



# Alpine Income Property Trust, Inc. (PINE)

Updated July 25<sup>th</sup>, 2025 by Nikolaos Sismanis

## Key Metrics

<b>Current Price:</b>	\$14.35	<b>5 Year CAGR Estimate:</b>	13.7%	<b>Market Cap:</b>	\$224.0 M
<b>Fair Value Price:</b>	\$17.60	<b>5 Year Growth Estimate:</b>	3.5%	<b>Ex-Dividend Date:</b>	09/12/2025 <sup>1</sup>
<b>% Fair Value:</b>	82%	<b>5 Year Valuation Multiple Estimate:</b>	4.2%	<b>Dividend Payment Date:</b>	09/30/2025
<b>Dividend Yield:</b>	7.9%	<b>5 Year Price Target</b>	\$20.90	<b>Years Of Dividend Growth:</b>	6
<b>Dividend Risk Score:</b>	F	<b>Sector:</b>	Real Estate	<b>Rating:</b>	Hold

## Overview & Current Events

Alpine Income Property Trust is a real estate trust that owns and operates a high-quality portfolio of commercial net lease properties. Based on Alpine's latest filings, its portfolio consists of 129 net leased retail and office properties located in 35 states. The trust was formed in August of 2019, has no employees, and is externally managed by Alpine Income Property Manager. The manager is owned by the publicly traded trust CTO Realty Growth (CTO), which has a 14.8% interest in the company. Alpine Income Property Trust generates around \$52.2 million in annual rental revenues and is headquartered in Daytona Beach, Florida.

On July 24<sup>th</sup>, 2025, Alpine posted its Q2 results for the period ending June 30<sup>th</sup>, 2025. For the quarter, total revenues came in at \$14.9 million, up 19.0% year-over-year. The REIT acquired 2 Commercial Loans and Investments for \$6.6 million at a weighted average initial cash yield of 9.8% during the quarter, contributing to this growth.

AFFO rose by 5.4% to \$6.7 million, following the top line's growth. Still, AFFO/share grew by a modest 2.3% to \$0.44. This was despite the ongoing share repurchase program, as the share count still increased.

At the end of the period, Alpine's weighted average remaining lease term was 8.9 years, and the portfolio was 98.2% occupied. For FY2025, management reaffirmed its AFFO/share guidance, still expecting it to range from \$1.74 to \$1.77. We have utilized the midpoint of the updated range in our estimates.

## Growth on a Per-Share Basis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
<b>AFFO/shr</b>	---	---	---	---	\$0.09	\$1.04	\$1.59	\$1.77	\$1.49	\$1.74	<b>\$1.76</b>	<b>\$2.09</b>
<b>DPS</b>	---	---	---	---	\$0.06	\$0.82	\$1.02	\$1.09	\$1.10	\$1.11	<b>\$1.14</b>	<b>\$1.35</b>
<b>Shares<sup>2</sup></b>	---	---	---	---	7.9	7.6	9.8	12.0	13.9	13.9	<b>15.4</b>	<b>18.0</b>

Due to its very recent inception, Alpine Income Property Trust does not have much of a historical track record to show. However, its financials have grown at a very rapid pace since its inception. In 2020, AFFO/share was \$1.04, reflecting the early stage of Alpine's portfolio build out. The sharp jump to \$1.59 in 2021 came as Alpine ramped up acquisitions, taking advantage of low interest rates to buy properties leased to strong tenants like Lowe's and Dollar General. That momentum continued into 2022, with AFFO/share climbing to \$1.77 as the full earnings impact of those investments came through.

In 2023, AFFO/share dipped to \$1.49, mainly due to rising interest costs and a pause in acquisition activity as the market adjusted to a higher-rate environment. But Alpine rebounded in 2024, growing AFFO/share to \$1.74. That recovery was driven by a shift toward higher-yielding commercial loan investments and smart capital recycling (selling lower-yield assets and reinvesting into stronger opportunities). Alpine also improved its tenant mix, reducing exposure to weaker credits and boosting its share of investment-grade income.

Despite the recent deceleration in growth, we remain optimistic about the medium-term outlook for FFO/share, as Alpine has successfully addressed potential challenges by securing a fixed interest rate of approximately 2.15% on its

<sup>1</sup> Estimated dates based on past dividend dates.

<sup>2</sup> Share count is in millions.

*Disclosure: This analyst has no position in the security discussed in this research report, and no plans to initiate one in the next 72 hours.*



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2026 Term Loan, helping to mitigate the impact of rising rates through mid-2026. We forecast a medium-term growth of 3.5% for both AFFO/share and the dividend-per-share.

## Valuation Analysis

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	Now	2030
Avg. P/AFFO	---	---	---	---	---	14.4	11.9	10	10.5	9.5	8.2	10.0
Avg. Yld.	---	---	---	---	---	5.6%	5.6%	6.2%	6.7%	6.7%	7.9%	6.5%

Alpine's valuation multiple currently stands at 8.2x the midpoint of management's expected AFFO/share. The stock's multiple reflects the impact of high interest rates on Alpine's growth prospects. Still, at its current levels, we believe that the stock is somewhat undervalued. We maintain our fair price-to-AFFO ratio at 10, which we believe better reflects Alpine's investment case. At 7.9%, Alpine's dividend yield should contribute notably to its total return prospects.

