



Earnings Release and Supplemental

Q4 2023



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VERIS RESIDENTIAL, INC.

NEWS RELEASE

For Immediate Release

**Veris Residential, Inc.
Reports Fourth Quarter and Full Year 2023 Results**

JERSEY CITY, N.J., Feb. 21, 2024 -- Veris Residential, Inc. (NYSE: VRE) (the "Company"), a forward-thinking, environmentally and socially conscious multifamily REIT, today reported results for the fourth quarter and full year 2023.

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|-------------------------------------|---------------------------------|--------|----------------------------------|----------|
| | 2023 | 2022 | 2023 | 2022 |
| Net Income (Loss) per Diluted Share | \$(0.06) | \$0.34 | \$(1.22) | \$(0.63) |
| Core FFO per Diluted Share | \$0.12 | \$0.05 | \$0.53 | \$0.44 |
| Dividends Declared per Share | \$0.0525 | \$- | \$0.1025 | \$- |

ANOTHER YEAR OF OPERATIONAL OUTPERFORMANCE

- Grew Core FFO per share to \$0.53, an increase of 20% compared to last year.
- Exceeded upper end of NOI guidance, achieving 17.6% annual growth, driven by strong revenue growth and effective expense mitigation measures.
- Further improved NOI margin to 64% from 62% in 2022 and 57% in 2021.
- Same Store multifamily Blended Net Rental Growth Rate of 5.0% for the quarter and 9.3% for the year.
- Reduced Core G&A by 13% compared to 2022.
- Reinstated quarterly dividend, subsequently raising it by 5% in the fourth quarter.
- Recognized by Nareit for leadership in sustainability and DEI efforts.

COMPLETED TRANSFORMATION TO A PURE-PLAY MULTIFAMILY REIT

- Sold over \$700 million of non-strategic assets since the beginning of 2023, comprising eight properties and four land parcels.
- Signed a binding contract to sell Harborside 5, our last office property, for \$85 million in January 2024.
- Negotiated the early redemption of Rockpoint's preferred interest for \$520 million.
- Refinanced \$400 million of debt and reduced overall indebtedness by \$50 million.

| | December 31, 2023 | December 31, 2022 | % Change |
|---------------------------------------|-------------------|-------------------|----------|
| Operating Units | 7,681 | 6,931 | 10.8% |
| % Physical Occupancy | 94.4% | 95.3% | (1.0)% |
| Same Store Units | 6,691 | 5,825 | 14.9% |
| Same Store Occupancy | 94.4% | 95.6% | (1.3)% |
| Same Store Blended Rental Growth Rate | 5.0% | 11.7% | (57.3)% |
| Average Rent per Home | \$3,792 | \$3,482 | 8.9% |

Mahbod Nia, Chief Executive Officer, commented: "Over the past three years, we have successfully transformed Veris Residential from a complex company to a pure-play multifamily REIT underpinned by a high-quality portfolio of Class A properties and a vertically integrated, best-in-class operating platform. While we have built a strong foundation to date, the potential for continued value creation and relative outperformance as we mature as a multifamily company is tremendous. We look forward to this next phase, during which we will work to further optimize our operations, capital and balance sheet to the benefit of our stakeholders."

SAME STORE PORTFOLIO PERFORMANCE

| | 2023 Actual Growth | Original Guidance Range for 2023 | Adjusted Guidance Range from Previous Quarter |
|---------------------------|--------------------|----------------------------------|---|
| Same Store Revenue Growth | 11.0% | 4-6% | 9-10% |
| Same Store Expense Growth | 0.4% | 4-6% | 2-3% |
| Same Store NOI Growth | 17.6% | 4-6% | 14-15% |

The following table presents a more detailed breakout of Same Store performance:

| | Three Months Ended December 31, | | | Twelve Months Ended December 31, | | |
|--------------------------------|---------------------------------|-----------------|---------------|----------------------------------|------------------|--------------|
| | 2023 | 2022 | % | 2023 | 2022 | % |
| Total Property Revenue | \$61,497 | \$57,133 | 7.6% | \$241,078 | \$217,284 | 11.0% |
| Controllable Expenses | 11,729 | 11,191 | 4.8% | 44,558 | 42,773 | 4.2% |
| Non-Controllable Expenses | 10,693 | 12,169 | (12.1)% | 40,260 | 41,669 | (3.4)% |
| Total Property Expenses | 22,422 | 23,360 | (4.0)% | 84,818 | 84,442 | 0.4% |
| Same Store NOI | \$39,075 | \$33,773 | 15.7% | \$156,260 | \$132,842 | 17.6% |

Haus25 and The James will be added to the Same Store pool in the first quarter of this year. These properties contributed over \$8 million to NOI in the fourth quarter.

TRANSACTION ACTIVITY

In 2023, the Company closed over \$660 million of non-strategic sales, including two hotel properties, five office properties and three land plots.

| Quarter | Gross Price (000s) |
|---------|--------------------|
| 1Q | \$105,000 |
| 2Q | \$420,000 |
| 3Q | \$46,000 |
| 4Q | \$89,000 |

In October 2023, the Company closed on the sales of Harborside 4, 3 Campus and 23 Main for a combined gross price of \$89 million, releasing approximately \$82 million in net proceeds.

Subsequent to year end, the Company closed on the sales of 2 Campus and The Metropolitan Lofts joint venture for a combined gross price of \$40 million, releasing approximately \$16 million in net proceeds.

Currently, \$139 million of non-strategic assets remain under binding contract, including our last office property, Harborside 5.

FINANCE AND LIQUIDITY

As of February 20, 2024, available liquidity is approximately \$95 million, taking into account cash on hand and the capacity of the Revolver. Virtually all (99.9%) of the Company's debt is hedged or fixed. The Company's total debt portfolio has a weighted average rate of 4.5% and weighted average maturity of 3.7 years.

| Balance Sheet Metric | Three Months Ended December 31, | |
|------------------------------------|---------------------------------|-----------|
| | 2023 | 2022 |
| Weighted Average Interest Rate | 4.5% | 4.4% |
| Weighted Average Years to Maturity | 3.7 years | 4.1 years |
| Net-Debt-to-Adjusted EBITDA | 13.8x | 13.5x |
| Annualized Adjusted EBITDA | 129,992 | 137,892 |
| Interest Coverage Ratio | 1.5x | 1.5x |

In the fourth quarter, the Company reestablished an "ATM" (At-the-Market) program, through which the Company may issue and sell, from time to time, up to \$100 million of shares of its common stock. The Company intends to use net proceeds from any sales of these shares under the ATM program for general corporate purposes.

The \$60 million Revolving Credit Facility ("Revolver") remains undrawn as of February 20, 2024.

ESG

Throughout the fourth quarter, the Company earned recognition from top real estate and business organizations for leadership in ESG, DEI and corporate stewardship. Most significantly, the Company was named a Leader in the Light by Nareit for superior sustainability efforts in the residential sector. The achievement partially reflects the results of theGRESB Annual Survey, through which the Company was honored as a Global Listed and Regional Sector Leader with a second-consecutive 5 Star rating. The Company was also awarded Nareit's Bronze Diversity, Equity & Inclusion Recognition.

DIVIDEND POLICY

As previously announced, the Company's Board of Directors declared a quarterly dividend on its common stock for the fourth quarter 2023 in the amount of \$0.0525 per share, an increase of 5% from the previous dividend. The dividend was paid on January 10th.

OPERATIONAL GUIDANCE

Recognizing the tremendous operational outperformance realized in 2023 while also considering the state of the current market and potential for Veris to achieve continued positive growth, the Company is establishing its 2024 guidance ranges in accordance with the following table:

| 2024 Guidance Ranges | Low | | High |
|---------------------------|------|---|------|
| Same Store Revenue Growth | 4.0% | – | 5.0% |
| Same Store Expense Growth | 5.0% | – | 6.0% |
| Same Store NOI Growth | 2.5% | – | 5.0% |

| Core FFO per Share Guidance | Low | | High |
|----------------------------------|----------|---|----------|
| Net Loss per Share | \$(0.40) | – | \$(0.35) |
| Add back: Depreciation per Share | \$0.88 | – | \$0.88 |
| Core FFO per Share | \$0.48 | – | \$0.53 |

CONFERENCE CALL/SUPPLEMENTAL INFORMATION

An earnings conference call with management is scheduled for Thursday, February 22, 2024, at 8:30 a.m. Eastern Time and will be broadcast live via the Internet at: <http://investors.verisresidential.com/>.

The live conference call is also accessible by dialing (877) 451-6152 (domestic) or (201) 389-0879 (international) and requesting the Veris Residential fourth quarter 2023 earnings conference call.

The conference call will be rebroadcast on Veris Residential, Inc.'s website at: <http://investors.verisresidential.com/> beginning at 8:30 a.m. Eastern Time on Thursday, February 22, 2024.

A replay of the call will also be accessible Thursday, February 22, 2024, through Friday, March 22, 2024, by calling (844) 512-2921 (domestic) or (412) 317-6671 (international) and using the passcode, 13743562.

Copies of Veris Residential, Inc.'s 2023 Form 10-K and fourth quarter 2023 Supplemental Operating and Financial Data are available on Veris Residential, Inc.'s website: Financial Results

In addition, once filed, these items will be available upon request from:
Veris Residential, Inc. Investor Relations Department
Harborside 3, 210 Hudson St., Ste. 400, Jersey City, New Jersey 07311

ABOUT THE COMPANY

Veris Residential, Inc. is a forward-thinking, environmentally and socially conscious real estate investment trust (REIT) that primarily owns, operates, acquires and develops holistically-inspired, Class A multifamily properties that meet the sustainability-conscious lifestyle needs of today's residents while seeking to positively impact the communities it serves and the planet at large. The company is guided by an experienced management team and Board of Directors and is underpinned by leading corporate governance principle; a best-in-class and sustainable approach to operations; and an inclusive culture based on equality and meritocratic empowerment.

For additional information on Veris Residential, Inc. and our properties available for lease, please visit <http://www.verisresidential.com/>.

The information in this press release must be read in conjunction with, and is modified in its entirety by, the Quarterly Report on Form 10-K (the "10-K") filed by the Company for the same period with the Securities and Exchange Commission (the "SEC") and all of the Company's other public filings with the SEC (the "Public Filings"). In particular, the financial information contained herein is subject to and qualified by reference to the financial statements contained in the 10-K, the footnotes thereto and the limitations set forth therein. Investors may not rely on the press release without reference to the 10-K and the Public Filings.

