

Risk Factors Comparison 2025-02-27 to 2024-02-27 Form: 10-K

Legend: **New Text** ~~Removed Text~~ Unchanged Text **Moved Text Section**

Set forth below are the risk factors that we believe are material to our investors and a summary thereof. The occurrence of any of the risks discussed in this Annual Report on Form 10-K could have a material adverse effect on our business, financial condition, results of operations and ability to pay dividends and they may also impact the trading price of our common and our preferred stock. The risk factors contained herein are not necessarily comprehensive and we may be subject to other risks.

Summary Risk Factors

- We may be unable to **enter into contracts** ~~integrate the operations of RTL and the other entities we acquired in the Mergers successfully and may not realize the anticipated synergies and other benefits of the Mergers or for and complete do so within the anticipated time frame.~~ • We may be unable to acquire or dispose of properties **property acquisitions or dispositions** on advantageous terms ~~or and~~ our property acquisitions may not perform as we expect.
- Our ability to grow depends on our ability to access additional debt or equity financing on attractive terms, and there can be no assurance we will be able to do so on favorable terms or at all.
- Certain of the agreements governing our indebtedness may limit our ability to pay dividends on our common stock, \$ 0.01 par value per share (“ Common Stock ”), our 7.25 % Series A Cumulative Redeemable Preferred Stock, \$ 0.01 par value per share (“ Series A Preferred Stock ”), our 6.875 % Series B Cumulative Redeemable Perpetual Preferred Stock, \$ 0.01 par value per share (“ Series B Preferred Stock ”), our 7.50 % Series D Cumulative Redeemable Perpetual Preferred Stock, \$ 0.01 par value per share (“ Series D Preferred Stock ”), our 7.375 % Series E Cumulative Redeemable Perpetual Preferred Stock, par value \$ 0.01 (“ Series E Preferred Stock ”, together with the Series A Preferred Stock, the Series B Preferred Stock and the Series D Preferred Stock, the “ Preferred Stock ”), or any other equity securities we may issue.
- If we are not able to generate sufficient cash from operations, we may have to reduce the amount of dividends we pay or identify other financing sources.
- ~~Funding dividends from other sources such as borrowings, asset sales or equity issuances limits the amount we can use for property acquisitions, investments and other corporate purposes.~~ • Market and economic challenges experienced by the U. S. and global economies may adversely impact our operating results and financial condition.
- We are subject to risks associated with our international investments, including compliance with and changes in foreign laws and fluctuations in foreign currency exchange rates.
- Inflation and continuing increases in the inflation rate will have an adverse effect on our investments and results of operations.
- We are subject to risks associated with **have substantial indebtedness and we may incur significant additional indebtedness and other liabilities. Changes in the debt markets could have a material adverse** ~~pandemic, epidemic or outbreak of a contagious disease, including negative impacts-~~ **impact** on our ~~tenants~~ **earnings** and **financial condition** ~~their respective businesses.~~
- We depend on tenants for our rental revenue and, accordingly, our rental revenue depends upon the success and economic viability of our tenants. If a tenant or lease guarantor declares bankruptcy or becomes insolvent, we may be unable to collect balances due under relevant leases.
- Retail conditions and decreased demand for office space may adversely affect our rental revenues.
- In owning properties we may experience, among other things, unforeseen costs associated with complying with laws and regulations, **including those related to environmental matters,** and other costs, potential difficulties selling properties and potential damages or losses resulting from climate change.
- ~~We have substantial indebtedness and may be unable to repay, refinance, restructure or extend our indebtedness as it becomes due. Increases in interest rates could increase the amount of our debt payments. We may continue to incur additional indebtedness in the future.~~ • Because the board of directors will not be fully declassified until 2025, the ~~classified board may have the effect of delaying, deferring, or preventing a change of control of the Company until then.~~ • Restrictions on share ownership contained in our charter may inhibit market activity in shares of our stock and restrict our business combination opportunities.
- We **are subject to risks associated with a pandemic, epidemic or outbreak of a contagious disease, which can cause severe disruptions in the U. S., and global economy.** • We may fail to continue to qualify as a REIT.

Risks Related to Our Properties and Operations

~~Prior to the Mergers, we and RTL were externally managed REITs. Neither of us had employees, other than a limited tax-service employee in Europe that we employed. After the Internalization Merger, we became an internally managed REIT and are responsible for hiring and maintaining our own workforce to facilitate the advisory and property management services. Because we are now internally managed, we are responsible for directly compensating our officers, employees, and consultants, as well as paying overhead expenses associated with our workforce. There is no assurance that we will realize all, or any, of the anticipated cost-saving synergies. We are now also subject to potential liabilities that are commonly faced by employers, such as workers’ disability and compensation claims, potential labor disputes, and other employee-related liabilities and grievances. We bear the cost of establishing and maintaining employee compensation plans. In addition, as we have never previously operated as a self-managed REIT, we may encounter unforeseen costs, expenses, and difficulties associated with providing these services on a self-advised basis. In addition, the REIT Merger involved the combination of two companies that previously operated as independent public companies, together with their respective operating partnerships. We may encounter difficulties and unexpected costs in the integration process, including, but not limited to: the inability to sell assets; economic or industry downturns, including interest rate increases; potential unknown liabilities; negative market perception of our revised plan for investment; and performance shortfalls as a result of the diversion of management’s attention by completing the REIT Merger and executing our business plan. We may be unable to enter into contracts for and complete property acquisitions or dispositions on advantageous terms and our property acquisitions may not perform as we expect. In the near term, we expect **to continue** to focus on disposing properties to reduce our existing indebtedness. **On February 25, 2025, we entered into a Purchase and Sale Agreement (“ RCG PSA ”) with certain affiliates of RCG Ventures Holdings, LLC (“ RCG ”), to sell a real estate portfolio comprised of 100 multi-**~~

tenant retail centers located in 28 states for a base purchase price of approximately \$ 1.78 billion, subject to customary purchase price adjustments (“RCG Multi-tenant Retail Disposition”). Over the longer term, we expect to continue acquiring properties, which may including include both single-tenant and/or multi-tenant properties. For additional information on the proposed RCG Multi-Tenant Retail Disposition, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations – Pending Transactions – RCG Multi-tenant Retail Disposition” herein. There is no assurance that we will be able to dispose of properties on terms that are found favorable to us or at the time we wish to do so. Further, pursuing our investment objective exposes..... that are beyond our control. In addition, we may not have funds available to correct defects or make improvements that are necessary or desirable before the sale of a property. We cannot predict whether we will be able to sell any property for the price or on the terms set by us, or whether any price or other terms offered by a prospective purchaser would be acceptable to us. We cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. Furthermore In addition, as a REIT, our ability to sell properties that have been held for less than two years is limited as any gain recognized on the sale or other disposition of such property could be subject to the 100 % prohibited transaction tax, as discussed in more detail below. We longer term Further, pursuing our investment objective exposes us to numerous risks, including: • competition from other real estate investors with significant capital resources; • we may acquire properties that are not accretive or dispose of properties at prices less than we originally contemplated; • we may not successfully integrate, manage and lease the properties we acquire to meet our expectations or market conditions may result in future vacancies and lower- than expected rental rates; • we may be unable to obtain debt financing or raise equity required to fund acquisitions on favorable terms, or at all; • we may need to spend more than budgeted amounts to make necessary improvements or renovations to acquired properties; • agreements to acquire properties are typically subject to customary conditions to closing that may or may not be completed, and we may spend significant time and money on potential acquisitions that we do not consummate; • the process of acquiring or pursuing the acquisition of a new property may divert the attention of our management team from our existing business operations; and • we may acquire properties without recourse, or with only limited recourse, for liabilities, whether known or unknown. Our ability to grow our assets depends on our ability to access capital from external sources, and there can be no assurance we will be able to do so on favorable terms or at all. In order to meet our strategic goals, which include acquiring additional properties, we will need to access sources of capital beyond the cash we generate from our operations. Our access to capital depends, in part, on: • general market conditions; • the market’s perception of our assets and growth potential; • our current and expected debt levels; • our current and expected future earnings, cash flow and dividend payments; • market price per share of our Common Stock and Preferred Stock, and any other class or series of equity security we may seek to issue. Historically, there have been periods where the global equity and credit markets have experienced significant price volatility, dislocations and liquidity disruptions, which have caused market prices of equity and debt securities to fluctuate substantially and the spreads on prospective debt financings to widen considerably. These circumstances have recently materially impacted liquidity in the financial markets, making terms for certain financings less attractive, and in certain cases have resulted in the unavailability of certain types of financing. These factors may make it more difficult for us to buy or sell properties and may adversely affect the price we purchase or receive for properties, as we and prospective buyers may experience increased costs of financing or difficulties in obtaining financing. These events in the equity and credit markets may make it more difficult or costly for us to raise capital through the issuance of common stock, preferred stock or debt securities. We cannot assure you that we will be able to obtain debt financing or raise equity on terms favorable or acceptable to us or at all. If we are unable to do so, our ability to successfully pursue our long-term strategy of growth through property acquisitions will be limited. If we are not able to increase the amount of cash we have available to pay dividends, we may have to reduce dividend payments or identify other financing sources to fund the payment of dividends at their current levels. We cannot guarantee that we will be able to pay dividends on a regular basis on our Common Stock, Preferred Stock or any other class or series of stock we may issue in the future. Any accrued and unpaid dividends payable with respect to our Preferred Stock must be paid upon redemption of those shares. Decisions regarding the frequency and amount of any future dividends we pay on our Common Stock will remain at all times entirely at the discretion of our Board of directors, which reserves the right to change our dividend policy at any time and for any reason. As noted herein, our debt agreements, including the indentures governing the 4.50 % Senior Notes and the 3.75 % Senior Notes (collectively, our “Senior Notes”) as well as our Credit Agreement, which consists of our senior unsecured multi-currency revolving credit facility (the “Revolving Credit Facility”), contain various covenants that limit our ability to pay dividends. For example, our Credit Agreement prohibits us from paying distributions, including cash dividends payable on our Common Stock, Preferred Stock or any other class or series of stock we may issue in the future, or redeem or otherwise repurchase shares of any of these outstanding securities, or any other class or series of stock we may issue in the future, that exceed 100 % of our Adjusted FFO as defined in the Credit Agreement (which is different from the definition of AFFO disclosed in this Annual Report on Form 10-K) for any period of four consecutive fiscal quarters, except in limited circumstances, including that for one fiscal quarter in each calendar year, we may pay cash dividends and other distributions and make redemptions and other repurchases in an aggregate amount equal to no more than 105 % of our Adjusted FFO. We have used this exception in the past and may need to do so in the future. Our ability to pay dividends in the future and comply with the restrictions on the payment of dividends depends on our ability to operate profitably and to generate sufficient cash flows from the operations of our existing properties and any properties we may acquire. In the past, the lenders under our Credit Agreement have consented to increase the maximum amount of our Adjusted FFO we may use to pay cash dividends and other distributions and make redemptions and other repurchases in certain periods. There can be no assurance that they will do so again in the future if we need to do so. Our cash flows provided by operations were \$ 299.143. 5-7 million for the year ended December 31, 2024 2023. During this period, we paid total dividends of \$ 316.236. 3-4 million, including payments to holders of our Common Stock, Preferred Stock and distributions to holders of LTIP Units. In prior periods, we have funded a larger portion of the amounts required to fund the dividends we pay from cash on

hand, consisting of proceeds from borrowings, and we may need to do so in the future. If we are not able to generate sufficient cash from operations, we may have to reduce the amount of dividends we pay or identify other financing sources. There can be no assurance that other sources will be available on favorable terms, or at all. Funding dividends from other sources such as borrowings, asset sales or equity issuances limits the amount we can use for property acquisitions, investments and other corporate purposes. Our business may be affected by market and economic challenges experienced by the U.S. and global economies. These conditions may materially affect the commercial real estate industry, the businesses of our tenants and the value and performance of our properties and the availability or the terms of financing that we may utilize, among other things. Challenging economic conditions may also impact the ability of certain of our tenants to enter into new leasing transactions or satisfy rental payments under existing leases. Our operating results and value of our properties are subject to risks generally incident to the ownership of real estate, including:

- changes in general, economic or local conditions;
- changes in supply of or demand for similar or competing properties in an area;
- changes in interest rates and availability of mortgage financing on favorable terms, or at all;
- changes in tax, real estate, environmental and zoning laws;
- the possibility that one or more of our tenants will be unable to pay their rental obligations;
- decreased demand for our properties due to among other things, significant job losses that occur or may occur in the future, resulting in lower rents and occupancy levels;
- an increase in the number of bankruptcies or insolvency proceedings of our tenants and lease guarantors, which could delay or preclude our efforts to collect rent and any past due balances under the relevant leases;
- widening credit spreads as investors demand higher risk premiums, resulting in lenders increasing the cost for debt financing;
- reduction in the amount of capital that is available to finance real estate, which, in turn, could lead to a decline in real estate values generally, slow real estate transaction activity, a reduction in the loan-to-value ratio upon which lenders are willing to lend, and difficulty refinancing our debt;
- a decrease in the market value of our properties, which may limit our ability to obtain debt financing;
- a need for us to establish significant provisions for losses or impairments;
- reduction in the value and liquidity of our short-term investments and increased volatility in market rates for such investments; and
- reduced cash flows from our operations due to changing exchange rates impacting conditions from our operations in continental Europe, the United Kingdom and Canada.

