February 3, 2021

Zacks Small-Cap Research

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Presidio Property Trust (SQFT-NASDAQ)

SQFT: Steady Results In Pandemic, Transitioning To Higher-Growth Assets

Presidio Property Trust is a REIT that holds properties primarily in markets characterized by strong growth. The company's portfolio consists of diversified commercial properties and model homes, with minimal exposure to the retail real estate market. SQFT believes that the diversified nature of its portfolio has been a competitive advantage during the economic downturn associated with the pandemic.

Current Price (02/01/21)	$3.69
Valuation	**$6.25**

OUTLOOK

SQFT's focus is on $10 million to $30 million property transactions that larger REITs generally do not pursue, which also means that its portfolio is heavily weighted towards properties that are located in smaller markets. Management believes these areas have been less impacted by depressed demand for office space than REITS in larger markets have experienced since the pandemic began. The company continues to transition its property portfolio out of retail and into industrial and commercial properties and model homes in attractive smaller markets.

SUMMARY DATA

52-Week High	**$5.56**
52-Week Low	**$2.72**
One-Year Return (%)	**N/A**
Beta	**N/A**
Average Daily Volume (sh)	**801,769**
Shares Outstanding (mil)	**10**
Market Capitalization ($mil)	**$39**
Short Interest Ratio (days)	**N/A**
Institutional Ownership (%)	**0**
Insider Ownership (%)	**5**
Annual Cash Dividend	**$0.40**
Dividend Yield (%)	**9.96**
5-Yr. Historical Growth Rates	
Sales (%)	**N/A**
Earnings Per Share (%)	**N/A**
Dividend (%)	**N/A**
P/E using TTM EPS	**N/A**
P/E using 2021 Estimate	**N/A**
P/E using 2022 Estimate	**N/A**
Zacks Rank	**N/A**

Risk Level	**N/A,**
Type of Stock	**Small-Value**
Industry	**Real Estate**
Zacks Rank in Industry	**N/A**

ZACKS ESTIMATES

Revenue
(in millions of $)

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	7 A	7 A	7 A	7 A	29 A
2020	7 A	6 A	6 A	6 E	25 E
2021	6 E	6 E	6 E	6 E	23 E
2022					24 E

Per Share Earnings / Loss

	Q1 (Mar)	Q2 (Jun)	Q3 (Sep)	Q4 (Dec)	Year (Dec)
2019	-$0.10 A	-$0.14 A	$0.27 A	-$0.10 A	-$0.07 A
2020	-$0.12 A	-$0.22 A	-$0.20 A	-$0.17 E	-$0.71 E
2021	-$0.16 E	-$0.15 E	-$0.14 E	-$0.13 E	-$0.58 E
2022					-$0.38 E

Quarters might not sum due to rounding & (PF) share counts

Disclosures on page 15

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KEY POINTS

- Presidio Property Trust is a REIT that has a diversified portfolio of commercial and industrial properties and model homes, with minimal exposure to the retail real estate market and a focus on $10 million to $30 million property transactions generally located in smaller markets. Management believes these markets have been less impacted by depressed demand during the economic downturn.

- Industry data shows that smaller markets, which are less dependent on public transportation, have been more stable during the COVID-19 pandemic than larger metropolitan markets where workers rely on public transportation to commute to work.

- The company's target markets are characterized by growth, significantly lower reliance on mass transit, higher than national average employment rates and lower cost of living and where demand for housing, industrial and office space is growing. This is an important factor behind the company's high occupancy rates, which have remained above 83%, throughout the pandemic.

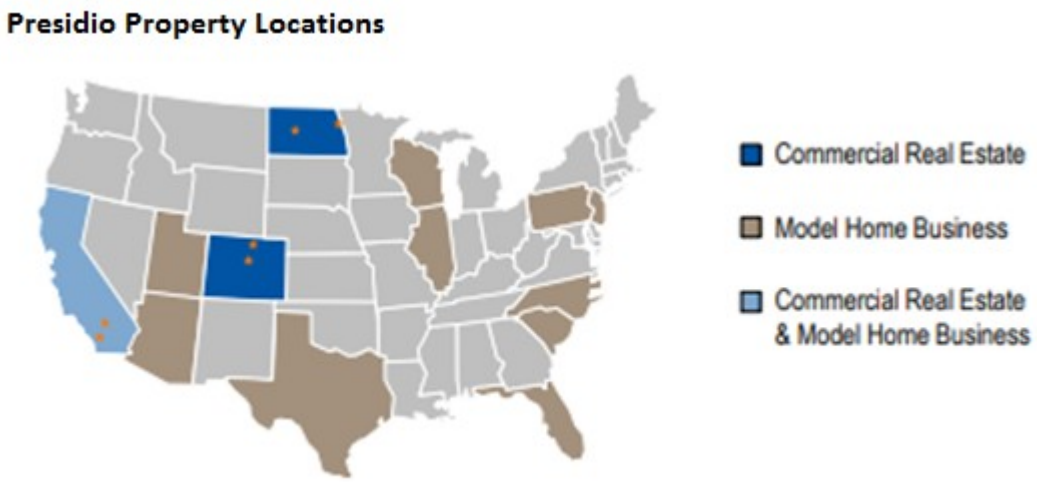
- SQFT is optimistic about the model home business and has increased its model home portfolio significantly since 2018, particularly in markets such Texas and Florida, which are among the states with the highest inflow of residents relocating from other states. The sales-leaseback business model minimizes the company's risk exposure. From 2012 to 2019, SQFT achieved a 21.1% CAGR on the equity invested in the model home business.

