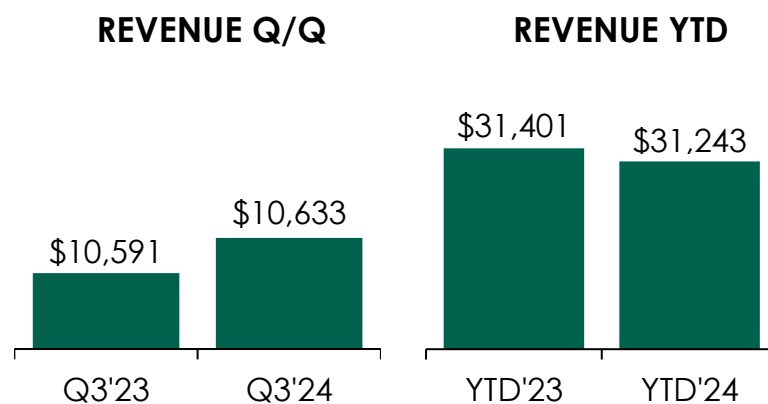
## Q3'24 SEGMENT RESULTS AND PROGRESS

- Multifamily improves NOI as a product of improved performance at all six stabilized apartment projects
- 10% improvement in Industrial and Commercial segment NOI due to more unrealized rental revenue in the prior year from rent abatements that expired in 2023

# Q3'24 Operating Results

## OPERATING HIGHLIGHTS

- Quarterly pro rata NOI increased 39%, and YTD pro rata NOI increased 28%
- Pro Rata NOI increase was primarily driven by strong results from the Multifamily and Industrial segments, in addition to the one-time, catch-up, minimum royalty payment.
- The Company continues to focus its development strategy on growing its Industrial footprint



# Multifamily

## MULTIFAMILY SEGMENT:

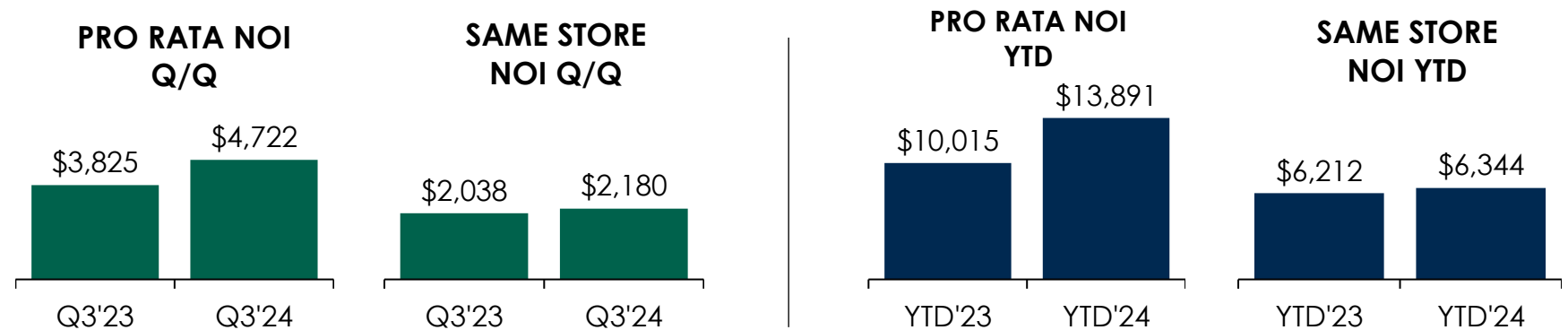
- Two consolidated joint ventures: Dock 79 and The Maren
- Four unconsolidated joint ventures: Bryant Street, Riverside, .408 Jackson, and The Verge (Verge transferred to Multifamily Segment July 1, 2024)

## Q3'24 MULTIFAMILY PERFORMANCE (COMPARED TO Q3 2023):

- 23% increase in Pro Rata NOI to \$4,722,000

## YTD MULTIFAMILY PERFORMANCE (COMPARED TO YTD 2023):

- 39% increase in Pro Rata NOI to \$13,891,000 (segment up \$3.8M)



