

Tanger[®]Outlets

2020

Annual Report



The Tanger Difference.

INNOVATION. LEADERSHIP. PARTNERSHIP.



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TangerOutlets

Real Shopping. Real Savings & Style.

Tanger Outlet Centers attract over 180 million visitors each year. Our centers are the smart shopper's ideal one-stop destination for the latest styles at great savings. Our portfolio of 36 upscale outlet shopping centers in 20 U.S. states and in Canada showcase a tenant mix of leading designers and brand name retailers.

At Tanger Outlets, we are focused on making our retail partners successful, year after year. Focusing on our customers is our main priority. Each shopper visit is important to our success, and we want to deliver the right products, the best brand name and designer stores, and superior properties each and every day. We want to always gain the loyalty of our shoppers and introduce new generations to the Tanger Outlet experience – creating a place where happiness happens.

Our commitment to our partners' ongoing growth and success is a reflection of how we do business — always focused on the best interests and longstanding relationships with partners and shoppers.

36
Centers

20
States
& Canada

13.6
Million
Square Feet

Over
180
Million Visitors

40
Years Of Business
As The Leading
Outlet Developer

Over
2,500
Stores

*Total Portfolio metrics as of
March 3, 2021*



AN INNOVATIVE SPIRIT THAT KEEPS TANGER CENTERS EVOLVING

Tanger is laser-focused on creating excellence in outlet shopping because outlets are all it does. Tanger understands what drives its tenants and what motivates its shoppers, and as a result, collaborates to build unique, on-brand shopping experiences. Tanger's expertise, excellence and spirit of innovation keep its centers evolving.

CREATING BEST-IN-CLASS EXPERIENCES THROUGH TANGER'S UNIQUE APPROACH

Tanger is committed to developing best-in-class experiences for its shoppers. Tanger collaborates with retailers to create memorable shopping and builds relationships with artists, restaurateurs and influencers who bring bold, new dimension to the mix. Tanger is creating meaningful, impactful experiences that make its centers go-to destinations at the heart of the markets it serves.

BRINGING A MORE ELEVATED TENANT MIX TO TANGER GUESTS

Tanger is bringing the best and most exciting fashion names to the portfolio. Luxury brands such as Armani and Hugo Boss, contemporary staples like Tory Burch, Vince, and Rag & Bone; and digitally native brands like Shinola. When brands are looking to launch their first outlet concepts, Tanger is the definitive choice. The outlet company structures creative partnership-driven deals to incubate concepts as seen with Lafayette 148, Alex Mill, Psycho Bunny, J. McLaughlin, and Robert Graham.



Financial Highlights

(IN THOUSANDS, EXCEPT PER SHARE,
PER FOOT AND PERCENTAGE DATA)

FOR THE YEAR	2020	2019
Total revenues	\$389,991	\$478,348
FFO ⁽¹⁾	\$154,122	\$221,739
Core FFO ⁽²⁾	\$153,708	\$226,075
Same Center NOI ⁽³⁾	\$247,971	\$307,909
Dividends and distributions	\$70,062	\$139,682
Average common shares outstanding ⁽⁴⁾	97,615	97,766

PER SHARE	2020	2019
FFO available to common shareholders	\$1.58	\$2.27
Core FFO available to common shareholders	\$1.57	\$2.31
Dividends ⁽⁵⁾	\$0.71	\$1.42
Dividend Payout Ratio ⁽⁶⁾	45%	62%

AT YEAR END	2020	2019
Real estate assets before depreciation	\$2,793,372	\$2,896,894
Total assets	\$2,189,531	\$2,285,211
Common shares outstanding	93,570	92,892
Square feet – Consolidated	11,873	12,048
Square feet – Partially Owned	2,212	2,212
Occupancy rate ⁽⁷⁾	92%	97%

⁽¹⁾ Funds From Operations ("FFO") is defined as net income/(loss) available to the Company's common shareholders computed in accordance with generally accepted accounting principles in the United States ("GAAP"), excluding (i) depreciation and amortization related to real estate, (ii) gains or losses from sales of certain real estate assets, (iii) gains and losses from change in control, (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and (v) after adjustments for unconsolidated partnerships and joint ventures calculated to reflect FFO on the same basis.

⁽²⁾ We define Core Funds From Operations (Core FFO) as FFO further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance.

⁽³⁾ We define same center net operating income (Same Center NOI) as total operating revenues less property operating expenses for properties that were operational for the entire portion of both comparable periods, and which were not acquired or subject to a material expansion or non-recurring event. Same Center NOI excludes termination fees and non-cash adjustments including straight-line rent, net above and below market rent amortization, impairment charges and gains or losses on the sale of assets.

⁽⁴⁾ Includes the dilutive effect of options and assumes the partnership units of the Operating Partnership held by the noncontrolling interests are converted to common shares of the Company.

⁽⁵⁾ Represents per share amounts to common shareholders.

⁽⁶⁾ Annual dividends and distributions as a percent of FFO available to common shareholders for such year.

⁽⁷⁾ Represents occupancy at consolidated, stabilized centers.

FFO, Core FFO and Same Center NOI are non-GAAP financial measures that we believe are important supplemental indicators of our operating performance. For a discussion of FFO, Core FFO and Same Center NOI, including a reconciliation to GAAP, please see our Form 10-K for the year ended December 31, 2020, beginning on page 60.

Our Partnerships & Collaborations

Bring the Best Brands and Best Experiences to Tanger Nationwide

	
	<p>ELIE TAHARI</p>
<p>MICHAEL KORS</p>	<p>Theory</p>
<p>VINCE.</p>	
<p>POTTERYBARN OUTLET</p>	<p>rag & bone NEW YORK</p>
	<p>SHINOLA DETROIT</p>

AND MORE



Our Approach to Corporate Responsibility

Corporate responsibility is essential to Tanger's success and to building a resilient, sustainable business that creates long-term value for all stakeholders.

We take a strategic approach to corporate responsibility that aligns with our business strategy. We continually seek out opportunities to integrate sustainability into our business practices, while addressing material issues.

Our goal is to utilize Environmental, Social and Governance (ESG) best practices in every aspect of our business. In 2020, we disclosed to both CDP (formerly, the Carbon Disclosure Project) and the Global Real Estate Sustainability Benchmark (GRESB) as first-year reporters. We are also currently assessing our climate-related governance and strategy, and beginning in 2021, we commit to implement, as fully as practicable, the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). We are incorporating the results and recommendations of these frameworks into our ESG strategy.

OUR MATERIAL ISSUES - ESG PRIORITIES AND IMPACTS

We begin by identifying opportunities and risks arising from material issues that impact Tanger's business and inform our ESG strategy. We then translate these material issues into operational priorities and processes across the company, and within functional areas. We openly engage with our key stakeholders to identify priority areas, while supporting the long-term health of the company. We also leverage external frameworks such as the Global Reporting Initiative (GRI) Standard: Core option, GRESB, the Sustainability Accounting Standards Board (SASB) and CDP, along with stakeholder, executive and board engagement, to help identify key ESG issues. In 2021, we have engaged a third party to conduct a comprehensive materiality assessment to further identify those issues that are of greatest relevance to the company and our stakeholders.

Along with Governance, the pillars of our corporate responsibility approach include:



OUR PLANET

Minding Our Environmental Impact

The practices that enhance and differentiate our properties while considering the sustainability of our business and our planet



OUR COMMUNITY

Contributing to Strong, Vibrant Communities

The improved quality of life we facilitate in our communities by actively serving and building partnerships with nonprofits and other community leaders



OUR PEOPLE

Creating a Workplace Where All People Can Thrive

The long-term, trusting relationships we build with our team members

ESG PRIORITIES - MATERIAL ISSUES INCLUDE:



Company Reputation



Environmental Risks



Diversity and Equal Opportunity



Operational Efficiencies



Culture



Corporate Governance

2020 Highlights & Accomplishments

As the impacts of the COVID-19 pandemic became evident, Tanger quickly took multiple steps to provide support for our retail partners, employees and the communities we serve, including:

Our proactive offer to all consolidated portfolio retail partners to defer 100% of April and May 2020 rents interest free until January and February 2021

Our commitment to preventing employee layoffs or furloughs while the majority of stores in our portfolio were closed by taking swift liquidity actions, including temporary compensation reductions for executives and the Board of Directors

Our hosting of nearly 100 community support events, including blood drives, food collections and supply donations, as well as the use of our facilities by law enforcement and emergency medical services as staging areas

Our rapid implementation of additional safety protocols to protect and support our employees, our retailers and our shoppers



In addition to our COVID-19 response, Tanger continued to focus on the key pillars of our corporate responsibility approach to address the issues most important to our key stakeholders: our shareholders, retail partners, community partners, employee team members and shoppers.



OUR PLANET

Enhanced transparency in ESG reporting by disclosing to CDP and GRESB as first-year reporters

Committed to implement, as fully as practicable, TCFD recommendations beginning in 2021

Continued the transition to LED lighting at our centers

OUR COMMUNITY

OVER
\$21.2M
in charitable giving since 1994

Established new partnerships with nonprofit organizations, including Delivering Good, Civic Alliance and HeadCount, to deliver critical basic needs and encourage civic engagement in our communities

OUR PEOPLE

Formed a Diversity, Equity and Inclusion (DE&I) Council, whose goal is to make diversity a top-level focus in our company, our people, our places and our partners

Established strategic focus areas and objectives in support of making our diversity a strength in terms of people, education, and leadership and action

Developed ongoing education and awareness initiatives to foster an inclusive workplace and provide resources for our team members



Message

FROM OUR SENIOR EXECUTIVES



STEVEN B. TANGER

Soon after the start of 2020, the world came to a near halt with the onset of the COVID-19 pandemic. The social and economic impacts of this global health crisis were far reaching and included the government-mandated closure of most of the stores in our centers on average for a period of approximately two months. During this time of unprecedented uncertainty, we acted swiftly. We focused on what was in our control, to protect the well-being of our employees and customers, support our communities and stabilize our business and that of our retailer partners.



STEPHEN J. YALOF

These measures included shifting the majority of our corporate employees to work-from-home status, enhancing health and safety protocols at our open-air centers and offering our facilities for Red Cross blood drives, food collection sites, curbside food pickup and as staging areas for law enforcement and emergency medical services. Our strong liquidity position as we entered 2020, with \$600 million of undrawn capacity under our unsecured lines of credit, allowed us to proactively help our tenants by offering a rent deferral program that ultimately facilitated rapid store openings when mandates were lifted. In addition to the liquidity afforded by our lines of credit, we took immediate action to preserve cash by temporarily suspending our dividend, temporarily reducing our compensation and that of our Board of Directors, reducing other general and administrative and operating expenses and deferring certain capital expenditures. While everyone on the Team took a temporary cut in pay or reduction in work hours, we are proud that at the beginning of the pandemic, we did not have to reduce our workforce.



Real
Style.
Real
Savings.



We demonstrated our resiliency and agility early in the pandemic by launching our Tanger Three Ways to Shop – In Store, Curbside Pickup and Tanger Virtual Shopper. When stay-at-home mandates were lifted, customers embraced our open-air centers as a preferred venue for shopping and entertainment, often waiting in line to enter their favorite stores due to mandated store capacity limits. We established curbside pickup and developed Tanger Virtual Shopper, both of which were firsts in the outlet distribution channel. The innovative Tanger Virtual Shopper service meets the customers where they are and allows them to virtually shop any brand in the Tanger portfolio, regardless of geography, using Facetime to chat with a Tanger stylist. Purchases can be picked up curbside or shipped to home.

Throughout our 40-year history, many elements of our business model have remained consistent. Tanger Outlet Centers are different than traditional malls and other retail formats because of our value proposition for retailers, a favorable supply dynamic and the flexibility of our open-air site plan:

- Our tenants tell us that outlets are one of their most profitable distribution channels. Tanger continues to have a lower average cost of occupancy than our peers. The demand associated with this level of profitability has supported our long record of high occupancy.
- Outlets provide retailers a direct touchpoint to the consumer and allow our tenants to maintain brand integrity through control of product placement and pricing. Retailers tell us that, in the outlet business, their margins are higher and their store upfit, customer acquisition and logistics costs are lower.
- The outlet industry is underbuilt in the US. With less than 200 centers comprising approximately 70 million square feet of leasable space, the outlet industry represents less than 1% of total retail.
- Our open-air outlet centers are easier to reconfigure than other retail formats, given the smaller size of assets, standard bay depths and lack of large anchor boxes that can be very costly to redevelop.



Furthermore, formats such as full-price specialty stores, department store clearance racks, stand-alone discount stores and on-line shopping all fall short on at least one of the three key ingredients that make outlet shopping so appealing to the consumer.

No other retail venue provides the combination of branded merchandise variety, consistent value and social experience found at Tanger Outlets.

In addition, our centers provide the opportunity to interact with products before making a purchase and to enjoy that purchase the same day.

Sustaining growth over time is a top focus of our management team. This goal will be accomplished through enhancements to the key components of our core business – leasing, operations and marketing. We are accelerating our leasing efforts by broadening our tenant mix and expanding our leasing resources. We are installing new-to-industry and new-to-platform retailers and taking steps to introduce luxury, digitally native brands, home, food and beverage and entertainment uses. Today, everyone on our Team is a leasing agent.

In addition to our leasing representatives, our field teams serve as additional resources assisting local and national tenants during the pandemic and going forward. We are also augmenting our in-house resources with specialty brokers in select markets. The objective of these initiatives is to create excitement at our properties that draws new shoppers, extends stays, increases visit frequency, and ultimately drives higher sales for our retailers, which will create incremental revenue for Tanger.

We are reshaping our operations discipline, empowering our field teams to actively manage the net operating income of their centers by controlling expenses and participating in revenue generation. In addition to local leasing, generating ancillary revenues through various business development initiatives will be a key focus going forward. Because our field teams are experts in their markets, we are adding a localized component to our marketing strategy to drive more traffic to our open-air centers.

We are advancing our marketing strategy to meet shoppers where they want to shop. We intend to engage them in ways that they find meaningful and drive their connection with our brand to incentivize incremental visits and extended stays. We are intensifying our focus on data and loyalty and the launch of Tanger Virtual Shopper was just the beginning of our digital transformation.



Approximately

\$30M

Invested into
Consolidated Portfolio

\$15M

Debt Reduction

Capital Allocation

We continue to prioritize maintaining a strong balance sheet to position ourselves for the future. We believe that our balance sheet with low leverage and access to liquidity provide maximum flexibility and are critical for success in this industry. Financial stewardship is a hallmark of Tanger Outlets that we do not intend to change. While we were in capital conservation mode for much of the year due to the uncertainty related to the pandemic, we ended 2020 with no amounts outstanding under our lines of credit and almost \$85 million of cash on the balance sheet, up from just under \$17 million at the end of 2019. We thoughtfully allocated capital to maintain and enhance our portfolio, preserve our financial stability, and return value to our shareholders.

- **Capital Expenditures.** We pride ourselves in owning a portfolio of well-maintained assets with an upscale tenant mix. During 2020, we invested approximately \$30 million into our consolidated portfolio to continue to improve the customer experience.
- **Dividend Distributions.** We have paid an all-cash dividend each year since our initial public offering in May of 1993. Due to unprecedented uncertainty, our Board made the difficult decision to temporarily suspend our dividend for two quarters during 2020. Given increased clarity and improved rent collections, we resumed dividend distributions in February 2021.
- **Debt Reduction.** During 2020, we reduced outstanding principal balances, including our share of joint venture debt, by more than \$15 million.

Financial Results And Operating Performance

As of December 31, 2020, approximately 94% of the square footage in our consolidated portfolio was not encumbered by mortgages and we maintained an interest coverage ratio during 2020 of 3.3 times. At year-end 2020, our floating rate exposure represented less than 1% of total consolidated debt outstanding and the average term to maturity and weighted average interest rate for our consolidated debt outstanding were 4.5 years and 3.6%, respectively.

Our 2020 financial results were heavily impacted by the pandemic and reflect what was a difficult year. Net loss available to common shareholders was \$37.0 million, or \$0.40 per share, compared to net income available to common shareholders of \$86.5 million, or \$0.93 per share for 2019. Both years included gains on the sale of assets (\$2.3 million, or \$0.02 per share in 2020 and \$43.4 million, or \$0.44 per share in 2019) and non-cash impairment charges (\$70.3 million, or \$0.76 per share in 2020 and \$37.6 million, or \$0.39 per share in 2019). Core FFO ⁽¹⁾ per share, which is funds from operations ("FFO") adjusted to eliminate certain items that we do not consider indicative of our ongoing operating performance, was \$1.57 per share in 2020, compared to \$2.31 per share the prior year. And our Same Center Net Operating Income ("NOI") for the consolidated portfolio decreased by 19.5% during 2020. Neither Core FFO, FFO nor Same Center NOI include gains on the sale of assets. The decline in these metrics was the direct result of one-time rent concessions and revenue loss associated with the government-mandated shutdowns and a significant number of tenant bankruptcies and retailer restructurings caused in most part by the pandemic.

Several operating metrics improved throughout the year. As mandates were lifted, stores in our open-air centers reopened at a rapid pace, demonstrating the value retailers place on the outlet distribution channel. As the retailers returned, so did the shoppers. By the fourth quarter, traffic had returned to 90% of the prior year. Second quarter rent collections were expectedly low given our proactive rent deferral program; however, rent collections improved to 91% of third quarter billed rents and 95% of fourth quarter billed rents.





Other Highlights

We continue to advance our environmental, social and governance (“ESG”) efforts and reporting each year. Our 2020 corporate sustainability report will be published later this year, but we are including an early glance in graphical format within this annual report to highlight our impact on our planet, our communities and our people – the pillars of our corporate responsibility approach that drive our business.

We are currently undergoing a comprehensive materiality assessment to help guide our ongoing ESG strategy and goals. We are committed to ongoing improvement and transparency in our reporting, with a focus on improving our Global Real Estate Sustainability Benchmark (“GRESB”) score with greater stakeholder engagement and better assessment of our environmental performance. We will further assess climate-related risk and opportunity using the Task Force on Climate-related Financial Disclosures (“TCFD”) framework. We are embedding ESG awareness into our corporate culture and setting the tone at the top, which demonstrates our commitment to good corporate citizenship and builds long-term resilience for our stakeholders.

During 2020, Tanger Team members created a Diversity, Equity & Inclusion (“DE&I”) Leadership Council with the mission of championing diversity, equity and inclusion across the organization, empowering us to reach our full potential, fueling innovation and connection with our employees, customers and the communities we serve. We strive to be more diverse and inclusive through our people, cultivating an equitable work environment that recruits, hires, represents and promotes diverse peoples. We aim to build awareness and educate employees and stakeholders about the value of diversity and inclusion.



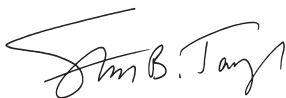
TangerOutlets

Outlook for 2021

In early 2021, we continue to navigate the pandemic and work through the headwinds related to retailer bankruptcies and brand-wide restructurings. We are confident in the long-term prospects for the outlet industry and the future growth of our Company.

During 2020, we established the groundwork to position our Company for growth. We believe that executing on our strategy of enhancing our core business – accelerating leasing, reshaping operations, and advancing our marketing strategy – will result in sustained positive operating metrics over time and create value for all of our stakeholders. We will continue to thoughtfully use our resources and maintain a conservative financial position. We have no significant debt maturities until December 2023 and \$600 million of availability under our unsecured lines of credit. This liquidity leaves us well-positioned should market conditions change and provides us with the flexibility to act quickly to take advantage of accretive opportunities when appropriate.

As the leaders of your management team, we are proud to work with such a talented group of Tanger professionals. We appreciate our dedicated Board of Directors who have keen business insights that help us stay focused on long-term results. Collectively, our top priority is creating stakeholder value, and we are passionate about making it happen.



STEVEN B. TANGER
Executive Chair



STEPHEN J. YALOF
Chief Executive Officer

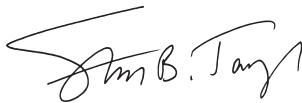
⁽¹⁾ FFO, Core FFO and Same Center NOI are important and widely accepted supplemental non-GAAP financial measures used in the real estate industry by securities analysts, investors and other interested parties to measure and compare the operating performance of real estate companies. Complete discussions of FFO, Core FFO and Same Center NOI, including how and why we use these metrics and reconciliations of each metric to GAAP net income, are included in the Management Discussion and Analysis section of the Annual Report. Net income and Core FFO per share are on a diluted basis.

A Special Thank You

I joined our company in 1984 as its fourth employee. It has been my honor to have led Tanger Outlets as its CEO for the past twelve years. On January 1, 2021, I became Executive Chair with the goal of helping our team to continue to grow our business.

I am positive that Steve Yalof is the right leader to drive Tanger's next stage of growth. We have built a strong foundation established over the last 40 years, which is supported by a dedicated and talented team of employees. Under Steve's leadership, our executive team will continue to drive innovation and adapt to the evolving retail landscape.

Finally, I also want to thank you, our shareholders, for your continued long-term support. I have valued and enjoyed getting to know many of you. I am proud of what our Team has accomplished over the last 37 years. It has been a fantastic journey, and I am excited about Tanger's next chapter.



STEVEN B. TANGER
Executive Chair



Tanger Outlets Locations



United States

1 FOLEY, AL

Gulf Coast Resort Area
I-10, Exit 44, Highway 59S

2 PHOENIX (GLENDALE), AZ

9 miles Northwest of Phoenix
Loop 101 and Glendale Avenue

3 FOXWOODS (MASHANTUCKET), CT

Foxwoods Resort Casino
50 miles East of Hartford

4 REHOBOTH BEACH, DE

Coastal Resort Area
3 Locations on Delaware's
Coastal Highway Route 1

5 DAYTONA BEACH, FL

Coastal Resort Area
I-95 & PGA Boulevard

6 COMMERCE, GA

Between Atlanta and Greenville
I-85, Exit 149

7 LOCUST GROVE, GA

Between Atlanta and Macon
I-75, Exit 212

8 SAVANNAH, GA

on Pooler Parkway
I-95, Exit 104 or I-16, Exit 155

9 GONZALES, LA

Between New Orleans
and Baton Rouge
I-10 at Highway 30, Exit 177

10 NATIONAL HARBOR, MD

8 Miles Southeast of
Washington, D.C.
I-95/495 and I-295

11 GRAND RAPIDS, MI

10 Miles Southwest of Grand Rapids
US-131 at 84th Street SW, Exit 74

12 HOWELL, MI

Between Lansing and Detroit
I-96 at M-59, Exit 133

13 MEMPHIS (SOUTHAVEN, MS)

14 Miles Southeast of Memphis
I-69/55, Exit 287 at Church Road

14 BRANSON, MO

Ozark Mtn/Lakes Region
Resort Area, West Highway 76,
2 miles West of US Highway 65

15 TILTON, NH

Lakes Region Resort Area
I-93, Left off Exit 20

16 ATLANTIC CITY, NJ

Coastal Resort Area
2014 Baltic Avenue

17 DEER PARK, NY

Minutes from Manhattan
I-495, IIE Exit 52 on Commack
Road and Grand Boulevard

18 RIVERHEAD, NY

Long Island Resort Area
I-495 East, IIE Exits 72 and 73

19 BLOWING ROCK, NC

Blue Ridge Mtns Resort Area
1/2 Mile South of the Blue Ridge
Parkway on US Highway 321

90%

of SF is in a Top 50 MSA
or Leading Tourism
Destination ⁽¹⁾

(Metropolitan Statistical
Area as Defined by the
U.S. Census Bureau)

60%

of SF is Located in
Tourism Destinations

94%

of the portfolio are
open-air centers



20 CHARLOTTE, NC
10 Minutes West of Downtown
Charlotte, I-485, Exit 4
Tanger/Simon Partnership Project

21 MEBANE, NC
Between Raleigh-Durham and
Greensboro/Winston-Salem
I-40/85, Exit 154

22 COLUMBUS, OH
22 Miles Northeast of Columbus
I-71 and US 36/R 37

23 HERSHEY, PA
 Hershey Park Resort Area
Off PA-743/Hershey Park Drive

24 LANCASTER, PA
Amish Country Resort Area
Route 30 East

25 PITTSBURGH (WASHINGTON), PA
20 Minutes South of Pittsburgh
I-79, Exit 41

26 CHARLESTON, SC
Coastal Resort Area
I-26, Exit 213 or 213A

27 HILTON HEAD, SC
28 Hilton Head Island Resort Area
I-95, SC Exit 8 onto Highway 278
2 Locations on Highway 278

29 MYRTLE BEACH, SC
Myrtle Beach Resort Area
Highway 17N at Highway 22
Veterans Highway

30 MYRTLE BEACH, SC
Myrtle Beach Resort Area
Highway 501, 3 Miles West of the
Intracoastal Waterway

31 SEVIERVILLE, TN
Smoky Mountain Resort Area
Highway 441/Parkway at
Traffic Lights #13 and #13.1

32 FORT WORTH, TX
I-35W & SH 114
North Fort Worth, across from
the Texas Motor Speedway

33 HOUSTON (TEXAS CITY), TX
I-45, Exit 17 to Holland Road
5885 Gulf Freeway

34 SAN MARCOS, TX
Between San Antonio and Austin
I-35, Exit 200

Canada

35 COOKSTOWN, ON
Toronto and Lake Resort Area
3311 Simcoe Road 89,
Highway 400 at Highway 89

36 OTTAWA, ON
16 Miles West of Downtown Ottawa
off Highway 417 at Palladium Drive

(1) Includes Ottawa, ON center located
in a top 5 census metropolitan area
as defined by Statistics Canada



United States
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2020
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 1-11986 (Tanger Factory Outlet Centers, Inc.)
Commission file number 333-3526-01 (Tanger Properties Limited Partnership)

TANGER FACTORY OUTLET CENTERS, INC.
TANGER PROPERTIES LIMITED PARTNERSHIP
(Exact name of registrant as specified in its charter)

North Carolina (Tanger Factory Outlet Centers, Inc.)	56-1815473
North Carolina (Tanger Properties Limited Partnership)	56-1822494
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)

3200 Northline Avenue, Suite 360, Greensboro, NC 27408
(Address of principal executive offices)
(336) 292-3010
(Registrant's telephone number, including area code)

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

<u>Title of each class</u>	<u>Trading Symbol (s)</u>	<u>Name of exchange on which registered</u>
Common Shares, \$.01 par value	SKT	New York Stock Exchange

Tanger Properties Limited Partnership:
None

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

Tanger Factory Outlet Centers, Inc.: None
Tanger Properties Limited Partnership: None

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Tanger Factory Outlet Centers, Inc.	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Tanger Properties Limited Partnership	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act.

Tanger Factory Outlet Centers, Inc.	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
Tanger Properties Limited Partnership	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

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.

Tanger Factory Outlet Centers, Inc. Yes No
Tanger Properties Limited Partnership Yes No

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).

Tanger Factory Outlet Centers, Inc. Yes No
Tanger Properties Limited Partnership Yes No

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.

Tanger Factory Outlet Centers, Inc.		
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	<input type="checkbox"/>
Tanger Properties Limited Partnership		
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	<input type="checkbox"/>

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.

Tanger Factory Outlet Centers, Inc.
Tanger Properties Limited Partnership

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

Tanger Factory Outlet Centers, Inc.
Tanger Properties Limited Partnership

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

Tanger Factory Outlet Centers, Inc. Yes No
Tanger Properties Limited Partnership Yes No

The aggregate market value of voting shares held by non-affiliates of Tanger Factory Outlet Centers, Inc. was approximately \$652,857,378 based on the closing price on the New York Stock Exchange for such shares on June 30, 2020.

The number of Common Shares of Tanger Factory Outlet Centers, Inc. outstanding as of February 12, 2021 was 93,569,801.

Documents Incorporated By Reference

Portions of Tanger Factory Outlet Center, Inc.'s definitive proxy statement to be filed with respect to the 2021 Annual Meeting of Shareholders are incorporated by reference in Part III.

PART I

EXPLANATORY NOTE

This report combines the annual reports on Form 10-K for the year ended December 31, 2020 of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership. Unless the context indicates otherwise, the term "Company", refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term "Operating Partnership" refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

Tanger Factory Outlet Centers, Inc. and subsidiaries is one of the largest owners and operators of outlet centers in the United States and Canada. The Company is a fully-integrated, self-administered and self-managed real estate investment trust ("REIT"), which, through its controlling interest in the Operating Partnership, focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. The outlet centers and other assets are held by, and all of the operations are conducted by, the Operating Partnership. Accordingly, the descriptions of the business, employees and properties of the Company are also descriptions of the business, employees and properties of the Operating Partnership. As the Operating Partnership is the issuer of our registered debt securities, we are required to present a separate set of financial statements for this entity.

The Company owns the majority of the units of partnership interest issued by the Operating Partnership through its two wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust. Tanger GP Trust controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest. As of December 31, 2020, the Company, through its ownership of Tanger GP Trust and Tanger LP Trust, owned 93,569,801 units of the Operating Partnership and other limited partners (the "Non-Company LPs") collectively owned 4,794,643 Class A common limited partnership units. Each Class A common limited partnership unit held by the Non-Company LPs is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's status as a REIT. Class B common limited partnership units, which are held by Tanger LP Trust, are not exchangeable for common shares of the Company.

Management operates the Company and the Operating Partnership as one enterprise. The management of the Company consists of the same members as the management of the Operating Partnership. These individuals are officers of the Company and employees of the Operating Partnership. The individuals that comprise the Company's Board of Directors are also the same individuals that make up Tanger GP Trust's Board of Trustees.

We believe combining the annual reports on Form 10-K of the Company and the Operating Partnership into this single report results in the following benefits:

- enhancing investors' understanding of the Company and the Operating Partnership by enabling investors to view the business as a whole in the same manner as management views and operates the business;
- eliminating duplicative disclosure and providing a more streamlined and readable presentation since a substantial portion of the disclosure applies to both the Company and the Operating Partnership; and
- creating time and cost efficiencies through the preparation of one combined report instead of two separate reports.

There are only a few differences between the Company and the Operating Partnership, which are reflected in the disclosure in this report. We believe it is important, however, to understand these differences between the Company and the Operating Partnership in the context of how the Company and the Operating Partnership operate as an interrelated consolidated company.

As stated above, the Company is a REIT, whose only material asset is its ownership of partnership interests of the Operating Partnership through its wholly-owned subsidiaries, the Tanger GP Trust and Tanger LP Trust. As a result, the Company does not conduct business itself, other than issuing public equity from time to time and incurring expenses required to operate as a public company. However, all operating expenses incurred by the Company are reimbursed by the Operating Partnership, thus the only material item on the Company's income statement is its equity in the earnings of the Operating Partnership. Therefore, the assets and liabilities and the revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by the Company. The Company itself does not hold any indebtedness but does guarantee certain debt of the Operating Partnership, as disclosed in this report.

The Operating Partnership holds all of the outlet centers and other assets, including the ownership interests in consolidated and unconsolidated joint ventures. The Operating Partnership conducts the operations of the business and is structured as a partnership with no publicly traded equity. Except for net proceeds from public equity issuances by the Company, which are contributed to the Operating Partnership in exchange for partnership units, the Operating Partnership generates the capital required through its operations, its incurrence of indebtedness or through the issuance of partnership units.

Noncontrolling interests, shareholder's equity and partners' capital are the main areas of difference between the consolidated financial statements of the Company and those of the Operating Partnership. The limited partnership interests in the Operating Partnership held by the Non-Company LPs are accounted for as partners' capital in the Operating Partnership's financial statements and as noncontrolling interests in the Company's financial statements.

To help investors understand the significant differences between the Company and the Operating Partnership, this report presents the following separate sections for each of the Company and the Operating Partnership:

- Consolidated financial statements;
- The following notes to the consolidated financial statements:
 - Debt of the Company and the Operating Partnership;
 - Shareholders' Equity and Partners' Equity;
 - Earnings Per Share and Earnings Per Unit;
 - Accumulated Other Comprehensive Income of the Company and the Operating Partnership; and
- Liquidity and Capital Resources in the Management's Discussion and Analysis of Financial Condition and Results of Operations.

This report also includes separate Item 9A. Controls and Procedures sections and separate Exhibit 31 and 32 certifications for each of the Company and the Operating Partnership in order to establish that the Chief Executive Officer and the Chief Financial Officer of each entity have made the requisite certifications and that the Company and Operating Partnership are compliant with Rule 13a-15 or Rule 15d-15 of the Securities Exchange Act of 1934 and 18 U.S.C. §1350.

The separate sections in this report for the Company and the Operating Partnership specifically refer to the Company and the Operating Partnership. In the sections that combine disclosure of the Company and the Operating Partnership, this report refers to actions or holdings as being actions or holdings of the Company. Although the Operating Partnership is generally the entity that enters into contracts and joint ventures and holds assets and debt, reference to the Company is appropriate because the business is one enterprise and the Company operates the business through the Operating Partnership.

The Company currently consolidates the Operating Partnership because it has (1) the power to direct the activities of the Operating Partnership that most significantly impact the Operating Partnership's economic performance and (2) the obligation to absorb losses and the right to receive the residual returns of the Operating Partnership that could be potentially significant. The separate discussions of the Company and the Operating Partnership in this report should be read in conjunction with each other to understand the results of the Company on a consolidated basis and how management operates the Company.

ITEM 1. BUSINESS

The Company and the Operating Partnership

Tanger Factory Outlet Centers, Inc. and subsidiaries, which we refer to as the Company, is one of the largest owners and operators of outlet centers in the United States and Canada. We are a fully-integrated, self-administered and self-managed REIT, which focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. As of December 31, 2020, our consolidated portfolio consisted of 31 outlet centers, with a total gross leasable area of approximately 11.9 million square feet, which were 92% occupied and contained over 2,200 stores representing approximately 400 store brands. We also had partial ownership interests in 7 unconsolidated outlet centers totaling approximately 2.2 million square feet, including 3 outlet centers in Canada.

Our outlet centers and other assets are held by, and all of our operations are conducted by, Tanger Properties Limited Partnership and subsidiaries, which we refer to as the Operating Partnership. The Company owns the majority of the units of partnership interest issued by the Operating Partnership through its two wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust. Tanger GP Trust controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest.

As of December 31, 2020, the Company, through its ownership of the Tanger GP Trust and Tanger LP Trust, owned 93,569,801 units of the Operating Partnership and the Non-Company LPs collectively owned 4,794,643 Class A common limited partnership units. Each Class A common limited partnership unit held by the Non-Company LPs is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's status as a REIT. Class B common limited partnership units, which are held by Tanger LP Trust, are not exchangeable for common shares of the Company.

Ownership of the Company's common shares is restricted to preserve the Company's status as a REIT for federal income tax purposes. Subject to certain exceptions, a person may not actually or constructively own more than 4% of our common shares. We also operate in a manner intended to enable us to preserve our status as a REIT, including, among other things, making distributions with respect to our then outstanding common shares and preferred shares, if applicable, equal to at least 90% of our taxable income each year.

The Company is a North Carolina corporation that was incorporated in March 1993 and the Operating Partnership is a North Carolina partnership that was formed in May 1993. Our executive offices are currently located at 3200 Northline Avenue, Suite 360, Greensboro, North Carolina, 27408 and our telephone number is (336) 292-3010. Our website can be accessed at www.tangeroutlet.com. Copies of our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments thereto can be obtained, free of charge, on our website as soon as reasonably practicable after we file such material with, or furnish it to, the Securities and Exchange Commission (the "SEC"). The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this Annual Report on Form 10-K or any other report or document we file with or furnish to the SEC.

Recent Developments

COVID-19 Pandemic

In March 2020, the World Health Organization declared the outbreak of the Coronavirus Disease 2019 ("COVID-19") to be a pandemic, which continues to be a serious challenge throughout the United States. The current COVID-19 pandemic has had, and will continue to have, repercussions across local, national and global economies and financial markets. Although our outlet centers remained open, retailers began closing their stores in our outlet centers in mid-March and by April 6, 2020, substantially all of the stores in our portfolio were closed as a result of mandates by order of local and state authorities. Reopened stores as a percentage of total leased stores improved over time as mandates were lifted, from 1% on April 6, 2020 to 56% on June 3, 2020 to 72% on June 14, 2020. By June 15, 2020, in-store shopping for non-essential retail was allowed in every market in which our centers are located. As of December 31, 2020, 99.9% of total occupied stores in our consolidated portfolio had reopened, representing 99.9% of leased square footage and 99.9% of annualized base rent. Our outlet centers may experience additional short-term store closures as retailers implement additional safety protocols at specific locations impacted by increased exposure to COVID-19.

A number of our tenants have requested rent deferrals, rent abatements or other types of rent relief during this pandemic. As a response, in late March 2020, we offered all tenants in our consolidated portfolio the option to defer 100% of April and May rents interest free, payable in equal installments due in January and February of 2021. Our rent collection rates on contractually billed fixed rents were significantly impacted during the second quarter but steadily improved during the second half of the year, as the Company collected approximately 63% of second quarter billed rents, 91% of third quarter billed rents, and 95% of fourth quarter billed rents. In addition, traffic during the fourth quarter represented approximately 90% of prior year levels and increased to approximately 96% in January. Governmental mandates effective between late December and early-to-mid-February impacted traffic at the Tanger Outlet Centers in Canada, and excluding those centers, domestic traffic was over 99% in January compared to prior year levels.

Given the economic environment as a result of COVID-19, a select number of our tenants underwent liquidity hardships and filed for Chapter 11 bankruptcy protection. During the year ended December 31, 2020, we recaptured approximately 903,000 square feet within the consolidated portfolio related to bankruptcies and brand-wide restructurings by retailers, compared to 198,000 square feet during the year ended December 31, 2019.

As a direct result of the pandemic, bankruptcies and restructurings discussed above, the Company's earnings were negatively impacted by approximately \$47.3 million due to (1) write-offs related to bankruptcies and other uncollectible accounts due to financial weakness, (2) one-time concessions in exchange for landlord-favorable amendments to lease structure, (3) reserves for a portion of deferred and under negotiation billings that we expect to become uncollectible in future periods, (4) and write-offs of straight-line rents associated with the bankruptcies and uncollectible accounts.

Please see "COVID-19 Pandemic" in the Management's Discussion and Analysis of Financial Condition and Results of Operations/Overview of this report for a more complete discussion.

Organizational Changes

In April 2020, Stephen Yalof, a successful and proven retail real estate executive, joined the Company as President and Chief Operating Officer, as part of an executive succession plan for the role of Chief Executive Officer ("CEO"). Effective January 1, 2021, Steven B. Tanger, the Company's CEO, transitioned to the position of Executive Chair of the Company's Board of Directors, effective through January 1, 2024, and Mr. Yalof assumed the role of CEO of the Company. David B. Henry, previously Non-Executive Chair of the Board, was appointed to Lead Director of the Board.

In October 2020, Leslie Swanson joined the Company as Executive Vice President of Operations. In this role, she will be responsible for overseeing the operations of Tanger's outlet portfolio, including planning and execution of operational strategies, driving center occupancy and developing new revenue opportunities.

Financing Transactions

Lines of credit and Term Loan Covenant Modifications

In June 2020, we amended the debt agreements for our lines of credit and bank term loan, primarily to improve future covenant flexibility. The amendments, among other things, allow us to access the existing surge leverage provision, which provides for an increase to the maximum thresholds to 65% from 60% for total leverage and unsecured leverage, for twelve months starting July 1, 2020, during which time share repurchases are prohibited. Additionally, the leverage covenants are determined based on the calculation period which is modified to be based on the immediately preceding three calendar month period annualized for the calculation date occurring on December 31, 2020; the immediately preceding six calendar month period annualized for the calculation date occurring on March 31, 2021; the immediately preceding nine calendar month period annualized for the calculation date occurring on June 30, 2021; and for all other calculation dates occurring during the term on the agreement, the immediately preceding twelve calendar month period.

Impairments

In March 2020, we recorded a \$45.7 million impairment charge in our consolidated statement of operations which equaled the excess of the carrying value of our Mashantucket (Foxwoods), Connecticut outlet center over its estimated fair value. In December 2020, in anticipation of further store closings and declining operating results, we recorded an additional impairment charge of \$19.2 million in our consolidated statement of operations which equaled the excess of the carrying value of our Foxwoods outlet center over its estimated fair value.

In December 2020, due to the pending sale in January 2021 of the Jeffersonville, Ohio outlet center we recorded an additional impairment charge of \$2.4 million in our consolidated statement of operations which equaled the excess of the carrying value over its estimated fair value.

Property Sales

In August 2020, we sold a non-core outlet center in Terrell, Texas for net proceeds of \$7.6 million, which resulted in a gain on sale of assets of \$2.3 million. The proceeds from the sale of this unencumbered asset were used to pay down balances outstanding under our unsecured lines of credit.

In January 2021, we sold a non-core outlet center in Jeffersonville, Ohio for net proceeds of \$8.1 million.

Unconsolidated Real Estate Joint Ventures Financing Transactions

RioCan Canada

In May 2020, the joint venture's mortgage loan for the outlet center in Saint-Sauveur matured and the joint venture repaid the approximately \$8.3 million owed in full.

Columbus, Ohio

In December 2020, the Columbus joint venture amended the mortgage loan to extend the maturity to November 2022, which required a reduction in principal balance from \$85.0 million to \$71.0 million. The amendment increased the interest rate from LIBOR + 1.65% to LIBOR + 1.85% and the mortgage loan guarantee by each partner was increased from \$6.4 million to \$11.9 million.

Galveston/Houston, Texas

In February 2021, the Galveston/Houston joint venture amended the mortgage loan to extend the maturity to July 2023, which required a reduction in principal balance from \$80.0 million to \$64.5 million. The amendment also changed the interest rate from LIBOR + 1.65% to LIBOR + 1.85%.

The Outlet Concept

Outlet centers generally consist of stores operated by manufacturers and brand name retailers that sell primarily first quality, branded products, some of which are made specifically for the outlet distribution channel, to consumers at significant discounts from regular retail prices charged by department stores and specialty stores. Outlet centers offer advantages to manufacturers and brand name retailers as they are often able to charge customers lower prices for brand name and designer products by eliminating the third party retailer. Outlet centers also typically have lower operating costs than other retailing formats, enhancing their profit potential. Outlet centers enable retailers to optimize the size of production runs while continuing to maintain control of their distribution channels. Outlet centers also enable manufacturers and brand name retailers to establish a direct relationship with their customers.

We believe that outlet centers present an attractive opportunity for capital investment as many retailers view the outlet concept as a profitable distribution channel. However, due to present economic conditions, the availability of multiple retail channels, and the potential for increased competition from other outlet center developers, new developments or expansions may not provide an initial return on investment as high as has been historically achieved and there may not be as many opportunities to develop or expand.

Our Outlet Centers

Each of our outlet centers, except one joint venture property, carries the Tanger brand name. We believe that our tenants and consumers recognize the Tanger brand as one that provides outlet shopping centers where consumers can trust the brand, quality and price of the merchandise they purchase directly from the manufacturers and brand name retailers.

As one of the original participants in this industry, we have established long-standing relationships with many of our tenants that we believe is critical in developing and operating successful outlet centers.

Our consolidated outlet centers range in size from 104,009 to 739,110 square feet and are typically located at least 10 miles from major department stores and manufacturer-owned, full-price retail stores. Historically, manufacturers prefer these locations so that they do not compete directly with their major customers and their own stores. Many of our outlet centers are located near tourist destinations to attract tourists who consider shopping to be a recreational activity. Additionally, our centers are often situated in close proximity to interstate highways that provide accessibility and visibility to potential customers.

We have a diverse tenant base throughout our consolidated portfolio, comprised of approximately 400 manufacturers, brand name and discount apparel and home retailers such as American Eagle Outfitters, Banana Republic Factory Store, Calvin Klein, Coach, Gap Outlet, Hugo Boss Factory Store, Kate Spade New York, Lululemon Athletica, Nike Factory Store, North Face, Saks Fifth Avenue Off 5th, T.J. Maxx, Tory Burch, Under Armour, Vineyard Vines, West Elm Outlet, Williams-Sonoma Outlet, and many more.

No single tenant, including all of its store concepts, accounted for 10% or more of our combined base and percentage rental revenues during 2020, 2019 or 2018. As of December 31, 2020, no single tenant accounted for more than 7% of our leasable square feet or 7% of our combined base and percentage rental revenues.

A portion of our rental revenues are dependent on variable revenue sources. For the year ended December 31, 2020, the components of rental revenues are as follows (in thousands):

	2020
Rental revenues - fixed	\$ 289,676
Rental revenues - variable ⁽¹⁾	88,256
Rental revenues	\$ 377,932

(1) Primarily includes rents based on a percentage of tenant sales volume and reimbursable expenses such as common area expenses, utilities, insurance and real estate taxes.

Business History

Stanley K. Tanger, the Company's founder, entered the outlet center business in 1981. Prior to founding our company, Stanley K. Tanger and his son, Steven B. Tanger, our Executive Chair, built and managed a successful family owned apparel manufacturing business, Tanger/Creighton, Inc., which included the operation of five outlet stores. Based on their knowledge of the apparel and retail industries, as well as their experience operating Tanger/Creighton, Inc.'s outlet stores, they recognized that there would be a demand for outlet centers where a number of manufacturers could operate in a single location and attract a large number of shoppers.

Steven B. Tanger joined the predecessor company in 1986, and by June 1993, the Tangers had developed 17 outlet centers totaling approximately 1.5 million square feet. In June 1993, we completed our initial public offering, making Tanger Factory Outlet Centers, Inc. the first publicly traded outlet center company. Since our initial public offering, we have grown our portfolio through the strategic development, expansion and acquisition of outlet centers and are now one of the largest owner operators of outlet centers in the United States and Canada.

In April 2020, Stephen Yalof, a successful and proven retail real estate executive, joined the Company as President and Chief Operating Officer, as part of an executive succession plan for the role of CEO. Effective January 1, 2021, Steven B. Tanger, the Company's CEO, transitioned to the position of Executive Chair of the Company's Board of Directors, effective through January 1, 2024, and Mr. Yalof assumed the role of CEO of the Company.

Business Strategy

Our company has been built on a firm foundation of strong and enduring business relationships coupled with conservative business practices. We partner with many of the world's best known and most respected retailers and manufacturers. By fostering and maintaining strong tenant relationships with these successful, high volume companies, we have been able to solidify our position as a leader in the outlet industry for well over a quarter century. The confidence and trust that we have developed with our retail partners from the very beginning has allowed us to forge the impressive retail alliances that we enjoy today with our brand name retailers and manufacturers. Our seasoned team of real estate professionals utilize the knowledge and experience that we have gained to give us a competitive advantage in the outlet business.

Growth Strategy

Our goal is to build shareholder value through a comprehensive, conservative plan for sustained, long-term growth. We focus our efforts on increasing rents in our existing outlet centers, renovating and expanding selected outlet centers and reaching new markets through ground-up developments or acquisitions of existing outlet centers. We expect new development to continue to be important to the growth of our portfolio in the long-term. However, the number of new development opportunities may be limited or completed at a slower pace than historically given the current disruption in the retail environment caused in part by Internet competition and numerous store closings as a result of bankruptcy filings or brand wide restructuring of certain retailers. Future outlet centers may be wholly-owned by us or developed through joint venture arrangements.

Increasing rents at existing outlet centers

Our leasing team focuses on the marketing of available space to maintain our standard for high occupancy levels. The majority of our leases are negotiated to provide for inflation-based contractual rent increases or periodic fixed contractual rent increases and percentage rents. We have historically been able to renew many leases at higher base rents per square-foot and replace underperforming tenants with new or existing tenants in our portfolio. Given the current retail environment as discussed above, we may choose to renew certain tenants or execute leases with new tenants at lower rental rates to maintain a high portfolio occupancy rate.

Developing new outlet centers

We believe that there continue to be opportunities to introduce the Tanger brand in untapped or under-served markets across the United States and Canada in the long-term. We believe our 40 years of outlet industry experience, extensive development expertise and strong retail relationships give us a distinct competitive advantage.

In order to identify new markets across North America, we follow a general set of guidelines when evaluating opportunities for the development of new outlet centers. This typically includes seeking locations within markets that have at least one million people residing within a 30 to 40 mile radius with an average household income of at least \$65,000 per year, frontage on a major interstate or roadway that has excellent visibility and a traffic count of at least 55,000 cars per day. Leading tourist, vacation and resort markets that receive at least five million visitors annually are also closely evaluated. Although our current goal is to target sites that are large enough to support outlet centers with approximately 60 to 90 stores totaling at least 250,000 to 350,000 square feet, we maintain the flexibility to vary our minimum requirements based on the unique characteristics of a site, tenant demand and our prospects for future growth and success.

In order to help ensure the viability of proceeding with a project, we gauge the interest of our retail partners first. We typically prefer to have signed leases or leases out for negotiation with tenants for at least 60% of the space in each outlet center prior to acquiring the site and beginning construction; however, we may choose to proceed with construction with less than 60% of the space pre-leased under certain circumstances. Construction of a new outlet center has typically taken us nine to twelve months from groundbreaking to grand opening of the outlet center.

Expanding and renovating existing outlet centers

Keeping our outlet shopping centers vibrant and growing is a key part of our formula for success. In order to maintain our reputation as the premiere outlet shopping destination in the markets that we serve, we have an ongoing program of renovations and expansions taking place at our outlet centers. Construction for expansion and renovation to existing properties typically takes less time, usually between six to nine months depending on the scope of the project.

Acquiring outlet centers

We may selectively choose to acquire individual properties or portfolios of properties that meet our strategic investment criteria. We believe that our extensive experience in the outlet center business, access to capital markets, familiarity with real estate markets and our management experience will allow us to evaluate and execute our acquisition strategy successfully over time. Through our tenant relationships, our leasing professionals have the ability to implement a re-merchandising strategy when needed to increase occupancy rates and value. We believe that our managerial skills, marketing expertise and overall outlet industry experience will also allow us to add long-term value and viability to these outlet centers.

Operating Strategy

Increasing cash flow to enhance the value of our properties and operations remains a primary business objective. Through targeted marketing and operational efficiencies, we strive to improve sales and profitability of our tenants and our outlet centers as a whole. Achieving higher base and percentage rents and generating additional income from temporary leasing, vending and other sources also remains an important focus and goal.