We consider portions of this information, including the documents incorporated by reference, to be forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 21E of such act. Such forward-looking statements relate to, without limitation, our future economic performance, plans and objectives for future operations and projections of revenue and other financial items. Forward-looking statements can be identified by the use of words such as "may," "will," "plan," "potential," "projected," "should," "expect," "anticipate," "estimate," "target," "continue" or comparable terminology. Forward-looking statements are inherently subject to certain risks, trends and uncertainties, many of which we cannot predict with accuracy and some of which we might not even anticipate. Although we believe that the expectations reflected in such forward-looking statements are based upon reasonable assumptions at the time made, we can give no assurance that such expectations will be achieved. Future events and actual results, financial and otherwise, may differ materially from the results discussed in the forward-looking statements. Readers are cautioned not to place undue reliance on these forward-looking statements and are advised to consider the factors listed above together with the additional factors under the heading "Disclosure Regarding Forward-Looking Statements" and "Risk Factors" in the Company's Annual Report on Form 10-K, as may be supplemented or amended by the Company's Quarterly Reports on Form 10-Q, which are incorporated herein by reference. The Company assumes no obligation to update or supplement forward-looking statements that become untrue because of subsequent events, new information or otherwise, except as required under applicable law.

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Additional details on [Company Information](#) page.

Consolidated Balance Sheet

(in thousands) (unaudited)

| ASSETS | December 31, 2023 | | | December 31, 2022 |
|--|--------------------|------------------|--------------------|--------------------|
| | Multifamily | Office/Corp. | Total | |
| Rental property | | | | |
| Land and leasehold interests | \$468,556 | \$5,943 | \$474,499 | \$492,204 |
| Buildings and improvements | 2,642,626 | 139,842 | 2,782,468 | 3,332,315 |
| Tenant improvements | 7,866 | 23,042 | 30,908 | 122,509 |
| Furniture, fixtures and equipment | 96,057 | 7,556 | 103,613 | 99,094 |
| | 3,215,105 | 176,383 | 3,391,488 | 4,046,122 |
| Less - accumulated depreciation and amortization | (345,386) | (98,395) | (443,781) | (631,910) |
| | 2,869,719 | 77,988 | 2,947,707 | 3,414,212 |
| Real estate held for sale, net | 58,608 | – | 58,608 | 193,933 |
| Net investment in rental property | 2,928,327 | 77,988 | 3,006,315 | 3,608,145 |
| Cash and cash equivalents | 6,685 | 21,322 | 28,007 | 26,782 |
| Restricted cash | 19,891 | 6,681 | 26,572 | 20,867 |
| Investments in unconsolidated joint ventures | 117,954 | – | 117,954 | 126,158 |
| Unbilled rents receivable, net | 1,558 | 3,942 | 5,500 | 39,734 |
| Deferred charges and other assets, net ^{1,2} | 43,392 | 10,564 | 53,956 | 96,162 |
| Accounts receivable | 1,796 | 946 | 2,742 | 2,920 |
| Total Assets | \$3,119,603 | \$121,443 | \$3,241,046 | \$3,920,768 |
| LIABILITIES & EQUITY | | | | |
| Mortgages, loans payable and other obligations, net | 1,853,897 | – | 1,853,897 | 1,903,977 |
| Dividends and distributions payable | – | 5,540 | 5,540 | 110 |
| Accounts payable, accrued expenses and other liabilities | 30,341 | 25,151 | 55,492 | 72,041 |
| Rents received in advance and security deposits | 11,590 | 3,395 | 14,985 | 22,941 |
| Accrued interest payable | 6,580 | – | 6,580 | 7,131 |
| Total Liabilities | 1,902,408 | 34,086 | 1,936,494 | 2,006,200 |
| Redeemable noncontrolling interests | – | 24,999 | 24,999 | 515,231 |
| Total Stockholders'/Members Equity | 1,182,056 | (44,578) | 1,137,478 | 1,235,685 |
| Noncontrolling interests in subsidiaries: | | | | |
| Operating Partnership | – | 107,206 | 107,206 | 126,109 |
| Consolidated joint ventures | 35,139 | (270) | 34,869 | 37,543 |
| Total Noncontrolling Interests in Subsidiaries | \$35,139 | \$106,936 | \$142,075 | \$163,652 |
| Total Equity | \$1,217,195 | \$62,358 | \$1,279,553 | \$1,399,337 |
| Total Liabilities and Equity | \$3,119,603 | \$121,443 | \$3,241,046 | \$3,920,768 |

¹Includes mark-to-market lease intangible net assets of \$10,034 and mark-to-market lease intangible net liabilities of \$298 as of 4Q 2023.

²Includes Prepaid Expenses and Other Assets attributable to Multifamily of \$29,481 as follows: (i) deposits of \$4,819, (ii) other receivables of \$14,544, (iii) other prepaid/assets of \$8,882, and (iv) prepaid taxes of \$1,236.

Consolidated Statement of Operations

(In thousands, except per share amounts) (unaudited)^{1,2}

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|---------------------------------|-----------------|----------------------------------|-------------------|
| | 2023 | 2022 | 2023 | 2022 |
| REVENUES | | | | |
| Revenue from leases | \$66,183 | \$60,032 | \$252,144 | \$206,052 |
| Real estate services | 1,084 | 888 | 3,868 | 3,581 |
| Parking income | 4,462 | 4,160 | 18,036 | 15,819 |
| Other income | 1,188 | 2,104 | 5,811 | 7,996 |
| Total revenues | 72,917 | 67,184 | 279,859 | 233,448 |
| EXPENSES | | | | |
| Real estate taxes | 11,077 | 12,447 | 40,810 | 39,112 |
| Utilities | 2,293 | 2,191 | 9,922 | 8,921 |
| Operating services | 16,364 | 13,443 | 57,925 | 52,797 |
| Real estate services expenses | 4,323 | 2,514 | 14,188 | 10,549 |
| General and administrative | 9,992 | 12,221 | 44,472 | 56,014 |
| Transaction-related costs | 576 | 2,119 | 7,627 | 3,468 |
| Depreciation and amortization | 23,046 | 23,619 | 93,589 | 85,434 |
| Property impairments | 32,516 | – | 32,516 | – |
| Land and other impairments, net | 5,928 | – | 9,324 | 9,368 |
| Total expenses | 106,115 | 68,554 | 310,373 | 265,663 |
| OTHER (EXPENSE) INCOME | | | | |
| Interest expense | (21,933) | (21,215) | (89,355) | (66,381) |
| Interest cost of mandatorily redeemable noncontrolling interests | – | – | (49,782) | – |
| Interest and other investment income | 232 | 102 | 5,515 | 729 |
| Equity in earnings (loss) of unconsolidated joint ventures | 260 | (647) | 3,102 | 1,200 |
| Realized gains (losses) and unrealized gains (losses) on disposition of rental property, net | (3) | – | – | – |
| Gain (loss) on disposition of developable land | 7,090 | (486) | 7,068 | 57,262 |
| Loss from extinguishment of debt, net | (1,903) | – | (5,606) | (129) |
| Other income, net | 77 | – | 2,871 | – |
| Total other income (expense), net | (16,180) | (22,246) | (126,187) | (7,319) |
| Loss from continuing operations before income tax expense | (49,378) | (23,616) | (156,701) | (39,534) |
| Provision for income taxes | (199) | – | (492) | – |
| Loss from continuing operations after income tax expense | (49,577) | (23,616) | (157,193) | (39,534) |
| (Loss) income from discontinued operations | (140) | (12,547) | 3,150 | (64,704) |
| Realized gains (losses) and unrealized gains (losses) on disposition of rental property and impairments, net | 43,971 | 77,057 | 41,682 | 69,353 |
| Total discontinued operations, net | 43,831 | 64,510 | 44,832 | 4,649 |
| Net (loss) income | (5,746) | 40,894 | (112,361) | (34,885) |
| Noncontrolling interest in consolidated joint ventures | 504 | 595 | 2,319 | 3,079 |
| Noncontrolling interests in Operating Partnership of income from continuing operations | 4,252 | 2,723 | 14,267 | 5,652 |
| Noncontrolling interests in Operating Partnership in discontinued operations | (3,776) | (5,975) | (3,872) | (378) |
| Redeemable noncontrolling interests | (285) | (6,366) | (7,618) | (25,534) |
| Net (loss) income available to common shareholders | \$(5,051) | \$31,871 | \$(107,265) | \$(52,066) |
| Basic earnings per common share: | | | | |
| Net loss available to common shareholders | \$(0.06) | \$0.34 | \$(1.22) | \$(0.63) |
| Diluted earnings per common share: | | | | |
| Net loss available to common shareholders | \$(0.06) | \$0.34 | \$(1.22) | \$(0.63) |
| Basic weighted average shares outstanding | 92,240 | 91,115 | 91,883 | 91,046 |
| Diluted weighted average shares outstanding | 100,936 | 100,417 | 100,812 | 100,265 |

¹ For more details see [Reconciliation to Net Income \(Loss\) to NOI](#)

² For detailed contribution breakout see [Consolidated Statement of Operations \(Year-End\)](#)

FFO and Core FFO

(in thousands, except per share/unit amounts)