\*Pro Rata NOI is inclusive of all six apartment projects

\*Same Store NOI is inclusive of Dock 79, Maren, and Riverside



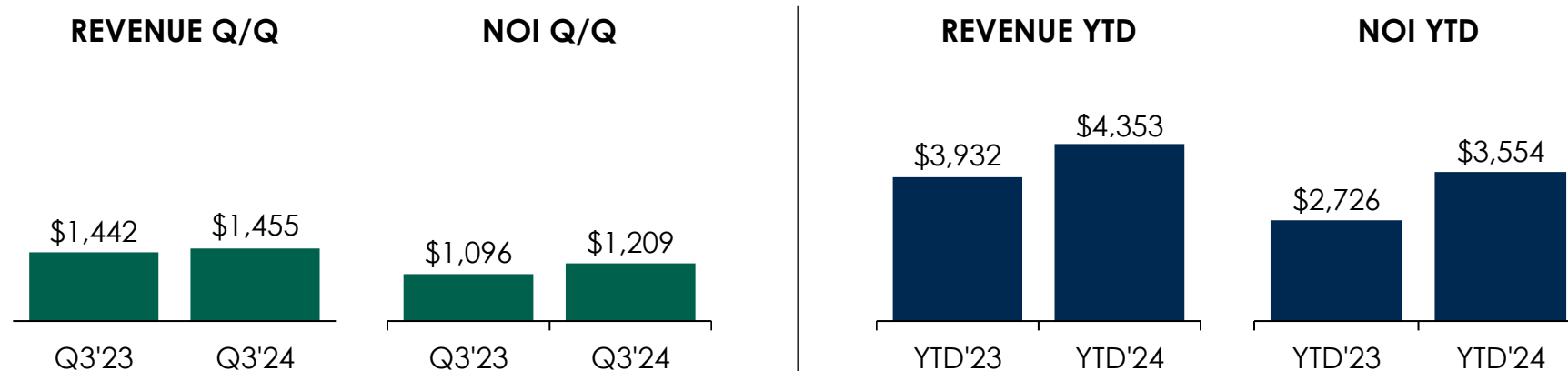
# Industrial & Commercial

## Q3'24 PERFORMANCE OVERVIEW (COMPARED TO Q3 2023):

- 10% increase in NOI to \$1,209,000 due to expiration of rent abatement at two Hollander buildings in 2023

## YTD PERFORMANCE OVERVIEW (COMPARED TO YTD 2023):

- 11% increase in total revenues to \$4,353,000 (up \$421K), due to full occupancy at 1841 62<sup>nd</sup> Street and 1941 62<sup>nd</sup> Street
- 10% increase in operating profit to \$2,484,000, due to full occupancy at 1841 62<sup>nd</sup> Street and 1941 62<sup>nd</sup> Street
- 30% increase in NOI to \$3,554,000 (up \$829K) due to increased occupancy and \$519,000 more unrealized rental revenue in the prior year due to rent abatements that expired in 2023.



