

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 June 30, 2025
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 Inc.)
Commission file number: 333-3526-01 (Tanger Properties Limited Partnership)

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

North Carolina (Tanger Inc.)

North Carolina (Tanger Properties Limited Partnership)

(State or other jurisdiction of incorporation or organization)

56-1815473

56-1822494

(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 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 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 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 Inc.

Large Accelerated Filer ☒

Non-accelerated Filer ☐

Accelerated Filer ☐

Smaller Reporting Company ☐

Emerging Growth Company ☐

Tanger Properties Limited Partnership

Large Accelerated Filer ☐

Non-accelerated Filer ☒

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 Inc.

☐

Tanger Properties Limited Partnership

☐

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant’s executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

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

Tanger Inc.	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>
Tanger Properties Limited Partnership	Yes <input type="checkbox"/>	No <input checked="" type="checkbox"/>

As of August 1, 2025, there were 113,174,006 common shares of Tanger Inc. outstanding, \$0.01 par value.

EXPLANATORY NOTE

This report combines the unaudited quarterly reports on Form 10-Q for the quarter ended June 30, 2025 of Tanger Inc., a North Carolina corporation, and Tanger Properties Limited Partnership, a North Carolina limited partnership. Unless the context indicates otherwise, the term “Company” refers to Tanger 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 context requires.

The Company is one of the leading owners and operators of outlet and open-air retail 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 on developing, acquiring, owning, operating and managing outlet and open-air shopping centers. The shopping 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 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 June 30, 2025, the Company and its wholly owned subsidiaries owned 113,174,006 units of the Operating Partnership and other limited partners (the “Non-Company LPs”) collectively owned 4,662,904 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 of the Operating Partnership, 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 Quarterly Report provides 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 Quarterly Report instead of two separate Quarterly Reports.

There are only a few differences between the Company and the Operating Partnership, which are reflected in the disclosure in this Quarterly 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 Quarterly Report.

The Operating Partnership holds all of the shopping centers and other assets, either directly or through wholly owned subsidiaries, 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 Quarterly 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 Quarterly Report also includes separate Item 4. Controls and Procedures sections and separate Exhibit 31 and Exhibit 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, as amended (the "Exchange Act"), and 18 U.S.C. §1350.

The separate sections in this Quarterly 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 Quarterly 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 Quarterly 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 INC. AND TANGER PROPERTIES LIMITED PARTNERSHIP

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PART I. - FINANCIAL INFORMATION

Item 1 - Financial Statements of Tanger Inc.

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

	June 30, 2025	December 31, 2024
Assets		
Rental property:		
Land	\$ 332,010	\$ 311,355
Buildings, improvements and fixtures	3,187,548	3,089,239
Construction in progress	11,662	7,453
	3,531,220	3,408,047
Accumulated depreciation	(1,453,947)	(1,428,017)
Total rental property, net	2,077,273	1,980,030
Cash and cash equivalents	9,741	46,992
Investments in unconsolidated joint ventures	66,671	65,665
Deferred lease costs and other intangibles, net	100,155	85,028
Operating lease right-of-use assets	75,421	76,099
Prepays and other assets	122,987	127,369
Total assets	\$ 2,452,248	\$ 2,381,183
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	\$ 1,042,656	\$ 1,041,710
Unsecured term loan, net	323,617	323,182
Mortgages payable, net	67,658	58,867
Unsecured lines of credit	92,000	—
Total debt	1,525,931	1,423,759
Accounts payable and accrued expenses	86,506	107,775
Operating lease liabilities	83,777	84,499
Other liabilities	94,692	85,476
Total liabilities	1,790,906	1,701,509
Commitments and contingencies		
Equity		
Tanger Inc.:		
Common shares, \$0.01 par value, 300,000,000 shares authorized, 113,174,006 and 112,738,633 shares issued and outstanding at June 30, 2025 and December 31, 2024, respectively	1,132	1,127
Paid in capital	1,190,344	1,190,746
Accumulated distributions in excess of net income	(527,896)	(511,816)
Accumulated other comprehensive loss	(28,408)	(27,687)
Equity attributable to Tanger Inc.	635,172	652,370
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	26,170	27,304
Noncontrolling interests in other consolidated partnerships	—	—
Total equity	661,342	679,674
Total liabilities and equity	\$ 2,452,248	\$ 2,381,183

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

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenues:				
Rental revenue	\$ 133,435	\$ 122,319	\$ 262,720	\$ 240,128
Management, leasing and other services	2,238	2,332	4,645	4,610
Other revenue	5,021	4,305	8,692	7,589
Total revenues	140,694	128,956	276,057	252,327
Expenses:				
Property operating	40,373	37,549	82,193	73,014
General and administrative	18,992	18,813	37,985	38,303
Impairment charge	—	—	4,249	—
Depreciation and amortization	36,608	34,174	73,754	68,034
Total expenses	95,973	90,536	198,181	179,351
Other income (expense):				
Interest expense	(16,399)	(15,700)	(32,171)	(30,053)
Other income (expense)	(26)	220	191	807
Total other income (expense)	(16,425)	(15,480)	(31,980)	(29,246)
Income before equity in earnings of unconsolidated joint ventures	28,296	22,940	45,896	43,730
Equity in earnings of unconsolidated joint ventures	3,034	2,975	5,433	5,491
Net income	31,330	25,915	51,329	49,221
Noncontrolling interests in Operating Partnership	(1,244)	(1,075)	(2,042)	(2,048)
Noncontrolling interests in other consolidated partnerships	—	—	—	80
Net income attributable to Tanger Inc.	\$ 30,086	\$ 24,840	\$ 49,287	\$ 47,253
Basic earnings per common share:				
Net income	\$ 0.27	\$ 0.23	\$ 0.43	\$ 0.43
Diluted earnings per common share:				
Net income	\$ 0.26	\$ 0.22	\$ 0.43	\$ 0.43

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

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221
Other comprehensive income (loss):				
Foreign currency translation adjustments	1,982	(40)	1,348	(914)
Change in fair value of cash flow hedges	(850)	680	(2,098)	3,889
Other comprehensive income (loss)	1,132	640	(750)	2,975
Comprehensive income	32,462	26,555	50,579	52,196
Comprehensive income (loss) attributable to noncontrolling interests	(1,289)	(1,102)	(2,013)	(2,171)
Comprehensive income attributable to Tanger Inc.	\$ 31,173	\$ 25,453	\$ 48,566	\$ 50,025

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

TANGER 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 Inc.	Noncontrolling interests in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, March 31, 2024	\$ 1,094	\$ 1,073,313	\$ (497,330)	\$ (21,280)	\$ 555,797	\$ 23,926	\$ —	\$ 579,723
Net income	—	—	24,840	—	24,840	1,075	—	25,915
Other comprehensive income	—	—	—	613	613	27	—	640
Compensation under Incentive Award Plan	—	2,687	—	—	2,687	—	—	2,687
Issuance of 900 common shares upon exercise of options	—	95	—	—	95	—	—	95
Forfeiture of 13,816 restricted common share awards	—	—	—	—	—	—	—	—
Contributions from noncontrolling interests	—	—	—	—	—	—	—	—
Adjustment for noncontrolling interests in Operating Partnership	—	(193)	—	—	(193)	193	—	—
Common dividends (\$0.275 per share)	—	—	(30,099)	—	(30,099)	—	—	(30,099)
Distributions to noncontrolling interests	—	—	—	—	—	(1,381)	—	(1,381)
Balance, June 30, 2024	\$ 1,094	\$ 1,075,902	\$ (502,589)	\$ (20,667)	\$ 553,740	\$ 23,840	\$ —	\$ 577,580

	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, 2023	\$ 1,088	\$ 1,079,387	\$ (490,171)	\$ (23,519)	\$ 566,785	\$ 24,528	\$ —	\$ 591,313
Net income	—	—	47,253	—	47,253	2,048	(80)	49,221
Other comprehensive income	—	—	—	2,852	2,852	123	—	2,975
Compensation under Incentive Award Plan	—	6,258	—	—	6,258	—	—	6,258
Issuance of 25,000 common shares upon exercise of options	—	533	—	—	533	—	—	533
Grant of 774,715 restricted common share awards, net of forfeitures	8	(8)	—	—	—	—	—	—
Issuance of 136,469 deferred shares	1	(1)	—	—	—	—	—	—
Withholding of 375,899 common shares for employee income taxes	(3)	(10,521)	—	—	(10,524)	—	—	(10,524)
Contributions from noncontrolling interests	—	—	—	—	—	—	80	80
Acquisition of noncontrolling interest in other consolidated partnership	—	254	—	—	254	(254)	—	—
Common dividends (\$0.535 per share)	—	—	(59,671)	—	(59,671)	—	—	(59,671)
Distributions to noncontrolling interests	—	—	—	—	—	(2,605)	—	(2,605)
Balance, June 30, 2024	\$ 1,094	\$ 1,075,902	\$ (502,589)	\$ (20,667)	\$ 553,740	\$ 23,840	\$ —	\$ 577,580

TANGER 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 Inc.	Noncontrolling interests in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, March 31, 2025	\$ 1,132	\$ 1,187,104	\$ (524,846)	\$ (29,495)	\$ 633,895	\$ 26,118	\$ —	\$ 660,013
Net income	—	—	30,086	—	30,086	1,244	—	31,330
Other comprehensive income	—	—	—	1,087	1,087	45	—	1,132
Compensation under Incentive Award Plan	—	3,373	—	—	3,373	—	—	3,373
Issuance of 800 common shares upon exercise of options	—	5	—	—	5	—	—	5
Adjustment for noncontrolling interests in Operating Partnership	—	(138)	—	—	(138)	138	—	—
Common dividends (\$0.2925 per share)	—	—	(33,136)	—	(33,136)	—	—	(33,136)
Distributions to noncontrolling interests	—	—	—	—	—	(1,375)	—	(1,375)
Balance, June 30, 2025	\$ 1,132	\$ 1,190,344	\$ (527,896)	\$ (28,408)	\$ 635,172	\$ 26,170	\$ —	\$ 661,342

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive loss	Equity attributable to Tanger Inc.	Noncontrolling interests in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2024	\$ 1,127	\$ 1,190,745	\$ (511,815)	\$ (27,687)	\$ 652,370	\$ 27,304	\$ —	\$ 679,674
Net income	—	—	49,287	—	49,287	2,042	—	51,329
Other comprehensive loss	—	—	—	(721)	(721)	(29)	—	(750)
Compensation under Incentive Award Plan	—	6,332	—	—	6,332	—	—	6,332
Issuance of 6,000 common shares upon exercise of options	—	43	—	—	43	—	—	43
Grant of 595,924 restricted common share awards, net of forfeitures	6	(6)	—	—	—	—	—	—
Withholding of 211,605 common shares for employee income taxes	(2)	(7,259)	—	—	(7,261)	—	—	(7,261)
Adjustment for noncontrolling interests in other consolidated partnerships	—	490	—	—	490	(490)	—	—
Exchange of 45,054 Operating Partnership units for 45,054 common shares	1	(1)	—	—	—	—	—	—
Common dividends (\$0.5675 per share)	—	—	(65,368)	—	(65,368)	—	—	(65,368)
Distributions to noncontrolling interests	—	—	—	—	—	(2,657)	—	(2,657)
Balance, June 30, 2025	\$ 1,132	\$ 1,190,344	\$ (527,896)	\$ (28,408)	\$ 635,172	\$ 26,170	\$ —	\$ 661,342

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

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

	Six months ended June 30,	
	2025	2024
OPERATING ACTIVITIES		
Net income	\$ 51,329	\$ 49,221
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	73,754	68,034
Impairment charge	4,249	—
Amortization of deferred financing costs	1,861	1,695
Equity in earnings of unconsolidated joint ventures	(5,433)	(5,491)
Equity-based compensation expense	6,213	6,105
Amortization of debt discounts, net	413	357
Amortization (accretion) of market rent rate adjustments, net	(263)	228
Straight-line rent adjustments	(294)	12
Distributions of cumulative earnings from unconsolidated joint ventures	6,613	3,577
Changes in other assets and liabilities:		
Other assets	(4,062)	2,945
Accounts payable and accrued expenses	(10,936)	(22,822)
Net cash provided by operating activities	123,444	103,861
INVESTING ACTIVITIES		
Additions to rental property	(27,595)	(49,091)
Net proceeds from sale of real estate assets	16,634	—
Acquisition of real estate assets	(166,596)	—
Proceeds from short-term investments	—	6,981
Additions to non-real estate assets	(3,077)	(5,738)
Distributions in excess of cumulative earnings from unconsolidated joint ventures	2,266	1,617
Additions to deferred lease costs	(2,524)	(1,191)
Payments for other investing activities	(7,678)	(2,774)
Proceeds from other investing activities	3,039	2,557
Net cash used in investing activities	(185,531)	(47,639)
FINANCING ACTIVITIES		
Cash dividends paid	(65,368)	(59,671)
Distributions to noncontrolling interests in Operating Partnership	(2,657)	(2,605)
Proceeds from revolving credit facility	205,000	219,000
Repayments of revolving credit facility	(113,000)	(197,000)
Proceeds from notes, mortgages and loans	10,000	—
Repayments of notes, mortgages and loans	(738)	(2,519)
Employee income taxes paid related to shares withheld upon vesting of equity awards	(7,261)	(10,524)
Additions to deferred financing costs	(544)	(6,876)
Proceeds from exercise of options	43	533
Payment for other financing activities	(574)	(574)
Contributions from noncontrolling interests in other consolidated partnerships	—	80
Net cash provided by (used in) financing activities	24,901	(60,156)
Effect of foreign currency rate changes on cash and cash equivalents	(65)	216
Net decrease in cash and cash equivalents	(37,251)	(3,718)
Cash and cash equivalents, beginning of period	46,992	12,778
Cash and cash equivalents, end of period	\$ 9,741	\$ 9,060

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)

	June 30, 2025	December 31, 2024
Assets		
Rental property:		
Land	\$ 332,010	\$ 311,355
Buildings, improvements and fixtures	3,187,548	3,089,239
Construction in progress	11,662	7,453
	3,531,220	3,408,047
Accumulated depreciation	(1,453,947)	(1,428,017)
Total rental property, net	2,077,273	1,980,030
Cash and cash equivalents	9,307	46,700
Investments in unconsolidated joint ventures	66,671	65,665
Deferred lease costs and other intangibles, net	100,155	85,028
Operating lease right-of-use assets	75,421	76,099
Prepays and other assets	123,132	126,852
Total assets	\$ 2,451,959	\$ 2,380,374
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	\$ 1,042,656	\$ 1,041,710
Unsecured term loan, net	323,617	323,182
Mortgages payable, net	67,658	58,867
Unsecured lines of credit	92,000	—
Total debt	1,525,931	1,423,759
Accounts payable and accrued expenses	86,217	106,966
Operating lease liabilities	83,777	84,499
Other liabilities	94,692	85,476
Total liabilities	1,790,617	1,700,700
Commitments and contingencies		
Equity		
Partners' Equity:		
General partner, 1,250,000 and 1,250,000 units outstanding at June 30, 2025 and December 31, 2024, respectively	8,925	9,094
Limited partners, 4,662,904 and 4,707,958 Class A common units, and 111,924,006 and 111,488,633 Class B common units outstanding at June 30, 2025 and December 31, 2024, respectively	682,297	699,711
Accumulated other comprehensive loss	(29,880)	(29,131)
Total partners' equity	661,342	679,674
Noncontrolling interests in consolidated partnerships	—	—
Total equity	661,342	679,674
Total liabilities and equity	\$ 2,451,959	\$ 2,380,374

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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenues:				
Rental revenue	\$ 133,435	\$ 122,319	\$ 262,720	\$ 240,128
Management, leasing and other services	2,238	2,332	4,645	4,610
Other revenue	5,021	4,305	8,692	7,589
Total revenues	140,694	128,956	276,057	252,327
Expenses:				
Property operating	40,373	37,549	82,193	73,014
General and administrative	18,992	18,813	37,985	38,303
Impairment charge	—	—	4,249	—
Depreciation and amortization	36,608	34,174	73,754	68,034
Total expenses	95,973	90,536	198,181	179,351
Other income (expense):				
Interest expense	(16,399)	(15,700)	(32,171)	(30,053)
Other income (expense)	(26)	220	191	807
Total other income (expense)	(16,425)	(15,480)	(31,980)	(29,246)
Income before equity in earnings of unconsolidated joint ventures	28,296	22,940	45,896	43,730
Equity in earnings of unconsolidated joint ventures	3,034	2,975	5,433	5,491
Net income	31,330	25,915	51,329	49,221
Noncontrolling interests in consolidated partnerships	—	—	—	80
Net income available to partners	31,330	25,915	51,329	49,301
Net income available to limited partners	31,001	25,656	50,788	48,806
Net income available to general partner	\$ 329	\$ 259	\$ 541	\$ 495
Basic earnings per common unit:				
Net income	\$ 0.27	\$ 0.23	\$ 0.43	\$ 0.43
Diluted earnings per common unit:				
Net income	\$ 0.26	\$ 0.22	\$ 0.43	\$ 0.43

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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221
Other comprehensive income (loss):				
Foreign currency translation adjustments	1,982	(40)	1,348	(914)
Changes in fair value of cash flow hedges	(850)	680	(2,098)	3,889
Other comprehensive income (loss)	1,132	640	(750)	2,975
Comprehensive income	32,462	26,555	50,579	52,196
Comprehensive income attributable to noncontrolling interests in consolidated partnerships	—	—	—	80
Comprehensive income attributable to the Operating Partnership	\$ 32,462	\$ 26,555	\$ 50,579	\$ 52,276

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, March 31, 2024	\$ 5,713	\$ 596,468	\$ (22,458)	\$ 579,723	\$ —	\$ 579,723
Net income	259	25,656	—	25,915	—	25,915
Other comprehensive income	—	—	640	640	—	640
Compensation under Incentive Award Plan	—	2,687	—	2,687	—	2,687
Issuance of 900 common units upon exercise of options	—	95	—	95	—	95
Forfeiture of 13,816 restricted common share awards	—	—	—	—	—	—
Common distributions (\$0.275 per unit)	(316)	(31,164)	—	(31,480)	—	(31,480)
Balance, June 30, 2024	\$ 5,656	\$ 593,742	\$ (21,818)	\$ 577,580	\$ —	\$ 577,580

	General partner	Limited partners	Accumulated other comprehensive loss	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, December 31, 2023	5,776	610,330	(24,793)	591,313	—	591,313
Net income	495	48,806	—	49,301	(80)	49,221
Other comprehensive income	—	—	2,975	2,975	—	2,975
Compensation under Incentive Award Plan	—	6,258	—	6,258	—	6,258
Issuance of 25,000 common units upon exercise of options	—	533	—	533	—	533
Grant of 774,715 restricted common share awards by the Company, net of forfeitures	—	—	—	—	—	—
Issuance of 136,469 deferred units	—	—	—	—	—	—
Withholding of 375,899 common units for employee income taxes	—	(10,524)	—	(10,524)	—	(10,524)
Contributions from noncontrolling interests in consolidated partnerships	—	—	—	—	80	80
Common distributions (\$0.535 per unit)	(615)	(61,661)	—	(62,276)	—	(62,276)
Balance, June 30, 2024	\$ 5,656	\$ 593,742	\$ (21,818)	\$ 577,580	\$ —	\$ 577,580

	General partner	Limited partners	Accumulated other comprehensive loss	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, March 31, 2025	\$ 8,962	\$ 682,063	\$ (31,012)	\$ 660,013	\$ —	\$ 660,013
Net income	329	31,001	—	31,330	—	31,330
Other comprehensive income	—	—	1,132	1,132	—	1,132
Compensation under Incentive Award Plan	—	3,373	—	3,373	—	3,373
Issuance of 800 common units upon exercise of options	—	5	—	5	—	5
Contributions from noncontrolling interests in consolidated partnerships	—	—	—	—	—	—
Common distributions (\$0.2925 per unit)	(366)	(34,145)	—	(34,511)	—	(34,511)
Balance, June 30, 2025	\$ 8,925	\$ 682,297	\$ (29,880)	\$ 661,342	\$ —	\$ 661,342

	General partner	Limited partners	Accumulated other comprehensive loss	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, December 31, 2024	\$ 9,094	\$ 699,710	\$ (29,130)	\$ 679,674	\$ —	\$ 679,674
Net income	541	50,788	—	51,329	—	51,329
Other comprehensive loss	—	—	(750)	(750)	—	(750)
Compensation under Incentive Award Plan	—	6,332	—	6,332	—	6,332
Issuance of 6,000 common units upon exercise of options	—	43	—	43	—	43
Grant of 595,924 restricted common share awards by the Company, net of forfeitures	—	—	—	—	—	—
Withholding of 211,605 common units for employee income taxes	—	(7,261)	—	(7,261)	—	(7,261)
Common distributions (\$0.5675 per unit)	(710)	(67,315)	—	(68,025)	—	(68,025)
Balance, June 30, 2025	\$ 8,925	\$ 682,297	\$ (29,880)	\$ 661,342	\$ —	\$ 661,342

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)

	Six months ended June 30,	
	2025	2024
OPERATING ACTIVITIES		
Net income	\$ 51,329	\$ 49,221
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	73,754	68,034
Impairment charge	4,249	—
Amortization of deferred financing costs	1,861	1,695
Equity in earnings of unconsolidated joint ventures	(5,433)	(5,491)
Equity-based compensation expense	6,213	6,105
Amortization of debt discounts, net	413	357
Amortization (accretion) of market rent rate adjustments, net	(263)	228
Straight-line rent adjustments	(294)	12
Distributions of cumulative earnings from unconsolidated joint ventures	6,613	3,577
Changes in other assets and liabilities:		
Other assets	(4,284)	2,562
Accounts payable and accrued expenses	(10,856)	(22,283)
Net cash provided by operating activities	123,302	104,017
INVESTING ACTIVITIES		
Additions to rental property	(27,595)	(49,091)
Acquisitions of real estate assets	(166,596)	—
Net proceeds from sale of assets	16,634	—
Proceeds from short-term investments	—	6,981
Additions to non-real estate assets	(3,077)	(5,738)
Distributions in excess of cumulative earnings from unconsolidated joint ventures	2,266	1,617
Additions to deferred lease costs	(2,524)	(1,191)
Payments for other investing activities	(7,678)	(2,774)
Proceeds from other investing activities	3,039	2,557
Net cash used in investing activities	(185,531)	(47,639)
FINANCING ACTIVITIES		
Cash distributions paid	(68,025)	(62,276)
Proceeds from revolving credit facility	205,000	219,000
Repayments of revolving credit facility	(113,000)	(197,000)
Proceeds from notes, mortgages and loans	10,000	—
Repayments of notes, mortgages and loans	(738)	(2,519)
Employee income taxes paid related to shares withheld upon vesting of equity awards	(7,261)	(10,524)
Additions to deferred financing costs	(544)	(6,876)
Proceeds from exercise of options	43	533
Payment for other financing activities	(574)	(574)
Contributions from noncontrolling interests in other consolidated partnerships	—	80
Net cash provided by (used in) financing activities	24,901	(60,156)
Effect of foreign currency on cash and cash equivalents	(65)	216
Net decrease in cash and cash equivalents	(37,393)	(3,562)
Cash and cash equivalents, beginning of period	46,700	12,572
Cash and cash equivalents, end of period	\$ 9,307	\$ 9,010

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

TANGER INC. AND SUBSIDIARIES
TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Business

Tanger Inc. and its subsidiaries, which we refer to as the Company, is one of the leading owners and operators of outlet and open-air shopping centers in the United States and Canada. We are a fully-integrated, self-administered and self-managed real estate investment trust, which, through our controlling interest in Tanger Properties Limited Partnership and its subsidiaries, which we refer to as the Operating Partnership, focuses on developing, acquiring, owning, operating and managing outlet and open-air shopping centers. As of June 30, 2025, we owned and operated 30 consolidated outlet centers and three open-air lifestyle centers, with a total gross leasable area of approximately 13.3 million square feet, which were 96.5% occupied and contained over 2,500 stores representing approximately 700 store brands. We also had partial ownership interests in six unconsolidated centers totaling approximately 2.1 million square feet, including two centers in Canada. The portfolio also includes one managed center, totaling approximately 457,000 square feet. Each of our centers, except one joint venture center, features the Tanger brand name. All references to gross leasable area, square feet, occupancy, stores and store brands contained in the notes to the consolidated financial statements are unaudited.

