



## CIM Commercial Trust Corporation Reports 2021 Second Quarter Results

August 9, 2021

DALLAS--(BUSINESS WIRE)--Aug. 9, 2021-- CIM Commercial Trust Corporation (NASDAQ: CMCT and TASE: CMCT-L) (“we”, “our”, “CMCT”, “CIM Commercial”, or the “Company”), a real estate investment trust (“REIT”), today reported operating results for the three and six months ended June 30, 2021.

### Second Quarter 2021 Highlights

#### Portfolio

- Same-store<sup>(1)</sup> office portfolio was 78.5% leased.
- Executed 21,913 square feet of leases with terms longer than 12 months.

#### Financial Results

- Net loss attributable to common stockholders of \$4.2 million, or \$0.28 per diluted share.
- Funds from operations (“FFO”) attributable to common stockholders <sup>(2)</sup> was \$859,000, or \$0.06 per diluted share.
- Core FFO attributable to common stockholders<sup>(3)</sup> was \$1.0 million, or \$0.06 per diluted share.

### Management Commentary

“Our core funds from operations was \$0.06 per share during the second quarter of 2021, compared to a loss of \$0.19 per share in the first quarter. The increase was primarily driven by strength in our lending division and improving operating trends at our hotel,” said David Thompson, Chief Executive Officer of CIM Commercial.

“As the quarter progressed, we continued to see improved office leasing activity, hotel occupancy and hotel room bookings for 2022. Our hotel occupancy improved to 59% in June 2021, from 38% in April 2021, while our 2022 hotel bookings are now at nearly 90% of pre-Covid levels with a higher average daily rate<sup>1</sup>.

Our recently completed rights offering significantly improved our balance sheet and we are focused on acquiring cash flowing true creative office, multifamily, retail, parking, in-fill industrial and limited-service hospitality assets in vibrant and improving metropolitan communities. It is our intention that no acquisition will exceed more than 10% of the Company’s gross asset value. We intend to finance these acquisitions with a balance of common equity, preferred equity and debt and we will continue to build the quality of our balance sheet while growing the portfolio.

We have an attractive portfolio with significant same store growth opportunity, and we may have opportunities to dispose of some of those assets at attractive prices. To the extent that we do so, we will seek to redeploy proceeds in the same profile of assets that we are pursuing with the capital we have raised.”

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<sup>1</sup> Based on group bookings at a similar time in 2018 for the year 2019. The adjacent convention center was closed in 2020 due to an expansion and renovation.

### Second Quarter 2021 Results

#### Portfolio

As of June 30, 2021, our real estate portfolio consisted of 12 assets, all of which were fee-simple properties. The portfolio included nine office properties and one development site, which is being used as a parking lot, totaling approximately 1.3 million rentable square feet, and one 503-room hotel with an ancillary parking garage.

#### Financial Results

Net loss attributable to common stockholders was \$4.2 million, or \$0.28 per diluted share of common stock, for the three months ended June 30, 2021, compared to \$8.1 million, or \$0.55 per diluted share of common stock, for the same period in 2020.

FFO attributable to common stockholders<sup>(2)</sup> was \$859,000, or \$0.06 per diluted share of common stock, for the three months ended June 30, 2021, compared to a loss of \$2.9 million, or \$0.20 per diluted share of common stock, for the same period in 2020.

Core FFO attributable to common stockholders<sup>(3)</sup> was \$1.0 million, or \$0.06 per diluted share of common stock, for the three months ended June 30, 2021, compared to a loss of \$2.8 million, or \$0.19 per diluted share of common stock, for the same period in 2020. The increase in Core FFO is primarily attributable to an increase in segment net operating income, partially offset by a decrease in redeemable preferred stock dividends declared or accumulated.

### Segment Information

Our reportable segments during the three months ended June 30, 2021 and 2020 consisted of two types of commercial real estate properties, namely, office and hotel, as well as a segment for our lending business. Total Segment net operating income (“NOI”) <sup>(4)</sup> was \$12.6 million for the three months

ended June 30, 2021, compared to \$7.0 million for the same period in 2020.