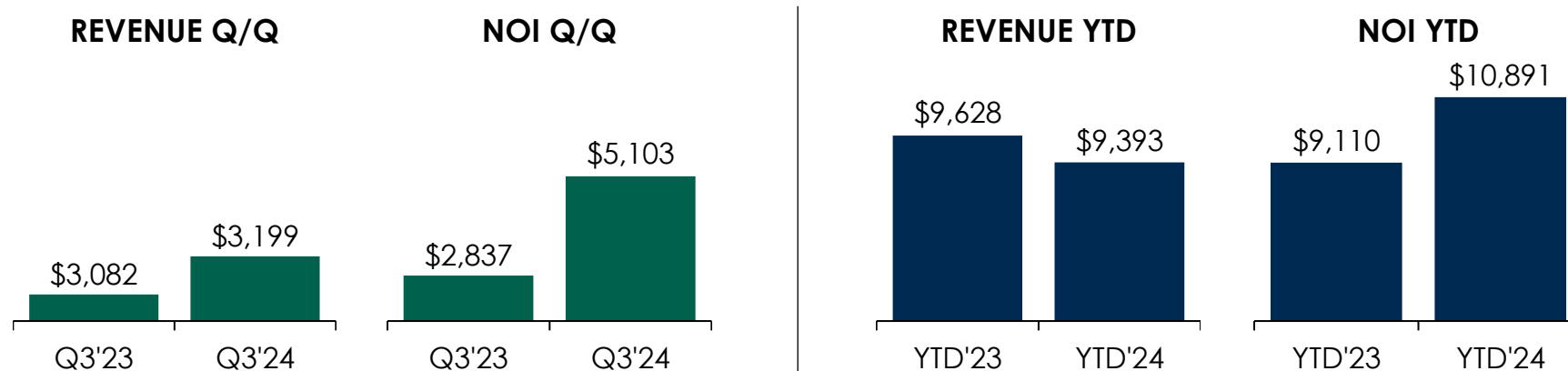
# Mining & Royalties

## Q3'24 MINING ROYALTY LANDS SEGMENT OVERVIEW (COMPARED TO Q3 2023):

- 4% increase in total revenue to \$3,199,000
- 7% increase in operating profit to \$2,946,000
- 80% increase in NOI to \$5,103,000
- The primary reason for the higher NOI is due to a one-time, catch-up, minimum royalty payment of \$1.9 million. This revenue was straight-lined over the life of the lease.

## YTD MINING ROYALTY LANDS SEGMENT OVERVIEW (COMPARED TO YTD 2023):

- 2% decrease in total revenue to \$9,393,000 (down \$235K), due mainly to a \$619K deduction to resolve a prior year over payment
- 1% decline in operating profit to \$8,655,000 (down \$126K)
- 20% increase in NOI to \$10,891,000 (up \$1,781K)
- The primary reason for the higher NOI is due to a one-time, catch-up, minimum royalty payment of \$1.9 million.





# Development

## NEW JOINT VENTURES WITH BBX LOGISTICS:

- Lakeland, FL: 200,000 sq ft warehouse development
- Broward County, FL: 182,000 sq ft warehouse redevelopment
- Construction expected to start on both by end of Q1 '25

## CHELSEA ROAD WAREHOUSE PROJECT:

- 258,000 sq ft Class A building, reaffirming completion in Q4'24

## THE VERGE:

- Moved to Multifamily segment July 1, 2024, upon reaching stabilization
- Third mixed-use project in Anacostia waterfront submarket, Washington, DC

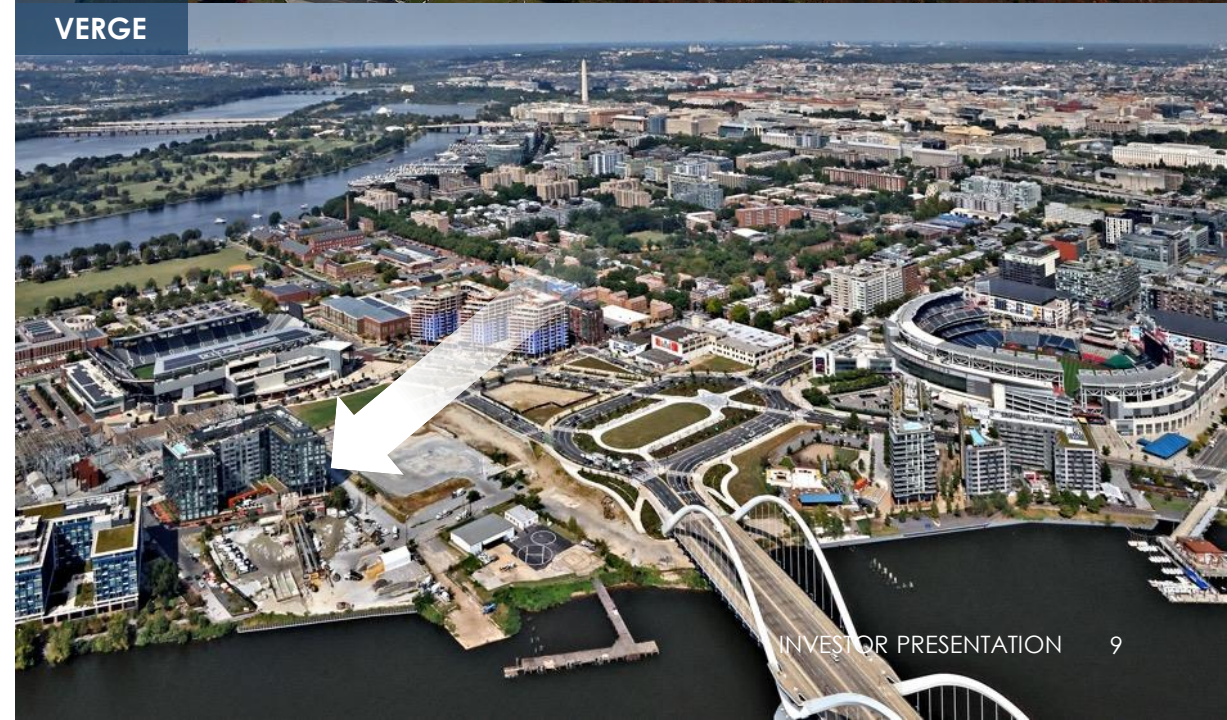
## ABERDEEN OVERLOOK RESIDENTIAL DEVELOPMENT:

