

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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, 2024

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 001-33749

RETAIL OPPORTUNITY INVESTMENTS CORP.
RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
(Exact name of registrant as specified in its charter)

Maryland (Retail Opportunity Investments Corp.)
Delaware (Retail Opportunity Investments Partnership, LP)
(State or other jurisdiction of incorporation or organization)

26-0500600
94-2969738

(Retail Opportunity Investments Corp.)
(Retail Opportunity Investments Partnership, LP)
(I.R.S. Employer Identification No.)

11250 El Camino Real
Suite 200
San Diego, California
(Address of Principal Executive Offices)

92130
(Zip Code)

(858) 677-0900

(Registrant's telephone number, including area code)

N/A

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

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.

Retail Opportunity Investments Corp.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Retail Opportunity Investments Partnership, LP	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

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).

Retail Opportunity Investments Corp.	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>
Retail Opportunity Investments Partnership, LP	Yes	<input checked="" type="checkbox"/>	No	<input type="checkbox"/>

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.

Retail Opportunity Investments Corp.	Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
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.							<input type="checkbox"/>

Retail Opportunity Investments Partnership, LP	Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>	Non-accelerated filer	<input checked="" type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
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.							<input type="checkbox"/>

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

Retail Opportunity Investments Corp.

Yes No

Retail Opportunity Investments Partnership, LP

Yes No

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

<u>Name of Registrant</u>	<u>Title of each class</u>	<u>Trading Symbol</u>	<u>Name of each exchange on which registered</u>
Retail Opportunity Investments Corp.	Common Stock, par value \$0.0001 per share	ROIC	NASDAQ
Retail Opportunity Investments Partnership, LP	None	None	None

Indicate the number of shares outstanding of each of the issuer's classes of common stock as of the latest practicable date: 127,454,354 shares of common stock, par value \$0.0001 per share, of Retail Opportunity Investments Corp. outstanding as of July 18, 2024.

EXPLANATORY PARAGRAPH

This report combines the quarterly reports on Form 10-Q for the quarter ended June 30, 2024 of Retail Opportunity Investments Corp., a Maryland corporation (“ROIC”), and Retail Opportunity Investments Partnership, LP, a Delaware limited partnership (the “Operating Partnership”), of which ROIC is the parent company and general partner. Unless otherwise indicated or unless the context requires otherwise, all references in this report to “the Company,” “we,” “us,” “our,” or “our company” refer to ROIC together with its consolidated subsidiaries, including the Operating Partnership. Unless otherwise indicated or unless the context requires otherwise, all references in this report to “the Operating Partnership” refer to Retail Opportunity Investments Partnership, LP together with its consolidated subsidiaries.

ROIC operates as a real estate investment trust and as of June 30, 2024, ROIC owned an approximate 94.5% partnership interest in the Operating Partnership. Retail Opportunity Investments GP, LLC, ROIC’s wholly-owned subsidiary, is the sole general partner of the Operating Partnership, and as the parent company, ROIC has the full and complete authority over the Operating Partnership’s day-to-day management and control.

The Company believes that combining the quarterly reports on Form 10-Q of ROIC and the Operating Partnership into a single report will result in the following benefits:

- facilitate a better understanding by the investors of ROIC and the Operating Partnership by enabling them to view the business as a whole in the same manner as management views and operates the business;
- remove duplicative disclosures and provide a more straightforward presentation in light of the fact that a substantial portion of the disclosure applies to both ROIC and the Operating Partnership; and
- create time and cost efficiencies through the preparation of one combined report instead of two separate reports.

Management operates ROIC and the Operating Partnership as one enterprise. The management of ROIC and the Operating Partnership are the same.

There are a few differences between ROIC and the Operating Partnership, which are reflected in the disclosures in this report. The Company believes it is important to understand the differences between ROIC and the Operating Partnership in the context of how these entities operate as an interrelated consolidated company. ROIC is a real estate investment trust, whose only material asset is its ownership of direct or indirect partnership interests in the Operating Partnership and membership interest in Retail Opportunity Investments GP, LLC, which is the sole general partner of the Operating Partnership. As a result, ROIC does not conduct business itself, other than acting as the parent company of the Operating Partnership and issuing equity from time to time. The Operating Partnership holds substantially all the assets of the Company and directly or indirectly holds the ownership interests in the Company’s real estate ventures. The Operating Partnership conducts the operations of the Company’s business and is structured as a partnership with no publicly traded equity. Except for net proceeds from equity issuances by ROIC, which are contributed to the Operating Partnership, the Operating Partnership generates the capital required by the Company’s business through the Operating Partnership’s operations, by the Operating Partnership’s incurrence of indebtedness (directly and through subsidiaries) or through the issuance of operating partnership units (“OP Units”).

Non-controlling interests is the primary area of difference between the Consolidated Financial Statements for ROIC and the Operating Partnership. The OP Units in the Operating Partnership that are not owned by ROIC are accounted for as partners’ capital in the Operating Partnership’s financial statements and as non-controlling interests in ROIC’s financial statements. Accordingly, this report presents the Consolidated Financial Statements for ROIC and the Operating Partnership separately, as required, as well as Earnings Per Share / Earnings Per Unit and Capital of the Operating Partnership.

This report also includes separate Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations – Liquidity and Capital Resources, Item 4. Controls and Procedures sections and separate Chief Executive Officer and Chief Financial Officer certifications for each of ROIC and the Operating Partnership as reflected in Exhibits 31 and 32.

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

RETAIL OPPORTUNITY INVESTMENTS CORP.

Consolidated Balance Sheets

(In thousands, except share data)

	June 30, 2024 (unaudited)	December 31, 2023
ASSETS		
Real Estate Investments:		
Land	\$ 986,857	\$ 967,251
Building and improvements	2,555,541	2,500,647
	<u>3,542,398</u>	<u>3,467,898</u>
Less: accumulated depreciation	689,352	654,543
	<u>2,853,046</u>	<u>2,813,355</u>
Mortgage note receivable	4,647	4,694
Real Estate Investments, net	2,857,693	2,818,049
Cash and cash equivalents	2,114	6,302
Restricted cash	—	2,116
Tenant and other receivables, net	59,410	61,193
Acquired lease intangible assets, net	44,694	42,791
Prepaid expenses	2,760	3,354
Deferred charges, net	27,660	27,294
Other assets	17,199	16,541
Total assets	<u>\$ 3,011,530</u>	<u>\$ 2,977,640</u>
LIABILITIES AND EQUITY		
Liabilities:		
Term loan	\$ 199,866	\$ 199,745
Credit facility	164,000	75,000
Senior Notes	1,044,523	1,043,593
Mortgage notes payable	33,648	60,052
Acquired lease intangible liabilities, net	133,561	137,820
Accounts payable and accrued expenses	44,579	50,598
Tenants' security deposits	8,571	8,205
Other liabilities	38,783	39,420
Total liabilities	<u>1,667,531</u>	<u>1,614,433</u>
Commitments and contingencies		
Equity:		
Preferred stock, \$0.0001 par value 50,000,000 shares authorized; none issued and outstanding	—	—
Common stock, \$0.0001 par value, 500,000,000 shares authorized; 127,454,354 and 126,904,085 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively	13	13
Additional paid-in capital	1,646,267	1,643,908
Accumulated dividends in excess of earnings	(377,091)	(357,160)
Accumulated other comprehensive income	234	559
Total Retail Opportunity Investments Corp. stockholders' equity	<u>1,269,423</u>	<u>1,287,320</u>
Non-controlling interests	74,576	75,887
Total equity	<u>1,343,999</u>	<u>1,363,207</u>
Total liabilities and equity	<u>\$ 3,011,530</u>	<u>\$ 2,977,640</u>

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS CORP.
Consolidated Statements of Operations and Comprehensive Income
(Unaudited)
(In thousands, except share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues				
Rental revenue	\$ 82,219	\$ 79,630	\$ 166,779	\$ 158,629
Other income	1,101	2,410	1,871	2,707
Total revenues	83,320	82,040	168,650	161,336
Operating expenses				
Property operating	14,472	13,581	28,555	27,783
Property taxes	8,488	8,924	17,048	17,768
Depreciation and amortization	26,331	25,126	52,600	50,230
General and administrative expenses	5,682	5,776	11,364	11,096
Other expense	505	482	657	654
Total operating expenses	55,478	53,889	110,224	107,531
Operating income	27,842	28,151	58,426	53,805
Non-operating expenses				
Interest expense and other finance expenses	(20,043)	(17,633)	(38,962)	(34,591)
Net income	7,799	10,518	19,464	19,214
Net income attributable to non-controlling interests	(433)	(589)	(1,080)	(1,143)
Net Income Attributable to Retail Opportunity Investments Corp.	\$ 7,366	\$ 9,929	\$ 18,384	\$ 18,071
Earnings per share – basic and diluted	\$ 0.06	\$ 0.08	\$ 0.14	\$ 0.14
Dividends per common share	\$ 0.15	\$ 0.15	\$ 0.30	\$ 0.30
Comprehensive income:				
Net income	\$ 7,799	\$ 10,518	\$ 19,464	\$ 19,214
Other comprehensive (loss) income:				
Unrealized swap derivative gain arising during the period	73	1,657	416	1,668
Reclassification adjustment for amortization to interest expense included in net income	(377)	(251)	(760)	(267)
Other comprehensive (loss) income:	(304)	1,406	(344)	1,401
Comprehensive income	7,495	11,924	19,120	20,615
Comprehensive income attributable to non-controlling interests	(416)	(667)	(1,061)	(1,221)
Comprehensive income attributable to Retail Opportunity Investments Corp.	\$ 7,079	\$ 11,257	\$ 18,059	\$ 19,394

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS CORP.
Consolidated Statements of Equity
(Unaudited)
(In thousands, except share data)

	Common Stock		Additional paid-in capital	Accumulated dividends in excess of earnings	Accumulated other comprehensive income (loss)	Non- controlling interests	Equity
	Shares	Amount					
Balance at December 31, 2023	126,904,085	\$ 13	\$ 1,643,908	\$ (357,160)	\$ 559	\$ 75,887	\$ 1,363,207
Shares issued under the Equity Incentive Plan	810,507	—	—	—	—	—	—
Shares withheld for employee taxes	(251,738)	—	(3,532)	—	—	—	(3,532)
Cancellation of restricted stock	(5,000)	—	—	—	—	—	—
Stock based compensation expense	—	—	1,861	—	—	926	2,787
Adjustment to non-controlling interests ownership in Operating Partnership	—	—	1,096	—	—	(1,096)	—
Registration expenditures	—	—	(33)	—	—	—	(33)
Cash dividends (\$0.15 per share)	—	—	—	(19,118)	—	(1,116)	(20,234)
Dividends payable to officers	—	—	—	(40)	—	(134)	(174)
Net income attributable to Retail Opportunity Investments Corp.	—	—	—	11,018	—	—	11,018
Net income attributable to non-controlling interests	—	—	—	—	—	647	647
Other comprehensive loss	—	—	—	—	(38)	(2)	(40)
Balance at March 31, 2024	127,457,854	\$ 13	\$ 1,643,300	\$ (365,300)	\$ 521	\$ 75,112	\$ 1,353,646
Cancellation of restricted stock	(3,500)	—	—	—	—	—	—
Stock based compensation expense	—	—	2,154	—	—	1,129	3,283
Adjustment to non-controlling interests ownership in Operating Partnership	—	—	849	—	—	(849)	—
Registration expenditures	—	—	(36)	—	—	—	(36)
Cash dividends (\$0.15 per share)	—	—	—	(19,117)	—	(1,115)	(20,232)
Dividends payable to officers	—	—	—	(40)	—	(117)	(157)
Net income attributable to Retail Opportunity Investments Corp.	—	—	—	7,366	—	—	7,366
Net income attributable to non-controlling interests	—	—	—	—	—	433	433
Other comprehensive loss	—	—	—	—	(287)	(17)	(304)
Balance at June 30, 2024	127,454,354	\$ 13	\$ 1,646,267	\$ (377,091)	\$ 234	\$ 74,576	\$ 1,343,999

RETAIL OPPORTUNITY INVESTMENTS CORP.
Consolidated Statements of Equity (continued)
(Unaudited)
(In thousands, except share data)

	Common Stock		Additional paid-in capital	Accumulated dividends in excess of earnings	Accumulated other comprehensive income (loss)	Non- controlling interests	Equity
	Shares	Amount					
Balance at December 31, 2022	124,538,811	\$ 12	\$ 1,612,126	\$ (315,984)	\$ 14	\$ 88,430	\$ 1,384,598
Shares issued under the Equity Incentive Plan	697,691	—	32	—	—	—	32
Shares withheld for employee taxes	(211,615)	—	(3,181)	—	—	—	(3,181)
Stock based compensation expense	—	—	2,840	—	—	87	2,927
Adjustment to non-controlling interests ownership in Operating Partnership	—	—	343	—	—	(343)	—
Registration expenditures	—	—	(10)	—	—	—	(10)
Cash dividends (\$0.15 per share)	—	—	—	(18,753)	—	(1,267)	(20,020)
Dividends payable to officers	—	—	—	(91)	—	(52)	(143)
Net income attributable to Retail Opportunity Investments Corp.	—	—	—	8,142	—	—	8,142
Net income attributable to non-controlling interests	—	—	—	—	—	554	554
Other comprehensive loss	—	—	—	—	(5)	—	(5)
Balance at March 31, 2023	125,024,887	\$ 12	\$ 1,612,150	\$ (326,686)	\$ 9	\$ 87,409	\$ 1,372,894
Shares issued under the Equity Incentive Plan	1,000	—	—	—	—	—	—
Shares withheld for employee taxes	(8,667)	—	(110)	—	—	—	(110)
Cancellation of restricted stock	(23,425)	—	—	—	—	—	—
Stock based compensation expense	—	—	2,761	—	—	669	3,430
Redemption of OP Units	1,010,000	1	13,388	—	—	(13,389)	—
Adjustment to non-controlling interests ownership in Operating Partnership	—	—	(2,486)	—	—	2,486	—
Registration expenditures	—	—	(36)	—	—	—	(36)
Cash dividends (\$0.15 per share)	—	—	—	(18,899)	—	(1,116)	(20,015)
Dividends payable to officers	—	—	—	(99)	—	(57)	(156)
Net income attributable to Retail Opportunity Investments Corp.	—	—	—	9,929	—	—	9,929
Net income attributable to non-controlling interests	—	—	—	—	—	589	589
Other comprehensive income	—	—	—	—	1,328	78	1,406
Balance at June 30, 2023	126,003,795	\$ 13	\$ 1,625,667	\$ (335,755)	\$ 1,337	\$ 76,669	\$ 1,367,931

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS CORP.
Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 19,464	\$ 19,214
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	52,600	50,230
Amortization of deferred financing costs and mortgage discounts and premiums, net	1,789	1,836
Straight-line rent adjustment	(423)	(1,326)
Amortization of above-market and below-market rent, net	(9,321)	(5,473)
Amortization relating to stock based compensation	6,070	6,357
Provisions for tenant credit losses	1,476	2,009
Other noncash interest income	—	(15)
Change in operating assets and liabilities:		
Tenant and other receivables	568	(618)
Prepaid expenses	594	3,707
Accounts payable and accrued expenses	(5,467)	(3,124)
Other assets and liabilities, net	(2,267)	375
Net cash provided by operating activities	65,083	73,172
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in real estate	(71,063)	—
Improvements to properties	(18,666)	(19,132)
Deposit on real estate acquisition	—	500
Proceeds on repayment of mortgage note receivable	47	45
Net cash used in investing activities	(89,682)	(18,587)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal repayments on mortgages	(26,351)	(342)
Proceeds from draws on credit facility	160,000	48,000
Payments on credit facility	(71,000)	(73,000)
Distributions to OP Unitholders	(2,231)	(1,267)
Deferred financing and other costs	—	(5,716)
Registration expenditures	(69)	(46)
Dividends paid to common stockholders	(38,522)	(19,049)
Common shares issued under the Equity Incentive Plan	—	32
Shares withheld for employee taxes	(3,532)	(3,291)
Net cash provided by (used in) financing activities	18,295	(54,679)
Net decrease in cash, cash equivalents and restricted cash	(6,304)	(94)
Cash, cash equivalents and restricted cash at beginning of period	8,418	7,459
Cash, cash equivalents and restricted cash at end of period	\$ 2,114	\$ 7,365
Other non-cash investing and financing activities:		
Increase in intangible lease liabilities	\$ 5,884	\$ —
(Decrease) increase in interest rate swap asset	\$ (344)	\$ 1,417
Accrued real estate improvement costs	\$ 4,906	\$ 7,426
Equity redemption of OP Units	\$ —	\$ 13,389
Dividends and distributions payable	\$ 21,054	\$ 20,868

