



Armada Hoffer Unveils Bold New Strategic Direction to Drive Long-Term Shareholder Value and Launches as AH Realty Trust

February 16, 2026

Executing a fundamental business restructuring to eliminate complexity, strengthen the balance sheet, and relentlessly focus on operating a streamlined real estate platform:

- *Exiting the multifamily property sector to unlock embedded value, reduce leverage and sharpen focus on retail and office properties*
- *Divesting construction and real estate financing businesses*
- *Aligning long-term performance with shareholder value creation through redesigned executive compensation structures*
- *Launching AH Realty Trust, effective March 2, 2026, a new corporate identity that reflects the fundamental restructuring of the business*
- *Launching under new NYSE tickers, AHRT and AHRT-PrA, effective March 2, 2026*

VIRGINIA BEACH, Va., Feb. 16, 2026 (GLOBE NEWSWIRE) -- Armada Hoffer (NYSE: AHH) today announced that it is launching the Company under a new name, AH Realty Trust, reflecting a company-wide transformation that fundamentally repositions the business and establishes a bold new strategic direction. Following a rigorous, year-long examination of every part of the organization, the Company has rebuilt its strategy, operating model, and capital allocation priorities to create a leaner, more disciplined, and durable platform explicitly designed to strengthen the balance sheet and establish a foundation for future growth to drive long-term shareholder value.

The Company has entered into a letter of intent with a global real estate investment management firm for the potential sale of 11 of the 14 multifamily assets in its portfolio, following a strategic and targeted process that generated strong interest from multiple qualified parties. In addition, the Company is under letters of intent relating to the potential sale of its construction business and a majority of its real estate financing platform investments. While the Company continues to take a disciplined and prudent approach, meaningful progress has been made to date, supporting the Company's expectation that these transactions will be completed during 2026. The Company intends to provide updates as definitive agreements are executed and transactions are completed.

Proceeds from these capital recycling initiatives will be directed first toward debt reduction, supporting the Company's long-term target of 5.5x–6.5x net debt/total adjusted EBITDA. These actions strengthen the balance sheet while positioning the Company for disciplined growth, lower risk, and the operational flexibility to capitalize on opportunities across market cycles.

"This is a fundamental reset of the Company and a clear declaration of where we are focused: long term value creation over short term earnings," said Shawn Tibbetts, Chairman, President and Chief Executive Officer. "We are rebuilding every part of the organization and operational excellence is our guiding principle, informing every decision we make. We believe, with significantly reduced leverage and a streamlined operating model, we will be a stronger, leaner, and more agile firm, better positioned to produce predictable earnings and sustainable cash-flow growth. Our team has worked relentlessly to execute this transformation, and we are confident this platform is positioned to deliver durable cash flows and disciplined growth. This to me is the definition of shareholder value."

The Company's new investment mandate is primarily centered on expanding its retail real estate portfolio, reflecting strong conviction in the segment's durable cash flow profile and growth potential. The Company intends to target investments in markets with strong fundamentals that support sustained future rent growth.

"As we execute this transition, we are evaluating a targeted pipeline of acquisition opportunities in markets with fundamentals that align with where we already operate best," said Tibbetts. "We will leverage our internal competencies, data-driven approach, deep

market knowledge, long-standing partner and vendor relationships, tenant credit strength, and experiential retail demand to position our portfolio for sustained long-term performance.”

The Company commenced a comprehensive turnaround in 2025 to simplify the business and strengthen operational excellence. As part of this transformation, the Company rightsized its dividend in 2025 to align with stabilized, recurring cash flows and ensure long-term sustainability, instituted a disciplined capital allocation approach centered on shareholder interests, and began realigning relationships with property management and development partners to enhance local expertise, improve execution in core markets, and support long-term value creation. Additionally, the Company consolidated its headquarters into more efficient and cost-effective space, positioning it to lease its former Class A offices to third parties at premium market rents. Collectively, these actions reinforce the Company’s commitment to its shareholders and are designed to maximize quality and returns.

