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): June 23, 2021

CTO REALTY GROWTH, INC.
(Exact Name of Registrant as Specified in Charter)

Commission File Number: 001-11350

Maryland	**59-0483700**
(State or other jurisdiction of incorporation)	**(IRS Employer Identification No.)**

1140 N. Williamson Blvd., Suite 140, Daytona Beach, Florida 32114
(Address of principal executive offices, including zip code)

(386) 274-2202
(Registrant's 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))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of exchange on which registered
Common Stock, $0.01 par value per share	CTO	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).
Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 1.01. Entry into a Material Definitive Agreement.

On October 16, 2019, CTO Realty Growth, Inc. ("CTO" or the "Company") sold to a third party a controlling interest in Crisp39 SPV LLC (the "Land Venture"), the Company's wholly-owned entity that, at that time, held the Company's approximately 5,300 acres of undeveloped land in Daytona Beach, Florida. On June 23, 2021, certain subsidiaries of the Land Venture entered into a Purchase and Sale Agreement (the "PSA") with Timberline Acquisition Partners, LLC an affiliate of Timberline Real Estate Partners ("Timberline"), for the sale of substantially all of the Land Venture's remaining 1,600 acres of land, including any land that was previously under contract, for $67.0 million (the "Land Venture Sale"). Proceeds to CTO after distributions to the other member of the Land Venture and before taxes are estimated to be approximately $25.6 million. Closing is anticipated to occur prior to year-end and is subject to completion of customary due diligence and closing conditions. CTO does not have any material relationship with Timberline or its subsidiaries, other than through the PSA.

Certain closing conditions must be met before or at the closing and are not currently satisfied. Accordingly, as of the date of this Current Report on Form 8-K and until the closing of the Land Venture Sale, there can be no assurance that the Land Venture Sale will be completed.

Item 2.01. Completion of Acquisition or Disposition of Assets.

On June 23, 2021, the Company completed the acquisition of a mixed-use center in the Dallas-Fort Worth, Texas Metropolitan Area (the "Property" or "The Shops at Legacy") from an affiliate of an investment management company (the "Seller") for a purchase price of $72.5 million. There is no material relationship between the Company or any director or officer of the Company, or any associate of any director or officer of the Company, and the Seller, other than with respect of the Company's acquisition of the Property. The acquisition was funded using (a) available cash, (b) 1031 like-kind exchange proceeds generated from certain of the Company's previously completed property dispositions, (c) proceeds from the Company's partial exercise of its accordion option on its existing term loan, and (d) the Company's revolving credit facility, and was structured as a reverse like-kind exchange in order to account for possible future dispositions of income properties by the Company.

This Current Report on Form 8-K includes the historical audited financial statements of The Shops at Legacy and the pro forma consolidated financial information required by Items 9.01(a) and 9.01(b) of Form 8-K.

The pro forma financial information included in this Current Report on Form 8-K has been presented for informational purposes only, as required by Form 8-K. It does not purport to represent the actual results of operations that the Company and The Shops at Legacy would have achieved had the Company held the assets of The Shops at Legacy during the periods presented in the pro forma financial information and is not intended to project the future results of operations that the Company may achieve after the acquisition.

Item 7.01. Regulation FD Disclosure.

On June 24, 2021, the Company issued a press release announcing the completion of the acquisition of The Shops at Legacy. A copy of the press release is attached hereto as Exhibit 99.3. The information contained in Item 7.01 of this Current Report, including Exhibit 99.3, is being furnished and shall not be deemed "filed" for any purposes, including for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. Such information shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, unless it is specifically incorporated by reference therein.

Item 9.01. Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired

The financial statements that are required to be filed pursuant to this item are being filed as Exhibits 99.1 and 99.2 to this Form 8-K.

(b) Pro Forma Financial Information

The pro forma financial information that is required to be filed pursuant to this item is being filed as Exhibit 99.1.

(c) Exhibits

99.1 Pro Forma Financial Information

- Summary of Unaudited Pro Forma Consolidated Financial Statements
- Unaudited Pro Forma Consolidated Balance Sheet of CTO Realty Growth, Inc. as of March 31, 2021
- Unaudited Pro Forma Consolidated Statements of Operations of CTO Realty Growth, Inc. for the Three Months Ended March 31, 2021 and the Year Ended December 31, 2020
- Notes to Unaudited Pro Forma Consolidated Financial Statements

99.2 Audited Financial Statements

- Summary of Revenues and Direct Costs of Revenues of The Shops at Legacy for the three months ended March 31, 2021 (Unaudited) and the year ended December 31, 2020 (Audited)

99.3 Press Release

- Press Release dated June 24, 2021 Regarding Entry Into the Contract to Sell the Remaining Daytona Beach Land within the Land Venture

99.4 Press Release

- Press Release dated June 24, 2021 Regarding the Acquisition of The Shops at Legacy for $72.5 million

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.

