REFINITIV

DELTA REPORT

10-Q

OLP - ONE LIBERTY PROPERTIES IN

10-Q - SEPTEMBER 30, 2023 COMPARED TO 10-Q - JUNE 30, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	1315
CHANGES	317
DELETIONS	550
ADDITIONS	448

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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, DC 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 June 30, 2023 September 30, 2023

OR

☐ Transition Report Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Commission File Number 001-09279

ONE LIBERTY PROPERTIES, INC.
(Exact name of registrant as specified in its charter)

MARYLAND	13-3147497
(State or other jurisdiction of incorporation or organization)	(I.R.S. employer identification number)
60 Cutter Mill Road, Great Neck, New York	11021
(Address of principal executive offices)	(Zip code)

(516) 466-3100
(Registrant's telephone number, including area code)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock	OLP	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 such filing requirements for the past 90 days. Yes ☐ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 ☐

Non-accelerated filer ☐

Emerging growth company ☐

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

Yes ☐ No ☐

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

Yes ☐ No ☐

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

As of July 31, 2023 November 1, 2023, the registrant had 21,309,028 21,065,691 shares of common stock outstanding.

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One Liberty Properties, Inc. and Subsidiaries
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Part I — FINANCIAL INFORMATION

Item 1. Financial Statements

ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
(Amounts in Thousands, Except Par Value)

	June 30, 2023	December 31, 2022	September 3 2023
ASSETS	(Unaudited)		(Unaudited
Real estate investments, at cost			
Land	$ 180,800	$ 181,805	$ 179,34
Buildings and improvements	694,591	697,791	706,02
Total real estate investments, at cost	875,391	879,596	885,36
Less accumulated depreciation	179,906	173,143	184,41
Real estate investments, net	695,485	706,453	700,95
Investment in unconsolidated joint ventures	10,521	10,400	9,60
Cash and cash equivalents	8,079	6,718	5,47
Unbilled rent receivable	17,060	16,079	17,24
Unamortized intangible lease assets, net	17,298	19,841	16,84
Escrow, deposits and other assets and receivables	20,938	23,764	17,65
Total assets(1)	$ 769,381	$ 783,255	$ 767,77
LIABILITIES AND EQUITY			
Liabilities:			
Mortgages payable, net (see Note 8)	$ 415,695	$ 405,162	$ 416,72
Line of credit, net of $640 and $732 of deferred financing costs, respectively	1,860	21,068	
Line of credit, net of $594 and $732 of deferred financing costs, respectively			11,90
Dividends payable	9,891	9,693	9,89
Accrued expenses and other liabilities	18,458	19,270	15,69
Unamortized intangible lease liabilities, net	10,522	11,125	10,44
Total liabilities(1)	456,426	466,318	464,65
Commitments and contingencies			
Equity:			
One Liberty Properties, Inc. stockholders' equity:			
Preferred stock, $1 par value; 12,500 shares authorized; none issued	—	—	
Common stock, $1 par value; 50,000 shares authorized; 20,540 and 20,362 shares issued and outstanding	20,540	20,362	
Common stock, $1 par value; 50,000 shares authorized; 20,409 and 20,362 shares issued and outstanding			20,40
Paid-in capital	329,326	325,895	326,63
Accumulated other comprehensive income	1,543	1,810	1,33
Distributions in excess of net income	(39,451)	(32,102)	(46,27
Total One Liberty Properties, Inc. stockholders' equity	311,958	315,965	302,10

Non-controlling interests in consolidated joint ventures(1)	997	972	1,0
Total equity	312,955	316,937	303,1
Total liabilities and equity	$ 769,381	$ 783,255	$ 767,7

(1) The Company's consolidated balance sheets include assets and liabilities of consolidated variable interest entities ("VIEs"). See Note 6. The consolidated b include the following amounts related to the Company's consolidated VIEs: $10,365 and $10,365 of land, $17,880 $17,929 and $17,870 of building and imp $6,046 $6,235 and $5,670 of accumulated depreciation, $3,262 $3,163 and $3,518 of other assets included in other line items, $18,141 $17,960 and $18,5 debt, net, $1,027 $1,042 and $1,135 of other liabilities included in other line items and $997 $1,010 and $972 of non-controlling interests as of June 30, 20 2023 and December 31, 2022, respectively.

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF INCOME

(Amounts in Thousands, Except Per Share Data)

(Unaudited)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Mo J 2023
Revenues:			
Rental income, net	$ 22,407	$ 21,472	$ 45,35
Lease termination fee	—	—	—
Total revenues	22,407	21,472	45,35
Operating expenses:			
Depreciation and amortization	6,114	5,905	12,25
General and administrative (see Note 9 for related party information)	4,165	3,973	8,20
Real estate expenses (see Note 9 for related party information)	3,954	3,549	8,07
State taxes	88	77	15
Total operating expenses	14,321	13,504	28,69
Other operating income			
Gain on sale of real estate, net	3,180	8,050	4,71
Operating income	11,266	16,018	21,37
Other income and expenses:			
Equity in earnings of unconsolidated joint ventures	60	112	14
Income on settlement of litigation (see Note 13)	—	5,388	—
Other income (see Note 13)	28	54	4
Interest:			
Expense	(4,610)	(4,353)	(9,21
Amortization and write-off of deferred financing costs	(205)	(434)	(40
Net income	6,539	16,785	11,94
Net income attributable to non-controlling interests	(20)	(18)	(4
Net income attributable to One Liberty Properties, Inc.	$ 6,519	$ 16,767	$ 11,90
Weighted average number of common shares outstanding:			

Basic	20,571	20,364	20,54
Diluted	20,642	20,480	20,61
Per common share attributable to common stockholders:			
Basic	$ .30	$ .80	$ .5
Diluted	$ .30	$ .79	$ .5
Cash distributions per share of common stock	$ .45	$ .45	$ .9

	Three Months Ended September 30,		Nine Mo Septe
	2023	2022	2023
Revenues:			
Rental income, net	$ 22,546	$ 21,473	$ 67,905
Lease termination fee	—	—	—
Total revenues	22,546	21,473	67,905
Operating expenses:			
Depreciation and amortization	6,310	5,970	18,569
General and administrative (see Note 9 for related party information)	3,864	3,769	12,068
Real estate expenses (see Note 9 for related party information)	4,061	3,970	12,139
State taxes	76	60	232
Total operating expenses	14,311	13,769	43,008
Other operating income			
Gain on sale of real estate, net	332	4,063	5,046
Operating income	8,567	11,767	29,943
Other income and expenses:			
Equity in (loss) earnings of unconsolidated joint ventures	(905)	82	(761)
Income on settlement of litigation (see Note 13)	—	—	—
Other income (see Note 13)	87	17	131
Interest:			
Expense	(4,768)	(4,367)	(13,978)
Amortization and write-off of deferred financing costs	(212)	(278)	(619)
Net income	2,769	7,221	14,716
Net income attributable to non-controlling interests	(22)	(17)	(64)
Net income attributable to One Liberty Properties, Inc.	$ 2,747	$ 7,204	$ 14,652
Weighted average number of common shares outstanding:			
Basic	20,567	20,340	20,552
Diluted	20,596	20,416	20,598
Per common share attributable to common stockholders:			
Basic	$ .12	$ .34	$ .67
Diluted	$ .12	$ .34	$ .66
Cash distributions per share of common stock	$ .45	$ .45	$ 1.35

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(Amounts in Thousands)

(Unaudited)

	Three Months Ended June 30,		**Six Months Ended June 30,**		**Three Months Ended September 30,**		**N**
	2023	**2022**	**2023**	**2022**	**2023**	**2022**	
Net income	$ 6,539	$ 16,785	$ 11,947	$ 26,125	$ 2,769	$ 7,221	$
Other comprehensive income							
Net unrealized gain (loss) on derivative instruments	141	665	(268)	2,440			
Net unrealized (loss) gain on derivative instruments					(207)	931	
Comprehensive income	6,680	17,450	11,679	28,565	2,562	8,152	
Net income attributable to non-controlling interests	(20)	(18)	(42)	(35)	(22)	(17)	
Adjustment for derivative instruments attributable to non-controlling interests	1	—	1	(2)	1	(1)	
Comprehensive income attributable to One Liberty Properties, Inc.	$ 6,661	$ 17,432	$ 11,638	$ 28,528	$ 2,541	$ 8,134	$

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands, Except Per Share Data)
(Unaudited) (Continued on Next Page)

	Common Stock	Paid-in Capital	Accumulated Other Comprehensive Income (loss)	Accumulated Distributions in Excess of Net Income	Non-Controlling Interests in Consolidated Joint Ventures	Total
Balances, December 31, 2022	$ 20,362	$ 325,895	$ 1,810	$ (32,102)	$ 972	$ 316,937
Distributions – common stock						
Cash – $.45 per share	—	—	—	(9,628)	—	(9,628)
Restricted stock vesting	135	(135)	—	—	—	—
Shares issued through dividend reinvestment plan	49	1,025	—	—	—	1,074
Distributions to non-controlling interests	—	—	—	—	(9)	(9)
Compensation expense – restricted stock and RSUs	—	1,328	—	—	—	1,328
Net income	—	—	—	5,386	22	5,408
Other comprehensive (loss)	—	—	(409)	—	—	(409)
Balances, March 31, 2023	20,546	328,113	1,401	(36,344)	985	314,701
Distributions – common stock						
Cash – $.45 per share	—	—	—	(9,626)	—	(9,626)
Restricted stock vesting	17	(17)	—	—	—	—
Repurchases of common stock – net	(73)	(1,382)	—	—	—	(1,455)
Shares issued through dividend reinvestment plan	50	1,048	—	—	—	1,098
Distributions to non-controlling interests	—	—	—	—	(7)	(7)
Compensation expense – restricted stock and RSUs	—	1,564	—	—	—	1,564
Net income	—	—	—	6,519	20	6,539
Other comprehensive income (loss)	—	—	142	—	(1)	141
Balances, June 30, 2023	20,540	329,326	1,543	(39,451)	997	312,955
Distributions – common stock						
Cash – $.45 per share	—	—	—	(9,570)	—	(9,570)
Restricted stock unit vesting	75	(75)	—	—	—	—
Repurchases of common stock – net	(262)	(4,882)	—	—	—	(5,144)
Shares issued through dividend reinvestment plan	56	1,055	—	—	—	1,111
Distributions to non-controlling interests	—	—	—	—	(8)	(8)
Compensation expense – restricted stock and RSUs	—	1,211	—	—	—	1,211
Net income	—	—	—	2,747	22	2,769

Other comprehensive (loss)	—	—	(206)	—	(1)	(207)
Balances, September 30, 2023	$ 20,409	$ 326,635	$ 1,337	$ (46,274)	$ 1,010	$ 303,117

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
(Amounts in Thousands, Except Per Share Data)
(Unaudited) (Continued)

	Common Stock	Paid-in Capital	Accumulated Other Comprehensive Income (loss)	Accumulated Distributions in Excess of Net Income	Non-Controlling Interests in Consolidated Joint Ventures	Total	Accum Ot
Balances, December 31, 2022	$ 20,362	$325,895	$ 1,810	$ (32,102)	$ 972	$316,937	
Distributions – common stock							
Cash – $.45 per share	—	—	—	(9,628)	—	(9,628)	
Restricted stock vesting	135	(135)	—	—	—	—	
Shares issued through dividend reinvestment plan	49	1,025	—	—	—	1,074	
Distributions to non-controlling interests	—	—	—	—	(9)	(9)	
Compensation expense – restricted stock and RSUs	—	1,328	—	—	—	1,328	
Net income	—	—	—	5,386	22	5,408	
Other comprehensive (loss)	—	—	(409)	—	—	(409)	
Balances, March 31, 2023	20,546	328,113	1,401	(36,344)	985	314,701	
Distributions – common stock							
Cash – $.45 per share	—	—	—	(9,626)	—	(9,626)	
Restricted stock vesting	17	(17)	—	—	—	—	
Repurchases of common stock – net	(73)	(1,382)	—	—	—	(1,455)	
Shares issued through dividend reinvestment plan	50	1,048	—	—	—	1,098	
Distributions to non-controlling interests	—	—	—	—	(7)	(7)	
Compensation expense – restricted stock and RSUs	—	1,564	—	—	—	1,564	
Net income	—	—	—	6,519	20	6,539	
Other comprehensive income (loss)	—	—	142	—	(1)	141	
Balances, June 30, 2023	$ 20,540	$329,326	$ 1,543	$ (39,451)	$ 997	$312,955	

							Common Stock	Paid-in Capital	Compre Income
Balances, December 31, 2021	$ 20,239	$322,793	$ (1,513)	$ (36,187)	$ 946	$306,278	$ 20,239	$322,793	$
Distributions – common stock									

Cash – $.45 per share	—	—	—	(9,559)	—	(9,559)	—	—	
Restricted stock vesting	131	(131)	—	—	—	—	131	(131)	
Shares issued through equity offering program – net	17	546	—	—	—	563	17	546	
Shares issued through dividend reinvestment plan	5	156	—	—	—	161	5	156	
Distributions to non-controlling interests	—	—	—	—	(33)	(33)	—	—	
Compensation expense – restricted stock and RSUs	—	1,325	—	—	—	1,325	—	1,325	
Net income	—	—	—	9,323	17	9,340	—	—	
Other comprehensive income	—	—	1,773	—	2	1,775	—	—	
Balances, March 31, 2022	20,392	324,689	260	(36,423)	932	309,850	20,392	324,689	
Distributions – common stock									
Cash – $.45 per share	—	—	—	(9,494)	—	(9,494)	—	—	
Restricted stock vesting	16	(16)	—	—	—	—	16	(16)	
Repurchases of common stock – net	(133)	(3,285)	—	—	—	(3,418)	(133)	(3,285)	
Shares issued through dividend reinvestment plan	6	157	—	—	—	163	6	157	
Distributions to non-controlling interests	—	—	—	—	(8)	(8)	—	—	
Compensation expense – restricted stock and RSUs	—	1,559	—	—	—	1,559	—	1,559	
Net income	—	—	—	16,767	18	16,785	—	—	
Other comprehensive income	—	—	665	—	—	665	—	—	
Balances, June 30, 2022	$ 20,281	$323,104	$ 925	$ (29,150)	$ 942	$316,102	20,281	323,104	
Distributions – common stock									
Cash – $.45 per share							—	—	
Restricted stock unit vesting							65	(65)	
Repurchases of common stock, net							(75)	(1,747)	
Shares issued through dividend reinvestment plan							40	978	
Distributions to non-controlling interests							—	—	
Compensation expense – restricted stock and RSUs							—	1,306	
Net income							—	—	
Other comprehensive income							—	—	
Balances, September 30, 2022							$ 20,311	$323,576	$

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

(Amounts in Thousands)

(Unaudited) (Continued on Next Page)

		Six Mor
		Jur
		2023
Cash flows from operating activities:		
Net income	$	11,947
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sale of real estate, net		(4,714
Increase in net amortization of unbilled rental income		(1,199
Write-off of unbilled rent receivable		133
Amortization and write-off of intangibles relating to leases, net		(454
Amortization of restricted stock and RSU compensation expense		2,892
Equity in earnings of unconsolidated joint ventures		(145
Distributions of earnings from unconsolidated joint venture		23
Depreciation and amortization		12,259
Amortization and write-off of deferred financing costs		407
Payment of leasing commissions		(179
Decrease (increase) in escrow, deposits, other assets and receivables		5,015
Decrease in accrued expenses and other liabilities		(1,055
Net cash provided by operating activities		24,930
Cash flows from investing activities:		
Purchase of real estate		—
Improvements to real estate		(2,863
Investments in ground leased property		(668
Net proceeds from sale of real estate		10,069
Insurance recovery proceeds due to casualty loss		—
Net cash provided by (used in) investing activities		6,538
Cash flows from financing activities:		
Scheduled amortization payments of mortgages payable		(6,174
Repayment of mortgages payable		(6,735
Proceeds from mortgage financings		23,450
Proceeds from bank line of credit		16,900
Repayments on bank line of credit		(36,200
Issuance of shares through dividend reinvestment plan		2,172
Proceeds from sale of common stock, net		—
Repurchases of common stock, net		(1,455
Payment of financing costs		(370
Distributions to non-controlling interests		(16
Cash distributions to common stockholders		(19,056
Net cash used in financing activities		(27,484
Net increase in cash, cash equivalents and restricted cash		3,984
Cash, cash equivalents and restricted cash at beginning of year		7,277
Cash, cash equivalents and restricted cash at end of period	$	11,261
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest expense	$	9,258
Supplemental disclosure of non-cash investing activity:		
Purchase accounting allocation - intangible lease assets	$	—
Purchase accounting allocation - intangible lease liabilities		—

		Nine Mo
		Septe
		2023

Cash flows from operating activities:		
Net income	$	14,716
Adjustments to reconcile net income to net cash provided by operating activities:		
Gain on sale of real estate, net		(5,046
Increase in net amortization of unbilled rental income		(1,574
Write-off of unbilled rent receivable		133
Amortization and write-off of intangibles relating to leases, net		(698
Amortization of restricted stock and RSU compensation expense		4,103
Equity in loss (earnings) of unconsolidated joint ventures		761
Distributions of earnings from unconsolidated joint venture		23
Depreciation and amortization		18,569
Amortization and write-off of deferred financing costs		619
Payment of leasing commissions		(499
Decrease (increase) in escrow, deposits, other assets and receivables		4,088
Increase in accrued expenses and other liabilities		887
Net cash provided by operating activities		36,082
Cash flows from investing activities:		
Purchase of real estate		(9,229
Improvements to real estate		(3,887
Investments in ground leased property		(668
Net proceeds from sale of real estate		13,185
Insurance recovery proceeds due to casualty loss		—
Distributions of capital from unconsolidated joint venture		9
Net cash used in investing activities		(590
Cash flows from financing activities:		
Scheduled amortization payments of mortgages payable		(9,284
Repayment of mortgages payable		(6,735
Proceeds from mortgage financings		23,450
Proceeds from bank line of credit		30,900
Repayments on bank line of credit		(40,200
Issuance of shares through dividend reinvestment plan		3,283
Repurchases of common stock, net		(6,599
Proceeds from sale of common stock, net		—
Payment of financing costs		(449
Distributions to non-controlling interests		(24
Cash distributions to common stockholders		(28,627
Net cash used in financing activities		(34,285
Net increase (decrease) in cash, cash equivalents and restricted cash		1,207
Cash, cash equivalents and restricted cash at beginning of year		7,277
Cash, cash equivalents and restricted cash at end of period	$	8,484
Supplemental disclosure of cash flow information:		
Cash paid during the period for interest expense	$	13,939
Supplemental disclosure of non-cash investing activity:		
Assumption of mortgage payable upon acquisition of property	$	4,280
Lease liabilities adjustment from the reassessment of right of use assets		3,366
Purchase accounting allocation - intangible lease assets		871
Purchase accounting allocation - mortgage intangible asset		260
Purchase accounting allocation - intangible lease liabilities		(237

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
(Amounts in Thousands)
(Unaudited) (Continued)

The following table provides a reconciliation of cash, cash equivalents, and restricted cash reported within the consolidated balance she
total of the same such amounts shown in the consolidated statements of cash flows:

	June 30,	
	2023	2022
Cash and cash equivalents	$ 8,079	$ 17,62
Restricted cash included in escrow, deposits and other assets and receivables	3,182	42
Total cash, cash equivalents and restricted cash shown in the consolidated statement of cash flows	$ 11,261	$ 18,04
Total cash, cash equivalents and restricted cash shown in the consolidated statements of cash flows		

Restricted cash included in escrow, deposits and other assets and receivables represents amounts related to real estate tax and other reser
to be held by lenders in accordance with the Company's mortgage agreements. The restriction on these escrow reserves will lapse when the relatec
or when the related reserve conditions are satisfied.

