

ONE  
LIBERTY  
PROPERTIES, INC.

INVESTOR PRESENTATION  
**MAY 2019**

---

[onelibertyproperties.com](http://onelibertyproperties.com)

# TABLE OF CONTENTS



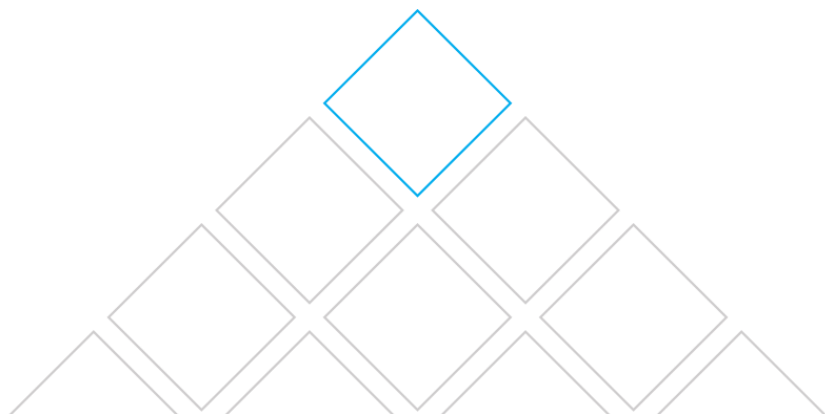
ONE  
LIBERTY  
PROPERTIES, INC.

DESCRIPTION	PAGE
Table of Contents	2
Safe Harbor Disclosure	3
Company Overview	4
Experienced Management Team	5
Attractive Portfolio Fundamentals	6
Portfolio Detail	7
Diversified Portfolio	8
Diversified Tenant Base	9
Financial Summary	10
Targeting Long Term Total Return	11
Growth in Operations	12-13
Growth Oriented Balance Sheet	14
Mortgage Debt Maturities	15
Lease Maturity Profile	16
Stable Occupancy	17
Strong Rental Income Growth	18
Acquisition Track Record	19

DESCRIPTION	PAGE
Recent Acquisitions	20
Recent Dispositions	21
Recent Mortgages	22
Case Studies:	
Acquisition – St. Louis, MO	23
Acquisitions – Moorestown, NJ	24-25
Disposition – Milwaukee, WI	26
Blend & Extend – L3 Technologies, Inc.	27
Summary	28
APPENDIX	
Top Tenant Profiles:	
Havertys Furniture	31
LA Fitness	32
Northern Tool & Equipment	33
L3 Technologies, Inc.	34
Regal Entertainment Group	35
GAAP Reconciliation to FFO & AFFO	37
Non-GAAP Financial Measures	38



The statements in this presentation, including targets and assumptions, state the Company's and management's hopes, intentions, beliefs, expectations or projections of the future and are forward-looking statements. It is important to note that the Company's actual results could differ materially from those projected in such forward-looking statements. Factors that could cause actual results to differ materially from current expectations include the key assumptions contained within this presentation, general economic conditions, local real estate conditions, increases in interest rates, tenant defaults, non-renewals and/or bankruptcies, and increases in operating costs and real estate taxes. Additional information concerning factors that could cause actual results to differ materially from those forward-looking statements is contained in the Company's SEC filings, and in particular the sections of such documents captioned "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations". Copies of the SEC filings may be obtained from the Company or the SEC. The Company does not undertake to publicly update or revise any forward-looking statements (including statements with respect to the purchase of two properties under contract), included in this presentation, whether as a result of new information, future events or otherwise.

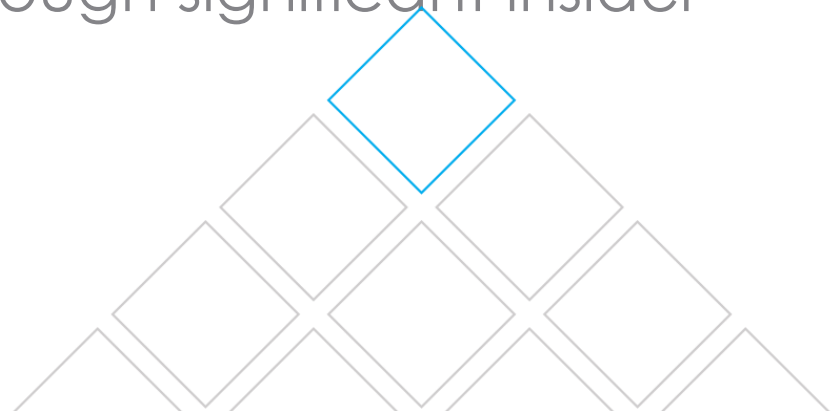


# COMPANY OVERVIEW



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ Fundamentals – focused real estate company
- ◆ Disciplined track record through various economic cycles
- ◆ Active net lease strategy with emphasis on industrial properties
- ◆ Experienced management team
- ◆ Alignment of interests through significant insider ownership



# EXPERIENCED MANAGEMENT TEAM



ONE  
LIBERTY  
PROPERTIES, INC.

## **Patrick J. Callan, Jr.** President & CEO

- ◆ Chief Executive Officer since 2008, President since 2006, Director since 2002
- ◆ Senior Vice President of First Washington Realty Inc. from 2004 to 2005. A joint venture with CalPERS that controlled 100 shopping centers (13 million square feet) which was sold for \$2.6 billion to Regency Centers/Macquarie
- ◆ Vice President of Kimco Realty Corporation (NYSE: KIM) from 1998 to 2004, joined in 1987. Responsible for a \$3 billion, 200+ shopping center portfolio

## **Lawrence G. Ricketts, Jr.** COO & EVP

- ◆ Chief Operating Officer since 2008 and Executive Vice President since 2006 (Vice President since 1999)
- ◆ Over \$2.5 billion of transaction experience in acquisitions, dispositions and financings

## **David W. Kalish, CPA** SVP & CFO

- ◆ Senior Vice President and Chief Financial Officer since 1990
- ◆ Senior Vice President, Finance of BRT Apartments Corp. (NYSE: BRT) since 1998 and Senior Vice President and Chief Financial Officer of the managing general partner of Gould Investors L.P. since 1990

## **Matthew J. Gould** Chairman

- ◆ Chairman of the Board since June 2013 and Vice Chairman from 2011 through 2013. President and Chief Executive Officer from 1989 to 1999; Senior Vice President from 1999 to 2011
- ◆ Senior Vice President of BRT Apartments Corp. (NYSE: BRT) since 1993 and Director since 2004
- ◆ Chairman of the managing general partner of Gould Investors L.P. since January 2013 and President and CEO from 1997 to 2012

## **Fredric H. Gould** Vice Chairman

- ◆ Vice Chairman of the Board since June 2013. Chairman of the Board from 1989 to 2013
- ◆ Chairman of BRT Apartments Corp. (NYSE: BRT) from 1984 to April 2013 and Director since 1984
- ◆ Chairman Emeritus of the managing general partner of Gould Investors L.P. since January 2013 and Chairman from 1997 to 2013
- ◆ Director of EastGroup Properties, Inc. (NYSE: EGP) since 1998

# ATTRACTIVE PORTFOLIO FUNDAMENTALS<sup>(1)</sup>



ONE  
LIBERTY  
PROPERTIES, INC.

Total Square Footage **10.4 M**

Number of Properties **123**

Current Occupancy **96.5%**

Contractual Rental income<sup>(2)</sup> **\$71.6 M**

Lease Term Remaining **7.5 Years**

(1) Information presented as of March 31, 2019, including four properties owned by unconsolidated joint ventures

(2) Our contractual rental income represents, after giving effect to any abatements, concessions or adjustments, the base rent payable to us for the 12 months ending March 31, 2020 under leases in effect at March 31, 2019 and excludes approximately \$960,000 of straight-line rent and \$964,000 of amortization of intangibles. In addition, we have included our \$1.5 million share of the base rent payable to our unconsolidated joint ventures for the 12 months ending March 31, 2020.



Transcendia – Greenville, SC



The Men's Wearhouse – Bakersfield, CA

# PORTFOLIO DETAIL



ONE  
LIBERTY  
PROPERTIES, INC.

Type of Property	Number of Properties	Contractual Rental Income	% of Contractual Rental Income
<b>Industrial</b>	36	\$32,204,989	45.0%
<b>Retail – General</b>	38	15,684,121	22.0
– Furniture	14	6,206,285	8.7
– Supermarket	3	2,878,515	4.0
– Office Supply	6	2,166,263	3.0
<b>Restaurants</b>	17	3,491,296	4.9
<b>Health &amp; Fitness</b>	3	3,113,490	4.3
<b>Theater</b>	2 <sup>(1)</sup>	2,456,313 <sup>(2)</sup>	3.4
<b>Other</b> <sup>(3)</sup>	4	3,382,348	4.7
	<b>123</b>	<b>\$71,583,620</b>	<b>100.0%</b>

(1) Though we have three theaters, one is part of a multi-tenant shopping center property in Manahawkin, NJ and is therefore excluded from this column

(2) The contractual rental income associated with the theater in Manahawkin, NJ is included

(3) Other is comprised of ground leases of apartment complexes, an assisted living facility, and an office

# DIVERSIFIED PORTFOLIO



ONE  
LIBERTY  
PROPERTIES, INC.



