



WHITESTONE REIT

COMMUNITIES THAT THRIVE



CREATING LOCAL CONNECTIONS



**SUPPLEMENTAL OPERATING AND FINANCIAL DATA
FOR THE QUARTER ENDED MARCH 31, 2021**

HOUSTON | AUSTIN | DALLAS | SAN ANTONIO | PHOENIX

WSR
LISTED
NYSE

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CORPORATE PROFILE

NYSE: WSR

Common Shares

58 Community Centers

5.0 million sq. ft. of gross

leasable area

1,403 tenants

6 Top Growth Markets

Austin

Chicago

Dallas-Fort Worth

Houston

Phoenix

San Antonio

Fiscal Year End

12/31

Common Shares & Units Outstanding*:

Common Shares: 42.8 million

Operating Partnership Units:
0.8 million

Distribution (per share / unit)*:

Quarter: \$ 0.1075

Annualized: \$ 0.43

Dividend Yield: 4.3%**

Board of Trustees:

Nandita V. Berry

Jeffrey A. Jones

Paul T. Lambert

Jack L. Mahaffey

James C. Mastandrea

David F. Taylor

Trustee Emeritus:

Daniel G. DeVos

Whitestone REIT (NYSE: WSR) is a community-centered shopping center REIT that acquires, owns, manages, develops and redevelops high quality open-air neighborhood centers primarily in the largest, fastest-growing and most affluent markets in the Sunbelt. Whitestone seeks to create communities that thrive through creating local connections between consumers in the surrounding communities and a well-crafted mix of national, regional and local tenants that provide daily necessities, needed services, entertainment and experiences. Whitestone has consistently paid a monthly dividend for over 15 years. The Company's balanced and well-managed capital structure provides stability and flexibility to support it through a multitude of economic cycles.

We invest in properties that are or can become Community Centered Properties® from which our tenants deliver needed services to the surrounding population. We focus on properties with smaller rental spaces that present opportunities for attractive returns.

Our strategic efforts target entrepreneurial, service-oriented tenants at each property who provide services to their respective surrounding communities. Operations include an internal management structure providing cost-effective services to locally-oriented, smaller space tenants. Multi-cultural community focus sets us apart from traditional commercial real estate operators. We value diversity on our team and maintain in-house leasing, property management, marketing, construction and maintenance departments with culturally diverse and multi-lingual associates who understand the particular needs of our tenants and neighborhoods.

We have a diverse tenant base concentrated on service offerings such as specialty retail, grocery, restaurants, medical, educational and financial services and entertainment. These tenants tend to occupy smaller spaces (less than 3,000 square feet) and, as of March 31, 2021, provided a 50% premium rental rate compared to our larger space tenants. The largest of our 1,403 tenants at our wholly owned properties comprised only 2.8% of our annualized base rental revenues for the three months ended March 31, 2021.

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* As of May 3, 2021

** Based on common share price
of \$9.96 as of close of market on
May 3, 2021.

We are followed by the analysts listed above. Please note that any opinions, estimates or forecasts regarding our performance made by these analysts are theirs alone and do not represent opinions, forecasts or predictions of our management. We do not by our reference above or distribution imply our endorsement of or concurrence with such information, conclusions or recommendations.

WHITESTONE REIT REPORTS FIRST QUARTER 2021 RESULTS

*-Net Income Per Diluted Share Attributable to Whitestone REIT of \$0.03 for the First Quarter-
-Strong New Tenant Leasing Volume of 116,993 SF and \$19.9 Million in Total Lease Value-*

Houston, Texas, May 4, 2021 - Whitestone REIT (NYSE: WSR) (“Whitestone” or the “Company”) today announced its operating and financial results for the first quarter of 2021 with an update on its business activities in light of the ongoing COVID-19 pandemic. Whitestone seeks to create neighborhood center communities in its high quality open-air shopping centers that it acquires, owns, manages, develops, and redevelops primarily in the largest, fastest-growing and most affluent markets in the Sunbelt.

First Quarter Operating and Financial Highlights:

All per share amounts are on a diluted per common share and operating partnership (“OP”) unit basis unless stated otherwise.

- Net Income attributable to common shareholders of \$0.03 per diluted share
- Funds from Operations (“FFO”) of \$0.20 per share
- FFO Core of \$0.23 per share
- Comparable GAAP-based leasing spreads of 7.8% for the quarter
- Same-store Net Operating Income (“NOI”) decreased 4.3% from the same period last year
- Annualized Base Rent per leased square foot grew to \$19.71 from \$19.58 from the prior quarter
- Bad debt/uncollectable revenue for the quarter was \$0.7 million, or \$0.02 per share, primarily due to the COVID-19 pandemic and included \$0.1 million of non-cash straight-line rent write offs
- Total Net Debt⁽¹⁾ reduced \$17.2 million, or 2.6% from prior year

COVID-19 Update Summary (as of May 4, 2021)

- All 53 community centers are open and have remained open throughout the pandemic
- 95% of first quarter 2021 contractual rents have been collected
- 95% of total April contractual rents have been collected to date
- Entered into rent deferral agreements representing 0.5% of first quarter 2021 revenue

Jim Mastandrea, Chairman and Chief Executive Officer of Whitestone REIT, commented, “With a significant portion of the Sunbelt, and specifically our markets, leading the nation’s reopening, Whitestone’s resiliency continues to be demonstrated, evidenced by the strong leasing volumes we recorded in first quarter of 2021. Our leasing volume is underscored by the continued strength we have achieved in cash rental collections throughout the pandemic, where we have consistently performed near the top of the U.S. shopping center industry peers for the past four quarters.” Mr. Mastandrea continued, “Given our sustained performance, the Board of Trustees increased our dividend by 2.4% during the first quarter. We now are re-energized, and as the economy recovers, we expect to re-activate our strategic growth plan, reduce leverage, and scale G&A in our efforts to create long-term value for our shareholders.”

⁽¹⁾ Total Net Debt is defined as outstanding debt plus pro rata share of outstanding debt of real estate partnership less cash and pro rata share of cash of real estate partnership,

Financial Results

Reconciliations of Net Income Attributable to Whitestone REIT to FFO, FFO Core and NOI are included herein.

Net income attributable to common shareholders for the quarter ended March 31, 2021 was \$1.4 million, or \$0.03 per diluted share, inclusive of \$0.7 million or \$0.02 per share, related to credit loss and straight-line rent reserve, primarily due to the impact of the COVID-19 pandemic. Net income attributable to common shareholders for the quarter ended March 31, 2020 was \$1.6 million, or \$0.04 per share.

FFO for the quarter ended March 31, 2021 was \$8.8 million, or \$0.20 per share, as compared to \$9.3 million, or \$0.21 per share for the quarter ended March 31, 2020. FFO Core for the quarter ended March 31, 2021 was \$10.3 million or \$0.23 per share, compared to \$10.6 million, or \$0.24 per share for the quarter ended March 31, 2020.

Operating Results

For the periods ending March 31, 2021 and 2020, the Company's operating highlights were as follows:

	First Quarter 2021	First Quarter 2020
Occupancy:		
Wholly Owned Properties	88.7%	89.7%
Same Store Property Net Operating Income Change ⁽²⁾	(4.3)%	(0.9)%
Rental Rate Growth - Total (GAAP Basis):	7.8%	7.3%
New Leases	5.3%	(3.8)%
Renewal Leases	9.6%	8.4%
Leasing Transactions:		
Number of New Leases	46	24
New Leases - Annualized Revenue (millions)	\$19.9	\$6.0
Number of Renewal Leases	48	56
Renewal Leases - Annualized Revenue (millions)	\$10.9	\$15.9

⁽²⁾ Excludes straight-line rent, amortization of above/below market rates and lease termination fees in both periods.

Real Estate Portfolio Update

Community Centered Properties™ Portfolio Statistics:

As of March 31, 2021, Whitestone wholly owned 58 Community Centered Properties™ with 5.0 million square feet of gross leasable area ("GLA"). Five of the 58 Community Centered Properties™ are land parcels held for future development. The portfolio is comprised of 30 properties in Texas, 27 in Arizona and one in Illinois. Whitestone's Community Centered Properties™ are located in Austin (4), San Antonio (3), Chicago (1), Dallas-Fort Worth (8), Houston (15) and the greater Phoenix metropolitan area (27). In addition to being business friendly, these are six of the top markets in the country in terms of size, economic strength and population growth. 2017 estimates show the projected 5-year population growth rates for both Austin and Dallas-Fort Worth to be 9.7%, San Antonio to be 8.6%, Houston to be 8.0%, and Phoenix to be 6.6%⁽³⁾. The Company's properties in these markets are generally located on the best retail corners embedded in affluent communities. The Company also owns an 81.4% equity interest in and manages eight properties containing 0.9 million square feet of GLA through its investment in Pillarstone OP.