Leasing

Our long-standing retailer relationships and our focus on identifying emerging retailers allow us the ability to provide our shoppers with a collection of the world's most popular outlet stores. Tanger customers shop and save on their favorite brand name merchandise including men's, women's and children's ready-to-wear, lifestyle apparel, footwear, jewelry and accessories, tableware, housewares, luggage and home goods. In order for our outlet centers to perform at a high level, our leasing professionals continually monitor and evaluate tenant mix, store size, store location and sales performance. They also work to assist our tenants through re-sizing and re-location of retail space within each of our outlet centers for maximum sales of each retail unit across our portfolio.

Marketing

Our marketing plans deliver compelling, well-crafted messages and enticing promotions and events to targeted audiences. Our plans are based on a basic measure of success - increase sales and traffic for our retail partners and we will create successful outlet centers. Utilizing a strategic mix of print, radio, television, direct mail, our consumer website, Internet advertising, social networks, mobile applications and public relations, we consistently reinforce the Tanger brand. Our marketing efforts are also designed to build loyalty with current Tanger shoppers and create awareness with potential customers. The majority of consumer-marketing expenses incurred by us are reimbursable by our tenants.

Capital Strategy

We believe we achieve a strong and flexible financial position by attempting to: (1) maintain a conservative leverage position relative to our portfolio when pursuing new development, expansion and acquisition opportunities, (2) extend and sequence debt maturities, (3) manage our interest rate risk through a proper mix of fixed and variable rate debt, (4) maintain access to liquidity by using our lines of credit in a conservative manner and (5) preserve internally generated sources of capital by strategically divesting of our non-core assets and maintaining a conservative distribution payout ratio. We manage our capital structure to reflect a long-term investment approach and utilize multiple sources of capital to meet our requirements.

We intend to retain the ability to raise additional capital, including public debt or equity, to pursue attractive investment opportunities that may arise and to otherwise act in a manner that we believe to be in the best interests of our shareholders and unitholders. We are a well-known seasoned issuer with a shelf registration statement on Form S-3 that allows us to register unspecified amounts of different classes of securities. To generate capital to reinvest into other attractive investment opportunities, we may also consider the use of additional operational and developmental joint ventures, the sale or lease of outparcels on our existing properties and the sale of certain properties that do not meet our long-term investment criteria. Based on cash provided by operations, existing lines of credit, ongoing relationships with certain financial institutions and our ability to issue debt or equity subject to market conditions, we believe that we have access to the necessary financing to fund our planned capital expenditures during 2021.

We anticipate that adequate cash will be available to fund our operating and administrative expenses, regular debt service obligations, and the payment of dividends in accordance with REIT requirements in both the short and long-term. Although we receive most of our rental payments on a monthly basis, distributions to shareholders and unitholders are made quarterly and interest payments on the senior, unsecured notes are made semi-annually. Amounts accumulated for such payments will be used in the interim to reduce the outstanding borrowings under our existing lines of credit or invested in short-term money market or other suitable instruments adhering to our investment policies.

We believe our current balance sheet position is financially sound; however, due to the uncertainty and unpredictability of the capital and credit markets, we can give no assurance that affordable access to capital will exist between now and when our next significant debt maturity, which is our unsecured lines of credit. The unsecured lines of credit expire in 2021, with a one-year extension option that may extend the maturity to 2022. As a result, our current primary focus is to continually strengthen our capital and liquidity position by controlling and reducing construction and overhead costs, generating positive cash flows from operations to cover our distributions and reducing outstanding debt.

Competition

We carefully consider the degree of existing and planned competition in a proposed area before deciding to develop, acquire or expand a new outlet center. Our outlet centers compete for customers primarily with outlet centers built and operated by different developers, traditional shopping malls, full- and off-price retailers and e-commerce retailers. We believe that the majority of our customers visit outlet centers because they are intent on buying name-brand products at discounted prices. Traditional full- and off-price retailers and e-commerce retailers are often unable to provide such a variety and depth of name-brand products at attractive prices.

Because our revenues are ultimately linked to our tenants' success, we are affected by the same competitive factors, such as consumer spending habits and on-line shopping, as our tenants. Tenants of outlet centers are generally adverse to direct competition with major brick and mortar retailers and their own specialty stores. For this reason, our outlet centers generally compete only to a limited extent with traditional malls in or near metropolitan areas as our centers are typically located at least 10 miles from major department stores and manufacturer-owned, full-price retail stores. In recent years, some of our tenants have been adversely impacted by changes in consumer spending habits and the convenience of on-line shopping.

We compete with institutional pension funds, private equity investors, other REITs, individual owners of outlet centers, specialty stores and others who are engaged in the acquisition, development or ownership of outlet centers and stores. In addition, the number of entities competing to acquire or develop outlet centers has increased and may continue to increase in the future, which could increase demand for these outlet centers and the prices we must pay to acquire or develop them. Nevertheless, we believe the high barriers to entry in the outlet industry, including the need for extensive marketing programs to drive traffic to the centers and relationships with premier manufacturers and brand name retailers, will continue to limit the number of new outlet centers developed each year.

Financial Information

We have one reportable operating segment. For financial information regarding our segment, see our consolidated financial statements.

Corporate and Regional Headquarters

We rent space in an office building in Greensboro, North Carolina where our corporate headquarters is located as well as a regional office in Miami, Florida.

As of December 31, 2020, we maintain offices and employ on-site management at 33 consolidated and unconsolidated outlet centers. The managers closely monitor the operation, marketing and local relationships at each of their outlet centers.

Insurance

We believe that as a whole our properties are covered by adequate comprehensive liability, fire, flood, earthquake and extended loss insurance provided by reputable companies with commercially reasonable and customary deductibles and limits. Northline Indemnity, LLC, ("Northline"), a wholly-owned captive insurance subsidiary of the Operating Partnership, is responsible for losses up to certain levels for property damage (including wind damage from hurricanes) prior to third-party insurance coverage. Specified types and amounts of insurance are required to be carried by each tenant under their lease. There are however, types of losses, like those resulting from wars or nuclear radiation, which may either be uninsurable or not economically insurable in some or all of our locations. An uninsured loss could result in a loss to us of both our capital investment and anticipated profits from the affected property.

Human Capital Resources

As of December 31, 2020, we had 262 full-time employees, located at our corporate headquarters in North Carolina, our regional office in Miami and 33 business offices. At that date, we also employed 265 part-time employees at various locations. We are committed to a diverse, collaborative, and entrepreneurial workplace. As of December 31, 2020, female employees made up 72% of field employees and 45% of our Executive Leadership Team. Ethnic minorities made up 22% of our workforce in 2020. The Company's Board gender composition was 25% female, with 13% ethnic diversity. Additionally, we performed an internal gender pay gap analysis in 2020, comparing positions with similar roles and responsibilities, that considered tenure, education, work experience and performance. Also, in 2020 we formed a Diversity and Inclusion Council with representation from across the Company. The Diversity, Equity and Inclusion Council will focus on making diversity, equity and inclusion a top-level focus in our Company and with our people, our places and our partners. We are deeply committed to representing and reflecting the unique experiences, perspectives and viewpoints of our people, partners, and the communities we serve. We strive to champion diversity, equity and inclusion for all. This empowers us to reach our full potential, fueling innovation and connection with our employees and the customers and communities we serve.

Our success is highly dependent on part-time employees and the institutional knowledge that comes with high retention rates. Our part-time workforce is 50% of our 527-person workforce. At 28%, turnover is significantly below industry averages of 39%, according to the Bureau of Labor Statistics. 48% of our team members have been with us for five years or longer, and the average tenure for full time employees in 2020 was 9.3 years.

We focus on developing strategies that enhance an environment where high performance, training and expression of our core competencies are rewarded and publicly recognized. We provide numerous training programs which included topics related to, among other things, operational training, leadership development, customer service and technology training. We recognize that motivation and rewards are different for individuals at various times in their careers, and a balanced blend of monetary and non-monetary rewards can generate valuable business results. We provide employee benefits on par or above industry standards. Part-time employees are included in our 401(k) plans, which offer immediate vesting and dollar-for-dollar matches for employee contributions up to 3%, and \$0.50 for every dollar contributed on the next 2% deferred. Part-time employees also participate in paid time off (PTO) after five years of service. In addition, employees are allowed, and encouraged by us to spend, 40 hours per year of paid time off to volunteer for worthwhile activities in their local communities.

Government Regulations

We are subject to regulation by various federal, state, provincial and local agencies. These agencies include the Environmental Protection Agency, Occupational Safety and Health Administration and Department of Labor and Equal Employment Opportunity Commission. We believe we comply, in all material respects, with existing applicable statutes and regulations affecting environmental issues and our employment, workplace health and workplace safety practices, and compliance with such statutes and regulations has no material effect on our capital expenditures, earnings or competitive position.

ITEM 1A. RISK FACTORS

Important risk factors that could materially affect our business, financial condition or results of operations in future periods are described below. These factors are not intended to be an all-encompassing list of risks and uncertainties and are not the only risks and uncertainties we face. Additional risks not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or results of operations in future periods.

Risks Related to Real Estate Investments

We may be unable to develop new outlet centers or expand existing outlet centers successfully.

We intend to continue to develop new outlet centers and expand existing outlet centers as opportunities arise. However, there are significant risks associated with our development activities in addition to those generally associated with the ownership and operation of established retail properties. While we have policies in place designed to limit the risks associated with development, these policies do not mitigate all development risks associated with a project. These risks include the following:

- significant expenditure of money and time on projects that may be delayed or never be completed;
- higher than projected construction costs;
- shortage of construction materials and supplies;
- failure to obtain zoning, occupancy or other governmental approvals or to the extent required, tenant approvals; and
- late completion because of construction delays, delays in the receipt of zoning, occupancy and other approvals or other factors outside of our control.

Any or all of these factors may impede our development strategy and adversely affect our overall business.

The economic performance and the market value of our outlet centers are dependent on risks associated with real property investments.

Real property investments are subject to varying degrees of risk. The economic performance and values of real estate may be affected by many factors, including changes in the national, regional and local economic climate, inflation, changes in government policies and regulations, unemployment rates, consumer confidence, consumer shopping preferences, local conditions such as an oversupply of space or a reduction in demand for real estate in the area, the attractiveness of the properties to tenants, competition from other available space, our ability to provide adequate maintenance and insurance and increased operating costs.

Real property investments are relatively illiquid.

Our outlet centers represent a substantial portion of our total consolidated assets. These assets are relatively illiquid. As a result, our ability to sell one or more of our outlet centers in response to any changes in economic or other conditions is limited. If we want to sell an outlet center, there can be no assurance that we will be able to dispose of it in the desired time period or that the sales price will exceed the cost of our investment.

Properties have been in the past and may be in the future subject to impairment charges which can adversely affect our financial results.

We periodically evaluate long-lived assets to determine if there has been any impairment in their carrying values or if there are other indicators of impairment and record impairment losses if the undiscounted cash flows estimated to be generated by those assets are less than their carrying amounts. If it is determined that an impairment has occurred, we would be required to record an impairment charge equal to the excess of the asset's carrying value over its estimated fair value, which could have a material adverse effect on our financial results in the accounting period in which the adjustment is made. Our estimates of undiscounted cash flows expected to be generated by each property are based on a number of assumptions that are subject to economic and market uncertainties including, but not limited to, estimated hold period, terminal capitalization rates, demand for space, competition for tenants, changes in market rental rates and costs to operate each property. As these factors are difficult to predict and are subject to future events that may alter our assumptions, the future cash flows estimated in our impairment analysis may not be achieved.

Also, we assess whether there are any indicators that the value of our investments in unconsolidated joint ventures may be impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investments, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss is measured as the excess of the carrying amount of the investment over the estimated fair value of the investment. Our estimates of value for each joint venture investment are based on a number of assumptions that are subject to economic and market uncertainties including, among others, estimated hold period, terminal capitalization rates, demand for space, competition for tenants, discount and capitalization rates, changes in market rental rates and operating costs of the property. As these factors are difficult to predict and are subject to future events that may alter our assumptions, the values estimated by us in our impairment analysis may not be realized.

In the current and recent years, we have recorded impairment charges related to both our long-lived assets and our investments in consolidated joint ventures. In addition, based upon current market conditions, one of our outlet centers has an estimated fair value significantly less than its recorded carrying value of approximately \$122.5 million. However, based on our current plan with respect to that outlet center, we believe that its carrying amount is recoverable and therefore no impairment charge was recorded. Accordingly, we will continue to monitor circumstances and events in future periods that could affect inputs such as the expected holding period, operating cash flow forecasts and capitalization rates, utilized to determine whether an impairment charge is necessary. As these inputs are difficult to predict and are subject to future events that may alter our assumptions, the future cash flows estimated by management in its impairment analysis may not be achieved, and actual losses or impairment may be realized in the future.

Dispositions may not achieve anticipated results.

From time to time, we have strategically disposed of assets, and may dispose of additional assets in the future, with the goal of improving the overall performance of our core portfolio. However, we may not achieve the results we originally anticipated at the time of disposition. If we are not successful at achieving the anticipated results, there is a potential for a significant adverse impact on our returns and our overall profitability.

We face competition for the acquisition and development of outlet centers, and we may not be able to complete acquisitions or developments that we have identified.

We intend to grow our business in part through acquisitions and new developments. We compete with institutional pension funds, private equity investors, other REITs, small owners of outlet centers, specialty stores and others who are engaged in the acquisition, development or ownership of outlet centers and stores. These competitors may succeed in acquiring or developing outlet centers themselves. Also, our potential acquisition targets may find our competitors to be more attractive acquirers because they may have greater marketing and financial resources, may be willing to pay more, or may have a more compatible operating philosophy. In addition, the number of entities competing to acquire or develop outlet centers has increased and may continue to increase in the future, which could increase demand for these outlet centers and the prices we must pay to acquire or develop them. If we pay higher prices for outlet centers, our profitability may be reduced. Also, once we have identified potential acquisitions, such acquisitions are subject to the successful completion of due diligence, the negotiation of definitive agreements and the satisfaction of customary closing conditions. We cannot assure you that we will be able to reach acceptable terms with the sellers or that these conditions will be satisfied.

We may be subject to environmental regulation.

Under various federal, state and local laws, ordinances and regulations, we may be considered an owner or operator of real property and may be responsible for paying for the disposal or treatment of hazardous or toxic substances released on or in our property or disposed of by us, as well as certain other potential costs which could relate to hazardous or toxic substances (including governmental fines and injuries to persons and property). This liability may be imposed whether or not we knew about, or were responsible for, the presence of hazardous or toxic substances.

Possible terrorist activity, other acts or threats of violence, public health crises and threats to public safety could adversely affect our financial condition and results of operations.

Terrorist attacks and threats of terrorist attacks, whether in the United States, Canada or elsewhere, or other acts or threats of violence may result in declining economic activity, which could harm the demand for goods and services offered by our tenants and the value of our properties and might adversely affect the value of an investment in our securities. Similarly, public health crises may negatively impact consumer spending. Such a resulting decrease in retail demand could make it difficult for us to renew or re-lease our properties and may adversely impact our results of operations to the extent our revenues are dependent on variable revenue sources.

Terrorist activities or violence also could directly affect the value of our properties through damage, destruction or loss. In addition, these acts and threats might erode business and consumer confidence and spending, and might result in increased volatility in national and international financial markets and economies. Any one of these events might decrease demand for real estate, decrease or delay the occupancy of our properties, impair the ability of tenants to meet their obligations under their existing leases, limit our access to capital, increase our cost of raising capital and/or give rise to third party claims.

Risks Related to our Business

The current COVID-19 pandemic has negatively affected and will likely continue to negatively affect our business, financial condition, liquidity and results of operations and those of our tenants.

The current COVID-19 pandemic has had, and likely will continue to have, repercussions across local, national and global economies and financial markets. COVID-19 has impacted all states where our tenants operate their businesses or where our properties are located and measures taken to prevent the spread of or remediate outbreaks of COVID-19, including “shelter-in place” or “stay-at-home” orders or other quarantine mandates issued by local, state or federal authorities, have had an adverse effect on our business and the businesses of our tenants. The full extent of the adverse impact on our results of operations, liquidity (including our ability to access capital markets), and our ability to develop, acquire, dispose or lease properties for our portfolio, is unknown and will depend on future developments, which are highly uncertain and cannot be predicted. Our results of operations, liquidity and cash flows may continue to be materially affected.

Many of our tenants operate in industries that depend on in-person interactions with their customers to be profitable and to fund their obligations under lease agreements with us. Measures taken to prevent or remediate COVID-19, including “shelter-in-place” or “stay-at-home” orders or other quarantine mandates, with respect to some portion of our tenants, (i) prevented our tenants from being able to open their stores and conduct business or limited the hours in which they may conduct business, and/or (ii) decreased or prevented our tenants’ customers’ willingness or ability to frequent their businesses, and/or (iii) impacted supply chains from local, national and international suppliers or otherwise delayed the delivery of inventory or other materials necessary for our tenants’ operations, all of which have adversely affected, and are likely to continue to adversely affect, their ability to maintain profitability and make rental payments to us under their leases. Tenants have also, as a result of such public health crisis, orders or mandates and any resulting economic downturn, requested rent deferrals, rent abatement or early termination of their leases and may continue to do so. In addition, tenants have and may continue to be forced to temporarily or permanently close or declare bankruptcy which could reduce our cash flows and negatively affect our ability to pay dividends. Specifically, as a result of COVID-19 and various governmental orders currently in place, a significant number of our tenants either closed their business or operated with limited operations and/or have submitted requests for rent relief or failed to pay rent. In addition, state, local or industry-initiated efforts, such as tenant rent freezes or suspension of a landlord’s ability to enforce evictions, may also affect our ability to collect rent or enforce remedies for the failure to pay rent.

We are closely monitoring changes in the collectability assessment of our tenant receivables as a result of certain tenants suffering adverse financial consequences due to COVID-19 and should our estimates change, there could be material modifications to our revenues in future periods. We believe our tenants do not have a clear contractual right to cease paying rent due to government mandated closures and we intend to enforce our rights under the lease agreements. However, COVID-19 and the related governmental orders present fairly novel situations for which the ultimate legal outcome cannot be assured and it is possible future governmental action could impact our rights under the lease agreements. The extent of tenant requests and actions and the impact to the Company’s results of operations and cash flows is uncertain and cannot be predicted.

The extent to which the COVID-19 pandemic continues to impact our financial condition, results of operations and cash flows will depend on future developments which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, the availability or effectiveness of vaccines or treatments, future mutations or variants of the virus, and the direct and indirect economic effects of the pandemic and containment measures, among others. The impact of the COVID-19 pandemic on our rental revenue for the future cannot be determined at present. The situation surrounding the COVID-19 pandemic remains fluid, and we are continuing to manage our response in collaboration with tenants, government officials and business partners and assessing potential impacts to our financial position and operating results, as well as potential adverse developments in our business.

The COVID-19 pandemic, or a future pandemic, could also have material and adverse effects on our ability to successfully operate and on our financial condition, results of operations and cash flows due to, among other factors:

- The reduced economic activity that could result in a prolonged recession and may consequently negatively impact consumer discretionary spending; difficulty accessing debt and equity capital on attractive terms, or at all, deterioration in our credit ratings, a severe disruption and instability in the global financial markets or deterioration in credit and financing conditions may affect our access to capital necessary to fund business operations or address maturing liabilities on a timely basis and our tenants’ ability to fund their business operations and meet their obligations to us.
- The financial impact of the COVID-19 pandemic could negatively impact our future compliance with financial covenants of our credit facility and other debt agreements and result in a default and potentially an acceleration of indebtedness, which non-compliance could negatively impact our liquidity.
- Any impairment in value of our tangible or intangible assets which could be recorded as a result of weaker economic conditions
- A general decline in business activity and demand for real estate transactions could adversely affect our ability or desire to grow our portfolio of properties or dispose of properties at a net gain, as applicable.
- A deterioration in our or our tenants’ ability to operate in affected areas or delays in the supply of products or services to us or our tenants from vendors that are needed for our or our tenants’ efficient operations could adversely affect our operations and those of our tenants.

- A significant increase in the number of tenants that file for Chapter 11 bankruptcy; adverse impacts from requiring most employees to work remotely, such as reductions in productivity and heightened cybersecurity risks; and the potential negative impact on the health of our personnel, particularly if a significant number of them are impacted, could result in a deterioration in our ability to ensure business continuity during this disruption.

Our earnings and therefore our profitability are dependent on rental income from real property.

Substantially all of our income is derived from rental income from real property. Our income and funds for distribution would be adversely affected if rental rates at our centers decrease, if a significant number of our tenants were unable to meet their obligations to us or if we were unable to lease a significant amount of space in our outlet centers on economically favorable lease terms. In addition, the terms of outlet store tenant leases traditionally have been significantly shorter than in other retail segments. There can be no assurance that any tenant whose lease expires in the future will renew such lease or that we will be able to re-lease space on economically favorable terms.

We are substantially dependent on the results of operations of our retail tenants and their bankruptcy, early termination or closing could adversely affect us.

Our operations are subject to the results of operations of our retail tenants. A portion of our rental revenues are derived from percentage rents that directly depend on the sales volume of certain tenants. Accordingly, declines in these tenants' results of operations would reduce the income produced by our properties. If the sales or profitability of our retail tenants decline sufficiently, whether due to a change in consumer preferences, legislative changes that increase the cost of their operations or otherwise, such tenants may be unable to pay their existing rents as such rents would represent a higher percentage of their sales. Any resulting leasing delays, failures to make payments or tenant bankruptcies could result in the termination of such tenants' leases.

A number of companies in the retail industry, including some of our tenants, have declared bankruptcy or have voluntarily closed all or certain of their stores in recent years. The bankruptcy of a major tenant or number of tenants may result in the closing of certain affected stores or reduction of rent for stores that remain operating. For example, in the past three years, our revenues were adversely affected by higher than historical averages of bankruptcy filings and other tenant closures during those periods. We expect other store closings to impact our operating results in 2021. In addition, certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration if we fail to maintain certain occupancy levels or retain specified named tenants, or if the tenant does not achieve certain specified sales targets. Our occupancy at our consolidated centers has declined from 97% at the end of 2019 to 92% at the end of 2020. If our occupancy continues to decline, certain outlet centers may fall below the minimum co-tenancy thresholds and could trigger many tenants ability to pay reduced rents, which in turn may negatively impact our results of operations.

Re-leasing this space may take longer than our historical experience. In addition, we may be unable to replace the space at equal or greater rent, and/or we may incur significant tenant allowances to induce tenants to enter into leases. As such, the closings of a significant amount of stores could have a material adverse effect on our results of operations and could result in a lower level of funds for distribution.

Certain of our properties are subject to ownership interests held by third parties, whose interests may conflict with ours and thereby constrain us from taking actions concerning these properties which otherwise would be in our best interests and our shareholders' interests.

We own partial interests in outlet centers with various joint venture partners. The approval or consent of the other members of these joint ventures is required before we may sell, finance, expand or make other significant changes in the operations of these properties. We also may not have control over certain major decisions, including approval of the annual operating budgets, selection or termination of the property management company, leasing and the timing and amount of distributions, which could result in decisions that do not fully reflect our interests. To the extent such approvals or consents are required, we may experience difficulty in, or may be prevented from, implementing our plans and strategies with respect to expansion, development, property management, on-going operations, financing (for example, decisions as to whether to refinance or obtain financing, when and whether to pay down principal of any loan and whether and how to cure any defaults under loan documents) or other similar transactions with respect to such properties.

We face risks associated with climate change.

To the extent climate change causes changes in weather patterns, our properties in certain markets could experience, among other impacts, increases in storm intensity, rising sea levels and other natural disasters. Over time, these conditions could result in volatile or decreased demand for retail space at certain of our properties or, in extreme cases, our inability to operate the properties at all. Climate change may also have indirect effects on our business by increasing the cost of (or making unavailable) insurance on favorable terms, or at all, increasing the cost of energy at our properties or requiring us to spend funds to repair and protect our properties against such risks. Moreover, compliance with new laws or regulations related to climate change, including compliance with "green" building codes, may require us to make improvements to our existing properties or increase taxes and fees assessed on us or our properties.

An uninsured loss or a loss that exceeds our insurance policies on our outlet centers or the insurance policies of our tenants could subject us to lost capital and revenue on those outlet centers.

Some of the risks to which our outlet centers are subject, including risks of terrorist attacks, war, earthquakes, hurricanes and other natural disasters, are not insurable or may not be insurable in the future. Should a loss occur that is uninsured or in an amount exceeding the combined aggregate limits for the insurance policies noted above or in the event of a loss that is subject to a substantial deductible under an insurance policy, we could lose all or part of our capital invested in and anticipated revenue from one or more of our outlet centers, which could adversely affect our results of operations and financial condition, as well as our ability to make distributions to our shareholders.

Under the terms and conditions of our leases, tenants generally are required to indemnify and hold us harmless from liabilities resulting from injury to persons and contamination of air, water, land or property, on or off the premises, due to activities conducted in the leased space, except for claims arising from negligence or intentional misconduct by us or our agents. Additionally, tenants generally are required, at the tenant's expense, to obtain and keep in full force during the term of the lease, liability and property damage insurance policies issued by companies acceptable to us. These policies include liability coverage for bodily injury and property damage arising out of the ownership, use, occupancy or maintenance of the leased space. All of these policies may involve substantial deductibles and certain exclusions. Therefore, an uninsured loss or loss that exceeds the insurance policies of our tenants could also subject us to lost capital and revenue.

Consumer spending habits have changed and may continue to evolve.

Certain retailers have experienced, and may continue to experience for the foreseeable future considerable decreases in customer traffic in their retail stores, increased competition from alternative retail options such as those accessible via the Internet and other forms of pressure on their business models. As pressure on such retailers increases, their ability to maintain their stores, meet their obligations both to us and to their external lenders and suppliers, withstand takeover attempts by investors or rivals or avoid bankruptcy and/or liquidation may be impaired, adversely impacting our results of operations to the extent our revenues are dependent on variable revenue sources, and resulting in closures of their stores or their seeking a lease modification with us. Any lease renewal or modification could be unfavorable to us as the lessor and could decrease rents or expense recovery charges.

Our Canadian investments may subject us to different or greater risk from those associated with our domestic operations.

As of December 31, 2020, through a co-ownership arrangement with a Canadian REIT, we have an ownership interest in three properties in Canada. Our operating results and the value of our Canadian operations may be impacted by any unhedged movements in the Canadian dollar. Canadian ownership activities carry risks that are different from those we face with our domestic properties. These risks include:

- adverse effects of changes in the exchange rate between the U.S. and Canadian dollar;
- changes in Canadian political and economic environments, regionally, nationally, and locally;
- challenges of complying with a wide variety of foreign laws;
- changes in applicable laws and regulations in the United States that affect foreign operations;
- property management services being provided directly by our 50/50 co-owner, not by us; and
- obstacles to the repatriation of earnings and cash.

Any or all of these factors may adversely impact our operations and financial results, as well as our overall business.

Our success significantly depends on our key personnel and our ability to attract and retain key personnel.

Our success depends upon the personal efforts and abilities of our senior management team and other key personnel. Although we believe we have a strong management team with relevant industry expertise, the extended loss of the services of key personnel could have a material adverse effect on the securities markets' view of our prospects and materially harm our business. Also, our success and the achievement of our goals are dependent upon our ability to attract and retain qualified employees.

Risks Related to our Indebtedness and Financial Markets

We are subject to the risks associated with debt financing.

We are subject to risks associated with debt financing, including the risk that the cash provided by our operating activities will be insufficient to meet required payments of principal and interest. Disruptions in the capital and credit markets may adversely affect our operations, including the ability to fund planned capital expenditures and potential new developments or acquisitions. Further, there is the risk that we will not be able to repay or refinance existing indebtedness or that the terms of any refinancing will not be as favorable as the terms of existing indebtedness. If we are unable to access capital markets to refinance our indebtedness on acceptable terms, we might be forced to dispose of properties on disadvantageous terms, which might result in losses.

The Operating Partnership guarantees debt or otherwise provides support for a number of joint venture properties.

Joint venture debt is the liability of the joint venture and is typically secured by a mortgage on the joint venture property. A default by a joint venture under its debt obligations may expose us to liability under a guaranty. We may elect to fund cash needs of a joint venture through equity contributions (generally on a basis proportionate to our ownership interests), advances or partner loans, although such funding is not typically required contractually or otherwise.

Our interest rate hedging arrangements may not effectively limit our interest rate risk exposure.

We manage our exposure to interest rate risk by periodically entering into interest rate hedging agreements to effectively fix a portion of our variable rate debt. Our use of interest rate hedging arrangements to manage risk associated with interest rate volatility may expose us to additional risks, including that a counterparty to a hedging arrangement may fail to honor its obligations. We enter into swaps that are exempt from the requirements of central clearing and/or trading on a designated contract market or swap execution facility pursuant to the applicable regulations and rules, and thus there may be more counterparty risk relative to others who do not utilize such exemption. Developing an effective interest rate risk strategy is complex and no strategy can completely insulate us from risks associated with interest rate fluctuations. There can be no assurance that our hedging activities will have the desired beneficial impact on our results of operations or financial condition. We might be subject to additional costs, such as transaction fees or breakage costs, if we terminate these arrangements.

Uncertainty relating to the determination of LIBOR and the phasing out of LIBOR after 2021, or, in certain cases, 2023, may adversely affect our results of operations, financial condition, liquidity and net worth.

The Financial Conduct Authority (“FCA”) that regulates the London Interbank Offered Rate (“LIBOR”) announced it intends to stop compelling banks to submit rates for the calculation of LIBOR after 2021, or, in certain cases, 2023. As a result, the Federal Reserve Board and the Federal Reserve Bank of New York organized the Alternative Reference Rates Committee (“ARRC”), which identified the Secured Overnight Financing Rate (“SOFR”) as its preferred alternative to LIBOR in derivatives and other financial contracts. We are not able to predict when LIBOR may be limited or discontinued or when there will be sufficient liquidity in the SOFR market.

As of December 31, 2020, we had \$401.4 million of debt and nine interest rate swaps with an aggregate notional value of \$390.0 million outstanding that were indexed to LIBOR. In addition, we have a \$600.0 million unsecured revolving line of credit facility that is indexed to LIBOR but had no borrowings under it. We are monitoring and evaluating the risks related to potential changes in LIBOR availability, which include potential changes in interest paid on debt and amounts received and paid on interest rate swaps. In addition, the value of debt or derivative instruments tied to LIBOR could also be impacted when LIBOR is limited or discontinued and contracts must be transitioned to a new alternative rate. For some instruments, the method of transitioning to an alternative rate may be challenging, as they may require negotiation with the respective counterparty. If a contract is not transitioned to an alternative rate and LIBOR is discontinued, the impact on our contracts is likely to vary by contract.

While we expect LIBOR to be available in substantially its current form until the end of 2021, or in certain cases, -2023, it is possible that LIBOR will become unavailable prior to that time. This could occur, for example, if a sufficient number of banks decline to make submissions to the LIBOR administrator. In that case, the risks associated with the transition to an alternative reference rate would be accelerated and/or magnified. Any of these events could have an adverse effect on our financing costs, and as a result, our financial condition, operating results and cash flows.

The market price of our common shares or other securities may fluctuate significantly in response to many factors.

Factors that could cause our securities to fluctuate significantly include but are not limited to; actual or anticipated variations in our operating results; cash flows or liquidity; changes in our earnings estimates or those of analysts; changes in our dividend policy; impairment charges affecting the carrying value of one or more of our outlet centers; changes in the general retail environment; shareholder activism and bankruptcy or brand-wide restructurings of retailers. In addition, a large proportion of our common shares has been and may continue to be traded by short sellers which may put pressure on the supply and demand for our common shares.

Risks Related to Federal Income Tax Laws

The Company's failure to qualify as a REIT could subject our earnings to corporate level taxation.

We believe that we have operated and intend to operate in a manner that permits the Company to qualify as a REIT under the Internal Revenue Code of 1986, as amended (the "Internal Revenue Code"). However, we cannot assure you that the Company has qualified or will remain qualified as a REIT. If in any taxable year the Company were to fail to qualify as a REIT and certain statutory relief provisions were not applicable, the Company would not be allowed a deduction for dividends paid to shareholders in computing taxable income and would be subject to U.S. federal income tax on our taxable income at the regular corporate rate. Also, we could be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost. Accordingly, the Company's failure to qualify for taxation as a REIT would result in a significant reduction in cash available for distribution to our shareholders, and thus may adversely affect the market price and marketability of our securities.

The Company is required by law to make distributions to our shareholders.

To obtain the favorable tax treatment associated with the Company's qualification as a REIT, generally, the Company is required to distribute to its shareholders at least 90% of its net taxable income (excluding capital gains) each year. The Company depends upon distributions or other payments from the Operating Partnership to make distributions to the Company's common shareholders. The Company is allowed to satisfy the REIT income distribution requirement by distributing up to 80% of the dividends on its common shares in the form of additional common shares in lieu of paying dividends entirely in cash. Although we reserve the right to utilize this procedure in the future, we currently have no intent to do so.

Federal or state legislative or other actions could adversely affect our shareholders.

Future changes to tax laws may adversely affect the taxation of the REIT, its subsidiaries or its shareholders. These changes could have an adverse effect on an investment in our shares or on the market value or the resale potential of our assets.

These potential changes could generally result in REITs having fewer tax advantages, and may lead REITs to determine that it would be more advantageous to elect to be taxed, for federal income tax purposes, as a corporation.

Additionally, not all states automatically conform to changes in the Internal Revenue Code. This could increase the complexity of our compliance costs, and may subject us to additional tax and audit risk.

Risks Related to our Organizational Structure

The Company depends on distributions from the Operating Partnership to meet its financial obligations, including dividends.

The Company's operations are conducted by the Operating Partnership, and the Company's only significant asset is its interest in the Operating Partnership. As a result, the Company depends upon distributions or other payments from the Operating Partnership in order to meet its financial obligations, including its obligations under any guarantees or to pay dividends or liquidation payments to its common shareholders. As a result, these obligations are effectively subordinated to existing and future liabilities of the Operating Partnership. The Operating Partnership is a party to loan agreements with various bank lenders that require the Operating Partnership to comply with various financial and other covenants before it may make distributions to the Company. Although the Operating Partnership presently is in compliance with these covenants, there is no assurance that the Operating Partnership will continue to be in compliance and that it will be able to make distributions to the Company.

Risks Related to Cyber Security

Cyber-attacks or acts of cyber-terrorism could disrupt our business operations and information technology systems or result in the loss or exposure of confidential or sensitive customer, employee or Company information.

Our information technology systems have been and may in the future be attacked or breached by individuals or organizations intending to obtain sensitive data regarding our business, customers, employees, tenants or other third parties with whom we do business or disrupt our business operations and information technology systems. A security compromise of our information technology systems or business operations could occur through cyber-attacks or cyber-intrusions over the Internet, malware, ransomware, computer viruses, attachments to e-mails, persons inside our organization, or persons with access to systems inside our organization. Like many companies, we have experienced intrusions and threats to data and information technology systems, and the risk of a future security breach or disruption, particularly through cyber-attacks or cyber-intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. We use information technology systems to manage our outlet centers and other business processes. Disruption of those systems could adversely impact our ability to operate our business to provide timely service to our customers and maintain our relationships with our tenants. Accordingly, if such an attack or act of terrorism were to occur, our operations and financial results could be adversely affected. In addition, we use our information technology systems to protect confidential or sensitive customer, employee and Company information developed and maintained in the normal course of our business. Certain of these systems have been attacked, and any attack on such systems that results in the unauthorized release or loss of customer, employee or other confidential or sensitive data could have a material adverse effect on our business reputation, increase our costs and expose us to material legal claims and liability. If the unauthorized release or loss of customer, employee or other confidential or sensitive data were to occur, our operations and financial results and our share price could be adversely affected.

While we maintain some of our own critical information technology systems, we also depend on third parties to provide important information technology services relating to several key business functions, such as payroll, electronic communications and certain accounting and finance functions. Our measures to prevent, detect and mitigate these threats, including password protection, firewalls, backup servers, threat monitoring and periodic penetration testing, may not be successful in preventing a data breach or limiting the effects of a breach. Furthermore, the security measures employed by third-party service providers may prove to be ineffective at preventing breaches of their systems.

ITEM 1B. UNRESOLVED STAFF COMMENTS

There are no unresolved staff comments from the SEC for either the Company or the Operating Partnership.

ITEM 2. PROPERTIES

As of December 31, 2020, our consolidated portfolio consisted of 31 outlet centers totaling 11.9 million square feet located in 19 states. We own interests in seven other outlet centers totaling approximately 2.2 million square feet through unconsolidated joint ventures, including three outlet centers in Canada. Our consolidated outlet centers range in size from 104,009 to 739,110 square feet. The outlet centers are generally located near tourist destinations or along major interstate highways to provide visibility and accessibility to potential customers.

We believe that the outlet centers are well diversified geographically and by tenant and that we are not dependent upon any single property or tenant. The outlet center in Deer Park, New York is the only property that comprises 10% or more of our consolidated total assets as of December 31, 2020. No property comprises more than 10% of our consolidated revenues for the year ended December 31, 2020. See "Properties - Significant Property" for further details.

We have an ongoing strategy of acquiring outlet centers, developing new outlet centers and expanding existing outlet centers. See "Management's Discussion and Analysis of Financial Condition and Results of Operations - Liquidity and Capital Resources" for a discussion of the cost of such programs and the sources of financing thereof.

As of December 31, 2020, of the 31 outlet centers in our consolidated portfolio, we own the land underlying 25 and have ground leases on six. The following table sets forth information about the land leases on which all or a portion of the outlet centers are located:

Outlet Center	Acres	Expiration	Expiration including renewal terms at our option
Myrtle Beach Hwy 17, SC	40.0	2027	2096
Atlantic City, NJ	21.3	2101	2101
Sevierville, TN	43.6	2086	2086
Riverhead, NY	47.0	2024	2039
Mashantucket, CT (Foxwoods)	8.1	2040	2090
Rehoboth Beach, DE	2.7	2044	(1)

(1) Lease may be renewed at our option for additional terms of twenty years each.

Generally, our leases with our outlet center tenants typically have an initial term that ranges from 5 to 10 years and provide for the payment of fixed monthly rent in advance. There are often contractual base rent increases during the initial term of the lease. In addition, the rental payments are customarily subject to upward adjustments based upon tenant sales volume. A component of most leases includes a pro-rata share or escalating fixed contributions by the tenant for property operating expenses, including common area maintenance, real estate taxes, insurance and advertising and promotion, thereby reducing exposure to increases in costs and operating expenses resulting from inflation.

The following table summarizes certain information with respect to our consolidated outlet centers as of December 31, 2020:

State	Number of Outlet Centers	Square Feet	% of Square Feet
South Carolina	5	1,604,510	13
New York	2	1,468,668	12
Georgia	3	1,121,579	9
Pennsylvania	3	999,416	8
Texas	2	823,557	7
Michigan	2	671,560	6
Delaware	1	557,392	5
Alabama	1	554,649	5
New Jersey	1	489,718	4
Tennessee	1	447,810	4
North Carolina	2	422,895	4
Ohio	1	411,915	3
Arizona	1	410,753	3
Florida	1	351,721	3
Missouri	1	329,861	3
Mississippi	1	324,717	3
Louisiana	1	321,066	3
Connecticut	1	311,299	3
New Hampshire	1	250,107	2
Total	31	11,873,193	100

The following table summarizes certain information with respect to our existing outlet centers in which we have an ownership interest as of December 31, 2020. Except as noted, all properties are fee owned:

Location	Legal Ownership %	Square Feet	% Occupied
Consolidated Outlet Centers			
Deer Park, New York	100	739,110	89
Riverhead, New York ⁽¹⁾	100	729,558	89
Rehoboth Beach, Delaware ⁽¹⁾	100	557,392	92
Foley, Alabama	100	554,649	89
Atlantic City, New Jersey ⁽¹⁾⁽³⁾	100	489,718	79
San Marcos, Texas	100	471,816	91
Sevierville, Tennessee ⁽¹⁾	100	447,810	99
Savannah, Georgia	100	429,089	97
Myrtle Beach Hwy 501, South Carolina	100	426,523	98
Jeffersonville, Ohio	100	411,915	78
Glendale, Arizona (Westgate)	100	410,753	95
Myrtle Beach Hwy 17, South Carolina ⁽¹⁾	100	403,425	100
Charleston, South Carolina	100	386,328	95
Lancaster, Pennsylvania	100	375,857	98
Pittsburgh, Pennsylvania	100	373,863	91
Commerce, Georgia	100	371,408	93
Grand Rapids, Michigan	100	357,122	87
Fort Worth, Texas	100	351,741	98
Daytona Beach, Florida	100	351,721	98
Branson, Missouri	100	329,861	98
Southaven, Mississippi ⁽²⁾⁽³⁾	50	324,717	98
Locust Grove, Georgia	100	321,082	96
Gonzales, Louisiana	100	321,066	98
Mebane, North Carolina	100	318,886	97
Howell, Michigan	100	314,438	76
Mashantucket, Connecticut (Foxwoods) ⁽¹⁾	100	311,299	81
Tilton, New Hampshire	100	250,107	84
Hershey, Pennsylvania	100	249,696	95
Hilton Head II, South Carolina	100	206,564	93
Hilton Head I, South Carolina	100	181,670	95
Blowing Rock, North Carolina	100	104,009	85
Total		11,873,193	92

(1) These properties or a portion thereof are subject to a ground lease.

(2) Based on capital contribution and distribution provisions in the joint venture agreement, we expect our economic interest in the venture's cash flow to be greater than our legal ownership percentage. We currently receive substantially all the economic interest of the property.

(3) Property encumbered by mortgage. See Notes 7 and 8 to the consolidated financial statements for further details of our debt obligations.

Location	Legal Ownership %	Square Feet	% Occupied
Unconsolidated joint venture properties			
Charlotte, North Carolina ⁽¹⁾	50	398,676	98
Ottawa, Ontario	50	357,217	96
Columbus, Ohio ⁽¹⁾	50	355,245	95
Texas City, Texas (Galveston/Houston) ⁽¹⁾	50	352,705	93
National Harbor, Maryland ⁽¹⁾	50	341,156	99
Cookstown, Ontario	50	307,883	94
Saint-Sauveur, Quebec ⁽¹⁾	50	99,405	87
Total		2,212,287	96

(1) Property encumbered by mortgage. See Note 6 to the consolidated financial statements for further details of our joint ventures' debt obligations.

Lease Expirations

The following table sets forth, as of December 31, 2020, scheduled lease expirations for our consolidated outlet centers, assuming none of the tenants exercise renewal options:

Year	No. of Leases Expiring	Approx. Square Feet (in 000's) ⁽¹⁾	Average Annualized Base Rent per sq. ft	Annualized Base Rent (in 000's) ⁽²⁾	% of Annualized Base Rent Represented by Expiring Leases
2021	304	1,333	\$ 23.47	\$ 31,291	14
2022	328	1,601	23.83	38,145	17
2023	260	1,314	24.77	32,549	14
2024	194	918	31.75	29,145	9
2025	262	1,422	24.36	34,635	15
2026	190	929	24.19	22,468	10
2027	118	599	26.66	15,971	6
2028	110	767	19.59	15,024	8
2029	73	328	22.41	7,351	3
2030	48	299	28.25	8,446	3
2031 and after	8	182	12.93	2,354	1
	1,895	9,692	\$ 24.49	\$ 237,379	100

(1) Excludes leases that have been entered into but which tenant has not yet taken possession, vacant suites, space under construction, temporary leases and month-to-month leases totaling in the aggregate approximately 2.2 million square feet.

(2) Annualized base rent is defined as the minimum monthly payments due as of December 31, 2020 annualized, excluding periodic contractual fixed increases and rents calculated based on a percentage of tenants' sales. The annualized base rent disclosed in the table above includes all concessions, abatements and reimbursements of rent to tenants.

Changes in rental income associated with individual signed leases on comparable spaces may be positive or negative, and we can provide no assurance that the rents on new leases or renewals of existing leases will increase from current levels, if at all.

Base Rents and Occupancy Rates

The following table sets forth our year end occupancy and average annual base rent per square foot during each of the last five calendar years for our consolidated properties:

	2020	2019	2018	2017	2016
Occupancy	92 %	97 %	97 %	97 %	98 %
Average annual base rent per square foot ⁽¹⁾	\$ 21.10	\$ 25.35	\$ 25.51	\$ 25.81	\$ 26.10

(1) Average annual base rent per square foot is calculated based on base rental revenues recognized during the year on a straight-line basis including non-cash adjustments to base rent required by United States Generally Accepted Accounting Principles ("GAAP") and the effects of inducements and rent concessions divided by the weighted average square feet of the consolidated portfolio.

The decline in the average annual base rent per square foot in 2020 compared to previous years reflects the decline in occupancy from 97% in 2019 to 92% in 2020 and rent modifications primarily due to a number of tenants filing bankruptcy during 2020.

The following table sets forth information regarding the expiring leases for our consolidated outlet centers during each of the last five calendar years:

Year ⁽¹⁾	Total Expiring		Renewed by Existing Tenants	
	Square Feet (in 000's)	% of Total Outlet Center Square Feet ⁽²⁾	Square Feet (in 000's)	% of Expiring Square Feet
2020	1,526	13	1,096	72
2019	1,320	11	1,020	77
2018	1,742	13	1,418	81
2017	1,549	12	1,296	84
2016	1,440	12	1,223	85

(1) Excludes data for properties sold in each respective year.

(2) Represents the percentage of total square footage at the beginning of each year that is scheduled to expire during the respective year.

The following table sets forth the weighted average rental rate increases (decreases) per square foot on a straight-line basis (includes periodic, contractual fixed rent increases) for our consolidated outlet centers upon re-leasing stores that were turned over or renewed during each of the last five calendar years:

Year ⁽³⁾	Renewals of Existing Leases				Stores Re-leased to New Tenants ⁽¹⁾			
	Square Feet (in 000's)	Average Annualized Rent ⁽²⁾ (\$ per sq. ft.)			Square Feet (in 000's)	Average Annualized Rent ⁽²⁾ (\$ per sq. ft.)		
		Expiring	New	% Increase (Decrease)		Expiring	New	% Increase (Decrease)
2020	1,132	\$ 27.23	\$ 25.33	(7)	350	\$ 32.43	\$ 30.44	(6)
2019	1,064	\$ 31.93	\$ 31.91	—	460	\$ 35.88	\$ 38.93	9
2018	1,398	\$ 30.12	\$ 31.65	5	431	\$ 30.63	\$ 32.40	6
2017	1,261	\$ 28.21	\$ 30.65	9	413	\$ 30.46	\$ 33.24	9
2016	1,187	\$ 27.44	\$ 32.26	18	384	\$ 32.15	\$ 42.84	33

(1) The square footage re-leased to new tenants for 2020, 2019, 2018, 2017, and 2016, contains 46,000, 109,000, 144,000, 107,000, and 93,000 square feet respectively, that was re-leased to new tenants upon expiration of an existing lease during the respective year.

(2) Represents base rent and CAM, excluding license agreements, seasonal tenants, and month-to-month leases.

(3) Excludes data for properties sold in each respective year.

Occupancy Costs

We believe that our ratio of average tenant occupancy cost (which includes base rent, common area maintenance, real estate taxes, insurance, advertising and promotions) to average sales per square foot is low relative to other forms of retail distribution. The following table sets forth for tenants that report sales, for each of the last five calendar years, tenant occupancy costs per square foot as a percentage of reported tenant sales per square foot for our consolidated outlet centers:

Year	Occupancy Costs as a % of Tenant Sales
2020	(1)
2019	10.0
2018	9.9
2017	10.0
2016	9.9

(1) As a result of the COVID-19 pandemic, retailers stores were closed for much of the second quarter of 2020 due to mandates by order of local and state authorities. Given the fewer than twelve months of sales reported by our tenants for 2020, an average tenant occupancy cost is not provided for this period.

Tenants

The following table sets forth certain information for our consolidated outlet centers with respect to our 25 largest tenants based on total annualized base rent as of December 31, 2020 ⁽¹⁾:

Tenant	Brands	# of Stores	Gross Leasable Area (GLA)	% of Total GLA	% of Total Annualized Base Rent ⁽²⁾
The Gap, Inc.	Gap, Banana Republic, Janie & Jack, Old Navy	94	926,819	7.8 %	6.6 %
PVH Corp.	Tommy Hilfiger, Van Heusen, Calvin Klein	59	376,121	3.2 %	4.5 %
Ascena Retail Group, Inc.	LOFT, Ann Taylor, Lane Bryant, Justice	59	359,893	3.0 %	3.6 %
Under Armour, Inc.	Under Armour, Under Armour Kids	30	233,877	2.0 %	3.1 %
SPARC Group	Aéropostale, Brooks Brothers, Forever 21, Lucky Brands, Nautica	61	361,884	3.0 %	3.1 %
American Eagle Outfitters, Inc.	American Eagle Outfitters, Aerie	40	276,204	2.3 %	3.0 %
Nike, Inc.	Nike, Converse, Hurley	35	404,195	3.4 %	2.9 %
Tapestry, Inc.	Coach, Kate Spade, Stuart Weitzman	47	224,149	1.9 %	2.7 %
Carter's, Inc.	Carters, OshKosh B Gosh	48	211,701	1.8 %	2.3 %
Adidas AG	Adidas, Reebok	31	198,425	1.7 %	2.2 %
Hanesbrands Inc.	Hanesbrands, Maidenform, Champion	37	178,607	1.5 %	2.2 %
Capri Holdings Limited	Michael Kors, Michael Kors Men's	28	138,454	1.2 %	2.1 %
Signet Jewelers Limited	Kay Jewelers, Zales, Jared Vault	48	108,923	0.9 %	2.1 %
Columbia Sportswear Company	Columbia Sportswear	19	147,361	1.2 %	2.0 %
Skechers USA, Inc.	Skechers	29	158,067	1.3 %	2.0 %
Chico's, FAS Inc.	Chicos, White House/Black Market, Soma Intimates	40	116,231	1.0 %	2.0 %
V. F. Corporation	The North Face, Vans, Timberland, Dickies	27	143,207	1.2 %	1.9 %
Express Inc.	Express Factory	24	168,000	1.4 %	1.8 %
Caleres Inc.	Famous Footwear, Naturalizer, Allen Edmonds	31	160,018	1.4 %	1.7 %
Levi Strauss & Co.	Levi's	28	116,486	1.0 %	1.6 %
L Brands, Inc.	Bath & Body Works, Victoria's Secret, Pink by Victoria's Secret	30	118,516	1.0 %	1.6 %
Rack Room Shoes, Inc.	Rack Room Shoes	22	129,699	1.1 %	1.6 %
Luxottica Group S.p.A.	Sunglass Hut, Oakley, Lenscrafters	51	74,228	0.6 %	1.6 %
Ralph Lauren Corporation	Polo Ralph Lauren, Polo Children, Polo Ralph Lauren Big & Tall, Club Monaco	33	358,736	3.0 %	1.6 %
Childrens Place	Childrens Place	23	136,276	1.2 %	1.5 %
Total of Top 25 tenants		974	5,826,077	49.1 %	61.3 %

(1) Excludes leases that have been entered into but which tenant has not yet taken possession, temporary leases and month-to-month leases.