This transformation coincides with President and CEO, Shawn Tibbetts, assuming the role of Chairman of the Board effective January 1, 2026, providing unified leadership as the Company advances its strategic plan. Leadership enhancements include the expansion of the executive team with cross-industry expertise spanning finance, operations, logistics, and infrastructure to drive operational execution and challenge conventional norms; the redistribution of operating responsibilities across the leadership team as part of a thoughtful succession strategy to strengthen accountability, agility, and efficiency; the modernization of the executive compensation program to directly align with shareholder return metrics; and the continued refresh of the Board of Directors, including the addition of two new independent directors over the past two years and the implementation of age limits to promote ongoing renewal and diverse perspectives.

“This is about delivering tangible, long-term value for our shareholders,” said Tibbetts. “We are streamlining the business, strengthening the balance sheet, and focusing relentlessly on owning and operating high-performing retail and office assets. These actions will position the Company to generate consistent cash flows, disciplined growth, and superior risk-adjusted returns. Our team is aligned, accountable, and executing with rigor - every decision we make is measured against its ability to create lasting value for investors.”

The Company’s new name, AH Realty Trust, Inc., is expected to become effective on March 2, 2026. In connection with the name change, the Company’s operating partnership will be renamed “AH Realty Trust, LP,” which is also expected to be effective March 2, 2026.

In connection with the name change, effective March 2, 2026, the Company’s trading symbols on the NYSE will change from “AHH” to “AHRT” for the Company’s common stock and from “AHH PrA” to “AHRT PrA” for the Company’s Series A Preferred Stock.

While the Company’s rebrand will shape the way it carries out its mission to deliver value to shareholders, it will not impact key components such as its organizational structure, stockholder rights or its qualification as a REIT for U.S. federal income tax purposes. The Company’s outstanding securities will remain valid, and no action is required by securityholders because of the name or ticker changes. There will be no change to the Company’s CUSIP numbers in connection with the name and ticker symbol changes.

The Company’s new corporate website, www.ahrealtytrust.com, will go live on March 2, 2026.

About Armada Hoffer Properties, Inc.

Armada Hoffer Properties, Inc. (NYSE: AHH) is a vertically integrated, self-managed real estate investment trust (“REIT”) with four decades of experience developing, building, acquiring, and managing high-quality, institutional-grade office, retail, and multifamily properties located primarily in the Mid-Atlantic and Southeastern United States. Founded in 1979 by Daniel A. Hoffer, the Company has elected to be taxed as a REIT for U.S. federal income tax purposes. For more information visit ArmadaHoffer.com.

Forward Looking Statements

Certain matters within this press release are discussed using forward-looking language as specified in the Private Securities Litigation Reform Act of 1995, and, as such, may involve known and unknown risks, uncertainties and other factors that may cause the actual results or performance to differ from those projected in the forward-looking statements. These forward-looking statements include, but are not limited to, statements regarding: the Company’s business restructuring and strategic transformation; the anticipated sale of the Company’s multifamily assets, the construction business, and investments in the real estate financing platform; the expected use of proceeds from such transactions, including debt reduction and achievement of the Company’s targeted leverage ratio; the Company’s ability to strengthen its balance sheet and generate consistent, long-term shareholder value; the Company’s future investment strategy, including potential acquisitions and expansion of its commercial real estate platform; the anticipated timing and effectiveness of the Company’s rebranding to AH Realty Trust; and the Company’s expectations regarding durable cash flows, disciplined growth, and operational excellence. The forward-looking statements presented herein are based on the Company’s current expectations. For a description of factors that may cause the Company’s actual results or performance to differ from its forward-looking statements, please review the information under the heading “Risk Factors” included in the Company’s Annual Report on Form 10-K for the year ended December 31, 2024, and the other documents filed by the Company with the Securities and Exchange Commission from time to time. The Company expressly disclaims any obligation or undertaking to update or revise any forward-looking statement contained herein, to reflect any change in the Company’s expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except to the extent otherwise required by applicable law.

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