We are subject to additional risks from our international investments. Based on the percentage of annualized rental income on a straight-line basis as of December 31, 2024-2023, 20% of our properties were located in Europe, primarily in the United Kingdom, The Netherlands, Finland, France, Germany, and the Channel Islands, and 80% of our properties were located in the U.S. and Canada. These investments may be affected by factors peculiar to the laws and business practices of the jurisdictions in which the properties are located. These laws and business practices may expose us to risks that are different from and in addition to those commonly found in the U.S. Foreign investments pose several risks, including the following:

- the ongoing uncertainties as a result of instability or changes in geopolitical conditions, including military or political conflicts, such as those caused by the ongoing conflicts between Russia and Ukraine or Israel and Hamas;
- the burden of complying with a wide variety of foreign laws;
- changing governmental rules and policies, including changes in land use and zoning laws, more stringent environmental laws or changes in such laws;
- existing or new laws relating to the foreign ownership of real property or loans and laws restricting the ability of foreign persons or companies to remove profits earned from activities within the country to the person's or company's country of origin;
- the potential for expropriation;
- possible currency transfer restrictions;
- imposition of adverse or confiscatory taxes;
- changes in real estate and other tax rates and changes in other operating expenses in particular countries;
- possible challenges to the anticipated tax treatment of the structures that allow us to acquire and hold investments;
- adverse market conditions caused by terrorism, civil unrest and changes in national or local governmental or economic conditions;
- the willingness of domestic or foreign lenders to make loans in certain countries and changes in the availability, cost and terms of loan funds resulting from varying national economic policies;
- general political and economic instability in certain regions; and
- the potential difficulty of enforcing obligations in other countries.

~~The failure of our operating infrastructure to support such international investments, could result in operational failures, regulatory fines, or other governmental sanctions. We may engage third-party asset managers in international jurisdictions to monitor compliance with legal requirements and lending agreements. Failure to comply with applicable requirements may expose us, our operating subsidiaries, or the entities we manage to additional liabilities.~~ Investments in properties or other real estate investments outside the U.S. subject us to foreign currency risk. Investments we make outside the U.S. are generally subject to foreign currency risk due to fluctuations in exchange rates between foreign currencies and the USD. Revenues generated from properties or other real estate investments located in foreign countries are generally denominated in the local currency but reflected as USD on our consolidated financial statements. As of December 31, 2024-2023, we had \$ 2.37 billion (\$ 2.23 billion, £ 101.0 million and € 74,191.05 million) of gross mortgage notes payable. Further, as of December 31, 2024-2023, we had \$ 1.47 billion (\$ 1.05 billion, £ 344,261.0 million, € 422,319.1 million and C \$ 38.0 million) in outstanding debt under the Revolving Credit Facility. We may continue to borrow in foreign currencies when purchasing properties located outside the United States, including draws under our Revolving Credit Facility. Changes in exchange rates of any of these foreign currencies to USD may affect our revenues, operating margins and the amount of cash generated by these properties and the amount of cash we have available to pay dividends. We are generally a net receiver of these foreign currencies (we receive more cash than we pay out), and therefore our results of operations of our foreign properties benefit from a weaker USD, and are adversely affected by a stronger USD, relative to the foreign currency. Any positive impact to revenue from tenants in prior years from a weaker USD may not continue in the future. Changes to exchange rates have affected and may continue to affect the book value of our assets and the amount of stockholders' equity. Changes in foreign currency exchange rates may impact the value of our assets. These changes may adversely affect our status as a REIT. Foreign exchange rates may be influenced by many factors, including:

- changing supply and demand for a particular currency;
- the prevailing interest rates in one country as compared to another country;
- monetary policies of governments (including exchange control programs, restrictions on local exchanges or markets and limitations on foreign investment in a country or an investment by residents of a country in other countries);
- trade restrictions and other factors that could lead to

changes in balances of payments and trade; and • currency devaluations and revaluations. Also, governments from time to time intervene in the currency markets, directly and by regulation, in order to influence exchange rates. These events and actions are unpredictable. We have used and may continue to use foreign currency derivatives, including options, currency forward and cross currency swap agreements, to manage a portion of our exposure to fluctuations in GBP- USD and EUR- USD exchange rates, but there can be no assurance our hedging strategy will be successful. If we fail to effectively hedge our currency exposure, or if we experience other losses related to our exposure to foreign currencies, our operating results could be negatively impacted and cash flows could be reduced. **A major tenant default may. We are subject to risks associated with a pandemic, epidemic or outbreak of a contagious disease, which can cause severe disruptions in the U.S., and global economy. Another pandemic in the future could have repercussions across many sectors and areas of the global economy and financial markets, leading to significant adverse impacts on economic activity as well as significant volatility and negative pressure in financial markets. COVID- 19 has impacted, and new variants or other potential pandemics could continue to impact in- person commerce which has and may continue to impact the revenues generated by our tenants which may further impact their ability to pay their rent to us when due. We may also potentially experience a negative impact on the health of our personnel, particularly if a significant number of them are impacted, which could result in a deterioration in our ability to ensure business continuity during this disruption. Additionally, a continuing or permanent impact on the business of our tenants could make it difficult for us to renew or re- lease our properties at rental rates equal to or above historical rates. We could also incur more significant re- leasing costs, and the re- leasing process could take longer. In addition, there has been a shift away from in- person work environments to remote or hybrid work environments which has had an adverse impact effect on the overall demand for office space including in our results of operations portfolio. Reliance on major tenants make us more susceptible to adverse events with respect to those tenants.**

The value of our investment in real estate assets is historically driven by the credit quality of the underlying tenant, and an adverse change in a major tenant' s financial condition or a decline in the credit rating of such tenant may result in a decline in the value of our investments. No single tenant accounted for 5 % or more of our consolidated annualized rental income on a straight- line basis as of December 31, ~~2024~~ **2023**, however this may change in the future. A high concentration of our properties in a particular geographic area magnifies the effects of downturns in that geographic area and could have a disproportionate adverse effect on the value of our investments and results of operations. As of December 31, ~~2024~~ **2023**, the following countries and states accounted for 5 % or more of our consolidated annualized rental income on a straight- line basis: Country December 31, ~~2024~~ **2023** European ~~2023~~ **European** Countries: United Kingdom ~~10~~ **Kingdom 11** % Other European Countries ~~10~~ **Countries 9** % Total European Countries ~~20~~ % United States and Canada: Michigan ~~9~~ **Michigan 8** % Texas ~~6~~ % Ohio ~~6~~ % **Georgia 6** Texas ~~6~~ % North Carolina ~~5~~ % Other States and Canada ~~54~~ % Total United States and Canada ~~80~~ % Total 100 % Likewise, a high concentration of our tenants in a similar industry magnifies the effects of downturns in that industry and would have a disproportionate adverse effect on the value of investments and results of operations. If tenants of our properties are concentrated in a certain industry category, any adverse effect to that industry generally would have a disproportionately adverse effect on our portfolio. As of December 31, ~~2024~~ **2023**, the following industries had concentrations of properties accounting for 5.0 % or more of our consolidated annualized rental income on a straight- line basis: Industry December 31, ~~2024~~ **2023** Financial ~~10~~ **Financial Services 7** **Services 6** % Auto Manufacturing ~~6~~ % **Healthcare 5** % Discount Retail ~~6~~ % **Specialty- Retail 5** % **Healthcare 5** % Any adverse situation that disproportionately affects the industries listed above may have a magnified adverse effect on our portfolio. The inability of a tenant in single- tenant properties to pay rent will materially reduce our revenues. Presently, the majority of our properties are occupied by single tenants and, therefore, the success of our investments is materially dependent on the financial stability of these individual tenants. Many of our single tenant leases require that certain property level operating expenses and capital expenditures, such as real estate taxes, insurance, utilities, maintenance and repairs (other than, in certain circumstances structural repairs, such as repairs to the foundation, exterior walls and rooftops) including increases with respect thereto, be paid, or reimbursed to us, by our tenants. A default of any tenant on its lease payments to us would cause us to lose the revenue from the property and potentially increase our expenses and cause us to have to find an alternative source of revenue to fund related debt payment and prevent a foreclosure if the property is subject to a mortgage. We may experience delays in enforcing our rights as landlord and may incur substantial costs in protecting our investment including potentially leasing the property to a new tenant. If a lease is terminated, there is no assurance that we will be able to lease the property for the rent previously received or sell the property without incurring a loss. A default by a tenant, the failure of a guarantor to fulfill its obligations or other premature termination of a lease, or a tenant' s election not to extend a lease upon its expiration, could have an adverse effect. Single- tenant properties may be difficult to sell or re- lease. If a lease for one of our single- tenant properties is terminated or not renewed or, in the case of a mortgage loan, if we take possession through a foreclosure action, we may be required to renovate the property or to make rent concessions in order to lease the property to another tenant or sell the property. Additionally, if we cannot obtain another tenant with comparable building structural space and configuration needs, we may be required to modify the property for a different use, which may involve a significant capital expenditure and a delay in re- leasing the property. Some of our properties are " special use single- tenant properties " that may be relatively illiquid compared to other types of real estate and financial assets limiting our ability to quickly change our portfolio in response to changes in economic or other conditions. There is no assurance that we could obtain a substitute tenant on acceptable terms. These and other limitations may adversely affect the cash flows from, lead to a decline in value of or eliminate the return on investment of, our single- tenant properties. Our real estate investments are generally illiquid which could significantly impede our ability to respond to market conditions or adverse changes in the performance of our tenants or our properties and which would harm our financial condition. Our investments are relatively difficult to sell quickly. As a result of this illiquidity, our ability to promptly sell one or more properties in our portfolio in response to changing economic, financial or investment conditions is limited. Return of capital and realization of gains, if any, from an investment generally will occur upon disposition or refinancing

of the underlying property. We may be unable to realize our investment objective by sale, other disposition or refinancing at attractive prices within any given period of time or may otherwise be unable to complete any exit strategy. In particular, these risks could arise from weakness in or even the lack of an established market for a property, changes adversely affecting the tenant of a property, changes adversely affecting the area in which a particular property is located, adverse changes in the financial condition or prospects of prospective purchasers and changes in local, national or international economic conditions. In addition, the Internal Revenue Code of 1986, as amended (the "Code"), imposes restrictions on a REIT's ability to dispose of properties that are not applicable to other types of real estate companies. In particular, the tax laws applicable to REITs effectively require that we hold our properties for investment, rather than primarily for sale in the ordinary course of business, which may cause us to forgo or defer sales of properties that otherwise would be in our best interest. Therefore, we may not be able to vary our portfolio in response to economic or other conditions promptly or on favorable terms. Retail conditions and decreased demand for office space may adversely affect our revenues. Approximately ~~28~~ **27**% of our annualized straight-line rent (calculated as of December 31, ~~2024~~ **2023**) is attributable to our Multi-Tenant Retail segment. The market for retail space has been and could be adversely affected by weaknesses in the national, regional and local economies, the adverse financial condition of anchored shopping centers and other large retailing companies, the ongoing consolidation in the retail and grocery sector, changes in consumer preferences and spending, excess amounts of retail space in a number of markets and competition for tenants in the markets, as well as the increasing use of the Internet by retailers and ~~consumers and adoption and use of mobile electronic devices by~~ consumers. Customer traffic to these shopping areas may be adversely affected by the closing of stores in the same multi-tenant property, or by a reduction in traffic to these stores resulting from a regional economic downturn, a general downturn in the local area where our property is located, or a decline in the desirability of the shopping environment of a particular retail property. Revenue generated by a retail property and its value may be adversely affected by negative perceptions of the safety, convenience and attractiveness of the property. The majority of our leases in the Multi-Tenant Retail sector require the tenant to pay base rent plus contractual base rent increases but these base increases may not be sufficient to fund increased expenses or may still be below market rates. In addition, approximately ~~17~~ **20**% of our annualized straight-line rent (calculated as of December 31, ~~2024~~ **2023**) is attributable to our Office segment. In recent years, the market for office space has seen a shift in the use of space due to the widespread practices of telecommuting, videoconferencing, and renting shared workspaces, which accelerated at the onset of the COVID-19 pandemic. These trends have led, and may in the future lead, to more efficient office layouts and a decrease in square feet leased per employee. The impact of alternative workspaces and technology could result in tenant downsizings upon renewal, or tenants seeking office space outside of typical central business districts. These trends could cause an increase in vacancy rates at office buildings and a decrease in demand for new supply, and could materially and adversely affect us. A shift in retail shopping from brick-and-mortar stores to online shopping may have an adverse impact on our Multi-Tenant Retail segment tenants. Many retailers operating brick and mortar stores have made online sales a piece of their business. There can be no assurance that our Multi-Tenant Retail segment strategy of building a diverse portfolio focused on properties leased to necessity-based, service retail and experiential retail tenants, will insulate us from the effects online commerce has had on some retail operators. The shift to online shopping, including online orders for immediate delivery or pickup in store, has further accelerated, and may cause further declines in brick-and-mortar sales generated by retail tenants and may cause certain of our tenants to reduce the size or number of their retail locations. Our grocery store tenants are incorporating e-commerce concepts through home delivery or curbside pickup, which could reduce foot traffic at our properties and reduce the demand for these properties. Traditional grocery chains are also subject to increasing competition from new market participants and food retailers who have incorporated the Internet as a direct-to-consumer channel and Internet-only retailers that sell grocery products. ~~Such increased competition from non-traditional competitors, some of which may have different business models and larger profit margins, could lead to a deterioration in our tenants' businesses.~~ This shift may adversely affect our occupancy and rental rates, which would affect our revenues and cash flows. Changes in shopping trends as a result of the growth in e-commerce may also affect the profitability of retailers that do not adapt to changes in market conditions. These conditions may adversely impact our results of operations and cash flows if we are unable to meet the needs of our tenants or if our tenants encounter financial difficulties as a result of changing market conditions. We cannot predict with certainty the future needs or wants tenants, what retail spaces will look like, or how much revenue will be generated at traditional brick and mortar locations. If we are unable to anticipate and respond promptly to trends in the market (such as space for a drive through or curbside pickup), our occupancy levels and rental rates may decline in our Multi-Tenant Retail segment. Our revenue in our Multi-Tenant Retail segment is impacted by the success and economic viability of our anchor retail tenants. Our reliance on single or significant tenants in certain buildings may decrease our ability to lease vacated space. Any anchor tenant, which we define as a tenant that occupies over 10,000 square feet of one of our Multi-Tenant Retail properties, may become insolvent, may suffer a downturn in its business, or may decide not to renew its lease. Any of these events would likely result in the tenant reducing, or ceasing to make, rental payments. ~~In addition to the impact on rental payments, any tenant experiencing a downturn in its business, including as a result of adverse economic conditions, may choose to delay lease commencement, fail to make rental payments when due, decline to extend a lease upon its expiration, become insolvent or declare bankruptcy.~~ A lease termination by an anchor tenant could result in lease terminations or reductions in rent payments by other tenants whose leases permit cancellation or rent reduction if another tenant's lease is terminated. We own properties where the tenants may have rights to terminate their leases if certain other tenants are no longer open for business. These "co-tenancy" provisions also exist in some leases where we own a portion of a retail property and one or more of the anchor tenants lease space in that portion of the center not owned or controlled by us. If these tenants were to vacate their space, tenants with co-tenancy provisions would have the right to terminate their leases or seek a rent reduction. Even if co-tenancy rights do not exist, other tenants may experience downturns in their businesses that could threaten their ongoing ability to continue paying rent and remain solvent. In such event, we may be unable to re-lease the vacated space at attractive rents or at all. In some cases, it may take extended periods of

