



Clipper Realty Inc. Reaches Stabilization Milestone for Clover House Property

NEW YORK, October 4, 2019 /Business Wire/ -- Clipper Realty Inc. (NYSE: CLPR) (the "Company"), a leading owner and operator of multifamily residential and commercial properties in the New York metropolitan area, today announced that its Clover House property has reached stabilization, following a three-month lease-up period. In-place rents are averaging approximately \$73 per square foot. The Company currently anticipates that the property will be fully leased by the end of the year. The Company has also agreed with a global insurance company to refinance the property's existing debt with an attractive \$82 million, ten-year, 3.53% fixed rate, interest-only, non-recourse secured first mortgage loan; the transaction is expected to reduce annual interest expense by approximately \$0.9 million and increase the Company's cash position by approximately \$16.0 million, and will result in all of the Company's outstanding debt being fixed at attractive, low interest rates. The refinancing is subject to typical closing conditions and is expected to close by year-end, although there is no guarantee that the transaction will be consummated as outlined above or at all.

David Bistricher, Co-Chairman and Chief Executive Officer, commented,

"We are very proud that our Clover House property is now stabilized. The rapid lease-up speaks to the quality and attractiveness of the building, and the operational excellence of our leasing team. The proposed refinancing will improve our capital structure, eliminate interest rate risk at the property, reduce annual debt service requirements and provide greater flexibility and liquidity for Clipper Realty to execute our strategic plan, and demonstrates the confidence that our lenders continue to have in our business and our outlook moving forward."

About Clipper Realty Inc.

Clipper Realty Inc. (NYSE: CLPR) is a self-administered and self-managed real estate company that acquires, owns, manages, operates and repositions multifamily residential and commercial properties in the New York metropolitan area, with a portfolio in Manhattan and Brooklyn. For more information on the Company, please visit www.clipperrealty.com.

Forward-Looking Statements

Various statements contained in this press release, including those that express a belief, expectation or intention, as well as those that are not statements of historical fact, are forward-looking statements. These forward-looking statements may include estimates concerning future income and the success of specific properties. Our forward-looking statements are generally accompanied by words such as "estimate," "project," "predict," "believe," "expect," "intend," "anticipate," "potential," "plan" or other words that convey the uncertainty of future events or outcomes. The forward-looking statements in this press release speak only as of the date of this press release.

We disclaim any obligation to update these statements unless required by law, and we caution you not to rely on them unduly. We have based these forward-looking statements on our current expectations and assumptions about future events. While our management considers these expectations and assumptions to be reasonable, they are inherently subject to significant business, economic, competitive, regulatory and other risks, contingencies and uncertainties, most of which are difficult to predict and many of which are beyond our control and which may cause our actual results, performance or achievements to differ

materially from any future results, performance or achievements expressed or implied by these forward-looking statements. For a discussion of these and other important factors that could affect our actual results, please refer to our filings with the SEC, including the "Risk Factors" section of our Annual Report on Form 10-K for the year ended December 31, 2018, and other reports filed from time to time with the SEC.

Contact Information:

Michael Frenz

Chief Financial Officer

(718) 438-2804 x2274

M: (917) 576-7750

mfrenz@clipperrealty.com