- 110-acre project, 344 residential lots
- National homebuilder contracted for 222 townhome lots, 122 single-family lots
- \$31.1M committed, \$25.5M drawn, \$12.9M returned in principal and preferred interest payments, and \$3.6M in profits booked thus far



Chelsea Road Warehouse Project

VERGE



# FRP: Sum of the Parts Analysis

## PART I

Asset Type – Income Producing Properties	2024 Nine Months Annualized Pro Rata NOI	Cap Rate/ Multiple Range	FRP Equity Value Range	Per Share Value
<b>INDUSTRIAL</b>	\$3.6M	5.55%-6.05%	\$59.4M-\$64.7M	\$3.12-\$3.40
<b>OFFICE &amp; GROUND LEASE</b>	\$1.7M	25.59%-27.06%	\$6.4M-\$6.8M	\$0.34-\$0.36
<b>MULTIFAMILY</b>	\$18.5M	5.14%-5.64%	\$75.1M-\$107.0M	\$3.95-\$5.62
<b>MINING</b>	\$12.2M	5.00%-5.50%	\$221.2M-\$243.4M	\$11.63-\$12.79
<b>CASH on BALANCE SHEET</b>	NA	NA	\$144.6M	\$7.60
<b>TOTAL (Part I):</b>	\$33.4M	NA	\$506M-\$566M	\$26.63-\$29.77

The cap rates, asset values and per share values are for illustrative purposes only as a reflection of how management views its various assets for purposes of informing management decisions and do not necessarily reflect the price that would be obtained upon a sale of the asset or the associated costs or tax liability. See NAV analysis in slides 14-15 for further information

# FRP: Sum of the Parts Analysis

## PART II

Development Pipeline	FRP Equity Investment	Market Value Range	FRP Equity Value Range	Per Share Value
<b>UNDER DEVELOPMENT</b>	\$46.9M	NA	\$46.9M	\$2.47
<b>INDUSTRIAL LAND</b>	NA	\$17.9M-\$37.0M	\$17.9M-\$37.0M	\$0.94-\$1.95
<b>FUTURE PHASES OF RIVERFRONT (D.C.)</b>	NA	\$56.9M-\$65.6M	\$56.9M-\$65.6M	\$2.99-\$3.45
<b>RESIDENTIAL LAND</b>	NA	NA	\$37.6M	\$1.97
<b>LOANS MADE TO JV's</b>	NA	\$12.6M	\$7.4M	\$0.39
<b>TOTAL (Part II):</b>	NA	NA	NA	\$8.76- \$10.23
<b>FUTURE LIABILITIES (OZ TAXES)</b>	NA	NA	(\$16.2M)	(\$0.85)
<b>TOTAL (Part I+II):</b>			\$657M-\$745M	\$34.54-\$39.15

Per share calculations based on 19,030,474 shares outstanding



The background of the page is a teal color with a faint, low-angle photograph of a modern building's glass and stone facade. On the left side, there are three vertical, light blue rectangular bars of increasing height, resembling a bar chart. The word "Appendix" is centered in a large, white, sans-serif font.