time to re- lease a space,particularly one previously occupied by a major tenant or non- owned anchor.Additionally,tenants are involved in mergers or acquisitions with or by third parties or undertake other restructurings may choose to consolidate,downsize or relocate operations,resulting in terminating or not renewing their leases with us or vacating the leases premises.The transfer to a new anchor tenant,or the bankruptcy,insolvency or downturn in business of any of our anchor tenants,could cause customer traffic in the retail center to decrease and thereby reduce the income generated by that retail center.Many expenses associated with properties (such as operating expenses and capital expenses) cannot be reduced,and may even increase due to inflation or otherwise,in the case of a termination.A lease transfer to a new anchor tenant could also allow other tenants to make reduced rental payments or to terminate their leases at the retail center.If an anchor tenant vacates its space for any reason and we are unable to re- lease the vacated space to a new anchor tenant,we may incur additional expenses in order to remodel the space to be able to re- lease the space to more than one tenant.There can be no assurance that any re- leasing of a vacated space,either to a single new anchor tenant or to more than one tenant,will be on comparable terms to the prior lease,which could adversely affect our cash flow.A sale- leaseback transaction may be recharacterized in a tenant' s bankruptcy proceeding. We have entered and may continue to enter into sale- leaseback transactions,in which we purchase a property and then lease the same property back to the seller,who then becomes a tenant.In a bankruptcy of a tenant,a transaction structured as a sale- leaseback may be recharacterized as either a financing or a joint venture,either one of which may negatively impact us.If the transaction was recharacterized as a financing,we might not be considered the owner of the property,and as a result would have the status of a creditor.In that event,we would no longer have the right to sell or encumber our ownership interest in the property.Instead,we would have a claim against the tenant for the amounts owed under the lease.The tenant / debtor might have the ability to propose a plan restructuring the term,interest rate and amortization schedule.If confirmed by the bankruptcy court,we would be bound by the new terms.If the transaction was recharacterized as a joint venture,we would be treated as a joint venture partner with our tenant changing the nature of our legal relationship regarding the property.We could,for example,be held liable,under some circumstances,for debts incurred by the tenant relating to the property.Any of our tenants,or any guarantor of a tenant' s lease obligations,could become insolvent or be subject to a bankruptcy proceeding pursuant to Title 11 of the United States Code.A bankruptcy filing of our tenants or any guarantor of a tenant' s lease obligations in the United States would result in a stay of all efforts by us to collect pre- bankruptcy debts from these entities or their assets,unless we receive an enabling order from the bankruptcy court.Post- bankruptcy debts would be required to be paid currently.If a lease is assumed by the tenant,all pre- bankruptcy balances owing under it must be paid in full.If a lease is rejected by a tenant in bankruptcy,we would only have a general unsecured claim for damages.If a lease is rejected,it is unlikely we would receive any payments from the tenant because our claim is capped at the rent reserved under the lease,without acceleration,for the greater of one year or 15 % of the remaining term of the lease,but not greater than three years,plus rent already due but unpaid as of the date of the bankruptcy filing (post- bankruptcy rent would be payable in full).This claim could be paid only if funds were available,and then only in the same percentage as that realized on other unsecured claims.There is no assurance the debtor in possession or bankruptcy trustee will assume the lease in a bankruptcy proceeding.Highly leveraged tenants that experience downturns in their operating results due to adverse changes to their business may have a higher probability of filing for bankruptcy or insolvency.In bankruptcy or insolvency proceedings in the United States,a tenant may have the option of vacating a property instead of paying rent, reducing our revenues and limiting our options until the impacted property is released from the bankruptcy or insolvency proceeding.A bankruptcy could delay efforts to collect past due balances under the relevant leases,and could ultimately preclude full collection of these sums and may decrease or eliminate rental payments from the impacted tenant reducing our cash flow.For any foreign tenant or lease guarantor,the tenant or lease guarantor could become insolvent or be subject to an insolvency or bankruptcy proceeding pursuant to a foreign jurisdiction instead of Title 11 of the United States Code.The effect of the insolvency or bankruptcy proceeding on us will depend in each case on the relevant jurisdiction and its own insolvency regime or code but in all events we will face difficulties in collecting amounts owed to us with respect to the applicable lease under these circumstances.The credit profile of our tenants may create a higher risk of lease defaults and therefore lower revenues.Based on annualized rental income on a straight- line basis as of December 31, 2024-2023, 42 approximately 40% of our tenants were not evaluated or ranked by credit rating agencies,or were ranked below " investment grade," which,for our purposes,includes both actual investment grade ratings of the tenant and " implied investment grade rating," which includes ratings of the tenant' s parent (regardless of whether the parent has guaranteed the tenant' s obligation under the lease) or lease guarantor.The term " parent " for these purposes includes any entity,including any governmental entity owning more than 50 % of the voting stock of the tenant.Implied Investment Grade ratings are also determined using a proprietary Moody' s Analytics tool,which creates an implied rating by measuring an entity' s probability of default.Leases with **certain of these** tenants that do not have an investment grade credit rating from a major ratings agency or were not rated and are not affiliated with companies having an investment grade credit rating may have **therefore pose** a greater **higher** risk of default and bankruptcy than would long- term leases with tenants who have actual investment grade ratings.

When we Long- term leases may result in income lower than short term leases.We generally seek to enter into long- term leases with our tenants.As of December 31,2023,21 % of our annualized rental income on a straight- line basis was generated from net leases,with remaining lease to term of more than ten years.Leases of long duration , or with renewal options that specify a maximum rate increase,may not result in market rent over time if we do not accurately judge the potential or for acquire increases in market rental rates.As of December 31,2023,22.0 % of our annualized rental income on a straight- line basis was generated from leases that did not contain any rent escalation provisions,which impacts our ability to cover increased operating costs at properties with these leases.Further , properties leased subject to long term leases at below market rental rates will be less attractive to potential buyers,which could affect our ability to sell the property at an advantageous price.Properties may have vacancies for a significant period.A property may have vacancies either due to tenant defaults or the expiration of leases.If vacancies continue for a long period of time,we may suffer

reduced revenues resulting in less cash available for things such as dividends. In addition, because the market value of a property depends principally on the cash generated by the property, the resale value of a property with prolonged vacancies could decline significantly. We generally obtain only limited warranties when we purchase a property and would therefore have only limited recourse if our due diligence did not identify any issues that does not lower the value of our property. We have acquired a publicly available credit rating, and may continue to acquire, properties in “as is” condition on a “where is” basis and “with all faults,” without any warranties of merchantability or fitness for a particular use or purpose. In addition, purchase agreements we entered into may contain only limited warranties, representations and indemnifications that will use certain credit assessment tools only survive for a limited period after the closing. The purchase of properties with limited warranties increases the risk that we may lose some or all of our invested capital in the property as well as rely the loss of rental income from that property. We may be unable to secure funds for future tenant improvements or capital needs, which could impact the value of the applicable property or our ability to lease the applicable property on our own estimates of the favorable terms. If a tenant does not renew its lease or otherwise vacate its space, we likely will be required to expend substantial funds to improve financial ratios, net worth, revenue, cash flows, leverage and liquidity refurbish the vacated space. In addition, we will likely be responsible for any major structural repairs, such as repairs to the foundation, exterior walls and rooftops, even if applicable. If our ratings estimates are inaccurate, the default or our leases bankruptcy risk for the subject tenant may be greater than anticipated. If our lender or a credit rating agency disagrees with tenants require tenants to pay routine property maintenance costs. We may have to obtain financing from sources such as borrowings, property sales or ratings estimates, we future equity offerings to fund these capital requirements. These sources of funding may not be able to obtain available on attractive terms or at all. If we cannot procure additional funding for capital improvements, the value of the applicable property or our ability to lease space at the applicable property on favorable terms could be adversely impacted. We may be unable to sell a property when we desired- desire level to do so. The real estate market is affected by many factors, such as general economic conditions, availability of leverage or our financing costs may exceed those, interest rates and other factors, including supply and demand, that we projected are beyond our control. We have acquired or financed, and may continue to acquire or finance, properties with lock-out provisions which may prohibit us from selling a property, or may require us to maintain specified debt levels for a period of years on some properties. Lock-out provisions, such as typically include terms that provide strong financial disincentives for borrowers to prepay the their outstanding provisions contained in certain mortgage loans- loan balance and exist in order we have entered into, could materially restrict our ability to sell or otherwise dispose protect the yield expectations of lenders or refinance properties, including by requiring a yield maintenance premium to be paid in connection with prepaying principal upon a sale or disposition. Certain mortgage loans we have entered into contain Lock-lock-out provisions may also prohibit prohibiting us from reducing the outstanding indebtedness with respect to any properties, refinancing such indebtedness on a non-recourse basis at maturity, or increasing the amount of indebtedness with respect to such properties. Lock-out provisions could also impair our ability to take other actions during the lock-out period that may otherwise be in the best interests of our stockholders. In particular, lock-out provisions could preclude us from participating in major transactions that could result in a disposition of our assets or a change in control. Payment of yield maintenance premiums in connection with dispositions or refinancings could adversely affect our cash flow. Rising expenses could reduce cash flow. The properties that we own or may acquire are subject to operating risks common to real estate in general, any or all of which may negatively affect us. If any property is not fully occupied or if rents are being paid in an amount that is insufficient to cover operating expenses, we could be required to fund these expenses. Property expense may increase because of changes in tax rates, utility costs, operating expenses, insurance costs, repairs and maintenance and administrative expenses. Renewals of leases or future leases may not be negotiated on that basis, in which event we may have to pay these costs. If we are unable to lease properties on a triple-net-lease basis or on a basis requiring the tenants to pay all or some expenses, or if tenants fail to pay required tax, utility and other impositions, we could be required to pay these costs which would, among other things, limit the amount of funds we have available for other purposes, including to pay dividends or fund future acquisitions. Real estate-related taxes may increase and if these increases are not passed on to tenants, our cash flow will be reduced. Some local real property tax assessors may seek to reassess a property that we acquire, and, from time to time, our property taxes may increase as property values or assessment rates change or for other reasons deemed relevant by the assessors. An increase in the assessed valuation of a property for real estate tax purposes will result in an increase in the related real estate taxes on that property. There is no assurance that renewal leases or future leases will be negotiated on the same basis. Increases not passed through to tenants will adversely affect the cash flow generated by the impacted property. We face significant competition for acquiring properties from both publicly traded REITs and private investors that have greater resources than we do, which could materially and adversely affect us. We face significant competition from other entities engaged in real estate investment activities, including publicly traded and privately held REITs, private and institutional real estate investors, sovereign wealth funds, banks, insurance companies, investment banking firms, lenders, specialty finance companies, and other entities. Some of our competitors are larger and may have considerably greater financial, technical, leasing, underwriting, marketing, and other resources than we do. Some competitors may have a lower cost of capital and access to funding sources that may not be available to us. In addition, other competitors may have higher risk tolerances or different risk assessments and may not be subject to the same operating constraints, including maintaining REIT status. This competition may result in fewer acquisitions, higher prices, lower yields, less desirable property types, and acceptance of greater risk. As a result, we cannot provide any assurance that we will be able to successfully execute our growth strategy. Any failure to grow through acquisitions as a result of the significant competition we face could materially and adversely affect us. Our properties and our tenants may face competition that may affect tenants’ ability to pay rent. Our