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|---|---------------------------------|----------------|----------------------------------|-----------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net income (loss) available to common shareholders | \$(5,051) | \$31,871 | \$(107,265) | \$(52,066) |
| Add (deduct): Noncontrolling interests in Operating Partnership | (4,252) | (2,723) | (14,267) | (5,652) |
| Noncontrolling interests in discontinued operations | 3,776 | 5,975 | 3,872 | 378 |
| Real estate-related depreciation and amortization on continuing operations ⁽¹⁾ | 25,428 | 25,949 | 103,049 | 95,103 |
| Real estate-related depreciation and amortization on discontinued operations | – | 5,036 | 5,335 | 26,370 |
| Property impairments on continuing operations | 32,516 | – | 32,516 | – |
| Property impairments on discontinued operations | – | 10,302 | – | 94,811 |
| Discontinued operations: Gain on sale from unconsolidated joint ventures | – | (7,677) | – | (7,677) |
| Continuing operations: Realized (gains) losses and unrealized (gains) losses on disposition of rental property, net | 3 | – | – | – |
| Discontinued operations: Realized (gains) losses and unrealized (gains) losses on disposition of rental property, net | (4,700) | (69,380) | (2,411) | (61,676) |
| FFO⁽²⁾ | \$47,720 | \$(647) | \$20,829 | \$89,591 |
| <i>Add/(Deduct):</i> | | | | |
| Loss from extinguishment of debt, net | 1,903 | 1,014 | 5,618 | 7,432 |
| Land and other impairments | 5,928 | – | 9,324 | 9,368 |
| Loss (gain) on disposition of developable land | (46,361) | 486 | (46,339) | (57,262) |
| Rebranding and Severance/Compensation related costs (G&A) | 129 | 1,836 | 7,987 | 14,080 |
| Rebranding and Severance/Compensation related costs (RE Services) | 829 | – | 1,128 | – |
| Rebranding and Severance/Compensation related costs (Operating Services) | – | – | 649 | – |
| Rockpoint buyout premium | – | – | 34,775 | – |
| Redemption value adjustment to mandatorily redeemable noncontrolling interests | – | – | 7,641 | – |
| Lease breakage fee, net | – | – | – | (22,664) |
| Amortization of derivative premium | 902 | 500 | 4,654 | 287 |
| Transaction related costs | 576 | 2,119 | 7,627 | 3,468 |
| Core FFO | \$11,626 | \$5,308 | \$53,893 | \$44,300 |
| Diluted weighted average shares/units outstanding ⁽⁶⁾ | 100,936 | 100,417 | 100,812 | 100,265 |
| Funds from operations per share-diluted | \$0.47 | \$(0.01) | \$0.21 | \$0.89 |
| Core Funds from Operations per share/unit-diluted | \$0.12 | \$0.05 | \$0.53 | \$0.44 |
| Dividends declared per common share | \$0.0525 | – | \$0.1025 | – |

See [Core FFO per Diluted Share](#) page.

See [Consolidated Statements of Operations Footnotes](#) page.

See [Non GAAP Financial Definitions](#).

AFFO and Adjusted EBITDA

(\$ in thousands, except per share amounts) (unaudited)

| | Three Months Ended December 31, | | Twelve Months Ended December 31, | |
|--|---------------------------------|-----------------|----------------------------------|------------------|
| | 2023 | 2022 | 2023 | 2022 |
| Core FFO (calculated on previous page) | \$11,626 | \$5,308 | \$53,893 | \$44,300 |
| <u>Add (Deduct) Non-Cash Items:</u> | | | | |
| Straight-line rent adjustments ⁽³⁾ | 81 | (1,273) | 502 | 157 |
| Amortization of market lease intangibles, net | – | (30) | (80) | (155) |
| Amortization of lease inducements | 5 | 16 | 57 | 129 |
| Amortization of stock compensation | 3,270 | 2,829 | 12,995 | 11,339 |
| Non-real estate depreciation and amortization | 216 | 395 | 1,028 | 1,328 |
| Amortization of deferred financing costs | 1,255 | 1,219 | 4,440 | 4,821 |
| <u>Deduct:</u> | | | | |
| Non-incremental revenue generating capital expenditures: | | | | |
| Building improvements | (1,670) | (3,748) | (8,348) | (14,992) |
| Tenant improvements and leasing commissions ⁽⁴⁾ | (229) | (255) | (789) | (10,773) |
| Tenant improvements and leasing commissions on space vacant for more than one year | (659) | (4,546) | (1,205) | (23,823) |
| Core AFFO⁽²⁾ | \$13,895 | \$(85) | \$62,493 | \$12,331 |
| Core FFO (calculated on previous page) | \$11,626 | \$5,308 | \$53,893 | \$44,300 |
| <u>Deduct:</u> | | | | |
| Equity in (earnings) loss of unconsolidated joint ventures | (260) | 647 | (3,102) | (1,200) |
| Equity in earnings share of depreciation and amortization | (2,597) | (2,574) | (10,337) | (10,392) |
| <u>Add-back:</u> | | | | |
| Interest expense | 21,933 | 23,171 | 90,177 | 78,040 |
| Amortization of derivative premium | (902) | (500) | (4,654) | (287) |
| Recurring joint venture distributions | 2,718 | 2,471 | 11,700 | 12,000 |
| Noncontrolling interests in consolidated joint ventures | (504) | (595) | (2,319) | (3,079) |
| Interest cost of mandatorily redeemable noncontrolling interests | – | – | 7,366 | – |
| Redeemable noncontrolling interests | 285 | 6,366 | 7,618 | 25,534 |
| Provision for income taxes | 199 | 179 | 492 | 274 |
| Adjusted EBITDA | \$32,498 | \$34,473 | \$150,834 | \$145,190 |
| Net debt at period end ⁽⁵⁾ | 1,799,318 | 1,856,328 | 1,799,318 | 1,856,328 |
| Net debt to Adjusted EBITDA | 13.8x | 13.5x | 11.9x | 12.8x |

See [Consolidated Statements of Operations Footnotes](#) page.
See [Non GAAP Financial Definitions](#).

EBITDAre (Quarterly Comparison)

(\$ in thousands) (unaudited)

| | Three Months Ended December 31, | |
|---|---------------------------------|-----------------|
| | 2023 | 2022 |
| Net income (loss) available to common shareholders | \$(5,051) | \$31,871 |
| <u>Add/(Deduct):</u> | | |
| Noncontrolling interests in Operating Partnership of income from continuing operations | (4,252) | (2,723) |
| Noncontrolling interests in Operating Partnership in discontinued operations | 3,776 | 5,975 |
| Noncontrolling interests in consolidated joint ventures ^(a) | (504) | (595) |
| Redeemable noncontrolling interests | 285 | 6,366 |
| Interest expense | 21,933 | 23,171 |
| Provision for income taxes | 199 | 179 |
| Depreciation and amortization | 23,046 | 28,806 |
| <u>Deduct:</u> | | |
| Continuing operations: Realized (gains) losses and unrealized (gains) losses on disposition of rental property, net | 3 | – |
| Discontinued operations: Realized (gains) losses and unrealized (gains) losses on disposition of rental property, net | (4,700) | (69,380) |
| Discontinued operations: Gain on sale from unconsolidated joint ventures | – | (7,677) |
| Equity in (earnings) loss of unconsolidated joint ventures | (260) | 647 |
| <u>Add:</u> | | |
| Property impairments | 32,516 | 10,302 |
| Company's share of property NOI's in unconsolidated joint ventures ⁽¹⁾ | 7,768 | 6,694 |
| EBITDAre | \$74,759 | \$33,636 |
| <u>Add:</u> | | |
| Loss from extinguishment of debt, net | 1,903 | 1,014 |
| Severance and compensation-related costs | 129 | 1,836 |
| Transaction-related costs | 576 | 2,119 |
| Land and other impairments, net | 5,928 | – |
| Gain on disposition of developable land | (46,361) | 486 |
| Amortization of derivative premium | 902 | 500 |
| Adjusted EBITDAre | \$37,836 | \$39,591 |
| <u>(a) Noncontrolling interests in consolidated joint ventures:</u> | | |
| BLVD 425 | 72 | 6 |
| BLVD 401 | (568) | (600) |
| Port Imperial Garage South | (12) | – |
| Port Imperial Retail South | 29 | 16 |
| Other consolidated joint ventures | (25) | (17) |
| Net losses in noncontrolling interests | \$(504) | \$(595) |
| Depreciation in noncontrolling interest in consolidated joint ventures | 712 | 708 |
| Funds from operations - noncontrolling interest in consolidated joint ventures | \$208 | \$113 |
| Interest expense in noncontrolling interest in consolidated joint ventures | 789 | 791 |
| Net operating income before debt service in consolidated joint ventures | \$997 | \$904 |

See [Consolidated Statements of Operations Footnotes](#) page.

See [Non GAAP Financial Definitions](#).

Components of Net Asset Value

(\$ in thousands)

Real Estate Portfolio

| | Total | At Share |
|--|------------------|------------------|
| Operating Multifamily NOI ¹ | | |
| New Jersey Waterfront | \$156,400 | \$132,910 |
| Massachusetts | 25,280 | 25,280 |
| Other ³ | 29,996 | 22,123 |
| Total Multifamily NOI | \$211,676 | \$180,313 |
| Commercial NOI ⁴ | 6,396 | 5,174 |
| Total NOI | \$218,072 | \$185,488 |

Non-Strategic Assets

| | |
|--|------------------|
| Non-Strategic Assets Under Binding Contract ⁵ | \$139,000 |
| Estimated Land Value ⁷ | 214,659 |
| Subtotal Non-Strategic Assets | \$353,659 |

Other Assets

| | |
|--|------------------|
| Cash and Cash Equivalents ² | \$34,673 |
| Restricted Cash | 26,572 |
| Other Assets | 62,198 |
| Subtotal Other Assets | \$123,443 |

Liabilities and Other Considerations

| | |
|---|--------------------|
| Operating - Consolidated Debt at Share | \$1,795,667 |
| Operating - Unconsolidated Debt at Share ² | 298,679 |
| Other Liabilities | 82,597 |
| Revolving Credit Facility ⁶ | – |
| Term Loan ⁶ | – |
| Preferred Units ⁸ | 19,299 |
| Subtotal Liabilities and Other Considerations | \$2,196,242 |

Outstanding Shares⁹

| | |
|---|-------------|
| Diluted Weighted Average Shares Outstanding for 4Q 2023 | 100,936,000 |
|---|-------------|

¹ See [Multifamily Operating Portfolio](#) page for more details.

² Pro forma for transaction activity completed subsequent to quarter end.

³ Metropolitan Lofts was sold on January 12, 2024 and is not reflected in this line.

⁴ See [Commercial, Developable Land & Other Non-Strategic Assets](#) page for more details.

⁵ Represents the gross price of two assets, Harborside 5 and 107 Morgan.

⁶ In July 2023, the Company entered into a transitional \$60 million Revolving Credit Facility and \$115 million Term Loan agreement to fund the buyout of Rockpoint's interest and provide corporate liquidity. The Revolving Credit Facility and Term Loan were both fully repaid in October 2023.