- The company is transitioning its property portfolio out of retail assets and into industrial and commercial properties and model homes, which are property classes that management believes hold greater growth prospects than retail. Management has also earmarked expected gains from asset divestitures to reinvest in the portfolio and also to advance deleveraging initiatives.

COMPANY OVERVIEW

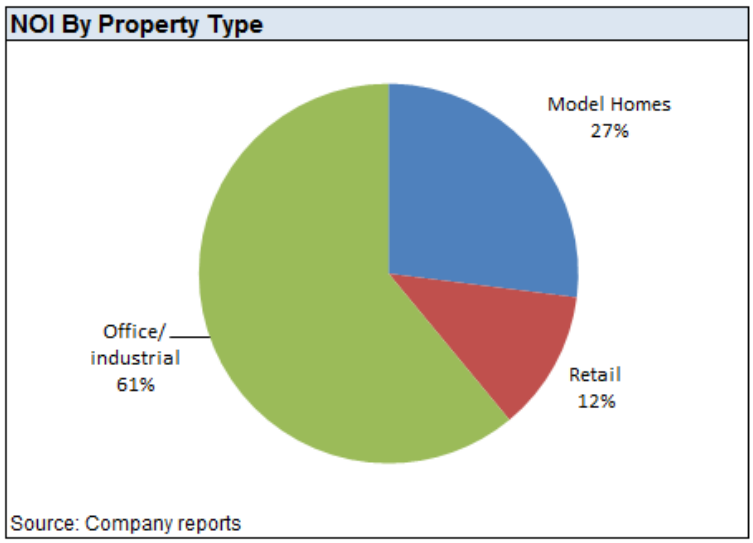
Founded in 1999, San Diego, California-based Presidio Property Trust (NASDAQ: SQFT) is a REIT that holds properties primarily in markets characterized by strong growth. The company's portfolio consists of diversified commercial and industrial properties and model homes. SQFT has minimal exposure to the retail real estate market and, in fact, began transitioning out of retail properties in 2017.

Since then, the company has focused primarily on office and industrial properties and model homes, and has increased its model home portfolio (see below) significantly. The company's commercial properties are located primarily in smaller cities within Southern California, Colorado and North Dakota. The company owns 14 commercial properties, two of which are partially owned through holdings in various affiliates. Outside of Colorado, where its employees provide property management services for its properties, Presidio subcontracts with external property management companies that provide on-site management services of its commercial properties. The company's model home business is concentrated in growing markets in Texas and Florida, among others.



The company believes that the diversified nature of its portfolio has been a competitive advantage during the economic downturn associated with the COVID-19 pandemic. In part reflecting the above-noted shift away from retail assets launched in 2017, SQFT has only two retail centers in its portfolio and retail accounted for only about 5% of total net operating income (NOI) in the first three quarters of 2020. With SQFT's recent sale of the Waterman Plaza retail center, the NOI contribution from retail properties is expected to decrease.

Moreover, as a smaller REIT, SQFT's focus is on $10 million to $30 million property transactions that larger REITs generally do not pursue, which also means that its portfolio is heavily weighted towards properties that are located in smaller markets. Management believes these areas have been less impacted by depressed demand for office space than REITS in larger markets have experienced in 2020.



Internally Managed

Presidio is an internally-managed REIT, meaning that operations are managed by company employees. REITs can be structured as either externally or internally-managed, with the latter considered a more shareholder-friendly structure, as there are generally fewer potential conflicts of interest between the manager and shareholders.

Specifically, external managers generally are paid a flat fee based on the value of total assets under management (AUM) and an incentive fee based on portfolio returns. This compensation structure often incentivizes external managers to prioritize asset acquisitions to grow the portfolio over managing to maximize shareholder value. Thus, externally-managed REIT fee structures sometimes create conflicts of interest between the external manager and shareholders. By comparison, with internally managed REITs, the interests of asset managers generally are more aligned with those of public and insider shareholders.

Moreover, internal managers are responsible for only the company portfolio. By comparison, an external manager often manages multiple REITs and therefore can be less focused on any one particular portfolio of properties.

Diversification Strategy / Shift From Retail Properties

The company invests in a diverse multi-tenant portfolio of real estate assets. Presidio's commercial property tenant base is also highly diversified and as of Q3 2020 consisted of just over 200 individual commercial tenants with an average remaining lease term of roughly 2.7 years. The company's commercial property tenant base has limited exposure to any single industry.