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same amounts shown in the consolidated statements of cash flows:

	Six Months Ended June 30,	
	2024	2023
Cash and cash equivalents	\$ 2,114	\$ 5,296
Restricted cash	—	2,069
Total cash, cash equivalents and restricted cash shown in Statements of Cash Flows	\$ 2,114	\$ 7,365

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
Consolidated Balance Sheets
(In thousands)

	June 30, 2024 (unaudited)	December 31, 2023
ASSETS		
Real Estate Investments:		
Land	\$ 986,857	\$ 967,251
Building and improvements	2,555,541	2,500,647
	<u>3,542,398</u>	<u>3,467,898</u>
Less: accumulated depreciation	689,352	654,543
	<u>2,853,046</u>	<u>2,813,355</u>
Mortgage note receivable	4,647	4,694
Real Estate Investments, net	2,857,693	2,818,049
Cash and cash equivalents	2,114	6,302
Restricted cash	—	2,116
Tenant and other receivables, net	59,410	61,193
Acquired lease intangible assets, net	44,694	42,791
Prepaid expenses	2,760	3,354
Deferred charges, net	27,660	27,294
Other assets	17,199	16,541
Total assets	<u>\$ 3,011,530</u>	<u>\$ 2,977,640</u>
LIABILITIES AND CAPITAL		
Liabilities:		
Term loan	\$ 199,866	\$ 199,745
Credit facility	164,000	75,000
Senior Notes	1,044,523	1,043,593
Mortgage notes payable	33,648	60,052
Acquired lease intangible liabilities, net	133,561	137,820
Accounts payable and accrued expenses	44,579	50,598
Tenants' security deposits	8,571	8,205
Other liabilities	38,783	39,420
Total liabilities	<u>1,667,531</u>	<u>1,614,433</u>
Commitments and contingencies		
Capital:		
Partners' capital, unlimited partnership units authorized:		
ROIC capital	1,269,189	1,286,761
Limited partners' capital	74,562	75,854
Accumulated other comprehensive income	248	592
Total capital	<u>1,343,999</u>	<u>1,363,207</u>
Total liabilities and capital	<u>\$ 3,011,530</u>	<u>\$ 2,977,640</u>

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
Consolidated Statements of Operations and Comprehensive Income
(Unaudited)

(In thousands, except unit data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues				
Rental revenue	\$ 82,219	\$ 79,630	\$ 166,779	\$ 158,629
Other income	1,101	2,410	1,871	2,707
Total revenues	<u>83,320</u>	<u>82,040</u>	<u>168,650</u>	<u>161,336</u>
Operating expenses				
Property operating	14,472	13,581	28,555	27,783
Property taxes	8,488	8,924	17,048	17,768
Depreciation and amortization	26,331	25,126	52,600	50,230
General and administrative expenses	5,682	5,776	11,364	11,096
Other expense	505	482	657	654
Total operating expenses	<u>55,478</u>	<u>53,889</u>	<u>110,224</u>	<u>107,531</u>
Operating income	<u>27,842</u>	<u>28,151</u>	<u>58,426</u>	<u>53,805</u>
Non-operating expenses				
Interest expense and other finance expenses	(20,043)	(17,633)	(38,962)	(34,591)
Net Income Attributable to Retail Opportunity Investments Partnership, LP	<u>\$ 7,799</u>	<u>\$ 10,518</u>	<u>\$ 19,464</u>	<u>\$ 19,214</u>
Earnings per unit - basic and diluted	<u>\$ 0.06</u>	<u>\$ 0.08</u>	<u>\$ 0.14</u>	<u>\$ 0.14</u>
Distributions per unit	<u>\$ 0.15</u>	<u>\$ 0.15</u>	<u>\$ 0.30</u>	<u>\$ 0.30</u>
Comprehensive income:				
Net income attributable to Retail Opportunity Investments Partnership, LP	\$ 7,799	\$ 10,518	\$ 19,464	\$ 19,214
Other comprehensive (loss) income:				
Unrealized swap derivative gain arising during the period	73	1,657	416	1,668
Reclassification adjustment for amortization to interest expense included in net income	(377)	(251)	(760)	(267)
Other comprehensive (loss) income:	<u>(304)</u>	<u>1,406</u>	<u>(344)</u>	<u>1,401</u>
Comprehensive income attributable to Retail Opportunity Investments Partnership, LP	<u>\$ 7,495</u>	<u>\$ 11,924</u>	<u>\$ 19,120</u>	<u>\$ 20,615</u>

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
Consolidated Statements of Partners' Capital
(Unaudited)
(In thousands, except unit data)

	Limited Partner's Capital ⁽¹⁾		ROIC Capital ⁽²⁾		Accumulated other comprehensive income (loss)	Capital
	Units	Amount	Units	Amount		
Balance at December 31, 2023	7,437,117	\$ 75,854	126,904,085	\$ 1,286,761	\$ 592	\$ 1,363,207
OP Units issued under the Equity Incentive Plan	—	—	810,507	—	—	—
OP Units withheld for employee taxes	—	—	(251,738)	(3,532)	—	(3,532)
Cancellation of OP Units	—	—	(5,000)	—	—	—
Stock based compensation expense	—	926	—	1,861	—	2,787
Adjustment to non-controlling interests ownership in Operating Partnership	—	(1,096)	—	1,096	—	—
Registration expenditures	—	—	—	(33)	—	(33)
Cash distributions (\$0.15 per unit)	—	(1,116)	—	(19,118)	—	(20,234)
Distributions payable to officers	—	(134)	—	(40)	—	(174)
Net income attributable to Retail Opportunity Investments Partnership, LP	—	647	—	11,018	—	11,665
Other comprehensive loss	—	—	—	—	(40)	(40)
Balance at March 31, 2024	7,437,117	\$ 75,081	127,457,854	\$ 1,278,013	\$ 552	\$ 1,353,646
Cancellation of OP Units	—	—	(3,500)	—	—	—
Stock based compensation expense	—	1,129	—	2,154	—	3,283
Adjustment to non-controlling interests ownership in Operating Partnership	—	(849)	—	849	—	—
Registration expenditures	—	—	—	(36)	—	(36)
Cash distributions (\$0.15 per unit)	—	(1,115)	—	(19,117)	—	(20,232)
Distributions payable to officers	—	(117)	—	(40)	—	(157)
Net income attributable to Retail Opportunity Investments Partnership, LP	—	433	—	7,366	—	7,799
Other comprehensive loss	—	—	—	—	(304)	(304)
Balance at June 30, 2024	7,437,117	\$ 74,562	127,454,354	\$ 1,269,189	\$ 248	\$ 1,343,999

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
Consolidated Statements of Partners' Capital (continued)

(Unaudited)

(In thousands, except unit data)

	Limited Partner's Capital ⁽¹⁾		ROIC Capital ⁽²⁾		Accumulated other comprehensive income (loss)	Capital
	Units	Amount	Units	Amount		
Balance at December 31, 2022	8,447,117	\$ 88,429	124,538,811	\$ 1,296,154	\$ 15	\$ 1,384,598
OP Units issued under the Equity Incentive Plan	—	—	697,691	32	—	32
OP Units withheld for employee taxes	—	—	(211,615)	(3,181)	—	(3,181)
Stock based compensation expense	—	87	—	2,840	—	2,927
Adjustment to non-controlling interests ownership in Operating Partnership	—	(343)	—	343	—	—
Registration expenditures	—	—	—	(10)	—	(10)
Cash distributions (\$0.15 per unit)	—	(1,267)	—	(18,753)	—	(20,020)
Distributions payable to officers	—	(52)	—	(91)	—	(143)
Net income attributable to Retail Opportunity Investments Partnership, LP	—	554	—	8,142	—	8,696
Other comprehensive loss	—	—	—	—	(5)	(5)
Balance at March 31, 2023	8,447,117	\$ 87,408	125,024,887	\$ 1,285,476	\$ 10	\$ 1,372,894
OP Units issued under the Equity Incentive Plan	—	—	1,000	—	—	—
OP Units withheld for employee taxes	—	—	(8,667)	(110)	—	(110)
Cancellation of OP Units	—	—	(23,425)	—	—	—
Stock based compensation expense	—	669	—	2,761	—	3,430
Equity redemption of OP Units	(1,010,000)	(13,389)	1,010,000	13,389	—	—
Adjustment to non-controlling interests ownership in Operating Partnership	—	2,486	—	(2,486)	—	—
Registration expenditures	—	—	—	(36)	—	(36)
Cash distributions (\$0.15 per unit)	—	(1,116)	—	(18,899)	—	(20,015)
Distributions payable to officers	—	(57)	—	(99)	—	(156)
Net income attributable to Retail Opportunity Investments Partnership, LP	—	589	—	9,929	—	10,518
Other comprehensive income	—	—	—	—	1,406	1,406
Balance at June 30, 2023	7,437,117	\$ 76,590	126,003,795	\$ 1,289,925	\$ 1,416	\$ 1,367,931

1. Consists of limited partnership interests held by third parties.

2. Consists of general and limited partnership interests held by ROIC.

See accompanying notes to consolidated financial statements.

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
Consolidated Statements of Cash Flows
(Unaudited)
(In thousands)

	Six Months Ended June 30,	
	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 19,464	\$ 19,214
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	52,600	50,230
Amortization of deferred financing costs and mortgage discounts and premiums, net	1,789	1,836
Straight-line rent adjustment	(423)	(1,326)
Amortization of above-market and below-market rent, net	(9,321)	(5,473)
Amortization relating to stock based compensation	6,070	6,357
Provisions for tenant credit losses	1,476	2,009
Other noncash interest income	—	(15)
Change in operating assets and liabilities:		
Tenant and other receivables	568	(618)
Prepaid expenses	594	3,707
Accounts payable and accrued expenses	(5,467)	(3,124)
Other assets and liabilities, net	(2,267)	375
Net cash provided by operating activities	65,083	73,172
CASH FLOWS FROM INVESTING ACTIVITIES		
Investments in real estate	(71,063)	—
Improvements to properties	(18,666)	(19,132)
Deposit on real estate acquisition	—	500
Proceeds on repayment of mortgage note receivable	47	45
Net cash used in investing activities	(89,682)	(18,587)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal repayments on mortgages	(26,351)	(342)
Proceeds from draws on credit facility	160,000	48,000
Payments on credit facility	(71,000)	(73,000)
Deferred financing and other costs	—	(5,716)
Registration expenditures	(69)	(46)
Distributions to OP Unitholders	(40,753)	(20,316)
Issuance of OP Units under the Equity Incentive Plan	—	32
OP Units withheld for employee taxes	(3,532)	(3,291)
Net cash provided by (used in) financing activities	18,295	(54,679)
Net decrease in cash, cash equivalents and restricted cash	(6,304)	(94)
Cash, cash equivalents and restricted cash at beginning of period	8,418	7,459
Cash, cash equivalents and restricted cash at end of period	\$ 2,114	\$ 7,365
Other non-cash investing and financing activities:		
Increase in intangible lease liabilities	\$ 5,884	\$ —
(Decrease) increase in interest rate swap asset	\$ (344)	\$ 1,417
Accrued real estate improvement costs	\$ 4,906	\$ 7,426
Equity redemption of OP Units	\$ —	\$ 13,389
Distributions payable	\$ 21,054	\$ 20,868

The following table provides a reconciliation of cash, cash equivalents and restricted cash reported within the consolidated balance sheets that sum to the total of the same amounts shown in the consolidated statements of cash flows:

	Six Months Ended June 30,	
	2024	2023
Cash and cash equivalents	\$ 2,114	\$ 5,296
Restricted cash	—	2,069
Total cash, cash equivalents and restricted cash shown in Statements of Cash Flows	\$ 2,114	\$ 7,365

See accompanying notes to consolidated financial statements.

Notes to Consolidated Financial Statements

1. Organization, Basis of Presentation and Summary of Significant Accounting Policies

Business

Retail Opportunity Investments Corp., a Maryland corporation (“ROIC”), is a fully integrated and self-managed real estate investment trust (“REIT”). ROIC specializes in the acquisition, ownership and management of necessity-based community and neighborhood shopping centers on the west coast of the United States anchored by supermarkets and drugstores.

ROIC is organized in a traditional umbrella partnership real estate investment trust (“UpREIT”) format pursuant to which Retail Opportunity Investments GP, LLC, its wholly-owned subsidiary, serves as the general partner of, and ROIC conducts substantially all of its business through, its operating partnership subsidiary, Retail Opportunity Investments Partnership, LP, a Delaware limited partnership (the “Operating Partnership”), together with its subsidiaries. Unless otherwise indicated or unless the context requires otherwise, all references to the “Company”, “we,” “us,” “our,” or “our company” refer to ROIC together with its consolidated subsidiaries, including the Operating Partnership.

ROIC’s only material asset is its ownership of direct or indirect partnership interests in the Operating Partnership and membership interest in Retail Opportunity Investments GP, LLC, which is the sole general partner of the Operating Partnership. As a result, ROIC does not conduct business itself, other than acting as the parent company and issuing equity from time to time. The Operating Partnership holds substantially all the assets of the Company and directly or indirectly holds the ownership interests in the Company’s real estate ventures. The Operating Partnership conducts the operations of the Company’s business and is structured as a partnership with no publicly traded equity. Except for net proceeds from equity issuances by ROIC, which are contributed to the Operating Partnership, the Operating Partnership generates the capital required by the Company’s business through the Operating Partnership’s operations, by the Operating Partnership’s incurrence of indebtedness (directly and through subsidiaries) or through the issuance of operating partnership units (“OP Units”) of the Operating Partnership.

Principles of Consolidation

The accompanying consolidated financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States (“GAAP”) for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the disclosures required by GAAP for complete financial statement disclosures. In the opinion of management, the consolidated financial statements include all adjustments necessary, which are of a normal and recurring nature, for the fair presentation of the Company’s financial position and the results of operations and cash flows for the periods presented. Results of operations for the three and six month periods ended June 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. It is suggested that these financial statements be read in conjunction with the financial statements and notes thereto included in the Company’s annual report on Form 10-K for the fiscal year ended December 31, 2023.

The consolidated financial statements include the accounts of the Company and those of its subsidiaries, which are wholly-owned or controlled by the Company. Entities which the Company does not control through its voting interest and entities which are variable interest entities (“VIEs”), but where it is not the primary beneficiary, are accounted for under the equity method. All significant intercompany balances and transactions have been eliminated.

The Company follows the Financial Accounting Standards Board (“FASB”) guidance for determining whether an entity is a VIE and requires the performance of a qualitative rather than a quantitative analysis to determine the primary beneficiary of a VIE. Under this guidance, an entity would be required to consolidate a VIE if it has (i) the power to direct the activities that most significantly impact the entity’s economic performance and (ii) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could be significant to the VIE. The Company has concluded that the Operating Partnership is a VIE, and because they have both the power and the rights to control the Operating Partnership, they are the primary beneficiary and are required to continue to consolidate the Operating Partnership.

A non-controlling interest in a consolidated subsidiary is defined as the portion of the equity (net assets) in a subsidiary not attributable, directly or indirectly, to a parent. Non-controlling interests are required to be presented as a separate component of equity in the consolidated balance sheets and modify the presentation of net income by requiring earnings and other comprehensive income to be attributed to controlling and non-controlling interests.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the disclosure of contingent assets and liabilities, the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the periods covered by the financial statements. The most significant assumptions and estimates relate to the recoverability of assets to be held and used, purchase price allocations, depreciable lives, revenue recognition and the collectability of tenant receivables, other receivables, notes receivables, and the valuation of performance-based restricted stock, LTIP Units (as defined below), and derivatives. Actual results could differ from these estimates.

Federal Income Taxes

The Company has elected to qualify as a REIT under Sections 856-860 of the Internal Revenue Code (the "Code"). Under those sections, a REIT that, among other things, distributes at least 90% of its REIT taxable income (determined without regard to the dividends paid deduction and excluding net capital gains) and meets certain other qualifications prescribed by the Code, will not be taxed on that portion of its taxable income that is distributed. Although it may qualify as a REIT for U.S. federal income tax purposes, the Company is subject to state income or franchise taxes in certain states in which some of its properties are located. For all periods from inception through September 26, 2013, the Operating Partnership had been an entity disregarded from its sole owner, ROIC, for U.S. federal income tax purposes and as such had not been subject to U.S. federal income taxes. Effective September 27, 2013, the Operating Partnership issued OP Units in connection with the acquisitions of two shopping centers. Accordingly, the Operating Partnership ceased being a disregarded entity and instead is being treated as a partnership for U.S. federal income tax purposes.