## Office

### *Same-Store*

Same-store<sup>(1)</sup> office Segment NOI<sup>(4)</sup> decreased 11.5%, while same-store<sup>(1)</sup> office Cash NOI<sup>(5)</sup>, excluding lease termination income, decreased 12.5% for the three months ended June 30, 2021 compared to the same period in 2020. The decrease is primarily due to lower revenues at an office property in Los Angeles, California and at an office property in Beverly Hills, California due to decreases in occupancy as compared to the same period in 2020.

At June 30, 2021, the Company's same-store<sup>(1)</sup> office portfolio was 77.8% occupied, a decrease of 280 basis points year-over-year on a same-store<sup>(1)</sup> basis, and 78.5% leased, a decrease of 250 basis points year-over-year on a same-store<sup>(1)</sup> basis. The annualized rent per occupied square foot<sup>(6)</sup> on a same-store<sup>(1)</sup> basis was \$52.36 at June 30, 2021 compared to \$50.29 at June 30, 2020. During the three months ended June 30, 2021, the Company executed 16,754 square feet of recurring leases at our same-store<sup>(1)</sup> office portfolio.

### *Total*

Office Segment NOI<sup>(4)</sup> decreased to \$7.6 million for the three months ended June 30, 2021, from \$8.3 million for the same period in 2020. The decrease is primarily due to a decrease in same-store<sup>(1)</sup> office Segment NOI<sup>(4)</sup> as described above, partially offset by increased revenues from two properties acquired subsequent to April 1, 2020.

## Hotel

Hotel Segment NOI<sup>(4)</sup> increased to a loss of \$2,000 for the three months ended June 30, 2021, from a loss of \$1.1 million for the same period in 2020, due to an increase in occupancy, average daily rate, and food, beverage, and other sundry hotel services as a result of the easing of government restrictions associated with the COVID-19 pandemic. Monthly occupancy was 38%, 46% and 59% in April, May and June 2021, respectively. The following table sets forth the occupancy, average daily rate and revenue per available room for our hotel for the specified periods:

	Three Months Ended June 30,	
	2021	2020
Occupancy	47.7%	12.5%
Average daily rate <sup>(1)</sup>	\$ 122.33	\$ 124.49
Revenue per available room <sup>(2)</sup>	\$ 58.31	\$ 15.61

(1) Calculated as trailing 3-month room revenue divided by the number of rooms occupied.

(2) Calculated as trailing 3-month room revenue divided by the number of available rooms.

## Lending

Our lending segment primarily consists of our SBA 7(a) lending platform, which is a national lender that primarily originates loans to small businesses in the hospitality industry. Lending Segment NOI<sup>(4)</sup> was \$5.0 million for the three months ended June 30, 2021, compared to a loss of \$110,000 for the same period in 2020. The increase is primarily due to an increase in premium income from the sale of the guaranteed portion of our SBA 7(a) loans benefited by an increase in the SBA guaranty support from a maximum of 75% per loan to 90% per loan and higher market premiums (noting that the level of guaranty support from the SBA is not permanent and may change back to 75% at any time by act of Congress). In addition, there was an increase in interest income resulting from an increase in the average outstanding portfolio balance during the three months ended June 30, 2021 compared to the three months ended June 30, 2020.

## Debt and Equity

During the three months ended June 30, 2021, we issued 430,082 shares of Series A Preferred Stock and 7,835 shares of Series D Preferred Stock for aggregate net proceeds of \$10.1 million. Net proceeds represent gross proceeds offset by costs specifically identifiable to the offering of Series A Preferred Stock and Series D Preferred Stock, such as commissions, dealer manager fees, and other offering fees and expenses. Additionally during the three months ended June 30, 2021, we conducted a rights offering under which we issued an aggregate of 8,521,589 shares of Common Stock for aggregate net proceeds of \$76.9 million. Such proceeds were used to fund a paydown of \$75.0 million on our revolving credit facility in June 2021 until they are deployed for their intended use for the development or repositioning of properties, releasing of space in existing properties, capital expenditures, acquisitions consistent with our acquisition and asset management strategies, or other general corporate purposes.