## Safety, Quality, Competitive Advantage, & Recession Resiliency

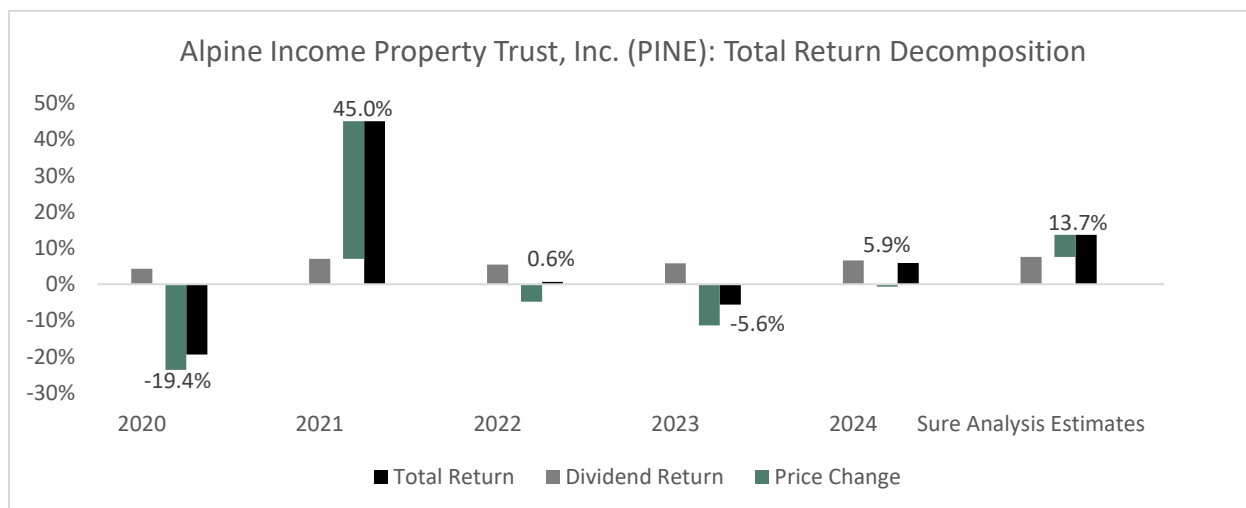
Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2030
Payout	---	---	---	---	64%	79%	64%	62%	74%	64%	65%	65%

We consider Alpine's dividend to be relatively safe, considering the comfortable payout ratio and the trust's latest per-share hike. Alpine's qualities include fantastic cash flow visibility backed by multi-year leases, contractually embedded rent hikes that counter inflation, low-cost financing, and an experienced management team backed by the much larger REIT, CTO. Further, no State and no tenant account for more than 10% of total rental revenues each. Also, a large chunk of the trust's tenants comprises investment-grade firms, with DICK'S Sporting Goods, Lowe's, and Walgreens, accounting for 10%, 10%, and 7% of total rental revenues, respectively. Also, few companies can claim near 100% occupancy levels. For these reasons, we believe revenues-wise, the trust would perform resiliently during a recession, but note that it has not been tested under a prolonged one. We don't note any particular competitive advantages apart from the blend of qualities mentioned that distinguish Alpine from its peers.

## Final Thoughts & Recommendation

Overall, Alpine Income Property Trust has been managed well so far. It also features excellent characteristics despite its short trading history. While we expect the company's growth to be subpar from the rates it achieved during a low-rate environment, we estimate annualized returns of around 13.7% through 2030. This is to be driven by the 7.9% dividend yield, AFFO/share growth of 3.5%, and the possibility of a valuation tailwind. We rate PINE as a hold.

## Total Return Breakdown by Year



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## Income Statement Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Revenue	---	---	8	12	---	19	30	45	46	52
Gross Profit	---	---	7	10	---	17	26	40	35	40
Gross Margin	---	---	82.6%	86.2%	---	88.0%	86.7%	88.9%	76.1%	76.9%
SG&A Exp.	---	---	1	1	---	5	5	6	2	2.3
D&A Exp.	---	---	3	5	---	10	16	23	25	25
Operating Profit	---	---	3	4	---	2	5.5	10.4	7	12.3
Operating Margin	---	---	36.7%	34.3%	---	12.1%	18.3%	23.1%	15.2%	23.7%
Net Profit	---	---	3	4	---	1	10	29.7	3	2.1
Net Margin	---	---	33.3%	34.3%	---	5.1%	33.3%	66%	6.5%	4.0%
Free Cash Flow	---	---	5	6	---	9	17	24.7	26	25.6
Income Tax	---	---	---	---	---	---	---	---	---	---

## Balance Sheet Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Total Assets	---	---	126	127	164	262	506	573	565	605
Cash & Equivalents	---	---	0	0	12	2	9	9	4	1.6
Goodwill & Int. Ass.	---	---	12	11	22	37	59	60	49	44
Total Liabilities	---	---	6	2	3	112	278	278	289	329
Accounts Payable	---	---	---	---	0	0	0	0	0	0
Long-Term Debt	---	---	-	-		106	268	267	276	302
Shareholder's Equity	---	---	120	124	138	127	197	262	251	253
LTD/E Ratio	---	---	---	---	---	0.84	1.4	1.02	1.1	1.19

## Profitability & Per Share Metrics

Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Return on Assets	---	---	---	3.2%	---	0.5%	2.6%	5.5%	0.5%	0.4%
Return on Equity	---	---	---	3.3%	---	0.7%	6.2%	13.0%	1.0%	0.8%
ROIC	---	---	---	3.3%	---	0.5%	2.7%	5.6%	0.5%	0.4%
Shares Out.	---	---	---		7.9	7.6	11	13.68	15.6	15.1
Revenue/Share	---	---	0.93	1.28	---	2.18	2.68	3.30	2.93	3.46
FCF/Share	---	---	0.58	0.62	---	1.07	1.52	1.80	1.65	1.70

Note: All figures in millions of U.S. Dollars unless per share or indicated otherwise.

## Disclaimer

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