The Company follows the FASB guidance that defines a recognition threshold and measurement attribute for the financial statement recognition and measurement of a tax position taken or expected to be taken in a tax return. The FASB also provides guidance on de-recognition, classification, interest and penalties, accounting in interim periods, disclosure, and transition. The Company records interest and penalties relating to unrecognized tax benefits, if any, as interest expense. As of June 30, 2024, the statute of limitations for the tax years 2019 through and including 2022 remain open for examination by the Internal Revenue Service ("IRS") and state taxing authorities.

ROIC intends to make regular quarterly distributions to holders of its common stock. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay U.S. federal income tax at regular corporate rates to the extent that it annually distributes less than 100% of its net taxable income. ROIC intends to pay regular quarterly dividends to stockholders in an amount not less than its net taxable income, if and to the extent authorized by its board of directors. Before ROIC pays any dividend, whether for U.S. federal income tax purposes or otherwise, it must first meet both its operating requirements and its debt service on debt. If ROIC's cash available for distribution is less than its net taxable income, it could be required to sell assets or borrow funds to make cash distributions or it may make a portion of the required distribution in the form of a taxable stock distribution or distribution of debt securities. The Company intends to continue to operate its business in a manner that will allow it to qualify as a REIT, including maintaining compliance with taxable income distribution requirements.

Real Estate Investments

All costs related to the improvement or replacement of real estate properties are capitalized. Additions, renovations and improvements that enhance and/or extend the useful life of a property are also capitalized. Expenditures for ordinary maintenance, repairs and improvements that do not materially prolong the normal useful life of an asset are charged to operations as incurred. During the six months ended June 30, 2024 and 2023, capitalized costs related to the improvement or replacement of real estate properties were approximately \$18.5 million and \$23.0 million, respectively.

The Company evaluates each acquisition of real estate to determine if the acquired property meets the definition of a business and needs to be accounted for as a business combination. The Company first determines whether substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets. If this threshold is met, the acquired property does not meet the definition of a business and is accounted for as an asset acquisition. The Company expects that acquisitions of real estate properties will not meet the revised definition of a business because substantially all of the fair value is concentrated in a single identifiable asset or group of similar identifiable assets (i.e. land, buildings, and related intangible assets).

The Company recognizes the acquisition of real estate properties, including acquired tangible assets (consisting of land, buildings and improvements) and acquired intangible assets and liabilities (consisting of above-market and below-market leases

and acquired in-place leases) at their relative fair value (for acquisitions not meeting the definition of a business) and fair value (for acquisitions meeting the definition of a business). The relative fair values used to allocate the cost of an asset acquisition are determined using the same methodologies and assumptions the Company utilizes to determine fair value in a business combination. Substantially all of the Company's acquisitions are accounted for as asset acquisitions.

Acquired lease intangible assets include above-market leases and acquired in-place leases, and Acquired lease intangible liabilities represent below-market leases, in the accompanying consolidated balance sheets. The fair value of the tangible assets of an acquired property is determined by valuing the property as if it were vacant, which value is then allocated to land, buildings and improvements based on management's determination of the relative fair values of these assets. In valuing an acquired property's intangibles, factors considered by management include an estimate of carrying costs during the expected lease-up periods and estimates of lost rental revenue during the expected lease-up periods based on management's evaluation of current market demand. Management also estimates costs to execute similar leases, including leasing commissions, tenant improvements, legal and other related costs. Leasing commissions, legal and other related costs ("lease origination costs") are classified as Deferred charges in the accompanying consolidated balance sheets.

The value of in-place leases is measured by the excess of (i) the purchase price paid for a property after adjusting existing in-place leases to market rental rates, over (ii) the estimated fair value of the property as if it were vacant. Above-market and below-market lease values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between the contractual amounts to be received and management's estimate of market lease rates, measured over the terms of the respective leases that management deemed appropriate at the time of acquisition. Such valuations include a consideration of the non-cancellable terms of the respective leases as well as any applicable renewal periods. The fair values associated with below-market rental renewal options are determined based on the Company's experience and the relevant facts and circumstances that existed at the time of the acquisitions. The value of the above-market and below-market leases associated with the original lease term and option periods, if applicable, is amortized to Rental revenue over the terms of the respective leases including option periods. The value of in-place leases is amortized to Depreciation expense over the remaining non-cancellable terms of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts relating to that lease would be recognized in operations at that time.

The Company expenses transaction costs associated with business combinations and unsuccessful property asset acquisitions in the period incurred and capitalizes transaction costs associated with successful property asset acquisitions. In conjunction with the Company's pursuit and acquisition of real estate investments, the Company did not expense any acquisition transaction costs during the three and six months ended June 30, 2024 or 2023.

Sales of real estate are recognized only when it is determined that the Company will collect substantially all of the consideration to which it is entitled, possession and other attributes of ownership have been transferred to the buyer and the Company has no controlling financial interest. The application of these criteria can be complex and requires the Company to make assumptions.

Asset Impairment

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to aggregate future net cash flows (undiscounted and without interest) expected to be generated by the asset. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value. Management does not believe that the value of any of the Company's real estate investments was impaired at June 30, 2024 or December 31, 2023.

Cash and Cash Equivalents

The Company considers all highly liquid investments with an original maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents are maintained at financial institutions and, at times, balances may exceed the federally insured limit by the Federal Deposit Insurance Corporation. The Company has not experienced any losses related to these balances.

Restricted Cash

The terms of the Company's mortgage loans payable may require the Company to deposit certain replacement and other reserves with its lenders. Such "restricted cash" is generally available only for property-level requirements for which the reserves have been established and is not available to fund other property-level or Company-level obligations.

Revenue Recognition and Collectability

Management has determined that all of the Company's leases with its various tenants are operating leases. Rental income is generally recognized based on the terms of leases entered into with tenants. In those instances in which the Company funds tenant improvements and the improvements are deemed to be owned by the Company, revenue recognition will commence when the improvements are substantially completed and possession or control of the space is turned over to the tenant. When the Company determines that the tenant allowances are lease incentives, the Company commences revenue recognition and lease incentive amortization when possession or control of the space is turned over to the tenant for tenant work to begin. Minimum rental income from leases with scheduled rent increases is recognized on a straight-line basis over the lease term. Percentage rent is recognized when a specific tenant's sales breakpoint is achieved. Each lease agreement is evaluated to identify the lease and nonlease components at lease inception. The Company combines lease and non-lease components into a single lease component presentation if (i) the timing and pattern of the revenue recognition of the combined single lease component is the same, and (ii) the related lease component and the combined single lease component would be classified as an operating lease. As a result of this assessment, rental revenues and tenant recoveries from the lease of real estate assets are accounted for as a single component. Lease incentives are amortized as a reduction of rental revenue over the respective tenant lease terms.

Termination fees (included in Other income in the consolidated statements of operations and comprehensive income) are fees that the Company has agreed to accept in consideration for permitting certain tenants to terminate their lease prior to the contractual expiration date. The Company recognizes termination fees when the following conditions are met: (a) the termination agreement is executed; (b) the termination fee is determinable; (c) all landlord services pursuant to the terminated lease have been rendered; and (d) collectability of substantially all of the termination fee is probable. The Company also enters into lease settlement agreements to resolve disputes with tenants who have defaulted. Lease settlement fee income is recognized in Other income during the period in which the settlement occurs. Interest income is recognized as it is earned. Gains or losses on disposition of properties are recorded when the criteria for recognizing such gains or losses have been met.

The Company must make estimates as to the collectability of its accounts receivable related to base rent, straight-line rent, expense reimbursements and other revenues. Management analyzes accounts receivable by considering tenant creditworthiness, current economic trends and changes in tenants' payment patterns when evaluating the adequacy of the allowance for doubtful accounts receivable. The Company also provides an allowance for future credit losses of the deferred straight-line rents receivable. The allowance for doubtful accounts at June 30, 2024 and December 31, 2023 was approximately \$17.6 million and \$17.4 million, respectively.

Depreciation and Amortization

The Company uses the straight-line method for depreciation and amortization. Buildings are depreciated over estimated useful lives which the Company estimates to be 39 to 40 years. Property improvements are depreciated over estimated useful lives that range from 10 to 20 years. Furniture and fixtures are depreciated over estimated useful lives that range from 3 to 10 years. Tenant improvements are amortized over the shorter of the life of the related leases or their useful life.

Deferred Leasing Costs

Costs incurred in obtaining tenant leases (principally leasing commissions and acquired lease origination costs) are amortized ratably over the life of the tenant leases. The amortization of deferred leasing costs is included in Depreciation and amortization in the consolidated statements of operations and comprehensive income.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and tenant receivables. The Company places its cash and cash equivalents in excess of insured amounts with high quality financial institutions. The Company performs ongoing credit evaluations of its tenants and requires tenants to provide security deposits.

Earnings Per Share

Basic earnings per share ("EPS") excludes the impact of dilutive shares and is computed by dividing net income by the weighted average number of shares of common stock outstanding for the period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue shares of common stock were exercised or converted into shares of common stock and then shared in the earnings of the Company.

For the three and six months ended June 30, 2024 and 2023, basic EPS was determined by dividing net income allocable to common stockholders for the applicable period by the weighted average number of shares of common stock outstanding during such period. Net income during the applicable period is also allocated to the time-based unvested restricted stock as these grants are entitled to receive non-forfeitable dividends and are therefore considered a participating security. Time-based unvested restricted stock is not allocated net losses and/or any excess of dividends declared over net income; such amounts are allocated entirely to the common stockholders other than the holders of time-based unvested restricted stock. The performance-based restricted stock awards and LTIP Units (as defined below) outstanding under the Equity Incentive Plan described in Note 7 are excluded from the basic EPS calculation, as these units are not participating securities until they vest.

The following table sets forth the reconciliation between basic and diluted EPS for ROIC (in thousands, except share data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net income	\$ 7,799	\$ 10,518	\$ 19,464	\$ 19,214
Less income attributable to non-controlling interests	(433)	(589)	(1,080)	(1,143)
Less earnings allocated to participating securities	(129)	(112)	(260)	(232)
Net income available for common stockholders, basic	\$ 7,237	\$ 9,817	\$ 18,124	\$ 17,839
Numerator:				
Net income	\$ 7,799	\$ 10,518	\$ 19,464	\$ 19,214
Less earnings allocated to participating securities	(129)	(112)	(260)	(232)
Net income available for common stockholders, diluted	\$ 7,670	\$ 10,406	\$ 19,204	\$ 18,982
Denominator:				
Denominator for basic EPS – weighted average common equivalent shares	126,593,414	125,125,235	126,593,414	124,678,781
OP Units	7,437,117	7,561,622	7,437,117	8,001,924
Performance-based restricted stock awards and LTIP Units	283,923	356,972	295,150	388,030
Denominator for diluted EPS – weighted average common equivalent shares	134,314,454	133,043,829	134,325,681	133,068,735

Earnings Per Unit

The following table sets forth the reconciliation between basic and diluted earnings per unit for the Operating Partnership (in thousands, except unit data):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Numerator:				
Net income	\$ 7,799	\$ 10,518	\$ 19,464	\$ 19,214
Less earnings allocated to participating securities	(129)	(112)	(260)	(232)
Net income available to unitholders, basic and diluted	<u>\$ 7,670</u>	<u>\$ 10,406</u>	<u>\$ 19,204</u>	<u>\$ 18,982</u>
Denominator:				
Denominator for basic earnings per unit – weighted average common equivalent units	134,030,531	132,686,857	134,030,531	132,680,705
Performance-based restricted stock awards and LTIP Units	283,923	356,972	295,150	388,030
Denominator for diluted earnings per unit – weighted average common equivalent units	<u>134,314,454</u>	<u>133,043,829</u>	<u>134,325,681</u>	<u>133,068,735</u>

Stock-Based Compensation

The Company has a stock-based employee compensation plan, which is more fully described in Note 7.

The Company accounts for its stock-based compensation plan based on the FASB guidance which requires that compensation expense be recognized based on the fair value of the stock awards less forfeitures. Restricted stock grants vest based upon the completion of a service period (“time-based restricted stock grants”) and/or the Company meeting certain pre-established operational performance goals and market-indexed financial performance criteria (“performance-based restricted stock grants”). Accordingly, if such vesting criteria are not met, the Company accounts for forfeitures as they occur. Time-based restricted stock grants are valued according to the market price for the Company’s common stock at the date of grant. For performance-based restricted stock grants subject to market-indexed performance criteria, a Monte Carlo valuation model is used, taking into account the underlying contingency risks associated with the performance criteria. All other performance-based restricted stock grants are valued according to the market price of the Company’s common stock at the date of grant. It is the Company’s policy to grant options with an exercise price equal to the quoted closing market price of stock on the grant date.

The Company has made certain separate awards in the form of units of limited partnership interests in its Operating Partnership called LTIP Units (“LTIP Units”). The LTIP Units are subject to such conditions and restrictions as the compensation committee may determine, including continued employment or service, achievement of pre-established operational performance goals and market-indexed performance criteria. For the LTIP Units subject to market-indexed performance criteria (the “marked-indexed LTIP Units”), a Monte Carlo valuation model is used, taking into account the underlying contingency risks associated with the performance criteria. All other LTIP Units (the “operational LTIP Units”) are valued according to the market price of the Company’s common stock at the date of grant.

Awards of stock options, time-based restricted stock grants, performance-based restricted stock subject to operational performance goals, and operational LTIP Units are expensed as compensation on a straight-line basis over the requisite service period. Awards of performance-based restricted stock subject to market-indexed performance criteria and market-indexed LTIP Units are expensed as compensation under the accelerated attribution method and are recognized in income regardless of the results of the performance criteria.

Derivatives

The Company records all derivatives on the balance sheets at fair value. The accounting for changes in the fair value of derivatives depends on the intended use of the derivative, whether the Company has elected to designate a derivative in a hedging relationship and apply hedge accounting and whether the hedging relationship has satisfied the criteria necessary to apply hedge accounting. Derivatives designated and qualifying as a hedge of the exposure to changes in the fair value of an asset, liability, or firm commitment attributable to a particular risk, such as interest rate risk, are considered fair value hedges. Derivatives designated and qualifying as a hedge of the exposure to variability in expected future cash flows, or other types of

forecasted transactions, are considered cash flow hedges. Hedge accounting generally provides for the matching of the timing of gain or loss recognition on the hedging instrument with the recognition of the changes in the fair value of the hedged asset or liability that are attributable to the hedged forecasted transactions in a cash flow hedge. When the Company terminates a derivative for which cash flow hedging was being applied, the balance, which was recorded in Other comprehensive income, is amortized to interest expense over the remaining contractual term of the derivative as long as the hedged forecasted transactions continue to be probable of occurring. Amounts paid, or received, to cash settle interest rate derivatives prior to their maturity date are recorded in Accumulated other comprehensive income (“AOCI”) at the cash settlement amount, and are reclassified to Interest expense as interest expense is recognized on the hedged debt. The Company includes cash payments made to terminate interest rate derivatives as an operating activity on the statement of cash flows, given the nature of the underlying cash flows that the derivative was hedging.

Segment Reporting

The Company’s primary business is the ownership, management, and redevelopment of retail real estate properties. The Company reviews operating and financial information for each property on an individual basis and therefore, each property represents an individual operating segment. The Company evaluates financial performance using property operating income, defined as operating revenues (rental revenue and other income), less property and related expenses (property operating expenses and property taxes). The Company has aggregated the properties into one reportable segment as the properties share similar long-term economic characteristics and have other similarities including the fact that they are operated using consistent business strategies, are typically located in major metropolitan areas, and have similar tenant mixes.

2. Real Estate Investments

The following real estate investment transaction has occurred during the six months ended June 30, 2024.

The Company evaluated the following acquisition and determined that substantially all of the fair value related to the acquisition was concentrated in a single identifiable asset. The Company allocated the total consideration for the acquisition to the individual assets and liabilities acquired on a relative fair value basis. All transaction costs incurred in the acquisition were capitalized.

Property Asset Acquisitions

On April 4, 2024 the Company acquired the property known as Bressi Ranch Village Center for an adjusted purchase price of approximately \$71.0 million. The property is approximately 116,000 square feet and is anchored by two supermarkets, Trader Joe’s and Stater Brothers Supermarket. The shopping center is part of a master-planned community, located in Carlsbad, California, within the San Diego metropolitan area. The property was acquired with cash on hand and borrowings under the credit facility.

The financial information set forth below summarizes the Company’s purchase price allocation for the property asset acquired during the six months ended June 30, 2024 (in thousands):

	June 30, 2024
Assets	
Land	\$ 21,255
Building and improvements	46,010
Acquired lease intangible asset	4,883
Deferred charges	1,755
Assets acquired	<u>\$ 73,903</u>
Liabilities	
Acquired lease intangible liability	2,952
Liabilities assumed	<u>\$ 2,952</u>

The following table summarizes the operating results included in the Company's historical consolidated statement of operations for the three and six months ended June 30, 2024, for the property asset acquired during the six months ended June 30, 2024 (in thousands):

	Three Months Ended		Six Months Ended	
	June 30, 2024		June 30, 2024	
Statement of operations:				
Revenues	\$	1,572	\$	1,572
Net income attributable to Retail Opportunity Investments Corp.	\$	191	\$	191

3. Tenant Leases

Space in the Company's shopping centers is leased to various tenants under operating leases that usually grant tenants renewal options and generally provide for additional rents based on certain operating expenses as well as tenants' sales volume.