SQFT Assets

Property Type	Size	Holdings
Model Homes	128 units	Six affiliated limited partnerships and one wholly-owned corporation
Office buildings/ industrial	10 office buildings & one industrial property - approximately 998k rentable square feet	
Two retail shopping centers	Approximately 111k rentable square feet.	

Source: Company reports

COMPANY MARKETS MORE STABLE DURING PANDEMIC

In terms of its exposure to office real estate, the company believes that the stay-at-home orders associated with the COVID-19 pandemic have impacted markets in larger metropolitan cities such as New York and Los Angeles more than in the smaller markets where the company's properties are located. SQFT's office buildings are often located in suburban areas that generally have recorded lower vacancy rates than larger cities have recorded. ***In fact, through the first nine months of 2020, the average occupancy rate in company's office building portfolio was approximately 82%.***

Less Impacted By COVID-19 Than Many Other REITS

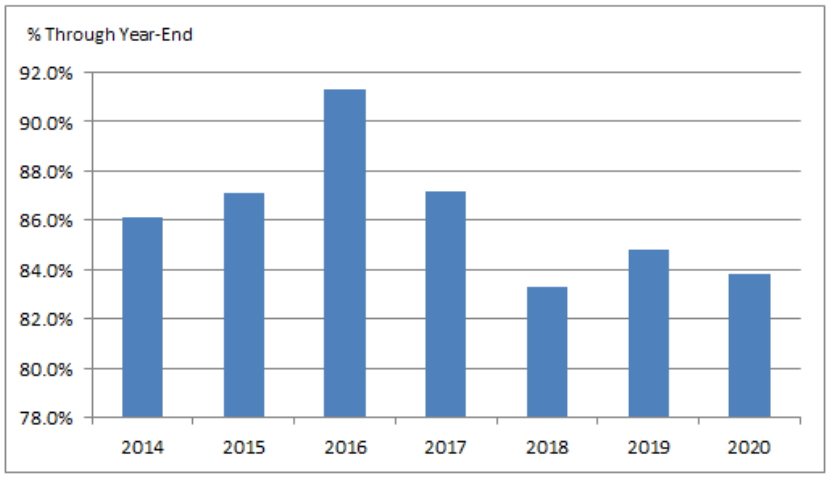
The company believes that smaller markets that are less dependent on public transportation have been more stable during the COVID-19 pandemic than larger metropolitan markets where workers' reliance on public transportation to commute to work is greater than in smaller cities. This is supported by data from other sources.

For example, a study conducted by Newmark Research found that public transportation will be a likely component to how rapidly a real estate market recovers. Specifically, property managers in submarkets where people are dependent on their automobiles in order to commute to work expect faster recovery to pre-COVID occupancy rates than property managers in markets that rely more heavily on mass transit where commuters are concerned about virus transmission on public mass transit. A takeaway is that

mass transportation has also had an impact on occupancy rates during the pandemic, although data is still not widely available. This is further supported by reports from the WSJ that the percentage of employees returning to offices in New York City where people rely on mass transit, 10% as of September 18[i], 2020, trails the national average of roughly 25%.

SQFT's focus is on ***regional*** markets characterized by significantly lower reliance on mass transit, higher-than-national average employment rate and growth, and lower cost of living and where demand for housing, industrial and office space is rising. This is an important reason behind the company's stable consolidated occupancy rates, which remained above 83%, throughout the pandemic.

Occupancy Trends, 2014-2020



Source: Company reports

Since 2018 through 2021, SQFT sold several assets per its strategy to shift towards industrial, model home and office properties and away from retail real estate, as well as to benefit from opportunities to realize gains in order to reinvest in its portfolio. We highlight some of these asset dispositions below. In 2018 through 2021, for example, this strategy included the sale of the Yucca Valley and Waterman Plaza retail centers, which reduced the number of retail properties in the portfolio to two. SQFT realized a gain of $1.4 million on the Yucca Valley sale.

The shift away from retail proved to be a positive in 2020 when the economic slowdown and stay-at-home orders associated with the pandemic led to significantly reduced foot traffic at many retail centers. The company has several non-retail properties in its pipeline that it is evaluating for possible acquisition.

Sale - Industrial, Retail or Commercial Property	Date	Sale Price ($M)	Gain / Loss ($M)
Yucca Valley Retail Center	Dec-18	$7.8	$1.4
Port of San Diego Complex	Dec-18	$24.8	$10.0
Pacific Oaks Plaza	2018	$3.9	($0.2)
Morena Office Center	2019	$5.6	$0.7
Presidio office building	Jul-19	$12.3	$4.5
Union Terrace	2020	$11.3	$0.7
Centennial Tech Center	2020	$15.0	($0.9)
Executive Office Park	2020	$2.3	N/A
Waterman Plaza	2021	N/A*	N/A*
Cumulative sales gain / loss			$16.2