Date: June 25, 2021

CTO Realty Growth, Inc.

By: /s/ Matthew M. Partridge
Senior Vice President, Chief Financial Officer and Treasurer
(Principal Financial Officer)

CTO REALTY GROWTH, INC.
UNAUDITED PRO FORMA CONSOLIDATED FINANCIAL STATEMENTS

On June 23, 2021, CTO Realty Growth, Inc. (the “Company” or “CTO”) completed the acquisition of a mixed-use center in the Dallas-Fort Worth, Texas Metropolitan Area (the “Property” or “The Shops at Legacy”) from an affiliate of an investment management company (the “Seller”) for a purchase price of $72.5 million. There is no material relationship between the Company or any director or officer of the Company, or any associate of any director or officer of the Company, and the Seller, other than with respect of the Company’s acquisition of the Property. The acquisition was funded using (a) available cash, (b) 1031 like-kind exchange proceeds generated from certain of the Company’s previously completed property dispositions, (c) proceeds from the Company’s partial exercise of its accordion option on its existing term loan, and (d) the Company’s revolving credit facility, and was structured as a reverse like-kind exchange in order to account for possible future dispositions of income properties by the Company.

The following unaudited pro forma consolidated balance sheet as of March 31, 2021, unaudited pro forma consolidated statement of operations for the three months ended March 31, 2021, and unaudited pro forma consolidated statement of operations for the year ended December 31, 2020 (collectively, the “Unaudited Pro Forma Financials”) give effect to the acquisition of The Shops at Legacy. The adjustments in the Unaudited Pro Forma Financials are referred to herein as the “2021 Acquisition Transaction Accounting Adjustments.”

2021 Acquisition Transaction Accounting Adjustments

The Unaudited Pro Forma Financials present the effects of the acquisition of The Shops at Legacy as though it had occurred on January 1, 2020, the beginning of the earliest applicable reporting period.

Unaudited Pro Forma Financials

The Unaudited Pro Forma Financials are based on the estimates and assumptions as of the date of this Current Report on Form 8-K set forth in the notes to the Unaudited Pro Forma Financials, which are preliminary and have been made solely for the purpose of developing such pro forma information. The Unaudited Pro Forma Financials are not necessarily indicative of the financial position or operating results that would have been achieved had the acquisition of The Shops at Legacy occurred on the dates indicated, nor are they necessarily indicative of the Company’s future financial position or operating results. Assumptions underlying the adjustments to the Unaudited Pro Forma Financials are described in the accompanying notes, which should be read in conjunction with the Unaudited Pro Forma Financials.

CTO REALTY GROWTH, INC.
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2021
(In thousands, except share and per share data)

	Historical	2021 Acquisition Transaction Accounting Adjustments	Notes	Pro Forma
ASSETS				
Real Estate:				
Land, at cost	$ 179,923	$ 21,993	[A]	$ 201,916
Building and Improvements, at cost	317,870	27,040	[A]	344,910
Other Furnishings and Equipment, at cost	679	—		679
Construction in Process, at cost	551	—		551
Total Real Estate, at cost	499,023	49,033		548,056
Less, Accumulated Depreciation	(33,319)	—		(33,319)
Real Estate—Net	465,704	49,033		514,737
Land and Development Costs	7,074	—		7,074
Intangible Lease Assets—Net	53,215	23,648	[A]	76,863
Assets Held for Sale	4,505	—		4,505
Investment in Joint Ventures	48,686	—		48,686
Investment in Alpine Income Property Trust, Inc.	35,408	—		35,408
Mitigation Credits	2,622	—		2,622
Commercial Loan and Master Lease Investments	38,417	—		38,417
Cash and Cash Equivalents	4,691	—		4,691
Restricted Cash	609	—		609
Refundable Income Taxes	277	—		277
Other Assets	12,227	—		12,227
Total Assets	$ 673,435	$ 72,681		$ 746,116
LIABILITIES AND STOCKHOLDERS' EQUITY				
Liabilities:				
Accounts Payable	$ 739	$ —		$ 739
Accrued and Other Liabilities	7,042	2,985	[B]	10,027
Deferred Revenue	3,463	975	[B]	4,438
Intangible Lease Liabilities—Net	23,396	38	[A]	23,434
Liabilities Held for Sale	831	—		831
Income Taxes Payable	—	—		—
Deferred Income Taxes—Net	3,343	—		3,343
Long-Term Debt	280,248	68,683	[B]	348,931
Total Liabilities	319,062	72,681		391,743