Future minimum rents to be received under non-cancellable leases as of June 30, 2024 are summarized as follows (in thousands):

	Minimum Rents	
Remaining 2024	\$	117,641
2025		222,048
2026		193,651
2027		163,279
2028		130,076
Thereafter		421,061
Total minimum lease payments	\$	1,247,756

4. Mortgage Notes Payable, Credit Facilities and Senior Notes

ROIC does not hold any indebtedness. All debt is held directly or indirectly by the Operating Partnership; however, ROIC has guaranteed the Operating Partnership's unsecured term loan, unsecured revolving credit facility, carve-out guarantees on property-level debt, and the Senior Notes. Costs incurred in obtaining long-term financing are amortized ratably over the related debt agreement. The amortization of deferred financing costs and debt discounts is included in Interest expense and other finance expenses in the consolidated statements of operations and comprehensive income.

Mortgage Notes Payable

On April 5, 2024, the Company repaid in full the mortgage note related to Fullerton Crossroads for a total of \$26.0 million in accordance with the repayment provisions of the note.

The mortgage notes payable collateralized by respective properties and assignment of leases at June 30, 2024 and December 31, 2023, respectively, were as follows (in thousands, except interest rates):

Property	Maturity Date	Interest Rate	June 30, 2024	December 31, 2023
Fullerton Crossroads	April 2024	4.728 %	\$ —	\$ 26,000
Diamond Hills Plaza	October 2025	3.550 %	33,694	34,045
			\$ 33,694	\$ 60,045
Unamortized mortgage premiums			—	72
Net unamortized deferred financing costs			(46)	(65)
Total mortgage notes payable			\$ 33,648	\$ 60,052

Term Loan and Credit Facility

The carrying values of the Operating Partnership's unsecured term loan (the "term loan") were as follows (in thousands):

	June 30, 2024	December 31, 2023
Term loan	\$ 200,000	\$ 200,000
Net unamortized deferred financing costs	(134)	(255)
Term loan	<u>\$ 199,866</u>	<u>\$ 199,745</u>

The Operating Partnership has an unsecured term loan (the "term loan") with several banks. Effective March 2, 2023, the Operating Partnership entered into a Third Amendment to the First Amended and Restated Term Loan Agreement, dated as of September 8, 2017, as amended (the "Term Loan Agreement"). Under the Term Loan Agreement, the lenders agreed to provide \$300.0 million of unsecured borrowings. The maturity date of the term loan is January 20, 2025, without further options for extension. The Term Loan Agreement also provides that the Operating Partnership may from time to time request increased aggregate commitments of \$200.0 million if certain conditions are met, including the consent of the lenders to the additional commitments.

Under the Term Loan Agreement, Secured Overnight Financing Rate ("SOFR") based loans bear interest at Daily Simple SOFR or Term SOFR plus an index adjustment of 0.10% plus an applicable rate based on the credit rating of the Company (currently 1.0%). Base Rate Loans bear interest at a rate equal to an applicable rate based on the credit rating of the Company (currently 0.0%) plus the greater of (i) the Federal Funds Rate plus 0.50%, (ii) the rate publicly announced by KeyBank National Association as its "prime rate," and (iii) one month Adjusted Term SOFR plus 1.0%. Capitalized terms used in this paragraph but not otherwise defined herein have the meanings set forth in the Term Loan Agreement.

The Operating Partnership has an unsecured revolving credit facility (the "credit facility") with several banks. Effective March 2, 2023, the Operating Partnership entered into a Third Amendment to the Second Amended and Restated Credit Agreement, dated as of September 8, 2017 (as amended, the "Credit Facility Agreement"). Under the Credit Facility Agreement, the Operating Partnership has borrowing capacity of up to \$600.0 million. The maturity date under the Credit Facility Agreement is March 2, 2027, with two six-month extension options, which may be exercised by the Operating Partnership upon satisfaction of certain conditions including the payment of extension fees. Additionally, the Credit Facility Agreement contains an accordion feature, which allows the Operating Partnership to increase the borrowing capacity under the Credit Facility Agreement up to an aggregate of \$1.2 billion, subject to lender consents and other conditions.

Under the Credit Facility Agreement, SOFR based loans bear interest at Daily Simple SOFR or Term SOFR plus an index adjustment of 0.10% plus an applicable rate based on the credit rating of the Company (currently 0.85%). Base Rate Loans and Swing Line Loans bear interest at a rate equal to an applicable rate based on the credit rating of the Company (currently 0.0%) plus the greater of (i) the Federal Funds Rate plus 0.50%, (ii) the rate publicly announced by KeyBank National Association as its "prime rate," and (iii) one month Adjusted Term SOFR plus 1.0%. Capitalized terms used in this paragraph but not otherwise defined herein have the meanings set forth in the Credit Facility Agreement.

Additionally, the Operating Partnership is obligated to pay a facility fee at a rate based on the credit rating level of the Company (currently 0.20%) and a fronting fee at a rate of 0.125% per year with respect to each letter of credit issued under the Credit Facility Agreement, of which the Operating Partnership had \$150,000 outstanding as of June 30, 2024. The Company has investment grade credit ratings from Moody's Investors Service (Baa2), S&P Global Ratings (BBB-) and Fitch Ratings (BBB).

As of June 30, 2024, there was \$164.0 million outstanding under the credit facility compared to \$75.0 million outstanding as of December 31, 2023. The net unamortized deferred financing costs, which are included in Deferred charges, net in the accompanying consolidated balance sheets, were approximately \$4.2 million as of June 30, 2024 compared to approximately \$5.0 million as of December 31, 2023.

The weighted average interest rate on the term loan during both the three and six months ended June 30, 2024 was 6.4%. As discussed in Note 9 of the accompanying consolidated financial statements, the Company uses interest rate swaps to help manage its interest rate risk. For both the three and six months ended June 30, 2024, \$150.0 million of the Company's term loan was swapped at a blended interest rate of 5.4%. The weighted average interest rate on the credit facility during both the three and six months ended June 30, 2024 was 6.3%. The Company had no amounts available to borrow under the term loan at June 30, 2024. The Company had approximately \$436.0 million available to borrow under the credit facility at June 30, 2024.

Senior Notes

The Operating Partnership issued \$350.0 million aggregate principal amount of unsecured senior notes in September 2023 (the “Senior Notes Due 2028”), \$250.0 million aggregate principal amount of unsecured senior notes in December 2017 (the “Senior Notes Due 2027”), \$200.0 million aggregate principal amount of unsecured senior notes in September 2016 (the “Senior Notes Due 2026”), and \$250.0 million aggregate principal amount of unsecured senior notes in December 2014 (the “Senior Notes Due 2024” and collectively with the Senior Notes Due 2026, the Senior Notes Due 2027 and the Senior Notes Due 2028, the “Senior Notes”).

The key terms of the Operating Partnership’s Senior Notes are as follows:

Senior Notes	Aggregate Principal Amount (in thousands)	Issue Date and Interest Accrual Date	Maturity Date	Contractual Interest Rate	First Interest Payment	Interest Payments Due
Senior Notes Due 2028	\$ 350,000	September 21, 2023	October 15, 2028	6.75 %	April 15, 2024	April 15 and October 15
Senior Notes Due 2027	\$ 250,000	December 15, 2017	December 15, 2027	4.19 %	June 15, 2018	June 15 and December 15
Senior Notes Due 2026	\$ 200,000	September 22, 2016	September 22, 2026	3.95 %	March 22, 2017	March 22 and September 22
Senior Notes Due 2024	\$ 250,000	December 3, 2014	December 15, 2024	4.00 %	June 15, 2015	June 15 and December 15

The Operating Partnership completed registered underwritten public offerings for the Senior Notes Due 2028 and the Senior Notes Due 2024 and completed private placements for the Senior Notes Due 2027 and the Senior Notes Due 2026. The Senior Notes are the Operating Partnership’s senior unsecured obligations that rank equally in right of payment with the Operating Partnership’s other unsecured indebtedness, and effectively junior to (i) all of the indebtedness and other liabilities, whether secured or unsecured, and any preferred equity of the Operating Partnership’s subsidiaries, and (ii) all of the Operating Partnership’s indebtedness that is secured by its assets, to the extent of the value of the collateral securing such indebtedness outstanding. ROIC fully and unconditionally guarantees the Operating Partnership’s obligations under the Senior Notes on a senior unsecured basis, including the due and punctual payment of principal of, and premium, if any, and interest on, the notes, whether at stated maturity, upon acceleration, notice of redemption or otherwise. ROIC’s guarantees are senior unsecured obligations of ROIC and rank equally in right of payment with all other senior unsecured indebtedness of ROIC. ROIC’s guarantees of the Senior Notes are effectively subordinated in right of payment to all liabilities, whether secured or unsecured, and any preferred equity of ROIC’s subsidiaries (including the Operating Partnership and any entity ROIC accounts for under the equity method of accounting).

The carrying value of the Operating Partnership’s Senior Notes are as follows (in thousands):

	June 30, 2024	December 31, 2023
Principal amount	\$ 1,050,000	\$ 1,050,000
Unamortized debt discount	(1,680)	(2,033)
Net unamortized deferred financing costs	(3,797)	(4,374)
Senior Notes	\$ 1,044,523	\$ 1,043,593

The Operating Partnership’s debt agreements contain customary representations, financial and other covenants, and its ability to borrow under these agreements is subject to its compliance with financial covenants and other restrictions on an ongoing basis. The Operating Partnership was in compliance with such covenants at June 30, 2024.

5. Preferred Stock of ROIC

ROIC is authorized to issue 50,000,000 shares of preferred stock with such designations, voting and other rights and preferences as may be determined from time to time by the board of directors. As of June 30, 2024 and December 31, 2023, there were no shares of preferred stock outstanding.

6. Common Stock of ROIC

ATM

On February 20, 2020, ROIC entered into an “at the market” sales agreement, as amended on April 27, 2022 (the “Sales Agreement”), with each of (i) KeyBanc Capital Markets Inc., BTIG, LLC, BMO Capital Markets Corp., BofA Securities, Inc., Capital One Securities, Inc., Citigroup Global Markets Inc., Jefferies LLC, J.P. Morgan Securities LLC, Raymond James & Associates, Inc., Regions Securities LLC, Robert W. Baird & Co. Incorporated and Wells Fargo Securities, LLC (collectively, the “Agents”) and (ii) the Forward Purchasers (as defined below), pursuant to which ROIC may sell, from time to time, shares (any such shares, the “Primary Shares”) of ROIC’s common stock, par value \$0.0001 per share (“Common Stock”), to or through the Agents and instruct certain of the Agents, acting as forward sellers (the “Forward Sellers”), to offer and sell borrowed shares (any such shares, “Forward Hedge Shares,” and collectively with the Primary Shares, the “Shares”) with the Shares to be sold under the Sales Agreement having an aggregate offering price of up to \$500.0 million.

The Sales Agreement contemplates that, in addition to the issuance and sale of Primary Shares to or through the Agents as principal or its sales agents, ROIC may enter into separate forward sale agreements with any of KeyBanc Capital Markets Inc., BMO Capital Markets Corp., BofA Securities, Inc., Citigroup Global Markets Inc., Jefferies LLC, J.P. Morgan Securities LLC, Raymond James & Associates, Inc. and Wells Fargo Securities, LLC or their respective affiliates (in such capacity, the “Forward Purchasers”). If ROIC enters into a forward sale agreement with any Forward Purchaser, ROIC expects that such Forward Purchaser or its affiliate will borrow from third parties and, through the relevant Forward Seller, sell a number of Forward Hedge Shares equal to the number of shares of Common Stock underlying the particular forward sale agreement, in accordance with the mutually accepted instructions related to such forward sale agreement. ROIC will not initially receive any proceeds from any sale of Forward Hedge Shares through a Forward Seller. ROIC expects to fully physically settle each particular forward sale agreement with the relevant Forward Purchaser on one or more dates specified by ROIC on or prior to the maturity date of that particular forward sale agreement by issuing shares of Common Stock, in which case ROIC expects to receive aggregate net cash proceeds at settlement equal to the number of shares of Common Stock underlying the particular forward sale agreement multiplied by the relevant forward sale price. However, ROIC may also elect to cash settle or net share settle a particular forward sale agreement, in which case ROIC may not receive any proceeds from the issuance of shares of Common Stock, and ROIC will instead receive or pay cash (in the case of cash settlement) or receive or deliver shares of Common Stock (in the case of net share settlement).

During the three and six months ended June 30, 2024, ROIC did not sell any shares under the Sales Agreement.

Stock Repurchase Program

On July 31, 2013, ROIC’s board of directors authorized a stock repurchase program to repurchase up to a maximum of \$50.0 million of the Company’s common stock. During the six months ended June 30, 2024, the Company did not repurchase any shares of common stock under this program.

7. Stock Compensation for ROIC

ROIC follows the FASB guidance related to stock compensation which establishes financial accounting and reporting standards for stock-based employee compensation plans, including all arrangements by which employees receive shares of stock or other equity instruments of the employer, or the employer incurs liabilities to employees in amounts based on the price of the employer’s stock. The guidance also defines a fair value-based method of accounting for an employee stock option or similar equity instrument.

On April 25, 2022, the Company adopted the Company’s Second Amended and Restated 2009 Equity Incentive Plan (the “Equity Incentive Plan”) that amended and restated the Amended and Restated 2009 Equity Incentive Plan (the “Prior Plan”). The types of awards that may be granted under the Equity Incentive Plan include stock options, restricted shares, share appreciation rights, phantom shares, dividend equivalent rights and other equity-based awards. The Equity Incentive Plan has a fungible unit system that counts the number of shares of the Company’s common stock used in the issuance of full-value awards, such as restricted shares and LTIP Units, differently than the number of shares of common stock used in the issuance of stock options. A total of 10,954,694 Fungible Units (as defined in the Equity Incentive Plan) are reserved for grant under the Equity Incentive Plan. The 10,954,694 Fungible Units represent a maximum of 5,002,143 shares of the Company’s common stock that could be granted pursuant to the Equity Incentive Plan as full-value awards, such as restricted shares, based on the 2.19 to 1.0 Fungible Unit-to-full-value award conversion ratio. A maximum of 10,954,694 shares of the Company’s common stock may be issued pursuant to the Equity Incentive Plan if all grants made under the Equity Incentive Plan are granted as

stock options, based on a 1.0 to 1.0 Fungible Unit-to-stock option award conversion ratio. The Equity Incentive Plan will expire on April 25, 2032.

The Company has made, under both the Equity Incentive Plan and the Prior Plan, certain awards in the form of a separate series of units of limited partnership interests in its Operating Partnership called LTIP Units. LTIP Units can be granted either as free-standing awards or in tandem with other awards under the Equity Incentive Plan. The LTIP Units are subject to such conditions and restrictions as the compensation committee may determine, including continued employment or service, achievement of pre-established operational performance goals and market-indexed performance criteria. Upon the occurrence of specified events and subject to the satisfaction of applicable vesting conditions, LTIP Units (after conversion into OP Units, in accordance with the Partnership Agreement) are ultimately redeemable for cash or at ROIC's option, for shares of ROIC common stock on a one-for-one basis.

Restricted Stock

During the six months ended June 30, 2024, ROIC awarded 608,781 shares of time-based restricted common stock under the Equity Incentive Plan.

A summary of the status of the Company's non-vested restricted stock awards as of June 30, 2024, and changes during the six months ended June 30, 2024 are presented below:

	Shares	Weighted Average Grant Date Fair Value
Non-vested as of December 31, 2023	1,137,965	\$ 16.74
Vested	(684,840)	\$ 16.07
Granted	608,781	\$ 13.06
Forfeited	(8,500)	\$ 13.96
Non-vested as of June 30, 2024	<u>1,053,406</u>	<u>\$ 15.07</u>

LTIP Units

During the six months ended June 30, 2024, ROIC awarded 290,522 LTIP Units under the Equity Incentive Plan. The LTIP Units vest based on both pre-defined operational and market-indexed performance criteria with a vesting date on January 1, 2027.