## Dividends

On June 7, 2021, we declared a quarterly cash dividend of \$0.0750 per share of our common stock, which was paid on June 30, 2021 to stockholders of record at the close of business on June 17, 2021.

On June 7, 2021, we declared a quarterly cash dividend of \$0.34375 per share of our Series A Preferred Stock or portion thereof for issuances during the second quarter of 2021. The dividend is payable as follows: \$0.114583 per share on July 15, 2021, August 16, 2021 and September 15, 2021 to stockholders of record at the close of business on July 5, 2021, August 5, 2021 and September 5, 2021, respectively.

On June 7, 2021, we declared a quarterly cash dividend of \$0.35313 per share of our Series D Preferred Stock, or portion thereof for issuances during the second quarter of 2021. The dividend is payable as follows: \$0.117708 per share on July 15, 2021, August 16, 2021 and September 15, 2021 to stockholders of record at the close of business on July 5, 2021, August 5, 2021 and September 5, 2021, respectively.

## About the Data

Descriptions of certain performance measures, including Segment NOI, Cash NOI, FFO attributable to common stockholders, and Core FFO are provided below. Refer to the subsequent tables for reconciliation of these non-GAAP financial measures to the most directly comparable GAAP financial measure.

- (1) **Same-store properties:** are properties that we have owned and operated in a consistent manner and reported in our consolidated results during the entire span of the periods being reported. We excluded from our same-store property set this quarter any properties (i) acquired on or after April 1, 2020; (ii) sold or otherwise removed from our consolidated financial statements on or before June 30, 2021; or (iii) that underwent a major repositioning project we believed significantly affected its results at any point during the period commencing on April 1, 2020 and ending on June 30, 2021. When determining our same-store properties as of June 30, 2021, one property was excluded pursuant to (i) and (iii) above and no properties were excluded pursuant to (ii) above.
- (2) **FFO attributable to common stockholders:** represents net income (loss) attributable to common stockholders, computed in accordance with GAAP, which reflects the deduction of redeemable preferred stock dividends accumulated, excluding gain (or loss) from sales of real estate, impairment of real estate, and real estate depreciation and amortization. We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts (the "NAREIT"). See 'Core FFO' definition below for discussion of the benefits and limitations of FFO as a supplemental measure of operating performance.
- (3) **Core FFO attributable to common stockholders ("Core FFO"):** represents FFO attributable to common stockholders (computed as described above), excluding gain (loss) on early extinguishment of debt, redeemable preferred stock deemed dividends, redeemable preferred stock redemptions, gain (loss) on termination of interest rate swaps, and transaction costs.

We believe that FFO is a widely recognized and appropriate measure of the performance of a REIT and that it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. In addition, we believe that Core FFO is a useful metric for securities analysts, investors and other interested parties in the evaluation of our Company as it excludes from FFO the effect of certain amounts that we believe are non-recurring, are non-operating in nature as they relate to the manner in which we finance our operations, or transactions outside of the ordinary course of business.

Like any metric, FFO and Core FFO should not be used as the only measure of our performance because it excludes depreciation and amortization and captures neither the changes in the value of our real estate properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, and Core FFO excludes amounts incurred in connection with non-recurring special projects, prepaying or defeasing our debt, repurchasing our preferred stock, and adjusting the carrying value of our preferred stock classified in temporary equity to its redemption value, all of which have real economic effect and could materially impact our operating results. Other REITs may not calculate FFO and Core FFO in the same manner as we do, or at all; accordingly, our FFO and Core FFO may not be comparable to the FFOs and Core FFOs of other REITs. Therefore, FFO and Core FFO should be considered only as a supplement to net income (loss) as a measure of our performance and should not be used as a supplement to or substitute measure for cash flows from operating activities computed in accordance with GAAP. FFO and Core FFO should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends. FFO and Core FFO per share for the year-to-date period may differ from the sum of quarterly FFO and Core FFO per share amounts due to the required method for computing per share amounts for the respective periods. In addition, FFO and Core FFO per share is calculated independently for each component and may not be additive due to rounding.