At the end of the first quarter, the Company's diversified tenant base was comprised of 1,403 tenants, with the largest tenant accounting for only 2.8% of annualized base rental revenues. Lease terms range from less than one year for smaller tenants to over 15 years for larger tenants. Whitestone's leases generally include minimum monthly lease payments and tenant reimbursements for payment of taxes, insurance and maintenance, and typically exclude restrictive lease clauses.

⁽³⁾ Source: Claritas, as of April 2017.

COVID-19 Update Summary

During the first quarter of 2021, the COVID-19 pandemic continued to impact the Company's operations. Cash collections for the quarter totaled 95% of contractual rents, in line with the 95% in the prior quarter. These strong collections are a result of the Company's strategic locations, well-crafted tenant mix and the efforts of its team members in proactively working with tenants to assist them through these difficult times. Cash collections in April 2021 are 95% collected to date.

Balance Sheet and Liquidity

At March 31, 2021, Whitestone had \$22.8 million in cash and cash equivalents, \$15.9 million of availability and \$130.5 million of capacity under its credit facility.

The Company has undepreciated real estate assets of \$1.1 billion at March 31, 2021.

At March 31, 2021, 51 of the Company's wholly owned 58 properties were unencumbered by mortgage debt, with an undepreciated cost basis of \$826.7 million. At March 31, 2021, the Company had total real estate debt, net of cash, of \$622.0 million, of which approximately 85% was subject to fixed interest rates. The Company's weighted average interest rate on all fixed rate debt as of the end of the first quarter was 4.1% and the weighted average remaining term was 4.1 years.

Dividend

On February 10, 2021, the Company raised its quarterly distribution to \$0.1075 per common share and OP units, equal to a monthly distribution of \$0.035833, beginning with the March 2021 distribution. On March 26, 2021, the Company declared a quarterly cash distribution of \$0.1075 per common share and OP unit for the second quarter of 2021, to be paid in three equal installments of \$0.035833 in April, May, and June of 2021.

Conference Call Information

In conjunction with the issuance of its financial results, the Company invites you to listen to its earnings release conference call to be broadcast live on Wednesday, May 5, 2021 at 10:00 A.M. Central Time. The call will be led by James C. Mastandrea, Chairman and Chief Executive Officer, and David K. Holeman, Chief Financial Officer. Conference call access information is as follows:

Dial-in number for domestic participants:	(877) 407-4018
Dial-in number for international participants:	(201) 689-8471

The conference call will be recorded, and a telephone replay will be available through Wednesday, May 19, 2021. Replay access information is as follows:

Replay number for domestic participants:	(844) 512-2921
Replay number for international participants:	(412) 317-6671
Passcode (for all participants):	13715688

To listen to a webcast of the conference call, click on the Investor Relations tab of the Company's website, www.whitestonereit.com, and then click on the webcast link. A replay of the call will be available on Whitestone's website via the webcast link until the Company's next earnings release. Additional information about Whitestone can be found on the Company's website.

The first quarter earnings release and supplemental data package will be located in the Investor Relations section of the Company's website. For those without internet access, the earnings release and supplemental data package will be available by mail upon request. To receive a copy, please call the Company's Investor Relations line at (713) 435-2219.

Supplemental Financial Information

Supplemental materials and details regarding Whitestone's results of operations, communities and tenants are available on the Company's website at www.whitestonereit.com.

About Whitestone REIT

Whitestone is a community-centered shopping center REIT that acquires, owns, manages, develops and redevelops high-quality open-air neighborhood centers primarily in the largest, fastest-growing and most affluent markets in the Sunbelt. Whitestone seeks to create communities that thrive through creating local connections between consumers in the surrounding communities and a well-crafted mix of national, regional and local tenants that provide daily necessities, needed services, entertainment and experiences. Whitestone is a monthly dividend paying stock and has consistently paid dividends for over 15 years. Whitestone's strong, balanced and managed capital structure provides stability and flexibility for growth and positions Whitestone to perform well through economic cycles. For additional information, please visit www.whitestonereit.com.

Forward-Looking Statements

Certain statements contained in this press release constitute forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). The Company intends for all such forward-looking statements to be covered by the safe-harbor provisions for forward-looking statements contained in Section 27A of the Securities Act and Section 21E of the Exchange Act, as applicable. Such information is subject to certain risks and uncertainties, as well as known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not intended to be a guarantee of our performance in future periods. Such forward-looking statements include statements about our earnings guidance, future liquidity, performance growth and expectations and other matters and can generally be identified by the Company's use of forward-looking terminology, such as "may," "will," "plan," "expect," "intend," "anticipate," "believe," "continue," "goals" or similar words or phrases that are predictions of future events or trends and which do not relate solely to historical matters.

The following are additional factors that could cause the Company's actual results and its expectations to differ materially from those described in the Company's forward-looking statements: uncertainties related to the COVID-19 pandemic, including the unknown duration and economic, operational and financial impacts of the COVID-19 pandemic, and the actions taken or contemplated by U.S. and local governmental authorities or others in response to the pandemic on the Company's business, employees and tenants, including, among others, (a) changes in tenant demand for the Company's properties, (b) financial challenges confronting major tenants, including as a result of decreased customers' willingness to frequent, and mandated stay in place orders that have prevented customers from frequenting, some of Company's tenants' businesses and the impact of these issues on the Company's ability to collect rent from its tenants; (c) operational changes implemented by the Company, including remote working arrangements, which may put increased strain on IT systems and create increased vulnerability to cybersecurity incidents, (d) significant reduction in the Company's liquidity due to the lack of further availability under its revolving credit facility and limited ability to access the capital markets and other sources of financing on attractive terms or at all, and (e) prolonged measures to contain the spread of COVID-19 or the fluctuating government-imposed restrictions implemented to contain the spread of COVID-19; adverse economic or real estate developments or conditions in Texas or Arizona, Houston and Phoenix in particular, including as a result of any resurgencies in COVID-19 cases in such areas and the impact on our tenants' ability to pay their rent, which could result in bad debt allowances or straight-line rent reserve adjustments; the imposition of federal income taxes if we fail to qualify as a real estate investment trust ("REIT") in any taxable year or forego an opportunity to ensure REIT status; the Company's ability to meet its long-term goals, including its ability to execute effectively its acquisition and disposition strategy, to continue to execute its development pipeline on schedule and at the expected costs, and its ability to grow its NOI as expected, which could be impacted by a number of factors, including, among other things, its ability to continue to renew leases or re-let space on attractive terms and to otherwise address its leasing rollover; its ability to successfully identify, finance and consummate suitable acquisitions, and the impact of such acquisitions, including financing developments, capitalization rates and internal rates of return; the Company's ability to reduce or otherwise effectively manage its general and administrative expenses; the Company's ability to fund from cash flows or otherwise distributions to its shareholders at current rates or at all; current adverse market and economic conditions including, but not limited to, the significant volatility and disruption in the global financial markets caused by the COVID-19 pandemic; lease terminations or lease defaults; the impact of competition on the Company's efforts to renew existing leases; changes in the economies and other conditions of the specific markets in which the Company operates; economic, legislative and regulatory changes, including changes to laws governing REITs and the impact of the legislation commonly known as the Tax Cuts and Jobs Act; the success of the Company's real estate strategies and investment objectives; the Company's ability to continue to qualify as a REIT under the Internal Revenue Code of 1986, as amended; and other factors detailed in the Company's most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other documents the Company files with the Securities and Exchange Commission from time to time.

Non-GAAP Financial Measures

This release contains supplemental financial measures that are not calculated pursuant to U.S. generally accepted accounting principles ("GAAP") including EBITDAre, EBITDAre-Adjusted, FFO, FFO Core, and NOI. Following are explanations and reconciliations of these metrics to their most comparable GAAP metric.

EBITDAre: The National Association of Real Estate Investment Trusts ("NAREIT") defines EBITDAre as net income computed in accordance with GAAP, plus interest expense, income tax expense, depreciation and amortization and impairment write-downs of depreciable property and of investments in unconsolidated affiliates caused by a decrease in value of depreciable property in the affiliate, plus, or minus losses and gains on the disposition of depreciable property, including losses/gains on change in control and adjustments to reflect the entity's share of EBITDAre of the unconsolidated affiliates and consolidated affiliates with non-controlling interests. The Company calculates EBITDAre in a manner consistent with the NAREIT definition. Management believes that EBITDAre will represent a supplemental non-GAAP performance measure that will provide investors with a relevant basis for comparing REITs. There can be no assurance the EBITDAre as presented by the Company is comparable to similarly titled measures of other REITs. EBITDAre should not be considered as alternatives to net income or other measurements under GAAP as indicators of operating performance or to cash flows from operating, investing or financing activities as measures of liquidity. EBITDAre does not reflect working capital changes, cash expenditures for capital improvements or principal payments on indebtedness.