See accompanying notes to consolidated financial statements.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
JUNE SEPTEMBER 30, 2023

NOTE 1 – ORGANIZATION AND BACKGROUND

One Liberty Properties, Inc. ("OLP") was incorporated in 1982 in Maryland. OLP is a self-administered and self-managed real estate investmen acquires, owns and manages a geographically diversified portfolio consisting primarily of industrial and retail properties, many of which are subje leases. As of June 30, 2023 September 30, 2023, OLP owns 118 properties, including three properties owned by consolidated joint ventures and thre by unconsolidated joint ventures. The 118 properties are located in 31 states.

NOTE 2 – SUMMARY ACCOUNTING POLICIES

Principles of Consolidation/Basis of Preparation

The accompanying unaudited consolidated financial statements have been prepared in accordance with the instructions to Form 10-Q ar information and disclosures required by U.S. Generally Accepted Accounting Principles ("GAAP") for interim reporting. Accordingly, they do no disclosures required by GAAP for complete financial statement disclosures. In the opinion of management, all adjustments of a normal recurring r fair presentation have been included. The results of operations for the three and six nine months ended June 30, 2023 September 30, 2023 and 2022 indicative of the results for the full year. These statements should be read in conjunction with the consolidated financial statements and related not Annual Report on Form 10-K for the year ended December 31, 2022.

The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect th in the financial statements and accompanying notes. Actual results could differ from those estimates.

The consolidated financial statements include the accounts and operations of OLP, its wholly-owned subsidiaries, its joint ventures in whic defined, has a controlling interest, and variable interest entities ("VIEs") of which the Company is the primary beneficiary. OLP and its consolida referred to herein as the "Company". Material intercompany items and transactions have been eliminated in consolidation.

Purchase Accounting for Acquisition of Real Estate

In acquiring real estate, the Company evaluates whether substantially all of the fair value of the gross assets acquired is concentrated in a sing or a group of similar identifiable assets, and if that requirement is met, the asset group is accounted for as an asset acquisition and not a bu Transaction costs incurred with such asset acquisitions are capitalized to real estate assets and depreciated over the respectful useful lives.

The Company allocates the purchase price of real estate, including direct transaction costs applicable to an asset acquisition, among land, buil and intangibles (*e.g.,* the value of above, below and at-market leases, and origination costs associated with in-place leases and above or below assumed at the acquisition date). The value, as determined, is allocated to the gross assets acquired based on management's determination of the r these assets and liabilities.

The Company assesses the fair value of the gross assets acquired based on available market information which utilize utilizes estimated cash flo inputs are categorized as Level 3 inputs in the fair value hierarchy. In determining fair value, factors considered by management include an ev market demand, market capitalization rates and discount rates, estimates of carrying costs (*e.g.*, real estate taxes, insurance, other operating exper revenue during the expected lease-up periods. Management also estimates costs to execute similar leases, including leasing commissions and tenar

ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)
JUNE SEPTEMBER 30, 2023 (CONTINUED)

NOTE 2 – SUMMARY ACCOUNTING POLICIES (CONTINUED)

Investment in Joint Ventures and Variable Interest Entities

The Financial Accounting Standards Board, or FASB, provides guidance for determining whether an entity is a VIE. VIEs are defined as enti investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance i additional subordinated financial support. A VIE is required to be consolidated by its primary beneficiary, which is the party that (i) has the p activities that most significantly impact the VIE's economic performance and (ii) has the obligation to absorb losses, or the right to receive bene could potentially be significant to the VIE.

The Company assesses the accounting treatment for each of its investments, including a review of each venture or limited liability comp agreement, to determine the rights of each party and whether those rights are protective or participating. The agreements typically contain certa such as the requirement of partner approval to sell, finance or refinance the property and to pay capital expenditures and operating expendit approved budget or operating plan. In situations where, among other things, the Company and its partners jointly (i) approve the annual budget expenditures, (iii) prepare or review and approve the joint venture's tax return before filing, or (iv) approve each lease at a property, the Company d as the Company considers these to be substantive participation rights that result in shared, joint power over the activities that most sign performance of the joint venture or property. Additionally, the Company assesses the accounting treatment for any interests pursuant to which have a variable interest as a lessor. Leases may contain certain protective rights, such as the right of sale and the receipt of certain escrow deposits.

The Company accounts for its investments in unconsolidated joint ventures under the equity method of accounting. All investments in u ventures have sufficient equity at risk to permit the entity to finance its activities without additional subordinated financial support and, as a grou equity at risk have power through voting rights to direct the activities of these ventures. As a result, none of these joint ventures are VIEs. In add shares power with its co-managing members over these entities, and therefore the entities are not consolidated. These investments are recorde investments in unconsolidated joint ventures, and subsequently adjusted for their share of equity in earnings, cash contributions and distributior venture debt is recourse to the Company, subject to standard carve-outs.

The Company reviews on a quarterly basis its investments in unconsolidated joint ventures for other-than-temporary losses in investment val is not expected to be recovered based on the underlying assets of the investment is considered other than temporary and an impairment cha reduction in the carrying value of the investment. During the three and nine months ended September 30, 2023 and 2022, there were no such ot impairment charges related to the Company's investments in unconsolidated joint ventures.

The Company has elected to follow the cumulative earnings approach when assessing, for the consolidated statement of cash flows, whether t the investee is a return of the investor's investment as compared to a return on its investment. The source of the cash generated by the in distribution is not a factor in the analysis (that is, it does not matter whether the cash was generated through investee refinancing, sale of assets c Consequently, the investor only considers the relationship between the cash received from the investee to its equity in the undistributed earnings cumulative basis, in assessing whether the distribution from the investee is a return on or a return of its investment. Cash received from the unco presumed to be a return on the investment to the extent that, on a cumulative basis, distributions received by the investor are less than its share undistributed earnings of the entity.

NOTE 3 – LEASES

Lessor Accounting

The Company owns rental properties which are leased to tenants under operating leases with current expirations ranging from 2023 to 20 extend or terminate the lease. Revenues from such leases are reported as Rental income, net, and are comprised of (i) lease components, which variable lease payments and (ii) non-lease components which includes reimbursements of property level operating expenses. The Company doe lease components from the related lease components, as the timing and pattern of transfer are the same, and account for the combined compo with ASC 842.

Fixed lease revenues represent the base rent that each tenant is required to pay in accordance with the terms of their respective leases, and paid or payable to the lessee, reported on a straight-line basis over the non-cancelable term of the lease. Variable lease revenues typically include (i) tenant reimbursements, (ii) changes in the index or market-based indices after the inception of the lease, (iii) percentage rents and (iv) the opera the property. Variable lease revenues are not recognized until the specific events that trigger the variable payments have occurred.

The components of lease revenues are as follows (amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		N
	2023	2022	2023	2022	2023	2022	
Fixed lease revenues	$ 18,929	$ 18,405	$ 38,287	$ 36,746	$ 18,872	$ 18,339	$
Variable lease revenues	3,248	2,860	6,618	5,861	3,431	2,914	
Lease revenues (a)	$ 22,177	$ 21,265	$ 44,905	$ 42,607	$ 22,303	$ 21,253	$

(a) Excludes $230 $243 and $454 $698 of amortization related to lease intangible assets and liabilities for the three and six nine months ended June 3 30, 2023, respectively, and $207 $220 and $396 $617 for the three and six nine months ended June 30, 2022 September 30, 2022, respectively.

In many of the Company's leases, the tenant is obligated to pay the real estate taxes, insurance, and certain other expenses directly to obligations, which have been assumed by the tenants, are not reflected in our consolidated financial statements. To the extent any such tenant de if it is deemed probable that the tenant will fail to pay for such obligations, a liability for such obligations would be recorded.

On a quarterly basis, the Company assesses the collectability of substantially all lease payments due by reviewing the tenant's payment condition. Changes to collectability are recognized as a current period adjustment to rental revenue. As of June 30, 2023 September 30, 2023, the Co the collectability of all recorded lease revenues as probable.

During the three and six nine months ended June 30, 2023 September 30, 2023, the Company wrote-off, as a reduction to rental income, net, rent receivable related to its tenant, Bed Bath & Beyond at its Kennesaw, Georgia property, as the tenant filed for Chapter 11 bankruptcy protec lease in April 2023.

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NOTE 3 – LEASES (CONTINUED)

Minimum Future Rents

As of June 30, 2023 September 30, 2023, the minimum future contractual rents to be received on non-cancellable operating leases are include (amounts in thousands). The minimum future contractual rents include $8,248,000 of rent related to Regal Cinemas (based on modified leases th

July 31, 2023) and does do not include (i) straight-line rent or amortization of lease intangibles or incentives and (ii) variable lease payments as descri

From July 1 – December 31, 2023	$
From October 1 – December 31, 2023	
For the year ending December 31,	
2024	
2025	
2026	
2027	
2028	
Thereafter	
Total	$

Lessee Accounting

Ground Lease

The Company is a lessee under a ground lease in Greensboro, North Carolina, which is classified as an operating lease. The ground lease expire provides for up to four, 5-year renewal options and one seven-month renewal option. As of June 30, 2023 September 30, 2023, the remaining lea five-yearrenewal options option deemed exercised, is 11.7 6.4 years. The Company recognized lease expense related to this ground lease of $1 $300,000 $422,000 for both the three and six nine months ended June 30, 2023 September 30, 2023, respectively, and 2022, $150,000 and $449,000 fo months ended September 30, 2022, respectively, which is included in Real estate expenses on the consolidated statements of income.

Office Lease

The Company is a lessee under a corporate office lease in Great Neck, New York, which is classified as an operating lease. The lease expires or and provides for a five-year renewal option. As of June 30, 2023 September 30, 2023, the remaining lease term, including the renewal option d 13.5 13.3 years. The Company recognized lease expense related to this office lease of $14,000 and $28,000 $42,000 for both each of the three and six June 30, 2023 September 30, 2023 and 2022, respectively, which is included in General and administrative expenses on the consolidated statements

Minimum Future Lease Payments

As of June 30, 2023 September 30, 2023, the minimum future lease payments related to these operating leases are as follows (amounts in thousa

From July 1 – December 31, 2023	$
From October 1 – December 31, 2023	
For the year ending December 31,	
2024	
2025	
2026	
2027	
2028	
Thereafter	
Total undiscounted cash flows	$
Present value discount	
Lease liability	$

The lease liability is included in other liabilities on the consolidated balance sheet.

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NOTE 4 – REAL ESTATE ACQUISITIONS

Acquisitions

The following table details the Company's real estate acquisitions during 2022 the nine months ended September 30, 2023 and the year endec (amounts in thousands). There were no acquisitions during the six months ended June 30, 2023. :

Description of Property	Date Acquired	Contract Purchase Price	Terms of Payment	Capitalized Transaction Costs	Date Acquired
Description of Industrial Property					
Multi-tenant					
Blythewood, South Carolina					July 13, 2023
TOTAL - Nine months ended September 30, 2023					
Conditioned Air Company of Naples LLC					
Fort Myers, Florida	January 5, 2022	$ 8,100	All cash (a)	$ 66	January 5, 2022
Q.E.P. Co., Inc.					
Dalton, Georgia	May 12, 2022	17,000	All cash (a)	330	May 12, 2022
Multi-tenant					
Hillside, Illinois	May 16, 2022	5,770	All cash	112	May 16, 2022
Curaleaf, Inc.					
Lexington, Kentucky	June 17, 2022	8,430	Cash and $5,480 mortgage (b)	80	June 17, 2022
Multi-tenant					
Northwood, Ohio	November 15, 2022	8,629	Cash and $6,034 mortgage (c)	87	November 15, 2022
Multi-tenant					
Northwood, Ohio	November 15, 2022	8,561	Cash and $6,034 mortgage (c)	86	November 15, 2022
TOTALS FOR 2022		$ 56,490		$ 761	
TOTAL - Year ended December 31, 2022					

(a) Simultaneously with the acquisition of this property, the Company assumed a $4,280 mortgage, bearing an interest rate of 4.60% and maturing

(b) Subsequent to the acquisitions of the Fort Myers, Florida and Dalton, Georgia properties, the Company obtained new mortgage debt of $4,860 bearing interest rates of 3.09% and 3.50% and maturing in 2031 and 2032, respectively.

(b) (c) Simultaneously with the acquisition of this property, the Company obtained new mortgage debt of $5,480, bearing an interest rate of 3.85% anc

(c) (d) Simultaneously with the acquisition of these properties, the Company assumed a $6,034 mortgage encumbering both properties, bearing an int and maturing in 2030.

Acquisition Subsequent to June 30, 2023

On July 13, 2023, The following table details the Company allocation of the purchase price of the real estate acquired for $13,400,000 an located during the nine months ended September 30, 2023 (amounts in Blythewood, South Carolina, and leased by two thousands): 4,280,000 mortgage with an interest rate of 4.60%

Description of Property	Land	Building & Improvements	Intangible Lease Asset	Intangible Lease Liability	Mortgage Intangible	Total
Multi-tenant						
Blythewood, South Carolina	$ 311	$ 12,304	$ 871	$ (237)	$ 260	$ 13,509
TOTAL - Nine months ended September 30, 2023	$ 311	$ 12,304	$ 871	$ (237)	$ 260	$ 13,509

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JUNE SEPTEMBER 30, 2023 (CONTINUED)

NOTE 5 – SALES OF PROPERTIES

The following table details the Company's sales of real estate during the six nine months ended June 30, 2023 September 30, 2023 and 2022 (amc

Description of Property	Date Sold	Gross Sales Price	Gain on Sale of Real Estate, Net		Date Sold	Gross Sales Pri
TGI Fridays restaurant						
Hauppauge, New York	February 28, 2023	$ 4,200	$ 1,534		February 28, 2023	$ 4,20
Havertys retail property						
Duluth, Georgia	May 31, 2023	6,000	3,180		May 31, 2023	6,00
TOTAL - Six months ended June 30, 2023		$ 10,200	$ 4,714	(a)		
TGI Fridays restaurant						
Greensboro, North Carolina					September 20, 2023	3,25
TOTAL - Nine months ended September 30, 2023					TOTAL - Nine months ended September 30, 2023	$ 13,45
Wendy's restaurants - 4 properties						
Various cities, Pennsylvania	March 22, 2022	$ 10,000	$ 4,649		March 22, 2022	$ 10,00
Orlando Baking industrial property						
Columbus, Ohio	May 2, 2022	8,500	6,925		May 2, 2022	8,50
Havertys retail property						
Fayetteville, Georgia (b)	June 17, 2022	4,800	1,125		June 17, 2022	4,80
TOTAL - Six months ended June 30, 2022		$ 23,300	$ 12,699	(c)		
Vacant retail property						
Columbus, Ohio					August 8, 2022	8,30
TOTAL - Nine months ended September 30, 2022					TOTAL - Nine months ended September 30, 2022	$ 31,60

(a) As a result of these sales, the Company wrote-off, as a net reduction to Gain on sale of real estate, net, an aggregate of $190 of other assets and $32 $123 of unearned rental income. unbilled rent receivable.

(b) In connection with this sale, the Company paid off the $1,563 mortgage.

(c) As a result of these sales, the Company wrote-off, as a reduction to Gain on sale of real estate, net, an aggregate of $519 of unbilled rent receival unamortized intangible lease liabilities and assets.

