Risk Factors Comparison 2025-02-19 to 2024-02-20 Form: 10-K

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

Our ability to achieve our investment objectives will depend on our ability to sustain continued growth, which will, in turn, depend on our Adviser' s ability to find, select and negotiate property purchases and net leases that meet our investment criteria. Accomplishing this result on a cost- effective basis is largely a function of our Adviser' s marketing capabilities, management of the investment process, ability to provide competent, attentive and efficient services and our access to financing sources on acceptable terms. As we grow, our Adviser may be required to hire, train, supervise and manage new employees. Our Adviser' s failure to effectively manage our future growth could have a material adverse effect on our business, financial condition and results of operations. Our Adviser is not obligated to provide a waiver of the incentive fee, which could negatively impact our earnings and our ability to maintain our current level of, or increase, distributions to our stockholders. The Advisory Agreement contemplates a quarterly incentive fee based on our funds from operation (" FFO "). Our Adviser has the ability to issue a full or partial waiver of the incentive fee for current and future periods; however, our Adviser is not required to issue any waiver. Any waiver issued by our Adviser is an unconditional and irrevocable waiver. If our Adviser does not issue this waiver in future quarters, it could negatively impact our earnings and may compromise our ability to maintain our current level of, or increase, distributions to our stockholders. We may be obligated to pay our Adviser quarterly incentive compensation even if we incur a net loss during a particular quarter. The Advisory Agreement entitles our Adviser to incentive compensation based on our FFO, which rewards our Adviser if our quarterly pre- incentive fee FFO exceeds 1. 75 % (7. 0 % annualized) of our total adjusted common equity. Our pre- incentive fee FFO for a particular quarter for incentive compensation purposes excludes the effect of any unrealized gains, losses, or other items during that quarter that do not affect realized net income, even if these adjustments result in a net loss on our statement of operations for that quarter. Thus, we may be required to pay our Adviser incentive compensation for a fiscal quarter even if we incur a net loss for that quarter as determined in accordance with U. S. generally- accepted accounting principles (" GAAP "). Risks Associated With Ownership of Our Common Stock and OP Units and Our Tax Status Certain provisions contained in our charter and bylaws and under Maryland law may prohibit or restrict attempts by our stockholders to change our management and hinder efforts to effect a change of control of us, and the market price of our common stock may be lower as a result. There are provisions in our charter and bylaws that may make it difficult for a third party to acquire, or attempt to acquire, control of our company, even if a change in control was considered favorable by you and other stockholders. For example: • Our articles of incorporation prohibit ownership of more than 3. 3 % of the outstanding shares of our capital stock by one person, except for certain qualified institutional investors, which are limited to holding 9. 8 % of our common stock. As of December 31, ~~2023~~ **2024**, David Gladstone, our chairman, chief executive officer, and president, and pursuant to an exception approved by our Board of Directors and in compliance with our charter, owned, directly or indirectly, including through certain foundations and trusts, approximately 7. 0 % of our common stock, and the Gladstone Future Trust, for the benefit of Mr. Gladstone' s children, owned approximately 1. 9 % of our common stock. The ownership restriction may discourage a change of control and may deter individuals or entities from making tender offers for our capital stock, which offers might otherwise be financially attractive to our stockholders or which might cause a change in our management. • Our Board of Directors is divided into three classes, with the term of the directors in each class expiring every third year. At each annual meeting of stockholders, the successors to the class of directors whose term expires at such meeting will be elected to hold office for a term expiring at the annual meeting of stockholders held in the third year following the year of their election. After election, a director may only be removed by our stockholders for cause. Election of directors for staggered terms with limited rights to remove directors makes it more difficult for a hostile bidder to acquire control of us. The existence of this provision may negatively impact the price of our securities and may discourage third- party bids to acquire our securities. This provision may reduce any premiums paid to stockholders in a change in control transaction. • The Control Share Acquisition Act provides that " control shares " of a Maryland corporation acquired in a " control share acquisition " have no voting rights except to the extent approved by the corporation' s disinterested stockholders by a vote of two- thirds of the votes entitled to be cast on the matter. Shares of stock owned by interested stockholders, that is, by the acquirer, by officers or by directors who are employees of the corporation, are excluded from shares entitled to vote on the matter. " Control shares " are voting shares of stock that would entitle the acquirer