A summary of the status of the Company's non-vested LTIP Unit awards as of June 30, 2024, and changes during the six months ended June 30, 2024 are presented below:

	Shares	Weighted Average Grant Date Fair Value
Non-vested as of December 31, 2023	245,972	\$ 14.97
Granted	290,522	\$ 13.23
Non-vested as of June 30, 2024	<u>536,494</u>	<u>\$ 14.03</u>

Stock Based Compensation Expense

For the three months ended June 30, 2024 and 2023, the amounts charged to expense for all stock-based compensation arrangements totaled approximately \$3.3 million and \$3.4 million, respectively. For the six months ended June 30, 2024 and 2023, the amounts charged to expense for all stock-based compensation arrangements totaled approximately \$6.1 million and \$6.4 million, respectively.

8. Capital of the Operating Partnership

As of June 30, 2024, the Operating Partnership had 134,891,471 OP Units outstanding. ROIC owned an approximate 94.5% partnership interest in the Operating Partnership at June 30, 2024, or 127,454,354 OP Units. The remaining 7,437,117 OP Units

are owned by other limited partners. A share of ROIC's common stock and an OP Unit have essentially the same economic characteristics as they share equally in the total net income or loss and distributions of the Operating Partnership.

As of June 30, 2024, subject to certain exceptions, holders are able to redeem their OP Units for cash or, at ROIC's option, for shares of ROIC common stock on a one-for-one basis. If cash is paid in the redemption, the redemption price is equal to the average closing price on the NASDAQ Stock Market for shares of ROIC's common stock over the ten consecutive trading days immediately preceding the date a redemption notice is received by ROIC.

The redemption value of outstanding OP Units owned by the limited partners as of June 30, 2024, not including ROIC, had such units been redeemed at June 30, 2024, was approximately \$91.6 million, calculated based on the average closing price of ROIC's common stock on the NASDAQ Stock Market for the ten consecutive trading days immediately preceding June 30, 2024, which amounted to \$12.32 per share.

Retail Opportunity Investments GP, LLC, ROIC's wholly-owned subsidiary, is the sole general partner of the Operating Partnership, and as the parent company, ROIC has the full and complete authority over the Operating Partnership's day-to-day management and control. As the sole general partner of the Operating Partnership, ROIC effectively controls the ability to issue common stock of ROIC upon redemption of any OP Units. The redemption provisions that permit ROIC to settle the redemption of OP Units in either cash or common stock, in the sole discretion of ROIC, are further evaluated in accordance with applicable accounting guidance to determine whether temporary or permanent equity classification on the balance sheet is appropriate. The Company evaluated this guidance, including the ability, in its sole discretion, to settle in unregistered shares of common stock, and determined that the OP Units meet the requirements to qualify for presentation as permanent equity.

9. Fair Value of Financial Instruments

The Company follows the FASB guidance that defines fair value, establishes a framework for measuring fair value, and expands disclosures about fair value measurements. The guidance applies to reported balances that are required or permitted to be measured at fair value under existing accounting pronouncements; accordingly, the standard does not require any new fair value measurements of reported balances.

The guidance emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, the guidance establishes a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the reporting entity's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy).

Level 1 inputs utilize quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access. Level 2 inputs are inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs may include quoted prices for similar assets and liabilities in active markets, as well as inputs that are observable for the asset or liability (other than quoted prices), such as interest rates, foreign exchange rates, and yield curves that are observable at commonly quoted intervals. Level 3 inputs are unobservable inputs for the asset or liability, which are typically based on an entity's own assumptions, as there is little, if any, related market activity. In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires judgment, and considers factors specific to the asset or liability.

The following disclosures of estimated fair value were determined by management, using available market information and appropriate valuation methodologies as discussed in Note 1. Considerable judgment is necessary to interpret market data and develop estimated fair value. Accordingly, the estimates presented herein are not necessarily indicative of the amounts realizable upon disposition of the financial instruments. The use of different market assumptions or estimation methodologies may have a material effect on the estimated fair value amounts.

The carrying values of cash and cash equivalents, restricted cash, tenant and other receivables, deposits, prepaid expenses, other assets, accounts payable and accrued expenses are reasonable estimates of their fair values because of the short-term nature of these instruments. The carrying values of the term loan and credit facility are deemed to be at fair value since the outstanding debt is directly tied to monthly SOFR contracts. The fair value of the outstanding Senior Notes Due 2028 and Senior Notes Due

2024 as of June 30, 2024 was approximately \$363.2 million and \$247.1 million, respectively, based on inputs not quoted on active markets, but corroborated by market data, or Level 2. The fair value of the outstanding Senior Notes Due 2027 and Senior Notes Due 2026 as of June 30, 2024 was approximately \$231.0 million and \$188.9 million, respectively, calculated using significant inputs which are not observable in the market, or Level 3. The assumed mortgage note payable was recorded at its fair value at the time it was assumed. The Company's outstanding mortgage note payable was estimated to have a fair value of approximately \$33.8 million with a weighted average interest rate of 7.8% as of June 30, 2024. This fair value measurement falls within Level 3 of the fair value hierarchy.

Derivative and Hedging Activities

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish this objective, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

The following is a summary of the terms of the Company's current interest rate swaps as of June 30, 2024 (in thousands):

Swap Counterparty	Notional Amount	Effective Date	Maturity Date
Wells Fargo	\$ 100,000	3/31/2023	8/31/2024
U.S. Bank	\$ 50,000	3/31/2023	8/31/2024

The changes in the fair value of derivatives that are designated as cash flow hedges are recorded in AOCI and are subsequently reclassified into earnings during the period in which the hedged forecasted transaction affects earnings.

The valuation of these instruments is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of the derivative. This analysis reflects the contractual terms of the derivative, including the period to maturity, and uses observable market-based inputs, including interest rate curves, and implied volatilities. The fair value of interest rate swaps is determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.

The Company incorporated credit valuation adjustments to appropriately reflect both its own non-performance risk and the respective counterparties' non-performance risk in the fair value measurements. In adjusting the fair value of its derivative contract for the effect of non-performance risk, the Company considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts, and guarantees.

Although the Company has determined that the majority of the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with its derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by the Company and its counterparties. However, as of June 30, 2024, the Company has assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and has determined that the credit valuation adjustments are not significant to the overall valuation of its derivatives. As a result, the Company has determined that its derivative valuation in its entirety is classified in Level 2 of the fair value hierarchy.

The table below presents the Company's assets and liabilities measured at fair value on a recurring basis, aggregated by the level in the fair value hierarchy within which those measurements fall (in thousands):

	Quoted Prices in Active Markets for Identical Assets and Liabilities (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
June 30, 2024:				
Assets				
Derivative financial instruments	\$ —	\$ 248	\$ —	\$ 248
December 31, 2023:				
Assets				
Derivative financial instruments	\$ —	\$ 592	\$ —	\$ 592

The Company estimates that through August 31, 2024, approximately \$248,000 will be reclassified as a non-cash decrease to interest expense related to the Company's two outstanding swap arrangements.

The table below presents the fair value of the Company's derivative financial instruments as well as their classification on the balance sheet as of June 30, 2024 and December 31, 2023, respectively (in thousands):

Derivatives designed as hedging instruments	Balance sheet location	June 30, 2024 Fair Value	December 31, 2023 Fair Value
Interest rate products	Other assets	\$ 248	\$ 592

Derivatives in Cash Flow Hedging Relationships

The table below details the location in the financial statements of the gain or loss recognized on interest rate derivatives designated as cash flow hedges for the three and six months ended June 30, 2024 and 2023, respectively (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Amount of gain recognized in OCI on derivatives	\$ 73	\$ 1,657	\$ 416	\$ 1,668
Amount of gain reclassified from AOCI into interest	\$ (377)	\$ (251)	\$ (760)	\$ (267)

10. Commitments and Contingencies

In the normal course of business, from time to time, the Company is involved in legal actions relating to the ownership and operations of its properties. In management's opinion, the liabilities, if any, that ultimately may result from such legal actions are not expected to have a material adverse effect on the consolidated financial position, results of operations or liquidity of the Company.

The Company has signed several ground leases in which the Company is the lessee for the land beneath all or a portion of the buildings for certain properties. As of June 30, 2024, the Company's net lease liability of approximately \$16.2 million, which is included in Other liabilities in the accompanying consolidated balance sheets, and related net right-to-use asset of approximately \$14.4 million, which is included in Other assets in the accompanying consolidated balance sheets, represents all operating leases in which the Company is a lessee. As of June 30, 2024, the Company's weighted average remaining lease term is approximately 35.0 years and the weighted average discount rate used to calculate the Company's lease liability is approximately 5.2%. Rent expense under the Company's ground leases was approximately \$427,000 and \$502,000 for the three

months ended June 30, 2024 and 2023, respectively, and approximately \$854,000 and \$903,000 for the six months ended June 30, 2024 and 2023, respectively.

The following table represents a reconciliation of the Company's undiscounted future minimum annual lease payments under operating leases to the lease liability as of June 30, 2024 (in thousands):

	Operating Leases
Remaining 2024	\$ 682
2025	1,369
2026	1,389
2027	1,417
2028	1,446
Thereafter	27,596
Total undiscounted future minimum lease payments	33,899
Future minimum lease payments, discount	(17,731)
Lease liability	\$ 16,168

Tax Protection Agreements

In connection with certain acquisitions from September 2013 through March 2017, the Company entered into Tax Protection Agreements with certain limited partners of the Operating Partnership. The Tax Protection Agreements require the Company, subject to certain exceptions, to indemnify the respective sellers receiving OP Units against certain tax liabilities incurred by them, as calculated pursuant to the respective Tax Protection Agreements, for a period of 12 years (with respect to Tax Protection Agreements entered into in September 2013), or 10 years (with respect to Tax Protection Agreements entered into from December 2014 through March 2017) from the date of the Tax Protection Agreements. In the unlikely event that the Company were to trigger the tax protection provisions under these agreements, the Company would be required to pay damages in the amount of the taxes owed by these limited partners (plus additional damages in the amount of the taxes incurred as a result of such payment).

11. Related Party Transactions

The Company has entered into several lease agreements with an officer of the Company, whereby pursuant to the lease agreements, the Company is provided the use of storage space. For the three months ended June 30, 2024 and 2023, the Company incurred approximately \$25,000 and \$24,000, respectively, of expenses relating to the agreements. For the six months ended June 30, 2024 and 2023, the Company incurred approximately \$49,000 and \$47,000, respectively, of expenses relating to the agreements. These expenses were included in General and administrative expenses in the accompanying consolidated statements of operations and comprehensive income.

12. Subsequent Events

On July 17, 2024, the Company sold the property known as Marketplace Del Rio, a shopping center located in Oceanside, California for a sales price of \$56.6 million.

On July 23, 2024, the Company's board of directors declared a cash dividend on its common stock and a distribution on the Operating Partnership's OP Units of \$0.15 per share and per OP Unit, payable on October 4, 2024 to holders of record on September 20, 2024.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

When used in this discussion and elsewhere in this Quarterly Report on Form 10-Q, the words "believes," "anticipates," "projects," "may," "will", "should," "estimates," "expects," and similar expressions are intended to identify forward-looking statements with the meaning of that term in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and in Section 21F of the Securities Exchange Act of 1934, as amended (the "Exchange Act").

Forward-looking statements are based on current expectations and assumptions that are subject to risks and uncertainties, which may cause actual results or outcomes to differ materially from those contained in the forward-looking statements. Additional factors that could cause actual outcomes or results to differ materially from those indicated in these statements include:

- the Company's ability to identify and acquire retail real estate that meet its investment standards in its markets;
- the level of rental revenue the Company achieves from its assets;
- the market value of the Company's assets and the supply of, and demand for, the retail real estate in which it invests;
- the state of the U.S. economy generally, or in specific geographic regions;
- the impact of economic conditions on the Company's business;
- the conditions in the local markets in which the Company operates and its concentration in those markets, as well as changes in national economic and market conditions;
- consumer spending and confidence trends;
- the Company's ability to enter into new leases or to renew leases with existing tenants at the properties it owns or acquires at favorable rates;
- the Company's ability to anticipate changes in consumer buying practices and the space needs of tenants;
- the competitive landscape impacting the properties the Company owns or acquires and their tenants;
- the Company's relationships with its tenants and their financial condition and liquidity;
- ROIC's ability to continue to qualify as a real estate investment trust for U.S. federal income tax (a "REIT");
- the Company's use of debt as part of its financing strategy and its ability to make payments or to comply with any covenants under its unsecured senior notes, its unsecured credit facilities or other debt facilities it currently has or subsequently obtains;
- the Company's level of operating expenses, including amounts it is required to pay to its management team;
- changes in interest rates or the Company's credit ratings that could impact the market price of ROIC's common stock and the cost of the Company's borrowings;
- legislative and regulatory changes (including changes to laws governing the taxation of REITs).

Forward-looking statements are based on estimates as of the date of this report. We disclaim any obligation to publicly release the results of any revisions to these forward-looking statements reflecting new estimates, events or circumstances after the date of this report.

We caution that the foregoing list of factors is not all-inclusive. All subsequent written and oral forward-looking statements concerning us or any person acting on our behalf are expressly qualified in their entirety by the cautionary statements above. We caution not to place undue reliance upon any forward-looking statements, which speak only as of the date made. We do not undertake or accept any obligation or undertaking to release publicly any updates or revisions to any forward-looking statement to reflect any change in our expectations or any change in events, conditions or circumstances on which any such statement is based. Other sections of this report may include additional factors that could adversely affect our business and financial performance. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.

Overview

Retail Opportunity Investments Corp. (“ROIC”) is organized in an UpREIT format pursuant to which Retail Opportunity Investments GP, LLC, its wholly-owned subsidiary, serves as the general partner of, and ROIC conducts substantially all of its business through, its operating partnership, Retail Opportunity Investments Partnership, LP, a Delaware limited partnership (the “Operating Partnership”), together with its subsidiaries. ROIC reincorporated as a Maryland corporation on June 2, 2011. ROIC has elected to be taxed as a REIT, for U.S. federal income tax purposes, commencing with the year ended December 31, 2010.

ROIC commenced operations in October 2009 as a fully integrated and self-managed REIT, and as of June 30, 2024, ROIC owned an approximate 94.5% partnership interest and other limited partners owned the remaining approximate 5.5% partnership interest in the Operating Partnership. ROIC specializes in the acquisition, ownership and management of necessity-based community and neighborhood shopping centers on the west coast of the United States, anchored by supermarkets and drugstores.

As of June 30, 2024, the Company’s portfolio consisted of 96 properties (95 retail and one office) totaling approximately 10.8 million square feet of gross leasable area (“GLA”). As of June 30, 2024, the Company’s retail portfolio, excluding one shopping center that is currently planned for redevelopment and is no longer being managed as a retail asset, was approximately 97.0% leased. During the six months ended June 30, 2024, the Company leased or renewed a total of approximately 776,000 square feet in its portfolio. The Company has committed approximately \$7.5 million, or \$46.66 per square foot, in tenant improvements, including building and site improvements, for new leases that occurred during the six months ended June 30, 2024. The Company has committed approximately \$707,000, or \$4.39 per square foot, in leasing commissions, for new leases that occurred during the six months ended June 30, 2024. The Company has committed approximately \$1.3 million, or \$2.06 per square foot, in tenant improvements, including building and site improvements, for renewed leases that occurred during the six months ended June 30, 2024. Leasing commission commitments for renewed leases were not material for the six months ended June 30, 2024.

Results of Operations

Property operating income is a non-GAAP financial measure of performance. The Company defines property operating income as operating revenues (rental revenue and other income), less property and related expenses (property operating expenses and property taxes). Property operating income excludes general and administrative expenses, depreciation and amortization, acquisition transaction costs, other expense, interest expense, gains and losses from property acquisitions and dispositions, equity in earnings from unconsolidated joint ventures, and extraordinary items. Other REITs may use different methodologies for calculating property operating income, and accordingly, the Company’s property operating income may not be comparable to other REITs.

Property operating income is used by management to evaluate and compare the operating performance of the Company’s properties, to determine trends in earnings and to compute the fair value of the Company’s properties as this measure is not affected by the cost of the Company’s funding, the impact of depreciation and amortization expenses, gains or losses from the acquisition and sale of operating real estate assets, general and administrative expenses or other gains and losses that relate to the ownership of its properties. The Company believes the exclusion of these items from net income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the Company’s properties as well as trends in occupancy rates, rental rates and operating costs.

Property operating income is a measure of the operating performance of the Company’s properties but does not measure the Company’s performance as a whole. Property operating income is therefore not a substitute for net income or operating income as computed in accordance with GAAP.

Results of Operations for the three months ended June 30, 2024 compared to the three months ended June 30, 2023.