Our shopping centers and other assets are held by, and all of our operations are conducted by the Operating Partnership. Accordingly, the descriptions of our business, employees and assets are also descriptions of the business, employees and assets of the Operating Partnership. Unless the context indicates otherwise, the term "Company" refers to Tanger 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. On November 16, 2023, we changed our legal name from Tanger Factory Outlet Centers, Inc. to Tanger Inc. We refer to Tanger Inc.'s current legal name throughout this Quarterly Report on Form 10-Q.

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 in the Operating Partnership. As of June 30, 2025, the Company and its wholly-owned subsidiaries owned 113,174,006 units of the Operating Partnership and other limited partners (the "Non-Company LPs") collectively owned 4,662,904 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 of the Operating Partnership, 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, 2024. The December 31, 2024 balance sheet data in this Form 10-Q was derived from the Company's 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"), however 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.

In February 2025, we entered into the Third Amended and Restated Limited Partnership Agreement, providing for the creation of long-term incentive plan units ("LTIP units"), entitled to the same non-liquidating distributions and allocations of profits and losses as the Class A Units on a per unit basis.

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 \$49.2 million as of June 30, 2025.

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. Impairment analyses are based on our current plans, intended holding periods and available market information at the time the analyses are prepared. If our estimates of the projected future cash flows change based on uncertain market conditions or holding periods, our evaluation of impairment losses may be different and such differences could be material to our consolidated financial statements.

Due to the financial impacts from the COVID-19 pandemic, we began performing the above-described procedures on our Atlantic City, New Jersey center in 2020. While the center's performance has improved since that time, we have continued to perform those procedures and concluded each quarter that the carrying amount of the asset was recoverable. We evaluate different holding period scenarios and apply probabilities to those scenarios to determine an average holding period of 9 years. Management has the intent, and we have the ability, to hold the property for at least this period, and we believe this period is reasonable based on the center's performance and our history of being a long-term owner and operator of our centers. We believe the carrying value is recoverable because in our models the sum of the estimated future undiscounted cash flows, \$58.3 million, and the estimated potential disposition proceeds of the sale of the center, \$68.9 million (in aggregate totaling \$127.2 million) exceeds the carrying value of \$104.4 million by \$22.9 million. The recorded carrying amount includes intangible lease costs from our 2011 acquisition of the center.

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, utilized 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.

In April 2025, we sold the center in Howell, Michigan for \$17.0 million. As part of our quarterly impairment evaluation procedures, we recorded a \$4.2 million impairment charge in the first quarter of 2025 to lower the property's carrying value to the estimated fair value based on the purchase agreement.

3. Rental Property Acquisitions

2025 Acquisitions

Cleveland, Ohio

In February 2025, we purchased Pinecrest in Cleveland, Ohio, a 640,000-square-foot open-air, grocery-anchored, mixed-use center, for \$167.0 million using cash on hand and available liquidity. We accounted for the transaction as an asset acquisition and additionally capitalized approximately \$905,000 in transaction costs once the acquisition was deemed probable.

The assets acquired were recorded at relative fair value as determined by management, with the assistance of third- party valuation specialists, based on information available at the acquisition dates and on current assumptions as to future operations (See Note 2). The consideration transferred to complete this rental property acquisition and the purchase price allocation amongst the identifiable assets acquired and liabilities assumed was as follows:

	Fair value (in thousands)	Weighted-Average Amortization Period (in years)
Land	\$ 22,416	
Buildings, improvements and fixtures	127,516	36.4
Above market lease value	6,922	7.0
Below market lease value	(7,480)	11.5
Lease in place value	13,388	6.9
Lease and legal costs	5,143	5.1
Total deferred lease costs and other intangibles, net	17,973	
Total fair value of assets acquired	\$ 167,905	

There was no contingent consideration associated with this acquisition.

4. Disposition of Property

In April 2025, we sold the center in Howell, Michigan for \$17.0 million. As part of our quarterly impairment evaluation procedures, we recorded a \$4.2 million impairment charge in the first quarter of 2025 to lower the property's carrying value to the estimated fair value based on the purchase agreement.

The following table sets forth the property sold during the six months ended June 30, 2025 (in thousands):

Property	Location	Date Sold	Square Feet	Net Sales Proceeds	Gain on Sale
Howell	Howell, MI	April 2025	314	\$16,628	—

5. 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 June 30, 2025					
Joint Venture	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	Ontario, Canada	50.0 %	665	\$ 66.7	—
Investments included in other liabilities:					
Charlotte ⁽²⁾	Charlotte, NC	50.0 %	399	(21.5)	\$ 96.7
National Harbor ⁽²⁾	National Harbor, MD	50.0 %	341	(12.8)	91.0
Galveston/Houston ⁽²⁾	Texas City, TX	50.0 %	353	(13.6)	59.2
Columbus ⁽²⁾	Columbus, OH	50.0 %	355	(5.8)	70.5
		50.0 %	1,448	\$ (53.7)	\$ 317.4

As of December 31, 2024					
Joint Venture	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	Ontario, Canada	50.0 %	665	\$ 65.7	—
Investments included in other liabilities:					
Charlotte ⁽²⁾	Charlotte, NC	50.0 %	399	(21.3)	\$ 97.6
National Harbor ⁽²⁾	National Harbor, MD	50.0 %	341	(11.1)	91.8
Galveston/Houston ⁽²⁾	Texas City, TX	50.0 %	353	(13.3)	57.4
Columbus ⁽²⁾	Columbus, OH	50.0 %	355	(5.0)	70.4
		50.0 %	1,448	\$ (50.7)	\$ 317.2

(1) Net of debt origination costs of \$1.8 million as of June 30, 2025 and \$1.6 million as of December 31, 2024.

(2) 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. The negative carrying value is due to the distributions of proceeds from mortgage loans and quarterly distributions of excess cash flow exceeding the original contributions from the partners and equity in earnings of the joint ventures.

Galveston Outlets LLC

In June 2025, the Galveston/Houston joint venture refinanced its mortgage loan to extend the maturity from June 2026 to June 2030, which included an increase in principal balance from \$58.0 million to \$60.0 million, and reduced the interest rate from the Daily Secured Overnight Financing Rate ("Daily SOFR") + 3.0% to Daily SOFR + 1.65%. In conjunction with this refinancing, the joint venture entered into a \$60.0 million interest rate swap that fixes Daily SOFR at 3.4% until June 2029.

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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Fee:				
Management and marketing	\$ 576	\$ 571	\$ 1,139	\$ 1,128
Leasing and other fees	45	107	134	212
Expense reimbursements from unconsolidated joint ventures	1,219	1,189	2,541	2,308
Total Fees	\$ 1,840	\$ 1,867	\$ 3,814	\$ 3,648

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 \$2.6 million and \$2.4 million as of June 30, 2025 and December 31, 2024, 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):

	June 30, 2025	December 31, 2024
Assets		
Land	\$ 79,815	\$ 79,920
Buildings, improvements and fixtures	470,567	459,148
Construction in progress	1,062	1,051
	551,444	540,119
Accumulated depreciation	(226,991)	(214,826)
Total rental property, net	324,453	325,293
Cash and cash equivalents	13,682	17,480
Deferred lease costs and other intangibles, net	2,341	1,841
Prepays and other assets	10,493	10,137
Total assets	\$ 350,969	\$ 354,751
Liabilities and Owners' Equity		
Mortgages payable, net	\$ 317,317	\$ 317,191
Accounts payable and other liabilities	13,610	14,670
Total liabilities	330,927	331,861
Owners' equity	20,042	22,890
Total liabilities and owners' equity	\$ 350,969	\$ 354,751

Condensed Combined Statements of Operations - Unconsolidated Joint Ventures	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenues	\$ 24,568	\$ 23,206	\$ 48,212	\$ 45,702
Expenses:				
Property operating	9,050	8,876	17,997	16,868
General and administrative	20	14	20	130
Depreciation and amortization	4,594	3,941	10,284	9,021
Total expenses	13,664	12,831	28,301	26,019
Other income (expense):				
Interest expense	(4,921)	(4,548)	(9,352)	(9,088)
Other income	97	118	259	382
Total other expense	(4,824)	(4,430)	(9,093)	(8,706)
Net income	\$ 6,080	\$ 5,945	\$ 10,818	\$ 10,977
The Company and Operating Partnership's share of:				
Net income	\$ 3,034	\$ 2,975	\$ 5,433	\$ 5,491
Depreciation and amortization (real estate related)	\$ 2,306	\$ 2,060	\$ 5,166	\$ 4,600

6. Debt Guaranteed by the Company

All of the Company's debt is incurred 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 \$620.0 million, of which \$528.0 million remains available as of June 30, 2025. The Company also guarantees the Operating Partnership's \$325.0 million unsecured term loan.

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

	June 30, 2025	As of December 31, 2024
Unsecured lines of credit	\$ 92,000	\$ —
Unsecured term loan	\$ 325,000	\$ 325,000

7. Debt of the Operating Partnership

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

				As of June 30, 2025		As of December 31, 2024	
				Principal	Book Value ⁽¹⁾	Principal	Book Value ⁽¹⁾
	Stated Interest Rate(s)	Maturity Date	Maturity Date With Extension Option				
Senior, unsecured notes:							
Senior notes	3.125%	September 2026		\$ 350,000	\$ 349,338	\$ 350,000	\$ 349,045
Senior notes	3.875%	July 2027		300,000	299,162	300,000	298,956
Senior notes	2.750%	September 2031		400,000	394,156	400,000	393,710
Unsecured term loan ⁽²⁾	Adj SOFR + 0.94%	January 2027	January 2028	325,000	323,617	325,000	323,182
Mortgages payable:							
Atlantic City ^{(3) (4)}	6.44%	December 2026		6,468	6,565	7,206	7,341
Southaven ^{(2) (5)}	Adj SOFR + 2.00%	April 2030		61,700	61,093	51,700	51,525
Unsecured lines of credit	Adj SOFR + 0.85%	April 2028	April 2029	92,000	92,000	—	—
Total				\$ 1,535,168	\$ 1,525,931	\$ 1,433,906	\$ 1,423,759

(1) Includes premiums, discounts and unamortized debt origination costs. These costs were \$9.2 million and \$10.1 million as of June 30, 2025 and December 31, 2024, respectively. This excludes \$6.6 million and \$7.4 million of unamortized debt origination costs related to the unsecured lines of credit at June 30, 2025 and December 31, 2024, respectively, recorded in prepaids and other assets in the consolidated balance sheet.

(2) We have entered into various interest rate swap agreements to effectively fix variable interest costs (see Note 8).

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

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

(5) The Operating Partnership provides a 10% guarantee of this mortgage, which is held at a joint venture that is consolidated for financial reporting purposes.

In April 2025, the Southaven, Mississippi consolidated joint venture amended its mortgage increasing the outstanding borrowings from \$51.7 million to \$61.7 million and extending the maturity date from October 2026 to April 2030 with no extension options. The stated interest rate remained unchanged at the Adjusted Secured Overnight Financing Rate ("Adjusted SOFR") + 2.0%.

Certain of our properties, which had a net book value of approximately \$123.6 million at June 30, 2025, serve as collateral for mortgages payable. As of June 30, 2025, we maintained unsecured lines of credit that provided for borrowings of up to \$620.0 million which had \$92.0 million borrowed. The unsecured lines of credit as of June 30, 2025 included a \$20.0 million liquidity line and a \$600.0 million syndicated line. The syndicated line may be increased up to \$1.2 billion through an accordion feature in certain circumstances.

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 FFO, as defined in the agreements, for the prior fiscal year on an annual basis or 95% of FFO on a cumulative basis. As of June 30, 2025, 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 June 30, 2025 for the next five years and thereafter are as follows (in thousands):

Calendar Year	Amount
For the remainder of 2025	\$ 763
2026	355,705
2027 ⁽¹⁾	625,000
2028 ⁽¹⁾	92,000
2029	—
Thereafter	461,700
Subtotal	1,535,168
Net discount and debt origination costs	(9,237)
Total	\$ 1,525,931

(1) Excludes one year extension options on our \$325.0 million unsecured term loan which matures in 2027 and our \$620.0 million unsecured lines of credit which has \$92.0 million outstanding at June 30, 2025 which matures in 2028. With extension options, these debt maturities would mature in 2028 and 2029, respectively.

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, proceeds from forward share issuance contracts 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.

8. 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):

Effective Date	Maturity Date	Notional Amount	Bank Pay Rate	Company Fixed Pay Rate	Fair Value	
					June 30, 2025	December 31, 2024
Assets (Liabilities) ⁽¹⁾ :						
Current Derivatives						
February 1, 2024	February 1, 2026	75,000	Daily SOFR	3.5 %	\$ 275	\$ 510
February 1, 2024	August 1, 2026	75,000	Daily SOFR	3.7 %	38	364
February 1, 2024	January 1, 2027	175,000	Daily SOFR	4.2 %	(1,515)	(554)
May 1, 2025	April 24, 2029	61,700	Daily SOFR	3.5 %	(367)	—
Total		\$ 386,700		3.8 %	\$ (1,569)	\$ 320
Forward Starting Derivatives						
February 1, 2026	April 1, 2028	75,000	Daily SOFR	3.3 %	(225)	—
August 1, 2026	October 1, 2027	40,000	Daily SOFR	3.1 %	(31)	—
Total		\$ 115,000		3.2 %	\$ (256)	\$ —

(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.

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 is 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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Interest Rate Swaps (Effective Portion):				
Amount of gain (loss) recognized in other comprehensive income (loss)	\$ (850)	\$ 680	\$ (2,098)	\$ 3,889

9. 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 June 30, 2025:				
Assets:				
Interest rate swaps (prepaids and other assets)	\$ 558	\$ —	\$ 558	\$ —
Total assets	\$ 558	\$ —	\$ 558	\$ —
Liabilities:				
Interest rate swaps (other liabilities)	\$ (2,383)	\$ —	\$ (2,383)	\$ —
Total liabilities	\$ (2,383)	\$ —	\$ (2,383)	\$ —
		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, 2024:				
Asset:				
Interest rate swaps (prepaids and other assets)	\$ 1,288	\$ —	\$ 1,288	\$ —
Total assets	\$ 1,288	\$ —	\$ 1,288	\$ —
Liabilities:				
Interest rate swaps (other liabilities)	\$ (968)	\$ —	\$ (968)	\$ —
Total liabilities	\$ (968)	\$ —	\$ (968)	\$ —

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):

	June 30, 2025	December 31, 2024
Level 1 Quoted Prices in Active Markets for Identical Assets or Liabilities	\$ —	\$ —
Level 2 Significant Observable Inputs	985,611	961,783
Level 3 Significant Unobservable Inputs	485,280	387,048
Total fair value of debt	\$ 1,470,891	\$ 1,348,831
Recorded value of debt	\$ 1,525,931	\$ 1,423,759

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 fair value hierarchy. Our other debt is classified as Level 3 in the fair value hierarchy 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 using quoted market prices in an active market.

10. Shareholders' Equity of the Company

Dividend Declaration

In April 2025, the Company's Board of Directors (the "Board") declared a \$0.2925 cash dividend per common share payable on May 15, 2025 to each shareholder of record on April 30, 2025, and in its capacity as General Partner of the Operating Partnership, authorized a \$0.2925 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

At-the-Market Offering

Under our at-the-market stock offering ("ATM Offering") program, which commenced in February 2021, and replaced with a new program in February 2025, we may offer and sell our common shares, \$0.01 par value per share, having an aggregate gross sales price of up to \$400 million. We may sell the common shares in amounts and at times to be determined by us but we have no obligation to sell any of the common 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 the sale of common shares pursuant to the ATM Offering Program for working capital and general corporate expenses. As of June 30, 2025, we had approximately \$400.0 million remaining available for sales of shares under the ATM Offering program. There were no sales of our common shares during the first two quarters of 2025 or 2024.

Forward Sale Agreements

During 2024, we sold an aggregate of 1.9 million shares under the ATM Offering Program which were subject to forward sale agreements, for an estimated aggregate gross value of \$69.7 million based on the initial forward sale price of \$36.40 with respect to each forward sale agreement. No shares have been settled through June 30, 2025 and shares can be settled at any time over the next 6-9 months, unless otherwise extended. We did not initially receive any proceeds from the sale of these common shares, which were sold to underwriters, by the forward purchasers or their respective affiliates. We did not receive any proceeds from the sale of shares at the time we entered into each of the respective forward sale agreements. We determined that the forward sale agreements meet the criteria for equity classification and, therefore, are exempt from derivative accounting. We recorded the forward sale agreements at fair value at inception, which we determined to be zero. Subsequent changes to fair value are not required under equity classification.

Share Repurchase Program

In May 2025, the Board authorized the repurchase of up to \$200.0 million of the Company's outstanding common shares, replacing the previously authorized share repurchase program to repurchase up to \$100.0 million of the Company's outstanding common shares that expired May 31, 2025. 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 common shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18 of the Exchange Act. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its common shares under this authorization. The Company did not repurchase any common shares in both the three and six months ended June 30, 2025 and June 30, 2024. The remaining amount of common shares authorized to be repurchased under the share repurchase program as of June 30, 2025 was approximately \$200.0 million.

11. Partners' Equity of the Operating Partnership

All operating partnership units 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 amount of Class B common limited partnership units held by Tanger LP Trust.

The following table sets forth the changes in outstanding partnership units for the three and six months ended June 30, 2025 and June 30, 2024:

	General Partnership Units	Limited Partnership Units		
		Class A	Class B	Total
Balance March 31, 2024	1,150,000	4,707,958	108,216,452	112,924,410
Options exercised	—	—	900	900
Forfeitures of restricted common share awards by the Company	—	—	(13,816)	(13,816)
Balance June 30, 2024	1,150,000	4,707,958	108,203,536	112,911,494
Balance December 31, 2023	1,150,000	4,707,958	107,643,251	112,351,209
Options exercised	—	—	25,000	25,000
Grant of restricted common share awards by the Company, net of forfeitures	—	—	774,715	774,715
Issuance of deferred units	—	—	136,469	136,469
Units withheld for employee income taxes	—	—	(375,899)	(375,899)
Balance June 30, 2024	1,150,000	4,707,958	108,203,536	112,911,494
Balance March 31, 2025	1,250,000	4,662,904	111,923,206	116,586,110
Options exercised	—	—	800	800
Issuance of units	—	—	—	—
Balance June 30, 2025	1,250,000	4,662,904	111,924,006	116,586,910
Balance December 31, 2024	1,250,000	4,707,958	111,488,633	116,196,591
Options exercised	—	—	6,000	6,000
Grant of restricted common share awards by the Company, net of forfeitures	—	—	595,924	595,924
Exchange of Class A Limited Partnership Units	—	(45,054)	45,054	—
Units withheld for employee income taxes	—	—	(211,605)	(211,605)
Balance June 30, 2025	1,250,000	4,662,904	111,924,006	116,586,910

12. 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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Numerator:				
Net income attributable to Tanger Inc.	\$ 30,086	\$ 24,840	\$ 49,287	\$ 47,253
Less allocation of earnings to participating securities	(225)	(229)	(427)	(460)
Net income available to common shareholders of Tanger Inc.	\$ 29,861	\$ 24,611	\$ 48,860	\$ 46,793
Denominator:				
Basic weighted average common shares	112,659	108,683	112,528	108,526
Effect of dilutive securities				
Equity awards	1,464	1,510	1,484	1,498
Diluted weighted average common shares	114,123	110,193	114,012	110,024
Basic earnings per common share:				
Net income	\$ 0.27	\$ 0.23	\$ 0.43	\$ 0.43
Diluted earnings per common share:				
Net income	\$ 0.26	\$ 0.22	\$ 0.43	\$ 0.43

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 and six months ended June 30, 2025, approximately 99,000 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 because they were anti-dilutive. For the three and six months ended June 30, 2024, 122,375 notional units were excluded from the computation.

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 and six months ended June 30, 2025, and June 30, 2024, no options were excluded from the computation.

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 and LTIP units contain non-forfeitable rights to dividends or dividend equivalents. The impact of these unvested restricted common share awards and LTIP units on earnings per share has been calculated using the two-class method whereby earnings are allocated to the unvested restricted common share awards and LTIP units based on dividends declared and the unvested restricted common shares' and LTIP units' participation rights in undistributed earnings. Unvested restricted common shares and LTIP units 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.

13. 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 June 30, 2025	2024	Six months ended June 30, 2025	2024
Numerator:				
Net income attributable to partners of the Operating Partnership	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,301
Less allocation of earnings to participating securities	(225)	(229)	(427)	(460)
Net income available to common unitholders of the Operating Partnership	\$ 31,105	\$ 25,686	\$ 50,902	\$ 48,841
Denominator:				
Basic weighted average common units	117,322	113,391	117,197	113,234
Effect of dilutive securities				
Equity awards	1,464	1,510	1,484	1,498
Diluted weighted average common units	118,786	114,901	118,681	114,732
Basic earnings per common unit:				
Net income	\$ 0.27	\$ 0.23	\$ 0.43	\$ 0.43
Diluted earnings per common unit:				
Net income	\$ 0.26	\$ 0.22	\$ 0.43	\$ 0.43

We determine diluted earnings per common 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 and six months ended June 30, 2025, approximately 99,000 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 because they were anti-dilutive. For the three and six months ended June 30, 2024, 122,375 notional units were excluded from the computation.

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 and six months ended June 30, 2025 and June 30, 2024, no options were excluded from the computation.

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

14. Equity-Based Compensation of the Company

We have a shareholder approved equity-based compensation plan, the Incentive Award Plan of Tanger Inc. and Tanger Properties Limited Partnership, as amended (the "Plan"), which covers our non-employee directors, officers, employees and consultants. Under the Plan, we may grant equity-based awards in the form of (among other things) restricted common shares of the Company, restricted share units with respect to common shares of the Company (which we sometimes refer to as "notional units") and LTIP units of the Operating Partnership.

Per the Operating Partnership's limited partnership agreement, when a common share is issued by the Company, the Operating Partnership issues one corresponding operating partnership unit to the Company's wholly-owned subsidiary, Tanger LP Trust. Therefore, when the Company grants an equity-based award in respect of its common shares, the Operating Partnership treats each award as having been granted by the Operating Partnership.

Each LTIP unit, if and upon vesting, is convertible, upon the satisfaction of minimum allocations to the capital account of the LTIP unit for federal income tax purposes, into a non-voting Class C common unit of the Operating Partnership. Each such Class C common unit may be exchanged by the holder for one common share of the Company. LTIP units are intended to qualify as profits interests for US federal income tax purposes.

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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Restricted common shares and time-based LTIP awards	\$ 1,871	\$ 1,583	\$ 3,543	\$ 3,941
Performance-based notional unit awards and performance-based LTIP awards	1,330	941	2,498	1,992
Options	86	85	172	172
Total equity-based compensation	\$ 3,287	\$ 2,609	\$ 6,213	\$ 6,105

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Equity-based compensation expense capitalized	\$ 86	\$ 79	\$ 119	\$ 153

Restricted Common Share Awards

During February 2025, the Company granted to its non-employee directors and executive officers, approximately 30,000 and 169,000 restricted common shares, respectively. The grant date fair values of the awards were \$34.59 and \$35.30 per share, respectively. The restricted common shares vest ratably over a three-year period on February 15th of each year for executive officers and over a one-year period on February 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 restricted shares that vest and restricted share units that are settled 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 or settlement were approximately 212,000 and 376,000 for the six months ended June 30, 2025 and 2024, respectively. The total number of shares withheld was based on the value of the common shares on the vesting or settlement date as determined by our closing share price on the prior day. Total amounts paid for the employees' tax obligation to taxing authorities were \$7.3 million and \$10.5 million for the six months ended June 30, 2025 and 2024, respectively. These amounts are reflected as financing activities within the consolidated statements of cash flows.

