

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549
FORM 10-Q

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

For the quarterly period ended September 30, 2023

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: 001-40896

INVENTRUST PROPERTIES CORP.

(Exact name of registrant as specified in its charter)

Maryland

34-2019608

(State or other jurisdiction of incorporation or organization)

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

3025 Highland Parkway, Suite 350
Downers Grove, Illinois 60515



(855) 377-0510

(Address of principal executive offices) (Zip Code)

(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol	Name of each exchange on which registered
Common stock, \$0.001 par value	IVT	New York Stock Exchange

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

Large accelerated filer	<input checked="" type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

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

As of October 31, 2023, there were 67,531,335 shares of the registrant's common stock outstanding.

INVENTRUST PROPERTIES CORP.

Quarterly Report on Form 10-Q
For the quarterly period ended September 30, 2023

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INVENTRUST PROPERTIES CORP.

Condensed Consolidated Balance Sheets
(in thousands, except share amounts)

	As of	
	September 30, 2023	December 31, 2022
(unaudited)		
Assets		
Investment properties		
Land	\$ 694,668	\$ 650,764
Building and other improvements	1,951,619	1,825,893
Construction in progress	5,083	5,005
Total	2,651,370	2,481,662
Less accumulated depreciation	(442,953)	(389,361)
Net investment properties	2,208,417	2,092,301
Cash, cash equivalents and restricted cash	104,111	137,762
Investment in unconsolidated entities	3,820	56,131
Intangible assets, net	122,767	101,167
Accounts and rents receivable	33,930	34,528
Deferred costs and other assets, net	56,979	51,145
Total assets	<u>\$ 2,530,024</u>	<u>\$ 2,473,034</u>
Liabilities		
Debt, net	\$ 834,206	\$ 754,551
Accounts payable and accrued expenses	46,629	42,792
Distributions payable	14,553	13,837
Intangible liabilities, net	31,570	29,658
Other liabilities	31,534	28,287
Total liabilities	958,492	869,125
Commitments and contingencies		
Stockholders' Equity		
Preferred stock, \$ 0.001 par value, 40,000,000 shares authorized, none outstanding	—	—
Common stock, \$ 0.001 par value, 146,000,000 shares authorized, 67,531,335 shares issued and outstanding as of September 30, 2023 and 67,472,553 shares issued and outstanding as of December 31, 2022	68	67
Additional paid-in capital	5,463,458	5,456,968
Distributions in excess of accumulated net income	(3,921,122)	(3,879,847)
Accumulated comprehensive income	29,128	26,721
Total stockholders' equity	<u>1,571,532</u>	<u>1,603,909</u>
Total liabilities and stockholders' equity	<u>\$ 2,530,024</u>	<u>\$ 2,473,034</u>

See accompanying notes to the condensed consolidated financial statements.

INVENTRUST PROPERTIES CORP.

Condensed Consolidated Statements of Operations and Comprehensive Income

(Unaudited)

(in thousands, except share and per share amounts)

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Income				
Lease income, net	\$ 63,716	\$ 57,859	\$ 192,814	\$ 174,562
Other property income	346	304	1,060	886
Other fee income	—	594	80	1,988
Total income	64,062	58,757	193,954	177,436
Operating expenses				
Depreciation and amortization	30,318	24,021	85,339	71,055
Property operating	11,070	10,787	31,056	28,256
Real estate taxes	8,781	8,937	27,361	25,595
General and administrative	7,610	7,236	23,389	23,239
Total operating expenses	57,779	50,981	167,145	148,145
Other (expense) income				
Interest expense, net	(9,555)	(7,689)	(28,441)	(18,129)
Loss on extinguishment of debt	—	—	—	(96)
Gain on sale of investment properties	1,707	—	2,691	36,856
Equity in earnings (losses) of unconsolidated entities	67	352	(447)	3,784
Other income and expense, net	676	497	1,767	652
Total other (expense) income, net	(7,105)	(6,840)	(24,430)	23,067
Net (loss) income	\$ (822)	\$ 936	\$ 2,379	\$ 52,358
Weighted-average common shares outstanding - basic	67,531,335	67,427,571	67,521,110	67,398,713
Weighted-average common shares outstanding - diluted	67,531,335	67,547,259	67,720,485	67,558,315
Net (loss) income per common share - basic	\$ (0.01)	\$ 0.01	\$ 0.04	\$ 0.78
Net (loss) income per common share - diluted	\$ (0.01)	\$ 0.01	\$ 0.04	\$ 0.77
Distributions declared per common share outstanding	\$ 0.22	\$ 0.21	\$ 0.65	\$ 0.62
Distributions paid per common share outstanding	\$ 0.22	\$ 0.21	\$ 0.64	\$ 0.62
Comprehensive income				
Net (loss) income	\$ (822)	\$ 936	\$ 2,379	\$ 52,358
Unrealized gain on derivatives, net	5,978	11,992	13,496	32,912
Reclassification (to) from net income	(4,213)	(770)	(11,089)	747
Comprehensive income	\$ 943	\$ 12,158	\$ 4,786	\$ 86,017

See accompanying notes to the condensed consolidated financial statements.

INVENTRUST PROPERTIES CORP.

Condensed Consolidated Statements of Equity

(Unaudited)

(in thousands, except share amounts)

	Number of Shares	Common Stock	Additional Paid-in Capital	Distributions in Excess of Accumulated Net Income	Accumulated Comprehensive Income	Total
Beginning balance, January 1, 2023	67,472,553	\$ 67	\$ 5,456,968	\$ (3,879,847)	\$ 26,721	\$ 1,603,909
Net income	—	—	—	1,133	—	1,133
Unrealized loss on derivatives	—	—	—	—	(3,317)	(3,317)
Reclassification to interest expense, net	—	—	—	—	(2,892)	(2,892)
Distributions declared	—	—	—	(14,548)	—	(14,548)
Incentive Award Plan, net	36,088	1	2,119	—	—	2,120
Ending balance, March 31, 2023	67,508,641	\$ 68	\$ 5,459,087	\$ (3,893,262)	\$ 20,512	\$ 1,586,405
Net income	—	—	—	2,068	—	2,068
Unrealized gain on derivatives	—	—	—	—	10,835	10,835
Reclassification to interest expense, net	—	—	—	—	(3,984)	(3,984)
Distributions declared	—	—	—	(14,553)	—	(14,553)
Incentive Award Plan, net	22,694	—	2,166	—	—	2,166
Ending balance, June 30, 2023	67,531,335	\$ 68	\$ 5,461,253	\$ (3,905,747)	\$ 27,363	\$ 1,582,937
Net loss	—	—	—	(822)	—	(822)
Unrealized gain on derivatives	—	—	—	—	5,978	5,978
Reclassification to interest expense, net	—	—	—	—	(4,213)	(4,213)
Distributions declared	—	—	—	(14,553)	—	(14,553)
Employee Share Purchase Plan	—	—	34	—	—	34
Incentive Award Plan, net	—	—	2,171	—	—	2,171
Ending balance, September 30, 2023	67,531,335	\$ 68	\$ 5,463,458	\$ (3,921,122)	\$ 29,128	\$ 1,571,532

See accompanying notes to the condensed consolidated financial statements.

INVENTRUST PROPERTIES CORP.

Condensed Consolidated Statements of Equity

(Unaudited)

(in thousands, except share amounts)

	Number of Shares	Common Stock	Additional Paid-in Capital	Distributions in Excess of Accumulated Net Income	Accumulated Comprehensive Income (Loss)	Total
Beginning balance, January 1, 2022	67,344,374	\$ 67	\$ 5,452,550	\$ (3,876,743)	\$ (4,322)	\$ 1,571,552
Net income	—	—	—	9,501	—	9,501
Unrealized gain on derivatives	—	—	—	—	15,406	15,406
Reclassification to interest expense, net	—	—	—	—	1,003	1,003
Reclassification to equity in earnings of unconsolidated entities	—	—	—	—	22	22
Distributions declared	—	—	—	(13,828)	—	(13,828)
Incentive Award Plan, net	44,329	—	550	—	—	550
Ending balance, March 31, 2022	67,388,703	\$ 67	\$ 5,453,100	\$ (3,881,070)	\$ 12,109	\$ 1,584,206
Net income	—	—	—	41,921	—	41,921
Unrealized loss on derivatives	—	—	—	—	5,514	5,514
Reclassification to interest expense, net	—	—	—	—	547	547
Reclassification to equity in earnings of unconsolidated entities	—	—	—	—	(55)	(55)
Distributions declared	—	—	—	(13,836)	—	(13,836)
Incentive Award Plan, net	38,868	—	1,192	—	—	1,192
Ending balance, June 30, 2022	67,427,571	\$ 67	\$ 5,454,292	\$ (3,852,985)	\$ 18,115	\$ 1,619,489
Net income	—	—	—	936	—	936
Unrealized loss on derivatives	—	—	—	—	11,992	11,992
Reclassification to interest expense, net	—	—	—	—	(559)	(559)
Reclassification to equity in earnings of unconsolidated entities	—	—	—	—	(211)	(211)
Distributions declared	—	—	—	(13,836)	—	(13,836)
Incentive Award Plan, net	—	—	936	—	—	936
Ending balance, September 30, 2022	67,427,571	\$ 67	\$ 5,455,228	\$ (3,865,885)	\$ 29,337	\$ 1,618,747

See accompanying notes to the condensed consolidated financial statements.

INVENTRUST PROPERTIES CORP.

Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Nine months ended September 30	
	2023	2022
Cash flows from operating activities:		
Net income	\$ 2,379	\$ 52,358
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	85,339	71,055
Amortization of market-lease intangibles and inducements, net	(2,717)	(4,594)
Amortization of debt discounts and financing costs	3,286	2,075
Straight-line rent adjustment, net	(2,383)	(2,079)
Provision for (reversal of) estimated credit losses	223	(1,587)
Gain on sale of investment properties	(2,691)	(36,856)
Loss on extinguishment of debt	—	96
Equity in losses (earnings) of unconsolidated entities	447	(3,784)
Distributions from unconsolidated entities	—	9,350
Stock-based compensation expense, net	6,610	3,929
Changes in operating assets and liabilities:		
Accounts and rents receivable	4,306	(659)
Deferred costs and other assets, net	2,375	36
Accounts payable and accrued expenses	3,017	8,426
Other liabilities	(388)	3,122
Net cash provided by operating activities	99,803	100,888
Cash flows from investing activities:		
Purchase of investment properties	(152,047)	(156,139)
Capital expenditures and tenant improvements	(20,631)	(13,948)
Investment in development and redevelopment projects	(3,160)	(8,297)
Proceeds from sale of investment properties, net	12,559	54,276
Distributions from unconsolidated entities	91,355	47,355
Lease commissions and other leasing costs	(2,518)	(3,430)
Other investing activities	(1,736)	(963)
Net cash used in investing activities	(76,178)	(81,146)
Cash flows from financing activities:		
Distributions to shareholders	(42,938)	(41,466)
Line of credit proceeds	30,000	112,000
Line of credit repayments	(30,000)	(143,000)
Senior notes proceeds	—	250,000
Payoffs of debt	(13,700)	(22,328)
Principal payments on mortgage debt	(32)	(747)
Payment of loan fees and deposits	—	(2,306)
Other financing activities	(606)	(233)
Net cash (used in) provided by financing activities	(57,276)	151,920
Net (decrease) increase in cash, cash equivalents and restricted cash	(33,651)	171,662
Cash, cash equivalents and restricted cash at the beginning of the period	137,762	44,854
Cash, cash equivalents and restricted cash at the end of the period	\$ 104,111	\$ 216,516

INVENTRUST PROPERTIES CORP.