⁷ Based off 4,578 potential units, see [Commercial, Developable Land & Other Non-Strategic Assets](#) page for more details.

⁸ In February 2024, \$5.7 million of units were redeemed, and the Company was notified that an additional \$10.0 million would be redeemed, to be paid out in March.

⁹ Common Shares Outstanding as of December 31, 2023 were 92,229,424.

See [Non GAAP Financial Definitions](#).

Multifamily Operating Portfolio

(in thousands, except Revenue per home)

| Operating Highlights | | | | | | | | | |
|--|---------------|--------------|---------------------|--------------|--------------------------|----------------|-----------------|-----------------|--------------------|
| | Ownership | Apartments | Percentage Occupied | | Average Revenue per Home | | NOI | | Debt Balance |
| | | | 4Q 2023 | 3Q 2023 | 4Q 2023 | 3Q 2023 | 4Q 2023 | 3Q 2023 | |
| NJ Waterfront | | | | | | | | | |
| Haus25 | 100.0% | 750 | 94.1% | 94.8% | \$4,665 | \$4,437 | \$6,884 | \$6,759 | \$343,061 |
| Liberty Towers | 100.0% | 648 | 93.2% | 95.2% | 4,220 | 4,124 | 4,930 | 4,727 | 265,000 |
| BLVD 401 | 74.3% | 311 | 97.4% | 96.8% | 4,138 | 4,077 | 2,427 | 2,372 | 117,000 |
| BLVD 425 | 74.3% | 412 | 95.6% | 97.3% | 3,987 | 4,012 | 3,038 | 3,026 | 131,000 |
| BLVD 475 | 100.0% | 523 | 96.5% | 98.2% | 4,078 | 4,021 | 4,180 | 3,799 | 165,000 |
| Soho Lofts | 100.0% | 377 | 94.4% | 92.0% | 4,627 | 4,648 | 2,616 | 2,753 | 158,777 |
| Urby Harborside | 85.0% | 762 | 92.3% | 95.3% | 4,014 | 3,946 | 5,370 | 5,490 | 185,742 |
| RiverHouse 9 | 100.0% | 313 | 96.2% | 97.8% | 4,148 | 4,027 | 2,358 | 2,450 | 110,000 |
| RiverHouse 11 | 100.0% | 295 | 94.6% | 96.3% | 4,177 | 4,123 | 2,140 | 2,422 | 100,000 |
| RiverTrace | 22.5% | 316 | 95.6% | 96.5% | 3,711 | 3,682 | 2,184 | 2,120 | 82,000 |
| Capstone | 40.0% | 360 | 95.0% | 96.4% | 4,379 | 4,354 | 2,973 | 3,086 | 135,000 |
| NJ Waterfront Subtotal | 85.0% | 5,067 | 94.6% | 95.9% | \$4,219 | \$4,143 | \$39,100 | \$39,004 | \$1,792,580 |
| Massachusetts | | | | | | | | | |
| Portside at East Pier | 100.0% | 181 | 94.9% | 92.6% | \$3,174 | \$3,216 | \$1,163 | \$1,266 | \$56,500 |
| Portside 2 at East Pier | 100.0% | 296 | 96.2% | 95.8% | 3,384 | 3,268 | 2,034 | 2,024 | 97,000 |
| 145 Front at City Square | 100.0% | 365 | 92.9% | 93.7% | 2,576 | 2,671 | 1,608 | 1,711 | 63,000 |
| The Emery | 100.0% | 326 | 92.3% | 93.9% | 2,760 | 2,711 | 1,515 | 1,565 | 72,000 |
| Massachusetts Subtotal | 100.0% | 1,168 | 93.9% | 94.1% | \$2,925 | \$2,918 | \$6,320 | \$6,566 | \$288,500 |
| Other | | | | | | | | | |
| The Upton | 100.0% | 193 | 91.7% | 92.7% | \$4,752 | \$4,820 | \$1,475 | \$1,578 | \$75,000 |
| The James | 100.0% | 240 | 96.3% | 95.0% | 3,052 | 3,026 | 1,330 | 1,461 | – |
| Signature Place | 100.0% | 197 | 97.5% | 94.4% | 3,174 | 3,195 | 974 | 1,081 | 43,000 |
| Quarry Place at Tuckahoe | 100.0% | 108 | 93.5% | 93.5% | 4,321 | 4,293 | 709 | 714 | 41,000 |
| Riverpark at Harrison | 45.0% | 141 | 92.2% | 94.0% | 2,885 | 2,772 | 577 | 526 | 30,192 |
| Metropolitan at 40 Park ¹ | 25.0% | 130 | 95.4% | 93.8% | 3,613 | 3,568 | 721 | 784 | 34,100 |
| Metropolitan Lofts ² | 50.0% | 59 | 94.4% | 94.9% | 3,725 | 3,610 | 319 | 303 | 17,200 |
| Station House | 50.0% | 378 | 92.1% | 94.7% | 2,562 | 2,757 | 1,713 | 1,513 | 89,440 |
| Other Subtotal | 72.8% | 1,446 | 94.0% | 94.2% | \$3,324 | \$3,361 | \$7,818 | \$7,960 | \$329,932 |
| Operating Portfolio^{3,4} | 85.0% | 7,681 | 94.4% | 95.3% | \$3,854 | \$3,809 | \$53,238 | \$53,530 | \$2,411,012 |

¹ As of December 31, 2023, Priority Capital included Metropolitan at \$23,314,422 (Prudential). The Company paid down the loan \$2.4M in the fourth quarter.

² On January 12, 2024, the joint venture was sold for a gross valuation of approximately \$30 million, VRE's share of net proceeds was \$6 million.

³ Operating Portfolio includes properties that have achieved over 95% leased for six consecutive weeks. Excludes approximately 190,525 sqft of ground floor retail of which 137,477 sqft was leased as of December 31, 2023.

⁴ See [Unconsolidated Joint Ventures](#) and [Multifamily Property Information](#) pages for more details.

See [Non GAAP Financial Definitions](#).

Commercial, Developable Land and Other Non-Strategic Assets

(\$ in thousands)

| Commercial | Location | Ownership | Rentable SF | Percentage Leased 4Q 2023 | Percentage Leased 3Q 2023 | NOI 4Q 2023 | NOI 3Q 2023 | Debt Balance |
|----------------------------|-------------------|--------------|----------------|---------------------------|---------------------------|----------------|----------------|-----------------|
| Port Imperial Garage South | Weehawken, NJ | 70.0% | 320,426 | N/A | N/A | \$517 | \$541 | \$31,645 |
| Port Imperial Garage North | Weehawken, NJ | 100.0% | 304,617 | N/A | N/A | 36 | (33) | – |
| Port Imperial Retail South | Weehawken, NJ | 70.0% | 18,064 | 100.0% | 100.0% | 185 | 173 | – |
| Port Imperial Retail North | Weehawken, NJ | 100.0% | 8,400 | 100.0% | 100.0% | 373 | 90 | – |
| Riverwalk at Port Imperial | West New York, NJ | 100.0% | 30,426 | 59.2% | 65.0% | 221 | 158 | – |
| Shops at 40 Park | Morristown, NJ | 25.0% | 50,973 | 69.0% | 69.0% | 267 | 281 | 6,067 |
| Commercial Total | | 80.9% | 732,906 | 73.8% | 75.5% | \$1,599 | \$1,210 | \$37,712 |

| Developable Land Parcels ¹ | |
|--|--------------|
| NJ Waterfront | 3,134 |
| Massachusetts | 849 |
| Other | 1,378 |
| Developable Land Parcels Total | 5,361 |
| Under Binding Contract for Sale | 783 |
| Total Less Under Binding Contract | 4,578 |

One in-service office asset remains in the portfolio:

| Building | Location | Total SF | Leased SF | % Leased ² | Avg. Base Rent + Escalations |
|-------------------------------|-----------------|----------------|----------------|-----------------------|------------------------------|
| Harborside 5 ³ | Jersey City, NJ | 977,225 | 338,109 | 34.6% | \$44.28 |
| Total Office Portfolio | | 977,225 | 338,109 | 34.6% | \$44.28 |

¹ The Company has an additional 13,775 SF of potential retail space within land developments that is not represented in this table.

² Harborside 5 has 42,964 SF of leased space expiring in 2024 and 28,856 SF expiring in 2025.

³ Harborside 5 is currently under binding contract for sale.

See [Non GAAP Financial Definitions](#).

Same Store Market Information¹

Sequential Quarter Comparison

(NOI in thousands)

| | Apartments | NOI | | | Occupancy | | | Blended Lease Rate | |
|-----------------------|--------------|---------------|---------------|---------------|--------------|--------------|---------------|--------------------|-------------|
| | | 4Q 2023 | 3Q 2023 | Change | 4Q 2023 | 3Q 2023 | Change | 4Q 2023 | 3Q 2023 |
| New Jersey Waterfront | 4,317 | \$32,216 | \$32,245 | (0.1)% | 94.7% | 96.1% | (1.4)% | 6.3% | 10.3% |
| Massachusetts | 1,168 | 6,320 | 6,566 | (3.7)% | 93.9% | 94.1% | (0.3)% | 0.5% | 7.8% |
| Other ² | 1,206 | 6,488 | 6,499 | (0.2)% | 93.5% | 94.1% | (0.6)% | 3.5% | 7.9% |
| Total | 6,691 | 45,024 | 45,310 | (0.6)% | 94.4% | 95.4% | (1.1)% | 5.0% | 9.4% |

Year-over-Year Fourth Quarter Comparison

(NOI in thousands)

| | Apartments | NOI | | | Occupancy | | | Blended Lease Rate | |
|-----------------------|--------------|---------------|---------------|--------------|--------------|--------------|---------------|--------------------|--------------|
| | | 4Q 2023 | 4Q 2022 | Change | 4Q 2023 | 4Q 2022 | Change | 4Q 2023 | 4Q 2022 |
| New Jersey Waterfront | 4,317 | \$32,216 | \$27,409 | 17.5% | 94.7% | 95.7% | (1.0)% | 6.3% | 18.7% |
| Massachusetts | 1,168 | 6,320 | 5,676 | 11.3% | 93.9% | 94.9% | (1.1)% | 0.5% | 3.7% |
| Other ² | 1,206 | 6,488 | 6,255 | 3.7% | 93.5% | 94.2% | (0.7)% | 3.5% | 10.1% |
| Total | 6,691 | 45,024 | 39,340 | 14.4% | 94.4% | 95.3% | (0.9)% | 5.0% | 14.4% |

Average Revenue per Home (based on 6,691 units)

| | 4Q 2023 | 3Q 2023 | 2Q 2023 | 1Q 2023 | 4Q 2022 | 4Q 2021 |
|-----------------------|----------------|----------------|----------------|----------------|----------------|----------------|
| New Jersey Waterfront | \$4,142 | \$4,092 | \$4,014 | \$3,863 | \$3,765 | \$3,194 |
| Massachusetts | 2,925 | 2,918 | 2,836 | 2,812 | 2,769 | 2,444 |
| Other ² | 3,378 | 3,427 | 3,453 | 3,326 | 3,275 | 2,795 |
| Total | \$3,792 | \$3,767 | \$3,708 | \$3,583 | \$3,503 | \$2,974 |

¹ All statistics are based off the current 6,691 unit Same Store pool. Same Store 4Q22 and 4Q21 were actually 5,825 units when initially reported.