EBITDAre-Adjusted: The Company also presents EBITDAre-Adjusted as an additional supplemental measure as we believe it is reflective of the core operating performance of our portfolio of properties. EBITDAre-Adjusted is defined as NAREIT EBITDAre excluding charges and gains related to non-cash and non-operating transactions and other events that could affect the comparability of operating results. Specific examples of items excluded from EBITDAre-Adjusted include, but are not limited to, share-based compensation and management fees, net of related costs. There can be no assurance that EBITDAre-Adjusted as presented by the Company is comparable to similarly titled measures of other REITs. EBITDAre-Adjusted should not be considered an alternative to net income or other measurements under GAAP as indicators of operating performance or to cash flows from operating, investing or financing activities as measures of liquidity. EBITDAre-Adjusted does not reflect working capital changes, cash expenditures for capital improvements or principal payments on indebtedness.

FFO: Funds From Operations: Management believes that FFO is a useful measure of the Company's operating performance. The Company computes FFO as defined by NAREIT, which states that FFO should represent net income (loss) (calculated in accordance with GAAP), excluding depreciation and amortization related to real estate, gains or losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity. FFO does not represent cash flows from operating activities determined in accordance with GAAP and should not be considered an alternative to net income as an indication of the Company's performance or to cash flow from operations as a measure of liquidity or ability to make distributions and service debt.

Management considers FFO a useful additional measure of performance for an equity REIT because it facilitates an understanding of the operating performance of its properties without giving effect to real estate depreciation and amortization, which assumes that the value of real estate assets diminishes predictably over time. Since real estate values have historically risen or fallen with market conditions, management believes that FFO provides a more meaningful and accurate indication of the Company's performance and useful information for the investment community to compare Whitestone to other REITs since FFO is generally recognized as the industry standard for reporting the operations of REITs.

Other REITs may use different methodologies for calculating FFO, and accordingly, the Company's FFO may not be comparable to other REITs. The Company presents FFO per diluted share calculations that are based on the outstanding dilutive common shares plus the outstanding OP units for the periods presented.

FFO Core: Funds From Operations Core: Management believes that the computation of FFO in accordance with NAREIT's definition includes certain non-cash and non-comparable items that affect the Company's period-over-period performance. These items include, but are not limited to, legal settlements, debt extension costs, non-cash share-based compensation expense and rent support agreement payments received from sellers on acquired assets. In addition, the Company believes that FFO Core is a useful supplemental measure for the investing community to use in comparing the Company to other REITs as many REITs provide some form of adjusted or modified FFO. However, other REITs may use different adjustments, and the Company's FFO Core may not be comparable to the adjusted or modified FFO of other REITs.

NOI: Net Operating Income: Management believes that NOI is a useful measure of the Company's property operating performance. The Company defines NOI as operating revenues (rental and other revenues) less property and related expenses

(property operation and maintenance and real estate taxes). Because NOI excludes general and administrative expenses, depreciation and amortization, involuntary conversion, interest expense, interest income, provision for income taxes, gain or loss on sale or disposition of assets, pro rata share of NOI of unconsolidated entities and capital expenditures and leasing costs, it provides a performance measure that, when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate properties and the impact to operations from trends in occupancy rates, rental rates and operating costs, providing perspective not immediately apparent from net income. The Company uses NOI to evaluate its operating performance since NOI allows the Company to evaluate the impact of factors, such as occupancy levels, lease structure, lease rates and tenant base, have on the Company's results, margins and returns. In addition, management believes that NOI provides useful information to the investment community about the Company's property and operating performance when compared to other REITs since NOI is generally recognized as a standard measure of property performance in the real estate industry. However, NOI should not be viewed as a measure of the Company's overall financial performance since it does not reflect general and administrative expenses, depreciation and amortization, involuntary conversion, interest expense, interest income, provision for income taxes, gain or loss on sale or disposition of assets, and the level of capital expenditures and leasing costs necessary to maintain the operating performance of the Company's properties. Other REITs may use different methodologies for calculating NOI, and accordingly, the Company's NOI may not be comparable to that of other REITs.

Same Store NOI: Management believes that Same Store NOI is a useful measure of the Company's property operating performance because it includes only the properties that have been owned for the entire period being compared, and that it is frequently used by the investment community. Same Store NOI assists in eliminating differences in NOI due to the acquisition or disposition of properties during the period being presented, providing a more consistent measure of the Company's performance. The Company defines Same Store NOI as operating revenues (rental and other revenues, excluding straight-line rent adjustments, amortization of above/below market rents, and lease termination fees) less property and related expenses (property operation and maintenance and real estate taxes), Non-Same Store NOI, and NOI of our investment in Pillarstone OP (pro rata). We define "Non-Same Stores" as properties that have been acquired since the beginning of the period being compared and properties that have been sold, but not classified as discontinued operations. Other REITs may use different methodologies for calculating Same Store NOI, and accordingly, the Company's Same Store NOI may not be comparable to that of other REITs.

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Whitestone REIT and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
ASSETS		
Real estate assets, at cost		
Property	\$ 1,107,895	\$ 1,106,426
Accumulated depreciation	(170,286)	(163,712)
Total real estate assets	937,609	942,714
Investment in real estate partnership	34,068	33,979
Cash and cash equivalents	22,820	25,777
Restricted cash	106	179
Escrows and acquisition deposits	6,923	9,274
Accrued rents and accounts receivable, net of allowance for doubtful accounts ⁽¹⁾	23,309	23,009
Receivable due from related party	731	335
Unamortized lease commissions, legal fees and loan costs	7,951	7,686
Prepaid expenses and other assets ⁽²⁾	3,127	2,049
Total assets	<u>\$ 1,036,644</u>	<u>\$ 1,045,002</u>
LIABILITIES AND EQUITY		
Liabilities:		
Notes payable	\$ 645,230	\$ 644,185
Accounts payable and accrued expenses ⁽³⁾	41,163	50,918
Payable due to related party	160	125
Tenants' security deposits	7,059	6,916
Dividends and distributions payable	4,660	4,532
Total liabilities	698,272	706,676
Commitments and contingencies:	—	—
Equity:		
Preferred shares, \$0.001 par value per share; 50,000,000 shares authorized; none issued and outstanding as of March 31, 2021 and December 31, 2020	—	—
Common shares, \$0.001 par value per share; 400,000,000 shares authorized; 42,579,059 and 42,391,316 issued and outstanding as of March 31, 2021 and December 31, 2020, respectively	43	42
Additional paid-in capital	563,338	562,250
Accumulated deficit	(219,016)	(215,809)
Accumulated other comprehensive loss	(12,220)	(14,400)
Total Whitestone REIT shareholders' equity	332,145	332,083
Noncontrolling interest in subsidiary	6,227	6,243
Total equity	338,372	338,326
Total liabilities and equity	<u>\$ 1,036,644</u>	<u>\$ 1,045,002</u>

Whitestone REIT and Subsidiaries
CONSOLIDATED BALANCE SHEETS
(in thousands)

	<u>March 31, 2021</u>	<u>December 31, 2020</u>
⁽¹⁾ Accrued rents and accounts receivable, net of allowance for doubtful accounts		
Tenant receivables	\$ 22,900	\$ 22,956
Accrued rents and other recoveries	16,944	16,348
Allowance for doubtful accounts	(16,792)	(16,426)
Other receivables	<u>257</u>	<u>131</u>
Total accrued rents and accounts receivable, net of allowance for doubtful accounts	<u>\$ 23,309</u>	<u>\$ 23,009</u>
⁽²⁾ Operating lease right of use assets (net)	\$ 548	\$ 592
⁽³⁾ Operating lease liabilities	\$ 558	\$ 603

Whitestone REIT and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Three Months Ended March 31,	
	2021	2020
Revenues		
Rental ⁽¹⁾	\$ 28,695	\$ 30,196
Management, transaction, and other fees	350	388
Total revenues	29,045	30,584
Operating expenses		
Depreciation and amortization	7,013	6,971
Operating and maintenance	4,839	5,597
Real estate taxes	4,038	4,536
General and administrative	5,634	5,100
Total operating expenses	21,524	22,204
Other expenses (income)		
Interest expense	6,132	6,693
(Gain) loss on sale or disposal of assets, net	(1)	207
Interest, dividend and other investment income	(49)	(62)
Total other expense	6,082	6,838
Income before equity investment in real estate partnership and income tax	1,439	1,542
Equity in earnings of real estate partnership	89	192
Provision for income tax	(87)	(87)
Net income	1,441	1,647
Less: Net income attributable to noncontrolling interests	26	35
Net income attributable to Whitestone REIT	<u>\$ 1,415</u>	<u>\$ 1,612</u>