Condensed Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

	Nine months ended September 30	
	2023	2022
<u>Supplemental disclosure and schedules:</u>		
Cash flow disclosure, including non-cash activities:		
Cash paid for interest, net of capitalized interest	\$ 28,133	\$ 13,913
Cash paid for (refunded from) income taxes, net	\$ 525	\$ (333)
Previously held equity investments in real estate assets acquired	\$ 39,603	\$ —
Distributions payable to shareholders	\$ 14,553	\$ 13,836
Accrued capital expenditures and tenant improvements	\$ 3,333	\$ 3,297
Capitalized costs placed in service	\$ 13,800	\$ 16,725
Purchase of investment properties:		
Net investment properties	\$ 200,085	\$ 216,750
Accounts and rents receivable, lease intangibles, and deferred costs and other assets	52,871	29,759
Accounts payable and accrued expenses, lease intangibles, and other liabilities	(9,133)	(10,489)
Assumption of mortgage debt, at fair value	(91,776)	(79,881)
Cash outflow for purchase of investment properties, net	152,047	156,139
Assumption of mortgage principal	92,468	80,380
Capitalized acquisition costs	(150)	(886)
Credits and other changes in cash outflow, net	(365)	2,837
Gross acquisition price of investment properties	\$ 244,000	\$ 238,470
Sale of investment properties:		
Net investment properties	\$ 10,086	\$ 17,792
Accounts and rents receivable, lease intangibles, and deferred costs and other assets	297	544
Accounts payable and accrued expenses, lease intangibles, and other liabilities	(515)	(916)
Gain on sale of investment properties	2,691	36,856
Proceeds from sale of investment properties, net	12,559	54,276
Credits and other changes in cash inflow, net	583	1,174
Gross disposition price of investment properties	\$ 13,142	\$ 55,450

See accompanying notes to the condensed consolidated financial statements.

INVENTRUST PROPERTIES CORP.
Notes to Condensed Consolidated Financial Statements
September 30, 2023 and 2022
(Unaudited)

The accompanying condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") for interim financial information and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. Readers of these interim condensed consolidated financial statements in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (the "Quarterly Report") should refer to the audited consolidated financial statements of InvenTrust Properties Corp. (the "Company") as of and for the year ended December 31, 2022, which are included in the Company's Annual Report on Form 10-K (the "Annual Report") as certain note disclosures contained in such audited consolidated financial statements have been omitted from this Quarterly Report. In the opinion of management, all adjustments necessary (consisting of normal recurring accruals, except as otherwise noted) for a fair presentation have been included in these condensed consolidated financial statements. Unless otherwise noted, all square feet and dollar amounts are stated in thousands, except per share amounts.

1. Organization

On October 4, 2004, InvenTrust Properties Corp. (the "Company" or "InvenTrust") was incorporated as Inland American Real Estate Trust, Inc., a Maryland corporation, and has elected and operates in a manner to be taxed as a real estate investment trust ("REIT") for federal tax purposes. The Company changed its name to InvenTrust Properties Corp. in April of 2015 and is focused on owning, leasing, redeveloping, acquiring and managing a multi-tenant retail platform.

As a REIT, the Company is entitled to a tax deduction for some or all of the dividends paid to stockholders. Accordingly, the Company generally will not be subject to federal income taxes as long as it currently distributes to stockholders an amount equal to or in excess of the Company's taxable income. If the Company fails to qualify as a REIT in any taxable year, without the benefit of certain relief provisions, the Company will be subject to federal and state income tax on its taxable income at regular corporate tax rates.

The accompanying condensed consolidated financial statements include the accounts of the Company, as well as all wholly-owned subsidiaries. Subsidiaries generally consist of limited liability companies ("LLCs") and limited partnerships ("LPs"). All significant intercompany balances and transactions have been eliminated.

Each retail property is owned by a separate legal entity that maintains its own books and financial records. Each separate legal entity's assets are not available to satisfy the liabilities of other affiliated entities.

As of September 30, 2023 and 2022, the Company had an investment in one unconsolidated real estate joint venture, IAGM Retail Fund I, LLC ("IAGM"). On January 18, 2023, the Company acquired the four remaining retail properties from IAGM by acquiring 100 % of the membership interests in each of IAGM's wholly owned subsidiaries, as disclosed in "Note 6. Investment in Unconsolidated Entities".

The Company determined it has a single reportable segment, multi-tenant retail, for disclosure purposes in accordance with GAAP. The following table summarizes the Company's retail portfolio as of September 30, 2023 and 2022:

	Wholly-Owned Retail Properties		Unconsolidated Retail Properties at 100%	
	2023	2022	2023	2022
No. of properties	62	57	—	5
Gross Leasable Area (square feet)	10,324	9,081	—	1,386

2. Basis of Presentation

The accompanying condensed consolidated financial statements have been prepared in accordance with GAAP, which requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. Significant estimates, judgments and assumptions are required in a number of areas, including, but not limited to, evaluating the impairment of long-lived assets, allocating the purchase price of acquired retail properties, determining the fair value of debt and evaluating the collectibility of accounts receivable. The Company bases these estimates, judgments and assumptions on historical experience and various other factors that the Company believes to be reasonable under the circumstances. Actual results may differ from these estimates.

3. Revenue Recognition

Operating Leases

Minimum lease payments to be received under long-term operating leases and short-term specialty leases, excluding additional percentage rent based on tenants' sales volume and tenant reimbursements of certain operating expenses, and assuming no exercise of renewal options or early termination rights, are as follows:

Minimum lease payments, by year	As of September 30, 2023	
Remaining 2023	\$	46,851
2024		184,629
2025		169,137
2026		150,047
2027		117,541
Thereafter		406,269
Total	\$	1,074,474

The foregoing table includes payments from tenants who have taken possession of their space and tenants who have been moved to the cash basis of accounting for revenue recognition purposes. The remaining lease terms range from less than one year to fifty-seven years.

The following table reflects the disaggregation of lease income, net:

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Minimum base rent	\$ 41,559	\$ 36,535	\$ 123,580	\$ 108,309
Real estate tax recoveries	7,808	8,137	24,273	23,143
Common area maintenance, insurance, and other recoveries	7,913	7,166	22,351	20,462
Ground rent income	4,797	3,808	14,304	11,178
Amortization of market-lease intangibles and inducements, net	629	985	2,717	4,594
Short-term and other lease income	661	674	2,610	2,858
Termination fee income	75	35	819	352
Straight-line rent adjustment, net	837	709	2,383	2,079
(Provision for) reversal of uncollectible straight-line rent, net	(107)	48	109	1,046
Provision for uncollectible billed rent and recoveries	(461)	(260)	(927)	(640)
Reversal of uncollectible billed rent and recoveries	5	22	595	1,181
Lease income, net	\$ 63,716	\$ 57,859	\$ 192,814	\$ 174,562

4. Acquired Properties

The following table reflects the retail properties acquired, accounted for as asset acquisitions, during the nine months ended September 30, 2023:

Acquisition Date	Property	Metropolitan Area	Square Feet	Gross Acquisition Price	Assumption of Mortgage Debt
January 18, 2023	Bay Colony (a)	Houston, TX	416	\$ 79,100	\$ 41,969
January 18, 2023	Blackhawk Town Center (a)	Houston, TX	127	26,300	13,008
January 18, 2023	Cyfair Town Center (a)	Houston, TX	433	79,200	30,880
January 18, 2023	Stables Town Center (a)	Houston, TX	148	37,000	6,611
June 2, 2023	The Shoppes at Davis Lake	Charlotte, NC	91	22,400	—
			1,215	\$ 244,000	\$ 92,468

(a) These retail properties were acquired from the Company's unconsolidated joint venture, IAGM, as disclosed in "Note 6. Investment in Unconsolidated Entities". The Company recognized a fair value adjustment of \$ 692 related to the pooled mortgage debt on these properties.

The following table reflects the retail properties acquired, accounted for as asset acquisitions, during the nine months ended September 30, 2022:

Acquisition Date	Property	Metropolitan Area	Square Feet	Gross Acquisition Price	Assumption of Mortgage Debt
February 2, 2022	Shops at Arbor Trails	Austin, TX	357	\$ 112,190	\$ 31,500
February 2, 2022	Escarment Village	Austin, TX	170	77,150	26,000
April 21, 2022	The Highlands of Flower Mound (a)	Dallas, TX	175	38,000	22,880
May 4, 2022	Bay Landing	Fort Myers, FL	63	10,425	—
June 10, 2022	Kyle Marketplace - Outparcel (b)	Austin, TX	—	705	—
			765	\$ 238,470	\$ 80,380

(a) The retail property was acquired from the Company's unconsolidated joint venture, IAGM, as disclosed in "Note 6. Investment in Unconsolidated Entities". The Company recognized a fair value adjustment of \$ 499 related to the mortgage payable secured by the property.

(b) The Company acquired a parcel of vacant land adjacent to this retail property.

Transaction costs of \$ 150 were capitalized during the nine months ended September 30, 2023, and \$ 886 were capitalized during the nine months ended September 30, 2022.

5. Disposed Properties

The following table reflects the real property disposed of during the nine months ended September 30, 2023:

Date	Property	Metropolitan Area	Square Feet	Gross Disposition Price	Gain on Sale
June 20, 2023	Shops at the Galleria (a)	Austin, TX	N/A	\$ 1,692	\$ 984
August 25, 2023	Trowbridge Crossing	Atlanta, GA	63	11,450	1,707
			63	\$ 13,142	\$ 2,691

(a) This disposition was related to the completion of a partial condemnation at one retail property.

The following table reflects the real property disposed of during the nine months ended September 30, 2022:

Date	Property	Metropolitan Area	Square Feet	Gross Disposition Price	Gain on Sale
June 30, 2022	Centerplace of Greeley	Denver, CO	152	\$ 37,550	\$ 25,147
June 30, 2022	Cheyenne Meadows	Denver, CO	90	17,900	11,709
			242	\$ 55,450	\$ 36,856

6. Investment in Unconsolidated Entities

Joint Venture Interest in IAGM

As of September 30, 2023 and December 31, 2022, the Company owned a 55 % interest in one unconsolidated entity, IAGM, a joint venture partnership between the Company and PGGM Private Real Estate Fund. IAGM was formed on April 17, 2013 for the purpose of acquiring, owning, managing, and disposing of retail properties and sharing in the profits and losses from those retail properties and their activities.

On January 18, 2023, the Company acquired the four remaining retail properties from IAGM for an aggregate purchase price of \$ 222.3 million by acquiring 100 % of the membership interests in each of IAGM's wholly owned subsidiaries . The Company assumed aggregate mortgage debt of \$ 92.5 million and funded the remaining balance with its available liquidity. IAGM recognized a gain on sale of \$ 45.2 million, of which the Company's share was approximately \$ 24.9 million. Subsequent to the transaction, IAGM proportionately distributed substantially all net proceeds from the sale, of which the Company's share was approximately \$ 71.4 million. In connection with the foregoing, IAGM adopted a liquidation plan on January 11, 2023. As of September 30, 2023, net assets of IAGM were \$ 7.0 million, inclusive of cash and cash equivalents of \$ 9.2 million.

The Company's aggregate deferred gains related to its previously owned equity interest in real estate acquisitions from IAGM of \$ 39.9 million are reflected in the basis of the respective acquired assets. Previously, deferred gains were reflected as a reduction of the Company's investment in IAGM and amortized to equity in earnings of unconsolidated entities.