From August 2023 through October 2023, the Company entered into contracts to sell one restaurant and two retail properties for an aggr approximately $13,800,000. The buyers' rights to terminate the contracts without penalty expires by early November 2023. The Company anticip aggregate gain on sale of real estate, net, of approximately $6,000,000 to $7,000,000 on the consolidated statement of income during the th December 31, 2023.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
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NOTE 6 – VARIABLE INTEREST ENTITIES, CONTINGENT LIABILITY AND CONSOLIDATED JOINT VENTURES

Variable Interest Entity – Ground Lease

The Company determined it has a variable interest through its ground lease at its Beachwood, Ohio property (the "Vue Apartments") and the VIE because its equity investment at risk is insufficient to finance its activities without additional subordinated financial support. The Company furtl it is not the primary beneficiary of this VIE because the Company does not have power over the activities that most significantly impact th economic performance and therefore, does not consolidate this VIE for financial statement purposes. Accordingly, the Company accounts for this and the revenues from the ground lease as Rental income, net. The ground lease provides for rent which can be deferred and paid based on the ope of the property; therefore, this rent is recognized as rental income when the operating performance is achieved and the rent is received. No ground has been collected since October 2020 other than the proceeds from the settlement of the Proceedings (as defined below).

As of June 30, 2023 September 30, 2023, the VIE's maximum exposure to loss was $17,012,000 which represented the carrying amount of the lan property in 2016, the owner/operator obtained a mortgage for $67,444,000 from a third party which, together with the Company's purchase o substantially all of the funds to acquire the multi-family property. The Company provided its land as collateral for the owner/operator's mortgage lo land position is subordinated to the mortgage. The mortgage balance was $64,195,000 63,887,000 as of June 30, 2023 September 30, 2023.

Pursuant to the ground lease, as amended in November 2020, the Company agreed, in its discretion, to fund 78% of (i) any operating expe property and (ii) any capital expenditures required at the property. The Company funded $697,000 during the year ended December 31, 202 $668,000 during the three and six nine months ended June 30, 2023, respectively. September 30, 2023. These amounts are included as part of the car land.

The Company's ground lease tenant was a plaintiff/claimant in various legal proceedings (the "Proceedings") against, among others, the apartment complex alleging, among other things, that the buildings' construction was flawed. The Proceedings were settled in the quarter ended and although the Company was not a party to the Proceedings, pursuant to the lease with the tenant, the Company received $4,642,000 from December 31, 2022, $4,626,000 of such sum was accrued as rental income, net on the consolidated statement of income and as other receivables balance sheet.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
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JUNE 30, 2023 (CONTINUED)

NOTE 6 – VARIABLE INTEREST ENTITIES, CONTINGENT LIABILITY AND CONSOLIDATED JOINT VENTURES (CONTINUED)

Variable Interest Entities – Consolidated Joint Ventures

The Company has determined the three consolidated joint ventures in which it holds between a 90% to 95% interest are VIEs because the non- do not hold substantive kick-out or participating rights. The Company has determined it is the primary beneficiary of these VIEs as it has the activities that most significantly impact each joint venture's performance including management, approval of expenditures, and the obligation to a rights to receive benefits. Accordingly, the Company consolidates the operations of these VIEs for financial statement purposes. The VIEs' cre recourse to the assets of the Company other than those held by the applicable joint venture.

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NOTE 6 – VARIABLE INTEREST ENTITIES, CONTINGENT LIABILITY AND CONSOLIDATED JOINT VENTURES (CONTINUED)

The following is a summary of the consolidated VIEs' carrying amounts and classification in the Company's consolidated balance sheets, restricted (amounts in thousands):

	June 30, 2023	December 31, 2022	Sep
Land	$ 10,365	$ 10,365	$
Buildings and improvements, net of accumulated depreciation of $6,046 and $5,670, respectively	17,880	17,870	
Buildings and improvements, net of accumulated depreciation of $6,235 and $5,670, respectively			
Cash	803	1,163	
Unbilled rent receivable	1,082	1,111	
Unamortized intangible lease assets, net	434	472	
Escrow, deposits and other assets and receivables	943	772	
Mortgages payable, net of unamortized deferred financing costs of $131 and $152, respectively	18,141	18,500	
Mortgages payable, net of unamortized deferred financing costs of $120 and $152, respectively			
Accrued expenses and other liabilities	628	711	
Unamortized intangible lease liabilities, net	399	424	
Accumulated other comprehensive income	15	22	
Non-controlling interests in consolidated joint ventures	997	972	

As of June 30, 2023 September 30, 2023 and December 31, 2022, MCB Real Estate, LLC and its affiliates ("MCB") are the Company's joint ven consolidated joint ventures in which the Company has aggregate equity investments of approximately $4,501,000 $4,475,000 and $4,563,000, respec

Distributions to each joint venture partner are determined pursuant to the applicable operating agreement and, in the event of a sale of, c mortgage encumbering, the property owned by such venture, the distributions to the Company may be less than that implied by the Company interest in the venture.

NOTE 7 – INVESTMENT IN UNCONSOLIDATED JOINT VENTURES

As of June 30, 2023 September 30, 2023 and December 31, 2022, the Company participated in three unconsolidated joint ventures, each of which one property; the Company's equity investment in these ventures totaled $10,521,000 $9,607,000 and $10,400,000, respectively. The Company earnings loss of $60,000 905,000 and $145,000 $761,000 for the three and six nine months ended June 30, 2023 September 30, 2023, respectively, an earnings of $82,000 and $228,000 $310,000 for the three and six nine months ended June 30, 2022 September 30, 2022, respectively. Included in e three and nine months ended September 30, 2023 is an impairment charge of $850,000 related to our Manahawkin, New Jersey joint venture prop below).

As of June 30, 2023 September 30, 2023 and December 31, 2022, MCB and the Company are partners in an unconsolidated joint venture in w
equity investment is approximately $9,019,000 $8,042,000 and $8,963,000, respectively.

Impairment and Sale of Manahawkin, New Jersey Property

On September 8, 2023, the Company and its joint venture partner entered into a contract to sell its joint venture property located in Manaha
$36,500,000. As a result, the joint venture recorded an impairment charge of $1,699,000, of which the Company's 50% share was $850,000 and is rec
in loss from unconsolidated joint ventures on the consolidated statements of income for the three and nine months ended September 30, 2
anticipates the property will be sold during the three months ending December 31, 2023.

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ONE LIBERTY PROPERTIES, INC. AND SUBSIDIARIES
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JUNE SEPTEMBER 30, 2023 (CONTINUED)

NOTE 8 – DEBT OBLIGATIONS

Mortgages Payable

The following table details the Mortgages payable, net, balances per the consolidated balance sheets (amounts in thousands):

	June 30, 2023	December 31, 2022	September 3 2023
Mortgages payable, gross	$ 419,716	$ 409,175	$ 420,8
Unamortized deferred financing costs	(3,409)	(3,355)	(3,3
Unamortized mortgage intangible asset (a)	(612)	(658)	
Unamortized mortgage intangible assets (a)			(8
Mortgages payable, net	$ 415,695	$ 405,162	$ 416,7

(a) In connection with the assumption of a below-market mortgage mortgages upon the acquisition of the Northwood, Ohio and Blythewood, Sou
properties in 2022 (see Note 4).

The following table sets forth, as of June 30, 2023 September 30, 2023, scheduled principal repayments with respect to the Company's mortg
six three months ending December 31, 2023 and for each of the subsequent twelve months through maturity (amounts in thousands):

	2023	2024	2025	2026	2027	Thereafter	Total	2023	2024	2025	2026	2027	Th
Amortization payments	$ 6,216	$ 11,642	$ 10,355	$ 10,249	$ 9,138	$ 41,699	$ 89,299	$3,150	$11,732	$10,449	$10,348	$ 9,241	$
Principal due at maturity	6,238	50,695	32,063	19,179	38,525	183,717	330,417	6,238	50,695	32,063	19,179	38,524	
Total	$ 12,454	$ 62,337	$ 42,418	$ 29,428	$ 47,663	$ 225,416	$ 419,716	$9,388	$62,427	$42,512	$29,527	$47,765	$

Line of Credit

The Company's credit facility with Manufacturers and Traders Trust Company and VNB New York, LLC, provides that it may borrow up to $10
borrowing base requirements. The facility is available for the acquisition of commercial real estate, repayment of mortgage debt, and renova
expense purposes; provided, that if used for renovation and operating expense purposes, the amount outstanding for such purposes will not
$40,000,000 and 40% of the borrowing base. Net proceeds received from the sale, financing or refinancing of properties are generally required t

amounts outstanding under the credit facility. The facility is guaranteed by subsidiaries of the Company that own unencumbered properties a required to pledge to the lenders the equity interests in such subsidiaries.

The facility, which matures December 31, 2026, provides for an interest rate equal to 30-day SOFR plus an applicable margin ranging from 175 basis points depending on the ratio of the Company's total debt to total value, as determined pursuant to the facility. The applicable margin was June 30, 2023 September 30, 2023 and 2022. An unused facility fee of .25% per annum applies to the facility. The weighted average interest rate approximately 6.44% 6.60% and 2.31% 2.74% for the six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively. The Company with all covenants at June 30, 2023 September 30, 2023.

The following table details the Line of credit, net, balances per the consolidated balance sheets (amounts in thousands):

	June 30, 2023		December 31, 2022		September 3 2023	
Line of credit, gross	$	2,500	$	21,800	$	12,5
Unamortized deferred financing costs		(640)		(732)		(5
Line of credit, net	$	1,860	$	21,068	$	11,9

At June 30, 2023 September 30, 2023 and August 1, 2023 November 1, 2023, $97,500,000 $87,500,000 and $83,500,000, $77,500,000, respectively, borrowed under the facility, including an aggregate of up to $40,000,000 $36,000,000 and $32,000,000, $26,000,000, respectively, available for renov expense purposes.

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NOTE 9 – RELATED PARTY TRANSACTIONS

Compensation and Services Agreement

Pursuant to the compensation and services agreement with Majestic Property Management Corp. ("Majestic"), Majestic provides the Comp executive, administrative, legal, accounting, clerical, property management, property acquisition, consulting (*i.e.*, sale, leasing, brokerage, and mort construction supervisory services (collectively, the "Services") and (ii) facilities and other resources. Majestic is wholly-owned by the Company's vice it provides compensation to several of the Company's executive officers.

In consideration for the Services, the Company paid Majestic $810,000 $812,000 and $1,689,000 $2,501,000 for the three and six nine mon 2023 September 30, 2023, respectively, and $760,000 $763,000 and $1,526,000 $2,289,000 for the three and six nine months ended June 30, 2022 S respectively. Included in these amounts are fees for property management services of $358,000 360,000 and $786,000 $1,146,000 for the three a ended June 30, 2023 September 30, 2023, respectively, and $329,000 $333,000 and $666,000 $999,000 for the three and six nine months ended June 30, 2022, respectively. The amounts paid for property management services are based on 1.5% and 2.0% of the rental payments (including tena actually received by the Company from net lease tenants and operating lease tenants, respectively. The Company does not pay Majestic with re managed by third parties. The Company also paid Majestic, pursuant to the compensation and services agreement, $79,000 and $159,000 $238,0 six nine months ended June 30, 2023 September 30, 2023 and 2022, respectively, for the Company's share of all direct office expenses, includi postage, computer services, internet usage and supplies.

Executive officers and others providing services to the Company under the compensation and services agreement were awarded shares of restricted stock units ("RSUs") under the Company's stock incentive plans (described in Note 11). The related expense charged to the Compa $643,000 $594,000 and $1,284,000 $1,879,000 for the three and six nine months ended June 30, 2023 September 30, 2023, respectively, and $6 $1,287,000 $1,927,000 for the three and six nine months ended June 30, 2022 September 30, 2022, respectively.

The amounts paid under the compensation and services agreement (except for the property management services which are included in Real e the costs of the stock incentive plans are included in General and administrative expense on the consolidated statements of income.

Joint Venture Partners and Affiliates

The Company paid an aggregate of $24,000 $22,000 and $46,000 $69,000 for the three and six nine months ended June 30, 2023 September 30 and $20,000 $19,000 and $42,000 $60,000 for the three and six nine months ended June 30, 2022 September 30, 2022, respectively, to its consoli partner or their affiliates (none of whom are officers, directors, or employees of the Company) for property management services, which are inc expenses on the consolidated statements of income.

The Company's unconsolidated joint ventures paid management fees of $31,000 and $57,000 $89,000 for the three and six nine mont 2023 September 30, 2023, respectively, and $34,000 $32,000 and $70,000 $101,000 for the three and six nine months ended June 30, 2022 S respectively, to the other partner of the ventures, which reduced increased Equity in earnings loss on the consolidated statements of income by $29,000 $44,000 for the three and six nine months ended June 30, 2023 September 30, 2023, respectively, and $17,000 reduced Equity in earni $35,000 $51,000 for the three and six nine months ended June 30, 2022 September 30, 2022, respectively.

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NOTE 9 – RELATED PARTY TRANSACTIONS (CONTINUED)

Other

During 2023 and 2022, the Company paid quarterly fees of (i) $78,250 to the Company's chairman and (ii) $31,300 to the Company's vice-chair included in General and administrative expenses on the consolidated statements of income.

The Company obtains its property insurance in conjunction with Gould Investors L.P. ("Gould Investors"), a related party, and reimburses Goul for the Company's insurance cost relating to its properties. Amounts reimbursed to Gould Investors were $1,093,000 during the three and r September 30, 2023 and $586,000 during the three and nine months ended September 30, 2022. Included in Real estate expenses on the consolic income is insurance expense of $102,000 363,000 and $250,000 $613,000 for the three and six nine months ended June 30, 2023 September 30, 20 $267,000 $187,000 and $606,000 $793,000 for the three and six nine months ended June 30, 2022 September 30, 2022, respectively, of amounts re Investors in prior periods. The balance of amounts reimbursed to Gould Investors represents prepaid insurance and is included in Other Assets balance sheets.

NOTE 10 – EARNINGS PER COMMON SHARE

Basic earnings per share was determined by dividing net income allocable to common stockholders for each period by the weighted average r common stock outstanding during the applicable period. Net income is also allocated to the unvested restricted stock outstanding during restricted stock is entitled to receive dividends and is therefore considered a participating security. As of June 30, 2023 September 30, 2023, the shar underlying the RSUs (see Note 11) are excluded from the basic earnings per share calculation, as these units are not participating securities unt issued.

Diluted earnings per share reflects the potential dilution that could occur if securities or other rights exercisable for, or convertible into, c exercised or converted or otherwise resulted in the issuance of common stock that shared in the earnings of the Company.

The following table provides a reconciliation of the numerator and denominator of earnings per share calculations (amounts in thousand amounts):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		N
	2023	2022	2023	2022	2023	2022	
Numerator for basic and diluted earnings per share:							
Net income	$ 6,539	$ 16,785	$ 11,947	$ 26,125	$ 2,769	$ 7,221	$
Deduct net income attributable to non-controlling interests	(20)	(18)	(42)	(35)	(22)	(17)	
Deduct earnings allocated to unvested restricted stock (a)	(320)	(570)	(649)	(891)	(321)	(320)	
Net income available for common stockholders: basic and diluted	$ 6,199	$ 16,197	$ 11,256	$ 25,199	$ 2,426	$ 6,884	$
Denominator for basic earnings per share:							
Weighted average number of common shares outstanding	20,571	20,364	20,544	20,372	20,567	20,340	
Effect of dilutive securities: RSUs	71	116	68	113	29	76	
Denominator for diluted earnings per share:							
Weighted average number of shares	20,642	20,480	20,612	20,485	20,596	20,416	
Earnings per common share, basic	$ .30	$ .80	$ .55	$ 1.24	$ .12	$ .34	$
Earnings per common share, diluted	$ .30	$ .79	$ .55	$ 1.23	$ .12	$ .34	$

(a) Represents an allocation of distributed earnings to unvested restricted stock that, as participating securities, are entitled to receive dividends.

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NOTE 10 – EARNINGS PER COMMON SHARE (CONTINUED)

The following table identifies the number of shares of common stock underlying the RSUs that are included in the calculation, on a diluted ba average number of shares of common stock for such periods:

Three and Six Months Ended June 30, 2023: / Three and Nine Months Ended September 30, 2023:						Three and Nine Months Ended September 30, 2			
	Total Number of Underlying Shares	Shares Included Based on (a)				Total Number of Underlying Shares	Shares Included Based on (a		
Date of Award		Return on Capital Metric	Stockholder Return Metric	Total	Shares Excluded (b)		Return on Capital Metric	Stockholder Return Metric	T
July 1, 2023 (c)						85,250	23,839	—	2
July 1, 2022 (c)	85,350	42,675	—	42,675	42,675	85,350	35,344	—	3
August 3, 2021 (c)	80,700	40,350	—	40,350	40,350	80,700	39,811	—	3

August 3, 2020 (d)	75,026	37,494	37,494	74,988	38				
Totals	241,076	120,519	37,494	158,013	83,063	251,300	98,994	—	9

Three and Six Months Ended June 30, 2022: Three and Nine Months Ended September 30, 2022:						Three and Nine Months Ended September 30, 20			
	Total Number	Shares Included Based on (a)				Total Number	Shares Included Based on (a)		
Date of Award	of Underlying Shares	Return on Capital Metric	Stockholder Return Metric	Total	Shares Excluded (b)	of Underlying Shares	Return on Capital Metric	Stockholder Return Metric	T
July 1, 2022 (c)						85,350	20,210	—	2
August 3, 2021 (c)	80,700	40,350	—	40,350	40,350	80,700	40,350	—	4
August 3, 2020 (d)	75,026	37,513	37,513	75,026	—	75,026	37,513	37,513	7
July 1, 2019 (e)	75,026	37,513	26,975	64,488	10,538				
Totals	230,752	115,376	64,488	179,864	50,888	241,076	98,073	37,513	13

(a) Reflects the number of shares underlying RSUs that would be issued assuming the measurement date used to determine whether the applicable conditio June September 30 of the applicable period.