*Details expected in upcoming financial filing

Source: Company reports

MODEL HOME BUSINESS: GROWTH PROSPECTS

SQFT Optimistic About Model Home Business

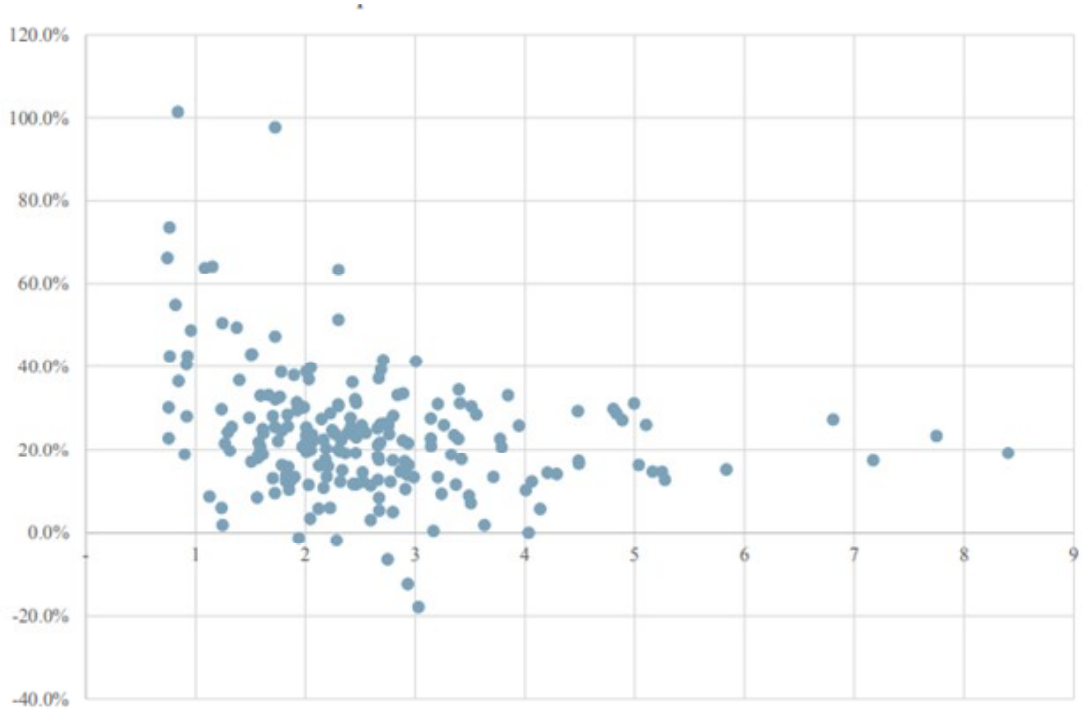
SQFT began transitioning out of retail properties in 2017 as noted, instead focusing primarily on office and industrial properties and model homes. SQFT is a limited partner in six model home partnerships and sole shareholder in one corporation. The company purchases new single-family model homes, seeks homebuilders that assume the cost of development and then implements a sales-leaseback transaction whereby the homebuilder sells the model home to Presidio and leases it back under a triple net (NNN) lease. Under a NNN lease, the tenant incurs all real estate taxes, building insurance and maintenance costs in addition to fees such as rent and utilities, among other charges.

SQFT has increased its model home portfolio significantly since 2018. In 2018, SQFT purchased 45 model home properties for $17.3 million ($5.2 million in cash and $12.1 million in mortgage notes) and leased them back to the homebuilders under NNN leases. In 2019, SQFT acquired 33 model home properties for $13.0 million ($3.9 million in cash and $9.1 million in mortgage notes) and leased them back to the homebuilders under NNN leases. Once the subdivision is sold-out, the model homes are then sold to homebuyers.

SQFT sold 46 model homes in 2020, with eight homes for sale in escrow at the end of 2020. The average sales price and holding period was about $400,000 and three years, respectively, and all sales resulted in a profit. The company collected all of the lease payments that were billed to its homebuilder tenants during the year. The company generated an aggregate net sales gain of $18.1 million in 2018-19, and reinvested a majority of the gains back into its model home portfolio. The sales also advanced the company's strategy to shift its portfolio away from retail properties towards commercial and office center and model homes.

The company's strategy with its model home business is to find properties that it can buy at a 5%-10% discount from the appraisal, and have the builder cover all operating expenses. The company targets an unlevered pro forma IRR in excess of 8% in the model home business. In all, from 2012 to 2019 SQFT bought and sold a cumulative 202 model homes, achieving an average compound annual growth on invested equity of 21.1%. In 2020, the company respectively bought and sold 25 (through September) and 46 units.

Average Annualized Returns on SQFT's Model Homes Purchased / Sold, 2012-19



Years held (weighted average of 2.7)
Source: Company reports

Key Markets: Texas & Florida

SQFT's model home portfolio holds properties in seven states and sold model homes in Texas, Florida, Arizona, California, Wisconsin, and Pennsylvania in 2020. The company's focus is on markets characterized by population growth, as noted, including residents relocating from other states. The model home portfolio is concentrated in two states, with about 78% of model homes situated in Texas and another roughly 14% in Florida.