- Retail-General
- Industrial
- Restaurant
- Retail-Furniture
- Retail-Office Supply
- Health & Fitness
- Retail-Supermarket
- Apartments
- Theater
- Assisted Living
- Office

- ◆ Geographically diverse footprint
- ◆ Own **123** properties in **30** states
- ◆ Strong markets drive value

## Highest State Concentration by Contractual Rental Income

State	Number of Properties	Contractual Rental Income	% Contractual Rental Income
<b>New York</b>	8	\$6,115,566	8.5%
<b>Texas</b>	11	5,985,356	8.4
<b>South Carolina</b>	7	5,872,946	8.2
<b>Pennsylvania</b>	11	5,417,992	7.6
<b>New Jersey</b>	5	4,648,803	6.5
	<b>42</b>	<b>\$28,040,663</b>	<b>39.2%</b>



# DIVERSIFIED TENANT BASE



ONE  
LIBERTY  
PROPERTIES, INC.

Top Tenants	Number of Locations	Contractual Rental Income	% of Contractual Rental Income
Haverty Furniture Companies, Inc. (NYSE: HVT)	11	\$ 4,842,846	6.8%
LA Fitness International, LLC	3	3,113,490	4.3
Northern Tool & Equipment	1	2,873,286	4.0
L3 Technologies, Inc. (NYSE: LLL)	1	2,620,281	3.7
Regal Entertainment Group	3	2,456,313	3.4
	19	\$15,906,216	22.2%

**HAVERTYS®**

**LA | FITNESS®**



**NORTHERN™**  
TOOL + EQUIPMENT



**Technologies**



**REGAL**  
ENTERTAINMENT  
GROUP®

# FINANCIAL SUMMARY



ONE  
LIBERTY  
PROPERTIES, INC.

Market Cap<sup>(1)</sup> **\$568.7 M**

Shares Outstanding<sup>(1)</sup> **19.7 M**

Insider Ownership<sup>(2)</sup> **21.8%**

Current Annualized Dividend **\$1.80**

Dividend Yield<sup>(3)</sup> **6.2%**

(1) Market cap is calculated using the shares outstanding and the closing OLP stock price of \$28.89 at May 9, 2019

(2) Calculated as of May 9, 2019

(3) Based on the closing OLP stock price of \$28.89 at May 9, 2019



Applied Control Equipment – Denver, CO



Campania International / U.S. Tape – Philadelphia, PA

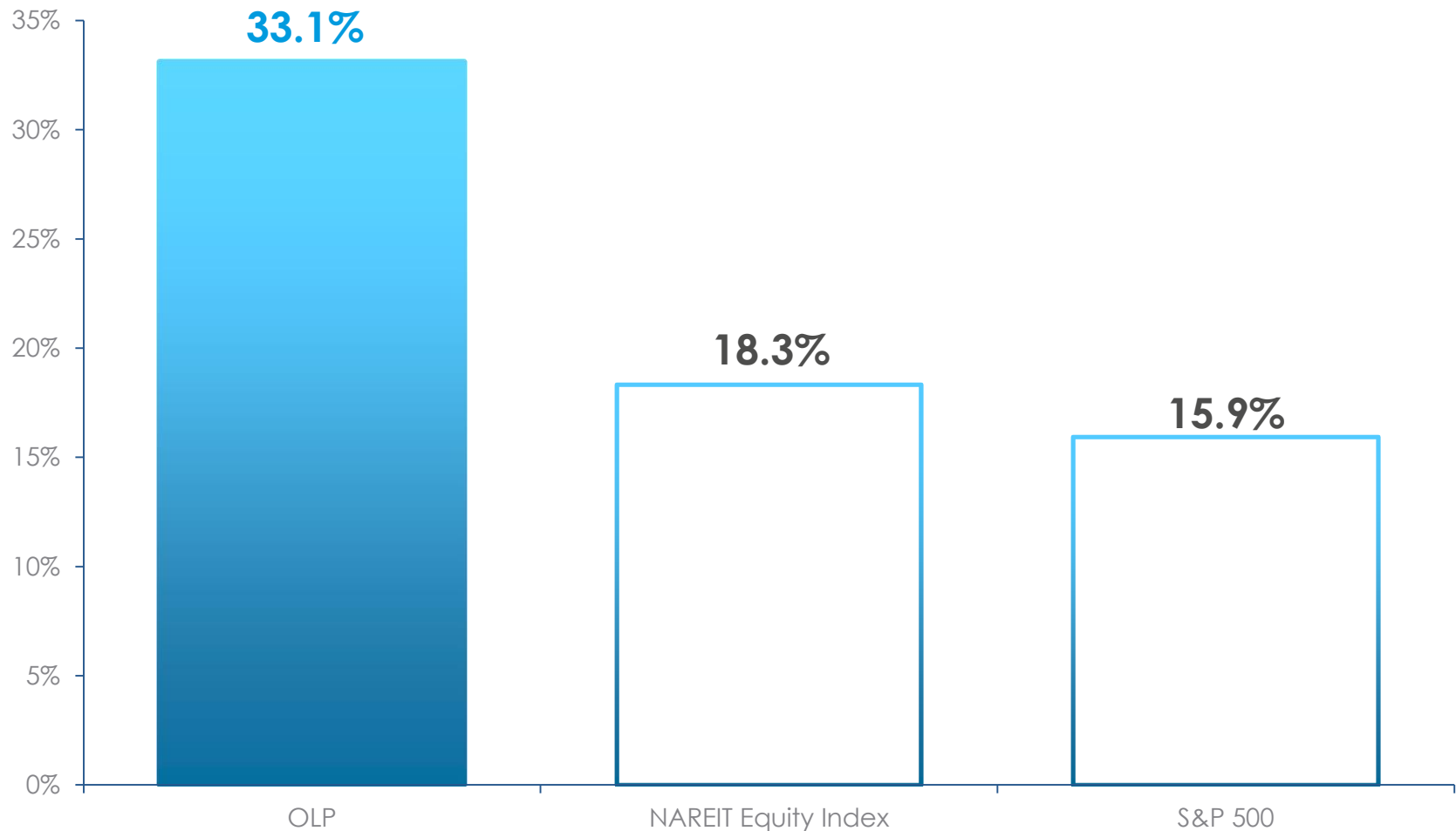
# TARGETING LONG TERM TOTAL RETURN



ONE  
LIBERTY  
PROPERTIES, INC.

Consistent driver of **long-term stockholder value**

## 10- YEAR ANNUALIZED TOTAL RETURN<sup>(1)</sup>



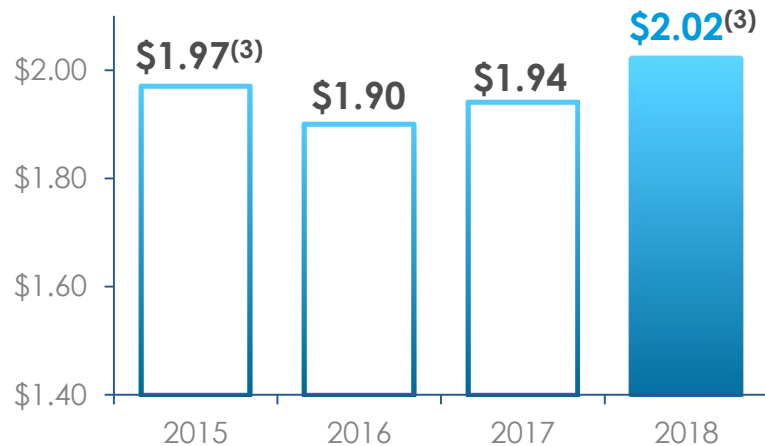
(1) Performance period ended March 31, 2019

# GROWTH IN OPERATIONS<sup>(1)</sup>



ONE  
LIBERTY  
PROPERTIES, INC.

## Historical FFO Per Share <sup>(2)</sup>



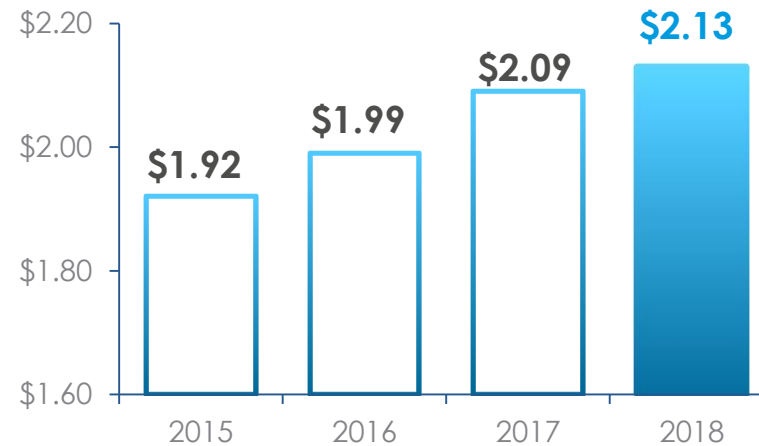
### FFO Payout <sup>(4)</sup>

Year	Payout Ratio
2015	80%
2016	87%
2017	90%
2018	89%

For the Three Months Ended  
March 31, 2019:

**FFO - \$0.48**  
**AFFO - \$0.51**

## Historical AFFO Per Share <sup>(2)</sup>



### AFFO Payout <sup>(4)</sup>

Year	Payout Ratio
2015	82%
2016	83%
2017	83%
2018	85%

(1) For the years ended December 31

(2) A reconciliation of net income per diluted share, as determined in accordance with GAAP, to FFO per diluted share and AFFO per diluted share, may be found at the end of this presentation