Whitestone REIT and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(in thousands, except per share data)

	Three Months Ended March 31,	
	2021	2020
Basic Earnings Per Share:		
Net income attributable to common shareholders, excluding amounts attributable to unvested restricted shares	\$ 0.03	\$ 0.04
Diluted Earnings Per Share:		
Net income attributable to common shareholders, excluding amounts attributable to unvested restricted shares	\$ 0.03	\$ 0.04
Weighted average number of common shares outstanding:		
Basic	42,495	42,048
Diluted	43,331	43,009
Consolidated Statements of Comprehensive Income (Loss)		
Net income	\$ 1,441	\$ 1,647
Other comprehensive income (loss)		
Unrealized gain (loss) on cash flow hedging activities	2,221	(10,952)
Comprehensive income (loss)	3,662	(9,305)
Less: Net income attributable to noncontrolling interests	26	35
Less: Comprehensive income (loss) attributable to noncontrolling interests	41	(231)
Comprehensive income (loss) attributable to Whitestone REIT	\$ 3,595	\$ (9,109)

Whitestone REIT and Subsidiaries
CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Three Months Ended March 31,	
	2021	2020
⁽¹⁾ Rental		
Rental revenues	\$ 21,626	\$ 22,077
Recoveries	7,598	8,963
Bad debt	(529)	(844)
Total rental	\$ 28,695	\$ 30,196

Whitestone REIT and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Three Months Ended March 31,	
	2021	2020
Cash flows from operating activities:		
Net income	\$ 1,441	\$ 1,647
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation and amortization	7,013	6,971
Amortization of deferred loan costs	274	282
(Gain) loss on sale or disposal of assets and loan forgiveness, net	(1)	207
Bad debt	529	844
Share-based compensation	1,398	1,248
Equity in earnings of real estate partnership	(89)	(192)
Changes in operating assets and liabilities:		
Escrows and acquisition deposits	2,352	2,068
Accrued rents and accounts receivable	(829)	(886)
Receivable due from related party	(396)	(419)
Unamortized lease commissions, legal fees and loan costs	(844)	(423)
Prepaid expenses and other assets	611	(10,154)
Accounts payable and accrued expenses	(7,534)	3,737
Payable due to related party	35	144
Tenants' security deposits	143	139
Net cash provided by operating activities	4,103	5,213
Cash flows from investing activities:		
Additions to real estate	(1,528)	(1,593)
Net cash used in investing activities	(1,528)	(1,593)
Cash flows from financing activities:		
Distributions paid to common shareholders	(4,480)	(11,928)
Distributions paid to OP unit holders	(82)	(258)
Proceeds from issuance of common shares, net of offering costs	—	2,241
Payments of exchange offer costs	—	(32)
Net proceeds from credit facility	—	30,000
Repayments of notes payable	(719)	(777)
Repurchase of common shares	(324)	(1,630)
Net cash provided by (used in) financing activities	(5,605)	17,616
Net increase (decrease) in cash, cash equivalents and restricted cash	(3,030)	21,236
Cash, cash equivalents and restricted cash at beginning of period	25,956	15,643
Cash, cash equivalents and restricted cash at end of period ⁽¹⁾	\$ 22,926	\$ 36,879

⁽¹⁾ For a reconciliation of cash, cash equivalents and restricted cash, see supplemental disclosures below.

Whitestone REIT and Subsidiaries
CONSOLIDATED STATEMENTS OF CASH FLOWS
Supplemental Disclosures
(in thousands)

	Three Months Ended March 31,	
	2021	2020
Supplemental disclosure of cash flow information:		
Cash paid for interest	\$ 5,936	\$ 6,461
Non cash investing and financing activities:		
Disposal of fully depreciated real estate	\$ 3	\$ 24
Financed insurance premiums	\$ 1,712	\$ 1,431
Value of shares issued under dividend reinvestment plan	\$ 15	\$ 42
Value of common shares exchanged for OP units	\$ —	\$ 44
Change in fair value of cash flow hedge	\$ 2,221	\$ (10,952)
	March 31,	
	2021	2020
Cash, cash equivalents and restricted cash		
Cash and cash equivalents	\$ 22,820	\$ 36,774
Restricted cash	106	105
Total cash, cash equivalents and restricted cash	<u>\$ 22,926</u>	<u>\$ 36,879</u>

Whitestone REIT and Subsidiaries
RECONCILIATION OF NON-GAAP MEASURES
(in thousands, except per share and per unit data)

	Three Months Ended	
	March 31,	
FFO (NAREIT) AND FFO CORE	2021	2020
Net income attributable to Whitestone REIT	\$ 1,415	\$ 1,612
Adjustments to reconcile to FFO:		
Depreciation and amortization of real estate assets	6,980	6,909
Depreciation and amortization of real estate assets of real estate partnership (pro rata)	405	449
(Gain) loss on sale or disposal of assets, net	(1)	207
Loss on sale or disposal of properties or assets of real estate partnership (pro rata)	—	53
Net income attributable to noncontrolling interests	26	35
FFO (NAREIT)	8,825	9,265
Adjustments to reconcile to FFO Core:		
Share-based compensation expense	1,468	1,326
FFO Core	\$ 10,293	\$ 10,591
FFO PER SHARE AND OP UNIT CALCULATION		
Numerator:		
FFO	\$ 8,825	\$ 9,265
Distributions paid on unvested restricted common shares	—	—
FFO excluding amounts attributable to unvested restricted common shares	\$ 8,825	\$ 9,265
FFO Core excluding amounts attributable to unvested restricted common shares	\$ 10,293	\$ 10,591
Denominator:		
Weighted average number of total common shares - basic	42,495	42,048
Weighted average number of total noncontrolling OP units - basic	773	904
Weighted average number of total common shares and noncontrolling OP units - basic	43,268	42,952
Effect of dilutive securities:		
Unvested restricted shares	836	961
Weighted average number of total common shares and noncontrolling OP units - diluted	44,104	43,913
FFO per common share and OP unit - basic	\$ 0.20	\$ 0.22
FFO per common share and OP unit - diluted	\$ 0.20	\$ 0.21
FFO Core per common share and OP unit - basic	\$ 0.24	\$ 0.25
FFO Core per common share and OP unit - diluted	\$ 0.23	\$ 0.24

Whitestone REIT and Subsidiaries
RECONCILIATION OF NON-GAAP MEASURES
(continued)
(in thousands)

PROPERTY NET OPERATING INCOME	Three Months Ended	
	March 31,	
	2021	2020
Net income attributable to Whitestone REIT	\$ 1,415	\$ 1,612
General and administrative expenses	5,634	5,100
Depreciation and amortization	7,013	6,971
Equity in earnings of real estate partnership	(89)	(192)
Interest expense	6,132	6,693
Interest, dividend and other investment income	(49)	(62)
Provision for income taxes	87	87
Management fee, net of related expenses	80	108
(Gain) loss on sale or disposal of assets, net	(1)	207
NOI of real estate partnership (pro rata)	891	1,096
Net income attributable to noncontrolling interests	26	35
NOI	21,139	21,655
Non-Same Store NOI ⁽¹⁾	—	—
NOI of real estate partnership (pro rata)	(891)	(1,096)
NOI less Non-Same Store NOI and NOI of real estate partnership (pro rata)	20,248	20,559
Same Store straight-line rent adjustments	(210)	334
Same Store amortization of above/below market rents	(201)	(209)
Same Store lease termination fees	(76)	(30)
Same Store NOI ⁽²⁾	\$ 19,761	\$ 20,654

⁽¹⁾ We define “Non-Same Store” as properties that have been acquired since the beginning of the period being compared and properties that have been sold, but not classified as discontinued operations. For purposes of comparing the three months ended March 31, 2021 to the three months ended March 31, 2020, Non-Same Store includes properties acquired between January 1, 2020 and March 31, 2021 and properties sold between January 1, 2020 and March 31, 2021, but not included in discontinued operations.

⁽²⁾ We define “Same Store” as properties that have been owned during the entire period being compared. For purposes of comparing the three months ended March 31, 2021 to the three months ended March 31, 2020, Same Store includes properties owned before January 1, 2020 and not sold before March 31, 2021.

