

# Agree Realty Announces 2024 Investment Activity & 2025 Investment Outlook

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2025 Investment Guidance of \$1.1 Billion to \$1.3 Billion  
Balance Sheet Pre-Equitized with Liquidity of Over \$2.0 Billion

ROYAL OAK, Mich., Jan. 6, 2025 /PRNewswire/ -- Agree Realty Corporation (NYSE: ADC) (the "Company") today announced a summary of its investment activity in 2024, introduced investment guidance for 2025, and provided an update on its portfolio as well as its fourth quarter capital markets activity.

## 2024 Investment Activity

Total real estate investment volume for 2024, inclusive of acquisition, development, and Developer Funding Platform ("DFP") projects completed or currently under construction, amounted to a total of approximately \$951 million. The 282 properties are net leased to industry-leading tenants, span 28 retail sectors and are located in 45 states across the country.

During the twelve months ended December 31, 2024, the Company acquired 242 retail net lease properties for total acquisition volume of approximately \$867 million. The acquisitions were completed at a weighted-average capitalization rate of 7.5% and had a weighted-average remaining lease term of 10.4 years. Approximately 65.6% of annualized base rents acquired during the year were derived from investment grade retail tenants. Approximately 4.7% of annualized base rents acquired during the year were derived from ground leased assets.

Acquisition volume for the fourth quarter totaled approximately \$341 million at a weighted-average capitalization rate of 7.3%. The acquisitions had a weighted-average remaining lease term of 12.3 years, and approximately 73.3% of annualized base rents were generated from investment grade retail tenants. Approximately 10.5% of annualized

base rents acquired were derived from ground leased assets.

As of December 31, 2024, the Company's portfolio generated approximately 68.2% of annualized base rents from investment grade retail tenants. Properties ground leased to tenants increased to approximately \$68 million of annualized base rents and represented approximately 10.9% of total annualized base rents.

## CEO Comments

"This past year required strategic patience and discipline followed by decisive execution. Our Team's rigorous commitment to that plan has positioned our Company to further distinguish Agree Realty in 2025," said Joey Agree, President and Chief Executive Officer. "We proactively fortified our balance sheet by raising approximately \$1.1 billion of forward equity, and now enjoy total liquidity of over \$2.0 billion. With a strong pipeline and a fortress balance sheet with no material debt maturities until 2028, we are well positioned to execute irrespective of macro-economic conditions."

## 2025 Investment Outlook

The Company's outlook for investment volume in 2025, which includes capital deployment through our acquisition, development and DFP platforms, is between \$1.1 billion and \$1.3 billion of retail net lease properties. This represents a 26% year-over-year increase in investment volume at the midpoint.

## Capital Markets Update

In October 2024, the Company completed a follow-on public offering of approximately 5.1 million shares of common stock, including the full exercise of the underwriters' option to purchase additional shares, in connection with forward sale agreements. Upon settlement, the offering is anticipated to raise net proceeds of approximately \$368 million after deducting fees and expenses and making certain other adjustments as provided in the equity distribution agreements. To date, the Company has not received any proceeds from the sale of shares of its common stock by the forward purchasers.

During the fourth quarter of 2024, the Company entered into forward sale agreements in connection with its at-the-market equity ("ATM") program to sell an aggregate of 0.7 million shares of common stock for anticipated net proceeds of approximately \$55 million. Additionally, the Company settled 3.7 million shares under existing forward sale agreements and received net proceeds of approximately \$228 million.

As of December 31, 2024, the Company had total liquidity of over \$2.0 billion, which includes approximately \$1.1 billion of availability under its revolving credit facility, over \$0.9 billion of outstanding forward equity, and cash on

hand.