CTO REALTY GROWTH, INC.
UNAUDITED PRO FORMA CONSOLIDATED BALANCE SHEET
AS OF MARCH 31, 2021 (Continued)
(In thousands, except share and per share data)

Stockholders’ Equity:			
Preferred Stock – 100,000,000 shares authorized; $0.01 par value, no shares issued or outstanding at March 31, 2021	—	—	—
Common Stock – 500,000,000 shares authorized; $0.01 par value, 5,957,079 shares issued and outstanding at March 31, 2021	60	—	60
Additional Paid-In Capital	13,341	—	13,341
Retained Earnings	341,645	—	341,645
Accumulated Other Comprehensive Loss	(673)	—	(673)
Total Stockholders’ Equity	354,373	—	354,373
Total Liabilities and Stockholders’ Equity	$ 673,435	$ 72,681	$ 746,116

See accompanying notes to unaudited pro forma consolidated financial statements.

CTO REALTY GROWTH, INC.
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE THREE MONTHS ENDED MARCH 31, 2021
(In thousands, except share and per share data)

	Historical	2021 Acquisition Transaction Accounting Adjustments	Notes	Pro Forma
Revenues				
Income Properties	$ 11,449	$ 1,944	[A]	$ 13,393
Management Fee Income	669	—		669
Interest Income from Commercial Loan and Master Lease Investments	701	—		701
Real Estate Operations	1,893	—		1,893
Total Revenues	14,712	1,944		16,656
Direct Cost of Revenues				
Income Properties	(2,917)	(894)	[A]	(3,811)
Real Estate Operations	(82)	—		(82)
Total Direct Cost of Revenues	(2,999)	(894)		(3,893)
General and Administrative Expenses	(3,132)	—		(3,132)
Impairment Charges	—	—		—
Depreciation and Amortization	(4,830)	(962)	[B]	(5,792)
Total Operating Expenses	(10,961)	(1,856)		(12,817)
Gain on Disposition of Assets	708	—		708
Gain on Extinguishment of Debt	—	—		—
Other Gains and Income	708	—		708
Total Operating Income	4,459	88		4,547
Investment and Other Income (Loss)	5,332	—		5,332
Interest Expense	(2,444)	(276)	[C]	(2,720)
Income (Loss) Before Income Tax Expense	7,347	(188)		7,159
Income Tax Benefit	438	—		438
Net Income (Loss)	$ 7,785	$ (188)		$ 7,597
Per Share Information:				
Basic Net Income (Loss) per Share	$ 1.32	$ (0.03)		$ 1.29
Diluted Net Income (Loss) per Share	$ 1.32	$ (0.03)		$ 1.29
Weighted Average Number of Common Shares:				
Basic	5,879,085	5,879,085		5,879,085
Diluted	5,879,085	5,879,085		5,879,085

See accompanying notes to unaudited pro forma consolidated financial statements.

CTO REALTY GROWTH, INC.
UNAUDITED PRO FORMA CONSOLIDATED STATEMENT OF OPERATIONS
FOR THE YEAR ENDED DECEMBER 31, 2020
(In thousands, except share and per share data)

	Historical	2021 Acquisition Transaction Accounting Adjustments	Notes	Pro Forma
Revenues				
Income Properties	$ 49,953	$ 7,864	[A]	$ 57,817
Management Fee Income	2,744	—		2,744
Interest Income from Commercial Loan and Master Lease Investments	3,034	—		3,034
Real Estate Operations	650	—		650
Total Revenues	56,381	7,864		64,245
Direct Cost of Revenues				
Income Properties	(11,988)	(3,764)	[A]	(15,752)
Real Estate Operations	(3,223)	—		(3,223)
Total Direct Cost of Revenues	(15,211)	(3,764)		(18,975)
General and Administrative Expenses	(11,567)	—		(11,567)
Impairment Charges	(9,147)	—		(9,147)
Depreciation and Amortization	(19,063)	(3,851)	[B]	(22,914)
Total Operating Expenses	(54,988)	(7,615)		(62,603)
Gain on Disposition of Assets	9,746	—		9,746
Gain on Extinguishment of Debt	1,141	—		1,141
Other Gains and Income	10,887	—		10,887
Total Operating Income	12,280	249		12,529
Investment and Other Income (Loss)	(6,432)	—		(6,432)
Interest Expense	(10,838)	(1,106)	[C]	(11,944)
Income (Loss) Before Income Tax Expense	(4,990)	(857)		(5,847)
Income Tax Benefit	83,499	—		83,499
Net Income	$ 78,509	$ (857)		$ 77,652
Per Share Information:				
Basic Net Income per Share	$ 16.69	$ (0.18)		$ 16.50
Diluted Net Income per Share	$ 16.69	$ (0.18)		$ 16.50
Weighted Average Number of Common Shares:				
Basic	4,704,877	4,704,877		4,704,877
Diluted	4,704,877	4,704,877		4,704,877