On January 18, 2023, the Company also acquired IAGM's two interest rate swap agreements which achieve fixed interest rates on an aggregate notional amount of \$ 75.0 million of the assumed pooled mortgage priced in a Secured Overnight Financing Rate ("SOFR"), each of which reprice monthly ("1-Month Term SOFR"). IAGM recognized a gain on sale of \$ 2.6 million representing the fair value of the derivatives, of which the Company's share was approximately \$ 1.4 million. The Company deferred its share of IAGM's gain on sale of derivatives, initially reflecting it within accumulated comprehensive income and amortizing it to interest expense, net, through the instruments' maturity date.

The following table reflects the real property disposed by IAGM since January 1, 2022.

Date	Property	Square Feet	Gross Disposition Price	IAGM's Gain (Loss) on Sale	The Company's Gain Deferral
March 3, 2022	Price Plaza (a)	206	\$ 39,100	\$ 3,751	\$ —
April 21, 2022	The Highlands of Flower Mound (b)	175	38,000	1,244	684
December 16, 2022	Stone Ridge Market (b)	219	58,100	12,287	6,758
December 22, 2022	Stables Town Center (c)	43	7,800	(244)	—
January 18, 2023	Bay Colony (b)	416	79,100	22,327	12,280
January 18, 2023	Blackhawk Town Center (b)	127	26,300	12,632	6,948
January 18, 2023	Cyfair Town Center (b)	433	79,200	4,713	2,592
January 18, 2023	Stables Town Center (b)	148	37,000	5,536	3,045

- (a) The buyer assumed a \$ 17,800 mortgage payable secured by the property.
- (b) The Company purchased these properties at a purchase price determined by a third party real estate valuation specialist.
- (c) IAGM disposed of 43 square feet out of a total 191 square feet through a partial sale of the property.

Condensed Financial Information

The following table presents condensed balance sheet information for IAGM:

	As of	
	September 30, 2023	December 31, 2022
Assets:		
Net investment properties	\$ —	\$ 161,312
Other assets	9,280	65,565
Total assets	<u><u>\$ 9,280</u></u>	<u><u>\$ 226,877</u></u>
Liabilities and equity:		
Mortgages debt, net	\$ —	\$ 92,186
Other liabilities	2,252	7,392
Equity	7,028	127,299
Total liabilities and equity	<u><u>\$ 9,280</u></u>	<u><u>\$ 226,877</u></u>
Company's share of equity	\$ 3,820	\$ 70,869
Outside basis differences, net (a)	—	(14,738)
Carrying value of investments in unconsolidated entities	<u><u>\$ 3,820</u></u>	<u><u>\$ 56,131</u></u>

(a) The outside basis differences reflect unamortized deferred gains on historical property sales from IAGM to the Company.

The following table presents condensed income statement information of IAGM:

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Total income	\$ —	\$ 6,518	\$ 952	\$ 21,501
Depreciation and amortization	—	(2,428)	(622)	(7,852)
Property operating	—	(1,363)	(232)	(3,804)
Real estate taxes	—	(929)	(127)	(3,174)
Asset management fees	—	(215)	(32)	(686)
Interest expense, net	—	(929)	(143)	(2,987)
Other income and expense, net	123	(142)	597	(35)
Gain (loss) on debt extinguishment	—	—	444	(202)
Gain on sale of real estate	—	—	45,208	4,995
Gain on sale of derivatives			2,556	—
Net income	<u><u>\$ 123</u></u>	<u><u>\$ 512</u></u>	<u><u>\$ 48,601</u></u>	<u><u>\$ 7,756</u></u>
Company's share of net income	\$ 67	\$ 281	\$ 26,728	\$ 4,265
Outside basis adjustments for IAGM's sales to the Company	—	71	(27,175)	(481)
Equity in earnings (losses) of unconsolidated entities	<u><u>\$ 67</u></u>	<u><u>\$ 352</u></u>	<u><u>\$ (447)</u></u>	<u><u>\$ 3,784</u></u>

7. Debt

The Company's debt consists of mortgages payable, unsecured term loans, senior notes, and an unsecured revolving line of credit. The Company believes it has the ability to repay, refinance or extend any of its debt, and that it has adequate sources of funds to meet short-term cash needs. It is anticipated that the Company will use proceeds from property sales, cash on hand, and available capacity on credit agreements, if any, to repay, refinance or extend the mortgages payable maturing in the near term.

The Company's credit agreements and mortgage loans require compliance with certain covenants, such as debt service coverage ratios, investment restrictions and distribution limitations. As of September 30, 2023 and December 31, 2022, the Company was in compliance with all loan covenants.

On February 6, 2023, the Company extinguished the \$ 13.7 million mortgage payable secured by Renaissance Center with its available liquidity.

Credit Agreements

On September 22, 2021, the Company entered into an amendment to the Revolving Credit Agreement (the "Amended Revolving Credit Agreement"), which provides for, among other things, an extension of the maturity of the \$ 350.0 million Revolving Credit Agreement to September 22, 2025, with two six-month extension options.

On September 22, 2021, the Company entered into an amendment to its \$ 400.0 million Term Loan Credit Agreement (the "Amended Term Loan Agreement"), which provides for, among other things, an extension of the maturity dates and a reallocation of indebtedness under the two outstanding tranches of term loans thereunder. The Amended Term Loan Agreement consists of a \$ 200.0 million 5-year tranche maturing on September 22, 2026, and a \$ 200.0 million 5.5 -year tranche maturing on March 22, 2027.

On June 3, 2022, in connection with and upon effectiveness of the Note Purchase Agreement (as defined below) and in accordance with the terms of the Amended Term Loan Credit Agreement and Amended Revolving Credit Agreement, each of the administrative agents under such agreements released all of the subsidiary guarantors from their guaranty obligations that were previously made for the benefit of the lenders under such agreements.

Interest Rate Swaps

The Company is party to four effective interest rate swap agreements and four interest rate forward swap agreements, which address the periods between the maturity dates of the effective swaps and the maturity dates of the Amended Term Loan Agreement. In tandem, the interest rate swaps achieve fixed interest rates for a constant notional amount through the maturity dates of the Amended Term Loan Agreement.

On January 18, 2023, the Company acquired IAGM's two interest rate swap agreements, which achieve fixed interest rates on an aggregate notional amount of \$ 75.0 million of the assumed pooled mortgage, each priced in 1-Month Term SOFR.

On March 16, 2023, the Company entered into one interest rate swap agreement with a notional amount of \$ 100.0 million at 3.69 %, achieving a fixed interest rate of 4.99 %. As of the effective date of April 3, 2023, the entirety of the Company's variable rate term loans were swapped to fixed rates through the maturity dates of the Amended Term Loan Agreement.

Senior Notes

On August 11, 2022, the Company issued \$ 250.0 million aggregate principal amount of senior notes in a private placement, of which (i) \$ 150.0 million are designated as 5.07 % Senior Notes, Series A, due August 11, 2029 (the "Series A Notes") and (ii) \$ 100.0 million are designated as 5.20 % Senior Notes, Series B, due August 11, 2032 (the "Series B Notes" and, together with the Series A Notes, the "Notes") pursuant to a note purchase agreement (the "Note Purchase Agreement"), dated June 3, 2022, between the Company and the various purchasers named therein. The Notes were issued at par in accordance with the Note Purchase Agreement and pay interest semiannually on February 11th and August 11th until their respective maturities.

The Company may prepay at any time all or any part of the Notes, in an amount not less than 5 % of the aggregate principal amount of any series of the Notes then outstanding in the case of a partial prepayment, at 100 % of the principal amount prepaid plus accrued interest and a Make-Whole Amount (as defined in the Note Purchase Agreement). The Notes will be required to be absolutely and unconditionally guaranteed by certain subsidiaries of the Company that guarantee certain material credit facilities of the Company. Currently, there are no subsidiary guarantees of the Notes.

The following table summarizes the Company's debt as of September 30, 2023 and December 31, 2022:

	Maturity Date	Rate Type	As of September 30, 2023		As of December 31, 2022	
			Interest Rate	Amount	Interest Rate	Amount
<u>Mortgages Payable</u>						
Fixed rate mortgages payable	Various	Fixed	3.12 % (a) (b)	\$ 171,080	3.95 % (a)	\$ 109,812
Variable rate mortgages payable	11/2/2023	Variable	1M SOFR + 1.65 % (c)	17,468	—	—
Total				188,548		109,812
<u>Term Loans</u>						
\$ 200.0 million 5 years	9/22/2026	Fixed	2.71 % (b)	100,000	2.71 % (b)	100,000
\$ 200.0 million 5 years	9/22/2026	Fixed	2.72 % (b)	100,000	2.72 % (b)	100,000
\$ 200.0 million 5.5 years	3/22/2027	Fixed	2.77 % (b)	50,000	2.77 % (b)	50,000
\$ 200.0 million 5.5 years	3/22/2027	Fixed	2.76 % (b)	50,000	2.76 % (b)	50,000
\$ 200.0 million 5.5 years	3/22/2027	Fixed	4.99 % (d)	100,000	1M SOFR + 1.30 % (c)	100,000
Total				400,000		400,000
<u>Senior Notes</u>						
\$ 150.0 million	8/11/2029	Fixed	5.07 %	150,000	5.07 %	150,000
\$ 100.0 million	8/11/2032	Fixed	5.20 %	100,000	5.20 %	100,000
Total				250,000		250,000
<u>Revolving Line of Credit</u>						
\$ 350.0 million total capacity	9/22/2025	Variable	1M SOFR + 1.14 % (c)	—	1M SOFR + 1.14 % (c)	—
Total debt			3.88 %	838,548	4.08 %	759,812
Debt discounts and issuance costs, net				(4,342)		(5,261)
Debt, net				\$ 834,206		\$ 754,551

- (a) Interest rates reflect the weighted average of the Company's mortgages payable.
- (b) Interest rates reflect the fixed rates achieved through the Company's interest rate swaps.
- (c) As of September 30, 2023 and December 31, 2022, 1-Month Term SOFR was 5.32 % and 4.36 %, respectively.
- (d) As of April 3, 2023, the variable portion was swapped to 3.69 %, achieving a fixed rate of 4.99 % through the maturity date.

The following table summarizes the scheduled maturities of the Company's mortgages payable as of September 30, 2023 for the remainder of 2023, each of the next four years, and thereafter.

Scheduled maturities by year:	As of September 30, 2023
2023 (a)	\$ 92,468
2024	15,700
2025	22,880
2026	—
2027	26,000
Thereafter	31,500
Total mortgage payable maturities	\$ 188,548

- (a) Scheduled maturities do not reflect two 12-month extension options available. On October 17, 2023, the Company extended the maturity of the \$ 92.5 million of debt maturing in 2023 by exercising one of its two 12-month extension options. The maturity date of the debt is now November 2, 2024 and has an interest rate of 1-Month Term SOFR + 1.65 %.

8. Fair Value Measurements

Recurring Measurements

The following financial instruments are remeasured at fair value on a recurring basis:

Cash Flow Hedges: (a) (b)	Fair Value Measurements as of					
	September 30, 2023			December 31, 2022		
	Level 1	Level 2 (c)	Level 3	Level 1	Level 2 (d)	Level 3
Derivative interest rate swap assets	\$ —	\$ 29,256	\$ —	\$ —	\$ 26,721	\$ —
Derivative interest rate swap liabilities	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —

- (a) During the twelve months subsequent to September 30, 2023, an estimated \$ 12,779 of derivative interest rate balances recognized in accumulated comprehensive income will be reclassified into earnings.
- (b) As of September 30, 2023 and December 31, 2022, the Company determined that the credit valuation adjustments associated with nonperformance risk are not significant to the overall valuation of its derivatives. As a result, the Company's derivative valuations in their entirety are classified as Level 2 of the fair value hierarchy.
- (c) The Company's derivative assets or liabilities are recognized as a part of deferred costs and other assets, net or other liabilities, respectively.
- (d) The Company's derivative assets or liabilities are recognized as a part of deferred costs and other assets, net or other liabilities, respectively. IAGM's derivative assets were recognized as a part of investment in unconsolidated entities.