to exercise voting power in electing directors within one of three increasing ranges of voting power. The Control Share Acquisition 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 Control Share Acquisition Act any and all acquisitions of our common stock by David Gladstone or any of his affiliates. This statute could have the effect of discouraging offers from third parties to acquire us and increasing the difficulty of successfully completing this type of offer by anyone other than Mr. Gladstone or any of his affiliates. • Certain provisions of Maryland law applicable to us prohibit business combinations with: ◦ any person who beneficially owns 10 % or more of the voting power of our common stock, referred to as an " interested stockholder; " ◦ an affiliate of ours who, at any time within the two- year period prior to the date in question, was an interested stockholder; or ◦ an affiliate of an interested stockholder. These prohibitions last for five years after the most recent date on which the interested stockholder became an interested stockholder. Thereafter, any business combination with the interested stockholder must be recommended by our Board and approved by the affirmative vote of at least 80 % of the votes entitled to be cast by holders of our outstanding shares of common stock and two- thirds of the votes entitled to be cast by holders of our common stock other than shares held by the interested stockholder. These requirements could have the effect of inhibiting a

change in control even if a change in control were in our stockholders' interest. These provisions of Maryland law do not apply, however, to business combinations that are approved or exempted by our Board of Directors prior to the time that someone becomes an interested stockholder. Our rights and the rights of our stockholders to take action against our directors and officers are limited. Maryland law provides that a director or officer 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 advisable and in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. In addition, our charter (i) eliminates our directors' and officers' liability to us and our stockholders for money damages except for liability resulting from actual receipt of an improper benefit in money, property or services or active and deliberate dishonesty established by a final judgment and that is material to the cause of action and (ii) requires us to indemnify directors and officers for liability resulting from actions taken by them in those capacities to the maximum extent permitted by Maryland law. As a result, our stockholders and we may have more limited rights against our directors and officers than might otherwise exist under common law. In addition, we may be obligated to fund the defense costs incurred by our directors and officers. We may enter into tax protection agreements in the future in connection with the issuance of OP Units to acquire additional properties, which could limit our ability to sell or otherwise dispose of certain properties. Our Operating Partnership may enter into tax protection agreements in connection with issuing OP Units to acquire additional properties which could provide that if we dispose of any interest in the protected acquired property prior to a certain time, we will indemnify the other party for its tax liabilities attributable to the built- in gain that exists with respect to such property. Therefore, although it may be in our stockholders' best interests that we sell one of these properties, it may be economically prohibitive for us to do so if we are a party to such a tax protection agreement. While we do not currently have any of these tax protection agreements in place currently, we may enter into such agreements in the future. Our redemption of OP Units could result in the issuance of a large number of new shares of our common stock and / or force us to expend significant cash, which may limit our funds necessary to make distributions on our common stock. Following any contractual lock- up provisions, including the one- year mandatory holding period, a non- controlling limited partner of our Operating Partnership may require us to redeem the OP Units it holds. At our election, we may satisfy the redemption through either a cash redemption, the issuance of shares of our common stock on a one- for- one basis, or a combination of the two. However, the limited partners' redemption right may not be exercised if and to the extent that the delivery of the shares upon such exercise would result in any person violating the ownership and transfer restrictions set forth in our charter. If a large number of OP Units were redeemed, it could result in the issuance of a large number of new shares of our common stock, which could dilute our existing stockholders' ownership. Alternatively, if we were to redeem a large number of OP Units for cash, we may be required to expend significant amounts to pay the redemption price, which may limit our funds necessary to make distributions on our common stock. Further, if we do not have sufficient cash on hand at the time the OP Units are tendered for redemption, we may be forced to sell additional shares of our common stock in order to raise cash, which could cause dilution to our existing stockholders and adversely affect the market price of our common stock. Our charter grants our Board of Directors the right to classify or reclassify any unissued shares of capital stock, increase or decrease the authorized number of shares and establish the preference and rights of any preferred stock without