(2) Annualized base rent is defined as the minimum monthly payments due as of the end of the reporting period annualized, excluding periodic contractual fixed increases. Includes rents which are based on a percentage of sales in lieu of fixed contractual rents.

Significant Property

The Deer Park, New York outlet center is the only property that comprises 10% or more of our consolidated total assets. No property comprises more than 10% of our consolidated revenues.

Tenants at the Deer Park outlet center principally conduct retail sales operations. The following table shows occupancy and certain base rental information related to this property as of December 31, 2020, 2019, and 2018:

Deer Park	Square Feet	2020	2019	2018
Outlet Center Occupancy	739,110	89 %	99 %	96 %
Average base rental rates per weighted average square foot ⁽¹⁾		\$ 19.25	\$ 34.41	\$ 31.67

(1) Average annual base rent per square foot is calculated based on base rental revenues recognized during the year on a straight-line basis including non-cash adjustments to base rent required by GAAP and the effects of inducements and rent concessions divided by the weighted average square feet of the Deer Park Outlet Center.

The decline in the average annual base rent per square foot in 2020 compared to previous years reflects the decline in occupancy from 99% in 2019 to 89% in 2020 and rent modifications primarily due to a number of tenants filing bankruptcy during 2020.

Depreciation on the outlet centers is computed on the straight-line basis over the estimated useful lives of the assets. We generally use estimated lives up to 33 years for buildings, 15 years for land improvements and 7 years for equipment. Expenditures for ordinary repairs and maintenance are charged to operations as incurred while significant renovations and improvements, including tenant finishing allowances, which improve and/or extend the useful life of the asset are capitalized and depreciated over their estimated useful life. Real estate taxes assessed on this outlet center during 2020 amounted to \$4.7 million. Real estate taxes for 2021 are estimated to be approximately \$5.1 million.

The following table sets forth, as of December 31, 2020, scheduled lease expirations for the Deer Park outlet center assuming that none of the tenants exercise renewal options:

Year	No. of Leases Expiring ⁽¹⁾	Square Feet (in 000's) ⁽¹⁾	Annualized Base Rent per Square Foot	Annualized Base Rent (in 000's) ⁽²⁾	% of Gross Annualized Base Rent Represented by Expiring Leases
2021	13	63	\$ 43.65	\$ 2,750	10
2022	8	33	42.09	1,389	5
2023	12	80	27.84	2,227	13
2024	13	130	33.43	4,346	22
2025	6	26	29.42	765	4
2026	7	22	35.18	774	4
2027	4	12	34.75	417	2
2028	10	105	38.58	4,051	17
2029	7	21	24.10	506	4
2030	4	29	41.03	1,190	5
2031 and after	1	85	14.21	1,208	14
Total	85	606	\$ 32.38	\$ 19,623	100 %

(1) Excludes leases that have been entered into but which tenant has not taken possession, vacant suites, temporary leases and month-to-month leases totaling in the aggregate approximately 133,000 square feet.

(2) Annualized base rent is defined as the minimum monthly payments due as of December 31, 2020, excluding periodic contractual fixed increases and rents calculated based on a percentage of tenants' sales. The annualized base rent disclosed in the table above includes all concessions, abatements and reimbursements of rent to tenants.

ITEM 3. LEGAL PROCEEDINGS

The Company and the Operating Partnership are, from time to time, engaged in a variety of legal proceedings arising in the normal course of business. Although the results of these legal proceedings cannot be predicted with certainty, management believes that the final outcome of such proceedings will not have a material adverse effect on our results of operations or financial condition.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

Information about the Executive Officers of Tanger Factory Outlet Centers, Inc.

The following table sets forth certain information concerning the Company's executive officers. The Operating Partnership does not have executive officers:

NAME	AGE	POSITION
Steven B. Tanger	72	Executive Chair of the Board
Stephen J. Yalof	58	Director, President and Chief Executive Officer
James F. Williams	56	Executive Vice President - Chief Financial Officer
Chad D. Perry	48	Executive Vice President - General Counsel and Secretary
Lisa J. Morrison	61	Executive Vice President - Leasing
Leslie A. Swanson	50	Executive Vice President of Operations
Carrie A. Warren	58	Executive Vice President - Chief Marketing Officer
Thomas J. Guerrieri Jr.	48	Senior Vice President - Chief Accounting Officer

The following is a biographical summary of the experience of our executive officers:

Steven B. Tanger. Mr. Tanger has served as Executive Chair of the Board since January 1, 2021 and as a director of the Company since May 13, 1993. Mr. Tanger previously served as Chief Executive Officer from May 2017 to December 2020. President and Chief Executive Officer from January 2009 to May 2017. President and Chief Operating Officer from January 1995 to December 2008; and Executive Vice President from 1986 to December 1994. Mr. Tanger is a former Trustee of the International Council of Shopping Centers (ICSC); a former Director of The Fresh Market, a member of the Real Estate Roundtable and a Director and Member of the Executive Committee of the National Association of Real Estate Investment Trusts (NAREIT). Mr. Tanger provides an insider's perspective in Board discussions about the business and strategic direction of the Company and has experience in all aspects of the Company's business.

Stephen J. Yalof. Mr. Yalof has served as a director of the Company since July 20, 2020. President and Chief Executive Officer since January 2021. Mr. Yalof joined the Company in April 2020 as President and Chief Operating Officer. Prior to joining the Company, Mr. Yalof served as the Chief Executive Officer of Simon Premium Outlets of the Simon Property Group, Inc., a commercial real estate company and mall operator, from September 2014 to April 2020. Mr. Yalof also has more than 20 years of experience in the retail industry, previously serving as Senior Vice President of Real Estate for Ralph Lauren Corporation and Senior Director of Real Estate for The Gap, Inc. Mr. Yalof provides insight into the Company's operations and strategy as well as extensive experience in the real estate and retail industries.

James F. Williams. Mr. Williams was named Executive Vice President - Chief Financial Officer in May 2018, previously serving as Senior Vice President - Chief Financial Officer from May 2016 to May 2018. He joined the Company in September 1993, served as Controller from January 1995 to March 2015 and Chief Accounting Officer from March 2013 to May 2016. He was also named Assistant Vice President in January 1997, Vice President in April 2004, and Senior Vice President in February 2006. Prior to joining the Company, Mr. Williams was the Financial Reporting Manager of Guilford Mills, Inc. from April 1991 to September 1993 and was employed by Arthur Andersen from 1987 to 1991. He is responsible for the Company's financial reporting processes, as well as supervisory responsibility over the senior officers that oversee the Company's accounting, finance, investor relations and information systems functions. Mr. Williams is a graduate of the University of North Carolina at Chapel Hill and is a certified public accountant.

Chad D. Perry. Mr. Perry joined the Company in December 2011 as Executive Vice President - General Counsel and was named Secretary in May 2012. He was Executive Vice President and Deputy General Counsel of LPL Financial Corporation from May 2006 to December 2011. Previously, he was Senior Corporate Counsel of EMC Corporation. Mr. Perry began his legal career with international law firm Ropes & Gray LLP. His responsibilities include corporate governance, compliance, and other legal matters, as well as management of outside counsel relationships and the Company's in house legal department. Mr. Perry is a graduate of Princeton University, and earned a J.D. from Columbia University, where he was a Harlan Fiske Stone Scholar. He is a member of both the Massachusetts and California bar associations.

Lisa J. Morrison. Ms. Morrison was named Executive Vice President - Leasing in May 2018. Previously, she held the positions of Senior Vice President - Leasing from August 2004 to May 2018, Vice President - Leasing from May 2001 to August 2004, Assistant Vice President of Leasing from August 2000 to May 2001 and Director of Leasing from April 1999 until August 2000. Prior to joining the Company, Ms. Morrison was employed by the Taubman Company and Trizec Properties, Inc. where she served as a leasing agent. Previously, she was a director of leasing for Nelson Ross Properties. Her major responsibilities include managing the leasing strategies for our operating properties, as well as expansions and new developments. She also oversees the leasing personnel and the merchandising and occupancy for Tanger properties. Ms. Morrison is a graduate of the University of Detroit and holds an MA degree from Michigan State University.

Leslie A. Swanson. Ms. Swanson joined the Company in October 2020 as Executive Vice President of Operations. She is responsible for overseeing operations of Tanger's entire portfolio, driving strategic planning, execution, and efficiencies for the properties and the overall business, and securing new opportunities for increased revenue and profit. Leslie joins the Tanger team with over 25 years of experience in shopping center operations, management and marketing. Prior to joining Tanger, was employed with Simon Premium Outlets of the Simon Property Group, Inc., a commercial real estate company and mall operator for 8 years where she served as Executive Vice President of Property Management from 2016 to 2020 and Senior Vice President Property Management from 2012 to 2016.. Leslie is a graduate of Illinois State University, where she earned her Bachelor of Arts and Science degree in Public Relations and Organizational Communication Psychology.

Carrie A. Warren. Ms. Warren was named Executive Vice President - Chief Marketing Officer in January 2021. Previously, she held the positions of Senior Vice President - Chief Marketing Officer from January 2012 to January 2021, Senior Vice President - Marketing from May 2000 to January 2012, Vice President - Marketing from September 1996 to May 2000 and Assistant Vice President - Marketing from December 1995 to September 1996. Prior to joining Tanger, Ms. Warren was with Prime Retail, L.P. for 4 years where she served as Regional Marketing Director responsible for coordinating and directing marketing for five outlet centers in the southeast region. Previously, Ms. Warren was Marketing Manager for North Hills, Inc. for five years and also served in the same role for the Edward J. DeBartolo Corp. for two years. Her major responsibilities include managing the Company's marketing department and developing and overseeing implementation of all corporate and field marketing programs. Ms. Warren is a graduate of East Carolina University.

Thomas J. Guerrieri Jr. Mr. Guerrieri was named Senior Vice President - Chief Accounting Officer in January 2021. He previously held the positions of Vice President - Chief Accounting Officer and Controller from May 2017 to January 2021, Vice President and Controller from January 2016 to May 2017, and joined the company in 2000 as Vice President, Financial Reporting. Prior to joining Tanger in 2000, Mr. Guerrieri was a Senior Accountant at PriceWaterhouse Coopers. He is responsible for SEC reporting, accounting, and financial reporting and financial reporting systems. Mr. Guerrieri graduated from the Kenan-Flagler Business School at the University of North Carolina in 1995 and is a certified public accountant.

PART II

ITEM 5. MARKET FOR REGISTRANT'S COMMON EQUITY, RELATED SHAREHOLDER MATTERS AND ISSUER PURCHASES OF EQUITY SECURITIES

Tanger Factory Outlet Centers, Inc. Market Information

The common shares commenced trading on the New York Stock Exchange on May 28, 1993. Our common shares are listed on the New York Stock Exchange with the ticker symbol "SKT".

Holders

As of February 1, 2021, there were approximately 371 common shareholders of record.

Share Repurchases

In May 2017, we announced that our Board of Directors authorized the repurchase of up to \$125 million of our outstanding common shares as market conditions warrant over a period commencing on May 19, 2017 and expiring on May 18, 2019. In February 2019, the Company's Board of Directors authorized the repurchase of an additional \$44.3 million of our outstanding common shares for an aggregate authorization of \$169.3 million until May 2021. Repurchases may be made from time to time through open market, privately-negotiated, structured or derivative transactions (including accelerated stock repurchase transactions), or other methods of acquiring shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its shares under this authorization. The Company has temporarily suspended share repurchases for at least the twelve months starting July 1, 2020 as the June 2020 amendments to our debt agreements for our lines of credit and bank term loan prohibit share repurchases during such time and in order to preserve our liquidity position.

The following table summarizes our common share repurchases for the fiscal quarter ended December 31, 2020:

Period	Total number of shares purchased	Average price paid per share	Total number of shares purchased as part of publicly announced plans or programs	Approximate dollar value of shares that may yet be purchased under the plans or programs (in millions)
October 1, 2020 to October 31, 2020	—	\$ —	—	\$ 80.0
November 1, 2020 to November 30, 2020	—	—	—	80.0
December 1, 2020 to December 31, 2020	—	—	—	80.0
Total	—	\$ —	—	\$ 80.0

Dividends

The Company operates in a manner intended to enable it to qualify as a REIT under the Internal Revenue Code. A REIT is required to distribute at least 90% of its taxable income to its shareholders each year. We intend to continue to qualify as a REIT and to distribute substantially all of our taxable income to our shareholders through the payment of regular quarterly dividends. Certain of our debt agreements limit the payment of dividends such that dividends shall not exceed funds from operations ("FFO"), as defined in the agreements, for the prior fiscal year on an annual basis or 95% of FFO on a cumulative basis. Given the uncertainty related to the pandemic's near and potential long-term impact, in May 2020 the Company's Board of Directors temporarily suspended dividend distributions to conserve approximately \$35.0 million in cash per quarter and preserve our balance sheet strength and flexibility. On January 14, 2021, the Board reinstated dividend distributions and declared a dividend of \$0.1775 per share paid in February 2021. The Board continues to evaluate the potential for future dividend distributions on a quarterly basis. We were in compliance with REIT taxable income distribution requirements for the 2020 tax year.

Securities Authorized for Issuance under Equity Compensation Plans

The information required by this Item is set forth in Part III, Item 12 of this document.

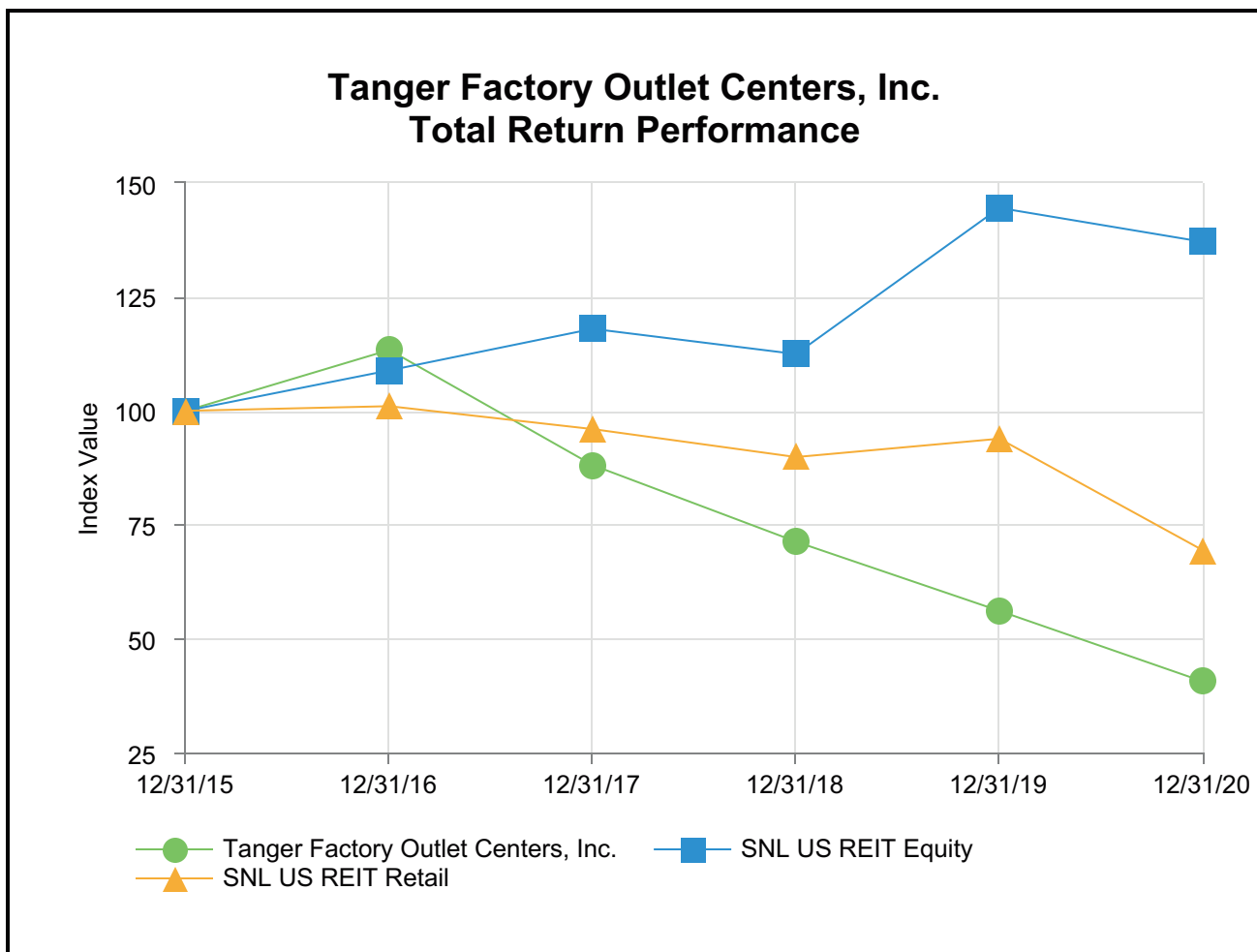
Performance Graph

The following Performance Graph and related information shall not be deemed “soliciting material” or to be “filed” with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Act, or the Securities Exchange Act of 1934, as amended, or the Exchange Act, except to the extent that the Company specifically incorporates it by reference into such filing.

The following share price performance chart compares our performance to an index of U.S. equity REITs and an index of U.S. retail REITs, both prepared by SNL Financial.

Equity REITs are defined as those that derive more than 75% of their income from equity investments in real estate assets. The SNL Retail index includes all publicly traded retail REITs (including malls, shopping centers and other retail REITs) listed on the New York Stock Exchange, NYSE MKT, NASDAQ National Market System or the OTC Market Group.

All share price performance assumes an initial investment of \$100 at the beginning of the period and assumes the reinvestment of dividends. Share price performance, presented for the five years ended December 31, 2020, is not necessarily indicative of future results.



<i>Index</i>	<i>Period Ended</i>					
	<i>12/31/2015</i>	<i>12/31/2016</i>	<i>12/31/2017</i>	<i>12/31/2018</i>	<i>12/31/2019</i>	<i>12/31/2020</i>
Tanger Factory Outlet Centers, Inc.	100.00	113.36	88.08	71.28	56.09	40.60
SNL US REIT Equity	100.00	108.88	118.00	112.46	144.54	137.09
SNL US REIT Retail	100.00	101.02	95.99	89.85	93.88	69.40

Tanger Properties Limited Partnership Market Information

There is no established public trading market for the Operating Partnership's common units. As of December 31, 2020, the Company's wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust, owned 93,569,801 units of the Operating Partnership and the Non-Company LPs owned 4,794,643 units. We made distributions per common unit during 2020 as follows:

	2020
First Quarter	\$ 0.3550
Second Quarter	0.3575
Third Quarter ⁽¹⁾	—
Fourth Quarter ⁽¹⁾	—
Distributions per unit	\$ 0.7125

- (1) Given the uncertainty related to the pandemic's near and potential long-term impact, in May 2020 the Company's Board of Directors temporarily suspended dividend distributions to conserve approximately \$35.0 million in cash per quarter and preserve our balance sheet strength and flexibility. On January 14, 2021, the Board reinstated dividends and declared a dividend of \$0.1775 per share paid in February 2021. The Board continues to evaluate the potential for future dividend distributions on a quarterly basis. We were in compliance with REIT taxable income distribution requirements for the 2020 tax year.

ITEM 6. SELECTED FINANCIAL DATA (TANGER FACTORY OUTLET CENTERS, INC.)

The following data should be read in conjunction with our consolidated financial statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this Annual Report on Form 10-K:

	2020	2019	2018	2017	2016
(in thousands, except per share and outlet center data)					
OPERATING DATA					
Total revenues ⁽¹⁾⁽³⁾	\$ 389,991	\$ 478,348	\$ 494,681	\$ 488,234	\$ 465,834
Net income (loss) ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	(38,013)	92,728	45,563	71,876	204,329
Net income (loss) available to common shareholders ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	(36,970)	86,519	42,444	66,793	191,818
SHARE DATA					
Basic:					
Net income (loss) available to common shareholders ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	\$ (0.40)	\$ 0.93	\$ 0.45	\$ 0.71	\$ 2.02
Weighted average common shares	92,618	92,808	93,309	94,506	95,102
Diluted:					
Net income (loss) available to common shareholders ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	\$ (0.40)	\$ 0.93	\$ 0.45	\$ 0.71	\$ 2.01
Weighted average common shares	92,618	92,808	93,310	94,522	95,345
Common dividends	\$ 0.7125	\$ 1.4150	\$ 1.3925	\$ 1.3525	\$ 1.2600
BALANCE SHEET DATA					
Real estate assets, before depreciation	\$2,793,372	\$ 2,896,894	\$3,046,179	\$3,088,470	\$2,965,907
Total assets	2,189,531	2,285,211	2,384,902	2,540,105	2,526,214
Debt	1,567,886	1,569,773	1,712,918	1,763,651	1,687,866
Total equity	358,883	456,109	505,535	612,302	705,441
CASH FLOW DATA					
Cash flows provided by (used in):					
Operating activities	\$ 164,747	\$ 220,452	\$ 258,318	\$ 253,159	\$ 239,316
Investing activities	(18,771)	99,289	(40,023)	(117,545)	(45,501)
Financing activities	(77,593)	(312,133)	(215,203)	(141,679)	(203,467)
OTHER DATA					
Square feet open:					
Consolidated	11,873	12,048	12,923	12,930	12,710
Partially-owned (unconsolidated)	2,212	2,212	2,371	2,370	2,348
Number of outlet centers:					
Consolidated	31	32	36	36	36
Partially-owned (unconsolidated)	7	7	8	8	8

- (1) For the year ended December 31, 2020, we had significant revenue reductions caused by the COVID-19 pandemic.
- (2) For the year ended December 31, 2020, net loss includes a \$2.3 million gain recorded on the sale of our Terrell, Texas outlet center in August 2020 and impairments charges of \$67.2 million on the outlet center in Mashantucket, Connecticut, and our Jeffersonville, Ohio outlet center. Also includes our share of an impairment charge totaling \$3.1 million related to the Saint-Sauveur, Quebec outlet center in our Canadian joint venture.
- (3) For the year ended December 31, 2019, in connection with the adoption of ASC 842 on January 1, 2019, rental revenues is presented net of uncollectible tenant revenues and includes a straight-line rent adjustment of \$6.4 million to record contractual payments received as consideration from certain executory costs on a straight-line basis.
- (4) For the year ended December 31, 2019, net income includes a \$43.4 million gain recorded on the sale of our Nags Head, Ocean City, Park City, and Williamsburg outlet centers in March 2019 and a \$37.6 million impairment charge related to our Jeffersonville, Ohio outlet center. In addition, due to the adoption of ASC 842 \$4.9 million of indirect internal leasing costs previously capitalized were expensed as general and administrative expenses.
- (5) For the year ended December 31, 2018, net income includes a \$49.7 million impairment charge related to our Jeffersonville, Ohio outlet center and a \$7.2 million impairment charge associated with our RioCan Canada unconsolidated joint ventures.
- (6) For the year ended December 31, 2017, net income includes a \$6.9 million gain on the sale of our outlet center in Westbrook, Connecticut, a \$35.6 million loss on early extinguishment of debt related to the early redemption of senior notes due 2020 and a \$9.0 million impairment charge associated with our RioCan Canada unconsolidated joint ventures.
- (7) For the year ended December 31, 2016, net income includes gains of approximately \$95.5 million related to the acquisitions of our other venture partners' equity interests in the Westgate and Savannah joint ventures, and \$6.3 million in gains on the sales of our Fort Myers, Florida outlet center and an outparcel at our Hwy 501 outlet center in Myrtle Beach, South Carolina.

ITEM 6. SELECTED FINANCIAL DATA (TANGER PROPERTIES LIMITED PARTNERSHIP)

The following data should be read in conjunction with our consolidated financial statements and notes thereto and Management's Discussion and Analysis of Financial Condition and Results of Operations included elsewhere in this Annual Report on Form 10-K:

	2020	2019	2018	2017	2016
(in thousands, except per unit and outlet center data)					
OPERATING DATA					
Total revenues ⁽¹⁾⁽³⁾	\$ 389,991	\$ 478,348	\$ 494,681	\$ 488,234	\$ 465,834
Net income (loss) ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	(38,013)	92,728	45,563	71,876	204,329
Net income (loss) available to common unitholders ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	(38,895)	91,197	44,773	70,402	202,103
UNIT DATA					
Basic:					
Net income (loss) available to common unitholders ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	\$ (0.40)	\$ 0.93	\$ 0.45	\$ 0.71	\$ 2.02
Weighted average common units	97,521	97,766	98,302	99,533	100,155
Diluted:					
Net income (loss) available to common unitholders ⁽¹⁾⁽²⁾⁽³⁾⁽⁴⁾⁽⁵⁾⁽⁶⁾⁽⁷⁾	\$ (0.40)	\$ 0.93	\$ 0.45	\$ 0.71	\$ 2.01
Weighted average common units	97,521	97,766	98,303	99,549	100,398
Common distributions	\$ 0.7125	\$ 1.4150	\$ 1.3925	\$ 1.3525	\$ 1.2600
BALANCE SHEET DATA					
Real estate assets, before depreciation	\$ 2,793,372	\$ 2,896,894	\$ 3,046,179	\$ 3,088,470	\$ 2,965,907
Total assets	2,188,967	2,284,814	2,384,540	2,539,434	2,525,687
Debt	1,567,886	1,569,773	1,712,918	1,763,651	1,687,866
Total equity	358,883	456,109	505,535	612,302	705,441
CASH FLOW DATA					
Cash flows provided by (used in):					
Operating activities	\$ 164,818	\$ 220,391	\$ 258,277	\$ 253,131	\$ 239,299
Investing activities	(18,771)	99,289	(40,023)	(117,545)	(45,501)
Financing activities	(77,593)	(312,133)	(215,203)	(141,679)	(203,467)
OTHER DATA					
Consolidated	11,873	12,048	12,923	12,930	12,710
Partially-owned (unconsolidated)	2,212	2,212	2,371	2,370	2,348
Number of outlet centers:					
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(1) For the year ended December 31, 2020, we had significant revenue reductions caused by the COVID-19 pandemic.

(2) For the year ended December 31, 2020, net loss includes a \$2.3 million gain recorded on the sale of our Terrell, Texas outlet center in August 2020 and impairments charges of \$67.2 million on the outlet center in Mashantucket, Connecticut, and our Jeffersonville Ohio outlet center. Also includes our share of an impairment charge totaling \$3.1 million related to the Saint-Sauveur, Quebec outlet center in our Canadian joint venture.

(3) For the year ended December 31, 2019, in connection with the adoption of ASC 842 on January 1, 2019, rental revenues is presented net of uncollectible tenant revenues and includes a straight-line rent adjustment of \$6.4 million to record contractual payments received as consideration from certain executory costs on a straight-line basis.

(4) For the year ended December 31, 2019, net income includes a \$43.4 million gain recorded on the sale of our Nags Head, Ocean City, Park City, and Williamsburg outlet centers in March 2019 and a \$37.6 million impairment charge related to our Jeffersonville, Ohio outlet center. In addition, due to the adoption of ASC 842 \$4.9 million of indirect internal leasing costs previously capitalized were expensed as general and administrative expenses.

(5) For the year ended December 31, 2018, net income includes a \$49.7 million impairment charge related to our Jeffersonville, Ohio outlet center and a \$7.2 million impairment charge associated with our RioCan Canada unconsolidated joint ventures.

(6) For the year ended December 31, 2017, net income includes a \$6.9 million gain on the sale of our outlet center in Westbrook, Connecticut, a \$35.6 million loss on early extinguishment of debt related to the early redemption of senior notes due 2020 and a \$9.0 million impairment charge associated with our RioCan Canada unconsolidated joint ventures.

(7) For the year ended December 31, 2016, net income includes gains of approximately \$95.5 million related to the acquisitions of our other venture partners' equity interests in the Westgate and Savannah joint ventures, and \$6.3 million in gains on the sales of our Fort Myers, Florida outlet center and an outparcel at our Hwy 501 outlet center in Myrtle Beach, South Carolina.

ITEM 7. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Cautionary Statements

Certain statements made in Item 1 - Business and this Management's Discussion and Analysis of Financial Condition and Results of Operations below are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Reform Act of 1995 and included this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certain assumptions and describe our future plans, strategies, beliefs and expectations, are generally identifiable by use of the words "believe", "expect", "intend", "anticipate", "estimate", "project", or similar expressions. Such forward-looking statements include, but are not limited to, statements regarding: the expected impact of the novel coronavirus ("COVID-19") pandemic on our business, financial results and financial condition; our ability to raise additional capital, including via future issuances of equity and debt, and the use of proceeds from such issuances; our results of operations and financial condition; capital expenditure and working capital needs and the funding thereof; the repurchase of the Company's common shares, including the potential use of a 10b5-1 plan to facilitate repurchases; future dividend payments; the possibility of future asset impairments; potential developments, expansions, renovations, acquisitions or dispositions of outlet centers; compliance with debt covenants; renewal and re-lease of leased space; the outlook for the retail environment, potential bankruptcies, and other store closings; the outcome of legal proceedings arising in the normal course of business; and real estate joint ventures. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other important factors which are, in some cases, beyond our control and which could materially affect our actual results, performance or achievements.

Currently, one of the most significant factors, however, is the adverse effect of the COVID-19 pandemic on the financial condition, results of operations, cash flows, compliance with debt covenants and performance of the Company and its tenants, the real estate market and the global economy and financial markets. The extent to which COVID-19 impacts us and our tenants will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, the availability or effectiveness of vaccines or treatments, future mutations or variations of the virus, and the direct and indirect economic effects of the pandemic and containment measures, among others. Moreover, you should interpret many of the risks identified in this report, as well as the risks set forth below, as being heightened as a result of the ongoing and numerous adverse impacts of COVID-19.

Other important factors which may cause actual results to differ materially from current expectations include, but are not limited to: our inability to develop new outlet centers or expand existing outlet centers successfully; risks related to the economic performance and market value of our outlet centers; the relative illiquidity of real property investments; impairment charges affecting our properties; our dispositions of assets may not achieve anticipated results; competition for the acquisition and development of outlet centers, and our inability to complete outlet centers we have identified; environmental regulations affecting our business; risk associated with a possible terrorist activity or other acts or threats of violence, public health crises and threats to public safety; our dependence on rental income from real property; our dependence on the results of operations of our retailers; the fact certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration; the fact that certain of our properties are subject to ownership interests held by third parties, whose interests may conflict with ours; risks related to uninsured losses; risks related to changes in consumer spending habits; risks associated with our Canadian investments; risks associated with attracting and retaining key personnel; risks associated with debt financing; risk associated with our guarantees of debt for, or other support we may provide to, joint venture properties; the effectiveness of our interest rate hedging arrangements; uncertainty relating to the phasing out of LIBOR; risk associated with our interest rate hedging arrangements; risk associated to uncertainty related to determination of LIBOR; our potential failure to qualify as a REIT; our legal obligation to make distributions to our shareholders; legislative or regulatory actions that could adversely affect our shareholders; our dependence on distributions from the Operating Partnership to meet our financial obligations, including dividends; the risk of a cyber-attack or an act of cyber-terrorism.

We qualify all of our forward-looking statements by these cautionary statements. The forward-looking statements in this Annual Report on Form 10-K are only predictions. We have based these forward-looking statements largely on our current expectations and projections about future events and financial trends that we believe may affect our business, financial condition and results of operations. Because forward-looking statements are inherently subject to risks and uncertainties, some of which cannot be predicted or quantified, you should not rely on these forward-looking statements as predictions of future events. The events and circumstances reflected in our forward-looking statements may not be achieved or occur and actual results could differ materially from those projected in the forward-looking statements. Except as required by applicable law, we do not plan to publicly update or revise any forward-looking statements contained herein, whether as a result of any new information, future events, changed circumstances or otherwise. For a further discussion of the risks relating to our business, see “Item 1A-Risk Factors” in Part I of this Annual Report on Form 10-K.

The following discussion should be read in conjunction with the consolidated financial statements appearing elsewhere in this report. Historical results and percentage relationships set forth in the consolidated statements of operations, including trends which might appear, are not necessarily indicative of future operations.

General Overview

As of December 31, 2020, we had 31 consolidated outlet centers in 19 states totaling 11.9 million square feet. We also had 7 unconsolidated outlet centers totaling 2.2 million square feet, including 3 outlet centers in Canada. The table below details our acquisitions, new developments, expansions and dispositions of consolidated and unconsolidated outlet centers that significantly impacted our results of operations and liquidity from January 1, 2018 to December 31, 2020:

Outlet Center	Quarter Acquired/ Open/Disposed/ Demolished	Consolidated Outlet Centers		Unconsolidated Joint Venture Outlet Centers	
		Square Feet (in thousands)	Number of Outlet Centers	Square Feet (in thousands)	Number of Outlet Centers
As of January 1, 2018		12,930	36	2,370	8
Other		(7)	—	1	—
As of December 31, 2018		12,923	36	2,371	8
Dispositions:					
Nags Head	First Quarter	(82)	(1)	—	—
Ocean City	First Quarter	(200)	(1)	—	—
Park City	First Quarter	(320)	(1)	—	—
Williamsburg	First Quarter	(276)	(1)	—	—
Bromont	Second Quarter	—	—	(161)	(1)
Other		3	—	2	—
As of December 31, 2019		12,048	32	2,212	7
Dispositions:					
Terrell	Third Quarter	(178)	(1)	—	—
Other		3	—	—	—
As of December 31, 2020		11,873	31	2,212	7

Leasing Activity

The following table provides information for our consolidated outlet centers related to leases for new stores that opened or renewals that commenced during the years ended December 31, 2020 and 2019, respectively:

2020^{(1),(2)}						
	# of Leases	Square Feet (in 000's)	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf)	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) ⁽⁴⁾
Re-tenant	70	350	\$ 30.44	\$ 66.43	6.96	\$ 20.90
Renewal	209	1,132	25.33	1.23	3.79	25.01
2019^{(1),(3)}						
	# of Leases	Square Feet (in 000's)	Average Annual Straight-line Rent (psf)	Average Tenant Allowance (psf)	Average Initial Term (in years)	Net Average Annual Straight-line Rent (psf) ⁽⁴⁾
Re-tenant	113	460	\$ 38.93	\$ 43.48	7.89	\$ 33.42
Renewal	224	1,064	31.91	0.59	3.54	31.74

- (1) Rent includes both minimum base rents and common area maintenance ("CAM") rents. Excludes license agreements, temporary tenants, and month-to-month leases.
- (2) Excludes the Terrell outlet center sold in August 2020.
- (3) Excludes outlet centers sold in March 2019 (Nags Head, Ocean City, Park City, and Williamsburg Outlet Centers).
- (4) Net average annual straight-line base rent is calculated by dividing the average tenant allowance costs per square foot by the average initial term and subtracting this calculated number from the average straight-line rent per year amount. The average annual straight-line rent disclosed in the table above includes all concessions, abatements and reimbursements of rent to tenants. The average tenant allowance disclosed in the table above includes other landlord costs.

COVID-19 Pandemic

The current COVID-19 pandemic has had, and will continue to have, repercussions across local, national and global economies and financial markets. COVID-19 has impacted all states where our tenants operate their businesses or where our properties are located and measures taken to prevent or remediate COVID-19, including “shelter-in-place” or “stay-at-home” orders or other quarantine mandates issued by local, state or federal authorities, have had an adverse effect on our business and the businesses of our tenants. The full extent of the adverse impact on our results of operations, liquidity (including our ability to access capital markets), the possibility of future impairments of long-lived assets or our investments in unconsolidated joint ventures, our compliance with debt covenants, our ability to collect rent under our existing leases, our ability to renew and re-lease our leased space, the outlook for the retail environment, bankruptcies and potential further bankruptcies or other store closings and our ability to develop, acquire, dispose or lease properties for our portfolio, is unknown and will depend on future developments, which are highly uncertain and cannot be predicted. Our results of operations, liquidity and cash flows have been and may continue to be in the future materially affected.

Many of our tenants operate in industries that depend on in-person interactions with their customers to be profitable and to fund their obligations under lease agreements with us. Measures taken to prevent or remediate COVID-19, including “shelter-in-place” or “stay-at-home” orders or other quarantine mandates, with respect to virtually all of our tenants, has (i) prevented our tenants from being able to open their stores and conduct business or limited the hours in which they may conduct business, (ii) decreased or prevented our tenants’ customers’ willingness or ability to frequent their businesses, and/or (iii) impacted supply chains from local, national and international suppliers or otherwise delayed the delivery of inventory or other materials necessary for our tenants’ operations, all of which have adversely affected, and are likely to continue to adversely affect, their ability to maintain profitability and make rental payments to us under their leases. Tenants have also, as a result of such public health crisis, orders or mandates and the resulting economic downturn, requested rent deferrals, rent abatement or early termination of their leases and may be forced to temporarily or permanently close or declare bankruptcy which could reduce our cash flows and negatively affect our ability to pay dividends. Specifically, as a result of COVID-19 and various governmental orders currently in place, a number of our tenants either closed their business or operated with limited operations and/or have submitted requests for rent relief or failed to pay rent. Certain other of our tenants have declared bankruptcy as discussed below. In addition, state, local or industry-initiated efforts, such as tenant rent freezes or suspension of a landlord’s ability to enforce evictions, may also affect our ability to collect rent or enforce remedies for the failure to pay rent. We believe our tenants do not have a clear contractual right to cease paying rent due to government mandated closures. We have instituted legal proceedings against a limited number of tenants related to collection of delinquent rental payments, and we intend to continue to enforce our rights under our lease agreements. However, COVID-19 and the related governmental orders present fairly novel situations for which the ultimate legal outcome cannot be assured and it is possible future governmental action could impact our rights under the lease agreements. The extent of future tenant requests and actions and the impact on our results of operations and cash flows is uncertain and cannot be predicted at this time. Some states are experiencing a resurgence of the COVID-19 pandemic, which has resulted in mandatory closures in certain markets. While none of our domestic outlet centers are in these markets, our centers in Canada were required to shut down the last week of the year, two of which reopened in mid-February 2021 and the other is expected to open soon thereafter. If store closures were to occur again in our domestic markets, this could have a material adverse impact on our financial position and results.

Although our outlet centers remained open, retailers began closing their stores in our outlet centers in mid-March and by April 6, 2020, substantially all of the stores in our portfolio were closed as a result of mandates by order of local and state authorities. Reopened stores as a percentage of total leased stores improved over time as mandates were lifted, from 1% on April 6, 2020 to 56% on June 3, 2020 to 72% on June 14, 2020. By June 15, 2020, in-store shopping for non-essential retail was allowed in every market in which our centers are located. As of December 31, 2020, 99.9% of total occupied stores in our consolidated portfolio had reopened, representing 99.9% of leased square footage and 99.9% of annualized base rent. In addition, traffic during the fourth quarter represented approximately 90% of prior year levels and increased to approximately 96% in January. Governmental mandates effective between late December and early-to-mid-February impacted traffic at the Tanger Outlet Centers in Canada. Excluding those centers, domestic traffic was over 99% in January. Our outlet centers may experience additional short-term store closures as retailers implement additional safety protocols at specific locations impacted by increased exposure to COVID-19.

While our outlet centers have not closed throughout the pandemic, we operated under reduced hours since late April when the first stores began to reopen. Prior to the pandemic, our outlet centers operated an average of 12 hours per day. Upon reopening, our centers were open an average of 8 hours per day. Effective November 6, 2020, center hours expanded to an average of 10 hours per day to accommodate the holiday shopping season.

A number of our tenants have requested rent deferrals, rent abatements or other types of rent relief during this pandemic. As a response, in late March 2020, we offered all tenants in our consolidated portfolio the option to defer 100% of April and May rents interest free, payable in equal installments due in January and February of 2021.

The following table sets forth information regarding the status of rents billed during the fourth, third and second quarters (in thousands):

Collection Status: ⁽¹⁾	As of January 31, 2021					
	Fourth Quarter		Third Quarter		Second Quarter	
	Rents Billed	% of Rents	Rents Billed	% of Rents	Rents Billed	% of Rents
Rents collected	\$ 83,281	95 %	\$ 86,682	91 %	\$ 61,139	63 %
Rents expected to be collected	278	—	113	—	404	— %
Rents deferred ⁽²⁾	507	1	473	1	9,361	9 %
Under negotiation	702	1	755	1	1,760	2 %
One-time rent concessions in exchange for amendments to lease structure	1,205	1	2,829	3	13,687	14 %
Bankruptcy related, primarily pre-petition rents	821	1	3,015	3	9,290	10 %
At risk due to tenant financial weakness	1,116	1	934	1	1,867	2 %
Total rents billed	\$ 87,910	100 %	\$ 94,801	100 %	\$ 97,508	100 %

(1) Excludes variable revenue which is derived from tenant sales and lease termination fees.

(2) Includes rents deferred with substantially all payments due in 2021, for which the majority is due in January/February of 2021

As a direct result of the pandemic, bankruptcies and restructurings, the Company's earnings were negatively impacted by approximately \$47.3 million due to (1) write-offs related to bankruptcies and other uncollectible accounts due to financial weakness, (2) one-time concessions in exchange for landlord-favorable amendments to lease structure, (3) reserves for a portion of deferred and under negotiation billings that we expect to become uncollectible in future periods, (4) and write-offs of straight-line rents associated with the bankruptcies and uncollectible accounts.

Included in the negative impact discussed above, for the year ended December 31, 2020, we recorded a \$5.3 million reserve for a portion of deferred and under negotiation billings that are expected to become uncollectible in future periods and recognized a write-off of revenue of approximately \$7.2 million of straight-line rents associated with the tenant bankruptcies and uncollectible accounts. We are closely monitoring changes in the collectability assessment of our tenant receivables as a result of certain tenants suffering adverse financial consequences due to COVID-19 and should our estimates change, there could be material modifications to our revenues in future periods.

Given the economic environment as a result of COVID-19, a select number of our tenants underwent liquidity hardships and filed for Chapter 11 bankruptcy protection during the year. Although some of these tenants intend to exit the Chapter 11 bankruptcy process and resume operations, the outcomes of such proceedings are unknown and we are currently exploring leasing alternatives for stores we expect to close. Recent Chapter 11 bankruptcy filings include, but not limited to, J. Crew Group, Inc. (filed in May 2020) and Brooks Brothers, Lucky Brand Jeans, New York and Company and Ascena Retail Group, Inc. (all filed in July 2020), Francesca's (filed in December 2020) and Christopher and Banks (filed in January 2021). Also, in 2020, G-III Apparel announced a brand-wide restructuring, including its intention to close all of its Wilsons and Bass stores. Approximately 93% of the amounts included in the table above under the caption ("Bankruptcy related, primarily pre-petition rents") that were written off as uncollectible rents during the year ended December 31, 2020 were related to these tenants.

Due to the potential impact of COVID-19 and related bankruptcies and brand-wide restructurings, our revenues may continue to be significantly impacted in 2021. The extent of the impact to our results of operations and cash flows is uncertain and cannot be predicted at this time. While our preference is to work with our tenant partners to reach a financial resolution that maintains occupancy and positions both parties for long-term growth, certain tenants may close a number of their stores or seek significant rent reductions. We reserve all rights under our lease agreements and have pursued, and will continue to pursue, legal remedies to collect rent as appropriate. However, the impact of the COVID-19 pandemic on our tenants' ability to pay rent has had and could have a significant impact in future periods.

In March 2020, to increase liquidity, preserve financial flexibility and help meet our obligations for a sustained period of time, we drew down substantially all of the available capacity under our \$600.0 million unsecured lines of credit. Beginning in June 2020 through August 2020, we repaid the entire \$599.8 million outstanding balance. No amount was outstanding under the lines of credit as of December 31, 2020.

We also took steps to reduce cash outflows, including the reduction or deferral of certain operating and general and administrative expenses, which included temporary base salary reductions for our named executive officers and other employees. During the last nine months of 2020, these reductions reduced cash outflows by approximately \$17.9 million, including \$1.3 million of general and administrative and \$16.6 million of property operating expenses. In July 2020, we restored the above mentioned salary reductions.

We also deferred our Nashville pre-development-stage project and certain other planned capital expenditures. While we paid the dividends that were declared for the first and second quarters, given the uncertainty related to the pandemic's near and potential long-term impact, in May 2020 the Company's Board of Directors temporarily suspended dividend distributions for the rest of the year to conserve approximately \$35.0 million in cash per quarter and preserve our balance sheet strength and flexibility. The dividend was reinstated in January 2021 and the Board declared a dividend of \$0.1775 per share paid in February 2021. The Board continues to evaluate the potential for future dividend distributions on a quarterly basis. We were in compliance with REIT taxable income distribution requirements for the 2020 tax year.

The extent to which the COVID-19 pandemic continues to impact our future financial condition, results of operations and cash flows will depend on future developments which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, the availability or effectiveness of vaccines or treatments, future mutations or variants of the virus, and the direct and indirect economic effects of the pandemic and containment measures, among others. Accordingly, the impact of the COVID-19 pandemic on our rental revenue for 2021 and thereafter cannot be determined at present. The situation surrounding the COVID-19 pandemic remains fluid, and we are continuing to manage our response in collaboration with tenants, government officials and business partners and assess potential impacts to our financial position and operating results, as well as potential adverse developments in our business. For further information regarding the impact of COVID-19 on us, see "Item 1-Business" and "Item 1A-Risk Factors" in Part I of this Annual Report on Form 10-K.

Results of Operations

2020 Compared to 2019

Net income (loss)

Net income decreased \$130.7 million in the 2020 period to a net loss of \$38.0 million as compared to net income of \$92.7 million for the 2019 period. The decrease in income is primarily due to:

- significant revenue reductions in the 2020 period caused by the COVID-19 pandemic discussed above,
- the \$43.4 million gain recorded on the sale of four outlet centers in March 2019,
- the loss of revenues from the four outlet centers sold in March 2019,
- the \$64.8 million in impairment charges recognized in 2020 on the outlet center in Mashantucket, Connecticut,
- the \$2.4 million impairment charge recognized in 2020 on the outlet center in Jeffersonville, Ohio, and
- a decrease in equity in earnings (losses), which includes our share of an impairment charge totaling \$3.1 million in the 2020 period related to the Saint-Sauveur, Quebec outlet center in our Canadian joint venture.

The decrease in net income was partially offset by the following:

- the \$37.6 million in impairment charges recognized in 2019 on the outlet center in Jeffersonville, Ohio,
- the \$10.5 million increase in lease termination fees over the prior year,
- the \$2.3 million gain recorded on the sale of our Terrell outlet center,
- decreased operating costs in the 2020 period due to lower operating and advertising costs as a result of COVID-19 government mandated store closures,
- a \$4.4 million charge in the 2019 period related to the accelerated recognition of compensation cost as a result of a transition agreement with the Company's former President and Chief Operating Officer in connection with his retirement (the "COO Transition Agreement"), and
- a \$3.6 million foreign currency loss recorded in the 2019 period upon the sale of the Bromont property by the RioCan Canada joint venture.

In the tables below, information set forth for properties disposed includes the four outlet centers sold in March 2019 and the Terrell outlet center sold in August 2020.

Rental Revenues

Rental revenues decreased \$86.0 million in the 2020 period compared to the 2019 period. The following table sets forth the changes in various components of rental revenues (in thousands):

	2020	2019	Increase/ (Decrease)
Rental revenues from existing properties	\$ 369,860	\$ 445,613	\$ (75,753)
Rental revenues from properties disposed	1,669	10,042	(8,373)
Straight-line rent adjustments	(3,372)	7,721	(11,093)
Lease termination fees	12,125	1,614	10,511
Amortization of above and below market rent adjustments, net	(2,350)	(1,044)	(1,306)
	<u>\$ 377,932</u>	<u>\$ 463,946</u>	<u>\$ (86,014)</u>

Rental revenues from existing properties decreased largely due to the impact of the \$40.1 million COVID-19 pandemic-related revenue reduction in the year ended December 31, 2020 as discussed above. Also as a result of the pandemic, variable revenue which is derived from tenant sales was negatively impacted by mandatory closures of a vast majority of stores in our outlet centers by local and state authorities during the second quarter of 2020 and a reduction in overall traffic to the centers during the year as well due to our centers operating under reduced hours since the pandemic began. Further, we recognized a write-off to revenue of approximately \$7.2 million of straight-line rents associated with the tenant bankruptcies and uncollectible accounts.

Rental revenues also decreased in 2020 due to decline in the overall portfolio occupancy rate to 91.9% as of the end of 2020 compared to 97.0% as of the end of 2019. The decline in occupancy was impacted by space recaptured totaling approximately 903,000 square feet within our consolidated portfolio during the year ended December 31, 2020 from the early termination of leases related to bankruptcies and brand-wide restructurings by retailers, compared to 198,000 square feet for the year ended December 31, 2019. However, we received a significant increase in termination fees from certain of the early lease terminations, helping to offset some of these lost revenues.