properties typically are, and we expect properties we acquire in the future will be, located in developed areas. Therefore, there are and will be numerous other properties within the market area of each of our properties that will compete with us for tenants. The number of competitive properties could have a material effect on our ability to rent space at our properties and the amount of rents charged. We could be adversely affected if additional competitive properties are built in locations competitive with our properties, causing increased competition for customer traffic and creditworthy tenants. Tenants may also face competition from such properties if they are leased to tenants in a similar industry. For example, as of December 31, 2023-2024, 48-49% of our properties, based on annualized rental income on a straight- line basis, were retail properties. Our retail tenants face competition from numerous retail channels such as discount or value retailers, factory outlet centers and wholesale clubs as well as from alternative retail channels, such as mail order catalogs and operators, television shopping networks and the internet. Competition that we face from other properties within our market areas, and competition our tenants face from tenants in such properties could result in decreased cash flow from tenants and may require us to make capital improvements to maintain competitiveness. We may incur significant costs to comply with governmental laws and regulations, including those related to environmental matters. All real property and the operations conducted on real property are subject to federal, state and local laws and regulations, and various foreign laws and regulations, relating to environmental protection and human health and safety. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above- ground storage tanks, the use, storage, treatment, transportation and disposal of solid and hazardous materials, and the remediation of contamination associated with disposals. Environmental laws and regulations may impose joint and several liability on tenants, owners or operators for the costs to investigate or remediate contaminated properties, regardless of fault or whether the acts causing the contamination were legal. This liability could be substantial. In addition, the presence of hazardous substances, or the failure to properly remediate them, may adversely affect our ability to sell, rent or pledge a property as collateral for future borrowings . **We may invest in properties located in countries that have adopted laws or observe environmental management standards that are less stringent than those generally followed in the United States, which may pose a greater risk that releases of hazardous or toxic substances have occurred. We therefore may own properties that have known or potential environmental contamination as a result of historical or ongoing operations, which may expose us to liabilities under environmental laws. Additionally, some of the properties may contain asbestos or asbestos - containing materials, or may contain or may develop mold or other bio - contaminants. Asbestos - containing materials must be handled, managed and removed in accordance with applicable governmental laws, rules and regulations. Mold and other bio - contaminants can produce airborne toxins, may cause a variety of health issues in individuals and must be remediated in accordance with applicable governmental laws, rules and regulations** . Some of these laws and regulations have been amended to require compliance with new or more stringent standards as of future dates. Compliance with new or more stringent laws or regulations or stricter interpretation of existing laws may require material expenditures by us. Future laws, ordinances or regulations may impose material environmental liability. Additionally, our tenants' operations, the existing condition of land when we buy it, operations in the vicinity of our properties, such as the presence of underground storage tanks, or activities of unrelated third parties may affect our properties. In addition, there are various local, state and federal fire, health, life- safety and similar regulations with which we may be required to comply, and that may subject us to liability in the form of fines or damages for noncompliance. State and federal laws, and various foreign laws and regulations, in this area are constantly evolving, and we monitor these laws and take commercially reasonable steps to protect ourselves from the impact of these laws, including obtaining environmental assessments of most properties that we acquire; however, we do not obtain an independent third- party environmental assessment for every property we acquire. In addition, any assessment that we do obtain may not reveal all environmental liabilities or reveal that a prior owner of a property created a material environmental condition unknown to us. We may incur significant costs to defend against claims of liability, comply with environmental regulatory requirements, remediate any contaminated property, or pay personal injury claims. **Risk of Stockholder Activism and Proxy Contests. We have been subject to stockholder activism and may be subject to such activism in the future, which could result in substantial costs and divert management' s and our board of director' s attention and resources from our business. Stockholder activism could give rise to perceived uncertainties as to our future and adversely affect our operations and business relationships. We may be required to incur significant fees and other expenses related to activist stockholder matters including related to a proxy contest or to litigation.** Damage from catastrophic weather and other natural events and climate change could result in losses to us. Certain of our properties are located in areas that may experience catastrophic weather and other natural events from time to time, including hurricanes or other severe weather, flooding, fires, snow or ice storms, windstorms or, earthquakes. These adverse weather and natural events could cause substantial damages or losses to our properties which could exceed our insurance coverage . **In the event of a loss in excess of insured limits, we could lose our capital invested in the affected property, as well as anticipated future revenue from that property. We could also continue to be obligated to repay any mortgage indebtedness or other obligations related to the property.** To the extent that significant changes in the climate occur, we may experience extreme weather and changes in precipitation and temperature and rising sea levels, all of which may result in physical damage to or a decrease in demand for properties located in these areas or affected by these conditions. Should the impact of climate change be material in nature, including destruction of our properties, or occur for lengthy periods of time, our cash flow may be adversely affected. Growing public concern about climate change and investor expectations have resulted in the increased focus of local, state, regional, national and international regulatory bodies on greenhouse gas (" GHG ") emissions and climate change issues. Legislation to regulate GHG emissions has periodically been introduced in the U. S. Congress, and there has been a wide- ranging policy debate, both in the U. S. and internationally, regarding the impact of these gases and possible means for their regulation. Federal, state or foreign legislation or regulation on climate change could result in increased capital expenditures to improve the energy efficiency of our existing properties or to protect them from the consequence of climate change, and could also result in increased compliance costs or additional operating restrictions that could adversely impact the businesses of our

tenants and their ability to pay rent. **Climate change may also adversely impact consumer behaviors, preferences and spending for our tenants' clients, which may impact our tenants ability to fulfill their obligations under our leases, or our ability to re-lease the properties in the future. In addition, should the impact of climate change be severe or occur for lengthy periods of time, connectivity, labor and supply chains could impact business continuity for ourselves and our tenants.** In addition, tenants of net-leased properties are responsible for maintenance and other day-to-day management of the properties. This lack of control over our net-leased properties makes it difficult for us to collect property-level environmental metrics and to enforce sustainability initiatives, which may impact our ability to comply with certain regulatory disclosure requirements to which we are subject (such as the anticipated changes to the SEC's climate-related disclosure rules) or comply effectively with established ESG frameworks and standards, such as the Global Real Estate Sustainability Benchmarks, the TCFD and the Sustainability Accounting Standards Board. If we are unable to collect the data necessary to comply with these disclosure requirements, we may be subject to increased regulatory risk. If the data is incomplete or unfavorable, our relationship with our stockholders, our stock price, and our access to capital may be negatively impacted. If we sell properties by providing financing to purchasers, we will be exposed to defaults by the purchasers. In some instances, we may sell our properties by providing financing to purchasers. If we provide financing to purchasers, we will bear the risk that the purchaser may default, which could negatively impact our cash flow. Even in the absence of a purchaser default, the distribution of the proceeds of sales to our stockholders, or their reinvestment in other assets, will be delayed until the promissory notes or other property we may accept upon the sale are actually paid, sold, refinanced or otherwise disposed of. In some cases, we may receive initial down payments in cash and other property in the year of sale in an amount less than the selling price and subsequent payments will be spread over a number of years. We may incur a material amount of costs associated with complying with the Americans with Disabilities Act. Our domestic properties must also comply with the Americans with Disabilities Act of 1990 ("Disabilities Act"). Under the Disabilities Act, all places of public accommodation are required to comply with federal requirements related to access and use by disabled persons. The Disabilities Act has separate compliance requirements for "public accommodations" and "commercial facilities" that generally require that buildings and services, including restaurants and retail stores, be made accessible and available to people with disabilities. The Disabilities Act's requirements could require removal of access barriers and could result in the imposition of injunctive relief, monetary penalties, or, in some cases, an award of damages. A determination that a property does not comply with the Disabilities Act could result in liability for both governmental fines and damages. If we are required to make unanticipated major modifications to any of our properties to comply with the Disabilities Act which are determined not to be the responsibility of our tenants, we could incur unanticipated expenses that could be material in amount. Actual or threatened terrorist attacks and other acts of violence, civilian unrest, or war may affect the markets in which we operate our business and our profitability. We own and acquire real estate assets located in major metropolitan areas as well as densely populated sub-markets that are susceptible to terrorist attack. In addition, any actual or threatened terrorist activity or violent criminal acts, including terrorist acts against public institutions or buildings or modes of public transportation (including airlines, trains or buses) could have a negative effect on our business. These events may directly impact the value of our assets and our results of operations through damage, destruction, loss or increased security costs. Although we may obtain terrorism insurance, we may not be able to obtain sufficient coverage to fund any losses we may incur. The Terrorism Risk Insurance Act, which was designed for a sharing of terrorism losses between insurance companies and the federal government, will expire on December 31, 2027, and there can be no assurance that Congress will act to renew or replace it. More generally, any terrorist attack, other act of violence or war, including armed conflicts, could result in increased volatility in, or damage to, the worldwide financial markets and economy. Increased economic volatility could adversely affect us and our properties. Inflation and continuing increases in the inflation rate may have an adverse effect on our investments and results of operations. Increases in the rate of inflation, both real and anticipated may impact our investments and results of operations. Inflation could erode the value of long-term leases that do not contain indexed escalation provisions, or contain fixed annual rent escalation provisions that are at rates lower than the rate of inflation, and increase expenses including those that cannot be passed through under our leases. Increased inflation could also increase our general and administrative expenses and, as a result of an increase in market interest rates in response to higher than anticipated inflation rate, increase our mortgage and other debt interest costs, and these costs have and could continue to increase at a rate higher than any rent increases. An increase in our expenses, or a failure of revenues to increase at least with inflation could adversely impact our results of operations. Certain of our leases for properties located in foreign countries are only adjusted upward to fair market value only once every five years or contain capped indexed escalation provisions. Approximately **59-61.7-1%** of our leases, based on straight line rent, are fixed-rate increase averaging 1.7%, 14.3-8% are based on the Consumer Price Index, subject to certain caps, 4.0-6% are based on other measures, and **22-19.0-5%** do not contain any escalation provisions. We may be adversely impacted by inflation on the leases that do not contain indexed escalation provisions, or those leases which have escalations at rates which do not exceed or approximate current inflation rates, as was the case during 2022. However, our net leases require the tenant to pay its allocable share of operating expenses, which may include common area maintenance costs, real estate taxes and insurance. This may reduce our exposure to increases in costs and operating expenses resulting from inflation. Future leases may not even contain escalation provisions and these provisions may not be sufficient to protect our revenues or expenses from the adverse effects of inflation. In addition, increased operating costs paid by our tenants could have an adverse impact on our tenants if increases in their operating expenses exceed increases in their revenue, which may adversely affect our tenants' ability to pay rent owed to us or property expenses to be paid, or reimbursed to us, by our tenants. Conversely, unusually low inflation can cause deflation, or an outright decline in prices. Deflation can lead to a negative cycle where consumers delay purchases in anticipation of lower prices, causing businesses to stop hiring and postpone investments as sales weaken. Deflation would have a serious impact on economic growth and may adversely affect the financial condition of our tenants and the rental rates at which we renew or enter into leases. **Periodically, we have experienced, and we**

may experience in the future, a decline in the fair value of our real estate assets, resulting in impairment charges that impact our financial condition and results of operations. A decline in the fair market value of our long-lived assets may require us to recognize an impairment against such assets (as defined by the Financial Accounting Standards Board ("FASB")) if certain conditions or circumstances related to an asset were to change and we were to determine that, with respect to any such asset, the cash flows no longer support the carrying value of the asset. The fair value of our long-lived assets depends on market conditions, including estimates of future demand for these assets, and the revenues that can be generated from such assets. When such a determination is made, we recognize the estimated unrealized losses through earnings and write down the depreciated cost of such assets to a new cost basis, based on the fair value of such assets on the date they are considered to be impaired. Such impairment charges reflect non-cash losses at the time of recognition, and subsequent dispositions or sales of such assets could further affect our future losses or gains, as they are based on the difference between the sales price received and the adjusted depreciated cost of such assets at the time of sale. Our business and operations could suffer if we experience system failures or cyber incidents or a deficiency in cybersecurity. Our internal information technology networks and related systems are vulnerable to damage from any number of sources, including computer viruses, unauthorized access, energy blackouts, natural disasters, terrorism, war and telecommunication failures. Any system failure or accident that causes interruptions in our operations could result in a material disruption to our business. We may also incur additional costs to remedy damages caused by these disruptions. As reliance on technology has increased, so have the risks posed to those systems. **The risk of a security breach has generally increased as the frequency, intensity and sophistication of attempted attacks and intrusions from around the world have increased. Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques, tools (including artificial intelligence) and tactics used in such attempted security breaches evolve and generally are not recognized until launched against a target, and in some cases are designed to not be detected and, in fact, may not be detected. Such attacks also may be further enhanced in frequency or effectiveness through threat actors' use of artificial intelligence.** We must continuously monitor and develop networks and information technology to prevent, detect, address and mitigate the risk of unauthorized access, misuse, computer viruses, and social engineering, such as phishing. We are continuously working including with the aid of third party service providers, to install new, and to upgrade existing, network and information technology systems, to create processes for risk assessment, testing, prioritization, remediation, risk acceptance, and reporting, and to provide awareness training around phishing, malware and other cyber risks to ensure they provide us with services essential to our operations are protected against cyber risks and security breaches and that we are also therefore so protected. However, these upgrades, processes, new technology and training may not be sufficient to protect us from all risks. ~~Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques and technologies used in attempted attacks and intrusions evolve and generally are not recognized until launched against a target. In some cases, attempted attacks and intrusions are designed to not be detected and, in fact, may not be detected.~~ The remediation costs and lost revenues experienced by a subject of an intentional cyberattack or other event which results in unauthorized third party access to systems to disrupt operations, corrupt data or steal confidential information may be significant and significant resources may be required to repair system damage, protect against the threat of future security breaches or to alleviate problems, including reputational harm, loss of revenues and litigation, caused by any breaches. Additionally, any failure to adequately protect against unauthorized or unlawful processing of personal data, or to take appropriate action in cases of infringement may result in significant penalties under privacy law. Furthermore, a security breach or other significant disruption involving our information technology networks and related systems could: • result in misstated financial reports, violations of loan covenants, missed reporting or permitting deadlines; • affect our ability to properly monitor our compliance with the rules and regulations regarding our qualification as a REIT; • result in the unauthorized access to, and destruction, loss, theft, misappropriation or release of, proprietary, confidential, sensitive or otherwise valuable information (including information about tenants), which others could use to compete against us or for disruptive, destructive or otherwise harmful purposes and outcomes; • result in our inability to maintain the building systems relied upon by our tenants for the efficient use of their leased space; • require significant management attention and resources to remedy any damages that result; • subject us to claims for breach of contract, damages, credits, penalties or termination of leases or other agreements; or • adversely impact our reputation among our tenants and investors generally. There can be no assurance that the measures we have adopted will be sufficient. Further, while we carry cyber liability insurance, such insurance may not be adequate to cover all losses related to such events. **In addition** ~~fail to effectively hedge our currency exposure.~~ **the costs of maintaining adequate protection against data security threats, based on considerations of their evolution, increasing sophistication, pervasiveness and frequency and / or if we experience other losses related government - mandated standards or obligations regarding protective efforts, could be material** to our **financial position** ~~exposure to foreign currencies,~~ our operating results **of operations,** ~~could be negatively impacted and cash flows could be reduced.~~ We are subject to risks associated with a pandemic, epidemic or outbreak of a contagious disease, which can cause severe disruptions in the U.S., and global economy **the market price of our securities in a particular period or over various periods**. Another pandemic in the future could have repercussions across many sectors and areas of the global economy and financial markets, leading to significant adverse impacts on economic activity as well as significant volatility and negative pressure in financial markets. COVID-19 has **previously** impacted, and ~~new variants~~ **a novel strain of COVID-19** or other potential pandemics could ~~continue to~~ **in the future** impact, in-person commerce which has and may ~~continue to~~ **in the future** impact the revenues generated by our tenants which may further impact their ability to pay their rent to us when due. ~~We may also potentially experience a negative impact on~~ **We may acquire also potentially experience a negative impact on the health of our personnel, particularly if a significant number of** ~~originate commercial real estate debt or invest in commercial real estate-related securities which would expose us to additional risks. We may in the~~ **they are during a future pandemic** acquire or

