

REFINITIV

DELTA REPORT

10-Q

FRPH - FRP HOLDINGS, INC.

10-Q - SEPTEMBER 30, 2024 COMPARED TO 10-Q - JUNE 30, 2024

The following comparison report has been automatically generated

TOTAL DELTAS 905

█	CHANGES	187
█	DELETIONS	461
█	ADDITIONS	257

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

(Mark One)

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

For the quarterly period ended **June 30, 2024** **September 30, 2024**

or

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

For the transition period from _____ to _____

Commission File Number: 001-36769

FRP HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Florida

47-2449198

(State or other jurisdiction of
incorporation or organization)

(I.R.S. Employer Identification No.)

**200 W. Forsyth St., 7th Floor,
Jacksonville, FL**

32202

(Address of principal executive offices)

(Zip Code)

904- 396-5733

(Registrant's telephone number, including area code)

Title of each class

Trading Symbol

Name of each exchange on which registered

Common Stock, \$.10 par value

FRPH

NASDAQ

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. 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). 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," "non-accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

Class	Outstanding at August 6, 2024	November 5, 2024
Common Stock, \$.10 par value per share		19,030,474 shares

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FRP HOLDINGS, INC.
FORM 10-Q
QUARTER ENDED JUNE SEPTEMBER 30, 2024

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Preliminary Note Regarding Forward-Looking Statements.

This Quarterly Report on Form 10-Q, together with other statements and information publicly disseminated by us, contains "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. The words or phrases "anticipate," "estimate," "believe," "budget," "continue," "could," "intend," "may," "plan," "potential," "predict," "seek," "should," "will," "would," "expect," "objective," "projection," "forecast,"

"goal," "guidance," "outlook," "effort," "target" and similar expressions identify forward-looking statements. Such statements reflect management's current views with respect to financial results related to future events and are based on assumptions and expectations that may not be realized and are inherently subject to risks and uncertainties, many of which cannot be predicted with accuracy and some of which might not even be anticipated. Future events and actual results, financial or otherwise, may differ, perhaps materially, from the results discussed in the forward-looking statements. Risk factors discussed in Item 1A of this Form 10-Q and other factors that might cause differences, some of which could be material, include, but are not limited to: the possibility that we may be unable to find appropriate investment opportunities; levels of construction activity in the markets served by our mining properties; demand for flexible warehouse/office facilities in the MidAtlantic and Florida; multifamily demand in Washington D.C., and Greenville, South Carolina; our ability to obtain zoning and entitlements necessary for property development; the impact of lending and capital market conditions on our liquidity, our ability to finance projects or repay our debt; general real estate investment and development risks; vacancies in our properties; risks associated with developing and managing properties in partnership with others; competition; our ability to renew leases or re-lease spaces as leases expire; illiquidity of real estate investments; bankruptcy or defaults of tenants; the impact of restrictions imposed by our credit facility; the level and volatility of interest rates; environmental liabilities; inflation risks; cyber security risks; as well as other risks listed from time to time in our SEC filings, including but not limited to, our annual and quarterly reports. We have no obligation to revise or update any forward-looking statements, other than as imposed by law, as a result of future events or new information. Readers are cautioned not to place undue reliance on such forward-looking statements. Additional information regarding these and other risk factors may be found in the Company's other filings made from time to time with the Securities and Exchange Commission.

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PART I. FINANCIAL INFORMATION, ITEM 1. FINANCIAL STATEMENTS

FRP HOLDINGS, INC. AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS

(Unaudited) (In thousands, except share data)

	June 30	December 31	September 30	December 31		
Assets:	Assets:	2024	2023	Assets:	2024	2023
Real estate investments at cost:						
Land						
Land						
Land						
Buildings and improvements						
Projects under construction						
Total investments in properties						
Less accumulated depreciation and depletion						
Net investments in properties						
Real estate held for investment, at cost						
Real estate held for investment, at cost						
Real estate held for investment, at cost						
Investments in joint ventures						
Net real estate investments						
Cash and cash equivalents						
Cash and cash equivalents						
Cash and cash equivalents						
Cash held in escrow						

Accounts receivable, net
Federal and state income taxes receivable

Unrealized rents

Deferred costs

Other assets

Total assets

Liabilities:

Liabilities:

Liabilities:

Secured notes payable

Secured notes payable

Secured notes payable

Accounts payable and accrued liabilities

Other liabilities

Federal and state income taxes payable

Deferred revenue

Deferred income taxes

Deferred compensation

Tenant security deposits

Total liabilities

Commitments and contingencies

Commitments and contingencies

Commitments and contingencies

Equity:

Equity:

Equity:

Common stock, \$.10 par value

25,000,000 shares authorized,

19,030,474 and 18,968,448 shares issued and outstanding, respectively

Common stock, \$.10 par value

25,000,000 shares authorized,

19,030,474 and 18,968,448 shares issued and outstanding, respectively

Common stock, \$.10 par value

25,000,000 shares authorized,

19,030,474 and 18,968,448 shares issued and outstanding, respectively

Capital in excess of par value

Retained earnings

Accumulated other comprehensive income, net

Total shareholders' equity

Noncontrolling interest

Noncontrolling interests

Total equity

Total liabilities and equity

See accompanying notes.

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FRP HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF INCOME

(In thousands except per share amounts)
 (Unaudited)

THREE MONTHS ENDED

	JUNE 30,	JUNE 30,	JUNE 30,			
	SEPTEMBER 30,	SEPTEMBER 30,	SEPTEMBER 30,	2024	2023	2024
	2024	2024	2024	2023	2023	2023
Revenues:						
Lease revenue						
Lease revenue						
Lease revenue						
Mining royalty and rents						
Mining royalty and rents						
Mining royalty and rents						
Total revenues						
Total revenues						
Total revenues						
Cost of operations:						
Cost of operations:						
Cost of operations:						
Depreciation/depletion/amortization						
Depreciation/depletion/amortization						
Depreciation/depletion/amortization						
Operating expenses						
Operating expenses						
Operating expenses						
Property taxes						
Property taxes						
Property taxes						
General and administrative						
General and administrative						
General and administrative						

Total cost of operations
Total cost of operations
Total cost of operations
Total operating profit
Total operating profit
Total operating profit
Net investment income
Net investment income
Net investment income
Interest expense
Interest expense
Interest expense
Equity in loss of joint ventures
Equity in loss of joint ventures
Equity in loss of joint ventures
(Loss) gain on sale of real estate
(Loss) gain on sale of real estate
(Loss) gain on sale of real estate
Income before income taxes
Income before income taxes
Income before income taxes
Provision for income taxes
Provision for income taxes
Provision for income taxes
Net income
Net income
Net income
Income (loss) attributable to noncontrolling interest
Income (loss) attributable to noncontrolling interest
Income (loss) attributable to noncontrolling interest
Net income attributable to the Company
Net income attributable to the Company
Net income attributable to the Company
Earnings per common share (1):
Earnings per common share (1):
Earnings per common share (1):
Net income attributable to the Company-
Net income attributable to the Company-
Net income attributable to the Company-
Basic
Basic
Basic

Diluted

Diluted

Diluted

Number of shares (in thousands) used in computing (1):

Number of shares (in thousands) used in computing (1):

Number of shares (in thousands) used in computing (1):

-basic earnings per common share

-basic earnings per common share

-basic earnings per common share

-diluted earnings per common share

-diluted earnings per common share

-diluted earnings per common share

(1) Adjusted for the 2 for 1 stock split that occurred in April 2024

See accompanying notes.

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FRP HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(In thousands except per share amounts)
(Unaudited)

THREE MONTHS
ENDED

JUNE 30

JUNE 30

JUNE 30

SEPTEMBER 30

SEPTEMBER 30

SEPTEMBER 30

2024

2024

2024

2023 | 2024 | 2023 | 2023 | 2024 | 2023

Net income

Other comprehensive income (loss) net of tax:

Other comprehensive income (loss) net of tax:

Other comprehensive income (loss) net of tax:

Unrealized gain on investments, net of income tax effect of \$1, \$76, \$1 and \$215

Unrealized gain on investments, net of income tax effect of \$1, \$76, \$1 and \$215

Unrealized gain on investments, net of income tax effect of \$1, \$76, \$1 and \$215

Minimum pension liability, net of income tax effect of \$(3), \$(5), \$(6) and \$(5)

Minimum pension liability, net of income tax effect of \$(3), \$(5), \$(6) and \$(5)
Minimum pension liability, net of income tax effect of \$(3), \$(5), \$(6) and \$(5)
Unrealized gain on investments, net of income tax effect of \$21, \$145, \$21 and \$360
Unrealized gain on investments, net of income tax effect of \$21, \$145, \$21 and \$360
Unrealized gain on investments, net of income tax effect of \$21, \$145, \$21 and \$360
Minimum pension liability, net of income tax effect of \$(2), \$(3), \$(8) and \$(8)
Minimum pension liability, net of income tax effect of \$(2), \$(3), \$(8) and \$(8)
Minimum pension liability, net of income tax effect of \$(2), \$(3), \$(8) and \$(8)

Comprehensive income

Comprehensive income

Comprehensive income

Less comp. income (loss) attributable to noncontrolling interest

Less comp. income (loss) attributable to noncontrolling interests

Less comp. income (loss) attributable to noncontrolling interest

Less comp. income (loss) attributable to noncontrolling interests

Less comp. income (loss) attributable to noncontrolling interest

Less comp. income (loss) attributable to noncontrolling interests

Comprehensive income attributable to the Company

Comprehensive income attributable to the Company

Comprehensive income attributable to the Company

See accompanying notes

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FRP HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
SIX NINE MONTHS ENDED JUNE SEPTEMBER 30, 2024 AND 2023
(In thousands) (Unaudited)

2024 | 2024 | 2023 | 2024 | 2023

Cash flows from operating activities:

Net income

Net income

Net income

Adjustments to reconcile net income to net cash provided by operating activities:

Adjustments to reconcile net income to net cash provided by operating activities:

Adjustments to reconcile net income to net cash provided by operating activities:

Depreciation, depletion and amortization

Depreciation, depletion and amortization

Depreciation, depletion and amortization
Deferred income taxes
Deferred income taxes
Deferred income taxes
Equity in loss of joint ventures
Equity in loss of joint ventures
Equity in loss of joint ventures
Gain on sale of equipment and property
Gain on sale of equipment and property
Gain on sale of equipment and property
Stock-based compensation
Stock-based compensation
Stock-based compensation
Net changes in operating assets and liabilities:
Net changes in operating assets and liabilities:
Net changes in operating assets and liabilities:
Accounts receivable
Accounts receivable
Accounts receivable
Deferred costs and other assets
Deferred costs and other assets
Deferred costs and other assets
Accounts payable and accrued liabilities
Accounts payable and accrued liabilities
Accounts payable and accrued liabilities
Income taxes payable and receivable
Income taxes payable and receivable
Income taxes payable and receivable
Other long-term liabilities
Other long-term liabilities
Other long-term liabilities
Net cash provided by operating activities
Net cash provided by operating activities
Net cash provided by operating activities
Cash flows from investing activities:
Cash flows from investing activities:
Cash flows from investing activities:
Investments in properties
Investments in properties
Investments in properties
Investments in joint ventures
Investments in joint ventures
Investments in joint ventures
Return of capital from investments in joint ventures
Return of capital from investments in joint ventures

Return of capital from investments in joint ventures

Proceeds from sales of investments available for sale

Proceeds from sales of investments available for sale

Proceeds from sales of investments available for sale

Proceeds from the sale of assets

Proceeds from the sale of assets

Proceeds from the sale of assets

Cash held in escrow

Cash held in escrow

Cash held in escrow

Net cash used in investing activities

Net cash used in investing activities

Net cash used in investing activities

Cash flows from financing activities:

Cash flows from financing activities:

Cash flows from financing activities:

Distribution to noncontrolling interest

Distribution to noncontrolling interest

Distribution to noncontrolling interest

Distribution to noncontrolling interests

Distribution to noncontrolling interests

Distribution to noncontrolling interests

Contributions from noncontrolling interest

Contributions from noncontrolling interest

Contributions from noncontrolling interest

Repurchase of Company stock

Repurchase of Company stock

Repurchase of Company stock

Exercise of employee stock options

Exercise of employee stock options

Exercise of employee stock options

Net cash used in financing activities

Net cash used in financing activities

Net cash used in financing activities

Net cash provided by (used in) financing activities

Net cash provided by (used in) financing activities

Net cash provided by (used in) financing activities

Net decrease in cash and cash equivalents

Net decrease in cash and cash equivalents

Net decrease in cash and cash equivalents

Cash and cash equivalents at beginning of year

Cash and cash equivalents at beginning of year

Cash and cash equivalents at beginning of year

Cash and cash equivalents at end of the period

Cash and cash equivalents at end of the period

Cash and cash equivalents at end of the period

Supplemental disclosure of cash flow information:

Supplemental disclosure of cash flow information:

Supplemental disclosure of cash flow information:

Cash paid during the period for:

Cash paid during the period for:

Cash paid during the period for:

Interest

Interest

Interest

Income taxes

Income taxes

Income taxes

See accompanying notes.

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FRP HOLDINGS, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
SIX NINE MONTHS ENDED JUNE SEPTEMBER 30, 2024 AND 2023

(In thousands, except share amounts) (Unaudited)

	Common Stock	Common Stock	Capital in Excess of Par Value	Retained Earnings net	Accum. Other Comprehensive Income	Total Shareholders' Equity	Non-Controlling Interest	Total Equity	Common Stock	Capital in Excess of Par Value	Retained Earnings net	Accum. Other Comprehensive Income	Total Shareholders' Equity	Non-Controlling Interests	Total Equity
Balance at April 1, 2024															
Balance at April 1, 2024															
Balance at April 1, 2024															
Balance at July 1, 2024															
Balance at July 1, 2024															
Balance at July 1, 2024															
Stock option grant compensation															
Restricted stock compensation															

Shares
granted to
Directors
Restricted
stock award

Net income

Net income

Contributions
from partner

Distributions
to partners

Minimum
pension
liability,net

Unrealized
loss on
investment,
net

Balance at

June 30, 2024

Balance at
September
30, 2024

Balance at January 1,
2024

Balance at January 1,
2024

Balance at January 1,
2024

Stock option
grant
compensation

Restricted
stock
compensation

Shares
granted to
Directors

Restricted
stock award

Net income

Contributions
from partner

Distributions
to partners

Minimum
pension
liability,net

Unrealized loss on investment, net
Balance at June 30, 2024
Balance at September 30, 2024
Balance at April 1, 2023
Balance at April 1, 2023
Balance at April 1, 2023
Balance at July 1, 2023
Balance at July 1, 2023
Balance at July 1, 2023
Stock option grant compensation
Restricted stock compensation
Shares granted to Directors
Shares purchased and cancelled
Shares purchased and cancelled
Shares purchased and cancelled
Net income
Distributions to partners
Minimum pension liability, net
Unrealized loss on investment, net
Balance at June 30, 2023
Balance at September 30, 2023
Balance at January 1, 2023
Balance at January 1, 2023

Balance at January 1,

2023

Exercise of
stock options

Stock option
grant
compensation

Restricted
stock
compensation

Shares
granted to
Employees

Shares
granted to
Directors

Restricted
stock award

Shares
purchased
and cancelled

Net income

Distributions
to partners

Minimum
pension
liability, net

Unrealized
loss on
investment,
net

Balance at
June 30, 2023

Balance at
September
30, 2023

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FRP HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
JUNE SEPTEMBER 30, 2024
(Unaudited)

(1) Description of Business and Basis of Presentation.