Management, Leasing and Other Services

Management, leasing and other services decreased \$483,000 in the 2020 period compared to the 2019 period. The following table sets forth the changes in various components of management, leasing and other services (in thousands):

	2020	2019	Increase/ (Decrease)
Management and marketing	\$ 1,859	\$ 2,308	\$ (449)
Leasing and other fees	60	126	(66)
Expense reimbursements from unconsolidated joint ventures	3,017	2,985	32
Total Fees	\$ 4,936	\$ 5,419	\$ (483)

Management, leasing and other service revenue decreased in the 2020 period due to reduced management fee income from unconsolidated joint ventures which are earned based on cash basis revenues recognized by the joint venture properties. The COVID-19 pandemic resulted in materially lower tenant payments during the 2020 period which resulted in lower management fees.

Other Revenues

The following table sets forth the changes in various components of other income (in thousands):

	2020	2019	Increase/ (Decrease)
Other revenues from existing properties	\$ 7,097	\$ 8,871	\$ (1,774)
Other revenues from property disposed	26	112	(86)
	\$ 7,123	\$ 8,983	\$ (1,860)

Other revenues from existing properties decreased primarily due to reductions in variable vending and other revenue sources due to mandatory closures of a vast majority of stores in our outlet centers by local and state authorities during the second quarter of 2020, a reduction in overall traffic to the centers during the year as well due to our centers operating under reduced hours since the pandemic began.

Property Operating Expenses

Property operating expenses decreased \$20.6 million in the 2020 period compared to the 2019 period. The following table sets forth the changes in various components of property operating expenses (in thousands):

	2020	2019	Increase/ (Decrease)
Property operating expenses from existing properties	\$ 130,670	\$ 147,790	\$ (17,120)
Property operating expenses from property disposed	1,016	4,380	(3,364)
Expenses related to unconsolidated joint ventures	3,017	2,985	32
Other property operating expense	2,432	2,579	(147)
	\$ 137,135	\$ 157,734	\$ (20,599)

The decrease in property operating expenses at existing properties primarily reflects the lower costs needed to operate and advertise the centers while stores were closed under government mandates in response to the COVID-19 pandemic and as a result of our stores operating under reduced operating hours subsequent to such stores reopening.

General and Administrative Expenses

General and administrative expenses in the 2020 period decreased \$6.1 million compared to the 2019 period, primarily as a result of a \$4.4 million charge in the 2019 period related to the COO Transition Agreement. In addition, as a result of COVID-19, the compensation costs of our executive officers and other employees were temporarily reduced during the 2020 period through salary and wage reductions and government assistance programs and virtually all travel and entertainment expenses were eliminated. These reductions were partially offset by approximately \$573,000 in compensation cost related to a voluntary retirement plan offer which required eligible participants to give notice of acceptance by December 1, 2020 for an effective retirement date of March 31, 2021 and higher expenses related to legal and professional fees.

Impairment Charges

We recorded \$67.2 million and \$37.6 million in impairment charges in the 2020 and 2019 periods, respectively, related to our Mashantucket (Foxwoods), CT outlet center and Jeffersonville, OH properties in 2020 and our Jeffersonville, OH property in 2019.

Depreciation and Amortization

Depreciation and amortization expense decreased \$6.2 million in the 2020 period compared to the 2019 period. The following table sets forth the changes in various components of depreciation and amortization (in thousands):

	2020	2019	Increase/ (Decrease)
Depreciation and amortization expenses from existing properties	\$ 116,782	\$ 121,447	\$ (4,665)
Depreciation and amortization from property disposed	361	1,867	(1,506)
	<u>\$ 117,143</u>	<u>\$ 123,314</u>	<u>\$ (6,171)</u>

Depreciation and amortization decreased at our existing properties primarily due to the lower basis of our Foxwoods and Jeffersonville properties as a result of impairment charges recognized in 2020 and 2019, respectively.

Interest Expense

Interest expense increased \$1.5 million in the 2020 period compared to the 2019 period as a result higher debt outstanding during the 2020 period due to of our borrowing approximately \$599.8 million under our lines of credit at the onset of the COVID-19 pandemic in March 2020 to increase liquidity and preserve financial flexibility. Beginning in June 2020 through August 2020, we repaid the entire \$599.8 million outstanding balance bringing the outstanding balance to zero as of December 31, 2020.

Gain on Sale of Assets

In August 2020, we sold a non-core outlet center in Terrell, Texas for net proceeds of \$7.6 million, which resulted in a gain on sale of assets of \$2.3 million. The proceeds from the sale of this unencumbered asset were used to pay down balances, which were outstanding under our unsecured lines of credit at that time.

In March 2019, we sold four outlet centers for net proceeds of approximately \$128.2 million, which resulted in a gain on sale of assets of \$43.4 million. The proceeds from the sale of these unencumbered assets were used to pay down balances outstanding under our unsecured lines of credit.

Equity in Earnings of Unconsolidated Joint Ventures

Equity in earnings of unconsolidated joint ventures decreased approximately \$6.7 million in the 2020 period compared to the 2019 period. The following table sets forth the changes in various components of equity in earnings of unconsolidated joint ventures (in thousands):

	2020	2019	Increase/ (Decrease)
Equity in earnings from existing properties	\$ 1,126	\$ 7,831	\$ (6,705)
Equity in earnings from property disposed	—	8	(8)
	<u>\$ 1,126</u>	<u>\$ 7,839</u>	<u>\$ (6,713)</u>

Equity in earnings from existing properties includes our share of an impairment charge totaling \$3.1 million in 2020 related to the Saint-Sauveur, Quebec outlet center in our Canadian joint venture. The impairment charge was primarily driven by deterioration of net operating income caused by market competition and the COVID-19 pandemic. Equity in earnings of unconsolidated joint ventures from existing properties also decreased due to the impact of COVID-19 on the properties.

Information set forth above for properties disposed includes the RioCan joint venture's Bromont outlet center, which was sold in May 2019.

2019 Compared to 2018

For a discussion of our results of operations for the year ended December 31, 2018, including a year-to-year comparison between 2019 and 2018, refer to Part II, Item 7, "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our Annual Report Form 10-K for the year ended December 31, 2019.

Liquidity and Capital Resources of the Company

In this "Liquidity and Capital Resources of the Company" section, the term, the "Company", refers only to Tanger Factory Outlet Centers, Inc. on an unconsolidated basis, excluding the Operating Partnership.

The Company's business is operated primarily through the Operating Partnership. 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, which are fully reimbursed by the Operating Partnership. The Company does not hold any indebtedness, and its only material asset is its ownership of partnership interests of the Operating Partnership. The Company's principal funding requirement is the payment of dividends on its common shares. The Company's principal source of funding for its dividend payments is distributions it receives from the Operating Partnership.

Through its ownership of the sole general partner of the Operating Partnership, the Company 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 all, or such portion as the Company may in its discretion determine, of its available cash in the manner provided in the Operating Partnership's partnership agreement. The Company receives proceeds from equity issuances from time to time, but is required by the Operating Partnership's partnership agreement to contribute the proceeds from its equity issuances to the Operating Partnership in exchange for partnership units of the Operating Partnership.

We are a well-known seasoned issuer with a shelf registration which expires in March 2021 that allows the Company to register various unspecified classes of equity securities and the Operating Partnership to register various unspecified classes of debt securities. We expect to file a new joint shelf registration statement on Form S-3 prior to the expiration of the current registration statement. . As circumstances warrant, the Company may issue equity from time to time on an opportunistic basis, dependent upon market conditions and available pricing. The Operating Partnership may use the proceeds to repay debt, including borrowings under its lines of credit, develop new or existing properties, make acquisitions of properties or portfolios of properties, invest in existing or newly created joint ventures, or for general corporate purposes.

The liquidity of the Company is dependent on the Operating Partnership's ability to make sufficient distributions to the Company. The Operating Partnership is a party to loan agreements with various bank lenders that require the Operating Partnership to comply with various financial and other covenants before it may make distributions to the Company. The Company also guarantees some of the Operating Partnership's debt. If the Operating Partnership fails to fulfill its debt requirements, which trigger the Company's guarantee obligations, then the Company may be required to fulfill its cash payment commitments under such guarantees. However, the Company's only material asset is its investment in the Operating Partnership.

The Company believes the Operating Partnership's sources of working capital, specifically its cash flow from operations, and borrowings available under its unsecured credit facilities, are adequate for it to make its distribution payments to the Company and, in turn, for the Company to make its dividend payments to its shareholders and to finance its continued operations, growth strategy and additional expenses we expect to incur. However, there can be no assurance that the Operating Partnership's sources of capital will continue to be available at all or in amounts sufficient to meet its needs, including its ability to make distribution payments to the Company. The unavailability of capital could adversely affect the Operating Partnership's ability to pay its distributions to the Company, which will in turn, adversely affect the Company's ability to pay cash dividends to its shareholders.

We operate in a manner intended to enable us to qualify as a REIT under the Internal Revenue Code, or the Code. For the Company to maintain its qualification as a REIT, it must pay dividends to its shareholders aggregating annually at least 90% of its taxable income. While historically the Company has satisfied this distribution requirement by making cash distributions to its shareholders, it may choose to satisfy this requirement by making distributions of cash or other property, including, in limited circumstances, the Company's own shares. Based on our 2020 estimated taxable income, we were required to distribute approximately \$54.6 million to our shareholders in order to maintain our REIT status as described above. For tax reporting purposes, we distributed approximately \$65.9 million during 2020. Given the uncertainty related to the pandemic's near and potential long-term impact, in May 2020 the Company's Board of Directors temporarily suspended dividend distributions to conserve approximately \$35.0 million in cash per quarter and preserve our balance sheet strength and flexibility. On January 14, 2021, the Board reinstated dividend distributions and declared a dividend of \$0.1775 per share paid in February 2021. . The Board continues to evaluate the potential for future dividend distributions on a quarterly basis. If in any taxable year the Company were to fail to qualify as a REIT and certain statutory relief provisions were not applicable, we would not be allowed a deduction for distributions to shareholders in computing taxable income and would be subject to U.S. federal income tax (including any applicable alternative minimum tax for tax years prior to 2018) on our taxable income at the regular corporate rate.

As a result of this distribution requirement, the Operating Partnership cannot rely on retained earnings to fund its on-going operations to the same extent that other companies whose parent companies are not real estate investment trusts can. The Company may need to continue to raise capital in the equity markets to fund the Operating Partnership's working capital needs, as well as potential developments of new or existing properties, acquisitions or investments in existing or newly created joint ventures.

The Company currently consolidates the Operating Partnership because it has (1) the power to direct the activities of the Operating Partnership that most significantly impact the Operating Partnership's economic performance and (2) the obligation to absorb losses and the right to receive the residual returns of the Operating Partnership that could be potentially significant. The Company does not have significant assets other than its investment in the Operating Partnership. Therefore, the assets and liabilities and the revenues and expenses of the Company and the Operating Partnership are the same on their respective financial statements, except for immaterial differences related to cash, other assets and accrued liabilities that arise from public company expenses paid by the Company. However, all debt is held directly or indirectly at the Operating Partnership level, and the Company has guaranteed some of the Operating Partnership's unsecured debt as discussed below. Because the Company consolidates 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.

In May 2017, we announced that our Board of Directors authorized the repurchase of up to \$125 million of our outstanding common shares as market conditions warrant over a period commencing on May 19, 2017 and expiring on May 18, 2019. In February 2019, the Company's Board of Directors authorized the repurchase of an additional \$44.3 million of our outstanding common shares for an aggregate authorization of \$169.3 million until May 2021. Repurchases may be made from time to time through open market, privately-negotiated, structured or derivative transactions (including accelerated share repurchase transactions), or other methods of acquiring shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its shares under this authorization. The Company has temporarily suspended share repurchases for at least the twelve months starting July 1, 2020 as the June 2020 amendments to our debt agreements for our lines of credit and bank term loan prohibit share repurchases during such time and in order to preserve our liquidity position.

Shares repurchased during the years ended December 31, 2020, 2019 and 2018 were as follows:

	Year Ended December 31,		
	2020	2019	2018
Total number of shares purchased	—	1,209,328	919,249
Average price paid per share	\$ —	\$ 16.52	\$ 21.74
Total price paid exclusive of commissions and related fees (in thousands)	\$ —	\$ 19,976	\$ 19,980

The remaining amount authorized to be repurchased under the program as of December 31, 2020 was approximately \$80.0 million.

In January 2021, the Company's Board of Directors declared a \$0.1775 cash dividend per common share payable on February 12, 2021 to each shareholder of record on January 29, 2021, and the Trustees of Tanger GP Trust declared a \$0.1775 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

Liquidity and Capital Resources of the Operating Partnership

General Overview

In this "Liquidity and Capital Resources of the Operating Partnership" section, the terms "we", "our" and "us" refer to the Operating Partnership or the Operating Partnership and the Company together, as the text requires.

Property rental income represents our primary source to pay property operating expenses, debt service, capital expenditures and distributions, excluding non-recurring capital expenditures and acquisitions. To the extent that our cash flow from operating activities is insufficient to cover such non-recurring capital expenditures and acquisitions, we finance such activities from borrowings under our unsecured lines of credit or from the proceeds from the Operating Partnership's debt offerings and the Company's equity offerings.

We believe we achieve a strong and flexible financial position by attempting to: (1) maintain a conservative leverage position relative to our portfolio when pursuing new development, expansion and acquisition opportunities, (2) extend and sequence debt maturities, (3) manage our interest rate risk through a proper mix of fixed and variable rate debt, (4) maintain access to liquidity by using our lines of credit in a conservative manner and (5) preserve internally generated sources of capital by strategically divesting of our non-core assets and maintaining a conservative distribution payout ratio. We manage our capital structure to reflect a long-term investment approach and utilize multiple sources of capital to meet our requirements.

Statements of Cash Flows

The following table sets forth our changes in cash flows from 2020 and 2019 (in thousands):

	2020	2019	Change
Net cash provided by operating activities	\$ 164,818	\$ 220,391	\$ (55,573)
Net cash provided by (used in) investing activities	(18,771)	99,289	(118,060)
Net cash used in financing activities	(77,593)	(312,133)	234,540
Effect of foreign currency rate changes on cash and equivalents	(223)	(19)	(204)
Net increase in cash and cash equivalents	\$ 68,231	\$ 7,528	\$ 60,703

Operating Activities

The decrease in net cash provided by operating activities was primarily due to reduced revenues, as well as uncollected and deferred contractual rents as a result of COVID-19. See "Management's Discussion and Analysis of Financial Condition and Results of Operations-COVID-19 Pandemic". In addition, the decrease was also due to the sale of the four outlet centers in the 2019 period, lower average portfolio occupancy during 2020 compared to 2019 and rent modifications for certain tenants.

Investing Activities

The primary cause for the decrease in net cash provided by investing activities was due to the net proceeds of approximately \$128.2 million from the sale of the four outlet centers in the 2019 period, partially offset by the net proceeds from the sale of our Terrell, Texas outlet center in 2020. In addition, during the 2020 period, we had lower distributions in excess of cumulative earnings from unconsolidated joint ventures due to the COVID-19 pandemic.

Financing Activities

The primary cause for the decrease in net cash used in financing activities was due to paying down our unsecured lines of credit in 2019 using proceeds from the sale of the four outlet centers. In 2019, we also repurchased of common shares totaling \$20.0 million as compared to no repurchases for the 2020 period. In addition, the 2019 had higher dividend payments than 2020. Given the uncertainty related to the pandemic's near and potential long-term impact, in May 2020 the Company's Board of Directors temporarily suspended dividend distributions after paying the initial first and second quarter dividends.

Development Activities

Development in Unconsolidated Real Estate Joint Ventures

From time to time, we form joint venture arrangements to develop outlet centers. See "Off-Balance Sheet Arrangements" for a discussion of unconsolidated joint venture development activities.

Potential Future Developments, Acquisitions and Dispositions

As of the date of this filing, we are in the initial study period for potential new developments, including a potential site in Nashville, Tennessee. We may also use joint venture arrangements to develop other potential sites. Given the uncertainties of the COVID-19 Pandemic, we have temporarily deferred the Nashville project. Accordingly, there can be no assurance that these potential future projects will ultimately be developed.

In the case of projects to be wholly-owned by us, we expect to fund these projects with borrowings under our unsecured lines of credit and cash flow from operations, but may also fund them with capital from additional public debt and equity offerings. For projects to be developed through joint venture arrangements, we may use collateralized construction loans to fund a portion of the project, with our share of the equity requirements funded from sources described above.

We intend to continue to grow our portfolio by developing, expanding or acquiring additional outlet centers. However, you should note that any developments or expansions that we, or a joint venture that we have an ownership interest in, have planned or anticipated may not be started or completed as scheduled, or may not result in accretive net income or funds from operations ("FFO"). See the section "Non-GAAP Supplemental Earnings Measures" - "Funds From Operations" below for further discussion of FFO. In addition, we regularly evaluate acquisition or disposition proposals and engage from time to time in negotiations for acquisitions or dispositions of properties. We may also enter into letters of intent for the purchase or sale of properties. Any prospective acquisition or disposition that is being evaluated or which is subject to a letter of intent may not be consummated, or if consummated, may not result in an increase in earnings or liquidity.

Financing Arrangements

See Notes 7 and 8 to the Consolidated Financial Statements, for details of our current outstanding debt, financing transactions that have occurred over the past three years and debt maturities. As of December 31, 2020, unsecured borrowings represented 95% of our outstanding debt and 92% of the gross book value of our real estate portfolio was unencumbered. As of December 31, 2020, 1% of our outstanding debt, excluding variable rate debt with interest rate protection agreements in place, had variable interest rates and therefore was subject to market fluctuations.

We maintain unsecured lines of credit that, as of December 31, 2020, provided for borrowings of up to \$600.0 million, including a separate \$20.0 million liquidity line and a \$580.0 million syndicated line. The syndicated line may be increased up to \$1.2 billion through an accordion feature in certain circumstances. As of December 31, 2020, we had no borrowings outstanding under the lines of credit.

We intend to retain the ability to raise additional capital, including public debt or equity, to pursue attractive investment opportunities that may arise and to otherwise act in a manner that we believe to be in the best interests of our shareholders and unitholders. The Company and Operating Partnership are well-known seasoned issuers with a joint shelf registration statement on Form S-3, expiring in March 2021, that allows us to register unspecified amounts of different classes of securities. We expect to file a new joint shelf registration statement on Form S-3 prior to the expiration of the current registration statement. To generate capital to reinvest into other attractive investment opportunities, we may also consider the use of additional operational and developmental joint ventures, the sale or lease of outparcels on our existing properties and the sale of certain properties that do not meet our long-term investment criteria. Based on cash provided by operations, existing lines of credit, ongoing relationships with certain financial institutions and our ability to sell debt or issue equity subject to market conditions, we believe that we have access to the necessary financing to fund the planned capital expenditures for at least the next twelve months.

We anticipate that adequate cash will be available to fund our operating and administrative expenses, regular debt service obligations, and the payment of dividends in accordance with REIT requirements in both the short and long-term. Although we receive most of our rental payments on a monthly basis, distributions to shareholders and unitholders are typically made quarterly and interest payments on the senior, unsecured notes are made semi-annually. Amounts accumulated for such payments will be used in the interim to reduce the outstanding borrowings under our existing unsecured lines of credit or invested in short-term money market or other suitable instruments.

The extent to which the COVID-19 pandemic continues to impact our financial condition, results of operations and cash flows will depend on future developments which are highly uncertain and cannot be predicted with confidence, including the scope, severity and duration of the pandemic, the actions taken to contain the pandemic or mitigate its impact, the availability or effectiveness of vaccines or treatments, future mutations or variants of the virus, and the direct and indirect economic effects of the pandemic and containment measures, among others. As of December 31, 2020, our total liquidity was approximately \$684.8 million, including cash and cash equivalents on our balance sheet and unused capacity under our lines of credit. Based on estimated monthly cash expenditures of approximately \$26.1 million (excluding dividends and debt maturities) for 2021, we expect to have sufficient liquidity to meet our obligations for at least the next 12 months. For further discussion of COVID-19, please see "Management's Discussion and Analysis of Financial Condition and Results of Operations-COVID-19 Pandemic".

We believe our current balance sheet position is financially sound; however, due to the economic uncertainty caused by the COVID-19 pandemic and the inherent uncertainty and unpredictability of the capital and credit markets, we can give no assurance that affordable access to capital will exist between now and when our next significant debt matures, which is our unsecured lines of credit to the extent there are amounts outstanding. The unsecured lines of credit expire in October 2021, with a one-year extension option whereby we may extend the maturity to October 2022. The company intends to extend its lines of credit beyond October 2022. However, there can be no assurance that we will be able to extend the lines with similar terms or amounts.

The interest rate spreads associated with our unsecured lines of credit and our unsecured term loan are based on the higher of our two investment grade credit ratings. Changes to our credit ratings could cause our interest rate spread to adjust accordingly. In February 2020, due to a change in our credit rating, our interest rate spread over LIBOR on our \$600.0 million unsecured line of credit facility increased from 0.875% to 1.0% and our annual facility fee increased from 0.15% to 0.20%. In addition, our interest rate spread over LIBOR on our \$350.0 million unsecured term loan increased from 0.90% to 1.0%.

The Operating Partnership's debt agreements require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% on a cumulative basis.

In June 2020, we amended the debt agreements for our lines of credit and bank term loan, primarily to improve future covenant flexibility. The amendments, among other things, allow us to access the existing surge leverage provision, which provides for an increase to the maximum thresholds to 65% from 60% for total leverage and unsecured leverage, for twelve months starting July 1, 2020, during which time share repurchases are prohibited. Additionally, the leverage covenants are determined based on the calculation period which is modified to be based on the immediately preceding three calendar month period annualized for the calculation date occurring on December 31, 2020; the immediately preceding six calendar month period annualized for the calculation date occurring on March 31, 2021; the immediately preceding nine calendar month period annualized for the calculation date occurring on June 30, 2021; and for all other calculation dates occurring during the term on the agreement, the immediately preceding twelve calendar month period. Some definitional modifications related to the calculation of certain covenants are permanent, including the netting of cash balances in excess of \$30.0 million (or debt maturing in the next 24 months, if less) as well as using adjusted EBITDA, which adds back general and administrative expenses not attributable to the subsidiaries or properties and deducts a management fee of 3% of rental revenues in liability and asset calculations for certain covenants. The amendments revised the interest rate to provide a LIBOR floor of 0.25% for the portions of the lines of credit and bank term loan that are not fixed with an interest rate swap. Although the amended covenants provide additional flexibility and we expect to remain in compliance with such covenants, the potential impacts from COVID-19 are highly uncertain and therefore could impact covenant compliance in the future.

We have historically been and currently are in compliance with all of our debt covenants. While the amendments discussed above will provide additional covenant flexibility, the financial impact of the COVID-19 pandemic could potentially negatively impact our future compliance with financial covenants of our credit facilities, term loan and other debt agreements and result in a default and potentially an acceleration of indebtedness. Our continued compliance with these covenants depends on many factors and could be impacted by current or future economic conditions associated with the COVID-19 pandemic. Failure to comply with these covenants would result in a default which, if we were unable to cure or obtain a waiver from the lenders, could accelerate the repayment obligations. Further, in the event of default, the Company may be restricted from paying dividends to its shareholders in excess of dividends required to maintain its REIT qualification. Accordingly, an event of default could have a material and adverse impact on us. As a result, we have considered our short-term (one year or less from the date of filing these financial statements) and long-term liquidity needs and the adequacy of our estimated cash flows from operating activities and other financing sources to meet these needs. These other sources include but are not limited to: existing cash, ongoing relationships with certain financial institutions, our ability to sell debt or issue equity subject to market conditions and proceeds from the potential sale of non-core assets. We believe that we have access to the necessary financing to fund our short-term liquidity needs.

As of December 31, 2020, we believe our most restrictive covenants are contained in our senior, unsecured notes. Key financial covenants and their covenant levels, which are calculated based on contractual terms, include the following:

Senior unsecured notes financial covenants	Required	Actual
Total consolidated debt to adjusted total assets	<60%	46 %
Total secured debt to adjusted total assets	<40%	3 %
Total unencumbered assets to unsecured debt	>150%	210 %

In addition key financial covenants for our line of credit and term loan, include the following:

	Required	Actual
Total Liabilities to Total Adjusted Asset Value ⁽¹⁾	<65% ⁽²⁾	36 %
Secured Indebtedness to Adjusted Unencumbered Asset Value	<35%	5 %
EBITDA to Fixed Charges	>1.5	3.4
Total Unsecured Indebtedness to Adjusted Unencumbered Asset Value ⁽¹⁾	<65% ⁽²⁾	33 %
Unencumbered Interest Coverage Ratio	>1.5	3.8

(1) Leverage ratios are based on a trailing three month period annualized at December 31, 2020.

(2) In June 2020, we amended the debt agreements for our lines of credit and bank term loan which, among other things, allow us to access the existing surge leverage provision, which provides for an increase to the maximum thresholds to 65% from 60% for total leverage and unsecured leverage, for twelve months starting July 1, 2020.

Capital Expenditures

The following table details our capital expenditures for the years ended December 31, 2020 and 2019, respectively (in thousands):

	2020	2019	Change
Capital expenditures analysis:			
New outlet center developments and expansions	\$ 2,432	\$ 8,865	\$ (6,433)
Renovations	5,505	2,930	2,575
Second generation tenant allowances	12,273	18,189	(5,916)
Other capital expenditures	10,279	20,133	(9,854)
	30,489	50,117	(19,628)
Conversion from accrual to cash basis	(1,923)	(2,233)	310
Additions to rental property-cash basis	\$ 28,566	\$ 47,884	\$ (19,318)

Contractual Obligations and Commercial Commitments

The following table details our contractual obligations over the next five years and thereafter as of December 31, 2020 (in thousands):

Contractual Obligations	2021	2022	2023	2024	2025	Thereafter	Total
Debt ⁽¹⁾	\$ 57,193	\$ 4,436	\$ 254,768	\$ 605,140	\$ 1,501	\$ 655,705	\$1,578,743
Interest payments ⁽²⁾	50,254	48,227	47,088	33,573	22,983	25,534	227,659
Operating leases	5,613	5,669	5,709	5,765	5,816	221,059	249,631
Other contractual obligations	1,434	1,316	1,161	1,148	1,310	3,216	9,585
	\$ 114,494	\$ 59,648	\$ 308,726	\$ 645,626	\$ 31,610	\$ 905,514	\$2,065,618

(1) These amounts represent total future cash payments related to debt obligations outstanding as of December 31, 2020.

(2) These amounts represent future interest payments related to our debt obligations based on the fixed and variable interest rates specified in the associated debt agreements, including the effects of our interest rate swaps. All of our variable rate debt agreements are based on the one month LIBOR rate or a LIBOR floor of 0.25%, thus for purposes of calculating future interest amounts on variable interest rate debt, the one month LIBOR rate as of December 31, 2020 or the 0.25% floor was used where applicable.

Off-Balance Sheet Arrangements

We have partial ownership interests in seven unconsolidated outlet centers totaling approximately 2.2 million square feet, including 3 outlet centers in Canada. See Note 6 to the Consolidated Financial Statements for details of our individual joint ventures, including, but not limited to, carrying values of our investments, fees we receive for services provided to the joint ventures, recent development and financing transactions and condensed combined summary financial information.

We may elect to fund cash needs of a joint venture through equity contributions (generally on a basis proportionate to our ownership interests), advances or partner loans, although such funding is not typically required contractually or otherwise. We separately report investments in joint ventures for which accumulated distributions have exceeded investments in, and our share of net income or loss of, the joint ventures within other liabilities in the consolidated balance sheets because we are committed and intend to provide further financial support to these joint ventures. We believe our joint ventures will be able to fund their operating and capital needs during 2021 based on their sources of working capital, specifically cash flow from operations, access to contributions from partners, and ability to refinance all or portion of its debt obligations, including the ability to exercise upcoming extensions of near term maturities.

Our joint ventures are typically encumbered by a mortgage on the joint venture property. We provide guarantees to lenders for our joint ventures which include standard non-recourse carve out indemnifications for losses arising from items such as but not limited to fraud, physical waste, payment of taxes, environmental indemnities, misapplication of insurance proceeds or security deposits and failure to maintain required insurance. A default by a joint venture under its debt obligations may expose us to liability under the guaranty. For construction and mortgage loans, we may include a guaranty of completion as well as a principal guaranty ranging from 5% to 100% of principal. The principal guarantees include terms for release based upon satisfactory completion of construction and performance targets including occupancy thresholds and minimum debt service coverage tests. Our joint ventures may contain make whole provisions in the event that demands are made on any existing guarantees.

Debt of unconsolidated joint ventures

The following table details information regarding the outstanding debt of the unconsolidated joint ventures and guarantees of such debt provided by us as of December 31, 2020 (dollars in millions):

Joint Venture	Total Joint Venture Debt	Maturity Date	Interest Rate	Percent Guaranteed by the Operating Partnership	Maximum Guaranteed Amount by the Company
Charlotte	\$ 100.0	July 2028	4.27 %	— %	\$ —
Columbus ⁽¹⁾	71.0	November 2022	LIBOR + 1.85%	16.8 %	11.9
Galveston/Houston ⁽²⁾	80.0	February 2021	LIBOR + 1.65%	12.5 %	10.0
National Harbor	95.0	January 2030	4.63 %	— %	—
Debt origination costs	(1.1)				
	<u>\$ 344.9</u>				<u>\$ 21.9</u>

- (1) In December 2020, the Columbus joint venture amended the mortgage loan to extend the maturity to November 2022, which required a reduction in principal balance from \$85.0 million to \$71.0 million. The amendment also changed the interest rate from LIBOR + 1.65% to LIBOR + 1.85%. In addition, the mortgage loan guarantee by us was increased from \$6.4 million to \$11.9 million. We are providing property management, marketing and leasing services to the joint venture.
- (2) In June 2020, in response to the COVID-19 impact on the property, the Galveston/Houston joint venture amended its mortgage loan. The loan modification amended the first one-year extension option to provide for two six-month options (the "First Extension" and "Second Extension", respectively). Under the loan modification, the joint venture is prohibited from making partner distributions during the term of the First Extension. If the joint venture exercises all available options, the loan would mature in July 2022. The joint venture exercised its First Extension option to extend the mortgage loan for six months to January 2021. In December 2020, the partnership further extended this maturity to February 15, 2021 while it works with the existing lenders on a modification of this loan. In February 2021, the Galveston/Houston joint venture amended the mortgage loan to extend the maturity to July 2023, which required a reduction in principal balance from \$80.0 million to \$64.5 million. The amendment also changed the interest rate from LIBOR + 1.65% to LIBOR + 1.85%.

Our joint ventures are generally subject to buy-sell provisions which are customary for joint venture agreements in the real estate industry. Either partner may initiate these provisions (subject to any applicable lock up period), which could result in either the sale of our interest or the use of available cash or additional borrowings to acquire the other party's interest. Under these provisions, one partner sets a price for the property, then the other partner has the option to either (1) purchase their partner's interest based on that price or (2) sell its interest to the other partner based on that price. Since the partner other than the partner who triggers the provision has the option to be the buyer or seller, we do not consider this arrangement to be a mandatory redeemable obligation.

Impairments

Rental property held and used by our joint ventures are reviewed for impairment in the event that facts and circumstances indicate the carrying amount of an asset may not be recoverable. In such an event, the estimated future undiscounted cash flows associated with the asset is compared to the asset's carrying amount, and if less than such carrying amount, the joint venture recognizes an impairment loss in an amount by which the carrying amount exceeds its fair value.

During 2020 and 2018, the Rio-Can joint venture recognized impairment charges related to its Bromont and Saint Sauveur properties. The impairment charges were primarily driven by, among other things, new competition in the market and changes in market capitalization rates and the COVID-19 pandemic in 2020.

The table below summarizes the impairment charges taken during 2020 and 2018 (in thousands):

	Outlet Center	Impairment Charge ⁽¹⁾	
		Total	Our Share
2020	Saint-Sauveur	\$ 6,181	\$ 3,091
2018	Bromont and Saint Sauveur	\$ 14,359	\$ 7,180

- (1) The fair value was determined using an income approach considering the prevailing market income capitalization rates for similar assets.

Critical Accounting Policies and Estimates

The preparation of financial statements and related disclosures in conformity with U.S. generally accepted accounting principles (“GAAP”) and the Company’s discussion and analysis of its financial condition and operating results require the Company’s management to make judgments, assumptions and estimates that affect the amounts reported. Note 2, Summary of Significant Accounting Policies, of the Notes to Consolidated Financial Statements in Part II, Item 8 of this Form 10-K describes the significant accounting policies and methods used in the preparation of the Company’s consolidated financial statements. Management bases its estimates on historical experience and on various other assumptions it believes to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities. Actual results may differ from these estimates, and such differences may be material. Management believes the Company’s critical accounting policies and estimates are those related to principles of consolidation, rental property, impairment of long-lived assets, impairment of investments, revenue recognition and collectibility of operating lease receivables. Management considers these policies critical because they are both important to the portrayal of the Company’s financial condition and operating results, and they require management to make judgments and estimates about inherently uncertain matters. The Company’s senior management has reviewed these critical accounting policies and related disclosures with the Audit Committee of the Company’s Board of Directors.

Impairments

If the effects of the COVID-19 pandemic cause economic and market conditions to deteriorate beyond our current expectations or if our expected holding periods for assets change, subsequent tests for impairment could result in additional impairment charges in the future. For example, the Foxwoods outlet center, which is part of a casino property, and our Atlantic city outlet center both continue to face leasing challenges that could lead to further declines in occupancy, rental revenues and cash flows in the future. Such challenges could result in additional impairments. We can provide no assurance that material impairment charges with respect to our properties will not occur in future periods.

New Accounting Pronouncements

See Note 2 and Note 20 to the consolidated financial statements for information on recently adopted accounting standards and new accounting pronouncements issued.

COVID-19

Historically, our accounts receivable from tenants has not been material; however, given the impacts from COVID-19 discussed below, our net accounts receivable balance, which is recorded in other assets on the consolidated balance sheet, has increased from approximately \$4.8 million at December 31, 2019 to approximately \$18.8 million at December 31, 2020. Straight-line rent adjustments recorded as a receivable in other assets on the consolidated balance sheets were approximately \$65.8 million and \$61.6 million as of December 31, 2020 and December 31, 2019, respectively. Individual leases are assessed for collectability and upon the determination that the collection of rents is not probable, accrued rent and accounts receivable are reduced as an adjustment to rental revenue. Revenue from leases where collection is deemed to be less than probable is recorded on a cash basis until collectability is determined to be probable. Further we assess whether operating lease receivables, at a portfolio level, are appropriately valued based upon an analysis of balances outstanding, historical bad debt levels and current economic trends including discussions with tenants for potential lease amendments. Our estimate of the collectability of accrued rents and accounts receivable is based on the best information available to us at the time of preparing the financial statements.

The duration of the COVID 19 pandemic, recent tenant bankruptcies and other significant uncertainties with the economy required significant judgment to be used when estimating the collection of rents through December 31, 2020. As a direct result of the pandemic, bankruptcies and restructurings, the Company’s earnings were negatively impacted by approximately \$47.3 million due to (1) write-offs related to bankruptcies and other uncollectible accounts due to financial weakness, (2) one-time concessions in exchange for landlord-favorable amendments to lease structure, (3) reserves for a portion of deferred and under negotiation billings that we expect to become uncollectible in future periods, (4) and write-offs of straight-line rents associated with the bankruptcies and uncollectible accounts.

Included in the negative impact discussed above, for the year ended December 31, 2020, we recorded a \$5.3 million reserve for a portion of deferred and under negotiation billings that are expected to become uncollectible in future periods and recognized a write-off of revenue of approximately \$7.2 million of straight-line rents associated with the tenant bankruptcies and uncollectible accounts. We are closely monitoring changes in the collectability assessment of our tenant receivables as a result of certain tenants suffering adverse financial consequences due to COVID-19 and should our estimates change, there could be material modifications to our revenues in future periods.

After considering current write-offs and reserves for rents we do not expect to collect, the accounts receivables associated with deferred rental payments and unresolved leases of \$8.3 million represent the greatest uncertainty with regards to our estimation of collectability. As a result of this uncertainty, there is a risk that a significant reduction in revenues could be recorded in the future if our assessment of collectability changes in subsequent periods.

In April 2020, the Financial Accounting Standards Board (“FASB”) staff issued a question and answer document (the “Lease Modification Q&A”) focused on the application of lease accounting guidance to lease concessions provided as a result of the COVID-19 pandemic. Under existing accounting lease guidance under ASC 842, the Company would have to determine, on a lease by lease basis, if a lease concession was the result of a new arrangement reached with the tenant (treated within the lease modification accounting framework) or if a lease concession was under the enforceable rights and obligations within the existing lease agreement (precluded from applying the lease modification accounting framework). The Lease Modification Q&A allows the Company, if certain criteria have been met, to bypass the lease by lease analysis, and instead make an accounting policy election to account for COVID-19 related lease concessions as either a lease modification or a negative variable adjustment to rental revenue. The Lease Modification Q&A allows the Company to determine accounting policy elections at a disaggregated level, and the elections should be applied consistently by either the type of concession or another reasonable disaggregated level. We have evaluated and elected to apply the Lease Modification Q&A to eligible lease concessions. We applied modification accounting to individual leases that are in bankruptcy and those that did not qualify for the concession. As a result, for lease concessions not treated as a lease modification we have made the following policy elections by the type of concession agreed to with the respective tenant.

Rent Deferrals

We account for rental deferrals using the receivables model as described within the Lease Modification Q&A. Under the receivables model, we will continue to recognize lease revenue in a manner that is unchanged from the original lease agreement and continue to recognize lease receivables and rental revenue until such deferral is paid.

Rent Abatements

We account for rental abatements as negative variable adjustments to rental revenue as described within the Lease Modification Q&A.

New Auditing Standard

On June 1, 2017, the Public Company Accounting Oversight Board issued Auditing Standard 3101, The Auditor's Report on an Audit of Financial Statements When the Auditor Expresses an Unqualified Opinion (“AS 3101”). As a result of AS 3101, the most significant change to the auditor's report on the financial statements is a new requirement to describe critical audit matters arising from the audit of the current period's financial statements in the auditor's report. The requirements related to critical audit matters in AS 3101 were effective for audits of fiscal years ending on or after June 30, 2019, for large accelerated filers; and for fiscal years ending on or after December 15, 2020, for all other companies to which the requirements apply. Therefore, critical audit matters are included in the Report of Independent Registered Public Accounting Firm for Tanger Factory Outlet Centers, Inc.'s consolidated financial statements as of and for the year ended December 31, 2019, and are included in the Report of Independent Registered Public Accounting Firm for Tanger Properties Limited Partnership's consolidated financial statements as of and for the year ended December 31, 2020.

NON-GAAP SUPPLEMENTAL MEASURES

Beginning with the three months ended March 31, 2020, we elected to supplement our disclosure with three additional non-GAAP measures, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre (each as defined below), that are commonly provided in the REIT industry. See “Adjusted EBITDA, EBITDAre and Adjusted EBITDAre” below for more information. We also now refer to Adjusted Funds from Operations (“AFFO”) as Core Funds From Operations (“Core FFO”), but there has been no change to the definition of this measure.

Funds From Operations

Funds From Operations (“FFO”) is a widely used measure of the operating performance for real estate companies that supplements net income (loss) determined in accordance with GAAP. We determine FFO based on the definition set forth by the National Association of Real Estate Investment Trusts (“NAREIT”), of which we are a member. In December 2018, NAREIT issued “NAREIT Funds From Operations White Paper - 2018 Restatement” which clarifies, where necessary, existing guidance and consolidates alerts and policy bulletins into a single document for ease of use. NAREIT defines FFO as net income (loss) available to the Company’s common shareholders computed in accordance with GAAP, excluding (i) depreciation and amortization related to real estate, (ii) gains or losses from sales of certain real estate assets, (iii) gains and losses from change in control, (iv) impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity and (v) after adjustments for unconsolidated partnerships and joint ventures calculated to reflect FFO on the same basis.

FFO is intended to exclude historical cost depreciation of real estate as required by GAAP which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization of real estate assets, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income (loss).

We present FFO because we consider it an important supplemental measure of our operating performance. In addition, a portion of cash bonus compensation to certain members of management is based on our FFO or Core FFO, which is described in the section below. We believe it is useful for investors to have enhanced transparency into how we evaluate our performance and that of our management. In addition, FFO is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is also widely used by us and others in our industry to evaluate and price potential acquisition candidates. We believe that FFO payout ratio, which represents regular distributions to common shareholders and unit holders of the Operating Partnership expressed as a percentage of FFO, is useful to investors because it facilitates the comparison of dividend coverage between REITs. NAREIT has encouraged its member companies to report their FFO as a supplemental, industry-wide standard measure of REIT operating performance.

FFO has significant limitations as an analytical tool, and you should not consider it in isolation, or as a substitute for analysis of our results as reported under GAAP. Some of these limitations are:

- FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- FFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and FFO does not reflect any cash requirements for such replacements; and
- Other companies in our industry may calculate FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, FFO should not be considered as a measure of discretionary cash available to us to invest in the growth of our business or our dividend paying capacity. We compensate for these limitations by relying primarily on our GAAP results and using FFO only as a supplemental measure.

Core Funds From Operations

We present Core FFO (formerly referred to as AFFO) as a supplemental measure of our performance. We define Core FFO as FFO further adjusted to eliminate the impact of certain items that we do not consider indicative of our ongoing operating performance. These further adjustments are itemized in the table below, if applicable. You are encouraged to evaluate these adjustments and the reasons we consider them appropriate for supplemental analysis. In evaluating Core FFO you should be aware that in the future we may incur expenses that are the same as or similar to some of the adjustments in this presentation. Our presentation of Core FFO should not be construed as an inference that our future results will be unaffected by unusual or non-recurring items.

We present Core FFO because we believe it assists investors and analysts in comparing our performance across reporting periods on a consistent basis by excluding items that we do not believe are indicative of our core operating performance. In addition, we believe it is useful for investors to have enhanced transparency into how we evaluate management's performance and the effectiveness of our business strategies. We use Core FFO when certain material, unplanned transactions occur as a factor in evaluating management's performance and to evaluate the effectiveness of our business strategies, and may use Core FFO when determining incentive compensation.

Core FFO has limitations as an analytical tool. Some of these limitations are:

- Core FFO does not reflect our cash expenditures, or future requirements, for capital expenditures or contractual commitments;
- Core FFO does not reflect changes in, or cash requirements for, our working capital needs;
- Although depreciation and amortization are non-cash charges, the assets being depreciated and amortized will often have to be replaced in the future, and Core FFO does not reflect any cash requirements for such replacements;
- Core FFO does not reflect the impact of certain cash charges resulting from matters we consider not to be indicative of our ongoing operations; and
- Other companies in our industry may calculate Core FFO differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Core FFO should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Core FFO only as a supplemental measure.

Below is a reconciliation of net income (loss) to FFO and Core FFO available to common shareholders (in thousands, except per share amounts):

	2020	2019	2018
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Adjusted for:			
Depreciation and amortization of real estate assets - consolidated	114,021	120,856	129,281
Depreciation and amortization of real estate assets - unconsolidated joint ventures	12,024	12,512	13,314
Impairment charges - consolidated ⁽²⁾	67,226	37,610	49,739
Impairment charge - unconsolidated joint ventures	3,091	—	7,180
Foreign currency loss from sale of joint venture property	—	3,641	—
Gain on sale of assets	(2,324)	(43,422)	—
FFO	156,025	223,925	245,077
FFO attributable to noncontrolling interests in other consolidated partnerships	(190)	(195)	421
Allocation of earnings to participating securities	(1,713)	(1,991)	(2,151)
FFO available to common shareholders⁽¹⁾	\$ 154,122	\$ 221,739	\$ 243,347
As further adjusted for:			
Compensation related to voluntary retirement plan and executive officer retirement ⁽³⁾	573	4,371	—
Gain on sale of outparcel	(992)	—	—
Impact of above adjustments to the allocation of earnings to participating securities	5	(35)	—
Core FFO available to common shareholders⁽¹⁾	\$ 153,708	\$ 226,075	\$ 243,347
FFO available to common shareholders per share - diluted⁽¹⁾	\$ 1.58	\$ 2.27	\$ 2.48
Core FFO available to common shareholders per share - diluted⁽¹⁾	\$ 1.57	\$ 2.31	\$ 2.48
Weighted Average Shares:			
Basic weighted average common shares	92,618	92,808	93,309
Effect of outstanding options and restricted common shares	—	—	1
Diluted weighted average common shares (for earnings per share computations)	92,618	92,808	93,310
Effect of outstanding options	94	—	—
Exchangeable operating partnership units	4,903	4,958	4,993
Diluted weighted average common shares (for FFO and Core FFO per share computations)⁽¹⁾	97,615	97,766	98,303

- (1) Assumes the Class A common limited partnership units of the Operating Partnership held by the noncontrolling interests are exchanged for common shares of the Company. Each Class A common limited partnership unit is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's REIT status.
- (2) The 2020 amount includes \$4.0 million of impairment loss attributable to the right-of-use asset associated with the ground lease at the Mashantucket (Foxwoods), Connecticut outlet center.
- (3) The 2019 amount represents the accelerated recognition of compensation cost entitled to be received by the Company's former President and Chief Operating Officer per the terms of a transition agreement executed in connection with his retirement. The 2020 amount represents compensation cost related to a voluntary retirement plan offer which required eligible participants to give notice of acceptance by December 1, 2020 for an effective retirement date of March 31, 2021.

Portfolio Net Operating Income and Same Center NOI

We present portfolio net operating income (“Portfolio NOI”) and same center net operating income (“Same Center NOI”) as supplemental measures of our operating performance. Portfolio NOI represents our property level net operating income which is defined as total operating revenues less property operating expenses and excludes termination fees and non-cash adjustments including straight-line rent, net above and below market rent amortization, impairment charges and gains or losses on the sale of assets recognized during the periods presented. We define Same Center NOI as Portfolio NOI for the properties that were operational for the entire portion of both comparable reporting periods and which were not acquired, or subject to a material expansion or non-recurring event, such as a natural disaster, during the comparable reporting periods.

We believe Portfolio NOI and Same Center NOI are non-GAAP metrics used by industry analysts, investors and management to measure the operating performance of our properties because they provide performance measures directly related to the revenues and expenses involved in owning and operating real estate assets and provide a perspective not immediately apparent from net income (loss), FFO or Core FFO. Because Same Center NOI excludes properties developed, redeveloped, acquired and sold; as well as non-cash adjustments, gains or losses on the sale of outparcels and termination rents; it highlights operating trends such as occupancy levels, rental rates and operating costs on properties that were operational for both comparable periods. Other REITs may use different methodologies for calculating Portfolio NOI and Same Center NOI, and accordingly, our Portfolio NOI and Same Center NOI may not be comparable to other REITs.

Portfolio NOI and Same Center NOI should not be considered alternatives to net income (loss) or as an indicator of our financial performance since they do not reflect the entire operations of our portfolio, nor do they reflect the impact of general and administrative expenses, acquisition-related expenses, interest expense, depreciation and amortization costs, other non-property income and losses, the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties, or trends in development and construction activities which are significant economic costs and activities that could materially impact our results from operations. Because of these limitations, Portfolio NOI and Same Center NOI should not be viewed in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Portfolio NOI and Same Center NOI only as supplemental measures.

Below is a reconciliation of net income (loss) to Portfolio NOI and Same Center NOI for the consolidated portfolio (in thousands):

	2020	2019
Net income (loss)	\$ (38,013)	\$ 92,728
Adjusted to exclude:		
Equity in earnings of unconsolidated joint ventures	(1,126)	(7,839)
Interest expense	63,142	61,672
Gain on sale of assets	(2,324)	(43,422)
Other (income) expense	(925)	2,761
Impairment charges	67,226	37,610
Depreciation and amortization	117,143	123,314
Other non-property expenses	1,359	1,049
Corporate general and administrative expenses	48,172	53,881
Non-cash adjustments ⁽¹⁾	6,170	(6,237)
Lease termination fees	(12,125)	(1,615)
Portfolio NOI	248,699	313,902
Non-same center NOI ⁽²⁾	(728)	(5,993)
Same Center NOI	\$ 247,971	\$ 307,909

(1) Non-cash items include straight-line rent, above and below market rent amortization, straight-line rent expense on land leases and gains or losses on outparcel sales, as applicable.

(2) Excluded from Same Center NOI:

Outlet centers sold:

Nags Head, Ocean City, Park City, and Williamsburg	March 2019
Terrell	August 2020

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre

We present Earnings Before Interest, Taxes, Depreciation and Amortization (“EBITDA”) as adjusted for items described below (“Adjusted EBITDA”), EBITDA for Real Estate (“EBITDAre”) and Adjusted EBITDAre, all non-GAAP measures, as supplemental measures of our operating performance. Each of these measures is defined as follows:

We define Adjusted EBITDA as net income (loss) available to the Company’s common shareholders computed in accordance with GAAP before interest expense, income taxes (if applicable), depreciation and amortization, gains and losses on sale of operating properties, joint venture properties, outparcels and other assets, gains and losses on change of control, impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate, compensation related to voluntary retirement plan and executive officer retirement, gains and losses on extinguishment of debt, net and other items that we do not consider indicative of the Company’s ongoing operating performance.

We determine EBITDAre based on the definition set forth by NAREIT, which is defined as net income (loss) available to the Company’s common shareholders computed in accordance with GAAP before interest expense, income taxes (if applicable), depreciation and amortization, gains and losses on sale of operating properties, gains and losses on change of control and impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate and after adjustments to reflect our share of the EBITDAre of unconsolidated joint ventures.

Adjusted EBITDAre is defined as EBITDAre excluding gains and losses on extinguishment of debt, net, compensation related to voluntary retirement plan and executive officer retirement, gains and losses on sale of outparcels, and other items that that we do not consider indicative of the Company’s ongoing operating performance.

We present Adjusted EBITDA, EBITDAre and Adjusted EBITDAre as we believe they are useful for investors, creditors and rating agencies as they provide additional performance measures that are independent of a Company's existing capital structure to facilitate the evaluation and comparison of the Company's operating performance to other REITs and provide a more consistent metric for comparing the operating performance of the Company's real estate between periods.