originate mortgage debt loans, mezzanine loans, preferred equity or securitized loans, CMBS, preferred equity and other higher-yielding structured debt and equity investments. Doing so would expose us not only to the risks and uncertainties we are currently exposed to through our direct investments in real estate but also to additional risks and uncertainties attendant to investing in and holding these types of investments, such as: • risk of defaults by borrowers in paying debt service on outstanding indebtedness and to other impairments of our loans and investments; • increased competition from entities engaged in mortgage lending and, or investing in our target assets; • deterioration in the performance of properties securing our investments may cause deterioration in the performance of our investments and, potentially, principal losses to us; • fluctuations in interest rates and credit spreads could reduce our ability to generate income on our loans and other investments; • difficulty in redeploying the proceeds from repayments of our existing loans and investments; • the illiquidity of certain of these investments; • lack of control over certain of our loans and investments; • the potential need to foreclose on certain of the loans we originate or acquire, which could result in a deterioration in our ability to ensure business continuity during this disruption. We may make investments in asset classes additional risks or countries outside of our core investment strategy which may be perceived as complicating our strategy relative to our peers. We may need to expand beyond our current asset class mix to grow our portfolio. As a result, we may, to the extent that market conditions warrant, to seek to grow our business by increasing our investments in existing businesses, pursuing new investment strategies (including the risks of the securitization process investment opportunities in new asset classes), posed by developing new types of investment structures, and expanding into new geographic markets. Introducing new types of investment structures could increase the complexities involved in managing such investments in CMBS, including to ensure compliance with regulatory requirements and terms of other the similar structured finance investment. Making investments in asset classes or countries outside of our core investment strategy may also be perceived as complicating well as those we structure, sponsor or our arrange, strategy relative to our peers. Entry into new asset classes or countries may subject us to new laws and regulations of leverage may create a mismatch with which the duration and interest rate of the investments that we financing, are not familiar, or from which we are currently exempt, and may lead to increased litigation and regulatory risks risk and costs. Loss related to the operating performance or trading price volatility of any publicly senior executives with long traded standing business relationships could materially impair our ability to operate successfully. Our ability to operate our business and private companies primarily engaged grow our portfolio depend, in large part, upon the efforts of our senior executive team. Several of our executives have extensive experience and strong reputations in the real estate industry and have been important in setting our strategic direction, operating our businesses business, assembling we invest in, and growing our portfolio, identifying, recruiting and training key personnel, and arranging necessary financing. In particular, relationships that these need to structure, select individuals have with financial institutions and existing and prospective tenants are important to our growth and the success of our business. The loss of services of one or more closely monitor members of our senior management team, our or our inability to attract and retain highly qualified personnel, could adversely affect our business, diminish our investments investment opportunities such that we continue to maintain our qualification as a REIT and weaken our relationships with lenders exemption from registration under the Investment Company Act of 1940, as amended business partners, existing and prospective tenants and industry personnel, which could materially and adversely affect us.

Risks Related to our Indebtedness We have substantial indebtedness and we will have the ability to incur significant additional indebtedness and other liabilities. As of December 31, 2023-2024, we had \$ 5.4 .7 billion of total gross indebtedness outstanding, including \$ 2. 7-3 billion of secured indebtedness, \$ 1. 7-4 billion outstanding under the Revolving Credit Facility, and \$ 1. 0 billion of our Senior Notes. We had availability to borrow an additional \$ 14-332 . 2-5 million, under our Revolving Credit Facility as of December 31, 2023-2024. Our high level of indebtedness may have the following important consequences to us including: • requiring us to dedicate a substantial portion of our cash flow to make principal and interest payments on our indebtedness, thereby reducing our cash flow available to fund working capital, capital expenditures and other general corporate purposes; • requiring us to maintain certain debt coverage and other financial ratios at specified levels, thereby reducing our financial flexibility; • making it more difficult for us to satisfy our financial obligations, including servicing our debt obligations; • increasing our vulnerability to general adverse economic and industry conditions or a downturn in our business; • exposing us to increases in interest rates for our variable rate debt; • limiting, along with the financial and other restrictive covenants in our indebtedness, our ability to borrow additional funds on favorable terms or at all to expand our business or ease liquidity constraints; • limiting our ability to refinance all or a portion of our indebtedness on or before maturity on the same or more favorable terms or at all; • limiting our flexibility in planning for, or reacting to, changes in our business and our industry; • placing us at a competitive disadvantage relative to competitors that have less indebtedness, particularly in making future acquisitions; • limiting our ability to enter into transactions that may otherwise be in our interest, including mergers or other combinations; • increasing our risk of property losses as the result of foreclosure actions initiated by lenders under our secured debt obligations; • requiring us to dispose of one or more of our properties at disadvantageous prices in order to service our indebtedness or to raise funds to pay such indebtedness at maturity; and • resulting in an event of default if we fail to pay our debt obligations when due or fail to comply with the financial and other restrictive covenants contained in the agreements governing our debt obligations which event of default could result in all of our debt becoming immediately due and payable and could permit certain of our lenders to foreclose on our assets securing the debt. We may be unable to service our indebtedness. Our ability to make scheduled payments on and to refinance our indebtedness depends on and is subject to our future financial and operating performance, which in turn is affected by general and regional economic, financial, competitive, business and other factors beyond our control. Our business may fail to generate sufficient cash flow from operations or future borrowings may be unavailable to us under the Revolving Credit Facility or from other sources in an amount sufficient to enable us to service our debt, to refinance our debt or to fund our other liquidity needs. If we are unable to meet our debt obligations or to

fund our other liquidity needs, we will need to restructure or refinance all or a portion of our debt. We may be unable to refinance any of our debt, including the Revolving Credit Facility or the Senior Notes, on commercially reasonable terms or at all. If we were unable to make payments or refinance our debt or obtain new financing under these circumstances, we would have to consider other options, such as asset sales, equity issuances or negotiations with our lenders to restructure the applicable debt. The Credit Agreement governing our Revolving Credit Facility and each of the indentures governing the Senior Notes restrict, and market or business conditions may limit, our ability to take some or all of these actions. Any restructuring or refinancing of our indebtedness could be at higher interest rates and may require us to comply with more onerous covenants that could further restrict our business operations. In addition, the Revolving Credit Facility and each of the indentures governing the Senior Notes permit us to incur additional debt, including secured debt, and the amount of additional indebtedness incurred could be substantial. As of December 31, 2023-2024, a total of \$ 405-464. 2-5 million of our indebtedness bearing interest at a weighted rate of 4-3. 0-8 % matures in calendar year 2024-2025. Interest rates have increased considerably in over the last twelve months and may continue to two years and may increase further in the future. The interest rate on borrowings under the Revolving Credit Facility was 5 increased from 4. 6-7 % and as of December 31, 2022 to 6. 0 % as of December 31, 2024 and 2023, respectively. The interest rate on any indebtedness we refinance will likely be higher than the rate on the maturing indebtedness. There is no assurance that we will be able to refinance any of our indebtedness as it comes due, especially indebtedness secured by mortgages, on favorable terms, or at all. Increases in interest rates or changes in underwriting standards imposed by lenders may require us to use either cash on hand or raise additional equity to repay or refinance any indebtedness or for that matter to incur new indebtedness. If we are unable to repay or refinance any indebtedness secured by mortgages, we lose the mortgaged property in a foreclosure action. We have incurred, and may continue to incur, variable- rate debt. As of December 31, 2023-2024, a total of 20-9 % of our indebtedness bore interest at variable rates which averaged 7-6. 2-0 %. Increases in interest rates on our variable- rate debt or any new indebtedness we incur either as part of a refinancing or a new property acquisition would increase our interest cost. If we need to repay existing debt during periods of rising interest rates, we may need to post additional collateral or sell one or more of our investments in properties even though we would not otherwise choose to do so. In addition, under certain of our debt agreements, including our mortgage loan agreements, we are required to maintain certain debt service coverage ratios for particular periods of time. In the event we do not meet these debt service coverage ratio tests for the applicable period, we are required to make cash sweep payments with respect to such loan's principal amount, for so long as we are not in compliance with the applicable coverage ratio covenant. We have been making cash sweep payments, which impacts funds available to us for other uses, with respect to certain of our debt obligations. Our derivative financial instruments have been, and any derivative financial instruments in the future, will be subject to counterparty default risk. We manage our interest rate risk with derivative financial instruments, including interest rate swaps, caps, options, floors and other interest rate derivative contracts, to hedge all or a portion of the interest rate risk associate with our variable rate borrowings. As a result, when we are party to such derivative financial instruments, we are subject to the risk that the counterparty to one or more of these contracts defaults on its performance under the contract. During an economic downturn, the counterparty's financial condition may deteriorate rapidly and with little notice and we may be unable to take action to protect our exposure. In the event of a counterparty default, we could incur losses, which may harm our business and financial condition. In the event that one or more of our counterparties becomes insolvent or files for bankruptcy, our ability to eventually recover any losses suffered as a result of that counterparty's default may be limited by the liquidity of the counterparty. Changes in the debt markets could have a material adverse impact on our earnings and financial condition. The domestic and international commercial real estate debt markets are subject to volatility, resulting in, from time to time, the tightening of underwriting standards by lenders and credit rating agencies and reductions in the availability of financing. Beginning in early 2022, in response to significant and prolonged increases in inflation, the U. S. Federal Reserve Board raised has increased interest rates eleven times during 2022 and 2023 and the then paused federal funds rate increased increases in the fourth quarter of 2023 following the deceleration of inflationary growth. During that same period the European Central Bank and the Bank of England similarly raised interest rates and implemented fiscal policy interventions responsive to a 22-year high levels of inflation and recession fears. The In addition, the U. S. Federal Reserve Board cut interest and the European Central Bank have continued tapering their respective quantitative easing programs. Although the U. S. Federal Reserve Board left its benchmark rates steady in September 2024, November and December of 2023 and January 2024, and has forecasted multiple potential it may seek to further reduce interest rates, increase interest rates or maintain current interest rates. The timing, number and amount of any future interest rate cuts in 2024 changes are uncertain, and there can be no assurance that rates will not continue to increase or fail to decrease at a rate currently predicted or at all, which would in turn would negatively impact our borrowing costs. If our overall cost of borrowings increases, either due to increases in the index rates or due to increases in lender spreads, we will need to factor such increases into pricing and projected returns for any future acquisitions. This may result in future acquisitions generating lower overall economic returns. Volatility in the debt markets may negatively impact our ability to borrow monies to finance the purchase of, or other activities related to, our real estate assets. If we are unable to borrow monies on terms and conditions that we find acceptable, our ability to purchase properties or, meet other capital requirements may be limited, and the return on the properties we own may be lower. In addition, we may find it difficult, costly or impossible to refinance maturing indebtedness. Furthermore, the state of the debt markets could have an impact on the overall amount of capital being invested in real estate, which may result in price or value decreases of real estate assets which could negatively impact the value of our assets, and the price of assets which we sell. Covenants in our debt agreements restrict our activities and could adversely affect our business. Our debt agreements, including each of the indentures governing the Senior Notes and the Credit Agreement governing the Revolving Credit Facility, contain various covenants that limit our ability and the ability of our subsidiaries to engage in various transactions including, as applicable: • incurring or guaranteeing additional secured and unsecured debt; • creating liens on our assets; • making