(3) FFO includes lease termination fees of \$2.9 million or \$0.17 per share in 2015 and \$372,000 or \$0.02 per share in 2018

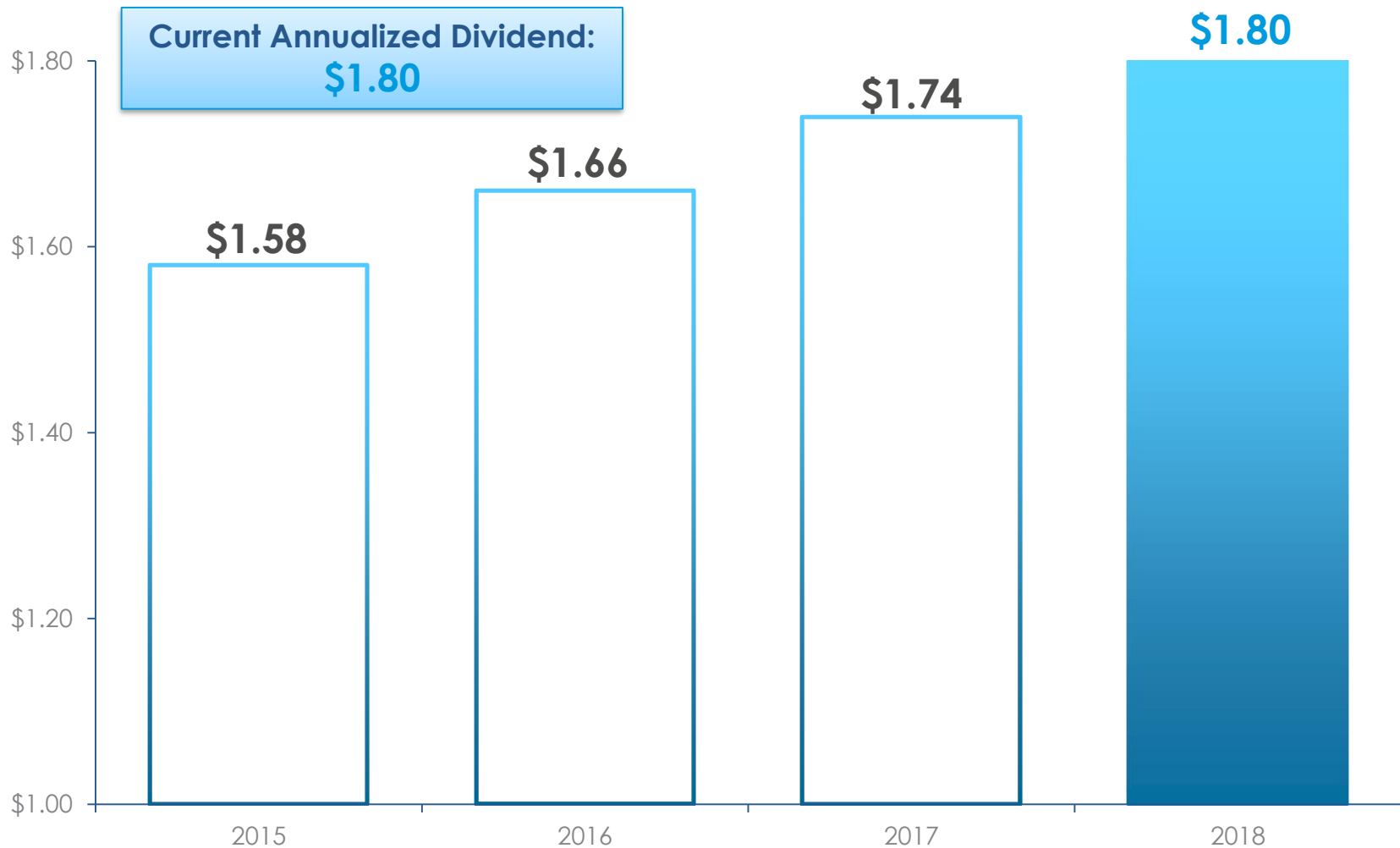
(4) Impacting the changes in the FFO and AFFO payout ratio are distributions of capital gains from property sales, which gains are excluded from the calculation of FFO and AFFO

# GROWTH IN OPERATIONS<sup>(1)</sup>



ONE  
LIBERTY  
PROPERTIES, INC.

## INCREASE IN DIVIDEND PER SHARE



(1) For the years ended December 31

# GROWTH ORIENTED BALANCE SHEET AS AT MARCH 31, 2019



Gross Assets <sup>(1)</sup>	\$904.7 M
Total Debt/Gross Assets <sup>(2)</sup>	51.0%
Fixed Rate Debt	98.7%
Debt Service Coverage Ratio <sup>(3)</sup>	2.2 to 1.0
Fixed Charge Coverage Ratio <sup>(3)</sup>	1.7 to 1.0
AFFO Payout Ratio	88.2%

- ◆ **Liquidity** available to acquire in excess of an estimated **\$150.0 million** of properties as of May 9, 2019
- ◆ **\$94.5 million** available as of May 9, 2019 on Line of Credit

(1) Gross assets represent total assets plus accumulated depreciation of \$128.0 million

(2) Total debt includes our share (i.e. \$11.8 million) of debt of our unconsolidated joint venture

(3) Calculated in accordance with the terms of our credit facility

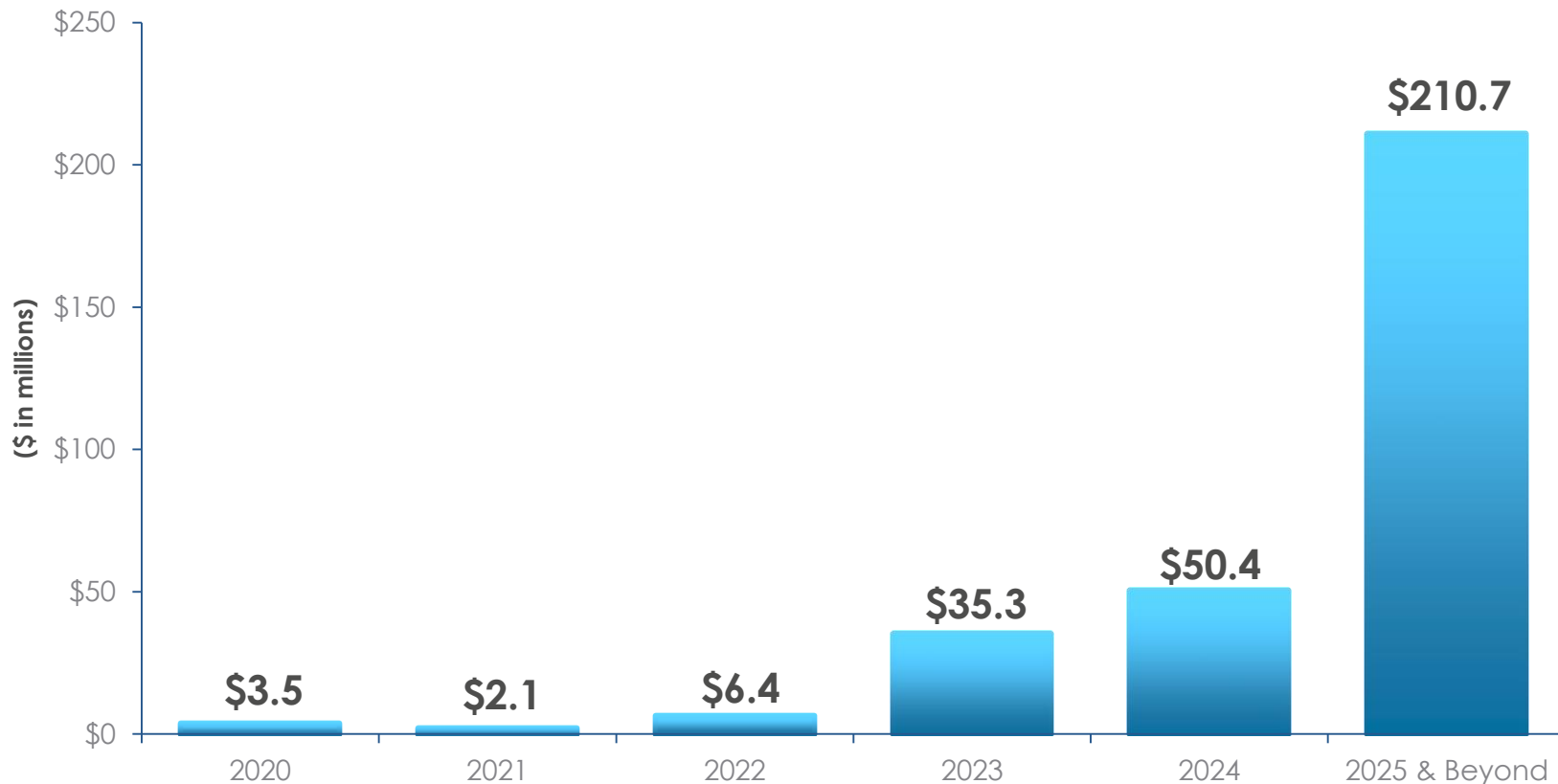
# MORTGAGE DEBT MATURITIES AS AT MARCH 31, 2019 <sup>(1)</sup>



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ Weighted average interest rate of **4.27%** on fixed rate debt
- ◆ There is approximately **\$13.4 million** (\$0.68 per share) of scheduled amortization of mortgages for the twelve months ending March 31, 2020

## BALLOON PAYMENTS DUE FOR THE TWELVE MONTHS ENDING MARCH 31,



(1) Includes our share of the mortgage debt of our unconsolidated joint venture

# LEASE MATURITY PROFILE



ONE  
LIBERTY  
PROPERTIES, INC.