Property Operating Income

The table below provides a reconciliation of consolidated operating income, in accordance with GAAP, to consolidated property operating income for the three months ended June 30, 2024 and 2023 (in thousands):

	Three Months Ended June 30,	
	2024	2023
Operating income per GAAP	\$ 27,842	\$ 28,151
Plus: Depreciation and amortization	26,331	25,126
General and administrative expenses	5,682	5,776
Other expense	505	482
Property operating income	<u>\$ 60,360</u>	<u>\$ 59,535</u>

The following comparison for the three months ended June 30, 2024 compared to the three months ended June 30, 2023, makes reference to the effect of the same-center properties. Same-center properties, which totaled 92 of the Company's 96 properties as of June 30, 2024, represent all operating properties owned by the Company during the entirety of both periods presented and consolidated into the Company's financial statements during such periods, except for the Company's corporate headquarters and one property that is currently planned for redevelopment and is no longer being managed as a retail asset.

The table below provides a reconciliation of consolidated operating income, in accordance with GAAP, to property operating income for the three months ended June 30, 2024 related to the 92 same-center properties owned by the Company during the entirety of both the three months ended June 30, 2024 and 2023 and consolidated into the Company's financial statements during such periods (in thousands):

	Three Months Ended June 30, 2024		
	Same-Center	Non Same-Center	Total
Operating income (loss) per GAAP	\$ 33,554	\$ (5,712)	\$ 27,842
Plus: Depreciation and amortization	24,758	1,573	26,331
General and administrative expenses ⁽¹⁾	—	5,682	5,682
Other expense ⁽¹⁾	—	505	505
Property operating income	<u>\$ 58,312</u>	<u>\$ 2,048</u>	<u>\$ 60,360</u>

(1) For illustration purposes, general and administrative expenses and other expense are included in non same-center because the Company does not allocate these types of expenses between same-center and non same-center properties.

The table below provides a reconciliation of consolidated operating income, in accordance with GAAP, to property operating income for the three months ended June 30, 2023 related to the 92 same-center properties owned by the Company during the entirety of both the three months ended June 30, 2024 and 2023 and consolidated into the Company's financial statements during such periods (in thousands):

	Three Months Ended June 30, 2023		
	Same-Center	Non Same-Center	Total
Operating income (loss) per GAAP	\$ 34,107	\$ (5,956)	\$ 28,151
Plus: Depreciation and amortization	24,742	384	25,126
General and administrative expenses ⁽¹⁾	—	5,776	5,776
Other expense ⁽¹⁾	—	482	482
Property operating income	<u>\$ 58,849</u>	<u>\$ 686</u>	<u>\$ 59,535</u>

(1) For illustration purposes, general and administrative expenses and other expense are included in non same-center because the Company does not allocate these types of expenses between same-center and non same-center properties.

During the three months ended June 30, 2024, the Company generated property operating income of approximately \$60.4 million compared to property operating income of approximately \$59.5 million generated during the three months ended June 30, 2023, representing an increase of approximately \$825,000. The property operating income for the 92 same-center properties decreased approximately \$537,000 primarily due to a decrease in both early lease termination fee income received and straight-line rental income during the three months ended June 30, 2024. These decreases were slightly offset by an increase in base rents driven by contractual rent increases and re-leasing spreads and a decrease in estimated uncollectible revenue during the three months ended June 30, 2024. The property operating income for the non same-center properties increased approximately \$1.4 million primarily due to the increase in the number of properties the Company owned as of June 30, 2024 compared to June 30, 2023.

Depreciation and amortization

The Company incurred depreciation and amortization expenses during the three months ended June 30, 2024 of approximately \$26.3 million compared to approximately \$25.1 million incurred during the three months ended June 30, 2023.

General and administrative expenses

The Company incurred general and administrative expenses of approximately \$5.7 million during the three months ended June 30, 2024 compared to approximately \$5.8 million incurred during the three months ended June 30, 2023.

Interest expense and other finance expenses

The Company incurred interest expense of approximately \$20.0 million during the three months ended June 30, 2024 compared to approximately \$17.6 million incurred during the three months ended June 30, 2023. Interest expense increased approximately \$2.4 million primarily due to the net increase in interest expense incurred on the Company's Senior Notes and an increase in both the interest rates payable on and the amounts outstanding under the credit facility as compared to the three months ended June 30, 2023.

Results of Operations for the six months ended June 30, 2024 compared to the six months ended June 30, 2023.

Property Operating Income

The table below provides a reconciliation of consolidated operating income, in accordance with GAAP, to consolidated property operating income for the six months ended June 30, 2024 and 2023 (in thousands):

	Six Months Ended June 30,	
	2024	2023
Operating income per GAAP	\$ 58,426	\$ 53,805
Plus: Depreciation and amortization	52,600	50,230
General and administrative expenses	11,364	11,096
Other expense	657	654
Property operating income	<u>\$ 123,047</u>	<u>\$ 115,785</u>

The following comparison for the six months ended June 30, 2024 compared to the six months ended June 30, 2023, makes reference to the effect of the same-center properties. Same-center properties, which totaled 92 of the Company's 96 properties as of June 30, 2024, represent all operating properties owned by the Company during the entirety of both periods presented and consolidated into the Company's financial statements during such periods, except for the Company's corporate headquarters and one property that is currently planned for redevelopment and is no longer being managed as a retail asset.

The table below provides a reconciliation of consolidated operating income, in accordance with GAAP, to property operating income for the six months ended June 30, 2024 related to the 92 same-center properties owned by the Company during the entirety of both the six months ended June 30, 2024 and 2023 and consolidated into the Company's financial statements during such periods (in thousands):

	Six Months Ended June 30, 2024		
	Same-Center	Non Same-Center	Total
Operating income (loss) per GAAP	\$ 70,060	\$ (11,634)	\$ 58,426
Plus: Depreciation and amortization	50,493	2,107	52,600
General and administrative expenses ⁽¹⁾	—	11,364	11,364
Other expense ⁽¹⁾	—	657	657
Property operating income	<u>\$ 120,553</u>	<u>\$ 2,494</u>	<u>\$ 123,047</u>

(1) For illustration purposes, general and administrative expenses and other expense are included in non same-center because the Company does not allocate these types of expenses between same-center and non same-center properties.

The table below provides a reconciliation of consolidated operating income, in accordance with GAAP, to property operating income for the six months ended June 30, 2023 related to the 92 same-center properties owned by the Company during the entirety of both the six months ended June 30, 2024 and 2023 and consolidated into the Company's financial statements during such periods (in thousands):

	Six Months Ended June 30, 2023		
	Same-Center	Non Same-Center	Total
Operating income (loss) per GAAP	\$ 65,168	\$ (11,363)	\$ 53,805
Plus: Depreciation and amortization	49,454	776	50,230
General and administrative expenses ⁽¹⁾	—	11,096	11,096
Other expense ⁽¹⁾	—	654	654
Property operating income	<u>\$ 114,622</u>	<u>\$ 1,163</u>	<u>\$ 115,785</u>

(1) For illustration purposes, general and administrative expenses and other expense are included in non same-center because the Company does not allocate these types of expenses between same-center and non same-center properties.

During the six months ended June 30, 2024, the Company generated property operating income of approximately \$123.0 million compared to property operating income of approximately \$115.8 million generated during the six months ended June 30, 2023, representing an increase of approximately \$7.3 million. The property operating income for the 92 same-center properties increased approximately \$5.9 million primarily due to the accelerated recognition of a below-market lease intangible liability of approximately \$4.2 million resulting from an anchor lease that expired, an increase in base rents driven by contractual rent increases and re-leasing spreads, a decrease in estimated uncollectible revenue and a decrease in property tax expenses during the six months ended June 30, 2024. These increases were slightly offset by a decrease in both straight-line rental income and early lease termination fee income received during the six months ended June 30, 2024. The property operating income for the non same-center properties increased approximately \$1.3 million primarily due to the increase in the number of properties the Company owned as of June 30, 2024 compared to June 30, 2023.

Depreciation and amortization

The Company incurred depreciation and amortization expenses during the six months ended June 30, 2024 of approximately \$52.6 million compared to approximately \$50.2 million incurred during the six months ended June 30, 2023.

General and administrative expenses

The Company incurred general and administrative expenses of approximately \$11.4 million during the six months ended June 30, 2024 compared to approximately \$11.1 million during the six months ended June 30, 2023.

Interest expense and other finance expenses

The Company incurred interest expense during the six months ended June 30, 2024 of approximately \$39.0 million compared to approximately \$34.6 million during the six months ended June 30, 2023. Interest expense increased approximately \$4.4 million during the six months ended June 30, 2024 primarily due to the net increase in interest expense incurred on the Company's Senior Notes and an increase in both the interest rates payable on and the amounts outstanding under the credit facility as compared to the six months ended June 30, 2023.

Funds From Operations

Funds from operations ("FFO"), is a widely-recognized non-GAAP financial measure for REITs that the Company believes when considered with financial statements presented in accordance with GAAP, provides additional and useful means to assess its financial performance. FFO is frequently used by securities analysts, investors and other interested parties to evaluate the performance of REITs, most of which present FFO along with net income as calculated in accordance with GAAP.

The Company computes FFO in accordance with the "White Paper" on FFO published by the National Association of Real Estate Investment Trusts ("NAREIT"), which defines FFO as net income attributable to common stockholders (determined in accordance with GAAP) excluding gains or losses from debt restructuring, sales of depreciable property, and impairments, plus real estate related depreciation and amortization, and after adjustments for partnerships and unconsolidated joint ventures.

However, FFO:

- does not represent cash flows from operating activities in accordance with GAAP (which, unlike FFO, generally reflects all cash effects of transactions and other events in the determination of net income); and
- should not be considered an alternative to net income as an indication of the Company's performance.

FFO as defined by the Company may not be comparable to similarly titled items reported by other REITs due to possible differences in the application of the NAREIT definition used by such REITs.

The table below provides a reconciliation of net income applicable to stockholders in accordance with GAAP to FFO for the three and six months ended June 30, 2024 and 2023 (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Net income attributable to ROIC	\$ 7,366	\$ 9,929	\$ 18,384	\$ 18,071
Plus: Depreciation and amortization	26,331	25,126	52,600	50,230
Funds from operations – basic	33,697	35,055	70,984	68,301
Net income attributable to non-controlling interests	433	589	1,080	1,143
Funds from operations – diluted	\$ 34,130	\$ 35,644	\$ 72,064	\$ 69,444

Cash Net Operating Income ("NOI")

Cash NOI is a non-GAAP financial measure of the Company's performance. The most directly comparable GAAP financial measure is operating income. The Company defines cash NOI as operating revenues (rental revenue and other income), less property and related expenses (property operating expenses and property taxes), adjusted for non-cash revenue and operating expense items such as straight-line rent and amortization of lease intangibles, debt-related expenses, and other adjustments. Cash NOI also excludes general and administrative expenses, depreciation and amortization, acquisition transaction costs, other expense, interest expense, gains and losses from property acquisitions and dispositions, equity in earnings from unconsolidated joint ventures, and extraordinary items. Other REITs may use different methodologies for calculating cash NOI, and accordingly, the Company's cash NOI may not be comparable to other REITs.

Cash NOI is used by management internally to evaluate and compare the operating performance of the Company's properties. The Company believes cash NOI provides useful information to investors regarding the Company's financial condition and results of operations because it reflects only those cash income and expense items that are incurred at the property level, and when compared across periods, can be used to determine trends in earnings of the Company's properties as this measure is not

affected by non-cash revenue and expense recognition items, the cost of the Company's funding, the impact of depreciation and amortization expenses, gains or losses from the acquisition and sale of operating real estate assets, general and administrative expenses or other gains and losses that relate to the Company's ownership of properties. The Company believes the exclusion of these items from operating income is useful because the resulting measure captures the actual revenue generated and actual expenses incurred in operating the Company's properties as well as trends in occupancy rates, rental rates and operating costs.

Cash NOI is a measure of the operating performance of the Company's properties but does not measure the Company's performance as a whole and is therefore not a substitute for net income or operating income as computed in accordance with GAAP.

Same-Center Cash NOI

The table below provides a reconciliation of same-center cash NOI to consolidated operating income in accordance with GAAP for the three and six months ended June 30, 2024 and 2023. The table makes reference to the effect of the same-center properties. Same-center properties, which totaled 92 of the Company's 96 properties for both the three and six months ended June 30, 2024, represent all operating properties owned by the Company during the entirety of both periods presented and consolidated into the Company's financial statements during such periods, except for the Company's corporate headquarters and one property that is currently planned for redevelopment and is no longer being managed as a retail asset (in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
GAAP operating income	\$ 27,842	\$ 28,151	\$ 58,426	\$ 53,805
Depreciation and amortization	26,331	25,126	52,600	50,230
General and administrative expenses	5,682	5,776	11,364	11,096
Other expense	505	482	657	654
Straight-line rent	(231)	(979)	(423)	(1,326)
Amortization of above-market and below-market rent, net	(2,664)	(2,609)	(9,321)	(5,473)
Property revenues and other expenses ⁽¹⁾	68	(564)	129	(566)
Total Company cash NOI	57,533	55,383	113,432	108,420
Non same-center cash NOI	(1,908)	(702)	(2,259)	(1,197)
Same-center cash NOI	\$ 55,625	\$ 54,681	\$ 111,173	\$ 107,223

(1) Includes anchor lease termination fees, net of contractual amounts, if any, expense and recovery adjustments related to prior periods and other miscellaneous adjustments.

During the three months ended June 30, 2024, the Company generated same-center cash NOI of approximately \$55.6 million compared to approximately \$54.7 million generated during the three months ended June 30, 2023, representing a 1.7% increase. This increase is primarily due to an increase in base rents driven by contractual rent increases and re-leasing spreads and a decrease in estimated uncollectible revenue offset by a decrease in early lease termination fee income received during the three months ended June 30, 2024. During the six months ended June 30, 2024, the Company generated same-center cash NOI of approximately \$111.2 million compared to same-center cash NOI of approximately \$107.2 million generated during the six months ended June 30, 2023, representing a 3.7% increase. This increase is primarily due to an increase in base rents driven by contractual rent increases and re-leasing spreads, a decrease in estimated uncollectible revenue and a decrease in property tax expenses during the six months ended June 30, 2024 offset by a decrease in early lease termination fee income received during the six months ended June 30, 2024.

Critical Accounting Policies

Critical accounting policies are those that are both important to the presentation of the Company's financial condition and results of operations and require management's most difficult, complex or subjective judgments. Set forth below is a summary of the accounting policies that management believes are critical to the preparation of the consolidated financial statements. This summary should be read in conjunction with the more complete discussion of the Company's accounting policies included in Note 1 to the Company's consolidated financial statements.

Revenue Recognition

The Company records base rents on a straight-line basis over the term of each lease. The excess of rents recognized over amounts contractually due pursuant to the underlying leases is included in Tenant and other receivables in the accompanying consolidated balance sheets. Most leases contain provisions that require tenants to reimburse a pro-rata share of real estate taxes and certain common area expenses. Adjustments are also made throughout the year to tenant and other receivables and the related cost recovery income based upon the Company's best estimate of the final amounts to be billed and collected.

Allowance for Doubtful Accounts

The allowance for doubtful accounts is established based on a quarterly analysis of the risk of loss on specific accounts. The analysis places particular emphasis on past-due accounts and considers information such as the nature and age of the receivables, tenant creditworthiness, current economic trends, the payment history of the tenants or other debtors, the financial condition of the tenants and any guarantors and management's assessment of their ability to meet their lease obligations, the basis for any disputes and the status of related negotiations, among other things.

Management's estimates of the required allowance are subject to revision as these factors change and are sensitive to the effects of economic and market conditions on tenants, particularly those at retail properties. Estimates are used to establish reimbursements from tenants for common area maintenance, real estate tax and insurance costs. The Company analyzes the balance of its estimated accounts receivable for real estate taxes, common area maintenance and insurance for each of its properties by comparing actual recoveries versus actual expenses and any actual write-offs. Based on its analysis, the Company may record an additional amount in its allowance for doubtful accounts related to these items. In addition, the Company also provides an allowance for future credit losses in connection with the deferred straight-line rent receivable.

Real Estate Investments

Land, buildings, property improvements, furniture/fixtures and tenant improvements are recorded at cost. Expenditures for maintenance and repairs are charged to operations as incurred. Renovations and/or replacements, which improve or extend the life of the asset, are capitalized and depreciated over its estimated useful lives.

The Company recognizes the acquisition of real estate properties, including acquired tangible assets (consisting of land, buildings and improvements) and acquired intangible assets and liabilities (consisting of above-market and below-market leases and acquired in-place leases) at their relative fair value (for acquisitions not meeting the definition of a business) and fair value (for acquisitions meeting the definition of a business). The relative fair values used to allocate the cost of an asset acquisition are determined using the same methodologies and assumptions the Company utilizes to determine fair values in a business combination. Acquired lease intangible assets include above-market leases and acquired in-place leases, and Acquired lease intangible liabilities represent below-market leases in the accompanying consolidated balance sheets. The fair value of the tangible assets of an acquired property is determined by valuing the property as if it were vacant, which value is then allocated to land, buildings and improvements based on management's determination of the relative fair values of these assets. In valuing an acquired property's intangibles, factors considered by management include an estimate of carrying costs during the expected lease-up periods, and estimates of lost rental revenue during the expected lease-up periods based on its evaluation of current market demand. Management also estimates costs to execute similar leases, including leasing commissions, tenant improvements, legal and other related costs.