investments or other restricted payments **(including, without limitation, share repurchases)**; • entering into transactions with affiliates; • creating restrictions on the ability of our subsidiaries to pay dividends or other amounts to us; • selling assets; • making optional prepayments of indebtedness during a payment default or an event of default under the Revolving Credit Facility; • effecting a consolidation or merger or selling all or substantially all of our assets; and • amending certain material agreements, including material leases and debt agreements. These covenants limit our operating flexibility and could prevent us from taking advantage of business opportunities as they arise, growing our business or competing effectively. In addition, the Revolving Credit Facility requires us to comply with financial maintenance covenants, consisting of a maximum debt to asset value ratio, a minimum fixed charge coverage ratio, a maximum unencumbered leverage ratio, a minimum debt service coverage ratio, a maximum secured debt to asset value ratio, a maximum secured recourse debt to asset value ratio, and a minimum consolidated tangible net worth test. We also are required to maintain total unencumbered assets of at least 150 % of our unsecured indebtedness under each of the indentures governing the Senior Notes. Our ability to meet these requirements may be affected by events beyond our control, and we may not meet these requirements. We may be unable to maintain compliance with these covenants and, if we fail to do so, we may be unable to obtain waivers from the lenders or indenture trustee, as applicable, or amend the covenants. A breach of any of the covenants or other provisions in our debt agreements could result in an event of default, which if not cured or waived, could result in such debt becoming due and payable, either automatically or after an election to accelerate by the required percentage of the holders of the indebtedness or by an agent for the holders of the indebtedness. This, in turn, could cause our other debt, including the Senior Notes and the Revolving Credit Facility, to become due and payable as a result of cross- default or cross- acceleration provisions contained in the agreements governing the other debt and permit certain of our lenders to foreclose on our assets, if any, that secure this debt. In the event that some or all of our debt is accelerated and becomes immediately due and payable, we may not have the funds to repay, or the ability to refinance our debt. We may not have the funds necessary to finance the repurchase of the Senior Notes in connection with a change of control offer required by the indentures governing each series of notes. Upon the occurrence of a “ Change of Control Triggering Event ” defined in each of the indentures governing the Senior Notes, we are required to make an offer to repurchase all outstanding Senior Notes at 101 % of the principal amount thereof, plus accrued and unpaid interest on each series of notes, if any, but not including, the date of repurchase. However, it is possible that we will not have sufficient funds, or the ability to raise sufficient funds, at the time we are required to make this offer. In addition, restrictions under future debt we may incur, may not allow us to repurchase the Senior Notes upon a Change of Control Triggering Event, and we expect that a change in control will result in an event of default under the Revolving Credit Facility, which could result in such debt becoming immediately due and payable and the commitments thereunder terminated. If we could not refinance such senior debt or otherwise obtain a waiver from the holders of such debt, we would be prohibited from repurchasing the Senior Notes, which would constitute an event of default under the applicable indentures governing either series of Senior Notes, which in turn would constitute a default under our Revolving Credit Facility. In addition, certain important corporate events, such as leveraged recapitalization that would increase the level of our indebtedness, would not constitute a “ Change of Control ” under the either of the indentures governing the Senior Notes although these types of transactions could affect our capital structure or credit ratings and the holders of the Senior Notes. Further, courts interpreting change of control provisions under New York law (which is the governing law of each of the indentures governing the Senior Notes) have not provided clear and consistent meanings of change of control provisions which leads to subjective judicial interpretation of what may constitute a “ Change of Control. ” The “ Change of Control Triggering Event ” may impact the willingness of a third party to seek or engage in a “ Change of Control ” transaction with us. A lowering or withdrawal of the ratings assigned to our debt securities by rating agencies may increase our future borrowing costs and reduce our access to capital. Any rating assigned to debt securities that we or either of our OP’ s issue could be lowered or withdrawn entirely by a rating agency if, in that rating agency’ s judgment, future circumstances relating to the basis of the rating, such as adverse changes, so warrant. Any lowering of the ratings likely would make it more difficult or more expensive for us to obtain additional debt financing.

Risks Related to Our Corporate Structure, Common Stock and Preferred Stock The trading prices of our Common Stock and Preferred Stock may fluctuate significantly. The trading prices of shares of our Common Stock and Preferred Stock may be volatile and subject to significant price and volume fluctuation in response to market and other factors, many of which are outside our control. Among the factors that could affect these trading prices are: • our financial condition, including the level of our indebtedness and performance; • our ability to grow through property acquisitions, the terms, and pace of any acquisitions **– or dispositions** we may make and the availability and terms of financing for those acquisitions **;** ~~• our ability to integrate the operations of RTL and the other entities we acquired in the Mergers successfully~~; • the financial condition of our tenants, including tenant bankruptcies or defaults; • actual or anticipated quarterly fluctuations in our operating results and financial condition; • the amount and frequency of dividends that we pay; • additional sales of equity securities, including our Common Stock or Preferred Stock, or the perception that additional sales may occur; • the reputation of REITs and real estate investments generally and the attractiveness of REIT equity securities in comparison to other equity securities, and fixed income debt securities; • uncertainty and volatility in the equity and credit markets; • increases in interest rates and fluctuations in exchange rates; • inflation and continuing increases in the inflation rate; • changes in revenue or earnings estimates, if any, or publication of research reports and recommendations by financial analysts or actions taken by rating agencies with respect to our securities or those of other REITs; • failure to meet analyst revenue or earnings estimates; • strategic actions by us or our competitors, such as acquisitions or restructurings; • the extent of investment in our securities by institutional investors; • the extent of short- selling of our securities; • general financial and economic market conditions and, in particular, developments related to market conditions for REITs and other real estate related companies; • failure to maintain our REIT status; • changes in tax laws; • domestic and international economic factors unrelated to our performance; and • all other risk factors addressed elsewhere in this Annual Report on Form 10- K for the year ended December 31, **2023-2024**. Moreover, although shares of the Preferred Stock are listed on the New York Stock Exchange

(“ NYSE ”), there can be no assurance that the trading volume for these shares will provide sufficient liquidity for holders to sell their shares at the time of their choosing or that the trading price for shares will equal or exceed the price paid for the shares. Because the shares of our preferred stock have a fixed dividend rate, their respective trading prices in the secondary market will be influenced by changes in interest rates and will tend to move inversely to changes in interest rates. In particular, an increase in market interest rates may result in higher yields on other financial instruments and may lead purchasers of our preferred stock to demand a higher yield on their investment, which could adversely affect the market price of shares of those securities. An increase in interest rates available to investors could also make an investment in our Common Stock less attractive if we are not able to increase our dividend rate, which could reduce the value of our Common Stock. We depend on our OPs and their subsidiaries for cash flow and are structurally subordinated in right of payment to the obligations of our OPs and their subsidiaries. We conduct, and intend to continue conducting, all of our business operations through our OPs and accordingly, we rely on distributions from our OPs and their subsidiaries to provide cash to pay our obligations. There is no assurance that our OPs or their subsidiaries will be able to, or be permitted to, pay distributions to us that will enable us to pay dividends to our stockholders and meet our other obligations. Each subsidiary of each of the OP’ s is a distinct legal entity and, under certain circumstances, legal and contractual restrictions may limit our ability to obtain cash from these entities. In addition, any claims we may have will be structurally subordinated to all existing and future liabilities and obligations of our OPs and their subsidiaries. Therefore, in the event of our bankruptcy, liquidation or reorganization, our assets and those of our OPs and their subsidiaries will be available to satisfy the claims of our creditors or to pay dividends to our stockholders only after all the liabilities and obligations of our OPs and their subsidiaries have been paid in full. We may issue additional equity securities in the future thereby diluting the holdings of existing stockholders. Holders of our Common Stock do not have preemptive rights to any shares issued by us in the future. Our charter authorizes us to issue up to ~~280~~ **290** million shares of stock, consisting of 250 million shares of common stock, par value \$ 0. 01 per share and 40 million shares of preferred stock, par value \$ 0. 01 per share. As of December 31, ~~2023~~ **2024**, we had 24 million shares of Preferred Stock issued and outstanding. Each series of Preferred Stock ranks on parity with each other with respect to dividend rights and rights upon our voluntary or involuntary liquidation, dissolution or winding- up. Subject to the approval rights of holders of our Preferred Stock regarding authorization or issuance of equity securities ranking senior to the Preferred Stock, our ~~board~~ **Board of directors**, without approval of our common stockholders, may amend our charter from time to time to increase or decrease the aggregate number of authorized shares of stock, or the number of authorized shares of any class or series of stock, or may classify or reclassify any unissued shares into the classes or series of stock without obtaining stockholder approval and establish the preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications or terms or conditions of redemption of the stock. All of our authorized but unissued shares of stock may be issued in the discretion of our ~~board~~ **Board of directors**. The issuance of additional shares of our Common Stock could dilute the interests of the holders of our Common Stock, and any issuance of shares of preferred stock senior to our Common Stock, such as our issued and outstanding Preferred Stock, or any incurrence of additional indebtedness, could affect our ability to pay dividends on our Common Stock. The issuance of additional shares of preferred stock ranking equal or senior to our issued and outstanding Preferred Stock, including preferred stock convertible into shares of our Common Stock, could dilute the interests of the holders of Common Stock, Preferred Stock, and any issuance of shares of preferred stock senior to our issued and outstanding Preferred Stock or incurrence of additional indebtedness could affect our ability to pay dividends on, redeem or pay the liquidation preference on our Preferred Stock. These issuances could also adversely affect the trading price of our Common Stock and Preferred Stock. We may issue shares of our Common Stock or Series B Preferred Stock or another series of preferred stock pursuant to our existing at- the- market programs or any similar future program as well as in other public or private offerings, including shelf offerings, and shares of our Common Stock issued as awards to our officers, directors and other eligible persons. We may also issue OP Units to sellers of properties we acquire. OP Units may be redeemed on a one for one basis for, at our election, a share of Common Stock or the cash equivalent thereof. Because our decision to issue equity securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. ~~Future sales of~~ **We cannot guarantee that we will repurchase our** Common Stock **pursuant to our share repurchase program or that our share repurchase program will enhance long- term stockholder value. Share repurchases could also increase the volatility of the price of our Common Stock and could diminish our cash reserves. On February 20, 2025, our Board authorized a share repurchase program, under which we are authorized to repurchase shares of Common Stock for an aggregate purchase price not to exceed \$ 300. 0 million, excluding fees, commissions and other ancillary expenses. Under the program, which does not have a stated expiration date, we may repurchase shares of our Common Stock from time to time through open market purchases, block trades, privately negotiated transactions, accelerated share repurchase transactions and / or pursuant to Rule 10b5- 1 plans, in compliance with applicable securities laws and other legal requirements. Although the Board has authorized the share repurchase program, the share repurchase program does not obligate us to repurchase any specific dollar amount or to acquire any specific number of shares. The timing and amount of repurchases, if any, will depend upon several factors, including market, legislative and business conditions, the trading price of our Common Stock and the nature of other investment opportunities. For example, the Inflation Reduction Act imposes a one percent tax on stock repurchases, subject to certain adjustments, by certain selling stockholders affiliated with AR Global publicly traded U. S. companies, including us, and may adversely impact our decision to engage in share repurchases. Also, our ability to repurchase shares of stock may be limited by restrictive covenants in our debt agreements. The repurchase program may be limited, suspended or discontinued at any time without prior notice. In addition, repurchases of our Common Stock pursuant to our share repurchase program could affect our stock price and increase its volatility. The existence of a share repurchase program could cause our stock price to be higher than it would be in the absence of such a program and could potentially reduce the market liquidity for our**

stock. Additionally, our share repurchase program could diminish our cash reserves, which may impact our ability to finance future growth, to continue to pay a dividend and to pursue possible future strategic opportunities and acquisitions. There can be no assurance that any share repurchases will enhance stockholder value because the market price of **our** Common Stock **may decline below the levels at which we repurchased**. AR Global and its affiliates acquired an aggregate of 35,339,062 shares of our Common Stock **stock** in connection with the Internalization Merger and on conversion of the GNL LTIP Units. **Although our** All of these shares **share repurchase program is intended** have been registered for resale pursuant to **enhance long** a Registration Statement on Form S-3 on September 14, 2023, subject to the terms **term** of the Registration Rights and Stockholders Agreement, dated as of September 12, 2023 between the Company and the selling stockholders **stockholder**. **Future sales of Common value, there is no assurance that it will do so and short-term** Stock **stock** by the selling stockholders may adversely affect the market price **fluctuations could reduce** of our Common Stock. These sales also might make it more difficult for us to sell equity securities in the **program's** future at a time and price we deem appropriate. The Beneficial Ownership Limit may discourage a third party from acquiring us in a manner that might result in a premium price to our stockholders. Our Articles of Restatement effective **effectiveness** February 24, 2021, as amended or supplemented, with certain exceptions, authorizes our board of directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted (prospectively or retroactively) by our board of directors, no person may own more than 8.8% in value of the aggregate of the outstanding shares of our stock and 8.8% (in value or in number of shares, whichever is more restrictive) of any class or series of our stock (the "Beneficial Ownership Limit"). This restriction may have the effect of delaying, deferring or preventing a change in control of the Company, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price for holders of our Common Stock. The terms of our Preferred Stock, and the terms other preferred stock we may issue, may discourage a third party from acquiring us in a manner that might result in a premium price to our stockholders. The change of control conversion and redemption features of our Preferred Stock may make it more difficult for a party to acquire us or discourage a party from seeking to acquire us. Upon the occurrence of a change of control, holders of Preferred Stock will, under certain circumstances, have the right to convert some of or all their shares of Preferred Stock into shares of our Common Stock (or equivalent value of alternative consideration) and under these circumstances we will also have a special optional redemption right to redeem shares of Preferred Stock. These features of our Preferred Stock may have the effect of discouraging a third party from seeking to acquire us or of delaying, deferring or preventing a change of control under circumstances that otherwise could provide the holders of our Common Stock with the opportunity to realize a premium over the then-current market price or that stockholders may otherwise believe is in their best interests. We may also issue other classes or series of preferred stock that could also have the same effect. **In connection with the Mergers, we started the process of declassifying our board of directors so that, after completion of the declassification process, each director will be elected at each annual meeting of our stockholders for a one-year term. However, our board of directors will not be fully declassified until 2025. Having a partially classified board of directors may have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all our assets) that might result in a premium price for our stockholders.** Maryland law prohibits certain business combinations, which may make it more difficult for us to be acquired and may discourage a third party from acquiring us in a manner that might result in a premium price to our stockholders. Under Maryland law, "business combinations" between a Maryland corporation and an interested stockholder or an affiliate of an interested stockholder are prohibited for five years after the most recent date on which the interested stockholder becomes an interested stockholder. These business combinations include, but are not limited, to a merger, consolidation, share exchange or, in circumstances specified in the statute, an asset transfer or issuance or reclassification of equity securities. An interested stockholder is defined as: • any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting stock; or • an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding stock of the corporation. A person is not an interested stockholder under the statute if the board of directors approved in advance the transaction by which he or she otherwise would have become an interested stockholder. However, in approving a transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board of directors. After the five-year prohibition, any business combination between the Maryland corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least: • 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and • two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder. These super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under Maryland law, for their shares in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares. The business combination statute permits various exemptions from its provisions, including business combinations that are exempted by the board of directors prior to the time that the interested stockholder becomes an interested stockholder. The business combination statute may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer. Our bylaws designate the Circuit Court for Baltimore City, Maryland as the sole and exclusive forum for certain actions and proceedings that may be initiated by our stockholders. Our bylaws provide that, unless we consent in writing to the selection of an alternative forum, the Circuit Court for Baltimore City, Maryland, or, if that court does not have jurisdiction, the United States District Court for the District of Maryland, Northern Division, is the sole and exclusive forum for (a) any derivative action or proceeding brought on our behalf, other than actions arising under federal securities laws; (b) any Internal Corporate Claim, as such term is defined in the Maryland General Corporation Law (the "MGCL"), or any successor