(b) Excluded as the applicable conditions had not been met for these shares at the applicable measurement dates.

(c) The RSUs awarded in 2023, 2022 and 2021 vest, subject to satisfaction of the applicable market and/or performance conditions, as of June 30, 2025 June 3 2024, respectively (see Note 11).

(d) With respect to the RSUs awarded August 3, 2020, 74,988 shares were deemed to have vested and the balance of 38 shares were forfeited as of June 30, The 74,988 vested shares were issued in August 2023 (see Note 11).

(e) With respect to the RSUs awarded July 1, 2019, 64,488 shares were deemed to have vested and the balance of 10,538 shares were forfeited in June 2022. were issued in August 2022 (see Note 11).

NOTE 11 – STOCKHOLDERS' EQUITY

Stock Based Compensation

The Company's 2022, 2019 and 2016 Incentive Plans (collectively, the "Plans"), permit the Company to grant, among other things, stock optic RSUs, performance share awards and dividend equivalent rights and any one or more of the foregoing to its employees, officers, directors maximum of 750,000 shares of the Company's common stock was authorized for issuance pursuant to each plan at such plan's inception.

The following details the shares subject to awards that are outstanding under the Plans as of June 30, 2023 September 30, 2023:

	2022 Incentive Plan (a)	2019 Incentive Plan (b)	2016 Incentive Plan (b)	2022 Incentive Plan	2019 Incentive Plan (a
Restricted stock	149,395	426,825	136,700	149,335	426,675
RSUs	85,350	80,700	—	170,600	80,700
Totals	234,745	507,525	136,700	319,935	507,375

(a) In July 2023, the Company granted RSUs to acquire 85,250 shares of common stock.
(b) No additional awards may be granted under such plan.

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NOTE 11 – STOCKHOLDERS' EQUITY (CONTINUED)

For accounting purposes, the restricted stock is not included in the shares shown as outstanding on the balance sheet until they vest; howeve on the unvested shares. The restricted stock grants are charged to General and administrative expense over the respective vesting periods based of the common stock on the grant date. Unless earlier forfeited because the participant's relationship with the Company terminated, unvested res vest five years from the grant date, and under certain circumstances may vest earlier.

The following table reflects the activities involving RSUs during the indicated years:

	2023 (a)	2022	2021	2020	
RSUs granted (b)	85,250	85,350	80,700	75,026	
RSUs vested	—	—	—	74,988	(c)
RSUs forfeited	—	—	—	38	(d)
RSUs outstanding	85,250	85,350	80,700	—	
Vesting Date (e) (f)	6/30/2026	6/30/2025	6/30/2024	6/30/2023	

(a) For accounting purposes, these These shares were granted in July 2023.

(b) The shares underlying the RSUs are excluded from the shares shown as outstanding on the balance sheet until they have vested and been issued.

(c) Such shares were issued in August 2023.

(d) Such shares were forfeited due to the retirement of a plan participant prior to the end of the performance period.

(e) Generally, the recipient must maintain a relationship with the Company during the applicable three-year performance cycle.

(f) RSUs vest upon satisfaction of metrics related to average annual total stockholder return ("TSR Metric") and average annual return on capital ("ROC Metri TSR Metric, the "Metrics") and are issued to the extent the Compensation Committee determines that the Metrics with respect to the vesting of such shar satisfied.

The specific metrics and other material terms and conditions of the RSUs are as follows:

			Performance Criteria (a)	
Year RSU Granted	Metric	Weight	Minimum	Maximu
2020 (b)	ROC Metric (c)	50%	Average annual of at least 7.0%	Average annual of
	TSR Metric (d)	50%	Average annual of at least 7.0%	Average annual of
2021 - 2023 (e) (f)	ROC Metric (c)	50%	Average annual of at least 6.0%	Average annual of
	TSR Metric (d)	50%	Average annual of at least 6.0%	Average annual of

(a) If the average annual ROC or TSR falls between the applicable minimum and maximum performance criteria, a pro-rata portion of such units, as applicab

(b) Such RSUs are not entitled to voting or dividend rights.

(c) The ROC Metrics meet the definition of a performance condition. Fair value is based on the market value on the date of grant. For ROC Awards, the Comp recognize expense when performance conditions are not expected to be met; such performance assumptions are re-evaluated quarterly.

(d) The TSR Metrics meet the definition of a market condition. A third-party appraiser prepares a Monte Carlo simulation pricing model to determine the fair awards. awards, which is recognized ratably over the three-year service period. For the 2023 TSR awards, the per unit or share fair value was estimated u assumptions: an expected life of three years, a dividend rate of 8.72%, a risk-free interest rate of 4.42% - 5.28% and an expected volatility of 28.69% - 30.(

(e) Such RSUs are (i) not entitled to voting rights and (ii) upon vesting, the holders receive an amount equal to the dividends that would have been paid on the had such shares been outstanding during the three-year performance cycle.

(f) As of June 30, 2023 September 30, 2023 and December 31, 2022, the Company accrued an aggregate of $320,000 $385,000 and $210,000 of dividend eq respectively, for the 2023, 2022 and 2021 RSUs based on the number of shares that would have been issued, underlying such RSUs, using performance a assumptions determined at such dates.

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NOTE 11 – STOCKHOLDERS' EQUITY (CONTINUED)

As of June 30, 2023 September 30, 2023, based on performance and market assumptions, the fair value of the RSUs granted in 2023 $1,552,000 $979,000, $1,400,000 and $1,846,000, $1,822,000, respectively. Recognition of such deferred compensation will be charged to General expense over the respective three-year performance cycles.

The following is a summary of the activity of the Plans:

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		Ni
	2023	2022	2023	2022	2023	2022	2
Restricted stock grants:							
Number of shares	—	—	152,955	153,575	—	—	1
Average per share grant price	$ —	$ —	$ 22.09	$ 33.75	$ —	$ —	$
Deferred compensation to be recognized over vesting period	$ —	$ —	$ 3,379,000	$ 5,183,000	$ —	$ —	$3,3
Number of non-vested shares:							
Non-vested beginning of the period	730,530	728,775	712,375	706,450	712,920	712,375	7
Grants	—	—	152,955	153,575	—	—	1
Vested during the period	(17,500)	(16,150)	(152,300)	(146,900)	—	—	(1
Forfeitures	(110)	(250)	(110)	(750)	(260)	—	
Non-vested end of the period	712,920	712,375	712,920	712,375	712,660	712,375	7
RSU grants:							
Number of underlying shares	—	—	—	—	85,250	85,350	
Average per share grant price	$ —	$ —	$ —	$ —	$ 20.32	$ 26.44	$
Deferred compensation to be recognized over vesting period	$ —	$ —	$ —	$ —	$ 979,000	$1,352,000	$ 9
Number of non-vested shares:							
Non-vested beginning of the period	241,076	230,752	241,076	230,752	166,050	155,726	2
Grants	—	—	—	—	85,250	85,350	
Vested during the period	(74,988)	(64,488)	(74,988)	(64,488)	—	—	(
Forfeitures	(38)	(10,538)	(38)	(10,538)	—	—	
Non-vested end of the period	166,050	155,726	166,050	155,726	251,300	241,076	2
Restricted stock and RSU grants (based on grant price):							
Weighted average per share value of non-vested shares	$ 26.45	$ 26.25	$ 26.45	$ 26.25	$ 25.91	$ 26.26	$
Value of stock vested during the period	$ 1,753,000	$ 2,299,000	$ 5,165,000	$ 5,535,000	$ —	$ —	$5,1
Weighted average per share value of shares forfeited during the period	$ 24.80	$ 28.91	$ 24.80	$ 29.12	$ 25.85	$ —	$
Total charge to operations:							
Outstanding restricted stock grants	$ 1,178,000	$ 1,197,000	$ 2,128,000	$ 2,154,000	$ 923,000	$ 951,000	$3,0
Outstanding RSUs	386,000	362,000	764,000	730,000	288,000	355,000	1,0
Total charge to operations	$ 1,564,000	$ 1,559,000	$ 2,892,000	$ 2,884,000	$1,211,000	$1,306,000	$4,1

As of June 30, 2023 September 30, 2023, total compensation costs of $9,487,000 $8,557,000 and $1,670,000 $2,184,000 related to non-vested rest and RSUs, respectively, have not yet been recognized. These compensation costs will be charged to General and administrative expense over the r vesting periods. The weighted average remaining vesting period is 2.6 2.3 years for the restricted stock and 1.5 1.8 years for the RSUs. The Comp effect of forfeitures on restricted stock awards and RSUs when they occur, and previously recognized compensation expense is reversed in the peri is forfeited.

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NOTE 11 – STOCKHOLDERS' EQUITY (CONTINUED)

Common Stock Dividend

On June 13, 2023 September 20, 2023, the Board of Directors declared a quarterly cash dividend of $0.45 per share on the Company's com approximately $9,571,000 $9,505,000, payable to stockholders of record at the close of business on June 26, 2023 October 3, 2023. The quarterly di July 6, 2023 October 11, 2023; $8,461,000 8,072,000 was paid in cash and the balance of such dividend payment was satisfied through the issuar shares under the Company's dividend reinvestment plan.

Dividend Reinvestment Plan

The Company's Dividend Reinvestment Plan (the "DRP"), among other things, provides stockholders with the opportunity to reinvest all or a p dividends paid on the Company's common stock in additional shares of its common stock, at a discount, determined in the Company's sole disc from the market price (as such price is calculated pursuant to the DRP). The discount is currently being offered at 3%. Under the DRP, th approximately 50,000 56,000 and 99,000 155,000 shares of common stock during the three and six nine months ended June 30, 2023 September 30 and 6,000 40,000 and 11,000 51,000 shares of common stock during the three and six nine months ended June 30, 2022 September 30, 2022, respectiv

Stock Repurchase Program

In September Pursuant to a stock repurchase plan entered into in 2022, as amended (the "2022 Repurchase Plan"), the Board of Directo repurchase program of up to $7,500,000 $7,720,000 of shares of the Company's common stock in the open-market, through privately negotia otherwise. During the three and six nine months ended June 30, 2023 September 30, 2023, the Company repurchased approximately 73,000 262,000 of common stock, for total consideration $5,144,000 and $6,599,000, net of $1,455,000, commissions of $16,000 and $20,000, respectively. During months ended September 30, 2022, the Company repurchased approximately 75,000 and 208,000 shares of common stock, for $1,822,000 an commissions of $5,000 and $12,000, respectively. In October 2023, the Company repurchased, pursuant to the 2022 Repurchase Plan, approximat common stock, for $1,122,000, net of commissions of $4,000. No more shares may be repurchased pursuant to the 2022 Repurchase Plan.

In October 2023, the Board of Directors approved a new share repurchase plan (the "2023 Repurchase Plan") authorizing the repurchase of u shares of the Company's common stock in open-market, through privately negotiated transactions or otherwise. In October 2023, pursuant to th Plan, the Company repurchased approximately 71,000 shares of common stock, for $1,345,000, net of commissions of $4,000. After giving effect t the Company is authorized to repurchase approximately $6,045,000 8,655,000 of shares of common stock.

During stock pursuant to the three and six months ended June 30, 2022, the Company repurchased 133,000 shares of common stock for to $3,392,000, net of commissions of $8,000.

Shares Issued through the At-the-Market Equity Offering Program

During the six months ended June 30, 2022, the Company sold approximately 17,000 shares for proceeds of $604,000, net of commissions of $ offering costs of $41,000 for professional fees. No shares were sold by the Company during the three and six months ended June 30, 2023.
2023 Repurchase Plan.

NOTE 12 – FAIR VALUE MEASUREMENTS

The Company measures the fair value of financial instruments based on the assumptions that market participants would use in pricing the a basis for considering market participant assumptions in fair value measurements, a fair value hierarchy distinguishes between market participant on market data obtained from sources independent of the reporting entity and the reporting entity's own assumptions about market participa accordance with the fair value hierarchy, Level 1 assets/liabilities are valued based on quoted prices for identical instruments in active markets, Lev are valued based on quoted prices in active markets for similar instruments, on quoted prices in less active or inactive markets, or on other "observ and Level 3 assets/liabilities are valued based significantly on "unobservable" market inputs.

The carrying amounts of cash and cash equivalents, escrow, deposits and other assets and receivables, dividends payable, and accrued e liabilities (excluding interest rate swaps), are not measured at fair value on a recurring basis but are considered to be recorded at amounts that appr

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NOTE 12 – FAIR VALUE MEASUREMENTS (CONTINUED)

The fair value and carrying amounts of the Company's mortgages payable are as follows (dollars in thousands):

	June 30, 2023	December 31, 2022	September 30, 2023
Fair value of mortgages payable (a)	$ 389,831	$ 378,943	$ 381,284
Carrying value of mortgages payable	$ 419,716	$ 409,175	
Carrying value of mortgages payable, gross			$ 420,886
Fair value less than the carrying value	$ (29,885)	$ (30,232)	$ (39,602
Blended market interest rate (a)	5.98 %	5.87 %	6.67
Weighted average interest rate			4.18
Weighted average remaining term to maturity (years)	6.2	6.5	6.0

(a) Estimated using unobservable inputs such as available market information and discounted cash flow analysis based on borrowing rates the Company bel with similar terms and maturities. These fair value measurements fall within Level 3 of the fair value hierarchy.

At June 30, 2023 September 30, 2023 and December 31, 2022, the carrying amount of the Company's line of credit (before unamortized deferre $2,500,000 $12,500,000 and $21,800,000, respectively, approximates its fair value.

Considerable judgment is necessary to interpret market data and develop estimated fair value. The use of different market assumptions methodologies may have a material effect on the estimated fair value amounts.

Fair Value on a Recurring Basis

As of June 30, 2023 September 30, 2023, the Company had in effect 16 interest rate derivatives, all of which were interest rate swaps, relate mortgage loans with an aggregate $41,484,000 $41,054,000 notional amount maturing between 2023 and 2026 (weighted average remaining term t years). The Company's objective in using interest rate swaps is to add stability to interest expense. These interest rate swaps, all of which were desi hedges, converted SOFR or LIBOR based variable rate mortgages to fixed annual rate mortgages (with interest rates ranging from 2.97% to 4.6 average interest rate of 3.97% at June 30, 2023 September 30, 2023). The Company does not use derivatives for trading or speculative purposes.

Fair values are approximated using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flow This fair value analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based input rate curves and implied volatilities. Although the Company has determined the majority of the inputs used to value its derivatives fall within Lev hierarchy, the associated credit valuation adjustments use Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihoc Company and its counterparty. As of June 30, 2023 September 30, 2023, the Company has assessed and determined the impact of the credit valuat the overall valuation of its derivative positions is not significant. As a result, the Company determined its derivative valuation is classified in Leve hierarchy. The Company does not currently own any financial instruments that are measured on a recurring basis and that are classified as Level 1 c

The fair value of the Company's derivative financial instruments was determined to be the following (amounts in thousands):

	As of	Carrying and Fair Value		Balance Sheet Classification	As of	Carrying Fair Va	
Financial assets: Interest rate swaps	June 30, 2023	$	1,543	Other assets	September 30, 2023	$	1,
	December 31, 2022		1,811		December 31, 2022		1,

As of June 30, 2023 September 30, 2023 and December 31, 2022, there were no derivatives in a liability position.

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NOTE 12 – FAIR VALUE MEASUREMENTS (CONTINUED)

The following table presents the effect of the Company's derivative financial instruments on the consolidated statements of income for the (amounts in thousands):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,		N
	2023	2022	2023	2022	2023	2022	
Amount of gain recognized on derivatives in other comprehensive income	$ 488	$ 466	$ 367	$ 1,955	$ 133	$ 931	$
Amount of reclassification from Accumulated other comprehensive income into Interest expense	347	(199)	635	(485)	340	—	

During the twelve months ending June 30, 2024 September 30, 2024, the Company estimates an additional $1,134,000 $1,005,000 will b Accumulated other comprehensive income as a decrease to Interest expense.

The derivative agreements in effect at June 30, 2023 September 30, 2023 provide that if the wholly-owned subsidiary of the Company whicl agreement defaults or is capable of being declared in default on any of its indebtedness, then a default can be declared on such subsidiary's deri addition, the Company is a party to the derivative agreements and if there is a default by the subsidiary on the loan subject to the derivative agre Company is a party and if there are swap breakage losses on account of the derivative being terminated early, the Company could be held l breakage losses.

NOTE 13 – OTHER INCOME

Settlement of Litigation

In April 2022, During the nine months ended September 30, 2022, the Company received $5,388,000 in connection with the settlement of a recognized as Income on settlement of litigation on the consolidated statements statement of income during the three and six months ended June

Insurance Recovery on Hurricane Casualty

During the six nine months ended June 30, 2022 September 30, 2022, the Company recognized a gain on insurance recovery of $918,000, which income on the consolidated statement of income, related to hurricane damage to one of its properties in 2020. No such gain was recognized d six nine months ended June 30, 2023 September 30, 2023.

