United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

☒ QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the quarterly period ended March 31, 2023

OR

☐ TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _________ to _________

Commission file number: 1-11986 (Tanger Factory Outlet Centers, Inc.)
Commission file number: 333-3526-01 (Tanger Properties Limited Partnership)

TANGER FACTORY OUTLET CENTERS, INC.
TANGER PROPERTIES LIMITED PARTNERSHIP
(Exact name of registrant as specified in its charter)

North Carolina	**(Tanger Factory Outlet Centers, Inc.)**	**56-1815473**
North Carolina	**(Tanger Properties Limited Partnership)**	**56-1822494**
(State or other jurisdiction of incorporation or organization)		(I.R.S. Employer Identification No.)

3200 Northline Avenue, Suite 360, Greensboro, NC 27408
(Address of principal executive offices) (Zip Code)
(336) 292-3010
(Registrant’s telephone number, including area code)

N/A
(Former name, former address and former fiscal year, if changed since last report)

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

Tanger Factory Outlet Centers, Inc.:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares, $0.01 par value	SKT	New York Stock Exchange

Tanger Properties Limited Partnership:

None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Tanger Factory Outlet Centers, Inc.	Yes	☒	No	☐
Tanger Properties Limited Partnership	Yes	☒	No	☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Tanger Factory Outlet Centers, Inc.	Yes	☒	No	☐
Tanger Properties Limited Partnership	Yes	☒	No	☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of “large accelerated filer,” “accelerated filer,” “smaller reporting company” and “emerging growth company” in Rule 12b-2 of the Exchange Act.

Tanger Factory Outlet Centers, Inc.

Large Accelerated Filer	☒	Accelerated Filer	☐
Non-accelerated Filer	☐	Smaller Reporting Company	☐
		Emerging Growth Company	☐

Tanger Properties Limited Partnership

Large Accelerated Filer	☐	Accelerated Filer	☐
Non-accelerated Filer	☒	Smaller Reporting Company	☐
		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.

Tanger Factory Outlet Centers, Inc.	☐
Tanger Properties Limited Partnership	☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Tanger Factory Outlet Centers, Inc.	Yes ☐	No ☒
Tanger Properties Limited Partnership	Yes ☐	No ☒

As of April 24, 2023, there were 105,181,181 common shares of Tanger Factory Outlet Centers, Inc. outstanding, $.01 par value.

EXPLANATORY NOTE

This report combines the unaudited quarterly reports on Form 10-Q for the quarter ended March 31, 2023 of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership. Unless the context indicates otherwise, the term "Company" refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term "Operating Partnership" refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

Tanger Factory Outlet Centers, Inc. and subsidiaries is one of the largest owners and operators of outlet centers in the United States and Canada. The Company is a fully-integrated, self-administered and self-managed real estate investment trust ("REIT"), which, through its controlling interest in the Operating Partnership, focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. The outlet centers and other assets are held by, and all of the operations are conducted by, the Operating Partnership. Accordingly, the descriptions of the business, employees and properties of the Company are also descriptions of the business, employees and properties of the Operating Partnership. As the Operating Partnership is the issuer of our registered debt securities, we are required to present a separate set of financial statements for this entity.

The Company, including its wholly-owned subsidiary, Tanger LP Trust, owns the majority of the units of partnership interest issued by the Operating Partnership. The Company controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest. As of March 31, 2023, the Company and its wholly owned subsidiaries owned 105,316,253 units of the Operating Partnership and other limited partners (the "Non-Company LPs") collectively owned 4,737,982 Class A common limited partnership units. Each Class A common limited partnership unit held by the Non-Company LPs is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's status as a REIT. Class B common limited partnership units, which are held by Tanger LP Trust, are not exchangeable for common shares of the Company.

Management operates the Company and the Operating Partnership as one enterprise. The management of the Company consists of the same members as the management of the Operating Partnership. These individuals are officers of the Company and employees of the Operating Partnership.

We believe combining the quarterly reports on Form 10-Q of the Company and the Operating Partnership into this single report results in the following benefits:

- enhancing investors' understanding of the Company and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation since a substantial portion of the disclosure applies to both the Company and the Operating Partnership; and
- creating time and cost efficiencies through the preparation of one combined report instead of two separate reports.

There are only a few differences between the Company and the Operating Partnership, which are reflected in the disclosure in this report. We believe it is important, however, to understand these differences between the Company and the Operating Partnership in the context of how the Company and the Operating Partnership operate as an interrelated consolidated company.

As stated above, the Company is a REIT, whose only material asset is its ownership of partnership interests of the Operating Partnership, including through its wholly-owned subsidiary, Tanger LP Trust. As a result, the Company does not conduct business itself, other than issuing public equity from time to time and incurring expenses required to operate as a public company. However, all operating expenses incurred by the Company are reimbursed by the Operating Partnership, thus the only material item on the Company's income statement is its equity in the earnings of the Operating Partnership. Therefore, the assets and liabilities and the revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by the Company. The Company itself does not hold any indebtedness but does guarantee certain debt of the Operating Partnership, as disclosed in this report.

The Operating Partnership holds all of the outlet centers and other assets, including the ownership interests in consolidated and unconsolidated joint ventures. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for net proceeds from public equity issuances by the Company, which are contributed to the Operating Partnership in exchange for partnership units, the Operating Partnership generates the capital required through its operations, its incurrence of indebtedness or through the issuance of partnership units.

Noncontrolling interests, shareholders' equity and partners' capital are the main areas of difference between the consolidated financial statements of the Company and those of the Operating Partnership. The limited partnership interests in the Operating Partnership held by the Non-Company LPs are accounted for as partners' capital in the Operating Partnership's financial statements and as noncontrolling interests in the Company's financial statements.

To help investors understand the significant differences between the Company and the Operating Partnership, this report presents the following separate sections, for each of the Company and the Operating Partnership:

- Consolidated financial statements;
- The following notes to the consolidated financial statements:
    - Debt of the Company and the Operating Partnership;
    - Shareholders' Equity and Partners' Equity;
    - Earnings Per Share and Earnings Per Unit;
    - Accumulated Other Comprehensive Income of the Company and the Operating Partnership; and
- Liquidity and Capital Resources in the Management's Discussion and Analysis of Financial Condition and Results of Operations.

This report also includes separate Item 4. Controls and Procedures sections and separate Exhibit 31 and 32 certifications for each of the Company and the Operating Partnership in order to establish that the Principal Executive Officer and the Principal Financial Officer of each entity have made the requisite certifications and that the Company and Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 and 18 U.S.C. §1350.

The separate sections in this report for the Company and the Operating Partnership specifically refer to the Company and the Operating Partnership. In the sections that combine disclosure of the Company and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company. Although the Operating Partnership is generally the entity that enters into contracts and joint ventures and holds assets and debt, reference to the Company is appropriate because the business is one enterprise and the Company operates the business through the Operating Partnership.

The Company currently consolidates the Operating Partnership because it has (1) the power to direct the activities of the Operating Partnership that most significantly impact the Operating Partnership's economic performance and (2) the obligation to absorb losses and the right to receive the residual returns of the Operating Partnership that could be potentially significant. The separate discussions of the Company and the Operating Partnership in this report should be read in conjunction with each other to understand the results of the Company on a consolidated basis and how management operates the Company.

TANGER FACTORY OUTLET CENTERS, INC. AND TANGER PROPERTIES LIMITED PARTNERSHIP

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PART I. - FINANCIAL INFORMATION

Item 1 - Financial Statements of Tanger Factory Outlet Centers, Inc.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except share data, unaudited)

	March 31, 2023	December 31, 2022
Assets		
Rental property:		
Land	$ 275,081	$ 275,079
Buildings, improvements and fixtures	2,558,983	2,553,452
Construction in progress	54,623	27,340
	2,888,687	2,855,871
Accumulated depreciation	(1,248,391)	(1,224,962)
Total rental property, net	1,640,296	1,630,909
Cash and cash equivalents	202,821	212,124
Short-term investments	32,946	52,450
Investments in unconsolidated joint ventures	73,368	73,809
Deferred lease costs and other intangibles, net	56,818	58,574
Operating lease right-of-use assets	78,332	78,636
Prepaids and other assets	100,811	111,163
Total assets	$ 2,185,392	$ 2,217,665
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	$ 1,038,456	$ 1,037,998
Unsecured term loan, net	321,736	321,525
Mortgages payable, net	67,749	68,971
Unsecured lines of credit	—	—
Total debt	1,427,941	1,428,494
Accounts payable and accrued expenses	79,401	104,741
Operating lease liabilities	87,234	87,528
Other liabilities	84,510	82,968
Total liabilities	1,679,086	1,703,731
Commitments and contingencies		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, $0.01 par value, 300,000,000 shares authorized, 105,316,253 and 104,497,920 shares issued and outstanding at March 31, 2023 and December 31, 2022, respectively	1,053	1,045
Paid in capital	984,253	987,192
Accumulated distributions in excess of net income	(486,638)	(485,557)
Accumulated other comprehensive loss	(14,159)	(11,037)
Equity attributable to Tanger Factory Outlet Centers, Inc.	484,509	491,643
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	21,797	22,291
Noncontrolling interests in other consolidated partnerships	—	—
Total equity	506,306	513,934
Total liabilities and equity	$ 2,185,392	$ 2,217,665

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share data, unaudited)

	Three months ended March 31, 2023	Three months ended March 31, 2022
Revenues:		
Rental revenues	$ 103,582	$ 104,609
Management, leasing and other services	1,914	1,527
Other revenues	3,447	2,732
Total revenues	108,943	108,868
Expenses:		
Property operating	33,148	36,758
General and administrative	17,434	15,467
Depreciation and amortization	25,893	26,243
Total expenses	76,475	78,468
Other income (expense):		
Interest expense	(12,343)	(11,634)
Other income (expense)	2,800	183
Total other income (expense)	(9,543)	(11,451)
Income before equity in earnings of unconsolidated joint ventures	22,925	18,949
Equity in earnings of unconsolidated joint ventures	1,935	2,513
Net income	24,860	21,462
Noncontrolling interests in Operating Partnership	(1,071)	(944)
Noncontrolling interests in other consolidated partnerships	(248)	—
Net income attributable to Tanger Factory Outlet Centers, Inc.	$ 23,541	$ 20,518
Basic earnings per common share:		
Net income	$ 0.22	$ 0.20
Diluted earnings per common share:		
Net income	$ 0.22	$ 0.19

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands, unaudited)

	Three months ended March 31,	
	2023	2022
Net income	$ 24,860	$ 21,462
Other comprehensive income (loss):		
Foreign currency translation adjustments	162	1,226
Change in fair value of cash flow hedges	(3,426)	7,674
Other comprehensive income (loss)	(3,264)	8,900
Comprehensive income	21,596	30,362
Comprehensive income attributable to noncontrolling interests	(929)	(1,335)
Comprehensive income attributable to Tanger Factory Outlet Centers, Inc.	$ 20,667	$ 29,027

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except share and per share data, unaudited)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive loss	Equity attributable to Tanger Factory Outlet Centers, Inc.	Noncontrolling interests in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2021	$ 1,041	$ 978,054	$ (483,409)	$ (17,761)	$ 477,925	$ 21,864	$ —	$ 499,789
Net income	—	—	20,518	—	20,518	944	—	21,462
Other comprehensive income	—	—	—	8,509	8,509	391	—	8,900
Compensation under Incentive Award Plan	—	2,746	—	—	2,746	—	—	2,746
Issuance of 1,900 common shares upon exercise of options	—	10	—	—	10	—	—	10
Grant of 512,398 restricted common share awards, net of forefeitures	4	(4)	—	—	—	—	—	—
Withholding of 129,971 common shares for employee income taxes	(1)	(2,145)	—	—	(2,146)	—	—	(2,146)
Adjustment for noncontrolling interests in Operating Partnership	—	73	—	—	73	(73)	—	—
Common dividends ($0.1825 per share)	—	—	(19,315)	—	(19,315)	—	—	(19,315)
Distributions to noncontrolling interests	—	—	—	—	—	(869)	—	(869)
Balance, March 31, 2022	$ 1,044	$ 978,734	$ (482,206)	$ (9,252)	$ 488,320	$ 22,257	$ —	$ 510,577

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(In thousands, except share and per share data, unaudited)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive loss	Equity attributable to Tanger Factory Outlet Centers, Inc.	Noncontrolling interests in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2022	$ 1,045	$ 987,192	$ (485,557)	$ (11,037)	$ 491,643	$ 22,291	$ —	$ 513,934
Net income	—	—	23,541	—	23,541	1,071	248	24,860
Other comprehensive loss	—	—	—	(3,122)	(3,122)	(142)	—	(3,264)
Compensation under Incentive Award Plan	—	2,323	—	—	2,323	—	—	2,323
Issuance of 2,600 common shares upon exercise of options	—	15	—	—	15	—	—	15
Grant of 1,116,372 restricted common share awards, net of forfeitures	11	(11)	—	—	—	—	—	—
Withholding of 300,639 common shares for employee income taxes	(3)	(5,646)	—	—	(5,649)	—	—	(5,649)
Adjustment for noncontrolling interests in Operating Partnership	—	381	—	—	381	(381)	—	—
Common dividends ($0.2200 per share)	—	—	(24,623)	—	(24,623)	—	—	(24,623)
Distributions to noncontrolling interests	—	—	—	—	—	(1,042)	(248)	(1,290)
Balance, March 31, 2023	$ 1,053	$ 984,254	$ (486,639)	$ (14,159)	$ 484,509	$ 21,797	$ —	$ 506,306

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Three months ended March 31, 2023	Three months ended March 31, 2022
OPERATING ACTIVITIES		
Net income	$ 24,860	$ 21,462
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	25,893	26,243
Amortization of deferred financing costs	808	759
Equity in earnings of unconsolidated joint ventures	(1,935)	(2,513)
Equity-based compensation expense	2,271	2,708
Amortization of debt (premiums) and discounts, net	144	117
Amortization (accretion) of market rent rate adjustments, net	134	176
Straight-line rent adjustments	680	1,337
Distributions of cumulative earnings from unconsolidated joint ventures	2,007	2,474
Changes in other assets and liabilities:		
Other assets	6,064	(1,377)
Accounts payable and accrued expenses	(35,352)	(32,532)
Net cash provided by operating activities	25,574	18,854
INVESTING ACTIVITIES		
Additions to rental property	(25,940)	(5,867)
Proceeds from short-term investments	19,504	—
Additions to non-real estate assets	(370)	(1,924)
Distributions in excess of cumulative earnings from unconsolidated joint ventures	2,556	3,353
Additions to deferred lease costs	(694)	(588)
Other investing activities	3,071	1,686
Net cash used in investing activities	(1,873)	(3,340)
FINANCING ACTIVITIES		
Cash dividends paid	(24,623)	(19,315)
Distributions to noncontrolling interests in Operating Partnership	(1,042)	(869)
Proceeds from notes, mortgages and loans	—	—
Repayments of notes, mortgages and loans	(1,160)	(1,080)
Employee income taxes paid related to shares withheld upon vesting of equity awards	(5,649)	(2,146)
Additions to deferred financing costs	(17)	(227)
Proceeds from exercise of options	15	10
Payment for other financing activities	(287)	(287)
Distributions to noncontrolling interests in other consolidated partnerships	(248)	—
Net cash used in financing activities	(33,011)	(23,914)
Effect of foreign currency rate changes on cash and cash equivalents	7	(8)
Net decrease in cash and cash equivalents	(9,303)	(8,408)
Cash and cash equivalents, beginning of period	212,124	161,255
Cash and cash equivalents, end of period	$ 202,821	$ 152,847

The accompanying notes are an integral part of these consolidated financial statements.