provision thereof, including, without limitation, (i) any action asserting a claim of breach of any duty owed by any of our directors, officers or other employees to us or to our stockholders or (ii) any action asserting a claim against us or any of our directors, officers or other employees arising pursuant to any provision of the MGCL, our charter or our bylaws; or (c) any other action asserting a claim against us or any of our directors, officers or other employees that is governed by the internal affairs doctrine. Our bylaws also provide that unless we consent in writing, none of the foregoing actions, claims or proceedings may be brought in any court sitting outside the State of Maryland and the federal district courts are, to the fullest extent permitted by law, the sole and exclusive forum for the resolution of any complaint asserting a cause of action under the Securities Act. These choice of forum provisions may limit a stockholder's ability to bring a claim in a judicial forum that the stockholder believes is favorable. Alternatively, if a court were to find these provisions of our bylaws inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving these matters in other jurisdictions. Maryland law limits the ability of a third-party to buy a large stake in us and exercise voting power in electing directors, which may discourage a third party from acquiring us in a manner that might result in a premium price to our stockholders. The Maryland Control Share Acquisition Act provides that holders of "control shares" of a Maryland corporation acquired in a "control share acquisition" have no voting rights except to the extent approved by the stockholders by the affirmative vote of two-thirds of all the votes entitled to be cast on the matter, excluding all shares of stock owned by the acquirer, by officers or by employees who are directors of the corporation. "Control shares" are voting shares of stock which, if aggregated with all other shares of stock owned by the acquirer or in respect of which the acquirer can exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquirer to exercise voting power in electing directors within specified ranges of voting power. Control shares do not include shares the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from the corporation. A "control share acquisition" means the acquisition of issued and outstanding control shares. The control share acquisition statute does not apply (a) to shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction, or (b) to acquisitions approved or exempted by the charter or bylaws of the corporation. Our bylaws contain a provision exempting from the Maryland Control Share Acquisition Act any and all acquisitions of our stock by any person. There can be no assurance that this provision will not be amended or eliminated at any time in the future. We indemnify our officers and directors against claims or liability they may become subject to due to their service to us, and our rights and the rights of our stockholders to recover claims against our officers and directors are limited. Maryland law provides that a director has no liability in that capacity if he or she performs his or her duties in good faith, in a manner he or she reasonably believes to be in the corporation's best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. In addition, subject to certain limitations set forth therein or under Maryland law, our charter provides that no director or officer will be liable to us or our stockholders for monetary damages and permits us to indemnify our directors and officers from liability and advance certain expenses to them in connection with claims or liability they may become subject to due to their service to us. We have entered into indemnification agreements consistent with Maryland law and our charter with our directors and officers and certain former directors and officers. We and our stockholders may have more limited rights against our directors, officers, employees and agents, than might otherwise exist under common law, which could reduce the recovery of our stockholders and our recovery against them. In addition, we may be obligated to fund the defense costs incurred by our directors, officers, employees and agents in some cases.

Material weaknesses in or a failure to maintain an effective system of internal control over financial reporting or disclosure controls could prevent us from accurately and timely reporting our financial results, which could materially and adversely affect us. Effective internal controls over financial reporting are necessary for us to provide reliable financial reports, effectively prevent fraud and operate successfully as a public company. If we cannot provide reliable financial reports or prevent fraud, our reputation and operating results would be harmed. We are required to perform system and process evaluation and testing of our internal control over financial reporting to allow management to report on, and our independent registered public accounting firm to attest to, the effectiveness of our internal control over financial reporting, as required by Section 404 of the Sarbanes-Oxley Act of 2002. Designing and implementing an effective system of internal control over financial reporting and disclosure controls and procedures is a continuous effort that requires significant resources, including the expenditure of a significant amount of time by senior members of our management team. In connection with our ongoing monitoring of our internal control over financial reporting or audits of our financial statements, we or our auditors may identify deficiencies in our internal control over financial reporting that may be significant or rise to the level of material weaknesses. Any failure to maintain effective internal control over financial reporting or disclosure controls and procedures or to timely effect any necessary improvements to such controls, could harm our operating results or cause us to fail to meet our reporting obligations (which could affect the listing of our securities on the NYSE). Additionally, ineffective internal control over financial reporting or disclosure controls and procedures could also adversely affect our ability to prevent or detect fraud, harm our reputation and cause investors to lose confidence in our reported financial information, which would likely have a negative effect on the trading price of our securities. We may become subject to litigation, which could materially and adversely affect us. In the future we may become subject to litigation, including, but not limited to, claims relating to our operations, past and future securities offerings, corporate transactions, and otherwise in the ordinary course of business. Some of these claims may result in significant defense costs and potentially significant judgments against us, some of which are not, or cannot be, insured against. We generally intend to vigorously defend ourselves. However, we cannot be certain of the ultimate outcome of any claims that may arise in the future. Resolution of these types of matters against us may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if the fines, judgments, and settlements exceed insured levels, could adversely impact our earnings and cash flows, thereby materially and adversely affecting us. Certain litigation or the resolution of certain

litigation may affect the availability or cost of some of our insurance coverage, which could materially and adversely impact us, expose us to increased risks that would be uninsured, and materially and adversely impact our ability to attract directors and officers.

U. S. Federal Income Tax Risks Our failure to remain qualified as a REIT would subject us to U. S. federal income tax and potentially state and local tax. We elected to be taxed as a REIT commencing with our taxable year ended December 31, 2013 and intend to operate in a manner that will allow us to continue to qualify as a REIT for U. S. federal income tax purposes. However, we may terminate our REIT qualification inadvertently, or if our ~~board~~ **Board of directors** determines that doing so is in our best interests. Our qualification as a REIT depends upon our satisfaction of certain asset, income, organizational, distribution, stockholder ownership and other requirements on a continuing basis. We have structured and intend to continue structuring our activities in a manner designed to satisfy all the requirements to qualify as a REIT. However, the REIT qualification requirements are extremely complex and interpretation of the U. S. federal income tax laws governing qualification as a REIT is limited. Furthermore, any opinion of our counsel, including tax counsel, as to our eligibility to remain qualified as a REIT is not binding on the Internal Revenue Service (the “ IRS ”) and is not a guarantee that we will continue to qualify as a REIT. Accordingly, we cannot be certain that we will be successful in operating so that we can remain qualified as a REIT. Our ability to satisfy the asset tests depends on our analysis of the characterization and fair market values of our assets, some of which are not susceptible to a precise determination, and for which we ~~will~~ **may** not obtain independent appraisals. Our compliance with the REIT income or quarterly asset requirements also depends on our ability to successfully manage the composition of our income and assets on an ongoing basis. Accordingly, if certain of our operations were to be recharacterized by the IRS, such recharacterization would jeopardize our ability to satisfy all requirements for qualification as a REIT. Furthermore, future legislative, judicial or administrative changes to the U. S. federal income tax laws could be applied retroactively, which could result in our disqualification as a REIT. If we fail to continue to qualify as a REIT for any taxable year, and we do not qualify for certain statutory relief provisions, we will be subject to U. S. federal income tax on our taxable income at the corporate rate. In addition, we would generally be disqualified from treatment as a REIT for the four taxable years following the year in which we lose our REIT qualification. Losing our REIT qualification would reduce our net earnings available for investment or distribution to stockholders because of the additional tax liability. In addition, amounts paid to stockholders that are treated as dividends for U. S. federal income tax purposes would no longer qualify for the dividends paid deduction, and we would no longer be required to make distributions. If we lose our REIT qualification, we might be required to borrow funds or liquidate some investments in order to pay the applicable taxes. Even as a REIT, in certain circumstances, we may incur tax liabilities that would reduce our cash available for distribution. Even as a REIT, we may be subject to U. S. federal, state and local income taxes. For example, net income from the sale of properties that are “ dealer ” properties sold by a REIT and that do not meet a safe harbor available under the Code (a “ prohibited transaction ” under the Code) will be subject to a 100 % tax. We may not make sufficient distributions to avoid excise taxes applicable to REITs. Similarly, if we were to fail an income test (and did not lose our REIT status because such failure was due to reasonable cause and not willful neglect), we would be subject to tax on the income that does not meet the income test requirements. We also may decide to retain net capital gains we earn from the sale or other disposition of our property and pay U. S. federal income tax directly on such income. In that event, our stockholders would be treated as if they earned that income and paid the tax on it directly. However, stockholders that are tax- exempt, such as charities or qualified pension plans, would have no benefit from their deemed payment of such tax liability unless they file U. S. federal income tax returns and seek a refund of such tax. We also will be subject to corporate tax on any undistributed REIT taxable income. We also may be subject to state and local taxes on our income or property, including franchise, payroll and transfer taxes, either directly or at the level of the OP or at the level of the other companies through which we indirectly own our assets, such as any taxable REIT subsidiaries (“ TRSs ”), which are subject to full U. S. federal, state, local and foreign corporate- level income taxes. Any taxes we pay directly or indirectly will reduce our cash flow. To qualify as a REIT, we must meet annual distribution requirements, which may force us to forgo otherwise attractive opportunities or borrow funds during unfavorable market conditions. This could delay or hinder our ability to meet our investment objectives and reduce our stockholders’ overall return. In order to qualify as a REIT, we must distribute annually to our stockholders at least 90 % of our REIT taxable income (which does not equal net income as calculated in accordance with GAAP), determined without regard to the deduction for dividends paid and excluding net capital gain. We will be subject to U. S. federal income tax on our undistributed REIT taxable income and net capital gain and to a 4 % nondeductible excise tax on any amount by which distributions we make with respect to any calendar year are less than the sum of (a) 85 % of our ordinary income, (b) 95 % of our capital gain net income and (c) 100 % of our undistributed income from prior years. These requirements could cause us to distribute amounts that otherwise would be spent on investments in real estate assets and it is possible that we might be required to borrow funds, possibly at unfavorable rates, or sell assets to fund these distributions. Although we intend to make distributions sufficient to meet the annual distribution requirements and to avoid U. S. federal income and excise taxes on our earnings while we qualify as a REIT, it is possible that we might not always be able to do so. Recharacterization of sale- leaseback transactions may cause us to lose our REIT status. We will use commercially reasonable efforts to structure any sale- leaseback transaction we enter into so that the lease will be characterized as a “ true lease ” for U. S. federal income tax purposes, thereby allowing us to be treated as the owner of the property for U. S. federal income tax purposes. However, the IRS may challenge this characterization. In the event that any sale- leaseback transaction is challenged and recharacterized as a financing transaction or loan for U. S. federal income tax purposes, deductions for depreciation and cost recovery relating to the property would be disallowed. If a sale- leaseback transaction were so recharacterized, we might fail to continue to satisfy the REIT qualification “ asset tests ” or “ income tests ” and, consequently, lose our REIT status effective with the year of recharacterization. Alternatively, the amount of our REIT taxable income could be recalculated which might also cause us to fail to meet the distribution requirement for a taxable year. Certain of our business activities are potentially subject to the prohibited transaction tax. For so long as we qualify as a REIT, our ability to dispose of property during the first