# Appendix

# FRPH Quarterly Analysis

## PART I (CURRENT)

### FRP HOLDINGS, INC. QUARTERLY ANALYSIS 9/30/24

Asset Class	2024 Nine Months Annualized Pro Rata NOI	Cap Rate Range [1]		Value Range		Debt		FRP Equity Value		\$/Share		Notes
<b>Industrial</b>												
Hollander	\$ 2,003,513	5.65%	5.15%	\$ 35,460,413	\$ 38,903,172	\$ -	\$ 35,460,413	\$ 38,903,172				
Cranberry	\$ 1,590,359	6.65%	6.15%	\$ 23,915,168	\$ 25,859,491	\$ -	\$ 23,915,168	\$ 25,859,491				100 bps added to Cranberry Cap Rate vs Hollander
<b>Total</b>	<b>\$ 3,593,872</b>	<b>6.05%</b>	<b>5.55%</b>	<b>\$ 59,375,581</b>	<b>\$ 64,762,662</b>	<b>\$ -</b>	<b>\$ 59,375,581</b>	<b>\$ 64,762,662</b>	<b>\$ 3.12</b>	<b>\$ 3.40</b>		
<b>Office and Ground Leases</b>												
Ground Leases [2]	\$ 1,325,975			\$ 2,116,143	\$ 2,116,143	\$ -						DCF at 10% of 3 ground leases with expirations in 2025 and 2026
34 Loveton	\$ 407,429	9.50%	8.75%	\$ 4,288,730	\$ 4,656,335	\$ -						
<b>Total</b>	<b>\$ 1,733,404</b>	<b>27.06%</b>	<b>25.59%</b>	<b>\$ 6,404,873</b>	<b>\$ 6,772,479</b>	<b>\$ -</b>	<b>\$ 6,404,873</b>	<b>\$ 6,772,479</b>	<b>\$ 0.34</b>	<b>\$ 0.36</b>		
<b>Multifamily [3]</b>												
Maren	\$ 3,760,000	5.50%	5.00%	\$ 121,367,058	\$ 133,503,764	\$ (88,000,000)	\$ 18,794,996	\$ 25,631,360				FRP Share 56.3%
Dock 79	\$ 3,789,333	5.50%	5.00%	\$ 130,486,685	\$ 143,535,354	\$ (92,070,000)	\$ 20,284,010	\$ 27,173,707				FRP Share 52.8%
Bryant Street	\$ 6,117,333	5.75%	5.25%	\$ 147,554,279	\$ 161,607,067	\$ (110,000,000)	\$ 27,077,086	\$ 37,209,315				FRP Share 72.1%
Verge	\$ 2,612,000	5.75%	5.25%	\$ 74,020,021	\$ 81,069,547	\$ (69,862,000)	\$ 2,551,778	\$ 6,878,072				FRP Share 61.4%
.408 Jackson	\$ 1,333,333	5.75%	5.25%	\$ 57,971,014	\$ 63,492,063	\$ (49,450,000)	\$ 3,408,406	\$ 5,616,825				FRP Share 40.0%
Riverside	\$ 909,333	5.75%	5.25%	\$ 39,536,232	\$ 43,301,587	\$ (32,000,000)	\$ 3,014,493	\$ 4,520,635				FRP Share 40.0%
<b>Total</b>	<b>\$ 18,521,333</b>	<b>5.64%</b>	<b>5.14%</b>	<b>\$ 570,935,289</b>	<b>\$ 626,509,382</b>	<b>\$ (441,382,000)</b>	<b>\$ 75,130,768</b>	<b>\$ 107,029,913</b>	<b>\$ 3.95</b>	<b>\$ 5.62</b>		
<b>Mining (less unrealized rent):</b>												
	\$ 12,168,000	5.50%	5.00%	\$ 221,236,364	\$ 243,360,000	\$ -	\$ 221,236,364	\$ 243,360,000	\$ 11.63	\$ 12.79		
<b>Income Producing Property Total</b>	<b>\$ 33,404,609</b>			<b>\$ 1,002,633,107</b>	<b>\$ 941,404,523</b>	<b>\$ (441,382,000)</b>	<b>\$ 362,147,586</b>	<b>\$ 421,925,054</b>	<b>\$ 19.03</b>	<b>\$ 22.17</b>		
<b>Cash</b>							<b>\$ 144,681,000</b>	<b>\$ 144,681,000</b>	<b>\$ 7.60</b>	<b>\$ 7.60</b>		
							<b>\$ 506,828,586</b>	<b>\$ 566,606,054</b>	<b>\$ 26.63</b>	<b>\$ 29.77</b>		