12 Months Ending March 31,	Number of Expiring Leases	Contractual Rental Income Under Expiring Leases	% of Contractual Rental Income Represented by Expiring Leases	Approximate Square Feet Subject to Expiring Leases
2020	7	\$ 879,879	1.2%	98,465
2021	22	2,671,449	3.7	326,224
2022	21	6,597,333	9.2	996,305
2023	20	10,322,341	14.4	1,504,060
2024	28	10,041,943	14.0	1,525,311
2025	12	4,428,937	6.2	467,344
2026	15	6,030,304	8.4	474,315
2027	9	2,855,265	4.0	428,481
2028	10	6,840,788	9.6	1,244,209
2029	6	2,202,552	3.1	156,355
2030 & Beyond	29	18,712,829	26.2	2,821,321
	179	\$71,583,620	100.0%	10,042,390

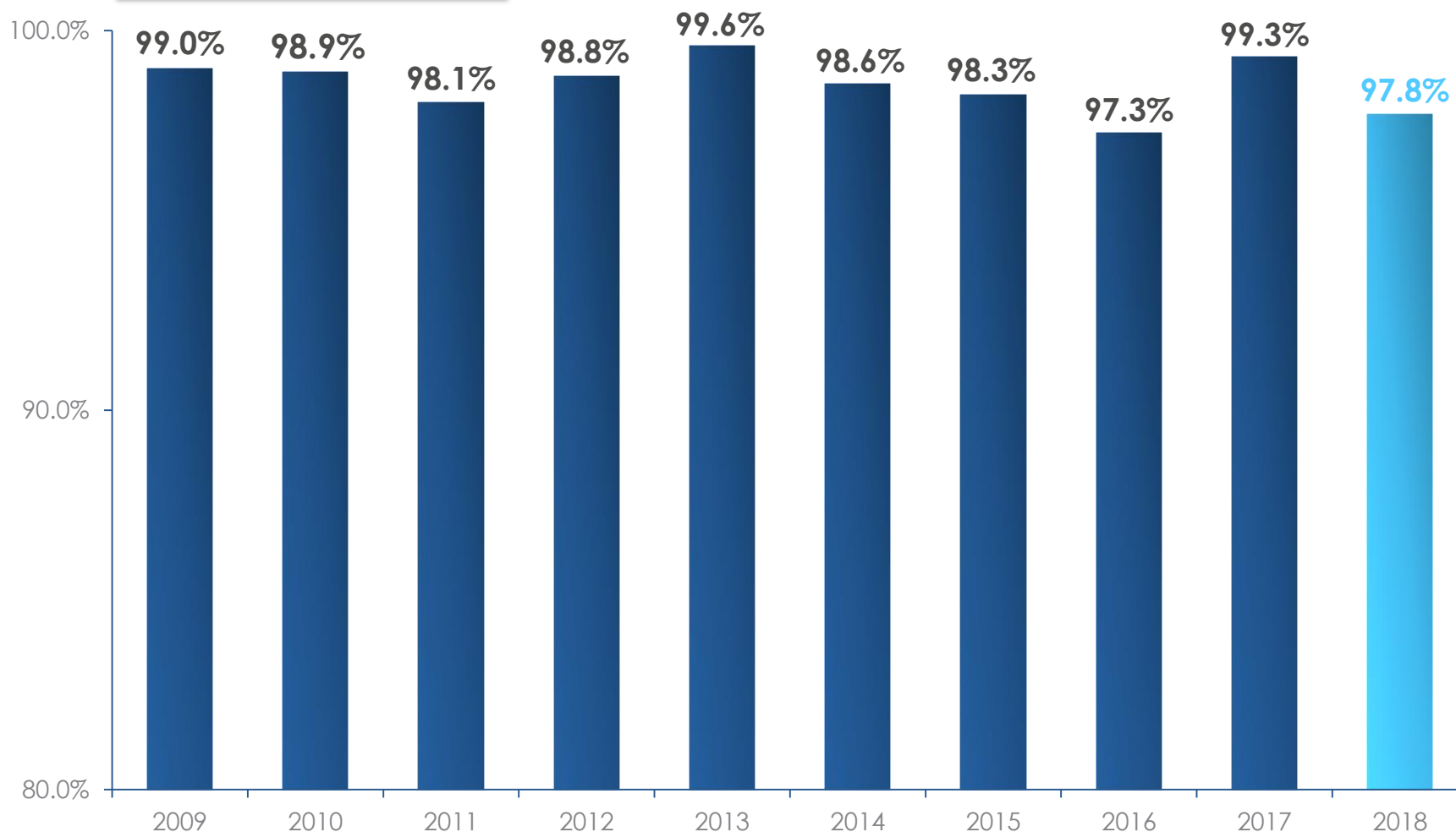


# STABLE OCCUPANCY<sup>(1)(2)</sup>



ONE  
LIBERTY  
PROPERTIES, INC.

At March 31, 2019:  
Occupancy – 96.5%



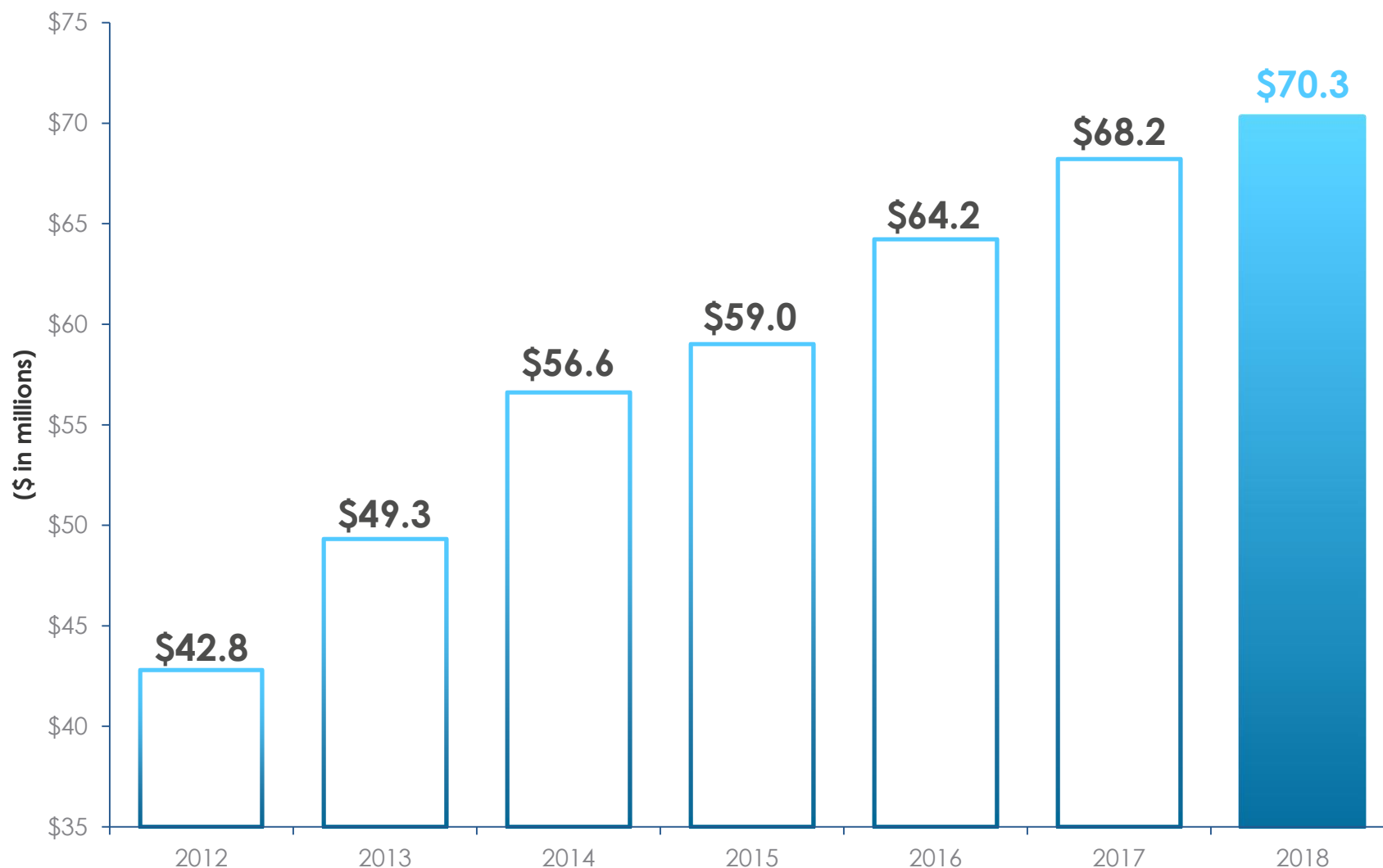
(1) As at December 31

(2) Based on square footage, including 100% our unconsolidated joint ventures

# STRONG RENTAL INCOME GROWTH<sup>(1)(2)</sup>



ONE  
LIBERTY  
PROPERTIES, INC.