² "Other" includes properties in Suburban NJ, New York, and Washington, DC. See [Multifamily Operating Portfolio](#) page for breakout.

See [Non GAAP Financial Definitions](#).

Same Store Performance

(\$ in thousands)

Multifamily Same Store¹

| | Three Months Ended December 31, | | | | Twelve Months Ended December 31, | | | | Sequential | | | |
|--|---------------------------------|-----------------|------------------|----------------|----------------------------------|------------------|------------------|---------------|-----------------|-----------------|----------------|---------------|
| | 2023 | 2022 | Change | % | 2023 | 2022 | Change | % | 4Q 2023 | 3Q 2023 | Change | % |
| Apartment Rental Income | \$55,456 | \$51,275 | \$4,181 | 8.2% | \$216,873 | \$195,267 | \$21,606 | 11.1% | \$55,456 | \$55,316 | \$140 | 0.3% |
| Parking/Other Income | 6,041 | 5,858 | 183 | 3.1% | 24,205 | 22,017 | 2,188 | 9.9% | 6,041 | 6,182 | (141) | (2.3)% |
| Total Property Revenues² | \$61,497 | \$57,133 | \$4,364 | 7.6% | \$241,078 | \$217,284 | \$23,794 | 11.0% | \$61,497 | \$61,498 | \$(1) | –% |
| Marketing & Administration | 2,100 | 2,237 | (137) | (6.1) | 7,862 | 7,638 | 224 | 2.9% | 2,100 | 2,076 | 24 | 1.2% |
| Utilities | 1,917 | 1,790 | 127 | 7.1% | 7,765 | 7,626 | 139 | 1.8% | 1,917 | 2,020 | (103) | (5.1)% |
| Payroll | 4,026 | 3,852 | 174 | 4.5% | 15,600 | 14,945 | 655 | 4.4% | 4,026 | 4,074 | (48) | (1.2)% |
| Repairs & Maintenance | 3,686 | 3,312 | 374 | 11.3% | 13,331 | 12,564 | 767 | 6.1% | 3,686 | 3,417 | 269 | 7.9% |
| Controllable Expenses | \$11,729 | \$11,191 | \$538 | 4.8% | \$44,558 | \$42,773 | \$1,785 | 4.2% | \$11,729 | \$11,587 | \$142 | 1.2% |
| Other Fixed Fees | 738 | 531 | 207 | 39.0% | 2,957 | 2,556 | 401 | 15.7% | 738 | 764 | (26) | (3.4)% |
| Insurance | 1,469 | 1,513 | (44) | (2.9)% | 5,386 | 5,249 | 137 | 2.6% | 1,469 | 945 | 524 | 55.4% |
| Real Estate Taxes | 8,486 | 10,125 | (1,639) | (16.2)% | 31,917 | 33,864 | (1,947) | (5.7)% | 8,486 | 8,764 | (278) | (3.2)% |
| Non-Controllable Expenses | \$10,693 | \$12,169 | \$(1,476) | (12.1)% | \$40,260 | \$41,669 | \$(1,409) | (3.4)% | \$10,693 | \$10,473 | \$220 | 2.1% |
| Total Property Expenses | \$22,422 | \$23,360 | \$(938) | (4.0)% | \$84,818 | \$84,442 | \$376 | 0.4% | \$22,422 | \$22,060 | \$362 | 1.6% |
| Same Store GAAP NOI | \$39,075 | \$33,773 | \$5,302 | 15.7% | \$156,260 | \$132,842 | \$23,418 | 17.6% | \$39,075 | \$39,438 | \$(363) | (0.9)% |
| Real Estate Tax Adjustments ³ | – | (1,456) | 1,456 | | 1,689 | (1,170) | 2,859 | | – | 20 | (20) | |
| Normalized Same Store NOI | \$39,075 | \$35,229 | \$3,846 | 10.9% | \$154,571 | \$134,012 | \$20,559 | 15.3% | \$39,075 | \$39,418 | \$(343) | (0.9)% |
| Total Units | 6,691 | 6,691 | | | 6,691 | 6,691 | | | 6,691 | 6,691 | | |
| % Ownership | 82.7% | 82.7% | | | 82.7% | 82.7% | | | 82.7% | 82.7% | | |
| % Occupied - Quarter End | 94.4% | 95.3% | (0.9)% | | 94.4% | 95.3% | (0.9)% | | 94.4% | 95.4% | (1.0)% | |

¹ Values represent the Company's pro rata ownership of the operating portfolio.

² Revenues reported based on Generally Accepted Accounting Principals or "GAAP".

³ Represents tax settlements and final tax rate adjustments recognized that are applicable to prior periods.

See [Non GAAP Financial Definitions](#).

Debt Profile

(\$ in thousands)

| | Lender | Effective Interest Rate ⁽¹⁾ | December 31, 2023 | December 31, 2022 | Date of Maturity |
|--|--|--|--------------------|--------------------|------------------|
| Secured Permanent Loans | | | | | |
| Port Imperial Hotels ⁽²⁾ | Fifth Third Bank | N/A | \$– | \$84,000 | N/A |
| Signature Place | Nationwide Life Insurance Company | 3.74% | 43,000 | 43,000 | 08/01/24 |
| Liberty Towers | American General Life Insurance Company | 3.37% | 265,000 | 265,000 | 10/01/24 |
| Portside 2 at East Pier | New York Life Insurance Co. | 4.56% | 97,000 | 97,000 | 03/10/26 |
| BLVD 425 | New York Life Insurance Co. | 4.17% | 131,000 | 131,000 | 08/10/26 |
| BLVD 401 | New York Life Insurance Co. | 4.29% | 117,000 | 117,000 | 08/10/26 |
| Portside at East Pier ⁽³⁾ | KKR | SOFR + 2.75% | 56,500 | 58,998 | 09/07/26 |
| The Upton ⁽⁴⁾ | Bank of New York Mellon | SOFR + 1.58% | 75,000 | 75,000 | 10/27/26 |
| 145 Front at City Square ⁽⁵⁾ | US Bank | SOFR + 1.84% | 63,000 | 63,000 | 12/10/26 |
| RiverHouse 9 ⁽⁶⁾ | JP Morgan | SOFR + 1.41% | 110,000 | 110,000 | 06/21/27 |
| Quarry Place at Tuckahoe | Natixis Real Estate Capital, LLC | 4.48% | 41,000 | 41,000 | 08/05/27 |
| BLVD 475 | The Northwestern Mutual Life Insurance Co. | 2.91% | 165,000 | 165,000 | 11/10/27 |
| Haus25 ⁽⁷⁾ | Freddie Mac | 6.04% | 343,061 | 297,324 | 09/01/28 |
| RiverHouse 11 | The Northwestern Mutual Life Insurance Co. | 4.52% | 100,000 | 100,000 | 01/10/29 |
| Soho Lofts | New York Community Bank | 3.77% | 158,777 | 160,000 | 07/01/29 |
| Port Imperial Garage South | American General Life & A/G PC | 4.85% | 31,645 | 32,166 | 12/01/29 |
| The Emery | New York Community Bank | 3.21% | 72,000 | 72,000 | 01/01/31 |
| Principal Balance Outstanding | | | \$1,868,983 | \$1,911,488 | |
| Unamortized Deferred Financing Costs | | | (15,086) | (7,511) | |
| Total Secured Permanent Loans | | | \$1,853,897 | \$1,903,977 | |
| Secured RCF & Term Loans: | | | | | |
| Revolving Credit Facility ⁽⁸⁾ | JP Morgan & Goldman Sachs | SOFR + 3.85% | \$– | \$– | 07/25/24 |
| Term Loan ⁽⁸⁾ | JP Morgan & Goldman Sachs | SOFR + 3.85% | – | – | 07/25/24 |
| Total RCF & Term Loan Debt | | | \$– | \$– | |
| Total Debt | | | \$1,853,897 | \$1,903,977 | |

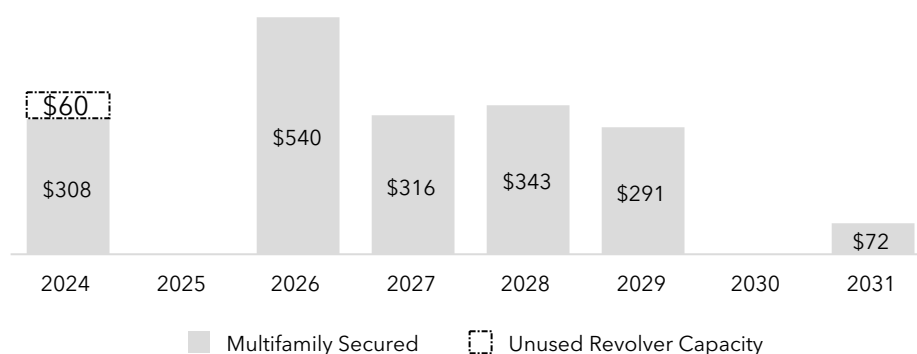
See to [Debt Profile Footnotes](#) page.

Debt Summary and Maturity Schedule

99.9% of the Company's total pro forma debt portfolio (consolidated and unconsolidated) is hedged or fixed. The Company's total debt portfolio has a weighted average interest rate of 4.5% and a weighted average maturity of 3.7 years.