[1] Based on CBRE research from 2024 and conversations with brokers

[2] YTD 2024 Annualized NOI: 21st Street: \$706,084, lease expires 3/31/2026; Vulcan lease at 664E: \$592,342, lease expires 8/31/2026; US Venture ground lease at Hollander: \$30,0596, lease expires 10/31/2025

[3] NOI numbers presented represent our pro rata share of NOI based on ownership %s. Annualized NOI for each property were: Maren: \$6.7M ; Dock 79: \$7.2M; Riverside: \$2.3M; Bryant Street: \$8.5M; .408 Jackson: \$3.3M; Verge \$4.3M for a total of \$32.2M

[4] Based on management estimate

[5] \$/SF value based on management's submarket analysis

# FRPH Quarterly Analysis

## PART II (UNDER DEVELOPMENT)

Under Development									
<b>Project</b>				<b>FRP Equity Investment</b>					
Windlass				\$ 5,484,406	\$ 5,484,406	\$ 5,484,406			
Chelsea				\$ 24,094,211	\$ 24,094,211	\$ 24,094,211	Cost of warehouse nearing completion		
The Woven				\$ 2,180,810	\$ 2,180,810	\$ 2,180,810	Multifamily JV in Greenville, SC		
Lakeland JV				\$ 2,076,457	\$ 2,076,457	\$ 2,076,457	Industrial JV in Lakeland, FL		
Broward Co JV				\$ 13,083,826	\$ 13,083,826	\$ 13,083,826	Industrial JV in Broward County, FL		
<b>Total</b>				<b>\$ 46,919,710</b>	<b>\$ 46,919,710</b>	<b>\$ 46,919,710</b>	<b>\$ 2.47</b>	<b>\$ 2.47</b>	
<b>Industrial Land</b>	<b>FAR</b>	<b>\$/FAR [5]</b>		<b>Purchase Price</b>	<b>Market Value</b>				
Crouse	635,000	30		\$ 11,400,000	\$ 19,050,000	\$ 11,400,000	\$ 19,050,000		
Mechanics Valley	900,000	20		\$ 6,500,000	\$ 18,000,000	\$ 6,500,000	\$ 18,000,000		
<b>Total</b>	<b>1,535,000</b>	<b>\$ 24.14</b>		<b>\$ 17,900,000</b>	<b>\$ 37,050,000</b>	<b>\$ 17,900,000</b>	<b>\$ 0.94</b>	<b>\$ 1.95</b>	
<b>Future Phases of Riverfront</b>	<b>FAR</b>	<b>Maren Land Value</b>		<b>Verge Land Value</b>	<b>Value @ Maren Land Comp</b>	<b>Value @ Verge Land Comp</b>			
Phase III	250,000	\$ 65.00	\$ 75.00	\$ 16,250,000	\$ 18,750,000	\$ 16,250,000	\$ 18,750,000		
Phase IV	260,000	\$ 65.00	\$ 75.00	\$ 16,900,000	\$ 19,500,000	\$ 16,900,000	\$ 19,500,000		
664E	365,000	\$ 65.00	\$ 75.00	\$ 23,725,000	\$ 27,375,000	\$ 23,725,000	\$ 27,375,000		
<b>Total</b>	<b>875,000</b>			<b>\$ 56,875,000</b>	<b>\$ 65,625,000</b>	<b>\$ 56,875,000</b>	<b>\$ 2.99</b>	<b>\$ 3.45</b>	
<b>Residential Land</b>									
Brooksville				\$ 7,513,644	\$ 7,513,644	Basis			
Amber Ridge				\$ -	\$ -	All principal returned with interest			
Presbyterian				\$ 15,107,498	\$ 15,107,498	Capital lent less received			
Hampstead				\$ 11,353,055	\$ 11,353,055	Basis			
Estero				\$ 3,600,000	\$ 3,600,000	Equity Investment			
<b>Total</b>				<b>\$ 37,574,197</b>	<b>\$ 37,574,197</b>	<b>\$ 1.97</b>	<b>\$ 1.97</b>		
<b>Loans made to JVs</b>									
Alamo				\$ 2,207,059	\$ 2,207,059	\$ 2,207,059			
Windlass				\$ 10,444,742	\$ 5,222,371	\$ 5,222,371	We are responsible for half of the debt		
<b>Total</b>				<b>\$ 12,651,801</b>	<b>\$ 7,429,430</b>	<b>\$ 7,429,430</b>	<b>\$ 0.39</b>	<b>\$ 0.39</b>	
				<b>Development and Raw Land</b>	<b>\$ 166,698,337</b>	<b>\$ 194,598,337</b>	<b>\$ 8.76</b>	<b>\$ 10.23</b>	
<b>Future Liabilities</b>									
<b>OZ Taxes</b>				<b>\$ (16,155,814)</b>	<b>\$ (16,155,814)</b>	<b>\$ (0.85)</b>	<b>\$ (0.85)</b>	\$20.5m in OZ taxes due in q1 2027 discounted back at 10%	
					<b>Total</b>	<b>Per Share</b>			
<b>Sum of the Parts</b>				<b>\$ 657,371,108</b>	<b>\$ 745,048,577</b>	<b>\$ 34.54</b>	<b>\$ 39.15</b>		
Shares Outstanding	19,030,474								