Whitestone REIT and Subsidiaries
RECONCILIATION OF NON-GAAP MEASURES
(continued)
(in thousands)

EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTIZATION FOR REAL ESTATE (EBITDAre)	Three Months Ended March 31,	
	2021	2020
Net income attributable to Whitestone REIT	\$ 1,415	\$ 1,612
Depreciation and amortization	7,013	6,971
Interest expense	6,132	6,693
Provision for income taxes	87	87
Net income attributable to noncontrolling interests	26	35
Equity in earnings of real estate partnership	(89)	(192)
EBITDAre adjustments for real estate partnership	685	887
(Gain) loss on sale or disposal of assets, net	(1)	207
EBITDAre	15,268	16,300
Management fee, net of related expenses	80	108
Share-based compensation expense	1,468	1,326
EBITDAre-Adjusted	\$ 16,816	\$ 17,734

Whitestone REIT and Subsidiaries
SAME STORE PROPERTY ANALYSIS
(in thousands)

	Three Months Ended March 31,			
	2021	2020	Change	Percent Change
Same Store (53 properties, excluding development land)				
Property revenues				
Rental	\$ 28,695	\$ 30,196	\$ (1,501)	(5)%
Management, transaction and other fees	210	232	(22)	(9)%
Total property revenues	28,905	30,428	(1,523)	(5)%
Property expenses				
Property operation and maintenance	4,619	5,333	(714)	(13)%
Real estate taxes	4,038	4,536	(498)	(11)%
Total property expenses	8,657	9,869	(1,212)	(12)%
Total property revenues less total property expenses	20,248	20,559	(311)	(2)%
Same Store straight-line rent adjustments	(210)	334	(544)	(163)%
Same Store amortization of above/below market rents	(201)	(209)	8	(4)%
Same Store lease termination fees	(76)	(30)	(46)	153 %
Same Store NOI ⁽¹⁾	<u>\$ 19,761</u>	<u>\$ 20,654</u>	<u>\$ (893)</u>	(4)%

⁽¹⁾ For a reconciliation of Same Store NOI, see previous section “Reconciliation of Non-GAAP Measures.”

Whitestone REIT and Subsidiaries
OTHER FINANCIAL INFORMATION
(in thousands, except number of properties and employees)

	Three Months Ended	
	March 31,	
	2021	2020
Other Financial Information:		
Tenant improvements ^{(1) (2)}	\$ 480	\$ 494
Leasing commissions ^{(1) (2)}	\$ 766	\$ 370
Maintenance capital ⁽¹⁾	\$ 739	\$ 1,086
Scheduled debt principal payments ⁽¹⁾	\$ 454	\$ 483
Straight-line rent income ⁽¹⁾	\$ 214	\$ (382)
Market rent amortization income from acquired leases ⁽¹⁾	\$ 198	\$ 207
Non-cash share-based compensation expense ⁽¹⁾	\$ 1,468	\$ 1,326
Non-real estate depreciation and amortization ⁽¹⁾	\$ 34	\$ 62
Amortization of loan fees ⁽¹⁾	\$ 280	\$ 283
Undepreciated value of unencumbered properties	\$ 826,732	\$ 803,952
Number of unencumbered properties	51	50
Full time employees	90	92

⁽¹⁾ Includes pro-rata share attributable to real estate partnership.

⁽²⁾ Does not include first generation costs needed for new acquisitions, development or redevelopment of a property to bring the property to operating standards for its intended use.

Whitestone REIT and Subsidiaries
MARKET CAPITALIZATION AND SELECTED RATIOS
(in thousands, except per share amounts and percentages)

	As of March 31, 2021		
	Percent of Total Equity	Total Market Capitalization	Percent of Total Market Capitalization
<u>MARKET CAPITALIZATION:</u>			
Equity Capitalization:			
Common shares outstanding	98.2 %	42,579	
Operating partnership units outstanding	1.8 %	773	
Total	100.0 %	43,352	
Market price of common shares as of			
March 31, 2021		\$ 9.70	
Total equity capitalization		420,514	40 %
Debt Capitalization:			
Outstanding debt		\$ 646,157	
Less: Cash and cash equivalents		(22,820)	
Total debt capitalization		623,337	60 %
Total Market Capitalization as of			
March 31, 2021		\$ 1,043,851	100 %

SELECTED RATIOS:

	Three Months Ended	
	March 31,	
	2021	2020
<u>INTEREST COVERAGE RATIO</u>		
EBITDAre/Interest Expense		
EBITDAre ⁽¹⁾	\$ 15,268	\$ 16,300
Interest expense	6,132	6,693
Pro rata share of interest expense from real estate partnership	161	156
Less: amortization of loan fees, including pro rata share from real estate partnership	(280)	(283)
Interest expense, excluding amortization of loan fees	6,013	6,566
Ratio of EBITDAre to interest expense	2.5	2.5

⁽¹⁾ For a reconciliation of EBITDAre, see previous section “Reconciliation of Non-GAAP Measures.”

Whitestone REIT and Subsidiaries
MARKET CAPITALIZATION AND SELECTED RATIOS
(continued)
(in thousands, except per share amounts and percentages)

LEVERAGE RATIO

	March 31,	
	2021	2020
Debt/Undepreciated Book Value		
Outstanding debt	\$ 644,771	\$ 675,469
Less: Cash	(22,820)	(36,774)
Add: Proportional share of net debt of real estate partnership	9,185	10,162
Outstanding debt after cash	\$ 631,136	\$ 648,857
Undepreciated real estate assets	\$ 1,107,895	\$ 1,101,118
Add: Proportional share of real estate from unconsolidated partnership	45,886	45,630
Undepreciated real estate assets	\$ 1,153,781	\$ 1,146,748
Ratio of debt to real estate assets	55 %	57 %

	Three Months Ended March 31,	
	2021	2020
Debt/EBITDAre Ratio		
Outstanding debt	\$ 644,771	\$ 675,469
Less: Cash	(22,820)	(36,774)
Add: Proportional share of net debt of unconsolidated real estate partnership	9,185	10,162
Total Net Debt	\$ 631,136	\$ 648,857
EBITDAre	\$ 15,268	\$ 16,300
Management fee, net of related expenses	80	108
Share based compensation	1,468	1,326
EBITDAre-Adjusted	\$ 16,816	\$ 17,734
Effect of partial period acquisitions and dispositions	—	—
Pro forma EBITDAre-Adjusted	16,816	17,734
Pro forma annualized EBITDAre-Adjusted	\$ 67,264	\$ 70,936
Ratio of debt to pro forma EBITDAre-Adjusted	9.4	9.1

Whitestone REIT and Subsidiaries
SUMMARY OF OUTSTANDING DEBT AND DEBT MATURITIES
TOTAL OUTSTANDING DEBT
(in thousands)

Description	March 31, 2021	December 31, 2020
Fixed rate notes		
\$100.0 million, 1.73% plus 1.35% to 1.90% Note, due October 30, 2022 ⁽¹⁾	\$ 100,000	\$ 100,000
\$165.0 million, 2.24% plus 1.35% to 1.90% Note, due January 31, 2024 ⁽²⁾	165,000	165,000
\$80.0 million, 3.72% Note, due June 1, 2027	80,000	80,000
\$19.0 million 4.15% Note, due December 1, 2024	18,604	18,687
\$20.2 million 4.28% Note, due June 6, 2023	18,117	18,222
\$14.0 million 4.34% Note, due September 11, 2024	13,171	13,236
\$14.3 million 4.34% Note, due September 11, 2024	13,953	14,014
\$15.1 million 4.99% Note, due January 6, 2024	14,100	14,165
\$2.6 million 5.46% Note, due October 1, 2023	2,326	2,339
\$1.7 million 3.25% Note, due December 28, 2021	1,386	—
\$50.0 million, 5.09% Note, due March 22, 2029	50,000	50,000
\$50.0 million, 5.17% Note, due March 22, 2029	50,000	50,000
Floating rate notes		
Unsecured line of credit, LIBOR plus 1.40% to 1.90%, due January 31, 2023	119,500	119,500
Total notes payable principal	646,157	645,163
Less deferred financing costs, net of accumulated amortization	(927)	(978)
Total notes payable	<u>\$ 645,230</u>	<u>\$ 644,185</u>

⁽¹⁾ Promissory note includes an interest rate swap that fixed the LIBOR portion of Term Loan 3 at 1.73%.

⁽²⁾ Promissory note includes an interest rate swap that fixed the LIBOR portion of the interest rate at an average rate of 2.24% for the duration of the term through January 31, 2024.