According to U.S. Census Bureau data, most people who moved to Florida in 2019 relocated from New York state and Georgia. This reflects an ongoing trend of residents from high-tax states relocating to lower tax states. Interstate migration of high□earning households is correlated with tax levels, according to public policy research firm the Cato Institute, which notes that almost all of the states with high net in□ migration have relatively low taxes. For example, IRS data indicates that Florida has 1.23 households arriving for each one leaving and, among high□earning households, 2.36 arrive for each one that leaves.

According to a 3Q20 Douglas Elliman report, the U.S. is also "experiencing a domestic trend toward and population shift from states in the Northeast and Midwest to states in the South like Florida and Texas." From 2017-2018, Florida, where residents pay no state income or estate tax, had the highest level of net domestic migration, according to U.S. Census data, The U.S. Census Bureau estimates that Texas, which also has no personal or corporate income tax, had the highest population growth in 2020, in part reflecting domestic migration.

Corporations are also relocating to low-tax states such as Florida or Texas, among others. For example, Hewlett Packard Enterprises recently announced the relocation of its global headquarters from California to Texas and consolidate operations within the state at a new corporate headquarters slated to open in Spring, Texas in 2022.

Texas is the second most populous state and also ranks among the top ten by population growth, according to the U.S. Census. Texas has the second largest state economy in the country, according to Forbes, with more than 100 of the 1,000 largest public and private U.S. corporations headquartered in

the state, including AT&T, ExxonMobil and Dell, among others. Similar to the Florida housing market, home prices and rents have been strong, as Texas housing inventory is low, according to the Texas Real Estate Center.

Florida is the third largest state ranked by population and among the top ten ranked by population growth, according to the U.S. Census, with the fourth largest economy. Home prices and rents have been strong during the pandemic, as people continue to relocate. The low interest rate environment is another contributing factor, while the low level of housing inventory also boosts housing prices. For instance, according to the Sun Sentinel, Broward County single-family home sales in September of 2020 were up 24.9% compared to September 2019, with the median sale price up 15.6%. Importantly, even during the economic downturn fueled by the COVID-19 pandemic, rent collections remained at around the 90% level, according to trade publications. SQFT's rent collection rate was even higher, at roughly 96% in 3Q20.

Model Homes Portfolio

The company's launched its *Model Home* business in March 2010 when it purchased assets from another REIT operator, Dubose Model Homes USA. In connection with this transaction, SQFT formed NetREIT Dubose Model Home REIT, which is managed by the founder of Dubose Model Homes USA, Larry Dubose. He joined SQFT's executive team and is an industry veteran with more than 30 years of experience buying, financing, managing, and operating model home sale-leaseback transactions nationwide. The company currently has 128 model homes located in seven states in its model home portfolio with an aggregate net book value of approximately $45.9 million.

In general, when evaluating properties to acquire, the company targets markets with the following characteristics:

- Strong employment growth
- Net in-migration of a highly educated workforce
- Proximity to universities
- Presence of sizable institutional employers
- Low unemployment
- Lower cost of living versus major metropolitan markets

MANAGEMENT

CEO

Jack Heilbron is chairman of the company's board and CEO and president, as well as president and a director of NetREIT Dubose and president of NetREIT Advisors, two affiliated entities. As a founder of SQFT, he has been a director and officer of SQFT since its inception. He has more than 40 years of experience in the real estate industry and also currently serves as CEO and chairman of Centurion Counsel, Inc., a licensed investment advisor.

CFO

Adam Sragovicz has been SQFT's CFO since 2018. Prior to joining Presidio in 2017, he served as Treasurer of Encore Capital Group and previously held executive capital markets, finance, and treasury management positions with KPMG, Union Bank of California / MUFG, and Bank of America Merrill Lynch. He is also CFO of the company's affiliate, Dubose Advisors.

Director, NetREIT Dubose CFO, Dubose CEO

Larry Dubose has served as a Presidio director since June 2005 and joined the company in connection with its transaction with Dubose Model Homes, USA, which he founded in 1985, in 2010 and served as

CFO, Treasurer, and a director of NetREIT Dubose Model Home REIT, Inc. since its inception. From June 1973 to February 1976, he was a staff accountant with PricewaterhouseCoopers.

SVP

Gary Katz is an SVP of SQFT, having joined the company in 2010. He supervises Presidio's investment and asset management areas, including acquisitions, leasing and portfolio management. He has more than 30 years of industry experience, with prior experience that includes senior roles in acquisition, leasing, and development for Westcore Properties, Legacy Partners, Lincoln Property Company, Kemper Real Estate Management Company, Bedford Properties and Meyer Investment Properties.