The following table presents the Company's outstanding forward equity offerings as of December 31, 2024:

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Forward Equity Offerings	Shares Sold	Shares Settled	Shares Remaining	Net Proceeds Received	Anticipated Net Proceeds Remaining
Q2 2024 ATM Forward Offerings	3,235,964	2,775,498	460,466	\$167,006,999	\$27,822,532
Q3 2024 ATM Forward Offerings	6,602,317	-	6,602,317	-	\$468,814,372
Q4 2024 ATM Forward Offerings	739,013	-	739,013	-	\$55,229,549
October 2024 Forward Offering	5,060,000	-	5,060,000	-	\$368,042,642
Total Forward Equity Offerings	15,637,294	2,775,498	12,861,796	\$167,006,999	\$919,909,095

## About Agree Realty Corporation

Agree Realty Corporation is a publicly traded real estate investment trust that is **RETHINKING RETAIL** through the acquisition and development of properties net leased to industry-leading, omni-channel retail tenants. As of December 31, 2024, the Company owned and operated a portfolio of 2,370 properties, located in all 50 states and containing approximately 48.8 million square feet of gross leasable area. The Company's common stock is listed on the New York Stock Exchange under the symbol "ADC". For additional information on the Company and **RETHINKING RETAIL**, please visit [www.agreerealty.com](http://www.agreerealty.com).

## Forward-Looking Statements

This press release contains forward-looking statements, including statements about projected financial and operating results, the Company's 2025 investment outlook, and the settlement of outstanding forward equity, within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company intends 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 includes this statement for purposes of complying with these

safe harbor provisions. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "can," "will," "should," "potential," "intend," "expect," "seek," "anticipate," "estimate," "approximately," "believe," "could," "project," "predict," "forecast," "continue," "assume," "plan," "outlook" or other similar words or expressions. Forward-looking statements are based on certain assumptions and can include future expectations, future plans and strategies, financial and operating projections or other forward-looking information. Although these forward-looking statements are based on good faith beliefs, reasonable assumptions and the Company's best judgment reflecting current information, you should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond the Company's control and which could materially affect the Company's results of operations, financial condition, cash flows, performance or future achievements or events. Currently, some of the most significant factors, include the potential adverse effect of ongoing worldwide economic uncertainties and increased inflation and interest rates on the financial condition, results of operations, cash flows and performance of the Company and its tenants, the real estate market and the global economy and financial markets. The extent to which these conditions will impact the Company and its tenants will depend on future developments, which are highly uncertain and cannot be predicted with confidence. Moreover, investors are cautioned to interpret many of the risks identified in the risk factors discussed in the Company's Annual Report on Form 10-K and subsequent quarterly reports filed with the Securities and Exchange Commission (the "SEC"), as well as the risks set forth below, as being heightened as a result of the ongoing and numerous adverse impacts of the macroeconomic environment. Additional important factors, among others, that may cause the Company's actual results to vary include the general deterioration in national economic conditions, weakening of real estate markets, decreases in the availability of credit, increases in interest rates, adverse changes in the retail industry, the Company's continuing ability to qualify as a REIT and other factors discussed in the Company's reports filed with the SEC. The forward-looking statements included in this press release are made as of the date hereof. Unless legally required, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events, changes in the Company's expectations or assumptions or otherwise.

For further information about the Company's business and financial results, please refer to the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of the Company's SEC filings, including, but not limited to, its Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, copies of which may be obtained at the Investor Relations section of the Company's website at [www.agreerealty.com](http://www.agreerealty.com).

The Company defines the "weighted-average capitalization rate" for acquisitions and dispositions as the sum of contractual fixed annual rents computed on a straight-line basis over the primary lease terms and anticipated annual net tenant recoveries, divided by the purchase and sale prices for occupied properties.

The Company defines "annualized base rent" as the annualized amount of contractual minimum rent required by tenant lease agreements as of December 31, 2024, computed on a straight-line basis. Annualized base rent is not, and is not intended to be, a presentation in accordance with generally accepted accounting principles ("GAAP"). The Company believes annualized contractual minimum rent is useful to management, investors, and other interested parties in analyzing concentrations and leasing activity.

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