See accompanying notes to unaudited pro forma consolidated financial statements.

NOTE 1. BASIS OF PRESENTATION

The unaudited pro forma consolidated balance sheet as of March 31, 2021, unaudited pro forma consolidated statement of operations for the three months ended March 31, 2021, and unaudited pro forma consolidated statement of operations for the year ended December 31, 2020 present the effects of the acquisition of The Shops at Legacy as though it had occurred on January 1, 2020, the beginning of the earliest applicable reporting period.

The acquisition of The Shops at Legacy was funded using (a) available cash, (b) 1031 like-kind exchange proceeds generated from certain of the Company’s previously completed property dispositions, (c) proceeds from the Company’s partial exercise of its accordion option on its existing term loan, and (d) the Company’s revolving credit facility, and was structured as a reverse like-kind exchange in order to account for possible future dispositions of income properties by the Company.

Unaudited Pro Forma Financials. The Unaudited Pro Forma Financials are based on the estimates and assumptions as of the date of this Current Report on Form 8-K set forth in the notes to the Unaudited Pro Forma Financials, which are preliminary and have been made solely for the purpose of developing such pro forma information. The Unaudited Pro Forma Financials are not necessarily indicative of the financial position or operating results that would have been achieved had the acquisition of the Property occurred on the dates indicated, nor are they necessarily indicative of the Company’s future financial position or operating results. Assumptions underlying the adjustments to the Unaudited Pro Forma Financials are described in the accompanying notes, which should be read in conjunction with the Unaudited Pro Forma Financials.

NOTE 2. PRO FORMA ADJUSTMENTS

Pro Forma Consolidated Balance Sheet as of March 31, 2021

[A] Represents recording the fair value of the real estate acquired related to The Shops at Legacy acquisition which are allocated to the acquired tangible assets, consisting of land, building and improvements, and identified intangible lease assets and liabilities, consisting of the value of above-market and below-market leases, the value of in-place leases, and the value of leasing costs. The fair value allocation was provided by a third-party valuation company.

The following represents the allocation of total acquisition costs for The Shops at Legacy (in thousands):

Allocation of Purchase Price:		
Land, at Cost	$	21,993
Building and Improvements, at Cost		27,040
Intangible Lease Assets		23,648
Intangible Lease Liabilities		(38)
Total Acquisition Cost - Purchase Price plus Acquisition Costs	$	72,643

[B] Represents the draw on the Company’s revolving credit facility of $68.7 million to acquire The Shops at Legacy. The Company’s recent dispositions which generated 1031 like-kind exchange proceeds occurred subsequent to March 31, 2021 and therefore were not given effect to in the Unaudited Pro Forma Financials. The actual closing was funded utilizing available cash, $12.2 million from like-kind exchange proceeds from the Company’s recent dispositions, proceeds from the Company’s partial exercise of its accordion option on its existing term loan, and a draw on the Company’s revolving credit facility. The acquisition is summarized as follows: purchase price of $72.5 million plus closing costs of $0.1 million, of which the total acquisition cost of approximately $72.6 million was recorded in accordance with the fair value allocation provided by a third-party valuation company, less tenant improvement and leasing commission credits of $3.0 million received at closing, reflected as an increase in Accrued and Other Liabilities and rent credits of $0.9 million, reflected as an increase in Deferred Revenue.

Pro Forma Consolidated Statement of Operations for the Three Months Ended March 31, 2021

[A] Represents aggregate adjustments to income property revenues totaling $1.9 million, based on the calculation of rent on a straight-line basis utilizing the existing lease terms, and related direct costs of income property revenues totaling $0.9 million for the three months ended March 31, 2021. The Company recognizes rental revenue from operating leases on a straight-line basis over the life of the related leases. The pro forma adjustment reflects the estimated incremental straight-line rental income to be recognized over the remaining life of the leases in The Shops at Legacy as of the acquisition date as though it had occurred on January 1, 2020, as compared to the straight-line rental income that had been recorded in the Historical Summary of Revenues and Direct Costs of Revenues of The Shops at Legacy for the relevant periods.