Item 1 - Financial Statements of Tanger Properties Limited Partnership

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(In thousands, except unit data, unaudited)

	March 31, 2023	December 31, 2022
Assets		
Rental property:		
Land	$ 275,081	$ 275,079
Buildings, improvements and fixtures	2,558,983	2,553,452
Construction in progress	54,623	27,340
	2,888,687	2,855,871
Accumulated depreciation	(1,248,391)	(1,224,962)
Total rental property, net	1,640,296	1,630,909
Cash and cash equivalents	202,629	212,011
Short-term investments	32,946	52,450
Investments in unconsolidated joint ventures	73,368	73,809
Deferred lease costs and other intangibles, net	56,818	58,574
Operating lease right-of-use assets	78,332	78,636
Prepaids and other assets	100,186	110,622
Total assets	$ 2,184,575	$ 2,217,011
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	$ 1,038,456	$ 1,037,998
Unsecured term loan, net	321,736	321,525
Mortgages payable, net	67,749	68,971
Unsecured lines of credit	—	—
Total debt	1,427,941	1,428,494
Accounts payable and accrued expenses	78,584	104,087
Operating lease liabilities	87,234	87,528
Other liabilities	84,510	82,968
Total liabilities	1,678,269	1,703,077
Commitments and contingencies		
Equity		
Partners' Equity:		
General partner, 1,100,000 units outstanding at March 31, 2023 and 1,100,000 units at December 31, 2022, respectively	4,520	4,516
Limited partners, 4,737,982 and 4,737,982 Class A common units, and 104,216,253 and 103,397,920 Class B common units outstanding at March 31, 2023 and December 31, 2022, respectively	516,800	521,168
Accumulated other comprehensive loss	(15,014)	(11,750)
Total partners' equity	506,306	513,934
Noncontrolling interests in consolidated partnerships	—	—
Total equity	506,306	513,934
Total liabilities and equity	$ 2,184,575	$ 2,217,011

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except per unit data, unaudited)

	Three months ended March 31, 2023	Three months ended March 31, 2022
Revenues:		
Rental revenues	$ 103,582	$ 104,609
Management, leasing and other services	1,914	1,527
Other revenues	3,447	2,732
Total revenues	108,943	108,868
Expenses:		
Property operating	33,148	36,758
General and administrative	17,434	15,467
Depreciation and amortization	25,893	26,243
Total expenses	76,475	78,468
Other income (expense):		
Interest expense	(12,343)	(11,634)
Other income (expense)	2,800	183
Total other income (expense)	(9,543)	(11,451)
Income before equity in earnings of unconsolidated joint ventures	22,925	18,949
Equity in earnings of unconsolidated joint ventures	1,935	2,513
Net income	24,860	21,462
Noncontrolling interests in consolidated partnerships	(248)	—
Net income available to partners	24,612	21,462
Net income available to limited partners	24,366	17,150
Net income (loss) available to general partner	$ 246	$ 4,312
Basic earnings per common unit:		
Net income	$ 0.22	$ 0.20
Diluted earnings per common unit:		
Net income	$ 0.22	$ 0.19

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands, unaudited)

	Three months ended March 31, 2023	Three months ended March 31, 2022
Net income	$ 24,860	$ 21,462
Other comprehensive income (loss):		
Foreign currency translation adjustments	162	1,226
Changes in fair value of cash flow hedges	(3,426)	7,674
Other comprehensive income (loss)	(3,264)	8,900
Comprehensive income	21,596	30,362
Comprehensive income attributable to noncontrolling interests in consolidated partnerships	(248)	—
Comprehensive income attributable to the Operating Partnership	$ 21,348	$ 30,362

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except unit and per unit data, unaudited)

	General partner	Limited partners	Accumulated other comprehensive loss	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, December 31, 2021	$ 4,539	$ 514,023	$ (18,773)	$ 499,789	$ —	$ 499,789
Net income	4,312	17,150	—	21,462	—	21,462
Other comprehensive income	—	—	8,900	8,900	—	8,900
Compensation under Incentive Award Plan	—	2,746	—	2,746	—	2,746
Issuance of 1,900 common units upon exercise of options	—	10	—	10	—	10
Withholding of 129,971 common units for employee income taxes	—	(2,146)	—	(2,146)	—	(2,146)
Grant of 512,398 restricted common share awards by the Company	—	—	—	—	—	—
Common distributions ($0.1825 per unit)	(201)	(19,983)	—	(20,184)	—	(20,184)
Balance, March 31, 2022	$ 8,650	$ 511,800	$ (9,873)	$ 510,577	$ —	$ 510,577

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(In thousands, except unit and per unit data, unaudited)

	General partner	Limited partners	Accumulated other comprehensive loss	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, December 31, 2022	$ 4,516	$ 521,168	$ (11,750)	$ 513,934	$ —	$ 513,934
Net income	246	24,366	—	24,612	248	$ 24,860
Other comprehensive loss	—	—	(3,264)	(3,264)	—	(3,264)
Compensation under Incentive Award Plan	—	2,323	—	2,323	—	2,323
Issuance of 2,600 common shares upon exercise of options		15		15		15
Withholding of 300,639 common units for employee income taxes	—	(5,649)	—	(5,649)	—	(5,649)
Grant of 1,116,372 restricted common share awards by the Company	—	—	—	—	—	—
Common distributions ($0.2200 per unit)	(242)	(25,423)	—	(25,665)	(248)	(25,913)
Balance, March 31, 2023	$ 4,520	$ 516,800	$ (15,014)	$ 506,306	$ —	$ 506,306

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands, unaudited)

	Three months ended March 31, 2023	Three months ended March 31, 2022
OPERATING ACTIVITIES		
Net income	$ 24,860	$ 21,462
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Depreciation and amortization	25,893	26,243
Amortization of deferred financing costs	808	759
Equity in earnings of unconsolidated joint ventures	(1,935)	(2,513)
Equity-based compensation expense	2,271	2,708
Amortization of debt (premiums) and discounts, net	144	117
Amortization (accretion) of market rent rate adjustments, net	134	176
Straight-line rent adjustments	680	1,337
Distributions of cumulative earnings from unconsolidated joint ventures	2,007	2,474
Changes in other assets and liabilities:		
Other assets	6,064	(1,394)
Accounts payable and accrued expenses	(35,431)	(32,681)
Net cash provided by operating activities	25,495	18,688
INVESTING ACTIVITIES		
Additions to rental property	(25,940)	(5,867)
Proceeds from short-term investments	19,504	—
Additions to non-real estate assets	(370)	(1,924)
Distributions in excess of cumulative earnings from unconsolidated joint ventures	2,556	3,353
Additions to deferred lease costs	(694)	(588)
Other investing activities	3,071	1,686
Net cash used in investing activities	(1,873)	(3,340)
FINANCING ACTIVITIES		
Cash distributions paid	(25,665)	(20,184)
Proceeds from notes, mortgages and loans	—	—
Repayments of notes, mortgages and loans	(1,160)	(1,080)
Employee income taxes paid related to shares withheld upon vesting of equity awards	(5,649)	(2,146)
Additions to deferred financing costs	(17)	(227)
Proceeds from exercise of options	15	10
Payment for other financing activities	(287)	(287)
Distributions to noncontrolling interests in other consolidated partnerships	(248)	—
Net cash used in financing activities	(33,011)	(23,914)
Effect of foreign currency on cash and cash equivalents	7	(8)
Net increase (decrease) in cash and cash equivalents	(9,382)	(8,574)
Cash and cash equivalents, beginning of period	212,011	161,152
Cash and cash equivalents, end of period	$ 202,629	$ 152,578

The accompanying notes are an integral part of these consolidated financial statements.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Business

Tanger Factory Outlet Centers, Inc. and subsidiaries is one of the largest owners and operators of outlet centers in the United States and Canada. We are a fully-integrated, self-administered and self-managed real estate investment trust (“REIT”) which, through our controlling interest in the Operating Partnership, focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. As of March 31, 2023, we owned and operated 29 consolidated outlet centers, with a total gross leasable area of approximately 11.4 million square feet, which were 97% occupied and contained over 2,200 stores representing approximately 600 store brands, as well as one center under construction. We also had partial ownership interests in six unconsolidated outlet centers totaling approximately 2.1 million square feet, including two outlet centers in Canada. Our portfolio also includes one managed center totaling approximately 500,000 square feet. Each of our outlet centers, except one joint venture property, features the Tanger brand name.

Our outlet centers and other assets are held by, and all of our operations are conducted by, Tanger Properties Limited Partnership and subsidiaries. Accordingly, the descriptions of our business, employees and properties are also descriptions of the business, employees and properties of the Operating Partnership. Unless the context indicates otherwise, the term “Company” refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term “Operating Partnership” refers to Tanger Properties Limited Partnership and subsidiaries. The terms “we”, “our” and “us” refer to the Company or the Company and the Operating Partnership together, as the text requires.

The Company, including its wholly-owned subsidiary, Tanger LP Trust, owns the majority of the units of partnership interest issued by the Operating Partnership. The Company controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest. As of March 31, 2023, the Company and its wholly-owned subsidiaries owned 105,316,253 units of the Operating Partnership and other limited partners (the “Non-Company LPs”) collectively owned 4,737,982 Class A common limited partnership units. Each Class A common limited partnership unit held by the Non-Company LPs is exchangeable for one of the Company’s common shares, subject to certain limitations to preserve the Company’s REIT status. Class B common limited partnership units, which are held by Tanger LP Trust, are not exchangeable for common shares of the Company.

2. Summary of Significant Accounting Policies

Basis of Presentation

The unaudited consolidated financial statements included herein have been prepared pursuant to accounting principles generally accepted in the United States of America (“GAAP”) and should be read in conjunction with the consolidated financial statements and notes thereto of the Company’s and the Operating Partnership’s combined Annual Report on Form 10-K for the year ended December 31, 2022. The December 31, 2022 balance sheet data in this Form 10-Q was derived from audited financial statements. Certain information and note disclosures normally included in financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to the rules and regulations of the Securities and Exchange Commission (the “SEC”), although management believes that the disclosures are adequate to make the information presented not misleading. In the opinion of management, all adjustments (consisting only of normal recurring adjustments) necessary for a fair presentation of the financial statements for the interim periods have been made. The results of interim periods are not necessarily indicative of the results for a full year.

The Company currently consolidates the Operating Partnership because it has (1) the power to direct the activities of the Operating Partnership that most significantly impact the Operating Partnership’s economic performance and (2) the obligation to absorb losses and the right to receive the residual returns of the Operating Partnership that could be potentially significant.

We consolidate properties that are wholly-owned and properties where we own less than 100% but control such properties. Control is determined using an evaluation based on accounting standards related to the consolidation of voting interest entities and variable interest entities (“VIE”). For joint ventures that are determined to be a VIE, we consolidate the entity where we are deemed to be the primary beneficiary. Determination of the primary beneficiary is based on whether an entity has (1) the power to direct the activities of the VIE that most significantly impact the entity’s economic performance, and (2) the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE. Our determination of the primary beneficiary considers all relationships between us and the VIE, including management agreements and other contractual arrangements.

Investments in real estate joint ventures that we do not control but may exercise significant influence on are accounted for using the equity method of accounting. These investments are recorded initially at cost and subsequently adjusted for our equity in the joint venture’s net income or loss, cash contributions, distributions and other adjustments required under the equity method of accounting.

For certain investments in real estate joint ventures, we record our equity in the venture’s net income or loss under the hypothetical liquidation at book value method of accounting due to the structures and the preferences we receive on the distributions from our joint ventures pursuant to the respective joint venture agreements for those joint ventures. Under this method, we recognize income and loss in each period based on the change in liquidation proceeds we would receive from a hypothetical liquidation of our investment based on depreciated book value. Therefore, income or loss may be allocated disproportionately as compared to the ownership percentages due to specified preferred return rate thresholds and may be more or less than actual cash distributions received and more or less than what we may receive in the event of an actual liquidation.

We separately report investments in joint ventures for which accumulated distributions have exceeded investments in, and our share of net income or loss of, the joint ventures within other liabilities in the consolidated balance sheets because we are committed to provide further financial support to these joint ventures. The carrying amount of our investments in the Charlotte, Columbus, Galveston/Houston, and National Harbor joint ventures are less than zero because of financing or operating distributions that were greater than net income, as net income includes non-cash charges for depreciation and amortization.

“Noncontrolling interests in the Operating Partnership” reflects the Non-Company LPs’ percentage ownership of the Operating Partnership’s units. “Noncontrolling interests in other consolidated partnerships” consist of outside equity interests in partnerships or joint ventures not wholly-owned by the Company or the Operating Partnership that are consolidated with the financial results of the Company and Operating Partnership because the Operating Partnership exercises control over the entities that own the properties. Noncontrolling interests are initially recorded in the consolidated balance sheets at fair value based upon purchase price allocations. Income is allocated to the noncontrolling interests based on the allocation provisions within the partnership or joint venture agreements.

Accounts Receivable

Individual leases are assessed for collectability and upon the determination that the collection of rents is not probable, accrued rent and accounts receivable are written-off as an adjustment to rental revenue. Revenue from leases where collection is deemed to be less than probable is recorded on a cash basis until collectability is determined to be probable. Further we assess whether operating lease receivables, at a portfolio level, are appropriately valued based upon an analysis of balances outstanding, historical bad debt levels and current economic trends including discussions with tenants for potential lease amendments. Our estimate of the collectability of accrued rents and accounts receivable is based on the best information available to us at the time of preparing the financial statements. Straight-line rent adjustments recorded as a receivable in prepaids and other assets on the consolidated balance sheets was approximately $50.3 million as of March 31, 2023.

Impairment of Long-Lived Assets

Rental property held and used by us is reviewed for impairment in the event that facts and circumstances indicate the carrying amount of an asset may not be recoverable. In such an event, we compare the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount, and if less than such carrying amount, recognize an impairment loss in an amount by which the carrying amount exceeds its fair value. The cash flow estimates used both for determining recoverability and estimating fair value are inherently judgmental and reflect current and projected trends in rental, occupancy, capitalization, and discount rates, and estimated holding periods for the applicable assets. The estimated fair value is based primarily on the income approach. The income approach involves discounting the estimated income stream and reversion (presumed sale) value of a property over an estimated holding period to a present value at a risk-adjusted rate. Discount rates and terminal capitalization rates utilized in this approach are derived from property-specific information, market transactions and other financial and industry data.

If economic and market conditions deteriorate beyond our current expectations, or if our expected holding periods for assets change, subsequent tests for impairment could result in additional impairment charges in the future. For example, the Foxwoods outlet center, which is part of a casino property, continues to face leasing challenges that could lead to further declines in occupancy, rental revenues and cash flows in the future. Such challenges, or a change in our expected holding period, could result in additional impairment charges recognized for the Foxwoods property. In addition, one of our outlet centers has an estimated fair value significantly less than its recorded carrying value of approximately $112.6 million. We continue to monitor facts and circumstances and events in future periods that could affect inputs such as the expected holding period, operating cash flow forecasts and capitalization rates, to determine whether an impairment charge is necessary. We can provide no assurance that material impairment charges with respect to our properties will not occur in future periods.