(\$ in thousands)

| | Balance | % of Total | Weighted Average Interest Rate | Weighted Average Maturity in Years |
|--|--------------------|---------------|--------------------------------|------------------------------------|
| Fixed Rate & Hedged Debt | | | | |
| Fixed Rate & Hedged Secured Debt | \$1,868,983 | 100.0% | 4.34% | 3.5 |
| Variable Rate Debt¹ | | | | |
| Variable Rate Debt | – | –% | –% | – |
| Totals / Weighted Average | \$1,868,983 | 100.0% | 4.34% | 3.5 |
| Unamortized Deferred Financing Costs | (15,086) | | | |
| Total Consolidated Debt, net | \$1,853,897 | | | |
| Partners' Share | (73,316) | | | |
| VRE Share of Total Consolidated Debt, net² | \$1,780,581 | | | |
| Unconsolidated Secured Debt | | | | |
| VRE Share | \$307,279 | 53.0% | 4.83% | 4.6 |
| Partners' Share | 272,462 | 47.0% | 4.83% | 4.6 |
| Total Unconsolidated Secured Debt | \$579,741 | 100.0% | 4.83% | 4.6 |
| Pro Rata Debt Portfolio | | | | |
| Fixed Rate & Hedged Secured Debt | \$2,092,828 | 99.9% | 4.46% | 3.7 |
| Variable Rate Secured Debt | 1,517 | 0.1% | 7.31% | 1.0 |
| Total Pro Rata Debt Portfolio | \$2,094,345 | 100.0% | 4.47% | 3.7 |



Pro Forma Debt Portfolio Reconciliation

| | 4Q 2023 |
|--|--------------------|
| Total Consolidated Debt, net on 12/31 | \$1,868,983 |
| Partners Share of Consolidated Debt on 12/31 | (73,316) |
| VRE Share of Consolidated Debt on 12/31 | \$1,795,667 |
| VRE Share of Total Unconsolidated Debt on 12/31 | 307,279 |
| Metropolitan Lofts Sale (VRE Share of Debt Extinguishment) | (8,601) |
| VRE Share of Unconsolidated Secured Debt | \$298,678 |
| Total Pro Rata Debt Portfolio | \$2,094,345 |

¹ Variable rate debt includes the Revolver and reflects the balances on the Revolver and Term Loan.

² Minority interest share of consolidated debt is comprised of \$33.7 million at BLVD 425, \$30.1 million at BLVD 401 and \$9.5 million at Port Imperial South Garage.

Annex 1: Transaction Activity

2023

\$ in thousands except per SF

| | Location | Transaction Date | Number of Buildings | SF | Gross Asset Value |
|--------------------------------|-------------------|------------------|---------------------|------------------|-------------------|
| Hotels | | | | | |
| Port Imperial Hotels | Weehawken, NJ | 2/10/2023 | 2 | N/A | \$97,000 |
| Subtotal Hotels | | | 2 | | \$97,000 |
| Office | | | | | |
| Harborside 1, 2, & 3 | Jersey City, NJ | 4/04/2023 | 3 | 1,886,800 | \$420,000 |
| Harborside 6 | Jersey City, NJ | 9/13/2023 | 1 | 231,856 | 46,000 |
| 23 Main Street | Holmdel, NJ | 10/13/2023 | 1 | 350,000 | 17,500 |
| Subtotal Office | | | 5 | 2,468,656 | \$483,500 |
| Land | | | | | |
| 101 Columbia Rd. | Morris Plains, NJ | 3/17/2023 | N/A | N/A | \$8,300 |
| Harborside 4 | Jersey City, NJ | 10/05/2023 | N/A | N/A | 58,000 |
| 3 Campus Drive | Jersey City, NJ | 10/12/2023 | N/A | N/A | 13,500 |
| Subtotal Land | | | | | \$79,800 |
| 2023 Total Dispositions | | | | | \$660,300 |

2024 Dispositions to Date

\$ in thousands except per SF

| | Location | Transaction Date | Number of Buildings | SF | Gross Asset Value |
|----------------------------------|-----------------|------------------|---------------------|---------------|-------------------|
| Land | | | | | |
| 2 Campus Drive | Jersey City, NJ | 1/3/2024 | N/A | N/A | \$9,700 |
| Subtotal Land | | | | | \$9,700 |
| Multifamily | | | | | |
| Metropolitan Lofts ¹ | Morristown, NJ | 1/12/2024 | 1 | 54,683 | \$30,300 |
| Subtotal Multifamily | | | 1 | 54,683 | \$30,300 |
| 2024 Dispositions to Date | | | | | \$40,000 |

¹ The joint venture sold releasing approximately \$6 million of net proceeds to the Company.

Annex 2: Reconciliation of Net Income (Loss) to NOI (three months ended)

| | 4Q 2023 | | | | 3Q 2023 | | |
|--|------------------|----------------|-----------------|------------------|-------------------|-------------------|-------------------|
| | Multifamily | Office / Corp | Disc. Ops | Total | Multifamily | Office / Corp | Total |
| Net loss | \$(7,636) | \$1,890 | \$- | \$(5,746) | \$(39,797) | \$(20,453) | \$(60,250) |
| Deduct: | | | | | | | |
| Real estate services income | (1,084) | - | - | (1,084) | (1,230) | - | (1,230) |
| Interest and other investment loss (income) | (1) | (231) | - | (232) | (1) | (1,239) | (1,240) |
| Equity in (earnings) loss of unconsolidated joint ventures | (260) | - | - | (260) | (210) | - | (210) |
| Realized and unrealized (gains) losses on dispositions | - | (4,697) | 4,700 | 3 | - | - | - |
| (Gain) loss on disposition of developable land | (1,690) | (44,671) | 39,271 | (7,090) | - | - | - |
| Loss from early extinguishment of debt, net | - | 1,903 | - | 1,903 | 1,046 | - | 1,046 |
| Other Income | - | (77) | - | (77) | - | 57 | 57 |
| Add: | | | | | | | |
| Real estate services expenses | 3,025 | 1,298 | - | 4,323 | 2,106 | 1,427 | 3,533 |
| General and administrative | 437 | 9,555 | - | 9,992 | 327 | 14,293 | 14,620 |
| Transaction-related costs | 132 | 444 | - | 576 | - | 2,704 | 2,704 |
| Depreciation and amortization | 20,943 | 2,103 | - | 23,046 | 21,115 | 2,097 | 23,212 |
| Interest expense | 21,568 | 365 | - | 21,933 | 57,664 | 2,443 | 60,107 |
| Provision for income taxes | 11 | 188 | - | 199 | 45 | 248 | 293 |
| Property impairments | - | 32,516 | - | 32,516 | - | - | - |
| Land and other impairments, net | 5,928 | - | - | 5,928 | - | - | - |
| Net operating income (NOI) | \$41,373 | \$586 | \$43,971 | \$85,930 | \$41,065 | \$1,577 | \$42,642 |

Summary of Consolidated Multifamily NOI by Type (unaudited):

| | 4Q 2023 | 3Q 2023 |
|--|-----------------|-----------------|
| Total Consolidated Multifamily - Operating Portfolio | \$39,381 | \$39,708 |
| Total Consolidated Commercial | \$1,332 | \$929 |
| Total NOI from Consolidated Properties (excl. unconsolidated JVs/subordinated interests) | \$40,713 | \$40,637 |
| NOI (loss) from services, land/development/repurposing & other assets | \$660 | \$428 |
| Total Consolidated Multifamily NOI | \$41,373 | \$41,065 |

See [Consolidated Statement of Operations](#) page.

See [Non GAAP Financial Definitions](#).

Annex 3: Consolidated Statement of Operations Footnotes

FFO, Core FFO, AFFO, NOI, Adjusted EBITDA, & EBITDAre

- (1) Includes the Company's share from unconsolidated joint ventures, and adjustments for noncontrolling interest of \$2,597 and \$2,574 for the three months ended December 31, 2023 and 2022, respectively and \$10,337 and \$10,392 for the twelve months ended December 31, 2023 and 2022, respectively. Excludes non-real estate-related depreciation and amortization of \$216 and \$395 for the three months ended December 31, 2023 and 2022, respectively, and \$1,028 and \$1,328 for the twelve months ended December 31, 2023 and 2022, respectively.
- (2) Funds from operations is calculated in accordance with the definition of FFO of the National Association of Real Estate Investment Trusts (Nareit). See [Non-GAAP Financial Definitions](#) for information About FFO, Core FFO, AFFO, NOI, Adjusted EBITDA & EBITDAre.
- (3) Includes free rent of \$56 and \$3,252 for the three months ended December 31, 2023 and 2022, respectively and \$4,414 and \$13,312 for the twelve months ended December 31, 2023 and 2022, respectively. Also includes the Company's share from unconsolidated joint ventures of \$23 and \$4 for the three months ended December 31, 2023 and 2022, respectively and \$(4) and \$(815) for the twelve months ended December 31, 2023 and 2022, respectively.
- (4) Excludes expenditures for tenant spaces in properties that have not been owned by the Company for at least a year and excludes Collector's Universe.
- (5) Net Debt calculated by taking the sum of senior unsecured notes, unsecured revolving credit facility, and mortgages, loans payable and other obligations, and deducting cash and cash equivalents and restricted cash, all at period end.
- (6) Calculated based on weighted average common shares outstanding, assuming redemption of Operating Partnership common units into common shares 8,420 and 8,656 shares for the three months ended December 31, 2023 and 2022, respectively, and 8,669 and 8,639 for the twelve months ended December 31, 2023 and 2022, respectively, plus dilutive Common Stock Equivalents (i.e. stock options).

Back to [Consolidated Statement of Operations](#) page.