Nonrecurring Measurements

Investment Properties

During the three months ended September 30, 2023 and 2022, the Company had no Level 3 nonrecurring fair value measurements.

Financial Instruments Not Measured at Fair Value

The table below summarizes the estimated fair value of financial instruments presented at carrying values in the Company's condensed consolidated financial statements as of September 30, 2023 and December 31, 2022:

	September 30, 2023			December 31, 2022		
	Carrying Value	Estimated Fair Value	Market Interest Rate	Carrying Value	Estimated Fair Value	Market Interest Rate
Mortgages payable	\$ 188,548	\$ 179,226	7.61 %	\$ 109,812	\$ 100,218	6.81 %
Senior notes	250,000	228,063	6.71 %	250,000	235,820	6.05 %
Term loans	400,000	400,323	5.81 %	400,000	401,170	5.11 %
Revolving line of credit	—	—	N/A	—	—	N/A

The market interest rates used to estimate the fair value of the Company's mortgages payable, senior notes, term loans, and revolving line of credit reflect the terms currently available on similar borrowing terms to borrowers with credit profiles similar to that of the Company's. The Company classifies its debt instrument valuations within Level 2 of the fair value hierarchy.

9. Earnings Per Share and Equity Transactions

Basic earnings per share ("EPS") is computed by dividing net income or loss attributed to common shares by the weighted average number of common shares outstanding for the period. Diluted EPS reflects the potential dilution that may occur from awards issued pursuant to stock-based compensation plans.

The following table reconciles the amounts used in calculating basic and diluted EPS:

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Numerator:				
Net (loss) income attributed to common shares	\$ (822)	\$ 936	\$ 2,379	\$ 52,358
Earnings allocated to unvested restricted shares	—	—	—	(63)
Net (loss) income attributed to common shares - basic and diluted	<u>(822)</u>	<u>936</u>	<u>2,379</u>	<u>52,295</u>
Denominator:				
Weighted average common shares outstanding - basic	67,531,335	67,427,571	67,521,110	67,398,713
Dilutive effect of unvested restricted shares (a) (b)	—	119,688	199,375	159,602
Weighted average common shares outstanding - diluted	<u>67,531,335</u>	<u>67,547,259</u>	<u>67,720,485</u>	<u>67,558,315</u>
Basic and diluted earnings per common share:				
Net (loss) income per common share - basic	\$ (0.01)	\$ 0.01	\$ 0.04	\$ 0.78
Net (loss) income per common share - diluted	\$ (0.01)	\$ 0.01	\$ 0.04	\$ 0.77

(a) For the three months ended September 30, 2023, the Company has excluded the anti-dilutive effect of stock-based compensation arrangements.

(b) For the nine months ended September 30, 2023, the Company has excluded the anti-dilutive effect of market-based awards granted in 2023.

ATM Program

On March 7, 2022, the Company established an at-the-market equity offering program (the "ATM Program") through which the Company may sell from time to time up to an aggregate of \$ 250.0 million of its common stock. In connection with the ATM Program, the Company may sell shares of its common stock to or through sales agents, or may enter into separate forward sale agreements with one of the agents, or one of their respective affiliates, as a forward purchaser. As of September 30, 2023, the Company has not sold any common stock under the ATM Program.

Share Repurchase Program

On February 23, 2022, the Company established a share repurchase program (the "SRP") of up to \$ 150.0 million of the Company's outstanding shares of common stock. The SRP may be suspended or discontinued at any time, and does not obligate the Company to repurchase any dollar amount or particular amount of shares. As of September 30, 2023, the Company has not repurchased any common stock under the SRP.

10. Stock-Based Compensation

Incentive Award Plan

Effective as of June 19, 2015, the Company's Board adopted the InvenTrust Properties Corp. 2015 Incentive Award Plan (the "Incentive Award Plan"), under which the Company may grant cash and equity incentive awards to eligible employees, directors, and consultants. The Company is authorized to issue or transfer up to 3,000,000 shares (the "Share Limit") of the Company's common stock pursuant to awards granted under the Incentive Award Plan.

As of September 30, 2023, 536,429 shares were available for future issuance under the Incentive Award Plan. Outstanding restricted stock unit ("RSU") awards are categorized as either time-based awards, performance-based awards, or market-based awards. All awards are granted at fair value, earn dividends throughout the vesting period, and have no voting rights.

Market-based awards are valued as of the grant date utilizing a Monte Carlo simulation model that assesses the probability of satisfying certain market performance thresholds over a three year performance period. The following table summarizes the Company's significant assumptions used in the Monte Carlo simulation models:

	At Grant Date	
	2023	2022
Volatility	34.00 %	33.89 %
Risk free interest rate	4.45 %	0.79 % - 1.76 %
Dividend Yield	3.20 %	3.24 %

The following table summarizes the Company's RSU activity during the nine months ended September 30, 2023:

	Unvested Time-Based RSUs	Unvested Performance and Market-Based RSUs	Weighted-Average Grant Date Value Per Share
Outstanding as of January 1, 2023	123,427	712,051	\$ 23.35
Shares granted	152,393	445,828	\$ 18.40
Shares vested	(30,256)	(60,042)	\$ 30.85
Unearned performance shares added back to Share Limit	—	(69,803)	\$ 31.40
Shares forfeited	(1,343)	(3,263)	\$ 19.51
Outstanding as of September 30, 2023	<u>244,221</u>	<u>1,024,771</u>	<u>\$ 20.04</u>

Employee Stock Purchase Plan

On May 4, 2023, the Company established an Employee Stock Purchase Plan (the "ESPP") through which employees may purchase up to an aggregate of 3,300,000 shares of its common stock. Shares may be purchased semi-annually at a price equal to 85 % of the lesser of: (a) the closing price per share on the first day of such period, and (b) the closing price per share on the last day of such period. As of September 30, 2023, the Company has not issued any common stock under the ESPP.

Stock-Based Compensation Expense

The following table summarizes the Company's stock-based compensation expense:

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Incentive Award Plan, net (a)	\$ 2,307	\$ 1,527	\$ 6,576	\$ 3,929
Employee Share Purchase Plan (b)	34	—	34	—
Stock-based compensation expense, net	<u>\$ 2,341</u>	<u>\$ 1,527</u>	<u>\$ 6,610</u>	<u>\$ 3,929</u>

(a) As of September 30, 2023, there was \$ 12,329 of total estimated unrecognized compensation expense related to the Incentive Award Plan which will be recognized through December 2025.

(b) As of September 30, 2023, there was \$ 239 of total estimated unrecognized compensation expense related to the ESPP which will be recognized through June 2025.

11. Commitments and Contingencies

The Company is subject, from time to time, to various types of third-party legal claims or litigation that arise in the ordinary course of business, including, but not limited to, property loss claims, personal injury or other damages resulting from contact with the Company's properties. These claims and lawsuits and any resulting damages are generally covered by the Company's insurance policies. The Company accrues for legal costs associated with loss contingencies when these costs are probable and reasonably estimable. While the resolution of these matters cannot be predicted with certainty, based on currently available information, management does not expect that the final outcome of any pending claims or legal proceedings will have a material adverse effect on the financial condition, results of operations or cash flows of the Company.

Operating Lease Commitments

The Company has non-cancelable operating leases for office space used in its business. Future minimum operating lease obligations as of September 30, 2023, were as follows:

	Minimum Lease Payments
Remaining 2023	\$ 340
2024	628
2025	511
2026	517
2027	529
Thereafter	1,308
Total expected minimum lease obligation	3,833
Less: Amount representing interest (a)	(714)
Present value of net minimum lease payments	\$ 3,119

(a) Interest includes the amount necessary to reduce to present value the total expected minimum lease obligations calculated at the Company's incremental borrowing rate.

12. Subsequent Events

In preparing its condensed consolidated financial statements, the Company has evaluated, for recognition and disclosure purposes, events and transactions occurring after September 30, 2023, through the date the financial statements were issued.

On October 17, 2023, the Company extended the maturity of its \$ 92.5 million of debt maturing in 2023 by exercising one of its two 12-month extension options. The maturity date of the debt is now November 2, 2024 and has an interest rate of 1-Month Term SOFR + 1.65 %.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Quarterly Report on Form 10-Q for the quarter ended September 30, 2023 (this "Quarterly Report"), other than purely historical information, are "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended ("Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended ("Exchange Act"). These statements include statements about InvenTrust Properties Corp.'s (the "Company," "InvenTrust," "we," "our," or "us") plans, objectives, strategies, financial performance and outlook, trends, the amount and timing of future cash distributions, prospects or future events; and they involve known and unknown risks that are difficult to predict.

As a result, our actual financial results, performance, achievements, or prospects may differ materially from those expressed or implied by these forward-looking statements. In some cases, forward-looking statements can be identified by the use of words such as "may," "could," "expect," "intend," "plan," "seek," "anticipate," "believe," "estimate," "guidance," "predict," "potential," "continue," "likely," "will," "would," "illustrative," and "should" and variations of these terms and similar expressions, or the negatives of these terms or similar expressions. Such forward-looking statements are necessarily based upon estimates and assumptions that, while we consider reasonable based on our knowledge and understanding of the business and industry, are inherently uncertain. These statements are expressed in good faith and are not guarantees of future performance or results. Our actual results could differ materially from those expressed in the forward-looking statements and stockholders should not rely on forward-looking statements in making investment decisions.

There are a number of risks, uncertainties and other important factors, many of which are beyond our control, that could cause our actual results to differ materially from the forward-looking statements contained in this Quarterly Report. Such risks, uncertainties and other important factors, include, among others, the risks, uncertainties and factors set forth in our filings with the Securities and Exchange Commission ("SEC"), including our Annual Report on Form 10-K for the year ended December 31, 2022 (the "Annual Report"), and as updated in this Quarterly Report and other quarterly and current reports, which are on file with the SEC and are available at the SEC's website (www.sec.gov). Such risks and uncertainties are related to, among others, the following:

- our ability to collect rent from tenants or to rent space on favorable terms or at all;
- declaration of bankruptcy by our retail tenants;
- the economic success and viability of our anchor retail tenants;
- our ability to identify, execute and complete acquisition opportunities and to integrate and successfully operate any retail properties acquired in the future and manage the risks associated with such retail properties;
- our ability to manage the risks of expanding, developing or redeveloping our retail properties;
- loss of members of our senior management team or other key personnel;
- changes in the competitive environment in the leasing market and any other market in which we operate;
- shifts in consumer retail shopping from brick and mortar stores to e-commerce;
- the impact of leasing and capital expenditures to improve our retail properties to retain and attract tenants;
- our ability to refinance or repay maturing debt or to obtain new financing on attractive terms;
- future increases in interest rates;
- inflation;
- our status as a real estate investment trust ("REIT") for federal tax purposes; and
- changes in federal, state or local tax law, including legislative, administrative, regulatory or other actions affecting REITs.