Basic Long Term Incentive Plan Units

During 2025, the Company granted to certain non-employee directors 15,180 LTIP units with time-based vesting requirements and a grant date fair value of \$34.59 per unit that vest ratably over one year subject to continued service. Compensation expense for these units is being recognized over a one-year period.

2025 Performance Share Plan

During 2025, the Compensation Committee of the Company approved the general terms of the Tanger Inc. 2025 Performance Share Plan (the "2025 PSP") covering the Company's executive officers whereby a maximum of approximately 62,000 restricted common shares and 234,000 LTIP units may be earned if certain share price appreciation goals are achieved over a three-year measurement period. The 2025 PSP is a long-term incentive compensation plan. Recipients may earn notional units which may convert into restricted common shares of the Company or LTIP units, based on the Company's absolute total shareholder return and its total shareholder return relative to its peer group over a three-year measurement period. Any shares or LTIP units earned at the end of the three-year measurement period are subject to a time-based vesting schedule, with 50% of the shares and units 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 accelerated due to termination 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 2025 PSP performance targets and other relevant information about the 2025 PSP:

Performance targets ⁽¹⁾		
Absolute portion of award:		
Percent of total award		33.3%
Absolute total shareholder return range	26%	- 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		62,000
February grant date fair value per LTIP unit		\$22.33
February grant date fair value per share		\$22.22

(1) The number of restricted common shares received and LTIP units earned under the 2025 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 2025 PSP awards granted during the six months ended June 30, 2025, were determined at the grant dates using a Monte Carlo simulation pricing model and the following assumptions:

Risk free interest rate ⁽¹⁾	4.0 %
Expected dividend yield ⁽²⁾	4.0 %
Expected volatility ⁽³⁾	29 %

(1) Represents the interest rate as of the grant date on U.S. 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.

2022 Performance Share Plan

In February 2025, the measurement period for the 2022 Performance Share Plan concluded. Based on the Company's absolute and relative total shareholder return over the three-year measurement period, we issued 401,613 restricted common shares in February 2025, with 258,532 vesting immediately and the remaining 143,081 vesting in February 2026. The vesting of those 143,081 shares is 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, in which cases vesting will accelerate).

15. 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 and six months ended June 30, 2025 and 2024 (in thousands):

	Tanger 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 March 31, 2025	\$ (28,497)	\$ (998)	\$ (29,495)	\$ (1,473)	\$ (48)	\$ (1,521)
Other comprehensive income before reclassifications	1,903	—	1,903	79	—	79
Reclassifications out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	(816)	(816)	—	(34)	(34)
Balance June 30, 2025	\$ (26,594)	\$ (1,814)	\$ (28,408)	\$ (1,394)	\$ (82)	\$ (1,476)
	Tanger 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, 2024	\$ (27,885)	\$ 198	\$ (27,687)	\$ (1,451)	\$ 4	\$ (1,447)
Other comprehensive income before reclassifications	1,291	—	1,291	57	—	57
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	(2,012)	(2,012)	—	(86)	(86)
Balance June 30, 2025	\$ (26,594)	\$ (1,814)	\$ (28,408)	\$ (1,394)	\$ (82)	\$ (1,476)

	Tanger 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 March 31, 2024	\$ (23,923)	\$ 2,643	\$ (21,280)	\$ (1,329)	\$ 150	\$ (1,179)
Other comprehensive income (loss) before reclassifications	(38)	—	(38)	(2)	—	(2)
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	651	651	—	27	27
Balance June 30, 2024	\$ (23,961)	\$ 3,294	\$ (20,667)	\$ (1,331)	\$ 177	\$ (1,154)

	Tanger 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, 2023	\$ (23,085)	\$ (434)	\$ (23,519)	\$ (1,293)	\$ 19	\$ (1,274)
Other comprehensive income (loss) before reclassifications	(876)	—	(876)	(38)	—	(38)
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	3,728	3,728	—	158	158
Balance June 30, 2024	\$ (23,961)	\$ 3,294	\$ (20,667)	\$ (1,331)	\$ 177	\$ (1,154)

We expect within the next twelve months to reclassify into earnings as an increase to interest expense approximately \$67,000 of the amounts recorded within accumulated other comprehensive income related to the interest rate swap agreements in effect as of June 30, 2025.

16. 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 and six months ended June 30, 2025 and 2024 (in thousands):

	Foreign Currency	Cash flow hedges	Accumulated Other Comprehensive Income (Loss)
Balance March 31, 2025	\$ (29,968)	\$ (1,044)	\$ (31,012)
Other comprehensive income before reclassifications	1,982	—	1,982
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	(850)	(850)
Balance June 30, 2025	\$ (27,986)	\$ (1,894)	\$ (29,880)

	Foreign Currency	Cash flow hedges	Accumulated Other Comprehensive Income (Loss)
Balance December 31, 2024	\$ (29,334)	\$ 204	\$ (29,130)
Other comprehensive income before reclassifications	1,348	—	1,348
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	(2,098)	(2,098)
Balance June 30, 2025	\$ (27,986)	\$ (1,894)	\$ (29,880)

	Foreign Currency	Cash flow hedges	Accumulated Other Comprehensive Income (Loss)
Balance March 31, 2024	\$ (25,250)	\$ 2,792	\$ (22,458)
Other comprehensive income (loss) before reclassifications	(39)	—	(39)
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	679	679
Balance June 30, 2024	\$ (25,289)	\$ 3,471	\$ (21,818)

	Foreign Currency	Cash flow hedges	Accumulated Other Comprehensive Income (Loss)
Balance December 31, 2023	\$ (24,376)	\$ (417)	\$ (24,793)
Other comprehensive income (loss) before reclassifications	(913)	—	(913)
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	—	3,888	3,888
Balance June 30, 2024	\$ (25,289)	\$ 3,471	\$ (21,818)

We expect within the next twelve months to reclassify into earnings as an increase to interest expense approximately \$67,000 of the amounts recorded within accumulated other comprehensive income related to the interest rate swap agreements in effect as of June 30, 2025.

17. Segment Reporting

We focus on developing, acquiring, owning, operating, and managing shopping centers. We consider each shopping center an operating segment. We aggregate the financial information of all centers into one reportable segment because the centers all have similar economic characteristics and provide similar products and services to similar types and classes of customers and tenants.

Our Chief Operating Decision Maker ("CODM"), the President and Chief Executive Officer, reviews operating and financial information using Net Operating Income ("NOI") as the key measure to assess performance and allocate resources. The CODM also uses NOI and its components to monitor budget versus actual results. Our resources are allocated by evaluating the operating results of the business as well as considering capital needs and future projections, and deploying them across the various business functions as deemed necessary while ensuring the uses align with our overall business strategy.

The following table provides the components of Portfolio Net Operating Income, a non-GAAP metric, related to our business for three and six months ended June 30, 2025 and June 30, 2024:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Property Revenues:				
Rental revenue	\$ 133,435	\$ 122,319	\$ 262,720	\$ 240,128
Other revenues	5,021	4,305	8,692	7,589
Total Revenues	\$ 138,456	\$ 126,624	\$ 271,412	\$ 247,717
Property Operating Expenses:				
Advertising and promotion	\$ 3,666	\$ 3,738	\$ 6,688	\$ 7,237
Common area maintenance	16,613	16,202	35,582	32,410
Real estate taxes	10,409	8,571	20,454	17,677
Other operating expense	8,771	7,732	16,609	12,157
Total Operating Expenses	\$ 39,459	\$ 36,243	\$ 79,333	\$ 69,481
Portfolio Net Operating Income - Consolidated	\$ 98,997	\$ 90,381	\$ 192,079	\$ 178,236
Equity in earnings of unconsolidated joint ventures	\$ 3,034	\$ 2,975	\$ 5,433	\$ 5,491
Interest expense	(16,399)	(15,700)	(32,171)	(30,053)
Impairment charges	—	—	(4,249)	—
Other income	(26)	220	191	807
Depreciation and amortization	(36,608)	(34,174)	(73,754)	(68,034)
Other non-property (income) expenses	468	405	508	801
Corporate general and administrative expenses	(18,992)	(18,836)	(38,008)	(38,325)
Non-cash adjustments	585	366	579	(242)
Lease termination fees	271	278	721	540
Net Income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221

18. Lease Agreements

As of June 30, 2025, we were the lessor to over 2,500 stores in our 33 consolidated centers, under operating leases with initial terms that expire from 2025 to 2039, with certain agreements containing extension options. Also, certain of our lease agreements 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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Rental revenues - fixed	\$ 108,477	\$ 99,174	\$ 215,673	\$ 195,153
Rental revenues - variable ⁽¹⁾	24,958	23,145	47,047	44,975
Rental revenues	\$ 133,435	\$ 122,319	\$ 262,720	\$ 240,128

(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.

19. 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 June 30, 2025	As of June 30, 2024
Costs relating to construction included in accounts payable and accrued expenses	\$ 11,853	\$ 15,708

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

	Six months ended June 30,	
	2025	2024
Interest paid	\$ 29,486	\$ 26,681

20. New Accounting Pronouncements

Recently issued accounting standards

In November 2023, the Financial Accounting Standards Board ("FASB") issued ASU 2023-07, Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures ("ASU 2023-07"). ASU 2023-07 requires, among other updates, enhanced disclosures about significant segment expenses that are regularly provided to the chief operating decision maker. ASU 2023-07 also clarifies that entities with a single reportable segment are subject to both new and existing reporting requirements under Topic 280. This guidance is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024, and requires retrospective adoption. Early adoption is permitted. We adopted ASU 2023-07 in our Form 10-K covering the fiscal year ended December 31, 2024, and for this interim period beginning ending March 31, 2025. ASU 2023-07 is applied retrospectively to all prior periods presented in the accompanying unaudited consolidated financial statements.

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). ASU 2023-09 requires disclosure of a reconciliation between the amount of reported income tax expense (or benefit) from continuing operations and the amount computed by multiplying the income (or loss) from continuing operations before income taxes. This guidance is effective for fiscal years beginning after December 15, 2024. Adopting this guidance has not had a material impact on our financial statement disclosures.

In November 2024, the FASB issued ASU 2024-03, Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses ("ASU 2024-03"). ASU 2024-03 requires disclosure in the notes to the financial statements of specified information about certain costs and expenses. ASU 2024-03 is effective beginning with the Form 10-K for the year ended December 31, 2027, and subsequent interim periods beginning in 2028. We are currently evaluating the impact adopting this guidance will have on our financial statement disclosures.

21. Subsequent Events

Dividend Declaration

In July 2025, the Board declared a \$0.2925 quarterly cash dividend per common share payable on August 15, 2025 to each shareholder of record on July 31, 2025, and, in its capacity as General Partner of the Operating Partnership, authorized a \$0.2925 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

Forward-Starting Interest Rate Derivatives

In July 2025, we entered into a forward starting interest rate swap agreement totaling \$10.0 million that becomes effective August 1, 2026 and expires on October 1, 2027. The average fixed pay rate of this swap is 3.1%.

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 and six months ended June 30, 2025 with the three and six months ended June 30, 2024. The results of operations discussion is combined for Tanger 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 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 Quarterly Report contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, or 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 Litigation Reform Act of 1995 and include this statement for purposes of complying with these safe harbor provisions. Forward-looking statements 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," and similar expressions that do not report historical matters. Such statements are based on assumptions and expectations that may not be realized and are inherently subject to risks, uncertainties and other factors, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Although we believe the expectations reflected in these forward-looking statements are based on reasonable assumptions, future events and actual results, performance, transactions or achievements, financial and otherwise, may differ materially from the results, performance, transactions or achievements expressed or implied by the forward-looking statements. As a result, you should not rely on or construe any forward-looking statements in this Quarterly Report as predictions of future events or as guarantees of future performance. We caution you not to place undue reliance on forward-looking statements, which speak only as of the date of this Quarterly Report. All of our forward-looking statements are qualified in their entirety by this statement.

There are a number of risks, uncertainties and other factors that could cause our actual results to differ materially from the forward-looking statements contained in or contemplated by this Quarterly Report. Any forward-looking statements should be considered in light of the risks, uncertainties and other factors referred to in Item 1A. "Risk Factors" in our Annual Report on Form 10-K and in this Quarterly Report. Such risks and uncertainties include, but are not limited to: risks associated with general economic and financial conditions, including inflationary pressures and recessionary fears, newly-imposed and potentially additional U.S. tariffs and responsive non-U.S. tariffs, increased capital costs and capital markets volatility, increases in unemployment and reduced consumer confidence and spending; risks related to our ability to develop new retail centers or expand existing retail centers successfully; risks related to the financial performance and market value of our retail centers and the potential for reductions in asset valuations and related impairment charges; our dependence on rental income from real property; the relative illiquidity of real property investments; failure of our acquisitions or dispositions of retail centers to achieve anticipated results; competition for the acquisition and development of retail centers, and our inability to complete the acquisitions of retail centers we may identify; competition for tenants with competing retail centers and our inability to execute leases with tenants on terms consistent with our expectations; the diversification of our tenant mix and our entry into the operation of full price retail may not achieve our expected results; risks associated with environmental regulations; risks associated with possible terrorist activity or other acts or threats of violence and threats to public safety; risks related to international military conflicts, international trade disputes and foreign currency volatility; the fact that certain of our leases 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; our dependence on the results of operations of our retailers and their bankruptcy, early termination or closing could adversely affect us; the impact of geopolitical conflicts; the immediate and long-term impact of the outbreak of a highly infectious or contagious disease on our tenants and on our business (including the impact of actions taken to contain the outbreak or mitigate its impact); 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 climate change; risks related to uninsured losses; the risk that consumer, travel, shopping and spending habits may change; risks associated with our Canadian investments; risks associated with attracting and retaining key personnel; risks associated with debt financing; risks 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; our potential failure to qualify as a REIT; our legal obligation to pay dividends 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; risks of costs and disruptions from cyber-attacks or acts of cyber-terrorism on our information systems or on third party systems that we use; unanticipated threats to our business from changes in information and other technologies, including artificial intelligence; and the uncertainties of costs to comply with regulatory changes 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, 2024, and in this Quarterly Report.

Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise.

The following discussion should be read in conjunction with the consolidated financial statements appearing elsewhere in this report. Historical results and percentage relationships set forth in the consolidated statements of operations, including trends which might appear, are not necessarily indicative of future operations.

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 June 30, 2025, we owned and operated 30 consolidated outlet centers and three open-air lifestyle centers, with a total gross leasable area of approximately 13.3 million square feet. We also had partial ownership interests in six unconsolidated centers totaling approximately 2.1 million square feet, including two centers in Canada. Our portfolio also includes one managed center totaling approximately 457,000 square feet. The table below details our acquisitions, new developments, expansions and dispositions of consolidated and unconsolidated centers that significantly impacted our results of operations and liquidity from January 1, 2024 to June 30, 2025 (square feet in thousands):

Center	Quarter Acquired/Developed/Disposed	Consolidated Centers		Unconsolidated Joint Venture Centers		Managed Centers	
		Square Feet	Number of Centers	Square Feet	Number of Centers	Square Feet	Number of Centers
As of January 1, 2024		12,690	32	2,113	6	758	2
Additions:							
Little Rock, AR	Fourth Quarter	270	1	—	—	—	—
Other		—	—	—	—	—	—
As of December 31, 2024		12,960	33	2,113	6	758	2
Dispositions							
Howell, MI	Second Quarter	(314)	(1)				
Additions:							
Cleveland, OH	First Quarter	639	1	—	—	—	—
Other		13				(301)	(1)
As of June 30, 2025		13,298	33	2,113	6	457	1

The following table summarizes certain information for our existing consolidated centers in which we have an ownership interest as of June 30, 2025. Except as noted, all properties are owned in fee simple.

Consolidated Centers		Legal	Square	%
Property Name	Location	Ownership %	Feet ⁽⁴⁾	Occupied ⁽⁴⁾
Tanger Outlets Deer Park	Deer Park, NY	100	737,473	99.6
Tanger Outlets Riverhead	Riverhead, NY ⁽¹⁾	100	729,280	95.6
Bridge Street Town Centre, a Tanger Property	Huntsville, AL	100	650,941	87.2
Pinecrest, a Tanger Property	Cleveland, OH	100	638,299	96.8
Tanger Outlets Foley	Foley, AL	100	554,736	96.0
Tanger Outlets Rehoboth Beach	Rehoboth Beach, DE ⁽¹⁾	100	547,937	99.6
Tanger Outlets Atlantic City	Atlantic City, NJ ⁽¹⁾⁽³⁾	100	484,748	77.9
Tanger Outlets San Marcos	San Marcos, TX	100	471,816	99.3
Tanger Outlets Savannah	Savannah, GA	100	463,583	100.0
Tanger Outlets Sevierville	Sevierville, TN ⁽¹⁾	100	450,079	95.6
Tanger Outlets Myrtle Beach Hwy 501	Myrtle Beach, SC	100	426,523	94.8
Tanger Outlets Phoenix	Glendale, AZ	100	410,753	99.2
Tanger Outlets Myrtle Beach Hwy 17	Myrtle Beach, SC ⁽¹⁾	100	404,341	100.0
Tanger Outlets Charleston	Charleston, SC	100	386,328	99.8
Tanger Outlets Asheville	Asheville, NC	100	381,600	95.2
Tanger Outlets Lancaster	Lancaster, PA	100	375,883	100.0
Tanger Outlets Pittsburgh	Pittsburgh, PA	100	373,863	96.4
Tanger Outlets Commerce	Commerce, GA	100	371,408	100.0
Tanger Outlets Grand Rapids	Grand Rapids, MI	100	357,133	93.4
Tanger Outlets Fort Worth	Fort Worth, TX	100	351,834	98.3
Tanger Outlets Daytona Beach	Daytona Beach, FL	100	351,691	99.7
Tanger Outlets Branson	Branson, MO	100	329,861	100.0
Tanger Outlets Memphis	Southaven, MS ⁽²⁾⁽³⁾	50	324,801	99.4
Tanger Outlets Atlanta	Locust Grove, GA	100	321,082	98.1
Tanger Outlets Gonzales	Gonzales, LA	100	321,066	94.4
Tanger Outlets Mebane	Mebane, NC	100	319,762	100.0
Tanger Outlets Foxwoods	Mashantucket, CT ⁽¹⁾	100	311,229	94.8
Tanger Outlets Nashville	Nashville, TN	100	290,667	95.9
The Promenade at Chenal, a Tanger Property	Little Rock, AR	100	269,642	96.0
Tanger Outlets Tilton	Tilton, NH	100	250,558	94.4
Tanger Outlets Hershey	Hershey, PA	100	249,696	99.2
Tanger Outlets Hilton Head II	Hilton Head, SC	100	206,564	95.6
Tanger Outlets Hilton Head I	Hilton Head, SC	100	182,735	100.0
			13,297,912	96.5

(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 this venture's cash flow to exceed our legal ownership percentage. We currently receive substantially all the economic interest of the property.

(3) Property encumbered by mortgage. See Notes 6 and 7 to the consolidated financial statements for further details of our debt obligations.

(4) Excludes square footage and occupancy associated with ground leases to tenants.

Unconsolidated joint venture properties		Legal	Square	%
Property Name	Location	Ownership %	Feet ⁽⁴⁾	Occupied ⁽⁴⁾
Charlotte Premium Outlets ⁽¹⁾	Charlotte, NC	50	398,674	98.9
Tanger Outlets Ottawa	Ottawa, ON	50	357,213	99.6
Tanger Outlets Columbus ⁽¹⁾	Columbus, OH	50	355,245	98.8
Tanger Outlets Houston ⁽¹⁾	Texas City, TX	50	352,705	94.2
Tanger Outlets National Harbor ⁽¹⁾	National Harbor, MD	50	341,156	100.0
Tanger Outlets Cookstown	Cookstown, ON	50	307,883	95.4
Totals			2,112,876	97.9

(1) Property encumbered by a mortgage. See Note 5 to the consolidated financial statements for further details of the joint venture debt obligations.

Location	Square Feet
Managed Properties	
Tanger Outlets Palm Beach Palm Beach, FL	457,326

Leasing Activity

The following table provides information for our consolidated centers related to leases for new stores that opened or renewals that were executed during the respective trailing twelve-month periods ended June 30, 2025 and 2024:

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						
2025	495	2,371	\$36.49	11.7 %	\$5.37	3.40
2024	342	1,682	\$39.33	15.9 %	\$7.34	3.73

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						
2025	547	2,646	\$36.96		\$12.08	3.95
2024	393	1,869	\$39.64		\$11.71	4.09

(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 June 30, 2025 to the three months ended June 30, 2024

NET INCOME

Net income increased approximately \$5.4 million in the 2025 period to \$31.3 million as compared to net income of \$25.9 million for the 2024 period. Significant items impacting the comparability of the two periods include the following:

- higher rental revenues from a strengthened tenant mix and higher new and renewal rental rates and the acquisition of our center in Little Rock, AR during the fourth quarter of 2024 and the Cleveland, OH center during the first quarter of 2025
- higher operating expenses, depreciation and amortization from the new centers; and
- higher interest expense due to the increased balance on our unsecured lines of credit that were used to partially fund our acquisitions

In the tables below, information set forth for acquired properties includes our centers in Little Rock, AR and Cleveland, OH that were acquired in December 2024 and February 2025, respectively. Properties disposed includes the center in Howell, MI that was sold in April 2025.

RENTAL REVENUES

Rental revenues increased approximately \$11.1 million in the 2025 period compared to the 2024 period. The following table sets forth the changes in various components of rental revenues (in thousands):

	2025	2024	Increase/(Decrease)
Rental revenues from existing properties	\$ 123,932	\$ 120,020	\$ 3,912
Revenues from acquired properties and property disposed	8,566	1,562	7,004
Straight-line rent adjustments	712	499	213
Lease termination fees	271	278	(7)
Amortization of above and below market rent adjustments, net	(46)	(40)	(6)
	<u>\$ 133,435</u>	<u>\$ 122,319</u>	<u>\$ 11,116</u>

Rental revenues at existing properties were positively impacted by obtaining higher rents from new and existing tenants during the last twelve months and strengthening our tenant mix.

MANAGEMENT, LEASING AND OTHER SERVICES

Management, leasing and other services decreased approximately \$94,000 in the 2025 period compared to the 2024 period. The following table sets forth the changes in various components of management, leasing and other services (in thousands):

	2025	2024	Increase/(Decrease)
Management and marketing	\$ 881	\$ 858	\$ 23
Leasing and other fees	138	285	(147)
Expense reimbursements from unconsolidated joint ventures	1,219	1,189	30
	<u>\$ 2,238</u>	<u>\$ 2,332</u>	<u>\$ (94)</u>

Leasing fees from unconsolidated joint ventures and managed only properties decreased due to the timing of leases eligible for renewal and re-tenanting between the 2024 period and the 2025 period.