Annex 4: Detailed Consolidated Statement of Operations (Year-End)

| | Twelve Months Ended December 31, 2023 | | | Twelve Months Ended December 31, 2022 | | |
|--|--|--------------------|--------------------|--|--------------------|-------------------|
| | All Operations | Less: Disc. Ops | Total | All Operations | Less: Disc. Ops | Total |
| REVENUES | | | | | | |
| Revenue from leases | \$271,873 | \$(19,729) | \$252,144 | \$290,033 | \$(83,981) | \$206,052 |
| Real estate services | 3,868 | – | 3,868 | 3,581 | – | 3,581 |
| Parking income | 18,942 | (906) | 18,036 | 18,556 | (2,737) | 15,819 |
| Hotel income | 594 | (594) | – | 15,506 | (15,506) | – |
| Other income | 5,668 | 143 | 5,811 | 33,314 | (25,318) | 7,996 |
| Total revenues | 300,945 | (21,086) | 279,859 | 360,990 | (127,542) | 233,448 |
| EXPENSES | | | | | | |
| Real estate taxes | 45,531 | (4,721) | 40,810 | 59,235 | (20,123) | 39,112 |
| Utilities | 11,033 | (1,111) | 9,922 | 14,343 | (5,422) | 8,921 |
| Operating services | 63,693 | (5,768) | 57,925 | 78,589 | (25,792) | 52,797 |
| Real estate services expenses | 14,188 | – | 14,188 | 10,549 | – | 10,549 |
| General and administrative | 44,521 | (49) | 44,472 | 56,176 | (162) | 56,014 |
| Transaction-related costs | 7,627 | – | 7,627 | 3,468 | – | 3,468 |
| Depreciation and amortization | 99,075 | (5,486) | 93,589 | 112,408 | (26,974) | 85,434 |
| Property Impairments | 32,516 | – | 32,516 | 94,811 | (94,811) | – |
| Land and other impairments, net | 9,324 | – | 9,324 | 9,368 | – | 9,368 |
| Total expenses | 327,508 | (17,135) | 310,373 | 438,947 | (173,284) | 265,663 |
| Operating income (expense) | (26,563) | (3,951) | (30,514) | (77,957) | 45,742 | (32,215) |
| OTHER (EXPENSE) INCOME | | | | | | |
| Interest expense | (90,177) | 822 | (89,355) | (78,040) | 11,659 | (66,381) |
| Interest cost of mandatorily redeemable noncontrolling interests | (49,782) | – | (49,782) | – | – | – |
| Interest and other investment income (loss) | 5,548 | (33) | 5,515 | 729 | – | 729 |
| Equity in earnings (loss) of unconsolidated joint ventures | 3,102 | – | 3,102 | 1,200 | – | 1,200 |
| Realized gains (losses) and unrealized gains (losses) on disposition of rental property, net | 2,411 | (2,411) | – | 61,676 | (61,676) | – |
| Gain (loss) on disposition of developable land | 46,339 | (39,271) | 7,068 | 57,262 | – | 57,262 |
| Gain (loss) on sale of unconsolidated joint venture interests | – | – | – | 7,677 | (7,677) | – |
| Gain (loss) from extinguishment of debt, net | (5,618) | 12 | (5,606) | (7,432) | 7,303 | (129) |
| Other Income, net | 2,871 | – | 2,871 | – | – | – |
| Total other income (expense), net | (85,306) | (40,881) | (126,187) | 43,072 | (50,391) | (7,319) |
| Loss from continuing operations before income tax expense | (111,869) | (44,832) | (156,701) | (34,885) | (4,649) | (39,534) |
| Provision for income taxes | (492) | – | (492) | – | – | – |
| Income from continuing operations after income tax expense | (112,361) | (44,832) | (157,193) | (34,885) | (4,649) | (39,534) |
| Income (loss) from discontinued operations | – | 3,150 | 3,150 | – | (64,704) | (64,704) |
| Realized gains (losses) and unrealized gains (losses) on disposition of rental property and impairments, net | – | 41,682 | 41,682 | – | 69,353 | 69,353 |
| Total discontinued operations | – | 44,832 | 44,832 | – | 4,649 | 4,649 |
| Net Loss | (112,361) | – | (112,361) | (34,885) | – | (34,885) |
| Noncontrolling interests in consolidated joint ventures | 2,319 | – | 2,319 | 3,079 | – | 3,079 |
| Noncontrolling interests in Operating Partnership of income from continuing operations | 14,267 | – | 14,267 | 5,652 | – | 5,652 |
| Noncontrolling interests in Operating Partnership in discontinued operations | (3,872) | – | (3,872) | (378) | – | (378) |
| Redeemable noncontrolling interests | (7,618) | – | (7,618) | (25,534) | – | (25,534) |
| Net loss available to common shareholders | \$(107,265) | \$– | \$(107,265) | \$(52,066) | \$– | \$(52,066) |

See [Consolidated Statement of Operations](#) page.

Annex 5: Core FFO per Diluted Share

| | Three Months Ended September 30, | | Twelve Months Ended December 31, | |
|---|----------------------------------|-----------------|----------------------------------|---------------|
| | 2023 | 2022 | 2023 | 2022 |
| Net income (loss) available to common shareholders | \$(0.05) | \$0.32 | \$(1.06) | \$(0.52) |
| Add (deduct): Noncontrolling interests in Operating Partnership | (0.04) | (0.03) | (0.14) | (0.06) |
| Noncontrolling interests in discontinued operations | 0.04 | 0.06 | 0.04 | – |
| Real estate-related depreciation and amortization on continuing operations | 0.25 | 0.26 | 1.02 | 0.95 |
| Real estate-related depreciation and amortization on discontinued operations | – | 0.05 | 0.05 | 0.26 |
| Property impairments on continuing operations | 0.32 | – | 0.32 | – |
| Property impairments on discontinued operations | – | 0.10 | – | 0.95 |
| Discontinued operations: Gain on sale from unconsolidated joint ventures | – | (0.08) | – | (0.08) |
| Discontinued operations: Realized (gains) losses and unrealized (gains) losses on disposition of rental property, net | (0.05) | (0.69) | (0.02) | (0.61) |
| FFO | \$0.47 | \$(0.01) | \$0.21 | \$0.89 |
| <u>Add/(Deduct):</u> | | | | |
| Loss from extinguishment of debt, net | 0.02 | 0.01 | 0.06 | 0.07 |
| Land and other impairments | 0.06 | – | 0.09 | 0.09 |
| Loss (gain) on disposition of developable land | (0.46) | – | (0.46) | (0.56) |
| Rebranding and Severance/Compensation related costs (G&A) | – | 0.02 | 0.07 | 0.14 |
| Rebranding and Severance/Compensation related costs (RE Services) | 0.01 | – | 0.01 | – |
| Rebranding and Severance/Compensation related costs (Operating Services) | – | – | 0.01 | – |
| Rockpoint buyout premium | – | – | 0.34 | – |
| Redemption value adjustment to mandatorily redeemable noncontrolling interests | – | – | 0.08 | – |
| Lease breakage fee, net | – | – | – | (0.23) |
| Amortization of derivative premium | 0.01 | – | 0.05 | – |
| Transaction related costs | 0.01 | 0.03 | 0.07 | 0.04 |
| Core FFO | \$0.12 | \$0.05 | \$0.53 | \$0.44 |

See [FFO and Core FFO](#) page.

See [Non GAAP Financial Definitions](#).

Annex 6: Unconsolidated Joint Ventures

(\$ in thousands)

| Property | Units | Physical Occupancy | VRE's Nominal Ownership ¹ | 4Q 2023 NOI ² | Total Debt | VRE Share of 4Q NOI | VRE Share of Debt |
|--------------------------------------|--------------|--------------------|--------------------------------------|--------------------------|------------------|---------------------|-------------------|
| Multifamily | | | | | | | |
| Urby Harborside | 762 | 92.3% | 85.0% | \$5,370 | \$185,742 | \$4,565 | \$157,881 |
| RiverTrace at Port Imperial | 316 | 95.6% | 22.5% | 2,184 | 82,000 | 491 | 18,450 |
| Capstone at Port Imperial | 360 | 95.0% | 40.0% | 2,973 | 135,000 | 1,189 | 54,000 |
| Riverpark at Harrison | 141 | 92.2% | 45.0% | 577 | 30,192 | 260 | 13,586 |
| Metropolitan at 40 Park ³ | 130 | 95.4% | 25.0% | 721 | 34,100 | 180 | 8,525 |
| Metropolitan Lofts ⁴ | 59 | 94.4% | 50.0% | 319 | 17,200 | 160 | 8,600 |
| Station House | 378 | 92.1% | 50.0% | 1,713 | 89,440 | 857 | 44,720 |
| Total Multifamily | 2,146 | 93.4% | 54.9% | \$13,857 | \$573,674 | \$7,701 | \$305,762 |
| Retail | | | | | | | |
| Shops at 40 Park | N/A | 69.0% | 25.0% | \$267 | 6,067 | 67 | 1,517 |
| Total Retail | N/A | 69.0% | 25.0% | \$267 | \$6,067 | \$67 | \$1,517 |
| Total UJV | | | | \$14,124 | \$579,741 | \$7,768 | \$307,279 |

¹ Amounts represent the Company's share based on ownership percentage.

² The sum of property level revenue, straight line and ASC 805 adjustments; less: operating expenses, real estate taxes and utilities.

³ The Company paid down the loan balance \$2.1 million in 4Q 2023.

⁴ On January 12, 2024, the joint venture was sold for a gross valuation of approximately \$30 million, VRE's share of net proceeds was \$6 million.

See [Non GAAP Financial Definitions](#).

Annex 7: Debt Profile Footnotes

1. Effective rate of debt, including deferred financing costs, comprised of the cost of terminated treasury lock agreements (if any), debt initiation costs, mark-to-market adjustment of acquired debt and other transaction costs, as applicable.
2. Port Imperial Hotels sold on February 10, 2023.
3. In August 2023, the fixed rate Freddie Mac loan on Portside at East Pier was refinanced and placed a 3- year SOFR cap at a strike rate of 3.5%.
4. The Upton loan has been capped at a strike rate of 1.0%, expiring in October 2024.
5. In September 2023, the Company placed a 9 month SOFR cap at a strike rate of 4.0% on the loan at 145 Front at City Square.
6. The loan on RiverHouse 9 is capped at a strike rate of 3.0%, expiring in June 2024.
7. In August 2023, the Company fully repaid its construction loan on Haus25 with a new permanent financing provided by Freddie Mac. The balance shown as of December 31, 2022 (\$297M) reflects the outstanding construction loan provided by QuadReal at that time.
8. In July 2023, the Company purchased Rockpoint's interest in the Company. Concurrently, the Company entered into a \$175 million transitional facility package. The entire \$115 million Term Loan and initial draw of \$52 million on the Revolving Credit Facility were fully repaid in October 2023.