NOTE 14 – NEW ACCOUNTING PRONOUNCEMENT

In March 2020, the FASB issued ASU No. 2020-04, *Reference Rate Reform(Topic 848)*, which was amended in December 2022 by ASU No. 2022-06, *R (Topic 848): Deferral of the Sunset Date of Topic 848*, which . This Topic contains practical expedients for reference rate reform related activities that derivatives and other contracts. The guidance in ASU 2020-04 is optional and may be elected over time as reference rate reform activities c September 30, 2023, the Company elected has converted all its LIBOR-indexed debt and derivatives to apply SOFR-based indexes. For all instruments designated as effective hedges, the Company utilized the elective relief in Topic 848 which allows for the continuation of hedge acc related to probability and through the assessments of effectiveness for future LIBOR-indexed cash flows to assume that the index upon w transactions will be based matches the index on the corresponding derivatives. In 2022 and 2023, the Company transitioned twelve loans and th away from LIBOR to a new reference rate, SOFR. The Company elected to apply several practical expedients related to these changes in the t forecasted transactions and changes in the terms of the hedging instruments. Application of these expedients preserves the presentation of de with past presentation. The Company may apply other elections, as applicable, as additional changes in the market occur. The Company continues guidance to determine the extent to which it may impact the Company's consolidated financial statements.transition process.

NOTE 15 – SUBSEQUENT EVENTS

Subsequent events have been evaluated and except as disclosed herein, there were no other events relative to the consolidated financial stat additional disclosure.

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

Forward-Looking Statements

This Quarterly Report on Form 10-Q, together with other statements and information publicly disseminated by us, contain certain forward- within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amend forward-looking statements to be covered by the safe harbor provision for forward-looking statements contained in the Private Securities Litigatior and include this statement for purposes of complying with these safe harbor provisions. Forward-looking statements, which are based on certa describe our future plans, strategies and expectations, are generally identifiable by use of the words "may," "will," "could," "believe," "expect," "i "estimate," "project," or similar expressions or variations thereof and include, without limitations, statements regarding our future estimated rental operations, adjusted funds from operations and our dividend. You should not rely on forward-looking statements since they involve known uncertainties and other factors which are, in some cases, beyond our control and which could materially affect our results of operations, financial c performance or achievements.

The uncertainties, risks and factors which may cause actual results to differ materially from current expectations include, but are not limited to:

- the financial failure of, or other default in payment by, tenants under their leases and the potential resulting vacancies;
- adverse changes and disruption in the retail, restaurant, theater and health and fitness sectors, which could impact impacts our tenants' abi expense reimbursement;
- loss or bankruptcy of one or more of our tenants, and bankruptcy laws that may limit limits our remedies if a tenant becomes bankrupt and
- the level and volatility of interest rates; rates, which adversely affects our ability to acquire properties and refinance maturing mortgage deb
- general economic and business conditions and developments, including those currently affecting or that may affect affects our economy;
- general and local real estate conditions, including any changes in the value of our real estate;
- our ability to renew or re-lease space as leases expire;
- our ability to pay dividends;
- changes in governmental laws and regulations relating to real estate and related investments;

- compliance with credit facility and mortgage debt covenants;
- the availability of, and costs associated with, sources of capital and liquidity;
- competition in our industry;
- technological changes, such as autonomous vehicles, reconfiguration of supply chains, robotics, 3D printing or other technologies;
- potential natural disasters, epidemics, pandemics or outbreak of infectious disease, such as COVID-19, and other potentially catastrophic ev war and/or terrorism; and
- the other risks, uncertainties and factors described in the reports and documents we file with the SEC including the risks, uncertainties and f our Annual Report on Form 10-K for the year ended December 31, 2022 (the "Annual Report") under the caption "Item"*"Item 1A. Risk Factors"* f certain factors which may cause actual results to differ materially from current.

In light of the factors referred to above, the future events discussed or incorporated by reference in this report and other documents we file w occur, and actual results, performance or achievements could differ materially from those anticipated or implied in the forward-looking stater uncertainties, you should not rely on any forward-looking statements.

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Except as may be required under the United States federal securities laws, we undertake no obligation to publicly update our forward-looking s as a result of new information, future events or otherwise. You are advised, however, to consult any further disclosures we make in our reports t furnished to the SEC.

Challenges and Uncertainties Facing Certain Tenants and Properties

As more fully described in (i) our Annual Report, and in particular, the sections thereof entitled "Risk Factors" "*Risk Factors*" and "Managem *Discussion and Analysis of Financial Condition and Results of Operations"*, and (ii) our Quarterly Report Reports on Form 10-Q for the period periods er and June 30, 2023, and in particular, the section sections thereof entitled "Management's*"Management's Discussion and Analysis of Financial Cond Operations"* (the "March 10-Q" "Quarterly Reports"; and together with the Annual Report, the "Reports"), we face challenges due to the volatile ecor and certain of our properties and tenants (including Regal Cinemas, our Manahawkin, New Jersey property (the "Manahawkin Property"), The \ Fitness, Bed Bath and Beyond and Party City) face various challenges. Our cash flow and profitability will be adversely impacted if the issues challenged tenants/properties identified in the Reports (including this Quarterly Report on Form 10-Q) are not resolved in a satisfactory manner. material changes to the status of such tenants/properties from that described in our Reports except as described below:

Manahawkin Property

As more fully disclosed in our Annual Report, we have been exploring various alternatives with respect to On September 8, 2023, the Manahaw is owned by an unconsolidated joint venture (the "Venture") in which we have a 50% equity interest. For the past several years, we had pursued int a re-development of this property. We are currently pursuing, as an alternative to the re-development or the sale of a portion of such prope entire multi-tenant shopping center in Manahawkin, Property. We have not New Jersey entered into a contract to sell this property to an unaffilia sales price of approximately $36.5 million, subject to customary closing adjustments and we prorations. We anticipate that if we do enter into s closing of the sale transaction will be completed in the quarter ending December 31, 2023, subject to the satisfaction of various customary closing c the purchaser's right to terminate the contract without penalty if it is not satisfied with the results of its due diligence investigation with respect to title matters), and that the net proceeds to us from the sale, ranging from approximately $6.0 million to $8.0 million (after giving effect to the repa million share of mortgage debt on this property), will take, at least, several months. be used to pay down our credit facility indebtedness. We can pr that expect to recognize a nominal gain from this sale when it is completed.

In connection with entering into this contract, the Venture recorded an impairment charge of $1.7 million, of which our 50% share was $ recorded in Equity in loss from unconsolidated joint ventures for the sale three and nine months ended September 30, 2023.

During the nine months ended September 30, 2023, 2022 and 2021, we recognized $(889,000), $168,000 and $(77,000) of this property will equ
from the Venture, and the results for such periods included $51,000, $81,000 and $0, respectively, of repayments from Regal Cinemas of amounts
due to the COVID-19 pandemic.

No assurance can be signed, that if signed, provided that this sale will be completed, and that if it is not completed, that such transaction we w
us. If we (i) do not complete this sale, we may be adversely impacted and (ii) complete this sale, may be required to write off, or otherwise account
costs of approximately $586,000 incurred in connection with our development activities, which may adversely impact our results. If we are unable t
and resume re-development efforts, we may be unable to complete such re-development in a manner that will generate positive operating results a

Bed Bath and Beyond

On April 23, 2023, Bed Bath and Beyond ("BBBY") filed for Chapter 11 bankruptcy protection and is closing its retail locations. BBBY had lease
foot property located in Kennesaw, Georgia, which lease was rejected in April 2023. In 2022, this property accounted for (i) $629,000 of rental
$218,000, $168,000 and $56,000 of depreciation and amortization expense, interest expense and real estate operating expense, respectively. A
mortgage debt with respect to this property was $4.5 million and we wrote-off, during the quarter ended June 30, 2023, $133,000 of the unbilled ren
related to this tenant. impacted.

LA Fitness

We and LA Fitness are negotiating, for a significantly reduced rental rate leases from the rate currently in effect, a short-term extension
pursuant to their lease (which expires in November 2023) of three separate leases, including a 38,000 square foot health and fitness facility in Ham
as of October 12, 2023, we and LA Fitness amended the lease at the Hamilton, Ohio property (which lease had been scheduled to expire in Nov
effective as of December 1, 2023, provides (i) that the property will be leased on a month-to-month basis with a mutual right to terminate on 90 day
are responsible for, among other things, real estate taxes and common area maintenance expenses; and (iii) for a $30,000 monthly gross ren
monthly base rent of $66,000 paid during 2023). This property accounted, in 2022, during the nine months ended September 30, 2023, for (i) $915,0
income and (ii) $197,000, $170,000 $142,000, $144,000 and $210,000 $157,000 of interest expense, real estate operating expense and depreciatio
expense, respectively. As a result of this lease amendment, our rental income from this property will be significantly reduced, our real estate expens
there is uncertainty as to whether this property will generate positive cash flow.

At June 30, 2023 September 30, 2023, the mortgage debt, unbilled rent receivable, and tenant origination cost and mortgage debt with respect t
$7,000, $6,000 and $4.0 million, $19,000 respectively. The mortgage debt is scheduled to mature in December 2023 and $15,000, respectively. We
discussions with the lender for an extension of the maturity date, we can provide no assurance that this lease the

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lender will agree to same. If the lender does not extend the maturity date and we do not have sufficient available cash, we will be extended a
property, as a result of the significantly reduced rental rate, may operate on a negative cash flow basis. Further, adversely affected if we are u
mortgage debt with funds from our credit facility, or (ii) surrender the property to extend the lease with the current tenant, lender.

If LA Fitness vacates this property, it may be difficult, due to the presence of another health and fitness facility located nearby, to re-lease this
health and fitness operator, and if we are unable to re-lease this property to such an operator, it may be costly to reconfigure the space for use ot
facility.

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Regal Cinemas NYC

Regal Cinemas, or Regal, The City of New York is a tenant at three properties, including a 66,000 square foot office building in Brooklyn, New Manahawkin Property (the "Unconsolidated Regal Property"). Regal's parent, Cineworld Group plc ("Cineworld"), filed for Chapter 11 bankr September 2022, and as a result, we and Regal amended the leases at these properties. Although these lease amendments became effective expir 31, 2023 October 15, 2023, when Cineworld's plan of reorganization (the "Reorganization Plan") became effective, we and Regal representatives of th May 10, 2023 signed a term sheet to extend the lease through October 2028 with the tenant having the right to terminate the lease beginning (months' notice. The extension would be at a base annual rent of approximately $1.3 million, operated in a manner assuming that slight Reorganization Plan annual rent the tenant is currently paying. The term sheet is non-binding and subject to the execution of more formal docur anticipate will become effective. These lease amendments provide that:

- subject to Regal's renewal options, the lease expiration dates for our wholly-owned properties in Greensboro, North Carolina and India were amended from March 2035 and December 2032, respectively, to March 2030 and December 2030, respectively, and the lease expir Unconsolidated Regal Property was amended from November 2026 to December 2024;
- Regal is obligated to pay us, with respect to our wholly-owned properties, (i) from July 1 through December 31, 2023, approximately $48 January 1, 2024 through 2030, an aggregate of approximately $7.7 million of base rent;
- Regal was relieved of its obligation to pay $138,000 of deferred rent at our wholly-owned properties, which was otherwise payable from through June 30, 2023; and
- effective as of November 1, 2022, the rent obligation with respect to the Unconsolidated Regal Property consists solely of monthly perc on gross sales and accordingly it would be speculative to estimate the amount, if any, Regal will pay at this property.

Since October 2020, we have not accrued Regal's rent take several months to complete. There is no mortgage debt on the property, a anticipate the tenant is generally responsible for the near term) reporting same on a cash basis. In 2022 and expenses of operating the six months e we recorded $2.6 million and $1.4 million, respectively, of rent from our wholly-owned Regal properties, including $885,000 and $424,000, respective In 2022 and the six months ended June 30, 2023, we recorded $328,000 and $152,000, respectively, representing our 50% share of the I Unconsolidated Regal Property, including $111,000 and $51,000, respectively, of deferred rent. At June 30, 2023, (i) the wholly-owned Regal prope mortgage debt, intangible lease liabilities and intangible lease assets of approximately $3.7 million, $548,000 and $535,000, respectively, and (ii) o mortgage debt at the Unconsolidated Regal Property was $10.5 million. property. We estimate that the carrying costs for the wholly-owned pr months ending December 31, 2023, are approximately $724,000, including ground lease rent of $232,000 (which sum has historically been paid dire owner of the Greensboro property), real estate taxes of approximately $176,000, and debt service of $212,000 (including $54,000 of deferred intere is the primary obligor with respect to $279,000 of these carrying costs and we are responsible with respect to such amount if it is not paid by Regal.

Although the Reorganization Plan became effective, Regal may continue to face the challenges generally facing the movie exhibition industry; provide no assurance that Regal the proposed lease will be able to continue operations signed, and if it is unable to continue operations, not, v impacted.

Our cash flow and profitability will be adversely impacted affected by the modifications to Regal's leases or if loss of rental income and associated with respect to maintaining the other challenged tenants/properties identified in this Quarterly Report or the Reports are not resolv manner. property.

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Overview

We are a self-administered and self-managed real estate investment trust, or REIT. To qualify as a REIT, under the Internal Revenue Code of 19
must meet a number of organizational and operational requirements, including a requirement that we distribute currently at least 90% of ordinar
our stockholders. We intend to comply with these requirements and to maintain our REIT status.

We acquire, own and manage a geographically diversified portfolio consisting primarily of industrial and retail properties, and to a lesser extent restaurant, theater, and other properties, many of which are subject to long-term net leases. As of June 30, 2023 September 30, 2023, we own 118 p three properties owned by consolidated joint ventures and three properties owned by unconsolidated joint ventures) located in 31 states. Based our occupancy rate at June 30, 2023 September 30, 2023 is approximately 97.5%.

We face a variety of risks and challenges in our business, including the possibility we will not be able to: acquire or dispose of properties on acc our properties on terms favorable to us or at all, collect amounts owed to us by our tenants, renew or re-let, on acceptable terms, leases that are e terminating.

We seek to manage the risk of our real property portfolio and the related financing arrangements by (i) diversifying among locations, tenar expirations, mortgage maturities and lenders, and (ii) minimizing our exposure to interest rate fluctuations. Substantially all of our mortgage debt at fixed rates or is subject to interest rate swaps, limiting our exposure to fluctuating interest rates on our outstanding mortgage debt.

We monitor the risk of tenant non-payments through a variety of approaches tailored to the applicable situation. Generally, based on our asse risk posed by our tenants, we monitor a tenant's financial condition through one or more of the following actions: reviewing tenant financial s financial information, obtaining other tenant related information, regular contact with tenant's representatives, tenant credit checks and regular m of our tenants and their payment practices. We may sell a property if a tenant's financial condition is unsatisfactory.

In acquiring and disposing of properties, among other things, we evaluate the terms of the leases, the credit of the existing tenants, the term the related financing arrangement (including any contemplated financing) and engage in a fundamental analysis of the real estate to be b fundamental analysis takes into account, among other things, the estimated value of the property, local demographics and the ability to re-rer property on favorable terms upon lease expiration or early termination. In addition, in evaluating property sales, we take into account, amor property type (*i.e.,* industrial, retail or other), our perception of the property's long-term prospects (including

(including the likelihood for, and the extent of, any further appreciation or diminution in value), the term remaining on the related lease and mort and other terms and conditions for the sale of such property and the returns anticipated to be generated from the reinvestment of the net proce property sale.

Our 2023 contractual base rent is approximately $70.3 million $71.0 million and represents, after giving effect to any abatements, conce adjustments, the base rent payable to us during the twelve months ending June 30, 2024 September 30, 2024 under leases in effect at June 30, 2023 Included in such contractual rental income is an aggregate of $1.2 million of base rent due from Regal Cinemas. $1.3 million related to five properties sell by December 31, 2023 (see – *Contracted and Contemplated Dispositions* below). Excluded from such contractual rental income is an aggregate million comprised of: (i) subject to the property generating specified levels of positive operating cash flow, $1.3 million of estimated variable lease Vue, a multi-family complex which ground leases the underlying land from us and as to which there is uncertainty as to when and whether the paying rent, (ii) $1.2 million $1.3 million representing our share of the base rent payable to our joint ventures (which excludes amounts include Unconsolidated Regal the Manahawkin Property), and (iii) approximately $736,000 $678,000 of straight-line rent and $733,000 $837,000 of amortiza intangibles.

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The following table sets forth scheduled expirations of leases for our properties as of June 30, 2023 September 30, 2023 for the periods indicated

Lease Expiration (1) 12 Months Ending June 30, September 30,	Number of Expiring Leases	Approximate Square Footage Subject to Expiring Leases (2)	Contractual Base Rent Under Expiring Leases	Contractual Base Rent Represented by Expiring Leases	Number of Expiring Leases	Approximate Square Footage Subject to Expiring Leases (2)	Contractual Base Rent Under Expiring Leases	Co
2024	21	746,285	$ 3,185,516	4.5 %	21	725,328	$ 2,452,169	
2025	21	865,888	7,160,307	10.20	16	869,992	6,306,644	
2026	11	665,774	3,939,278	5.60	14	726,371	4,648,016	
2027	26	876,589	6,570,630	9.40	32	2,030,123	13,341,600	
2028	24	2,094,611	12,313,240	17.50	23	1,150,238	7,577,443	
2029	16	1,676,173	9,632,111	13.70	13	1,520,909	8,412,622	
2030	6	510,702	4,122,322	5.90	11	655,220	5,679,316	
2031	12	996,075	6,452,933	9.20	10	1,076,905	6,140,851	
2032	8	267,839	2,477,614	3.50	7	264,231	2,338,103	
2033	16	876,233	6,962,474	9.90	16	944,907	9,433,200	
2034 and thereafter	11	1,099,146	7,465,264	10.60	10	881,476	4,662,020	
	172	10,675,315	$ 70,281,689	100.0 %	173	10,845,700	$ 70,991,984	

(1) Lease expirations assume tenants do not exercise existing renewal or termination options.
(2) Excludes an aggregate of 132,685 square feet of vacant space. space.