FRP Holdings, Inc. is a holding company engaged in the real estate business, namely (i) leasing and management of commercial properties owned by the Company, (ii) leasing and management of mining royalty land owned by the Company, (iii) real property acquisition, entitlement, development and construction primarily for apartment, retail, warehouse, and office, (iv) leasing and management of residential apartment buildings.

The accompanying consolidated financial statements include the accounts of FRP Holdings, Inc. (the "Company" or "FRP") inclusive of our operating real estate subsidiaries, FRP Development Corp. ("Development"), Florida Rock Properties, Inc. ("Properties"), Riverfront Investment Partners I, LLC, and Riverfront Investment Partners II, LLC. Our investments accounted for under the equity method of accounting are detailed in Note 11. Our ownership of Riverfront Investment Partners I, LLC, and Riverfront Investment Partners II, LLC, Lakeland Logistics Park Venture, LLC, and Davie Logistics Park Venture, LLC includes a non-controlling interest representing the ownership of our partners.

These statements have been prepared in accordance with accounting principles generally accepted in the United States of America for interim financial information and the instructions to Form 10-Q and do not include all the information and footnotes required by accounting principles generally accepted in the United States of America for complete financial statements. In the opinion of management, all adjustments (primarily consisting of normal recurring accruals) considered necessary for a fair statement of the results for the interim periods have been included. Operating results for the ~~six~~ nine months ended ~~June 30, 2024~~ September 30, 2024 are not necessarily indicative of the results that may be expected for the year ending December 31, 2024. The accompanying consolidated financial statements and the information included under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations" should be read in conjunction with the Company's consolidated financial statements and related notes included in the Company's Form 10-K for the year ended December 31, 2023.

During the 4th quarter of 2023, the Company renamed two of its reportable segments in order to clearly define projects within those segments. The Asset Management segment was renamed the Industrial and Commercial segment and the Stabilized Joint Venture segment was renamed the Multifamily Segment. There was no impact on consolidated total revenues, total cost of operations, operating profit, net earnings per share, or segment operating results as a result of these changes.

On April 12, 2024, the Company effected a 2-for-1 forward split of its common stock in the nature of a dividend. All share and per share information, including share-based compensation, throughout this report have been retroactively adjusted to reflect the stock split. The shares of common stock retain a par value of \$0.10 per share. Accordingly, an amount equal to the par value of the increased shares resulting from the stock split was reclassified from capital in excess of par value to common stock.

(2) Recently Issued Accounting Standards.

In June 2016, November 2023, the Financial Accounting Standards Board (FASB) issued Accounting Standards Update (ASU) 2016-2023 - 13, "Financial Instruments - Credit Losses, 07, "Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures," which introduced new guidance which requires disclosure of the significant segment expense categories that are regularly provided to the chief operating decision maker (CODM) and disclosure of the individual or committee identified as the CODM beginning with our 10-K for an approach based on expected losses to estimate credit losses on certain types 2024. We are evaluating the impact of financial instruments. This standard was effective for the Company as of January 1, 2023. There was no impact on our financial statements at adoption. segment disclosures.

In December 2023, the FASB issued ASU No. 2023-09, Improvements to Income Tax Disclosures (Topic 740). The ASU requires additional information about the effective tax rate reconciliation and income taxes paid beginning with our 10-K for 2025. We are evaluating the impact of this standard on our income tax disclosures.

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(3) Business Segments.

The Company is reporting its financial performance based on four reportable segments, Industrial and Commercial (previously named Asset Management), Mining Royalty Lands, Development, and Multifamily (previously named Stabilized Joint Venture), as described below.

The Industrial and Commercial Segment owns, leases and manages in-service commercial properties. Currently this includes nine warehouses in two business parks, an office building partially occupied by the Company, and two ground leases all wholly owned by the Company. This segment will also include joint ventures of commercial properties when they are stabilized.

Our Mining Royalty Lands Segment owns several properties totaling approximately 16,650 acres currently under lease for mining rents or royalties (this does not include the 4,280 acres owned in our Brooksville joint venture with Vulcan Materials). Other than one location in Virginia, all of these properties are located in Florida and Georgia.

Through our Development Segment, we own and are continuously assessing the highest and best use of several parcels of land that are in various stages of development. Our overall strategy in this segment is to convert all of our non-income producing lands into income production through (i) an orderly process of constructing new buildings for us to own and operate or (ii) a sale to, or joint venture with, third parties. Additionally, our Development segment will form joint ventures on new developments of land not previously owned by the Company. Two of our joint ventures in the segment, Lakeland Logistics Park Venture, LLC ("Lakeland") and Davie Logistics Park Venture, LLC ("Davie") are consolidated.

The Multifamily Segment includes joint ventures which own, lease and manage apartment projects that have met our initial lease-up criteria. Two of our joint ventures in the segment, Riverfront Investment Partners I, LLC ("Dock 79") and Riverfront Investment Partners II, LLC ("The Maren") are consolidated.

The ownership of **Dock 79 and The Maren** our consolidated joint ventures attributable to our partners are reflected on our consolidated balance sheet as a noncontrolling interest. Such noncontrolling interests are reported on the Consolidated Balance Sheets within equity but separately from shareholders' equity. On the Consolidated Statements of Income, all of the revenues and expenses from **Dock 79 and The Maren** our consolidated joint ventures are reported in net income, including both the amounts attributable to the Company and the noncontrolling interest. The amounts of consolidated net income attributable to the noncontrolling interest is clearly identified on the accompanying Consolidated Statements of Income.

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Operating results and certain other financial data for the Company's business segments are as follows (in thousands):

Three Months ended	Three Months ended	Six Months ended	Three Months ended	Nine Months ended
June 30,	June 30,			
September 30,	September 30,			
2024	2024	2023	2024	2023

Revenues:

Industrial and commercial
Industrial and commercial
Industrial and commercial
Mining royalty lands
Mining royalty lands
Mining royalty lands
Development
Development
Development

Multifamily

Multifamily

Multifamily

\$
\$
\$
\$

Operating profit (loss):

Operating profit (loss):

Operating profit (loss):

Before general and
administrative expenses:

Before general and
administrative expenses:

Before general and
administrative expenses:

Industrial and commercial

Industrial and commercial

Industrial and commercial

Mining royalty lands

Mining royalty lands

Mining royalty lands

Development

Development

Development

Multifamily

Multifamily

Multifamily

Operating profit before G&A

Operating profit before G&A

Operating profit before G&A

General and administrative
expenses:

General and administrative
expenses:

General and administrative
expenses:

Allocated to Industrial and
commercial

Allocated to Industrial and
commercial

Allocated to Industrial and
commercial

Allocated to Mining royalty lands
Allocated to Mining royalty lands
Allocated to Mining royalty lands
Allocated to Development
Allocated to Development
Allocated to Development
Attributable to Unconsolidated JVs
Attributable to Unconsolidated JVs
Attributable to Unconsolidated JVs
Allocated to Multifamily
Allocated to Multifamily
Allocated to Multifamily

Total general and administrative expenses

Total general and administrative expenses

Total general and administrative expenses

\$

\$

\$

Interest expense

Interest expense

Interest expense

Depreciation, depletion and amortization:

Depreciation, depletion and amortization:

Depreciation, depletion and amortization:

Industrial and commercial

Industrial and commercial

Industrial and commercial

Mining royalty lands

Mining royalty lands

Mining royalty lands

Development

Development

Development

Multifamily

Multifamily

Multifamily

\$

\$

\$

Capital expenditures:

Capital expenditures:

Capital expenditures:

Industrial and commercial

Industrial and commercial

Industrial and commercial

Mining royalty lands

Mining royalty lands

Mining royalty lands

Development

Development

Development

Multifamily

Multifamily

Multifamily

\$
=====
\$
=====
\$
=====

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	June 30, Identifiable net assets 2024	December 31, 2023	September 30, Identifiable net assets 2024	December 31, 2023
Identifiable net assets				
Industrial and commercial				
Industrial and commercial				
Industrial and commercial				
Mining royalty lands				
Development				
Multifamily				
Cash items				
Unallocated corporate assets	_____			
	\$ =====			

(4) Related Party Transactions.

The Company was a party to an Administrative Services Agreement which resulted from our January 30, 2015 spin-off of Patriot Transportation Holding, Inc. (Patriot). The Administrative Services Agreement set forth the terms on which Patriot provided FRP certain services that were shared prior to the Spin-off, including the services of certain shared executive officers. The boards of the respective companies amended and extended this agreement for one year effective April 1, 2023. Patriot was purchased by an unaffiliated company in December 2023 resulting in FRP and Patriot no longer being related parties. The previously shared executive officers became FRP employees as of January 1, 2024.

The consolidated statements of income reflect charges and/or allocation from Patriot for these services of ~~\$451,000~~ \$687,000 for the ~~six~~ nine months ended ~~June 30, 2023~~ ~~September 30, 2023~~. These charges are reflected as part of general and administrative expense.

To determine these allocations between FRP and Patriot as set forth in the Administrative Services Agreement, we employ an allocation method to allocate said expenses and thus we believe that the allocations to FRP are a reasonable approximation of the costs related to FRP's operations, but any such related-party transactions cannot be presumed to be carried out on an arm's-length basis.

(5) Long-Term Debt.

The Company's outstanding debt, net of unamortized debt issuance costs, consisted of the following (in thousands):

	June 30, 2024	December 31, 2023
	September 30, 2024	December 31, 2023
Fixed rate mortgage loans, 3.03% interest only, matures 4/1/2033		
Unamortized debt issuance costs		
Unamortized debt issuance costs		
Unamortized debt issuance costs		
Credit agreement		
Credit agreement		
Credit agreement		
	\$	
	\$	
	\$	

On December 22, 2023, the Company entered into a 2023 Amended and Restated Credit Agreement (the "Credit Agreement") with Wells Fargo Bank, N.A. ("Wells Fargo"), effective December 22, 2023. The Credit Agreement modifies the Company's prior Credit Agreement with Wells Fargo dated January 30, 2015. The Credit Agreement establishes a three-year revolving credit facility with a maximum facility amount of \$35 million. The interest rate under the Credit Agreement will be 2.25% over the Daily Simple SOFR in effect. A commitment fee of 0.35% per annum is payable quarterly on the unused portion of the commitment. As of ~~June 30, 2024~~ ~~September 30, 2024~~, there was no debt outstanding on this revolver, \$548,000 outstanding under letters of credit and \$34,452,000 available for borrowing. The letters of credit were issued to guarantee certain obligations to state

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state agencies related to real estate development. Most of the letters of credit are irrevocable for a period of one year and typically are automatically extended for additional one-year periods. The letter of credit fee is 2.25% and applicable interest rate would have been 7.59% 7.08% on June 30, 2024 September 30, 2024. The credit agreement contains affirmative financial covenants and negative covenants, including a minimum tangible net worth. As of June 30, 2024 September 30, 2024, these covenants would have limited our ability to pay dividends to a maximum of \$100.4 \$102.6 million combined.

On March 19, 2021, the Company refinanced Dock 79 and The Maren pursuant to separate Loan Agreements and Deed of Trust Notes entered into with Teachers Insurance and Annuity Association of America, LLC. Dock 79 and The Maren borrowed principal sums of \$92,070,000 and \$88,000,000 respectively, in connection with the refinancing. The loans are separately secured by the Dock 79 and The Maren real property and improvements, bear a fixed interest rate of 3.03% per annum, and require monthly payments of interest only with the principal due in full April 1, 2033. Either loan may be prepaid subsequent to April 1, 2024, subject to yield maintenance premiums. Either loan may be transferred to a qualified buyer as part of a one-time sale subject to a 60% loan to value, minimum of 7.5% debt yield and a 0.75% transfer fee.

Debt cost amortization of \$44,000 \$45,000 and \$37,000 \$37,000 was recorded during the three months ended June 30, 2024 September 30, 2024 and 2023, respectively. Debt cost amortization of \$89,000 \$134,000 and \$74,000 \$111,000 was recorded during the six nine months ended June 30, 2024 September 30, 2024 and 2023, respectively. During the three months ended June 30, 2024 September 30, 2024 and 2023 the Company capitalized interest costs of \$617,000 \$705,000 and \$283,000 \$297,000, respectively. During the six nine months ended June 30, 2024 September 30, 2024 and 2023 the Company capitalized interest costs of \$1,150,000 \$1,855,000 and \$689,000 \$986,000, respectively.

The Company was in compliance with all debt covenants as of June 30, 2024 September 30, 2024.

(6) Earnings per Share.

The following details the computations of the basic and diluted earnings per common share as adjusted for the 2 for 1 stock split that occurred in April 2024 (in thousands, except per share amounts):

	Three Months ended	Three Months ended	Six Months ended	Three Months ended	Nine Months ended
		June 30,	June 30,		
		September			
		30,		September 30,	
2024					
Weighted average common shares outstanding during the period – shares used for basic earnings per common share					
Weighted average common shares outstanding during the period – shares used for basic earnings per common share					
Weighted average common shares outstanding during the period – shares used for basic earnings per common share					
Common shares issuable under share-based payment plans which are potentially dilutive					
Common shares issuable under share-based payment plans which are potentially dilutive					
Common shares issuable under share-based payment plans which are potentially dilutive					
Common shares used for diluted earnings per common share					
Common shares used for diluted earnings per common share					

Common shares used for diluted earnings per common share

Net income attributable to the Company

Net income attributable to the Company

Net income attributable to the Company

Earnings per common share:

Earnings per common share:

Earnings per common share:

-basic

-basic

-basic

-diluted

-diluted

-diluted

For the three and **six** nine months ended **June 30, 2024** **September 30, 2024**, the Company had 3,236 shares of stock options outstanding which were not used in the calculation above because the effect would have been anti-dilutive.

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(7) Stock-Based Compensation Plans.

The Company has two Stock Option Plans (the 2006 Stock Incentive Plan and the 2016 Equity Incentive Option Plan) under which stock options, restricted stock, and stock awards were granted to directors, officers and key employees. The 2016 plan permits the grant of stock options, stock appreciation rights, restricted stock awards, restricted stock units, or stock awards. The options awarded under the plans have similar characteristics. All stock options are non-qualified and expire ten years from the date of grant. Stock based compensation awarded to directors, officers and employees are exercisable immediately or become exercisable in cumulative installments of 20% or 25% at the end of each year following the date of grant. When stock options are exercised, the Company issues new shares after receipt of exercise proceeds and taxes due, if any, from the grantee. The number of common shares available for future issuance was **569,384** **569,118** at **June 30, 2024** **September 30, 2024**.

The Company utilizes the Black-Scholes valuation model for estimating fair value of stock compensation for options awarded to officers and employees. Each grant is evaluated based upon assumptions at the time of grant. The assumptions were no dividend yield, expected volatility between 28.5% and 41.2%, risk-free interest rate of 2.0% to 3.8% and expected life of 5.0 to 7.0 years.

The dividend yield of zero is based on the fact that the Company does not pay cash dividends and has no present intention to pay cash dividends. Expected volatility is estimated based on the Company's historical experience over a period equivalent to the expected life in years. The risk-free interest rate is based on the U.S. Treasury constant maturity interest rate at the date of grant with a term consistent with the expected life of the options granted. The expected life calculation is based on the observed and expected time to exercise options by the employees.