OTHER REVENUES

Other revenues increased approximately \$716,000 in the 2025 period as compared to the 2024 period. The following table sets forth the changes in various components of other revenues (in thousands):

	2025	2024	Increase/(Decrease)
Other revenues from existing properties	\$ 4,836	\$ 4,209	\$ 627
Other revenues from acquired properties and property disposed	185	96	89
	\$ 5,021	\$ 4,305	\$ 716

Other revenues from existing properties increased in the 2025 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 increased approximately \$2.8 million in the 2025 period compared to the 2024 period. The following table sets forth the changes in various components of property operating expenses (in thousands):

	2025	2024	Increase/(Decrease)
Property operating expenses from existing properties	\$ 35,155	\$ 34,971	\$ 184
Property operating expenses from acquired properties and property disposed	3,821	622	3,199
Expenses related to unconsolidated joint ventures	1,219	1,189	30
Other property operating expenses	178	767	(589)
	\$ 40,373	\$ 37,549	\$ 2,824

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses increased approximately \$179,000 from \$18.8 million to \$19.0 million in the 2025 period compared to the 2024 period.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization costs increased approximately \$2.4 million in the 2025 period compared to the 2024 period.

	2025	2024	Increase/(Decrease)
Depreciation and amortization from existing properties	\$ 33,051	\$ 33,724	\$ (673)
Depreciation and amortization from acquired properties and property disposed	3,557	450	3,107
	\$ 36,608	\$ 34,174	\$ 2,434

The decrease in depreciation and amortization from existing properties was primarily due to a decrease in lease cost related acquisition intangibles that became fully depreciated from prior acquisitions between the comparative periods.

INTEREST EXPENSE

Interest expense increased approximately \$699,000 to \$16.4 million in the 2025 period from \$15.7 million in the 2024 period. We had outstanding balances averaging approximately \$104.4 million on our unsecured lines of credit during the 2025 period compared to \$41.3 million for the 2024 period.

OTHER INCOME (EXPENSE)

Other income (expense) decreased approximately \$246,000 from \$220,000 to (\$26,000) in the 2025 period compared to the 2024 period. The 2024 period had higher investment income due to higher cash balances than were available in the 2025 period. In addition, miscellaneous tax related expenses were higher in the 2025 period compared to the 2024 period.

EQUITY IN EARNINGS OF UNCONSOLIDATED JOINT VENTURES

Equity in earnings of unconsolidated joint ventures increased approximately \$59,000 to \$3.0 million from \$3.0 million in the 2025 period compared to the 2024 period.

Comparison of the six months ended June 30, 2025 to the six months ended June 30, 2024

NET INCOME

Net income increased approximately \$2.1 million in the 2025 period to \$51.3 million as compared to net income of \$49.2 million for the 2024 period. Significant items impacting the comparability of the two periods include the following:

- higher rental revenues from a strengthened tenant mix and higher new and renewal rental rates and the acquisition of our center in Little Rock, AR during the fourth quarter of 2024 and the Cleveland, OH center during the first quarter of 2025
- higher operating expenses, depreciation and amortization from the new centers
- higher interest expense due to the increased balance on our unsecured lines of credit that were used to partially fund our acquisitions; and
- an impairment charge of \$4.2 million recorded in the first quarter of 2025 related to our Howell, Michigan center

In the tables below, information set forth for acquired properties includes our centers in Little Rock, AR and Cleveland, OH that were acquired in December 2024 and February 2025, respectively. Properties disposed includes the center in Howell, MI that sold in April 2025.

RENTAL REVENUES

Rental revenues increased approximately \$22.6 million in the 2025 period compared to the 2024 period. The following table sets forth the changes in various components of rental revenues (in thousands):

	2025	2024	Increase/(Decrease)
Rental revenues from existing properties	\$ 245,860	\$ 236,537	\$ 9,323
Revenues from acquired properties and property disposed	15,397	3,105	12,292
Straight-line rent adjustments	294	(12)	306
Lease termination fees	721	540	181
Amortization of above and below market rent adjustments, net	448	(42)	490
	<u>\$ 262,720</u>	<u>\$ 240,128</u>	<u>\$ 22,592</u>

Rental revenues at existing properties were positively impacted by obtaining higher rents from new and existing tenants during the last twelve months and strengthening our tenant mix.

MANAGEMENT, LEASING AND OTHER SERVICES

Management, leasing and other services increased approximately \$35,000 in the 2025 period compared to the 2024 period. The following table sets forth the changes in various components of management, leasing and other services (in thousands):

	2025	2024	Increase/(Decrease)
Management and marketing	\$ 1,754	\$ 1,718	\$ 36
Leasing and other fees	350	584	(234)
Expense reimbursements from unconsolidated joint ventures	2,541	2,308	233
	<u>\$ 4,645</u>	<u>\$ 4,610</u>	<u>\$ 35</u>

Leasing fees from unconsolidated joint ventures and managed-only properties decreased due to the timing of leases eligible for renewal and re-tenanting between the 2024 period and the 2025 period.

OTHER REVENUES

Other revenues increased approximately \$1.1 million in the 2025 period as compared to the 2024 period. The following table sets forth the changes in various components of other revenues (in thousands):

	2025	2024	Increase/(Decrease)
Other revenues from existing properties	\$ 8,416	\$ 7,436	\$ 980
Other revenues from acquired properties and property disposed	276	153	123
	<u>\$ 8,692</u>	<u>\$ 7,589</u>	<u>\$ 1,103</u>

Other revenues from existing properties increased in the 2025 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 increased approximately \$9.2 million in the 2025 period compared to the 2024 period. The following table sets forth the changes in various components of property operating expenses (in thousands):

	2025	2024	Increase/(Decrease)
Property operating expenses from existing properties	\$ 71,991	\$ 67,816	\$ 4,175
Property operating expenses from acquired properties and property disposed	6,702	1,373	5,329
Expenses related to unconsolidated joint ventures	2,540	2,308	232
Other property operating expenses	960	1,517	(557)
	<u>\$ 82,193</u>	<u>\$ 73,014</u>	<u>\$ 9,179</u>

Property operating expenses from existing properties increased due to higher snow removal costs in the first quarter of 2025 and a benefit from certain expense refunds in the first quarter of 2024.

GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses decreased approximately \$318,000 from \$38.3 million to \$38.0 million in the 2025 period compared to the 2024 period.

IMPAIRMENT CHARGES

In April 2025, we sold the Howell, Michigan outlet center for \$17.0 million. As part of our quarterly impairment evaluation procedures, we recorded a \$4.2 million impairment charge in the first quarter of 2025 to lower the property's carrying value to the estimated fair value based on the purchase agreement.

DEPRECIATION AND AMORTIZATION

Depreciation and amortization costs increased approximately \$5.7 million from \$68.0 million to \$73.8 million in the 2025 period compared to the 2024 period.

	2025	2024	Increase/(Decrease)
Depreciation and amortization from existing properties	\$ 67,158	\$ 67,134	\$ 24
Depreciation and amortization from acquired properties and property disposed	6,597	900	5,697
	<u>\$ 73,755</u>	<u>\$ 68,034</u>	<u>\$ 5,721</u>

INTEREST EXPENSE

Interest expense increased approximately \$2.1 million to \$32.2 million in the 2025 period from \$30.1 million in the 2024 period. We had outstanding balances averaging approximately \$88.9 million on our unsecured lines of credit during the 2025 period compared to \$36.0 million for the 2024 period. In addition, \$325.0 million of Daily SOFR interest rate swaps became effective on February 1, 2024 at an average fixed pay rate of 3.90%. These swaps replaced \$300.0 million of existing swaps that expired on February 1, 2024 which had an average fixed pay rate of 0.40%.

OTHER INCOME (EXPENSE)

Other income (expense) decreased approximately \$616,000 from \$807,000 to \$191,000 in the 2025 period compared to the 2024 period. The 2024 period had higher investment income due to higher cash balances than were available in the 2025 period. In addition, miscellaneous tax related expenses were higher in the 2025 period compared to the 2024 period.

EQUITY IN EARNINGS OF UNCONSOLIDATED JOINT VENTURES

Equity in earnings of unconsolidated joint ventures decreased approximately \$58,000 from \$5.5 million to \$5.4 million in the 2025 period compared to the 2024 period.

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 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 December 2026 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, 2024 and this Quarterly Report.

We operate in a manner intended to enable us to qualify as a REIT under the Internal Revenue Code of 1986, as amended. 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.

ATM Offering Program

Under our ATM Offering program, which commenced in February 2021, and replaced with a new program in February 2025, we may offer and sell our common shares, having an aggregate gross sales price of up to \$400.0 million. We may sell the common shares in amounts and at times to be determined by us but we have no obligation to sell any of the common 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. As of June 30, 2025, we had approximately \$400.00 million remaining available for sale under our ATM Offering program. There were no sales of our common shares during the first two quarters of 2025 or 2024.

Forward Sale Agreements

During 2024, we sold an aggregate of 1.9 million shares under the ATM Offering Program which were subject to forward sale agreements, for an estimated aggregate gross value of \$69.7 million based on the initial forward sale price of \$36.40 with respect to each forward sale agreement. No shares have been settled through June 30, 2025 and shares can be settled at any time over the next 6-9 months, unless otherwise extended. We did not initially receive any proceeds from the sale of these common shares, which were sold to underwriters, by the forward purchasers or their respective affiliates. We did not receive any proceeds from the sale of shares at the time we entered into each of the respective forward sale agreements. We determined that the forward sale agreements meet the criteria for equity classification and, therefore, are exempt from derivative accounting. We recorded the forward sale agreements at fair value at inception, which we determined to be zero. Subsequent changes to fair value are not required under equity classification.

Share Repurchase Program

In May 2025, the Board authorized the repurchase of up to \$200.0 million of the Company's outstanding shares, replacing the previously authorized share repurchase program to repurchase up to \$100.0 million of the Company's outstanding common shares that expired May 31, 2025. . 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 common 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 common shares under this authorization. The Company did not repurchase any shares for the three and six months ended June 30, 2025 or 2024. The remaining amount of common shares authorized to be repurchased under the program as of June 30, 2025 was approximately \$200 million.

Dividends

In January 2025, the Board declared a \$0.275 cash dividend per common share payable on February 14, 2025 to each shareholder of record on January 31, 2025, and in its capacity as General Partner of the Operating Partnership, authorized a \$0.275 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

In April 2025, the Board declared a \$0.2925 cash dividend per common share payable on May 15, 2025 to each shareholder of record on April 30, 2025, and in its capacity as General Partner of the Operating Partnership, authorized a \$0.2925 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

In July 2025, the Board declared a \$0.2925 quarterly cash dividend per common share payable on August 15, 2025 to each shareholder of record on July 31, 2025, and, in its capacity as General Partner of the Operating Partnership, authorized a \$0.2925 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, redevelopments, 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 unsecured 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, macroeconomic conditions, including rising interest rates and inflation, international trade relations and trade policy, including those related to tariffs, geopolitical conflict and other risks detailed in the “Risk Factors” section of our Annual Report on Form 10-K for the year ended December 31, 2024 and this Quarterly Report.

Capital Expenditures

The following table details our capital expenditures for consolidated centers for the six months ended June 30, 2025 and 2024 (in thousands):

	Six months ended June 30,		
	2025	2024	Change
Capital expenditures analysis:			
New developments, investments and expansions ⁽¹⁾	\$ 6,235	\$ 13,533	\$ (7,298)
Renovations ⁽²⁾	2,426	4,520	(2,094)
Second generation tenant allowances	7,105	9,056	(1,951)
Other capital expenditures	11,077	8,770	2,307
Additions to rental property-accrual basis	26,843	35,879	(9,036)
Conversion from accrual to cash basis	752	13,212	(12,460)
Additions to rental property-cash basis	\$ 27,595	\$ 49,091	\$ (21,496)

(1) The decrease is primarily due to timing of new investments in the current year as compared to the prior year..

(2) The decrease is due to timing of renovation projects in the current year as compared to the prior year.

Potential Future Developments and Acquisitions

We intend to continue to grow our portfolio by developing, expanding or acquiring additional outlet and retail real estate assets. Future real estate assets may be wholly-owned by us, owned through joint ventures or partnership arrangements, or managed 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.

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.

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.

Unconsolidated Real Estate Joint Ventures

From time to time, we form joint venture arrangements to develop centers. As of June 30, 2025, we have partial ownership interests in six unconsolidated centers totaling approximately 2.1 million square feet, including two centers in Canada. See Note 5 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 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 that 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 six months ended June 30, 2025 from those disclosed in our Annual Report on Form 10-K for the year ended December 31, 2024, other than the following updates to our contractual obligations for future debt and interest payments over the next five years and thereafter as of June 30, 2025.

Future Debt Obligations

Maturities and principal amortization of the existing long-term debt as of June 30, 2025 for the next five years and thereafter are as follows (in thousands):

Calendar Year	Amount
For the remainder of 2025	\$ 763
2026	355,705
2027 ⁽¹⁾	625,000
2028 ⁽¹⁾	92,000
2029	—
Thereafter	461,700
Subtotal	1,535,168
Net discount and debt origination costs	(9,237)
Total	\$ 1,525,931

(1) Excludes one year extension options on our \$325.0 million unsecured term loan which matures in 2027 and our \$620.0 million unsecured lines of credit which has \$92.0 million outstanding at June 30, 2025 which matures in 2028. With extension options, these debt maturities would mature in 2028 and 2029, respectively.

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 June 30, 2025, these interest obligations total approximately \$59.2 million over the next twelve months.

Cash Flows

The following table sets forth our changes in cash flows from June 30, 2025 and 2024 (in thousands):

	Six months ended June 30,		
	2025	2024	Change
Net cash provided by operating activities	\$ 123,302	\$ 104,017	\$ 19,285
Net cash used in investing activities	(185,531)	(47,639)	(137,892)
Net cash provided by (used in) financing activities	24,901	(60,156)	85,057
Effect of foreign currency rate changes on cash and equivalents	(65)	216	(281)
Net decrease in cash and cash equivalents	\$ (37,393)	\$ (3,562)	\$ (33,831)

Operating Activities

Net cash provided by operating activities increased period over period primarily due to an increase in rental revenues at existing centers, changes in working capital and our acquisition of Little Rock, AR and Cleveland, OH that were acquired in late 2024 and early 2025, respectively.

Investing Activities

The increase in net cash used in investing activities was primarily due to the acquisition of our center in Cleveland, OH in the first quarter of 2025.

Financing Activities

Net cash provided by financing activities increased period over period primarily due to borrowings on our unsecured lines of credit to fund the acquisition of our center in Cleveland, OH.

Financing Arrangements

As of June 30, 2025, unsecured borrowings represented 96% of our outstanding debt and 97% of the gross book value of our real estate portfolio was unencumbered. The Company guarantees the Operating Partnership's obligations under our unsecured lines of credit and our term loan.

As of June 30, 2025, we maintained unsecured lines of credit that provided for borrowings of up to \$620.0 million. The unsecured lines of credit as of June 30, 2025 included a \$20.0 million liquidity line and a \$600.0 million syndicated line, less our balance of \$92.0 million. 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 December 2026, that allows us to offer and sell 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, dividends and distributions to shareholders and unitholders, respectively, 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.

We believe our current balance sheet position is financially sound; however, due to the economic uncertainty caused by the current macroeconomic environment, including but not limited to international trade relations and trade policy, including those related to tariffs, 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 \$350.0 million senior notes due September 2026.

Equity Offerings under the ATM Offering Program

As of June 30, 2025, we have a remaining authorization of \$400.0 million of common shares under the ATM Offering program. We did not sell any shares during the first or second quarter of 2025 or during the first or second quarter of 2024.

Our ATM Offering program also provides that we may sell common shares through forward sale contracts. Actual sales under the ATM Offering program will depend on a variety of factors including market conditions, the trading price of our common shares, our capital needs, and our determination of the appropriate sources of funding to meet such needs.

In the fourth quarter of 2024, we issued 1.9 million forward shares for an estimated gross value of \$69.7 million based on the initial forward sale price of \$36.40 with respect to each forward sale agreement. No shares have been settled as of June 30, 2025 and shares can be settled at any time over the next 6-9 months, unless otherwise extended.

Forward Starting Interest Rate Derivatives

In April 2025, we entered into forward starting interest rate swap agreements totaling \$75.0 million that become effective February 1, 2026 and expire on April 1, 2028. The average fixed pay rate of these swaps is 3.3%

In June 2025, we entered into forward starting interest rate swap agreements totaling \$40.0 million that become effective August 1, 2026 and expire on October 1, 2027. The average fixed pay rate of these swaps is 3.1%

In July 2025, we entered into a forward starting interest rate swap agreement totaling \$10.0 million that becomes effective August 1, 2026 and expires on October 1, 2027. The average fixed pay rate of this swap is 3.1%.

Consolidated Real Estate Joint Ventures

In April 2025, the Southaven, Mississippi consolidated joint venture amended its mortgage, increasing the outstanding borrowings from \$51.7 million to \$61.7 million and extending the maturity date from October 2026 to April 2030 with no extension options. The stated interest rate remained unchanged at Adjusted SOFR + 2.0%. In conjunction with this amendment, the joint venture entered into a \$61.7 million interest rate swap that fixes Daily SOFR at 3.5% until April 2029.

Unconsolidated Real Estate Joint Ventures

In June 2025, the Galveston/Houston joint venture refinanced its mortgage loan to extend the maturity to June 2030, which included an increase in principal balance from \$58 million to \$60 million. The refinancing also reduced the interest rate from Daily SOFR + 3.0% to Daily SOFR + 1.65%. In conjunction with this refinancing, the joint venture entered into a \$60.0 million interest rate swap that fixes Daily SOFR at 3.4% until June 2029.

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 June 30, 2025 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 June 30, 2025, 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%	38 %
Total Secured Debt to Adjusted Total Assets	< 40%	2 %
Total Unencumbered Assets to Unsecured Debt	> 150%	264 %
Consolidated Income Available for Debt Service to Annual Debt Service Charge	> 1.5 x	5.6 x

Lines of credit and term loan	Required	Actual
Total Liabilities to Total Adjusted Asset Value	< 60%	35 %
Secured Indebtedness to Total Adjusted Asset Value	< 35%	4 %
EBITDA to Fixed Charges	> 1.5 x	4.6 x
Total Unsecured Indebtedness to Adjusted Unencumbered Asset Value	< 60%	30 %
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 June 30, 2025 (dollars in millions):

Joint Venture	Ownership %	Total Joint Venture Debt	Maturity Date	Interest Rate
Charlotte	50%	\$ 96.9	July 2028	4.27%
Columbus	50%	71.0	October 2032	6.25%
Galveston/Houston ⁽¹⁾	50%	60.0	June 2030	SOFR + 1.65%
National Harbor	50%	91.3	January 2030	4.63 %
Debt origination costs		(1.8)		
	50%	\$ 317.4		

(1) In June 2025, the Galveston/Houston joint venture refinanced its mortgage loan to extend the maturity from June 2026 to June 2030, which included an increase in principal balance from \$58.0 million to \$60.0 million, and reduced the interest rate from the Daily Secured Overnight Financing Rate ("Daily SOFR") + 3.0% to Daily SOFR + 1.65%. In conjunction with this refinancing, the joint venture entered into a \$60.0 million interest rate swap that fixes Daily SOFR at 3.4% until June 2029.

Critical Accounting Estimates

The preparation of financial statements and related disclosures in conformity with U.S. 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, 2024 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 six months ended June 30, 2025.

Recent Accounting Pronouncements

See Note 20 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 unitholders 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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221
Adjusted for:				
Depreciation and amortization of real estate assets - consolidated	35,386	33,355	71,364	66,407
Depreciation and amortization of real estate assets - unconsolidated joint ventures	2,306	2,060	5,166	4,600
Impairment charge - consolidated	—	—	4,249	—
FFO	69,022	61,330	132,108	120,228
FFO attributable to noncontrolling interests in other consolidated partnerships	—	—	—	80
Allocation of earnings to participating securities	(408)	(412)	(764)	(830)
FFO available to common shareholders ⁽¹⁾	\$ 68,614	\$ 60,918	\$ 131,344	\$ 119,478
As further adjusted for:				
Executive departure-related adjustments ⁽²⁾	—	—	—	1,554
Impact of above adjustment to the allocation of earnings to participating securities	—	—	—	(10)
Core FFO available to common shareholders ⁽¹⁾	\$ 68,614	\$ 60,918	\$ 131,344	\$ 121,022
FFO available to common shareholders per share - diluted ⁽¹⁾	\$ 0.58	\$ 0.53	\$ 1.11	\$ 1.04
Core FFO available to common shareholders per share - diluted ⁽¹⁾	\$ 0.58	\$ 0.53	\$ 1.11	\$ 1.05
Weighted Average Shares:				
Basic weighted average common shares	112,659	108,683	112,528	108,526
Effect of dilutive securities:				
Equity awards	1,464	1,510	1,484	1,498
Diluted weighted average common shares (for earnings per share computations)	114,123	110,193	114,012	110,024
Exchangeable operating partnership units	4,663	4,708	4,669	4,708
Diluted weighted average common shares (for FFO and Core FFO per share computations) ⁽¹⁾	118,786	114,901	118,681	114,732

⁽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⁾ For the 2024 period, represents executive severance costs.

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 a consolidated 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. Portfolio NOI and Same Center NOI should not be considered alternatives to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or our ability to make distributions. 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 (in thousands):

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221
Adjusted to exclude:				
Equity in earnings of unconsolidated joint ventures	(3,034)	(2,975)	(5,433)	(5,491)
Interest expense	16,399	15,700	32,171	30,053
Other (income) expense	26	(220)	(191)	(807)
Impairment charge	—	—	4,249	—
Depreciation and amortization	36,608	34,174	73,754	68,034
Other non-property income	(468)	(405)	(508)	(801)
Corporate general and administrative expenses	18,992	18,836	38,008	38,325
Non-cash adjustments ⁽¹⁾	(585)	(366)	(579)	242
Lease termination fees	(271)	(278)	(721)	(540)
Portfolio NOI - Consolidated	98,997	90,381	192,079	178,236
Non-same center NOI - Consolidated	(4,931)	(1,039)	(8,968)	(1,885)
Same Center NOI - Consolidated ⁽²⁾	\$ 94,066	\$ 89,342	\$ 183,111	\$ 176,351

⁽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⁾ Centers excluded from Same Center NOI Cash Basis:

Center	Date	Event
Little Rock, AR	December 2024	Acquired
Cleveland, OH	February 2025	Acquired
Howell, MI	April 2025	Sold

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 executive departure-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 June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221
Adjusted to exclude:				
Interest expense, net	16,309	15,444	31,805	29,595
Income tax expense (benefit)	168	87	262	(248)
Depreciation and amortization	36,608	34,174	73,754	68,034
Impairment charge - consolidated	—	—	4,249	—
Compensation-related adjustments ⁽¹⁾	—	—	—	1,554
Adjusted EBITDA	\$ 84,415	\$ 75,620	\$ 161,399	\$ 148,156

⁽¹⁾ For the 2024 period, represents executive severance costs.

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

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net income	\$ 31,330	\$ 25,915	\$ 51,329	\$ 49,221
Adjusted to exclude:				
Interest expense, net	16,309	15,444	31,805	29,595
Income tax expense (benefit)	168	87	262	(248)
Depreciation and amortization	36,608	34,174	73,754	68,034
Impairment charge - consolidated	—	—	4,249	—
Pro-rata share of interest expense, net - unconsolidated joint ventures	2,412	2,184	4,546	4,353
Pro-rata share of depreciation and amortization - unconsolidated joint ventures	2,306	2,060	5,166	4,600
EBITDAre	\$ 89,133	\$ 79,864	\$ 171,111	\$ 155,555
Compensation-related adjustments ⁽¹⁾	—	—	—	1,554
Adjusted EBITDAre	\$ 89,133	\$ 79,864	\$ 171,111	\$ 157,109

⁽¹⁾ For the 2024 period, represents executive severance costs.

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, rising interest rates, international trade relations and trade policy, including those related to tariffs. 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 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 2025, approximately 2.7 million square feet, or 20% 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 June 30, 2025, we had lease renewals executed or in process for 64.9% of the space scheduled to expire during 2025 compared to 65.5% of the space scheduled to expire during 2024 that was executed or in process as of June 30, 2024.