3. Developments of Consolidated Outlet Centers

The table below sets forth our consolidated outlet centers under development as of March 31, 2023:

Project	Approximate Square Feet (in 000's)	Estimated Total Net Cost (millions)	Costs Incurred to Date (in millions)	Projected Opening
New Development:				
Nashville	290	$142 - $150	$62.8	Fall 2023

During the second quarter of 2022, we purchased land in the Nashville, Tennessee area for approximately $ 8.8 million and began construction on the development of our wholly-owned outlet center.

4. Investments in Unconsolidated Real Estate Joint Ventures

The equity method of accounting is used to account for each of the individual joint ventures. We have an ownership interest in the following unconsolidated real estate joint ventures:

As of March 31, 2023

Joint Venture	Outlet Center Location	Ownership %	Square Feet (in 000's)	Carrying Value of Investment (in millions)	Total Joint Venture Debt, Net (in millions)(1)
Investments included in investments in unconsolidated joint ventures:					
RioCan Canada	Various	50.0 %	665	$ 73.4	—
				$ 73.4	
Investments included in other liabilities:					
Charlotte(2)	Charlotte, NC	50.0 %	399	(19.0)	99.7
National Harbor(2)	National Harbor, MD	50.0 %	341	(13.6)	94.4
Galveston/Houston (2)	Texas City, TX	50.0 %	353	(15.9)	64.5
Columbus(2)	Columbus, OH	50.0 %	355	(2.9)	70.3
				$ (51.4)	

As of December 31, 2022

Joint Venture	Outlet Center Location	Ownership %	Square Feet (in 000's)	Carrying Value of Investment (in millions)	Total Joint Venture Debt, Net (in millions)(1)
Investments included in investments in unconsolidated joint ventures:					
RioCan Canada	Various	50.0 %	665	73.8	—
				$ 73.8	
Investments included in other liabilities:					
Charlotte(2)	Charlotte, NC	50.0 %	399	$ (18.8)	$ 99.7
National Harbor(2)	National Harbor, MD	50.0 %	341	(12.8)	94.6
Galveston/Houston(2)	Texas City, TX	50.0 %	353	(15.5)	64.5
Columbus(2)	Columbus, OH	50.0 %	355	(2.4)	70.3
				$ (49.5)	

(1) Net of debt origination costs of $1.4 million as of March 31, 2023 and $1.5 million as of December 31, 2022.
(2) The negative carrying value is due to distributions exceeding contributions and increases or decreases from our equity in earnings of the joint venture.

Fees we received for various services provided to our unconsolidated joint ventures were recognized in management, leasing and other services as follows (in thousands):

	Three months ended March 31,	
	2023	2022
Fee:		
Management and marketing	$ 545	$ 536
Leasing and other fees	45	35
Expense reimbursements from unconsolidated joint ventures	1,077	956
Total Fees	$ 1,667	$ 1,527

Our investments in real estate joint ventures are reduced by the percentage of the profits earned for leasing and development services associated with our ownership interest in each joint venture. Our carrying value of investments in unconsolidated joint ventures differs from our share of the assets reported in the "Condensed Combined Balance Sheets - Unconsolidated Joint Ventures" shown below due to adjustments to the book basis, including intercompany profits on sales of services that are capitalized by the unconsolidated joint ventures. The differences in basis (totaling $3.1 million and $3.2 million as of March 31, 2023 and December 31, 2022, respectively) are amortized over the various useful lives of the related assets.

Condensed combined summary financial information of unconsolidated joint ventures accounted for using the equity method is as follows (in thousands):

Condensed Combined Balance Sheets - Unconsolidated Joint Ventures	March 31, 2023	December 31, 2022
Assets		
Land	$ 81,801	$ 81,716
Buildings, improvements and fixtures	459,236	458,190
Construction in progress	534	681
	541,571	540,587
Accumulated depreciation	(187,719)	(182,731)
Total rental property, net	353,852	357,856
Cash and cash equivalents	11,847	17,372
Deferred lease costs and other intangibles, net	2,686	2,895
Prepaids and other assets	8,599	10,612
Total assets	$ 376,984	$ 388,735
Liabilities and Owners' Equity		
Mortgages payable, net	$ 328,838	$ 329,009
Accounts payable and other liabilities	11,683	15,374
Total liabilities	340,521	344,383
Owners' equity	36,463	44,352
Total liabilities and owners' equity	$ 376,984	$ 388,735

	Three months ended March 31,	
Condensed Combined Statements of Operations - Unconsolidated Joint Ventures	2023	2022
Revenues	$ 22,128	$ 21,841
Expenses:		
Property operating	8,472	8,303
General and administrative	142	92
Depreciation and amortization	5,239	5,482
Total expenses	13,853	13,877
Other income (expense):		
Interest expense	(4,400)	(2,916)
Other income	139	3
Total other expense	(4,261)	(2,913)
Net income	$ 4,014	$ 5,051
The Company and Operating Partnership's share of:		
Net income	$ 1,935	$ 2,513
Depreciation and amortization (real estate related)	$ 2,670	$ 2,754

5. Debt Guaranteed by the Company

All of the Company's debt is held by the Operating Partnership and its consolidated subsidiaries.

The Company guarantees the Operating Partnership's obligations with respect to its unsecured lines of credit which have a total borrowing capacity of $ 520.0 million as of March 31, 2023. The Company also guarantees the Operating Partnership's unsecured term loan.

The Operating Partnership had the following principal amounts outstanding on the debt guaranteed by the Company (in thousands):

	As of	
	March 31, 2023	December 31, 2022
Unsecured lines of credit	$ —	$ —
Unsecured term loan	$ 325,000	$ 325,000

6. Debt of the Operating Partnership

The debt of the Operating Partnership consisted of the following (in thousands):

			As of March 31, 2023		As of December 31, 2022	
	Stated Interest Rate(s)	Maturity Date	Principal	Book Value(1)	Principal	Book Value(1)
Senior, unsecured notes:						
Senior notes	3.125 %	September 2026	$ 350,000	$ 348,037	$ 350,000	$ 347,894
Senior notes	3.875 %	July 2027	300,000	298,242	300,000	298,142
Senior notes	2.750 %	September 2031	400,000	392,177	400,000	391,962
Mortgages payable:						
Atlantic City (2) (3)	6.44 % - 7.65%	December 2024- December 2026	15,948	16,396	17,109	17,625
Southaven	Adj SOFR + 2.00%	October 2026	51,700	51,353	51,700	51,346
Unsecured term loan	Adj SOFR + 1.20%	January 2027	325,000	321,736	325,000	321,525
Unsecured lines of credit	Adj SOFR + 1.20%	July 2025	—	—	—	—
			$ 1,442,648	$ 1,427,941	$ 1,443,809	$ 1,428,494

(1) Including premiums and net of debt discount and debt origination costs. Excludes $3.1 million and $3.5 million of unamortized debt origination costs related to the unsecured lines of credit for the periods ended March 31, 2023 and December 31, 2022 respectively, recorded in prepaids and other assets in the Consolidated Balance Sheet.

(2) The effective interest rate assigned during the purchase price allocation to the Atlantic City mortgages assumed during the acquisition in 2011 was 5.05%.

(3) Principal and interest due monthly with remaining principal due at maturity.

Certain of our properties, which had a net book value of approximately $ 140.9 million at March 31, 2023, serve as collateral for mortgages payable. As of March 31, 2023, we maintained unsecured lines of credit that provided for borrowings of up to $520.0 million. The unsecured lines of credit as of March 31, 2023 included a $20.0 million liquidity line and a $500.0 million syndicated line. The syndicated line may be increased up to $ 1.2 billion through an accordion feature in certain circumstances.

We provide guarantees to lenders for our joint ventures, which include standard non-recourse carve out indemnifications for losses arising from items such as but not limited to fraud, physical waste, payment of taxes, environmental indemnities, misapplication of insurance proceeds or security deposits and failure to maintain required insurance. For term loans, we may include a guaranty of completion as well as a principal guaranty ranging from 0% to 15.5% of principal. As of March 31, 2023, the maximum amount of unconsolidated joint venture debt guaranteed by the Company was $10.0 million.

The unsecured lines of credit and senior unsecured notes include covenants that require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% of funds from operations on a cumulative basis. As of March 31, 2023, we believe we were in compliance with all of our debt covenants.

Debt Maturities

Maturities and principal amortization of the existing long-term debt as of March 31, 2023 for the next five years and thereafter are as follows (in thousands):

Calendar Year	Amount
For the remainder of 2023	$ 3,612
2024	5,130
2025	1,501
2026	407,405
2027	625,000
Thereafter	400,000
Subtotal	1,442,648
Net discount and debt origination costs	(14,707)
Total	$ 1,427,941

We have considered our short-term (one year or less from the date of filing these financial statements) liquidity needs and the adequacy of our estimated cash flows from operating activities and other financing sources to meet these needs. These other sources include but are not limited to: existing cash, ongoing relationships with certain financial institutions, our ability to sell debt or issue equity subject to market conditions and proceeds from the potential sale of non-core assets. We believe that we have access to the necessary financing to fund our short-term liquidity needs.

7. Derivative Financial Instruments

The following table summarizes the terms and fair values of our derivative financial instruments, as well as their classifications within the consolidated balance sheets (notional amounts and fair values in thousands):

					Fair Value	
Effective Date	Maturity Date	Notional Amount	Bank Pay Rate	Company Fixed Pay Rate	March 31, 2023	December 31, 2022
Assets (Liabilities)[(1)]:						
Interest rate swaps:						
July 1, 2019	February 1, 2024	$ 25,000	Daily Adjusted SOFR	1.68 %	$ 656	$ 853
January 1, 2021	February 1, 2024	150,000	Daily Adjusted SOFR	0.53 %	5,361	6,966
January 1, 2021	February 1, 2024	100,000	Daily Adjusted SOFR	0.15 %	3,883	5,043
March 1, 2021	February 1, 2024	25,000	Daily Adjusted SOFR	0.18 %	962	1,256
February 1, 2024 [(2)]	February 1, 2026 - August 1, 2026	80,000	Daily Adjusted SOFR	3.40 %	(169)	—
Total					$ 10,693	$ 14,118

(1) Asset balances are recorded in prepaids and other assets on the consolidated balance sheets and liabilities are recorded in other liabilities on the consolidated balance sheets.

(2) In March 2023, we entered into $80.0 million of forward-starting interest rate swaps with an effective date of February 1, 2024 and maturity dates ranging from February 1, 2026 to August 1, 2026.

In April 2023, the Company entered into an additional $ 20 million forward-starting interest rate swap with an effective date of February 1, 2024 and an adjusted SOFR rate of 3.09%, which is not reflected in the tables above or in our consolidated financial statements as of March 31, 2023. The maturity date of this derivative instrument is February 1, 2026.

The derivative financial instruments are comprised of interest rate swaps, which are designated and qualify as cash flow hedges, with various counterparties. We do not use derivatives for trading or speculative purposes and currently do not have any derivatives that are not designated as hedges.

Changes in the fair value of derivatives designated and qualifying as cash flow hedges are recorded in accumulated other comprehensive loss and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings.

The following table represents the effect of the derivative financial instruments on the accompanying consolidated financial statements (in thousands):

	Three months ended March 31,	
	2023	2022
Interest Rate Swaps:		
Amount of gain (loss) recognized in other comprehensive income (loss)	$ (3,426)	$ 7,674

8. Fair Value Measurements

Fair value guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers are defined as follows:

Tier	Description
Level 1	Observable inputs such as quoted prices in active markets
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable
Level 3	Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions

Fair Value Measurements on a Recurring Basis

The following table sets forth our assets and liabilities that are measured at fair value within the fair value hierarchy (in thousands):

		Level 1	Level 2	Level 3
	Total	Quoted Prices in Active Markets for Identical Assets or Liabilities	Significant Observable Inputs	Significant Unobservable Inputs
Fair value as of March 31, 2023:				
Assets:				
Interest rate swaps (prepaids and other assets)	10,923	—	10,923	—
Liabilities:				
Interest rate swaps (other liabilities)	230	—	230	—

		Level 1	Level 2	Level 3
	Total	Quoted Prices in Active Markets for Identical Assets or Liabilities	Significant Observable Inputs	Significant Unobservable Inputs
Fair value as of December 31, 2022:				
Asset:				
Interest rate swaps (prepaids and other assets)	$ 14,118	$ —	$ 14,118	$ —
Liabilities:				
Interest rate swaps (other liabilities)	$ —	$ —	$ —	$ —

Interest rate swaps

Fair values of interest rate swaps are estimated using Level 2 inputs based on current market data received from financial sources that trade such instruments and are based on prevailing market data and derived from third party proprietary models based on well recognized financial principles including counterparty risks, credit spreads and interest rate projections, as well as reasonable estimates about relevant future market conditions.

Other Fair Value Disclosures

The estimated fair value within the fair value hierarchy and recorded value of our debt consisting of senior unsecured notes, unsecured term loans, secured mortgages and unsecured lines of credit were as follows (in thousands):

	March 31, 2023	December 31, 2022
Level 1 Quoted Prices in Active Markets for Identical Assets or Liabilities	$ —	$ —
Level 2 Significant Observable Inputs	877,279	876,542
Level 3 Significant Unobservable Inputs	392,349	391,820
Total fair value of debt	$ 1,269,628	$ 1,268,362
Recorded value of debt	$ 1,427,941	$ 1,428,494

Our senior unsecured notes are publicly-traded which provides quoted market rates. However, due to the limited trading volume of these notes, we have classified these instruments as Level 2 in the hierarchy. Our other debt is classified as Level 3 given the unobservable inputs utilized in the valuation. Our unsecured term loan, unsecured lines of credit and variable interest rate mortgages are all SOFR based instruments. When selecting the discount rates for purposes of estimating the fair value of these instruments, we evaluated the original credit spreads and do not believe that the use of them differs materially from current credit spreads for similar instruments and therefore the recorded values of these debt instruments is considered their fair value.

The carrying values of cash and cash equivalents, short-term investments, receivables, accounts payable, accrued expenses and other assets and liabilities are reasonable estimates of their fair values because of the short maturities of these instruments. Short-term government securities and our certificates of deposit included in short-term investments are highly liquid investments, which are classified as Level 1 in the fair value hierarchy because they are valued l using quoted market prices in an active market.

9. Shareholders' Equity of the Company

Dividend Declaration

In January 2023, the Company's Board of Directors declared a $ 0.22 cash dividend per common share payable on February 15, 2023 to each shareholder of record on January 31, 2023, and in its capacity as General Partner of the Operating Partnership, a $0.22 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

At-the-Market Offering

Under our at-the-market share offering program ("ATM Offering"), which commenced February 2021, we may offer and sell our common shares, $ 0.01 par value per share, having an aggregate gross sales price of up to $250.0 million (the "Shares"). We may sell the Shares in amounts and at times to be determined by us but we have no obligation to sell any of the Shares. Actual sales, if any, will depend on a variety of factors to be determined by us from time to time, including, among other things, market conditions, the trading price of the common shares, capital needs and determinations by us of the appropriate sources of funding. We currently intend to use the net proceeds from the sale of shares pursuant to the ATM Offering for working capital and general corporate purposes. As of March 31, 2023, we had approximately $60.1 million remaining available for sale under the ATM Offering program. There were no sales of our shares during the first quarters of 2023 or 2022.

Share Repurchase Program

In May 2021, the Company's Board of Directors authorized the repurchase of up to $ 80.0 million of the Company's outstanding shares through May 31, 2023.

Repurchases may be made from time to time through open market, privately-negotiated, structured or derivative transactions (including accelerated share repurchase transactions), or other methods of acquiring shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its shares under this authorization. The Company did not repurchase any shares for the three months ended March 31, 2023 and 2022. The remaining amount authorized to be repurchased under the program as of March 31, 2023 was approximately $80.0 million.