Adjusted EBITDA, EBITDAre and Adjusted EBITDAre have significant limitations as analytical tools, including:

- They do not reflect our interest expense;
- They do not reflect gains or losses on sales of operating properties or impairment write-downs of depreciated property and of investment in unconsolidated joint ventures caused by a decrease in value of depreciated property in the affiliate;
- Adjusted EBITDA and Adjusted EBITDAre do not reflect gains and losses on extinguishment of debt and other items that may affect operations; and
- Other companies in our industry may calculate these measures differently than we do, limiting its usefulness as a comparative measure.

Because of these limitations, Adjusted EBITDA, EBITDAre and Adjusted EBITDAre should not be considered in isolation or as a substitute for performance measures calculated in accordance with GAAP. We compensate for these limitations by relying primarily on our GAAP results and using Adjusted EBITDA, EBITDAre and Adjusted EBITDAre only as supplemental measures.

Below is a reconciliation of Net Income (loss) to Adjusted EBITDA (in thousands):

	2020	2019	2018
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Adjusted to exclude:			
Interest expense	63,142	61,672	64,821
Depreciation and amortization	117,143	123,314	131,722
Impairment charges - consolidated ⁽¹⁾	67,226	37,610	49,739
Impairment charge - unconsolidated joint ventures	3,091	—	7,180
Loss on sale of joint venture property, including foreign currency effect	—	3,641	—
Gain on sale of assets	(2,324)	(43,422)	—
Compensation related to voluntary retirement plan and executive officer retirement ⁽²⁾	573	4,371	—
Gain on sale of outparcel - unconsolidated joint ventures	(992)	—	—
Adjusted EBITDA	\$ 209,846	\$ 279,914	\$ 299,025

Below is a reconciliation of Net Income (loss) to EBITDAre and Adjusted EBITDAre (in thousands):

	2020	2019	2018
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Adjusted to exclude:			
Interest expense	63,142	61,672	64,821
Depreciation and amortization	117,143	123,314	131,722
Impairment charges - consolidated ⁽¹⁾	67,226	37,610	49,739
Impairment charge - unconsolidated joint ventures	3,091	—	7,180
Loss on sale of joint venture property, including foreign currency effect	—	3,641	—
Gain on sale of assets	(2,324)	(43,422)	—
Pro-rata share of interest expense - unconsolidated joint ventures	6,545	8,117	7,259
Pro-rata share of depreciation and amortization - unconsolidated joint ventures	12,024	12,458	13,315
EBITDAre	\$ 228,834	\$ 296,118	\$ 319,599
Compensation related to voluntary retirement plan and executive officer retirement ⁽²⁾	573	4,371	—
Gain on sale of outparcel - unconsolidated joint ventures	(992)	—	—
Adjusted EBITDAre	\$ 228,415	\$ 300,489	\$ 319,599

- (1) The 2020 amount includes \$4.0 million of impairment loss attributable to the right-of-use asset associated with the ground lease at the Mashantucket (Foxwoods), Connecticut outlet center.
- (2) The 2019 amount represents the accelerated recognition of compensation cost entitled to be received by the Company's former President and Chief Operating Officer per the terms of a transition agreement executed in connection with his retirement. The 2020 amount represents compensation cost related to a voluntary retirement plan offer which required eligible participants to give notice of acceptance by December 1, 2020 for an effective retirement date of March 31, 2021.

Economic Conditions and Outlook

We are closely monitoring the impact of the COVID-19 pandemic on all aspects of our business and geographies, including how it will impact our tenants and business partners. For a complete discussion of the impact the pandemic is having on our current operations, the steps we have taken to increase liquidity and preserve financial flexibility and the uncertainties around our future operations and financial condition, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations-COVID-19 Pandemic”.

The majority of our leases contain provisions designed to mitigate the impact of inflation. Such provisions include clauses for the escalation of base rent and clauses enabling us to receive percentage rentals based on tenants’ gross sales (above predetermined levels), which generally increase as prices rise. A component of most leases includes a pro-rata share or escalating fixed contributions by the tenant for property operating expenses, including common area maintenance, real estate taxes, insurance and advertising and promotion, thereby reducing exposure to increases in costs and operating expenses resulting from inflation.

A portion of our rental revenues are derived from percentage rents that directly depend on the sales volume of certain tenants. Accordingly, declines in these tenants’ sales would reduce the income produced by our properties. If the sales or profitability of our retail tenants decline sufficiently, whether due to a change in consumer preferences, legislative changes that increase the cost of their operations or otherwise, such tenants may be unable to pay their existing rents as such rents would represent a higher percentage of their sales.

In addition, certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration if we fail to maintain certain occupancy levels or retain specified named tenants, or if the tenant does not achieve certain specified sales targets. Our occupancy at our consolidated centers has declined from 97% at the end of 2019 to 92% at the end of 2020. If our occupancy continues to decline, certain outlet centers may fall below the minimum co-tenancy thresholds and could trigger many tenants ability to pay reduced rents, which in turn may negatively impact our results of operations.

Our outlet centers typically include well-known, national, brand name companies. By maintaining a broad base of well-known tenants and a geographically diverse portfolio of properties located across the United States, we believe we reduce our operating and leasing risks. No one tenant (including affiliates) accounts for more than 8% of our square feet or 7% of our rental revenues.

Due to the relatively short-term nature of our tenants’ leases, a significant portion of the leases in our portfolio come up for renewal each year. As of January 1, 2020, we had approximately 1.5 million square feet, or 13% of our consolidated portfolio at that time coming up for renewal during 2020. As of December 31, 2020, we had renewed approximately 70% of this space. In addition, for the twelve months ended December 31, 2020, we completed renewals and re-tenanted space totaling 1.5 million square feet at a blended 6.7% decrease in average base rental rates compared to the expiring rates. During 2021, approximately 1.7 million square feet, or 15%, of our current consolidated portfolio will come up for renewal.

Our operations are subject to the operating results and operating decisions of our retail tenants. As is typical in the retail industry, certain tenants have closed, or will close, certain stores by terminating their lease prior to its natural expiration or as a result of filing for protection under bankruptcy laws, or may request modifications to their existing lease terms.

The current environment has negatively impacted certain retailers, in particular some who were already pressured prior to the pandemic. During 2020 and 2021, 16 retailers on our tenant roster declared bankruptcy or announced a brand-wide restructuring. Recent Chapter 11 bankruptcy filings include, but not limited to, J. Crew Group, Inc. (filed in May 2020) and Brooks Brothers, Lucky Brand Jeans, New York and Company and Ascena Retail Group, Inc. (all filed in July, 2020), Francesca’s (filed in December 2020) and Christopher and Banks (filed in January 2021). Also, in 2020, G-III Apparel announced a brand-wide restructuring, including its intention to close all of its Wilsons and Bass stores.

During the year ended December 31, 2020, we recaptured approximately 903,000 square feet within the consolidated portfolio related to bankruptcies and brand-wide restructurings by retailers, compared to 198,000 square feet during the year ended December 31, 2019. While a number of tenant bankruptcies and brand-wide restructurings remain fluid, at this time, we expect approximately 50 stores comprising approximately 200,000 square feet to close mostly during the first half of 2021. We also expect there will be an impact on rental rates as some of these tenant leases are renewed at reduced spreads, or in select cases mid-lease modifications are implemented. As many of these are still in process, we don't yet know what the ultimate impact of store closures, timing, lease adjustments or potential early termination fees will be.

Due to store closures, tenant bankruptcies and rent adjustments that may result from the impact of the COVID-19 pandemic, our Same Center NOI for 2020 compared to 2019 was adversely impacted and may continue to be adversely impacted in 2021.

We believe outlet stores will continue to be a profitable and fundamental distribution channel for many brand name manufacturers. While we continue to attract and retain additional tenants, if we were unable to successfully renew or re-lease a significant amount of this space on favorable economic terms or in a timely manner, the loss in rent and our Same Center NOI could be further negatively impacted in 2021. Occupancy at our consolidated centers was 91.9% and 97.0% as of December 31, 2020 and 2019, respectively. As a result of COVID-19, occupancy could be further negatively impacted in 2021.

ITEM 7A. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Market Risk

We are exposed to various market risks, including changes in interest rates. Market risk is the potential loss arising from adverse changes in market rates and prices, such as interest rates.

Interest Rate Risk

We may periodically enter into certain interest rate protection and interest rate swap agreements to effectively convert existing floating rate debt to a fixed rate basis. We do not enter into derivatives or other financial instruments for trading or speculative purposes. We currently have interest rate swap agreements to fix the interest rates on outstanding debt with notional amounts totaling \$640.0 million. See Note 9 to the Consolidated Financial Statements for additional details related to our outstanding derivatives.

As of December 31, 2020, 1% of our outstanding consolidated debt, excluding the amount of variable rate debt with interest rate protection agreements in place, had variable interest rates and therefore was subject to market fluctuations. A change in the LIBOR index of 100 basis points would result in an increase or decrease of approximately \$114,000 in interest expense on an annual basis.

The interest rate spreads associated with our unsecured lines of credit and our unsecured term loan are based on the higher of our two investment grade credit ratings. Changes to our credit ratings could cause our interest rate spread to adjust accordingly. In February 2020, due to a change in our credit rating, our interest rate spread over LIBOR on our \$600.0 million unsecured line of credit facility increased from 0.875% to 1.0% and our annual facility fee increased from 0.15% to 0.20%. As of December 31, 2020, there were no outstanding balances under our unsecured lines of credit. In addition, our interest rate spread over LIBOR on our \$350.0 million unsecured term loan increased from 0.90% to 1.0%. If additional decreases to our credit ratings occurs, interest expense could increase depending upon the level of downgrade.

The information presented herein is merely an estimate and has limited predictive value. As a result, the ultimate effect upon our operating results of interest rate fluctuations will depend on the interest rate exposures that arise during the period, our hedging strategies at that time and future changes in the level of interest rates.

The estimated fair value and recorded value of our debt consisting of senior unsecured notes, unsecured term loans, secured mortgages and unsecured lines of credit was as follows (in thousands):

	December 31, 2020	December 31, 2019
Fair value of debt	\$ 1,639,803	\$ 1,603,814
Recorded value of debt	\$ 1,567,886	\$ 1,569,773

A 100 basis point increase from prevailing interest rates at December 31, 2020 and December 31, 2019 would result in a decrease in fair value of total consolidated debt of approximately \$55.8 million and \$62.9 million, respectively. Refer to Note 10 to the consolidated financial statements for a description of our methodology in calculating the estimated fair value of debt. Considerable judgment is necessary to develop estimated fair values of financial instruments. Accordingly, the estimates presented herein are not necessarily indicative of the amounts we could realize on the disposition of the financial instruments.

Foreign Currency Risk

We are also exposed to foreign currency risk on investments in outlet centers that are located in Canada. Our currency exposure is concentrated in the Canadian Dollar. To mitigate the risk related to changes in foreign currency, cash flows received from our Canadian joint ventures are either reinvested to fund ongoing Canadian development activities, if applicable, or converted to U.S. dollars and utilized to repay amounts outstanding under our unsecured lines of credit, if any. Accordingly, cash held in Canadian Dollars at any point in time is insignificant. We generally do not hedge currency translation exposures.

ITEM 8. FINANCIAL STATEMENTS AND SUPPLEMENTARY DATA

The information required by this Item is set forth on the pages indicated in Item 15(a) below.

ITEM 9. CHANGES IN AND DISAGREEMENTS WITH ACCOUNTANTS ON ACCOUNTING AND FINANCIAL DISCLOSURE

Not applicable.

ITEM 9A. CONTROLS AND PROCEDURES

Tanger Factory Outlet Centers, Inc.

(a) Evaluation of disclosure control procedures.

The President and Chief Executive Officer, Stephen J. Yalof (Principal Executive Officer), and Chief Financial Officer, James F. Williams (Principal Financial Officer), evaluated the effectiveness of the Company's disclosure controls and procedures and concluded that, as of December 31, 2020, the Company's disclosure controls and procedures were effective to ensure that the information the Company is required to disclose in its filings with the SEC under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Company's management, including the President and Chief Executive Officer and Chief Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

(b) Management's report on internal control over financial reporting.

Internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, is a process designed by, or under the supervision of, the Company's President and Chief Executive Officer and Chief Financial Officer, or persons performing similar functions, and effected by the Company's board of directors, management and other personnel, 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. The Company's management, with the participation of the Company's President and Chief Executive Officer and Chief Financial Officer, is

responsible for establishing and maintaining policies and procedures designed to maintain the adequacy of the Company's internal control over financial reporting, including those policies and procedures that:

- (1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company's assets that could have a material effect on the financial statements.

The Company's management has evaluated the effectiveness of the Company's internal control over financial reporting as of December 31, 2020 based on the criteria established in a report entitled Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment and those criteria, the Company's management has concluded that the Company's internal control over financial reporting was effective at the reasonable assurance level as of December 31, 2020.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of the Company's internal control over financial reporting as of December 31, 2020 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which appears herein.

- (c) There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our last fiscal quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Tanger Properties Limited Partnership

- (a) Evaluation of disclosure control procedures.

The President, Chief Executive Officer, Stephen J. Yalof (Principal Executive Officer), and Vice President and Treasurer, James F. Williams (Principal Financial Officer) of Tanger GP Trust, sole general partner of the Operating Partnership, evaluated the effectiveness of the Operating Partnership's disclosure controls and procedures and concluded that, as of December 31, 2020, the Operating Partnership's disclosure controls and procedures were effective to ensure that the information the registrant is required to disclose in its filings with the SEC under the Exchange Act is recorded, processed, summarized and reported, within the time periods specified in the SEC's rules and forms, and to ensure that information required to be disclosed by the Operating Partnership's in the reports that it files or submits under the Exchange Act is accumulated and communicated to the Operating Partnership's management, including the Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding required disclosure.

- (b) Management's report on internal control over financial reporting.

Internal control over financial reporting, as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act, is a process designed by, or under the supervision of, the Operating Partnership's Principal Executive Officer and Principal Financial Officer, or persons performing similar functions, and effected by the Operating Partnership's board of trustees, management and other personnel, 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. The Operating Partnership's management, with the participation of the Operating Partnership's Principal Executive Officer and Principal Financial Officer, is responsible for establishing and maintaining policies and procedures designed to maintain the adequacy of the Operating Partnership's internal control over financial reporting, including those policies and procedures that:

- (1) Pertain to the maintenance of records that in reasonable detail accurately and fairly reflect the transactions and dispositions of the assets of the Operating Partnership;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Operating Partnership are being made only in accordance with authorizations of management and trustees of the Operating Partnership; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Operating Partnership's assets that could have a material effect on the financial statements.

The Operating Partnership's management has evaluated the effectiveness of the Operating Partnership's internal control over financial reporting as of December 31, 2020 based on the criteria established in a report entitled Internal Control-Integrated Framework (2013), issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on our assessment and those criteria, the Operating Partnership's management has concluded that the Operating Partnership's internal control over financial reporting was effective at the reasonable assurance level as of December 31, 2020.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

The effectiveness of the Operating Partnership's internal control over financial reporting as of December 31, 2020 has been audited by Deloitte & Touche LLP, an independent registered public accounting firm, as stated in their report which appears herein.

- (c) There were no changes in our internal control over financial reporting identified in connection with the evaluation required by paragraph (d) of Exchange Act Rules 13a-15 or 15d-15 that occurred during our last fiscal quarter ended December 31, 2020 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

ITEM 9B. OTHER INFORMATION

All information required to be disclosed in a report on Form 8-K during the fourth quarter of 2020 was reported.

PART III

Certain information required by Part III is omitted from this Report in that the Company will file a definitive proxy statement pursuant to Regulation 14A, or the Proxy Statement, not later than 120 days after the end of the fiscal year covered by this Report, and certain information included therein is incorporated herein by reference. Only those sections of the Proxy Statement which specifically address the items set forth herein are incorporated by reference.

ITEM 10. DIRECTORS, EXECUTIVE OFFICERS AND CORPORATE GOVERNANCE

The information concerning the Company's directors required by this Item is incorporated herein by reference to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders.

The information concerning the Company's executive officers required by this Item is incorporated herein by reference to the section at the end of Part I, entitled "Information About The Executive Officers of Tanger Factory Outlet Centers, Inc."

The information concerning our Company Code of Ethics required by this Item, which is posted on our website at www.tangeroutlet.com, is incorporated herein by reference to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders. The information found on, or otherwise accessible through, our website is not incorporated into, and does not form a part of, this Annual Report on Form 10-K or any other report or document we file with or furnish to the SEC.

The additional information required by this Item is incorporated herein by reference to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders.

ITEM 11. EXECUTIVE COMPENSATION

The information required by this Item is incorporated herein by reference to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders.

ITEM 12. SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT AND RELATED SHAREHOLDER MATTERS.

The information concerning the security ownership of certain beneficial owners and management required by this Item is incorporated by reference herein to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders.

The table below provides information as of December 31, 2020 with respect to compensation plans under which our equity securities are authorized for issuance. For each common share issued by the Company, the Operating Partnership issues one corresponding unit of partnership interest to the Company's wholly-owned subsidiaries. Therefore, when the Company grants an equity based award, the Operating Partnership treats each award as having been granted by the Operating Partnership. In the discussion below, the term "we" refers to the Company and the Operating Partnership together and the term "common shares" is meant to also include corresponding units of the Operating Partnership.

Plan Category	(a) Number of Securities to be Issued Upon Exercise of Outstanding Options, Warrants and Rights	(b) Weighted Average Exercise Price of Outstanding Options, Warrants and Rights	(c) Number of Securities Remaining Available for Future Issuance Under Equity Compensation Plans (Excluding Securities Reflected in Column (a))
Equity compensation plans approved by security holders	2,515,474 (1)	\$ 17.33	2,608,218 (2)
Equity compensation plans not approved by security holders	1,000,000 (3)	\$ 7.15	—
Total	3,515,474	11.69	2,608,218

- (1) Includes (a) 805,700 common shares issuable upon the exercise of outstanding options (560,300 of which are vested and exercisable), (b) 375,505 restricted common shares that may be issued under the 2018 Outperformance Plan (the "2018 OPP") upon the satisfaction of certain conditions, (c) 445,018 restricted common shares that may be issued under the 2019 Outperformance Plan (the "2019 OPP") upon the satisfaction of certain conditions and (d) 889,251 restricted common shares that may be issued under the 2020 Outperformance Plan (the "2020 OPP") upon the satisfaction of certain conditions. Because there is no exercise price associated with the 2018, 2019 and 2020 OPP awards, such restricted common shares are not included in the weighted average exercise price calculation.
- (2) Represents common shares available for issuance under the Amended and Restated Incentive Award Plan. Under the Amended and Restated Incentive Award Plan, the Company may award restricted common shares, restricted share units, performance awards, dividend equivalents, deferred shares, deferred share units, share payments profit interests, and share appreciation rights.
- (3) Includes 1,000,000 common shares issuable upon the exercise of outstanding options (250,000 of which are vested and exercisable) that were issued to our Chief Executive Officer, Stephen J. Yalof, as an inducement to his entering into employment with the Company and were granted outside of the Company's shareholder approved equity plan pursuant to New York Stock Exchange rules. The options to purchase common shares have an exercise price of \$7.15. One-fourth of the options vested on December 31, 2020 and the remaining options will vest equally on each December 31 through December 31, 2023, subject to Mr. Yalof's continued employment through each vesting date. Vested options will become exercisable on and after the date the fair market value of the Common Shares underlying the options is at least equal to 110% of the exercise price of the options.

ITEM 13. CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS, AND DIRECTOR INDEPENDENCE

The information required by this Item is incorporated herein by reference to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders.

ITEM 14. PRINCIPAL ACCOUNTING FEES AND SERVICES

The information required by this Item is incorporated herein by reference to the Company's Proxy Statement to be filed with respect to the Company's 2021 Annual Meeting of Shareholders.

PART IV

ITEM 15. EXHIBITS AND FINANCIAL STATEMENT SCHEDULES

(a) (1) and (2) Documents filed as a part of this report:

(a) (1) Financial Statements

Reports of Independent Registered Public Accounting Firm (Tanger Factory Outlet Centers, Inc.)	F-1
Reports of Independent Registered Public Accounting Firm (Tanger Properties Limited Partnership)	F-5
Financial Statements of Tanger Factory Outlet Centers, Inc.	
Consolidated Balance Sheets - December 31, 2020 and 2019	F-9
Consolidated Statements of Operations - Years Ended December 31, 2020, 2019 and 2018	F-10
Consolidated Statements of Comprehensive Income - Years Ended December 31, 2020, 2019 and 2018	F-11
Consolidated Statements of Shareholders' Equity - Years Ended December 31, 2020, 2019 and 2018	F-12
Consolidated Statements of Cash Flows - Years Ended December 31, 2020, 2019 and 2018	F-15
Financial Statements of Tanger Properties Limited Partnership	
Consolidated Balance Sheets - December 31, 2020 and 2019	F-16
Consolidated Statements of Operations - Years Ended December 31, 2020, 2019 and 2018	F-17
Consolidated Statements of Comprehensive Income - Years Ended December 31, 2020, 2019 and 2018	F-18
Consolidated Statements of Equity - Years Ended December 31, 2020, 2019 and 2018	F-19
Consolidated Statements of Cash Flows - Years Ended December 31, 2020, 2019 and 2018	F-20
Notes to Consolidated Financial Statements (Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership)	F-21

(a) (2) Financial Statement Schedules

Schedule III	
Real Estate and Accumulated Depreciation	F-64

All other schedules have been omitted because of the absence of conditions under which they are required or because the required information is given in the above-listed financial statements or notes thereto.

3. Exhibits

<u>Exhibit No.</u>	<u>Description</u>
3.1	<u>Amended and Restated Articles of Incorporation of the Company. (Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 1996.)</u>
3.1A	<u>Amendment to Amended and Restated Articles of Incorporation dated May 29, 1996. (Incorporated by reference to Exhibit 3.1A to the Company's Annual Report on Form 10-K for the year ended December 31, 1996.)</u>
3.1B	<u>Amendment to Amended and Restated Articles of Incorporation dated August 20, 1998. (Incorporated by reference to Exhibit 3.1B to the Company's Annual Report on Form 10-K for the year ended December 31, 1998.)</u>
3.1C	<u>Amendment to Amended and Restated Articles of Incorporation dated September 30, 1999. (Incorporated by reference to Exhibit 3.1C to the Company's Annual Report on Form 10-K for the year ended December 31, 1999.)</u>
3.1D	<u>Amendment to Amended and Restated Articles of Incorporation dated November 10, 2005. (Incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K dated November 10, 2005.)</u>
3.1E	<u>Amendment to Amended and Restated Articles of Incorporation dated June 13, 2007. (Incorporated by reference to Exhibit 3.1E of the Company's Quarterly Report on Form 10-Q for the quarter ended June 30, 2007.)</u>
3.1F	<u>Articles of Amendment to Amended and Restated Articles of Incorporation dated August 27, 2008. (Incorporated by reference to Exhibit 3.1F of the Company's current report on Form 8-K dated August 29, 2008.)</u>
3.1G	<u>Articles of Amendment to Amended and Restated Articles of Incorporation of Tanger Factory Outlet Centers, Inc. dated May 18, 2011. (Incorporated by reference to Exhibit 3.1 of the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.)</u>
3.1H	<u>Articles of Amendment to Amended and Restated Articles of Incorporation of Tanger Factory Outlet Centers, Inc., dated May 24, 2012. (Incorporated by reference to Exhibit 3.1H to the Company's and Operating Partnership's Form S-3 dated June 7, 2012.)</u>
3.2	<u>By-laws of Tanger Factory Outlet Centers, Inc. restated to reflect all amendments through May 18, 2012. (Incorporated by reference to Exhibit 3.2 to the Company's and Operating Partnership's Form S-3 dated June 7, 2012.)</u>
3.3	<u>Amended and Restated Agreement of Limited Partnership for Tanger Properties Limited Partnership dated August 30, 2013. (Incorporated by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K for the year ended December 31, 2016.)</u>
4.1	Senior Indenture dated as of March 1, 1996. (Incorporated by reference to the exhibits to the Company's Current Report on Form 8-K dated March 6, 1996.)
4.1A	<u>Sixth Supplemental Indenture (Supplement to Senior Indenture dated as of March 1, 1996) dated July 2, 2009. (Incorporated by reference to Exhibit 4.13 to the Company's Registration Statement on Form S-3 filed on July 2, 2009.)</u>
4.1B	<u>Seventh Supplemental Indenture (Supplement to Senior Indenture dated March 1, 1996) dated June 7, 2010. (Incorporated by reference to Exhibit 4.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 7, 2010.)</u>
4.1C	<u>Eighth Supplemental Indenture (Supplement to Senior Indenture dated March 1, 1996) dated November 25, 2013. (Incorporated by reference to Exhibit 4.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated November 25, 2013.)</u>
4.1D	<u>Ninth Supplemental Indenture (Supplement to Senior Indenture dated March 1, 1996) dated November 21, 2014. (Incorporated by reference to Exhibit 4.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated November 21, 2014.)</u>
4.1E	<u>Tenth Supplemental Indenture (Supplement to Senior Indenture dated as of March 1, 1996) dated August 8, 2016. (Incorporated by reference to Exhibit 4.1 filed with the Company's and Operating Partnership's Report on Form 8-K dated August 8, 2016.)</u>
4.1F	<u>First Amendment, dated October 13, 2016, to Tenth Supplemental Indenture dated August 8, 2016. (Incorporated by reference to Exhibit 4.1 filed with the Company's and Operating Partnership's Report on Form 8-K dated October 13, 2016.)</u>

- 4.1G [Eleventh Supplemental Indenture \(Supplement to Senior Indenture dated as of March 1, 1996\) dated as of July 3, 2017. \(Incorporated by reference to Exhibit 4.1 filed with the Company's and Operating Partnership's Report on Form 8-K dated July 3, 2017.\)](#)
- 4.2 [Description of Common Shares. \(Incorporated by reference to Exhibit 4.2 to the Company's and Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2019\)](#)
- 10.1 * [Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership \(Amended and Restated as of April 4, 2014\) \(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.\)](#)
- 10.2 * [Form of Non-Qualified Share Option Agreement between Tanger Factory Outlet Centers, Inc., Tanger Properties Limited Partnership and certain employees. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended June 30, 2011.\)](#)
- 10.4 [Amended and Restated Employment Agreement for Lisa J. Morrison, as of December 29, 2008. \(Incorporated by reference to Exhibit 10.8 to the Company's Current Report on Form 8-K dated December 31, 2008.\)](#)
- 10.4A * [Amendment to Amended and Restated Employment Agreement for Lisa J. Morrison as of June 5, 2020 \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 8, 2020.\)](#)
- 10.5 * [Amended and Restated Employment Agreement for Carrie A. Warren, as of December 29, 2008. \(Incorporated by reference to Exhibit 10.7 to the Company's Annual Report on Form 10-K for the year ended December 31, 2009.\)](#)
- 10.5A [Amendment to Amended and Restated Employment Agreement for Carrie A. Warren as of June 5, 2020 \(Incorporated by reference to Exhibit 10.4 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 8, 2020.\)](#)
- 10.6 * [Employment Agreement for Chad D. Perry, dated as of December 12, 2011. \(Incorporated by reference to Exhibit 10.9 to the Company's and Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2011.\)](#)
- 10.6A [Amendment to Employment Agreement for Chad D. Perry as of June 5, 2020 \(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 8, 2020.\)](#)
- 10.7 * [Amended and Restated Employment Agreement for James F. Williams, as of December 29, 2008. \(Incorporated by reference to Exhibit 10.11 to the Company's and Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2012.\)](#)
- 10.7A [Amendment to Amended and Restated Employment Agreement for James F. Williams as of June 5, 2020 \(Incorporated by reference to Exhibit 10.5 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 8, 2020.\)](#)
- 10.8* [Amended and Restated Employment Agreement for Virginia R. Summerell, as of December 29, 2008. \(Incorporated by reference to Exhibit 10.12 to the Company's and Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2012.\)](#)
- 10.9* [Employment Agreement for Charles A. Worsham, dated July 17, 2014. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended June 30, 2014.\)](#)
- 10.9A [Amendment to Employment Agreement for Charles A. Worsham as of June 8, 2020 \(Incorporated by reference to Exhibit 10.6 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 8, 2020.\)](#)
- 10.10 [Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger. \(Incorporated by reference to the exhibits to the Company's Registration Statement on Form S-11 filed May 27, 1993, as amended.\)](#)
- 10.10A [Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger. \(Incorporated by reference to the exhibits to the Company's Annual Report on Form 10-K for the year ended December 31, 1995.\)](#)
- 10.10B [Second Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger dated September 4, 2002. \(Incorporated by reference to Exhibit 10.11B to the Company's Annual Report on Form 10-K for the year ended December 31, 2003.\)](#)
- 10.10C [Third Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger dated December 5, 2003. \(Incorporated by reference to Exhibit 10.11B to the Company's Annual Report on Form 10-K for the year ended December 31, 2003.\)](#)

- 10.10D [Fourth Amendment to Registration Rights Agreement among the Company, the Tanger Family Limited Partnership and Stanley K. Tanger dated August 8, 2006. \(Incorporated by reference to Exhibit 10.12D to the Company's Registration Statement on Form S-3, dated August 9, 2006.\)](#)
- 10.10E [Fifth Amendment to Registration Rights Agreement among the Company, The Tanger Family Limited Partnership and Stanley K. Tanger dated August 10, 2009. \(Incorporated by reference to Exhibit 1.2 to the Company's Current Report on Form 8-K dated August 14, 2009.\)](#)
- 10.11 [Registration Rights Agreement amount Tanger Factory Outlet Centers, Inc., Tanger Properties Limited Partnership and DPSW Deer Park LLC. \(Incorporated by reference to Exhibit 10.2 to the Company's and the Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended September 30, 2013.\)](#)
- 10.12 Agreement Pursuant to Item 601(b)(4)(iii)(A) of Regulation S-K. (Incorporated by reference to the exhibits to the Company's Registration Statement on Form S-11 filed May 27, 1993, as amended.)
- 10.13 Assignment and Assumption Agreement among Stanley K. Tanger, Stanley K. Tanger & Company, the Tanger Family Limited Partnership, the Operating Partnership and the Company. (Incorporated by reference to the exhibits to the Company's Registration Statement on Form S-11 filed May 27, 1993, as amended.)
- 10.14 [COROC Holdings, LLC Limited Liability Company Agreement dated October 3, 2003. \(Incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K dated December 8, 2003.\)](#)
- 10.15 [Form of Shopping Center Management Agreement between owners of COROC Holdings, LLC and Tanger Properties Limited Partnership. \(Incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K dated December 8, 2003.\)](#)
- 10.16 * [Form of Restricted Share Agreement between the Company and certain Officers. \(Incorporated by reference to Exhibit 10.17 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008.\)](#)
- 10.17 * [Form of Restricted Share Agreement between the Company and certain Officers with certain performance criteria vesting. \(Incorporated by reference to Exhibit 10.19 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005.\)](#)
- 10.17A * [Form of Amendment to Restricted Share Agreement between the Company and certain Officers with certain performance criteria vesting. \(Incorporated by reference to Exhibit 10.19 to the Company's Annual Report on Form 10-K for the year ended December 31, 2008.\)](#)
- 10.18* [Form of Restricted Share Agreement between the Company and certain Directors. \(Incorporated by reference to Exhibit 10.20 to the Company's Quarterly Report on Form 10-Q for the quarter ended March 31, 2005.\)](#)
- 10.19* [Restricted Share Agreement between the Company and Steven. B. Tanger dated February 28, 2012. \(Incorporated by reference to Exhibit 10.3 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2012.\)](#)
- 10.20* [Form of Tanger Factory Outlet Centers, Inc. Notional Unit Award Agreement between the Company and certain Officers. \(Incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2010.\)](#)
- 10.21* [Form of 2013 Outperformance Plan Notional Unit Award agreement. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2013.\)](#)
- 10.22* [Form of 2014 Outperformance Plan Notional Unit Award agreement. \(Incorporated by reference to Exhibit 10.25 to the Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2014.\)](#)
- 10.23* [Form of 2015 Outperformance Plan Notional Unit Award agreement. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2015.\)](#)
- 10.24* [Form of 2016 Outperformance Plan Notional Unit Award agreement. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2016.\)](#)
- 10.25* [Director Deferred Share Program of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership. \(Incorporated by reference to Exhibit 10.24 to the Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2012.\)](#)

- 10.26* [2018 Declaration of Amendment to Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018.\)](#)
- 10.27* [Form of 2018 Outperformance Plan Notional Unit Award agreement between the Company and Certain Officers.\(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018.\)](#)
- 10.28* [Form of 2018 Outperformance Plan Notional Unit Award agreement between the Company and Steven B. Tanger. \(Incorporated by reference to Exhibit 10.3 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018.\)](#)
- 10.29* [Form of 2018 Restricted Share Unit Agreement between the Company and Steven B. Tanger. \(Incorporated by reference to Exhibit 10.4 to the Company's and Operating Partnership's Quarterly Report on Form 10-Q for the quarter ended March 31, 2018.\)](#)
- 10.30 [Amended and Restated Credit Agreement, dated as of November 10, 2011, among Tanger Properties Limited Partnership, as the Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and The Other Lenders Party Hereto, Bank of America Merrill Lynch, Well Fargo Securities, LLC, and US Bank National Association, as Joint Bookrunners and Joint Lead Arrangers, Well Fargo Bank, National Association, as Syndication Agent, US Bank National Association, as Syndication Agent, Suntrust Bank, as Documentation Agent and Branch Banking and Trust Company, as Documentation Agent. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated November 15, 2011.\)](#)
- 10.31 [Modification Agreement, dated October 24, 2013 to the Amended and Restated Credit Agreement, dated as of November 10, 2011, among Tanger Properties Limited Partnership, as the Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and The Other Lenders Party Hereto, Bank of America Merrill Lynch, Well Fargo Securities, LLC, and US Bank National Association, as Joint Bookrunners and Joint Lead Arrangers, Well Fargo Bank, National Association, as Syndication Agent, US Bank National Association, as Syndication Agent, Suntrust Bank, as Documentation Agent and Branch Banking and Trust Company, as Documentation Agent. \(Incorporated by reference to Exhibit 10.30 to the Company's and the Operating Partnership's Annual Report on Form 10-K for the year ended December 31, 2013.\)](#)
- 10.32 [Second Amended and Restated Credit Agreement, dated as of October 29, 2015 among Tanger Properties Limited Partnership, as the Borrower, Bank of America, N.A., as Administrative Agent, Swing Line Lender and L/C Issuer, and The Other Lenders Party Thereto, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Well Fargo Securities, LLC, and US Bank National Association, as Joint Bookrunners and Joint Lead Arrangers, Well Fargo Bank, National Association, as Syndication Agent, US Bank National Association, as Syndication Agent, Suntrust Bank, as Documentation Agent, Branch Banking and Trust Company, as Documentation Agent, PNC Bank, National Association as Document Agent, and Regions Bank as Managing Agent \(Incorporated by reference to Exhibit 10.32 to the Company's Annual Report on Form 10-K dated February 23, 2016.\)](#)
- 10.33 [Amended and Restated Term Loan Agreement dated October 29, 2015 between Tanger Properties Limited Partnership and Wells Fargo Bank, National Association, as Administrative Agent, Wells Fargo Bank Securities, LLC, SunTrust Robinson Humphrey, Inc.m and PNC Capital Markets LLC, as Joint Lead Arrangers, SunTrust Bank and PNC Bank, National Association, as Co-Syndication Agents, Regions Bank, as Documentation Agent and Wells Fargo Securities, LLC, as Sole Bookrunner, and the other lenders party thereto. \(Incorporated by reference to Exhibit 10.32 to the Company's and Operating Partnership's Current Report on Form 8-K dated April 15, 2016.\)](#)
- 10.34 [First Amendment to Amended and Restated Term Loan Agreement dated as of April 13, 2016 between Tanger Properties Limited Partnership and Wells Fargo Bank, National Association, as Administrative Agent, and the lenders party thereto \(Incorporated by reference to Exhibit 10.2 to the Company's Form 8-K dated April 15, 2016.\)](#)

- 10.35 [Third Amended and Restated Credit Agreement, dated as of January 9, 2018, by and among Tanger Properties Limited Partnership, as the Borrower, Bank of America, N.A., as Administrative Agent and L/C Issuer, and the Other Lenders Party Thereto, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Wells Fargo Securities, LLC, and US Bank National Association, as Joint Bookrunners and Joint Lead Arrangers, Wells Fargo Bank, National Association, as Syndication Agent, US Bank National Association, as Syndication Agent, Suntrust Bank, as Documentation Agent, Branch Banking and Trust Company, as Documentation Agent, PNC Bank, National Association, as Document Agent, and Regions Bank as Managing Agent. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated January 9, 2018.\)](#)
- 10.35A [June 2020 Modification relating to the Operating Partnership's Third Amended and Restated Credit Agreement \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 16, 2020.\)](#)
- 10.36 [Third Amended and Restated Liquidity Credit Agreement, dated as of January 9, 2018, by and among Tanger Properties Limited Partnership, as the Borrower, Bank of America, N.A., as Administrative Agent, and the Other Lenders Party Thereto. \(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Current Report on Form 8-K dated January 9, 2018.\)](#)
- 10.36A [June 2020 Modification relating to the Operating Partnership's Third Amended and Restated Liquidity Credit Agreement \(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 16, 2020.\)](#)
- 10.37 [Second Amendment to Amended and Restated Term Loan Agreement dated as of January 9, 2018, by and among Tanger Properties Limited Partnership, as the Borrower, Tanger Factory Outlet Centers, Inc., as the Guarantor, Wells Fargo Bank, National Association, as Administrative Agent, and the lenders party thereto. \(Incorporated by reference to Exhibit 10.3 to the Company's and Operating Partnership's Current Report on Form 8-K dated January 9, 2018.\)](#)
- 10.37A [First Amendment to Second Amended and Restated Term Loan Agreement \(Incorporated by reference to Exhibit 10.3 to the Company's and Operating Partnership's Current Report on Form 8-K dated June 16, 2020.\)](#)
- 10.38 [Second Amended and Restated Term Loan Agreement dated as of October 25, 2018 between Tanger Properties Limited Partnership and Wells Fargo Bank, National Association, as Administrative Agent, and the lenders party thereto. \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated October 26, 2018.\)](#)
- 10.39 [Second Amended and Restated Continuing Guaranty dated October 25, 2018 by and between Tanger Factory Outlet Centers, Inc. and Wells Fargo Bank, National Association. \(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Current Report on Form 8-K dated October 26, 2018.\)](#)
- 10.4 [2019 Declaration of Amendment to Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership \(As Amended and Restated as of April 4, 2014\), as amended, dated as of March 29, 2019 \(incorporated herein by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q dated August 5, 2019.\)](#)
- 10.42* [Employment Agreement of Stephen Yalof Dated April 6, 2020 \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated April 6, 2020.\)](#)
- 10.43* [First Amendment to Employment Agreement of Stephen Yalof Dated April 9, 2020 \(Incorporated by reference to Exhibit 10.2 to the Company's and Operating Partnership's Current Report on Form 8-K dated April 6, 2020.\)](#)
- 10.44* [Amended and Restated Employment Agreement of Steven B. Tanger Dated April 28, 2020 \(Incorporated by reference to Exhibit 10.1 to the Company's and Operating Partnership's Current Report on Form 8-K dated April 29, 2020.\)](#)
- 10.45 [Form of Inducement Restricted Share Award Agreement between the Company and Stephen Yalof \(Incorporated by reference to Exhibit 99.1 to the Company's Registration Statement on Form S-8 dated April 10, 2020\).](#)
- 10.46 [Inducement Option Award Agreement between the Company and Stephen Yalof, dated April 10, 2020 \(Incorporated by reference to Exhibit 10.5 to the Company's Quarterly Report on Form 10-Q dated May 11, 2020\).](#)
- 10.47 [Offer Letter of Leslie A. Swanson, dated September 28, 2020.](#)
- 21.1 [List of Subsidiaries of the Company.](#)
- 21.2 [List of Subsidiaries of the Operating Partnership.](#)

22.1	List of Subsidiary Issuers and Guarantors of Registered Securities.
23.1	Consent of Deloitte & Touche LLP (Tanger Factory Outlet Centers, Inc.)
23.2	Consent of Deloitte & Touche LLP (Tanger Properties Limited Partnership.)
31.1	Principal Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
31.2	Principal Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
31.3	Principal Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Tanger Properties Limited Partnership.
31.4	Principal Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 for Tanger Properties Limited Partnership.
32.1	Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
32.2	Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Tanger Factory Outlet Centers, Inc.
32.3	Principal Executive Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Tanger Properties Limited Partnership.
32.4	Principal Financial Officer Certification Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 for Tanger Properties Limited Partnership.
101.INS**	Inline XBRL Instance Document - the Instance Document does not appear in the interactive data file because its XBRL tags are embedded within the Inline XBRL document.
101.SCH**	Inline XBRL Taxonomy Extension Schema Document
101.CAL**	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB**	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE**	Inline XBRL Taxonomy Extension Presentation Linkbase Document
101.DEF**	Inline XBRL Taxonomy Extension Definition Linkbase Document
104**	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Management contract or compensatory plan or arrangement.

** Submitted herewith.

ITEM 16. FORM 10-K SUMMARY

None.

SIGNATURES of Tanger Factory Outlet Centers, Inc.

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TANGER FACTORY OUTLET CENTERS, INC.

By: /s/ Stephen J. Yalof

Stephen J. Yalof

President, Chief Executive Officer

February 23, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Steven B. Tanger</u> Steven B. Tanger	Executive Chair of the Board	February 23, 2021
<u>/s/ Stephen J. Yalof</u> Stephen J. Yalof	Director, President, Chief Executive Officer (Principal Executive Officer)	February 23, 2021
<u>/s/ James F. Williams</u> James F. Williams	Executive Vice President and Chief Financial Officer (Principal Financial Officer)	February 23, 2021
<u>/s/ Thomas J. Guerrieri Jr.</u> Thomas J. Guerrieri Jr.	Senior Vice President, Chief Accounting Officer (Principal Accounting Officer)	February 23, 2021
<u>/s/ David B. Henry</u> David B. Henry	Lead Director	February 23, 2021
<u>/s/ Jeffrey B. Citrin</u> Jeffrey B. Citrin	Director	February 23, 2021
<u>/s/ Thomas J. Reddin</u> Thomas J. Reddin	Director	February 23, 2021
<u>/s/ Bridget M. Ryan-Berman</u> Bridget M. Ryan-Berman	Director	February 23, 2021
<u>/s/ Susan E. Skerritt</u> Susan E. Skerritt	Director	February 23, 2021
<u>/s/ Luis A. Ubiñas</u> Luis A. Ubiñas	Director	February 23, 2021

SIGNATURES of Tanger Properties Limited Partnership

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

TANGER PROPERTIES LIMITED PARTNERSHIP

By: Tanger GP Trust, its sole general partner

By: /s/ Stephen J. Yalof

Stephen J. Yalof

President, Chief Executive Officer

February 23, 2021

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated:

<u>Signature</u>	<u>Title</u>	<u>Date</u>
<u>/s/ Steven B. Tanger</u> Steven B. Tanger	Executive Chair of the Board of Trustees	February 23, 2021
<u>/s/ Stephen J. Yalof</u> Stephen J. Yalof	President, Chief Executive Officer and Trustee (Principal Executive Officer)	February 23, 2021
<u>/s/ James F. Williams</u> James F. Williams	Vice President and Treasurer (Principal Financial Officer)	February 23, 2021
<u>/s/ Thomas J. Guerrieri Jr.</u> Thomas J. Guerrieri Jr.	Vice President and Assistant Treasurer (Principal Accounting Officer)	February 23, 2021
<u>/s/ Jeffrey B. Citrin</u> Jeffrey B. Citrin	Trustee	February 23, 2021
<u>/s/ David B. Henry</u> David B. Henry	Trustee	February 23, 2021
<u>/s/ Thomas J. Reddin</u> Thomas J. Reddin	Trustee	February 23, 2021
<u>/s/ Bridget M. Ryan-Berman</u> Bridget M. Ryan-Berman	Trustee	February 23, 2021
<u>/s/ Susan E. Skerritt</u> Susan E. Skerritt	Trustee	February 23, 2021
<u>/s/ Luis A. Ubiñas</u> Luis A. Ubiñas	Trustee	February 23, 2021

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Tanger Factory Outlet Centers, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Tanger Factory Outlet Centers, Inc. and subsidiaries (the "Company") as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income (loss), shareholders' equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes and the schedule listed in the Index at Item 15(a)(2) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 23, 2021, expressed an unqualified opinion on the Company's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 20 to the financial statements, effective January 1, 2019, the Company adopted Financial Accounting Standards Board Accounting Standards Codification Topic 842, Leases, using the modified retrospective approach.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Impairment of Long-Lived Assets – Refer to Notes 2 and 10 to the financial statements

Critical Audit Matter Description

Rental property held and used by the Company is reviewed for impairment in the event that facts and circumstances indicate that the carrying amount of an asset may not be recoverable. In such event, the Company compares the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount, and if less than such carrying amount, recognizes an impairment loss in an amount by which the carrying amount exceeds its fair value. The cash flow estimates used both for determining recoverability and estimating fair value are inherently judgmental and reflect current and projected trends in rental, occupancy, capitalization, and discount rates, and estimated holding periods for the applicable assets. Total rental property as of December 31, 2020 was approximately \$1.7 billion. During the year ended December 31, 2020, the Company recorded approximately \$67.2 million of impairment charges.

Given the Company's cash flow estimates used both for determining recoverability and estimating fair value to determine impairment require management to make significant estimates and assumptions related to current and projected trends in rental, occupancy, capitalization, and discount rates and estimated holding periods, performing audit procedures to evaluate the reasonableness of management's undiscounted and discounted future cash flows analysis required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the undiscounted or discounted future cash flows analysis and the assessment of expected remaining holding period included the following, among others:

- We tested the effectiveness of controls over management's evaluation of the recoverability of rental property assets and management's estimate of fair value to determine impairment, including those over rental, occupancy, capitalization, and discount rates, and estimated holding periods.
- With the assistance of our fair value specialists, we evaluated the undiscounted and discounted future cash flows analyses, including estimates of rental, occupancy, capitalization, and discount rates, and estimated holding periods for each rental property asset with possible impairment indicators by (1) evaluating the source information and assumptions used by management and (2) testing the mathematical accuracy of the undiscounted and discounted future cash flows analysis.
- We evaluated the reasonableness of management's undiscounted and discounted future cash flows analyses by comparing management's projections to the Company's historical results and external market sources.

Impairment of Investments — Refer to Notes 2 and 5 to the financial statements

Critical Audit Matter Description

On a periodic basis, the Company assesses whether there are any indicators that the value of the investments in unconsolidated joint ventures may be impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investments, and such decline in value is deemed to be other than temporary. To the extent an other than temporary impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the value of the investment. The Company's estimates of value for each joint venture investment are based on a number of assumptions that are subject to economic and market uncertainties including, among others, the discount and capitalization rates. As the discount and capitalization rates are difficult to predict, the values estimated by the Company in the impairment analysis may not be realized. Total investments in unconsolidated joint ventures as of December 31, 2020 were approximately \$94.6 million.

Given the Company's evaluation of the impairment of investments in unconsolidated joint ventures requires management to make significant estimates and assumptions related to the discount and capitalization rates, performing audit procedures to evaluate the reasonableness of management's analysis and assessment required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the discount and capitalization rates included the following, among others:

- We tested the effectiveness of controls over management's selection of the discount and capitalization rates and management's evaluation of whether the impairments in their investments in unconsolidated joint ventures are other than temporary.
- We evaluated the reasonableness of the valuation methodology, obtained source data for market specific capitalization rates to assist with evaluating reasonableness of discount and capitalization rates utilized, and tested the mathematical accuracy for each of management's fair value estimates.
- We evaluated the reasonableness of management's assessment that any impairment in unconsolidated joint ventures are other than temporary by evaluating the severity and duration of any shortfalls within the fair value calculations. Specifically, we evaluated the joint venture's expectations of future performance based upon historical operations, tenant leases and trends in the industry and submarkets. We also evaluated the amount of time expected to achieve a recovery in the estimated fair value.

Collectibility of Operating Lease Receivables — Refer to Notes 2 and 3 to the financial statements

Critical Audit Matter Description

Given the impacts from the coronavirus (“COVID-19”) pandemic, the Company’s net accounts receivable balance, which is recorded in other assets on the consolidated balance sheet, has increased from approximately \$4.8 million at December 31, 2019 to approximately \$18.8 million at December 31, 2020. Individual leases are assessed for collectibility, and upon the determination that the collection of rents is not probable, accrued rent and accounts receivable are reduced as an adjustment to rental revenue. Revenue from leases where collection is deemed to be less than probable is recorded on a cash basis until collectibility is determined to be probable. Further the Company has assessed whether operating lease receivables, at a portfolio level, are appropriately valued based upon an analysis of balances outstanding, historical bad debt levels and current economic trends including discussions with tenants for potential lease amendments.

As of December 31, 2020, the Company recorded a \$5.3 million reserve for a portion of deferred and under negotiation billings that are expected to become uncollectible in future periods.

The Company’s evaluation of collectibility requires management to make significant estimates and assumptions and is based on the best information available to the Company at the time of preparing the financial statements. The duration of the COVID 19 pandemic, recent tenant bankruptcies and other significant economic uncertainties required significant judgment to be used when estimating the collection of rents through December 31, 2020.

Performing audit procedures to evaluate the reasonableness of management’s analysis and assessment of collectibility required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the collectibility of operating lease receivables included the following, among others:

- We tested the effectiveness of controls over management’s assessment of the collectibility of operating lease receivables, including management’s consideration of current economic trends, negotiations and/or disputes with tenants and tenant creditworthiness.
- We obtained management’s analysis of the collectibility of tenant accounts receivables and performed the following procedures, among others:
 - o Evaluated the completeness and accuracy of information in the analysis through reconciliation to the accounts receivable aging schedule and consideration of results of our testing which included tenant confirmations and analysis of tenant agreements and amendments;
 - o Inquired of Company personnel, including those from leasing and operations, to determine whether management’s assumptions regarding collection losses were appropriate based on the most recent tenant correspondence, payment history, status of lease modification negotiations including rent deferrals or abatements. We inspected tenant records, tenant correspondence, tenant collections subsequent to year-end and executed lease modification agreements to corroborate our inquiries, and independently considered whether receivables for those tenants which have filed for bankruptcy were appropriately accounted for in management’s analysis.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina
February 23, 2021

We have served as the Company's auditor since 2016.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Tanger Factory Outlet Centers, Inc.

