NEWS RELEASE

Agree Realty Announces Pricing Of Forward Common Stock Offering

2021-12-08

BLOOMFIELD HILLS, Mich., Dec. 8, 2021 /**PRNewswire**/ -- Agree Realty Corporation (NYSE: ADC) (the "Company") today announced the pricing of its public offering of 5,000,000 shares of its common stock at a public offering price of $68.15 per share in connection with the forward sale agreements described below. The Company also granted the underwriters a 30-day option to purchase up to an additional 750,000 shares of common stock. The offering is expected to close on or about December 13, 2021.

Wells Fargo Securities, BofA Securities and Morgan Stanley are acting as lead joint book-running managers for the offering. Citi, Jefferies and J.P. Morgan are acting as book-running managers for the offering and Raymond James, Stifel, Mizuho Securities, BTIG, Capital One Securities, Regions Securities, Baird, Berenberg Capital Markets, Janney Montgomery Scott, and Ladenburg Thalmann are acting as co-managers for the offering.

The Company has entered into forward sale agreements with Wells Fargo Bank, National Association, Bank of America, N.A. and Morgan Stanley & Co. LLC (the "forward purchasers") with respect to 5,000,000 shares of its common stock (and expects to enter into forward sale agreements with respect to an aggregate of 5,750,000 shares if the underwriters exercise their option to purchase additional shares in full). In connection with the forward sale agreements, the forward purchasers or their affiliates are expected to borrow and sell to the underwriters an aggregate of 5,000,000 shares of the common stock that will be delivered in this offering (or an aggregate of 5,750,000 shares if the underwriters exercise their option to purchase additional shares in full). Subject to its right to elect cash or net share settlement, which right is subject to certain conditions, the Company intends to deliver, upon physical settlement of such forward sale agreements on one or more dates specified by the Company occurring no later than December 8, 2022, an aggregate of 5,000,000 shares of its common stock (or an aggregate of 5,750,000 shares if the underwriters exercise their option to purchase additional shares in full) to the forward

purchasers in exchange for cash proceeds per share equal to the applicable forward sale price, which will be the public offering price, less underwriting discounts and commissions, and will be subject to certain adjustments as provided in the forward sale agreements.

The Company will not initially receive any proceeds from the sale of shares of its common stock by the forward purchasers. The Company expects to use the net proceeds, if any, it receives upon the future settlement of the forward sale agreements for general corporate purposes, including to fund property acquisitions and development activity. Selling common stock through the forward sale agreements enables the Company to set the price of such shares upon pricing the offering (subject to certain adjustments) while delaying the issuance of such shares and the receipt of the net proceeds by the Company until the expected funding requirements described above have occurred.

Copies of the prospectus supplement relating to this offering, when available, may be obtained by contacting: Wells Fargo Securities, LLC, 500 West 33rd Street, 14th Floor, New York, New York 10001, Attention: Equity Syndicate Department, telephone: (800) 326-5897, email: **cmclientsupport@wellsfargo.com**, BofA Securities, Inc., 200 North College Street, 3rd Floor, Charlotte, NC 28255-0001, Attention Prospectus Department, email: **dg.prospectus_requests@bofa.com**, or Morgan Stanley & Co. LLC, Attn: Prospectus Department, 180 Varick Street, 2nd Floor, New York, New York 10014.

This offering is being made pursuant to an effective shelf registration statement and related prospectus filed by the Company with the Securities and Exchange Commission ("SEC"). A prospectus supplement relating to the offering will be filed with the SEC. This press release shall not constitute an offer to sell or the solicitation of an offer to buy any securities nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

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 September 30, 2021, the Company owned and operated a portfolio of 1,338 properties, located in 47 states and containing approximately 27.7 million square feet of gross leasable area. The Company's common stock is listed on the New York Stock Exchange under the symbol "ADC".

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the federal securities laws, including

statements about the terms and size of the offering, the intended use of proceeds from the offering, if any, and future settlement of its forward sales agreements, that represent the Company's expectations and projections for the future. No assurance can be given that the offering discussed above will be completed on the terms described or at all, or that the net proceeds of the offering will be used as indicated. 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, one of the most significant factors, however, is the potential adverse effect of the current pandemic of the novel coronavirus, or COVID-19, 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 COVID-19 impacts the Company and its tenants will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, and the direct and indirect economic effects of the pandemic and containment measures, among others. 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 for the year ended December 31, 2020 and other SEC filings, as well as the risks set forth below, as being heightened as a result of the ongoing and numerous adverse impacts of COVID-19. 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.

SOURCE Agree Realty Corporation