10. Partners' Equity of the Operating Partnership

All units of partnership interest issued by the Operating Partnership have equal rights with respect to earnings, dividends and net assets. When the Company issues common shares upon the exercise of options, the grant of restricted common share awards, or the exchange of Class A common limited partnership units, the Operating Partnership issues a corresponding Class B common limited partnership unit to Tanger LP Trust, a wholly-owned subsidiary of the Company. Likewise, when the Company repurchases its outstanding common shares, the Operating Partnership repurchases a corresponding Class B common limited partnership unit held by Tanger LP Trust.

The following table sets forth the changes in outstanding partnership units for the three months ended March 31, 2023 and March 31, 2022:

		Limited Partnership Units		
	General Partnership Units	Class A	Class B	Total
Balance December 31, 2021	1,100,000	4,761,559	102,984,734	107,746,293
Options exercised	—	—	1,900	1,900
Grant of restricted common share awards by the Company, net of forfeitures	—	—	512,398	512,398
Units withheld for employee income taxes	—	—	(129,971)	(129,971)
Balance March 31, 2022	1,100,000	4,761,559	103,369,061	108,130,620
Balance December 31, 2022	1,100,000	4,737,982	103,397,920	108,135,902
Options exercised	—	—	2,600	2,600
Grant of restricted common share awards by the Company, net of forfeitures	—	—	1,116,372	1,116,372
Units withheld for employee income taxes	—	—	(300,639)	(300,639)
Balance March 31, 2023	1,100,000	4,737,982	104,216,253	108,954,235

11. Earnings Per Share of the Company

The following table sets forth a reconciliation of the numerators and denominators in computing the Company’s earnings per share (in thousands, except per share amounts):

	Three months ended March 31,	
	2023	2022
Numerator:		
Net income attributable to Tanger Factory Outlet Centers, Inc.	$ 23,541	$ 20,518
Less allocation of earnings to participating securities	(199)	(215)
Net income available to common shareholders of Tanger Factory Outlet Centers, Inc.	$ 23,342	$ 20,303
Denominator:		
Basic weighted average common shares	104,088	103,520
Effect of notional units	693	802
Effect of outstanding options	741	736
Diluted weighted average common shares	105,522	105,058
Basic earnings per common share:		
Net income	$ 0.22	$ 0.20
Diluted earnings per common share:		
Net income	$ 0.22	$ 0.19

We determine diluted earnings per share based on the weighted average number of common shares outstanding combined with the incremental weighted average shares that would have been outstanding assuming all potentially dilutive securities were converted into common shares at the earliest date possible.

Notional units granted under our equity compensation plan are considered contingently issuable common shares and are included in earnings per share if the effect is dilutive using the treasury stock method and the common shares would be issuable if the end of the reporting period were the end of the contingency period. For the three months ended March 31, 2023, no notional units were excluded from the computation and for the three months ended March 31, 2022, approximately 139,000 notional units were excluded from the computation because these notional units either would not have been issuable if the end of the reporting period were the end of the contingency period or as they were anti-dilutive.

With respect to outstanding options, the effect of dilutive common shares is determined using the treasury stock method, whereby outstanding options are assumed exercised at the beginning of the reporting period and the exercise proceeds from such options and the average measured but unrecognized compensation cost during the period are assumed to be used to repurchase our common shares at the average market price during the period. For the three months ended March 31, 2023, approximately 503,300 options were excluded from the computation and for the three months ended March 31, 2022, approximately 297,000 options were excluded from the computation, as they were anti-dilutive.

The assumed exchange of the partnership units held by the Non-Company LPs as of the beginning of the year, which would result in the elimination of earnings allocated to the noncontrolling interest in the Operating Partnership, would have no impact on earnings per share since the allocation of earnings to a common limited partnership unit, as if exchanged, is equivalent to earnings allocated to a common share.

Certain of the Company’s unvested restricted common share awards contain non-forfeitable rights to dividends or dividend equivalents. The impact of these unvested restricted common share awards on earnings per share has been calculated using the two-class method whereby earnings are allocated to the unvested restricted common share awards based on dividends declared and the unvested restricted common shares’ participation rights in undistributed earnings. Unvested restricted common shares that do not contain non-forfeitable rights to dividends or dividend equivalents are included in the diluted earnings per share computation if the effect is dilutive, using the treasury stock method.

12. Earnings Per Unit of the Operating Partnership

The following table sets forth a reconciliation of the numerators and denominators in computing earnings per unit (in thousands, except per unit amounts):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Numerator:		
Net income attributable to partners of the Operating Partnership	$ 24,612	$ 21,462
Less allocation of earnings to participating securities	(199)	(215)
Net income available to common unitholders of the Operating Partnership	$ 24,413	$ 21,247
Denominator:		
Basic weighted average common units	108,826	108,282
Effect of notional units	693	802
Effect of outstanding options	741	736
Diluted weighted average common units	110,260	109,820
Basic earnings per common unit:		
Net income	$ 0.22	$ 0.20
Diluted earnings per common unit:		
Net income	$ 0.22	$ 0.19

We determine diluted earnings per unit based on the weighted average number of common units outstanding combined with the incremental weighted average units that would have been outstanding assuming all potentially dilutive securities were converted into common units at the earliest date possible.

Notional units granted under our equity compensation plan are considered contingently issuable common units and are included in earnings per unit if the effect is dilutive using the treasury stock method and the common units would be issuable if the end of the reporting period were the end of the contingency period. For the three months ended March 31, 2023, no notional units were excluded from the computation and for the three months ended March 31, 2022, approximately 139,000 notional units were excluded from the computation because these notional units either would not have been issuable if the end of the reporting period were the end of the contingency period or as they were anti-dilutive.

With respect to outstanding options, the effect of dilutive common units is determined using the treasury stock method, whereby outstanding options are assumed exercised at the beginning of the reporting period and the exercise proceeds from such options and the average measured but unrecognized compensation cost during the period are assumed to be used to repurchase our common units at the average market price during the period. The market price of a common unit is considered to be equivalent to the market price of a Company common share. For the three months ended March 31, 2023, approximately 503,300 options were excluded from the computation and for the three months ended March 31, 2022, approximately 297,000 options were excluded from the computation, as they were anti-dilutive.

Certain of the Company's unvested restricted common share awards contain non-forfeitable rights to distributions or distribution equivalents. The impact of the corresponding unvested restricted unit awards on earnings per unit has been calculated using the two-class method whereby earnings are allocated to the unvested restricted unit awards based on distributions declared and the unvested restricted units' participation rights in undistributed earnings. Unvested restricted common units that do not contain non-forfeitable rights to dividends or dividend equivalents are included in the diluted earnings per unit computation if the effect is dilutive, using the treasury stock method.

13. Equity-Based Compensation of the Company

We have a shareholder approved equity-based compensation plan, the Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership, as amended (the "Plan"), which covers our non-employee directors, officers, employees and consultants. Per the Operating Partnership agreement, when a common share is issued by the Company, the Operating Partnership issues one corresponding unit of partnership interest to the Company's wholly-owned subsidiary, the Tanger LP Trust. Therefore, when the Company grants an equity-based award, the Operating Partnership treats each award as having been granted by the Operating Partnership. In the discussion below, the term "we" refers to the Company and the Operating Partnership together and the term "shares" is meant to also include corresponding units of the Operating Partnership.

We recorded equity-based compensation expense in general and administrative expenses in our consolidated statements of operations as follows (in thousands):

	Three months ended March 31,	
	2023	2022
Restricted common shares (1)	$ 1,755	$ 1,569
Notional unit performance awards (1)	384	1,045
Options	132	94
Total equity-based compensation	$ 2,271	$ 2,708

(1) The three months ended March 31, 2023 includes the reversal of compensation costs related to the voluntary resignation of an executive officer.

Equity-based compensation expense capitalized as a part of rental property and deferred lease costs were as follows (in thousands):

	Three months ended March 31,	
	2023	2022
Equity-based compensation expense capitalized	$ 52	$ 38

Restricted Common Share and Restricted Share Unit Awards

During March 2023, the Company granted approximately 323,829 restricted common shares and restricted share units to the Company's non-employee directors and the Company's executive officers. The grant date fair value of the awards was $17.53 per share. The restricted common shares vest ratably over a three year period on March 15th of each year for executive officers and over a one year period on March 15th for non-employee directors. Compensation expense related to the amortization of the deferred compensation is being recognized in accordance with the vesting schedule of the restricted shares.

For certain shares that vest during the period, we withhold shares with value equivalent up to the employees' maximum statutory obligation for the applicable income and other employment taxes, and remit cash to the appropriate taxing authorities. The total number of shares withheld upon vesting were approximately 300,639 and 130,000 for the three months ended March 31, 2023 and 2022, respectively. The total number of shares withheld was based on the value of the restricted common shares on the vesting date as determined by our closing share price on the day prior to the vesting date. Total amounts paid for the employees' tax obligation to taxing authorities were $5.6 million and $2.1 million for the three months ended March 31, 2023 and 2022, respectively. These amounts are reflected as financing activities within the consolidated statements of cash flows.

2023 Performance Share Plan

During March 2023, the Compensation Committee of the Company approved the general terms of the Tanger Factory Outlet Centers, Inc. 2023 Performance Share Plan (the "2023 PSP") covering the Company's executive officers whereby a maximum of approximately 489,122 restricted common shares may be earned if certain share price appreciation goals are achieved over a three year measurement period.

The 2023 PSP is a long-term incentive compensation plan. Recipients may earn units which may convert into restricted common shares of the Company based on the Company's absolute share price appreciation (or absolute total shareholder return) and its share price appreciation relative to its peer group (or relative total shareholder return) over a three-year measurement period. Any shares earned at the end of the three-year measurement period are subject to a time-based vesting schedule, with 50% of the shares vesting immediately following the measurement period, and the remaining 50% vesting one year thereafter, contingent upon continued employment with the Company through the vesting date (unless terminated prior thereto (a) by the Company without cause, (b) by participant for good reason or, (c) due to death or disability).

The following table sets forth 2023 PSP performance targets and other relevant information about the 2023 PSP:

Performance targets (1)	
Absolute portion of award:	
Percent of total award	33.3%
Absolute total shareholder return range	26.0 % - 40.5%
Percentage of units to be earned	20 % - 100%
Relative portion of award:	
Percent of total award	66.7%
Percentile rank of peer group range (2)	30th - 80th
Percentage of units to be earned	20 % - 100%
Maximum number of restricted common shares that may be earned	489,122
March grant date fair value per share	$ 12.08

(1) The number of restricted common shares received under the 2023 PSP will be determined on a pro-rata basis by linear interpolation between total shareholder return thresholds, both for absolute total shareholder return and for relative total shareholder return amongst the Company's peer group.
(2) The peer group is based on companies included in the FTSE NAREIT Retail Index.

The fair values of the 2023 PSP awards granted during the three months ended March 31, 2023 were determined at the grant dates using a Monte Carlo simulation pricing model and the following assumptions:

Risk free interest rate (1)	3.9 %
Expected dividend yield (2)	4.6 %
Expected volatility (3)	62 %

(1) Represents the interest rate as of the grant date on US treasury bonds having the same life as the estimated life of the restricted unit grants.
(2) The dividend yield is calculated utilizing the average dividend yield over the previous three-year period and the current dividend yield as of the valuation date.
(3) Based on a mix of historical and implied volatility for our common shares and the common shares of our peer index companies over the measurement period.

2020 Performance Share Plan

On February 10, 2023, the measurement period for the 2020 Performance Share Plan (the "2020 PSP") expired. Based on the Company's absolute share price appreciation and relative total shareholder return over the three year measurement period, we issued 758,814 restricted common shares in February 2023, with 439,051 vesting immediately and the remaining 319,763 vesting in February 2024, contingent upon continued employment with the Company through the vesting date.

14. Accumulated Other Comprehensive Income (Loss) of the Company

The following table presents changes in the balances of each component of accumulated other comprehensive income (loss) for the three months ended March 31, 2023 and for three months ended March 31, 2022 (in thousands):

	Tanger Factory Outlet Centers, Inc. Accumulated Other Comprehensive Income (Loss)			Noncontrolling Interest in Operating Partnership Accumulated Other Comprehensive Income (Loss)		
	Foreign Currency	Cash flow hedges	Total	Foreign Currency	Cash flow hedges	Total
Balance December 31, 2022	$ (24,516)	$ 13,479	$ (11,037)	$ (1,351)	$ 638	$ (713)
Other comprehensive income (loss) before reclassifications	155	—	155	9	—	9
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	(3,277)	(3,277)	—	(149)	(149)
Balance March 31, 2023	$ (24,361)	$ 10,202	$ (14,159)	$ (1,342)	$ 489	$ (853)

	Tanger Factory Outlet Centers, Inc. Accumulated Other Comprehensive Income (Loss)			Noncontrolling Interest in Operating Partnership Accumulated Other Comprehensive Income (Loss)		
	Foreign Currency	Cash flow hedges	Total	Foreign Currency	Cash flow hedges	Total
Balance December 31, 2021	$ (19,713)	$ 1,952	$ (17,761)	$ (1,084)	$ 72	$ (1,012)
Other comprehensive income (loss) before reclassifications	1,172	7,056	8,228	54	324	378
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	281	281	—	13	13
Balance March 31, 2022	$ (18,541)	$ 9,289	$ (9,252)	$ (1,030)	$ 409	$ (621)

We expect within the next twelve months to reclassify into earnings as a decrease to interest expense approximately $ 10.9 million of the amounts recorded within accumulated other comprehensive income related to the interest rate swap agreements in effect as of March 31, 2023.

15. Accumulated Other Comprehensive Income (Loss) of the Operating Partnership

The following table presents changes in the balances of each component of accumulated other comprehensive income (loss) for the three months ended March 31, 2023 (in thousands):

	Foreign Currency	Cash flow hedges	Accumulated Other Comprehensive Income (Loss)
Balance December 31, 2022	$ (25,867)	$ 14,117	$ (11,750)
Other comprehensive income (loss) before reclassifications	164	—	164
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	(3,426)	(3,426)
Balance March 31, 2023	$ (25,703)	$ 10,691	$ (15,012)

The following table presents changes in the balances of each component of accumulated other comprehensive loss for the three months ended March 31, 2022 (in thousands):

Balance December 31, 2021	$ (20,797)	$ 2,024	$ (18,773)
Other comprehensive income before reclassifications	1,226	7,380	8,606
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	294	294
Balance March 31, 2022	$ (19,571)	$ 9,698	$ (9,873)

We expect within the next twelve months to reclassify into earnings as a decrease to interest expense approximately $ 10.9 million of the amounts recorded within accumulated other comprehensive income related to the interest rate swap agreements in effect as of March 31, 2023.

16. Lease Agreements

As of March 31, 2023, we were the lessor to approximately 2,200 stores in our 29 consolidated outlet centers, under operating leases with initial terms that expire from 2023 to 2039, with certain agreements containing extension options. We also have certain agreements that require tenants to pay their portion of reimbursable expenses such as common area expenses, utilities, insurance and real estate taxes.

The components of rental revenues are as follows (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Rental revenues - fixed	$ 81,887	$ 81,312
Rental revenues - variable (1)	21,695	23,297
Rental revenues	$ 103,582	$ 104,609

(1) Primarily includes rents based on a percentage of tenant sales volume and reimbursable expenses such as common area expenses, utilities, insurance and real estate taxes.