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Tanger Factory Outlet Centers, Inc. and subsidiaries (the "Company") as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2020, of the Company and our report dated February 23, 2021, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Company's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina
February 23, 2021

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Tanger Properties Limited Partnership

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Tanger Properties Limited Partnership and subsidiaries (the "Operating Partnership") as of December 31, 2020 and 2019, the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows, for each of the three years in the period ended December 31, 2020, and the related notes and the schedule listed in the Index at Item 15(a)(2) (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Operating Partnership as of December 31, 2020 and 2019, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2020, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Operating Partnership's internal control over financial reporting as of December 31, 2020, based on criteria established in Internal Control — Integrated Framework (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated February 23, 2021, expressed an unqualified opinion on the Operating Partnership's internal control over financial reporting.

Change in Accounting Principle

As discussed in Note 20 to the financial statements, effective January 1, 2019, the Operating Partnership adopted Financial Accounting Standards Board Accounting Standards Codification Topic 842, Leases, using the modified retrospective approach.

Basis for Opinion

These financial statements are the responsibility of the Operating Partnership's management. Our responsibility is to express an opinion on the Operating Partnership's financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical Audit Matters

The critical audit matters communicated below are matters arising from the current-period audit of the financial statements that were communicated or required to be communicated to the audit committee and that (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matters below, providing separate opinions on the critical audit matters or on the accounts or disclosures to which they relate.

Impairment of Long-Lived Assets – Refer to Notes 2 and 10 to the financial statements

Critical Audit Matter Description

Rental property held and used by the Operating Partnership is reviewed for impairment in the event that facts and circumstances indicate that the carrying amount of an asset may not be recoverable. In such event, the Operating Partnership compares the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount, and if less than such carrying amount, recognizes an impairment loss in an amount by which the carrying amount exceeds its fair value. The cash flow estimates used both for determining recoverability and estimating fair value are inherently judgmental and reflect current and projected trends in rental, occupancy, capitalization, and discount rates, and estimated holding periods for the applicable assets. Total rental property as of December 31, 2020 was approximately \$1.7 billion. During the year ended December 31, 2020, the Operating Partnership recorded approximately \$67.2 million of impairment charges.

Given the Operating Partnership's cash flow estimates used both for determining recoverability and estimating fair value to determine impairment require management to make significant estimates and assumptions related to current and projected trends in rental, occupancy, capitalization, and discount rates and estimated holding periods, performing audit procedures to evaluate the reasonableness of management's undiscounted and discounted future cash flows analysis required a high degree of auditor judgment and an increased extent of effort, including the need to involve our fair value specialists.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the undiscounted or discounted future cash flows analysis and the assessment of expected remaining holding period included the following, among others:

- We tested the effectiveness of controls over management's evaluation of the recoverability of rental property assets and management's estimate of fair value to determine impairment, including those over rental, occupancy, capitalization, and discount rates, and estimated holding periods.
- With the assistance of our fair value specialists, we evaluated the undiscounted and discounted future cash flows analysis, including estimates of rental, occupancy, capitalization, and discount rates, and estimated holding periods for each rental property asset with possible impairment indicators by (1) evaluating the source information and assumptions used by management and (2) testing the mathematical accuracy of the undiscounted and discounted future cash flows analysis.
- We evaluated the reasonableness of management's undiscounted and discounted future cash flows analysis by comparing management's projections to the Operating Partnership's historical results and external market sources.

Impairment of Investments — Refer to Notes 2 and 5 to the financial statements

Critical Audit Matter Description

On a periodic basis, the Operating Partnership assesses whether there are any indicators that the value of the investments in unconsolidated joint ventures may be impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investments, and such decline in value is deemed to be other than temporary. To the extent an other than temporary impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the value of the investment. The Operating Partnership's estimates of value for each joint venture investment are based on a number of assumptions that are subject to economic and market uncertainties including, among others, the discount and capitalization rates. As the discount and capitalization rates are difficult to predict, the values estimated by the Operating Partnership in the impairment analysis may not be realized. Total investments in unconsolidated joint ventures as of December 31, 2020 were approximately \$94.6 million.

Given the Operating Partnership's evaluation of the impairment of investments in unconsolidated joint ventures requires management to make significant estimates and assumptions related to the discount and capitalization rates, performing audit procedures to evaluate the reasonableness of management's analysis and assessment required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the discount and capitalization rates included the following, among others:

- We tested the effectiveness of controls over management's selection of the discount and capitalization rates and management's evaluation of whether the impairments in their investments in unconsolidated joint ventures are other than temporary.
- We evaluated the reasonableness of the valuation methodology, obtained source data for market specific capitalization rates to assist with evaluating reasonableness of discount and capitalization rates utilized, and tested the mathematical accuracy for each of management's fair value estimates.
- We evaluated the reasonableness of management's assessment that any impairment in unconsolidated joint ventures are other than temporary by evaluating the severity and duration of any shortfalls within the fair value calculations. Specifically, we evaluated the joint venture's expectations of future performance based upon historical operations, tenant leases and trends in the industry and submarkets. We also evaluated the amount of time expected to achieve a recovery in the estimated fair value.

Collectibility of Operating Lease Receivables — Refer to Notes 2 and 3 to the financial statements

Critical Audit Matter Description

Given the impacts from the coronavirus (“COVID-19”) pandemic, the Operating Partnership’s net accounts receivable balance, which is recorded in other assets on the consolidated balance sheet, has increased from approximately \$4.8 million at December 31, 2019 to approximately \$18.8 million at December 31, 2020. Individual leases are assessed for collectibility, and upon the determination that the collection of rents is not probable, accrued rent and accounts receivable are reduced as an adjustment to rental revenue. Revenue from leases where collection is deemed to be less than probable is recorded on a cash basis until collectibility is determined to be probable. Further the Operating Partnership has assessed whether operating lease receivables, at a portfolio level, are appropriately valued based upon an analysis of balances outstanding, historical bad debt levels and current economic trends including discussions with tenants for potential lease amendments.

As of December 31, 2020, the Operating Partnership recorded a \$5.3 million reserve for a portion of deferred and under negotiation billings that are expected to become uncollectible in future periods.

The Operating Partnership’s evaluation of collectibility requires management to make significant estimates and assumptions and is based on the best information available to the Operating Partnership at the time of preparing the financial statements. The duration of the COVID 19 pandemic, recent tenant bankruptcies and other significant economic uncertainties required significant judgment to be used when estimating the collection of rents through December 31, 2020.

Performing audit procedures to evaluate the reasonableness of management’s analysis and assessment of collectibility required a high degree of auditor judgment and an increased extent of effort.

How the Critical Audit Matter Was Addressed in the Audit

Our audit procedures related to the collectibility of operating lease receivables included the following, among others:

- We tested the effectiveness of controls over management’s assessment of the collectibility of operating lease receivables, including management’s consideration of current economic trends, negotiations and/or disputes with tenants and tenant creditworthiness.
- We obtained management’s analysis of the collectibility of tenant accounts receivables and performed the following procedures, among others:
 - Evaluated the completeness and accuracy of information in the analysis through reconciliation to the accounts receivable aging schedule and consideration of results of our testing which included tenant confirmations and analysis of tenant agreements and amendments;
 - Inquired of Operating Partnership personnel, including those from leasing and operations, to determine whether management’s assumptions regarding collection losses were appropriate based on the most recent tenant correspondence, payment history, status of lease modification negotiations including rent deferrals or abatements. We inspected tenant records, tenant correspondence, tenant collections subsequent to year-end and executed lease modification agreements to corroborate our inquiries, and independently considered whether receivables for those tenants which have filed for bankruptcy were appropriately accounted for in management’s analysis.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina
February 23, 2021

We have served as the Operating Partnership's auditor since 2016.

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the shareholders and the Board of Directors of Tanger Properties Limited Partnership

Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Tanger Properties Limited Partnership and subsidiaries (the "Operating Partnership") as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Operating Partnership maintained, in all material respects, effective internal control over financial reporting as of December 31, 2020, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2020, of the Operating Partnership and our report dated February 23, 2021, expressed an unqualified opinion on those financial statements.

Basis for Opinion

The Operating Partnership's management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Operating Partnership's internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Operating Partnership in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed 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. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Charlotte, North Carolina
February 23, 2021

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except share data)

	December 31,	
	2020	2019
Assets		
Rental property:		
Land	\$ 265,968	\$ 266,537
Buildings, improvements and fixtures	2,527,404	2,630,357
	2,793,372	2,896,894
Accumulated depreciation	(1,054,993)	(1,009,951)
Total rental property, net	1,738,379	1,886,943
Cash and cash equivalents	84,832	16,672
Investments in unconsolidated joint ventures	94,579	94,691
Deferred lease costs and other intangibles, net	84,960	96,712
Operating lease right-of-use assets	81,499	86,575
Prepays and other assets	105,282	103,618
Total assets	\$ 2,189,531	\$ 2,285,211
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	\$ 1,140,576	\$ 1,138,603
Unsecured term loans, net	347,370	347,367
Mortgages payable, net	79,940	83,803
Unsecured lines of credit	—	—
Total debt	1,567,886	1,569,773
Accounts payable and accrued expenses	88,253	79,562
Operating lease liabilities	90,105	91,237
Other liabilities	84,404	88,530
Total liabilities	1,830,648	1,829,102
Commitments and contingencies (Note 21)		
Equity		
Tanger Factory Outlet Centers, Inc.:		
Common shares, \$0.01 par value, 300,000,000 shares authorized, 93,569,801 and 92,892,260 shares issued and outstanding at December 31, 2020 and December 31, 2019, respectively	936	929
Paid in capital	787,143	775,035
Accumulated distributions in excess of net income	(420,104)	(317,263)
Accumulated other comprehensive loss	(26,585)	(25,495)
Equity attributable to Tanger Factory Outlet Centers, Inc.	341,390	433,206
Equity attributable to noncontrolling interests:		
Noncontrolling interests in Operating Partnership	17,493	22,903
Noncontrolling interests in other consolidated partnerships	—	—
Total equity	358,883	456,109
Total liabilities and equity	\$ 2,189,531	\$ 2,285,211

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per share data)

	For the years ended December 31,		
	2020	2019	2018
Revenues:			
Rental revenues	\$ 377,932	\$ 463,946	\$ 480,707
Management, leasing and other services	4,936	5,419	4,995
Other revenues	7,123	8,983	8,979
Total revenues	389,991	478,348	494,681
Expenses:			
Property operating	137,135	157,734	160,457
General and administrative	47,733	53,790	44,167
Impairment charges	67,226	37,610	49,739
Depreciation and amortization	117,143	123,314	131,722
Total expenses	369,237	372,448	386,085
Other income (expense):			
Interest expense	(63,142)	(61,672)	(64,821)
Gain on sale of assets	2,324	43,422	—
Other income (expense)	925	(2,761)	864
Total other income (expense)	(59,893)	(21,011)	(63,957)
Income (loss) before equity in earnings of unconsolidated joint ventures	(39,139)	84,889	44,639
Equity in earnings of unconsolidated joint ventures	1,126	7,839	924
Net income (loss)	(38,013)	92,728	45,563
Noncontrolling interests in Operating Partnership	1,925	(4,678)	(2,329)
Noncontrolling interests in other consolidated partnerships	(190)	(195)	421
Net income (loss) attributable to Tanger Factory Outlet Centers, Inc.	\$ (36,278)	\$ 87,855	\$ 43,655
Basic earnings per common share:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45
Diluted earnings per common share:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	For the years ended December 31,		
	2020	2019	2018
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Other comprehensive income (loss):			
Foreign currency translation adjustments	1,783	7,917	(8,691)
Change in fair value of cash flow hedges	(2,934)	(6,174)	405
Other comprehensive income (loss)	(1,151)	1,743	(8,286)
Comprehensive income (loss)	(39,164)	94,471	37,277
Comprehensive (income) loss attributable to noncontrolling interests	1,796	(4,960)	(1,488)
Comprehensive income (loss) attributable to Tanger Factory Outlet Centers, Inc.	\$ (37,368)	\$ 89,511	\$ 35,789

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands, except share and per share data)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive income (loss)	Total shareholders' equity	Noncontrolling interest in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2017	\$ 946	\$ 784,782	\$ (184,865)	\$ (19,285)	\$ 581,578	\$ 30,724	\$ —	\$ 612,302
Net income	—	—	43,655	—	43,655	2,329	(421)	45,563
Other comprehensive loss	—	—	—	(7,866)	(7,866)	(420)	—	(8,286)
Compensation under Incentive Award Plan	—	15,800	—	—	15,800	—	—	15,800
Grant of 355,184 restricted common share awards	3	(3)	—	—	—	—	—	—
Repurchase of 919,249 common shares, including transaction costs	(9)	(19,989)	—	—	(19,998)	—	—	(19,998)
Withholding of 89,437 common shares for employee income taxes	(1)	(2,067)	—	—	(2,068)	—	—	(2,068)
Contributions from noncontrolling interests	—	—	—	—	—	—	626	626
Adjustment for noncontrolling interests in Operating Partnership	—	322	—	—	322	(322)	—	—
Exchange of 34,749 Operating Partnership units for 34,749 common shares	—	—	—	—	—	—	—	—
Common dividends (\$1.3925 per share)	—	—	(131,244)	—	(131,244)	—	—	(131,244)
Distributions to noncontrolling interests	—	—	—	—	—	(6,955)	(205)	(7,160)
Balance, December 31, 2018	\$ 939	\$ 778,845	\$ (272,454)	\$ (27,151)	\$ 480,179	\$ 25,356	\$ —	\$ 505,535

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands, except share and per share data)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive income (loss)	Total shareholders' equity	Noncontrolling interest in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2018	\$ 939	\$ 778,845	\$ (272,454)	\$ (27,151)	\$ 480,179	\$ 25,356	\$ —	\$ 505,535
Net income	—	—	87,855	—	87,855	4,678	195	92,728
Other comprehensive income	—	—	—	1,656	1,656	87	—	1,743
Compensation under Incentive Award Plan	—	18,504	—	—	18,504	—	—	18,504
Grant of 242,167 restricted common share awards, net of forfeitures	3	(3)	—	—	—	—	—	—
Repurchase of 1,209,328 common shares, including transaction costs	(12)	(19,988)	—	—	(20,000)	—	—	(20,000)
Withholding of 131,873 common shares for employee income taxes	(1)	(2,523)	—	—	(2,524)	—	—	(2,524)
Contributions from noncontrolling interests	—	—	—	—	—	—	47	47
Adjustment for noncontrolling interests in Operating Partnership	—	200	—	—	200	(200)	—	—
Exchange of 49,511 Operating Partnership units for 49,511 common shares	—	—	—	—	—	—	—	—
Common dividends (\$1.415 per share)	—	—	(132,664)	—	(132,664)	—	—	(132,664)
Distributions to noncontrolling interests	—	—	—	—	—	(7,018)	(242)	(7,260)
Balance, December 31, 2019	\$ 929	\$ 775,035	\$ (317,263)	\$ (25,495)	\$ 433,206	\$ 22,903	\$ —	\$ 456,109

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(in thousands, except share and per share data)

	Common shares	Paid in capital	Accumulated distributions in excess of earnings	Accumulated other comprehensive income (loss)	Total shareholders' equity	Noncontrolling interest in Operating Partnership	Noncontrolling interests in other consolidated partnerships	Total equity
Balance, December 31, 2019	\$ 929	\$ 775,035	\$ (317,263)	\$ (25,495)	\$ 433,206	\$ 22,903	\$ —	\$ 456,109
Net income (loss)	—	—	(36,278)	—	(36,278)	(1,925)	190	(38,013)
Other comprehensive loss	—	—	—	(1,090)	(1,090)	(61)	—	(1,151)
Compensation under Incentive Award Plan	—	12,926	—	—	12,926	—	—	12,926
Grant of 611,350 restricted common share awards, net of forfeitures	6	(6)	—	—	—	—	—	—
Issuance of 6,258 deferred shares	—	—	—	—	—	—	—	—
Withholding of 56,597 common shares for employee income taxes	—	(736)	—	—	(736)	—	—	(736)
Contributions from noncontrolling interests	—	—	—	—	—	—	72	72
Adjustment for noncontrolling interests in Operating Partnership	—	(75)	—	—	(75)	75	—	—
Exchange of 116,530 Operating Partnership units for 116,530 common shares	1	(1)	—	—	—	—	—	—
Common dividends (\$0.7125 per share)	—	—	(66,563)	—	(66,563)	—	—	(66,563)
Distributions to noncontrolling interests	—	—	—	—	—	(3,499)	(262)	(3,761)
Balance, December 31, 2020	\$ 936	\$ 787,143	\$ (420,104)	\$ (26,585)	\$ 341,390	\$ 17,493	\$ —	\$ 358,883

The accompanying notes are an integral part of these consolidated financial statements.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the years ended December 31,		
	2020	2019	2018
Operating Activities			
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Depreciation and amortization	117,143	123,314	131,722
Impairment charges	67,226	37,610	49,739
Amortization of deferred financing costs	3,583	3,004	3,058
Gain on sale of assets	(2,324)	(43,422)	—
Equity in earnings of unconsolidated joint ventures	(1,126)	(7,839)	(924)
Equity-based compensation expense	12,517	18,120	14,669
Amortization of debt (premiums) and discounts, net	482	448	416
Amortization (accretion) of market rent rate adjustments, net	2,721	1,432	2,577
Straight-line rent adjustments	3,372	(7,721)	(5,844)
Distributions of cumulative earnings from unconsolidated joint ventures	3,490	7,587	7,941
Other non-cash	—	3,638	—
Changes in other asset and liabilities:			
Other assets	(5,366)	(4,159)	2,079
Accounts payable and accrued expenses	1,042	(4,288)	7,322
Net cash provided by operating activities	164,747	220,452	258,318
Investing Activities			
Additions to rental property	(28,566)	(47,884)	(64,253)
Additions to investments in unconsolidated joint ventures	(10,601)	(2,316)	(1,916)
Net proceeds on sale of assets	7,626	128,505	—
Distributions in excess of cumulative earnings from unconsolidated joint ventures	9,071	17,819	25,232
Additions to non-real estate assets	(1,872)	(1,155)	(1,330)
Additions to deferred lease costs	(3,061)	(5,142)	(6,703)
Other investing activities	8,632	9,462	8,947
Net cash provided by (used in) investing activities	(18,771)	99,289	(40,023)
Financing Activities			
Cash dividends paid	(66,563)	(132,664)	(131,244)
Distributions to noncontrolling interests in Operating Partnership	(3,499)	(7,018)	(6,955)
Proceeds from revolving credit facility	641,630	282,870	491,900
Repayments of revolving credit facility	(641,630)	(427,970)	(554,900)
Proceeds from notes, mortgages and loans	—	—	25,000
Repayments of notes, mortgages and loans	(3,566)	(3,369)	(11,783)
Repurchase of common shares, including transaction costs	—	(20,000)	(19,998)
Employee income taxes paid related to shares withheld upon vesting of equity awards	(736)	(2,524)	(2,068)
Additions to deferred financing costs	(1,891)	(115)	(4,428)
Proceeds from other financing activities	72	47	626
Payment for other financing activities	(1,410)	(1,390)	(1,353)
Net cash used in financing activities	(77,593)	(312,133)	(215,203)
Effect of foreign currency rate changes on cash and cash equivalents	(223)	(19)	(110)
Net increase in cash, cash equivalents and restricted cash	68,160	7,589	2,982
Cash and cash equivalents, beginning of year	16,672	9,083	6,101
Cash and cash equivalents, end of year	\$ 84,832	\$ 16,672	\$ 9,083

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(in thousands, except for unit data)

	December 31,	
	2020	2019
Assets		
Rental property:		
Land	\$ 265,968	\$ 266,537
Buildings, improvements and fixtures	2,527,404	2,630,357
	<u>2,793,372</u>	<u>2,896,894</u>
Accumulated depreciation	(1,054,993)	(1,009,951)
Total rental property, net	1,738,379	1,886,943
Cash and cash equivalents	84,750	16,519
Investments in unconsolidated joint ventures	94,579	94,691
Deferred lease costs and other intangibles, net	84,960	96,712
Operating lease right-of-use assets	81,499	86,575
Prepays and other assets	104,800	103,374
Total assets	\$ 2,188,967	\$ 2,284,814
Liabilities and Equity		
Liabilities		
Debt:		
Senior, unsecured notes, net	\$ 1,140,576	\$ 1,138,603
Unsecured term loans, net	347,370	347,367
Mortgages payable, net	79,940	83,803
Unsecured lines of credit	—	—
Total debt	1,567,886	1,569,773
Accounts payable and accrued expenses	87,689	79,165
Operating lease liabilities	90,105	91,237
Other liabilities	84,404	88,530
Total liabilities	1,830,084	1,828,705
Commitments and contingencies (Note 21)		
Equity		
Partners' Equity:		
General partner, 1,000,000 units outstanding at December 31, 2020 and December 31, 2019	3,334	4,435
Limited partners, 4,794,643 and 4,911,173 Class A common units, and 92,569,801 and 91,892,260 Class B common units outstanding at December 31, 2020 and December 31, 2019, respectively	383,588	478,562
Accumulated other comprehensive loss	(28,039)	(26,888)
Total partners' equity	358,883	456,109
Noncontrolling interests in consolidated partnerships	—	—
Total equity	358,883	456,109
Total liabilities and equity	\$ 2,188,967	\$ 2,284,814

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

(in thousands, except per unit data)

	For the years ended December 31,		
	2020	2019	2018
Revenues:			
Rental revenues	\$ 377,932	\$ 463,946	\$ 480,707
Management, leasing and other services	4,936	5,419	4,995
Other revenues	7,123	8,983	8,979
Total revenues	389,991	478,348	494,681
Expenses:			
Property operating	137,135	157,734	160,457
General and administrative	47,733	53,790	44,167
Impairment charges	67,226	37,610	49,739
Depreciation and amortization	117,143	123,314	131,722
Total expenses	369,237	372,448	386,085
Other income (expense):			
Interest expense	(63,142)	(61,672)	(64,821)
Gain on sale of assets	2,324	43,422	—
Other income (expense)	925	(2,761)	864
Total other income (expense)	(59,893)	(21,011)	(63,957)
Income (loss) before equity in earnings of unconsolidated joint ventures	(39,139)	84,889	44,639
Equity in earnings of unconsolidated joint ventures	1,126	7,839	924
Net income (loss)	(38,013)	92,728	45,563
Noncontrolling interests in consolidated partnerships	(190)	(195)	421
Net income (loss) available to partners	(38,203)	92,533	45,984
Net income (loss) available to limited partners	(37,815)	91,597	45,522
Net income (loss) available to general partner	\$ (388)	\$ 936	\$ 462
Basic earnings per common unit:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45
Diluted earnings per common unit:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	For the years ended December 31,		
	2020	2019	2018
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Other comprehensive income (loss):			
Foreign currency translation adjustments	1,783	7,917	(8,691)
Change in fair value of cash flow hedges	(2,934)	(6,174)	405
Other comprehensive income (loss)	(1,151)	1,743	(8,286)
Comprehensive income (loss)	(39,164)	94,471	37,277
Comprehensive (income) loss attributable to noncontrolling interests in consolidated partnerships	(190)	(195)	421
Comprehensive income (loss) attributable to the Operating Partnership	\$ (39,354)	\$ 94,276	\$ 37,698

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF EQUITY
(in thousands, except unit and per unit data)

	General partner	Limited partners	Accumulated other comprehensive income (loss)	Total partners' equity	Noncontrolling interests in consolidated partnerships	Total equity
Balance, December 31, 2017	\$ 5,844	\$ 626,803	\$ (20,345)	\$ 612,302	\$ —	\$ 612,302
Net income	462	45,522	—	45,984	(421)	45,563
Other comprehensive loss	—	—	(8,286)	(8,286)	—	(8,286)
Compensation under Incentive Award Plan	—	15,800	—	15,800	—	15,800
Grant of 355,184 restricted common share awards by the Company	—	—	—	—	—	—
Repurchase of 919,249 units, including transaction costs	—	(19,998)	—	(19,998)	—	(19,998)
Withholding of 89,437 common units for employee income taxes	—	(2,068)	—	(2,068)	—	(2,068)
Contributions from noncontrolling interests	—	—	—	—	626	626
Common distributions (1.3925 per common unit)	(1,392)	(136,807)	—	(138,199)	—	(138,199)
Distributions to noncontrolling interests	—	—	—	—	(205)	(205)
Balance, December 31, 2018	\$ 4,914	\$ 529,252	\$ (28,631)	\$ 505,535	\$ —	\$ 505,535
Net income	936	91,597	—	92,533	195	92,728
Other comprehensive income	—	—	1,743	1,743	—	1,743
Compensation under Incentive Award Plan	—	18,504	—	18,504	—	18,504
Grant of 242,167 restricted common share awards by the Company	—	—	—	—	—	—
Repurchase of 1,209,328 units, including transaction costs	—	(20,000)	—	(20,000)	—	(20,000)
Withholding of 131,873 common units for employee income taxes	—	(2,524)	—	(2,524)	—	(2,524)
Contributions from noncontrolling interests	—	—	—	—	47	47
Common distributions (\$1.415 per common unit)	(1,415)	(138,267)	—	(139,682)	—	(139,682)
Distributions to noncontrolling interests	—	—	—	—	(242)	(242)
Balance, December 31, 2019	\$ 4,435	\$ 478,562	\$ (26,888)	\$ 456,109	\$ —	\$ 456,109
Net income (loss)	(388)	(37,815)	—	(38,203)	190	(38,013)
Other comprehensive loss	—	—	(1,151)	(1,151)	—	(1,151)
Compensation under Incentive Award Plan	—	12,926	—	12,926	—	12,926
Grant of 611,350 restricted common share awards by the Company	—	—	—	—	—	—
Withholding of 56,597 common units for employee income taxes	—	(736)	—	(736)	—	(736)
Contributions from noncontrolling interests	—	—	—	—	72	72
Common distributions (\$0.7125 per common unit)	(713)	(69,349)	—	(70,062)	—	(70,062)
Distributions to noncontrolling interests	—	—	—	—	(262)	(262)
Balance, December 31, 2020	\$ 3,334	\$ 383,588	\$ (28,039)	\$ 358,883	\$ —	\$ 358,883

The accompanying notes are an integral part of these consolidated financial statements.

TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	For the years ended December 31,		
	2020	2019	2018
Operating activities			
Net income (loss)	\$ (38,013)	\$ 92,728	\$ 45,563
Adjustments to reconcile net income to net cash provided by operating activities:			
Depreciation and amortization	117,143	123,314	131,722
Impairment charges	67,226	37,610	49,739
Amortization of deferred financing costs	3,583	3,004	3,058
Gain on sale of assets	(2,324)	(43,422)	—
Equity in earnings of unconsolidated joint ventures	(1,126)	(7,839)	(924)
Equity-based compensation expense	12,517	18,120	14,669
Amortization of debt (premiums) and discounts, net	482	448	416
Amortization (accretion) of market rent rate adjustments, net	2,721	1,432	2,577
Straight-line rent adjustments	3,372	(7,721)	(5,844)
Distributions of cumulative earnings from unconsolidated joint ventures	3,490	7,587	7,941
Other non-cash	—	3,638	—
Changes in other assets and liabilities:			
Other assets	(5,128)	(4,185)	1,729
Accounts payable and accrued expenses	875	(4,323)	7,631
Net cash provided by operating activities	164,818	220,391	258,277
Investing activities			
Additions to rental property	(28,566)	(47,884)	(64,253)
Additions to investments in unconsolidated joint ventures	(10,601)	(2,316)	(1,916)
Net proceeds on sale of assets	7,626	128,505	—
Distributions in excess of cumulative earnings from unconsolidated joint ventures	9,071	17,819	25,232
Additions to non-real estate assets	(1,872)	(1,155)	(1,330)
Additions to deferred lease costs	(3,061)	(5,142)	(6,703)
Other investing activities	8,632	9,462	8,947
Net cash provided by (used in) investing activities	(18,771)	99,289	(40,023)
Financing activities			
Cash distributions paid	(70,062)	(139,682)	(138,199)
Proceeds from revolving credit facility	641,630	282,870	491,900
Repayments of revolving credit facility	(641,630)	(427,970)	(554,900)
Proceeds from notes, mortgages and loans	—	—	25,000
Repayments of notes, mortgages and loans	(3,566)	(3,369)	(11,783)
Repurchase of common shares, including transaction costs	—	(20,000)	(19,998)
Employee income taxes paid related to shares withheld upon vesting of equity awards	(736)	(2,524)	(2,068)
Additions to deferred financing costs	(1,891)	(115)	(4,428)
Proceeds from other financing activities	72	47	626
Payment for other financing activities	(1,410)	(1,390)	(1,353)
Net cash used in financing activities	(77,593)	(312,133)	(215,203)
Effect of foreign currency rate changes on cash and cash equivalents	(223)	(19)	(110)
Net increase in cash, cash equivalents and restricted cash	68,231	7,528	2,941
Cash and cash equivalents, beginning of year	16,519	8,991	6,050
Cash and cash equivalents, end of year	\$ 84,750	\$ 16,519	\$ 8,991

The accompanying notes are an integral part of these consolidated financial statements.

**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS OF
TANGER FACTORY OUTLET CENTERS, INC. AND
TANGER PROPERTIES LIMITED PARTNERSHIP**

1. Organization of the Company

Tanger Factory Outlet Centers, Inc. and subsidiaries, which we refer to as the Company, is one of the largest owners and operators of outlet centers in the United States and Canada. We are a fully-integrated, self-administered and self-managed real estate investment trust ("REIT") which, through our controlling interest in Tanger Properties Limited Partnership and subsidiaries, which we refer to as the Operating Partnership, focuses exclusively on developing, acquiring, owning, operating and managing outlet shopping centers. As of December 31, 2020, we owned and operated 31 consolidated outlet centers, with a total gross leasable area of approximately 11.9 million square feet. All references to gross leasable area, square feet, occupancy, stores and store brands contained in the notes to the consolidated financial statements are unaudited. These outlet centers were 92% occupied and contained over 2,200 stores, representing approximately 400 store brands. We also had partial ownership interests in 7 unconsolidated outlet centers totaling approximately 2.2 million square feet, including 3 outlet centers in Canada.

Our outlet centers and other assets are held by, and all of our operations are conducted by the Operating Partnership. Accordingly, the descriptions of our business, employees and properties are also descriptions of the business, employees and properties of the Operating Partnership. Unless the context indicates otherwise, the term "Company" refers to Tanger Factory Outlet Centers, Inc. and subsidiaries and the term "Operating Partnership" refers to Tanger Properties Limited Partnership and subsidiaries. The terms "we", "our" and "us" refer to the Company or the Company and the Operating Partnership together, as the text requires.

The Company owns the majority of the units of partnership interest issued by the Operating Partnership through its two wholly-owned subsidiaries, Tanger GP Trust and Tanger LP Trust. Tanger GP Trust controls the Operating Partnership as its sole general partner. Tanger LP Trust holds a limited partnership interest. As of December 31, 2020, the Company, through its ownership of Tanger GP Trust and Tanger LP Trust, owned 93,569,801 units of the Operating Partnership and other limited partners (the "Non-Company LPs") collectively owned 4,794,643 Class A common limited partnership units. Each Class A common limited partnership unit held by the Non-Company LPs is exchangeable for one of the Company's common shares, subject to certain limitations to preserve the Company's status as a REIT. Class B common limited partnership units, which are held by Tanger LP Trust, are not exchangeable for common shares of the Company.

2. Summary of Significant Accounting Policies

Principles of Consolidation - The consolidated financial statements of the Company include its accounts and its consolidated subsidiaries, as well as the Operating Partnership and its consolidated subsidiaries. The consolidated financial statements of the Operating Partnership include its accounts and its consolidated subsidiaries. Intercompany balances and transactions have been eliminated in consolidation.

The Company currently consolidates the Operating Partnership because it has (1) the power to direct the activities of the Operating Partnership that most significantly impact the Operating Partnership's economic performance and (2) the obligation to absorb losses and the right to receive the residual returns of the Operating Partnership that could be potentially significant.

We consolidate properties that are wholly-owned or properties where we own less than 100% but control such properties. Control is determined using an evaluation based on accounting standards related to the consolidation of voting interest entities and variable interest entities ("VIE"). For joint ventures that are determined to be a VIE, we consolidate the entity where we are deemed to be the primary beneficiary. Determination of the primary beneficiary is based on whether an entity has (1) the power to direct the activities of the VIE that most significantly impact the entity's economic performance, and (2) the obligation to absorb losses of the entity that could potentially be significant to the VIE or the right to receive benefits from the entity that could potentially be significant to the VIE. Our determination of the primary beneficiary considers various factors including the form of our ownership interest, our representation in an entity's governance, the size of our investment, our ability to participate in policy making decisions and the rights of the other investors to participate in the decision making process to replace us as manager and or liquidate the venture, if applicable. As of December 31, 2020, we did not have a joint venture that was a VIE.

Investments in real estate joint ventures that we do not control but may exercise significant influence on are accounted for using the equity method of accounting. These investments are recorded initially at cost and subsequently adjusted for our equity in the venture's net income or loss, cash contributions, distributions and other adjustments required under the equity method of accounting.

For certain of these investments, we record our equity in the venture's net income or loss under the hypothetical liquidation at book value ("HLBV") method of accounting due to the structures and the preferences we receive on the distributions from our joint ventures pursuant to the respective joint venture agreements. Under this method, we recognize income and loss in each period based on the change in liquidation proceeds we would receive from a hypothetical liquidation of our investment based on depreciated book value. Therefore, income or loss may be allocated disproportionately as compared to the ownership percentages due to specified preferred return rate thresholds and may be more or less than actual cash distributions received and more or less than what we may receive in the event of an actual liquidation. In the event a basis difference is created between our underlying interest in the venture's net assets and our initial investment, we amortize such amount over the estimated life of the venture as a component of equity in earnings of unconsolidated joint ventures.

The carrying amount of our investments in the Charlotte, Galveston/Houston and National Harbor joint ventures are less than zero because of financing or operating distributions that were greater than net income, as net income includes non-cash charges for depreciation and amortization. We separately report investments in joint ventures for which accumulated distributions have exceeded investments in, and our share of net income or loss of, the joint ventures within other liabilities in the consolidated balance sheets because we are committed and intend to provide further financial support to these joint ventures.

Noncontrolling interests - In the Company's consolidated financial statements, the "Noncontrolling interests in Operating Partnership" reflects the Non-Company LP's percentage ownership of the Operating Partnership's units. "Noncontrolling interests in other consolidated partnerships" consist of outside equity interests in partnerships or joint ventures not wholly-owned by the Company or the Operating Partnership that are consolidated with the financial results of the Company and Operating Partnership because the Operating Partnership exercises control over the entities that own the properties. Noncontrolling interests are initially recorded in the consolidated balance sheets at fair value based upon purchase price allocations. Income or losses are allocated to the noncontrolling interests based on the allocation provisions within the partnership or joint venture agreements.

Use of Estimates - The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, as well as disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenues and expenses during the reporting period. Estimates are used in the calculations of impairment losses, costs capitalized to originate operating leases, costs incurred for the construction and development of properties, and the values of deferred lease costs and other intangibles related to the acquisition of properties. Actual results could differ from those estimates.

Operating Segments - We focus exclusively on developing, acquiring, owning, operating, and managing outlet shopping centers. We aggregate the financial information of all outlet centers into one reportable operating segment because the outlet centers all have similar economic characteristics and provide similar products and services to similar types and classes of customers.

Rental Property - Rental properties are recorded at cost less accumulated depreciation. Buildings, improvements and fixtures consist primarily of permanent buildings and improvements made to land such as infrastructure and costs incurred in providing rental space to tenants.

The pre-construction stage of project development involves certain costs to secure land control and zoning and complete other initial tasks essential to the development of the project. These costs are transferred from other assets to construction in progress when the pre-construction tasks are completed. Costs of unsuccessful pre-construction efforts are expensed when the project is no longer probable and, if significant, are recorded as abandoned pre-development costs in the consolidated statement of operations.

We also capitalize other costs incurred for the construction and development of properties, including interest, real estate taxes and payroll and related costs associated with employees directly involved. Capitalization of costs commences at the time the development of the property becomes probable and ceases when the property is substantially completed and ready for its intended use. We consider a construction project as substantially completed and ready for its intended use upon the completion of tenant improvements. We cease capitalization on the portion that is substantially completed and occupied or held available for occupancy, and capitalize only those costs associated with the portion under construction. The amount of payroll and related costs capitalized for the construction and development of properties is based on our estimate of the amount of costs directly related to the construction or development of these assets.

Interest costs are capitalized during periods of active construction for qualified expenditures based upon interest rates in place during the construction period until construction is substantially complete. This includes interest incurred on funds invested in or advanced to unconsolidated joint ventures for qualifying development activities until placed in service.

Payroll and related costs and interest costs capitalized for the years ended December 31, 2020, 2019 and 2018 were as follows (in thousands):

	2020	2019	2018
Payroll and related costs capitalized	\$ 1,159	\$ 1,581	\$ 1,521
Interest costs capitalized	\$ 107	\$ 25	\$ 93

Depreciation is computed on the straight-line basis over the estimated useful lives of the assets. We generally use estimated lives of 33 years for buildings and improvements, 15 years for land improvements and 7 years for equipment. Tenant finishing allowances are amortized over the life of the associated lease. Capitalized interest costs are amortized over lives which are consistent with the constructed assets. Expenditures for ordinary maintenance and repairs are charged to operations as incurred while significant renovations and improvements which improve and/or extend the useful life of the asset are capitalized and depreciated over their estimated useful life.

Depreciation expense related to rental property included in net income for each of the years ended December 31, 2020, 2019 and 2018 was as follows (in thousands):

	2020	2019	2018
Depreciation expense related to rental property	\$ 101,665	\$ 107,129	\$ 114,198

We allocate the purchase price of acquisitions based on the fair value of land, building, tenant improvements, debt and deferred lease costs and other intangibles, such as the value of leases with above or below market rents, origination costs associated with the in-place leases, the value of in-place leases and tenant relationships, if any. We depreciate the amount allocated to building, deferred lease costs and other intangible assets over their estimated useful lives, which range up to 33 years. The values of the above and below market leases are amortized and recorded as either an increase (in the case of below market leases) or a decrease (in the case of above market leases) to rental income over the remaining term of the associated lease. The values of below market leases that are considered to have renewal periods with below market rents are amortized over the remaining term of the associated lease plus the renewal periods when the renewal is deemed probable to occur. The value associated with in-place leases is amortized over the remaining lease term and tenant relationships are amortized over the expected term, which includes an estimated probability of the lease renewal. If a tenant terminates its lease prior to the contractual termination of the lease and no rental payments are being made on the lease, any unamortized balance of the related intangibles is written off. The tenant improvements and origination costs are amortized as an expense over the remaining life of the lease (or charged against earnings if the lease is terminated prior to its contractual expiration date). We assess fair value based on estimated cash flow projections that utilize appropriate discount and capitalization rates and available market information. These cash flow projections may be derived from various observable and unobservable inputs and assumptions. Also, we may utilize third-party valuation specialists. As a part of acquisition accounting, the amount by which the fair value of our previously held equity method investment exceeds the carrying book value is recorded as a gain on previously held interest in acquired joint venture.

Cash, Cash Equivalents and Restricted Cash - All highly liquid investments with an original maturity of three months or less at the date of purchase are considered to be cash equivalents. Cash balances at a limited number of banks may periodically exceed insurable amounts. We believe that we mitigate our risk by investing in or through major financial institutions.

Deferred Charges - Deferred charges include deferred lease costs and other intangible assets consisting of fees and costs incurred to originate operating leases and are amortized over the expected lease term. Deferred lease costs capitalized, including amounts paid to third-party brokers and internal leasing costs for the years ended December 31, 2020, 2019 and 2018 were as follows (in thousands):

	2020	2019	2018
Deferred lease costs capitalized- payroll and related costs	\$ 1,343	\$ 679	\$ 6,007
Total deferred lease costs capitalized	\$ 3,061	\$ 5,142	\$ 6,703

Due to the adoption of Accounting Standards Codification Topic 842 "Leases" ("ASC 842") on January 1, 2019, only direct internal leasing costs are capitalized and indirect internal leasing costs previously capitalized are now expensed. Deferred lease costs and other intangible assets also include the value of leases and origination costs deemed to have been acquired in real estate acquisitions.

Deferred financing costs - Deferred financing costs include fees and costs incurred to obtain long-term financing and are amortized over the terms of the respective loans. Unamortized deferred financing costs are charged to expense when debt is retired before the maturity date.

Captive Insurance - We have a wholly-owned captive insurance company that is responsible for losses up to certain deductible levels per occurrence for property damage (including wind damage from hurricanes) prior to third-party insurance coverage. Insurance losses are reflected in property operating expenses and include estimates of costs incurred, both reported and unreported.

Impairment of Long-Lived Assets - Rental property held and used by us is reviewed for impairment in the event that facts and circumstances indicate the carrying amount of an asset may not be recoverable. In such an event, we compare the estimated future undiscounted cash flows associated with the asset to the asset's carrying amount, and if less than such carrying amount, recognize an impairment loss in an amount by which the carrying amount exceeds its fair value. The cash flow estimates used both for determining recoverability and estimating fair value are inherently judgmental and reflect current and projected trends in rental, occupancy, capitalization, and discount rates, and estimated holding periods for the applicable assets. The estimated fair value is based primarily on the income approach. The income approach involves discounting the estimated income stream and reversion (presumed sale) value of a property over an estimated holding period to a present value at a risk-adjusted rate. Discount rates and terminal capitalization rates utilized in this approach are derived from property-specific information, market transactions and other financial and industry data.

During the first quarter and fourth quarter of 2020, we recorded \$45.7 million and \$19.2 million in impairment charges, respectively, related to our Foxwoods outlet center in our consolidated statement of operations which equaled the excess of the carrying value over its estimated fair value.

During the fourth quarter of 2020, fourth quarter of 2019 and third quarter 2018, we recorded \$2.4 million, \$37.6 million and \$49.7 million, in impairment charges respectively, related to our Jeffersonville outlet center in our consolidated statement of operations which equaled the excess of the carrying value of over its estimated fair value. See Note 10 for additional information on the fair market value calculations.

See Note 5 for discussion of our share of the impairment charges recognized in our unconsolidated joint ventures at the Saint Suveur, Quebec outlet center in 2020 and the Bromont, Quebec and Saint Sauveur, Quebec outlet centers during 2018.

If the effects of the COVID-19 pandemic cause economic and market conditions to deteriorate beyond our current expectations or if our expected holding periods for assets change, subsequent tests for impairment could result in additional impairment charges in the future. For example, the Foxwoods outlet center, which is part of a casino property, and our Atlantic city outlet center both continue to face leasing challenges that could lead to further declines in occupancy, rental revenues and cash flows in the future. Such challenges could result in additional impairments. We can provide no assurance that material impairment charges with respect to our properties will not occur in future periods.

Rental Property Held For Sale - Rental properties designated as held for sale are stated at the lower of their carrying value or their fair value less costs to sell. We classify rental property as held for sale when our Board of Directors approves the sale of the assets and it meets the requirements of current accounting guidance. Subsequent to this classification, no further depreciation is recorded on the assets.

Impairment of Investments - On a periodic basis or if circumstances exist, we assess whether there are any indicators that the value of our investments in unconsolidated joint ventures may be impaired. An investment is impaired only if management's estimate of the value of the investment is less than the carrying value of the investments, and such decline in value is deemed to be other than temporary. To the extent an other than temporary impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the value of the investment. Our estimates of value for each joint venture investment are based on a number of assumptions that are subject to economic and market uncertainties including, among others, estimated hold period, demand for space, competition for tenants, discount and capitalization rates, changes in market rental rates and operating costs of the property. As these factors are difficult to predict and are subject to future events that may alter our assumptions, the values estimated by us in our impairment analysis may not be realized.

Sales of Real Estate - For sales of real estate where we have consideration to which we are entitled in exchange for transferring the real estate, the related assets and liabilities are removed from the balance sheet and the resultant gain or loss is recorded in the period the transaction closes. Any post sale involvement is accounted for as separate performance obligations and when the separate performance obligations are satisfied, the sales price allocated to each is recognized.

For transactions that do not meet the criteria for a sale, we evaluate the nature of the continuing involvement, including put and call provisions, if present, and account for the transaction as a financing arrangement, profit-sharing arrangement, leasing arrangement or other alternate method of accounting, rather than as a sale, based on the nature and extent of the continuing involvement. Some transactions may have numerous forms of continuing involvement. In those cases, we determine which method is most appropriate based on the substance of the transaction.

Discontinued Operations - Properties that are sold or classified as held for sale are classified as discontinued operations provided that the disposal represents a strategic shift that has (or will have) a major effect on our operations and financial results (e.g., a disposal of a major geographical area, a major line of business, a major equity method investment or other major parts of an entity).

Derivatives - We selectively enter into interest rate protection agreements to mitigate the impact of changes in interest rates on our variable rate borrowings. The notional amounts of such agreements are used to measure the interest to be paid or received and do not represent the amount of exposure to loss. None of these agreements are used for speculative or trading purposes.

We recognize all derivatives as either assets or liabilities in the consolidated balance sheets and measure those instruments at their fair value. We formally document our derivative transactions, including identifying the hedge instruments and hedged items, as well as our risk management objectives and strategies for entering into the hedge transaction.

Income Taxes - We operate in a manner intended to enable the Company to qualify as a REIT under the Internal Revenue Code. A REIT which distributes at least 90% of its taxable income to its shareholders each year and which meets certain other conditions is not taxed on that portion of its taxable income which is distributed to its shareholders. We intend to continue to qualify as a REIT and to distribute substantially all of the Company's taxable income to its shareholders. Accordingly, no provision has been made in the Company's consolidated financial statements for Federal income taxes. As a partnership, the allocated share of income or loss for the year with respect to the Operating Partnership is included in the income tax returns for the partners; accordingly, no provision has been made for Federal income taxes in the Operating Partnership's consolidated financial statements. In addition, we continue to evaluate uncertain tax positions. The tax years 2017 - 2020 remain open to examination by the major tax jurisdictions to which we are subject.

With regard to the Company's unconsolidated Canadian joint ventures, deferred tax assets result principally from depreciation deducted under United States Generally Accepted Accounting Principles ("GAAP") that exceed capital cost allowances claimed under Canadian tax rules. A valuation allowance is provided if we believe all or some portion of the deferred tax asset may not be realized. We have determined that a full valuation allowance is required as we believe it is not probable that the deferred tax assets will be realized.

For income tax purposes, distributions paid to the Company's common shareholders consist of ordinary income, capital gains, return of capital or a combination thereof. Dividends per share for the years ended December 31, 2020, 2019 and 2018 were taxable as follows:

Common dividends per share:	2020	2019	2018
Ordinary income	\$ 0.7125	\$ 1.3261	\$ 1.3919
Capital gain	—	—	0.0006
Return of capital	—	0.0889	—
	\$ 0.7125	\$ 1.4150	\$ 1.3925

The following reconciles net income (loss) available to the Company's shareholders to taxable income available to common shareholders for the years ended December 31, 2020, 2019 and 2018 (in thousands):

	2020	2019	2018
Net income (loss) available to the Company's shareholders	\$ (36,278)	\$ 87,855	\$ 43,655
Book/tax difference on:			
Depreciation and amortization	71,896	51,602	58,208
Sale of assets and interests in unconsolidated entities	(6,021)	(41,138)	(3,243)
Equity in earnings from unconsolidated joint ventures	9,642	1,447	18,444
Share-based payment compensation	7,859	8,246	6,269
Other differences	13,536	8,948	(630)
Taxable income (loss) available to common shareholders	\$ 60,634	\$ 116,960	\$ 122,703

Revenue Recognition - As a lessor, substantially all of our revenues are earned from arrangements that are within the scope of ASC 842. We utilized the practical expedient in ASU 2018-11 to account for lease and non-lease components as a single component which resulted in all of our revenues associated with leases being recorded as rental revenues in the consolidated statements of operations. Base rentals are recognized on a straight-line basis over the term of the lease. Tenant expense reimbursements are recognized in the period the applicable expenses are incurred. As a result of combining all components of a lease, all fixed contractual payments, including consideration received from certain executory costs, are now recognized on a straight-line basis. Straight-line rent adjustments are recorded as a receivable in other assets on the consolidated balance sheets. Common area maintenance expense reimbursements are based on the tenant's proportionate share of the allocable operating expenses for the property.

As a provision of a tenant lease, if we make a cash payment to the tenant for purposes other than funding the construction of landlord assets, we defer the amount of such payments as a lease incentive. We amortize lease incentives as a reduction of base rental revenue over the term of the lease. The majority of our leases contain provisions which provide additional rents based on tenants' sales volume ("percentage rentals") and reimbursement of the tenants' share of advertising and promotion, common area maintenance, insurance and real estate tax expenses. Percentage rentals are recognized when specified targets that trigger the contingent rent are met. Payments received from the early termination of leases are recognized as revenue from the time the payment is receivable until the tenant vacates the space.

We have elected to apply the Lease Modification Q&A to eligible lease concessions. See Recently Adopted Accounting Standards, below.

The values of the above and below market leases are amortized and recorded as either an increase (in the case of below market leases) or a decrease (in the case of above market leases) to rental income over the remaining term of the associated lease. If a tenant terminates its lease prior to the original contractual termination of the lease and no rental payments are being made on the lease, any unamortized balance of the related above or below market lease value will be written off.

We receive development, leasing, loan guarantee, management and marketing fees from third parties and unconsolidated affiliates for services provided to properties held in joint ventures. Development and leasing fees received from unconsolidated affiliates are recognized as revenue when earned to the extent of the third party partners' ownership interest. Development and leasing fees earned to the extent of our ownership interest are recorded as a reduction to our investment in the unconsolidated affiliate. Loan guarantee fees are recognized over the term of the guarantee. Management fees and marketing fees are recognized as revenue when earned. Fees recognized from these activities are shown as management, leasing and other services in our consolidated statements of operations. Our share of fees received from consolidated joint ventures are eliminated in consolidation. Expense reimbursements from unconsolidated joint ventures are recognized in the period the applicable expenses are incurred.