(1) As at December 31

(2) Includes straight-line rent accruals and amortization of intangibles

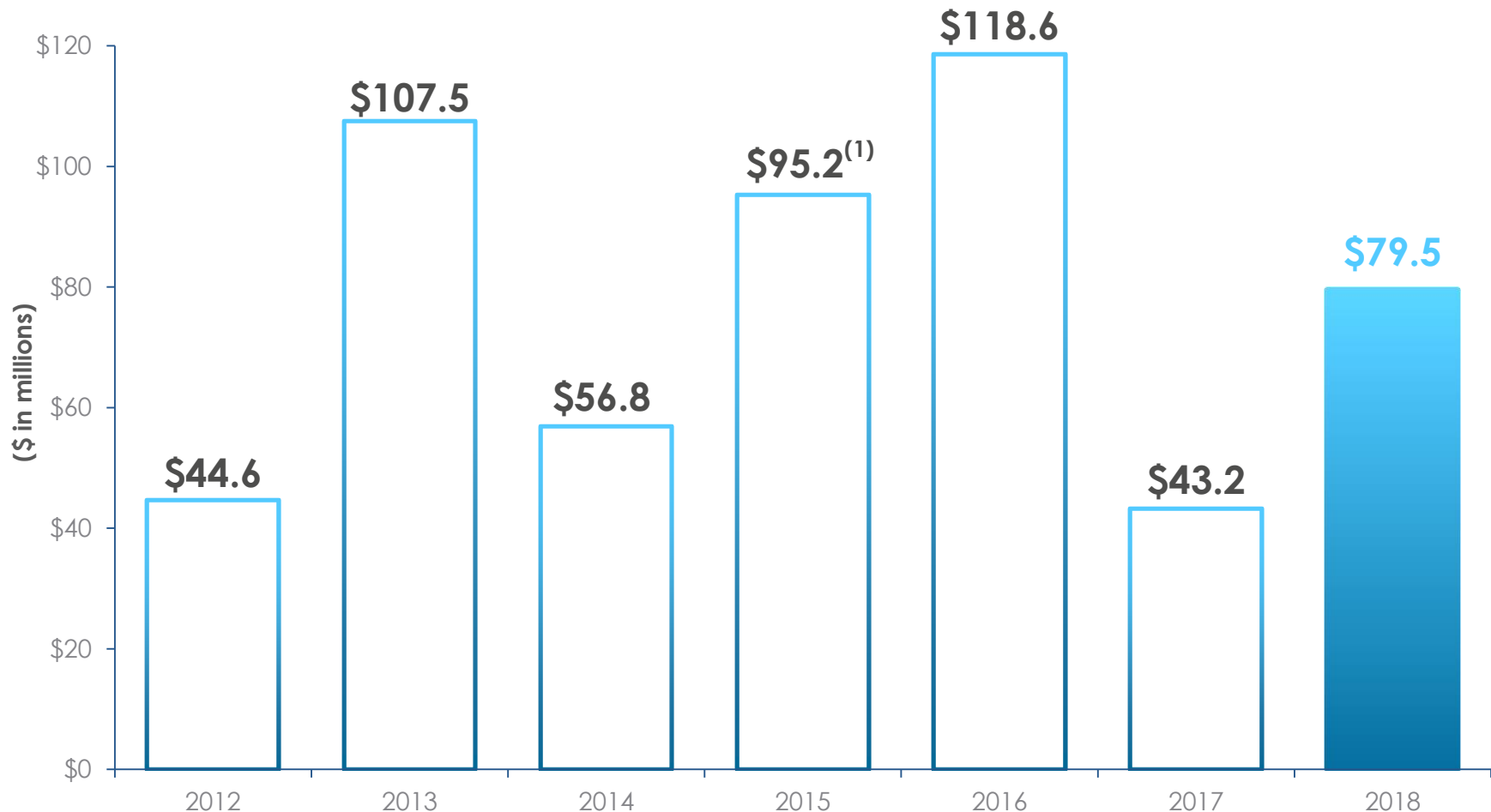
# ACQUISITION TRACK RECORD



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ Current pipeline of diverse opportunities in excess of **\$225.0 million**

## ACQUISITIONS PER YEAR



(1) Includes our 50% share of an unconsolidated joint venture property in Manahawkin, NJ

# RECENT ACQUISITIONS



ONE  
LIBERTY  
PROPERTIES, INC.

Date Acquired	Property Type	Tenant (or d/b/a)	MSA	State	Current Lease Expiration	Purchase Price (in '000s)	Yield <sup>(1)</sup>	Financing at purchase (in '000s)
12/21/18	Industrial	Transcendia, Inc	Greenville	SC	09/30/23	\$ 6,830	6.8%	All cash
12/11/18	Industrial	Dufresne Spencer Group Holdings	St. Louis	MO	12/31/23	\$10,000	7.2%	All cash
12/06/18	Industrial	Men's Wearhouse	Kern County	CA	02/29/24	\$10,850	8.1%	All cash
11/28/18	Industrial	21 <sup>st</sup> Century Cabinetry / Novacart	Moorestown	NJ	09/30/27- 11/30/23	\$13,498	8.5%	All cash
11/01/18	Industrial	Xerimis	Moorestown	NJ	02/29/28	\$ 7,350	8.0%	All cash
10/19/18	Industrial	Applied Control Equipment	Denver	CO	10/18/30	\$12,800	8.3%	All cash
06/07/18	Industrial	Plymouth Industries	Minneapolis	MN	06/30/33	\$ 5,500	8.5%	All cash
03/28/18	Industrial	Campania International / U.S. Tape	Philadelphia	PA	03/31/28	\$12,675	7.5%	All cash
10/10/17	Industrial	Dufresne Spencer Group Holdings	Memphis	TN	10/09/27	\$ 8,000	7.8%	All cash
06/20/17	Industrial	Power Distributors / Keystone Automotive	Des Moines	IA	10/31/23- 02/28/30	\$14,700	7.4%	All cash
06/09/17	Industrial	Saddle Creek Logistics	Scranton	PA	02/28/22	\$11,750	8.0%	All cash
05/25/17	Industrial	Forbo	Charlotte	NC	05/31/25	\$ 8,700	7.3%	\$5,190 mortgage

(1) Yield represents the annualized straight-line rent over the remaining term of the lease, divided by the purchase price

# RECENT DISPOSITIONS



ONE  
LIBERTY  
PROPERTIES, INC.

Date Sold	Date Acquired	Property Type	Tenant (or d/b/a)	MSA	State	Gross Sales Price (in '000s)	Net Gain (Loss) (in '000s)
12/13/18	03/31/15	Retail	Shopko	Lincoln	NE	\$10,000	(\$1,731)
09/14/18	03/24/15	Other	The Meadows Apartments	Lake County	IL	\$ 8,459	\$4,585
07/31/18	08/13/04	Industrial	Caterpillar Mining	Milwaukee	WI	\$13,275	\$3,973 <sup>(1)</sup>
04/05/18	09/27/06	Retail	K-Mart	Savannah	GA	\$ 2,800	\$ 141 <sup>(2)</sup>
01/30/18	11/13/12	Retail	Shopping Center	Houston	TX	\$ 9,200	\$2,408 <sup>(3)</sup>
11/14/17	09/12/13	Restaurant	Former Joe's Crab Shack	Ann Arbor	MI	\$ 2,300	\$ (153)
08/31/17	09/14/11	Retail	Former hhgregg, Inc.	Niles	IL	\$ 5,000	\$1,089
07/14/17	06/30/10	Retail	Kohls	Kansas City	MO	\$10,250	\$2,180
05/08/17	04/08/96	Retail	Former Sports Authority	Denver	CO	\$ 9,500	\$6,568

(1) Represents 100% of the gain on the sale of property held by an unconsolidated joint venture in which we have a 50% interest. Our share of the gain was \$2.0 million.

(2) Represents 100% of the gain on the sale of a building and a portion of land held by an unconsolidated joint venture in which we have a 50% interest. Our share of the gain was \$71,000.

(3) Represents 100% of the gain on the sale of a property owned by a consolidated joint venture in which we had an 85% interest. Our share of the gain was \$1.6 million.

# RECENT MORTGAGES



ONE  
LIBERTY  
PROPERTIES, INC.