ATM Program

In September 2023, we entered into a new at-the-market equity distribution agreement with B. Riley Securities, Inc. pursuant to which we may s of shares of our common stock.

Property Transaction Transactions During the Three Months Ended June 30, 2023 September 30, 2023

On May 31, 2023 July 13, 2023, we acquired a multi-tenant industrial property located in Blythewood, South Carolina for a purchase price of $1 the assumption of $4.3 million of mortgage debt with an interest rate of 4.60% and maturing in June 2029. This property contributed $268,000 an income and total operating expenses, respectively, in the nine months ended September 30, 2023.

On September 20, 2023, we sold the Havertys retail a restaurant property - Duluth, Georgia, in Greensboro, North Carolina for a gross sales pric million and recognized a gain of $3.2 million $332,000 from this sale. This property contributed a nominal amount $180,000 and $188,000 to revenue $29,000 and $29,000 to total operating expenses in the six nine months ended June 30, 2023 September 30, 2023 and 2022. 2022, respectively.

On June 22, 2023, we awarded an aggregate28

Table of 85,250 shares subject to restricted stock units ("RSUs"), and related dividend equivalent rights, to 18 individuals. Generally, the awards ve
satisfaction of, among other things, market and performance conditions similar to the conditions applicable to the RSUs granted in 2022 and 2021. C

On August 3, 2023, we determined that the performance and market conditions with respect to the 74,988 RSUs granted in 2020 had been met issuance of the underlying shares of common stock.

Stock Repurchase Program

During the three and six months ended June 30, 2023September 30, 2023, pursuant to a stock repurchase plan adopted in 2022, as a Repurchase Plan"), we repurchased approximately 73,000 262,000 shares of common stock for total consideration approximately $5.1 million. I repurchased, pursuant to the 2022 Repurchase Plan, approximately 62,000 shares of common stock for approximately $1.5 million $1.1 million. No r repurchased pursuant to the 2022 Repurchase Plan.

In October 2023, the Board of Directors approved a new share repurchase plan (the "2023 Repurchase Plan") authorizing the repurchase of u shares of our common stock. Pursuant to the 2023 Repurchase Plan, through October 16, 2023 we repurchased approximately 71,000 shares o approximately $1.3 million. After giving effect to such repurchases, we are authorized to repurchase from time-to-time in open market or p transactions, approximately $6.0 million $8.7 million of shares of our common stock.

We anticipate that due to the uncertain acquisition environment, and the current price of our common stock, that, in the near term, we will cor our common stock.

Property Transaction Subsequent to June 30, 2023 Contracted and Contemplated Dispositions

On July 13, 2023 From July 1, 2023 through November 1, 2023, we acquired for $13.4 million (including entered into contracts to sell three resta properties (excluding the assumption of $4.3 million of mortgage debt) a 177,040 square foot industrial property located TGI Fridays restaurant we South Greensboro, North Carolina and leased by two tenants. the Manahawkin Property) for an aggregate sales price of approximately $18.9 m debt bears an interest rate buyers' rights to terminate the contracts without penalty expire through December 2023. During the nine months er 2023, these five properties generated $975,000 in aggregate of 4.6% rental income and matures in June 2029. The weighted average remaining lea $189,000 of the tenancies is approximately 1.6 years. We estimate that during the six months ending December 31, 2023, this property will genera rent and $91,000 of interest expense; the real estate expense and depreciation and amortization expense, associated respectively. Set forth b regarding these five properties, as of September 30, 2023, presented on an aggregate basis:

Weighted average remaining lease term: 9.7 years
Estimated gain on sale: $7.0 million to $8.0 million
Estimated sales proceeds, net of transactions costs: $16.0 million to $18.0 million

We anticipate that these transactions will close in the quarter ending December 31, 2023 and that the net proceeds therefrom will be used to p facility indebtedness. We can provide no assurance that these transactions will be completed.

We also anticipate that over the next several months we may sell several additional retail properties and that the net proceeds therefrom will b our credit facility indebtedness. These contemplated sales, if completed, will reduce our operating cash flow, and over the long term may reduc dividends.

Challenges Presented by Increasing or Prevailing Interest Rates

From October 1, 2023 through December 31, 2024, we have $56.9 million of mortgage debt maturing with this property are a weighted average i If interest rates increase or continue at current levels, we may be required to refinance (including any cash-out refinancing) such mortgage debt on than those currently not quantifiable. in effect (*i.e.*, at higher interest rates) which will adversely affect our cash flow and profitability.

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Results of Operations

Total revenues

The following table compares total revenues for the periods indicated:

(Dollars in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Increase (Decrease)	% Change	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase (Decrease)	% Change	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Increase (Decrease)	% Char
Rental income, net	$ 22,407	$ 21,472	$ 935	4.4	$45,359	$43,003	$ 2,356	5.5	$ 22,546	$ 21,473	$ 1,073	5
Lease termination fees	—	—	—	—	—	25	(25)	(100.0)	—	—	—	
Total revenues	$ 22,407	$ 21,472	$ 935	4.4	$45,359	$43,028	$ 2,331	5.4	$ 22,546	$ 21,473	$ 1,073	5

Rental income, net.

The following table details the components of rental income, net, for the periods indicated:

(Dollars in thousands)	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Increase (Decrease)	% Change	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022	Increase (Decrease)	% Change	Three Months Ended September 30, 2023	Three Months Ended September 30, 2022	Increase (Decrease)	% Char
Acquisitions (1)	$ 1,168	$ 388	$ 780	201.0	$ 2,366	$ 515	$ 1,851	359.4	$ 1,471	$ 733	$ 738	10(
Dispositions (2)	90	303	(213)	(70.3)	217	913	(696)	(76.2)	55	213	(158)	(74
Same store (3)	21,149	20,781	368	1.8	42,776	41,575	1,201	2.9	21,020	20,527	493	2
Rental income, net	$ 22,407	$ 21,472	$ 935	4.4	$45,359	$43,003	$ 2,356	5.5	$ 22,546	$ 21,473	$ 1,073	5

(1) Represents rental income from properties acquired since January 1, 2022.
(2) Represents rental income from properties sold since January 1, 2022.
(3) Represents rental income from 109 108 properties that were owned for the entirety of the periods presented.

Changes due to acquisitions and dispositions

The three and six months ended June 30, 2023 reflect increases of $780,000 and $1.9 million, respectively, generated by six properties acquirec the increases are decreases due to the inclusion, in the three and six months ended June 30, 2022, of rental income of $213,000 and $696,00(properties sold during 2022 and 2023 (*i.e.*, for the three and six months ended June 30, 2023, $134,000 and $594,000, respectively, from seven prc and $79,000 and $102,000, respectively, from the two properties sold in 2023).

Changes at same store properties

The increases in same store rental income during the three and six nine months ended June 30, 2023 September 30, 2023 are due primarily to inc

- $426,000 521,000 and $873,000, $1.4 million, respectively, of rental income from various lease amendments and extensions at our prope $263,000 and $527,000, respectively, at our Fort Mill, South Carolina property, and for the six months ended June 30, 2023, $119,000 at c Indiana property),

- $169,000 123,000 and $638,000, $754,000, respectively, of rental income due to new tenants at various properties, (including, for the six r
30, 2023, $306,000 and $109,000 from Lion Brewery - Pittston, Pennsylvania and Dick's Sporting Goods - Champaign, Illinois, respectively

- $192,000 299,000 and $306,000, $606,000, respectively, in tenant reimbursements, of which $102,000 $258,000 and $163,000, respectively
estate taxes and $90,000 and $143,000, $403,000, respectively, relates to operating expenses generally incurred in the same period. perio
months ended September 30, 2023, $203,000 relates to real estate taxes.

The increases were offset during the three and six nine months ended June 30, 2023 by decreases September 30, 2023 due to the inclusion, ir
2022 periods, of:

- $175,000 163,000 and $175,000, $491,000, respectively, of rental income from leases that expired in 2022 and 2023 at several properties,

- $143,000 and $318,000, respectively, from Bed Bath & Beyond - Kennesaw, Georgia which filed for bankruptcy (including the write-off, d
quarter nine months ended June 30, 2023 September 30, 2023, of the $133,000 unbilled rent receivable balance), and

- $145,000 and $257,000, respectively, of rental income from our wholly-owned Regal Cinemas properties due to lease amendments effec
connection with its bankruptcy reorganization.

- $163,000 and $329,000, respectively, of rental income from lease expirations at four of our properties (including $105,000 and $105,000,
Zwanenberg Food Group - Nashville, Tennessee), and

- $164,000 and $113,000, respectively, of rental income from our wholly-owned Regal properties due to bankruptcy related lease amendr
Challenges and Uncertainties Facing Certain Tenants and Properties" for further information regarding Regal Cinemas.

Operating Expenses

The following table compares operating expenses for the periods indicated:

(Dollars in thousands)	Three Months Ended June 30, 2023	2022	Increase (Decrease)	% Change	Six Months Ended June 30, 2023	2022	Increase (Decrease)	% Change	Three Months Ended September 30, 2023	2022	Increase (Decrease)	% Ch
Operating expenses:												
Depreciation and amortization	$ 6,114	$ 5,905	$ 209	3.5	$12,259	$11,748	$ 511	4.3	$ 6,310	$ 5,970	$ 340	
General and administrative	4,165	3,973	192	4.8	8,204	7,765	439	5.7	3,864	3,769	95	
Real estate expenses	3,954	3,549	405	11.4	8,078	7,236	842	11.6	4,061	3,970	91	
State taxes	88	77	11	14.3	156	151	5	3.3	76	60	16	
Total operating expenses	$ 14,321	$ 13,504	$ 817	6.1	$28,697	$26,900	$ 1,797	6.7	$ 14,311	$ 13,769	$ 542	

Depreciation and amortization. The increases in the three and six nine months ended June 30, 2023 September 30, 2023 are due primarily to (i) $3
$808,000, $1.2 million, respectively, of such expense from properties acquired in 2022 and 2023, and (ii) $119,000 $141,000 and $223,000, $362,(

depreciation from improvements at several properties. In addition, the six nine months ended June 30, 2023 September 30, 2023 includes $
amortization of leasing commissions at several properties.

The increases were offset by:

- decreases of $227,000 $194,000 and $458,000, $653,000, respectively, related to improvements and tenant origination costs at several pr to June 30, 2023 September 30, 2023 were fully amortized, and

- the inclusion of $172,000 $214,000 of such expense, in the six nine months ended June 30, 2022 September 30, 2022, from the properties 1, 2022.

General and administrative. The increases increase in the three and six nine months ended June 30, 2023 are September 30, 2023 is due primarily increase of $242,000 and $356,000, respectively, $422,000 of compensation expense due related to additional employees, and to a lesser exte compensation.

Real estate expenses. The increases in the three and six nine months ended June 30, 2023 September 30, 2023 are primarily due to:

- $184,000 169,000 and $464,000, $633,000, respectively, from properties acquired in 2022 and 2023,

- $137,000 93,000 and $275,000, $368,000, respectively, relating to real estate tax expense (primarily related to our El Paso, Texas properties), and

- $92,000 113,000 and $173,000, $382,000, respectively, of other real estate expenses, and $89,000 and $150,000, respectively, in the r September 30, 2023, $218,000 of insurance expenses expense for several properties, none of which were individually significant. propert

These increases were offset due to the inclusion, in the three and six months ended June 30, 2023 primarily by decreases of $97,000 and $220,00 the properties sold since January 1, 2022. corresponding 2022 periods of:

- $229,000 and $229,000, respectively, relating to the prior year period accrual for the potential real estate tax liability related to our whol Cinemas properties due to uncertainty as to whether the tenant would satisfy its obligations to make such payments, and

- $247,000 of such expense, in the nine months ended September 30, 2022, from the properties sold since January 1, 2022.

A substantial portion of real estate expenses is rebilled to tenants and are is included in Rental income, net, on the consolidated statements of i

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Gain on sale of real estate, net.

The following table compares gain on sale of real estate, net, for the periods indicated:

(Dollars in thousands)	Three Months Ended June 30, 2023	2022	Increase (Decrease)	% Change	Six Months Ended June 30, 2023	2022	Increase (Decrease)	% Change	Three Months Ended September 30, 2023	2022	Increase (Decrease)	% Chang
Gain on sale of real estate, net	$ 3,180	$ 8,050	$ (4,870)	(60.5)	$4,714	$ 12,699	$ (7,985)	(62.9)	$ 332	$ 4,063	$ (3,731)	(91.

The following table lists the properties sold properties and the related gains, net, for the periods indicated:

Three Months Ended June 30,	Six Months Ended June 30,	Three Months Ended September 30,

(Dollars in thousands)	2023	2022	2023	2022	2023	2022
TGI Fridays restaurant property - Greensboro, North Carolina					$ 332	$ —
Havertys retail property - Duluth, Georgia	$ 3,180	$ —	$ 3,180	$ —	—	—
TGI Fridays restaurant property - Hauppauge, New York	—	—	1,534	—	—	—
Wendy's restaurants (4 properties) - Various cities, Pennsylvania					—	—
Orlando Baking industrial property - Columbus, Ohio					—	—
Havertys retail property - Fayetteville, Georgia	—	1,125	—	1,125	—	—
Orlando Baking industrial property - Columbus, Ohio	—	6,925	—	6,925		
Wendy's restaurants (4 properties) - Various cities, Pennsylvania	—	—	—	4,649		
Vacant retail property - Columbus, Ohio					—	4,063
Total gain on sale of real estate, net	$ 3,180	$ 8,050	$ 4,714	$ 12,699	$ 332	$ 4,063

Other Income and Expenses

The following table compares other income and expenses for the periods indicated:

	Three Months Ended June 30,		Increase	%	Six Months Ended June 30,		Increase	%	Three Months Ended September 30,		Increase	
(Dollars in thousands)	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	C
Other income and expenses:												
Equity in earnings of unconsolidated joint ventures	$ 60	$ 112	$ (52)	(46.4)	$ 145	$ 228	$ (83)	(36.4)				
Equity in (loss) earnings of unconsolidated joint ventures									$ (905)	$ 82	$ (987)	(1
Income on settlement of litigation	—	5,388	(5,388)	(100.0)	—	5,388	(5,388)	(100.0)	—	—	—	
Other income	28	54	(26)	(48.1)	43	980	(937)	(95.6)	87	17	70	
Interest:												
Expense	(4,610)	(4,353)	257	5.9	(9,210)	(8,659)	551	6.4	(4,768)	(4,367)	401	
Amortization and write-off of deferred financing costs	(205)	(434)	(229)	(52.8)	(407)	(639)	(232)	(36.3)	(212)	(278)	(66)	

Equity in (loss) earnings of unconsolidated joint ventures. The decrease in the three and nine months ended September 30, 2023 includes our 50% of a $1.7 million impairment charge our joint venture recorded with respect to the Manahawkin Property. (See Note 7 to our consolidated financ nine months ended September 30, 2023 also includes a $112,000 decrease in base rent collected from Regal Cinemas due to the lease amendı connection with its bankruptcy reorganization. We anticipate that for the next several months, if not longer, we will not collect any rent from R Manahawkin Property.

Income on settlement of litigation. In April 2022, we received $5.4 million in connection with the settlement of a lawsuit at our former Round Rock, “Round Rock Settlement”). (See Note 13 to our consolidated financial statements.)

Other income. The six nine months ended June 30, 2022 September 30, 2022 includes $918,000 representing the final property insurance recovery
Charles, Louisiana property damaged in an a 2020 hurricane. (See Note 13 to our consolidated financial statements.)

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Interest expense. The following table compares interest expense for the periods indicated:

	Three Months Ended June 30,		Increase	%	Six Months Ended June 30,		Increase	%	Three Months Ended September 30,		Increase	%
(Dollars in thousands)	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Change
Interest expense:												
Mortgage interest	$ 4,282	$ 4,200	$ 82	2.0	$ 8,522	$ 8,385	$ 137	1.6	$ 4,454	$ 4,150	$ 304	7.3
Credit line interest	328	153	175	114.4	688	274	414	151.1	314	217	97	44.7
Total	$ 4,610	$ 4,353	$ 257	5.9	$ 9,210	$ 8,659	$ 551	6.4	$ 4,768	$ 4,367	$ 401	9.2

Mortgage interest

The following table reflects the average interest rate on the average principal amount of outstanding mortgage debt for the periods indicated:

	Three Months Ended June 30,		Increase	%	Six Months Ended June 30,		Increase	%	Three Months Ended September 30,		Increase	%
(Dollars in thousands)	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Char
Weighted average interest rate	4.14 %	4.17 %	(0.03)%	(0.7)	4.13 %	4.17 %	(0.04)%	(1.0)	4.19 %	4.11 %	0.08 %	1
Weighted average principal amount	$411,537	$402,788	$ 8,749	2.2	$410,783	$402,510	$ 8,273	2.1	$421,762	$404,178	$ 17,584	4

The increases in mortgage interest in the three and six nine months ended June 30, 2023 September 30, 2023 are due primarily to increases in t
amount of mortgage debt outstanding as a result of refinancings and acquisitions. The increase was offset by mortgages mortgage payoffs (gen
with current maturity dates) scheduled maturities) and scheduled amortization payments.