[B] Record depreciation and amortization of real estate acquired related to The Shops at Legacy which totaled $1.0 million for the three months ended March 31, 2021 based on the estimated remaining economic useful life for tangible assets and the weighted average remaining lease term for the related intangible assets and intangible liabilities. Capitalized above-and below-market lease values are amortized as a decrease or increase, respectively, to income property revenues which totaled $0.2 million for the three months ended March 31, 2021 and is included in the $1.9 million increase referred to in Note [A] above.

[C] Represents additional interest expense of $0.3 million related to the draw on the Company's revolving credit facility totaling $68.7 million in connection with the acquisition of The Shops at Legacy. The Company's recent dispositions which generated 1031 like-kind exchange proceeds occurred subsequent to March 31, 2021 and therefore were not given effect to in the Unaudited Pro Forma Financials. The actual closing was funded utilizing available cash, $12.2 million from like-kind exchange proceeds from the Company's recent dispositions, proceeds from the Company's partial exercise of its accordion option on its existing term loan, and a draw on the Company's revolving credit facility.

Pro Forma Consolidated Statement of Operations for the Year Ended December 31, 2020

[A] Represents aggregate adjustments to income property revenues totaling $7.9 million, based on the calculation of rent on a straight-line basis utilizing the existing lease terms, and related direct costs of income property revenues totaling $3.8 million for the year ended December 31, 2020. The pro forma adjustment reflects the estimated incremental straight-line rental income to be recognized over the remaining life of the leases in The Shops at Legacy as of the acquisition date as though it had occurred on January 1, 2020, as compared to the straight-line rental income that had been recorded in the Historical Summary of Revenues and Direct Costs of Revenues of The Shops at Legacy for the relevant periods.

[B] Record depreciation and amortization of real estate acquired related to The Shops at Legacy which totaled $3.9 million for the year ended December 31, 2020 based on the estimated remaining economic useful life for tangible assets and the weighted average remaining lease term for the related intangible assets and intangible liabilities. Capitalized above-and below-market lease values are amortized as a decrease or increase, respectively, to income property revenues which totaled $0.8 million for the year ended December 31, 2020 and is included in the $7.9 million increase referred to in Note [A] above.

[C] Represents additional interest expense of $1.1 million related to the draw on the Company's revolving credit facility totaling $68.7 million in connection with the acquisition of The Shops at Legacy. The Company's recent dispositions which generated 1031 like-kind exchange proceeds occurred subsequent to March 31, 2021 and therefore were not given effect to in the Unaudited Pro Forma Financials. The actual closing was funded utilizing available cash, $12.2 million from like-kind exchange proceeds from the Company's recent dispositions, proceeds from the Company's partial exercise of its accordion option on its existing term loan, and a draw on the Company's revolving credit facility.

Exhibit 99.2

Report of Independent Certified Public Accountants

Board of Directors and Stockholders
CTO Realty Growth, Inc.

We have audited the accompanying Historical Summary of Revenues and Direct Costs of Revenues of the Shops at Legacy (the "Property") for the year ended December 31, 2020, and the related notes (the "Historical Summary").

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of this Historical Summary in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Historical Summary that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on this Historical Summary based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Historical Summary is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Historical Summary. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Historical Summary, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Historical Summary in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the Historical Summary.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the Historical Summary referred to above presents fairly, in all material respects, the revenues and direct costs of revenues (described in Note 2) of the Property for the year ended December 31, 2020, in accordance with accounting principles generally accepted in the United States of America.

Emphasis of matter

We draw attention to Note 2 to the Historical Summary, which describes that the accompanying Historical Summary was prepared for the purposes of complying with certain rules and regulations of the Securities and Exchange Commission (for inclusion in the Current Report on Form 8-K of CTO Realty Growth, Inc.) and is not intended to be a complete presentation of the Property's revenues and direct costs of revenues. Our opinion is not modified with respect to this matter.