These factors are not necessarily all of the important factors that could cause our actual results, performance or achievements to differ materially from those expressed in or implied by any of our forward-looking statements. Other unknown or unpredictable factors also could harm our business, financial condition, results of operations, cash flows and overall value. All forward-looking statements attributable to us or persons acting on our behalf are expressly qualified in their entirety by the cautionary statements set forth above. Forward-looking statements are only as of the date they are made; we do not undertake or assume any obligation to update publicly any of these forward-looking statements to reflect actual results, new information, future events, changes in assumptions or changes in other factors affecting forward-looking statements, except to the extent required by applicable law. If we update one or more forward-looking statements, no inference should be drawn that we will make additional updates with respect to those or other forward-looking statements.

The following discussion and analysis should be read in conjunction with our condensed consolidated financial statements and the related notes included in this Quarterly Report. All square feet and dollar amounts are stated in thousands, except per share amounts and per square foot metrics, unless otherwise noted.

Overview

Strategy and Outlook

InvenTrust Properties Corp. is a premier Sun Belt, multi-tenant essential retail REIT that owns, leases, redevelops, acquires and manages grocery-anchored neighborhood and community centers, as well as high-quality power centers that often have a grocery component. We pursue our business strategy by acquiring retail properties in Sun Belt markets, opportunistically disposing of retail properties, maintaining a flexible capital structure, and enhancing our environment, social and governance practices and standards.

InvenTrust focuses on Sun Belt markets with favorable demographics, including above average growth in population, employment, income and education levels. We believe these conditions create favorable demand characteristics for grocery-anchored and necessity-based essential retail centers, which will position us to capitalize on potential future rent increases while benefiting from sustained occupancy at our centers. Our strategically located regional field offices are within a two-hour drive of over 95% of our properties which affords us the ability to respond to the needs of our tenants and provides us with in-depth local market knowledge. We believe that our Sun Belt portfolio of high quality grocery-anchored assets is a distinct differentiator for us in the marketplace.

Evaluation of Financial Condition

In addition to measures of operating performance determined in accordance with U.S. generally accepted accounting principles ("GAAP"), management evaluates our financial condition and operating performance by focusing on the following financial and nonfinancial indicators, discussed in further detail herein:

- Net Operating Income ("NOI") and Same Property NOI, supplemental non-GAAP measures;
- NAREIT Funds From Operations ("NAREIT FFO") Applicable to Common Shares and Dilutive Securities, a supplemental non-GAAP measure;
- Core FFO Applicable to Common Shares and Dilutive Securities, a supplemental non-GAAP measure;
- Economic and leased occupancy and rental rates;
- Leasing activity and lease rollover;
- Operating expense levels and trends;
- General and administrative expense levels and trends;
- Debt maturities and leverage ratios; and
- Liquidity levels.

Recent Developments

On August 25, 2023, the Company disposed of Trowbridge Crossing, a 63,000 square foot neighborhood center anchored by a Publix in Sandy Springs, Georgia, for a gross disposition price of \$11.5 million. The Company recognized a gain on sale of \$1.7 million on the sale of this property.

On October 17, 2023, the Company extended the maturity of its \$92.5 million of mortgage debt maturing in 2023 by exercising one of its two 12-month extension options. The maturity date of the debt is now November 2, 2024 and has an interest rate of 1-Month Term SOFR + 1.65%.

Our Retail Portfolio

Our wholly-owned and managed retail properties include grocery-anchored community and neighborhood centers and power centers, including those classified as necessity-based, as defined in our Annual Report. As of September 30, 2023, we owned 62 retail properties with a total gross leasable area ("GLA") of approximately 10.3 million square feet.

For the three and nine months ended September 30, 2022, we have included results from properties held by our joint venture, IAGM Retail Fund I, LLC ("IAGM"), at 55% ("at share") when combined with our wholly-owned properties, defined as "Pro Rata Combined Retail Portfolio". On January 18, 2023, the Company acquired the four remaining retail properties held by IAGM. The following table summarizes our retail portfolio as of September 30, 2023 and 2022.

	Retail Portfolio		IAGM Retail Properties		Pro Rata Combined Retail Portfolio	
	2023	2022	2023	2022	2023	2022
No. of properties	62	57	—	5	62	62
GLA (square feet)	10,324	9,081	—	1,386	10,324	9,843
Economic occupancy (a)	92.6%	94.0%	—	86.9%	92.6%	93.5%
Leased occupancy (b)	95.1%	96.1%	—	89.5%	95.1%	95.6%
ABR PSF (c)	\$19.36	\$19.03	—	\$17.35	\$19.36	\$18.91

- (a) Economic occupancy is defined as the percentage of occupied GLA divided by total GLA (excluding Specialty Leases) for which a tenant is obligated to pay rent under the terms of its lease agreement as of the rent commencement date, regardless of the actual use or occupancy by that tenant of the area being leased. Actual use may be less than economic occupancy. Specialty Leases represent leases of less than one year in duration for small shop space and include any term length for common area space.
- (b) Leased occupancy is defined as economic occupancy plus the percentage of signed but not yet commenced GLA divided by total GLA.
- (c) Annualized Base Rent ("ABR") is computed as base rent for the period multiplied by twelve months. Base rent is inclusive of ground rent and any abatement concessions, but excludes Specialty Lease rent. ABR per square foot ("PSF") is computed as ABR divided by the occupied square footage as of the end of the period.

Retail Portfolio Summary by Center Type

The following tables summarize our retail portfolio, by center type, as defined in our Annual Report, as of September 30, 2023 and 2022.

Community and neighborhood centers

	Retail Portfolio		IAGM Retail Properties		Pro Rata Combined Retail Portfolio	
	2023	2022	2023	2022	2023	2022
No. of properties	50	44	—	5	50	49
GLA (square feet)	6,800	5,333	—	1,386	6,800	6,095
Economic occupancy	93.5%	95.4%	—	86.9%	93.5%	94.3%
Leased occupancy	96.5%	97.1%	—	89.5%	96.5%	96.1%
ABR PSF	\$20.14	\$20.15	—	\$17.35	\$20.14	\$19.83

Power centers

	Retail Portfolio		IAGM Retail Properties		Pro Rata Combined Retail Portfolio	
	2023	2022	2023	2022	2023	2022
No. of properties	12	13	—	—	12	13
GLA (square feet)	3,524	3,748	—	—	3,524	3,748
Economic occupancy	90.7%	92.1%	—	—	90.7%	92.1%
Leased occupancy	92.4%	94.8%	—	—	92.4%	94.8%
ABR PSF	\$17.80	\$17.37	—	—	\$17.80	\$17.37

Same Property Retail Portfolio Summary

Properties classified as same property were owned for the entirety of both periods presented ("Same Properties"). The following table summarizes the GLA, economic occupancy, leased occupancy, and ABR PSF of Same Properties included in our retail portfolio for the three and nine months ended September 30, 2023 and 2022.

	Three Months Ended September 30		Nine Months Ended September 30	
	2023	2022	2023	2022
No. of properties	55	55	51	51
GLA (square feet)	8,794	8,794	8,029	8,028
Economic occupancy	92.9%	94.1%	92.6%	93.8%
Leased occupancy	95.3%	96.2%	95.0%	96.1%
ABR PSF	\$19.70	\$19.10	\$20.04	\$19.41

Lease Expirations

The following table presents the lease expirations of our economic occupied Retail Portfolio as of September 30, 2023.

Lease Expiration Year	No. of Expiring Leases	GLA of Expiring Leases (square feet)	Percent of Total GLA of Expiring Leases	ABR of Expiring Leases	Percent of Total ABR	Expiring ABR PSF
2023	27	143	1.5%	\$ 2,082	1.1%	\$ 14.56
2024	140	696	7.3%	15,227	7.8%	21.88
2025	171	1,150	12.0%	20,027	10.2%	17.41
2026	216	975	10.2%	22,589	11.5%	23.17
2027	266	1,887	19.9%	38,842	19.8%	20.58
2028	210	1,022	10.7%	24,393	12.4%	23.87
2029	127	861	9.0%	17,782	9.0%	20.65
2030	74	372	3.9%	9,498	4.8%	25.53
2031	73	500	5.2%	10,430	5.3%	20.86
2032	91	552	5.8%	12,762	6.5%	23.12
Thereafter	83	1,359	14.2%	21,838	11.1%	16.07
Other (a)	10	33	0.3%	1,024	0.5%	31.03
	1,488	9,550	100%	\$ 196,494	100%	\$ 20.58

(a) Other lease expirations include the GLA, ABR and ABR PSF of month-to-month leases.

In preparing the above table, we have not assumed that unexercised contractual lease renewal or extension options contained in our leases will, in fact, be exercised. Our retail business is neither highly dependent on specific retailers nor subject to lease roll-over concentration. We believe this minimizes risk to our retail portfolio from significant revenue variances over time.

Leasing Activity, Retail Portfolio

The following table summarizes the leasing activity for leases that were executed during the nine months ended September 30, 2023, compared with expiring or expired leases for the same or previous tenant for renewals and the same unit for new leases at the 62 properties in our Retail Portfolio. In our Retail Portfolio, we had GLA totaling 628 thousand square feet expiring during the nine months ended September 30, 2023, of which 556 thousand square feet was re-leased to the in-place tenant. This achieved a retention rate of approximately 89%.

	No. of Leases Executed	GLA SF (in thousands)	New Contractual Rent (\$PSF) (b)	Prior Contractual Rent (\$PSF) (b)	% Change over Prior Lease	Weighted Average Lease Term (Years)	Tenant Improvement Allowance (\$PSF)	Lease Commissions (\$PSF)
All Tenants								
Comparable Renewal Leases (a)								
Leases (a)	137	510	\$24.91	\$23.27	7.0%	5.3	\$0.62	\$—
Comparable New Leases (a)								
Leases (a)	17	35	\$35.67	\$32.10	11.1%	9.1	\$21.65	\$14.04
Non-Comparable Renewal and New Leases								
Leases	59	319	\$23.73	N/A	N/A	7.4	\$14.07	\$7.35
Total	<u>213</u>	<u>864</u>	<u>\$25.60</u>	<u>\$23.84</u>	<u>7.4%</u>	<u>6.2</u>	<u>\$6.44</u>	<u>\$3.28</u>
<u>Anchor Tenants (leases ten thousand square feet and over)</u>								
Comparable Renewal Leases (a)								
Leases (a)	8	209	\$14.13	\$13.06	8.2%	5.0	\$—	\$—
Comparable New Leases (a)								
Leases (a)	—	—	\$—	\$—	—%	—	\$—	\$—
Non-Comparable Renewal and New Leases								
Leases	6	174	\$16.57	N/A	N/A	5.9	\$—	\$1.99
Total	<u>14</u>	<u>383</u>	<u>\$14.13</u>	<u>\$13.06</u>	<u>8.2%</u>	<u>5.4</u>	<u>\$—</u>	<u>\$0.91</u>
<u>Small Shop Tenants (leases under ten thousand square feet)</u>								
Comparable Renewal Leases (a)								
Leases (a)	129	301	\$32.38	\$30.36	6.7%	5.4	\$1.04	\$—
Comparable New Leases (a)								
Leases (a)	17	35	\$35.67	\$32.10	11.1%	9.1	\$21.65	\$14.04
Non-Comparable Renewal and New Leases								
Leases	53	145	\$32.33	N/A	N/A	9.1	\$30.99	\$13.79
Total	<u>199</u>	<u>481</u>	<u>\$32.73</u>	<u>\$30.54</u>	<u>7.2%</u>	<u>6.8</u>	<u>\$11.57</u>	<u>\$5.18</u>

(a) Comparable leases are leases that meet all of the following criteria: terms greater than or equal to one year, unit was vacant less than one year prior to executed lease, square footage of unit remains unchanged or within 10% of prior unit square footage, and has a rent structure consistent with the previous tenant.

(b) Non-comparable leases are not included in totals.