17. Supplemental Cash Flow Information

We purchase capital equipment and incur costs relating to construction of facilities, including tenant finishing allowances. Expenditures included in accounts payable and accrued expenses were as follows (in thousands):

	As of March 31, 2023	As of March 31, 2022
Costs relating to construction included in accounts payable and accrued expenses	$ 30,331	$ 9,539

Interest paid, net of interest capitalized was as follows (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Interest paid	$ 18,352	$ 19,552

18. New Accounting Pronouncements

Recently issued accounting standards

On March 12, 2020, the FASB issued Accounting Standards Update ("ASU") 2020-04, Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions that reference LIBOR or other reference rates expected to be discontinued because of reference rate reform. This ASU is effective as of March 12, 2020 through December 31, 2022. In January 2021, the FASB issued ASU 2021-01, Reference Rate Reform (Topic 848), which refines the scope of Topic 848 and clarifies some of its guidance. Specifically, certain provisions in Topic 848, if elected by an entity, apply to derivative instruments that use an interest rate for margining, discounting, or contract price alignment that is modified as a result of reference rate reform. Amendments to the expedients and exceptions in Topic 848 capture the incremental consequences of the scope clarification and tailor the existing guidance to derivative instruments affected by the discounting transition. The amendments are effective immediately for all entities. In December 2022, the FASB issued ASU 2022-06, Reference Rate Reform (Topic 848) - Deferral of the Sunset Date of Topic 848, which defers the sunset date on the topic of reference rate reform from December 31, 2022, to December 31, 2024. An entity may elect to apply the amendments on a full retrospective basis. In October 2022 we elected to apply the hedge accounting expedients related to probability and the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon which future hedged transactions will be based matches the index on the corresponding derivatives. This was done as we modified all of our current interest rate derivative contracts, changing the indexes from LIBOR to Adjusted SOFR. We have and will continue to elect to apply practical expedients related to contract modifications, changes in critical terms, and updates to the designated hedged risk(s) as qualifying changes are made to applicable debt and derivative instruments. Application of these expedients preserves the presentation of derivatives contracts consistent with past presentation. We continue to evaluate the impact of the guidance and may apply other applicable elections as additional changes in the market and with respect to our debt and derivative instruments occur.

19. Subsequent Events

Dividend Declaration

In April 2023, the Company's Board of Directors declared a $ 0.245 cash dividend per common share payable on May 15, 2023 to each shareholder of record on April 28, 2023, and a $0.245 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations

The discussion of our results of operations reported in the unaudited, consolidated statements of operations compares the three months ended March 31, 2023 with the three months ended March 31, 2022. The results of operations discussion is combined for Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership because the results are virtually the same for both entities. The following discussion should be read in conjunction with the unaudited consolidated financial statements appearing elsewhere in this report. Historical results and percentage relationships set forth in the unaudited, consolidated statements of operations, including trends which might appear, are not necessarily indicative of future operations. Unless the context indicates otherwise, the term “Company” refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term “Operating Partnership” refers to Tanger Properties Limited Partnership and subsidiaries. The terms “we”, “our” and “us” refer to the Company or the Company and the Operating Partnership together, as the text requires.

Cautionary Statements

Certain statements made in this Management's Discussion and Analysis of Financial Condition and Results of Operations below are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”), and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995 and included this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies, beliefs and expectations, are generally identifiable by use of the words “anticipate,” “believe,” “can,” “continue,” “could,” “designed,” “estimate,” “expect,” “forecast,” “goal,” “intend,” “may,” “might,” “plan,” “possible,” “potential,” “predict,” “project,” “should,” “target,” “will,” “would,” or similar expressions. Such forward-looking statements include, but are not limited to, statements regarding: the expected impact of rising inflation, supply chain and labor issues, the COVID-19 pandemic and rising interest rates on our business, financial results and financial condition; our ability to raise additional capital, including via future issuances of equity and debt, and the use of proceeds from such issuances; our results of operations and financial condition; capital expenditure and working capital needs and the funding thereof; the repurchase of the Company's common shares, including the potential use of a 10b5-1 plan to facilitate repurchases; future dividend payments; the possibility of future asset impairments; potential developments, expansions, renovations, acquisitions or dispositions of outlet centers, including our Nashville development; compliance with debt covenants; renewal and re-lease of leased space; the outlook for the retail environment, potential bankruptcies, and other store closings; consumer shopping trends and preferences; the outcome of legal proceedings arising in the normal course of business; and real estate joint ventures. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other important factors which are, in some cases, beyond our control and which could materially affect our actual results, performance or achievements.

Other important factors which may cause actual results to differ materially from current expectations include, but are not limited to: our inability to develop new outlet centers or expand existing outlet centers successfully; risks related to the economic performance and market value of our outlet centers, including due to changes in the national, regional and local economic climate, inflation and rising interest rates; the relative illiquidity of real property investments; impairment charges affecting our properties; our dispositions of assets may not achieve anticipated results; competition for the acquisition and development of outlet centers, and our inability to complete outlet centers we have identified; environmental regulations affecting our business; risk associated with a possible terrorist activity or other acts or threats of violence, public health crises and threats to public safety; risks associated with supply chain disruptions and labor shortages; our dependence on rental income from real property; our dependence on the results of operations of our retailers; the fact certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration; the fact that certain of our properties are subject to ownership interests held by third parties, whose interests may conflict with ours; risks related to uninsured losses; risks related to changes in consumer spending habits; investor and regulatory focus on environmental, sustainability and social initiatives; risks associated with our Canadian investments; risks associated with attracting and retaining key personnel; risks associated with debt financing; risk associated with our guarantees of debt for, or other support we may provide to, joint venture properties; the effectiveness of our interest rate hedging arrangements; uncertainty relating to the phasing out of LIBOR; risk associated with our interest rate hedging arrangements; risk associated to uncertainty related to determination of LIBOR; our potential failure to qualify as a REIT; our legal obligation to make distributions to our shareholders; legislative or regulatory actions that could adversely affect our shareholders; our dependence on distributions from the Operating Partnership to meet our financial obligations, including dividends; the risk of a cyber-attack or an act of cyber-terrorism; and other important factors which may cause actual results to differ materially from current expectations include, but are not limited to, those set forth under Item 1A - “Risk Factors” in the Company’s and the Operating Partnership’s Annual Report on Form 10-K for the year ended December 31, 2022.

This Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to provide a reader of our financial statements with a narrative from the perspective of our management regarding our financial condition and results of operations, liquidity and certain other factors that may affect our future results. Our MD&A is presented in the following sections:

- General Overview
- Leasing Activity
- Results of Operations
- Liquidity and Capital Resources of the Company
- Liquidity and Capital Resources of the Operating Partnership
- Critical Accounting Estimates
- Recent Accounting Pronouncements
- Non-GAAP Supplemental Measures
- Economic Conditions and Outlook

General Overview

As of March 31, 2023, we had 29 consolidated outlet centers in 18 states totaling 11.4 million square feet, one managed center and one center under construction. We also had 6 unconsolidated outlet centers totaling 2.1 million square feet, including 2 outlet centers in Canada.

The table below details our new developments, expansions and dispositions of consolidated and unconsolidated outlet centers that significantly impacted our results of operations and liquidity from January 1, 2022 to March 31, 2023 (square feet in thousands):

		Consolidated Outlet Centers		Unconsolidated Joint Venture Outlet Centers		Managed Centers	
Outlet Center	Quarter Opened/Disposed	Square Feet	Number of Outlet Centers	Square Feet	Number of Outlet Centers	Square Feet	Number of Outlet Centers
As of January 1, 2022		11,453	30	2,113	6	—	—
Additions:							
Palm Beach, Florida	Third Quarter					457	1
Dispositions:							
Blowing Rock, North Carolina	Fourth Quarter	(104)	(1)				
Other		4	—	—	—	—	—
As of December 31, 2022		11,353	29	2,113	6	457	1
Other		(1)	—	—	—	—	—
As of March 31, 2023		11,352	29	2,113	6	457	1

The following table summarizes certain information for our existing outlet centers in which we have an ownership interest as of March 31, 2023. Except as noted, all properties are fee owned.

Consolidated Outlet Centers Location	Legal Ownership %	Square Feet	% Occupied
Deer Park, New York	100	739,148	100.0
Riverhead, New York (1)	100	729,280	93.1
Foley, Alabama	100	554,736	96.2
Rehoboth Beach, Delaware (1)	100	547,938	96.4
Atlantic City, New Jersey (1) (3)	100	487,718	89.0
San Marcos, Texas	100	471,816	95.2
Sevierville, Tennessee (1)	100	449,968	100.0
Savannah, Georgia	100	429,089	99.5
Myrtle Beach Hwy 501, South Carolina	100	426,523	99.3
Glendale, Arizona (Westgate)	100	410,753	99.1
Myrtle Beach Hwy 17, South Carolina (1)	100	404,710	98.6
Charleston, South Carolina	100	386,328	96.3
Lancaster, Pennsylvania	100	376,203	99.7
Pittsburgh, Pennsylvania	100	373,863	96.7
Commerce, Georgia	100	371,408	100.0
Grand Rapids, Michigan	100	357,133	89.0
Fort Worth, Texas	100	351,741	94.5
Daytona Beach, Florida	100	351,691	99.0
Branson, Missouri	100	329,861	100.0
Southaven, Mississippi (2) (3)	50	324,801	100.0
Locust Grove, Georgia	100	321,082	97.4
Gonzales, Louisiana	100	321,066	100.0
Mebane, North Carolina	100	319,762	99.6
Howell, Michigan	100	314,438	78.5
Mashantucket, Connecticut (Foxwoods) (1)	100	311,229	87.1
Tilton, New Hampshire	100	250,558	94.2
Hershey, Pennsylvania	100	249,696	99.0
Hilton Head II, South Carolina	100	207,422	98.3
Hilton Head I, South Carolina	100	181,687	100.0
Totals		11,351,648	96.4

(1) These properties or a portion thereof are subject to a ground lease.
(2) Based on capital contribution and distribution provisions in the joint venture agreement, we expect our economic interest in the venture's cash flow to be greater than our legal ownership percentage. We currently receive substantially all the economic interest of the property.
(3) Property encumbered by mortgage. See Notes 5 and 6 to the consolidated financial statements for further details of our debt obligations.

Unconsolidated joint venture properties Location	Legal Ownership %	Square Feet	% Occupied
Charlotte, North Carolina (1)	50	398,713	99.1
Ottawa, Ontario	50	357,213	96.7
Columbus, Ohio (1)	50	355,245	100.0
Texas City, Texas (Galveston/Houston) (1)	50	352,705	96.6
National Harbor, Maryland (1)	50	341,156	99.8
Cookstown, Ontario	50	307,883	94.2
Total		2,112,915	97.8

(1) Property encumbered by mortgage. See Note 4 to the consolidated financial statements for further details of the joint venture debt obligations.

Leasing Activity

The following table provides information for our consolidated outlet centers related to leases for new stores that opened or renewals that were executed during the respective trailing twelve month periods ended March 31, 2023 and 2022:

Comparable Space for Executed Leases (1) (2)

	Leasing Transactions	Square Feet (in 000's)	New Initial Rent (psf) (3)	Rent Spread % (4)	Tenant Allowance (psf) (5)	Average Initial Term (in years)
Total space						
2023	304	1,358	$ 34.38	14.1 %	$ 2.96	3.76
2022	297	1,498	$ 30.73	1.1 %	$ 4.18	3.57

Comparable and Non-Comparable Space for Executed Leases (1) (2)

	Leasing Transactions	Square Feet (in 000's)	New Initial Rent (psf) (3)	Tenant Allowance (psf) (5)	Average Initial Term (in years)
Total space					
2023	362	1,565	$ 34.53	$ 9.08	4.36
2022	353	1,713	$ 31.15	$ 11.73	4.02

(1) For consolidated properties owned as of the period-end date. Represents leases for new stores or renewals that were executed during the respective trailing 12-month periods and excludes license agreements, seasonal tenants, month-to-month leases and new developments.
(2) Comparable space excludes leases for space that was vacant for more than 12 months (non-comparable space).
(3) Represents average initial cash rent (base rent and common area maintenance ("CAM")).
(4) Represents change in average initial and expiring cash rent (base rent and CAM).
(5) Includes other landlord costs.

RESULTS OF OPERATIONS

Comparison of the three months ended March 31, 2023 to the three months ended March 31, 2022

NET INCOME

Net income increased $3.4 million in the 2023 period to $24.9 million as compared to net income of $21.5 million for the 2022 period. Significant items impacting the comparability for the two periods include the following:

- a higher average portfolio occupancy rate in the current period,
- lower common area maintenance snow removal costs in the current period as a result of a mild 2023 winter comparatively, and
- higher investment income from investments of cash available at significantly higher rates.

partially offset by

- the current period did not contain lease termination fees and the prior year period included significant termination rents from several tenants, and
- higher general and administrative costs as a result of hiring certain executives and other key employees after March 2022 and additional expenses to drive operational and growth initiatives.

In the tables below, information set forth for properties disposed includes the Blowing Rock outlet center sold in December 2022.

RENTAL REVENUES

Rental revenues decreased $1.0 million in the 2023 period compared to the 2022 period. The following table sets forth the changes in various components of rental revenues (in thousands):

	2023	2022	Increase/(Decrease)
Rental revenues from existing properties	$ 104,245	$ 102,918	$ 1,327
Rental revenues from properties disposed	(125)	515	(640)
Straight-line rent adjustments	(673)	(1,337)	664
Lease termination fees	6	2,596	(2,590)
Amortization of above and below market rent adjustments, net	129	(83)	212
	$ 103,582	$ 104,609	$ (1,027)

Lease termination fees decreased primarily because the 2022 period included isolated terminations of certain leases with multiple years of remaining term. No such significant terminations occurred in the 2023 period.

Rental revenues at existing properties was positively impacted by higher occupancy between the periods, 96% compared to 94%, but this was offset by lower variable revenues, which are derived from tenant sales.

MANAGEMENT, LEASING AND OTHER SERVICES

Management, leasing and other services increased $387,000 in the 2023 period compared to the 2022 period. The following table sets forth the changes in various components of management, leasing and other services (in thousands):

	2023	2022	Increase/(Decrease)
Management and marketing	$ 781	$ 536	$ 245
Leasing and other fees	56	35	21
Expense reimbursements from unconsolidated joint ventures	1,077	956	121
	$ 1,914	$ 1,527	$ 387

Management fee income increased due to our addition of property management responsibilities during the third quarter of 2022 for a center in West Palm Beach, Florida.

OTHER REVENUES

Other revenues increased $715,000 in the 2023 period as compared to the 2022 period. The following table sets forth the changes in various components of other revenues (in thousands):

	2023	2022	Increase/(Decrease)
Other revenues from existing properties	$ 3,447	$ 2,709	$ 738
Other revenues from properties disposed	—	23	(23)
	$ 3,447	$ 2,732	$ 715

Other revenues from existing properties increased in the 2023 period due to an increase in other revenue streams, such as paid media, sponsorships and onsite signage, on a local and national level.

PROPERTY OPERATING EXPENSES

Property operating expenses decreased $3.6 million in the 2023 period compared to the 2022 period. The following table sets forth the changes in various components of property operating expenses (in thousands):

	2023	2022	Increase/(Decrease)
Property operating expenses from existing properties	$ 31,467	$ 34,867	$ (3,400)
Property operating expenses from sold properties	—	274	(274)
Expenses related to unconsolidated joint ventures	1,076	957	119
Other property operating expenses	605	660	(55)
	$ 33,148	$ 36,758	$ (3,610)

Property operating expenses from existing properties decreased in the 2023 period primarily due to the timing of certain advertising and promotional costs and the mild winter in the 2023 period compared to the 2022 period, resulting in lower snow removal costs.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses increased $2.0 million in the 2023 period compared to the 2022 period. The increase was primarily from the hiring of certain key employees after March 2022 and additional expenses to drive operational and growth initiatives.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization costs decreased $350,000 in the 2023 period compared to the 2022 period.