/S/ GRANT THORNTON LLP
Orlando, Florida
June 25, 2021

HISTORICAL SUMMARY OF REVENUES AND DIRECT COSTS OF REVENUES
For the Three Months Ended March 31, 2021 (Unaudited) and the Year Ended December 31, 2020
(In thousands)

	Three Months Ended March 31, 2021 (Unaudited)	
	The Shops at Legacy	
Revenues:		
Lease Income	$	2,117
Total Revenues		2,117
Direct Costs of Revenues:		
Real Estate Expenses		894
Total Direct Costs of Revenues		894
Revenues over Direct Costs of Revenues	$	1,223

	Year Ended December 31, 2020	
	The Shops at Legacy	
Revenues:		
Lease Income	$	8,589
Total Revenues		8,589
Direct Costs of Revenues:		
Real Estate Expenses		3,764
Total Direct Costs of Revenues		3,764
Revenues over Direct Costs of Revenues	$	4,825

The accompanying notes are an integral part of this historical summary of revenues and direct costs of revenues.

Notes to Historical Summary of Revenues and Direct Costs of Revenues
For the Three Months Ended March 31, 2021 (Unaudited) and the Year Ended December 31, 2020

NOTE 1. BUSINESS AND ORGANIZATION

On June 23, 2021, CTO Realty Growth, Inc. (the "Company" or "CTO") completed the acquisition of a mixed-use center in the Dallas-Fort Worth, Texas Metropolitan Area (the "Property" or "The Shops at Legacy") from an affiliate of an investment management company (the "Seller") for a purchase price of $72.5 million.

The acquisition was funded using (a) available cash, (b) 1031 like-kind exchange proceeds generated from certain of the Company's previously completed property dispositions, (c) proceeds from the Company's partial exercise of its accordion option on its existing term loan, and (d) the Company's revolving credit facility, and was structured as a reverse like-kind exchange in order to account for possible future dispositions of income properties by the Company.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

The accompanying historical summary of revenues and operating expenses (the "Historical Summary") includes the operations of the Property and has been prepared for the purpose of complying with Rule 3-14 of Regulation S-X promulgated under the Securities Act of 1933, as amended. Accordingly, the Historical Summary is not representative of the actual operations for the periods presented as revenues, and certain operating expenses, which may not be directly attributable to the revenues and expenses expected to be incurred in the future operations of the Property, have been excluded. Such items include depreciation, amortization, interest expense, interest income, and amortization of above- and below-market leases.

INCOME PROPERTY LEASE REVENUE

The rental arrangements associated with tenants of the Property are classified as operating leases. Accordingly, base rental income is recognized on a straight-line basis over the terms of the respective leases. Tenant reimbursement revenue is recognized as the related expenses are incurred and become recoverable from tenants. In April 2020, the FASB issued interpretive guidance relating to the accounting for lease concessions provided as a result of the COVID-19 Pandemic. In this guidance, entities can elect not to apply lease modification accounting with respect to such lease concessions and, instead, treat the concession as if it was a part of the existing contract. This guidance is only applicable to lease concessions related to the COVID-19 Pandemic that do not result in a substantial increase in the rights of the lessor or the obligations of the lessee. For the three months ended March 31, 2021 and the year ended December 31, 2020, the Company elected to not apply lease modification accounting with respect to rent deferrals as the concessions were related to the COVID-19 Pandemic and there was not a substantial increase in the lessor's rights under the lease agreement. Accordingly, for leases in which deferred rent agreements were reached, the Company has continued to account for the lease by recognizing the normal straight-line rental income and as the deferred rents are repaid by the tenant, the straight-line receivable will be reduced. With respect to rent abatement agreements, lease modification accounting applies as if an extended term was a part of such agreements; accordingly, the Company re-calculated straight-line rental income for such leases to recognize over the new lease term.

USE OF ESTIMATES IN THE PREPARATION OF FINANCIAL STATEMENTS

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that in certain circumstances may affect the reported revenues. Actual results could materially differ from these estimates.

COVID-19 PANDEMIC

In 2020, The Shops at Legacy experienced a short term decrease in cash from operations as tenants were impacted by the COVID-19 Pandemic and certain tenants' rents were abated or deferred during the year. A prolonged imposition of mandated closures or other social-distancing guidelines as a result of the COVID-19 Pandemic may adversely impact tenants' ability to generate sufficient revenues, and could force additional tenants to default on their leases, or result in the bankruptcy or insolvency of tenants, which would diminish the rental revenue that the Company receives under the leases. The rapid development and fluidity of the pandemic precludes any prediction as to the ultimate adverse impact on the Property.