Credit line interest

The following table reflects the weighted average interest rate on the weighted average principal amount of outstanding credit line debt for the

Three Months Ended June 30,		Increase	%	Six Months Ended June 30,		Increase	%	Three Months Ended September 30,		Increase	%	Ni

(Dollars in thousands)	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Change	2023	2022	(Decrease)	Change
Weighted average interest rate	6.69 %	2.67 %	4.02 %	150.6	6.44 %	2.31 %	4.13 %	178.8	7.01 %	3.59 %	3.42 %	95.3
Weighted average principal amount	$ 16,577	$ 14,851	$ 1,726	11.6	$18,371	$14,886	$ 3,485	23.4	$ 14,696	$ 16,870	$ (2,174)	(12.9)$1

The increases in credit line interest in the three and six nine months ended June 30, 2023 September 30, 2023 are due primarily to increases in th interest rates, and, to a lesser extent, increases of $1.7 million and $3.5 million, respectively, in the weighted average balance outstanding under our

At August 1, 2023 November 1, 2023, we had $16.5 million $22.5 million was outstanding under our credit facility. Accordingly, we anticipate t term, until such outstanding amount is reduced, our interest expense will be higher than the interest expense incurred during the corresponding 20

Amortization and write-off of deferred financing costs. The decreases decrease in the three and six nine months ended June 30, 2023 are Septe primarily due to the $221,000 write-off of deferred costs related to the mortgages on the eleven Havertys properties that were paid off in June 2022.

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Liquidity and Capital Resources

Our sources of liquidity and capital include cash flow from operations, cash and cash equivalents, borrowings under our credit facility, mortgage loans, obtaining mortgage loans secured by our unencumbered properties, issuance of our equity securities pursuant to our recently ren equity offering program and property sales. Our available liquidity at August 1, 2023 November 1, 2023, was $90.8 $83.6 million, including $6.1 m million of cash and cash equivalents (including the credit facility's required minimum $3.0 million average deposit maintenance balance) and $83.5 available under our credit facility. At August 1, 2023 November 1, 2023, the facility is available for the acquisition of commercial real estate, repaymen and up to $32.0 million $26.0 million for renovation and operating expense purposes.

Liquidity and Financing

We expect to meet our short-term (*i.e.,* one year or less) and long-term (i) operating cash requirements, including debt service, anticipated divi repurchases if any, of our common stock, (we are authorized to repurchase up to $6.0 million of common stock) principally from cash flow fr available cash and cash equivalents, proceeds from and, to the extent permitted and needed, our credit facility and (ii) investing and financing (including an estimated aggregate of $2.4 million $3.6 million of capital and other expenditures) from the foregoing, as well as property financings a property sales.

At June 30, 2023 September 30, 2023, excluding the mortgage debt of our unconsolidated joint venture, we had 67 68 outstanding mortgages 68 69 properties in the aggregate principal amount of $419.7 million $420.9 million (before netting unamortized deferred financing costs of $ mortgage intangibles of $612,000) $838,000). These mortgages represent first liens on individual real estate investments with an aggregate carry million $670.4 million, before accumulated depreciation of $119.8 million $123.6 million. After giving effect to interest rate swap agreements, the r bear interest at fixed rates ranging from 2.97% to 5.56% (a 4.17% 4.18% weighted average interest rate) and mature between 2023 and 2047 (a 6 average remaining term to maturity).

The following table sets forth, as of June 30, 2023 September 30, 2023, information with respect to our mortgage debt that is payable during t ending December 31, 2023 and for each of the subsequent twelve months through December 31, 2026 (excludes our unconsolidated joint venture million mortgage debt bearing an interest rate of 4.0% and maturing in 2025):

(Dollars in thousands)	2023	2024	2025	2026	Total	2023	2024	2025
Amortization payments	$ 6,216	$ 11,642	$ 10,355	$ 10,249	$ 38,462	$3,150	$11,732	$10,449
Principal due at maturity	6,238	50,695 (1)	32,063	19,179	108,175	6,238	50,695	32,063
Total	$ 12,454	$ 62,337	$ 42,418	$ 29,428	$ 146,637	$9,388	$62,427	$42,512
Weighted average interest rate % on principal due at maturity	4.09 %	4.37 %	4.28 %	3.98 %		4.00 %	4.41 %	4.32 %

(1) Approximately $29.4 million (bearing a weighted average interest rate of 4.7%) of such debt matures in the six months ending June 30, refinancing a substantial portion of such debt although we can provide no assurance that we will be able to do so on terms as favorable as thos or at all.

We intend to make debt amortization payments from operating cash flow and, though no assurance can be given that we will be successful in t intend to refinance, extend or payoff pay off the mortgage loans which mature in 2023 through 2026. In particular, we anticipate refinancing a su the debt maturing in 2023 and 2024 although given the significant increase in interest rates over the past year, we can provide no assurance that w so on terms as favorable as those currently in effect or at all. We generally intend to repay the amounts not refinanced or extended from our sources of funds, including our available cash, proceeds from the sale of our common stock and our credit facility (to the extent available).

We continually seek to refinance existing mortgage loans on terms we deem acceptable to generate additional liquidity. Additionally, in the n business, we sell properties when we determine that it is in our best interests, which also generates additional liquidity. Further, although we have c and primarily in the context of a tenant default at a property for which we have not found a replacement tenant, if we believe we have negative subject to a non-recourse mortgage loan, we may convey such property to the mortgagee to terminate our mortgage obligations, including p principal and real estate taxes, with respect to such property.

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Typically, we utilize funds from our credit facility to acquire a property and, thereafter secure long-term, fixed rate mortgage debt on such pro proceeds from the mortgage loan to repay borrowings under the credit facility, thus providing us with the ability to re-borrow under the c acquisition of additional properties.

Credit Facility

Our credit facility provides that subject to borrowing base requirements, we can borrow up to $100.0 million for the acquisition of com repayment of mortgage debt, and renovation and operating expense purposes; provided, that if used for renovation and operating expense pu outstanding for such purposes will not exceed the lesser of $40.0 million and 40% of the borrowing base. The facility matures December 31, 202 equal to 30-day SOFR plus the applicable margin. The applicable margin ranges from 175 basis points if our ratio of total debt to total value (as cal the facility) is equal to or less than 50%, increasing to a maximum of 275 basis points if such ratio is greater than 60%. The applicable margin was each of the six nine months ended June 30, 2023 September 30, 2023 and 2022. There is an unused facility fee of 0.25% per annum on the diff outstanding loan balance and $100.0 million. The credit facility requires the maintenance of $3.0 million in average deposit balances. The interest rat 6.89% 7.08% and 6.91% 7.06% at June 30, 2023 September 30, 2023 and July 31, 2023 October 31, 2023, respectively. On October 31, 2023, $22.5 milli on the credit facility.

The terms of our credit facility include certain restrictions and covenants which may limit, among other things, the incurrence of liens, compliance with financial ratios relating to, among other things, the minimum amount of tangible net worth, the minimum amount of debt s minimum amount of fixed charge coverage, the maximum amount of debt to value, the minimum level of net income, certain investment limitatior value of unencumbered properties and the number of such properties. Net proceeds received from the sale, financing or refinancing of prop required to be used to repay amounts outstanding under our credit facility. At June 30, 2023 September 30, 2023, we were in compliance with the co facility.

Other Financing Sources and Arrangements

We own a land parcel located in Beachwood, Ohio which is improved by a multi-family complex (*i.e.,* The Vue Apartments) that we g owner/operator of such complex. This ground lease did not generate any rental income during the six nine months ended June 30, 2023 Septembe At June 30, 2023 September 30, 2023, the carrying value of the land on our balance sheet was approximately $17.0 million; $17.0 million; our le subordinate to $64.2 million $63.9 million of mortgage debt incurred by our tenant, the owner/operator of the multi-family complex. In addition, we discretion, to fund certain capital expenditures and operating cash flow shortfalls at this property. We do not believe that this type of off-balance has been or will be material to our liquidity and capital resource positions, except to the extent we determine to continue to fund the capital expen and the operating cash flow shortfalls at, this property. See Note 6 to our consolidated financial statements for additional information regarding thi

Application of Critical Accounting Estimates

A complete discussion of our critical accounting estimates is included in our Form 10-K for the year ended December 31, 2022. Annual Report. T significant changes in such estimates since December 31, 2022. estimates.

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Funds from Operations and Adjusted Funds from Operations

We compute funds from operations, or FFO, in accordance with the "White Paper on Funds From Operations" issued by the National Associ Investment Trusts ("NAREIT") and NAREIT's related guidance. FFO is defined in the White Paper as net income (calculated in accordance wit depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in c write-downs of certain real estate assets and investments in entities where the impairment is directly attributable to decreases in the value of de held by the entity. Adjustments for unconsolidated partnerships and joint ventures are calculated to reflect FFO on the same basis. In computing back to net income the amortization of costs in connection with our financing activities or depreciation of non-real estate assets.

We compute adjusted funds from operations, or AFFO, by adjusting from FFO for straight-line rent accruals and amortization of lease intangib income additional rent from ground lease tenant, income on settlement of litigation, income on insurance recoveries from casualties, lea assignment fees, and adding back amortization of restricted stock and restricted stock unit compensation expense, amortization of costs in c financing activities (including our share of our unconsolidated joint ventures), debt prepayment costs and amortization of lease incentives and r assets. Since the NAREIT White Paper does not provide guidelines for computing AFFO, the computation of AFFO varies from one REIT to another.

We believe that FFO and AFFO are useful and standard supplemental measures of the operating performance for equity REITs and are used freq analysts, investors and other interested parties in evaluating equity REITs, many of which present FFO and AFFO when reporting their operating re are intended to exclude GAAP historical cost depreciation and amortization of real estate assets, which assumes that the value of real est predictability over time. In fact, real estate values have historically risen and fallen with market conditions. As a result, we believe that FFO a performance measure that when compared year over year, should reflect the impact to operations from trends in occupancy rates, rental rat interest costs and other matters without the inclusion of depreciation and amortization, providing a perspective that may not be necessarily income. We also consider FFO and AFFO to be useful to us in evaluating potential property acquisitions.

FFO and AFFO do not represent net income or cash flows from operations as defined by GAAP. FFO and AFFO and should not be considered to net income as a reliable measure of our operating performance; nor should FFO and AFFO be considered an alternative to cash flows from ope financing activities (as defined by GAAP) as measures of liquidity. FFO and AFFO do not measure whether cash flow is sufficient to fund all of our c principal amortization, capital improvements and distributions to stockholders.

Management recognizes that there are limitations in the use of FFO and AFFO. In evaluating our performance, management is careful to exam such as net income and cash flows from operating, investing and financing activities.

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The tables below provides provide a reconciliation of net income and net income per common share (on a diluted basis) in accordance wi AFFO for the periods indicated (dollars in thousands, except per share amounts):

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,	
	2023	2022	2023	2022	2023	2022
GAAP net income attributable to One Liberty Properties, Inc.	$ 6,519	$ 16,767	$ 11,905	$ 26,090	$ 2,747	$ 7,204
Add: depreciation and amortization of properties	5,925	5,772	11,894	11,497	6,134	5,800
Add: our share of depreciation and amortization of unconsolidated joint ventures	130	130	259	259	130	130
Add: amortization of deferred leasing costs	189	133	365	251	176	170
Add: our share of amortization of deferred leasing costs of unconsolidated joint ventures	5	6	10	11	5	5
Add: our share of impairment loss of unconsolidated joint venture property					850	—
Deduct: gain on sale of real estate, net	(3,180)	(8,050)	(4,714)	(12,699)	(332)	(4,063)
Adjustments for non-controlling interests	(18)	(17)	(35)	(32)	(19)	(17)
NAREIT funds from operations applicable to common stock	9,570	14,741	19,684	25,377	9,691	9,229
Deduct: straight-line rent accruals and amortization of lease intangibles	(626)	(917)	(1,520)	(1,483)	(619)	(712)
Deduct: our share of straight-line rent accruals and amortization of lease intangibles of unconsolidated joint ventures	(4)	(7)	(9)	(16)	(5)	(6)
Deduct: income on settlement of litigation	—	(5,388)	—	(5,388)		
Deduct: other income and income on settlement of litigation					(75)	—
Deduct: additional rent from ground lease tenant	(16)	—	(16)	—	—	—
Deduct: income on insurance recovery from casualty loss	—	—	—	(918)	—	—
Deduct: lease termination fee income	—	—	—	(25)	—	—
Deduct: our share of unconsolidated joint venture lease termination fee income	—	(25)	—	(25)	(21)	—
Add: amortization of restricted stock and RSU compensation	1,564	1,559	2,892	2,884	1,211	1,306
Add: amortization and write-off of deferred financing costs	205	434	407	639	212	278
Add: amortization of lease incentives	30	—	61	—	30	—
Add: amortization of mortgage intangible asset	23	—	46	—		
Add: amortization of mortgage intangible assets					33	—
Add: our share of amortization of deferred financing costs of unconsolidated joint venture	4	4	8	8	4	4
Adjustments for non-controlling interests	—	3	—	5	(1)	2
Adjusted funds from operations applicable to common stock	$ 10,750	$ 10,404	$ 21,553	$ 21,058	$ 10,460	$ 10,101

	Three Months Ended June 30,		Six Months Ended June 30,		Three Months Ended September 30,	
	2023	2022	2023	2022	2023	2022
GAAP net income attributable to One Liberty Properties, Inc.	$ .30	$ .79	$ .55	$ 1.23	$ .12	$ .34

Add: depreciation and amortization of properties	.28	.26	.56	.54	.29	.27
Add: our share of depreciation and amortization of unconsolidated joint ventures	.01	.01	.01	.01	.01	.01
Add: amortization of deferred leasing costs	.01	.01	.02	.01	.01	.01
Add: our share of amortization of deferred leasing costs of unconsolidated joint ventures	—	—	—	—	—	—
Add: our share of impairment loss of unconsolidated joint venture property					.04	—
Deduct: gain on sale of real estate, net	(.15)	(.38)	(.22)	(.60)	(.02)	(.19
Adjustments for non-controlling interests	—	—	—	—	—	—
NAREIT funds from operations per share of common stock (a)	.45	.69	.92	1.19	.45	.44
Deduct: straight-line rent accruals and amortization of lease intangibles	(.03)	(.04)	(.06)	(.08)	(.03)	(.03
Deduct: our share of straight-line rent accruals and amortization of lease intangibles of unconsolidated joint ventures	—	—	—	—	—	—
Deduct: income on settlement of litigation	—	(.25)	—	(.25)		
Deduct: other income and income on settlement of litigation					—	—
Deduct: additional rent from ground lease tenant	—	—	—	—	—	—
Deduct: income on insurance recovery from casualty loss	—	—	—	(.04)	—	—
Deduct: lease termination fee income	—	—	—	—	—	—
Deduct: our share of unconsolidated joint venture lease termination fee income	—	—	—	—	—	—
Add: amortization of restricted stock and RSU compensation	.07	.07	.13	.14	.06	.06
Add: amortization and write-off of deferred financing costs	.01	.02	.02	.03	.01	.01
Add: amortization of lease incentives	—	—	—	—	—	—
Add: amortization of mortgage intangible asset	—	—	—	—		
Add: amortization of mortgage intangible assets					—	—
Add: our share of amortization of deferred financing costs of unconsolidated joint venture	—	—	—	—	—	—
Adjustments for non-controlling interests	—	—	—	—	—	—
Adjusted funds from operations per share of common stock (a)	$ .50	$ .49	$ 1.01	$ .99	$ .49	$ .48

(a) The weighted average number of diluted common shares used to compute FFO and AFFO applicable to common stock includes unvested restricted shares that are e computation of diluted EPS.

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Three Months Ended June 30, 2023 September 30, 2023 and 2022

The $462,000, or 5.0%, increase in FFO for the three months ended September 30, 2023 from the corresponding 2022 period is due primarily increase in rental income.

Offsetting the increase is:

- a $401,000 increase in interest expense,
- an aggregate $186,000 increase in general and administrative expenses and real estate expenses, and
- a $137,000 decrease in equity in earnings of unconsolidated joint ventures.

The $359,000, or 3.6%, increase in AFFO is primarily due to the factors impacting FFO as described immediately above.

See "—*Results of Operations*" for further information regarding these changes.

Nine Months Ended September 30, 2023 and 2022

The $5.2 million, or 35.1% 15.1%, decrease in FFO for the three nine months ended June 30, 2023 September 30, 2023 from the correspondin primarily to:

- the inclusion, in the corresponding 2022 period, of $5.4 million from the Round Rock settlement,
- a $405,000 increase in real estate expenses,
- a $257,000 increase in interest expense, and
- a $192,000 increase in general and administrative expenses.

Offsetting the decrease is a $935,000 net increase in rental income.

See "—*Results of Operations*" for further information regarding these changes.

The $346,000, or 3.3%, increase in AFFO is primarily due to the factors impacting FFO as described immediately above, excluding the $ Round Rock Settlement.

See "—*Results of Operations*" for further information regarding these changes.

Six Months Ended June 30, 2023 and 2022

The $5.7 million, or 22.4%, decrease in FFO for the six months ended June 30, 2023 from the corresponding 2022 period is due primarily to:

- the $5.4 million from the Round Rock Settlement,
- the $918,000 income on insurance recovery from casualty loss recognized a $952,000 increase in the correspond 2022 period, interest exper
- an $842,000 a $933,000 increase in real estate expenses,
- the inclusion, in the corresponding 2022 period, of $918,000 of income on insurance recovery from casualty loss,
- a $551,000 $534,000 increase in interest expense, general and administrative expenses,
- the inclusion, in the corresponding 2022 period, of an additional $298,000 in amortization of deferred financing costs, and
- a $439,000 increase $221,000 decrease in general and administrative expenses. equity in earnings of unconsolidated joint ventures.