	2023	2022	Increase/(Decrease)
Depreciation and amortization expenses from existing properties	$ 25,893	$ 26,019	$ (126)
Depreciation and amortization from property disposed	—	224	(224)
	$ 25,893	$ 26,243	$ (350)

INTEREST EXPENSE

Interest expense increased $709,000 in the 2023 period compared to the 2022 period due to the combination of higher interest rates and higher amounts of variable rate debt. During the fourth quarter of 2022 we refinanced the variable rate mortgage in our Memphis consolidated joint venture, increasing the outstanding balance to $51.7 million from $40.1 million. In addition, also during the fourth quarter of 2022, we amended and restated our unsecured term loan and increased the outstanding balance from $300.0 million to $325.0 million.

OTHER INCOME (EXPENSE)

Other income (expense) increased approximately $2.6 million in the 2023 period, primarily due to higher investment income from short-term investments of cash at higher interest rates than were available in the 2022 period.

EQUITY IN EARNINGS OF UNCONSOLIDATED JOINT VENTURES

Equity in earnings of unconsolidated joint ventures decreased approximately $578,000 in the 2023 period compared to the 2022 period. The decrease is primarily due to the increase in interest rates in 2022 that has negatively impacted two of our joint ventures that have or had variable interest rate mortgages. The Columbus variable interest rate mortgage was refinanced in September 2022 and now has a fixed interest rate of 6.25%.

LIQUIDITY AND CAPITAL RESOURCES OF THE COMPANY

In this “Liquidity and Capital Resources of the Company” section, the term “the Company” refers only to Tanger Factory Outlet Centers, Inc. on an unconsolidated basis, excluding the Operating Partnership.

The Company’s business is operated primarily through the Operating Partnership. The Company issues public equity from time to time, but does not otherwise generate any capital itself or conduct any business itself, other than incurring certain expenses in operating as a public company, which are fully reimbursed by the Operating Partnership. The Company does not hold any indebtedness, and its only material asset is its ownership of partnership interests of the Operating Partnership. The Company’s principal funding requirement is the payment of dividends on its common shares. The Company’s principal source of funding for its dividend payments is distributions it receives from the Operating Partnership.

Through its status as the sole general partner of the Operating Partnership, the Company has the full, exclusive and complete responsibility for the Operating Partnership’s day-to-day management and control. The Company causes the Operating Partnership to distribute all, or such portion as the Company may in its discretion determine, of its available cash in the manner provided in the Operating Partnership’s partnership agreement. The Company receives proceeds from equity issuances from time to time, but is required by the Operating Partnership’s partnership agreement to contribute the proceeds from its equity issuances to the Operating Partnership in exchange for partnership units of the Operating Partnership.

We are a well-known seasoned issuer (as defined in the Securities Act) with a shelf registration that expires in February 2024 that allows the Company to register unspecified, various classes of equity securities and the Operating Partnership to register unspecified, various classes of debt securities. We expect to file a new joint shelf registration statement on Form S-3 prior to the expiration of the current registration statement. As circumstances warrant, the Company may issue equity from time to time on an opportunistic basis, dependent upon market conditions and available pricing. The Operating Partnership may use the proceeds to repay debt, including borrowings under its lines of credit, to develop new or existing properties, to make acquisitions of properties or portfolios of properties, to invest in existing or newly created joint ventures or for general corporate purposes.

The liquidity of the Company is dependent on the Operating Partnership’s ability to make sufficient distributions to the Company. The Operating Partnership is a party to loan agreements with various bank lenders that require the Operating Partnership to comply with various financial and other covenants before it may make distributions to the Company. The Company also guarantees some of the Operating Partnership’s debt. If the Operating Partnership fails to fulfill its debt requirements, which trigger the Company’s guarantee obligations, then the Company may be required to fulfill its cash payment commitments under such guarantees. However, the Company’s only material asset is its investment in the Operating Partnership.

The Company believes the Operating Partnership's sources of working capital, specifically its cash flow from operations, cash on hand and, if necessary from time to time, borrowings available under its unsecured credit facilities, are adequate for it to make its distribution payments to the Company and, in turn, for the Company to make its dividend payments to its shareholders and to finance its continued operations, investment and growth strategy and additional expenses we expect to incur for at least the next twelve months. However, there can be no assurance that the Operating Partnership's sources of capital will continue to be available at all or in amounts sufficient to meet its needs, including its ability to make distribution payments to the Company. The unavailability of capital could adversely affect the Operating Partnership's ability to pay its distributions to the Company, which will in turn, adversely affect the Company's ability to pay cash dividends to its shareholders. Risks are detailed in “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2022.

We operate in a manner intended to enable us to qualify as a REIT under the Internal Revenue Code, or the Code. For the Company to maintain its qualification as a REIT, it must pay dividends to its shareholders aggregating annually at least 90% of its taxable income. While historically the Company has satisfied this distribution requirement by making cash distributions to its shareholders, it may choose to satisfy this requirement by making distributions of cash or other property, including, in limited circumstances, the Company's own shares.

As a result of this distribution requirement, the Operating Partnership cannot rely on retained earnings to fund its on-going operations to the same extent that other companies whose parent companies are not real estate investment trusts can. The Company may need to continue to raise capital in the equity markets to fund the Operating Partnership’s working capital needs, as well as potential new developments, expansions and renovations of existing properties, acquisitions, or investments in existing or newly created joint ventures.

The Company currently consolidates the Operating Partnership because it has (1) the power to direct the activities of the Operating Partnership that most significantly impact the Operating Partnership’s economic performance and (2) the obligation to absorb losses and the right to receive the residual returns of the Operating Partnership that could be potentially significant. The Company does not have significant assets other than its investment in the Operating Partnership. Therefore, the assets and liabilities and the revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by the Company. However, all debt is held directly or indirectly at the Operating Partnership level, and the Company has guaranteed some of the Operating Partnership’s unsecured debt as discussed below. Because the Company consolidates the Operating Partnership, the section entitled “Liquidity and Capital Resources of the Operating Partnership” should be read in conjunction with this section to understand the liquidity and capital resources of the Company on a consolidated basis and how the Company is operated as a whole.

Under our at-the-market share offering (“ATM Offering”) program, which commenced in February 2021, we may offer and sell our common shares, $0.01 par value per share (“Common Shares”), having an aggregate gross sales price of up to $250.0 million (the “Shares”). We may sell the Shares in amounts and at times to be determined by us but we have no obligation to sell any of the Shares. Actual sales, if any, will depend on a variety of factors to be determined by us from time to time, including, among other things, market conditions, the trading price of the Common Shares, capital needs and determinations by us of the appropriate sources of its funding. We currently intend to use the net proceeds from any sale of shares pursuant to the ATM Offering for working capital and general corporate purposes. As of March 31, 2023, we had approximately $60.1 million remaining available for sale under the ATM Offering program. There were no sales of our shares during the first quarters of 2023 or 2022.

In May 2021, the Company’s Board of Directors authorized the repurchase of up to $80.0 million of the Company’s outstanding shares through May 31, 2023. This authorization replaced a previous repurchase authorization for approximately $80 million that expired in May 2021. Repurchases may be made from time to time through open market, privately-negotiated, structured or derivative transactions (including accelerated share repurchase transactions), or other methods of acquiring shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its shares under this authorization. The Company did not repurchase any shares for the three months ended March 31, 2023 or 2022. The remaining amount authorized to be repurchased under the program as of March 31, 2023 was approximately $80 million.

In January 2023, the Company's Board of Directors declared a $0.22 cash dividend per common share payable on February 15, 2023 to each shareholder of record on January 31, 2023, and in its capacity as General Partner of the Operating Partnership, a $0.22 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

In April 2023, the Company's Board of Directors declared a $0.245 cash dividend per common share payable on May 15, 2023 to each shareholder of record on April 28, 2023, and in its capacity as General Partner of the Operating Partnership a $0.245 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

LIQUIDITY AND CAPITAL RESOURCES OF THE OPERATING PARTNERSHIP

In this “Liquidity and Capital Resources of the Operating Partnership” section, the terms “we”, “our” and “us” refer to the Operating Partnership or the Operating Partnership and the Company together, as the text requires.

Summary of Our Major Sources and Uses of Cash and Cash Equivalents

General Overview

Property rental income represents our primary source to pay property operating expenses, debt service, capital expenditures and distributions, excluding non-recurring capital expenditures and acquisitions. To the extent that our cash flow from operating activities is insufficient to cover such non-recurring capital expenditures and acquisitions, we finance such activities from cash on hand, borrowings under our unsecured lines of credit, to the extent available, or from the proceeds from the Operating Partnership’s debt offerings and the Company’s equity offerings.

We believe we achieve a strong and flexible financial position by attempting to: (1) maintain a conservative leverage position relative to our portfolio when pursuing new development, expansion and acquisition opportunities, (2) extend and sequence debt maturities, (3) manage our interest rate risk through an appropriate mix of fixed and variable rate debt and interest rate hedging strategies, (4) maintain access to liquidity by using our lines of credit in a conservative manner and (5) preserve internally generated sources of capital by maintaining a conservative distribution payout ratio. We manage our capital structure to reflect a long-term investment approach and utilize multiple sources of capital to meet our requirements, including without limitation, cash on hand, retained cash flow from operations and debt and equity issuances.

Our ability to access capital on favorable terms could be affected by various risks and uncertainties, including, but not limited to, the effects of the COVID-19 pandemic, macroeconomic conditions, including rising interest rates and inflation, and other risks detailed in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2022.

Capital Expenditures

The following table details our capital expenditures for consolidated outlet centers for the three months ended March 31, 2023 and 2022 (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022	Change
Capital expenditures analysis:			
New outlet center developments and expansions [1]	$ 27,483	$ 2,439	$ 25,044
Renovations	199	—	199
Second generation tenant allowances	2,030	1,252	778
Other capital expenditures [2]	6,555	1,627	4,928
	36,267	5,318	30,949
Conversion from accrual to cash basis	(10,327)	549	(10,876)
Additions to rental property-cash basis	$ 25,940	$ 5,867	$ 20,073

(1) The increase in new outlet center developments and expansions is primarily due to development costs at our site in Nashville, TN and other projects.
(2) Other capital expenditures in 2023 increased over the 2022 period due to a higher number of major capital expenditure projects within our existing portfolio.

New Development of Consolidated Outlet Centers

In May 2022, we broke ground on our center in Nashville, Tennessee. The center, which will be approximately 290,000 square feet, is expected to open in the third quarter of 2023 at an estimated cost of $142.0 million to $150.0 million with a projected stabilized yield of 7.0% to 7.5%. Through March 31, 2023, we had incurred costs of $62.8 million associated with this development.

Potential Future Developments, Acquisitions and Dispositions

As of the date of this filing, we are not in the pre-development period for any other new developments. We may use joint venture arrangements to develop potential sites. We expect to maintain sufficient liquidity to fund existing capital expenditures, including completion of our Nashville, Tennessee asset.

In the case of projects to be wholly-owned by us, we expect to fund these projects with cash on hand, borrowings under our unsecured lines of credit and cash flows from operations, but may also fund them with capital from additional public debt and equity offerings. For projects to be developed through joint venture arrangements, we may use collateralized construction loans to fund a portion of the project, with our share of the equity requirements funded from sources described above.

We intend to continue to grow our portfolio by developing, expanding or acquiring additional retail real estate assets. Future retail real estate assets may be wholly-owned by us, owned through joint ventures or partnership arrangements, or through management agreements. However, you should note that any developments or expansions that we, or a joint venture that we have an ownership interest in, have planned or anticipated may not be started or completed as scheduled, or may not result in accretive net income or funds from operations ("FFO"). See the section "Non-GAAP Supplemental Earnings Measures" - "Funds From Operations" below for further discussion of FFO. In addition, we regularly evaluate acquisition or disposition proposals and engage from time to time in negotiations for acquisitions or dispositions of properties. We may also enter into letters of intent for the purchase or sale of properties. Any prospective acquisition or disposition that is being evaluated or which is subject to a letter of intent may not be consummated, or if consummated, may not result in an increase in earnings or liquidity.

Unconsolidated Real Estate Joint Ventures

From time to time, we form joint venture arrangements to develop outlet centers. As of March 31, 2023 we have partial ownership interests in six unconsolidated outlet centers totaling approximately 2.1 million square feet, including two outlet centers in Canada. See Note 4 to the consolidated financial statements for details of our individual joint ventures, including, but not limited to, carrying values of our investments, fees we receive for services provided to the joint ventures, recent development and financing transactions and condensed combined summary financial information.

We may elect to fund cash needs of a joint venture through equity contributions (generally on a basis proportionate to our ownership interests), advances or partner loans, although such funding is not typically required contractually or otherwise. We separately report investments in joint ventures for which accumulated distributions have exceeded investments in, and our share of net income or loss of, the joint ventures within other liabilities in the consolidated balance sheets because we are committed and intend to provide further financial support to these joint ventures. We believe our joint ventures will be able to fund their operating and capital needs for the next twelve months based on their sources of working capital, specifically cash flow from operations, access to contributions from partners, and ability to refinance debt obligations, including the ability to exercise upcoming extensions of near term maturities.

Our joint ventures are typically encumbered by a mortgage on the joint venture property. We provide guarantees to lenders for our joint ventures which include standard non-recourse carve out indemnifications for losses arising from items such as but not limited to fraud, physical waste, payment of taxes, environmental indemnities, misapplication of insurance proceeds or security deposits and failure to maintain required insurance. A default by a joint venture under its debt obligations may expose us to liability under the guaranty. For secured term loans, we may include a guaranty of completion as well as a principal guaranty ranging from 0% to 15.5% of principal. Our joint ventures may contain make whole provisions in the event that demands are made on any existing guarantees.

Our joint ventures are generally subject to buy-sell provisions which are customary for joint venture agreements in the real estate industry. Either partner may initiate these provisions (subject to any applicable lock up period), which could result in either the sale of our interest or the use of available cash or additional borrowings to acquire the other party's interest. Under these provisions, one partner sets a price for the property, then the other partner has the option to either (1) purchase their partner's interest based on that price or (2) sell its interest to the other partner based on that price. Since the partner other than the partner who triggers the provision has the option to be the buyer or seller, we do not consider this arrangement to be a mandatory redeemable obligation.

Contractual Obligations

There were no material changes in our contractual commitments during the three months ended March 31, 2023 from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2022, other than the following updates to our contractual obligations for future debt and interest payments over the next five years and thereafter as of March 31, 2023.

Future Debt Obligations
As described further in Note 6 of the notes to the consolidated financial statements, as of March 31, 2023, scheduled maturities of our existing long-term debt for the remainder 2023 and for 2024, 2025, 2026 and 2027 are $3.6 million, $5.1 million, $1.5 million, $407.4 million and $625.0 million, respectively. As of March 31, 2023, scheduled maturities after 2027 aggregate to $400.0 million.

Future Interest Payments
We are obligated to make periodic interest payments at fixed and variable rates, depending on the terms of the applicable debt agreements. Based on applicable interest rates and scheduled debt maturities as of March 31, 2023, these interest obligations total approximately $46.5 million over the next twelve months.