Date Financed	Property Type	Tenant (or d/b/a)	MSA	State	Amount (in '000s)	Mortgage Maturity	Interest Rate
03/14/19	Industrial	Dufresne Spencer Group Holdings	St. Louis	MO	\$ 6,400	04/01/24	4.50%
03/06/19	Industrial	Applied Control Equipment	Denver	CO	\$ 8,320	04/01/31	4.90%
02/11/19	Industrial	21 <sup>st</sup> Century Cabinetry / Novacart	Moorestown	NJ	\$ 8,825	03/01/29	4.64%
11/20/18	Industrial	Xerimis	Moorestown	NJ	\$ 4,000	12/01/28	4.53%
10/31/18 <sup>(1)</sup>	Industrial	L3 Technologies	Hauppauge	NY	\$26,870	11/01/33	4.35%
09/07/18	Industrial	Plymouth Industries	Minneapolis	MN	\$ 3,325	10/01/33	4.46%
07/26/18	Industrial	Campania International / U.S. Tape	Philadelphia	PA	\$ 8,238	08/01/29	4.65%
07/26/18	Industrial	Cedar Graphics / Monarch Metals	Ronkonkoma	NY	\$ 5,750	08/01/28	4.55%
05/04/18 <sup>(1)</sup>	Retail	K-Mart	Winston-Salem	NC	\$ 2,085	05/08/23	4.81%
04/18/18	Industrial	Huttig Building Products	Portland	ME	\$ 5,650	08/01/31	4.55%
02/23/18 <sup>(1)</sup>	Retail	Petco	Selden	NY	\$ 2,700	03/05/28	4.38%
02/08/18	Industrial	Dufresne Spencer Group Holdings	Memphis	TN	\$ 5,200	03/01/28	4.35%

(1) These mortgages were refinanced or extended

# ACQUISITION CASE STUDY – INDUSTRIAL DUFRESNE SPENCER GROUP



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ In December 2018, acquired a single tenant industrial warehouse facility in **St. Louis, MO**.
- ◆ The **119,680 SF** property is net leased to Dufresne Spencer Group, the largest Ashley Furniture franchisee.
- ◆ The property is well located in Green Park, approximately 10 miles from downtown St. Louis, with excellent access to Interstate 55 and Interstate 270.
- ◆ The 38' clear tilt wall construction warehouse was built in 2008 and features modern industrial amenities .
- ◆ The tenant operates over 40 Ashley Furniture stores in 9 states. The subject facility services 6 stores located in St. Louis.
- ◆ The base rent increases by 10% in the option period which begins in 2023.

Purchase Price	\$10,000,000
Mortgage <sup>(1)</sup>	(6,400,000)
Net Equity Invested	\$ 3,600,000
Year 1 Base Rent	\$ 720,000
Interest Expense – 4.50% <sup>(1)</sup>	(285,100)
Net Cash to OLP	\$ 434,900
Return on Equity	12.08%



Dufresne Spencer Group – St. Louis, MO

(1) Mortgage with an interest rate of 4.50% closed in March 2019

# ACQUISITION CASE STUDY – INDUSTRIAL 21<sup>st</sup> CENTURY & NOVACART



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ In November 2018, acquired a two tenant industrial warehouse facility in **Moorestown, NJ**.
- ◆ The **219,881 SF** property is net leased to 21<sup>st</sup> Century Cabinetry (86.8%) and Novacart, Inc. (13.2%).
- ◆ The 24' clear warehouse was built in 1974 and underwent a \$1.25 million renovation in 2017.
- ◆ 21<sup>st</sup> Century Cabinetry is a kitchen cabinet distributor which recently expanded from 135,000 SF to 190,991 SF in the subject facility.
- ◆ Novacart is a manufacturer and designer of paper products for the baking industry.
- ◆ 21<sup>st</sup> Century's and Novacart's annual base rent increases by 2% and 2.5%, respectively.

Purchase Price	\$13,498,000
Mortgage <sup>(1)</sup>	(8,825,000)
Net Equity Invested	\$ 4,673,000
Year 1 Base Rent	\$ 1,012,800
Interest Expense – 4.64% <sup>(1)</sup>	(412,400)
Net Cash to OLP	\$ 600,400
<b>Return on Equity</b>	<b>12.85%</b>



21<sup>st</sup> Century / Novacart – Moorestown, NJ

(1) Mortgage with an interest rate of 4.64% closed in February 2019



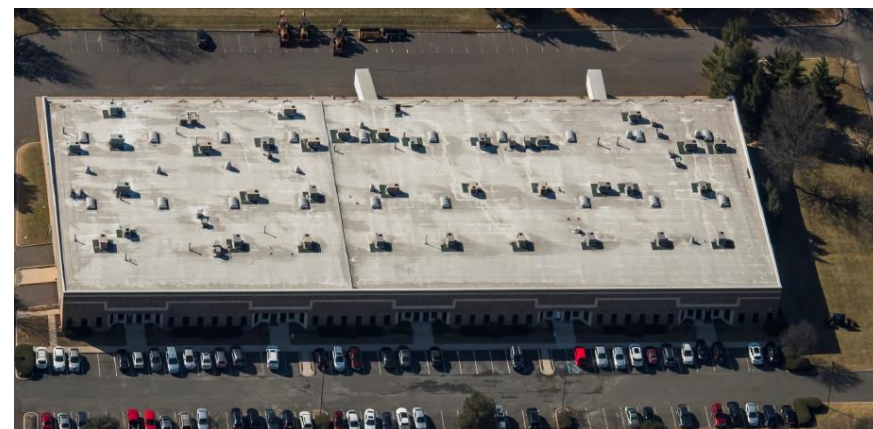
# ACQUISITION CASE STUDY – INDUSTRIAL XERIMIS



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ In October 2018, acquired a single tenant flex/warehouse facility in **Moorestown, NJ**.
- ◆ The **64,000 SF** property is NNN leased to Xerimis, Inc.
- ◆ Moorestown, NJ is well located within the Philadelphia MSA.
- ◆ The 21' clear fully-cooled warehouse was built in 1990 and has approximately 40% finished space (office/lab).
- ◆ The facility serves as Xerimis' headquarters and distribution facility. They have been at the location since 2000, expanding 6 times.
- ◆ The tenant is involved in clinical packaging and distribution of pharmaceuticals and biotechnology.
- ◆ The base rent increases by an average of 2.75% annually.

Purchase Price	\$7,350,000
Mortgage <sup>(1)</sup>	(4,000,000)
Net Equity Invested	\$3,350,000
Year 1 Base Rent	\$ 531,200
Interest Expense – 4.53% <sup>(1)</sup>	(179,400)
Net Cash to OLP	\$ 351,800
<b>Return on Equity</b>	<b>10.50%</b>



Xerimis – Moorestown, NJ

(1) Mortgage with an interest rate of 4.53% closed in November 2018

# DISPOSITION CASE STUDY – INDUSTRIAL



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ In August 2004, acquired a 50% interest in a net leased manufacturing campus in **South Milwaukee, WI** leased to Bucyrus International, Inc. for \$6.25 million.
  - » 10 miles south of downtown Milwaukee
  - » The **27.5 acre** campus features **750,000 SF** of warehouse, manufacturing and office space.
- ◆ Financed the property in January 2005 for \$8.1 million and refinanced the property in February 2015 pulling out \$1.2 million.
- ◆ In July 2011, Bucyrus International was purchased by Caterpillar Inc. for \$7.6 billion.
- ◆ From 2016-2018 the tenant phased out operations at the subject property. The tenant will vacate the property at lease expiration in January 2022.
- ◆ Property was **sold** in July 2018 for **\$12.8 million**, net of closing costs, resulting in a **gain** to OLP of **\$2.0 million**.

Purchase Price (50% interest)	\$ 6,250,000
Gross Sales Price (50% interest)	6,637,500
<b>Internal Rate of Return to OLP</b>	<b>13.83%</b>



Caterpillar Mining – South Milwaukee, WI

# BLEND & EXTEND CASE STUDY – L3 TECHNOLOGIES



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ In December 2000, acquired a **149,870 SF** flex warehouse located in **Hauppauge, NY** for \$13.65 million.
- ◆ The property has been continuously occupied by L3 Technologies, Inc. (NYSE: LLL), an investment grade, \$16.8 billion market company.
- ◆ In May 2008, sold 5 acres of excess land for \$3.2 million.
- ◆ In September 2018, completed a **51,744 SF expansion** of the building.
- ◆ Simultaneously with the expansion, the tenant extended the lease on the entire **201,614 SF** building for 15 years, adjusting the annual NNN rent to \$12.84/SF increasing annually by 2.5%
- ◆ The total expansion cost was \$7,760,00 and the return on cost of the expansion is ~10.50%.

## Loan Refinance Terms:

Mortgage Amount:	\$26,870,000
Interest Rate:	4.35%
Loan Term:	15 years
Amortization:	20 Years