The value of in-place leases is measured by the excess of (i) the purchase price paid for a property after adjusting existing in-place leases to market rental rates, over (ii) the estimated fair value of the property as if it were vacant. Above-market and below-market lease values are recorded based on the present value (using a discount rate which reflects the risks associated with the leases acquired) of the difference between the contractual amounts to be received and management's estimate of market lease rates, measured over the terms of the respective leases that management deemed appropriate at the time of acquisition. Such valuations include a consideration of the non-cancellable terms of the respective leases as well as any applicable renewal periods. The fair values associated with below-market rental renewal options are determined based on the Company's experience and the relevant facts and circumstances that existed at the time of the acquisitions. The value of the above-market and below-market leases associated with the original lease term and option period, if applicable, is amortized to Rental revenue over the terms of the respective leases including option periods. The value of in-place leases is amortized to Depreciation expense over the remaining non-cancellable terms of the respective leases. If a lease were to be terminated prior to its stated expiration, all unamortized amounts relating to that lease would be recognized in operations at that time.

The Company is required to make subjective assessments as to the useful life of its properties for purposes of determining the amount of depreciation. These assessments have a direct impact on the Company's net income.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets. The estimated useful lives are as follows:

Buildings (years)	39	—	40
Property Improvements (years)	10	—	20
Furniture/Fixtures (years)	3	—	10
Tenant Improvements	Shorter of lease term or its useful life		

Asset Impairment

The Company reviews long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the asset to aggregate future net cash flows (undiscounted and without interest) expected to be generated by the asset. The judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, legal and environmental concerns, the Company's intent and ability to hold the related asset, as well as any significant cost overruns on development properties. If such assets are considered impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the assets exceed the fair value. Management does not believe that the value of any of the Company's real estate investments was impaired at June 30, 2024 or December 31, 2023.

REIT Qualification Requirements

The Company has elected and qualified to be taxed as a REIT under the Code, and believes that it has been organized and has operated in a manner that will allow it to continue to qualify for taxation as a REIT under the Code.

The Company is subject to a number of operational and organizational requirements to qualify and then maintain qualification as a REIT. If the Company does not qualify as a REIT, its income would become subject to U.S. federal, state and local income taxes at regular corporate rates that would be substantial and the Company may not be permitted to re-elect to qualify as a REIT for four taxable years following the year that it failed to qualify as a REIT. The Company's results of operations, liquidity and amounts distributable to stockholders would be significantly reduced if it failed to qualify as a REIT.

Liquidity and Capital Resources of the Company

In this "Liquidity and Capital Resources of the Company" section and in the "Liquidity and Capital Resources of the Operating Partnership" section, the term "the Company" refers to Retail Opportunity Investments Corp. on an unconsolidated basis, excluding the Operating Partnership.

The Company's business is operated primarily through the Operating Partnership, of which the Company is the parent company and which it consolidates for financial reporting purposes. Because the Company operates on a consolidated basis with 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.

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. The Company itself does not hold any indebtedness other than guarantees of indebtedness of the Operating Partnership, and its only material assets are its ownership of direct or indirect partnership interests in the Operating Partnership and membership interest in Retail Opportunity Investments GP, LLC, the sole general partner of the Operating Partnership. Therefore, the consolidated assets and liabilities and the consolidated revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements. However, all debt is held directly or indirectly by the Operating Partnership. The Company's principal funding requirement is the payment of dividends on its common stock. The Company's principal source of funding for its dividend payments is distributions it receives from the Operating Partnership.

As the parent company of the Operating Partnership, the Company, indirectly, 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 such portion of its available cash as the Company may in its discretion determine, in the manner provided in the Operating Partnership's partnership agreement.

The Company is a well-known seasoned issuer with an effective shelf registration statement filed in April 2022 that allows the Company to register unspecified various classes of debt and equity securities. As circumstances warrant, the Company may issue equity from time to time on an opportunistic basis, dependent upon market conditions and available pricing. Any proceeds from such equity issuances would be contributed to the Operating Partnership. The Operating Partnership may use the proceeds to acquire additional properties, pay down debt, and for general working capital purposes.

Liquidity is a measure of the Company's ability to meet potential cash requirements, including ongoing commitments to repay borrowings, fund and maintain its assets and operations, make distributions to its stockholders and meet other general business needs. The liquidity of the Company is dependent on the Operating Partnership's ability to make sufficient distributions to the Company. The primary cash requirement of the Company is its payment of dividends to its stockholders.

During the six months ended June 30, 2024, the Company's primary source of cash was distributions from the Operating Partnership. As of June 30, 2024, the Company has determined that it has adequate working capital to meet its dividend funding obligations for the next twelve months.

On February 20, 2020, ROIC entered into an "at the market" sales agreement, as amended on April 27, 2022 (the "Sales Agreement"), with each of (i) KeyBank Capital Markets Inc., BTIG, LLC, BMO Capital Markets Corp., BofA Securities, Inc., Capital One Securities, Inc., Citigroup Global Markets Inc., Jefferies LLC, J.P. Morgan Securities LLC, Raymond James & Associates, Inc., Regions Securities LLC, Robert W. Baird & Co. Incorporated and Wells Fargo Securities, LLC (collectively, the "Agents") and (ii) the Forward Purchasers (as defined below), pursuant to which ROIC may sell, from time to time, shares (any such shares, the "Primary Shares") of ROIC's common stock, par value \$0.0001 per share ("Common Stock"), to or through the Agents and instruct certain of the Agents, acting as forward sellers (the "Forward Sellers"), to offer and sell borrowed shares (any such shares, "Forward Hedge Shares," and collectively with the Primary Shares, the "Shares") with the Shares to be sold under the Sales Agreement having an aggregate offering price of up to \$500.0 million.

The Sales Agreement contemplates that, in addition to the issuance and sale of Primary Shares to or through the Agents as principal or its sales agents, ROIC may enter into separate forward sale agreements with any of KeyBank Capital Markets Inc., BMO Capital Markets Corp., BofA Securities, Inc., Citigroup Global Markets Inc., Jefferies LLC, J.P. Morgan Securities LLC, Raymond James & Associates, Inc. and Wells Fargo Securities, LLC or their respective affiliates (in such capacity, the "Forward Purchasers"). If ROIC enters into a forward sale agreement with any Forward Purchaser, ROIC expects that such Forward Purchaser or its affiliate will borrow from third parties and, through the relevant Forward Seller, sell a number of Forward Hedge Shares equal to the number of shares of Common Stock underlying the particular forward sale agreement, in accordance with the mutually accepted instructions related to such forward sale agreement. ROIC will not initially receive any proceeds from any sale of Forward Hedge Shares through a Forward Seller. ROIC expects to fully physically settle each particular forward sale agreement with the relevant Forward Purchaser on one or more dates specified by ROIC on or prior to the maturity date of that particular forward sale agreement by issuing shares of Common Stock, in which case ROIC expects to receive aggregate net cash proceeds at settlement equal to the number of shares of Common Stock underlying the particular forward sale agreement multiplied by the relevant forward sale price. However, ROIC may also elect to cash settle or net share settle a particular forward sale agreement, in which case ROIC may not receive any proceeds from the issuance of shares of Common Stock, and ROIC will instead receive or pay cash (in the case of cash settlement) or receive or deliver shares of Common Stock (in the case of net share settlement).

During the six months ended June 30, 2024, ROIC did not sell any shares under the Sales Agreement.

For the six months ended June 30, 2024, dividends paid to stockholders totaled approximately \$38.5 million. Additionally, for the six months ended June 30, 2024, distributions paid from the Operating Partnership to the non-controlling interest holders of OP Units ("OP Unitholders") totaled approximately \$2.2 million. On a consolidated basis, cash flows from operations for the same period totaled approximately \$65.1 million. For the six months ended June 30, 2023, dividends paid and payable to stockholders totaled approximately \$38.7 million. Additionally, for the six months ended June 30, 2023, distributions paid and payable from the Operating Partnership to the OP Unitholders totaled approximately \$2.5 million. On a consolidated basis, cash flows from operations for the same period totaled approximately \$73.2 million.

Potential future sources of capital include equity issuances and distributions from the Operating Partnership.

Liquidity and Capital Resources of the Operating Partnership

In this “Liquidity and Capital Resources of the Operating Partnership” section, the terms the “Operating Partnership,” “we,” “our” and “us” refer to the Operating Partnership together with its consolidated subsidiaries or the Operating Partnership and the Company together with their respective consolidated subsidiaries, as the context requires.

During the six months ended June 30, 2024, the Operating Partnership’s primary source of cash was cash flows from operations and proceeds from borrowings under the credit facility. As of June 30, 2024, the Operating Partnership has determined that it has adequate working capital to meet its debt obligations and operating expenses for the next twelve months.

The Operating Partnership has an unsecured term loan (the “term loan”) with several banks acting as lenders. Effective March 2, 2023, the Operating Partnership entered into a Third Amendment to the First Amended and Restated Term Loan Agreement, dated as of September 8, 2017, as amended (the “Term Loan Agreement”). Under the Term Loan Agreement, the lenders agreed to provide \$300.0 million of unsecured borrowings. The maturity date of the term loan is January 20, 2025, without further options for extension. The Term Loan Agreement also provides that the Operating Partnership may from time to time request increased aggregate commitments of \$200.0 million if certain conditions are met, including the consent of the lenders to the additional commitments. Additionally, the Operating Partnership has an unsecured revolving credit facility (the “credit facility”) with several banks. Effective March 2, 2023, the Operating Partnership entered into a Third Amendment to the Second Amended and Restated Credit Agreement, dated as of September 8, 2017, (as amended, the “Credit Facility Agreement”). Under the Credit Facility Agreement, the Operating Partnership has borrowing capacity of up to \$600.0 million. The maturity date under the Credit Facility Agreement is March 2, 2027, with two six-month extension options, which may be exercised by the Operating Partnership upon satisfaction of certain conditions including the payment of extension fees. Additionally, the Credit Facility Agreement contains an accordion feature, which allows the Operating Partnership to increase the borrowing capacity under the Credit Facility Agreement up to an aggregate of \$1.2 billion, subject to lender consents and other conditions. Refer to Note 4 of the accompanying consolidated financial statements for certain quantitative details related to the interest accrual calculations on outstanding principal amounts for both the Term Loan Agreement and Credit Facility Agreement.

As of June 30, 2024, \$200.0 million and \$164.0 million were outstanding under the term loan and credit facility, respectively. The weighted average interest rate on the term loan during both the three and six months ended June 30, 2024 was 6.4%. As discussed in Note 9 of the accompanying consolidated financial statements, the Operating Partnership uses interest rate swaps to manage its interest rate risk. For both the three and six months ended June 30, 2024, \$150.0 million of the Operating Partnership’s term loan was swapped at a blended interest rate of 5.4%. The weighted average interest rate on the credit facility during both the three and six months ended June 30, 2024 was 6.3%. The Operating Partnership had no amounts available to borrow under the term loan at June 30, 2024. The Operating Partnership had approximately \$436.0 million available to borrow under the credit facility at June 30, 2024.

Further, the Operating Partnership issued \$350.0 million aggregate principal amount of unsecured senior notes in September 2023 (the “Senior Notes Due 2028”), \$250.0 million aggregate principal amount of unsecured senior notes in December 2017 (the “Senior Notes Due 2027”), \$200.0 million aggregate principal amount of unsecured senior notes in September 2016 (the “Senior Notes Due 2026”), and \$250.0 million aggregate principal amount of unsecured senior notes in December 2014 (the “Senior Notes Due 2024” and collectively with the Senior Notes Due 2026, the Senior Notes Due 2027 and the Senior Notes Due 2028, the “Senior Notes”), each of which were fully and unconditionally guaranteed by ROIC.

The key terms of the Operating Partnership’s Senior Notes are as follows:

Senior Notes	Aggregate Principal Amount (in thousands)	Issue Date and Interest Accrual Date	Maturity Date	Contractual Interest Rate	First Interest Payment	Interest Payments Due
Senior Notes Due 2028	\$ 350,000	September 21, 2023	October 15, 2028	6.75 %	April 15, 2024	April 15 and October 15
Senior Notes Due 2027	\$ 250,000	December 15, 2017	December 15, 2027	4.19 %	June 15, 2018	June 15 and December 15
Senior Notes Due 2026	\$ 200,000	September 22, 2016	September 22, 2026	3.95 %	March 22, 2017	March 22 and September 22
Senior Notes Due 2024	\$ 250,000	December 3, 2014	December 15, 2024	4.00 %	June 15, 2015	June 15 and December 15

The Operating Partnership's material current and long-term cash requirements are further described below.

The Operating Partnership's debt agreements contain customary representations, financial and other covenants, and its ability to borrow under these agreements is subject to its compliance with financial covenants and other restrictions on an ongoing basis. The Operating Partnership was in compliance with such covenants at June 30, 2024.

While the Operating Partnership generally intends to hold its assets as long term investments, certain of its investments may be sold in order to manage the Operating Partnership's interest rate risk and liquidity needs, meet other operating objectives and adapt to market conditions. The timing and impact of future sales of its investments, if any, cannot be predicted with any certainty.

The Company has investment grade credit ratings from Moody's Investors Service (Baa2), S&P Global Ratings (BBB-) and Fitch Ratings (BBB).

Cash Flows

The following table summarizes, for the periods indicated, selected items in the Company's consolidated statements of cash flows (in thousands):

	Six Months Ended June 30,	
	2024	2023
Net Cash Provided by (Used in):		
Operating Activities	\$ 65,083	\$ 73,172
Investing Activities	\$ (89,682)	\$ (18,587)
Financing Activities	\$ 18,295	\$ (54,679)

Net Cash Flows from:

Operating Activities

Net cash flows provided by operating activities amounted to approximately \$65.1 million in the six months ended June 30, 2024, compared to approximately \$73.2 million in the comparable period in 2023. This decrease of approximately \$8.1 million during the six months ended June 30, 2024 is primarily related to an increase in interest expense and the timing of collections and payments of working capital accounts.

Investing Activities

Net cash flows used in investing activities amounted to approximately \$89.7 million in the six months ended June 30, 2024, compared to approximately \$18.6 million in the comparable period in 2023. This increase of approximately \$71.1 million for the six months ended June 30, 2024 is primarily due to the increase in investments in real estate of approximately \$71.1 million.

Financing Activities

Net cash flows provided by financing activities amounted to approximately \$18.3 million in the six months ended June 30, 2024, compared to net cash flows used in financing activities of approximately \$54.7 million in the comparable period in 2023. This increase in cash flows provided by financing activities of approximately \$73.0 million for the six months ended June 30, 2024 is primarily due to the net borrowings on the credit facility of \$89.0 million during the six months ended June 30, 2024, compared to the net pay downs on the credit facility of \$25.0 million in the comparative period in 2023 and a decrease in deferred financing costs of approximately \$5.7 million related to the Credit Facility Agreement. These fluctuations were offset by an increase in principal repayments on mortgages of approximately \$26.0 million related to the Fullerton Crossroads mortgage note repayment and an increase in dividends and distributions paid to common stockholders and OP Unitholders of approximately \$20.4 million.

Material Cash Requirements

The following table represents the Company's known contractual and other short-term (i.e., the next twelve months) and long-term (i.e., beyond the next twelve months) obligations as of June 30, 2024 (in thousands):

	Short-Term	Long-Term	Total
Material cash requirements:			
Mortgage Note Payable Principal	\$ 724	\$ 32,970	\$ 33,694
Mortgage Note Payable Interest	1,201	395	1,596
Term loan ⁽¹⁾	—	200,000	200,000
Credit facility ⁽²⁾	—	164,000	164,000
Senior Notes Due 2028 ⁽³⁾	23,625	432,688	456,313
Senior Notes Due 2027 ⁽³⁾	10,475	276,188	286,663
Senior Notes Due 2026 ⁽³⁾	7,900	211,850	219,750
Senior Notes Due 2024 ⁽⁴⁾	255,000	—	255,000
Operating lease obligations	1,366	32,533	33,899
Total	\$ 300,291	\$ 1,350,624	\$ 1,650,915

(1) The floating rate term loan accrues interest at the current rate of 5.7% as of June 30, 2024, which is inclusive of the Company's \$150.0 million swap agreements.

(2) The floating rate credit facility accrues interest at the current rate of 6.3% as of June 30, 2024.

(3) Represents payments of interest only in the short-term and payments of both principal and interest in the long-term.