stockholder approval. Under our charter, we currently have authority to issue shares of both common stock and preferred stock. Our Board of Directors has the authority, without a stockholders' vote, to classify or reclassify any unissued shares of stock, including common stock, into preferred stock (or vice versa), to increase or decrease the authorized number of shares of common stock and preferred stock and to establish the preferences and rights of any preferred stock or other class or series of shares to be issued. Because our Board of Directors has the power to establish the preferences and rights of additional classes or series of stock without a stockholders' vote, our Board of Directors may give the holders of any class or series of stock preferences, powers and rights, including voting rights, senior to the rights of holders of existing stock. Holders of our currently- designated preferred securities and future holders of any securities ranking senior to our common stock have dividend and / or liquidation rights that are senior to the rights of the holders of our common stock. Additional issuances of securities senior to our common stock may negatively impact the value of our common stock and further restrict the ability of holders of our common stock to receive dividends and / or liquidation rights. In addition to our outstanding borrowings and common stock, our capital structure also includes our currently- designated preferred securities. In the future, we may attempt to increase our capital resources by completing additional offerings of these preferred securities or other equity securities or by issuing debt securities. In the event of a liquidation, lenders with respect to any outstanding borrowings, holders of any debt securities, and holders of any preferred stock issuances (including our currently-designated preferred securities and any other preferred stock with parity ranking we may issue in the future) would receive a distribution of our available assets in full prior to the holders of our common stock. Because our decision to issue 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. Holders of our common stock are not entitled to preemptive rights or other protection against dilutions. As additional acquisition opportunities arise, we may issue additional shares of common stock or preferred stock, or we may issue OP Units, which are redeemable for cash or, at our option, our common stock on a one- to- one basis, to raise the capital necessary to finance these acquisitions, thus potentially further diluting stockholders' equity. As such, our common stockholders bear the risk of our future offerings reducing the per- share trading price of our common stock and diluting their interest in us. Further, holders of our currently- designated preferred securities rank senior in priority of dividend payments, which may restrict our ability to declare and pay dividends to our common stockholders at the current rate, or at all. We may not have sufficient earnings and profits to pay distributions on our currently- designated preferred securities or common stock to be treated as dividends. The distributions payable by us on our currently- designated preferred securities or common stock may exceed our current and accumulated earnings and profits, as calculated for U. S. federal income tax purposes, at the time of payment. If that were to occur, it would result in the amount of distributions that exceed our current and accumulated earnings and profits being treated first as a return of capital to the extent of the holder' s adjusted tax basis in the respective

security and then, to the extent of any excess over such adjusted tax basis, as capital gain. We may not be able to maintain our qualification as a REIT for federal income tax purposes, which would subject us to federal income tax on our taxable income at regular corporate rates, thereby reducing the amount of funds available for paying distributions to stockholders. Our ability to maintain our qualification as a REIT depends on our ability to satisfy requirements set forth in the **Internal Revenue** Code **of 1986, as amended (the " Code ")** , concerning, among other things, the ownership of our outstanding common stock, the nature of our assets, the sources of our income and the amount of our distributions to our stockholders. The REIT qualification requirements are extremely complex, and interpretations of the federal income tax laws governing qualification as a REIT are limited. Accordingly, we cannot be certain that we will be successful in continuing to operate so as to qualify as a REIT. At any time, new laws, interpretations or court decisions may change the federal tax laws relating to, or the federal income tax consequences of, qualification as a REIT. It is possible that future economic, market, legal, tax or other considerations may cause our Board of Directors to revoke our REIT election, which it may do without stockholder approval. If we lose our REIT status or if it was revoked, we would face serious tax consequences that would substantially reduce the funds available for distribution to our stockholders because: • we would not be allowed a deduction for distributions to stockholders in computing our taxable income; • we would be subject to federal income tax at regular corporate rates and might need to borrow money or sell assets to pay any such tax; • we also could be subject to increased state and local taxes and, for taxable years ended on or before December 31, 2017, the federal alternative minimum tax; and • unless we are entitled to