SCHEDULE OF DEBT MATURITIES AS OF MARCH 31, 2021
(in thousands)

Year	Amount Due
2021 (remaining)	\$ 2,822
2022	101,684
2023	147,363
2024	228,574
2025	17,143
Thereafter	148,571
Total	<u>\$ 646,157</u>

Whitestone REIT and Subsidiaries
SUMMARY OF OCCUPANCY AND TOP TENANTS

	Gross Leasable Area as of March 31, 2021	Occupancy % as of			
		March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020
Community Centered Properties®					
Whitestone	4,953,571	89 %	88 %	89 %	89 %
Unconsolidated real estate partnership	926,798	59 %	61 %	62 %	67 %

Whitestone REIT and Subsidiaries
SUMMARY OF OCCUPANCY AND TOP TENANTS
(continued)

Tenant Name	Location	Annualized Rental Revenue (in thousands)	Percentage of Total Annualized Base Rental Revenues ⁽¹⁾	Initial Lease Date	Year Expiring
Safeway Stores Incorporated ⁽²⁾	Austin, Houston and Phoenix	\$ 2,419	2.8 %	11/14/1982, 5/8/1991, 7/1/2000, 4/1/2014, 4/1/2014 and 10/19/16	2022, 2024, 2025, 2025, 2026 and 2034
Whole Foods Market	Houston	2,247	2.6 %	9/3/2014	2035
Frost Bank	Houston	1,948	2.3 %	7/1/2014	2024
Newmark Real Estate of Houston LLC	Houston	1,050	1.2 %	10/1/2015	2026
Bashas' Inc. ⁽³⁾	Phoenix	1,010	1.2 %	10/9/2004 and 4/1/2009	2024 and 2029
Verizon Wireless ⁽⁴⁾	Houston and Phoenix	952	1.1 %	8/16/1994, 2/1/2004, 5/10/2004, 1/27/2006 and 5/1/2014	2022, 2023, 2024, 2024 and 2038
Walgreens & Co. ⁽⁵⁾	Houston and Phoenix	946	1.1 %	11/14/1982, 11/2/1987, 8/24/1996 and 11/3/1996	2022, 2027, 2049 and 2056
Alamo Drafthouse Cinema	Austin	690	0.8 %	2/1/2012	2031
Dollar Tree ⁽⁶⁾	Houston and Phoenix	635	0.7 %	8/10/1999, 6/29/2001, 11/8/2009, 12/17/2009, and 5/21/2013	2023, 2025, 2025, 2026 and 2027
Wells Fargo & Company ⁽⁷⁾	Phoenix	578	0.7 %	10/24/1996 and 4/16/1999	2022 and 2023
Kroger Co.	Dallas	483	0.6 %	12/15/2000	2022
Regus Corporation	Houston	451	0.5 %	5/23/14	2025
New 1960 Enterprises Company	Houston	439	0.5 %	6/3/2014	2025
Paul's Ace Hardware	Phoenix	427	0.5 %	3/1/2008	2023
Original Ninfas LP	Houston	403	0.5 %	8/29/2018	2029
		<u>\$ 14,678</u>	<u>17.1 %</u>		

⁽¹⁾ Annualized Base Rental Revenues represents the monthly base rent as of March 31, 2021 for each applicable tenant multiplied by 12.

⁽²⁾ As of March 31, 2021, we had six leases with the same tenant occupying space at properties located in Phoenix, Houston and Austin. The annualized rental revenue for the lease that commenced on April 1, 2014, and is scheduled to expire in 2034, was \$1,047,000, which represents approximately 1.2% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on April 1, 2014, and is scheduled to expire in 2024, was \$42,000, which represents less than 0.1% of our annualized base rental revenue. The annualized rental revenue for the lease that commenced on May 8, 1991, and is scheduled to expire in 2026, was \$344,000, which represents approximately 0.4% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on July 1, 2000, and is scheduled to expire in 2025, was \$353,000, which represents approximately 0.4% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on November 14, 1982, and is scheduled to expire in

2022, was \$318,000, which represents approximately 0.4% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on October 19, 2016, and is scheduled to expire in 2025, was \$315,000, which represents approximately 0.4% of our total annualized base rental revenue.

- (3) As of March 31, 2021, we had two leases with the same tenant occupying space at properties located in Phoenix. The annualized rental revenue for the lease that commenced on October 9, 2004, and is scheduled to expire in 2024, was \$281,000, which represents approximately 0.3% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on April 1, 2009, and is scheduled to expire in 2029, was \$729,000, which represents approximately 0.9% of our total annualized base rental revenue.
- (4) As of March 31, 2021, we had five leases with the same tenant occupying space at properties located in Phoenix and Houston. The annualized rental revenue for the lease that commenced on August 16, 1994, and is scheduled to expire in 2038, was \$22,000, which represents less than 0.1% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on January 27, 2006, and is scheduled to expire in 2023, was \$136,000, which represents approximately 0.2% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on February 1, 2004, and is scheduled to expire in 2024, was \$38,000, which represents less than 0.1% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on May 1, 2014, and is scheduled to expire in 2024, was \$749,000, which represents approximately 0.9% of our total annualized rental revenue. The annualized rental revenue for the lease that commenced on May 10, 2004, and is scheduled to expire in 2022, was \$6,000, which represents less than 0.1% of our total annualized base rental revenue.
- (5) As of March 31, 2021, we had four leases with the same tenant occupying space at properties located in Phoenix and Houston. The annualized rental revenue for the lease that commenced on November 3, 1996, and is scheduled to expire in 2049, was \$279,000, which represents approximately 0.3% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on November 2, 1987, and is scheduled to expire in 2027, was \$189,000, which represents approximately 0.2% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on November 14, 1982, and is scheduled to expire in 2022, was \$181,000, which represents approximately 0.2% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on August 24, 1996, and is scheduled to expire in 2056, was \$298,000, which represents approximately 0.3% of our total annualized rental revenue.
- (6) As of March 31, 2021, we had five leases with the same tenant occupying space at properties in Houston and Phoenix. The annualized rental revenue for the lease that commenced on August 10, 1999, and is scheduled to expire in 2025, was \$88,000, which represents approximately 0.1% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on December 17, 2009, and is scheduled to expire in 2025, was \$118,000, which represents approximately 0.1% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on June 29, 2001, and is scheduled to expire in 2026, was \$169,000, which represents approximately 0.2% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on May 21, 2013, and is scheduled to expire in 2023, was \$110,000, which represents approximately 0.1% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on November 8, 2009, and is scheduled to expire in 2027, was \$151,000, which represents approximately 0.2% of our total annualized base rental revenue.
- (7) As of March 31, 2021, we had two leases with the same tenant occupying space at properties located in Phoenix. The annualized rental revenue for the lease that commenced on October 24, 1996, and is scheduled to expire in 2022, was \$131,000, which represents approximately 0.2% of our total annualized base rental revenue. The annualized rental revenue for the lease that commenced on April 16, 1999, and is scheduled to expire in 2023, was \$447,000, which represents approximately 0.5% of our total annualized base rental revenue.

Whitestone REIT and Subsidiaries
COVID-19 - STATUS OF TENANTS

	% of Leased SF	% of ABR	Q1 2021 Cash Payments Received %⁽¹⁾	April Cash Payments Received %⁽¹⁾
Restaurants & Food Service	17%	23%	95%	96%
Grocery	15%	9%	100%	97%
Financial Services	6%	9%	99%	100%
Salons	6%	8%	93%	95%
Medical & Dental	7%	8%	94%	92%
Non Retail	5%	6%	91%	94%
Home Décor And Improvement	7%	5%	98%	98%
General Retail	7%	5%	93%	95%
Apparel	4%	4%	89%	97%
Education	4%	4%	99%	95%
Fitness	5%	4%	92%	93%
Local Services	2%	3%	95%	96%
Off-Price	4%	2%	99%	100%
Pet Supply & Services	3%	2%	95%	96%
Wireless	1%	2%	93%	98%
Entertainment	2%	2%	73%	52%
Pharmacies & Nutritional Supplies	2%	2%	100%	99%
Sporting Goods	1%	1%	100%	100%
Postal Services	1%	1%	97%	94%
Automotive Supply & Services	1%	0%	97%	100%
Electronics	0%	0%	100%	100%
Total	100%	100%	95%	95%

⁽¹⁾ Collections received through May 3, 2021 that are for contractual rent (base rent and expense reimbursement) in the respective period

Whitestone REIT and Subsidiaries
SUMMARY OF LEASING ACTIVITY

	Three Months Ended	
	March 31,	
	2021	2020
<u>RENEWALS</u>		
Number of Leases	48	56
Total Square Feet ⁽¹⁾	108,232	168,230
Average Square Feet	2,255	3,004
Total Lease Value	\$ 10,929,000	\$ 15,923,000
<u>NEW LEASES</u>		
Number of Leases	46	24
Total Square Feet ⁽¹⁾	116,993	52,909
Average Square Feet	2,543	2,205
Total Lease Value	\$ 19,895,000	\$ 6,032,000
<u>TOTAL LEASES</u>		
Number of Leases	94	80
Total Square Feet ⁽¹⁾	225,225	221,139
Average Square Feet	2,396	2,764
Total Lease Value	\$ 30,824,000	\$ 21,955,000

⁽¹⁾ Represents the square footage as the result of new, renewal, expansion and contraction leases.