[5] \$/SF value based on management's submarket analysis

# 2024 Non-GAAP Financial Matters

NET OPERATING INCOME RECONCILIATION						
Nine months ended 9/30/24 (in thousands)	Industrial and Commercial Segment	Development Segment	Multifamily Segment	Mining Royalties Segment	Unallocated Corporate Expense	FRP Holdings Totals
Net Income (loss)	\$1,222	(2,498)	(3,951)	5,884	4,116	4,773
Income Tax Allocation	376	(767)	(1,224)	1,808	1,550	1,743
Income (loss) before income taxes	1,598	(3,265)	(5,175)	7,692	5,666	6,516
<b>Less:</b>						
Gain on sale of real estate						
Unrealized rents	12	—	—	—	—	12
Interest income		2,995			5,800	8,795
<b>Plus:</b>						
Unrealized rents	—	—	—	1,765	—	1,765
Loss on sale of real estate	—	—	15	—	—	15
Equity in loss of Joint Ventures	—	2,081	6,466	35	—	8,582
Professional fees – other	—	—	2,348	—	134	2,482
Interest Expense						
Depreciation/Amortization	1,083	128	5,947	471	—	7,629
General & administrative	886	4,281	788	928	—	6,883
<b>Net Operating Income</b>	<b>3,555</b>	<b>230</b>	<b>10,389</b>	<b>10,891</b>	<b>—</b>	<b>25,065</b>
NOI of noncontrolling interest		—	(4,727)	—	—	(4,727)
Pro rata NOI from unconsolidated joint ventures	—	469	8,229	—	—	8,698
<b>Pro rata net operating income</b>	<b>\$3,555</b>	<b>699</b>	<b>13,891</b>	<b>10,891</b>	<b>—</b>	<b>29,036</b>



# 2023 Non-GAAP Financial Matters

NET OPERATING INCOME RECONCILIATION						
Nine months ended 9/30/23 (in thousands)	Industrial and Commercial Segment	Development Segment	Multifamily Segment	Mining Royalties Segment	Unallocated Corporate Expense	FRP Holdings Totals
Net Income (loss)	\$892	(7,192)	(816)	5,842	3,270	1,996
Income Tax Allocation	331	(2,667)	(145)	2,168	1,212	899
Income (loss) before income taxes	1,223	(9,859)	(961)	8,010	4,482	2,895
<b>Less:</b>						
Gain on sale of real estate	531	—	—	143	—	674
Unrealized rents	—	—	—	10	—	10
Interest income	—	3,692	—	—	4,515	8,207
<b>Plus:</b>						
Unrealized rents	—	—	117	—	—	117
Loss on sale of real estate	2	—	1	—	—	3
Professional fees	—	—	59	—	—	59
Equity in loss of Joint Ventures	—	10,256	298	31	—	10,585
Interest Expense	—	—	3,218	—	33	3,251
Depreciation/Amortization	1,006	140	6,797	472	—	8,415
<b>General &amp; administrative</b>	1,026	3,740	634	750	—	6,150
<b>Net Operating Income</b>	2,726	585	10,163	9,110	—	22,584
<b>NOI of noncontrolling interest</b>	—	—	(4,627)	—	—	(4,627)
<b>Pro rata NOI from unconsolidated joint ventures</b>	—	251	4,479	—	—	4,730
<b>Pro rata net operating income</b>	\$2,726	836	10,015	9,110	—	22,687