Results of Operations

Comparison of results for the three and nine months ended September 30, 2023 and 2022

We generate substantially all of our earnings from property operations. Since January 1, 2022, we have acquired eleven retail properties and disposed of four.

The following table presents the changes in our income for the three and nine months ended September 30, 2023 and 2022.

	Three months ended September 30			Nine months ended September 30		
			Increase (Decrease)			Increase (Decrease)
	2023	2022		2023	2022	
Income						
Lease income, net	\$ 63,716	\$ 57,859	\$ 5,857	\$ 192,814	\$ 174,562	\$ 18,252
Other property income	346	304	42	1,060	886	174
Other fee income	—	594	(594)	80	1,988	(1,908)
Total income	\$ 64,062	\$ 58,757	\$ 5,305	\$ 193,954	\$ 177,436	\$ 16,518

Lease income, net, for the three months ended September 30, 2023 increased \$5.9 million when compared to the same period in 2022, as a result of increases from properties acquired of \$7.8 million, decreases from properties disposed of \$1.8 million, and the following activity related to our Same Properties:

- \$1.1 million of increased minimum rent attributable to increased occupancy levels and rental rates, partially offset by:
- \$0.5 million of decreased common area maintenance and real estate tax recoveries,
- \$0.4 million of decreased amortization of market lease intangibles and straight-line rent adjustments, and
- \$0.3 million of net changes in credit losses and related reversals primarily attributable to lump sum rent collections from our cash basis tenants in 2022 pertaining to prior period rent charges.

Lease income, net, for the nine months ended September 30, 2023 increased \$18.3 million when compared to the same period in 2022, as a result of increases from properties acquired of \$24.3 million, decreases from properties disposed of \$7.5 million, and the following activity related to our Same Properties:

- \$4.5 million of increased minimum rent attributable to increased occupancy levels and rental rates,
- \$0.5 million of increased common area maintenance and real estate tax recoveries, partially offset by:
- \$0.2 million of decreased percentage rent attributable to timing of grocer sales,
- \$2.3 million of decreased amortization of market lease intangibles and straight-line rent adjustments, and
- \$1.0 million of net changes in credit losses and related reversals primarily attributable to lump sum rent collections from our cash basis tenants in 2022 pertaining to prior period rent charges.

The decreases in other fee income for each of the periods presented are a result of the Company acquiring the four remaining retail properties from IAGM.

The following table presents the changes in our operating expenses for the three and nine months ended September 30, 2023 and 2022.

	Three months ended September 30			Nine months ended September 30		
			Increase (Decrease)			Increase
	2023	2022		2023	2022	
Operating expenses						
Depreciation and amortization	\$ 30,318	\$ 24,021	\$ 6,297	\$ 85,339	\$ 71,055	\$ 14,284
Property operating	11,070	10,787	283	31,056	28,256	2,800
Real estate taxes	8,781	8,937	(156)	27,361	25,595	1,766
General and administrative	7,610	7,236	374	23,389	23,239	150
Total operating expenses	\$ 57,779	\$ 50,981	\$ 6,798	\$ 167,145	\$ 148,145	\$ 19,000

Depreciation and amortization for the three months ended September 30, 2023 increased \$6.3 million when compared to the same period in 2022, as a result of:

- \$5.8 million of increases from properties acquired, and
- \$1.2 million of increased site depreciation and in-place lease intangible amortization from our Same Properties, partially offset by:
- \$0.7 million of decreases from properties disposed.

Depreciation and amortization for the nine months ended September 30, 2023 increased \$14.3 million when compared to the same period in 2022, as a result of:

- \$17.8 million of increases from properties acquired, partially offset by:
- \$2.4 million of decreases from properties disposed, and
- \$1.1 million of decreased in-place lease intangible amortization from our Same Properties.

Property operating expenses for the nine months ended September 30, 2023 increased \$2.8 million when compared to the same period in 2022, as a result of:

- \$4.6 million of increases from properties acquired, partially offset by:
- \$0.7 million of decreased repair and maintenance costs from our Same Properties, and
- \$1.1 million of decreases from properties disposed.

Real estate taxes for the nine months ended September 30, 2023 increased \$1.8 million when compared to the same period in 2022, as a result of:

- \$3.2 million of increased real estate taxes from properties acquired, partially offset by:
- \$1.4 million of decreased real estate taxes from properties disposed.

The following table presents the changes in our other income and expenses for the three and nine months ended September 30, 2023 and 2022.

	Three months ended September 30			Nine months ended September 30		
	2023	2022	Change	2023	2022	Change
Other (expense) income						
Interest expense, net	\$ (9,555)	\$ (7,689)	\$ (1,866)	\$ (28,441)	\$ (18,129)	\$ (10,312)
Loss on extinguishment of debt	—	—	—	—	(96)	96
Gain on sale of investment properties	1,707	—	1,707	2,691	36,856	(34,165)
Equity in earnings (losses) of unconsolidated entities	67	352	(285)	(447)	3,784	(4,231)
Other income and expense, net	676	497	179	1,767	652	1,115
Total other (expense) income, net	\$ (7,105)	\$ (6,840)	\$ (265)	\$ (24,430)	\$ 23,067	\$ (47,497)

Interest expense, net

Interest expense, net, for the three months ended September 30, 2023 increased \$1.9 million when compared to the same period in 2022, primarily as a result of:

- the private placement of our senior notes in August 2022, generating increased interest expense of \$1.4 million,
- aggregate assumption of mortgages of \$92.5 million since July 1, 2022, generating increased interest expense of \$0.7 million,
- increased interest rates on our corporate term loans generating increased interest expense of \$0.5 million, and
- increased amortization of debt issuance costs of \$0.4 million, partially offset by:
- decreased balances on our corporate line of credit resulting in decreased interest expense of \$0.4 million, and
- aggregate reduction of mortgage payable of \$67.9 million since July 1, 2022, generating decreased interest expense of \$0.7 million.

Interest expense, net, for the nine months ended September 30, 2023 increased \$10.3 million when compared to the same period in 2022, primarily as a result of:

- the private placement of our senior notes in August 2022, generating increased interest expense of \$7.8 million,
- increased interest rates on our corporate term loans generating increased interest expense of \$2.4 million,
- aggregate assumption of mortgages of \$172.8 million since January 1, 2022, generating increased interest expense of \$2.3 million, and
- increased amortization of debt issuance costs of \$1.3 million, partially offset by:
- decreased balances on our corporate line of credit resulting in decreased interest expense of \$1.4 million, and
- aggregate reduction of mortgage payable of \$90.3 million since January 1, 2022, generating decreased interest expense of \$2.1 million.

Loss on extinguishment of debt

During the nine months ended September 30, 2022, we recognized a loss of \$0.1 million on the extinguishment of the \$22.3 million mortgage payable on Pavilion at LaQuinta.

Gain on sale of investment properties

During the three months ended September 30, 2023, we recognized a gain of \$1.7 million on the sale of one retail property. During the nine months ended September 30, 2023, we recognized a gain of \$1.0 million on the completion of a partial condemnation at one retail property and a gain of \$1.7 million on the sale of one retail property.

During the nine months ended September 30, 2022, we recognized gains of \$36.9 million on the sale of two retail properties.

Equity in earnings (losses) of unconsolidated entities

The decreases in equity in earnings (losses) of unconsolidated entities for each of the periods presented are a result of the Company acquiring the four remaining retail properties from IAGM on January 18, 2023.

Other income and expense, net

The increases in other income and expense, net, for each of the periods presented are a result of increased interest income earned on cash and cash equivalents.

Net Operating Income

We evaluate the performance of our retail properties based on NOI, which excludes general and administrative expenses, depreciation and amortization, provision for asset impairment, other income and expense, net, gains (losses) from sales of properties, gains (losses) on extinguishment of debt, interest expense, net, equity in earnings (losses) from unconsolidated entities, lease termination fee income and expense, and GAAP rent adjustments such as straight-line rent adjustments, amortization of market lease intangibles, and amortization of lease incentives ("GAAP Rent Adjustments"). We bifurcate NOI into Same Property NOI and NOI from other investment properties based on whether the retail properties meet our Same Property criteria. NOI from other investment properties includes adjustments for the Company's captive insurance company.

We believe the supplemental non-GAAP financial measures of NOI, same property NOI, and NOI from other investment properties provide added comparability across periods when evaluating our financial condition and operating performance that is not readily apparent from "Operating income" or "Net income" in accordance with GAAP.

Comparison of Same Property results for the three and nine months ended September 30, 2023 and 2022

A total of 55 and 51 wholly-owned retail properties met our Same Property criteria for the three and nine months ended September 30, 2023 and 2022, respectively. The following table presents the reconciliation of net income, the most directly comparable GAAP measure, to NOI and Same Property NOI for the three and nine months ended September 30, 2023 and 2022:

	Three months ended September 30		Nine months ended September 30	
	2023	2022	2023	2022
Net (loss) income	\$ (822)	\$ 936	\$ 2,379	\$ 52,358
Adjustments to reconcile to non-GAAP metrics:				
Other income and expense, net	(676)	(497)	(1,767)	(652)
Equity in (earnings) losses of unconsolidated entities	(67)	(352)	447	(3,784)
Interest expense, net	9,555	7,689	28,441	18,129
Loss on extinguishment of debt	—	—	—	96
Gain on sale of investment properties	(1,707)	—	(2,691)	(36,856)
Depreciation and amortization	30,318	24,021	85,339	71,055
General and administrative	7,610	7,236	23,389	23,239
Other fee income	—	(594)	(80)	(1,988)
Adjustments to NOI (a)	(1,434)	(1,777)	(6,028)	(8,071)
NOI	42,777	36,662	129,429	113,526
NOI from other investment properties	(5,265)	(1,030)	(23,128)	(11,716)
Same Property NOI	\$ 37,512	\$ 35,632	\$ 106,301	\$ 101,810

(a) Adjustments to NOI include termination fee income and expense and GAAP Rent Adjustments.

Comparison of the components of Same Property NOI for the three and nine months ended September 30, 2023 and 2022

	Three months ended September 30					Nine months ended September 30				
	2023	2022	Change	Variance		2023	2022	Change	Variance	
Lease income, net	\$ 54,493	\$ 54,351	\$ 142	0.3 %		\$ 152,225	\$ 148,457	\$ 3,768	2.5 %	
Other property income	304	307	(3)	(1.0) %		886	862	24	2.8 %	
	54,797	54,658	139	0.3 %		153,111	149,319	3,792	2.5 %	
Property operating	9,497	10,500	(1,003)	(9.6) %		24,509	25,255	(746)	(3.0) %	
Real estate taxes	7,788	8,526	(738)	(8.7) %		22,301	22,254	47	0.2 %	
	17,285	19,026	(1,741)	(9.2) %		46,810	47,509	(699)	(1.5) %	
Same Property NOI	\$ 37,512	\$ 35,632	\$ 1,880	5.3 %		\$ 106,301	\$ 101,810	\$ 4,491	4.4 %	

Same Property NOI increased by \$1.9 million, or 5.3%, when comparing the three months ended September 30, 2023 to the same period in 2022, and was primarily a result of:

- \$1.1 million of increased minimum rent attributable to increased occupancy levels and rental rates,
- \$0.8 million of recoveries in excess of recoverable expenses, primarily attributable to leases with fixed recovery terms, and
- \$0.3 million of decreased non-recoverable pre-leasing costs, partially offset by:
- \$0.3 million of net changes in credit losses and related reversals primarily attributable to lump sum rent collections from our cash basis tenants in 2022 pertaining to prior period rent charges.