The Company recorded the following stock compensation expense in its consolidated statements of income (in thousands):

Three Months ended	Three Months ended	Six Months ended	Three Months ended	Nine Months ended
	June 30,	June 30,		
	September 30,	September 30,		
2024				

Stock option grants	
Stock option grants	
Stock option grants	
Restricted stock awards	
Restricted stock awards	
Restricted stock awards	
Annual director stock award	
Annual director stock award	
Annual director stock award	
Employee stock grant	_____
Employee stock grant	\$
Employee stock grant	_____
	\$

	\$

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A summary of changes in outstanding options is presented below (in thousands, except share and per share amounts):

Options

Outstanding at January 1, 2024

Outstanding at January 1, 2024

Outstanding at January 1, 2024

Time-based awards granted

Time-based awards granted

Time-based awards granted

Performance-based awards granted

Performance-based awards granted

Performance-based awards granted

Outstanding at June 30, 2024

Outstanding at June 30, 2024

Outstanding at June 30, 2024

Outstanding at September 30, 2024

Outstanding at September 30, 2024

Outstanding at September 30, 2024

Exercisable at June 30, 2024

Exercisable at September 30, 2024

Exercisable at June 30, 2024

Exercisable at September 30, 2024

Exercisable at June 30, 2024
Exercisable at September 30, 2024
Vested during three months ended June 30, 2024
Vested during three months ended September 30, 2024
Vested during three months ended June 30, 2024
Vested during three months ended September 30, 2024
Vested during three months ended June 30, 2024
Vested during three months ended September 30, 2024

The aggregate intrinsic value of exercisable in-the-money options was **\$1,082,000** **\$1,252,000** and the aggregate intrinsic value of outstanding in-the-money options was **\$1,082,000** **\$1,252,000** based on the market closing price of **\$28.52** **\$29.86** on **June 28, 2024** **September 30, 2024** less exercise prices.

The unrecognized compensation cost of options granted to FRP employees but not yet vested as of **June 30, 2024** **September 30, 2024** was **\$311,000**, **\$292,000**, which is expected to be recognized over a weighted-average period of **4.1** **3.8** years.

A summary of changes in restricted stock awards is presented below (in thousands, except share and per share amounts):

Restricted stock	Restricted stock	Number Of Shares	Weighted	Weighted	Weighted	Weighted	Weighted	Weighted
			Average Exercise Price	Average Remaining Term (yrs)	Average Fair Value(000's)			
Non-vested at January 1, 2024								
Non-vested at January 1, 2024								
Non-vested at January 1, 2024								
Time-based awards granted								
Time-based awards granted								
Time-based awards granted								
Performance-based awards granted								
Performance-based awards granted								

Non-vested at January 1, 2024

Non-vested at January 1, 2024

Non-vested at January 1, 2024

Time-based awards granted

Time-based awards granted

Time-based awards granted

Performance-based awards granted

Performance-based awards granted

Performance-based awards

granted

Vested

Vested

Vested

Non-vested at June 30, 2024

Non-vested at June 30, 2024

Non-vested at June 30, 2024

Non-vested at September 30, 2024

Non-vested at September 30, 2024

Non-vested at September 30, 2024

Total unrecognized compensation cost of restricted stock granted but not yet vested as of **June 30, 2024** **September 30, 2024** was **\$3,061,000** **\$2,736,000** which is expected to be recognized over a weighted-average period of **2.9** **2.8** years.

(8) Contingent Liabilities.

The Company may be involved in litigation on a number of matters and is subject to certain claims which arise in the normal course of business. The Company has retained certain self-insurance risks with respect to losses for third party liability and property damage. In the opinion of management, none of these matters are expected

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to have a material adverse effect on the Company's consolidated financial condition, results of operations or cash flows.

The Company is subject to numerous environmental laws and regulations. The Company believes that the ultimate disposition of currently known environmental matters will not have a material effect on its financial position, liquidity, or operations. The Company can give no assurance that previous environmental studies with respect to its properties have revealed all potential environmental contaminants; that any previous owner, occupant or tenant did not create any material environmental condition not known to the Company; that the current environmental condition of the properties will not be affected by tenants and occupants, by the condition of nearby properties, or by unrelated third parties; and that changes in applicable environmental laws and regulations or their interpretation will not result in additional environmental liability to the Company.

As of **June 30, 2024** **September 30, 2024**, there was \$548,000 outstanding under letters of credit. The letters of credit were issued to guarantee certain obligations to state agencies related to real estate development.

The Company and MidAtlantic Realty Partners (MRP) provided a guaranty for the interest carry cost of \$110 million loan on the Bryant Street Partnerships issued in December 2023. The Company and MRP have a side agreement limiting the Company's guarantee to its proportionate ownership. The value of the guarantee was calculated at \$1.5 million based on the present value of our assumption of 0.8% interest savings over the anticipated 36-month term. This amount is included as part of the Company's investment basis and is amortized to expense over the 36 months. The Company will evaluate the guarantee liability based upon the success of the project and assuming no payments are made under the guarantee, the Company will have a gain for \$1.5 million when the loan is paid in full.

(9) Concentrations.

The mining royalty lands segment has a total of five tenants currently leasing mining locations and one lessee that accounted for 22.3% 22.4% of the Company's consolidated revenues during the six nine months ended June 30, 2024 September 30, 2024, and \$493,000 \$517,000 of accounts receivable at June 30, 2024 September 30, 2024. The termination of these lessees' underlying leases could have a material adverse effect on the Company. The Company places its cash and cash equivalents with Wells Fargo Bank TD Bank, and First Horizon TD Bank. At times, such amounts may exceed FDIC limits.

(10) Fair Value Measurements.

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value hierarchy prioritizes the inputs to valuation techniques used to measure fair value into three broad levels. Level 1 means the use of quoted prices in active markets for identical assets or liabilities. Level 2 means the use of values that are derived principally from or corroborated by observable market data. Level 3 means the use of inputs that are unobservable and significant to the overall fair value measurement.

At June 30, 2024 September 30, 2024, the Company was invested in U.S. Treasury notes valued at \$136,493,000 \$117,933,000 maturing in 2024. The unrealized gain on these investments \$3,000 \$89,000 was recorded as part of comprehensive income and based on the estimated market value by Wells Fargo Bank, N.A. (Level 1).

At June 30, 2024 September 30, 2024 and December 31, 2023, the carrying amount reported in the consolidated balance sheets for cash and cash equivalents including U.S. Treasury notes was adjusted to fair value as described above.

The fair values of the Company's other mortgage notes payable were estimated based on current rates available to the Company for debt of the same remaining maturities. At June 30, 2024 September 30, 2024, the carrying amount and fair value of such other long-term debt was \$180,070,000 and \$141,880,000, \$149,366,000, respectively. At December 31, 2023, the carrying amount and fair value of such other long-term debt was \$180,070,000 and \$145,678,000, respectively.

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(11) Investments in Joint Ventures.

The Company has investments in joint ventures, primarily with other real estate developers. Joint ventures where FRP is not the primary beneficiary are reflected in the line "Investment in joint ventures" on the balance sheet and "Equity in loss of joint ventures" on the income statement. The assets of these joint ventures are restricted to use by the joint ventures and their obligations can only be settled by their assets or additional contributions by the partners.

The following table summarizes the Company's investments in unconsolidated joint ventures (in thousands):

Common Ownership	The Company's Total Investment	Total Assets of The Partnership	Profit (Loss) Of the Partnership	The Company's Share of Profit (Loss) of the Partnership
FRP Ownership	The Company's Total Investment	Total Assets of The Partnership	Profit (Loss) Of the Partnership	The Company's Share of Profit (Loss) of the Partnership
As of June 30, 2024				

As of June 30, 2024
As of June 30, 2024
As of September 30, 2024
As of September 30, 2024
As of September 30, 2024

Brooksville Quarry, LLC
 Brooksville Quarry, LLC
 Brooksville Quarry, LLC
 BC FRP Realty, LLC
 Buzzard Point Sponsor, LLC
 Bryant Street Partnerships
 Lending ventures
BBX Partnerships
 Estero Partnership
 The Verge Partnership
 Greenville Partnerships
 Total

The Company completed negotiations with MRP concerning the ownership adjustment related to the Bryant Street stabilization and conversion of FRP preferred equity to common equity resulting in FRP ownership of 72.10% effective in 2024 compared to 61.36% prior ownership.

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The major classes of assets, liabilities and equity of the Company's Investments in Joint Ventures as of **June 30, 2024** **September 30, 2024** are summarized in the following two tables (in thousands):

	As of June 30, 2024
	As of September 30, 2024
Investments in real estate, net	Buzzard Point Sponsor, LLC
Investments in real estate, net	Buzzard Point Sponsor, LLC
Investments in real estate, net	Buzzard Point Sponsor, LLC
Cash and restricted cash	Buzzard Point Sponsor, LLC
Cash and restricted cash	Buzzard Point Sponsor, LLC
Cash and restricted cash	Buzzard Point Sponsor, LLC
Unrealized rents & receivables	
Unrealized rents & receivables	

Unrealized rents & receivables

Deferred costs

Deferred costs

Deferred costs

Total Assets

Total Assets

Total Assets

=====

Secured notes payable

Secured notes payable

Secured notes payable

Other liabilities

Other liabilities

Other liabilities

Capital – FRP

Capital – FRP

Capital – FRP

Capital – Third Parties

Capital – Third Parties

Capital – Third Parties

Total Liabilities and Capital

Total Liabilities and Capital

Total Liabilities and Capital

As of June 30, 2024

BBX
Partnerships

BBX
Partnerships

BBX
Partnerships

Brooksville
Quarry, LLC

Brooksville
Quarry, LLC

Brooksville
Quarry, LLC

Investments in real estate, net

Investments in real estate, net

Investments in real estate, net

Cash and restricted cash

Cash and restricted cash

Cash and restricted cash

Unrealized rents & receivables

Unrealized rents & receivables

Unrealized rents & receivables

Deferred costs

Deferred costs

Deferred costs

Total Assets

Total Assets

Total Assets

=====

Secured notes payable

Secured notes payable

Secured notes payable

Other liabilities

Other liabilities

Other liabilities

Capital – FRP

Capital – FRP

Capital – FRP

Capital – Third Parties

Capital – Third Parties

Capital – Third Parties

Total Liabilities and Capital

Total Liabilities and Capital

Total Liabilities and Capital

The Company's capital recorded by the unconsolidated Joint Ventures is **\$5,264,000** **\$5,260,000** less than the Investment in Joint Ventures reported in the Company's consolidated balance sheet due primarily to capitalized interest.

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The major classes of assets, liabilities and equity of the Company's Investments in Joint Ventures as of December 31, 2023 are summarized in the following two tables (in thousands):

	As of December 31, 2023					
	Buzzard Point Sponsor, LLC	Bryant Street Partnership	Estero Partnership	Verge Partnership	Greenville Partnership	Total Multifamily JV's
Investments in real estate, net	\$ 0	187,616	35,576	128,154	95,911	\$ 447,257
Cash and restricted cash	0	7,543	3,076	1,323	2,000	13,942
Unrealized rents & receivables	0	6,737	0	403	127	7,267
Deferred costs	4,652	738	0	293	185	5,868
Total Assets	\$ 4,652	202,634	38,652	130,173	98,223	\$ 474,334
Secured notes payable	\$ 0	107,084	16,000	72,691	66,434	\$ 262,209

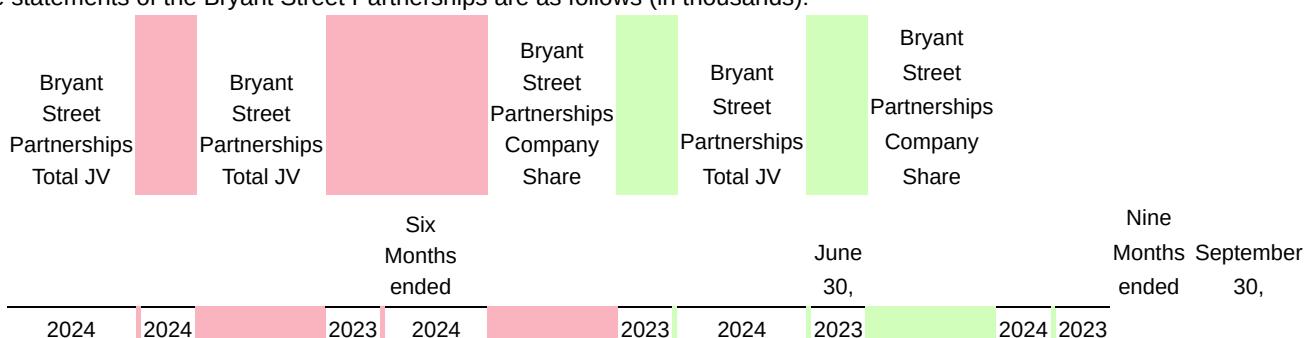
Other liabilities	0	3,129	0	1,344	3,867	8,340
Capital – FRP	2,326	69,779	3,600	34,391	10,450	120,546
Capital – Third Parties	2,326	22,642	19,052	21,747	17,472	83,239
Total Liabilities and Capital	\$ 4,652	202,634	38,652	130,173	98,223	\$ 474,334

	As of December 31, 2023				
	Brooksville Quarry, LLC	BC FRP Realty, LLC	Lending Ventures	Multifamily JV's	Grand Total
Investments in real estate, net	\$ 14,358	21,503	17,117	447,257	\$ 500,235
Cash and restricted cash	80	127	0	13,942	14,149
Unrealized rents & receivables	0	464	0	7,267	7,731
Deferred costs	1	360	0	5,868	6,229
Total Assets	\$ 14,439	22,454	17,117	474,334	\$ 528,344
Secured notes payable	\$ 0	12,086	(10,578)	262,209	\$ 263,717
Other liabilities	0	402	0	8,340	8,742
Capital – FRP	7,552	4,983	27,695	120,546	160,776
Capital - Third Parties	6,887	4,983	0	83,239	95,109
Total Liabilities and Capital	\$ 14,439	22,454	17,117	474,334	\$ 528,344

The amount of consolidated retained earnings (accumulated deficit) for these joint ventures was **\$(26,216,000)** **\$(28,388,000)** and **\$(21,823,000)** as of **June 30, 2024** **September 30, 2024** and December 31, 2023, respectively.

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The income statements of the Bryant Street Partnerships are as follows (in thousands):



Revenues:

- Rental Revenue
- Rental Revenue
- Rental Revenue
- Revenue
- other

Total
Revenues

Cost of operations:

Cost of operations:

Cost of operations:

Depreciation and
amortization

Depreciation and
amortization

Depreciation and
amortization

Operating
expenses

Property
taxes

Total cost of
operations

**Total operating
profit/(loss)**

**Total operating
profit/(loss)**

**Total operating
profit/(loss)**

Interest
expense

Net loss before tax

Net loss before tax

Net loss before tax

The Company completed negotiations with MRP concerning the ownership adjustment related to the Bryant Street stabilization and conversion of FRP preferred equity to common equity resulting in FRP ownership of 72.10% effective in 2024 compared to 61.36% prior ownership.

Interest expense in 2024 for the total JV and the Company share includes \$372,000 loan guarantee expense.