NOTE 3. REVENUE RECOGNITION

Pursuant to *FASB ASC Topic 606, Revenue from Contracts with Customers*, see the following tables which summarize total revenues by major service for the three months ended March 31, 2021 and the year ended December 31, 2020 (in thousands):

For the three months ended March 31, 2021 (Unaudited)	
Major Service:	
Lease Revenue - Base Rent	$ 1,597
Lease Revenue - CAM	278
Lease Revenue - Reimbursements	242
Total Revenues	$ 2,117

For the year ended December 31, 2020	
Major Service:	
Lease Revenue - Base Rent	$ 6,303
Lease Revenue - CAM	1,187
Lease Revenue - Reimbursements	1,099
Total Revenues	$ 8,589

NOTE 4. MINIMUM FUTURE RENTAL RECEIPTS

Minimum future rental receipts under non-cancelable operating leases, excluding percentage rent and other lease payments that are not fixed and determinable, having remaining terms in excess of one year subsequent to March 31, 2021, are summarized as follows (in thousands):

Year Ending December 31,	The Shops at Legacy
Remainder of 2021	$ 5,161
2022	6,368
2023	6,226
2024	5,467
2025	4,889
2026 and thereafter (cumulative)	24,364
Total	$ 52,475

NOTE 5. CONCENTRATION OF CREDIT RISK

There is one tenant in the Property portfolio presented in the Historical Summary that accounts for approximately 33.3% and 33.7% of the revenues reported three months ended March 31, 2021 and the year ended December 31, 2020, respectively.

NOTE 6. SUBSEQUENT EVENTS

Subsequent events and transactions were evaluated through June 25, 2021, the date on which the Historical Summary was issued. There were no reportable subsequent events or transactions.

Press Release

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FOR IMMEDIATE RELEASE

CTO REALTY GROWTH ANNOUNCES CONTRACT TO SELL THE REMAINING DAYTONA BEACH LAND WITHIN ITS LAND JOINT VENTURE

DAYTONA BEACH, FL – June 24, 2021 – CTO Realty Growth, Inc. (NYSE: CTO) (the "Company" or "CTO") today announced the joint venture entity that holds the remaining Daytona Beach land portfolio of approximately 1,600 acres (the "Land Venture") has entered into a binding contract with Timberline Acquisition Partners, an affiliate of Timberline Real Estate Partners ("Timberline"), for the sale of substantially all of its remaining land, including any land that was previously under contract, for $67.0 million (the "Land Venture Sale"). Proceeds to CTO after distributions to the other member of the Land Venture and before taxes are estimated to be approximately $25.6 million. Closing is anticipated to occur prior to year-end and is subject to completion of standard due diligence and closing conditions.

The Company anticipates using its proceeds from the Land Venture Sale to repay amounts outstanding under its unsecured revolving credit facility, and for general corporate and working capital purposes, which may include funding income property acquisitions.

"I am excited to announce the contract to sell all of the remaining land in our joint venture, which represents the culmination of a multi-year transformation and monetization of the Company's interests in its various legacy land holdings," said John P. Albright, President and Chief Executive Officer of CTO Realty Growth. "By exiting the land transaction and entitlement business, we'll now be able to fully align Company resources towards our core strategy of growing our income property portfolio and maximizing the cash flow of our owned assets. This transaction also unlocks substantial non-income producing equity and allows us to redeploy the capital into additional income producing properties, which will be highly accretive to per share earnings, improve our dividend payout ratios and continue to position the Company as a high-growth, first-class diversified real estate investment trust."

Commenting on the transaction, Stan Nix, Chief Executive Officer of Timberline said, "This transaction underscores our belief in the continued growth of central Florida, providing a range of strategic development opportunities including a 4.5 million square foot institutional-grade logistics park, numerous multi-family residential sites, and a host of retail and other commercial uses. We look forward to continuing the excellent work done by John and the CTO team over the past years in creating a commercially vibrant destination in West Daytona."

About CTO Realty Growth, Inc.

CTO Realty Growth, Inc. is a publicly traded real estate investment trust that owns and operates a portfolio of high-quality, primarily retail-based properties located in higher growth markets in the United States. CTO also owns an approximate 16% interest in Alpine Income Property Trust, Inc. (NYSE: PINE), a publicly traded net lease REIT.

We encourage you to review our most recent investor presentation, which is available on our website at www.ctoreit.com.

Safe Harbor

Certain statements contained in this press release (other than statements of historical fact) are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. Forward-looking statements can typically be identified by words such as “believe,” “estimate,” “expect,” “intend,” “anticipate,” “will,” “could,” “may,” “should,” “plan,” “potential,” “predict,” “forecast,” “project,” and similar expressions, as well as variations or negatives of these words.