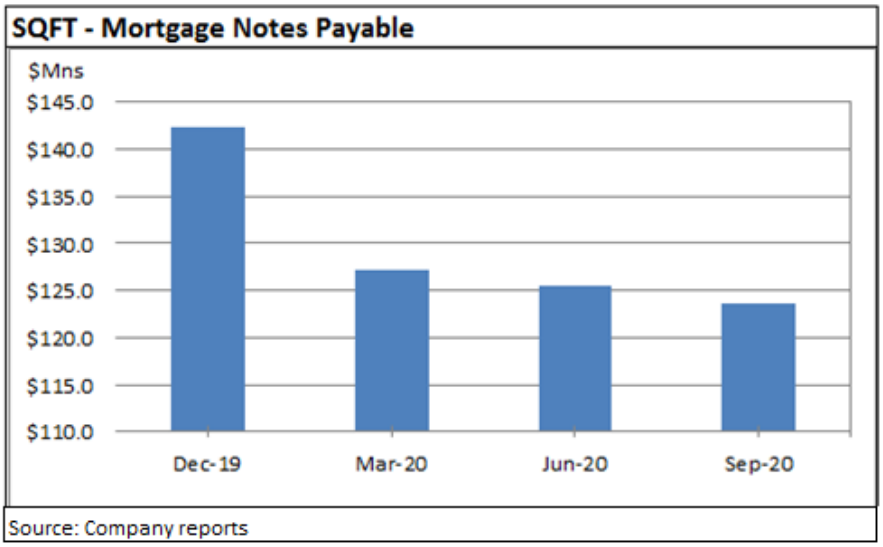
Insiders own just under 5% of SQFT shares, including CEO Jack Heilbron's roughly 1.6%.

CAPITALIZATION

SQFT completed its IPO in 4Q20, raising $2.5 million in gross proceeds through the sale of 500,000 shares at $5.00 per share. In advance of the IPO, SQFT implemented a 1:2 reverse stock split and streamlined its balance sheet, including redeeming all outstanding preferred shares. The company has earmarked the funds raised in the IPO for property acquisitions and debt reductions, among other corporate uses.

Deleveraging Initiatives

In fact, debt reduction is a key target for SQFT. The company generally finances its investment in its property portfolio through secured asset-backed mortgage loans. The company's debt fluctuates based on the financed assets in its portfolio. However, the company has initiated deleveraging measures regarding corporate debt. At the end of 3Q20, SQFT had total debt, including mortgage notes payable, of $132.0 million, down from $154.6 million at year-end 2019. Most of SQFT's debt (about 96%) is fixed rate, with a weighted average interest rate on its commercial debt of 4.4% and weighted average maturity of about 4.6 years. The majority of mortgage loans are non-recourse.



RECENT RESULTS

In the first nine months of 2020, SQFT recorded revenue of $18.1 million, down 13% from $20.4 million recorded in the same period of 2019. The decline in revenues primarily reflected the sale of three properties. Thus, the asset base was not apples-to-apples in 2020 compared to 2019. SQFT collected 96% of the contractual base rent from its asset base and attained an occupancy level of 83.8%, at the end of 3Q20, which represents a 1.5% increase compared to the end of 3Q19. In response to requests for fee relief as a result of the COVID-19 economic downturn, SQFT provided delays or abatements to some 11 tenants.

SQFT registered a net loss attributable to stockholders of $4.8 million, or ($0.54) per share compared to $0.5 million or ($0.05) in the comparable period of 2019. Many REITs show a GAAP loss reflecting non-cash depreciation, but still generate cash from operations and funds from operations (FFO), which is a key metric used by the REIT sector.

FFO

FFO, which adds back the non-cash expense of depreciation, advanced about 40% year-over-year to $1.5 million, up from about $1.1 million recorded in the nine month period of 2019.

During the period, SQFT executed new and renewal leases of about 111,000 square feet. Presidio bought 25 model homes for approximately $9.0 million and sold 33 model homes and two other properties, recognizing an aggregate net gain of about $669,000 through September 2020. Subsequent to 3Q20, Presidio sold a building at Executive Office Park and the Waterman Plaza retail center.

2020-2021 Asset Transaction Highlights

Dispositions

- Union Terrace for approximately $11.3 million - gain of approximately $688,000
- 33 model homes for approximately $12.6 million – gain of approximately $894,000
- Centennial Tech Center for approximately $15.0 million – loss of approximately $913,000
- Executive Office Park building for $2.275 million – undisclosed gain
- Waterman Plaza retail center – financial details expected in 10-K data

Acquisitions

- 25 model homes for approximately $9.0 million (through 9/20)

Source: Company reports

The REIT structure provides certain tax benefits and also means that SQFT distributes a majority of its annual taxable income to shareholders in the form of dividends. In 4Q20, the company's board declared a dividend of $0.10 per share.

We forecast revenue of $24.5 million and $23.5 million, respectively, in 2020 and 2021. While we expect steady same-property rental revenue, recent divestitures such as the Waterman Plaza sale are expected to lead to lower aggregate rental revenue unless the company increases the rental generating properties in its portfolio sooner than we currently expect.