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The income statements of the Greenville Partnerships are as follows (in thousands):

Greenville Partnerships Total JV	Greenville Partnerships Total JV	Greenville Partnerships Company Share	Greenville Partnerships Total JV	Greenville Partnerships Company Share
--	--	--	--	--

	Six Months ended			June 30,			Nine Months ended			September 30,
	2024	2024	2023	2024	2023	2024	2023	2024	2023	

Revenues:

Rental Revenue

Rental Revenue

Rental Revenue

Revenue

– other

Total

Revenues

Cost of operations:

Cost of operations:

Cost of operations:

Depreciation and
amortization

Depreciation and
amortization

Depreciation and
amortization

Operating
expenses

Property
taxes

Total cost
of
operations

**Total operating
profit/(loss)**

**Total operating
profit/(loss)**

**Total operating
profit/(loss)**

Interest
expense

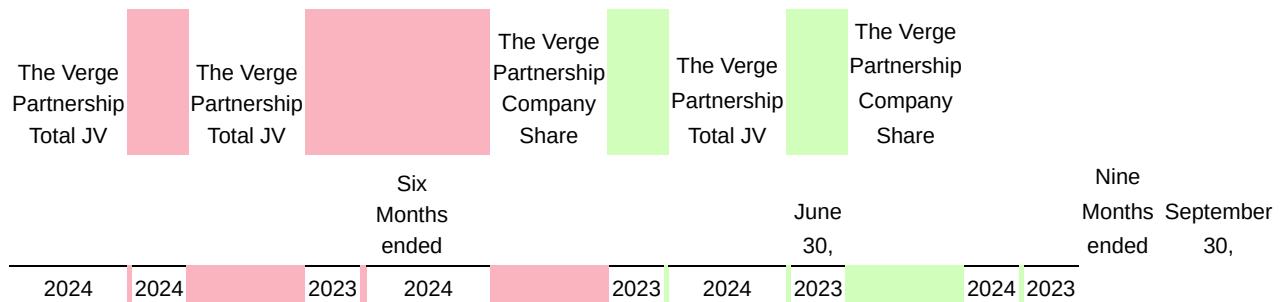
Net loss before tax

Net loss before tax

Net loss before tax

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The income statements of The Verge Partnership are as follows (in thousands):



Revenues:

Rental Revenue

Rental Revenue

Rental Revenue

Revenue –
other

Total

Revenues

Cost of operations:

Cost of operations:

Cost of operations:

Depreciation and
amortization

Depreciation and
amortization

Depreciation and
amortization

Operating
expenses

Property
taxes

Total cost of
operations

**Total operating
profit/(loss)**

**Total operating
profit/(loss)**

**Total operating
profit/(loss)**

Interest
expense

Net loss before tax

Net loss before tax

Net loss before tax

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

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with the accompanying unaudited consolidated financial statements and related notes in Item 1 and with the audited consolidated financial statements and the related notes included in our annual report on Form 10-K. The statements in this discussion regarding industry outlook, our expectations regarding our future performance, liquidity and capital resources and other non-historical statements in this discussion are forward-looking statements. These forward-looking statements are subject to risks and uncertainties, including the risks and uncertainties described in "Forward-Looking Statements" below and "Risk Factors" on page 5 of our annual report on Form 10-K. Our actual results may differ materially from those contained in or implied by any forward-looking statements. We assume no obligation to revise or publicly release any revision to any forward-looking statements contained in this quarterly report on Form 10-Q, unless required by law.

The following discussion includes a non-GAAP financial measure measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission to supplement the financial results as reported in accordance with GAAP. The non-GAAP financial measure measures discussed is are operating profit before G&A and pro rata net operating income (NOI). The Company uses this metric these metrics to analyze its continuing operations and to monitor, assess, and identify meaningful trends in its operating and financial performance. This measure is These measures are not, and should not be viewed as, a substitute for GAAP financial measures. Refer to "Non-GAAP Financial Measure" below in this quarterly report for a more detailed discussion, including reconciliations of this non-GAAP financial measure to its most directly comparable GAAP financial measure.

Executive Overview - FRP Holdings, Inc. is a real estate development, asset management and operating company businesses. Our properties are located in the Mid-Atlantic and southeastern United States and consist of:

Residential apartments in Washington, D.C. and Greenville, SC;

Warehouse or office properties in Maryland or and Florida either existing or under development;

Mining royalty lands, some of which will have second lives as development properties;

Mixed use properties under development in Washington, D.C., Greenville, SC or and Florida; and

Properties held for sale.

We believe our present capital structure, liquidity and land provide us with years of opportunities to increase recurring revenue and long-term value for our shareholders. We intend to focus on our core business activity of real estate development, asset management and operations. We are developing a broad range of asset types that we believe will provide acceptable rates of return, grow recurring revenues and support future business. Capital commitments will be funded with cash proceeds from completed projects, existing cash, owned-land, partner capital and financing arrangements. Timing of projects may be subject to delays caused by factors beyond our control.

Reportable Segments

We conduct primarily all of our business in the following four reportable segments: (1) multifamily (2) industrial and commercial (3) mining royalty lands and (4) development.

Multifamily Segment.

At quarter end, the segment included five six stabilized joint ventures which own and manage apartment buildings and any retail associated with a development. These assets create revenue and cash flows through tenant rental

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payments, and reimbursements for building operating costs. The Company's residential units typically lease for 12 – 15-month lease terms. 90 days prior to the expiration, as long as there is no balance due, the tenant is offered a renewal. If no notice to move out or renew is made, then the leases go month-to-month until notification of termination or renewal is received. Renewal terms are typically 9 – 12 months. The Company also leases retail spaces at apartment/mixed-use properties. The retail leases are typically 10 -15-year leases with options to renew for another five years. Retail leases at these properties also include percentage rents which collect on average 3-6% of annual sales when a tenant exceeds a breakpoint stipulated by each individual lease. All base rent revenue is recognized on a straight-line basis. The major cash outlays incurred in this segment are for property taxes, full service maintenance, property management, utilities and marketing. The five multifamily properties are as follows:

Property and Occupancy	JV Partners	Method of Accounting	% Ownership
Dock 79, Washington, D.C., 305 apartment units and 14,430 square feet of retail	MRP Realty & Steuart Investment Company	Consolidated	52.8%
The Maren, Washington, D.C., 264 residential units and 6,811 square feet of retail	MRP Realty & Steuart Investment Company	Consolidated	56.33%
The Verge, Washington, D.C., 344 apartment units and 8,536 square feet of retail.	MRP Realty	Equity Method	61.37%
Riverside, Greenville, SC, 200 apartment units	Woodfield Development	Equity Method	40%
Bryant Street, Washington D.C., 487 apartment units and 91,520 square feet of retail	MRP Realty	Equity Method	72.10%
.408 Jackson, Greenville, SC, 227 apartment units and 4,539 square feet of retail.	Woodfield Development	Equity Method	40%

Industrial and Commercial Segment.

The Industrial and Commercial segment owns, leases and manages commercial properties. These assets create revenue and cash flows through tenant rental payments, lease management fees and reimbursements for building operating costs. The Company's industrial warehouses typically lease for terms ranging from 3 – 10 years often with one or two renewal options. All base rent revenue is recognized on a straight-lined basis. All of the commercial warehouse leases are triple net leases. Common area maintenance costs (CAM Revenue) are billed monthly, and insurance and real estate taxes are billed annually. 34 Loveton is the only office product wherein all leases are full service therefore there is no CAM revenue. Office leases are also recognized on a straight-lined basis. The major cash outlays incurred in this segment are for operating expenses, real estate taxes, building repairs, lease commissions and other lease closing costs, construction of tenant improvements, capital to acquire existing operating buildings and closing costs related thereto and personnel costs of our property management team.

As of **June 30, 2024** **September 30, 2024**, the Industrial and Commercial Segment includes four commercial properties owned by the Company in fee simple as follows:

- 1) 34 Loveton Circle in suburban Baltimore County, MD consists of one office building totaling 33,708 square feet which is 90.8% occupied (16% of the space is occupied by the Company for use as our Baltimore headquarters). The property is subject to commercial leases with various tenants.

2) 155 E. 21st Street in Duval County, FL was an office building property that remains under lease through March 2026. We permitted the tenant to demolish all structures on the property during 2018.

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3) Cranberry Run Business Park in Harford County, MD consists of five industrial buildings totaling 267,737 square feet which are 92.1% occupied and 92.1% leased. The property is subject to commercial leases with various tenants.

4) Hollander 95 Business Park in Baltimore City, MD consists of three industrial buildings totaling 247,340 square feet and two ground leases that are 100.0% leased and 100.0% occupied.

Management focuses on and compares several measures of success in this segment (1) net operating income growth, (2) average annual occupancy rate (defined as the occupied square feet at the end of each month during a fiscal year divided by the number of months to date in that fiscal year as a percentage of the average number of square feet in the portfolio over that same time period), and (3) tenant retention success rate (as a percentage of total square feet to be renewed). Among the ways we improve these metrics are focusing on tenant retention and occupancy growth, building and refurbishing assets to meet Class A and Class B institutional grade classifications, and minimizing deferred capital expenditures and asset complexities.

Mining Royalty Lands Segment.

Our Mining Royalty Lands segment owns several properties totaling approximately 16,650 acres currently under lease for mining rents or royalties (excluding the 4,280 acres owned by our Brooksville joint venture with Vulcan Materials). Other than one location in Virginia, all of these properties are located in Florida and Georgia. The Company leases land under long-term leases that grant the lessee the right to mine and sell sand and stone deposits from our property in exchange for royalty payments. A typical lease has an option to extend the lease for additional terms. The typical lease in this segment requires the tenant to pay us a royalty based on the number of tons of mined materials sold from our property during a given fiscal year multiplied by a percentage of the average annual sales price per ton sold. As a result of this royalty payment structure, we do not bear the cost risks associated with the mining operations, however, we are subject to the cyclical nature of the construction markets in these states as both volumes and prices tend to fluctuate through those cycles. In certain locations, typically where the sand and stone deposits on our property have been depleted but the tenant still has a need for the leased land, we collect a minimum annual rental amount. We believe strongly in the potential for future growth in construction in Florida, Georgia, and Virginia which would positively benefit our profitability in this segment.

The major expenses in this segment are comprised of collection and accounting for royalties, management's oversight of the mining leases, land entitlement for post-mining uses and property taxes at our non-leased locations and at our Grandin location which, unlike our other leased mining locations, are not entirely paid by the tenant. As such, our costs in this business are very low as a percentage of revenue, are relatively stable and are not affected by increases in production at our locations. Our current mining tenants include Vulcan Materials, Martin Marietta, Cemex, **Argos** **Summit Materials** and The Concrete Company.

Additionally, these locations provide us with opportunities for valuable "second lives" for these assets through proper land planning and entitlement.

Significant "Second life" Mining Lands:

Location	Acreage	Status
Brooksville, FL	4,280 +/-	Development of Regional Impact and County Land Use and Master Zoning in place for 5,800 residential unit, mixed-use development
Ft. Myers, FL	1,907 +/-	Seeking to rezone and obtain entitlements to allow residential development following mining operations and the extension of Alico Road
Total	6,187 +/-	

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Development Segment.

Through our Development segment, we own and are continuously monitoring for “the highest and best use” of several parcels of land that are in various stages of development. Our overall strategy in this segment is to convert all our non-income producing lands into income production through (i) an orderly process of constructing new commercial and residential buildings for us to own and operate or (ii) a sale to, or joint venture with, outside parties. Additionally, our Development segment will purchase land or form joint ventures for new developments of land not previously owned by the Company.

Revenues in this segment are generated predominately from land sales and interim property rents. The significant cash outlays incurred in this segment are for land acquisition costs, entitlement costs, property taxes, design and permitting, the personnel costs of our in-house management team and horizontal and vertical construction costs.

Development Segment – Warehouse/Office Land.

At **June 30, 2024** **September 30, 2024**, this segment owned the following future development parcels:

- 1) 54 acres of land that will be capable of supporting up to 635,000 square feet of industrial product located at 1001 Old Philadelphia Road in Aberdeen, MD.
- 2) 17 acres of land in Harford County, MD that accommodates a 258,000 square foot speculative warehouse project on Chelsea Road under construction due to be complete in the fourth quarter of 2024.
- 3) 170 acres of land in Cecil County, MD that can accommodate 900,000 square feet of industrial development.

We also have three properties that were either **spun-off** to us from Florida Rock Industries in 1986 or acquired by us from unrelated third parties. These properties, as a result of our “highest and best use” studies, are being prepared for income generation through sale or joint venture with third parties, and in certain cases we are leasing these properties on an interim basis for an income stream while we wait for the development market to mature.

Development Segment - Significant Investment Lands Inventory:

Location	Approx. Acreage	Status	NBV
Riverfront on the Anacostia Phases III-IV	2.25	Conceptual design program ongoing	\$7,196,000

Hampstead Trade Center, MD	118	Zoning applied for in preparation for sale	\$11,130,000
Square 664E, on the Anacostia River in DC	2.1	Under lease to Vulcan Materials as a concrete batch plant through 2026	\$7,275,000
Total	122.4		\$25,601,000

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<u>Location</u>	<u>Approx. Acreage</u>	<u>Status</u>	<u>NBV</u>
Riverfront on the Anacostia Phases III-IV	2.25	Conceptual design program ongoing	\$7,321,000
Hampstead Trade Center, MD	118	Zoning applied for in preparation for sale	\$11,290,000
Square 664E, on the Anacostia River in DC	2.1	Under lease to Vulcan Materials as a concrete batch plant through 2026	\$7,234,000
Total	122.4		\$25,845,000

Development Segment - Investments in Joint Ventures

The third leg of our Development Segment consists of investments in joint ventures for properties in development. The Company has investments in joint ventures, primarily with other real estate developers which are summarized below:

Property	JV Partner	Status	% Ownership
Brooksville Quarry, LLC near Brooksville, FL	Vulcan Materials Company	Future planned residential development of 4,280 acres which are currently subject to mining lease	50%
BC FRP Realty, LLC for 35 acres in Maryland	St John Properties	329,000 square-foot, multi-building business park in lease-up	50%
Aberdeen Overlook residential development in Harford County, MD		\$31.1 million in exchange for an interest rate of 10% and a 20% preferred return after which the Company is also entitled to a portion of proceeds from sale	Financing
Amber Ridge residential development in Prince George's County, MD		\$18.5 million in exchange for an interest rate of 10% and a 20% preferred return after which the Company is also entitled to a portion of proceeds from sale	Financing
The Verge at 1800 Half Street property in Buzzard Point area of Washington, D.C.	MRP Realty	Eleven-story structure with 344 apartments and 8,536 square feet of ground floor retail	61.37%
Estero, FL	Woodfield Development	Pre-development activities for a mixed-use project with 554 596 multifamily units, 72,000 70,000 square feet of commercial space, 41,000 40,000 square feet of office space and a boutique 170-key hotel	16%
FRP/MRP Buzzard Point Sponsor, LLC	MRP Realty	Pre-development activities for first phase of property owned by Steuart Investment Company (SIC) under a Contribution and Pre-Development Agreement between this partnership and SIC	50%
Woven property in Greenville, SC	Woodfield Development	Pre-development activities for a mixed-use project with approximately 214 multifamily units and 10,000 square feet of retail space	50%
Lakeland, FL	BBX Logistics	Pre-development activities for a 200,000 square foot class A warehouse.	50%
Broward County, FL	BBX Logistics	Pre-development activities for 182,000 square feet of industrial product.	50%

Joint ventures where FRP is not the primary beneficiary (including those in the Multifamily Segment) are reflected in the line "Investment in joint ventures" on the balance sheet and "Equity in loss of joint ventures" on

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the income statement. The following table summarizes the Company's investments in unconsolidated joint ventures (in thousands):