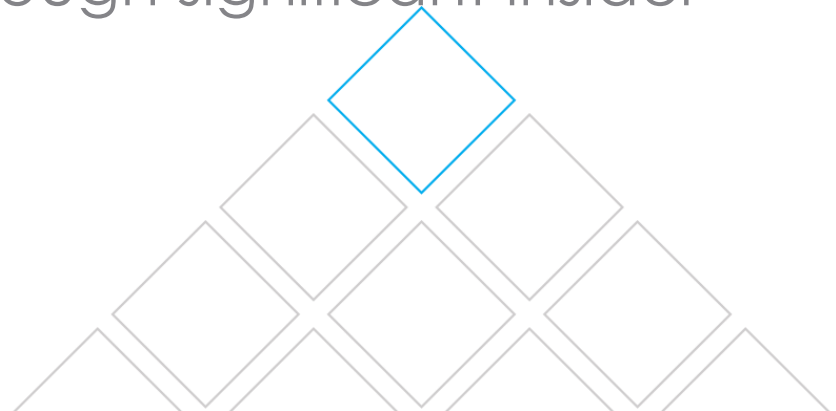
L3 Technologies, Inc. – Hauppauge, NY

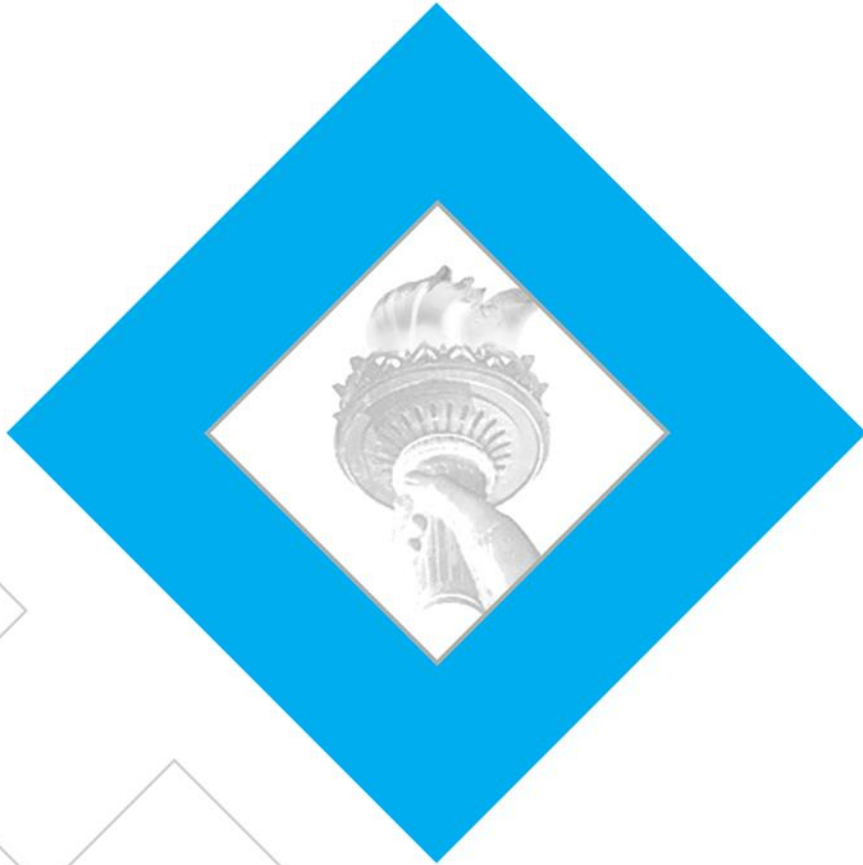
# SUMMARY - WHY OLP?



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ Fundamentals – focused real estate company
- ◆ Disciplined track record through various economic cycles
- ◆ Active net lease strategy with emphasis on industrial properties
- ◆ Experienced management team
- ◆ Alignment of interests through significant insider ownership

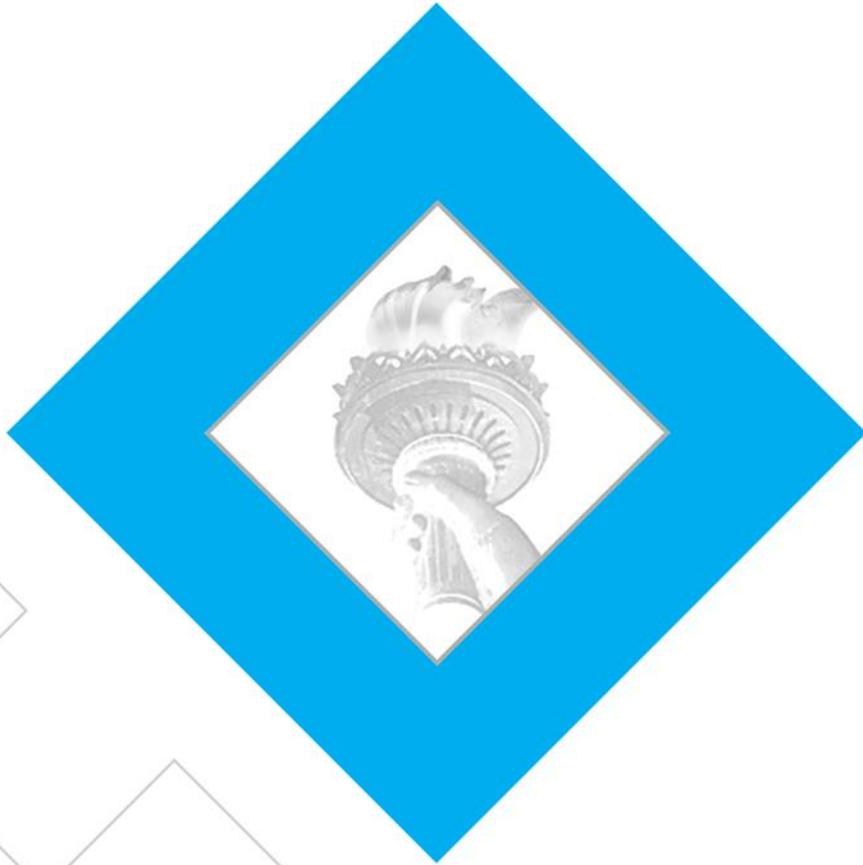




ONE  
LIBERTY  
PROPERTIES, INC.

## APPENDIX





ONE  
LIBERTY  
PROPERTIES, INC.

## TOP TENANTS' PROFILES

# HAVERTYS FURNITURE – TENANT PROFILE



ONE  
LIBERTY  
PROPERTIES, INC.

- ◆ Tenant: **Haverty Furniture Companies, Inc.** (NYSE: HVT) (Source: Tenant's website)
  - » Full service home furnishing retailer founded in 1885
  - » Public company since 1929
  - » 120 showrooms in 16 states in the Southern and Midwestern regions
  - » Weathered economic cycles, from recessions to depressions to boom times
  - » Total assets of \$440 million and stockholders' equity of \$275 million at 12/31/2018
- ◆ Represents **6.8%** of contractual rental income



Haverty – Cedar Park, TX (Austin MSA)

- ◆ **11 properties** aggregating **611,930 SF**

- Duluth (Atlanta), GA
  - Fayetteville (Atlanta), GA
  - Wichita, KS
  - Lexington, KY
  - Bluffton (Hilton Head), SC
  - Amarillo, TX
  - Cedar Park (Austin), TX
  - Tyler, TX
  - Richmond, VA
  - Newport News, VA
  - Virginia Beach, VA
- ◆ Properties subject to a unitary lease which expires August 14, **2022**
  - ◆ Rent per square foot on the portfolio is \$7.91

# LA FITNESS – TENANT PROFILE



ONE  
LIBERTY  
PROPERTIES, INC.

◆ Tenant: **LA Fitness International LLC** (Source: Tenant's website)

- » Currently operates over 700 clubs in 21 states
- » Founded in 1984 and is headquartered in Irvine, CA

◆ **3 properties** represents **4.3%** of contractual rental income and **141,663 SF**

**% of Contractual Rental Income**

- Secaucus, NJ: 1.9%
- Tucker, GA: 1.3%
- Hamilton, OH: 1.1%



LA Fitness – Secaucus, NJ

◆ Representative: **LA Fitness – Secaucus, NJ**

- » Location: 485 Harmon Meadow Blvd, **Secaucus, NJ**; 4 miles west of Manhattan
  - Features 2 million SF of office space, 7 hotels and over 1 million SF of retail space
- » Building: **44,863 SF** on **1.23 acres** of land
- » 3 Mile Demographics (Source: Applied Geographic Solutions 10/2018)
  - Population: 304,581
  - Daytime Population: 108,065 (within a 3 mile radius)
  - Average HH income: \$100,573
- » Lease expires February 28, **2025**





# NORTHERN TOOL & EQUIPMENT – TENANT PROFILE



ONE  
LIBERTY  
PROPERTIES, INC.

## ◆ Tenant: **Northern Tool & Equipment** (Source: Tenant's website)

- » Distributor and retailer of industrial grade and personal use power tools and equipment
- » Over 100 retail stores in the U.S.
- » Acquired The Sportsman's Guide and The Golf Warehouse to sell outdoor sports and leisure goods through their distribution chain
- » Class A, 30' clearance building is situated 18 miles south of downtown **Charlotte, NC** off Interstate-77

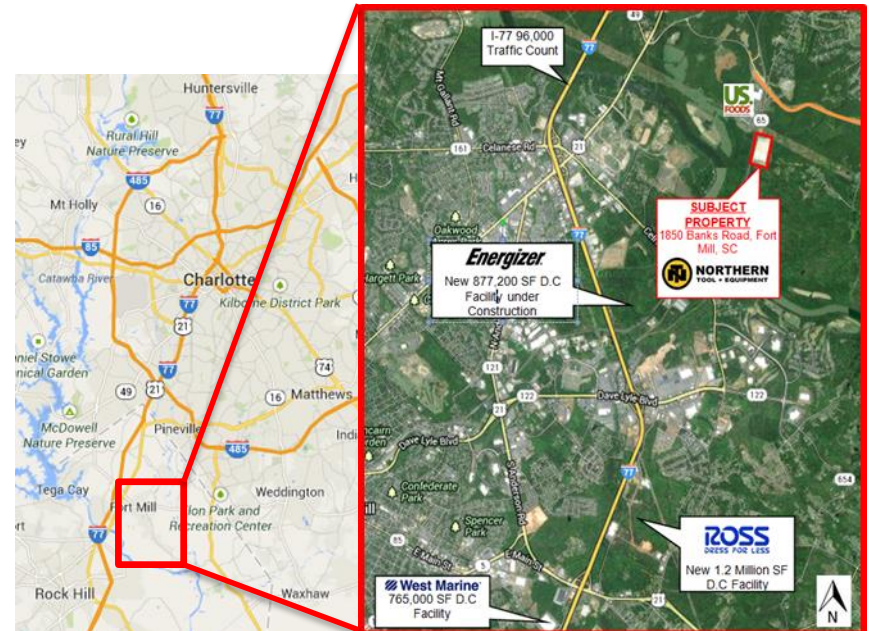
## ◆ Represents **4.0%** of contractual rental income



Northern Tool & Equipment – Fort Mill, SC

## ◆ Location: 1850 Banks Road, Fort Mill, SC

- » Building: **701,595 SF** on **40.0 acres** of land
- » 3 Mile Demographics (Source: Applied Geographic Solutions 10/2018)
  - Population: 27,216
  - Average HH income: \$74,570
- » Lease expires April 30, **2029**



# L3 TECHNOLOGIES – TENANT PROFILE



ONE  
LIBERTY  
PROPERTIES, INC.