relief under statutory provisions, we would be disqualified from taxation as a REIT for the four taxable years following the year during which we ceased to qualify. If we fail to maintain our qualification as a REIT, domestic stockholders will be subject to tax as " qualified dividends " to the extent of our current and accumulated earnings and profits. The maximum U. S. federal income tax rate on such " qualified dividends " is 20 %. If we fail to maintain our qualification as a REIT, we would not be required to make distributions to stockholders, and any distributions to stockholders that are U. S. corporations might be eligible for the dividends received deduction. As a result of all these factors, our failure to maintain our qualification as a REIT could impair our ability to expand our business and raise capital and could adversely affect the value of our capital stock. Complying with REIT requirements may cause us to forgo or liquidate otherwise attractive investments. To maintain our qualification as a REIT for federal income tax purposes, we must continually satisfy various tests regarding the sources of our income, the nature and diversification of our assets, the amounts we distribute to our stockholders and the ownership of our stock. In order to meet these tests, we may be required to forgo investments we might otherwise make. In particular, we must ensure 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. The remainder of our investment in securities other than government securities, securities of a ~~taxable REIT subsidiary (" TRS ")~~ , and qualified real estate assets generally cannot include more than 10 % of the outstanding voting securities of any one issuer or more than 10 % of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5 % of the value of our assets other than government securities, securities of TRSs, and qualified real estate assets can consist of the securities of any one issuer, and no more than 20 % (or 25 % for taxable years ended on or before December 31, 2017) of the value of our total assets can be represented by securities of one or more TRSs. If we fail to comply with these requirements, 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 dispose of otherwise attractive investments to satisfy REIT requirements. These actions could have the effect of reducing our income and amounts available for distribution to our stockholders. Failure to make required distributions, both prior to and following our REIT election, would jeopardize our REIT status, which could require us to pay taxes and negatively impact our cash available for future distribution. To maintain our qualification as a REIT, each year we must distribute to our stockholders at least 90 % of our taxable income, other than any net capital gains. To the extent that we satisfy the distribution requirement but distribute less than 100 % of our taxable income, we will be subject to federal corporate income tax on our undistributed income. In addition, we will incur a 4 % nondeductible excise tax on the amount, if any, by which our distributions in any year are less than the sum of: • 85 % of our ordinary income for that year; • 95 % of our capital gain net income for that year; and • 100 % of our undistributed taxable income from prior years. We intend to pay out our income to our stockholders in a manner intended to satisfy the distribution requirement applicable to REITs and to avoid corporate income tax and the 4 % excise tax. Differences in timing between the recognition of income and the related cash receipts or the effect of required debt amortization payments could require us to borrow money or sell assets to pay out enough of our taxable income to satisfy the distribution requirement and to avoid corporate income tax and the 4 % excise tax in a particular year. Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends. The maximum federal income tax rate applicable to individuals with respect to income from " qualified dividends " is 20 %. Dividends payable by REITs, however, generally are not eligible for the reduced rates. More favorable rates applicable to regular corporate qualified dividends may cause investors who are taxed at individual rates to perceive investments in REITs to be relatively less attractive than investments in the stocks of non- REIT corporations that pay dividends. If we fail to meet stock ownership diversification requirements, we would fail to maintain our qualification as a REIT, which could require us to pay taxes and negatively impact our cash available for future distribution. To maintain our qualification as a REIT, no more than 50 % of the value of our outstanding stock may be owned, directly or indirectly, by five or fewer individuals during the last half of a taxable year, beginning with the second year after our election to be treated as a REIT. To facilitate compliance with this requirement, our charter prohibits any individual from owning more than 3. 3 % in value of our outstanding stock. Pursuant to an exception from this limit contained in our charter, as of December 31, ~~2023~~ **2024** , David Gladstone owned, directly or indirectly, including through certain trusts, aggregate beneficial ownership of approximately 8. 3 % of our outstanding common stock. In addition, the David and Lorna Gladstone Foundation, a private charitable foundation, owned approximately 0. 6 % of our outstanding common stock. Our Board of Directors may also reduce the 3. 3 % ownership limitation if it determines that doing so is necessary for us to maintain our qualification for REIT treatment.