	Common Ownership	The Company's Total Investment	Total Assets of The Partnership	Profit (Loss) Of the Partnership	the Partnership	The Company's Share of Profit (Loss) of
						FRP Ownership
						The Company's Share of Profit (Loss) of
						The Company's Share of Profit (Loss) of
As of June 30, 2024						
As of June 30, 2024						
As of June 30, 2024						
As of September 30, 2024						
As of September 30, 2024						
As of September 30, 2024						
Brooksville Quarry, LLC						
Brooksville Quarry, LLC						
Brooksville Quarry, LLC						
BC FRP Realty, LLC						
Buzzard Point Sponsor, LLC						
Bryant Street Partnerships						
Lending ventures						
BBX Partnerships						
Estero Partnership						
The Verge Partnership						
Greenville Partnerships						
Total						

The major classes of assets, liabilities and equity of the Company's Investments in Joint Ventures unconsolidated joint ventures as of June 30, 2024 are summarized in the following two tables (in thousands):

As of June 30, 2024
As of September 30, 2024

Investments in real estate, net	Buzzard Point Sponsor, LLC
Investments in real estate, net	Buzzard Point Sponsor, LLC
Investments in real estate, net	Buzzard Point Sponsor, LLC
Cash and restricted cash	Buzzard Point Sponsor, LLC
Cash and restricted cash	Buzzard Point Sponsor, LLC
Cash and restricted cash	Buzzard Point Sponsor, LLC
Unrealized rents & receivables	
Unrealized rents & receivables	
Unrealized rents & receivables	
Deferred costs	
Deferred costs	
Deferred costs	
Total Assets	
Total Assets	
Total Assets	
Secured notes payable	
Secured notes payable	
Secured notes payable	
Other liabilities	
Other liabilities	
Other liabilities	
Capital – FRP	
Capital – FRP	
Capital – FRP	
Capital – Third Parties	
Capital – Third Parties	
Capital – Third Parties	
Total Liabilities and Capital	
Total Liabilities and Capital	
Total Liabilities and Capital	

Brooksville Quarry, LLC	BC FRP Realty, LLC	Lending Ventures	Multifamily JV's	Grand Total

Investments in real estate, net	\$ 14,356	21,084	16,929	444,816	\$ 497,185
Cash and restricted cash	74	108	0	10,825	11,007
Unrealized rents & receivables	0	451	0	7,764	8,215
Deferred costs	2	353	0	6,622	6,977
Total Assets	\$ 14,432	21,996	16,929	470,027	\$ 523,384
Secured notes payable	\$ 0	10,857	(10,445)	276,736	\$ 277,148
Other liabilities	66	283	0	5,540	5,889
Capital – FRP	7,515	5,428	27,374	111,695	152,012
Capital – Third Parties	6,851	5,428	0	76,056	88,335
Total Liabilities and Capital	\$ 14,432	21,996	16,929	470,027	\$ 523,384

Table The following table presents the calculation of [Contents](#) the Company's pro rata share of certain balance sheet items by segment as of September 30, 2024:

	As of June 30, 2024					
	BBX Partnerships	Brooksville Quarry, LLC	BC FRP Realty, LLC	Lending Ventures	Multifamily JV's	Grand Total
Investments in real estate, net	\$ 4,598	14,467	21,794	15,647	447,839	\$ 504,345
Cash and restricted cash	0	76	247	0	12,103	12,426
Unrealized rents & receivables	0	0	433	0	7,466	7,899
Deferred costs	0	5	234	0	6,137	6,376
Total Assets	\$ 4,598	14,548	22,708	15,647	473,545	\$ 531,046
Secured notes payable	\$ 0	0	10,921	(10,626)	276,356	\$ 276,651
Other liabilities	0	44	333	0	5,830	6,207
Capital – FRP	2,299	7,640	5,727	26,273	114,188	156,127
Capital – Third Parties	2,299	6,864	5,727	0	77,171	92,061
Total Liabilities and Capital	\$ 4,598	14,548	22,708	15,647	473,545	\$ 531,046

Pro rata balance sheet (in thousands)	Industrial and		Mining Royalty			Total
	Multifamily	Commercial	Lands	Development	Corporate	
Consolidated assets	\$ 351,637	38,117	47,733	142,269	147,162	\$ 726,918
Investments in unconsolidated joint ventures	(110,793)		(7,514)	(38,965)		(157,272)
Company's share of assets in unconsolidated joint ventures	261,647		7,216	36,514		305,377
Noncontrolling interest in consolidated assets	(110,222)			(15,227)	(1,894)	(127,343)

Pro rata assets	\$ 392,269	38,117	47,435	124,591	145,268	\$ 747,680
Consolidated secured notes payable	178,816					178,816
Company's share of debt in unconsolidated joint ventures	154,431			2,767		157,198
Noncontrolling interest in consolidated debt	(81,324)					(81,324)
Pro rata debt	\$ 251,923	—	—	2,767	—	\$ 254,690
Pro rata assets less debt	\$ 140,346	38,117	47,435	121,825	145,268	\$ 492,991
Deferred income taxes						(68,356)
Other liabilities and noncontrolling interest adjustment						(3,751)
Consolidated shareholder's equity						\$ 420,884

Executive Summary and Analysis – Net Income increased by 242% in the second quarter and 188% for the first six months compared to last year, despite operating profit remaining more or less flat. This increase is due both to the improved performance of the Verge during lease-up and increased net investment income from the steady sale of lots this year at Aberdeen Overlook, our most recent Lending Venture. In the secondthird quarter, Aberdeen Overlook generated \$1.5 million in investment income compared to \$564,000 in the second quarter last year from a previous lending venture, Amber Ridge. In the first six months, Aberdeen Overlook generated \$2.1 million in investment income compared to \$614,000 last year from Amber Ridge. While Lending Ventures are not necessarily part of our long-term core business strategy, they have been an effective way to put our balance sheet to work to generate real cash at better returns than treasuries.

The Company continued to grow Pro rata Net Operating Income (NOI) at the same meaningful clip that we have achieved over the last 36 months (21.6% CAGR since the same period in 2021). In the second quarter, we saw a 21.2% 39% improvement in pro rata NOI compared to the same period last year, and a 21.7% 28% increase in pro rata NOI in the first sixnine months compared to the same period last year. The Industrial and Commercial and Multifamily Segments were This is consistent with the primary drivers of this increase. We grew our Industrial and Commercial NOI by 41% in

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the second quarter and 44% in the first six months when compared to the same periods last year as 26.4% CAGR at which we burned through a rent abatement period (unrealized revenue) at two buildings at Hollander Business Park in 2023 and started generating real cash flow. Multifamily have grown pro rata NOI increased by 84% this quarter and 88% over the last three years on a trailing twelve month basis. The growth in pro rata NOI for the first six months when compared to third quarter was driven by increases across all segments but particularly in the same periods last year, mostly Mining and Royalties segment (80% increase). The substantial increase in Mining Royalty NOI was due to a \$2 million increase in unrealized revenue. This was mostly the stabilization result of .408 Jackson and Bryant Street. The addition a one-time, minimum royalty payment at one location which is

straight-lined across the life of the Verge to this segment later this year should only serve to increase the performance of this segment on an NOI basis. lease for GAAP revenue purposes.

In keeping with our strategy to grow our industrial footprint, in July, we closed on the purchase of the landShell construction is nearly complete for our industrial joint venture in Broward County, FL for a total purchase price of \$24.5 million, of which we contributed \$12.25 million. Per our partnership agreement, we represent 80% of the equity capital in this 182,000 square-foot class A building. We also closed on the land for our other industrial JV in Lakeland, FL at the end of the first quarter of this year for a total purchase price of \$2.8 million. We will account for 90% of the equity capital for this 200,000 square-foot industrial project. Total expected capex for these projects is \$57 million and \$28 million respectively with total equity capital of \$26 million and \$13 million and an expected start of construction by March of 2025 for both projects. We are in the home stretch on finishing shell construction on our Chelsea project Project in Harford County, MD. This 258,000 square-foot MD, which we expect to come in under budget and exceed our underwriting expectations upon stabilization. We are working to get shovel ready the sites of our two industrial building should be complete JV's in the fourth quarter of this year Florida with an expected anticipated construction start for both in March of 2025. These three projects represent 640,000 square feet of new, Class A, industrial product requiring \$116 million in total project cost, including land, capex and are in keeping with our stated strategy of \$30 million focusing on industrial development. We have underwritten all these projects at an unlevered 6-7% yield on cost but expect to outperform these assumptions.

Second Third Quarter Highlights

- 24% 8% increase in Net Income (\$2.01.4 million vs \$598,000) \$1.3 million)
- 21% 39% increase in pro rata NOI (\$9.211.3 million vs \$7.6 million \$8.1 million)
- 84% Pro rata NOI includes a one-time, catch-up, minimum royalty payment of \$1.9 million that applies to the prior twenty-four months as the tenant failed to meet a production requirement contained in the lease. This revenue was straight-lined over the life of the lease.
- 23% increase in the Multifamily segment's pro rata NOI primarily due to the transferlease up of Bryant St., 408 Jackson, and .408 Jackson to this segment The Verge. This comparison includes the results for these three projects from the same period last year (when these projects were still in our Development segment at the beginning of this fiscal year segment).
- 41% 10% increase in Industrial and Commercial segment NOI

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Comparative Results of Operations for the Three months ended June 30, 2024 September 30, 2024 and 2023

Consolidated Results

(dollars in thousands)	Three Months Ended			(dollars in thousands)	Three Months Ended		
	June 30,	2024	2023		September 30,	2024	2023

Revenues:

Lease revenue
Lease revenue

Lease revenue
Mining royalty and rents
Mining royalty and rents
Mining royalty and rents
Total revenues
Total revenues
Total revenues
Cost of operations:
Cost of operations:
Cost of operations:
Depreciation, depletion and amortization
Depreciation, depletion and amortization
Depreciation, depletion and amortization
Operating expenses
Operating expenses
Operating expenses
Property taxes
Property taxes
Property taxes
General and administrative
General and administrative
General and administrative
Total cost of operations
Total cost of operations
Total cost of operations
Total operating profit
Total operating profit
Total operating profit
Net investment income
Net investment income
Net investment income
Interest expense
Interest expense
Interest expense
Equity in loss of joint ventures
Equity in loss of joint ventures
Equity in loss of joint ventures
(Loss) gain on sale of real estate
(Loss) gain on sale of real estate
(Loss) gain on sale of real estate

Income before income taxes
Income before income taxes
Income before income taxes
Provision for income taxes
Provision for income taxes
Provision for income taxes
Net income
Net income
Net income
Income (loss) attributable to noncontrolling interest
Income (loss) attributable to noncontrolling interest
Income (loss) attributable to noncontrolling interest
Net income attributable to the Company
Net income attributable to the Company
Net income attributable to the Company

Net income for the **second** third quarter of 2024 was **\$2,044,000** **\$1,361,000** or **\$.11** **\$.07** per share versus **\$598,000** **\$1,259,000** or **\$.03** **\$.07** per share in the same period last year. Pro rata NOI for the **second** third quarter of 2024 was **\$9,230,000** **\$11,272,000** versus **\$7,614,000** **8,085,000** in the same period last **year**. **year** including the one-time, **\$1.9 million royalty payment** referenced in the **third** **quarter highlights**. The **second** **third** quarter of 2024 was impacted by the following items:

- Operating profit increased **slightly** **6%** as favorable results in Multifamily, Industrial and Commercial, and **Development Mining** were partially offset by **lower Mining royalties** **higher net Development segment** and **higher** General and administrative costs.
- Net investment income **increased** **\$583,000** **decreased** **\$396,000** due to **increased earnings on cash equivalents** **(\$408,000)** and **increased** **reduced** **income from our lending ventures** **(\$781,000)**, partially offset by **75,000** and **decreased preferred interest** **(\$606,000)** **613,000** due to the conversion of FRP preferred equity to common equity at Bryant **Street**. **Street** partially offset by **increased earnings on cash equivalents** **(\$292,000)**.
- Interest expense decreased **\$300,000** **\$374,000** compared to the same quarter last year due to **\$334,000** as we capitalized **\$408,000** more **capitalized interest** this quarter, partially offset by **increased** **higher** costs related to the increase in our **larger** **line of credit agreement** with

Wells Fargo. More interest was capitalized due to increased in-house and joint venture projects under development this quarter compared to last year.

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- Equity in loss of Joint Ventures improved **\$1,323,000** **\$74,000** due to improved results of our unconsolidated joint ventures. Results improved at The Verge (**\$891,000**, **372,000**) due to lease up but were lower at .408 Jackson (**\$225,000**), Bryant Street (**\$159,000**, **104,000**) due to an increased real estate tax assessment and BC Realty (**\$55,000**, **196,000**) due to a **\$302,000** write off of design costs for offices on phase II as we made the decision to repurpose the plan to a higher and better use.

Multifamily Segment (Consolidated)

(dollars in thousands)	Three months ended June 30					
	2024	%	2023	%	Change	%
Lease revenue	\$ 5,496	100.0 %	5,545	100.0 %	(49)	-.9 %
Depreciation and amortization	1,981	36.0 %	2,268	40.9 %	(287)	-12.7 %
Operating expenses	1,519	27.6 %	1,557	28.1 %	(38)	-2.4 %
Property taxes	576	10.5 %	563	10.2 %	13	2.3 %
General and administrative	290	5.3 %	245	4.4 %	45	18.4 %
Cost of operations	4,366	79.4 %	4,633	83.6 %	(267)	-5.8 %
Operating profit	\$ 1,130	20.6 %	912	16.4 %	218	23.9 %

Multifamily Segment (Pro rata unconsolidated)

(dollars in thousands)	Three months ended June 30					
	2024	%	2023	%	Change	%
Lease revenue	\$ 3,865	100.0 %	2,960	100.0 %	905	30.6 %
Depreciation and amortization	1,570	40.6 %	1,420	48.0 %	150	10.6 %
Operating expenses	1,371	35.5 %	1,169	39.5 %	202	17.3 %
Property taxes	416	10.8 %	318	10.7 %	98	30.8 %
Cost of operations	3,357	86.9 %	2,907	98.2 %	450	15.5 %
Operating profit	\$ 508	13.1 %	53	1.8 %	455	858.5 %

Our Multifamily Segment consists of two consolidated joint ventures (Dock 79 and The Maren) and three unconsolidated joint ventures (Bryant Street, Riverside, and .408 Jackson). Riverside achieved stabilization in 2022 while Bryant Street and .408 Jackson moved from our Development Segment to this segment upon stabilization as of the beginning of 2024.

(dollars in thousands)	Three months ended September 30					
	2024	%	2023	%	Change	%
Lease revenue	\$ 5,682	100.0 %	5,633	100.0 %	49	.9 %

Depreciation and amortization	1,985	35.0 %	2,265	40.1 %	(280)	-12.4 %
Operating expenses	1,573	27.7 %	1,773	31.5 %	(200)	-11.3 %
Property taxes	565	9.9 %	555	9.9 %	10	1.8 %
Cost of operations	4,123	72.6 %	4,593	81.5 %	(470)	-10.2 %
Operating profit before G&A	\$ 1,559	27.4 %	1,040	18.5 %	519	49.9 %

Total revenues for our two consolidated joint ventures were \$5,496,000, a decrease \$5,682,000, an increase of \$49,000 versus \$5,545,000 \$5,633,000 in the same period last year. Total operating profit before G&A for the consolidated joint ventures was \$1,130,000, \$1,559,000, an increase of \$218,000, \$519,000, or 24% 50% versus \$912,000 \$1,040,000 in the same period last year primarily because due to lower depreciation and operating expenses. Depreciation decreased as some of less depreciation expense, the assets became fully depreciated. Operating expenses decreased due to lower maintenance, utilities, insurance and marketing costs.