few years following acquisition may be restricted to a substantial extent as a result of our REIT qualification. Under applicable provisions of the Code regarding prohibited transactions by REITs, while we qualify as a REIT and provided we do not meet a safe harbor available under the Code, we will be subject to a 100 % penalty tax on the net income from the sale or other disposition of any property (other than foreclosure property) that we own, directly or indirectly through any subsidiary entity, including the OP, but generally excluding TRSs, that is deemed to be inventory or property held primarily for sale to customers in the ordinary course of a trade or business. Whether property is inventory or otherwise held primarily for sale to customers in the ordinary course of a trade or business depends on the particular facts and circumstances surrounding each property. We intend to avoid the 100 % prohibited transaction tax by (a) conducting activities that may otherwise be considered prohibited transactions through a TRS (but such TRS will incur corporate rate income taxes with respect to any income or gain recognized by it), (b) conducting our operations in such a manner so that no sale or other disposition of an asset we own, directly or indirectly through any subsidiary, will be treated as a prohibited transaction, and (c) structuring certain dispositions of our properties to comply with the requirements of the prohibited transaction safe harbor available under the Code for properties that, among other requirements, have been held for at least two years. Despite our present intention, no assurance can be given that any particular property we own, directly or through any subsidiary entity, including the OP, but generally excluding TRSs, will not be treated as inventory or property held primarily for sale to customers in the ordinary course of a trade or business. TRSs are subject to corporate- level taxes and our dealings with TRSs may be subject to a 100 % excise tax. A REIT may own up to 100 % of the stock of one or more TRSs. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation of which a TRS directly or indirectly owns more than 35 % of the voting power or value of the stock will automatically be treated as a TRS. Overall, no more than 20 % ~~(25 % for our taxable years beginning prior to January 1, 2018)~~ of the gross value of a REIT's assets may consist of stock or securities of one or more TRSs. A TRS may hold assets and earn income that would not be qualifying assets or income if held or earned directly by a REIT, including gross income from operations pursuant to management contracts. Accordingly, we may use one or more TRSs generally to hold properties for sale in the ordinary course of a trade or business or to hold assets or conduct activities that we cannot conduct directly as a REIT. A TRS is subject to applicable U. S. federal, state, local, and foreign income tax on its taxable income, as well as limitations on the deductibility of its interest expenses. In addition, the Code imposes a 100 % excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's- length basis. If the OP failed to qualify as a partnership or is not otherwise disregarded for U. S. federal income tax purposes, we would cease to qualify as a REIT. If the IRS were to successfully challenge the status of the OP as a partnership or disregarded entity for U. S. federal income tax purposes, the OP would be taxable as a corporation. In such event this would reduce the amount of distributions that the OP could make to us. This also would result in our failing to qualify as a REIT, and we would become subject to a corporate- level tax on our income. This substantially would reduce our cash available to pay dividends and other distributions to our stockholders. In addition, if any of the partnerships or limited liability companies through which the OP owns its properties, in whole or in part, loses its characterization as a partnership and is otherwise not disregarded for U. S. federal income tax purposes, the partnership or limited liability company would be subject to taxation as a corporation, thereby reducing distributions to the OP. Such a recharacterization of an underlying property owner could also threaten our ability to maintain our REIT qualification. We may choose to make distributions in **a combination of cash and** shares of our Common Stock, in which case our stockholders may be required to pay U. S. federal income taxes in excess of the cash portion of **such** distributions they receive. In connection with our qualification as a REIT, we are required to distribute annually to our stockholders at least 90 % of our REIT taxable income (which does not equal net income as calculated in accordance with GAAP), determined without regard to the deduction for dividends paid and excluding net capital gain. In order to satisfy this requirement, as much as 80 % of the **aggregate** distribution may ~~be in~~ **consist of** shares of our Common Stock. Taxable stockholders receiving such distributions will be required to include the full amount of such distributions **(including the fair market value of any shares of Common Stock received)** as ordinary dividend income to the extent of our current or accumulated earnings and profits, as determined for U. S. federal income tax purposes. As a result, U. S. stockholders may be required to pay U. S. federal income taxes with respect to such distributions in excess of the cash portion of the distribution received. Accordingly, U. S. stockholders receiving a distribution of **a combination of cash and** shares of our Common Stock may be required to sell shares received in such distribution or may be required to sell other stock or assets owned by them, at a time that may be disadvantageous, in order to satisfy any tax imposed on such distribution. If a U. S. stockholder sells the shares it receives as part of the distribution in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the distribution, depending on the market price of the shares at the time of the sale. Furthermore, with respect to certain non- U. S. stockholders, we may be required to withhold U. S. tax with respect to such distribution, including in respect of all or a portion of such distribution that is payable in stock, by withholding or disposing of part of the shares included in such distribution and using the proceeds of such disposition to satisfy the withholding tax imposed. In addition, if a significant number of our stockholders determine to sell shares of our Common Stock in order to pay taxes owed on dividend income, such sale may put downward pressure on the market price of our Common Stock. The taxation of distributions can be complex; however, distributions to stockholders that are treated as dividends for U. S. federal income tax purposes generally will be taxable as ordinary income, which may reduce our stockholders' after- tax anticipated return from an investment in us. Amounts that we pay to our taxable stockholders out of current and accumulated earnings and profits (and not designated as capital gain dividends or qualified dividend income) generally will be treated as dividends for U. S. federal income tax purposes and will be taxable as ordinary income. Noncorporate stockholders are entitled to a 20 % deduction with respect to these ordinary REIT dividends which would, if allowed in full, result in a maximum effective U. S. federal income tax rate on these ordinary REIT dividends of 29. 6 % (or 33. 4 % including the 3. 8 % surtax on net investment income); however, the 20 % deduction will end after December 31, 2025 **unless the law is extended**. However, a portion of the amounts that we pay to our stockholders generally may (1) be designated

by us as capital gain dividends taxable as long- term capital gain to the extent that such portion is attributable to net capital gain recognized by us, (2) be designated by us as qualified dividend income, taxable at capital gains rates, to the extent they are attributable to dividends we receive from TRSs, or (3) constitute a return of capital to the extent that such portion exceeds our accumulated earnings and profits as determined for U. S. federal income tax purposes. With respect to qualified dividend income, the current maximum U. S. federal tax rate applicable to noncorporate stockholders is 23. 8 %, including the 3. 8 % surtax on net investment income. Dividends payable by REITs, however, generally are not eligible for this reduced rate and, as described above, through December 31, 2025, will be subject to an effective rate of 29. 6 % (or 33. 4 % including the 3. 8 % surtax on net investment income). Although this does not adversely affect the taxation of REITs or dividends payable by REITs, the more favorable rates applicable to regular corporate qualified dividends could cause investors who are individuals, trusts and estates to perceive investments in REITs to be relatively less attractive than investments in the stock of non- REIT corporations that pay dividends, which could adversely affect the value of the stock of REITs, including shares of our stock. Tax rates could be changed in future legislation. A return of capital is not taxable, but has the effect of reducing the tax basis of a stockholder’ s investment in shares of our stock. Amounts paid to our stockholders that exceed our current and accumulated earnings and profits and a stockholder’ s tax basis in shares of our stock generally will be taxable as capital gain. Complying with REIT requirements may limit our ability to hedge our liabilities effectively and may cause us to incur tax liabilities. The REIT provisions of the Code may limit our ability to hedge our liabilities. Any income from a hedging transaction we enter into to manage the risk of interest rate changes, price changes or currency fluctuations with respect to borrowings made or to be made to acquire or carry real estate assets or in certain cases to hedge previously acquired hedges entered into to manage risks associated with property that has been disposed of or liabilities that have been extinguished, if properly identified under applicable Treasury Regulations, does not constitute “ gross income ” for purposes of the 75 % or 95 % gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions will likely be treated as non-qualifying income for purposes of both of the gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because the TRS would be subject to tax on gains or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear. In addition, losses in a TRS generally will not provide any tax benefit, except for being carried forward against future taxable income of the TRS. Complying with REIT requirements may force us to forgo or liquidate otherwise attractive investment opportunities. To maintain our qualification as a REIT, we must ensure that we meet the REIT gross income tests annually and that at the end of each calendar quarter, at least 75 % of the value of our assets consists of cash, cash items, government securities and qualified REIT real estate assets, including certain mortgage loans and certain kinds of mortgage- related securities. The remainder of our investment in securities (other than securities that qualify for the 75 % asset test and securities of qualified REIT subsidiaries and TRSs) generally cannot exceed 10 % of the outstanding voting securities of any one issuer, 10 % of the total value of the outstanding securities of any one issuer, or 5 % of the value of our assets as to any one issuer. In addition, no more than 20 % of the value of our total assets may consist of stock or securities of one or more TRSs and no more than 25 % of our assets may consist of publicly offered REIT debt instruments that do not otherwise qualify under the 75 % asset test. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences. As a result, we may be required to liquidate assets from our portfolio or not make otherwise attractive investments in order to maintain our qualification as a REIT. The ability of our ~~board~~ **Board of directors** to revoke our REIT qualification without stockholder approval may subject us to U. S. federal income tax and reduce distributions to our stockholders. Our charter provides that our ~~board~~ **Board of directors** may revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines that it is no longer in our best interests to continue to qualify as a REIT. While we intend to maintain our qualification as a REIT, we may terminate our REIT election if we determine that qualifying as a REIT is no longer in our best interests. If we cease to be a REIT, we would become subject to corporate- level U. S. federal income tax on our taxable income (as well as any applicable state and local corporate tax) and would no longer be required to distribute most of our taxable income to our stockholders, which may have adverse consequences on our total return to our stockholders and on the market price of shares of our stock. We may be subject to adverse legislative or regulatory tax changes that could increase our tax liability, reduce our operating flexibility and reduce the market price of shares of our stock. Changes to the tax laws may occur, and any such changes could have an adverse effect on an investment in shares of our stock or on the market value or the resale potential of our assets. Our stockholders are urged to consult with an independent tax advisor with respect to the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in shares of our stock. Although REITs generally receive better tax treatment than entities taxed as non- REIT “ C corporations, ” it is possible that future legislation would result in a REIT having fewer tax advantages, and it could become more advantageous for a company that invests in real estate to elect to be treated for U. S. federal income tax purposes as a non- REIT “ C corporation ”. As a result, our charter provides our ~~board~~ **Board of directors** with the power, under certain circumstances, to revoke or otherwise terminate our REIT election and cause us to be taxed as a non- REIT “ C corporation ”, without the vote of our stockholders. Our ~~board~~ **Board of directors** has duties to us and could only cause such changes in our tax treatment if it determines that such changes are in our best interests. The share ownership restrictions for REITs and the 8. 8 % share ownership limit in our charter may inhibit market activity in shares of our stock and restrict our business combination opportunities. In order to qualify as a REIT, five or fewer individuals, as defined in the Code, may not own, actually or constructively, more than 50 % in value of the issued and outstanding shares of our stock at any time during the last half of each taxable year, other than the first year for which a REIT election is made. Attribution rules in the Code determine if any individual or entity actually or constructively owns shares of our stock under this requirement. Additionally, at least 100 persons must beneficially own shares of our stock during at least 335 days of a taxable year for each taxable year,

other than the first year for which a REIT election is made. To help ensure that we meet these tests, among other purposes, our charter restricts the acquisition and ownership of shares of our stock. Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary and desirable to preserve our qualification as a REIT while we so qualify. Unless exempted by our ~~board~~ **Board of directors**, for so long as we qualify as a REIT, our charter prohibits, among other limitations on ownership and transfer of shares of our stock, any person from beneficially or constructively owning (applying certain attribution rules under the Code) more than 8.8% in value of the aggregate outstanding shares of our stock and more than 8.8% (in value or in number of shares, whichever is more restrictive) of any class or series of the outstanding shares of our stock. Our ~~board~~ **Board of directors** may not grant an exemption from these restrictions to any proposed transferee whose ownership in excess of the 8.8% ownership limit would result in the termination of our qualification as a REIT. These restrictions on transferability and ownership will not apply, however, if our ~~board~~ **Board of directors** determines that it is no longer in our best interests to continue to qualify as a REIT or that compliance with the restrictions is no longer required in order for us to continue to so qualify as a REIT. These ownership limits could delay or prevent a transaction or a change in control that might involve a premium price for shares of our stock or otherwise be in the best interests of the stockholders. Non- U. S. stockholders will be subject to U. S. federal withholding tax and may be subject to U. S. federal income tax on dividends and other distributions received from us and upon the disposition of shares of our stock. Subject to certain exceptions, amounts paid to non- U. S. stockholders will be treated as dividends for U. S. federal income tax purposes to the extent of our current or accumulated earnings and profits. Such dividends ordinarily will be subject to U. S. withholding tax at a 30% rate, or such lower rate as may be specified by an applicable income tax treaty, unless the dividends are treated as “effectively connected” with the conduct by the non- U. S. stockholder of a U. S. trade or business. Capital gain distributions attributable to sales or exchanges of “U. S. real property interests” (“USRPIs”) generally will be taxed to a non- U. S. stockholder (other than a “qualified foreign pension fund,” certain entities wholly- owned by a “qualified foreign pension fund,” and certain foreign publicly- traded entities) as if such gain were effectively connected with a U. S. trade or business. However, a capital gain distribution will not be treated as effectively connected income if (a) the distribution is received with respect to a class of stock that is regularly traded on an established securities market located in the U. S. and (b) the non- U. S. stockholder does not own more than 10% of any class of our stock at any time during the one- year period ending on the date the distribution is received. Gain recognized by a non- U. S. stockholder upon the sale or exchange of shares of our stock generally will not be subject to U. S. federal income taxation unless such stock constitutes a USRPI. Shares of our stock will not constitute a USRPI so long as we are a “domestically- controlled qualified investment entity.” A domestically- controlled qualified investment entity includes a REIT if at all times during a specified testing period, less than 50% in value of such REIT’s stock is held directly or indirectly by non- U. S. stockholders. ~~Recently proposed~~ **In order to determine indirect ownership, Treasury** regulations ~~would apply special a modified~~ look- through ~~rules~~ **rule** to certain U. S. corporate shareholders in determining whether a REIT is domestically controlled. We believe, but there can be no assurance, that we **are and** will **continue to** be a domestically- controlled qualified investment entity. Even if we do not qualify as a domestically- controlled qualified investment entity at the time a non- U. S. stockholder sells or exchanges shares of our stock, gain arising from such a sale or exchange would not be subject to U. S. taxation as a sale of a USRPI if (a) the shares are of a class of our stock that is “regularly traded,” as defined by applicable Treasury regulations, on an established securities market, and (b) such non- U. S. stockholder owned, actually and constructively, 10% or less of the outstanding shares of our stock of that class at any time during the five- year period ending on the date of the sale. Potential characterization of dividends and other distributions or gain on sale may be treated as unrelated business taxable income to tax- exempt investors. If (a) we are a “pension- held REIT,” (b) a tax- exempt stockholder has incurred (or is deemed to have incurred) debt to purchase or hold shares of our stock, or (c) a holder of shares of our stock is a certain type of tax- exempt stockholder, dividends on, and gains recognized on the sale of, shares of our stock by such tax- exempt stockholder may be subject to U. S. federal income tax as unrelated business taxable income under the Code.