However, such a reduction would not be effective for any stockholder who beneficially owns more than the reduced ownership limit. We believe that we have satisfied the ownership diversification requirements, including with respect to our taxable year ended December 31, ~~2023~~ **2024** . However, if, at any point in time, we are unable to comply with the ownership diversification requirements, we could fail to maintain our qualification as a REIT, which could require us to pay taxes and negatively impact our cash available for future distribution. We will not seek to obtain a ruling from the Internal Revenue Service (the " IRS ") that we qualify as a REIT for federal income tax purposes. We have not requested, and do not expect to request, a ruling from the IRS that we qualify as a REIT. An IRS determination that we do not qualify as a REIT would deprive our stockholders of the tax benefits of our REIT status only if the IRS determination is upheld in court or otherwise becomes final. To the extent that we challenge an IRS determination that we do not qualify as a REIT, we may incur legal expenses that would reduce our funds available for distribution to stockholders. The IRS may treat sale- leaseback transactions as loans, which could jeopardize our REIT status. The IRS may take the position that transactions in which we acquire a property and lease it back to the seller do not qualify as leases for federal income tax purposes but are, instead, financing arrangements or loans. If a sale- leaseback transaction were so re- characterized, we might fail to satisfy the asset or income tests required for REIT qualification and consequently could lose our REIT status. Alternatively, the amount of our REIT taxable income could be recalculated, which could cause us to fail the distribution test for REIT qualification. Investments in our common stock may not be suitable for pension or profit- sharing trusts, Keogh Plans or individual retirement accounts (" IRAs "). If you are investing the assets of a pension, profit sharing, 401 (k), Keogh or other retirement plan, IRA or benefit plan in us, you should consider: • whether your investment is consistent with the applicable provisions of the Employee Retirement Income Security Act (" ERISA "), or the Code; • whether your investment will produce unrelated business taxable income to the benefit plan; and • your need to value the assets of the benefit plan annually. We do not believe that under current ERISA law and regulations that our assets would be treated as " plan assets " for purposes of ERISA. However, if our assets were considered to be plan assets, our assets would be subject to ERISA and / or Section 4975 of the Code, and some of the transactions we have entered into with our Adviser and its affiliates could be considered " prohibited transactions " which could cause us, our Adviser and its affiliates to be subject to liabilities and excise taxes. In addition, our officers and directors, our Adviser and its affiliates could be deemed to be fiduciaries under ERISA and subject to other conditions, restrictions and prohibitions under Part 4 of Title I of ERISA. Even if our assets are not considered to be plan assets, a prohibited transaction could occur if we or any of our affiliates is a fiduciary within the meaning of ERISA with respect to a purchase by a benefit plan. If our Operating Partnership fails to maintain its status as a partnership for federal income tax purposes, its income may be subject to taxation. We intend to maintain the status of the Operating Partnership as a partnership for federal income tax purposes. However, if the IRS were to successfully challenge the status of the Operating Partnership as a partnership, it would be taxable as a corporation. In such event, this would reduce the amount of distributions that the Operating Partnership could make to us. This would also result in our losing REIT status and becoming subject to a corporate level tax on our own income. This would substantially reduce our cash available to pay distributions and the return on your investment. In addition, if any of the entities through which the Operating Partnership owns its properties, in whole or in part, loses its characterization as a disregarded entity or a partnership for federal income tax purposes, it would be subject to taxation as a corporation, thereby reducing distributions to the Operating Partnership. Such a re- characterization of an underlying property owner could also threaten our ability to maintain REIT status. Our ownership of, and relationship with, TRSs will be limited, and our failure to comply with the limits would jeopardize our REIT status and could result in the application of a 100 % excise tax. We have elected to treat Gladstone Land Advisers, Inc. (" Land Advisers "), a wholly- owned subsidiary of ~~our~~ **ours** ~~Operating Partnership~~ , as a TRS. We may also form other TRSs as part of our overall business strategy. A TRS may earn income that would not be qualifying income if earned directly by the parent REIT. 