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 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 June 30, 2025, no one tenant (including affiliates) accounted for more than 7% of our aggregate square feet or 5% of our aggregate rental revenues. Additionally, no individual brand represents more than 3% of total annualized base rent.

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 96.6% and 97.1% as of June 30, 2025 and 2024, 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 June 30, 2025 we have interest rate swap agreements in effect to fix the interest rates on consolidated debt with notional amounts totaling \$386.7 million. In addition, at our Galveston unconsolidated joint venture we have a \$60.0 million interest rate swap in place. See Note 8 to the consolidated financial statements for additional details related to our outstanding consolidated derivatives.

As of June 30, 2025, 6% 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 \$920,000 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 our three investment grade credit ratings. As of June 30, 2025, we had a \$92.0 million balance on our unsecured line of credit. Upgrades to our credit ratings could 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):

	June 30, 2025	December 31, 2024
Fair value of debt	\$ 1,470,891	\$ 1,348,831
Recorded value of debt	\$ 1,525,931	\$ 1,423,759

A 100 basis point increase from prevailing interest rates at June 30, 2025 and December 31, 2024 would result in a decrease in fair value of total consolidated debt of approximately \$31.4 million and \$34.5 million, respectively. Refer to Note 9 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 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 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 June 30, 2025, 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 June 30, 2025, that materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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 Operating Partnership's disclosure controls and procedures as defined in Rule 13a-15(e) and 15d-15(e) and concluded that, as of June 30, 2025, 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 June 30, 2025, 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

Except as set forth below, 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, 2024.

Trade negotiations and related government actions may create regulatory uncertainty for us and our tenants and adversely affect our performance.

In recent years, the U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries, and has made proposals and taken actions related thereto. For example, the U.S. government has imposed, and may in the future further increase, tariffs on certain foreign goods, including from China, such as steel and aluminum. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods. Most recently, the current U.S. presidential administration has imposed or sought to impose significant increases to tariffs on goods imported into the U.S., including from the European Union, China, Canada and Mexico. Tariffs on imported goods could further increase costs, decrease margins, reduce the competitiveness of products offered by current and future tenants, decrease consumer income and spending, and adversely affect the revenues and profitability of our tenants whose businesses rely on goods imported from such impacted jurisdictions.

Additionally, political leaders in certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. There is uncertainty as to further actions that may be taken under the current U.S. presidential administration with respect to U.S. trade policy. Global trade disruption, significant introductions of trade barriers and bilateral trade frictions, together with any future downturns in the global economy resulting therefrom, could adversely affect our performance.

An increased focus on metrics and reporting related to environmental, social and governance ("ESG") factors, may impose additional costs and expose us to new risks.

In recent years, there has been an increased focus from regulators, investors and other stakeholders on metrics and reporting related to ESG factors.

Such attention to sustainability matters, including expanding mandatory and voluntary reporting, diligence, and disclosure on topics such as climate change, human capital, labor and risk oversight, could expand the nature, scope, and complexity of matters that we are required to control, assess and report on. At the same time, regulators and other stakeholders have increasingly expressed or pursued opposing views, legislation and investment expectations with respect to sustainability initiatives, including the enactment or proposal of “anti-ESG” legislation or policies.

In March 2024, the SEC adopted final rules to enhance and standardize climate-related and ESG-related disclosures by public companies and in public offerings. The final rules, set forth in Release No. 33-11275, would add extensive and prescriptive disclosure items requiring companies, including foreign private issuers, to disclose climate-related risks and certain emissions. In addition, the final rules would require the inclusion of certain climate-related financial metrics in a note to companies’ audited financial statements. These rules were challenged in federal court and in April 2024, the SEC announced that it would voluntarily stay the effectiveness of the rules pending judicial review. In March 2025, the SEC determined to end its defense of the rules in the ongoing litigation. It is unclear if the rules will be enforced or repealed. Costs of compliance with these new rules may be significant and may have a material adverse effect on our future performance, results of operations, cash flows and financial position.

Views about ESG have become a consideration in investment decisions, and as investors evaluate investment decisions, many investors look not only at company disclosures but also to ESG rating systems that have been developed by third parties to allow ESG comparisons among companies. Although we participate in a number of these ratings systems, we do not participate in all such systems. The criteria used in these ratings systems may conflict and change frequently, and we cannot predict how these third parties will score us, nor can we have any assurance that they score us accurately or other companies accurately or that other companies have provided them with accurate data. We supplement our participation in ratings systems with published disclosures of our ESG activities, but some investors may desire other disclosures that we do not provide.

Failure to participate in certain of the third party ratings systems, failure to score well in those ratings systems or failure to provide certain ESG disclosures could result in reputational harm when investors compare us to other companies, and could cause certain investors to be unwilling to invest in our shares, which could adversely impact our share price.

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

(a) None.

(b) None.

(c) Issuer Purchases of Equity Securities

In May 2025, the Board authorized the repurchase of up to \$200.0 million of the Company's outstanding common shares, replacing the previously authorized plan to repurchase up to \$100.0 million of the Company's outstanding common shares through May 31, 2025.

Repurchases of common shares 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 common shares under this authorization. The Company did not repurchase any common shares during the three months ended June 30, 2025. The remaining amount authorized to be repurchased under the program as of June 30, 2025 was approximately \$200.0 million of common shares.

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions)
April 1, 2025 to April 30, 2025	—	\$ —	—	\$ 100.0
May 1, 2025 to May 31, 2025	—	—	—	200.0
June 1, 2025 to June 30, 2025	—	—	—	200.0
Total	—	\$ —	—	\$ 200.0

For certain restricted common shares that vested during the three months ended June 30, 2025, we withheld shares with value equivalent up to the employees' obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. There were no shares withheld upon vesting for the three months ended June 30, 2025.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

During the three months ended June 30, 2025, none of the Company's directors or officers, as defined in Section 16 of the Securities Exchange Act of 1934, adopted or terminated a "Rule 10b5-1 trading arrangement" or a "non-Rule 10b5-1 trading arrangement," as each term is defined in Item 408(a) of Regulation S-K of the Securities Exchange Act of 1934.

U.S. Federal Income Tax Considerations

On July 4, 2025, President Trump signed into law the legislation known as the One Big Beautiful Bill Act ("the OBBBA"). The OBBBA made significant changes to the U.S. federal income tax laws in various areas. These changes included the permanent extension of the 20% deduction for "qualified REIT dividends" for individuals and other non-corporate taxpayers as well as the permanent extension of the limitation on non-corporate taxpayers using "excess business losses" to offset other income. The OBBBA also increased the percentage limit under the REIT asset test applicable to taxable REIT subsidiaries ("TRSs") from 20% to 25% for taxable years beginning after December 31, 2025. As a result, for taxable years beginning after December 31, 2025, the aggregate value of all securities of TRSs held by a REIT may not exceed 25% of the value of its gross assets. See "Federal Income Tax Considerations" contained in Exhibit 99.1 to this Quarterly Report on Form 10-Q.

Item 6. Exhibits

Exhibit Number	Exhibit Descriptions
31.	<p>Rule 13a-14(a)/15d-14(a) Certifications</p> <p>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 Inc.</p> <p>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 Inc.</p> <p>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.</p> <p>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.</p>
32.	<p>Section 1350 Certifications</p> <p>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 Inc.</p> <p>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 Inc.</p> <p>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.</p> <p>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.</p>
99.	<p>Additional exhibits</p> <p>99.1* Federal Income Tax Considerations</p>
101.	<p>Interactive Data Files</p> <p>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.</p> <p>101.SCH* Inline XBRL Taxonomy Extension Schema Document</p> <p>101.CAL* Inline XBRL Taxonomy Extension Calculation Linkbase Document</p> <p>101.LAB* Inline XBRL Taxonomy Extension Label Linkbase Document</p> <p>101.PRE* Inline XBRL Taxonomy Extension Presentation Linkbase Document</p> <p>101.DEF* Inline XBRL Taxonomy Extension Definition Linkbase Document</p> <p>104* Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)</p>

* 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: August 6, 2025

TANGER 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 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)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Stephen J. Yalof, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tanger Inc. for the period ended June 30, 2025;
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: August 6, 2025

/s/ Stephen J. Yalof

Stephen J. Yalof
President and Chief Executive Officer
Tanger Inc.

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael J. Bilerman, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Tanger Inc. for the period ended June 30, 2025;
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: August 6, 2025

/s/ Michael J. Bilerman

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

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

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 June 30, 2025;
- 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: August 6, 2025

/s/ Stephen J. Yalof

Stephen J. Yalof

President and Chief Executive Officer

Tanger Inc., sole general partner of Tanger Properties Limited Partnership

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER
PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

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 June 30, 2025;
- 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: August 6, 2025

/s/ Michael J. Bilerman

Michael J. Bilerman

Executive Vice President, Chief Financial Officer and Chief Investment Officer

Tanger Inc., sole general partner of Tanger Properties Limited Partnership

**CERTIFICATION PURSUANT TO 18 U.S.C.
SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Tanger Inc. (the "Company") for the period ended June 30, 2025 (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.

Date: August 6, 2025

/s/ Stephen J. Yalof

Stephen J. Yalof
President and Chief Executive Officer
Tanger Inc.

**CERTIFICATION PURSUANT TO 18 U.S.C.
SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Tanger Inc. (the "Company") for the period ended June 30, 2025 (the "Report"), the undersigned, chief 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: August 6, 2025

/s/ Michael J. Bilerman

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

**CERTIFICATION PURSUANT TO 18 U.S.C.
SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Tanger Properties Limited Partnership (the "Operating Partnership") for the period ended June 30, 2025 (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: August 6, 2025

/s/ Stephen J. Yalof

Stephen J. Yalof

President and Chief Executive Officer

Tanger Inc., sole general partner of the Operating Partnership

**CERTIFICATION PURSUANT TO 18 U.S.C.
SECTION 1350,
AS ADOPTED PURSUANT TO SECTION 906 OF THE
SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report on Form 10-Q of Tanger Properties Limited Partnership (the "Operating Partnership") for the period ended June 30, 2025 (the "Report"), the undersigned, chief 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: August 6, 2025

/s/ Michael J. Bilerman

Michael J. Bilerman

Executive Vice President, Chief Financial Officer and Chief Investment Officer
Tanger Inc., sole general partner of the Operating Partnership

FEDERAL INCOME TAX CONSIDERATIONS

The following is a general summary of certain material U.S. federal income tax considerations regarding our election to be taxed as a REIT and the acquisition, ownership or disposition of our capital stock or the debt securities of Tanger Properties Limited Partnership (our “Operating Partnership”). Supplemental U.S. federal income tax considerations relevant to holders of the securities offered by this prospectus may be provided in the prospectus supplement that relates to those securities. For purposes of this discussion, references to “we,” “our” and “us” mean only Tanger Inc., and do not include any of its subsidiaries, except as otherwise indicated. This summary is for general information only and is not tax advice. The information in this summary is based on:

- the Internal Revenue Code of 1986, as amended (the “Code”);
- current, temporary and proposed Treasury Regulations promulgated under the Code;
- the legislative history of the Code;
- current administrative interpretations and practices of the Internal Revenue Service (the “IRS”); and
- court decisions.

In addition, the administrative interpretations and practices of the IRS include its practices and policies as expressed in private letter rulings that are not binding on the IRS except with respect to the particular taxpayers who requested and received those rulings. The sections of the Code and the corresponding Treasury Regulations that relate to qualification and taxation as a REIT are highly technical and complex. The following discussion sets forth certain material aspects of the sections of the Code that govern the U.S. federal income tax treatment of a REIT and its shareholders and the holders of our Operating Partnership’s debt securities. This summary is qualified in its entirety by the applicable Code provisions, Treasury Regulations promulgated under the Code, and administrative and judicial interpretations thereof. Potential tax reforms may result in significant changes to the rules governing U.S. federal income taxation. New legislation, Treasury Regulations, administrative interpretations and practices and/or court decisions may significantly and adversely affect our ability to qualify as a REIT, the U.S. federal income tax consequences of such qualification, or the U.S. federal income tax consequences of an investment in us, including those described in this discussion. Moreover, the law relating to the tax treatment of other entities, or an investment in other entities, could change, making an investment in such other entities more attractive relative to an investment in a REIT. Any such changes could apply retroactively to transactions preceding the date of the change. We have received a private letter ruling from the IRS with respect to certain issues relevant to our qualification as a REIT. Although we may generally rely upon the ruling, no assurance can be given that the IRS will not challenge our qualification as a REIT on the basis of other issues or facts outside the scope of the ruling, and the statements herein are not binding on the IRS or any court. Thus, we can provide no assurance that the tax considerations contained in this discussion will not be challenged by the IRS or will be sustained by a court if challenged by the IRS. This summary does not discuss any state, local or non-U.S. tax consequences, or any tax consequences arising under any U.S. federal tax laws other than U.S. federal income tax laws, associated with the purchase, ownership or disposition of our capital stock or our Operating Partnership’s debt securities, or our election to be taxed as a REIT.

You are urged to consult your tax advisor regarding the tax consequences to you of:

- the purchase, ownership and disposition of our capital stock or our Operating Partnership's debt securities, including the U.S. federal, state, local, non-U.S. and other tax consequences;
- our election to be taxed as a REIT for U.S. federal income tax purposes; and
- potential changes in applicable tax laws.

Taxation of Our Company

General. We have elected to be taxed as a REIT under Sections 856 through 860 of the Code commencing with our taxable year ended December 31, 1993. We believe that we have been organized and have operated in a manner that has allowed us to qualify for taxation as a REIT under the Code commencing with such taxable year, and we intend to continue to be organized and operate in this manner. However, qualification and taxation as a REIT depend upon our ability to meet, on a continuous basis, the various qualification tests imposed under the Code, including through actual operating results, asset composition, distribution levels and diversity of stock ownership. Accordingly, no assurance can be given that we have been organized and have operated, or will continue to be organized and operate, in a manner so as to qualify or remain qualified as a REIT. See “—Failure to Qualify” for potential tax consequences if we fail to qualify as a REIT.

Provided we qualify for taxation as a REIT, we generally will not be required to pay U.S. federal corporate income taxes on our REIT taxable income that is currently distributed to our shareholders. This treatment substantially eliminates the “double taxation” that ordinarily results from investment in a C corporation. A C corporation is a corporation that generally is required to pay tax at the corporate level. Double taxation means taxation once at the corporate level when income is earned and once again at the stockholder level when the income is distributed. We will, however, be required to pay U.S. federal income tax as follows:

- First, we will be required to pay regular U.S. federal corporate income tax on any undistributed REIT taxable income, including undistributed capital gain.
- Second, if we have (1) net income from the sale or other disposition of “foreclosure property” held primarily for sale to customers in the ordinary course of business or (2) other nonqualifying income from foreclosure property, we will be required to pay regular U.S. federal corporate income tax on this income. To the extent that income from foreclosure property is otherwise qualifying income for purposes of the 75% gross income test, this tax is not applicable. Subject to certain other requirements, foreclosure property generally is defined as property we acquired through foreclosure or after a default on a loan secured by the property or a lease of the property.
- Third, we will be required to pay a 100% tax on any net income from prohibited transactions. Prohibited transactions are, in general, sales or other taxable dispositions of property, other than foreclosure property, held as inventory or primarily for sale to customers in the ordinary course of business.
- Fourth, if we fail to satisfy the 75% gross income test or the 95% gross income test, as described below, but have otherwise maintained our qualification as a REIT

Exhibit 99.1

because certain other requirements are met, we will be required to pay a tax equal to (1) the greater of (A) the amount by which we fail to satisfy the 75% gross income test and (B) the amount by which we fail to satisfy the 95% gross income test, multiplied by (2) a fraction intended to reflect our profitability.

- Fifth, if we fail to satisfy any of the asset tests (other than a *de minimis* failure of the 5% or 10% asset test), as described below, due to reasonable cause and not due to willful neglect, and we nonetheless maintain our REIT qualification because of specified cure provisions, we will be required to pay a tax equal to the greater of \$50,000 or the U.S. federal corporate income tax rate multiplied by the net income generated by the nonqualifying assets that caused us to fail such test.
- Sixth, if we fail to satisfy any provision of the Code that would result in our failure to qualify as a REIT (other than a violation of the gross income tests or certain violations of the asset tests, as described below) and the violation is due to reasonable cause and not due to willful neglect, we may retain our REIT qualification but we will be required to pay a penalty of \$50,000 for each such failure.
- Seventh, we will be required to pay a 4% excise tax to the extent we fail to distribute during each calendar year at least the sum of (1) 85% of our ordinary income for the year, (2) 95% of our capital gain net income for the year, and (3) any undistributed taxable income from prior periods.
- Eighth, if we acquire any asset from a corporation that is or has been a C corporation in a transaction in which our tax basis in the asset is less than the fair market value of the asset, in each case determined as of the date on which we acquired the asset, and we subsequently recognize gain on the disposition of the asset during the five-year period beginning on the date on which we acquired the asset, then we generally will be required to pay regular U.S. federal corporate income tax on this gain to the extent of the excess of (1) the fair market value of the asset over (2) our adjusted tax basis in the asset, in each case determined as of the date on which we acquired the asset. The results described in this paragraph with respect to the recognition of gain assume that the C corporation will refrain from making an election to receive different treatment under applicable Treasury Regulations on its tax return for the year in which we acquire the asset from the C corporation. Under applicable Treasury Regulations, any gain from the sale of property we acquired in an exchange under Section 1031 (a like-kind exchange) or Section 1033 (an involuntary conversion) of the Code generally is excluded from the application of this built-in gains tax.
- Ninth, our subsidiaries that are C corporations and are not qualified REIT subsidiaries, including our “taxable REIT subsidiaries” described below, generally will be required to pay regular U.S. federal corporate income tax on their earnings.
- Tenth, we will be required to pay a 100% tax on any “redetermined rents,” “redetermined deductions,” “excess interest” or “redetermined TRS service income,” as described below under “—Penalty Tax.” In general, redetermined rents are rents from real property that are overstated as a result of services furnished to any of our tenants by a taxable REIT subsidiary of ours. Redetermined deductions and excess interest generally represent amounts that are deducted by a taxable REIT subsidiary of ours for amounts paid to us that are in excess of the amounts that

Exhibit 99.1

would have been deducted based on arm's length negotiations. Redetermined TRS service income generally represents income of a taxable REIT subsidiary that is understated as a result of services provided to us or on our behalf.

- Eleventh, we may elect to retain and pay income tax on our net capital gain. In that case, a stockholder would include its proportionate share of our undistributed capital gain (to the extent we make a timely designation of such gain to the stockholder) in its income, would be deemed to have paid the tax that we paid on such gain, and would be allowed a credit for its proportionate share of the tax deemed to have been paid, and an adjustment would be made to increase the tax basis of the stockholder in our capital stock.
- Twelfth, if we fail to comply with the requirement to send annual letters to our shareholders holding at least a certain percentage of our stock, as determined under applicable Treasury Regulations, requesting information regarding the actual ownership of our stock, and the failure is not due to reasonable cause or is due to willful neglect, we will be subject to a \$25,000 penalty, or if the failure is intentional, a \$50,000 penalty.

We and our subsidiaries may be subject to a variety of taxes other than U.S. federal income tax, including payroll taxes and state and local income, property and other taxes on our assets and operations.

From time to time, we may own properties in other countries, which may impose taxes on our operations within their jurisdictions. To the extent possible, we will structure our activities to minimize our non-U.S. tax liability. However, there can be no assurance that we will be able to eliminate our non-U.S. tax liability or reduce it to a specified level. Furthermore, as a REIT, both we and our shareholders will derive little or no benefit from foreign tax credits arising from those non-U.S. taxes.

Requirements for Qualification as a REIT. The Code defines a REIT as a corporation, trust or association:

- (1) that is managed by one or more trustees or directors;
- (2) that issues transferable shares or transferable certificates to evidence its beneficial ownership;
- (3) that would be taxable as a domestic corporation but for Sections 856 through 860 of the Code;
- (4) that is not a financial institution or an insurance company within the meaning of certain provisions of the Code;
- (5) that is beneficially owned by 100 or more persons;
- (6) not more than 50% in value of the outstanding stock of which is owned, actually or constructively, by five or fewer individuals, including certain specified entities, during the last half of each taxable year; and

- (7) that meets other tests, described below, regarding the nature of its income and assets and the amount of its distributions.

The Code provides that conditions (1) to (4), inclusive, must be met during the entire taxable year and that condition (5) must be met during at least 335 days of a taxable year of 12 months, or during a proportionate part of a taxable year of less than 12 months. Conditions (5) and (6) do not apply until after the first taxable year for which an election is made to be taxed as a REIT. For purposes of condition (6), the term “individual” includes a supplemental unemployment compensation benefit plan, a private foundation or a portion of a trust permanently set aside or used exclusively for charitable purposes, but generally does not include a qualified pension plan or profit sharing trust.

We believe that we have been organized and have operated in a manner that has allowed us, and will continue to allow us, to satisfy conditions (1) through (7), inclusive, during the relevant time periods. In addition, our charter provides for restrictions regarding ownership and transfer of our shares that are intended to assist us in continuing to satisfy the share ownership requirements described in conditions (5) and (6) above. These ownership and transfer restrictions are generally described in “Description of Common Shares—Restrictions on Ownership and Transfer.” in our prospectus, and a description of the share ownership and transfer restrictions may also be contained in or incorporated by reference in the relevant prospectus supplements pursuant to which we offer securities from time to time. These restrictions, however, do not ensure that we have previously satisfied, and may not ensure that we will, in all cases, be able to continue to satisfy, the share ownership requirements described in conditions (5) and (6) above. If we fail to satisfy these share ownership requirements, then except as provided in the next sentence, our status as a REIT will terminate. If, however, we comply with the rules contained in applicable Treasury Regulations that require us to ascertain the actual ownership of our shares and we do not know, or would not have known through the exercise of reasonable diligence, that we failed to meet the requirement described in condition (6) above, we will be treated as having met this requirement. See “—Failure to Qualify.”

In addition, we may not maintain our status as a REIT unless our taxable year is the calendar year. We have and will continue to have a calendar taxable year.

Ownership of Interests in Partnerships, Limited Liability Companies and Qualified REIT Subsidiaries. In the case of a REIT that is a partner in a partnership (for purposes of this discussion, references to “partnership” include a limited liability company treated as a partnership for U.S. federal income tax purposes, and references to “partner” include a member in such a limited liability company), Treasury Regulations provide that the REIT will be deemed to own its proportionate share of the assets of the partnership based on its interest in partnership capital, subject to special rules relating to the 10% asset test described below. Also, the REIT will be deemed to be entitled to its proportionate share of the income of that entity. The assets and gross income of the partnership retain the same character in the hands of the REIT for purposes of Section 856 of the Code, including satisfying the gross income tests and the asset tests. Thus, our pro rata share of the assets and items of income of our Operating Partnership, including our Operating Partnership’s share of these items of any partnership or disregarded entity for U.S. federal income tax purposes in which it owns an interest, is treated as our assets and items of income for purposes of applying the requirements described in this discussion, including the gross

income and asset tests described below. A brief summary of the rules governing the U.S. federal income taxation of partnerships is set forth below in “—Tax Aspects of Our Operating Partnership, the Subsidiary Partnerships and the Limited Liability Companies.”

We have control of our Operating Partnership and the majority of our subsidiary partnerships and intend to operate them in a manner consistent with the requirements for our qualification as a REIT. If we become a limited partner or non-managing member in any partnership and such entity takes or expects to take actions that could jeopardize our status as a REIT or require us to pay tax, we may be forced to dispose of our interest in such entity. In addition, it is possible that a partnership could take an action which could cause us to fail a gross income or asset test, and that we would not become aware of such action in time to dispose of our interest in the partnership or take other corrective action on a timely basis. In such a case, we could fail to qualify as a REIT unless we were entitled to relief, as described below.