(4) Represents payments of both principal and interest in the short-term.

The short-term and long-term liquidity requirements of the Company, including the Operating Partnership and its subsidiaries, consist primarily of the material cash requirements set forth above, dividends expected to be paid to the Company's stockholders, capital expenditures and capital required for acquisitions.

The Company, including the Operating Partnership and its subsidiaries, plans to satisfy its short-term liquidity requirements, including its material cash requirements, through operating cash flows, debt refinancings, potential asset sales and/or borrowings under the credit facility.

Historically, the Company, including the Operating Partnership and its subsidiaries, has financed its long-term liquidity requirements through operating cash flows, borrowings under the credit facility and term loan, debt refinancings, new debt, equity offerings and other capital market transactions, and/or the disposition of assets. The Company expects to continue doing so in the future. However, there can be no assurance that these sources will always be available to the Company when needed, or on terms the Company desires or that the future requirements of the Company will not be materially higher than the Company currently expects.

The Company has committed approximately \$8.8 million and \$753,000 in tenant improvements (including building and site improvements) and leasing commissions, respectively, for the new leases and renewals that occurred during the six months ended June 30, 2024.

Real Estate Taxes

The Company's leases generally require the tenants to be responsible for a pro-rata portion of the real estate taxes.

Inflation

The Company's long-term leases contain provisions to help manage the adverse impact of inflation on its operating results. Such provisions include clauses entitling the Company to receive (a) scheduled base rent increases and (b) percentage rents based upon tenants' gross sales which generally increase as prices rise. In addition, many of the Company's non-anchor leases are for terms of less than ten years, which permits the Company to seek increases in rents upon renewal at then-current market rates if rents provided in the expiring leases are below then-existing market rates. Most of the Company's leases require

tenants to pay a share of operating expenses, including common area maintenance, real estate taxes, insurance and utilities, thereby reducing the Company's exposure to increases in costs and operating expenses resulting from inflation.

Leverage Policies

The Company employs prudent amounts of leverage and uses debt as a means of providing additional funds for the acquisition of its properties and the diversification of its portfolio. The Company seeks to primarily utilize unsecured debt in order to maintain liquidity and flexibility in its capital structure.

Under the Term Loan Agreement, several banks acting as lenders agreed to provide \$300.0 million of unsecured borrowings. The maturity date of the term loan is January 20, 2025, without further options for extension. The Term Loan Agreement also provides that the Operating Partnership may from time to time request increased aggregate commitments of \$200.0 million under certain conditions set forth in the Term Loan Agreement, including the consent of the lenders to the additional commitments.

Under the Credit Facility Agreement, the Operating Partnership has borrowing capacity on the credit facility of up to \$600.0 million. The maturity date under the Credit Facility Agreement is March 2, 2027, with two six-month extension options, which may be exercised by the Operating Partnership upon satisfaction of certain conditions including the payment of extension fees. Additionally, the Credit Facility Agreement contains an accordion feature, which allows the Operating Partnership to increase the borrowing capacity under the Credit Facility Agreement up to an aggregate of \$1.2 billion, subject to lender consents and other conditions.

Further, the Operating Partnership issued \$350.0 million aggregate principal amount of unsecured senior notes in September 2023, \$250.0 million aggregate principal amount of unsecured senior notes in each of December 2017 and December 2014 and \$200.0 million aggregate principal amount of unsecured senior notes in September 2016, each of which were fully and unconditionally guaranteed by the Company.

The Company may borrow on a non-recourse basis at the corporate level or Operating Partnership level. Non-recourse indebtedness means the indebtedness of the borrower or its subsidiaries is secured only by specific assets without recourse to other assets of the borrower or any of its subsidiaries. Even with non-recourse indebtedness, however, a borrower or its subsidiaries will likely be required to guarantee against certain breaches of representations and warranties such as those relating to the absence of fraud, misappropriation, misapplication of funds, environmental conditions and material misrepresentations. Because non-recourse financing generally restricts the lender's claim on the assets of the borrower, the lender generally may only proceed against the asset securing the debt. This may protect the Company's other assets.

The Company plans to evaluate each investment opportunity and determine the appropriate leverage on a case-by-case basis and also on a Company-wide basis. The Company may seek to refinance indebtedness, such as when a decline in interest rates makes it beneficial to prepay an existing mortgage, when an existing mortgage matures or if an attractive investment becomes available and the proceeds from the refinancing can be used to purchase the investment.

The Company plans to finance future acquisitions through a combination of cash from operations, borrowings under the credit facility, the assumption of existing mortgage debt, the issuance of OP Units, equity and debt offerings, and the potential sale of existing assets. In addition, the Company may acquire retail properties indirectly through joint ventures with third parties as a means of increasing the funds available for the acquisition of properties.

Distributions

The Operating Partnership and ROIC intend to make regular quarterly distributions to holders of their OP Units and common stock, respectively. The Operating Partnership pays distributions to ROIC directly as a holder of units of the Operating Partnership, and indirectly to ROIC through distributions to Retail Opportunity Investments GP, LLC, a wholly owned subsidiary of ROIC. U.S. federal income tax law generally requires that a REIT distribute annually at least 90% of its REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gains, and that it pay U.S. federal income tax at regular corporate rates to the extent that it annually distributes less than 100% of its net taxable income. ROIC intends to pay regular quarterly dividends to its stockholders in an amount not less than its net taxable income, if and to the extent authorized by its board of directors. If ROIC's cash available for distribution is less than its net taxable income, ROIC could be required to sell assets or borrow funds to make cash distributions or ROIC may make a portion of the required distribution in the form of a taxable stock distribution or distribution of debt securities.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

The Company's primary market risk exposure is to changes in interest rates related to its debt. There is inherent rollover risk for borrowings as they mature and are renewed at current market rates. The extent of this risk is not quantifiable or predictable because of the variability of future interest rates and the Company's future financing requirements.

As a corporation that has elected to qualify as a REIT for U.S. federal income tax purposes, commencing with its taxable year ended December 31, 2010, ROIC's future income, cash flows and fair values relevant to financial instruments are dependent upon prevailing market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates. The Company will be exposed to interest rate changes primarily as a result of long-term debt used to acquire properties and make real estate-related debt investments. The Company's interest rate risk management objectives will be to limit the impact of interest rate changes on earnings and cash flows and to lower overall borrowing costs. To achieve these objectives, the Company expects to borrow primarily at fixed rates or variable rates with the lowest margins available and, in some cases, with the ability to convert variable rates to fixed rates. In addition, the Company may use derivative financial instruments to manage interest rate risk. The Company will not use derivatives for trading or speculative purposes and will only enter into contracts with major financial institutions based on their credit rating and other factors.

As of June 30, 2024, the Company had \$364.0 million of variable rate debt outstanding. The Company primarily uses fixed-rate debt and interest rate swaps to manage its interest rate risk. The Company entered into interest rate swaps in order to economically hedge against the risk of rising interest rates that would affect the Company's interest expense related to its future anticipated debt issuances as part of its overall borrowing program. See the discussion under Note 9 of the accompanying consolidated financial statements for certain quantitative details related to the interest rate swaps. The sensitivity analysis table presented below shows the estimated instantaneous parallel shift in the yield curve up and down by 50 and 100 basis points, respectively, on the clean market value of its interest rate derivatives as of June 30, 2024, exclusive of non-performance risk (in thousands):

Swap Notional	Less 100 basis points	Less 50 basis points	June 30, 2024 Value	Increase 50 basis points	Increase 100 basis points
\$100,000	\$ 58	\$ 99	\$ 141	\$ 182	\$ 223
\$50,000	\$ 66	\$ 87	\$ 108	\$ 128	\$ 149

See Note 9 of the accompanying consolidated financial statements for a discussion on how the Company values derivative financial instruments. The Company calculates the value of its interest rate swaps based upon the present value of the future cash flows expected to be paid and received on each leg of the swap. The cash flows on the fixed leg of the swap are agreed to at inception and the cash flows on the floating leg of a swap change over time as interest rates change. To estimate the floating cash flows at each valuation date, the Company utilizes a forward curve which is constructed using SOFR fixings, SOFR futures, and SOFR OIS swap rates, which are observable in the market. Both the fixed and floating legs' cash flows are discounted at market discount factors. For purposes of adjusting its derivative valuations, the Company incorporates the nonperformance risk for both itself and its counterparties to these contracts based upon management's estimates of credit spreads, credit default swap spreads (if available) or IHS Markit ratings in order to derive a curve that considers the term structure of credit.

A 100 basis-point increase in short-term interest rates would have increased the Company's interest expense by approximately \$941,000 for the six months ended June 30, 2024.

Item 4. Controls and Procedures

Controls and Procedures (Retail Opportunity Investments Corp.)

ROIC's Chief Executive Officer and Chief Financial Officer, based on their evaluation of ROIC's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) required by paragraph (b) of Rule 13a-15 or Rule 15d-15, have concluded that as of the end of the period covered by this report, ROIC's disclosure controls and procedures were effective to give reasonable assurances to the timely collection, evaluation and disclosure of information relating to ROIC that would potentially be subject to disclosure under the Exchange Act and the rules and regulations promulgated thereunder.

During the six months ended June 30, 2024, there was no change in ROIC's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, ROIC's internal control over financial reporting.

Controls and Procedures (Retail Opportunity Investments Partnership, LP)

The Company's Chief Executive Officer and Chief Financial Officer, based on their evaluation of the Operating Partnership's disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) required by paragraph (b) of Rule 13a-15 or Rule 15d-15, have concluded that as of the end of the period covered by this report, the Operating Partnership's disclosure controls and procedures were effective to give reasonable assurances to the timely collection, evaluation and disclosure of information relating to the Operating Partnership that would potentially be subject to disclosure under the Exchange Act and the rules and regulations promulgated thereunder.

During the six months ended June 30, 2024, there was no change in the Operating Partnership's internal control over financial reporting that has materially affected, or is reasonably likely to materially affect, the Operating Partnership's internal control over financial reporting.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

We are not involved in any material litigation nor, to our knowledge, is any material litigation pending or threatened against us, other than routine litigation arising out of the ordinary course of business or which is expected to be covered by insurance and not expected to harm our business, financial condition or results of operations.

Item 1A. Risk Factors

See our Annual Report on Form 10-K for the year ended December 31, 2023. There have been no significant changes to our risk factors during the six months ended June 30, 2024.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

<u>2.1</u>	<u>Articles of Merger between Retail Opportunity Investments Corp., a Delaware corporation, and Retail Opportunity Investments Corp., a Maryland corporation, as survivor.</u> ⁽¹⁾
<u>3.2</u>	<u>Articles of Amendment and Restatement of Retail Opportunity Investments Corp.</u> ⁽¹⁾
<u>3.3</u>	<u>Second Amended and Restated Bylaws of Retail Opportunity Investments Corp.</u> ⁽²⁾
<u>3.4</u>	<u>Second Amended and Restated Agreement of Limited Partnership of Retail Opportunity Investments Partnership, LP by and among Retail Opportunity Investments GP, LLC as general partner, Retail Opportunity Investments Corp. and the other limited partners thereto, dated as of September 27, 2013.</u> ⁽³⁾
<u>31.1</u>	<u>Certification of Chief Executive Officer pursuant to Section 302 of Sarbanes-Oxley Act of 2002.</u>
<u>31.2</u>	<u>Certification of Chief Financial Officer pursuant to Section 302 of Sarbanes-Oxley Act of 2002.</u>
<u>32.1</u>	<u>Certification of Chief Executive and Chief Financial Officer pursuant to 18 U.S.C. Section 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document.
104	The cover page from this Quarterly Report on Form 10-Q for the quarter ended June 30, 2024, formatted in Inline XBRL (and contained in Exhibit 101).

(1) Incorporated by reference to the Company's current report on Form 8-K filed on June 3, 2011.

(2) Incorporated by reference to the Company's current report on Form 8-K filed on September 23, 2022.

(3) Incorporated by reference to the Company's current report on Form 8-K filed on October 2, 2013.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

RETAIL OPPORTUNITY INVESTMENTS CORP.

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP,
by Retail Opportunity Investments GP, LLC, its sole general partner

Registrant

Registrant

/s/ Stuart A. Tanz

Name: Stuart A. Tanz

Title: *Chief Executive Officer*

Date: July 24, 2024

/s/ Stuart A. Tanz

Name: Stuart A. Tanz

Title: *Chief Executive Officer*

Date: July 24, 2024

/s/ Michael B. Haines

Name: Michael B. Haines

Title: *Chief Financial Officer*

Date: July 24, 2024

/s/ Michael B. Haines

Name: Michael B. Haines

Title: *Chief Financial Officer*

Date: July 24, 2024

RETAIL OPPORTUNITY INVESTMENTS CORP.
CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Stuart A. Tanz, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Retail Opportunity Investments Corp.;
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: July 24, 2024

By: /s/ Stuart A. Tanz
Name: Stuart A. Tanz
Title: Chief Executive Officer

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
CERTIFICATION OF CHIEF EXECUTIVE OFFICER

I, Stuart A. Tanz, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Retail Opportunity Investments Partnership, LP;
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: July 24, 2024

By: /s/ Stuart A. Tanz

Name: Stuart A. Tanz

Title: Chief Executive Officer

RETAIL OPPORTUNITY INVESTMENTS CORP.
CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Michael B. Haines, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Retail Opportunity Investments Corp.;
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: July 24, 2024

By: /s/ Michael B. Haines
Name: Michael B. Haines
Title: Chief Financial Officer

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
CERTIFICATION OF CHIEF FINANCIAL OFFICER

I, Michael B. Haines, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Retail Opportunity Investments Partnership, LP;
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: July 24, 2024

By: /s/ Michael B. Haines

Name: Michael B. Haines

Title: Chief Financial Officer

RETAIL OPPORTUNITY INVESTMENTS CORP.
Certification of Chief Executive Officer and Chief Financial Officer
Pursuant to
18 U.S.C. Section 1350
as adopted pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002

The undersigned, the Chief Executive Officer of Retail Opportunity Investments Corp. (the "Company"), hereby certifies to the best of his knowledge on the date hereof, pursuant to 18 U.S.C. 1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the "Form 10-Q"), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 24, 2024

By: /s/ Stuart A. Tanz
Name: Stuart A. Tanz
Title: Chief Executive Officer

The undersigned, the Chief Financial Officer of Retail Opportunity Investments Corp. (the "Company"), hereby certifies to the best of his knowledge on the date hereof, pursuant to 18 U.S.C. 1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the "Form 10-Q"), filed concurrently herewith by the Company, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: July 24, 2024

By: /s/ Michael B. Haines
Name: Michael B. Haines
Title: Chief Financial Officer

Pursuant to the Securities and Exchange Commission Release 33-8238, dated June 5, 2003, this certification is being furnished and shall not be deemed filed by the Company for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any registration statement of the Company filed under the Securities Act of 1933, as amended.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

RETAIL OPPORTUNITY INVESTMENTS PARTNERSHIP, LP
Certification of Chief Executive Officer and Chief Financial Officer
Pursuant to
18 U.S.C. Section 1350
as adopted pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002

The undersigned, the Chief Executive Officer of Retail Opportunity Investments Corp, the sole member of Retail Opportunity Investments GP, LLC, the sole general partner of Retail Opportunity Investments Partnership, LP (the "Operating Partnership"), hereby certifies to the best of his knowledge on the date hereof, pursuant to 18 U.S.C. 1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the "Form 10-Q"), filed concurrently herewith by the Operating Partnership, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Date: July 24, 2024

By: /s/ Stuart A. Tanz
Name: Stuart A. Tanz
Title: Chief Executive Officer

The undersigned, the Chief Financial Officer of Retail Opportunity Investments Corp, the sole member of Retail Opportunity Investments GP, LLC, the sole general partner of Retail Opportunity Investments Partnership, LP (the "Operating Partnership"), hereby certifies to the best of his knowledge on the date hereof, pursuant to 18 U.S.C. 1350(a), as adopted pursuant to Section 906 of The Sarbanes-Oxley Act of 2002, that the Quarterly Report on Form 10-Q for the quarter ended June 30, 2024 (the "Form 10-Q"), filed concurrently herewith by the Operating Partnership, fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended, and that the information contained in the Form 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Operating Partnership.

Date: July 24, 2024

By: /s/ Michael B. Haines
Name: Michael B. Haines
Title: Chief Financial Officer

Pursuant to the Securities and Exchange Commission Release 33-8238, dated June 5, 2003, this certification is being furnished and shall not be deemed filed by the Operating Partnership for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or incorporated by reference in any registration statement of the Operating Partnership filed under the Securities Act of 1933, as amended.

A signed original of this written statement required by Section 906 has been provided to the Operating Partnership and will be retained by the Operating Partnership and furnished to the Securities and Exchange Commission or its staff upon request.