Same Property NOI increased by \$4.5 million, or 4.4%, when comparing the nine months ended September 30, 2023 to the same period in 2022, and was primarily a result of:

- \$4.5 million of increased minimum rent attributable to increased occupancy levels and rental rates, and
- \$1.2 million of recoveries in excess of recoverable expenses, primarily attributable to leases with fixed recovery terms, partially offset by:
- \$0.2 million of decreased percentage rent attributable to timing of grocer sales, and
- \$1.0 million of net changes in credit losses and related reversals primarily attributable to lump sum rent collections from our cash basis tenants in 2022 pertaining to prior period rent charges.

Funds From Operations

The National Association of Real Estate Investment Trusts ("NAREIT"), an industry trade group, has promulgated a widely accepted non-GAAP financial measure of operating performance known as Funds From Operations ("NAREIT FFO"). Our NAREIT FFO is net income (or loss) in accordance with GAAP, excluding gains (or losses) resulting from dispositions of properties, plus depreciation and amortization and impairment charges on depreciable real property. Adjustments for IAGM are calculated to reflect our proportionate share of the joint venture's funds from operations on the same basis.

Core Funds From Operations ("Core FFO") is an additional supplemental non-GAAP financial measure of our operating performance. In particular, Core FFO provides an additional measure to compare the operating performance of different REITs without having to account for certain remaining amortization assumptions within NAREIT FFO and other unique revenue and expense items, which some may consider not pertinent to measuring a particular company's on-going operating performance. In that regard, we use Core FFO as an input to our compensation plan to determine cash bonuses and measure the achievement of certain performance-based equity awards.

See our Annual Report for expanded descriptions of NAREIT FFO and Core FFO. NAREIT FFO Applicable to Common Shares and Dilutive Securities and Core FFO Applicable to Common Shares and Dilutive Securities is calculated as follows:

	Three months ended		Nine months ended	
	September 30		September 30	
	2023	2022	2023	2022
Net (loss) income	\$ (822)	\$ 936	\$ 2,379	\$ 52,358
Depreciation and amortization related to investment properties	30,094	23,826	84,714	70,444
Gain on sale of investment properties	(1,707)	—	(2,691)	(36,856)
Unconsolidated joint venture adjustments (a)	—	1,335	342	2,255
NAREIT FFO Applicable to Common Shares and Dilutive Securities	27,565	26,097	84,744	88,201
Amortization of market lease intangibles and inducements, net	(629)	(985)	(2,717)	(4,594)
Straight-line rent adjustments, net	(730)	(757)	(2,492)	(3,125)
Amortization of debt discounts and financing costs	1,167	734	3,286	2,075
Adjusting items, net (b)	279	(38)	1,416	18
Unconsolidated joint venture adjusting items, net (c)	(10)	172	(172)	300
Core FFO Applicable to Common Shares and Dilutive Securities	\$ 27,642	\$ 25,223	\$ 84,065	\$ 82,875
Weighted average common shares outstanding - basic	67,531,335	67,427,571	67,521,110	67,398,713
Dilutive effect of unvested restricted shares (d)	—	119,688	199,375	159,602
Weighted average common shares outstanding - diluted	67,531,335	67,547,259	67,720,485	67,558,315
Net (loss) income per common share - diluted	\$ (0.01)	\$ 0.01	\$ 0.04	\$ 0.77
Per share adjustments - NAREIT FFO Applicable to Common Shares and Dilutive Securities	0.42	0.38	1.21	0.54
NAREIT FFO Applicable to Common Shares and Dilutive Securities per share	\$ 0.41	\$ 0.39	\$ 1.25	\$ 1.31
Per share adjustments - Core FFO Applicable to Common Shares and Dilutive Securities	—	(0.02)	(0.01)	(0.08)
Core FFO Applicable to Common Shares and Dilutive Securities per share	\$ 0.41	\$ 0.37	\$ 1.24	\$ 1.23

- (a) Represents our share of depreciation, amortization and gain on sale related to investment properties held in IAGM.
- (b) Adjusting items, net, are primarily loss on extinguishment of debt, depreciation and amortization of corporate assets, and non-operating income and expenses, net, which includes items which are not pertinent to measuring on-going operating performance, such as basis difference recognition arising from acquiring the four remaining properties of our joint venture, and miscellaneous and settlement income.
- (c) Represents our share of amortization of market lease intangibles and inducements, net, straight line rent adjustments, net and adjusting items, net related to IAGM.
- (d) For purposes of calculating non-GAAP per share metrics, the same denominator is used as that which would be used in calculating diluted earnings per share in accordance with GAAP.

Liquidity and Capital Resources

Development, Redevelopment, Capital Expenditures and Leasing Activities

The following table summarizes capital resources used through development and redevelopment, capital expenditures, and leasing activities at our retail properties owned during the nine months ended September 30, 2023. These costs are classified as cash used in capital expenditures and tenant improvements and investment in development and redevelopment projects on the condensed consolidated statements of cash flows for the nine months ended September 30, 2023.

	Development and Redevelopment	Capital Expenditures	Leasing	Total
Direct costs	\$ 2,510 (a)	\$ 14,067	\$ 5,246 (c)	\$ 21,823
Indirect costs	650 (b)	1,318	—	1,968
Total	\$ 3,160	\$ 15,385	\$ 5,246	\$ 23,791

- (a) Direct development and redevelopment costs relate to construction of buildings at our retail properties.
- (b) Indirect development and redevelopment costs relate to capitalized interest, real estate taxes, insurance, and payroll attributed to improvements at our retail properties.
- (c) Direct leasing costs relate to improvements to a tenant space that are either paid directly by or reimbursed to the tenants.

Short-Term Liquidity and Capital Resources

On a short-term basis, our principal uses for funds are to pay our operating and corporate expenses, interest and principal on our indebtedness, property capital expenditures, and to make distributions to our stockholders.

Our ability to maintain adequate liquidity for our operations in the future is dependent upon a number of factors, including our revenue, macroeconomic conditions, our ability to contain costs, including capital expenditures, and to collect rents and other receivables, and various other factors, many of which are beyond our control. We will continue to monitor our liquidity position and may seek to raise funds through debt or equity financing in the future to fund operations, significant investments or acquisitions that are consistent with our strategy. Our ability to raise these funds may also be diminished by other macroeconomic factors.

Long-Term Liquidity and Capital Resources

Our objectives are to maximize revenue generated by our retail platform, to further enhance the value of our retail properties to produce attractive current yield and long-term returns for our stockholders, and to generate sustainable and predictable cash flow from our operations to distribute to our stockholders.

Any future determination to pay distributions will be at the discretion of our board of directors (the "Board") and will depend on our financial condition, capital requirements, restrictions contained in current or future financing instruments, and such other factors as our Board deems relevant.

Capital Sources and Uses

Our primary sources and uses of capital are as follows:

<u>Sources</u>	<u>Uses</u>
<ul style="list-style-type: none"> • Operating cash flows from our real estate investments; • Distributions from our joint venture investment; • Proceeds from sales of properties; • Proceeds from mortgage loan borrowings on properties; • Proceeds from corporate borrowings and debt financings; • Proceeds from any ATM Program activities; and • Proceeds from our Series A Notes and Series B Notes. 	<ul style="list-style-type: none"> • To invest in or acquire properties; • To fund development, redevelopment, maintenance and capital expenditures or leasing incentives; • To make distributions to our stockholders; • To service or pay down our debt; • To pay our operating expenses; • To repurchase shares of our common stock; and • To fund other general corporate uses.

From time to time, we may seek to acquire additional amounts of our outstanding common stock through cash purchases or exchanges for other securities. Such purchases or exchanges, if any, will depend on our liquidity requirements, contractual restrictions, and other factors. At this time, we believe our current sources of liquidity are sufficient to meet our short- and long-term cash demands.

Distributions

During the nine months ended September 30, 2023, we declared distributions to our stockholders totaling \$43.7 million and paid cash distributions of \$42.9 million. As we execute on our retail strategy and continue to evaluate our business, results of operations and cash flows, our Board will continue to evaluate our distribution on a periodic basis.

Summary of Cash Flows

	Nine months ended September 30		
	2023	2022	Change
Cash provided by operating activities	\$ 99,803	\$ 100,888	\$ (1,085)
Cash used in investing activities	(76,178)	(81,146)	4,968
Cash (used in) provided by financing activities	(57,276)	151,920	(209,196)
(Decrease) increase in cash, cash equivalents and restricted cash	(33,651)	171,662	(205,313)
Cash, cash equivalents and restricted cash at beginning of period	137,762	44,854	92,908
Cash, cash equivalents and restricted cash at end of period	\$ 104,111	\$ 216,516	\$ (112,405)

Cash provided by operating activities of \$99.8 million and \$100.9 million for the nine months ended September 30, 2023 and 2022, respectively, was generated primarily from income from property operations. Since January 1, 2022, we have acquired eleven retail properties and disposed of four. Cash provided by operating activities decreased \$1.1 million when comparing the nine months ended September 30, 2023 to the same period in 2022, as a result of:

- \$14.2 million of increased cash paid for interest, primarily relating to timing of interest payments on our August 2022 private placement of senior notes, and
- \$9.4 million of decreased operating distributions from our unconsolidated joint venture, which were partially offset by:
- \$22.5 million of increases from all other operating cash flows, primarily relating to net acquisition activity.

Cash used in investing activities of \$76.2 million for the nine months ended September 30, 2023 was the result of:

- \$152.0 million for acquisitions of investment properties, and
- \$28.2 million for capital investments and leasing costs, which were partially offset by cash provided by:
- \$12.6 million from net proceeds received from the sale of investment properties, and
- \$91.4 million from distributions from unconsolidated entities.

Cash used in investing activities of \$81.1 million for the nine months ended September 30, 2022 was the result of:

- \$156.1 million for acquisitions of investment properties, and
- \$26.7 million for capital investments and leasing costs, which were partially offset by cash provided by:
- \$54.3 million from net proceeds received from the sale of investment properties, and
- \$47.4 million from distributions from unconsolidated entities.

Cash used in financing activities of \$57.3 million for the nine months ended September 30, 2023 was the result of:

- \$14.4 million for pay-offs of debt, and other financing activities, and
- \$42.9 million to pay distributions.

Cash provided by financing activities of \$151.9 million for the nine months ended September 30, 2022 was the result of:

- \$250.0 million from our issuance of senior notes, and
- \$112.0 million drawn from the line of credit to partially finance our Austin acquisitions, which was partially offset by cash used for:
- \$143.0 million repaid on our line of credit,
- \$22.3 million for pay-offs of debt,
- \$41.5 million to pay distributions, and
- \$3.3 million for principal payments on mortgage debt, payment of loan fees, and other financing activities.

We consider all demand deposits, money market accounts and investments in certificates of deposit and repurchase agreements with a maturity of three months or less, at the date of purchase, to be cash equivalents. We maintain substantially all our cash and cash equivalents at systemically important financial institutions. The combined account balances at one or more institutions generally exceed the Federal Depository Insurance Corporation ("FDIC") insurance coverage. We periodically assess the credit risk associated with these financial institutions. As a result, there is what we believe to be insignificant credit risk related to amounts on deposit in excess of FDIC insurance coverage.

Off Balance Sheet Arrangements

The Company does not have off balance sheet arrangements other than its joint venture, IAGM, as disclosed in "Note 6. Investment in Unconsolidated Entities" in the condensed consolidated financial statements.

Contractual Obligations

We have obligations related to our mortgage loans, senior notes, term loans, and revolving credit facility as described in "Note 7. Debt" in the condensed consolidated financial statements.