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 % of the value of a REIT' s assets may consist of stock or securities of one or more TRSs. A TRS will pay federal, state, and local income tax at regular corporate rates on any income that it earns. In addition, the TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to ensure that the TRS is subject to an appropriate level of corporate taxation. The rules also impose a 100 % excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm' s- length basis. Our TRSs will pay federal, state, and local income tax on their taxable income, and their after- tax net income will be available for distribution to us but is not required to be distributed to us. We anticipate that the aggregate value of any TRS stock and securities owned by us will be less than 20 % of the value of our total assets, including the TRS stock and securities. We will evaluate all of our transactions with TRSs to ensure that they are entered into on arm' s- length terms to avoid incurring the 100 % excise tax. There can be no assurance, however, that we will be able to comply with the 20 % limitation or to avoid application of the 100 % excise tax. Legislative or regulatory income tax changes related to REITs could materially and adversely affect us. The U. S. federal income tax laws and regulations governing REITs and their stockholders, as well as the administrative interpretations of those laws and regulations, are constantly under review and may be changed at any time, possibly with retroactive effect. No assurance can be given as to whether, when, or in what form the U. S. federal income tax laws applicable to us and our stockholders may be enacted. Changes to the U. S. federal income tax laws and interpretations of U. S. federal tax laws could adversely affect an investment in our common stock. Risks Relating to the Market for our Common Stock, Series B Preferred Stock, Series C Preferred Stock, Series D Term Preferred Stock, and Series E Preferred Stock Future issuances and sales of shares of our common stock, our currently- designated preferred securities, future series of preferred securities, or the perception that such issuances will occur, may have adverse effects on the trading prices of our shares. We cannot predict the effect, if any, of future issuances and sales of our common stock, our currently- designated preferred securities, possible future series of preferred securities, or the availability of shares for future sales on the market price of our publicly- traded common stock and preferred securities. Sales of substantial amounts of our common stock (including

shares of our common stock issuable upon the conversion of OP Units that we may issue from time to time) or our currently- designated preferred securities, or the perception that these sales could occur, may adversely affect prevailing market prices for our publicly- traded common stock and preferred securities. An increase in market interest rates may have an adverse effect on the market price of our common stock. One of the factors that investors may consider in deciding whether to buy or sell our common stock is our distribution yield, which is our distribution rate as a percentage of our share price, relative to market interest rates. If market interest rates increase, prospective investors may desire a higher distribution yield on our common stock or may seek securities paying higher dividends or interest. The market price of our common stock likely will be based primarily on the earnings that we derive from rental income with respect to our properties and our related distributions to stockholders, and not from the underlying appraised value of the properties themselves. As a result, interest rate fluctuations and capital market conditions are likely to affect the market price of our common stock, and such effects could be significant. For instance, if interest rates rise without an increase in our distribution rate, the market price of our common stock could decrease because potential investors may require a higher distribution yield on our common stock as market rates on interest- bearing securities, such as bonds, rise. Shares of our currently- designated preferred securities are subordinated to existing and future debt, and your interests could be diluted by the issuance of additional preferred stock or by other transactions. Payment of accrued dividends on our currently- designated preferred securities will be subordinated to all of our existing and future debt and will be structurally subordinate to the obligations of our subsidiaries. In addition, we may issue additional shares of another class or series of preferred stock ranking on parity with our currently- designated preferred securities with respect to the payment of dividends and the distribution of assets upon liquidation, dissolution or winding up. None of the provisions relating to our currently- designated preferred securities relate to or limit our indebtedness or afford the holders of these securities protection in the event of a highly- leveraged or other transaction, including a merger or the sale, lease, or conveyance of all or substantially all our assets or business, that might adversely affect the holders of our currently- designated preferred securities, other than in connection with a Change of Control Triggering Event (as defined by the Certificate of Designations). These factors may affect the trading price of our publicly- traded preferred securities. We operate as a holding company dependent upon the assets and operations of our subsidiaries, and because of our structure, we may not be able to generate the funds necessary to make distributions on our currently- designated preferred securities. We generally operate as a holding company that conducts its businesses primarily through the Operating Partnership, which, in turn, is a holding company conducting its business through its subsidiaries. These subsidiaries conduct all of our operations and are our only sources of income. Accordingly, we are dependent on cash flows and payments of funds to us by our subsidiaries as distributions, loans, advances, leases, or other payments from our subsidiaries to generate the funds necessary to make distributions or