Cash Flows

The following table sets forth our changes in cash flows from March 31, 2023 and 2022 (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022	Change
Net cash provided by operating activities	$ 25,495	$ 18,688	$ 6,807
Net cash used in investing activities	(1,873)	(3,340)	1,467
Net cash used in financing activities	(33,011)	(23,914)	(9,097)
Effect of foreign currency rate changes on cash and equivalents	7	(8)	15
Net decrease in cash and cash equivalents	$ (9,382)	$ (8,574)	$ (808)

Operating Activities
In the first quarter of 2023, our net cash provided by operating activities increased year over year primarily due to changes in working capital and lower property operating expenses.

Investing Activities
The decrease in net cash used in investing activities was primarily due to increased capital expenditures related to new development at existing centers and the investment in our Nashville location, offset by proceeds from short-term investments.

Financing Activities
Net cash used in financing activities increased during the first quarter of 2023 primarily due to an increase in dividends paid and a higher amount of net share settlements related to vesting of equity awards.

Financing Arrangements

As of March 31, 2023, unsecured borrowings represented 95% of our outstanding debt and 92% of the gross book value of our real estate portfolio was unencumbered. The Company guarantees the Operating Partnership's obligations under our lines of credit.

As of March 31, 2023, we maintained unsecured lines of credit that provided for borrowings of up to $520.0 million. The unsecured lines of credit as of March 31, 2023 included a $20.0 million liquidity line and a $500.0 million syndicated line. The syndicated line may be increased up to $1.2 billion through an accordion feature in certain circumstances.

We intend to retain the ability to raise additional capital, including public debt or equity, to pursue attractive investment opportunities that may arise and to otherwise act in a manner that we believe to be in the best interests of our shareholders and unitholders. The Company and Operating Partnership are well-known seasoned issuers with a joint shelf registration statement on Form S-3, expiring in February 2024, that allows us to register various, unspecified amounts of different classes of securities. To generate capital to reinvest into other attractive investment opportunities, we may also consider the use of additional operational and developmental joint ventures, property management opportunities, the sale or lease of outparcels on our existing properties and the sale of certain properties that do not meet our long-term investment criteria. Based on cash provided by operations, existing lines of credit, ongoing relationships with certain financial institutions and our ability to sell debt or issue equity subject to market conditions, we believe that we have access to the necessary financing to fund the planned capital expenditures for at least the next twelve months.

We anticipate that adequate cash will be available to fund our operating and administrative expenses, regular debt service obligations, and the payment of dividends in accordance with REIT requirements in both the short and long-term. Although we receive most of our rental payments on a monthly basis, distributions to shareholders and unitholders are typically made quarterly and interest payments on the senior, unsecured notes are made semi-annually. Amounts accumulated for such payments will be used in the interim to reduce the outstanding borrowings under our existing unsecured lines of credit or invested in short-term money market or other suitable instruments.

As of March 31, 2023, the Company's total liquidity was approximately $755.8 million, including cash and cash equivalents on the Company's balance sheet, short-term investments and the full undrawn capacity under its $520.0 million unsecured lines of credit. We expect to have sufficient liquidity to meet our obligations for at least the next twelve months.

We believe our current balance sheet position is financially sound; however, due to the economic uncertainty caused by the current macroeconomic environment, including rising interest rates and inflation, and the inherent uncertainty and unpredictability of the capital and credit markets, we can give no assurance that affordable access to capital will exist between now and when our next significant debt matures, which is our senior notes due September 2026.

Equity Offerings under the ATM Offering Program
In February 2021, we established the ATM Offering program whereby we may offer and sell the Company's common shares having an aggregate gross sales price of up to $250.0 million. During 2022 and the first quarter of 2023, we did not sell any shares under the ATM Offering program and $60.1 million remains available for sale under the ATM Offering program.

Debt Covenants

The Operating Partnership's debt agreements require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% on a cumulative basis.

We have historically been, and at March 31, 2023 are, in compliance with all of our debt covenants. Our continued compliance with these covenants depends on many factors and could be impacted by current or future economic conditions. Failure to comply with these covenants would result in a default which, if we were unable to cure or obtain a waiver from the lenders, could accelerate the repayment obligations. Further, in the event of default, the Company may be restricted from paying dividends to its shareholders in excess of dividends required to maintain its REIT qualification. Accordingly, an event of default could have a material and adverse impact on us. As a result, we have considered our short-term (one year or less from the date of filing these financial statements) liquidity needs and the adequacy of our estimated cash flows from operating activities and other financing sources to meet these needs. These other sources include but are not limited to: existing cash, ongoing relationships with certain financial institutions, our ability to sell debt or issue equity subject to market conditions and proceeds from the potential sale of non-core assets. We believe that we have access to the necessary financing to fund our short-term liquidity needs.

As of March 31, 2023, we were in compliance with all financial and non-financial covenants related to our debt obligations.

Senior unsecured notes financial covenants	Required	Actual
Total consolidated debt to adjusted total assets	< 60%	40 %
Total secured debt to adjusted total assets	< 40%	2 %
Total unencumbered assets to unsecured debt	> 150%	239 %
Consolidated Income Available for Debt Service to Annual Debt Service Charge	> 1.5 x	5.7 x

Lines of credit and term loan	Required	Actual
Total Liabilities to Total Adjusted Asset Value	< 60%	39 %
Secured Indebtedness to Adjusted Unencumbered Asset Value	< 35%	5 %
EBITDA to Fixed Charges	> 1.5 x	4.5 x
Total Unsecured Indebtedness to Adjusted Unencumbered Asset Value	< 60%	35 %
Unencumbered Interest Coverage Ratio	> 1.5 x	5.6 x

Debt of unconsolidated joint ventures

The following table details information regarding the outstanding debt of the unconsolidated joint ventures and guarantees of such debt provided by us as of March 31, 2023 (dollars in millions):

Joint Venture	Total Joint Venture Debt	Maturity Date	Interest Rate	Percent Guaranteed by the Operating Partnership	Maximum Guaranteed Amount by the Company
Charlotte	$ 100.0	July 2028	4.27%	— %	$ —
Columbus	71.0	October 2032	6.25%	— %	—
Galveston/Houston	64.5	July 2023	LIBOR + 1.85%	15.5 %	10.0
National Harbor	94.8	January 2030	4.63 %	— %	—
Debt origination costs	(1.4)				
	$ 328.9				$ 10.0

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles (“GAAP”) and the Company’s discussion and analysis of its financial condition and operating results require the Company’s management to make judgments, assumptions and estimates that affect the amounts reported. Our Annual Report on Form 10-K for the year ended December 31, 2022 contains a discussion of our critical accounting estimates in the Management's Discussion and Analysis of Financial Condition and Results of Operations section. There have been no material changes to these estimates during the three months ended March 31, 2023.

Recent Accounting Pronouncements

See Note 18 to the consolidated financial statements for information on recently adopted accounting standards and new accounting pronouncements issued.

NON-GAAP SUPPLEMENTAL MEASURES

Funds From Operations

Funds From Operations ("FFO") is a widely used measure of the operating performance for real estate companies that supplements net income (loss) determined in accordance with GAAP. We determine FFO based on the definition set forth by the National Association of Real Estate Investment Trusts ("NAREIT"), of which we are a member. In December 2018, NAREIT issued "NAREIT Funds From Operations White Paper - 2018 Restatement" which clarifies, where necessary, existing guidance and consolidates alerts and policy bulletins into a single document for ease of use. NAREIT defines FFO as net income (loss) available to the Company's common shareholders computed in accordance with GAAP, excluding (i) depreciation and amortization related to real estate, (ii) gains or losses from sales of certain real estate assets, (iii) gains and losses from change in control, (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and (v) after adjustments for unconsolidated partnerships and joint ventures calculated to reflect FFO on the same basis.

FFO is intended to exclude historical cost depreciation of real estate as required by GAAP which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization of real estate assets, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income (loss).

We present FFO because we consider it an important supplemental measure of our operating performance. In addition, a portion of cash bonus compensation to certain members of management is based on our FFO or Core FFO, which is described in the section below. We believe it is useful for investors to have enhanced transparency into how we evaluate our performance and that of our management. In addition, FFO is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is also widely used by us and others in our industry to evaluate and price potential acquisition candidates. We believe that FFO payout ratio, which represents regular distributions to common shareholders and unit holders of the Operating Partnership expressed as a percentage of FFO, is useful to investors because it facilitates the comparison of dividend coverage between REITs. NAREIT has encouraged its member companies to report their FFO as a supplemental, industry-wide standard measure of REIT operating performance.

FFO has significant limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- FFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and FFO does not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, FFO should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or our dividend paying capacity. We compensate for these limitations by relying primarily on our GAAP results and using FFO only as a supplemental measure.

Core FFO

We present Core Funds From Operations ("Core FFO") as a supplemental measure of our performance. We define Core FFO as FFO further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance. These further adjustments are itemized in the table below. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Core FFO you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Core FFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present Core FFO because we believe it assists investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we believe it is useful for investors to have enhanced transparency into how we evaluate management's performance and the effectiveness of our business strategies. We use Core FFO when certain material, unplanned transactions occur as a factor in evaluating management's performance and to evaluate the effectiveness of our business strategies, and may use Core FFO when determining incentive compensation.

Core FFO has limitations as an analytical tool. Some of these limitations are:

- Core FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;

- Core FFO does not reflect changes in, or cash requirements for, our working capital needs;

- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Core FFO does not reflect any cash requirements for such replacements;

- Core FFO does not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; and

- Other companies in our industry may calculate Core FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Core FFO should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Core FFO only as a supplemental measure.

Below is a reconciliation of net income to FFO and Core FFO available to common shareholders (in thousands, except per share amounts):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Net income	$ 24,860	$ 21,462
Adjusted for:		
Depreciation and amortization of real estate assets - consolidated	25,172	25,661
Depreciation and amortization of real estate assets - unconsolidated joint ventures	2,670	2,754
FFO	52,702	49,877
FFO attributable to noncontrolling interests in other consolidated partnerships	(248)	—
Allocation of earnings to participating securities	(424)	(434)
FFO available to common shareholders [1]	$ 52,030	$ 49,443
As further adjusted for:		
Compensation-related adjustments [2]	(806)	—
Impact of above adjustment to the allocation of earnings to participating securities	6	—
Core FFO available to common shareholders [1]	$ 51,230	$ 49,443
FFO available to common shareholders per share - diluted [1]	$ 0.47	$ 0.45
Core FFO available to common shareholders per share - diluted [1]	$ 0.46	$ 0.45
Weighted Average Shares:		
Basic weighted average common shares	104,088	103,520
Effect of notional units	693	802
Effect of outstanding options and restricted common shares	741	736
Diluted weighted average common shares (for earnings per share computations)	105,522	105,058
Exchangeable operating partnership units	4,738	4,762
Diluted weighted average common shares (for FFO per share computations) [1]	110,260	109,820

(1) Assumes the Class A common limited partnership units of the Operating Partnership held by the noncontrolling interests are exchanged for common shares of the Company. Each Class A common limited partnership unit is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's REIT status.

(2) Represents reversal of previously expensed compensation related to a voluntary executive departure.

Portfolio Net Operating Income and Same Center Net Operating Income

We present portfolio net operating income ("Portfolio NOI") and same center net operating income ("Same Center NOI") as supplemental measures of our operating performance. Portfolio NOI represents our property level net operating income which is defined as total operating revenues less property operating expenses and excludes termination fees and non-cash adjustments including straight-line rent, net above and below market rent amortization, impairment charges loss on early extinguishment of debt and gains or losses on the sale of assets recognized during the periods presented. We define Same Center NOI as Portfolio NOI for the properties that were operational for the entire portion of both comparable reporting periods and which were not acquired, or subject to a material expansion or non-recurring event, such as a natural disaster, during the comparable reporting periods. We present Portfolio NOI and Same Center NOI on both a consolidated and total portfolio, including pro rata share of unconsolidated joint ventures, basis.

We believe Portfolio NOI and Same Center NOI are non-GAAP metrics used by industry analysts, investors and management to measure the operating performance of our properties because they provide performance measures directly related to the revenues and expenses involved in owning and operating real estate assets and provide a perspective not immediately apparent from net income (loss), FFO or Core FFO. Because Same Center NOI excludes properties developed, redeveloped, acquired and sold; as well as non-cash adjustments, gains or losses on the sale of outparcels and termination rents; it highlights operating trends such as occupancy levels, rental rates and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Portfolio NOI and Same Center NOI, and accordingly, our Portfolio NOI and Same Center NOI may not be comparable to other REITs.

Portfolio NOI and Same Center NOI should not be considered alternatives to net income (loss) or as an indicator of our financial performance since they do not reflect the entire operations of our portfolio, nor do they reflect the impact of general and administrative expenses, acquisition-related expenses, interest expense, depreciation and amortization costs, other non-property income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact our results from operations. Because of these limitations, Portfolio NOI and Same Center NOI should not be viewed in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Portfolio NOI and Same Center NOI only as supplemental measures.

Below is a reconciliation of net income to Portfolio NOI and Same Center NOI for the consolidated portfolio and total portfolio at pro rata share (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Net income	$ 24,860	$ 21,462
Adjusted to exclude:		
Equity in earnings of unconsolidated joint ventures	(1,935)	(2,513)
Interest expense	12,343	11,634
Other (income) expense	(2,800)	(183)
Depreciation and amortization	25,893	26,243
Other non-property (income) expense	(48)	172
Corporate general and administrative expenses	17,426	15,486
Non-cash adjustments [1]	819	1,520
Lease termination fees	(6)	(2,596)
Portfolio NOI - Consolidated	76,552	71,225
Non-same center NOI - Consolidated	146	(256)
Same Center NOI - Consolidated [2]	$ 76,698	$ 70,969
Portfolio NOI - Consolidated	$ 76,552	$ 71,225
Pro rata share of unconsolidated joint ventures	6,874	7,130
Portfolio NOI - total portfolio at pro rata share	83,426	78,355
Non-same center NOI - total portfolio at pro rata share	146	(575)
Same Center NOI - total portfolio at pro rata share[2]	$ 83,572	$ 77,780

(1) Non-cash items include straight-line rent, above and below market rent amortization, straight-line rent expense on land leases and gains or losses on outparcel sales, as applicable.

(2) Sold outlet centers excluded from Same Center NOI:

	Outlet centers sold:	
Blowing Rock	December 2022	Consolidated

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre

We present Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") as adjusted for items described below ("Adjusted EBITDA"), EBITDA for Real Estate ("EBITDAre") and Adjusted EBITDAre, all non-GAAP measures, as supplemental measures of our operating performance. Each of these measures is defined as follows:

We define Adjusted EBITDA as net income (loss) available to the Company's common shareholders computed in accordance with GAAP before net interest expense, income taxes (if applicable), depreciation and amortization, gains and losses on sale of operating properties, joint venture properties, outparcels and other assets, impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate, compensation related to voluntary retirement plan and other executive officer severance, certain compensation-related adjustments, gain on sale of non-real estate asset, casualty gains and losses, gains and losses on early extinguishment of debt, net and other items that we do not consider indicative of the Company's ongoing operating performance.

We determine EBITDAre based on the definition set forth by NAREIT, which is defined as net income (loss) available to the Company's common shareholders computed in accordance with GAAP before net interest expense, income taxes (if applicable), depreciation and amortization, gains and losses on sale of operating properties, gains and losses on change of control and impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate and after adjustments to reflect our share of the EBITDAre of unconsolidated joint ventures.