Whitestone REIT and Subsidiaries
SUMMARY OF LEASING ACTIVITY

Type	Number of Leases Signed	Lease Value Signed	GLA Signed	Weighted Average Lease Term ⁽²⁾	TI and Incentives ⁽³⁾	TI and Incentives Per Sq. Ft.	Contractual Rent Per Sq. Ft. ⁽⁴⁾	Prior Contractual Rent Per Sq. Ft. ⁽⁵⁾	Annual Increase (Decrease) in Contractual Rent	Cash Basis Increase (Decrease) Over Prior Rent	Annual Increase (Decrease) in Straight- lined Rent	Straight- lined Basis Increase (Decrease) Over Prior Rent
Comparable: ⁽¹⁾												
Comparable Total Leases:												
1st Quarter 2021	72	\$ 21,870,651	160,509	5.4	\$ 1,201,947	\$ 7.49	\$ 22.12	\$ 23.14	\$ (162,801)	(4.4)%	\$ 273,174	7.8 %
4th Quarter 2020	73	16,880,587	297,812	4.1	388,146	1.30	13.20	13.19	4,030	0.1 %	254,859	6.8 %
3rd Quarter 2020	63	15,059,079	216,564	3.8	723,072	3.34	16.35	15.83	107,566	3.3 %	344,848	11.0 %
2nd Quarter 2020	54	13,620,242	162,729	4.2	418,007	2.57	18.66	18.30	59,644	2.0 %	315,893	11.3 %
Total - 12 months	262	\$ 67,430,559	837,614	4.3	\$ 2,731,172	\$ 3.26	\$ 16.78	\$ 16.77	\$ 8,439	0.1 %	\$ 1,188,774	9.0 %
Comparable New Leases:												
1st Quarter 2021	26	\$ 11,296,796	56,578	6.7	\$ 1,002,823	\$ 17.72	\$ 23.87	\$ 26.52	\$ (149,925)	(10.0)%	\$ 75,001	5.3 %
4th Quarter 2020	20	4,653,817	30,371	5.5	291,222	9.59	23.58	26.73	(95,836)	(11.8)%	(42,922)	(5.4)%
3rd Quarter 2020	18	5,437,366	45,158	4.8	630,803	13.97	22.39	21.80	26,323	2.7 %	25,687	2.9 %
2nd Quarter 2020	11	3,864,386	25,792	5.9	227,075	8.80	22.65	24.05	(35,900)	(5.8)%	19,331	3.4 %
Total - 12 months	75	\$ 25,252,365	157,899	5.8	\$ 2,151,923	\$ 13.63	\$ 23.19	\$ 24.81	\$ (255,338)	(6.5)%	\$ 77,097	2.1 %
Comparable Renewal Leases:												
1st Quarter 2021	46	\$ 10,573,855	103,931	4.7	\$ 199,124	\$ 1.92	\$ 21.17	\$ 21.29	\$ (12,876)	(0.6)%	\$ 198,173	9.6 %
4th Quarter 2020	53	12,226,770	267,441	3.9	96,924	0.36	12.02	11.65	99,866	3.2 %	297,781	10.1 %
3rd Quarter 2020	45	9,621,713	171,406	3.5	92,269	0.54	14.76	14.28	81,243	3.4 %	319,161	13.9 %
2nd Quarter 2020	43	9,755,856	136,937	3.9	190,932	1.39	17.91	17.21	95,544	4.1 %	296,562	13.5 %
Total - 12 months	187	\$ 42,178,194	679,715	3.9	\$ 579,249	\$ 0.85	\$ 15.30	\$ 14.91	\$ 263,777	2.6 %	\$ 1,111,677	11.6 %

Whitestone REIT and Subsidiaries
SUMMARY OF LEASING ACTIVITY
(continued)

Type	Number of Leases Signed	Lease Value Signed	GLA Signed	Weighted Average Lease Term ⁽²⁾	TI and Incentives ⁽³⁾	TI and Incentives per Sq. Ft.	Contractual Rent Per Sq. Ft. ⁽⁴⁾
Total:							
New & Renewal							
1st Quarter 2021	94	\$ 30,824,156	225,225	5.7	\$ 2,034,341	\$ 9.03	\$ 21.44
4th Quarter 2020	84	19,013,353	322,875	4.0	502,216	1.56	13.69
3rd Quarter 2020	78	19,540,109	257,370	4.0	1,002,715	3.90	16.85
2nd Quarter 2020	64	14,993,431	180,245	4.4	528,868	2.93	18.49
Total - 12 months	320	\$ 84,371,049	985,715	4.4	\$ 4,068,140	\$ 4.13	\$ 17.17
New							
1st Quarter 2021	46	\$ 19,895,385	116,993	6.7	\$ 1,832,500	\$ 15.66	\$ 21.62
4th Quarter 2020	28	6,477,724	49,664	4.9	401,475	8.08	22.27
3rd Quarter 2020	32	9,861,214	85,196	4.8	906,788	10.64	20.98
2nd Quarter 2020	21	5,237,575	43,308	5.4	337,936	7.80	20.33
Total - 12 months	127	\$ 41,471,898	295,161	5.7	\$ 3,478,699	\$ 11.79	\$ 21.36
Renewal							
1st Quarter 2021	48	\$ 10,928,771	108,232	4.7	\$ 201,841	\$ 1.86	\$ 21.24
4th Quarter 2020	56	12,535,629	273,211	3.9	100,741	0.37	12.13
3rd Quarter 2020	46	9,678,895	172,174	3.5	95,927	0.56	14.81
2nd Quarter 2020	43	9,755,856	136,937	3.9	190,932	1.39	17.91
Total - 12 months	193	\$ 42,899,151	690,554	3.9	\$ 589,441	\$ 0.85	\$ 15.37

(1) Comparable leases represent leases signed on spaces for which there was a former tenant within the last twelve months and the new or renewal square footage was within 25% of the expired square footage.

(2) Weighted average lease term is determined on the basis of square footage.

(3) Estimated amount per signed lease. Actual cost of construction may vary.

(4) Contractual rent represents contractual minimum rent under the new lease for the first month, excluding concessions.

(5) Prior contractual rent represents contractual minimum rent under the prior lease for the final month.

Whitestone REIT and Subsidiaries
LEASE EXPIRATIONS⁽¹⁾

Year	Number of Leases	Gross Leasable Area		Annualized Base Rent ⁽²⁾ as of March 31, 2021		
		Square Feet	Percent of Gross Leasable Area	Amount (in thousands)	Percent of Total	Per Square Foot
2021	381	540,452	10.9 %	\$ 9,999	11.7 %	\$ 18.50
2022	225	662,443	13.4 %	12,416	14.5 %	18.74
2023	194	595,659	12.0 %	11,800	13.8 %	19.81
2024	192	707,418	14.3 %	14,535	16.9 %	20.55
2025	182	722,293	14.6 %	12,979	15.1 %	17.97
2026	82	370,967	7.5 %	6,933	8.1 %	18.69
2027	40	171,289	3.5 %	3,828	4.4 %	22.35
2028	28	151,175	3.0 %	2,841	3.3 %	18.79
2029	19	160,086	3.2 %	2,884	3.4 %	18.02
2030	23	68,143	1.4 %	2,122	2.5 %	31.14
Total	1,366	4,149,925	83.8 %	\$ 80,337	93.7 %	\$ 19.36

⁽¹⁾ Lease expirations table reflects rents in place as of March 31, 2021, and does not include option periods.

⁽²⁾ Annualized Base Rent represents the monthly base rent as of March 31, 2021 for each tenant multiplied by 12.