The following table presents our obligations to make future payments under debt and lease agreements as of September 30, 2023, exclusive of debt discounts and issuance costs that are not future cash obligations.

	Payments due by year ending December 31							Total
	2023	2024	2025	2026	2027	Thereafter		
Long-term debt:								
Fixed rate, principal (a)	\$ 75,000	\$ 15,700	\$ 22,880	\$ 200,000	\$ 226,000	\$ 281,500	\$ 821,080	
Variable-rate, principal	17,468	—	—	—	—	—	—	17,468
Interest	8,114	29,905	29,532	27,141	16,339	38,732	149,763	
Total long-term debt	100,582	45,605	52,412	227,141	242,339	320,232	988,311	
Operating leases (b)	340	628	511	517	529	1,308	3,833	
Grand total	\$ 100,922	\$ 46,233	\$ 52,923	\$ 227,658	\$ 242,868	\$ 321,540	\$ 992,144	

(a) Includes variable rate debt swapped to fixed rates through the Company's interest rate swaps.

(b) Includes leases on corporate office spaces.

Critical Accounting Estimates

Our financial statements are prepared in accordance with GAAP, which requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements and the reported amounts of revenues and expenses during the reporting periods. The Company bases these estimates, judgments and assumptions on historical experience and various other factors that the Company believes to be reasonable under the circumstances. Actual results may differ from these estimates.

There have been no material changes to our critical accounting estimates as compared to the critical accounting estimates described in our "Management's Discussion and Analysis of Financial Condition and Results of Operations" set forth in our Annual Report.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

Interest Rate Risk

The Company is subject to market risk associated with changes in interest rates both in terms of variable-rate debt and the price of new fixed-rate debt upon maturity of existing debt. The Company's interest rate risk management objectives are to limit the impact of interest rate changes on earnings and cash flows. As of September 30, 2023, the Company's debt included outstanding variable-rate debt of \$417.5 million, of which \$400.0 million has been swapped to a fixed rate.

On March 16, 2023, the Company entered into one interest rate swap agreement with a notional amount of \$100.0 million at 3.69%, achieving a fixed interest rate of 4.99%. As of the effective date of April 3, 2023, the entirety of the Company's variable rate term loans were swapped to fixed rates through the maturity dates of its \$400.0 million term loan credit agreement ("the Amended Term Loan Agreement").

As of September 30, 2023, the Company's interest rate risk was limited to \$17.5 million of variable rate pooled mortgage debt. If market rates of interest on all variable-rate debt as of September 30, 2023 permanently increased or decreased by 1%, the annual increase or decrease in interest expense on the variable-rate debt and future earnings and cash flows would be approximately \$0.2 million. See the Annual Report for an expanded discussion regarding how the Company achieves its interest rate risk management objectives and how it often uses financial instruments to hedge exposures to changes in interest rates on loans.

The Company is party to interest rate forward swap agreements which address the periods between the maturity dates of the effective swaps and the maturity dates of the Amended Term Loan Agreement. In tandem, the interest rate swaps effectively fix the interest rates for a constant notional amount through the maturity dates on borrowings under the Amended Term Loan Agreement.

The following table summarizes the Company's effective interest rate swaps as of September 30, 2023:

Effective Interest Rate Swaps	Effective Date	Termination Date	InvenTrust Receives	InvenTrust Pays Fixed Rate of	Fixed Rate Achieved	Notional Amount	Fair Value as of	
							September 30, 2023	December 31, 2022
5 year term loan	Dec 2, 2019	Dec 21, 2023	1-Month SOFR	1.41%	2.71%	\$ 100,000	\$ 881	\$ 3,222
5 year term loan	Dec 2, 2019	Dec 21, 2023	1-Month SOFR	1.42%	2.72%	100,000	877	3,238
5.5 year term loan	Dec 2, 2019	Jun 21, 2024	1-Month SOFR	1.46%	2.76%	50,000	1,400	2,281
5.5 year term loan	Dec 2, 2019	Jun 21, 2024	1-Month SOFR	1.47%	2.77%	50,000	1,396	2,275
Pooled mortgage	Jan 18, 2023	Nov 2, 2023	1-Month SOFR	0.35%	2.00%	45,000	197	—
Pooled mortgage	Jan 18, 2023	Nov 2, 2023	1-Month SOFR	0.32%	1.97%	30,000	132	—
5.5 year term loan	Apr 3, 2023	Mar 22, 2027	1-Month SOFR	3.69%	4.99%	100,000	2,447	—
						\$ 475,000	\$ 7,330	\$ 11,016

The following table summarizes the Company's forward interest rate swaps as of September 30, 2023:

Forward Interest Rate Swaps	Effective Date	Termination Date	InvenTrust Receives	InvenTrust Pays Fixed Rate of	Fixed Rate Achieved	Notional Amount	Fair Value as of	
							September 30, 2023	December 31, 2022
5 year term loan	Dec 21, 2023	Sep 22, 2026	1-Month SOFR	1.51%	2.81%	\$ 100,000	\$ 7,622	\$ 4,949
5 year term loan	Dec 21, 2023	Sep 22, 2026	1-Month SOFR	1.51%	2.81%	100,000	7,602	4,924
5.5 year term loan	Jun 21, 2024	Mar 22, 2027	1-Month SOFR	1.54%	2.84%	50,000	3,309	2,116
5.5 year term loan	Jun 21, 2024	Mar 22, 2027	1-Month SOFR	1.48%	2.78%	50,000	3,393	2,196
						\$ 300,000	\$ 21,926	\$ 14,185

The gains or losses resulting from marking-to-market the Company's derivatives each reporting period are recognized as an increase or decrease in comprehensive income on the condensed consolidated statements of operations and comprehensive income.

The information presented above does not consider all exposures or positions that could arise in the future. Therefore, the information represented herein has limited predictive value. As a result, the ultimate realized gain or loss with respect to interest rate fluctuations will depend on the exposures that arise during the period, the hedging strategies at the time, and the related interest rates.

Item 4. Controls and Procedures

Disclosure Controls and Procedures

As required by Rule 13a-15(b) and Rule 15d-15(b) under the Exchange Act, the Company's management, including its Principal Executive Officer and Principal Financial Officer, evaluated as of September 30, 2023, the effectiveness of the Company's disclosure controls and procedures as defined in Exchange Act Rules 13a-15(e) and Rule 15d-15(e). Based on that evaluation, the Principal Executive Officer and Principal Financial Officer concluded that the Company's disclosure controls and procedures, as of September 30, 2023, were effective for the purpose of ensuring that information required to be disclosed by the Company in this report is recorded, processed, summarized and reported within the time periods specified by the rules and forms of the Exchange Act and is accumulated and communicated to management, including its Principal Executive Officer and Principal Financial Officer, as appropriate, to allow timely decisions regarding required disclosures.

Changes in Internal Control Over Financial Reporting

There were no changes to the Company's internal control over financial reporting during the quarter ended September 30, 2023, that have materially affected, or are reasonably likely to materially affect, the Company's internal control over financial reporting.

Part II - Other Information

Item 1. Legal Proceedings

The Company is subject, from time to time, to various legal proceedings and claims that arise in the ordinary course of business. While the resolution of these matters cannot be predicted with certainty, the Company's management believes, based on currently available information, that the final outcome of such matters will not have a material adverse effect on the Company's financial condition, results of operations, or liquidity.

Item 1A. Risk Factors

As of September 30, 2023, there have been no material changes from the risk factors previously disclosed in response to Item 1A. to Part I of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2022.

Item 2. Unregistered Sales of Equity Securities, Use of Proceeds, and Issuer Purchases of Equity Securities

On February 23, 2022, the Company established a share repurchase program (the "SRP") of up to \$150.0 million of its outstanding shares of common stock. The SRP may be suspended or discontinued at any time, and does not obligate the Company to repurchase any dollar amount or particular amount of shares. As of September 30, 2023, no common stock has been repurchased under the SRP.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

None.

Item 6. Exhibits

Exhibit No.	Description
3.1	Seventh Articles of Amendment and Restatement of InvenTrust Properties Corp., as amended (incorporated by reference to Exhibit 3.1 to the Registrant's Form 10-Q, as filed by the Registrant with the SEC on May 14, 2015)
3.2	Articles of Amendment of InvenTrust Properties Corp. (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, as filed by the Registrant with the SEC on August 5, 2021)
3.3	Articles of Amendment of InvenTrust Properties Corp. (incorporated by reference to Exhibit 3.2 to the Registrant's Form 8-K, as filed by the Registrant with the SEC on August 5, 2021)
3.4	Articles Supplementary of InvenTrust Properties Corp. (incorporated by reference to Exhibit 3.2 to the Registrant's Form 8-K, as filed by the Registrant with the SEC on October 12, 2021)
3.5	Articles of Amendment of InvenTrust Properties Corp. (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, as filed by the Registrant with the SEC on April 28, 2022)
3.6	Articles of Amendment of InvenTrust Properties Corp. (incorporated by reference to Exhibit 3.1 to the Registrant's Form 8-K, as filed by the Registrant with the SEC on May 8, 2023)
3.7	Fourth Amended and Restated Bylaws of the Company, dated as of May 5, 2023 (incorporated by reference to Exhibit 3.2 to the Registrant's Form 8-K, as filed by the Registrant with the SEC on May 8, 2023)
31.1*	Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
31.2*	Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002
32.1**	Certification of Principal Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
32.2**	Certification of Principal Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101	The following financial information from our Quarterly Report on Form 10-Q for the period ended September 30, 2023, filed with the SEC on November 1, 2023, is formatted in Extensible Business Reporting Language ("XBRL"): (i) Condensed Consolidated Balance Sheets, (ii) Condensed Consolidated Statements of Operations and Comprehensive Income, (iii) Condensed Consolidated Statements of Equity, (iv) Condensed Consolidated Statements of Cash Flows and (v) Notes to Condensed Consolidated Financial Statements (tagged as blocks of text).
104	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Filed as part of this Quarterly Report on Form 10-Q

** Furnished as part of this Quarterly Report on Form 10-Q

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.

InvenTrust Properties Corp.

Date: November 1, 2023

By: /s/ Daniel J. Busch

Name: Daniel J. Busch

Title: President, Chief Executive Officer (Principal Executive Officer)

Date: November 1, 2023

By: /s/ Michael Phillips

Name: Michael Phillips

Title: Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)

Certification of Principal Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Daniel J. Busch, certify that:

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

Date: November 1, 2023

By: /s/ Daniel J. Busch

Name: Daniel J. Busch

Title: President, Chief Executive Officer (Principal Executive Officer)

Certification of Principal Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Michael Phillips, certify that:

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

Date: November 1, 2023

By: /s/ Michael Phillips

Name: Michael Phillips

Title: Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)

**Certification of Principal Executive Officer
Pursuant To 18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of InvenTrust Properties Corp. (the "Company") for the period ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2023

By: /s/ Daniel J. Busch

Name: Daniel J. Busch

Title: President, Chief Executive Officer (Principal Executive Officer)

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

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as a part of the Report or on a separate disclosure document.

**Certification of Principal Financial Officer
Pursuant To 18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of The Sarbanes-Oxley Act of 2002**

In connection with the Quarterly Report on Form 10-Q of InvenTrust Properties Corp. (the "Company") for the period ended September 30, 2023 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), the undersigned officer of the Company certifies, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to such officer's knowledge:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: November 1, 2023

By: /s/ Michael Phillips

Name: Michael Phillips

Title: Executive Vice President, Chief Financial Officer and Treasurer (Principal Financial Officer)

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

The foregoing certification is being furnished solely pursuant to 18 U.S.C. Section 1350 and is not being filed as a part of the Report or on a separate disclosure document.