Back to [Debt Profile](#) page.

Annex 8: Multifamily Property Information

| | Location | Ownership | Apartments | Rentable SF | Average Size | Year Complete |
|-------------------------------|-------------------|---------------|--------------|------------------|--------------|---------------|
| <u>NJ Waterfront</u> | | | | | | |
| Haus25 | Jersey City, NJ | 100.0% | 750 | 617,787 | 824 | 2022 |
| Liberty Towers | Jersey City, NJ | 100.0% | 648 | 602,210 | 929 | 2003 |
| BLVD 401 | Jersey City, NJ | 74.3% | 311 | 273,132 | 878 | 2016 |
| BLVD 425 | Jersey City, NJ | 74.3% | 412 | 369,515 | 897 | 2003 |
| BLVD 475 | Jersey City, NJ | 100.0% | 523 | 475,459 | 909 | 2011 |
| Soho Lofts | Jersey City, NJ | 100.0% | 377 | 449,067 | 1,191 | 2017 |
| Urby Harborside | Jersey City, NJ | 85.0% | 762 | 474,476 | 623 | 2017 |
| RiverHouse 9 | Weehawken, NJ | 100.0% | 313 | 245,127 | 783 | 2021 |
| RiverHouse 11 | Weehawken, NJ | 100.0% | 295 | 250,591 | 849 | 2018 |
| RiverTrace | West New York, NJ | 22.5% | 316 | 295,767 | 936 | 2014 |
| Capstone | West New York, NJ | 40.0% | 360 | 337,991 | 939 | 2021 |
| NJ Waterfront Subtotal | | 85.0% | 5,067 | 4,391,122 | 867 | |
| <u>Massachusetts</u> | | | | | | |
| Portside at East Pier | East Boston, MA | 100.0% | 181 | 156,091 | 862 | 2015 |
| Portside 2 at East Pier | East Boston, MA | 100.0% | 296 | 230,614 | 779 | 2018 |
| 145 Front at City Square | Worcester, MA | 100.0% | 365 | 304,936 | 835 | 2018 |
| The Emery | Revere, MA | 100.0% | 326 | 273,140 | 838 | 2020 |
| Massachusetts Subtotal | | 100.0% | 1,168 | 964,781 | 826 | |
| <u>Other</u> | | | | | | |
| The Upton | Short Hills, NJ | 100.0% | 193 | 217,030 | 1,125 | 2021 |
| The James | Park Ridge, NJ | 100.0% | 240 | 215,283 | 897 | 2021 |
| Signature Place | Morris Plains, NJ | 100.0% | 197 | 203,716 | 1,034 | 2018 |
| Quarry Place at Tuckahoe | Eastchester, NY | 100.0% | 108 | 105,551 | 977 | 2016 |
| Riverpark at Harrison | Harrison, NJ | 45.0% | 141 | 124,774 | 885 | 2014 |
| Metropolitan at 40 Park | Morristown, NJ | 25.0% | 130 | 124,237 | 956 | 2010 |
| Metropolitan Lofts | Morristown, NJ | 50.0% | 59 | 54,683 | 927 | 2018 |
| Station House | Washington, DC | 50.0% | 378 | 290,348 | 768 | 2015 |
| Other Subtotal | | 72.8% | 1,446 | 1,335,622 | 924 | |
| Operating Portfolio | | 85.0% | 7,681 | 6,691,525 | 871 | |

Back to [Multifamily Operating Portfolio](#) page.

Non-GAAP Financial Definitions

NON-GAAP FINANCIAL MEASURES

Included in this financial package are Funds from Operations, or FFO, Core Funds from Operations, or Core FFO, net operating income, or NOI and Adjusted Earnings Before Interest, Taxes, Depreciation, and Amortization, or Adjusted EBITDA, and EBITDAre or Earnings Before Interest, Taxes, Depreciation, Amortization and Rent Costs, each a "non-GAAP financial measure," measuring Veris Residential, Inc.'s historical or future financial performance that is different from measures calculated and presented in accordance with generally accepted accounting principles ("U.S. GAAP"), within the meaning of the applicable Securities and Exchange Commission rules. Veris Residential, Inc. believes these metrics can be a useful measure of its performance which is further defined.

Adjusted Earnings Before Interest, Tax, Depreciation and Amortization (Adjusted "EBITDA")

The Company defines Adjusted EBITDA as Core FFO, plus interest expense, plus income tax expense, plus income (loss) in noncontrolling interest in consolidated joint ventures, and plus adjustments to reflect the entity's share of Adjusted EBITDA of unconsolidated joint ventures. The Company presents Adjusted EBITDA because the Company believes that Adjusted EBITDA, along with cash flow from operating activities, investing activities and financing activities, provides investors with an additional indicator of the Company's ability to incur and service debt. Adjusted EBITDA should not be considered as an alternative to net income (determined in accordance with GAAP), as an indication of the Company's financial performance, as an alternative to net cash flows from operating activities (determined in accordance with GAAP), or as a measure of the Company's liquidity.

Blended Net Rental Growth Rate or Blended Lease Rate

Weighted average of the net effective change in rent (inclusive of concessions) for a lease with a new resident or for a renewed lease compared to the rent for the prior lease of the identical apartment unit.

Core FFO and Adjusted FFO ("AFFO")

Core FFO is defined as FFO, as adjusted for certain items to facilitate comparative measurement of the Company's performance over time. Adjusted FFO ("AFFO") is defined as Core FFO less (i) recurring tenant improvements, leasing commissions, and capital expenditures, (ii) straight-line rents and amortization of acquired above/below market leases, net, and (iii) other non-cash income, plus (iv) other non-cash charges. Core FFO and Adjusted AFFO are presented solely as supplemental disclosure that the Company's management believes provides useful information to investors and analysts of its results, after adjusting for certain items to facilitate comparability of its performance from period to period. Core FFO and Adjusted FFO are non-GAAP financial measures that are not intended to represent cash flow and are not indicative of cash flows provided by operating activities as determined in accordance with GAAP. As there is not a generally accepted definition established for Core FFO and Adjusted FFO, the Company's measures of Core FFO may not be comparable to the Core FFO and Adjusted FFO reported by other REITs. A reconciliation of net income per share to Core FFO and Adjusted FFO in dollars and per share are included in the financial tables accompanying this press release.

Earnings Before Interest, Tax, Depreciation, Amortization, and Rent Costs ("EBITDAre")

The Company computes EBITDAre in accordance with standards established by the National Association of Real Estate Investment Trusts, or Nareit, which may not be comparable to EBITDAre reported by other REITs that do not compute EBITDAre in accordance with the Nareit definition, or that interpret the Nareit definition differently than the Company does. The White Paper on EBITDAre approved by the Board of Governors of Nareit in September 2017 defines EBITDAre as net income (loss) (computed in accordance with Generally Accepted Accounting Principles, or GAAP), plus interest expense, plus income tax expense, plus depreciation and amortization, plus (minus) losses and gains on the disposition of depreciated property, plus impairment write-downs of depreciated property and investments in unconsolidated joint ventures, plus adjustments to reflect the entity's share of EBITDAre of unconsolidated joint ventures. The Company presents EBITDAre, because the Company believes that EBITDAre, along with cash flow from operating activities, investing activities and financing activities, provides investors with an additional indicator of the Company's ability to incur and service debt. EBITDAre should not be considered as an alternative to net income (determined in accordance with GAAP), as an indication of the Company's financial performance, as an alternative to net cash flows from operating activities (determined in accordance with GAAP), or as a measure of the Company's liquidity.

Funds From Operations ("FFO")

FFO is defined as net income (loss) before noncontrolling interests in Operating Partnership, computed in accordance with U.S. GAAP, excluding gains or losses from depreciable rental property transactions (including both acquisitions and dispositions), and impairments related to depreciable rental property, plus real estate-related depreciation and amortization. The Company believes that FFO per share is helpful to investors as one of several measures of the performance of an equity REIT. The Company further believes that as FFO per share excludes the effect of depreciation, gains (or losses) from property transactions and impairments related to depreciable rental property (all of which are based on historical costs which may be of limited relevance in evaluating current performance), FFO per share can facilitate comparison of operating performance between equity REITs.

Non-GAAP Financial Definitions

FFO per share should not be considered as an alternative to net income available to common shareholders per share as an indication of the Company's performance or to cash flows as a measure of liquidity. FFO per share presented herein is not necessarily comparable to FFO per share presented by other real estate companies due to the fact that not all real estate companies use the same definition. However, the Company's FFO per share is comparable to the FFO per share of real estate companies that use the current definition of the National Association of Real Estate Investment Trusts ("Nareit"). A reconciliation of net income per share to FFO per share is included in the financial tables accompanying this press release.

NOI and Same Store NOI

NOI represents total revenues less total operating expenses, as reconciled to net income above. The Company considers NOI to be a meaningful non-GAAP financial measure for making decisions and assessing unlevered performance of its property types and markets, as it relates to total return on assets, as opposed to levered return on equity. As properties are considered for sale and acquisition based on NOI estimates and projections, the Company utilizes this measure to make investment decisions, as well as compare the performance of its assets to those of its peers. NOI should not be considered a substitute for net income, and the Company's use of NOI may not be comparable to similarly titled measures used by other companies. The Company calculates NOI before any allocations to noncontrolling interests, as those interests do not affect the overall performance of the individual assets being measured and assessed.

Same Store NOI is presented for the same store portfolio, which comprises all properties that were owned by the Company throughout both of the reporting periods.

Company Information

Company Information

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Stock Exchange Listing

New York Stock Exchange

Trading Symbol

Common Shares: VRE

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Mahbod Nia

Chief Executive Officer

Amanda Lombard

Chief Financial Officer

Taryn Fielder

General Counsel and Secretary

Anna Malhari

Chief Operating Officer

Jeff Turkanis

EVP & Chief Investment Officer

Equity Research Coverage

Bank of America Merrill Lynch

Josh Dennerlein

BTIG, LLC

Thomas Catherwood

Citigroup

Nicholas Joseph

Evercore ISI

Steve Sakwa

Green Street Advisors

John Pawlowski

JP Morgan

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Michael R. Lewis