Although forward-looking statements are made based upon management’s present expectations and reasonable beliefs concerning future developments and their potential effect upon the Company, a number of factors could cause the Company’s actual results to differ materially from those set forth in the forward-looking statements. Such factors may include, but are not limited to: the Company’s ability to remain qualified as a REIT; the Company’s exposure to U.S. federal and state income tax law changes, including changes to the REIT requirements; general adverse economic and real estate conditions; the ultimate geographic spread, severity and duration of pandemics such as the recent outbreak of the novel coronavirus, actions that may be taken by governmental authorities to contain or address the impact of such pandemics, and the potential negative impacts of such pandemics on the global economy and the Company’s financial condition and results of operations; the inability of major tenants to continue paying their rent or obligations due to bankruptcy, insolvency or a general downturn in their business; the loss or failure, or decline in the business or assets of PINE or the venture formed when the Company sold its controlling interest in the entity that owned the Company’s remaining land portfolio, of which the Company has a retained interest; the completion of 1031 exchange transactions; the availability of investment properties that meet the Company’s investment goals and criteria; the uncertainties associated with obtaining required governmental permits and satisfying other closing conditions for planned acquisitions and sales; and the uncertainties and risk factors discussed in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2020 or Form 10-Q for the quarter ended March 31, 2021, as filed with the SEC.

There can be no assurance that future developments will be in accordance with management’s expectations or that the effect of future developments on the Company will be those anticipated by management. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. The Company undertakes no obligation to update the information contained in this press release to reflect subsequently occurring events or circumstances.

CTO REALTY GROWTH

Press Release

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FOR IMMEDIATE RELEASE

CTO REALTY GROWTH ANNOUNCES THE ACQUISITION OF THE SHOPS AT LEGACY IN THE PLANO SUBMARKET OF DALLAS, TEXAS FOR $72.5 MILLION

DAYTONA BEACH, FL – June 24, 2021 – CTO Realty Growth, Inc. (NYSE: CTO) (the "Company" or "CTO") today announced it has acquired The Shops at Legacy North, an approximately 236,000 square foot retail-driven mixed-use lifestyle property in Plano, Texas (the "Property").

The Shops at Legacy North, which was constructed in 2007 and includes nearly 1,000 parking spaces, is currently 83% occupied and is situated on 12.7 acres across the Dallas North Tollway from Legacy West at the core of the 2,665-acre master-planned Legacy District, one of the premier live-work-play communities in the United States. The Property has excellent accessibility to a large concentration of Fortune 500 Companies, is surrounded by approximately 8,000 apartment units and nearly 2,500 hotel rooms, and benefits from excellent demographics with a daytime population of more than 160,000 people, a five-mile population of approximately 316,000 and five-mile average household incomes of more than $141,000.

The retail portion of the Property, which represents 121,496 square feet, boasts a diversified mix of upscale, amenity-driven retailers and is anchored by a variety of national and local restaurants, including The Capital Grille, Seasons 52, Mexican Sugar, Benihana and Ra Sushi. The office component of the Property, which totals 114,936 square feet, includes notable tenants such as Unum, Technologent, Timmons Group, BRP and Shift Digital, and is anchored by WeWork's technology and amenity-based Enterprise Model coworking space, which occupies approximately 59,000 square feet and has more than 12 years of term remaining on their lease.

"We're thrilled with our acquisition of The Shops at Legacy, one of the most recognizable and distinctive properties in the Dallas-Fort Worth, Texas market," said John P. Albright, President and Chief Executive Officer of CTO Realty Growth. "The Plano submarket of Dallas is experiencing significant population and employment growth and serves as the primary growth corridor in the region, benefitting from a diversified blue-chip corporate presence, first-class residential neighborhoods, low business costs and a well-educated workforce. These attributes, when combined with the property's premier positioning in the market and dynamic tenant mix, give us confidence in the sustainability of the property's cash flows, and we believe this is an excellent addition to our growing, high-quality portfolio."

The Property was purchased through a 1031 like-kind exchange using $12.2 million of restricted cash generated from the Company's previously completed property dispositions, $15.0 million of new term loan proceeds from the Company's partial exercise of its accordion option in its existing term loan, available cash, and draws from the Company's unsecured revolving credit facility.

Consistent with the Company's existing transaction guidance, CTO anticipates reverse funding a portion of the Property acquisition cost through additional assets sales by way of 1031 like-kind exchange, including its previously announced disposition of six properties to Alpine Income Property Trust, Inc., which is expected to close in the next 30 days.

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