Adjusted EBITDAre is defined as EBITDAre excluding gains and losses on early extinguishment of debt, net, casualty gains and losses, compensation related to voluntary retirement plan and other executive officer severance, gain on sale of non-real estate asset, gains and losses on sale of outparcels, and other items that that we do not consider indicative of the Company's ongoing operating performance.

We present Adjusted EBITDA, EBITDAre and Adjusted EBITDAre as we believe they are useful for investors, creditors and rating agencies as they provide additional performance measures that are independent of a Company's existing capital structure to facilitate the evaluation and comparison of the Company's operating performance to other REITs and provide a more consistent metric for comparing the operating performance of the Company's real estate between periods.

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre have significant limitations as analytical tools, including:

- They do not reflect our net interest expense;
- They do not reflect gains or losses on sales of operating properties or impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate;
- Adjusted EBITDA and Adjusted EBITDAre do not reflect gains and losses on extinguishment of debt and other items that may affect operations; and
- Other companies in our industry may calculate these measures differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA, EBITDAre and Adjusted EBITDAre only as supplemental measures.

Below is a reconciliation of Net Income to Adjusted EBITDA (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Net income	$ 24,860	$ 21,462
Adjusted to exclude:		
Interest expense, net [1]	9,779	11,533
Income tax expense (benefit)	(200)	23
Depreciation and amortization	25,893	26,243
Compensation-related adjustments [2]	(806)	—
Adjusted EBITDA	$ 59,526	$ 59,261

Below is a reconciliation of Net Income to EBITDAre and Adjusted EBITDAre (in thousands):

	Three months ended March 31, 2023	Three months ended March 31, 2022
Net income	$ 24,860	$ 21,462
Adjusted to exclude:		
Interest expense, net [1]	9,779	11,533
Income tax expense (benefit)	(200)	23
Depreciation and amortization	25,893	26,243
Pro-rata share of interest expense - unconsolidated joint ventures	2,200	1,458
Pro-rata share of depreciation and amortization - unconsolidated joint ventures	2,670	2,754
EBITDAre	$ 65,202	$ 63,473
Compensation-related adjustments [2]	(806)	—
Adjusted EBITDAre	$ 64,396	$ 63,473

(1) In 2022, we revised our presentation of interest expense to show this net of interest income. Prior period results have been revised to conform with the current period presentation.

(2) Represents the reversal of previously expensed compensation related to an executive departure.

ECONOMIC CONDITIONS AND OUTLOOK

We are closely monitoring the impact of the overall macroeconomic environment on all aspects of our business and geographies, including how it will impact our tenants and business partners, along with continuing to monitor retail challenges such as supply chain and labor issues, inflationary pressures and rising interest rates. While we believe many of these retailers are proactively navigating this situation, the ultimate impact of interest rates, inflation, labor and supply chain issues and overall macroeconomic environment is unknown.

A portion of our rental revenues are derived from rents that directly depend on the sales volume of certain tenants. Accordingly, declines in these tenants' sales would reduce the income produced by our properties. If the sales or profitability of our retail tenants decline sufficiently, whether due to a change in consumer preferences, health concerns, legislative changes that increase the cost of their operations or otherwise, such tenants may be unable to pay their existing rents as such rents would represent a higher percentage of their sales.

In addition, certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration if we fail to maintain certain occupancy levels or retain specified named tenants, or if the tenant does not achieve certain specified sales targets. If our occupancy declines, certain outlet centers may fall below the minimum co-tenancy thresholds and could trigger many tenants' contractual ability to pay reduced rents, which in turn may negatively impact our results of operations.

Due to the relatively short-term nature of our tenants' leases, a significant portion of the leases in our portfolio come up for renewal each year. During 2023, approximately 2.1 million square feet, or 17% of the total portfolio, including our share of unconsolidated joint ventures, will come up for renewal. For the total portfolio, including the Company's pro rata share of unconsolidated joint ventures, as of March 31, 2023, we had lease renewals executed or in process for 57.5% of the space scheduled to expire during 2023 compared to 49.0% of the space scheduled to expire during 2022 that was executed or in process as of March 31, 2022.

The majority of our leases contain provisions designed to mitigate the impact of inflation. Such provisions include clauses for the escalation of base rent and clauses enabling us to receive percentage rentals based on tenants' gross sales (above predetermined levels) which generally increase as prices rise. A component of most leases includes a pro-rata share or escalating fixed contributions by the tenant for property operating expenses, including common area maintenance, real estate taxes, insurance and advertising and promotion, thereby reducing exposure to increases in costs and operating expenses resulting from inflation.

Our outlet centers typically include well-known, national, brand name companies. By maintaining a broad base of well-known tenants and a geographically diverse portfolio of properties located across the United States, we believe we reduce our operating and leasing risks. As of March 31, 2023 no one tenant (including affiliates) accounted for more than 8% of our square feet or 6% of our rental revenues.

We believe retail real estate will continue to be a profitable and fundamental distribution channel for many brands and retailers. While we continue to attract and retain additional tenants, if we were unable to successfully renew or re-lease a significant amount of this space on favorable economic terms or in a timely manner, the loss in rent and our Same Center NOI could be negatively impacted in future periods. Occupancy for our total portfolio, including our share of unconsolidated joint ventures, was 96.5% and 94.3% as of March 31, 2023 and 2022, respectively.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market Risk

We are exposed to various market risks, including changes in interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates.

Interest Rate Risk

We may periodically enter into certain interest rate protection and interest rate swap agreements to effectively convert existing floating rate debt to a fixed rate basis. We do not enter into derivatives or other financial instruments for trading or speculative purposes. As of March 31, 2023 we have interest rate swap agreements to fix the interest rates on outstanding debt with notional amounts made up of $300.0 million current swaps expiring February 1, 2024 and $80.0 million forward starting swaps with an effective date of February 1, 2024 and varying expirations between February 1, 2026 and August 1, 2026. In addition, we entered into a $20.0 million forward starting swap in April 2023 with an effective date of February 1, 2024 and expiration date of February 1, 2026. See Note 7 to the consolidated financial statements for additional details related to our outstanding derivatives.

As of March 31, 2023, 5% of our outstanding consolidated debt, excluding the amount of variable rate debt with interest rate protection agreements in place, had variable interest rates and therefore was subject to market fluctuations. A change in the SOFR index of 100 basis points would result in an increase or decrease of approximately $767,000 in interest expense on an annual basis.

The interest rate spreads associated with our unsecured lines of credit and our unsecured term loan are based on the higher of our two investment grade credit ratings. As of March 31, 2023, there were no outstanding balances under our unsecured lines of credit. An increase in our credit rating would provide a decrease in interest expense. If downgrades to our credit ratings occur, interest expense could increase depending upon the level of downgrade.

The information presented herein is merely an estimate and has limited predictive value. As a result, the ultimate effect upon our operating results of interest rate fluctuations will depend on the interest rate exposures that arise during the period, our hedging strategies at that time and future changes in the level of interest rates.

The estimated fair value and recorded value of our debt consisting of senior unsecured notes, unsecured term loans, secured mortgages and unsecured lines of credit were as follows (in thousands):

	March 31, 2023	December 31, 2022
Fair value of debt	$ 1,269,628	$ 1,268,362
Recorded value of debt	$ 1,427,941	$ 1,428,494

A 100 basis point increase from prevailing interest rates at March 31, 2023 and December 31, 2022 would result in a decrease in fair value of total consolidated debt of approximately $42.1 million and $44.3 million, respectively. Refer to Note 8 to the consolidated financial statements for a description of our methodology in calculating the estimated fair value of debt. Considerable judgment is necessary to develop estimated fair values of financial instruments. Accordingly, the estimates presented herein are not necessarily indicative of the amounts we could realize on the disposition of the financial instruments.

Foreign Currency Risk

We are also exposed to foreign currency risk on investments in outlet centers that are located in Canada. Our currency exposure is concentrated in the Canadian Dollar. To mitigate some of the risk related to changes in foreign currency, cash flows received from our Canadian joint ventures are either reinvested to fund ongoing Canadian development activities, if applicable, or converted to US dollars and utilized to repay amounts outstanding under our unsecured lines of credit, if any. Accordingly, cash held in Canadian Dollars at any point in time is insignificant. We generally do not hedge currency translation exposures.

Item 4. Controls and Procedures

Tanger Factory Outlet Centers, Inc. Controls and Procedures

The President and Chief Executive Officer, Stephen J. Yalof (Principal Executive Officer), and Executive Vice President, Chief Financial Officer and Chief Investment Officer, Michael J. Bilerman (Principal Financial Officer), evaluated the effectiveness of the Company’s disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and 15d-15(e) and concluded that, as of March 31, 2023, the Company’s disclosure controls and procedures were effective. There were no changes to the Company’s internal control over financial reporting during the quarter ended March 31, 2023, that materially affected, or are reasonably likely to materially affect, the Company’s internal control over financial reporting.

Tanger Properties Limited Partnership Controls and Procedures

The President and Chief Executive Officer, Stephen J. Yalof (Principal Executive Officer), and Executive Vice President, Chief Financial Officer and Chief Investment Officer, Michael J. Bilerman (Principal Financial Officer) of Tanger Factory Outlet Centers, Inc., the sole general partner of the Operating Partnership, evaluated the effectiveness of the Operating Partnership's disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) and concluded that, as of March 31, 2023, the Operating Partnership's disclosure controls and procedures were effective. There were no changes to the Operating Partnership’s internal control over financial reporting during the quarter ended March 31, 2023, that materially affected, or are reasonably likely to materially affect, the Operating Partnership’s internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

The Company and the Operating Partnership are, from time to time, engaged in a variety of legal proceedings arising in the normal course of business. Although the results of these legal proceedings cannot be predicted with certainty, management believes that the final outcome of such proceedings will not have a material adverse effect on our results of operations or financial condition.

Item 1A. Risk Factors

There have been no material changes from the risk factors disclosed in the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2022.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

(c) Issuer Purchases of Equity Securities

In May 2021, the Company's Board of Directors authorized the repurchase of up to $80.0 million of the Company's outstanding shares through May 31, 2023.

Repurchases may be made from time to time through open market, privately-negotiated, structured or derivative transactions (including accelerated share repurchase transactions), or other methods of acquiring shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its shares under this authorization. The Company did not repurchase any shares for the three months ended March 31, 2023. The remaining amount authorized to be repurchased under the program as of March 31, 2023 was approximately $80.0 million.

For certain restricted common shares that vested during the three months ended March 31, 2023, we withheld shares with value equivalent to the employees' minimum statutory obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. The total number of shares withheld upon vesting was 300,639 for the three months ended March 31, 2023. The total number of shares withheld was based on the value of the restricted common shares on the vesting date as determined by our closing share price on the day prior to the vesting date.

Item 6. Exhibits

Exhibit Number	Exhibit Descriptions
31.1*	Principal Executive Officer Certification Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, for Tanger Factory Outlet Centers, Inc.
31.2*	Principal Financial Officer Certification Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, for Tanger Factory Outlet Centers, Inc.
31.3*	Principal Executive Officer Certification Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, for Tanger Properties Limited Partnership.
31.4*	Principal Financial Officer Certification Pursuant to Rules 13a-14(a)/15d-14(a) under the Securities Exchange Act of 1934, as amended, for Tanger Properties Limited Partnership.
32.1**	Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
32.2**	Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
32.3**	Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002 for Tanger Properties Limited Partnership.
32.4**	Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes - Oxley Act of 2002 for Tanger Properties Limited Partnership.
101.INS*	Inline XBRL Instance Document - the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
104*	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

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 thereunto duly authorized.

DATE: April 28, 2023

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ Michael J. Bilerman

Michael J. Bilerman
Executive Vice President, Chief Financial Officer and Chief Investment Officer
(Principal Financial Officer)

TANGER PROPERTIES LIMITED PARTNERSHIP

By: TANGER FACTORY OUTLET CENTERS, INC., its sole general partner

By: /s/ Michael J. Bilerman

Michael J. Bilerman
Executive Vice President, Chief Financial Officer and Chief Investment Officer
(Principal Financial Officer)

Exhibit 31.1

I, Stephen J. Yalof, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tanger Factory Outlet Centers, Inc. for the period ended March 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2023

/s/ Stephen J. Yalof
Stephen J. Yalof
President and Chief Executive Officer
(Principal Executive Officer)
Tanger Factory Outlet Centers, Inc.

Exhibit 31.2

I, Michael J. Bilerman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tanger Factory Outlet Centers, Inc. for the period ended March 31, 2023;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2023

_/s/ Michael J. Bilerman_____
Michael J. Bilerman
Executive Vice President, Chief Financial Officer and Chief Investment Officer
Tanger Factory Outlet Centers, Inc.

Exhibit 31.3

I, Stephen J. Yalof, certify that:

1 I have reviewed this quarterly report on Form 10-Q of Tanger Properties Limited Partnership for the period ended March 31, 2023;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2023

/s/ Stephen J. Yalof

Stephen J. Yalof
President and Chief Executive Officer
Tanger Factory Outlet Centers, Inc., sole general partner of Tanger Properties Limited Partnership

Exhibit 31.4

I, Michael J. Bilerman, certify that:

1 I have reviewed this quarterly report on Form 10-Q of Tanger Properties Limited Partnership for the period ended March 31, 2023;

2 Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3 Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4 The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5 The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 28, 2023

/s/ Michael J. Bilerman

Michael J. Bilerman
Executive Vice President, Chief Financial Officer and Chief Investment Officer
Tanger Factory Outlet Centers, Inc., sole general partner of Tanger Properties Limited Partnership

Exhibit 32.1

Certification of Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q of Tanger Factory Outlet Centers, Inc. (the "Company") for the period ended March 31, 2023 (the "Report"), the undersigned, principal executive officer of the Company, hereby certifies, to such officer's knowledge, that:

(i) the Report fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

ephen J. Yalof

en J. Yalof
dent and Chief Executive Officer
er Factory Outlet Centers, Inc.

Exhibit 32.2

Certification of Chief Financial Officer

In connection with the Quarterly Report on Form 10-Q of Tanger Factory Outlet Centers, Inc. (the "Company") for the period ended March 31, 2023 (the "Report"), the undersigned, principal financial officer of the Company, hereby certifies, to such officer's knowledge, that:

(i) the Report fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 28, 2023

/s/ Michael J. Bilerman

Michael J. Bilerman
Executive Vice President, Chief Financial Officer and Chief Investment Officer Tanger Factory Outlet Centers, Inc.

Exhibit 32.3

Certification of Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q of Tanger Properties Limited Partnership (the "Operating Partnership") for the period ended March 31, 2023 (the "Report"), the undersigned, principal executive officer of the Operating Partnership's general partner, hereby certifies, to such officer's knowledge, that:

(i) the Report fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Date: April 28, 2023

/s/ Stephen J. Yalof
Stephen J. Yalof
President and Chief Executive Officer
Tanger Factory Outlet Centers, Inc., sole general partner of the Operating Partnership

Exhibit 32.4

Certification of Chief Financial Officer

In connection with the Quarterly Report on Form 10-Q of Tanger Properties Limited Partnership (the "Operating Partnership") for the period ended March 31, 2023 (the "Report"), the undersigned, principal financial officer of the Operating Partnership's general partner, hereby certifies, to such officer's knowledge, that:

(i) the Report fully complies with the requirements of Section 13(a) or Section 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Date: April 28, 2023

/s/ Michael J. Bilerman

Michael J. Bilerman
Executive Vice President, Chief Financial Officer and Chief Investment Officer
Tanger Factory Outlet Centers, Inc., sole general partner of the Operating Partnership