RECENT NEWS

- On January 28, 2021, Presidio sold the Waterman Plaza retail center.
- SQFT released the results of its 2020 model home sales activity on January 19, 2021.
- On December 10, 2020, SQFT provided an update on its model home sales activity
- Presidio announced that it had completed the sale of a building at Executive Office Park on December 4, 2020.
- On November 5, 2020, Presidio announced 3Q20 results
- Presidio declared a $0.10 4Q20 dividend on November 4, 2020
- SQFT hired a new IR advisor on October 19, 2020.
- SQFT completed its IPO on October 9, 2020

VALUATION

We are optimistic that SQFT can continue to manage its property portfolio to produce attractive returns. As the company continues to transition its portfolio away from retail and into attractive commercial and industrial and model home properties, we estimate resumed steady growth commencing in approximately 2022 – 2023. Moreover, SQFT intends to use much of the cumulative gains realized on asset sales to pare debt, as indicated earlier.

We value SQFT on a price-to forward FFO basis. As noted, the company reported total FFO of $1.5 million in the first nine months of 2020. We estimate FFO of roughly $2.0 million, $2.6 million and $3.5 million in in 2020, 2021 and 2022, respectively.

This puts the shares at just over 9x forward FFO, which we think does not fully reflect the fundamental value of the company's portfolio, particularly as SQFT continues to shift into properties that management believes are more attractive. At $6.25 in the near-term, the shares would trade at a multiple of roughly 16x, which is a multiple that many other REITS command.

As the portfolio reaches the targeted property type composition and the economy stabilizes, we believe SQFT can achieve steady FFO growth in the 20% to 25% range, consistent with historical trends, and we would anticipate further share price appreciation. While a longer than currently anticipated economic downturn represents a potential risk to our valuation, we believe the risk / reward ratio could be attractive for investors who have a higher than average risk tolerance and longer time horizon.

RISKS

Risks to SQFT achieving its objectives, and to our valuation, include the following.

- The economic downturn might last longer than currently expected.
- A decrease in real estate values could have a negative impact on SQFT's portfolio.
- Competition from other REITs and/or property developers could increase.
- A default by one of SQFT's tenants could have a negative impact on FFO.
- The company's might need to raise additional capital sooner than management anticipates.

PROJECTED FINANCIALS

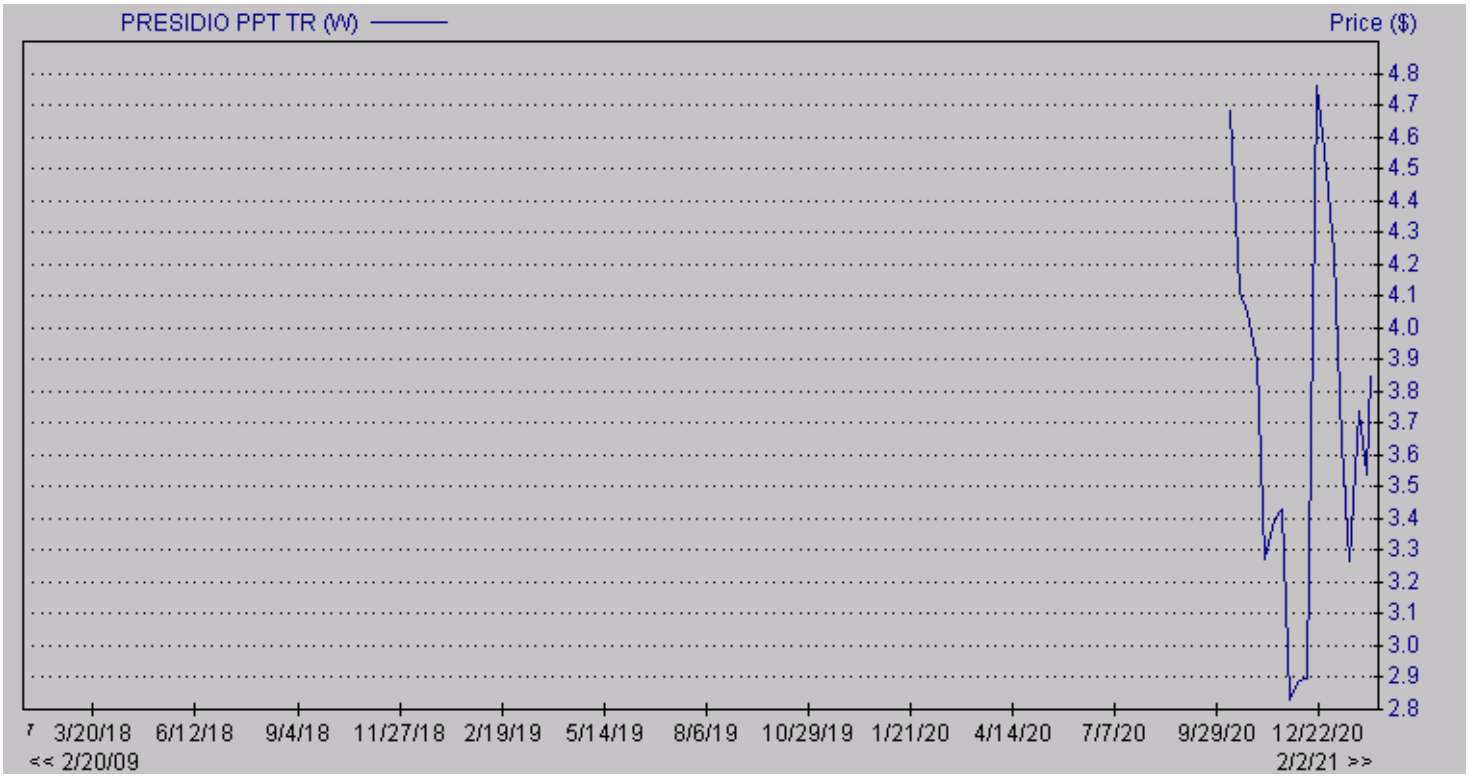
Presidio Property Income Statement & Projections ($)

