The InterGroup Corporation Announces Strategic Refinancing of Hilton San Francisco Financial District Hotel

SAN FRANCISCO, CA — April 01, 2025 — The InterGroup Corporation (NASDAQ: INTG) ("InterGroup" or "the Company"), the parent company of Portsmouth Square, Inc. (OTC: PRSI) ("Portsmouth Square"), today announced the successful refinancing of its subsidiary's flagship asset, the Hilton San Francisco Financial District Hotel. This strategic refinancing positions the Company and its subsidiaries for improved financial flexibility and stability in managing their premier hospitality assets.

The refinancing was executed through Justice Operating Company, LLC ("Justice"), a wholly owned subsidiary of Portsmouth Square. Justice secured a $67 million mortgage loan agreement with PRIME Finance, arranged by Eastdil Secured, a leading global real estate investment banking firm. The loan carries an interest rate equal to the 30-day Secured Overnight Financing Rate (SOFR) plus 4.80%, and to proactively manage interest rate risk, Justice has secured an interest rate cap, limiting SOFR exposure to a maximum rate of 4.50%.

In addition, Justice Mezzanine Company, LLC another subsidiary of Portsmouth Square, has modified its existing mezzanine loan with CRED REIT Holdco LLC, obtaining a principal amount of $36.3 million at a fixed interest rate of 7.25% per annum. Both loans mature in two years, with options to extend for three additional one-year periods, providing added flexibility.

"This refinancing underscores InterGroup's ongoing commitment to strategic financial management, enhancing financial stability and operational flexibility across our companies," said David Gonzalez, Chief Operating Officer of InterGroup. "Securing these agreements demonstrates our dedication to prudent financial stewardship and positions us favorably for continued growth and long-term value creation."

Further details of the refinancing transactions will be available in the Company's forthcoming periodic report filings with the Securities and Exchange Commission (SEC).

ABOUT THE INTERGROUP CORPORATION

The InterGroup Corporation is a Delaware corporation formed in 1985, as a successor to Mutual Real Estate Investment Trust, a New York real estate investment trust created in 1965. The Company has been a publicly-held company since M-REIT's first public offering of shares in 1966 and currently trades on the NASDAQ Capital Market.

Contact:
David Gonzalez, COO
(310) 889-2559