We may from time to time own and operate certain properties through wholly-owned subsidiaries that we intend to be treated as “qualified REIT subsidiaries” under the Code. A corporation (or other entity treated as a corporation for U.S. federal income tax purposes) will qualify as our qualified REIT subsidiary if we own 100% of the corporation’s outstanding stock and do not elect with the subsidiary to treat it as a “taxable REIT subsidiary,” as described below. A qualified REIT subsidiary is not treated as a separate corporation, and all assets, liabilities and items of income, gain, loss, deduction and credit of a qualified REIT subsidiary are treated as assets, liabilities and items of income, gain, loss, deduction and credit of the parent REIT for all purposes under the Code, including all REIT qualification tests. Thus, in applying the U.S. federal income tax requirements described in this discussion, any qualified REIT subsidiaries we own are ignored, and all assets, liabilities and items of income, gain, loss, deduction and credit of such corporations are treated as our assets, liabilities and items of income, gain, loss, deduction and credit. A qualified REIT subsidiary is not subject to U.S. federal income tax, and our ownership of the stock of a qualified REIT subsidiary will not violate the restrictions on ownership of securities, as described below under “—Asset Tests.”

Ownership of Interests in Taxable REIT Subsidiaries. We and our Operating Partnership own interests in companies that have elected, together with us, to be treated as our taxable REIT subsidiaries, and we may acquire securities in additional taxable REIT subsidiaries in the future. A taxable REIT subsidiary is a corporation (or other entity treated as a corporation for U.S. federal income tax purposes) other than a REIT in which a REIT directly or indirectly holds stock, and that has made a joint election with such REIT to be treated as a taxable REIT subsidiary. If a taxable REIT subsidiary owns more than 35% of the total voting power or value of the outstanding securities of another corporation, such other corporation will also be treated as a taxable REIT subsidiary. Other than some activities relating to lodging and health care facilities, a taxable REIT subsidiary may generally engage in any business, including the provision of customary or non-customary services to tenants of its parent REIT. A taxable REIT subsidiary is subject to U.S. federal income tax as a regular C corporation. A REIT is not treated as holding the assets of a taxable REIT subsidiary or as receiving any income that the taxable REIT subsidiary earns. Rather, the stock issued by the taxable REIT subsidiary is an asset in the hands of the REIT, and the REIT generally recognizes as income the dividends, if any, that it receives from the taxable REIT subsidiary. A REIT’s ownership of securities of a taxable REIT subsidiary is not subject to the 5% or 10% asset test described below. See “—Asset Tests.” Taxpayers are subject to a limitation on

their ability to deduct net business interest generally equal to 30% of adjusted taxable income, subject to certain exceptions. See “—Annual Distribution Requirements.” While not certain, this provision may limit the ability of our taxable REIT subsidiaries to deduct interest, which could increase their taxable income.

Income Tests. We must satisfy two gross income requirements annually to maintain our qualification as a REIT. First, in each taxable year we must derive directly or indirectly at least 75% of our gross income (excluding gross income from prohibited transactions, certain hedging transactions and certain foreign currency gains) from investments relating to real property or mortgages on real property, including “rents from real property,” dividends from other REITs and, in certain circumstances, interest, or certain types of temporary investments. Second, in each taxable year we must derive at least 95% of our gross income (excluding gross income from prohibited transactions, certain hedging transactions and certain foreign currency gains) from the real property investments described above or dividends, interest and gain from the sale or disposition of stock or securities, or from any combination of the foregoing. For these purposes, the term “interest” generally does not include any amount received or accrued, directly or indirectly, if the determination of all or some of the amount depends in any way on the income or profits of any person. However, an amount received or accrued generally will not be excluded from the term “interest” solely by reason of being based on a fixed percentage or percentages of receipts or sales.

Rents we receive from a tenant will qualify as “rents from real property” for the purpose of satisfying the gross income requirements for a REIT described above only if all of the following conditions are met:

- The amount of rent is not based in whole or in part on the income or profits of any person. However, an amount we receive or accrue generally will not be excluded from the term “rents from real property” solely because it is based on a fixed percentage or percentages of receipts or sales or if it is based on the net income of a tenant which derives substantially all of its income with respect to such property from subleasing of substantially all of such property, to the extent that the rents paid by the subtenants would qualify as rents from real property if we earned such amounts directly;
- Neither we nor an actual or constructive owner of 10% or more of our capital stock actually or constructively owns 10% or more of the interests in the assets or net profits of a non-corporate tenant, or, if the tenant is a corporation, 10% or more of the total combined voting power of all classes of stock entitled to vote or 10% or more of the total value of all classes of stock of the tenant. Rents we receive from such a tenant that is a taxable REIT subsidiary of ours, however, will not be excluded from the definition of “rents from real property” as a result of this condition if at least 90% of the space at the property to which the rents relate is leased to third parties, and the rents paid by the taxable REIT subsidiary are substantially comparable to rents paid by our other tenants for comparable space. Whether rents paid by a taxable REIT subsidiary are substantially comparable to rents paid by other tenants is determined at the time the lease with the taxable REIT subsidiary is entered into, extended, and modified, if such modification increases the rents due under such lease. Notwithstanding the foregoing, however, if a lease

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with a “controlled taxable REIT subsidiary” is modified and such modification results in an increase in the rents payable by such taxable REIT subsidiary, any such increase will not qualify as “rents from real property.” For purposes of this rule, a “controlled taxable REIT subsidiary” is a taxable REIT subsidiary in which the parent REIT owns stock possessing more than 50% of the voting power or more than 50% of the total value of the outstanding stock of such taxable REIT subsidiary;

- Rent attributable to personal property, leased in connection with a lease of real property, is not greater than 15% of the total rent received under the lease. If this condition is not met, then the portion of the rent attributable to personal property will not qualify as “rents from real property.” To the extent that rent attributable to personal property, leased in connection with a lease of real property, exceeds 15% of the total rent received under the lease, we may transfer a portion of such personal property to a taxable REIT subsidiary; and
- We generally may not operate or manage the property or furnish or render services to our tenants, subject to a 1% *de minimis* exception and except as provided below. We may, however, perform services that are “usually or customarily rendered” in connection with the rental of space for occupancy only and are not otherwise considered “rendered to the occupant” of the property. Examples of these services include the provision of light, heat, or other utilities, trash removal and general maintenance of common areas. In addition, we may employ an independent contractor from whom we derive no revenue to provide customary services to our tenants, or a taxable REIT subsidiary (which may be wholly or partially owned by us) to provide both customary and non-customary services to our tenants, without causing the rent we receive from those tenants to fail to qualify as “rents from real property.”

We generally do not intend, and, as the general partner of our Operating Partnership, we do not intend to permit our Operating Partnership, to take actions we believe will cause us to fail to satisfy the rental conditions described above. However, we may intentionally fail to satisfy some of these conditions to the extent we determine, based on the advice of our tax counsel, that the failure will not jeopardize our tax status as a REIT. In addition, with respect to the limitation on the rental of personal property, we generally have not obtained appraisals of the real property and personal property leased to tenants. Accordingly, there can be no assurance that the IRS will not disagree with our determinations of value.

From time to time, we may enter into hedging transactions with respect to one or more of our assets or liabilities. Our hedging activities may include entering into interest rate swaps, caps, and floors, options to purchase these items, and futures and forward contracts. Income from a hedging transaction, including gain from the sale or disposition of such a transaction, that is clearly identified as a hedging transaction as specified in the Code will not constitute gross income under, and thus will be exempt from, the 75% and 95% gross income tests. The term “hedging transaction,” as used above, generally means (A) any transaction we enter into in the normal course of our business primarily to manage risk of (1) interest rate changes or fluctuations with respect to borrowings made or to be made by us to acquire or carry real estate assets, or (2) currency fluctuations with respect to an item of qualifying income under the 75% or 95% gross income test or any property which generates such income and (B) new transactions entered into to hedge the

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income or loss from prior hedging transactions, where the property or indebtedness which was the subject of the prior hedging transaction was extinguished or disposed of. To the extent that we do not properly identify such transactions as hedges or we hedge with other types of financial instruments, the income from those transactions is not likely to be treated as qualifying income for purposes of the gross income tests. We intend to structure any hedging transactions in a manner that does not jeopardize our status as a REIT.

We have investments in several entities located outside the United States, and from time to time we may invest in additional entities or properties located outside the United States, through a taxable REIT subsidiary or otherwise. These acquisitions could cause us to incur foreign currency gains or losses. Any foreign currency gains, to the extent attributable to specified items of qualifying income or gain, or specified qualifying assets, however, generally will not constitute gross income for purposes of the 75% and 95% gross income tests, and therefore will be excluded from these tests.

To the extent our taxable REIT subsidiaries pay dividends or interest, our allocable share of such dividend or interest income will qualify under the 95%, but not the 75%, gross income test (except that our allocable share of such interest would also qualify under the 75% gross income test to the extent the interest is paid on a loan that is adequately secured by real property).

We will monitor the amount of the dividend and other income from our taxable REIT subsidiaries and will take actions intended to keep this income, and any other nonqualifying income, within the limitations of the gross income tests. Although we expect these actions will be sufficient to prevent a violation of the gross income tests, we cannot guarantee that such actions will in all cases prevent such a violation.

If we fail to satisfy one or both of the 75% or 95% gross income tests for any taxable year, we may nevertheless qualify as a REIT for the year if we are entitled to relief under certain provisions of the Code. We generally may make use of the relief provisions if:

- following our identification of the failure to meet the 75% or 95% gross income tests for any taxable year, we file a schedule with the IRS setting forth each item of our gross income for purposes of the 75% or 95% gross income tests for such taxable year in accordance with Treasury Regulations to be issued; and
- our failure to meet these tests was due to reasonable cause and not due to willful neglect.

It is not possible, however, to state whether in all circumstances we would be entitled to the benefit of these relief provisions. For example, if we fail to satisfy the gross income tests because nonqualifying income that we intentionally accrue or receive exceeds the limits on nonqualifying income, the IRS could conclude that our failure to satisfy the tests was not due to reasonable cause. If these relief provisions do not apply to a particular set of circumstances, we will not qualify as a REIT. See “—Failure to Qualify” below. As discussed above in “—General,” even if these relief provisions apply, and we retain our status as a REIT, a tax would be imposed with respect to our nonqualifying income. We may not always be able to comply with the gross income tests for REIT qualification despite periodic monitoring of our income.

Prohibited Transaction Income. Any gain that we realize on the sale of property (other than any foreclosure property) held as inventory or otherwise held primarily for sale to customers in the ordinary course of business, including our share of any such gain realized by our Operating Partnership, either directly or through its subsidiary partnerships, will be treated as income from a prohibited transaction that is subject to a 100% penalty tax, unless certain safe harbor exceptions apply. This prohibited transaction income may also adversely affect our ability to satisfy the gross income tests for qualification as a REIT. Under existing law, whether property is held as inventory or primarily for sale to customers in the ordinary course of a trade or business is a question of fact that depends on all the facts and circumstances surrounding the particular transaction. As the general partner of our Operating Partnership, we intend to cause our Operating Partnership to hold its properties for investment with a view to long-term appreciation, to engage in the business of acquiring, developing and owning its properties and to make occasional sales of the properties as are consistent with our investment objectives. We do not intend, and do not intend to permit our Operating Partnership or its subsidiary partnerships, to enter into any sales that are prohibited transactions. However, the IRS may successfully contend that some or all of the sales made by our Operating Partnership or its subsidiary partnerships are prohibited transactions. We would be required to pay the 100% penalty tax on our allocable share of the gains resulting from any such sales. The 100% penalty tax will not apply to gains from the sale of assets that are held through a taxable REIT subsidiary, but such income will be subject to regular U.S. federal corporate income tax.

Penalty Tax. Any redetermined rents, redetermined deductions, excess interest or redetermined TRS service income we generate will be subject to a 100% penalty tax. In general, redetermined rents are rents from real property that are overstated as a result of any services furnished to any of our tenants by a taxable REIT subsidiary of ours, redetermined deductions and excess interest represent any amounts that are deducted by a taxable REIT subsidiary of ours for amounts paid to us that are in excess of the amounts that would have been deducted based on arm's length negotiations, and redetermined TRS service income is income of a taxable REIT subsidiary that is understated as a result of services provided to us or on our behalf. Rents we receive will not constitute redetermined rents if they qualify for certain safe harbor provisions contained in the Code.

We do not believe we have been, and do not expect to be, subject to this penalty tax, although any rental or service arrangements we enter into from time to time may not satisfy the safe-harbor provisions referenced above. Currently, certain wholly owned subsidiaries of our taxable REIT subsidiary provide services to certain of our tenants and pay rent to us and, from time to time, we may enter into additional leases with our taxable REIT subsidiaries that also provide services to our tenants. We believe we have set, and we intend to set in the future, any fees paid to our taxable REIT subsidiaries for such services, and any rent payable to us by our taxable REIT subsidiaries, at arm's length rates, although the amounts paid may not satisfy the safe-harbor provisions referenced above. These determinations are inherently factual, and the IRS has broad discretion to assert that amounts paid between related parties should be reallocated to clearly reflect their respective incomes. If the IRS successfully made such an assertion, we would be required to pay a 100% penalty tax on any overstated rents paid to us, or any excess deductions or understated income of our taxable REIT subsidiaries.

Asset Tests. At the close of each calendar quarter of our taxable year, we must also satisfy certain tests relating to the nature and diversification of our assets. First, at least 75% of the value of our total assets must be represented by real estate assets, cash, cash items and U.S. government securities. For purposes of this test, the term “real estate assets” generally means real property (including interests in real property and interests in mortgages on real property or on both real property and, to a limited extent, personal property), shares (or transferable certificates of beneficial interest) in other REITs, any stock or debt instrument attributable to the investment of the proceeds of a stock offering or a public offering of debt with a term of at least five years (but only for the one-year period beginning on the date the REIT receives such proceeds), debt instruments of publicly offered REITs, and personal property leased in connection with a lease of real property for which the rent attributable to personal property is not greater than 15% of the total rent received under the lease.

Second, not more than 25% of the value of our total assets may be represented by securities (including securities of taxable REIT subsidiaries), other than those securities includable in the 75% asset test.

Third, of the investments included in the 25% asset class, and except for certain investments in other REITs, our qualified REIT subsidiaries and taxable REIT subsidiaries, the value of any one issuer’s securities may not exceed 5% of the value of our total assets, and we may not own more than 10% of the total vote or value of the outstanding securities of any one issuer. Certain types of securities we may own are disregarded as securities solely for purposes of the 10% value test, including, but not limited to, securities satisfying the “straight debt” safe harbor, securities issued by a partnership that itself would satisfy the 75% income test if it were a REIT, any loan to an individual or an estate, any obligation to pay rents from real property and any security issued by a REIT. In addition, solely for purposes of the 10% value test, the determination of our interest in the assets of a partnership in which we own an interest will be based on our proportionate interest in any securities issued by the partnership, excluding for this purpose certain securities described in the Code. From time to time we may own securities (including debt securities) of issuers that do not qualify as a REIT, a qualified REIT subsidiary or a taxable REIT subsidiary. We intend that our ownership of any such securities will be structured in a manner that allows us to comply with the asset tests described above.

Fourth, not more than 20% (25% for taxable years beginning after December 31, 2025) of the value of our total assets may be represented by the securities of one or more taxable REIT subsidiaries. We and our Operating Partnership own interests in companies that have elected, together with us, to be treated as our taxable REIT subsidiaries, and we may acquire securities in additional taxable REIT subsidiaries in the future. So long as each of these companies qualifies as a taxable REIT subsidiary of ours, we will not be subject to the 5% asset test, the 10% voting limitation or the 10% value limitation with respect to our ownership of the securities of such companies. We believe that the aggregate value of our taxable REIT subsidiaries does not exceed 20%, and will not exceed 25%, for the taxable years beginning after December 31, 2025, of the aggregate value of our gross assets. We generally do not obtain independent appraisals to support these conclusions. In addition, there can be no assurance that the IRS will not disagree with our determinations of value.

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Fifth, not more than 25% of the value of our total assets may be represented by debt instruments of publicly offered REITs to the extent those debt instruments would not be real estate assets but for the inclusion of debt instruments of publicly offered REITs in the meaning of real estate assets, as described above (e.g., a debt instrument issued by a publicly offered REIT that is not secured by a mortgage on real property).

The asset tests must be satisfied at the close of each calendar quarter of our taxable year in which we (directly or through any partnership or qualified REIT subsidiary) acquire securities in the applicable issuer, and also at the close of each calendar quarter in which we increase our ownership of securities of such issuer (including as a result of an increase in our interest in any partnership that owns such securities). For example, our indirect ownership of securities of each issuer will increase as a result of our capital contributions to our Operating Partnership or as limited partners exercise any redemption/exchange rights. Also, after initially meeting the asset tests at the close of any quarter, we will not lose our status as a REIT for failure to satisfy the asset tests at the end of a later quarter solely by reason of changes in asset values. If we fail to satisfy an asset test because we acquire securities or other property during a quarter (including as a result of an increase in our interest in any partnership), we may cure this failure by disposing of sufficient nonqualifying assets within 30 days after the close of that quarter. We believe that we have maintained, and we intend to maintain, adequate records of the value of our assets to ensure compliance with the asset tests. If we fail to cure any noncompliance with the asset tests within the 30-day cure period, we would cease to qualify as a REIT unless we are eligible for certain relief provisions discussed below.

Certain relief provisions may be available to us if we discover a failure to satisfy the asset tests described above after the 30-day cure period. Under these provisions, we will be deemed to have met the 5% and 10% asset tests if the value of our nonqualifying assets (i) does not exceed the lesser of (a) 1% of the total value of our assets at the end of the applicable quarter or (b) \$10,000,000, and (ii) we dispose of the nonqualifying assets or otherwise satisfy such tests within (a) six months after the last day of the quarter in which the failure to satisfy the asset tests is discovered or (b) the period of time prescribed by Treasury Regulations to be issued. For violations of any of the asset tests due to reasonable cause and not due to willful neglect and that are, in the case of the 5% and 10% asset tests, in excess of the *de minimis* exception described above, we may avoid disqualification as a REIT after the 30-day cure period by taking steps including (i) the disposition of sufficient nonqualifying assets, or the taking of other actions, which allow us to meet the asset tests within (a) six months after the last day of the quarter in which the failure to satisfy the asset tests is discovered or (b) the period of time prescribed by Treasury Regulations to be issued, (ii) paying a tax equal to the greater of (a) \$50,000 or (b) the U.S. federal corporate income tax rate multiplied by the net income generated by the nonqualifying assets, and (iii) disclosing certain information to the IRS.

Although we believe we have satisfied the asset tests described above and plan to take steps to ensure that we satisfy such tests for any quarter with respect to which retesting is to occur, there can be no assurance that we will always be successful, or will not require a reduction in our Operating Partnership's overall interest in an issuer (including in a taxable REIT subsidiary). If we fail to cure any noncompliance with the asset tests in a timely manner, and the relief provisions described above are not available, we would cease to qualify as a REIT.

Annual Distribution Requirements. To maintain our qualification as a REIT, we are required to distribute dividends, other than capital gain dividends, to our shareholders each year in an amount at least equal to the sum of:

- 90% of our REIT taxable income; and
- 90% of our after-tax net income, if any, from foreclosure property; minus
- the excess of the sum of certain items of non-cash income over 5% of our REIT taxable income.

For these purposes, our REIT taxable income is computed without regard to the dividends paid deduction and our net capital gain. In addition, for purposes of this test, non-cash income generally means income attributable to leveled stepped rents, original issue discount, cancellation of indebtedness, or a like-kind exchange that is later determined to be taxable.

In addition, our REIT taxable income will be reduced by any taxes we are required to pay on any gain we recognize from the disposition of any asset we acquired from a corporation that is or has been a C corporation in a transaction in which our tax basis in the asset is less than the fair market value of the asset, in each case determined as of the date on which we acquired the asset, within the five-year period following our acquisition of such asset, as described above under “—General.”

Except as provided below, a taxpayer’s deduction for net business interest expense will generally be limited to 30% of its taxable income, as adjusted for certain items of income, gain, deduction or loss. Any business interest deduction that is disallowed due to this limitation may be carried forward to future taxable years, subject to special rules applicable to partnerships. If we or any of our subsidiary partnerships (including our Operating Partnership) are subject to this interest expense limitation, our REIT taxable income for a taxable year may be increased. Taxpayers that conduct certain real estate businesses may elect not to have this interest expense limitation apply to them, provided that they use an alternative depreciation system to depreciate certain property. We believe that we or any of our subsidiary partnerships that are subject to this interest expense limitation will be eligible to make this election. If such election is made, although we or such subsidiary partnership, as applicable, would not be subject to the interest expense limitation described above, depreciation deductions may be reduced and, as a result, our REIT taxable income for a taxable year may be increased.

We generally must pay, or be treated as paying, the distributions described above in the taxable year to which they relate. At our election, a distribution will be treated as paid in a taxable year if it is declared before we timely file our tax return for such year and paid on or before the first regular dividend payment after such declaration, provided such payment is made during the 12-month period following the close of such year. These distributions are treated as received by our shareholders in the year in which they are paid. This is so even though these distributions relate to the prior year for purposes of the 90% distribution requirement. In order to be taken into account for purposes of our distribution requirement, except as provided below, the amount distributed must not be preferential—*i.e.*, every stockholder of the class of stock to which a distribution is made must be treated the same as every other stockholder of that class, and no class of stock may be treated other than according to its dividend rights as a class. This preferential dividend limitation will not apply to distributions made by us, provided we qualify as a “publicly offered REIT.” We

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believe that we are, and expect we will continue to be, a publicly offered REIT. To the extent that we do not distribute all of our net capital gain, or distribute at least 90%, but less than 100%, of our REIT taxable income, as adjusted, we will be required to pay regular U.S. federal corporate income tax on the undistributed amount. We believe that we have made, and we intend to continue to make, timely distributions sufficient to satisfy these annual distribution requirements and to minimize our corporate tax obligations. In this regard, the partnership agreement of our Operating Partnership authorizes us, as the general partner of our Operating Partnership, to take such steps as may be necessary to cause our Operating Partnership to distribute to its partners an amount sufficient to permit us to meet these distribution requirements and to minimize our corporate tax obligation.

We expect that our REIT taxable income will be less than our cash flow because of depreciation and other non-cash charges included in computing REIT taxable income. Accordingly, we anticipate that we generally will have sufficient cash or liquid assets to enable us to satisfy the distribution requirements described above. However, from time to time, we may not have sufficient cash or other liquid assets to meet these distribution requirements due to timing differences between the actual receipt of income and actual payment of deductible expenses, and the inclusion of income and deduction of expenses in determining our taxable income. In addition, we may decide to retain our cash, rather than distribute it, in order to repay debt or for other reasons. If these timing differences occur, we may borrow funds to pay dividends or pay dividends in the form of taxable stock distributions in order to meet the distribution requirements, while preserving our cash.

Under some circumstances, we may be able to rectify an inadvertent failure to meet the 90% distribution requirement for a year by paying “deficiency dividends” to our shareholders in a later year, which may be included in our deduction for dividends paid for the earlier year. In that case, we may be able to avoid being taxed on amounts distributed as deficiency dividends, subject to the 4% excise tax described below. However, we will be required to pay interest to the IRS based upon the amount of any deduction claimed for deficiency dividends. While the payment of a deficiency dividend will apply to a prior year for purposes of our REIT distribution requirements, it will be treated as an additional distribution to our shareholders in the year such dividend is paid.

Furthermore, we will be required to pay a 4% excise tax to the extent we fail to distribute during each calendar year at least the sum of 85% of our ordinary income for such year, 95% of our capital gain net income for the year and any undistributed taxable income from prior periods. Any ordinary income and net capital gain on which U.S. federal corporate income tax is imposed for any year is treated as an amount distributed during that year for purposes of calculating this excise tax.