- (4) **Segment NOI:** for our real estate segments represents rental and other property income and expense reimbursements less property related expenses and excludes non-property income and expenses, interest expense, depreciation and amortization, corporate related general and administrative expenses, gain (loss) on sale of real estate, gain (loss) on early extinguishment of debt, impairment of real estate, transaction costs, and benefit (provision) for income taxes. For our lending segment, Segment NOI represents interest income net of interest expense and general overhead expenses. See 'Cash NOI' definition below for discussion of the benefits and limitations of Segment NOI as a supplemental measure of operating performance.
- (5) **Cash NOI:** for our real estate segments, represents Segment NOI adjusted to exclude the effect of the straight lining of rents, acquired above/below market lease amortization and other adjustments required by generally accepted accounting principles ("GAAP"). For our lending segment, there is no distinction between Cash NOI and Segment NOI. We also evaluate the operating performance and financial results of our operating segments using cash basis NOI excluding lease termination income, or "Cash NOI excluding lease termination income".

Segment NOI and Cash NOI are not measures of operating results or cash flows from operating activities as measured by GAAP and should not be considered alternatives to income from continuing operations, or to cash flows as a measure of liquidity, or as an indication of our performance or of our ability to pay dividends. Companies may not calculate Segment NOI or Cash NOI in the same manner. We consider Segment NOI and Cash NOI to be useful performance measures to investors and management because, when compared across periods, they reflect the revenues and expenses directly associated with owning and operating our properties and the impact to operations from trends in occupancy rates, rental rates and operating costs, providing a perspective not immediately apparent from income from continuing operations. Additionally, we believe that Cash NOI is helpful to investors because it eliminates straight line rent and other non-cash adjustments to revenue and expenses.

- (6) **Annualized rent per occupied square foot:** represents gross monthly base rent under leases commenced as of the specified periods, multiplied by twelve. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent. Annualized rent for certain office properties includes rent attributable to retail.

## FORWARD-LOOKING STATEMENTS

This press release contains certain "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"), which are intended to be covered by the safe harbors created thereby. Such forward-looking statements can be identified by the use of forward-looking terminology such as "may," "will," "project," "target," "expect," "intend," "might,"

“believe,” “anticipate,” “estimate,” “could,” “would,” “continue,” “pursue,” “potential,” “forecast,” “seek,” “plan,” or “should” or the negative thereof or other variations or similar words or phrases. Such forward-looking statements include, among others, statements about CMCT’s plans and objectives relating to future growth and availability of funds. Such forward-looking statements are based on particular assumptions that management of CMCT has made in light of its experience, as well as its perception of expected future developments and other factors that it believes are appropriate under the circumstances. Forward-looking statements are necessarily estimates reflecting the judgment of CMCT’s management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include those associated with (i) the scope, severity and duration of the current pandemic of COVID-19, and actions taken to contain the pandemic or mitigate its impact, (ii) the adverse effect of COVID-19 on the financial condition, results of operations, cash flows and performance of CMCT and its tenants and business partners, the real estate market and the global economy and financial markets, among others, (iii) the timing, form, and operational effects of CMCT’s development activities, (iv) the ability of CMCT to raise in place rents to existing market rents and to maintain or increase occupancy levels, (v) fluctuations in market rents, including as a result of COVID-19, and (vi) general economic, market and other conditions. Additional important factors that could cause CMCT’s actual results to differ materially from CMCT’s expectations are discussed under the section “Risk Factors” in CMCT’s Annual Report on Form 10-K for the year ended December 31, 2020. The forward-looking statements included herein are based on current expectations and there can be no assurance that these expectations will be attained. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond CMCT’s control. Although we believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements included herein will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by CMCT or any other person that CMCT’s objectives and plans will be achieved. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made. CMCT does not undertake to update them to reflect changes that occur after the date they are made, except as may be required by applicable law.

**CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES**  
**Consolidated Balance Sheets**  
**(Unaudited and in thousands, except share and per share amounts)**

	<u>June 30, 2021</u>	<u>December 31, 2020</u>
<b>ASSETS</b>		
Investments in real estate, net	\$ 498,521	\$ 506,040
Cash and cash equivalents	59,730	33,636
Restricted cash	9,804	10,013
Loans receivable, net	81,942	83,135
Accounts receivable, net	1,795	1,737
Deferred rent receivable and charges, net	36,339	35,956
Other intangible assets, net	5,754	6,313
Loan servicing asset, net and other assets	10,939	8,787
<b>TOTAL ASSETS</b>	<b>\$ 704,824</b>	<b>\$ 685,617</b>
<b>LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY</b>		
<b>LIABILITIES:</b>		
Debt, net	\$ 260,717	\$ 324,313
Accounts payable and accrued expenses	13,678	20,327
Intangible liabilities, net	388	587
Due to related parties	10,632	6,706
Other liabilities	12,413	9,733
Total liabilities	<u>297,828</u>	<u>361,666</u>
<b>COMMITMENTS AND CONTINGENCIES</b>		
<b>REDEEMABLE PREFERRED STOCK:</b> Series A cumulative redeemable preferred stock, \$0.001 par value; 36,000,000 shares authorized; 1,845,681 and 1,844,881 shares issued and outstanding, respectively, as of June 30, 2021 and 2,008,256 and 2,007,856 shares issued and outstanding, respectively, as of December 31, 2020; liquidation preference of \$25.00 per share, subject to adjustment	42,470	45,837
<b>EQUITY:</b>		
Series A cumulative redeemable preferred stock, \$0.001 par value; 36,000,000 shares authorized; 5,408,954 and 5,253,377 shares issued and outstanding, respectively, as of June 30, 2021 and 4,484,376 and 4,377,762 shares issued and outstanding, respectively, as of December 31, 2020; liquidation preference of \$25.00 per share, subject to adjustment	130,595	108,729
Series D cumulative redeemable preferred stock, \$0.001 par value; 32,000,000 shares authorized; 31,025 shares issued and outstanding as of June 30, 2021 and 19,145 shares issued and outstanding as of December 31, 2020; liquidation preference of \$25.00 per share, subject to adjustment	764	473
Series L cumulative redeemable preferred stock, \$0.001 par value; 9,000,000 shares authorized; 8,080,740 and 5,387,160 shares issued and outstanding, respectively, as of June 30, 2021 and December 31, 2020; liquidation preference of \$28.37 per share, subject to adjustment	152,834	152,834
Common stock, \$0.001 par value; 900,000,000 shares authorized; 23,369,331 shares issued and outstanding as of June 30, 2021 and 14,827,410 shares issued and outstanding as of December 31, 2020.	24	15
Additional paid-in capital	868,929	794,127

Distributions in excess of earnings	(788,957)	(778,519)
Total stockholders' equity	364,189	277,659
Noncontrolling interests	337	455
Total equity	364,526	278,114
TOTAL LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY	\$ 704,824	\$ 685,617

**CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Operations**

(Unaudited and in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<b>REVENUES:</b>				
Rental and other property income	\$ 13,309	\$ 13,700	\$ 26,658	\$ 28,519
Hotel income	3,130	869	4,862	8,628
Interest and other income	6,234	1,941	10,032	4,898
	<u>22,673</u>	<u>16,510</u>	<u>41,552</u>	<u>42,045</u>
<b>EXPENSES:</b>				
Rental and other property operating	9,115	7,492	17,405	20,007
Asset management and other fees to related parties	2,260	2,376	4,519	5,021
Expense reimbursements to related parties—corporate	454	615	1,059	1,427
Expense reimbursements to related parties—lending segment	433	998	1,164	1,680
Interest	2,673	2,896	5,305	6,063
General and administrative	1,146	1,668	3,768	3,402
Depreciation and amortization	5,069	5,197	10,106	10,455
	<u>21,150</u>	<u>21,242</u>	<u>43,326</u>	<u>48,055</u>
<b>INCOME (LOSS) BEFORE PROVISION (BENEFIT) FOR INCOME TAXES</b>	1,523	(4,732)	(1,774)	(6,010)
Provision (benefit) for income taxes	996	(691)	1,370	(713)
<b>NET INCOME (LOSS)</b>	527	(4,041)	(3,144)	(5,297)
Net loss (income) attributable to noncontrolling interests	3	(2)	4	(6)
<b>NET INCOME (LOSS) ATTRIBUTABLE TO THE COMPANY</b>	530	(4,043)	(3,140)	(5,303)
Redeemable preferred stock dividends declared or accumulated	(4,621)	(3,990)	(9,087)	(9,346)
Redeemable preferred stock deemed dividends	(106)	(52)	(163)	(213)
Redeemable preferred stock redemptions	(13)	(56)	(26)	(66)
<b>NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	\$ (4,210)	\$ (8,141)	\$ (12,416)	\$ (14,928)
<b>NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS PER SHARE:</b>				
Basic	\$ (0.28)	\$ (0.55)	\$ (0.83)	\$ (1.02)
Diluted	\$ (0.28)	\$ (0.55)	\$ (0.83)	\$ (1.02)
<b>WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING:</b>				
Basic	15,102	14,782	14,956	14,690
Diluted	15,102	14,782	14,956	14,690

**CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES**

**Funds from Operations**

(Unaudited and in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<b>Numerator:</b>				
Net loss attributable to common stockholders	\$ (4,210)	\$ (8,141)	\$ (12,416)	\$ (14,928)
Depreciation and amortization	5,069	5,197	10,106	10,455
FFO attributable to common stockholders	\$ 859	\$ (2,944)	\$ (2,310)	\$ (4,473)
Redeemable preferred stock dividends declared on dilutive shares (a)	—	—	(1)	(1)
Diluted FFO attributable to common stockholders	\$ 859	\$ (2,944)	\$ (2,311)	\$ (4,474)
<b>Denominator:</b>				
Basic weighted average shares of common stock outstanding	15,102	14,782	14,956	14,690
Effect of dilutive securities—contingently issuable shares (a)	13	1	—	—
Diluted weighted average shares and common stock equivalents outstanding	15,115	14,783	14,956	14,690

**FFO attributable to common stockholders per share:**

Basic	\$ 0.06	\$ (0.20)	\$ (0.15)	\$ (0.30)
Diluted	\$ 0.06	\$ (0.20)	\$ (0.15)	\$ (0.30)

(a) For the three and six months ended June 30, 2021 and 2020, the effect of certain shares of redeemable preferred stock were excluded from the computation of diluted FFO attributable to common stockholders and the diluted weighted average shares and common stock equivalents outstanding as such inclusion would be anti-dilutive.

**CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES**  
**Core Funds from Operations**  
(Unaudited and in thousands, except per share amounts)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2021	2020	2021	2020
<b>Numerator:</b>				
Net loss attributable to common stockholders	\$ (4,210)	\$ (8,141)	\$ (12,416)	\$ (14,928)
Depreciation and amortization	5,069	5,197	10,106	10,455
FFO attributable to common stockholders	\$ 859	\$ (2,944)	\$ (2,310)	\$ (4,473)
Redeemable preferred stock redemptions	13	56	26	66
Redeemable preferred stock deemed dividends	106	52	163	213
Core FFO attributable to common stockholders	\$ 978	\$ (2,836)	\$ (2,121)	\$ (4,194)
Redeemable preferred stock dividends declared on dilutive shares (a)	—	—	(1)	(1)
Diluted Core FFO attributable to common stockholders	\$ 978	\$ (2,836)	\$ (2,122)	\$ (4,195)
<b>Denominator:</b>				
Basic weighted average shares of common stock outstanding	15,102	14,782	14,956	14,690
Effect of dilutive securities-contingently issuable shares (a)	13	1	—	—
Diluted weighted average shares and common stock equivalents outstanding	15,115	14,783	14,956	14,690
<b>Core FFO attributable to common stockholders per share:</b>				
Basic	\$ 0.06	\$ (0.19)	\$ (0.14)	\$ (0.29)
Diluted	\$ 0.06	\$ (0.19)	\$ (0.14)	\$ (0.29)

(a) For the three and six months ended June 30, 2021 and 2020, the effect of certain shares of redeemable preferred stock were excluded from the computation of diluted Core FFO attributable to common stockholders and the diluted weighted average shares and common stock equivalents outstanding as such inclusion would be anti-dilutive.

**CIM COMMERCIAL TRUST CORPORATION AND SUBSIDIARIES**  
**Reconciliation of Net Operating Income**  
(Unaudited and in thousands)

	Three Months Ended June 30, 2021					
	Same-Store Office	Non-Same- Store Office	Total Office	Hotel	Lending	Total
Cash net operating income excluding lease termination income	\$ 6,895	\$ 141	\$ 7,036	\$ —	\$ 5,047	\$ 12,083
Cash lease termination income	—	—	—	—	—	—
Cash net operating income (loss)	6,895	141	7,036	—	5,047	12,083
Deferred rent and amortization of intangible assets, liabilities, and lease inducements	391	3	394	(2)	—	392
Straight line lease termination income	156	—	156	—	—	156
Segment net operating income (loss)	7,442	144	7,586	(2)	5,047	12,631
Interest and other income						1
Asset management and other fees to related parties						(2,260)
Expense reimbursements to related parties—corporate						(454)
Interest expense						(2,491)
General and administrative						(835)
Depreciation and amortization						(5,069)
Income before benefit for income taxes						1,523
Benefit for income taxes						(996)

Net income	527
Net loss attributable to noncontrolling interests	3
Net income attributable to the Company	<u>\$ 530</u>

**Three Months Ended June 30, 2020**

	<b>Same-Store Office</b>	<b>Non-Same- Store Office</b>	<b>Total Office</b>	<b>Hotel</b>	<b>Lending</b>	<b>Total</b>
Cash net operating income (loss) excluding lease termination income	\$ 7,881	\$ (148)	\$ 7,733	\$ (1,117)	\$ (110)	\$ 6,506
Cash lease termination income	—	—	—	—	—	—
Cash net operating income (loss)	7,881	(148)	7,733	(1,117)	(110)	6,506
Deferred rent and amortization of intangible assets, liabilities, and lease inducements	526	—	526	(1)	—	525
Straight line lease termination income	—	—	—	—	—	—
Segment net operating income (loss)	8,407	(148)	8,259	(1,118)	(110)	7,031
Interest and other income						35
Asset management and other fees to related parties						(2,376)
Expense reimbursements to related parties—corporate						(615)
Interest expense						(2,707)
General and administrative						(903)
Depreciation and amortization						<u>(5,197)</u>
Loss before provision for income taxes						(4,732)
Provision for income taxes						<u>691</u>
Net loss						(4,041)
Net income attributable to noncontrolling interests						<u>(2)</u>
Net loss attributable to the Company						<u>\$ (4,043)</u>

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For CIM Commercial Trust Corporation

Media Relations:

Karen Diehl, Diehl Communications, 310-741-9097

[karen@diehlcommunications.com](mailto:karen@diehlcommunications.com)

or

Shareholder Relations:

Steve Altebrando, 646-652-8473

[shareholders@cimcommercial.com](mailto:shareholders@cimcommercial.com)

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