Uncollectible Tenant Revenues - Due to the adoption of ASC 842 effective January 1, 2019, uncollectible tenant revenues are recorded as a contra-revenue adjustment. If it is determined collection is not probable we record revenues on a cash basis. Previously in 2018 these adjustments were recorded in general and administrative expense.

Operating Lease Receivable - Historically, our accounts receivable from tenants has not been material; however, given the impacts from the COVID-19 pandemic discussed below, our net accounts receivable balance, which is recorded in other assets on the consolidated balance sheet, has increased from approximately \$4.8 million at December 31, 2019 to approximately \$18.8 million at December 31, 2020. Straight-line rent adjustments recorded as a receivable in other assets on the consolidated balance sheets were approximately \$65.8 million and \$61.6 million as of December 31, 2020 and December 31, 2019, respectively. Individual leases are assessed for collectability and upon the determination that the collection of rents is not probable, accrued rent and accounts receivable are written off as an adjustment to rental revenue. Revenue from leases where collection is deemed to be less than probable is recorded on a cash basis until collectability is determined to be probable. Further we assess whether operating lease receivables, at a portfolio level, are appropriately valued based upon an analysis of balances outstanding, historical bad debt levels and current economic trends including discussions with tenants for potential lease amendments. Our estimate of the collectability of accrued rents and accounts receivable is based on the best information available to us at the time of preparing the financial statements.

The duration of the COVID-19 pandemic, recent tenant bankruptcies and other significant uncertainties with the economy required significant judgment to be used when estimating the collection of rents through December 31, 2020. See Note 3 for amounts we recorded as a reduction of revenues for uncollectible accounts.

Concentration of Credit Risk - We perform ongoing credit evaluations of our tenants. Although the tenants operate principally in the retail industry, the properties are geographically diverse. No single tenant accounted for 10% or more of combined base and percentage rental revenues or gross leasable area during 2020, 2019 or 2018. See Note 3 for disclosures regarding credit risk due to the COVID-19 pandemic.

Supplemental Cash Flow Information - We purchase capital equipment and incur costs relating to construction of new facilities, including tenant finishing allowances. Expenditures included in accounts payable and accrued expenses were as follows for the years ended December 31, 2020, 2019 and 2018 (in thousands):

	2020	2019	2018
Costs relating to construction included in accounts payable and accrued expenses	\$ 22,814	\$ 17,619	\$ 15,772

Interest paid, net of interest capitalized was as follows for the years ended December 31, 2020, 2019 and 2018 (in thousands):

	2020	2019	2018
Interest paid, net of interest capitalized	\$ 58,021	\$ 57,237	\$ 60,529

Information related to non-cash assets and liabilities recorded as a result of the adoption of ASC 842 in 2019 was as follows (in thousands):

	2019
Non-Cash operating lease right-of-use assets exchanged for operating lease liabilities	\$ 87,679
Non-Cash operating lease liabilities exchanged for operating right-of-use assets	\$ 92,354

The difference between the recorded operating lease liabilities and operating right-of-use assets represents the accrued straight-line rent liability of \$5.0 million and our prepaid rent balances of \$307,000 previously recognized under Accounting Standards Codification Topic 840 "Leases" ("ASC 840") that were reclassified to the operating leases right-of use assets under ASC 842.

Accounting for Equity-Based Compensation - We have a shareholder approved equity-based compensation plan, the Incentive Award Plan of Tanger Factory Outlet Centers, Inc. and Tanger Properties Limited Partnership (Amended and Restated as of April 4, 2014) (the "Plan"), which covers our independent directors, officers and our employees. We may issue non-qualified options and other equity-based awards under the Plan. We account for our equity-based compensation plan under the fair value provisions of the relevant accounting guidance and we estimate expected forfeitures in determining compensation cost.

Foreign Currency Translation - We have entered into a co-ownership agreement with RioCan Real Estate Investment Trust to develop and acquire outlet centers in Canada for which the functional currency is the local currency. The assets and liabilities related to our investments in Canada are translated from their functional currency into U.S. Dollars at the rate of exchange in effect on the balance sheet date. Income statement accounts are translated using the average exchange rate for the period. Our share of unrealized gains and losses resulting from the translation of these financial statements are reflected in equity as a component of accumulated other comprehensive income (loss) in the consolidated balance sheets.

Recently issued accounting standards

On March 12, 2020, the FASB issued Accounting Standards Update ("ASU") 2020-04, Reference Rate Reform (Topic 848) - Facilitation of the Effects of Reference Rate Reform on Financial Reporting, which provides optional expedients and exceptions for applying GAAP to contracts, hedging relationships and other transactions that reference LIBOR or other reference rates expected to be discontinued because of reference rate reform. This ASU is effective as of March 12, 2020 through December 31, 2022. We have not adopted any of the optional expedients or exceptions through December 31, 2020, but will continue to evaluate the possible adoption of any such expedients or exceptions during the effective period as circumstances evolve.

Recently adopted accounting standards

In April 2020, the Financial Accounting Standards Board (“FASB”) staff issued a question and answer document (the “Lease Modification Q&A”) focused on the application of lease accounting guidance to lease concessions provided as a result of the COVID-19 pandemic. Under existing accounting lease guidance under ASC 842, the Company would have to determine, on a lease by lease basis, if a lease concession was the result of a new arrangement reached with the tenant (treated within the lease modification accounting framework) or if a lease concession was under the enforceable rights and obligations within the existing lease agreement (precluded from applying the lease modification accounting framework). The Lease Modification Q&A allows the Company, if certain criteria have been met, to bypass the lease by lease analysis, and instead make an accounting policy election to account for COVID-19 related lease concessions as either a lease modification or a negative variable adjustment to rental revenue. The Lease Modification Q&A allows the Company to determine accounting policy elections at a disaggregated level, and the elections should be applied consistently by either the type of concession or another reasonable disaggregated level. We have evaluated and elected to apply the Lease Modification Q&A to eligible lease concessions. We applied modification accounting to individual leases that are in bankruptcy and those that did not qualify for the concession. As a result, for lease concessions not treated as a lease modification we have made the following policy elections by the type of concession agreed to with the respective tenant.

Rent Deferrals

We account for rental deferrals using the receivables model as described within the Lease Modification Q&A. Under the receivables model, we will continue to recognize lease revenue in a manner that is unchanged from the original lease agreement and continue to recognize lease receivables and rental revenue until such deferral is paid.

Rent Abatements

We account for rental abatements as negative variable adjustments to rental revenue as described within the Lease Modification Q&A.

See Note 3, for additional details on the impact of the Lease Modification Q&A on the Company’s consolidated financial statements.

In August 2018, the FASB issued ASU 2018-13, Fair Value Measurement (Topic 820): Disclosure Framework - Changes to the Disclosure Requirements for Fair Value Measurement. ASU 2018-13 is intended to improve the effectiveness of disclosures required by entities regarding recurring and nonrecurring fair value measurements. ASU 2018-13 is effective for reporting periods beginning after December 15, 2019, with early adoption permitted. The adoption of ASU 2018-13 did not have a material impact on our consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13 to amend the accounting for credit losses for certain financial instruments. Under the new guidance, an entity recognizes its estimate of expected credit losses as an allowance, which the FASB believes will result in more timely recognition of such losses. In November 2018, the FASB released ASU No. 2018-19 “Codification Improvements to Topic 326, Financial Instruments - Credit Losses.” This ASU clarifies that receivables arising from operating leases are not within the scope of Subtopic 326-20 “Financial Instruments - Credit Losses.” Instead, impairment of receivables arising from operating leases should be accounted for under Subtopic 842-30 “Leases - Lessor.” ASU 2016-13 is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. The adoption of this new guidance did not have a material impact on our consolidated financial statements.

3. COVID-19 Pandemic

The current novel COVID-19 pandemic has had, and will continue to have, repercussions across local, national and global economies and financial markets. COVID-19 has impacted all states where our tenants operate their businesses or where our properties are located and measures taken to prevent or remediate COVID-19, including “shelter-in place” or “stay-at-home” orders or other quarantine mandates issued by local, state or federal authorities, have had an adverse effect on our business and the businesses of our tenants. The full extent of the adverse impact on, among other things, our results of operations, liquidity (including our ability to access capital markets), the possibility of future impairments of long-lived assets or our investments in unconsolidated joint ventures, our compliance with debt covenants, our ability to collect rent under our existing leases, our ability to renew and re-lease our leased space, the outlook for the retail environment, bankruptcies and potential further bankruptcies or other store closings and our ability to develop, acquire, dispose or lease properties for our portfolio, is unknown and will depend on future developments, which are highly uncertain and cannot be predicted. Our results of operations, liquidity and cash flows have been and may continue to be in the future materially affected.

Although our outlet centers remained open, retailers began closing their stores in our outlet centers in mid-March and by April 6, 2020, substantially all of the stores in our portfolio were closed as a result of mandates by order of local and state authorities. By June 15, 2020, in store shopping for non-essential retail was allowed in every market in which our centers are located. Our outlet centers may experience additional short-term store closures as retailers implement additional safety protocols at specific locations impacted by increased exposure to COVID-19.

While our outlet centers have not closed throughout the pandemic, we have been operating under reduced hours since late April when the first stores began to reopen. Prior to the pandemic, our centers operated an average of 12 hours per day. Currently, our open-air centers are open an average of 10 hours per day, which was expanded from an average of 8 hours per day in early November.

A number of our tenants have requested rent deferrals, rent abatements or other types of rent relief during this pandemic. As a response, in late March 2020, we offered all tenants in our consolidated portfolio the option to defer 100% of April and May rents interest free, payable in equal installments due in January and February of 2021.

The following table sets forth information regarding the status of rents billed during the fourth, third and second quarters as of December 31, 2020 (In thousands, unaudited):

Collection Status: ⁽¹⁾	As of December 31, 2020					
	Fourth Quarter		Third Quarter		Second Quarter	
	Rents Billed	% of Rents	Rents Billed	% of Rents	Rents Billed	% of Rents
Rents collected	\$ 83,136	95 %	\$ 86,495	91 %	\$ 56,024	57 %
Rents expected to be collected ⁽²⁾	423	—	300	—	5,519	6
Rents deferred ⁽³⁾	507	1	473	1	9,361	9
Under negotiation	702	1	755	1	1,760	2
One-time rent concessions in exchange for amendments to lease structure	1,205	1	2,829	3	13,687	14
Bankruptcy related, primarily pre-petition rents	821	1	3,015	3	9,290	10
At risk due to tenant financial weakness	1,116	1	934	1	1,867	2
Total rents billed	\$ 87,910	100 %	\$ 94,801	100 %	\$ 97,508	100 %

(1) Excludes variable revenue which is derived from tenant sales and lease termination fees.

(2) In January 2021, we collected an additional \$145,000 of the fourth quarter rents, \$187,000 of third quarter rents and \$5.1 million of second quarter rents.

(3) Includes rents deferred with substantially all payments due in 2021, for which the majority is due in January/February of 2021.

As a direct result of the pandemic, bankruptcies and restructurings, the Company's earnings were negatively impacted by approximately \$47.3 million due to (1) write-offs related to bankruptcies and other uncollectible accounts due to financial weakness, (2) one-time concessions in exchange for landlord-favorable amendments to lease structure, (3) reserves for a portion of deferred and under negotiation billings that we expect to become uncollectible in future periods, (4) and write-offs of straight-line rents associated with the bankruptcies and uncollectible accounts.

Included in the negative impact discussed above, for the year ended December 31, 2020, we recorded a \$5.3 million reserve for a portion of deferred and under negotiation billings that are expected to become uncollectible in future periods and recognized a write-off of revenue of approximately \$7.2 million of straight-line rents associated with the tenant bankruptcies and uncollectible accounts. We are closely monitoring changes in the collectability assessment of our tenant receivables as a result of certain tenants suffering adverse financial consequences due to COVID-19 and should our estimates change, there could be material modifications to our revenues in future periods.

Given the economic environment as a result of COVID-19, a select number of our tenants underwent liquidity hardships and filed for Chapter 11 bankruptcy protection in the second, third and fourth quarters of 2020. Although some of these tenants intend to exit the Chapter 11 bankruptcy process and resume operations, the outcomes of such proceedings are unknown and we are currently exploring leasing alternatives for stores we expect to close. Recent Chapter 11 bankruptcy filings include, but not limited to, J. Crew Group, Inc. (filed in May 2020) and Brooks Brothers, Lucky Brand Jeans, New York and Company and Ascena Retail Group, Inc. (all filed in July 2020), Francesca's (filed in December 2020) and Christopher and Banks (filed in January 2021). Also in 2020, G-III Apparel announced a brand-wide restructuring, including its intention to close all of its Wilsons and Bass stores. Approximately 93% of the amounts included in the table above under the caption ("Bankruptcy related, primarily pre-petition rents") that were written off during the second, third and fourth quarters as uncollectible rents as of December 31, 2020 were related to these tenants.

In March 2020, to increase liquidity, preserve financial flexibility and help meet our obligations for a sustained period of time, we drew down substantially all of the available capacity under our \$600.0 million unsecured lines of credit. Beginning in June 2020 through August 2020, we repaid the entire \$599.8 million outstanding balance bringing the outstanding balance to zero as of December 31, 2020.

We also took steps to reduce cash outflows, including the reduction or deferral of certain operating costs, temporary base salary reductions for our named executive officers and other employees, and the reduction of certain other general and administrative expenses.

We also deferred our Nashville pre-development-stage project and certain other planned capital expenditures. We paid the dividend that was declared in January 2020 as scheduled on May 15, 2020. Given the uncertainty related to the pandemic's near and potential long-term impact, in May 2020 the Company's Board of Directors temporarily suspended dividend distributions to conserve approximately \$35.0 million in cash per quarter and preserve our balance sheet strength and flexibility. The dividend was reinstated in January 2021 and the Board declared a dividend of \$0.1775 per share paid in February 2021. The Board continues to evaluate the potential for future dividend distributions on a quarterly basis. We were in compliance with REIT taxable income distribution requirements for the 2020 tax year.

4. Disposition of Properties

The following table sets forth the properties sold for the years ended 2020 and 2019 (in thousands). No properties were sold during 2018.

Properties	Locations	Date Sold	Square Feet	Net Sales Proceeds	Gain on Sale
2020 Dispositions: ⁽¹⁾					
Terrell	Terrell, Texas	August 2020	178	\$ 7,626	\$ 2,324
2019 Dispositions: ⁽¹⁾					
Nags Head, Ocean City, Park City, and Williamsburg	Nags Head, NC, Ocean City, MD, Park City, UT, and Williamsburg, IA	March 2019	878	\$ 128,248	\$ 43,422
Land outparcels	Savannah, GA and Seymour, IN	July 2019	—	\$ 257	\$ —
			<u>878</u>	<u>\$ 128,505</u>	<u>\$ 43,422</u>

(1) The rental properties sold did not meet the criteria to be reported as discontinued operations.

5. Investments in Unconsolidated Real Estate Joint Ventures

The equity method of accounting is used to account for each of the individual joint ventures. We have an ownership interest in the following unconsolidated real estate joint ventures:

As of December 31, 2020

Joint Venture	Outlet Center Location	Ownership %	Square Feet (in 000's)	Carrying Value of Investment (in millions)	Total Joint Venture Debt, Net (in millions) ⁽¹⁾
Investments included in investments in unconsolidated joint ventures:					
Columbus	Columbus, OH	50.0 %	355	\$ 2.0	\$ 70.8
RioCan Canada	Various	50.0 %	765	\$ 92.6	\$ —
				\$ 94.6	
Investments included in other liabilities:					
Charlotte ⁽²⁾	Charlotte, NC	50.0 %	399	(12.8)	99.6
National Harbor ⁽²⁾	National Harbor, MD	50.0 %	341	(8.4)	94.5
Galveston/Houston ⁽²⁾	Texas City, TX	50.0 %	353	(19.5)	80.0
				\$ (40.7)	

As of December 31, 2019

Joint Venture	Outlet Center Location	Ownership %	Square Feet (in 000's)	Carrying Value of Investment (in millions)	Total Joint Venture Debt, Net (in millions) ⁽¹⁾
Investments included in investments in unconsolidated joint ventures:					
RioCan Canada	Various	50.0 %	764	\$ 94.7	\$ 9.2
				\$ 94.7	
Investments included in other liabilities:					
Columbus ⁽²⁾	Columbus, OH	50.0 %	355	\$ (3.5)	\$ 85.0
Charlotte ⁽²⁾	Charlotte, NC	50.0 %	399	(13.0)	99.5
National Harbor ⁽²⁾	National Harbor, MD	50.0 %	341	(5.9)	94.4
Galveston/Houston ⁽²⁾	Texas City, TX	50.0 %	353	(19.7)	79.9
				\$ (42.1)	

(1) Net of debt origination costs and including premiums of \$1.1 million and \$1.1 million as of December 31, 2020 and 2019, respectively.

(2) We separately report investments in joint ventures for which accumulated distributions have exceeded investments in and our share of net income or loss of the joint ventures within other liabilities in the consolidated balance sheets because we are committed and intend to provide further financial support to these joint ventures. The negative carrying value is due to the distributions of proceeds from mortgage loans and quarterly distributions of excess cash flow exceeding the original contributions from the partners and equity in earnings of the joint ventures.

Fees we received for various services provided to our unconsolidated joint ventures were recognized in management, leasing and other services as follows (in thousands):

	Year Ended December 31,		
	2020	2019	2018
Fees:			
Management and marketing	\$ 1,859	\$ 2,308	\$ 2,334
Leasing and other fees	60	126	162
Expense reimbursements from unconsolidated joint ventures	3,017	2,985	2,499
Total Fees	\$ 4,936	\$ 5,419	\$ 4,995

Expense reimbursements from unconsolidated joint ventures were previously included in expense reimbursements in our Form 10-K for the year ended December 31, 2018. As these revenues are not related to leases, the 2018 amounts have been reclassified to management, leasing and other services on the consolidated statements of operations to conform to the current year presentation. See Note 21 for discussion of adoption of ASC 842.

Our investments in real estate joint ventures are reduced by the percentage of the profits earned for leasing and development services associated with our ownership interest in each joint venture. Our carrying value of investments in unconsolidated joint ventures differs from our share of the assets reported in the “Condensed Combined Balance Sheets - Unconsolidated Joint Ventures” shown below due to adjustments to the book basis, including intercompany profits on sales of services that are capitalized by the unconsolidated joint ventures. The differences in basis (totaling \$3.6 million and \$3.8 million as of December 31, 2020 and 2019, respectively) are amortized over the various useful lives of the related assets.

Charlotte

In July 2014, we opened an approximately 398,000 square foot outlet center in Charlotte, North Carolina that was developed through, and is owned by, a joint venture formed in May 2013. In June 2018, the Charlotte joint venture closed on a \$100.0 million mortgage loan with a fixed interest rate of approximately 4.3% and a maturity date of July 2028. The proceeds from the loan were used to pay off the existing \$90.0 million mortgage loan with an interest rate of LIBOR + 1.45%, which had an original maturity date of November 2018. The joint venture distributed the incremental net loan proceeds of \$9.3 million equally to the partners. Our partner is providing property management, marketing and leasing services to the joint venture.

Columbus

In June 2016, we opened an approximately 355,000 square foot outlet center in Columbus, Ohio. The development was initially fully funded with equity contributed to the joint venture by Tanger and its partner. In November 2016, the joint venture closed on an interest-only mortgage loan of \$85.0 million at an interest rate of LIBOR + 1.65%. The loan initially matured in November 2019, with two one-year extension options. The joint venture received net loan proceeds of \$84.2 million and distributed them equally to the partners. In October 2019, the joint venture exercised its first option to extend the mortgage loan for one year to November 2020 under the same terms. In December 2020, the Columbus joint venture amended the mortgage loan to extend the maturity to November 2022, which required a reduction in principal balance from \$85.0 million to \$71.0 million. The amendment also changed the interest rate from LIBOR + 1.65% to LIBOR + 1.85%. In addition, the mortgage loan guarantee by us was increased from \$6.4 million to \$11.9 million. We are providing property management, marketing and leasing services to the joint venture.

Galveston/Houston

In October 2012, we opened an approximately 353,000 square foot outlet center in Texas City, Texas that was developed through, and is owned by, a joint venture formed in June 2011. In July 2017, the joint venture amended and restated the initial construction loan, which had an outstanding balance of \$65.0 million, to increase the amount available to borrow from \$70.0 million to \$80.0 million and extended the maturity date until July 2020 with two one-year options. The amended and restated loan also changed the interest rate from LIBOR + 1.50% to LIBOR + 1.65%. At the closing of the amendment, the joint venture distributed the net proceeds of approximately \$14.5 million equally between the partners. In June 2020, in response to the COVID-19 impact on the property, the Galveston/Houston joint venture amended its mortgage loan. The loan modification amended the first one-year extension option to provide for two six-month options (the “First Extension” and “Second Extension”, respectively). Under the loan modification, the joint venture is prohibited from making partner distributions during the term of the First Extension. If the joint venture exercises all available options, the loan would mature in July 2022. The joint venture exercised its First Extension option to extend the mortgage loan for six months to January 2021. In December 2020, the partnership further extended this maturity to February 15, 2021 while it works with the existing lenders on a modification of this loan. In February 2021, the Galveston/Houston joint venture amended the mortgage loan to extend the maturity to July 2023, which required a reduction in principal balance from \$80.0 million to \$64.5 million. The amendment also changed the interest rate from LIBOR + 1.65% to LIBOR + 1.85%. We are providing property management, marketing and leasing services to the outlet center.

National Harbor

In November 2013, we opened an approximately 341,000 square foot outlet center at National Harbor in the Washington, D.C. Metro area that was developed through, and is owned by, a joint venture formed in May 2011. In December 2018, the National Harbor joint venture closed on a \$95.0 million mortgage loan with a fixed interest rate of approximately 4.6% and a maturity date of January 2030. The proceeds from the loan were used to pay off the \$87.0 million construction loan with an interest rate of LIBOR + 1.65%, which had an original maturity date of November 2019. The joint venture distributed the incremental net loan proceeds of \$7.4 million equally to the partners.

RioCan Canada

We have a 50/50 co-ownership agreement with RioCan Real Estate Investment Trust to operate and manage outlet centers in Canada. We provide leasing and marketing services for the outlet centers and RioCan provides development and property management services.

In October 2014, the co-owners opened Tanger Outlets Ottawa, the first ground up development of a Tanger Outlet Center in Canada. In 2016, the co-owners commenced construction on a 39,000 square foot expansion, which opened during the second quarter of 2017 to bring the total square feet of the outlet center to approximately 357,000. In November 2020, the Rio Can joint venture closed on the sale of an outparcel located at Tanger Outlets Ottawa for net proceeds of approximately \$5.5 million and a gain of approximately \$2.0 million. Our share of the net proceeds was \$2.8 million, and our share of the gain was approximately \$1.0 million.

Other properties owned by the RioCan Canada co-owners include Cookstown Outlet Mall and Les Factoreries Saint-Sauveur. Cookstown Outlet Mall is approximately 308,000 square feet and Les Factoreries Saint-Sauveur is approximately 116,000 square feet. In May 2020, the joint venture's mortgage loan for the outlet center in Saint-Sauveur matured and the joint venture repaid the approximately \$8.3 million owed in full.

In May 2019, the RioCan joint venture closed on the sale of its 161,000 square foot outlet center in Bromont, for net proceeds of approximately \$6.4 million. Our share of the proceeds was approximately \$3.2 million. As a result of this transaction, we recorded a foreign currency loss of approximately \$3.6 million in other income (expense), which had been previously recorded in other comprehensive income.

During 2020 and 2018, the RioCan joint venture recognized impairment charges related to its Bromont and Saint-Sauveur properties. The impairment charges were primarily driven by, among other things, new competition in the market and changes in market capitalization rates and the COVID-19 pandemic in 2020.

The table below summarizes the impairment charges taken during 2020 and 2018 (in thousands):

		Impairment Charge ⁽¹⁾	
		Total	Our Share
2020	Saint-Sauveur	\$ 6,181	\$ 3,091
2018	Bromont and Saint-Sauveur	\$ 14,359	\$ 7,180

(1) The fair value was determined using an income approach considering the prevailing market income capitalization rates for similar assets.

Condensed combined summary financial information of joint ventures accounted for using the equity method as of December 31, 2020 and 2019 and for the years ended December 31, 2020, 2019 and 2018 is as follows (in thousands):

Condensed Combined Balance Sheets - Unconsolidated Joint Ventures	2020	2019	
Assets			
Land	\$ 86,861	\$	90,859
Buildings, improvements and fixtures	471,798		477,061
Construction in progress	2,976		4,779
	561,635		572,699
Accumulated depreciation	(145,810)		(132,860)
Total rental property, net	415,825		439,839
Cash and cash equivalents	21,471		19,750
Deferred lease costs, net	4,849		6,772
Prepays and other assets	20,478		17,789
Total assets	\$ 462,623	\$	484,150
Liabilities and Owners' Equity			
Mortgages payable, net	\$ 344,856	\$	368,032
Accounts payable and other liabilities	17,427		17,173
Total liabilities	362,283		385,205
Owners' equity	100,340		98,945
Total liabilities and owners' equity	\$ 462,623	\$	484,150
Condensed Combined Statements of Operations- Unconsolidated Joint Ventures:			
	Year Ended December 31,		
	2020	2019	2018
Revenues	\$ 76,866	\$ 93,508	\$ 94,509
Expenses:			
Property operating	33,053	36,812	37,121
General and administrative	395	271	266
Impairment charges	6,181	—	14,359
Depreciation and amortization	23,544	24,454	26,262
Total expenses	63,173	61,537	78,008
Other income (expense):			
Interest expense	(13,091)	(16,234)	(14,518)
Other non-operating income	2,153	507	234
Total other income (expense)	\$ (10,938)	\$ (15,727)	\$ (14,284)
Net income	\$ 2,755	\$ 16,244	\$ 2,217
The Company and Operating Partnership's share of:			
Net income	\$ 1,126	\$ 7,839	\$ 924
Depreciation, amortization and asset impairments (real estate related)	\$ 15,115	\$ 12,512	\$ 20,494

6. Deferred Charges

Deferred lease costs and other intangibles, net as of December 31, 2020 and 2019 consist of the following (in thousands):

	2020	2019
Deferred lease costs	\$ 88,867	\$ 85,444
Intangible assets:		
Above market leases	39,628	46,252
Lease in place value	55,074	58,195
Tenant relationships	34,694	37,221
Other intangibles	41,117	41,531
	259,380	268,643
Accumulated amortization	(174,420)	(171,931)
Deferred lease costs and other intangibles, net	\$ 84,960	\$ 96,712

Below market lease intangibles, net of accumulated amortization, included in other liabilities on the consolidated balance sheets as of December 31, 2020 and 2019 were \$16.9 million and \$19.5 million, respectively.

Amortization of deferred lease costs and other intangibles, excluding above and below market leases, included in depreciation and amortization for the years ended December 31, 2020, 2019 and 2018 was \$12.4 million, \$13.7 million and \$15.1 million, respectively.

Amortization of above and below market lease intangibles recorded as an increase or (decrease) in base rentals for the years ended December 31, 2020, 2019 and 2018 was \$(2.4) million, \$(1.0) million and \$(2.1) million, respectively.

Estimated aggregate amortization of net above and below market leases and other intangibles for each of the five succeeding years is as follows (in thousands):

Year	Above/(Below) Market Leases, Net ⁽¹⁾	Deferred Lease Costs and Other Intangibles ⁽²⁾
2021	\$ 190	\$ 4,403
2022	176	4,117
2023	239	3,486
2024	170	3,260
2025	(296)	2,627
Total	\$ 479	\$ 17,893

(1) These net amounts are recorded as a reduction (increase) of base rentals.

(2) These amounts are recorded as an increase in depreciation and amortization.

7. Debt of the Company

All of the Company's debt is held by the Operating Partnership and its consolidated subsidiaries.

The Company guarantees the Operating Partnership's obligations with respect to its unsecured lines of credit which have a total borrowing capacity of \$600.0 million. The Company also guarantees the Operating Partnership's unsecured term loan.

The Operating Partnership had the following amounts outstanding on the debt guaranteed by the Company as of December 31, 2020 and 2019 (in thousands):

	2020	2019
Unsecured lines of credit	\$ —	\$ —
Unsecured term loan	\$ 350,000	\$ 350,000

8. Debt of the Operating Partnership

The debt of the Operating Partnership as of December 31, 2020 and 2019 consisted of the following (in thousands):

	Stated Interest Rate(s)	Maturity Date	2020		2019	
			Principal	Book Value ⁽¹⁾	Principal	Book Value ⁽¹⁾
Senior, unsecured notes:						
Senior notes	3.875 %	December 2023	250,000	247,967	250,000	247,308
Senior notes	3.750 %	December 2024	250,000	248,493	250,000	248,127
Senior notes	3.125 %	September 2026	350,000	346,770	350,000	346,215
Senior notes	3.875 %	July 2027	300,000	297,346	300,000	296,953
Mortgages payable:						
Atlantic City ⁽²⁾⁽³⁾	5.14 % - 7.65%	November 2021- December 2026	27,343	28,569	30,909	32,531
Southaven	LIBOR + 1.80%	April 2021	51,400	51,371	51,400	51,272
Unsecured term loan	LIBOR ⁽⁴⁾ + 1.00%	April 2024	350,000	347,370	350,000	347,367
Unsecured lines of credit	LIBOR ⁽⁴⁾ + 1.000%	October 2021 ⁽⁵⁾	—	—	—	—
			\$ 1,578,743	\$ 1,567,886	\$ 1,582,309	\$ 1,569,773

- (1) Includes premiums and net of debt discount and unamortized debt origination costs. Excludes \$1.5 million and \$2.0 million of unamortized debt origination costs related to unsecured lines of credit as of December 31, 2020 and 2019, respectively, recorded in prepaids and other assets in the Consolidated Balance Sheet. Unamortized debt origination costs were \$9.5 million and \$11.2 million as of December 31, 2020 and 2019, respectively. Amortization of deferred debt origination costs included in interest expense for the years ended December 31, 2020, 2019 and 2018 was \$3.6 million, \$3.0 million and \$3.1 million, respectively.
- (2) The effective interest rate assigned during the purchase price allocation to this assumed mortgage during the acquisition in 2011 was 5.05%.
- (3) Principal and interest due monthly with remaining principal due at maturity.
- (4) Beginning in June 2020, if LIBOR is less than 0.25% per annum, the rate will be deemed to be 0.25% for the portions of the lines of credit and bank term loan that are not fixed with an interest rate swap.
- (5) Unsecured lines of credit have a one-year extension option to extend the maturity to October 2022.

Certain of our properties, which had a net book value of approximately \$166.0 million at December 31, 2020, serve as collateral for mortgages payable. We maintain unsecured lines of credit that, as of December 31, 2020, provided for borrowings of up to \$600.0 million, including a separate \$20.0 million liquidity line and a \$580.0 million syndicated line. The syndicated line may be increased up to \$1.2 billion through an accordion feature in certain circumstances.

The unsecured lines of credit and senior unsecured notes include covenants that require the maintenance of certain ratios, including debt service coverage and leverage, and limit the payment of dividends such that dividends and distributions will not exceed funds from operations, as defined in the agreements, for the prior fiscal year on an annual basis or 95% of funds from operations on a cumulative basis. As of December 31, 2020, we believe we were in compliance with all of our debt covenants.

2020 Transactions

Unsecured lines of credit and Term Loan Covenant Modifications

In June 2020, we amended the debt agreements for our lines of credit and bank term loan, primarily to improve future covenant flexibility. The amendments, among other things, allow us to access the existing surge leverage provision, which provides for an increase to the maximum thresholds to 65% from 60% for total leverage and unsecured leverage, for twelve months starting July 1, 2020, during which time share repurchases are prohibited. Additionally, the leverage covenants are determined based on the calculation period which is modified to be based on the immediately preceding three calendar month period annualized for the calculation date occurring on December 31, 2020; the immediately preceding six calendar month period annualized for the calculation date occurring on March 31, 2021; the immediately preceding nine calendar month period annualized for the calculation date occurring on June 30, 2021; and for all other calculation dates occurring during the term on the agreement, the immediately preceding twelve calendar month period. Some definitional modifications related to the calculation of certain covenants are permanent, including the netting of cash balances in excess of \$30.0 million (or debt maturing in the next 24 months, if less) as well as using adjusted EBITDA, which adds back general and administrative expenses not attributable to the subsidiaries or properties and deducts a management fee of 3% of rental revenues in liability and asset calculations for certain covenants. The amendments revised the interest rate to provide a LIBOR floor of 0.25% for the portions of the lines of credit and bank term loan that are not fixed with an interest rate swap. Although the amended covenants provide additional flexibility and we expect to remain in compliance with such covenants, the potential impacts from COVID-19 are highly uncertain and therefore could impact covenant compliance in the future.

Unsecured Lines of Credit

In March 2020, in response to the COVID-19 pandemic, we drew down approximately \$599.8 million under our unsecured lines of credit to increase liquidity and preserve financial flexibility to help ensure that we are able to meet our obligations for a sustained period. Beginning in June 2020 through August 2020, we repaid the entire \$599.8 million outstanding balance bringing the outstanding balance to zero as of December 31, 2020.

Interest Rate Spread over LIBOR

In February 2020, due to a change in our credit rating, our interest rate spread over LIBOR on our \$600.0 million unsecured line of credit facility increased from 0.875% to 1.0% and our annual facility fee increased from 0.15% to 0.20%. In addition, our interest rate spread over LIBOR on our \$350.0 million unsecured term loan increased from 0.90% to 1.0%.

2018 Transactions

Increased Borrowing Capacity and Extension of Unsecured Lines of Credit

In January 2018, we closed on amendments to our unsecured lines of credit, which increased the borrowing capacity from \$520.0 million to \$600.0 million and extended the maturity date from October 2019 to October 2021, with a one-year extension option. We also reduced the interest rate spread over LIBOR from 0.90% to 0.875%, and increased the incremental borrowing availability through an accordion feature on the syndicated line from \$1.0 billion to \$1.2 billion. Loan origination costs associated with the amendments totaled approximately \$2.3 million.

Southaven, MS Mortgage

In February 2018, the consolidated joint venture that owns the Tanger outlet center in Southaven, Mississippi amended and restated the \$60.0 million mortgage loan secured by the property that was scheduled to mature in April 2018. The amended and restated loan reduced the principal balance to \$51.4 million, increased the interest rate from LIBOR + 1.75% to LIBOR + 1.80% and extended the maturity to April 2021, with a two-year extension option. In March 2018, the consolidated joint venture entered into an interest rate swap, effective March 1, 2018, that fixed the base LIBOR rate at 2.47% on a notional amount of \$40.0 million through January 31, 2021.

Unsecured Term Loan

In October 2018, we amended and restated our unsecured term loan, increasing the size of the loan from \$325.0 million to \$350.0 million, extending the maturity from April 2021 to April 2024, and reducing the interest rate spread over LIBOR from 0.95% to 0.90%. The \$25.0 million of proceeds were used to pay down the balances outstanding under our unsecured lines of credit.

Debt Maturities

Maturities of the existing long-term debt as of December 31, 2020 for the next five years and thereafter are as follows (in thousands):

Calendar Year	Amount
2021	\$ 57,193
2022	4,436
2023	254,768
2024	605,140
2025	1,501
Thereafter	655,705
Subtotal	1,578,743
Net discount and debt origination costs	(10,857)
Total	\$ 1,567,886

Given the financial implications of COVID-19, we have considered our short-term (one year or less from the date of filing these financial statements) liquidity needs and the adequacy of our estimated cash flows from operating activities and other financing sources to meet these needs. These other sources include but are not limited to: existing cash, ongoing relationships with certain financial institutions, our ability to sell debt or issue equity subject to market conditions and proceeds from the potential sale of non-core assets. We believe that we have access to the necessary financing to fund our short-term liquidity needs.

9. Derivative Financial Instruments

The following table summarizes the terms and fair values of our derivative financial instruments, as well as their classifications within the consolidated balance sheets as of December 31, 2020 and 2019 (notional amounts and fair values in thousands):

Effective Date	Maturity Date	Notional Amount	Bank Pay Rate	Company Average Fixed Pay Rate	Fair Value	
					2020	2019
Assets (Liabilities)⁽¹⁾:						
April 13, 2016	January 1, 2021	\$175,000	1 month LIBOR	1.03 %	\$ (17)	\$ 1,018
March 1, 2018	January 31, 2021	40,000	1 month LIBOR	2.47 %	(75)	(376)
August 14, 2018	January 1, 2021	150,000	1 month LIBOR	2.20 %	(34)	(896)
July 1, 2019	February 1, 2024	25,000	1 month LIBOR	1.75 %	(1,192)	(170)
January 1, 2021	February 1, 2024	150,000	1 month LIBOR	0.60 %	(1,901)	—
January 1, 2021	February 1, 2024	100,000	1 month LIBOR	0.22 %	\$ (139)	—
Total		\$640,000			\$ (3,358)	\$ (424)

(1) Asset balances are recorded in prepaids and other assets on the consolidated balance sheets and liabilities are recorded in other liabilities on the consolidated balance sheets.

The derivative financial instruments are comprised of interest rate swaps, which are designated and qualify as cash flow hedges, each with a separate counterparty. We do not use derivatives for trading or speculative purposes and currently do not have any derivatives that are not designated as hedges.

Changes in the fair value of derivatives designated and qualifying as cash flow hedges is recorded in accumulated other comprehensive loss and subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings.

The following table represents the effect of the derivative financial instruments on the accompanying consolidated financial statements for the years ended December 31, 2020, 2019 and 2018, respectively (in thousands):

	2020	2019	2018
Interest Rate Swaps (Effective Portion):			
Amount of gain (loss) recognized in OCI	\$ (2,934)	\$ (6,174)	\$ 405

10. Fair Value Measurements

Fair value guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. These tiers are defined as follows:

Tier	Description
Level 1	Observable inputs such as quoted prices in active markets
Level 2	Inputs other than quoted prices in active markets that are either directly or indirectly observable
Level 3	Unobservable inputs in which little or no market data exists, therefore requiring an entity to develop its own assumptions

Fair Value Measurements on a Recurring Basis

The following table sets forth our assets and liabilities that are measured at fair value within the fair value hierarchy (in thousands):

	Total	Level 1 Quoted Prices in Active Markets for Identical Assets or Liabilities	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Fair value as of December 31, 2020:				
Asset:				
Short-term government securities (cash and cash equivalents)	\$ 87,081	\$ 87,081	\$ —	\$ —
Total assets	\$ 87,081	\$ 87,081	\$ —	\$ —
Liabilities:				
Interest rate swaps (other liabilities)	\$ 3,358	\$ —	\$ 3,358	\$ —
Total liabilities	\$ 3,358	\$ —	\$ 3,358	\$ —

	Total	Level 1 Quoted Prices in Active Markets for Identical Assets or Liabilities	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Fair value as of December 31, 2019:				
Assets:				
Interest rate swaps (prepaids and other assets)	\$ 1,018	\$ —	\$ 1,018	\$ —
Total assets	\$ 1,018	\$ —	\$ 1,018	\$ —
Liabilities:				
Interest rate swaps (other liabilities)	\$ 1,442	\$ —	\$ 1,442	\$ —
Total liabilities	\$ 1,442	\$ —	\$ 1,442	\$ —

Fair values of interest rate swaps are approximated using Level 2 inputs based on current market data received from financial sources that trade such instruments and are based on prevailing market data and derived from third party proprietary models based on well recognized financial principles including counterparty risks, credit spreads and interest rate projections, as well as reasonable estimates about relevant future market conditions.

Fair Value Measurements on a Nonrecurring Basis

The following table sets forth our assets that are measured at fair value on a nonrecurring basis within the fair value hierarchy (in thousands):

	Total	Level 1 Quoted Prices in Active Markets for Identical Assets or Liabilities	Level 2 Significant Observable Inputs	Level 3 Significant Unobservable Inputs
Fair value as of December 31, 2020:				
Asset:				
Long-lived assets	\$ 46,950	\$ —	\$ —	\$ 46,950
Fair value as of March 31, 2020:				
Asset:				
Long-lived assets	\$ 60,000	\$ —	\$ —	\$ 60,000
Fair value as of December 31, 2019:				
Asset:				
Long-lived assets	\$ 10,000	\$ —	\$ —	\$ 10,000
Fair value as of September 30, 2018:				
Asset:				
Long-lived assets	\$ 50,000	\$ —	\$ —	\$ 50,000

Foxwoods Impairments

During the first quarter 2020, we recorded a \$45.7 million impairment charge in our consolidated statement of operations which equaled the excess of the carrying value of our Foxwoods outlet center over its estimated fair value. The estimated fair value was based on the income approach. The income approach involves discounting the estimated income stream and reversion (presumed sale) value of a property over an estimated holding period to a present value at a risk-adjusted rate.

During the fourth quarter of 2020, in anticipation of further store closings and declining operating results, we recorded an additional impairment charge of \$19.2 million in our consolidated statement of operations which equaled the excess of the carrying value of our Foxwoods outlet center over its estimated fair value. The estimated fair value was based on the income approach.

Discount rates and terminal capitalization rates utilized in the approach above were derived from property-specific information, market transactions and other financial and industry data. The terminal capitalization rate and discount rate are significant unobservable inputs in determining the fair value. These inputs are classified under Level 3 in the fair value hierarchy above. Should the significant assumptions utilized above to determine fair value continue to deteriorate, additional impairments in the future could be possible.

The table below summarizes the terminal capitalization rate and discount rate used:

	December 31, 2020	March 31, 2020
Terminal capitalization rate	7.8 %	7.8 %
Discount rate	8.5 %	8.5 %

Jeffersonville Impairments

During the fourth quarter of 2020, due to the pending sale in January 2021 of the outlet center we recorded an additional impairment charge of \$2.4 million in our consolidated statement of operations which equaled the excess of the carrying value of our Jeffersonville outlet center over its estimated fair value. The estimated fair value was based on the market approach.

During the fourth quarter of 2019, in anticipation of further store closings and declining operating results, we recorded an additional impairment charge of \$37.6 million in our consolidated statement of operations which equaled the excess of the carrying value of our Jeffersonville outlet center over its estimated fair value. The estimated fair value was based on the income approach.

During the third quarter 2018, we determined that the estimated future undiscounted cash flows of our Jeffersonville outlet center did not exceed the property's carrying value. This shortfall was due to an expected decline in operating results caused by anticipated store closures from bankruptcy filings and brand-wide restructurings and a shift in the local competitive environment. Accordingly we recorded a \$49.7 million impairment charge in our consolidated statement of operations which equaled the excess of the carrying value of our Jeffersonville outlet center over its estimated fair value. The estimated fair value was based on the income approach.

Discount rates and terminal capitalization rates utilized in the approach above were derived from property-specific information, market transactions and other financial and industry data. The terminal capitalization rate and discount rate are significant unobservable inputs in determining the fair value. These inputs are classified under Level 3 in the fair value hierarchy above.

The table below summarizes the terminal capitalization rate and discount rate used:

	December 31, 2019	September 30, 2018
Terminal capitalization rate	12.0 %	10.0 %
Discount rate	13.0 %	10.0 %

Other Fair Value Disclosures

The estimated fair value and recorded value of our debt as of December 31, 2020 and 2019 were as follows (in thousands):

	2020	2019
Level 1 Quoted Prices in Active Markets for Identical Assets or Liabilities	\$ —	\$ —
Level 2 Significant Observable Inputs	1,207,531	1,169,481
Level 3 Significant Unobservable Inputs	432,272	434,333
Total fair value of debt	\$ 1,639,803	\$ 1,603,814
Recorded value of debt	\$ 1,567,886	\$ 1,569,773

Our senior unsecured notes are publicly-traded which provides quoted market rates. However, due to the limited trading volume of these notes, we have classified these instruments as Level 2 in the hierarchy. Our other debt is classified as Level 3 given the unobservable inputs utilized in the valuation. Our unsecured term loan, unsecured lines of credit and variable interest rate mortgages are all LIBOR based instruments. When selecting the discount rates for purposes of estimating the fair value of these instruments, we evaluated the original credit spreads and do not believe that the use of them differs materially from current credit spreads for similar instruments and therefore the recorded values of these debt instruments is considered their fair value.

The carrying values of cash and cash equivalents, receivables, accounts payable, accrued expenses and other assets and liabilities are reasonable estimates of their fair values because of the short maturities of these instruments.

11. Shareholders' Equity of the Company

As discussed in Note 12, each Class A common limited partnership unit is exchangeable for one common share of the Company. The following table sets forth the number of Class A common limited partnership units exchanged for an equal number of common shares for the years ended December 31, 2020, 2019 and 2018:

	2020	2019	2018
Exchange of Class A limited partnership units	116,530	49,511	34,749

Share Repurchase Program

In May 2017, the Company announced that our Board of Directors authorized the repurchase of up to \$125.0 million of its outstanding common shares as market conditions warrant over a period commencing on May 19, 2017 and expiring on May 18, 2019. In February 2019, the Company's Board of Directors authorized the repurchase of an additional \$44.3 million of our outstanding common shares for an aggregate authorization of \$169.3 million until May 2021. Repurchases may be made from time to time through open market, privately-negotiated, structured or derivative transactions (including accelerated share repurchase transactions), or other methods of acquiring shares. The Company intends to structure open market purchases to occur within pricing and volume requirements of Rule 10b-18. The Company may, from time to time, enter into Rule 10b5-1 plans to facilitate the repurchase of its shares under this authorization. The Company has temporarily suspended share repurchases for at least the twelve months starting July 1, 2020 as the June 2020 amendments to our debt agreements for our lines of credit and bank term loan prohibit share repurchases during such time and in order to preserve our liquidity position.

Shares repurchased during the years ended December 31, 2020, 2019 and 2018 were as follows:

	Year Ended December 31,		
	2020	2019	2018
Total number of shares purchased	—	1,209,328	919,249
Average price paid per share	\$ —	\$ 16.52	\$ 21.74
Total price paid exclusive of commissions and related fees (in thousands)	\$ —	\$ 19,976	\$ 19,980

The remaining amount authorized to be repurchased under the program as of December 31, 2020 was approximately \$80.0 million.

12. Partners' Equity of the Operating Partnership

All units of partnership interest issued by the Operating Partnership have equal rights with respect to earnings, dividends and net assets. When the Company issues common shares upon the exercise of options, the issuance of restricted share awards or the exchange of Class A common limited partnership units, the Operating Partnership issues a corresponding Class B common limited partnership unit to Tanger LP Trust, a wholly-owned subsidiary of the Company. Likewise, when the Company repurchases its outstanding common shares, the Operating Partnership repurchases corresponding Class B common limited partnership units held by Tanger LP Trust.

The following table sets forth the changes in outstanding partnership units for the years ended December 31, 2020, 2019 and 2018:

	General partnership units	Limited Partnership Units		
		Class A	Class B	Total
Balance December 31, 2017	1,000,000	4,995,433	93,560,536	98,555,969
Units withheld for employee income taxes	—	—	(89,437)	(89,437)
Exchange of Class A limited partnership units	—	(34,749)	34,749	—
Grant of restricted common share awards by the Company, net of forfeitures	—	—	355,184	355,184
Repurchase of units	—	—	(919,249)	(919,249)
Balance December 31, 2018	1,000,000	4,960,684	92,941,783	97,902,467
Units withheld for employee income taxes	—	—	(131,873)	(131,873)
Exchange of Class A limited partnership units	—	(49,511)	49,511	—
Grant of restricted common share awards by the Company	—	—	242,167	242,167
Repurchase of units	—	—	(1,209,328)	(1,209,328)
Balance December 31, 2019	1,000,000	4,911,173	91,892,260	96,803,433
Units withheld for employee income taxes	—	—	(56,597)	(56,597)
Exchange of Class A limited partnership units	—	(116,530)	116,530	—
Grant of restricted common share awards by the Company	—	—	611,350	611,350
Issuance of deferred units	—	—	6,258	6,258
Balance December 31, 2020	1,000,000	4,794,643	92,569,801	97,364,444

13. Noncontrolling Interests

Noncontrolling interests in the Operating Partnership relate to the interests in the Operating Partnership owned by Non-Company LPs as discussed in Note 2. The noncontrolling interests in other consolidated partnerships consist of outside equity interests in partnerships not wholly-owned by the Company or the Operating Partnership that are consolidated with the financial results of the Company and Operating Partnership because the Operating Partnership exercises control over the entities that own the properties.

In 2020 and 2019, adjustments of the noncontrolling interest in the Operating Partnership were made as a result of the changes in the Company's ownership of the Operating Partnership from additional units received in connection with the Company's issuance of common shares upon the exercise of options and grants of share-based compensation awards, additional units received upon the exchange of Class A common limited partnership units of the Operating Partnership into an equal number of common shares of the Company, and units repurchased by the Operating Partnership as a result of the Company's repurchase of its outstanding common shares. As discussed in Note 12, for the years ended December 31, 2020 and 2019, Non-Company LPs exchanged 116,530 and 49,511 Class A common limited partnership units of the Operating Partnership, respectively, for an equal number of common shares of the Company. In addition, for the years ended December 31, 2019 and 2018, the Company repurchased approximately 1,209,328 and 919,249 common shares, respectively, on the open market and the Operating Partnership repurchased an equal number of units held by the Company.