Whitestone REIT and Subsidiaries
Property Details
As of March 31, 2021

Community Name	Location	Year Built/ Renovated	Gross Leasable Square Feet	Percent Occupied at 03/31/2021	Annualized Base Rental Revenue (in thousands) ⁽¹⁾	Average Base Rental Revenue Per Sq. Ft. ⁽²⁾	Average Net Effective Annual Base Rent Per Leased Sq. Ft. ⁽³⁾
Whitestone Properties:							
Ahwatukee Plaza	Phoenix	1979	72,650	82 %	\$ 759	\$ 12.74	\$ 12.57
Anthem Marketplace	Phoenix	2000	113,293	88 %	1,348	13.52	14.02
Anthem Marketplace Phase II	Phoenix	2019	6,853	100 %	235	34.23	33.94
Bissonnet/Beltway	Houston	1978	29,205	88 %	369	14.38	14.53
BLVD Place	Houston	2014	216,944	97 %	9,136	43.41	43.18
The Citadel	Phoenix	2013	28,547	92 %	449	17.10	17.22
City View Village	San Antonio	2005	17,870	100 %	553	30.92	30.31
Davenport Village	Austin	1999	128,934	92 %	2,993	25.23	25.45
Desert Canyon	Phoenix	2000	62,533	81 %	708	13.98	13.52
Eldorado Plaza	Dallas	2004	219,287	89 %	2,823	14.47	15.45
Fountain Hills	Phoenix	2009	111,289	87 %	1,445	14.93	16.17
Fountain Square	Phoenix	1986	118,209	89 %	1,843	17.51	17.11
Fulton Ranch Towne Center	Phoenix	2005	120,575	94 %	1,923	16.96	17.56
Gilbert Tuscany Village	Phoenix	2009	49,415	100 %	992	20.08	19.98
Gilbert Tuscany Village Hard Corner	Phoenix	2009	14,603	100 %	124	8.50	8.91
Heritage	Dallas	2006	70,431	100 %	1,604	22.78	23.84
HQ Village	Dallas	2009	89,134	84 %	2,276	30.40	31.35
Keller Place	Dallas	2001	93,541	92 %	893	10.38	10.82
Kempwood Plaza	Houston	1974	91,302	92 %	1,191	14.18	14.11
La Mirada	Phoenix	1997	147,209	90 %	3,162	23.87	23.80
Lion Square	Houston	2014	117,592	92 %	1,668	15.41	14.45
The MarketPlace at Central	Phoenix	2012	111,130	98 %	1,070	9.82	9.71
Market Street at DC Ranch	Phoenix	2003	244,888	96 %	5,054	21.50	22.30
Mercado at Scottsdale Ranch	Phoenix	1987	118,730	84 %	1,649	16.54	16.25
Paradise Plaza	Phoenix	1983	125,898	93 %	1,592	13.60	12.91
Parkside Village North	Austin	2005	27,045	96 %	836	32.20	32.54
Parkside Village South	Austin	2012	90,101	100 %	2,141	23.76	23.69
Pima Norte	Phoenix	2007	35,110	63 %	389	17.57	18.92
Pinnacle of Scottsdale	Phoenix	1991	113,108	96 %	2,292	21.11	22.06
Pinnacle Phase II	Phoenix	2017	27,063	100 %	755	27.90	28.46
The Promenade at Fulton Ranch	Phoenix	2007	98,792	80 %	1,034	13.09	13.33
Providence	Houston	1980	90,327	96 %	1,024	11.80	12.03
Quinlan Crossing	Austin	2012	109,892	96 %	2,346	22.24	24.65
Seville	Phoenix	1990	90,042	85 %	2,179	28.48	30.40
Shaver	Houston	1978	21,926	100 %	355	16.20	16.15
Shops at Pecos Ranch	Phoenix	2009	78,767	88 %	1,720	24.81	26.40
Shops at Starwood	Dallas	2006	55,385	100 %	1,498	27.05	26.98
The Shops at Williams Trace	Houston	1985	132,991	82 %	1,855	17.01	16.57
South Richey	Houston	1980	69,928	96 %	701	10.45	10.56
Spoerlein Commons	Chicago	1987	41,455	87 %	685	19.00	19.80
Starwood Phase II	Dallas	2016	35,351	90 %	1,010	31.75	31.75
Strand	San Antonio	2000	73,920	100 %	1,709	23.13	22.81
SugarPark Plaza	Houston	1974	95,032	97 %	1,152	12.49	12.43
Sunridge	Houston	1979	49,359	83 %	545	13.31	12.97
Sunset at Pinnacle Peak	Phoenix	2000	41,530	95 %	708	17.95	18.33
Terravita Marketplace	Phoenix	1997	102,733	64 %	1,178	17.92	17.33
Town Park	Houston	1978	43,526	91 %	949	23.96	23.83
Dana Park	Phoenix	2009	323,026	76 %	5,511	22.45	21.79
Westchase	Houston	1978	50,332	75 %	579	15.33	14.83

Whitestone REIT and Subsidiaries
Property Details
As of March 31, 2021
(continued)

Community Name	Location	Year Built/ Renovated	Gross Leasable Square Feet	Percent Occupied at 03/31/2021	Annualized Base Rental Revenue (in thousands) ⁽¹⁾	Average Base Rental Revenue Per Sq. Ft. ⁽²⁾	Average Net Effective Annual Base Rent Per Leased Sq. Ft. ⁽³⁾
Williams Trace Plaza	Houston	1983	129,222	89 %	1,702	14.80	15.13
Windsor Park	San Antonio	2012	196,458	97 %	1,960	10.28	12.27
Woodlake Plaza	Houston	1974	106,169	58 %	988	16.04	15.75
Total/Weighted Average - Whitestone Properties			4,848,652	89 %	83,660	19.39	19.69
Development Properties:							
Las Colinas	Dallas	2000	104,919	70 %	1,772	24.13	26.57
Total/Weighted Average - Development Properties⁽⁴⁾			104,919	70 %	1,772	24.13	26.57
Land Held for Development:							
BLVD Phase II-B	Houston	N/A	—	—	—	—	—
Dana Park Development	Phoenix	N/A	—	—	—	—	—
Eldorado Plaza Development	Dallas	N/A	—	—	—	—	—
Fountain Hills	Phoenix	N/A	—	—	—	—	—
Market Street at DC Ranch	Phoenix	N/A	—	—	—	—	—
Total/Weighted Average - Land Held For Development⁽⁵⁾			—	—	—	—	—
Grand Total/Weighted Average - Whitestone Properties			<u>4,953,571</u>	<u>89 %</u>	<u>\$ 85,432</u>	<u>\$ 19.38</u>	<u>\$ 19.71</u>

Properties owned in Unconsolidated Real Estate Partnership (81.4% ownership):

9101 LBJ Freeway	Dallas	1985	125,874	46 %	\$ 1,055	\$ 18.22	\$ 18.43
Corporate Park Northwest	Houston	1981	174,359	70 %	1,664	13.63	13.30
Corporate Park Woodland II	Houston	2000	14,344	100 %	247	17.22	17.22
Holly Hall Industrial Park	Houston	1980	90,000	49 %	315	7.14	7.21
Holly Knight	Houston	1984	20,015	100 %	411	20.53	20.48
Interstate 10 Warehouse	Houston	1980	151,000	31 %	278	5.94	5.90
Uptown Tower	Dallas	1982	253,981	64 %	3,771	23.20	23.38
Westgate Service Center	Houston	1984	97,225	79 %	631	8.22	8.08
Total/Weighted Average - Unconsolidated Properties			<u>926,798</u>	<u>59 %</u>	<u>\$ 8,372</u>	<u>\$ 15.31</u>	<u>\$ 15.29</u>

⁽¹⁾ Calculated as the tenant's actual March 31, 2021 base rent (defined as cash base rents including abatements) multiplied by 12. Excludes vacant space as of March 31, 2021. Because annualized base rental revenue is not derived from historical results that were accounted for in accordance with generally accepted accounting principles, historical results differ from the annualized amounts. Total abatements for leases in effect as of March 31, 2021 equaled approximately \$155,125 for the month ended March 31, 2021.

⁽²⁾ Calculated as annualized base rent divided by leased square feet as of March 31, 2021.

⁽³⁾ Represents (i) the contractual base rent for leases in place as of March 31, 2021, adjusted to a straight-line basis to reflect changes in rental rates throughout the lease term and amortize free rent periods and abatements, but without regard to tenant improvement allowances and leasing commissions, divided by (ii) square footage under commenced leases of March 31, 2021.

⁽⁴⁾ Includes (i) new acquisitions, through the earlier of attainment of 90% occupancy or 18 months of ownership, and (ii) properties that are undergoing significant development, redevelopment or re-tenanting.

⁽⁵⁾ As of March 31, 2021, these parcels of land were held for development and, therefore, had no gross leasable area.



WHITESTONE REIT

AUSTIN - SAN ANTONIO

Davenport Village | Quinlan Crossing | City View Village | Parkside Village North | Parkside Village South
The Strand at Huebner Oaks | Windsor Park

DALLAS - FORT WORTH

Eldorado Plaza | Headquarters Village | Heritage Trace Plaza | Keller Place | Las Colinas Village | Shops at Starwood

HOUSTON

BLVD Place | Bissonnet Beltway Plaza | Kempwood Plaza | Lion Square | Providence Plaza | Shaver Street Center
Shops at Williams Trace | South Richey | Sugar Park Plaza | Sunridge Center | Town Park Plaza
Woodlake Plaza | Westchase Plaza | Williams Trace Plaza

PHOENIX

Ahwatukee Plaza | Anthem Marketplace | Desert Canyon | Fountain Hills Plaza | Fountain Square
Fulton Ranch Towne Center | Gilbert Tuscany Village | La Mirada Center | Market Street at DC Ranch
Marketplace at Central | Mercado at Scottsdale Ranch | Paradise Plaza | Pima Norte
Pinnacle of Scottsdale | Scottsdale Seville | Sunset at Pinnacle Peak | Terravita Marketplace | The Citadel
The Promenade at Fulton Ranch | The Shops at Pecos Ranch | Village Square at Dana Park



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