For purposes of the 90% distribution requirement and excise tax described above, dividends declared during the last three months of the taxable year, payable to shareholders of record on a specified date during such period and paid during January of the following year, will be treated as paid by us and received by our shareholders on December 31 of the year in which they are declared.

Like-Kind Exchanges. We may dispose of real property that is not held primarily for sale in transactions intended to qualify as like-kind exchanges under the Code. Such like-kind

exchanges are intended to result in the deferral of gain for U.S. federal income tax purposes. The failure of any such transaction to qualify as a like-kind exchange could require us to pay U.S. federal income tax, possibly including the 100% prohibited transaction tax, or deficiency dividends, depending on the facts and circumstances surrounding the particular transaction.

Tax Liabilities and Attributes Inherited in Connection with Acquisitions. From time to time, we or our Operating Partnership may acquire other corporations or entities and, in connection with such acquisitions, we may succeed to the historical tax attributes and liabilities of such entities. For example, if we acquire a C corporation and subsequently dispose of its assets within five years of the acquisition, we could be required to pay the built-in gain tax described above under “—General.” In addition, in order to qualify as a REIT, at the end of any taxable year, we must not have any earnings and profits accumulated in a non-REIT year. As a result, if we acquire a C corporation, we must distribute the corporation’s earnings and profits accumulated prior to the acquisition before the end of the taxable year in which we acquire the corporation. We also could be required to pay the acquired entity’s unpaid taxes even though such liabilities arose prior to the time we acquired the entity.

Moreover, we or one of our subsidiaries may from time to time acquire other REITs through a merger or acquisition. If any such REIT failed to qualify as a REIT for any of its taxable years, such REIT would be liable for (and we or our subsidiary, as applicable, as the surviving corporation in the merger or acquisition, would be obligated to pay) regular U.S. federal corporate income tax on its taxable income for such taxable years. In addition, if such REIT was a C corporation at the time of the merger or acquisition, the tax consequences described in the preceding paragraph generally would apply. If such REIT failed to qualify as a REIT for any of its taxable years, but qualified as a REIT at the time of such merger or acquisition, and we acquired such REIT’s assets in a transaction in which our tax basis in the assets of such REIT is determined, in whole or in part, by reference to such REIT’s tax basis in such assets, we generally would be subject to tax on the built-in gain on each asset of such REIT as described above if we were to dispose of the asset in a taxable transaction during the five-year period following such REIT’s requalification as a REIT, subject to certain exceptions. Moreover, even if such REIT qualified as a REIT at all relevant times, we would similarly be liable for other unpaid taxes (if any) of such REIT (such as the 100% tax on gains from any sales treated as “prohibited transactions” as described above under “—Prohibited Transaction Income”).

Furthermore, after our acquisition of another corporation or entity, the asset and income tests will apply to all of our assets, including the assets we acquire from such corporation or entity, and to all of our income, including the income derived from the assets we acquire from such corporation or entity. As a result, the nature of the assets that we acquire from such corporation or entity and the income we derive from those assets may have an effect on our tax status as a REIT.

Failure to Qualify. If we discover a violation of a provision of the Code that would result in our failure to qualify as a REIT, certain specified cure provisions may be available to us. Except with respect to violations of the gross income tests and asset tests (for which the cure provisions are described above), and provided the violation is due to reasonable cause and not due to willful neglect, these cure provisions generally impose a \$50,000 penalty for each violation in lieu of a loss of REIT status. If we fail to satisfy the requirements for taxation as a REIT in any taxable year, and the relief provisions do not apply, we will be required to pay regular U.S. federal

corporate income tax on our taxable income. Distributions to shareholders in any year in which we fail to qualify as a REIT will not be deductible by us. As a result, we anticipate that our failure to qualify as a REIT would reduce the cash available for distribution by us to our shareholders. In addition, if we fail to qualify as a REIT, we will not be required to distribute any amounts to our shareholders and all distributions to shareholders will be taxable as regular corporate dividends to the extent of our current and accumulated earnings and profits. In such event, corporate shareholders may be eligible for the dividends-received deduction. In addition, non-corporate shareholders, including individuals, may be eligible for the preferential tax rates on qualified dividend income. Non-corporate shareholders, including individuals, generally may deduct up to 20% of dividends from a REIT, other than capital gain dividends and dividends treated as qualified dividend income for purposes of determining their U.S. federal income tax (but not for purposes of the 3.8% Medicare tax), subject to certain holding period requirements and other limitations. If we fail to qualify as a REIT, such shareholders may not claim this deduction with respect to dividends paid by us. Unless entitled to relief under specific statutory provisions, we would also be ineligible to elect to be treated as a REIT for the four taxable years following the year for which we lose our qualification. It is not possible to state whether in all circumstances we would be entitled to this statutory relief.

Tax Aspects of Our Operating Partnership, the Subsidiary Partnerships and the Limited Liability Companies

General. All of our investments are held indirectly through our Operating Partnership. In addition, our Operating Partnership holds certain of its investments indirectly through subsidiary partnerships and limited liability companies that we believe are and will continue to be treated as partnerships or disregarded entities for U.S. federal income tax purposes. In general, entities that are treated as partnerships or disregarded entities for U.S. federal income tax purposes are “pass-through” entities which are not required to pay U.S. federal income tax. Rather, partners of such partnerships are allocated their shares of the items of income, gain, loss, deduction and credit of the partnership, and are potentially required to pay tax on this income, without regard to whether they receive a distribution from the partnership. We will include in our income our share of these partnership items for purposes of the various gross income tests, the computation of our REIT taxable income, and the REIT distribution requirements. Moreover, for purposes of the asset tests, we will include our pro rata share of assets held by our Operating Partnership, including its share of the assets of its subsidiary partnerships, based on our capital interests in each such entity. See “—Taxation of Our Company—Ownership of Interests in Partnerships, Limited Liability Companies and Qualified REIT Subsidiaries.” A disregarded entity is not treated as a separate entity for U.S. federal income tax purposes, and all assets, liabilities and items of income, gain, loss, deduction and credit of a disregarded entity are treated as assets, liabilities and items of income, gain, loss, deduction and credit of its parent that is not a disregarded entity (e.g., our Operating Partnership) for all purposes under the Code, including all REIT qualification tests.

Entity Classification. Our interests in our Operating Partnership and the subsidiary partnerships and limited liability companies involve special tax considerations, including the possibility that the IRS might challenge the status of these entities as partnerships or disregarded entities for U.S. federal income tax purposes. For example, an entity that would otherwise be treated as a partnership for U.S. federal income tax purposes may nonetheless be taxable as a corporation if it is a “publicly traded partnership” and certain other requirements are met. A

partnership would be treated as a publicly traded partnership if its interests are traded on an established securities market or are readily tradable on a secondary market or a substantial equivalent thereof, within the meaning of applicable Treasury Regulations. We do not anticipate that our Operating Partnership or any subsidiary partnership will be treated as a publicly traded partnership that is taxable as a corporation. However, if any such entity were treated as a corporation, it would be required to pay an entity-level tax on its income. In this situation, the character of our assets and items of gross income would change and could prevent us from satisfying the REIT asset tests and possibly the REIT income tests. See “—Taxation of Our Company—Asset Tests” and “—Income Tests.” This, in turn, could prevent us from qualifying as a REIT. See “—Taxation of Our Company—Failure to Qualify” for a discussion of the effect of our failure to meet these tests. In addition, a change in the tax status of our Operating Partnership or a subsidiary treated as a partnership or disregarded entity to a corporation might be treated as a taxable event. If so, we might incur a tax liability without any related cash payment. We believe our Operating Partnership and each of the subsidiary partnerships and limited liability companies are and will continue to be treated as partnerships or disregarded entities for U.S. federal income tax purposes.

Allocations of Items of Income, Gain, Loss and Deduction. A partnership agreement (or, in the case of a limited liability company treated as a partnership for U.S. federal income tax purposes, the limited liability company agreement) generally will determine the allocation of income and loss among partners. These allocations, however, will be disregarded for tax purposes if they do not comply with the provisions of Section 704(b) of the Code and the Treasury Regulations thereunder. Generally, Section 704(b) of the Code and the Treasury Regulations thereunder require that partnership allocations respect the economic arrangement of the partners. If an allocation of partnership income or loss does not comply with the requirements of Section 704(b) of the Code and the Treasury Regulations thereunder, the item subject to the allocation will be reallocated in accordance with the partners’ interests in the partnership. This reallocation will be determined by taking into account all of the facts and circumstances relating to the economic arrangement of the partners with respect to such item. The allocations of taxable income and loss of our Operating Partnership and any subsidiaries that are treated as partnerships for U.S. federal income tax purposes are intended to comply with the requirements of Section 704(b) of the Code and the Treasury Regulations thereunder.

Tax Allocations With Respect to the Properties. Under Section 704(c) of the Code, items of income, gain, loss and deduction attributable to appreciated or depreciated property that is contributed to a partnership in exchange for an interest in the partnership must be allocated in a manner so that the contributing partner is charged with the unrealized gain or benefits from the unrealized loss associated with the property at the time of the contribution. The amount of the unrealized gain or unrealized loss generally is equal to the difference between the fair market value or book value and the adjusted tax basis of the contributed property at the time of contribution (this difference is referred to as a book-tax difference), as adjusted from time to time. These allocations are solely for U.S. federal income tax purposes and do not affect the book capital accounts or other economic or legal arrangements among the partners.

Our Operating Partnership may, from time to time, acquire interests in property in exchange for interests in our Operating Partnership. In that case, the tax basis of these property interests generally will carry over to our Operating Partnership, notwithstanding their different

book (*i.e.*, fair market) value. The partnership agreement requires that income and loss allocations with respect to these properties be made in a manner consistent with Section 704(c) of the Code. Treasury Regulations issued under Section 704(c) of the Code provide partnerships with a choice of several methods of accounting for book-tax differences. Depending on the method we choose in connection with any particular contribution, the carryover basis of each of the contributed interests in the properties in the hands of our Operating Partnership (1) could cause us to be allocated lower amounts of depreciation deductions for tax purposes than would be allocated to us if any of the contributed properties were to have a tax basis equal to its respective fair market value at the time of the contribution and (2) could cause us to be allocated taxable gain in the event of a sale of such contributed interests or properties in excess of the economic or book income allocated to us as a result of such sale, with a corresponding benefit to the other partners in our Operating Partnership. An allocation described in clause (2) above might cause us or the other partners to recognize taxable income in excess of cash proceeds in the event of a sale or other disposition of property, which might adversely affect our ability to comply with the REIT distribution requirements. See “—Taxation of Our Company—Requirements for Qualification as a REIT” and “—Annual Distribution Requirements.”

Any property acquired by our Operating Partnership in a taxable transaction will initially have a tax basis equal to its fair market value, and Section 704(c) of the Code generally will not apply.

Partnership Audit Rules. Under current tax law, subject to certain exceptions, any audit adjustment to items of income, gain, loss, deduction, or credit of a partnership (and any partner’s distributive share thereof) is determined, and taxes, interest, or penalties attributable thereto are assessed and collected, at the partnership level. It is possible that these rules could result in partnerships in which we directly or indirectly invest, including our Operating Partnership, being required to pay additional taxes, interest and penalties as a result of an audit adjustment, and we, as a direct or indirect partner of these partnerships, could be required to bear the economic burden of those taxes, interest, and penalties even though we, as a REIT, may not otherwise have been required to pay additional corporate-level taxes as a result of the related audit adjustment. Investors are urged to consult their tax advisors with respect to these changes and their potential impact on their investment in our capital stock.

Material U.S. Federal Income Tax Consequences to Holders of Our Capital Stock and Our Operating Partnership’s Debt Securities

The following discussion is a summary of the material U.S. federal income tax consequences to you of purchasing, owning and disposing of our capital stock or our Operating Partnership’s debt securities. This discussion is limited to holders who hold our capital stock or our Operating Partnership’s debt securities as “capital assets” within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all U.S. federal income tax consequences relevant to a holder’s particular circumstances, including the alternative minimum tax. In addition, except where specifically noted, it does not address consequences relevant to holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- U.S. holders (as defined below) whose functional currency is not the U.S. dollar;

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- persons holding our capital stock or our Operating Partnership's debt securities as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- REITs or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- S corporations, partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons subject to special tax accounting rules as a result of any item of gross income with respect to our capital stock or our Operating Partnership's debt securities being taken into account in an applicable financial statement;
- persons deemed to sell our capital stock or our Operating Partnership's debt securities under the constructive sale provisions of the Code;
- tax-qualified retirement plans; and
- persons who hold or receive our capital stock pursuant to the exercise of any employee stock option or otherwise as compensation.

THIS DISCUSSION IS FOR INFORMATIONAL PURPOSES ONLY AND IS NOT INTENDED AS TAX ADVICE. INVESTORS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR CAPITAL STOCK OR OUR OPERATING PARTNERSHIP'S DEBT SECURITIES ARISING UNDER OTHER U.S. FEDERAL TAX LAWS (INCLUDING ESTATE AND GIFT TAX LAWS), UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE TAX TREATY.

For purposes of this discussion, a "U.S. holder" is a beneficial owner of our capital stock or our Operating Partnership's debt securities that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
 - a corporation created or organized under the laws of the United States, any state thereof, or the District of Columbia,
 - an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
 - a trust that (1) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) or (2) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.
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For purposes of this discussion, a “non-U.S. holder” is any beneficial owner of our capital stock or our Operating Partnership’s debt securities that is neither a U.S. holder nor an entity treated as a partnership for U.S. federal income tax purposes.

If an entity treated as a partnership for U.S. federal income tax purposes holds our capital stock or our Operating Partnership’s debt securities, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding our capital stock or our Operating Partnership’s debt securities and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

Taxation of Taxable U.S. Holders of Our Capital Stock

Distributions Generally. Distributions out of our current or accumulated earnings and profits will be treated as dividends and, other than with respect to capital gain dividends and certain amounts which have previously been subject to corporate level tax, as discussed below, will be taxable to our taxable U.S. holders as ordinary income when actually or constructively received. See “—Tax Rates” below. As long as we qualify as a REIT, these distributions will not be eligible for the dividends-received deduction in the case of U.S. holders that are corporations or, except to the extent described in “—Tax Rates” below, the preferential rates on qualified dividend income applicable to non-corporate U.S. holders, including individuals. For purposes of determining whether distributions to holders of our capital stock are out of our current or accumulated earnings and profits, our earnings and profits will be allocated first to our outstanding preferred stock, if any, and then to our outstanding common stock.

To the extent that we make distributions on our capital stock in excess of our current and accumulated earnings and profits allocable to such stock, these distributions will be treated first as a tax-free return of capital to a U.S. holder to the extent of the U.S. holder’s adjusted tax basis in such shares of stock. This treatment will reduce the U.S. holder’s adjusted tax basis in such shares of stock by such amount, but not below zero. Distributions in excess of our current and accumulated earnings and profits and in excess of a U.S. holder’s adjusted tax basis in its shares will be taxable as capital gain. Such gain will be taxable as long-term capital gain if the shares have been held for more than one year. Dividends we declare in October, November, or December of any year and which are payable to a holder of record on a specified date in any of these months will be treated as both paid by us and received by the holder on December 31 of that year, provided we actually pay the dividend on or before January 31 of the following year. U.S. holders may not include in their own income tax returns any of our net operating losses or capital losses.

U.S. holders that receive taxable stock distributions, including distributions partially payable in our capital stock and partially payable in cash, would be required to include the full amount of the distribution (*i.e.*, the cash and the stock portion) as a dividend (subject to limited exceptions) to the extent of our current and accumulated earnings and profits for U.S. federal income tax purposes, as described above. The amount of any distribution payable in our capital stock generally is equal to the amount of cash that could have been received instead of the capital stock. Depending on the circumstances of a U.S. holder, the tax on the distribution may exceed the amount of the distribution received in cash, in which case such U.S. holder would have to pay the tax using cash from other sources. If a U.S. holder sells the capital stock it received in connection

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with a taxable stock distribution in order to pay this tax and the proceeds of such sale are less than the amount required to be included in income with respect to the stock portion of the distribution, such U.S. holder could have a capital loss with respect to the stock sale that could not be used to offset such income. A U.S. holder that receives capital stock pursuant to such distribution generally has a tax basis in such capital stock equal to the amount of cash that could have been received instead of such capital stock as described above, and has a holding period in such capital stock that begins on the day immediately following the payment date for the distribution.

Capital Gain Dividends. Dividends that we properly designate as capital gain dividends will generally be taxable to our taxable U.S. holders as a gain from the sale or disposition of a capital asset held for more than one year, to the extent that such gain does not exceed our actual net capital gain for the taxable year and may not exceed our dividends paid for the taxable year, including dividends paid the following year that are treated as paid in the current year. U.S. holders that are corporations may, however, be required to treat up to 20% of certain capital gain dividends as ordinary income. If we properly designate any portion of a dividend as a capital gain dividend, then, except as otherwise required by law, we presently intend to allocate a portion of the total capital gain dividends paid or made available to holders of all classes of our capital stock for the year to the holders of each class of our capital stock in proportion to the amount that our total dividends, as determined for U.S. federal income tax purposes, paid or made available to the holders of each such class of our capital stock for the year bears to the total dividends, as determined for U.S. federal income tax purposes, paid or made available to holders of all classes of our capital stock for the year. In addition, except as otherwise required by law, we will make a similar allocation with respect to any undistributed long-term capital gains which are to be included in our shareholders' long-term capital gains, based on the allocation of the capital gain amount which would have resulted if those undistributed long-term capital gains had been distributed as "capital gain dividends" by us to our shareholders.

Retention of Net Capital Gains. We may elect to retain, rather than distribute as a capital gain dividend, all or a portion of our net capital gains. If we make this election, we would pay tax on our retained net capital gains. In addition, to the extent we so elect, our earnings and profits (determined for U.S. federal income tax purposes) would be adjusted accordingly, and a U.S. holder generally would:

- include its pro rata share of our undistributed capital gain in computing its long-term capital gains in its U.S. federal income tax return for its taxable year in which the last day of our taxable year falls, subject to certain limitations as to the amount that is includable;
 - be deemed to have paid its share of the capital gains tax imposed on us on the designated amounts included in the U.S. holder's income as long-term capital gain;
 - receive a credit or refund for the amount of tax deemed paid by it;
 - increase the adjusted tax basis of its capital stock by the difference between the amount of includable gains and the tax deemed to have been paid by it; and
 - in the case of a U.S. holder that is a corporation, appropriately adjust its earnings and profits for the retained capital gains in accordance with Treasury Regulations to be promulgated by the IRS.
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Passive Activity Losses and Investment Interest Limitations. Distributions we make and gain arising from the sale or exchange of our capital stock by a U.S. holder will not be treated as passive activity income. As a result, U.S. holders generally will not be able to apply any “passive losses” against this income or gain. A U.S. holder generally may elect to treat capital gain dividends, capital gains from the disposition of our capital stock and income designated as qualified dividend income, as described in “—Tax Rates” below, as investment income for purposes of computing the investment interest limitation, but in such case, the holder will be taxed at ordinary income rates on such amount. Other distributions made by us, to the extent they do not constitute a return of capital, generally will be treated as investment income for purposes of computing the investment interest limitation.

Dispositions of Our Capital Stock. Except as described below under “—Taxation of Taxable U.S. Holders of Our Capital Stock—Redemption or Repurchase by Us,” If a U.S. holder sells or disposes of shares of our capital stock, it will recognize gain or loss for U.S. federal income tax purposes in an amount equal to the difference between the amount of cash and the fair market value of any property received on the sale or other disposition and the holder’s adjusted tax basis in the shares. This gain or loss, except as provided below, will be long-term capital gain or loss if the holder has held such capital stock for more than one year. However, if a U.S. holder recognizes a loss upon the sale or other disposition of capital stock that it has held for six months or less, after applying certain holding period rules, the loss recognized will be treated as a long-term capital loss to the extent the U.S. holder received distributions from us which were required to be treated as long-term capital gains. The deductibility of capital losses is subject to limitations.

Redemption or Repurchase by Us. A redemption or repurchase of shares of our capital stock will be treated under Section 302 of the Code as a distribution (and taxable as a dividend to the extent of our current and accumulated earnings and profits as described above under “—Distributions Generally”) unless the redemption or repurchase satisfies one of the tests set forth in Section 302(b) of the Code and is therefore treated as a sale or exchange of the redeemed or repurchased shares. The redemption or repurchase generally will be treated as a sale or exchange if it:

- is “substantially disproportionate” with respect to the U.S. holder,
- results in a “complete redemption” of the U.S. holder’s stock interest in us, or
- is “not essentially equivalent to a dividend” with respect to the U.S. holder,

all within the meaning of Section 302(b) of the Code.

In determining whether any of these tests has been met, shares of our capital stock, including common stock and other equity interests in us, considered to be owned by the U.S. holder by reason of certain constructive ownership rules set forth in the Code, as well as shares of our capital stock actually owned by the U.S. holder, generally must be taken into account. Because the determination as to whether any of the alternative tests of Section 302(b) of the Code will be satisfied with respect to the U.S. holder depends upon the facts and circumstances at the time that the determination must be made, U.S. holders are advised to consult their tax advisors to determine such tax treatment.

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If a redemption or repurchase of shares of our capital stock is treated as a distribution, the amount of the distribution will be measured by the amount of cash and the fair market value of any property received. See “—Distributions Generally.” A U.S. holder’s adjusted tax basis in the redeemed or repurchased shares generally will be transferred to the holder’s remaining shares of our capital stock, if any. If a U.S. holder owns no other shares of our capital stock, under certain circumstances, such basis may be transferred to a related person or it may be lost entirely. Prospective investors should consult their tax advisors regarding the U.S. federal income tax consequences of a redemption or repurchase of our capital stock.

If a redemption or repurchase of shares of our capital stock is not treated as a distribution, it will be treated as a taxable sale or exchange in the manner described under “—Dispositions of Our Capital Stock.”

Tax Rates. The maximum tax rate for non-corporate taxpayers for (1) long-term capital gains, including certain “capital gain dividends,” generally is 20% (although depending on the characteristics of the assets which produced these gains and on designations which we may make, certain capital gain dividends may be taxed at a 25% rate) and (2) “qualified dividend income” generally is 20%. In general, dividends payable by REITs are not eligible for the reduced tax rate on qualified dividend income, except to the extent that certain holding period requirements have been met and the REIT’s dividends are attributable to dividends received from taxable corporations (such as its taxable REIT subsidiaries) or to income that was subject to tax at the corporate/REIT level (for example, if the REIT distributed taxable income that it retained and paid tax on in the prior taxable year). Capital gain dividends will only be eligible for the rates described above to the extent that they are properly designated by the REIT as “capital gain dividends.” U.S. holders that are corporations may be required to treat up to 20% of some capital gain dividends as ordinary income. In addition, non-corporate U.S. holders, including individuals, generally may deduct up to 20% of dividends from a REIT, other than capital gain dividends and dividends treated as qualified dividend income for purposes of determining their U.S. federal income tax (but not for purposes of the 3.8% Medicare tax), subject to certain holding period requirements and other limitations.

Taxation of Tax-Exempt Holders of Our Capital Stock

Dividend income from us and gain arising upon a sale of shares of our capital stock generally should not be unrelated business taxable income (“UBTI”) to a tax-exempt holder, except as described below. This income or gain will be UBTI, however, to the extent a tax-exempt holder holds its shares as “debt-financed property” within the meaning of the Code. Generally, “debt-financed property” is property the acquisition or holding of which was financed through a borrowing by the tax-exempt holder.

For tax-exempt holders that are social clubs, voluntary employee benefit associations or supplemental unemployment benefit trusts exempt from U.S. federal income taxation under Sections 501(c)(7), (c)(9) or (c)(17) of the Code, respectively, income from an investment in our shares will constitute UBTI unless the organization is able to properly claim a deduction for amounts set aside or placed in reserve for specific purposes so as to offset the income generated by its investment in our shares. These prospective investors should consult their tax advisors concerning these “set aside” and reserve requirements.