dividends on our securities. Our subsidiaries' ability to pay such distributions and / or make such loans, advances, leases, or other payments may be restricted by, among other things, applicable laws and regulations, current and future debt agreements, and management agreements into which our subsidiaries may enter, which may impair our ability to make cash payments on our securities, including our currently- designated preferred securities. In addition, such agreements may prohibit or limit the ability of our subsidiaries to transfer any of their property or assets to us, any of our other subsidiaries, or to third parties. Our future indebtedness or our subsidiaries' future indebtedness may also include restrictions with similar effects. In addition, because we are a holding company, stockholders' claims will be structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of the Operating Partnership and its subsidiaries. Therefore, in the event of our bankruptcy, liquidation, or reorganization, claims of holders of our currently- designated preferred securities will be satisfied only after all of our and the Operating Partnership' s and its subsidiaries' liabilities and obligations have been paid in full. We intend to apply for quotation on Nasdaq for the Series E Preferred Stock in the future; however, there is currently no public market for this security. Even after listing, if achieved, a liquid secondary trading market may not develop, and the features of the Series E Preferred Stock may not provide holders of such shares with favorable liquidity options. There is currently no public market for the Series E Preferred Stock. We intend to apply to list the Series E Preferred Stock on Nasdaq or another national securities exchange or to include these shares for quotation on a national securities market sometime within 12 months following the Series E Preferred Stock offering' s termination date. Until shares of the Series E Preferred Stock are listed on Nasdaq or another national securities exchange, if ever, holders of such shares may be unable to sell them at all or, if they are able to, only at substantial discounts from the liquidation preference. Even if the Series E Preferred Stock is listed on Nasdaq or another national securities exchange within one calendar year of the respective offerings' termination date, as anticipated, there is a risk that such shares may be thinly traded, and the market for such shares may be relatively illiquid compared to the market for other types of securities, with the spread between the bid and ~~asked~~ -- **ask** prices considerably greater than the spreads of other securities with comparable terms and features. Additionally, our charter contains restrictions on the ownership and transfer of our securities, including the Series E Preferred Stock, and these restrictions may inhibit your ability to sell the Series E Preferred Stock promptly, or at all. Also, since the Series E Preferred Stock has a stated maturity date, holders may be forced to hold the Series E Preferred Stock and receive stated dividends on the shares when, as, and if authorized by our Board of Directors and declared by us with no assurance as to ever receiving the liquidation preference. We will be required to terminate the Series E Offering (as defined elsewhere in this Form 10- K) if our common stock and our publicly- traded, currently- designated preferred securities are all no longer listed on Nasdaq or another national securities exchange. The Series E Preferred Stock is a " covered security " and therefore is not subject to registration under the state securities, or " Blue Sky, " regulations in the various states in which it may be sold due to its seniority to our common stock, which is listed on Nasdaq. In the event that our common stock and our publicly- traded, currently- designated preferred securities are all no longer listed on Nasdaq or another national securities exchange, we will be required to register this offering in any state in which we offer shares of the Series E Preferred Stock. This would require the termination of this offering and could result in our raising an amount of gross proceeds that is substantially less than the amount of the gross proceeds we expect to raise if the maximum amount of the Series E Offering is

sold. This would reduce our ability to make additional investments and limit the further diversification of our portfolio. Our currently- designated preferred securities all bear a risk of redemption by us. We may voluntarily redeem some or all of the Series B Preferred Stock ~~at any time, and we may voluntarily redeem some~~ or ~~all of the~~ Series C Preferred Stock ~~on or after June 1~~**. During the year ended December 31** , 2024 **, we voluntarily redeemed 115, 176 shares of our Series B Preferred Stock for a total gross cost of approximately $ 2. 4 million and voluntarily redeemed 201, 646 shares of our Series C Preferred Stock for a total gross cost of approximately $ 4. 2 million** . In addition, we may voluntarily redeem some or all of the Series E Preferred Stock on or after the first anniversary of the offering' s termination date. Before January 31, 2026, we may, at our option, redeem the Series D Term Preferred Stock, in whole or in part, at any time or from time to time. Any such redemptions may occur at a time that is unfavorable to stockholders. We may have an incentive to redeem any of our series of preferred stock voluntarily if market conditions allow us to issue common stock, other preferred stock, or debt securities at a dividend or interest rate that is lower than the dividend rate on such series of preferred stock.