Multifamily Segment (Pro rata unconsolidated)

Our Multifamily Segment has four unconsolidated joint ventures (Bryant Street, The Verge, Riverside, and .408 Jackson). Riverside was moved from the Development segment to the Multifamily segment in 2022, Bryant Street and .408 Jackson moved as of the beginning of 2024 and The Verge moved effective July 1, 2024, each upon reaching lease up stabilization.

(dollars in thousands)	Three months ended September 30					
	2024	%	2023	%	Change	%
Lease revenue	\$ 5,119	100.0 %	4,103	100.0 %	1,016	24.8 %
Depreciation and amortization	2,228	43.5 %	1,813	44.2 %	415	22.9 %
Operating expenses	1,895	37.0 %	1,652	40.3 %	243	14.7 %
Property taxes	467	9.1 %	487	11.9 %	(20)	-4.1 %
Cost of operations	4,590	89.7 %	3,952	96.3 %	638	16.1 %
Operating profit before G&A	\$ 529	10.3 %	151	3.7 %	378	250.3 %

For our three four unconsolidated joint ventures, pro rata revenues were \$3,865,000, \$5,119,000, an increase of \$905,000 \$1,016,000 or 31% 25% compared to \$2,960,000 \$4,103,000 in the same period last year. Pro rata operating profit before G&A was \$508,000, \$529,000, an increase of \$455,000 \$378,000 or 858% 250% versus \$53,000 \$151,000 in the same period last year.

Multifamily Segment (Pro rata consolidated and pro rata unconsolidated)

For ease of comparison ~~these~~ all the figures ~~and~~ in the

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tables ~~below~~ include the results for Bryant Street, ~~and~~ .408 Jackson, ~~and~~ The Verge from the same period last year (when these projects were still in our Development segment).

(dollars in thousands)	Three months ended September 30					
	2024	%	2023	%	Change	%
Lease revenue	\$ 8,215	100.0 %	7,171	100.0 %	1,044	14.6 %
Depreciation and amortization	3,316	40.4 %	3,049	42.5 %	267	8.8 %
Operating expenses	2,749	33.5 %	2,622	36.6 %	127	4.8 %
Property taxes	774	9.4 %	788	11.0 %	(14)	-1.8 %
Cost of operations	6,839	83.3 %	6,459	90.1 %	380	5.9 %
Operating profit before G&A	\$ 1,376	16.7 %	712	9.9 %	664	93.3 %
Depreciation and amortization	3,316		3,049		267	
Unrealized rents & other	30		64		(34)	
Net operating income	\$ 4,722	57.5 %	3,825	53.3 %	897	23.5 %

1

Apartment Building	Units	Pro rata NOI Q2 2024	Pro rata NOI Q2 2023	Avg. Occupancy Q2 2024	Avg. Occupancy CY 2023	Renewal Success Rate Q2 2024	Renewal % increase Q2 2024
Dock 79 Anacostia DC	305	\$932,000	\$986,000	93.6 %	94.4 %	60.4 %	4.2 %
Maren Anacostia DC	264	\$923,000	\$942,000	94.8 %	95.6 %	74.4 %	2.0 %
Bryant Street DC	487	\$1,555,000	\$1,130,000	91.2 %	93.0 %	60.9 %	1.7 %
Riverside Greenville	200	\$215,000	\$224,000	93.0 %	94.5 %	52.4 %	5.5 %
.408 Jackson Greenville	227	\$345,000	\$88,000	96.2 %	59.9 %	65.3 %	4.6 %
Multifamily Segment	1,483	\$3,970,000	\$3,370,000	93.3 %	88.9 %		

The combined consolidated and unconsolidated pro rata net operating income this quarter for this segment was \$3,970,000, \$4,722,000, up \$1,818,000 \$897,000 or 84% 23% compared to \$2,152,000 \$3,825,000 in the same quarter last year. Substantially all Most of this increase was from the transfer lease up of Bryant Street, and .408 Jackson, from Development to this segment at the beginning of 2024 as same store NOI was more or less flat. and The Verge. These two three projects contributed

\$1,900,000 \$2,542,000 of pro rata NOI to this segment compared to \$1,218,000 \$1,787,000 in the Development segment in the same quarter last year, an increase of \$682,000. \$755,000. Same store NOI increased \$142,000 or 7%,

Apartment Building	Units	Pro rata NOI	Pro rata NOI	Avg. Occupancy	Avg. Occupancy	Renewal Success Rate	Renewal % increase Q3 2024
		Q3 2024	Q3 2023	Q3 2024	CY 2023	Q3 2024	2024
Dock 79 Anacostia DC	305	\$964,000	\$952,000	94.0 %	94.4 %	71.4 %	2.9 %
Maren Anacostia DC	264	\$973,000	\$855,000	94.9 %	95.6 %	50.7 %	2.3 %
Riverside Greenville	200	\$243,000	\$231,000	94.0 %	94.5 %	56.0 %	2.7 %
Bryant Street DC	487	\$1,537,000	\$1,210,000	91.5 %	92.9 %	56.7 %	2.0 %
.408 Jackson Greenville	227	\$362,000	\$284,000	94.5 %	59.9 %	52.9 %	6.1 %
Verge Anacostia DC	344	\$643,000	\$293,000	90.1 %	47.3 %	63.6 %	3.9 %
Multifamily Segment	1,483	\$4,722,000	\$3,825,000	92.8 %	81.0 %		

Industrial and Commercial Segment

	Three months ended June 30
	Three months ended September 30
(dollars in thousands)	
(dollars in thousands)	
(dollars in thousands)	
Lease revenue	
Lease revenue	
Lease revenue	
Depreciation and amortization	
Depreciation and amortization	
Depreciation and amortization	
Operating expenses	
Operating expenses	
Operating expenses	
Property taxes	
Property taxes	
Property taxes	
General and administrative	
General and administrative	

General and administrative
Cost of operations
Cost of operations
Cost of operations
Operating profit
Operating profit before G&A
Operating profit
Operating profit before G&A
Operating profit
Operating profit before G&A
Depreciation and amortization
Depreciation and amortization
Depreciation and amortization
Unrealized revenues
Unrealized revenues
Unrealized revenues
Net operating income
Net operating income
Net operating income

Total revenues in this segment were \$1,445,000, up \$25,000 or 2%, over the same period last year. Operating profit before G&A was \$490,000, up \$80,000 or 20% over the same quarter last year. We now have nine buildings in service at three different locations totaling 515,077 square feet of industrial and 33,708 square feet of office. These assets were 95.6% leased and occupied during the entire quarter. Net operating income in this segment was \$1,187,000, up \$344,000 or 41% compared to the same quarter last year primarily due to \$335,000 more unrealized rental revenue in the prior year due to rent abatements that expired in 2023.

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Mining Royalty Lands Segment Results

	Three months ended June 30			Three months ended September 30							
	2024	%	2023	%	Change	2024	%	2023	%	Change	%
(dollars in thousands)											
(dollars in thousands)											
(dollars in thousands)											
Mining royalty and rent revenue											
Mining royalty and rent revenue											
Mining royalty and rent revenue											
Depreciation, depletion and amortization											
Depreciation, depletion and amortization											
Depreciation, depletion and amortization											

Operating expenses
Operating expenses
Operating expenses
Property taxes
Property taxes
Property taxes
General and administrative
General and administrative
General and administrative
Cost of operations
Cost of operations
Cost of operations
Operating profit
Operating profit before G&A
Operating profit
Operating profit before G&A
Operating profit
Operating profit before G&A
Depreciation and amortization
Depreciation and amortization
Depreciation and amortization
Unrealized revenues
Unrealized revenues
Unrealized revenues
Net operating income
Net operating income
Net operating income

Total revenues in this segment were \$3,231,000, a decrease \$3,199,000, an increase of \$33,000 \$117,000 or 1% 3.8% versus \$3,264,000 \$3,082,000 in the same period last year. Royalty tons were down 5% 3%. Total operating profit before G&A in this segment was \$2,643,000, a decrease \$2,946,000, an increase of \$89,000 \$201,000 versus \$2,732,000 \$2,745,000 in the same period last year. year due to higher revenues and lower property taxes. Net Operating Income this quarter for this segment was \$3,028,000, down \$97,000 \$5,103,000, up \$2,266,000 or 3% 80% compared to the same quarter last year. The primary reason for these decreases year mostly due to a \$2,040,000 increase in unrealized revenues. This was mostly the result of a one-time, minimum royalty payment at one location which is straight-lined across the deduction of royalties to resolve an \$842,000 overpayment, as referenced in our 10-Q from the quarter ended June 30, 2023. As part of the ongoing resolution of this overpayment, this quarter, the tenant withheld \$277,000 in royalties otherwise due the Company. The outstanding balance on this overpayment credit is \$53,000 which we expect will be exhausted in the first month of the third quarter of this year. lease for GAAP revenue purposes.

Development Segment Results

Three months ended June 30

	Three months ended September 30				
(dollars in thousands)	(dollars in thousands)	2024	2023		
		Change	2024	2023	Change
Lease revenue					
Lease revenue					
Lease revenue					
Depreciation, depletion and amortization					
Depreciation, depletion and amortization					
Depreciation, depletion and amortization					
Operating expenses					
Operating expenses					
Operating expenses					
Property taxes					
Property taxes					
Property taxes					
General and administrative					
General and administrative					
General and administrative					
Cost of operations					
Cost of operations					
Cost of operations					
Operating loss					
Operating profit before G&A					
Operating loss					
Operating profit before G&A					
Operating loss					
Operating profit before G&A					

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With respect to ongoing Development Segment projects:

- We entered into two new joint venture agreements in early 2024 with BBX Logistics. The first joint venture is a 200,000 square-foot warehouse development project in Lakeland, FL, and the second joint venture is a 182,000 square-foot warehouse redevelopment project in Broward County, FL. We anticipate construction to start on both projects in the first quarter of **2025** **2025**.
- Last summer we broke ground on a new speculative warehouse project in Aberdeen, MD on Chelsea Road. Vertical construction is underway. This Class A, 258,000 square foot building is due to be complete in the 4th quarter of 2024.

- The Verge has achieved residential stabilization and will move to our Multifamily segment on July 1, 2024. At quarter end, the building was 93.3% leased and 90.7% occupied. This is our third mixed-use project in the Anacostia waterfront submarket in Washington, DC.

- We are the principal capital source to develop 344 residential lots on 110 acres in Harford County, MD. We have funded \$24.6 million \$25.5 million of our \$31.1 million total commitment. A national homebuilder is under contract to purchase all 222 townhome lots and 122 single family lots. At quarter-end, 78 79 lots have been sold and \$12.7 million \$12.9 million of preferred interest and principal has been returned to the company of which \$3.2 million \$3.6 million was booked as profit to the Company.

Six

Nine Month Highlights

- 188% 94% increase in Net Income (\$3.3 4.7 million vs \$1.2 million \$2.4 million)
- 22% 28% increase in pro rata NOI (\$17.8 29.0 million vs \$14.6 million \$22.7 million), including the one-time, \$1.9 million minimum royalty payment referenced previously
- 88% 39% increase in the Multifamily segment's pro rata NOI primarily due to the transfer lease up of Bryant St., 408 Jackson, and .408 Jackson to this segment The Verge. This comparison includes the results for these three projects from the same period last year (when these projects were still in our Development segment at the beginning of the year segment).
- 16% 11% increase in Industrial and Commercial revenue and 44% 30% increase in that segment's NOI

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Comparative Results of Operations for the Six Nine months ended June 30, 2024 September 30, 2024 and 2023

Consolidated Results

(dollars in thousands)	Six Months Ended June		(dollars in thousands)	Nine Months Ended September		
	2024	2023		Change	%	2024

Revenues:

- Lease revenue
- Lease revenue
- Lease revenue
- Mining royalty and rents
- Mining royalty and rents
- Mining royalty and rents
- Total revenues
- Total revenues
- Total revenues

Cost of operations:

Cost of operations:

Cost of operations:

Depreciation/depletion/amortization

Depreciation/depletion/amortization

Depreciation/depletion/amortization

Operating expenses

Operating expenses

Operating expenses

Property taxes

Property taxes

Property taxes

General and administrative

General and administrative

General and administrative

Total cost of operations

Total cost of operations

Total cost of operations

Total operating profit

Total operating profit

Total operating profit

Net investment income

Net investment income

Net investment income

Interest expense

Interest expense

Interest expense

Equity in loss of joint ventures

Equity in loss of joint ventures

Equity in loss of joint ventures

Gain on sale of real estate

Gain on sale of real estate

Gain on sale of real estate

Income before income taxes

Income before income taxes

Income before income taxes

Provision for income taxes

Provision for income taxes

Provision for income taxes

Net income

Net income

Net income
 Income (loss) attributable to noncontrolling interest
 Income (loss) attributable to noncontrolling interest
 Income (loss) attributable to noncontrolling interest
Net income attributable to the Company
Net income attributable to the Company
Net income attributable to the Company

Net income for the first **sixnine** months of 2024 was **\$3,345,000** **\$4,706,000** or **\$18** **\$25** per share versus **\$1,163,000** **\$2,422,000** or **\$0.06** **\$0.13** per share in the same period last year. Pro rata NOI for the first **sixnine** months of 2024 was **\$17,764,000** **\$29,036,000** versus **\$14,602,000** **\$22,687,000** in the same period last year. The first **sixnine** months of 2024 were impacted by the following items:

- Operating profit increased **slightly 3.1%** as favorable results in Multifamily and Industrial and Commercial **and Development** were **partially mostly** offset by lower Mining **royalties profits** and higher **net Development** and General and administrative costs.
- Pro rata NOI includes a one-time, catch-up, minimum royalty payment of \$1,853,000 that applies to the prior twenty-four months as the tenant failed to meet a production requirement contained in the lease. This revenue was straight-lined over the life of the lease.
- Net investment income increased **\$984,000** **\$588,000** due to increased earnings on cash equivalents **(\$960,000)** **1,252,000** and increased income from our lending ventures **(\$1,230,000)** **1,155,000**, partially offset by decreased preferred interest **(\$1,206,000)** **1,819,000** due to the conversion of FRP preferred equity to common equity at Bryant Street.
- Interest expense decreased **\$395,000** **\$769,000** compared to the same period last year due to **\$461,000** as we capitalized **\$869,000** more **capitalized** interest, partially offset by increased costs related to **the increase in our larger line of credit agreement** with Wells Fargo. More interest was capitalized due to increased in-house and joint venture projects under development this quarter compared to last year.

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- Equity in loss of Joint Ventures improved **\$1,929,000** **\$2,003,000** due to improved results at our unconsolidated joint ventures. Results improved at The Verge **(\$1,587,000)**, **1,959,000** and .408 Jackson **(\$273,000)**, and BC Realty **(\$110,000)** **169,000**.