Offsetting the decrease is a $2.4 million $3.4 million net increase in rental income.

See "—*Results of Operations*" for further information regarding these changes.

The $495,000, $854,000 or 2.4% 2.7%, increase in AFFO is due to the factors impacting FFO as described immediately above, excluding the (i Rock Settlement and (ii) $918,000 income on insurance recovery from casualty loss.

See "—*Results of Operations*" for further information regarding these changes.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

Our primary market risk exposure is the effect of changes in interest rates on the interest cost of draws on our revolving variable rate credit faci changes in the fair value of our interest rate swap agreements. Interest rates are highly sensitive to many factors, including governmental monet domestic and international economic and political considerations and other factors beyond our control.

We use interest rate swaps to limit interest rate risk on variable rate mortgages. These swaps are used for hedging purposes-not for speculati into interest rate swaps for trading purposes. At June 30, 2023 September 30, 2023, we had no liability in the event of the early termination of our sw

At June 30, 2023 September 30, 2023, we had 16 interest rate swap agreements outstanding. The fair market value of the interest rate swaps existing market interest rates and swap spreads, which change over time. As of June 30, 2023 September 30, 2023, if there had been an increase o forward interest rates, the fair market value of the interest rate swaps and the net unrealized gain on derivative instruments would $486,000. $395,000. If there were a decrease of 100 basis points in forward interest rates, the fair market value of the interest rate swaps and the ne derivative instruments would have decreased by $498,000. $404,000. These changes would not have any impact on our net income or cash.

Our variable mortgage debt, after giving effect to the interest rate swap agreements, bears interest at fixed rates and accordingly, the effect o rates would not impact the interest expense we incur under these mortgages.

Our variable rate credit facility is sensitive to interest rate changes. Based on the $2.5 million $12.5 million outstanding balance under thi 2023, September 30, 2023, a 100 basis point increase of the interest rate would increase our related interest costs over the next twelve month $25,000 $125,000 and a 100 basis point decrease of the interest rate would decrease our related interest costs over the next twelve month $25,000. $125,000.

The fair market value of our long-term debt is estimated based on discounting future cash flows at interest rates that our management belie associated with long-term debt of similar risk and duration.

Item 4. Controls and Procedures

Based on their evaluation as of the end of the period covered by this report, our chief executive officer and chief financial officer concluded controls and procedures (as defined in Rule 13a-15(e) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act")) are

There were no changes in our internal control over financial reporting (as defined in Rule 13a-15(f) promulgated under the Exchange Act) durir ended June 30, 2023 September 30, 2023 that materially affected, or are reasonably likely to materially affect, our internal control over financial repo

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PART II. OTHER INFORMATION

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Set forth below is a table describing the shares of our common stock we repurchased during the quarter ended September 30, 2023 pu Repurchase Plan:

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs
July 1, 2023 - July 31, 2023	—	$ —	—	$ 6,045,045
August 1, 2023 - August 31, 2023	149,134	19.86	149,134	3,074,853
September 1, 2023 - September 30, 2023	113,180	19.14	113,180	901,891 (1)
Total	262,314	19.55	262,314	

(1) In October 2023, the Board amended the 2022 Repurchase Plan to increase the shares that were authorized to be repurchased pursuant theret of shares to approximately $7.7 million of shares.

In September October 2023, pursuant to the 2022 our Repurchase Plan, we repurchased approximately 62,000 shares of common stock for million. No more shares may be repurchased pursuant to the 2022 Repurchase Plan.

In October 2023, the Board of Directors authorized approved the 2023 Repurchase Plan authorizing the repurchase of up to $7,500,000 $10.0 mil common stock through, among other things, open market or privately negotiated transactions. stock. There is no stated expiration date for this below is a table describing plan. Pursuant to the purchases 2023 Repurchase Plan, in October 2023 we made in the quarter ended June 30 approximately 71,000 shares of common stock for approximately $1.3 million. After giving effect to such repurchases, we are authorized to repurc $8.7 million of shares of our common stock.

Issuer Purchases of Equity Securities

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Programs	Approximate Dollar Value of Shares that May Yet Be Purchased Under the Programs
April 1, 2023 - April 30, 2023	—	$ —	—	$ 7,500,000
May 1, 2023 - May 31, 2023	48,629	19.84	48,629	6,532,167
June 1, 2023 - June 30, 2023	24,342	19.95	24,342	6,045,045
Total	72,971	19.88	72,971	

Item 5. Other Information

None of our officers or directors had any contract, instruction, or written plan for the purchase or sale of our securities that was intended to sa defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" in effect at any time during the three months ended June 30, 2023.

Item 6. Exhibits

Exhibit No.	Title of Exhibit
10.1	Form of Performance Agreement for RSU grants in 2023 pursuant to the 2022 Incentive Plan.
31.1	Certification of President and Chief Executive Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Certification of Senior Vice President and Chief Financial Officer pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Certification of President and Chief Executive Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Certification of Senior Vice President and Chief Financial Officer pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101	The following financial statements and notes from the One Liberty Properties, Inc. Quarterly Report on Form 10-Q for the qua June 30, 2023 September 30, 2023 filed on August 4, 2023 November 6, 2023, formatted in Inline XBRL: (i) Consolidated Consolidated Statements of Income; (iii) Consolidated Statements of Comprehensive Income; (iv) Consolidated Statements of C Consolidated Statements of Cash Flows; and (vi) Notes to the Consolidated Financial Statements.
104	Cover Page Interactive Data File (the cover page XBRL tags are embedded in the Inline XBRL document and included in Exhibit 10

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ONE LIBERTY PROPERTIES, INC.
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
thereunto duly authorized.

ONE LIBERTY PROPERTIES, INC.
(Registrant)

Date: August 4, 2023 November 6, 2023

/s/ Patrick J. Callan, Jr.
Patrick J. Callan, Jr.
President and Chief Executive Officer
(principal executive officer)

Date: August 4, 2023 November 6, 2023

/s/ Isaac Kalish
Isaac Kalish
Senior Vice President and
Chief Financial Officer
(principal financial officer)

40 41

E

PERFORMANCE AWARDS AGREEMENT
ONE LIBERTY PROPERTIES, INC.

Name of Participant:
Number of ROC Units:
Number of TSR Units:
Grant Date: June 22, 2023
THIS PERFORMANCE AWARD AGREEMENT is entered into as of the grant date (the "Grant Date") set forth above, between
Properties, Inc., a Maryland corporation ("Company"), and the participant identified above (the "Participant").

WHEREAS, the stockholders of the Company have adopted the One Liberty Properties, Inc. 2022 Incentive Plan ("Plan"); ar

WHEREAS, the Compensation Committee of the Board of Directors ("Committee") has granted, pursuant to the Plan, (i) F
Awards in the form of restricted stock units ("Units") to the Participant pursuant to which shares of the Company's cor
underlying the Units are issuable upon the attainment by the Company during the Performance Cycle of the Performa
established by the Committee as set forth in Exhibit A hereto and (ii) cash settled dividend equivalent rights which are
tandem with the Units, all as further set forth herein;

NOW THEREFORE, the parties hereby agree as follows:

1. Incorporation of the Plan. All provisions of this Agreement and the rights of Participant hereunder are subject ir
respects to the provisions of the Plan and the powers of the Committee therein provided. Capitalized terms used in this A
but not defined herein shall have the meaning set forth in the Plan. The Participant acknowledges receipt of the Plan, the F
dated June 10, 2022 and the Prospectus Supplement dated the Grant Date.

2. Grant Date. Pursuant to the Plan, the Company, effective as of the Grant Date, grants the Units to the Partici subject to the terms and conditions of the Plan and those set forth herein.

3. Forfeiture. Upon a termination, prior to June 30, 2026, of the Participant's status as a Participant (as definec Plan) for any reason other than a DDR Event (as defined herein) or Change in Control, all Units that have not vested shall ir terminate and be forfeited without consideration.

4. Issuance of Shares. As soon as practicable after the Units become vested and non-forfeitable, but in no even March 15 following the calendar year of vesting, the Participant shall receive one share (the "Share" or "Shares") of Compar stock for each vested Unit. In the event that a fraction of a Share would be issued, the number of Shares to be issued shall to the nearest whole share. Any delivery of Shares under this Agreement may be made by delivery of a share certificate or of a credit of Shares in book entry form.

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5. Vesting. The Units awarded to the Participant, except as otherwise provided herein, become vested and non to the extent, but only to the extent, that the Committee determines that the applicable Performance Criteria set forth in E have been satisfied at the end of the Performance Cycle (the "Vesting Date"). Notwithstanding the forfeiture provision of Se hereof, the interest of the Participant in the Units vest as follows:

(a) a *pro rata* number of Units upon termination of the Participant's relationship with the Company due to c Disability or Retirement (collectively a "DDR Event") during the Performance Cycle, but only with respect that would otherwise have vested at the end of the Performance Cycle. For the purposes of this Section ! *rata* number of Units that vest equals the product obtained by multiplying the total number of Units awa pursuant to this Agreement that would have vested based on performance by a fraction, the numerator the number of days commencing July 1, 2023 and ending on the date of the DDR Event, and the denomi which is the total number of days in the Performance Cycle.

(b) all of the Units vest upon a Change in Control if the effective date thereof is after December 31, 2024. If t date of the Change in Control occurs prior to or on December 31, 2024, a *pro rata* number of Units vest Change in Control (unless the Committee, in its discretion, determines to vest all Units upon Change in C without proration). For the purposes of this Section 5(b), the *pro rata* number of Units that vest equals th obtained by multiplying the total number of Units awarded pursuant to this Agreement by a fraction, the of which is the number of days commencing on July 1, 2023 and ending on the effective date of the Char Control, and the denominator of which is the total number of days in the period commencing July 1, 202 ending December 31, 2024.

(c) if a Participant's relationship with the Company terminates due to a DDR Event and subsequent thereto (June 30, 2025) there is a Change in Control, then notwithstanding anything to the contrary herein, the nu Units which vest and the number of Shares issuable to the Participant, the Participant's guardian, persor representative or estate, as the case may be, equals the product obtained by multiplying the total numbe subject to this Agreement by a fraction, the numerator of which is the number of days commencing July and ending on the date of the DDR Event, and the denominator of which is the total number of days in tl commencing July 1, 2023 and ending on the effective date of the Change in Control.

6. Restrictions on Transfer. The Units awarded pursuant to this Agreement may not be sold, pledged or otherwise trai and may not be subject to lien, garnishment, attachment or other legal process.

7. Rights as a Stockholder; Dividend Equivalents.

(a) The Participant does not have any rights of a stockholder with respect to the Shares underlying the Units until the Units vest and are settled in Shares.

(b) The Participant shall not be entitled to receive any dividend equivalent payments with respect to the Sha underlying the Units unless and until such Units vest. Within 60 days following the date on which the Ur the Company will pay the Participant in respect of each Unit that has vested, an amount equal to the aggregate amount of cash dividends that would have been paid in respect of the Shares underlying such Units had such Shares been issued and outstanding on the first day of the Performance Cycle through th date of such RSUs and the settlement of the underlying shares.

8. Taxes. Participant is liable for any and all taxes, including withholding taxes, arising out of this grant, the vesting of payments contemplated by Section 7(b) of this Agreement and the issuance of Shares hereunder.

9. Claw-back. Participant acknowledges and agrees that the grant of the Units and the issuance of Shares is subject to applicable provisions of any claw-back or similar policy implemented by the Company, whether implemented prio the grant of this Award.

10. Miscellaneous

(a) Neither this Agreement nor the granting or vesting of Units confers upon the Participant any right to con Participant, nor does it interfere in any way with the right of the Company or an affiliate to terminate Pa status as a Participant at any time.

(b) The parties agree to execute such further documents and instruments and to take such action as may re necessary to carry out the intent of this Agreement.

(c) This Award is governed by the laws of the State of Maryland (without regard to its choice of law principle applicable Federal law.

(d) Subject to the terms of the Plan, the Committee has the right to amend this Agreement, prospectively or retroactively; provided that no such amendment or alteration shall adversely affect Participant's materia under this Agreement without Participant's consent and pursuant to a writing executed by the parties he specifically states that it is amending this Agreement.

(e) This Agreement and the Plan constitute the entire contract between the parties hereto with regard to the matter hereof. They supersede any other agreements, representations or understandings (whether oral and whether express or implied) that relate to the subject matter hereof.

This Agreement has been executed and delivered by the parties as of the date hereof.

ONE LIBERTY PROPERTIES, INC.

By: ______________________________

Isaac Kalish, Chief Financial Officer

____

Signature of Participant

____

Name of Participant

EXHIBIT A

PERFORMANCE CRITERIA

The number of Restricted Stock Units ("Units") that vest, will be determined by the Compensation Committee as soon as after the completion of the three-year Performance Cycle (which commences July 1, 2023 and ends June 30, 2026 following Performance Criteria:

Return on Capital: The issuance of Shares underlying the ROC Units identified on the cover page of this Agreement are su
satisfaction of an average annual return on capital metric during the Performance Cycle. If the average of the annual retur
during the Performance Cycle is:

- at least 8.75%, all the ROC Units vest;
- less than 6.0%, none of the ROC Units vest; and
- equals or exceeds 6.0% but less than 8.75%, then a proportional number of ROC Units vest.

Return on capital means adjusted funds from operations, as determined below, divided by average capital, as below. Adjusted funds from operations means funds from operations, determined in accordance with the National As Real Estate Investment Trusts definition, adjusted for straight-line rent accruals and amortization of lease intangibles, and deducting gains and losses, respectively, on sales of properties. Gains and/or losses on property sales shall equal the sale property less the purchase price, costs of capital improvements and costs of sale. Such return shall be calculated for e month period beginning July 1, 2023. Average capital is defined as stockholders' equity, plus depreciation and amortizati for intangibles, and for each twelve month period during the Performance Cycle, shall be measured by reference to t obtained by dividing (a) the sum of the capital as of July 1 and the following June 30 by (b) two. The average annual retur shall be determined for each twelve-month period beginning July 1, 2023, 2024 and 2025, and whether and to the exte vests, will be based on the average of such averages.

Total Stockholder Return: The issuance of Shares underlying the TSR Units identified on the cover page of this Agreement the satisfaction of an average annual total stockholder return metric during the Performance Cycle. Total stockholder ret twelve month period beginning July 1 shall be calculated as follows: the closing price per share on the NYSE of the common stock at the end of the measuring period (the applicable June 30th) minus the closing price per share on the Company's common stock at the start of the measuring period (the applicable July 1st) plus all dividends paid measurement period shall be divided by the closing price per share on the NYSE of the Company's common s commencement of the measuring period (the applicable July 1st). Once total stockholder return has been calculated for three years in the Performance Cycle, the average of the total stockholder return for each twelve month period Performance Cycle shall be determined, and such average shall be the average annual total stockholder return of the F Cycle. If the average annual total stockholder return during the Performance Cycle is:

- at least 11.0%, all of the TSR Units vest;
- less than 6.0%, none of the TSR Units vest; and
- equals or exceeds 6.0% but less than 11.0%, a proportional number of TSR Units vest.

CERTIFICATION

I, Patrick J. Callan, Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 September 30, 2023 of C Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact statements made, in light of the circumstances under which such statements were made, not misleading with respect to the p report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in al 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 and I are responsible for establishing and maintaining disclosure controls and pro Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-1 the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under o
ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by othe
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
supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial s
purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures presented in this report our conclusions abo
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 registra
quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably like
the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over fina
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 whicl
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'
financial reporting.

Date: August 4, 2023 November 6, 2023

/s/ Patrick J. Callan, Jr.
Patrick J. Callan, Jr.
President and Chief Executive Officer

CERTIFICATION

I, Isaac Kalish, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 September 30, 2023 of C
Inc.

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact
statements made, in light of the circumstances under which such statements were made, not misleading with respect to the p
report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in al
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 and I are responsible for establishing and maintaining disclosure controls and pro
Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rule 13a-1
the registrant and have:

a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed unc
ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us b
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 supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial s purposes in accordance with generally accepted accounting principles;

c) Evaluated the effectiveness of the registrant's disclosure controls and procedures presented in this report our conclusions abo 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 registra quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably like the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over fina 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 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 regis over financial reporting.

Date: August 4, November 6, 2023

/s/ Isaac Kalish

Isaac Kalish
Senior Vice President and Chief Financial Officer

CERTIFICATION OF PRESIDENT AND CHIEF EXECUTIVE OFFICER

PURSUANT TO 18 U.S.C. 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, Patrick J. Callan, Jr., do hereby certify, pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley A upon a review of the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 September 30, 2023 of One L ("the Registrant"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; ar

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations

Date: August 4, November 6, 2023

/s/ Patrick J. Callan, Jr.

Patrick J. Callan, Jr.
President and
Chief Executive Officer

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of tl Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general inc such filing.

CERTIFICATION OF SENIOR VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

PURSUANT TO 18 U.S.C. 1350
(SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002)

I, Isaac Kalish, do hereby certify, pursuant to 18 U.S.C. 1350 as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 20 review of the Quarterly Report on Form 10-Q for the quarterly period ended June 30, 2023 September 30, 2023 of One Liberty Registrant"), as filed with the Securities and Exchange Commission on the date hereof (the "Report"):

(1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; an

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations

Date: August 4, 2023 November 6, 2023

/s/ Isaac Kalish
Isaac Kalish
Senior Vice President and
Chief Financial Officer

The foregoing certification is being furnished pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of th Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, regardless of any general inco such filing.

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ I
OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR IN
THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOE
THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DI
BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW T
COMPANY’S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.