## ◆ Tenant: **L3 Technologies, Inc.**

(Source: Tenant's website)

- » US based defense technology company
- » On October 15, 2018 announced a pending merger with Harris Corporation to form the 6<sup>th</sup> largest US defense company by revenues
  - The merger was approved by shareholders on April 4, 2019
  - The merged company will have a market cap of \$36 billion with \$16 billion in revenue and \$1.9 billion in free cash flow
- » Represents **3.7%** of contractual rental income



L3 Technologies, Inc. – Hauppauge, NY

## ◆ Location: 435 Moreland Road, Hauppauge, NY

- » Building: **201,614 SF** on **12.4 acres**
- » 3 Mile Demographics (Source: Applied Geographic Solutions 10/2018)
  - Population: 83,497
  - Average HH income: \$134,836
- » Lease expires September 30, **2033**







◆ Tenant: **Regal Entertainment Group** (Source: Tenant's website)

- » On February 27, 2018 Cineworld (LSE: CINE) acquired Regal Entertainment Group for \$3.6 billion, making it the second largest global cinema exhibitor behind AMC
- » 7,322 screens and 560 theaters in America
- » \$4.3 billion market cap (as of 4/25/2019)



Regal Cinemas (d/b/a United Artists) – Indianapolis, IN

- ◆ **3 locations** represents **3.4%** of contractual rental income and **150,520 SF**

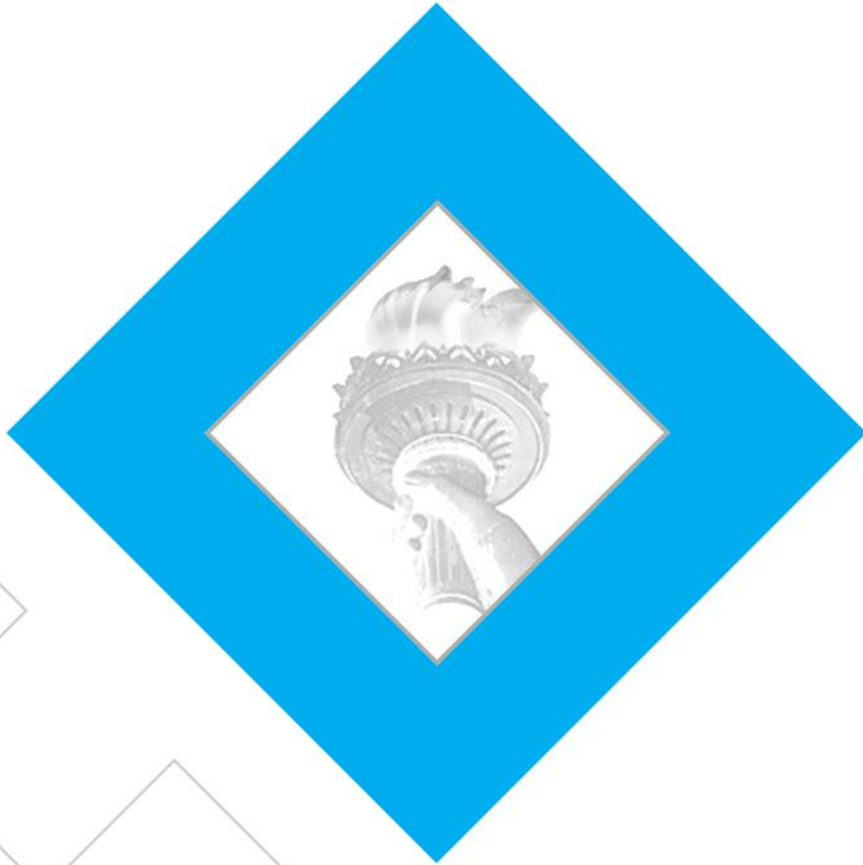
**% of Contractual Rental Income**

- Indianapolis, IN: 1.0%
- Manahawkin, NJ <sup>(1)</sup>: 0.3%
- Greensboro, NC: 2.1%



Sample Regal Luxury Seating Conversion

(1) Represents one tenant at a multi-tenant shopping center



ONE  
LIBERTY  
PROPERTIES, INC.

# GAAP RECONCILIATION

# GAAP RECONCILIATION



ONE  
LIBERTY  
PROPERTIES, INC.

The following table provides a reconciliation of net income per share of common stock (on a diluted basis) in accordance with **GAAP to FFO and AFFO**

	Quarter Ended March 31,	Years Ended December 31,			
	2019	2018	2017	2016	2015
<b>GAAP net income attributable to One Liberty Properties, Inc.</b>	<b>\$0.19</b>	<b>\$ 1.05</b>	<b>\$ 1.28</b>	<b>\$ 1.39</b>	<b>\$ 1.22</b>
Add: depreciation & amortization of properties	0.27	1.24	1.12	1.02	0.98
Add: our share of depreciation & amortization of unconsolidated JVs	0.01	0.04	0.05	0.05	0.04
Add: impairment loss	-	-	0.01	-	-
Add: amortization of deferred leasing costs	0.01	0.02	0.02	0.02	0.02
Add: Federal excise tax relating to gain on sale	-	-	-	-	0.01
Deduct: gain on sale of real estate	-	(0.27)	(0.53)	(0.57)	(0.32)
Deduct: equity in earnings from sale of unconsolidated JV properties	-	(0.10)	-	-	-
Deduct: purchase price fair value adjustment	-	-	-	-	(0.06)
Adjustments for non-controlling interests	-	0.04	(0.01)	(0.01)	0.08
<b>NAREIT funds from operations per share of common stock</b>	<b>\$0.48</b>	<b>\$ 2.02</b>	<b>\$ 1.94</b>	<b>\$ 1.90</b>	<b>\$ 1.97</b>
Deduct: straight-line rent accruals & amortization of lease intangibles	(0.03)	(0.07)	(0.07)	(0.16)	(0.10)
Deduct: our share of straight-line rent accruals & amortization of lease intangibles of unconsolidated JVs	-	(0.03)	-	-	-
Deduct: lease termination fee income	-	(0.02)	-	-	(0.17)
Add: amortization of restricted stock compensation	0.05	0.18	0.17	0.17	0.14
Add: prepayment costs on debt	-	-	-	0.03	0.03
Add: amortization & write-off of deferred financing costs	0.01	0.05	0.05	0.05	0.06
Adjustments for non-controlling interests	-	-	-	-	(0.01)
<b>Adjusted funds from operations per share of common stock</b>	<b>\$ 0.51</b>	<b>\$ 2.13</b>	<b>\$ 2.09</b>	<b>\$ 1.99</b>	<b>\$ 1.92</b>

# NON-GAAP FINANCIAL MEASURES



ONE  
LIBERTY  
PROPERTIES, INC.

One Liberty computes FFO in accordance with the "White Paper on Funds from Operations" issued by the National Association of Real Estate Investment Trusts ("NAREIT") and NAREIT's related guidance. FFO is defined in the White Paper as net income (computed in accordance with generally accepted accounting principles), excluding gains (or losses) from sales of property, plus real estate depreciation and amortization (including amortization of deferred leasing costs), plus impairment write-downs of depreciable real estate and after adjustments for unconsolidated partnerships and joint ventures. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect funds from operations on the same basis. One Liberty computes AFFO by adjusting from FFO for straight-line rent accruals and amortization of lease intangibles, deducting lease termination fees and gain on extinguishment of debt and adding back amortization of restricted stock compensation, amortization of costs in connection with its financing activities (including its share of its unconsolidated joint ventures) and debt prepayment costs. Since the NAREIT White Paper does not provide guidelines for computing AFFO, the computation of AFFO may vary from one REIT to another.

One Liberty believes that FFO and AFFO are useful and standard supplemental measures of the operating performance for equity REITs and are used frequently by securities analysts, investors and other interested parties in evaluating equity REITs, many of which present FFO and AFFO when reporting their operating results. FFO and AFFO are intended to exclude GAAP historical cost depreciation and amortization of real estate assets, which assumes that the value of real estate assets diminish predictability over time. In fact, real estate values have historically risen and fallen with market conditions. As a result, management believes that FFO and AFFO provide a performance measure that when compared year over year, should reflect the impact to operations from trends in occupancy rates, rental rates, operating costs, interest costs and other matters without the inclusion of depreciation and amortization, providing a perspective that may not be necessarily apparent from net income. Management also considers FFO and AFFO to be useful in evaluating potential property acquisitions.

FFO and AFFO do not represent net income or cash flows from operating, investing or financing activities as defined by GAAP. FFO and AFFO should not be an alternative to net income as a reliable measure of our operating performance nor as an alternative to cash flows as measures of liquidity. FFO and AFFO do not measure whether cash flow is sufficient to fund all of the Company's cash needs.