Notwithstanding the above, however, a portion of the dividends paid by a “pension-held REIT” may be treated as UBTI as to certain trusts that hold more than 10%, by value, of the interests in the REIT. A REIT will not be a “pension-held REIT” if it is able to satisfy the “not closely held” requirement without relying on the “look-through” exception with respect to certain trusts or if such REIT is not “predominantly held” by “qualified trusts.” As a result of restrictions on ownership and transfer of our stock contained in our charter, we do not expect to be classified as a “pension-held REIT,” and as a result, the tax treatment described above should be inapplicable to our holders. However, because our common stock is (and, we anticipate, will continue to be) publicly traded, we cannot guarantee that this will always be the case.

Taxation of Non-U.S. Holders of Our Capital Stock

The following discussion addresses the rules governing U.S. federal income taxation of the purchase, ownership and disposition of our capital stock by non-U.S. holders. These rules are complex, and no attempt is made herein to provide more than a brief summary of such rules. Accordingly, the discussion does not address all aspects of U.S. federal income taxation and does not address other federal, state, local or non-U.S. tax consequences that may be relevant to a non-U.S. holder in light of its particular circumstances. We urge non-U.S. holders to consult their tax advisors to determine the impact of U.S. federal, state, local and non-U.S. income and other tax laws and any applicable tax treaty on the purchase, ownership and disposition of shares of our capital stock, including any reporting requirements.

Distributions Generally. Distributions (including any taxable stock distributions) that are neither attributable to gains from sales or exchanges by us of United States real property interests (“USRPIs”) nor designated by us as capital gain dividends (except as described below) will be treated as dividends of ordinary income to the extent that they are made out of our current or accumulated earnings and profits. Such distributions ordinarily will be subject to withholding of U.S. federal income tax at a 30% rate or such lower rate as may be specified by an applicable income tax treaty, unless the distributions are treated as effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such dividends are attributable). Under certain treaties, however, lower withholding rates generally applicable to dividends do not apply to dividends from a REIT. Certain certification and disclosure requirements must be satisfied for a non-U.S. holder to be exempt from withholding under the effectively connected income exemption. Dividends that are treated as effectively connected with a U.S. trade or business generally will not be subject to withholding but will be subject to U.S. federal income tax on a net basis at the regular rates, in the same manner as dividends paid to U.S. holders are subject to U.S. federal income tax. Any such dividends received by a non-U.S. holder that is a corporation may also be subject to an additional branch profits tax at a 30% rate (applicable after deducting U.S. federal income taxes paid on such effectively connected income) or such lower rate as may be specified by an applicable income tax treaty.

Except as otherwise provided below, we expect to withhold U.S. federal income tax at the rate of 30% on any distributions made to a non-U.S. holder unless:

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- (1) a lower treaty rate applies and the non-U.S. holder furnishes an IRS Form W-8BEN or W-8BEN-E (or other applicable documentation) evidencing eligibility for that reduced treaty rate; or
- (2) the non-U.S. holder furnishes an IRS Form W-8ECI (or other applicable documentation) claiming that the distribution is income effectively connected with the non-U.S. holder's trade or business.

Distributions in excess of our current and accumulated earnings and profits will not be taxable to a non-U.S. holder to the extent that such distributions do not exceed the adjusted tax basis of the holder's capital stock, but rather will reduce the adjusted tax basis of such stock. To the extent that such distributions exceed the non-U.S. holder's adjusted tax basis in such capital stock, they generally will give rise to gain from the sale or exchange of such stock, the tax treatment of which is described below. However, such excess distributions may be treated as dividend income for certain non-U.S. holders. For withholding purposes, we expect to treat all distributions as made out of our current or accumulated earnings and profits. However, amounts withheld may be refundable if it is subsequently determined that the distribution was, in fact, in excess of our current and accumulated earnings and profits, provided that certain conditions are met.

Capital Gain Dividends and Distributions Attributable to a Sale or Exchange of United States Real Property Interests. Distributions to a non-U.S. holder that we properly designate as capital gain dividends, other than those arising from the disposition of a USRPI, generally should not be subject to U.S. federal income taxation, unless:

- (1) the investment in capital stock is treated as effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such dividends are attributable), in which case the non-U.S. holder will be subject to the same treatment as U.S. holders with respect to such gain, except that a non-U.S. holder that is a corporation may also be subject to a branch profits tax of up to 30%, as discussed above; or
- (2) the non-U.S. holder is a nonresident alien individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are met, in which case the non-U.S. holder will be subject to U.S. federal income tax at a rate of 30% on the non-U.S. holder's capital gains (or such lower rate specified by an applicable income tax treaty), which may be offset by U.S. source capital losses of such non-U.S. holder (even though the individual is not considered a resident of the United States), provided the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

Pursuant to the Foreign Investment in Real Property Tax Act, which is referred to as "FIRPTA," distributions to a non-U.S. holder that are attributable to gain from sales or exchanges by us of USRPIs, whether or not designated as capital gain dividends, will cause the non-U.S. holder to be treated as recognizing such gain as income effectively connected with a U.S. trade or business. Non-U.S. holders generally would be taxed at the regular rates applicable to U.S. holders,

subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals. We also will be required to withhold and to remit to the IRS 21% of any distribution to non-U.S. holders attributable to gain from sales or exchanges by us of USRPIs. Distributions subject to FIRPTA may also be subject to a 30% branch profits tax in the hands of a non-U.S. holder that is a corporation. The amount withheld is creditable against the non-U.S. holder's U.S. federal income tax liability. However, any distribution with respect to any class of stock that is "regularly traded," as defined by applicable Treasury Regulations, on an established securities market located in the United States is not subject to FIRPTA, and therefore, not subject to the 21% U.S. withholding tax described above, if the non-U.S. holder did not own more than 10% of such class of stock at any time during the one-year period ending on the date of the distribution. Instead, such distributions generally will be treated as ordinary dividend distributions and subject to withholding in the manner described above with respect to ordinary dividends. In addition, distributions to certain non-U.S. publicly traded shareholders that meet certain record-keeping and other requirements ("qualified shareholders") are exempt from FIRPTA, except to the extent owners of such qualified shareholders that are not also qualified shareholders own, actually or constructively, more than 10% of our capital stock. Furthermore, distributions to "qualified foreign pension funds" or entities all of the interests of which are held by "qualified foreign pension funds" are exempt from FIRPTA. Non-U.S. holders should consult their tax advisors regarding the application of these rules.

Retention of Net Capital Gains. Although the law is not clear on the matter, it appears that amounts we designate as retained net capital gains in respect of our capital stock should be treated with respect to non-U.S. holders as actual distributions of capital gain dividends. Under this approach, the non-U.S. holders may be able to offset as a credit against their U.S. federal income tax liability their proportionate share of the tax paid by us on such retained net capital gains and to receive from the IRS a refund to the extent their proportionate share of such tax paid by us exceeds their actual U.S. federal income tax liability. If we were to designate any portion of our net capital gain as retained net capital gain, non-U.S. holders should consult their tax advisors regarding the taxation of such retained net capital gain.

Sale of Our Capital Stock. Except as described below under "—Redemption or Repurchase by Us," Gain realized by a non-U.S. holder upon the sale, exchange or other taxable disposition of our capital stock generally will not be subject to U.S. federal income tax unless such stock constitutes a USRPI. In general, stock of a domestic corporation that constitutes a "United States real property holding corporation," or USRPHC, will constitute a USRPI. We believe that we are a USRPHC. Our capital stock will not, however, constitute a USRPI so long as we are a "domestically controlled qualified investment entity." A "domestically controlled qualified investment entity" includes a REIT in which at all times during a five-year testing period less than 50% in value of its stock is held directly or indirectly by non-United States persons, subject to certain rules. For purposes of determining whether a REIT is a "domestically controlled qualified investment entity," a person who at all applicable times holds less than 5% of a class of stock that is "regularly traded" is treated as a United States person unless the REIT has actual knowledge that such person is not a United States person.

Final Treasury regulations effective April 25, 2024 (the "Final Regulations") modify prior tax guidance relating to the manner in which we determine whether we are a domestically controlled REIT. These regulations provide a look-through rule for our

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stockholders that are non-publicly traded partnerships, non-public REITs, non-public regulated investment companies, or non-public domestic C corporations owned more than 50% directly or indirectly by foreign persons (“foreign-controlled domestic corporations”) and treat “qualified foreign pension funds” as foreign persons. The look-through rule in the Final Regulations applicable to foreign-controlled domestic corporations will not apply to a REIT for a period of up to ten years if the REIT is able to satisfy certain requirements during that time, including not undergoing a significant change in its ownership and not acquiring a significant amount of new U.S. real property interests, in each case since April 24, 2024, the date the Final Regulations were issued. If a REIT fails to satisfy such requirements during the ten-year period, the look-through rule in the Final Regulations applicable to foreign-controlled domestic corporations will apply to such REIT beginning on the day immediately following the date of such failure. While we cannot predict when we will commence being subject to such look-through rule in the Final Regulations, we may not be able to satisfy the applicable requirements for the duration of the ten-year period. Prospective investors are urged to consult with their tax advisors regarding the application and impact of these rules.

Even if we do not qualify as a “domestically controlled qualified investment entity” at the time a non-U.S. holder sells our capital stock, gain realized from the sale or other taxable disposition by a non-U.S. holder of such capital stock would not be subject to U.S. federal income tax under FIRPTA as a sale of a USRPI if:

- (1) such class of stock is “regularly traded,” as defined by applicable Treasury Regulations, on an established securities market such as the New York Stock Exchange, and
- (2) such non-U.S. holder owned, actually and constructively, 10% or less of such class of stock throughout the shorter of the five-year period ending on the date of the sale or other taxable disposition or the non-U.S. holder’s holding period

In addition, dispositions of our capital stock by qualified shareholders are exempt from FIRPTA, except to the extent owners of such qualified shareholders that are not also qualified shareholders own, actually or constructively, more than 10% of our capital stock. Furthermore, dispositions of our capital stock by certain “qualified foreign pension funds” or entities all of the interests of which are held by such “qualified foreign pension funds” are exempt from FIRPTA. Non-U.S. holders should consult their tax advisors regarding the application of these rules.

Notwithstanding the foregoing, gain from the sale, exchange or other taxable disposition of our capital stock not otherwise subject to FIRPTA will be taxable to a non-U.S. holder if either (a) the investment in our capital stock is treated as effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such gain is attributable), in which case the non-U.S. holder will be subject to the same treatment as U.S. holders with respect to such gain, except that a non-U.S. holder that is a corporation may also be subject to the 30% branch profits tax (or such lower rate as may be specified by an applicable income tax treaty) on such gain, as adjusted for certain items, or (b) the non-U.S. holder is a nonresident alien individual who is present in the United States for 183 days or more during the taxable year and certain other conditions are met, in which case the non-U.S.

holder will be subject to a 30% tax on the non-U.S. holder's capital gains (or such lower rate specified by an applicable income tax treaty), which may be offset by U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States), provided the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses. In addition, even if we are a domestically controlled qualified investment entity, upon disposition of our capital stock, a non-U.S. holder may be treated as having gain from the sale or other taxable disposition of a USRPI if the non-U.S. holder (1) disposes of such stock within a 30-day period preceding the ex-dividend date of a distribution, any portion of which, but for the disposition, would have been treated as gain from the sale or exchange of a USRPI and (2) acquires, or enters into a contract or option to acquire, or is deemed to acquire, other shares of that stock during the 61-day period beginning with the first day of the 30-day period described in clause (1), unless such class of stock is "regularly traded" and the non-U.S. holder did not own more than 10% of such class of stock at any time during the one-year period ending on the date of the distribution described in clause (1).

If gain on the sale, exchange or other taxable disposition of our capital stock were subject to taxation under FIRPTA, the non-U.S. holder would be required to file a U.S. federal income tax return and would be subject to regular U.S. federal income tax with respect to such gain in the same manner as a taxable U.S. holder (subject to any applicable alternative minimum tax and a special alternative minimum tax in the case of nonresident alien individuals). In addition, if the sale, exchange or other taxable disposition of our capital stock were subject to taxation under FIRPTA, and if shares of the applicable class of our capital stock were not "regularly traded" on an established securities market, the purchaser of such capital stock generally would be required to withhold and remit to the IRS 15% of the purchase price.

Redemption or Repurchase by Us. A redemption or repurchase of shares of our capital stock will be treated under Section 302 of the Code as a distribution (and taxable as a dividend to the extent of our current and accumulated earnings and profits) unless the redemption or repurchase satisfies one of the tests set forth in Section 302(b) of the Code and is therefore treated as a sale or exchange of the redeemed or repurchased shares. See "—Taxation of Taxable U.S. Holders of Our Capital Stock—Redemption or Repurchase by Us." Qualified shareholders and their owners may be subject to different rules, and should consult their tax advisors regarding the application of such rules. If the redemption or repurchase of shares is treated as a distribution, the amount of the distribution will be measured by the amount of cash and the fair market value of any property received. See "—Taxation of Non-U.S. Holders of Our Capital Stock—Distributions Generally" above. If the redemption or repurchase of shares is not treated as a distribution, it will be treated as a taxable sale or exchange in the manner described above under "—Sale of Our Capital Stock."

Taxation of Holders of Our Operating Partnership's Debt Securities

The following summary describes the material U.S. federal income tax consequences of purchasing, owning and disposing of debt securities issued by our Operating Partnership. This discussion assumes the debt securities will be issued with less than a statutory *de minimis* amount of original issue discount for U.S. federal income tax purposes. In addition, this discussion is limited to persons purchasing the debt securities for cash at original issue and at their original "issue price" within the meaning of Section 1273 of the Code (*i.e.*, the first price at which a substantial amount of the debt securities is sold to the public for cash).

U.S. Holders

Payments of Interest. Interest on a debt security generally will be taxable to a U.S. holder as ordinary income at the time such interest is received or accrued, in accordance with such U.S. holder's method of accounting for U.S. federal income tax purposes.

Sale or Other Taxable Disposition. A U.S. holder will recognize gain or loss on the sale, exchange, redemption, retirement or other taxable disposition of a debt security. The amount of such gain or loss generally will be equal to the difference between the amount received for the debt security in cash or other property valued at fair market value (less amounts attributable to any accrued but unpaid interest, which will be taxable as interest to the extent not previously included in income) and the U.S. holder's adjusted tax basis in the debt security. A U.S. holder's adjusted tax basis in a debt security generally will be equal to the amount the U.S. holder paid for the debt security. Any gain or loss generally will be capital gain or loss, and will be long-term capital gain or loss if the U.S. holder has held the debt security for more than one year at the time of such sale or other taxable disposition. Otherwise, such gain or loss will be short-term capital gain or loss. Long-term capital gains recognized by certain non-corporate U.S. holders, including individuals, generally will be taxable at reduced rates. The deductibility of capital losses is subject to limitations.

Non-U.S. Holders

Payments of Interest. Interest paid on a debt security to a non-U.S. holder that is not effectively connected with the non-U.S. holder's conduct of a trade or business within the United States generally will not be subject to U.S. federal income tax or withholding, provided that:

- the non-U.S. holder does not, actually or constructively, own 10% or more of our Operating Partnership's capital or profits;
- the non-U.S. holder is not a controlled foreign corporation related to our Operating Partnership through actual or constructive stock ownership; and
- either (1) the non-U.S. holder certifies in a statement provided to the applicable withholding agent under penalties of perjury that it is not a United States person and provides its name and address; (2) a securities clearing organization, bank or other financial institution that holds customers' securities in the ordinary course of its trade or business and holds the debt security on behalf of the non-U.S. holder certifies to the applicable withholding agent under penalties of perjury that it, or the financial institution between it and the non-U.S. holder, has received from the non-U.S. holder a statement under penalties of perjury that such holder is not a United States person and provides the applicable withholding agent with a copy of such statement; or (3) the non-U.S. holder holds its debt security directly through a "qualified intermediary" (within the meaning of the applicable Treasury Regulations) and certain conditions are satisfied.

If a non-U.S. holder does not satisfy the requirements above, such non-U.S. holder will be subject to withholding tax of 30%, subject to a reduction in or an exemption from withholding on such interest as a result of an applicable tax treaty. To claim such entitlement, the non-U.S. holder must provide the applicable withholding agent with a properly executed IRS Form W-8BEN or

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W-8BEN-E (or other applicable documentation) claiming a reduction in or exemption from withholding tax under the benefit of an income tax treaty between the United States and the country in which the non-U.S. holder resides or is established.

If interest paid to a non-U.S. holder is effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such interest is attributable), the non-U.S. holder will be exempt from the U.S. federal withholding tax described above. To claim the exemption, the non-U.S. holder must furnish to the applicable withholding agent a valid IRS Form W-8ECI, certifying that interest paid on a debt security is not subject to withholding tax because it is effectively connected with the conduct by the non-U.S. holder of a trade or business within the United States.

Any such effectively connected interest generally will be subject to U.S. federal income tax at the regular rates. A non-U.S. holder that is a corporation may also be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected interest, as adjusted for certain items.

The certifications described above must be provided to the applicable withholding agent prior to the payment of interest and must be updated periodically. Non-U.S. holders that do not timely provide the applicable withholding agent with the required certification, but that qualify for a reduced rate under an applicable income tax treaty, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders should consult their tax advisors regarding their entitlement to benefits under any applicable income tax treaty.

Sale or Other Taxable Disposition. A non-U.S. holder will not be subject to U.S. federal income tax on any gain realized upon the sale, exchange, redemption, retirement or other taxable disposition of a debt security (such amount excludes any amount allocable to accrued and unpaid interest, which generally will be treated as interest and may be subject to the rules discussed above in “—Taxation of Holders of Our Operating Partnership's Debt Securities—Non-U.S. Holders—Payments of Interest”) unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business within the United States (and, if required by an applicable income tax treaty, the non-U.S. holder maintains a permanent establishment in the United States to which such gain is attributable); or
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition and certain other requirements are met.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular rates. A non-U.S. holder that is a corporation also may be subject to a branch profits tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on such effectively connected gain, as adjusted for certain items.

A non-U.S. holder described in the second bullet point above will be subject to U.S. federal income tax at a rate of 30% (or such lower rate specified by an applicable income tax treaty) on gain realized upon the sale or other taxable disposition of a debt security, which may be offset by U.S. source capital losses of the non-U.S. holder (even though the individual is not considered a resident of the United States), provided the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses.

Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

U.S. Holders. A U.S. holder may be subject to information reporting and backup withholding when such holder receives payments on our capital stock or our Operating Partnership's debt securities or proceeds from the sale or other taxable disposition of such stock or debt securities (including a redemption or retirement of a debt security). Certain U.S. holders are exempt from backup withholding, including corporations and certain tax-exempt organizations. A U.S. holder will be subject to backup withholding if such holder is not otherwise exempt and:

- the holder fails to furnish the holder's taxpayer identification number, which for an individual is ordinarily his or her social security number;
- the holder furnishes an incorrect taxpayer identification number;
- the applicable withholding agent is notified by the IRS that the holder previously failed to properly report payments of interest or dividends; or
- the holder fails to certify under penalties of perjury that the holder has furnished a correct taxpayer identification number and that the IRS has not notified the holder that the holder is subject to backup withholding.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS. U.S. holders should consult their tax advisors regarding their qualification for an exemption from backup withholding and the procedures for obtaining such an exemption.

Non-U.S. Holders. Payments of dividends on our capital stock or interest on our Operating Partnership's debt securities generally will not be subject to backup withholding, provided the applicable withholding agent does not have actual knowledge or reason to know the holder is a United States person and the holder either certifies its non-U.S. status, such as by furnishing a valid IRS Form W-8BEN, W-8BEN-E or W-8ECI, or otherwise establishes an exemption. However, information returns are required to be filed with the IRS in connection with any distributions on our capital stock or interest on our Operating Partnership's debt securities paid to the non-U.S. holder, regardless of whether such distributions constitute a dividend or whether any tax was actually withheld. In addition, proceeds of the sale or other taxable disposition of such stock or debt securities (including a retirement or redemption of a debt security) within the United States or conducted through certain U.S.-related brokers generally will not be subject to backup withholding or information reporting if the applicable withholding agent receives the certification

described above and does not have actual knowledge or reason to know that such holder is a United States person, or the holder otherwise establishes an exemption. Proceeds of a disposition of such stock or debt securities conducted through a non-U.S. office of a non-U.S. broker generally will not be subject to backup withholding or information reporting.

Copies of information returns that are filed with the IRS may also be made available under the provisions of an applicable treaty or agreement to the tax authorities of the country in which the non-U.S. holder resides or is established.

Backup withholding is not an additional tax. Any amounts withheld under the backup withholding rules may be allowed as a refund or a credit against a non-U.S. holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Medicare Contribution Tax on Unearned Income

Certain U.S. holders that are individuals, estates or trusts are required to pay an additional 3.8% tax on, among other things, dividends on stock, interest on debt obligations and capital gains from the sale or other disposition of stock or debt obligations, subject to certain limitations. U.S. holders should consult their tax advisors regarding the effect, if any, of these rules on their ownership and disposition of our capital stock or our Operating Partnership's debt securities.

Additional Withholding Tax on Payments Made to Foreign Accounts

Withholding taxes may be imposed under Sections 1471 to 1474 of the Code (such sections commonly referred to as the Foreign Account Tax Compliance Act ("FATCA")) on certain types of payments made to non-U.S. financial institutions and certain other non-U.S. entities. Specifically, a 30% withholding tax may be imposed on dividends on our capital stock, interest on our Operating Partnership's debt securities, or (subject to the proposed Treasury Regulations discussed below) gross proceeds from the sale or other disposition of our capital stock or our Operating Partnership's debt securities, in each case paid to a "foreign financial institution" or a "non-financial foreign entity" (each as defined in the Code), unless (1) the foreign financial institution undertakes certain diligence and reporting obligations, (2) the non-financial foreign entity either certifies it does not have any "substantial United States owners" (as defined in the Code) or furnishes identifying information regarding each substantial United States owner, or (3) the foreign financial institution or non-financial foreign entity otherwise qualifies for an exemption from these rules. If the payee is a foreign financial institution and is subject to the diligence and reporting requirements in clause (1) above, it must enter into an agreement with the U.S. Department of the Treasury requiring, among other things, that it undertake to identify accounts held by certain "specified United States persons" or "United States owned foreign entities" (each as defined in the Code), annually report certain information about such accounts, and withhold 30% on certain payments to non-compliant foreign financial institutions and certain other account holders. Foreign financial institutions located in jurisdictions that have an intergovernmental agreement with the United States governing FATCA may be subject to different rules.

Under the applicable Treasury Regulations and administrative guidance, withholding under FATCA generally applies to payments of dividends on our capital stock or interest on our Operating Partnership's debt securities. While withholding under FATCA would have applied also

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to payments of gross proceeds from the sale or other disposition of stock or debt securities on or after January 1, 2019, proposed Treasury Regulations eliminate FATCA withholding on payments of gross proceeds entirely. Taxpayers generally may rely on these proposed Treasury Regulations until final Treasury Regulations are issued. Because we may not know the extent to which a distribution is a dividend for U.S. federal income tax purposes at the time it is made, for purposes of these withholding rules we may treat the entire distribution as a dividend.

Prospective investors should consult their tax advisors regarding the potential application of withholding under FATCA to their investment in our capital stock or our Operating Partnership's debt securities.

Other Tax Consequences

State, local and non-U.S. income tax laws may differ substantially from the corresponding U.S. federal income tax laws, and this discussion does not purport to describe any aspect of the tax laws of any state, local or non-U.S. jurisdiction, or any U.S. federal tax other than income tax. You should consult your tax advisor regarding the effect of state, local and non-U.S. tax laws with respect to our tax treatment as a REIT and on an investment in our capital stock or our Operating Partnership's debt securities.