The changes in the Company's ownership interests in the subsidiaries impacted consolidated equity during the periods shown as follows (in thousands):

	2020	2019
Net income (loss) attributable to Tanger Factory Outlet Centers, Inc.	\$ (36,278)	\$ 87,855
Increase (decrease) in Tanger Factory Outlet Centers, Inc. paid-in-capital adjustments to noncontrolling interests	(74)	200
Changes from net income (loss) attributable to Tanger Factory Outlet Centers, Inc. and transfers from noncontrolling interest	\$ (36,352)	\$ 88,055

14. Earnings Per Share of the Company

The following table sets forth a reconciliation of the numerators and denominators in computing earnings per share for the years ended December 31, 2020, 2019 and 2018 (in thousands, except per share amounts):

	2020	2019	2018
Numerator			
Net income (loss) attributable to Tanger Factory Outlet Centers, Inc.	\$ (36,278)	\$ 87,855	\$ 43,655
Less allocation of earnings to participating securities	(692)	(1,336)	(1,211)
Net income (loss) available to common shareholders of Tanger Factory Outlet Centers, Inc.	\$ (36,970)	\$ 86,519	\$ 42,444
Denominator			
Basic weighted average common shares	92,618	92,808	93,309
Effect of outstanding options and certain restricted common shares	—	—	1
Diluted weighted average common shares	92,618	92,808	93,310
Basic earnings per common share:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45
Diluted earnings per common share:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45

We determine diluted earnings per share based on the weighted average number of common shares outstanding combined with the incremental weighted average shares that would have been outstanding assuming all potentially dilutive securities were converted into common shares at the earliest date possible. There were no material securities which had a dilutive effect on earnings per common share for the years ended December 31, 2020, 2019 and 2018.

Notional units granted under our equity compensation plan are considered contingently issuable common shares and are included in earnings per share if the effect is dilutive using the treasury stock method and the common shares would be issuable if the end of the reporting period were the end of the contingency period. For the years ended December 31, 2020, 2019, and 2018, approximately 1.7 million, 1.1 million and 1.0 million units were excluded from the computation, respectively, because these units would not have been issuable if the end of the reporting period were the end of the contingency period or because they were anti-dilutive.

With respect to outstanding options, the effect of dilutive common shares is determined using the treasury stock method whereby outstanding options are assumed exercised at the beginning of the reporting period and the exercise proceeds from such options and the average measured but unrecognized compensation cost during the period are assumed to be used to repurchase our common shares at the average market price during the period. For the years ended December 31, 2020, 2019 and 2018, approximately 1.8 million, 523,000 and 535,000 options were excluded from the computation, respectively, as they were anti-dilutive. The assumed exchange of the partnership units held by the Non-Company LPs as of the beginning of the year, which would result in the elimination of earnings allocated to the noncontrolling interest in the Operating Partnership, would have no impact on earnings per share since the allocation of earnings to a common limited partnership unit, as if exchanged, is equivalent to earnings allocated to a common share.

Certain of the Company's unvested restricted common share awards contain non-forfeitable rights to dividends or dividend equivalents. The impact of these unvested restricted common share awards on earnings per share has been calculated using the two-class method whereby earnings are allocated to the unvested restricted common share awards based on dividends declared and the unvested restricted common shares' participation rights in undistributed earnings. Unvested restricted common shares that do not contain non-forfeitable rights to dividends or dividend equivalents are included in the diluted earnings per share computation if the effect is dilutive, using the treasury stock method.

15. Earnings Per Unit of the Operating Partnership

The following table sets forth a reconciliation of the numerators and denominators in computing earnings per unit for the years ended December 31, 2020, 2019 and 2018 (in thousands, except per unit amounts):

	2020	2019	2018
Numerator			
Net income (loss) attributable to partners of the Operating Partnership	\$ (38,203)	\$ 92,533	\$ 45,984
Allocation of earnings to participating securities	(692)	(1,336)	(1,211)
Net income (loss) available to common unitholders of the Operating Partnership	\$ (38,895)	\$ 91,197	\$ 44,773
Denominator			
Basic weighted average common units	97,521	97,766	98,302
Effect of outstanding options and certain restricted common units	—	—	1
Diluted weighted average common units	97,521	97,766	98,303
Basic earnings per common unit:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45
Diluted earnings per common unit:			
Net income (loss)	\$ (0.40)	\$ 0.93	\$ 0.45

We determine diluted earnings per unit based on the weighted average number of common units outstanding combined with the incremental weighted average units that would have been outstanding assuming all potentially dilutive securities were converted into common units at the earliest date possible. There were no material securities which had a dilutive effect on earnings per common share for the years ended December 31, 2020, 2019 and 2018.

Notional units granted under our equity compensation plan are considered contingently issuable common units and are included in earnings per unit if the effect is dilutive using the treasury stock method and the common units would be issuable if the end of the reporting period were the end of the contingency period. For the years ended December 31, 2020, 2019, and 2018, approximately 1.7 million, 1.1 million and 1.0 million units were excluded from the computation, respectively, because these units would not have been issuable if the end of the reporting period were the end of the contingency period or because they were anti-dilutive. The notional units are considered contingently issuable common units and are included in earnings per unit if the effect is dilutive using the treasury stock method.

With respect to outstanding options, the effect of dilutive common units is determined using the treasury stock method, whereby outstanding options are assumed exercised at the beginning of the reporting period and the exercise proceeds from such options and the average measured but unrecognized compensation cost during the period are assumed to be used to repurchase our common units at the average market price during the period. The market price of a common unit is considered to be equivalent to the market price of a Company common share. For the years ended December 31, 2020, 2019 and 2018, approximately 1.8 million, 523,000 and 535,000 options were excluded from the computation, respectively.

Certain of the Company's unvested restricted common share awards contain non-forfeitable rights to distributions or distribution equivalents. The impact of the corresponding unvested restricted unit awards on earnings per unit has been calculated using the two-class method whereby earnings are allocated to the unvested restricted unit awards based on distributions declared and the unvested restricted units' participation rights in undistributed earnings. Unvested restricted common units that do not contain non-forfeitable rights to dividends or dividend equivalents are included in the diluted earnings per unit computation if the effect is dilutive, using the treasury stock method.

16. Equity-Based Compensation

When a common share is issued by the Company, the Operating Partnership issues one corresponding unit of partnership interest to the Company's wholly-owned subsidiaries. Therefore, when the Company grants an equity based award, the Operating Partnership treats each award as having been granted by the Operating Partnership. In the discussion below, the term "we" refers to the Company and the Operating Partnership together and the term "shares" is meant to also include corresponding units of the Operating Partnership.

As of December 31, 2020, we may issue up to 18.7 million common shares under the Plan. Shares remaining available for future issuance totaled approximately 2,608,000 common shares. The amount and terms of the awards granted under the Plan were determined by the Board of Directors (or the Compensation Committee of the Board of Directors).

We recorded equity-based compensation expense in general and administrative expenses in the consolidated statements of operations for the years ended December 31, 2020, 2019 and 2018, respectively, as follows (in thousands):

	2020	2019	2018
Restricted common shares	\$ 7,614	\$ 12,036	\$ 9,870
Notional unit performance awards	4,574	5,918	4,356
Options	329	166	443
Total equity-based compensation	\$ 12,517	\$ 18,120	\$ 14,669

Equity-based compensation expense capitalized as a part of rental property and deferred lease costs were as follows (in thousands):

	2020	2019	2018
Equity-based compensation expense capitalized	\$ 409	\$ 384	\$ 1,131

As of December 31, 2020, there was \$16.7 million of total unrecognized compensation cost related to unvested common equity-based compensation arrangements granted under the Plan. That cost is expected to be recognized over a weighted-average period of 2.9 years.

Restricted Common Share and Restricted Share Unit Awards

During 2020, 2019 and 2018, the Company granted approximately 788,000, 309,000 and 407,000 restricted common shares and restricted share units, respectively, to the Company's non-employee directors and the Company's senior executive officers. The 2020 grants include approximately 389,000 restricted common shares that were issued to our Chief Executive Officer, Stephen J. Yalof, as an inducement to his entering into employment with the Company and were granted outside of the Company's shareholder approved equity plan pursuant to New York Stock Exchange rules. The non-employee directors' restricted common shares generally vest ratably over a three year period and the senior executive officers' restricted common shares (other than our Chief Executive Officer's) generally vest ratably over periods ranging from three to five years. For the restricted common shares and restricted share units issued to our chief executive officer during 2020, 2019 and 2018, the award agreements generally require him to hold the shares or units issued to him for a minimum of three years following each applicable vesting date or the share issuance date, as applicable. Compensation expense related to the amortization of the deferred compensation is being recognized in accordance with the vesting schedule of the restricted common shares and restricted share units. For all of the restricted common share and restricted share unit awards described above, the grant date fair value of the awards were determined based upon the closing market price of the Company's common shares on the day prior to the grant date.

The following table summarizes information related to unvested restricted common shares and restricted share units outstanding for the years ended December 31, 2020, 2019, and 2018:

Unvested Restricted Common Shares and Restricted Share Units	Number of shares and units	Weighted average grant date fair value
Outstanding at December 31, 2017	749,906	\$ 32.30
Granted ⁽¹⁾	407,156	21.13
Vested	(314,982)	31.43
Forfeited	—	—
Outstanding at December 31, 2018	842,080	\$ 27.56
Granted ⁽²⁾	308,623	21.05
Vested	(469,178)	27.73
Forfeited	—	—
Outstanding at December 31, 2019	681,525	\$ 23.92
Granted ⁽³⁾	787,873	23.92
Vested	(330,014)	25.43
Forfeited	(18,996)	19.79
Outstanding at December 31, 2020	1,120,388	\$ 13.91

(1) Includes 44,452 restricted share units.

(2) Includes 51,217 restricted share units.

(3) Includes 121,527 restricted share units.

The table above excludes restricted common shares earned under the 2014 Outperformance Plan. In connection with the 2014 Outperformance Plan, we issued approximately 184,000 restricted common shares in January 2017, with approximately 94,000 vesting immediately and the remaining 90,000 vesting in January 2018, contingent upon continued employment with the Company through the vesting date (unless terminated prior thereto (a) by the Company without cause, (b) by participant for good reason or (c) due to death or disability).

The total value of restricted common shares vested during the years ended 2020, 2019 and 2018 was \$4.2 million, \$9.2 million and \$9.2 million, respectively. During 2020, 2019 and 2018, we withheld shares with value equivalent to the employees' obligation for the applicable income and other employment taxes, and remitted the cash to the appropriate taxing authorities. The total number of shares withheld were approximately 57,000, 132,000 and 89,000 for 2020, 2019 and 2018, respectively, and were based on the value of the restricted common shares on the vesting date as determined by our closing share price on the day prior to the vesting date. Total amounts paid for the employees' tax obligation to taxing authorities were \$736,000, \$2.5 million and \$2.1 million for 2020, 2019 and 2018, respectively, which are reflected as a financing activity within the consolidated statements of cash flows.

Notional Unit Performance Awards

Outperformance Plan

Each year, the Compensation Committee of Tanger Factory Outlet Centers, Inc. approves the terms and the number of awards to be granted under the Tanger Factory Outlet Centers, Inc. Outperformance Plan (the "OPP"). The OPP is a long-term incentive compensation plan. Recipients may earn units which may convert, subject to the achievement of the goals described below, into restricted common shares of the Company based on the Company's absolute share price appreciation (or absolute total shareholder return) and its share price appreciation relative to its peer group (or relative total shareholder return) over a three-year measurement period. For all recipients (other than our chief executive officer), any shares earned at the end of the three-year measurement period are subject to a time-based vesting schedule, with 50% of the shares vesting immediately following the measurement period, and the remaining 50% vesting one year thereafter, contingent upon continued employment with the Company through the vesting date (unless terminated prior thereto (a) by the Company without cause, (b) by participant for good reason or (c) due to death or disability). For our chief executive officer, any shares earned at the end of the three-year measurement period remain subject to a time-based vesting schedule and are issued following vesting, with 50% of the shares vesting immediately following issuance, and the remaining 50% vesting one year thereafter, contingent upon continued employment with the Company through the vesting dates (unless terminated prior thereto (a) by the Company without cause, (b) by participant for good reason or due to retirement or (c) due to death or disability).

The following table sets forth OPP performance targets and other relevant information about each plan:

	2020 OPP ⁽¹⁾	2019 OPP ⁽¹⁾	2018 OPP ⁽¹⁾	2017 OPP ⁽²⁾	2016 OPP ⁽³⁾
Performance targets					
<i>Absolute portion of award:</i>					
Percent of total award	33%	33%	33%	50%	50%
Absolute total shareholder return range	37 % - 52%	19 % - 30%	19 % - 30%	18 % - 35%	18 % - 35%
Percentage of units to be earned	20 % - 100%	20 % - 100%	20 % - 100%	20 % - 100%	20 % - 100%
<i>Relative portion of award:</i>					
Percent of total award	67%	67%	67%	50%	50%
Percentile rank of peer group range	30 th - 80th	30 th - 80th	30 th - 80th	40 th - 70th	40 th - 70th
Percentage of units to be earned	20 % - 100%	20 % - 100%	20 % - 100%	20 % - 100%	20 % - 100%
Maximum number of restricted common shares that may be earned	902,167	531,827	409,972	296,400	321,900
February grant date fair value per share	\$ 7.30	\$ 12.09	\$ 12.42	\$ 16.60	\$ 15.10
April 2020 grant date fair value per share ⁽⁴⁾	\$ 3.11	N/A	N/A	N/A	N/A

(1) The number of restricted common shares received under the 2020, 2019 and 2018 OPP will be determined on a pro-rata basis by linear interpolation between total shareholder return thresholds, both for absolute total shareholder return and for relative total shareholder return amongst the Company's peer group. The peer group is based on companies included in the FTSE NAREIT Retail Index.

(2) On February 13, 2020, the measurement period for the 2017 OPP expired and neither of the Company's absolute nor relative total shareholder returns were sufficient for employees to earn, and therefore become eligible to vest in, any restricted shares under the plan. Accordingly, all 2017 OPP performance awards were automatically forfeited.

(3) On February 15, 2019, the measurement period for the 2016 OPP expired and neither of the Company's absolute nor relative total shareholder returns were sufficient for employees to earn, and therefore become eligible to vest in, any restricted shares under the plan. Accordingly, all 2016 OPP performance awards were automatically forfeited.

- (4) In April 2020, Mr. Yalof was awarded 205,480 notional units under the 2020 OPP. These awards have the same terms as the awards our executive officers received in February 2020.

The fair values of the OPP awards granted during the years ended December 31, 2020, 2019, and 2018 were determined at the grant dates using a Monte Carlo simulation pricing model and the following assumptions:

	2020	2019	2018
Risk free interest rate ⁽¹⁾	1.40 %	2.55 %	2.40 %
Expected dividend yield ⁽²⁾	8.4 %	5.3 %	4.8 %
Expected volatility ⁽³⁾	29 %	24 %	27 %

- (1) Represents the interest rate as of the grant date on U.S. treasury bonds having the same life as the estimated life of the restricted unit grants.
- (2) The dividend yield is calculated utilizing the dividends paid for the previous five-year period.
- (3) Based on a mix of historical and implied volatility for our common shares and the common shares of our peer index companies over the measurement period.

The following table sets forth OPP activity for the years ended December 31, 2020, 2019, and 2018:

Unvested OPP Awards	Number of units	Weighted average grant date fair value
Outstanding as of December 31, 2017	603,411	\$ 15.83
Awarded	409,972	12.42
Earned	—	—
Forfeited	—	—
Outstanding as of December 31, 2018	1,013,383	\$ 14.44
Awarded	531,827	12.09
Earned	—	—
Forfeited	(421,306)	14.36
Outstanding as of December 31, 2019	1,123,904	\$ 13.36
Awarded	902,167	6.35
Earned	—	—
Forfeited	(316,297)	16.01
Outstanding as of December 31, 2020	1,709,774	\$ 9.17

Option Awards

Options outstanding at December 31, 2020 had the following weighted average exercise prices and weighted average remaining contractual lives:

Exercise prices	Options Outstanding			Options Exercisable	
	Options	Weighted average exercise price	Weighted remaining contractual life in years	Options	Weighted average exercise price
\$ 5.73	334,000	\$ 5.73	9.69	—	\$ 5.73
\$ 7.15	1,000,000	\$ 7.15	9.37	250,000	\$ 7.15
\$ 21.94	269,000	\$ 21.94	7.21	107,600	\$ 21.94
\$ 26.06	57,200	26.06	0.15	57,200	26.06
\$ 32.02	145,500	32.02	3.00	145,500	32.02
	1,805,700	\$ 17.76	6.06	310,300	\$ 28.61

A summary of option activity under the Plan for the years ended December 31, 2020, 2019, and 2018 (aggregate intrinsic value amount in thousands):

Options	Shares	Weighted-average exercise price	Weighted-average remaining contractual life in years	Aggregate intrinsic value
Outstanding as of December 31, 2017	231,200	\$ 30.42		
Granted	331,000	21.94		
Exercised	—	—		
Forfeited	(27,700)	22.62		
Outstanding as of December 31, 2018	534,500	\$ 25.56	7.08	\$ —
Granted	—	—		
Exercised	—	—		
Forfeited	(11,200)	25.27		
Outstanding as of December 31, 2019	523,300	\$ 25.57	6.06	\$ —
Granted	1,334,500	—		
Exercised	—	—		
Forfeited	(52,100)	—		
Outstanding as of December 31, 2020	1,805,700	\$ 11.69	8.30	\$ —
Vested and Expected to Vest as of				
December 31, 2020	1,734,077	\$ 11.83	8.26	\$ —
Exercisable as of December 31, 2020	560,300	\$ 18.38	6.36	\$ —

In September 2020, the Company granted 334,500 options to non-executive employees of the Company. The exercise price of the options granted during the third quarter was \$5.73 per share which equaled the closing market price of the Company's common shares on the day prior to the grant date. The options expire 10 years from the date of grant and 20% of the options become exercisable in each of the first 5 years commencing one year from the date of grant. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model, which resulted in a weighted average grant date fair value per share of \$1.03 and included the following weighted-average assumptions: expected dividend yield 4.93%; expected life of 6.5 years; expected volatility of 34.39%; a risk-free rate of 0.48%; and forfeiture rate of 7.2% dependent upon the employee's position within the Company.

In April 2020, Stephen Yalof became the President and Chief Operating Officer of the Company. Mr. Yalof was granted 1.0 million options that have an exercise price of \$7.15 per share, which equaled the closing market price of a common share of the Company on the day prior to the grant date. As an inducement to his entering into employment with the Company, the options were granted outside of the Company's shareholder approved equity plan pursuant to New York Stock Exchange rules. The options expire 10 years from the date of grant and 25% of the options become exercisable on December 31, 2020 with the remaining options vesting ratably on each December 31st through 2023, in each case, contingent upon continued employment with the Company through the applicable vesting date (subject to acceleration upon certain terminations of employment). The fair value of each option grant was estimated on the date of grant using the Black-Scholes option pricing model, which resulted in a weighted average grant date fair value per share of \$0.42 and included the following weighted-average assumptions: expected dividend yield 9.86%; expected life of 7.9 years; expected volatility of 30%; a risk-free rate of 0.60%; and forfeiture rate 0.0%.

During February 2018, the Company granted 331,000 options to non-executive employees of the Company. The exercise price of the options granted during the first quarter of 2018 was \$21.94 per share which equaled the closing market price of the Company's common shares on the day prior to the grant date. The options expire 10 years from the date of grant and 20% of the options become exercisable in each of the first five years commencing one year from the date of grant. The fair value of each option grant is estimated on the date of grant using the Black-Scholes option pricing model, which resulted in a weighted average grant date fair value per share of \$3.62 and included the following weighted-average assumptions: expected dividend yield 6.24%; expected life of 7.1 years; expected volatility of 32.47%; a risk-free rate of 2.8%; and forfeiture rates of 3.0% to 10.0% dependent upon the employee's position within the Company. The total intrinsic value of options exercised during the year ended December 31, 2018 was \$8,000. For the years ended December 31, 2020 2019 and 2018, no options were exercised.

401(k) Retirement Savings Plan

We have a 401(k) Retirement Savings Plan covering substantially all employees who meet certain age and employment criteria. An employee may invest pretax earnings in the 401(k) plan up to the maximum legal limits (as defined by Federal regulations). This plan allows participants to defer a portion of their compensation and to receive matching contributions for a portion of the deferred amounts. During the years ended December 31, 2020, 2019 and 2018, we contributed approximately \$878,000, \$889,000 and \$872,000, respectively, to the 401(k) Retirement Savings Plan.

17. Accumulated Other Comprehensive Loss of the Company

The following table presents changes in the balances of each component of accumulated comprehensive income (loss) for the years ended December 31, 2020, 2019, and 2018 (in thousands):

	Tanger Factory Outlet Centers, Inc. Accumulated Other Comprehensive Income (Loss)			Noncontrolling Interest in Operating Partnership Accumulated Other Comprehensive (Income) Loss		
	Foreign currency	Cash flow hedges	Total	Foreign currency	Cash flow hedges	Total
Balance December 31, 2017	\$ (24,360)	\$ 5,075	\$ (19,285)	\$ (1,329)	\$ 269	\$ (1,060)
Other comprehensive income (loss) before reclassifications	(8,250)	2,335	(5,915)	(441)	126	(315)
Reclassification out of accumulated other comprehensive income into interest expense	—	(1,951)	(1,951)	—	(105)	(105)
Balance December 31, 2018	(32,610)	5,459	(27,151)	(1,770)	290	(1,480)
Other comprehensive income (loss) before reclassifications	4,062	(3,755)	307	217	(202)	15
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	3,454	(2,105)	1,349	184	(112)	72
Balance December 31, 2019	(25,094)	(401)	(25,495)	(1,369)	(24)	(1,393)
Other comprehensive income (loss) before reclassifications	1,695	(6,749)	(5,054)	88	(359)	(271)
Reclassification out of accumulated other comprehensive income into interest expense	—	3,964	3,964	—	210	210
Balance December 31, 2020	\$ (23,399)	\$ (3,186)	\$ (26,585)	\$ (1,281)	\$ (173)	\$ (1,454)

We expect within the next twelve months to reclassify into earnings as a decrease to interest expense approximately \$1.1 million of the amounts recorded within accumulated other comprehensive income (loss) related to the interest rate swap agreements in effect and as of December 31, 2020.

18. Accumulated Other Comprehensive Loss of the Operating Partnership

The following table presents changes in the balances of each component of accumulated comprehensive income (loss) for the years ended December 31, 2020, 2019, and 2018 (in thousands):

	Foreign currency	Cash flow hedges	Accumulated other comprehensive income (loss)
Balance December 31, 2017	\$ (25,689)	\$ 5,344	\$ (20,345)
Other comprehensive income (loss) before reclassifications	(8,691)	2,461	(6,230)
Reclassification out of accumulated other comprehensive income into interest expense	—	(2,056)	(2,056)
Balance December 31, 2018	(34,380)	5,749	(28,631)
Other comprehensive income (loss) before reclassifications	4,279	(3,957)	322
Reclassification out of accumulated other comprehensive income (loss) into other income (expense) for foreign currency and interest expense for cash flow hedges	3,638	(2,217)	1,421
Balance December 31, 2019	(26,463)	(425)	(26,888)
Other comprehensive income (loss) before reclassifications	1,783	(7,108)	(5,325)
Reclassification out of accumulated other comprehensive income into interest expense	—	4,174	4,174
Balance December 31, 2020	\$ (24,680)	\$ (3,359)	\$ (28,039)

We expect within the next twelve months to reclassify into earnings as a decrease to interest expense approximately \$1.1 million of the amounts recorded within accumulated other comprehensive income (loss) related to the interest rate swap agreements in effect and as of December 31, 2020.

19. Supplementary Income Statement Information

The following amounts are included in property operating expenses for the years ended December 31, 2020, 2019 and 2018 (in thousands):

	2020	2019	2018
Advertising and promotion	\$ 20,435	\$ 26,022	\$ 27,066
Common area maintenance	56,226	70,472	73,367
Real estate taxes	32,762	33,430	32,836
Other operating expenses	27,712	27,810	27,188
	\$ 137,135	\$ 157,734	\$ 160,457

20. Lease Agreements

On January 1, 2019, we adopted ASC 842, which supersedes ASC 840. We adopted ASC 842 using the modified retrospective approach, whereby there was no cumulative effect adjustments to retained earnings on adoption and prior periods were not restated. Accordingly, our leases and lease related costs, as both lessee and lessor, and lease related receivables, as lessor, are presented under ASC 842 for the year ended December 31, 2020 and 2019 and under ASC 840 the year ended December 31, 2018.

As a lessor, substantially all of our revenues are earned from arrangements that are within the scope of ASC 842. We utilized the practical expedient in ASU 2018-11 to account for lease and non-lease components as a single component which resulted in all of our revenues associated with leases being recorded as rental revenues in the consolidated statements of operations. As a result of the adoption of ASC 842, the amounts disclosed in our Annual Report on Form 10-K for the year ended December 31, 2018 as base rentals, percentage rentals and expense reimbursements have now been combined into rental revenues on the consolidated statements of operations to conform to the current year presentation. In addition, certain amounts previously included in expense reimbursements in our Annual Report on Form 10-K for the year ended December 31, 2018, which are not related to leases have been reclassified to management, leasing and other services and other revenues on the consolidated statements of operations to conform to the current year presentation. See Note 6 for additional details on the amounts reclassified to management, leasing and other services.

ASC 842 requires certain other accounting changes effective January 1, 2019 where prior year amounts are not reclassified or restated. Uncollectible tenant revenues previously recorded in general and administrative expense are recorded in rental revenues as a contra-revenue account in 2019. See Note 2 for additional information on uncollectible tenant revenues. As a result of combining all components of a lease, all fixed contractual payments, including consideration received from certain executory costs, are now recognized on a straight-line basis. For the years ended December 31, 2020 and 2019, we recorded a straight-line rent adjustment of \$4.4 million and \$6.4 million, respectively in rental revenues in our consolidated statements of operations to record revenues from executory costs on a straight-line basis. In addition, direct internal leasing costs are capitalized, however, indirect internal leasing costs previously capitalized are now expensed. We only capitalize the portion of these types of costs incurred that are a direct result of an executed lease. For the years ended December 31, 2020 and 2019, lease costs of approximately \$4.7 million and \$4.9 million, respectively were expensed which would have been capitalized under ASC 840.

As a lessee, the new standard also provides a number of optional provisions, known as practical expedients, which companies may elect to adopt to facilitate implementation. We elected the package of practical expedients which, among other items, precludes us from needing to reassess (1) whether any expired or existing contracts are or contain leases, (2) the lease classification of any expired or existing leases, and (3) initial direct costs for any existing leases.

Information as Lessor Under ASC 842

As of December 31, 2020, we were the lessor to over 2,200 stores in our 31 consolidated outlet centers, under operating leases with initial terms that expire from 2021 to 2035, with certain agreements containing extension options. We also have certain agreements which require tenants to pay their portion of reimbursable expenses such as common area expenses, utilities, insurance and real estate taxes.

For the years ended December 31, 2020 and 2019, the components of rental revenues are as follows (in thousands):

	2020	2019
Rental revenues - fixed	\$ 289,676	\$ 360,513
Rental revenues - variable ⁽¹⁾	88,256	103,433
Rental revenues	\$ 377,932	\$ 463,946

(1) Primarily includes rents based on a percentage of tenant sales volume and reimbursable expenses such as common area expenses, utilities, insurance and real estate taxes.

Future minimum lease receipts under non-cancelable operating leases as of December 31, 2020, excluding the effect of straight-line rent and variable rentals, are as follows (in thousands) ⁽¹⁾:

2021	\$ 271,907
2022	237,806
2023	205,403
2024	170,920
2025	129,626
Thereafter	227,295
	\$ 1,242,957

⁽¹⁾ Does not include rents deferred related to the COVID-19 pandemic and or lease modifications that were in process as of December 31, 2020.

Information as Lessee Under ASC 842

Adoption of the new standard resulted in the recording of operating lease right-of-use assets and operating lease liabilities, of \$90.4 million and \$95.1 million, respectively, as of January 1, 2019 equal to the present value of the minimum lease payments required under each lease. The difference between the recorded operating lease liability and operating right-of-use assets represents the accrued straight-line rent liability and our prepaid rent balances previously recognized under ASC 840. In March 2019, we sold our Ocean City outlet center, which had an operating lease right-of-use asset and operating lease liability of approximately \$2.5 million. In 2020, we recorded impairment charge of \$64.8 million in our consolidated statement of operations which equaled the excess of the carrying value of our Foxwoods outlet center over its estimated fair value of which \$4.0 million of the impairment charge was allocated to the right-of-use asset.

Our non-cancelable operating leases, with terms in excess of one year, have terms, including certain extension options, that expire from 2028 to 2101. Certain extension options, which are reasonably certain at inception, are used in the calculation of our operating lease right-of-use assets based on the economic life of the asset. Leases with an initial term of 12 months or less (short-term leases) are not recorded on the balance sheet; we recognize lease expense for these leases on a straight-line basis over the lease term. The majority of our operating lease expense is related to ground leases at the following outlet centers: Myrtle Beach Hwy 17, Atlantic City, Sevierville, Riverhead, Foxwoods and Rehoboth Beach and the lease of our corporate office in Greensboro, North Carolina.

For the year ended December 31, 2020, the components of lease costs are as follows (in thousands):

	2020	2019
Operating lease costs	\$ 5,531	\$ 5,519
Short-term lease costs	2,511	2,297
Variable lease costs ⁽¹⁾	295	231
Total lease costs	\$ 8,337	\$ 8,047

⁽¹⁾ Our variable lease costs relate to our ground leases where increases in payments are based on center financial performance.

The discount rate applied to measure each operating lease right-of-use asset and operating lease liability is based on our incremental borrowing rate ("IBR"). We consider the general economic environment and our credit rating and factor in various financing and asset specific adjustments to ensure the IBR is appropriate based on the intended use of the underlying lease. The lease term and discount rates are as follows:

	2020
Weighted - average remaining lease term (years)	49.25
Weighted - average discount rate	5.0 %

Cash flow information related to leases for the year ended December 31, 2020 was as follows (in thousands):

	December 31, 2020	December 31, 2019
Operating cash outflows related to operating leases	\$ 5,568	\$ 5,569

Maturities of lease liabilities as of December 31, 2020 for the next five years and thereafter are as follows (in thousands):

2021	\$ 5,613
2022	5,669
2023	5,709
2024	5,765
2025	5,816
Thereafter	221,059
Total lease payments	\$ 249,631
Less imputed interest	159,526
Present value of lease liabilities	\$ 90,105

Information as Lessee Under ASC 840

As of December 31, 2018, our non-cancelable operating leases have terms, including certain extension options, that expire from 2019 to 2101. Rental payments for these leases totaled approximately \$7.2 million for the year ended December 31, 2018. As of December 31, 2018, the majority of our rental payments are related to ground leases at the following outlet centers: Myrtle Beach Hwy 17, Atlantic City, Ocean City, Sevierville, Riverhead, Foxwoods and Rehoboth Beach and the lease of our corporate office in Greensboro, North Carolina. The contingent portion of our ground lease payments is based on center performance and/or changes in an index.

21. Commitments and Contingencies

Litigation

We are also subject to legal proceedings and claims, which arise from time to time in the ordinary course of our business and have not been finally adjudicated. In our opinion, the ultimate resolution of these matters is not expected to have a material effect on our consolidated financial statements. We record a liability in our consolidated financial statements for these matters when a loss is known or considered probable and the amount can be reasonably estimated. We review these estimates each accounting period as additional information is known and adjust the loss provision when appropriate. If a matter is both probable to result in a liability and the amounts of loss can be reasonably estimated, we estimate and disclose the possible loss or range of loss to the extent necessary to make the consolidated financial statements not misleading. If the loss is not probable or cannot be reasonably estimated, a liability is not recorded in our consolidated financial statements.

Lease Agreements

In addition, certain of our lease agreements include co-tenancy and/or sales-based provisions that may allow a tenant to pay reduced rent and/or terminate a lease prior to its natural expiration if we fail to maintain certain occupancy levels or retain specified named tenants, or if the tenant does not achieve certain specified sales targets. Our occupancy at our consolidated centers has declined from 97% at the end of 2019 to 92% at the end of 2020. If our occupancy continues to decline, certain outlet centers may fall below the minimum co-tenancy thresholds and could trigger many tenants ability to pay reduced rents, which in turn may negatively impact our results of operations.

Employment Agreements

We are party to employment agreements with certain executives that provide for compensation and certain other benefits. The agreements also provide for severance payments under certain circumstances.

Debt

We provide guarantees to lenders for our joint ventures which include standard non-recourse carve out indemnifications for losses arising from items such as but not limited to fraud, physical waste, payment of taxes, environmental indemnities, misapplication of insurance proceeds or security deposits and failure to maintain required insurance. For construction and mortgage loans, we may include a guaranty of completion as well as a principal guaranty ranging from 5% to 100% of principal. The principal guarantees include terms for release based upon satisfactory completion of construction and performance targets including occupancy thresholds and minimum debt service coverage tests. Our joint ventures may contain make whole provisions in the event that demands are made on any existing guarantees. As of December 31, 2020, the maximum amount of joint venture debt guaranteed by the Company is \$21.9 million.

22. Subsequent Events

Dividends

In January 2021, the Company's Board of Directors declared a \$0.1775 cash dividend per common share payable on February 12, 2021 to each shareholder of record on January 29, 2021, and the Trustees of Tanger GP Trust declared a \$0.1775 cash distribution per Operating Partnership unit to the Operating Partnership's unitholders.

Jeffersonville

In January 2021, we sold a non-core outlet center in Jeffersonville, OH for net proceeds of \$8.1 million, which resulted in no gain or loss on sale of assets.

Equity Grants

During February 2021, the Compensation Committee of the Company approved the general terms of the Tanger Factory Outlet Centers, Inc. 2021 Outperformance Plan (the "2021 OPP") covering the Company's senior executive officers whereby the value of approximately \$6.2 million restricted common shares may be earned if certain share price appreciation goals are achieved over a three year measurement period. Also during February 2021, the Company granted a value of approximately \$5.8 million restricted common shares and restricted share units to the Company's non-employee directors and the Company's senior executive officers.

23. Quarterly Financial Data of the Company (Unaudited)

The following table sets forth the Company's summarized quarterly financial information for the years ended December 31, 2020 and 2019 (unaudited and in thousands, except per common share data). This information is not required for the Operating Partnership:

	Year Ended December 31, 2020 ⁽¹⁾			
	First Quarter ⁽²⁾	Second Quarter ^{(3),(5)}	Third Quarter ^{(4),(5)}	Fourth Quarter ⁽⁶⁾
Total revenues	\$ 111,633	\$ 63,990	\$ 103,213	\$ 111,155
Net income (loss)	(28,119)	(23,890)	13,719	277
Income (loss) attributable to Tanger Factory Outlet Centers, Inc.	(26,882)	(22,688)	13,029	263
Income (loss) available to common shareholders of Tanger Factory Outlet Centers, Inc.	\$ (27,398)	\$ (22,864)	\$ 12,883	\$ 260

Basic earnings per common share:

Net income (loss)	\$ (0.30)	\$ (0.25)	\$ 0.14	\$ —
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Diluted earnings per common share:

Net income (loss)	\$ (0.30)	\$ (0.25)	\$ 0.14	\$ —
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- (1) Quarterly amounts may not add to annual amounts due to the effect of rounding on a quarterly basis.
- (2) In first quarter of 2020, net loss includes an impairment charge of \$45.7 million related to our Foxwoods outlet center.
- (3) The second quarter net loss includes our share of an impairment charge totaling \$3.1 million in the 2020 period related to the Saint-Sauveur, Quebec outlet center in our Canadian joint venture.
- (4) In the third quarter of 2020, net income includes a \$2.3 million gain recorded on the sale of Terrell outlet center.
- (5) We had significant revenue reductions caused by the COVID-19 pandemic.
- (6) In fourth quarter of 2020, net income includes an impairment charges of \$21.6 million related to our Foxwoods and Jeffersonville outlet centers.

	Year Ended December 31, 2019 ⁽¹⁾			
	First Quarter ⁽²⁾	Second Quarter	Third Quarter	Fourth Quarter ⁽³⁾
Total revenues	\$ 123,155	\$ 115,707	\$ 118,994	\$ 120,492
Net income (loss)	65,841	14,457	24,809	(12,379)
Income (loss) attributable to Tanger Factory Outlet Centers, Inc.	62,331	13,727	23,546	(11,749)
Income (loss) available to common shareholders of Tanger Factory Outlet Centers, Inc.	\$ 61,720	\$ 13,613	\$ 23,241	\$ (12,055)

Basic earnings per common share :

Net income (loss)	\$ 0.66	\$ 0.15	\$ 0.25	\$ (0.13)
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Diluted earnings per common share:

Net income (loss)	\$ 0.66	\$ 0.15	\$ 0.25	\$ (0.13)
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- (1) Quarterly amounts may not add to annual amounts due to the effect of rounding on a quarterly basis.
- (2) In the first quarter of 2019, net income includes a \$43.4 million gain recorded on the sale of our Nags Head, Ocean City, Park City, and Williamsburg outlet centers.
- (3) In the fourth quarter of 2019, net loss includes a \$37.6 impairment charge related to our Jeffersonville, Ohio outlet center.

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
For the Year Ended December 31, 2020 (in thousands)

Description		Initial cost to Company		Costs Capitalized Subsequent to Acquisition (Improvements) ⁽¹⁾		Gross Amount Carried at Close of Period December 31, 2020 ⁽²⁾				Accumulated Depreciation ⁽¹⁾	Date of Construction or Acquisition	Life Used to Compute Depreciation in Income Statement
Outlet Center Name	Location	Encumbrances ⁽³⁾	Land	Buildings, Improvements & Fixtures	Land	Buildings, Improvements & Fixtures	Land	Buildings, Improvements & Fixtures	Total			
Atlantic City	Atlantic City, NJ	\$ 28,569	\$ —	\$ 125,988	\$ —	\$ 13,217	\$ —	\$ 139,205	\$ 139,205	\$ 41,233	2011 ⁽⁵⁾	(4)
Blowing Rock	Blowing Rock, NC	—	1,963	9,424	—	10,744	1,963	20,168	22,131	11,966	1997 ⁽⁵⁾	(4)
Branson	Branson, MO	—	4,407	25,040	396	25,794	4,803	50,834	55,637	34,646	1994	(4)
Charleston	Charleston, SC	—	10,353	48,877	—	18,801	10,353	67,678	78,031	35,640	2006	(4)
Commerce	Commerce, GA	—	1,262	14,046	707	37,204	1,969	51,250	53,219	36,367	1995	(4)
Daytona Beach	Daytona Beach, FL	—	9,913	80,410	—	1,119	9,913	81,529	91,442	19,671	2016	(4)
Deer Park	Deer Park, NY	—	82,413	173,044	—	17,797	82,413	190,841	273,254	53,667	2013 ⁽⁵⁾	(4)
Foley	Foley, AL	—	4,400	82,410	693	36,782	5,093	119,192	124,285	63,527	2003 ⁽⁵⁾	(4)
Fort Worth	Fort Worth, TX	—	11,157	87,025	—	(470)	11,157	86,555	97,712	15,133	2017	(4)
Foxwoods ⁽⁶⁾	Mashantucket, CT	—	—	130,941	—	(88,449)	—	42,492	42,492	223	2015	(4)
Gonzales	Gonzales, LA	—	679	15,895	—	35,008	679	50,903	51,582	36,714	1992	(4)
Grand Rapids	Grand Rapids, MI	—	8,180	75,420	—	3,250	8,180	78,670	86,850	22,466	2015	(4)
Hershey	Hershey, PA	—	3,673	48,186	—	7,258	3,673	55,444	59,117	18,873	2011 ⁽⁵⁾	(4)
Hilton Head I	Bluffton, SC	—	4,753	—	—	33,740	4,753	33,740	38,493	17,208	2011	(4)
Hilton Head II	Bluffton, SC	—	5,128	20,668	—	16,773	5,128	37,441	42,569	19,414	2003 ⁽⁵⁾	(4)
Howell	Howell, MI	—	2,250	35,250	—	16,131	2,250	51,381	53,631	28,716	2002 ⁽⁵⁾	(4)
Jeffersonville ⁽⁷⁾	Jeffersonville, OH	—	2,752	111,276	(2,498)	(103,079)	254	8,197	8,451	19	2011 ⁽⁵⁾	(4)
Lancaster	Lancaster, PA	—	3,691	19,907	6,656	65,339	10,347	85,246	95,593	34,120	1994 ⁽⁵⁾	(4)
Locust Grove	Locust Grove, GA	—	2,558	11,801	57	32,856	2,615	44,657	47,272	29,515	1994	(4)
Mebane	Mebane, NC	—	8,821	53,362	—	6,039	8,821	59,401	68,222	31,261	2010	(4)
Myrtle Beach Hwy 17	Myrtle Beach, SC	—	—	80,733	—	29,030	—	109,763	109,763	41,650	2009 ⁽⁵⁾	(4)
Myrtle Beach Hwy 501	Myrtle Beach, SC	—	8,781	56,798	—	42,505	8,781	99,303	108,084	51,238	2003 ⁽⁵⁾	(4)

TANGER FACTORY OUTLET CENTERS, INC. AND SUBSIDIARIES
TANGER PROPERTIES LIMITED PARTNERSHIP AND SUBSIDIARIES
SCHEDULE III - REAL ESTATE AND ACCUMULATED DEPRECIATION
For the Year Ended December 31, 2020 (in thousands)

Description		Encumbrances ⁽³⁾	Initial cost to Company		Costs Capitalized Subsequent to Acquisition (Improvements) ⁽¹⁾		Gross Amount Carried at Close of Period December 31, 2020 ⁽²⁾			Accumulated Depreciation ⁽¹⁾	Date of Construction or Acquisition	Life Used to Compute Depreciation in Income Statement
Outlet Center Name	Location		Land	Buildings, Improvements & Fixtures	Land	Buildings, Improvements & Fixtures	Land	Buildings, Improvements & Fixtures	Total			
Pittsburgh	Pittsburgh, PA	—	5,528	91,288	3	14,773	5,531	106,061	111,592	63,335	2008	(4)
Rehoboth Beach	Rehoboth Beach, DE	—	20,600	74,209	1,875	57,639	22,475	131,848	154,323	60,446	2003 ⁽⁵⁾	(4)
Riverhead	Riverhead, NY	—	—	36,374	6,152	134,695	6,152	171,069	177,221	106,460	1993	(4)
San Marcos	San Marcos, TX	—	1,801	9,440	2,301	59,480	4,102	68,920	73,022	47,227	1993	(4)
Savannah	Pooler, GA	—	8,432	167,780	—	4,313	8,432	172,093	180,525	28,077	2016 ⁽⁵⁾	(4)
Sevierville	Sevierville, TN	—	—	18,495	—	52,047	—	70,542	70,542	43,846	1997 ⁽⁵⁾	(4)
Southaven	Southaven, MS	51,371	14,959	60,263	—	(3,500)	14,959	56,763	71,722	19,552	2015	(4)
Tilton	Tilton, NH	—	1,800	24,838	29	14,307	1,829	39,145	40,974	20,696	2003 ⁽⁵⁾	(4)
Westgate	Glendale, AZ	—	19,037	140,337	—	5,241	19,037	145,578	164,615	21,730	2016 ⁽⁵⁾	(4)
Other	Various	—	306	1,495	—	—	306	1,495	1,801	357	Various	(4)
		\$ 79,940	\$249,597	\$1,931,020	\$16,371	\$ 596,384	\$ 265,968	\$ 2,527,404	\$ 2,793,372	\$ 1,054,993		

(1) Includes impairment charges that reduce the asset value.

(2) Aggregate cost for federal income tax purposes is approximately \$3.0 billion.

(3) Including premiums and net of debt origination costs.

(4) We generally use estimated lives of 33 years for buildings and 15 years for land improvements. Tenant finishing allowances are depreciated over the initial lease term. Building, improvements & fixtures includes amounts included in construction in progress on the consolidated balance sheet.

(5) Represents year acquired.

(6) Amounts net of \$60.1 million impairment charges taken during 2020 consisting of a write-off of approximately \$89.8 million of building and improvement cost and \$29.7 million of accumulated depreciation.

(7) Amounts net of \$86.8 million impairment charges taken during 2020, 2019 and 2018 consisting of a write-off of approximately \$2.5 million of land, \$117.9 million of building and improvement cost and \$33.6 million of accumulated depreciation.

TANGER FACTORY OUTLET CENTERS, INC. and SUBSIDIARIES
TANGER PROPERTIES LIMITED PARTNERSHIP and SUBSIDIARIES
SCHEDULE III - (Continued)
REAL ESTATE AND ACCUMULATED DEPRECIATION
For the Year Ended December 31, 2020
(in thousands)

The changes in total real estate for the years ended December 31, 2020, 2019 and 2018 are as follows:

	2020	2019	2018
Balance, beginning of year	\$ 2,896,894	\$ 3,046,179	\$ 3,088,470
Improvements	29,516	50,117	48,357
Impairment charges	(91,603)	(40,539)	(77,958)
Dispositions and other	(41,435)	(158,863)	(12,690)
Balance, end of year	<u>\$ 2,793,372</u>	<u>\$ 2,896,894</u>	<u>\$ 3,046,179</u>

The changes in accumulated depreciation for the years ended December 31, 2020, 2019 and 2018 are as follows:

	2020	2019	2018
Balance, beginning of year	\$ 1,009,951	\$ 981,305	\$ 901,967
Depreciation for the period	101,665	107,129	114,198
Impairment charges	(30,208)	(3,028)	(30,050)
Dispositions and other	(26,415)	(75,455)	(4,810)
Balance, end of year	<u>\$ 1,054,993</u>	<u>\$ 1,009,951</u>	<u>\$ 981,305</u>

TANGER OUTLETS FORM 10K



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Directors And Executive Leadership

BOARD OF DIRECTORS

Steven B. Tanger

Executive Chair of the Board
Director since May 1993.
Tanger Factory Outlet Centers, Inc.

Stephen J. Yalof

Director since July 2020.
Chief Executive Officer,
Tanger Factory Outlet Centers, Inc.

Jeffrey B. Citrin

Director since July 2014.
Managing Principal, Hectad Strategic Partners

David B. Henry

Lead Director
Director since January 2016.
Retired Vice Chairman of the Board of Directors
and Chief Executive Officer of Kimco Realty Corporation

Thomas J. Reddin

Director since July 2010.
Managing Partner and Owner, Red Dog
Ventures, LLC

Bridget M. Ryan-Berman

Director since January 2009.
Managing Partner, Ryan Berman Advisory, LLC

Susan E. Skerritt

Director since July 2018.
Senior Advisor to Promontory Financial Group,
an IBM company

Luis A. Ubiñas

Director since July 2019.
Former President, Ford Foundation

EXECUTIVE TEAM

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Executive Chair of the Board

Stephen J. Yalof

Chief Executive Officer

Lisa J. Morrison

Executive Vice President, Leasing

Chad D. Perry

Executive Vice President,
General Counsel and Secretary

Leslie A. Swanson

Executive Vice President,
Operations

Carrie A. Warren

Executive Vice President and
Chief Marketing Officer

James F. Williams

Executive Vice President and
Chief Financial Officer

SENIOR TEAM

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Senior Vice President, Marketing

Joshua D. Cox

Senior Vice President, Tax

Thomas J. Guerrieri Jr.

Senior Vice President, Chief
Accounting Officer

Cyndi M. Holt

Senior Vice President, Finance
and Investor Relations

Beth G. Lippincott

Senior Vice President, Leasing
and Strategic Planning

Quentin N. Pell

Senior Vice President, Business
Operations / Chief of Staff

Mary E. Shifflette

Senior Vice President, Leasing

Craig Wise

Senior Vice President, Digital
Transformation

SKT
LISTED
NYSE

Member New York
Stock Exchange

REIT
NAREIT

Member National
Association of Real Estate
Investment Trusts, Inc.

Tanger[®]Outlets

Investor Information

EXECUTIVE OFFICES

3200 Northline Avenue, Suite 360
Greensboro, NC 27408
Phone: (336) 292-3010
FAX: (336) 297-0931
Internet: www.TangerOutlets.com
E-mail: TangerMail@TangerOutlets.com

REGIONAL OFFICES

119 Washington Avenue, Suite 607
Miami Beach, FL 33139

SHARE INFORMATION

New York Stock Exchange: Common Shares – SKT

SHAREHOLDER ACCOUNTS

Questions regarding shareholder accounts should be directed to the company's registrar and transfer agent:

Computershare Trust Company, NA
P. O. Box 43078
Providence, RI 02940-3078
(781) 575-3170
Internet: www.computershare.com

DIVIDENDS

Dividends are paid on or around the 15th day of February, May, August and November.

DIVIDEND REINVESTMENT & SHARE PURCHASE PLAN

The company's Dividend Reinvestment and Share Purchase Plan provides shareholders an opportunity to automatically reinvest quarterly dividends into additional SKT common shares, as well as the opportunity to purchase additional SKT common shares directly. For information describing the Plan, please contact Investor Relations at (336) 834-6892.

FINANCIAL INFORMATION

The company's Annual Report on Form 10-K as filed with the Securities and Exchange Commission, along with our written charter for the individual committees of our Board of Directors, our Corporate Governance Guidelines and our Code of Business Conduct and Ethics are available on our website. For copies of these and other materials, contact Investor Relations at (336) 834-6892.

CEO/CFO CERTIFICATION

In accordance with NYSE listing standards, our CEO certification required by Section 303A.12(a) of the NYSE Listed Company Manual has been filed with the NYSE. In addition, our CEO and CFO certifications required under Section 302 of the Sarbanes-Oxley Act are filed as exhibits to the Annual Report on Form 10-K.

DIVERSITY, EQUITY AND INCLUSION

Tanger Outlets is deeply committed to representing and reflecting the unique experiences, perspectives and viewpoints of our people, partners, and the communities we serve. Tanger strives to champion diversity, equity and inclusion for all. This empowers us to reach our full potential, fueling innovation and connection with our employees and the customers and communities we serve.

INVESTOR INQUIRIES

Cyndi M. Holt
Senior Vice President, Finance and Investor Relations
Tanger Factory Outlet Centers, Inc.
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Greensboro, NC 27408
Phone: (336) 834-6892
Fax: (336) 297-0931
E-mail: Cyndi.Holt@TangerOutlets.com

ANNUAL MEETING NOTICE

Shareholders are cordially invited to virtually attend our annual meeting on Friday, May 21, 2021 at 10 a.m. Information on how to attend virtually is included in our Notice and Access materials.

INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Deloitte & Touche LLP, Charlotte, NC



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Phone: (336) 292-3010 or 1-800-4-TANGER | Fax: (336) 297-0931 | TangerOutlets.com