Multifamily Segment (Consolidated)

	Six months ended June 30
	Nine Months Ended September 30,
(dollars in thousands)	
(dollars in thousands)	
(dollars in thousands)	
Lease revenue	
Lease revenue	

Lease revenue						
Depreciation and amortization						
Depreciation and amortization						
Depreciation and amortization						
Operating expenses						
Operating expenses						
Operating expenses						
Property taxes						
Property taxes						
Property taxes						
General and administrative						
General and administrative						
General and administrative						
Cost of operations						
Cost of operations						
Cost of operations						
Operating profit						
Operating profit before G&A						
Operating profit						
Operating profit before G&A						
Operating profit						
Operating profit before G&A						

Multifamily Segment (Pro rata unconsolidated)

(dollars in thousands)	Six months ended June 30					
	2024	%	2023	%	Change	%
Lease revenue	\$ 7,578	100.0 %	5,666	100.0 %	1,912	33.7 %
Depreciation and amortization	3,132	41.3 %	2,685	47.4 %	447	16.6 %
Operating expenses	2,652	35.0 %	2,225	39.3 %	427	19.2 %
Property taxes	877	11.6 %	493	8.7 %	384	77.9 %
Cost of operations	6,661	87.9 %	5,403	95.4 %	1,258	23.3 %
Operating profit	\$ 917	12.1 %	263	4.6 %	654	248.7 %

Total revenues for our two consolidated joint ventures were \$10,910,000, \$16,592,000, an increase of \$89,000 \$138,000 versus \$10,821,000 \$16,454,000 in the same period last year. Total operating profit before G&A for the consolidated joint ventures was \$2,342,000, \$4,427,000, an increase of \$626,000, \$1,237,000, or 36% 39% versus \$1,716,000 \$3,190,000 in the same period last year primarily because due to lower depreciation and operating expense. Depreciation decreased as some of less depreciation

expense. the assets became fully depreciated. Operating expenses decreased due to lower maintenance, utilities, insurance and marketing costs.

Multifamily Segment (Pro rata unconsolidated)

(dollars in thousands)	Nine Months Ended September 30,					
	2024	%	2023	%	Change	%
Lease revenue	\$ 15,173	100.0 %	10,377	100.0 %	4,796	46.2 %
Depreciation and amortization	6,747	44.5 %	5,854	56.4 %	893	15.3 %
Operating expenses	5,358	35.3 %	4,667	45.0 %	691	14.8 %
Property taxes	1,665	11.0 %	1,292	12.5 %	373	28.9 %
Cost of operations	13,770	90.8 %	11,813	113.8 %	1,957	16.6 %
Operating profit	\$ 1,403	9.2 %	(1,436)	(13.8 %)	2,839	

For our three four unconsolidated joint ventures, pro rata revenues were \$7,578,000, \$15,173,000, an increase of \$1,912,000 \$4,796,000 or 34% 46% compared to \$5,666,000 \$10,377,000 in the same period last year. Pro rata operating profit before G&A was \$917,000, \$1,403,000, an increase of \$654,000 or 249% \$2,839,000 versus \$263,000 a loss of \$1,436,000 in the same period last year.

Multifamily Segment (Pro rata consolidated and pro rata unconsolidated)

For ease of comparison these all the figures and in the tables below include the results for Bryant Street, and 408 Jackson, and The Verge from the same period last year prior periods (when these projects were still in our Development segment).

(dollars in thousands)	Nine Months Ended September 30,					
	2024	%	2023	%	Change	%
Lease revenue	\$ 24,214	100.0 %	19,343	100.0 %	4,871	25.2 %
Depreciation and amortization	10,006	41.3 %	9,565	49.4 %	441	4.6 %
Operating expenses	7,844	32.4 %	7,324	37.9 %	520	7.1 %
Property taxes	2,570	10.6 %	2,188	11.3 %	382	17.5 %
Cost of operations	20,420	84.3 %	19,077	98.6 %	1,343	7.0 %
Operating profit before G&A	\$ 3,794	15.7 %	266	1.4 %	3,528	1326.3 %

Depreciation and amortization	10,006	9,565	441
Unrealized rents & other	91	184	(93)
Net operating income	\$ 13,891	57.4 %	10,015 51.8 % 3,876 38.7 %

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Apartment Building	Units	Pro rata NOI YTD 2024	Pro rata NOI YTD 2023	Avg. Occupancy YTD 2024	Avg. Occupancy CY 2023	Success Rate YTD 2024	Renewal increase YTD 2024
Dock 79 Anacostia DC	305	\$1,878,000	\$1,873,000	94.2 %	94.4 %	65.3 %	3.5 %
Maren Anacostia DC	264	\$1,847,000	\$1,856,000	94.3 %	95.6 %	63.4 %	2.2 %
Bryant Street DC	487	\$3,051,000	\$2,385,000	92.0 %	93.0 %	58.3 %	3.6 %
Riverside Greenville	200	\$439,000	\$445,000	93.3 %	94.5 %	58.4 %	3.4 %
.408 Jackson Greenville	227	\$638,000	\$66,000	94.6 %	59.9 %	53.7 %	4.3 %
Multifamily Segment	1,483	\$7,853,000	\$6,625,000	93.5 %	88.9 %		

The combined consolidated and unconsolidated pro rata net operating income this quarter for this segment was \$7,853,000, up \$3,679,000 or 88% compared to \$4,174,000 in the same period last year. Substantially all of this increase was from the addition of Bryant Street, and .408 Jackson, from Development to this segment at the beginning of 2024 as same store NOI was more or less flat. These two projects contributed \$3,689,000.

\$7,547,000 of pro rata NOI to this segment compared to \$2,451,000 in the Development segment in the same period last year, an increase of \$1,238,000 or 2%.

Apartment Building	Units	Pro rata NOI YTD 2024	Pro rata NOI YTD 2023	Avg. Occupancy YTD 2024	Avg. Occupancy CY 2023	Success Rate YTD 2024	Renewal increase YTD 2024
Dock 79 Anacostia DC	305	\$2,842,000	\$2,825,000	94.1 %	94.4 %	68.3 %	3.2 %
Maren Anacostia DC	264	\$2,820,000	\$2,711,000	94.5 %	95.6 %	56.8 %	2.2 %
Riverside Greenville	200	\$682,000	\$676,000	93.6 %	94.5 %	57.5 %	3.1 %
Bryant Street DC	487	\$4,588,000	\$3,595,000	91.9 %	92.9 %	57.5 %	2.8 %
.408 Jackson Greenville	227	\$1,000,000	\$350,000	94.6 %	59.9 %	53.3 %	5.0 %
Verge Anacostia DC	344	\$1,959,000	-\$142,000	89.7 %	47.3 %	67.4 %	1.8 %
Multifamily Segment	1,483	\$13,891,000	\$10,015,000	92.7 %			

Industrial and Commercial Segment

	Six months ended June 30	
		Nine Months Ended September 30,
(dollars in thousands)		
(dollars in thousands)		
(dollars in thousands)		
Lease revenue		
Lease revenue		
Lease revenue		
Depreciation and amortization		
Depreciation and amortization		
Depreciation and amortization		
Operating expenses		
Operating expenses		
Operating expenses		
Property taxes		
Property taxes		
Property taxes		
General and administrative		
General and administrative		
General and administrative		
Cost of operations		
Cost of operations		
Cost of operations		
Operating profit		
Operating profit before G&A		
Operating profit		
Operating profit before G&A		
Operating profit		
Operating profit before G&A		
Depreciation and amortization		
Depreciation and amortization		
Depreciation and amortization		
Unrealized revenues		
Unrealized revenues		
Unrealized revenues		
Net operating income		
Net operating income		
Net operating income		

Total revenues in this segment were **\$2,898,000**, **\$4,353,000**, up **\$408,000** **\$421,000** or **16%** **11%**, over the same period last year. Operating profit before G&A was **\$1,052,000**, **\$2,484,000**, up **\$347,000** **\$233,000** or **49%** **10%** from **\$705,000** **\$2,251,000** in the

same quarter last year. Revenues and operating profit are up because of full occupancy at 1841 62nd Street (which had only \$11,000 of revenue in the first quarter last year) and the addition of 1941 62nd Street to this segment in March 2023. We were 95.6% leased and occupied during the entire period. Net operating income in this segment was **\$2,346,000**, up **\$716,000** **\$829,000** or **44%** **30%** compared to the same period last year partially due to **\$401,000** **\$519,000** more unrealized rental revenue in the prior year due to rent abatements that expired in 2023.

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Mining Royalty Lands Segment Results

	Six months ended June 30			Nine Months Ended September 30,								
	2024	%	2023	%	Change	%	2024	%	2023	%	Change	%
(dollars in thousands)												
(dollars in thousands)												
(dollars in thousands)												
Mining royalty and rent revenue												
Mining royalty and rent revenue												
Mining royalty and rent revenue												
Depreciation, depletion and amortization												
Depreciation, depletion and amortization												
Depreciation, depletion and amortization												
Operating expenses												
Operating expenses												
Operating expenses												
Property taxes												
Property taxes												
Property taxes												
General and administrative												
General and administrative												
General and administrative												
Cost of operations												
Cost of operations												
Cost of operations												
Operating profit												
Operating profit before G&A												
Operating profit												
Operating profit before G&A												
Operating profit												
Operating profit before G&A												
Depreciation and amortization												
Depreciation and amortization												

Depreciation and amortization
Unrealized revenues
Unrealized revenues
Unrealized revenues
Net operating income
Net operating income
Net operating income

Total revenues in this segment were \$6,194,000, \$9,393,000, a decrease of \$352,000 \$235,000 or 5% 2% versus \$6,546,000 \$9,628,000 in the same period last year. Royalty tons revenues were down 10%. Total operating profit in this segment was \$5,089,000, a decrease of \$433,000 versus \$5,522,000 in the same period last year. Net operating income in this segment was \$5,788,000, down \$485,000 or 8% compared to the same period last year. The primary factor in the decrease is impacted by the deduction of royalties to resolve an \$842,000 overpayment which we referenced previously. Through the first two three quarters of this year, the tenant has withheld \$566,000 \$619,000 in royalties otherwise due to the Company. Company with the remainder (\$223,000) withheld in the fourth quarter of 2023. There are no further amounts to be withheld moving forward. Royalty tons were down 8%. Total operating profit before G&A in this segment was \$8,655,000, a decrease of \$126,000 versus \$8,781,000 in the same period last year. Net operating income in this segment was \$10,891,000, up \$1,781,000 or 20% compared to the same period last year mostly due to a \$1,908,000 increase in unrealized revenues (see discussion in the Mining segment's quarterly analysis).

Development Segment Results

	Six months ended June 30		Nine Months Ended September 30,			
	2024	2023	Change	2024	2023	Change
(dollars in thousands)						
(dollars in thousands)						
(dollars in thousands)						
Lease revenue						
Lease revenue						
Lease revenue						
Depreciation, depletion and amortization						
Depreciation, depletion and amortization						
Depreciation, depletion and amortization						
Operating expenses						
Operating expenses						
Operating expenses						
Property taxes						
Property taxes						
Property taxes						
General and administrative						
General and administrative						
General and administrative						
Cost of operations						

Cost of operations	
Cost of operations	
Operating loss	
Operating profit before G&A	
Operating loss	
Operating profit before G&A	
Operating loss	
Operating profit before G&A	

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Liquidity and Capital Resources. The growth of the Company's businesses requires significant cash needs to acquire and develop land or operating buildings and to construct new buildings and tenant improvements. As of **June 30, 2024** **September 30, 2024**, we had **\$156,929,000** **\$144,681,000** of cash and cash equivalents. As of **June 30, 2024** **September 30, 2024** we had no debt borrowed under our \$35 million Wells Fargo revolver, \$548,000 outstanding under letters of credit and \$34,452,000 available to borrow under the revolver. On March 19, 2021, the Company refinanced Dock 79 and The Maren projects pursuant to separate Loan Agreements and Deed of Trust Notes entered into with Teachers Insurance and Annuity Association of America, LLC. Dock 79 and The Maren borrowed principal sums of \$92,070,000 and \$88,000,000 respectively, in connection with the refinancing.

Cash Flows - The following table summarizes our cash flows from operating, investing and financing activities for each of the periods presented (in thousands of dollars):

	Six Months Ended		Nine Months Ended	
	June 30,	2024	September 30,	2023
Total cash provided by (used for):				
Operating activities				
Operating activities				
Operating activities				
Investing activities				
Investing activities				
Investing activities				
Financing activities				
Financing activities				
Financing activities				
Increase (decrease) in cash and cash equivalents				

Increase (decrease) in cash and cash equivalents
Increase (decrease) in cash and cash equivalents
Outstanding debt at the beginning of the period
Outstanding debt at the beginning of the period
Outstanding debt at the beginning of the period
Outstanding debt at the end of the period
Outstanding debt at the end of the period
Outstanding debt at the end of the period

Operating Activities - Net cash provided by operating activities for the **six** **nine** months ended **June 30, 2024** **September 30, 2024** was **\$15,082,000** **\$21,404,000** versus **\$12,853,000** **\$20,721,000** in the same period last year. Income and NOI increased substantially but net cash provided by operating activities of the company excludes the unconsolidated joint ventures where much of the increase occurred.

At **June 30, 2024** **September 30, 2024**, the Company was invested in U.S. Treasury notes valued at **\$136,493,000** **\$117,933,000** maturing in 2024. The unrealized gain on these investments of **\$3,000** **\$89,000** was recorded as part of comprehensive income and was based on the estimated market value by Wells Fargo Bank, N.A. (Level 1).

Investing Activities - Net cash used in investing activities for the **six** **nine** months ended **June 30, 2024** **September 30, 2024** was **\$14,219,000** **\$46,974,000** versus **\$21,931,000** **\$28,556,000** in the same period last year. The **\$7.7 million decrease** **\$18.4 million increase** was primarily due to a **\$11.8 million** **\$42.5 million increase in property due to \$30.3 million invested by the Company and BBX in the consolidated warehouse joint ventures and active Company warehouse construction partially offset by a \$17.4 million decrease in investments in joint ventures due to lower capital calls and lending activity, and a \$6.9 million increase in return of capital from joint ventures due to permanent financing at .408 Jackson and higher lending venture returns partially offset by a \$10.3 million increase in property due to active warehouse construction. returns.**

Financing Activities - Net cash required provided by financing activities was **\$1,489,000** **\$12,696,000** versus **\$1,882,000** **\$3,634,000** required in the same period last year primarily due to **\$1.0 million** **\$15.1 million of contributions from BBX toward our consolidated partnerships versus the same period last year including \$2.0 million repurchase of stock mostly partially offset by the exercise of employee stock options in the same period last year. options.**

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Credit Facilities - On December 22, 2023, the Company entered into a 2023 Amended and Restated Credit Agreement (the "Credit Agreement") with Wells Fargo Bank, N.A. ("Wells Fargo"). The Credit Agreement modifies the Company's prior Credit Agreement with Wells Fargo, dated January 30, 2015. The Credit Agreement establishes a three-year revolving credit facility with a maximum facility amount of \$35 million. The interest rate under the Credit Agreement will be 2.25% over Daily Simple SOFR. A commitment fee of 0.35% per annum is payable quarterly on the unused portion of the commitment. The credit agreement contains certain conditions and financial covenants, including a minimum tangible net worth and dividend restriction. As of **June 30, 2024** **September 30, 2024**, these covenants would have limited our ability to pay dividends to a maximum of **\$100.4 million** **\$102.6 million** combined.

On March 19, 2021, the Company refinanced Dock 79 and The Maren projects pursuant to separate Loan Agreements and Deed of Trust Notes entered into with Teachers Insurance and Annuity Association of America, LLC. Dock 79 and The Maren borrowed principal sums of \$92,070,000 and \$88,000,000 respectively, in connection with the refinancing. The loans are separately secured by the Dock 79 and The Maren real property and improvements, bear a fixed interest rate of 3.03% per annum, and require monthly

payments of interest only with the principal in full due April 1, 2033. Either loan may be prepaid subsequent to April 1, 2024, subject to yield maintenance premiums. Either loan may be transferred to a qualified buyer as part of a one-time sale subject to a 60% loan to value, minimum of 7.5% debt yield and a 0.75% transfer fee.