	2019	1Q20	2Q20	3Q20	4Q20E	2020E	1Q21E	2Q21E	3Q21E	4Q21E	2021E	2022E
Revenues:												
Rental income	$27,467,410	$6,785,685	$5,879,526	$5,433,303	$5,487,636	$23,586,150	$5,542,512	$5,597,938	$5,653,917	$5,710,456	$22,504,823	$22,954,919
Fees and other income	1,173,701	243,466	241,878	230,265	232,568	948,177	234,893	237,242	239,615	242,011	953,761	963,299
Total revenue	28,641,111	7,029,151	6,121,404	5,663,568	5,720,204	24,534,327	5,777,406	5,835,180	5,893,532	5,952,467	23,458,584	23,918,218
Rental operating costs	10,410,574	2,381,092	1,999,834	2,108,621	2,129,707	8,619,254	2,050,730	2,071,237	2,091,949	2,055,764	8,269,680	8,034,222
General and administrative	5,268,315	1,351,345	1,278,971	1,366,380	1,380,044	5,376,740	1,393,844	1,371,267	1,384,980	1,398,830	5,548,921	5,262,008
Depreciation and amortization	7,364,688	1,574,526	1,622,230	1,626,917	1,643,186	6,466,859	1,659,618	1,643,022	1,626,592	1,610,326	6,539,557	6,408,766
Impairment of real estate assets	-	-	845,674	-	-	845,674	-	-	-	-	-	-
Total costs and expenses	23,043,577	5,306,963	5,746,709	5,101,918	5,152,937	21,308,527	5,104,192	5,085,526	5,103,521	5,064,920	20,358,158	19,704,996
Operating income	5,597,534	1,722,188	374,695	561,650	567,267	3,225,800	673,214	749,654	790,011	887,547	3,100,426	4,213,222
Operating margin	20%	25%	6%	10%	10%	13%	12%	13%	13%	15%	13%	18%
Interest expense (Series B preferred stock)	(2,226,101)	-	-									
Interest expense	(8,423,545)	(2,553,846)	(2,273,356)	(2,143,960)	(2,122,520)	(9,093,682)	(2,101,295)	(2,080,282)	(2,059,479)	(2,038,885)	(8,279,941)	(7,865,944)
Interest and other income (expense)	141,306	(6,995)	8,400	(12,270)	(12,393)	(23,258)	(12,517)	(12,642)	(12,768)	(12,896)	(50,823)	(48,281)
Gain on sales of real estate	6,319,272	(9,835)	334,096	332,714	336,041	993,016	339,402	342,796	346,224	349,686	1,378,106	1,405,669
Other	(635,532)	(83,631)	(51,369)	(122,602)	(73,561)	(331,163)	(58,849)	(59,437)	(53,494)	(54,029)	(225,809)	(180,647)
Total other income (expense)	(4,824,600)	(2,654,307)	(1,982,229)	(1,946,118)	(1,872,433)	(8,455,087)	(1,833,259)	(1,809,566)	(1,779,518)	(1,756,123)	(7,178,466)	(6,689,204)
Net (loss) income	772,934	(932,119)	(1,607,534)	(1,384,468)	(1,305,167)	(5,229,288)	(1,160,045)	(1,059,912)	(989,507)	(868,576)	(4,078,041)	(2,475,982)
Less: (Loss) income - noncontrolling intere	(1,383,140)	(175,011)	(315,282)	(363,777)	(367,415)	(1,221,485)	(371,089)	(374,800)	(378,548)	(382,333)	(1,506,770)	(1,205,416)
Net to Presidio Property Trust stockholders	(610,206)	(1,107,130)	(1,922,816)	(1,748,245)	(1,672,581)	(6,450,772)	(1,531,134)	(1,434,712)	(1,368,055)	(1,250,909)	(5,584,810)	(3,681,398)
EPS/(LPS)	($0.07)	($0.12)	($0.22)	($0.20)	($0.17)	($0.71)	($0.16)	($0.15)	($0.14)	($0.13)	($0.58)	($0.38)
Avg shares out (FD)*	8,862,957	8,881,842	8,897,037	8,922,525	9,612,525	9,078,482	9,613,425	9,614,325	9,614,425	9,615,325	9,614,375	9,615,275

Source: Company reports, Zacks estimates *Pro forma for reverse stock split.

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