On July 25, 2022 the Greenville partnership at Riverside secured a \$32,000,000 loan with a fixed rate of 4.92% from Synovus Bank, replacing the \$22,800,000 loan with Truist Bank. It is an eight year loan maturing July 25, 2030. The term coincides with when the opportunity zone holding period lapses in 2030, when a sale could take place and the tax on gain is forgiven.

On December 4, 2023 the Bryant Street partnership secured a \$110,000,000 loan with a floating rate equal to SOFR plus 2.9% from Rialto Capital Management, replacing the \$132,000,000 loan with Capital One. It is a three year loan with two one-year extensions. A SOFR rate cap was secured at 5.35% from Chatham Financial creating an effective interest rate ceiling of 8.25%. The loan has a floor interest rate of 6.90%. FRP will look to secure a fixed permanent loan in the future when interest rates are more favorable.

On January 30, 2024 the Greenville partnership at .408 Jackson secured a \$49,450,000 loan with a fixed rate of 5.59% from Fannie Mae, replacing the \$36,000,000 loan with First National Bank. It is a seven year loan maturing February 1, 2031. The interest rate was favorable given the current market conditions and the term coincides with when the opportunity zone holding period lapses in 2030, when a sale could take place and the tax on gain is forgiven. As a result of refinancing, the Company received a \$5 million return of capital.

On April 25, 2024 the Verge partnership secured a \$68,862,000 loan with a fixed rate of 5.72% from Fannie Mae, replacing the \$72,823,000 loan with Truist Bank. It is a seven year loan maturing May 1, 2031. The interest rate was favorable given the current market conditions and the term coincides with when the opportunity zone holding period lapses in 2030, when a sale could take place and the tax on gain is forgiven.

Cash Requirements – The Company expects to invest \$46 million \$16 million into our existing real estate holdings and joint ventures during the remainder of 2024 and \$196 million \$213 million beyond 2024 for projects currently in our pipeline, with such capital being funded from cash and investments on hand, cash generated from operations, property sales, distributions from joint ventures, or borrowings under our credit facilities.

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Non-GAAP Financial Measure. Measures.

To supplement the financial results presented in accordance with GAAP, FRP presents certain non-GAAP financial measures within the meaning of Regulation G promulgated by the Securities and Exchange Commission. We believe these non-GAAP measures provide useful information to our Board of Directors, management and investors regarding certain trends relating to our financial condition and results of operations. Our management uses these non-GAAP measures to compare our performance to that of prior periods for trend analyses, purposes of determining management incentive compensation and budgeting, forecasting and planning purposes. We provide Pro rata net operating income (NOI) because we believe it assists investors and analysts in estimating our economic interest in our consolidated and unconsolidated partnerships, when read in conjunction with our reported results under GAAP. This measure is not, and should not be viewed as, a substitute for GAAP financial measures.

Pro rata Net Operating Income
Reconciliation

Six months ended 06/30/24 (in
thousands)

	Industrial and Commercial Segment	Development Segment	Multifamily Segment	Mining Royalties Segment	Unallocated Corporate Expenses	FRP Holdings Totals
Net income (loss)	\$ 805	(1,115)	(2,477)	3,876	2,305	3,394
Income tax allocation	247	(343)	(772)	1,191	993	1,316
Income (loss) before income taxes	1,052	(1,458)	(3,249)	5,067	3,298	4,710
Less:						
Unrealized rents	19		9	229		257
Interest income		2,554			3,937	6,491
Plus:						—
Professional fees			15			15
Equity in loss of joint ventures	—	1,782	3,939	22		5,743
Interest expense	—	—	1,652	—	88	1,740
Depreciation/amortization	723	85	3,962	308		5,078
General and administrative	590	2,307	526	620	551	4,594
						—
Net operating income (loss)	2,346	162	6,836	5,788	—	15,132
NOI of noncontrolling interest			(3,111)			(3,111)
Pro rata NOI from unconsolidated joint ventures		1,615	4,128			5,743
Pro rata net operating income	\$ 2,346	1,777	7,853	5,788	—	17,764

For ease of comparison all the figures in the tables below include the results for Bryant Street, .408 Jackson, and The Verge in the Multifamily segment for all periods shown.

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	Industrial and Commercial Segment	Development Segment	Multifamily Segment	Mining Royalties Segment	Unallocated Corporate Expenses	FRP Holdings Totals
Net income (loss)	\$ 513	(5,257)	(509)	4,018	2,133	898
Income tax allocation	190	(1,950)	(90)	1,490	791	431
Income (loss) before income taxes	703	(7,207)	(599)	5,508	2,924	1,329
Less:						
Unrealized rents	420	—	—	97	—	517
Gain on sale of real estate	—	—	—	10	—	10
Interest income	—	2,561	—	—	2,946	5,507

Plus:							
Unrealized rents	—	—	100	—	—	—	100
Loss on sale of real estate	2	—	—	—	—	—	2
Professional fees	—	—	59	—	—	—	59
Equity in loss of joint ventures	—	7,446	202	24	—	—	7,672
Interest Expense	—	—	2,113	—	22	2,135	
Depreciation/amortization	637	96	4,532	334	—	—	5,599
General and administrative	708	2,546	434	514	—	—	4,202
Net operating income (loss)	1,630	320	6,841	6,273	—	—	15,064
NOI of noncontrolling interest	—	—	(3,112)	—	—	—	(3,112)
Pro rata NOI from unconsolidated joint ventures	—	2,205	445	—	—	—	2,650
Pro rata net operating income	\$ 1,630	2,525	4,174	6,273	—	—	14,602

The following tables detail the Development and Multifamily Segment pro rata NOI by project:

Development Segment:							
Six months ended	FRP Portfolio	Bryant Street	BC FRP Realty, LLC	.408 Jackson	The Verge	Total	Pro rata NOI
6/30/2024	\$162	—	299	—	1,316	—	1,777
6/30/2023	\$320	2,385	189	66	(435)	—	2,525
Multifamily Segment:							
Six months ended	Dock	The Maren	Riverside	.408 Jackson	Bryant Street	Total	Pro rata NOI
6/30/2024	79	1,847	439	638	3,051	—	7,853
6/30/2023	\$1,878	1,856	445	—	—	—	4,174

Pro rata Net Operating Income							
Reconciliation							
Nine months ended 09/30/24 (in thousands)							
	Industrial and Commercial Segment	Development Segment	Multifamily Segment	Mining Royalties Segment	Unallocated Corporate Expenses	FRP Holdings	
Net income (loss)	\$ 1,222	(2,498)	(3,951)	5,884	4,116	—	4,773
Income tax allocation	376	(767)	(1,224)	1,808	1,550	—	1,743
Income (loss) before income taxes	1,598	(3,265)	(5,175)	7,692	5,666	—	6,516
Less:							
Unrealized rents	12	—	—	—	—	—	12
Interest income		2,995			5,800	—	8,795

Plus:							
Unrealized rents	—	—	—	1,765	—	—	1,765
Professional fees	—	—	15	—	—	—	15
Equity in loss of joint ventures	—	2,081	6,466	35	—	—	8,582
Interest expense	—	—	2,348	—	134	—	2,482
Depreciation/amortization	1,083	128	5,947	471	—	—	7,629
General and administrative	886	4,281	788	928	—	—	6,883
							—
Net operating income (loss)	3,555	230	10,389	10,891	—	—	25,065
NOI of noncontrolling interest	—	—	(4,727)	—	—	—	(4,727)
Pro rata NOI from unconsolidated joint ventures	—	469	8,229	—	—	—	8,698
Pro rata net operating income	\$ 3,555	699	13,891	10,891	—	—	29,036

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Pro rata Net Operating Income

Reconciliation

Nine months ended 09/30/23 (in thousands)

	Industrial and	Mining			Unallocated	FRP
	Commercial	Development	Multifamily	Royalties	Corporate	Holdings
	Segment	Segment	Segment	Segment	Expenses	Totals
Net income (loss)	\$ 892	(7,192)	(816)	5,842	3,270	1,996
Income tax allocation	331	(2,667)	(145)	2,168	1,212	899
Income (loss) before income taxes	1,223	(9,859)	(961)	8,010	4,482	2,895
Less:						
Unrealized rents	531	—	—	143	—	674
Gain on sale of real estate	—	—	—	10	—	10
Interest income	—	3,692	—	—	4,515	8,207
Plus:						
Unrealized rents	—	—	117	—	—	117
Loss on sale of real estate	2	—	1	—	—	3
Professional fees	—	—	59	—	—	59
Equity in loss of joint ventures	—	10,256	298	31	—	10,585
Interest Expense	—	—	3,218	—	33	3,251

Depreciation/amortization	1,006	140	6,797	472	—	8,415
General and administrative	1,026	3,740	634	750	—	6,150
Net operating income (loss)	2,726	585	10,163	9,110	—	22,584
NOI of noncontrolling interest	—	—	(4,627)	—	—	(4,627)
Pro rata NOI from unconsolidated joint ventures	—	251	4,479	—	—	4,730
Pro rata net operating income	\$ 2,726	836	10,015	9,110	—	22,687

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISKS

Interest Rate Risk - We are exposed to the impact of interest rate changes through our variable-rate borrowings under our Credit Agreement with Wells Fargo.

Under the Wells Fargo Credit Agreement, the applicable margin for borrowings at **June 30, 2024** **September 30, 2024** was Daily simple SOFR plus 2.25%.

The Company did not have any variable rate debt at **June 30, 2024** **September 30, 2024**, so a sensitivity analysis was not performed to determine the impact of hypothetical changes in interest rates on the Company's results of operations and cash flows.

ITEM 4. CONTROLS AND PROCEDURES

CONCLUSION REGARDING THE EFFECTIVENESS OF DISCLOSURE CONTROLS AND PROCEDURES

The Company maintains disclosure controls and procedures that are designed to ensure that information required to be disclosed in the Company's reports under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to management, including the Company's Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosure.

The Company also maintains a system of internal accounting controls over financial reporting that are designed to provide reasonable assurance to the Company's management and Board of Directors regarding the preparation and fair presentation of published financial statements.

All control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance of achieving the desired control objectives.

As of **June 30, 2024** **September 30, 2024**, the Company, under the supervision and with the participation of the Company's management, including the CEO, CFO and CAO, carried out an evaluation of the effectiveness of the design and operation of the Company's disclosure controls and procedures. Based on this evaluation, the Company's CEO, CFO and CAO concluded that the Company's disclosure controls and procedures are effective in alerting them in a timely manner to material information required to be included in periodic SEC filings.

There have been no changes in the Company's internal controls over financial reporting during our most recent fiscal quarter that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

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PART II. OTHER INFORMATION

Item 1A. RISK FACTORS

In addition to the other information set forth in this report, you should carefully consider the factors discussed in Part I, "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, which could materially affect our business, financial condition or future results. The risks described in our Annual Report on Form 10-K are not the only risks facing our Company. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition and/or operating results.

Item 2. PURCHASES OF EQUITY SECURITIES BY THE ISSUER

Period				Total	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Plans or Programs (1)
	Number of Shares Purchased	Total		Number of Shares	
		Average Price Paid per Share	Purchased As Part of Publicly Announced Plans or Programs		
April July 1 through April 30					\$ 7,363,000
May 1 through May July 31	—	\$ —	—	—	\$ 7,363,000
June August 1 through June August 31	—	\$ —	—	—	\$ 7,363,000
September 1 through September 30	—	\$ —	—	—	\$ 7,363,000
Total	—	\$ —	—	—	

- (1) On February 4, 2015, the Board of Directors authorized management to expend up to \$5,000,000 to repurchase shares of the Company's common stock from time to time as opportunities arise. On December 5, 2018, the Board of Directors approved a \$10,000,000 increase in the Company's stock repurchase authorization. On August 5, 2019, the Board of Directors approved a \$10,000,000 increase in the Company's stock repurchase authorization. On May 6, 2020, the Board of Directors approved a \$10,000,000 increase in the Company's stock repurchase authorization. On August 26, 2020, the Board of Directors approved a \$10,000,000 increase in the Company's stock repurchase authorization.

Item 6. EXHIBITS

- (a) Exhibits. The response to this item is submitted as a separate Section entitled "Exhibit Index", on page 34.

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SIGNATURES

Pursuant to the requirements 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.

FRP Holdings, Inc.

Date: **August 7, 2024** November 6,

2024

By **JOHN D. BAKER III**

John D. Baker III

Chief Executive Officer

(Principal Executive Officer)

By **MATTHEW C. MCNULTY**

Matthew C. McNulty

Chief Financial Officer & Treasurer

(Principal Financial Officer)

By **JOHN D. KLOPFENSTEIN**

John D. Klopfenstein

Controller and Chief Accounting

Officer (Principal Accounting Officer)

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FRP HOLDINGS, INC. **FORM 10-Q FOR THE SIXNINE MONTHS ENDED JUNE SEPTEMBER 30, 2024** **EXHIBIT INDEX**

- (31)(a) [Certification of John D. Baker III.](#)
 - (31)(b) [Certification of Matthew C. McNulty.](#)
 - (31)(c) [Certification of John D. Klopfenstein.](#)
 - (32) [Certification of Chief Executive Officer, Chief Financial Officer, and Controller and Chief Accounting Officer under Section 906 of the Sarbanes-Oxley Act of 2002.](#)
-
- | | |
|---------|--|
| 101.XSD | XBRL Taxonomy Extension Schema |
| 101.CAL | XBRL Taxonomy Extension Calculation Linkbase |
| 101.DEF | XBRL Taxonomy Extension Definition Linkbase |
| 101.LAB | XBRL Taxonomy Extension Label Linkbase |
| 101.PRE | XBRL Taxonomy Extension Presentation Linkbase |
| 104. | Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101) |

CERTIFICATIONS

Exhibit 31(a)

I, John D. Baker III, certify that:

1. I have reviewed this report on Form 10-Q of FRP Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial report; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2024 November 6, 2024

/s/ John D. Baker III

Chief Executive Officer

I, Matthew C. McNulty, certify that:

1. I have reviewed this report on Form 10-Q of FRP Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial report; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: **August 7, 2024** **November 6, 2024**

/s/ Matthew C. McNulty

Chief Financial Officer and Treasurer

I, John D. Klopfenstein, certify that:

1. I have reviewed this report on Form 10-Q of FRP Holdings, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officers and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) designed such disclosure controls and procedures, or caused such disclosure controls to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) disclosed in this report any changes in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial report; and
5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent functions):
 - a) all significant deficiencies in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2024 November 6, 2024

/s/ John D. Klopfenstein

Controller and Chief Accounting Officer

Exhibit 32

CERTIFICATION UNDER SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, each of the undersigned certifies that this periodic report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 and that information contained in this periodic report fairly presents, in all material respects, the financial condition and results of operations of FRP Holdings, Inc.

FRP Holdings, Inc.

Date: **August 7, 2024** | **November 6, 2024** By

/s/JOHN D. BAKER III

John D. Baker III

Chief Executive Officer & Chief Financial Officer
(Principal Executive Officer)

By

/s/MATTHEW C. MCNULTY

Matthew C. McNulty

Chief Financial Officer & Treasurer
(Principal Financial Officer)

By

/s/JOHN D. KLOPFENSTEIN

John D. Klopfenstein

Controller and Chief Accounting
Officer (Principal Accounting Officer)

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

The foregoing certification accompanies the issuer's Quarterly report on Form 10-Q and is not filed as provided in SEC Release Nos. 33-8212, 34-4751 and IC-25967, dated June 30, 2003.

DISCLAIMER

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