

## Risk Factors Comparison 2025-02-13 to 2024-02-15 Form: 10-K

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In addition to the other information in our Annual Report on Form 10-K, you should consider the risks described below that we believe may be material to investors in evaluating the Company. This section contains forward-looking statements, and in considering these statements, you should refer to the qualifications and limitations on our forward-looking statements that are described on page four above.

**Risks Related to Our Business** We are subject to risks related to defaults under, or termination or expiration of, our leases. We focus our investment activities on industrial real estate properties that are generally net leased to single tenants, and certain of our tenants and / or their guarantors constitute a significant percentage of our rental revenues. Therefore, the financial failure of, or other default by, a single tenant under its lease is likely to cause a significant or complete reduction in the operating cash flow generated by the property leased to that tenant and might decrease the value of that property and result in a non-cash impairment charge. If the tenant represents a significant portion of our rental revenues, the impact on our financial position may be material. Further, in any such event, we will be responsible for 100 % of the operating costs following a vacancy at a single-tenant building. Under current bankruptcy law, a tenant can generally assume or reject a lease within a certain number of days of filing its bankruptcy petition. If a tenant rejects the lease, a landlord's damages, subject to availability of funds from the bankruptcy estate, are generally limited to the greater of (1) one year's rent and (2) the rent for 15 % of the remaining term of the lease, not to exceed three years. Our property owner subsidiaries may not be able to retain tenants in any of our properties upon the expiration of leases. Upon the expiration or other termination of current leases, our property owner subsidiaries may not be able to re-let all or a portion of the vacancy, or the terms of re-letting (including the cost of concessions to tenants and leasing commissions) may be less favorable than current lease terms or market rates. If one of our property owner subsidiaries is unable to promptly re-let all or a substantial portion of the vacancy, or if the rental rates a property owner subsidiary receives upon re-letting are significantly lower than current rates, our earnings and ability to satisfy our debt service obligations and to make expected distributions to our shareholders may be adversely affected due to the resulting reduction in rent receipts and increase in property operating costs. Certain of our leases may permit tenants to terminate the leases to which they are a party. Certain of our leases contain tenant termination options or economic discontinuance options that permit the tenants to terminate their leases. While these options generally require a payment by the tenants, in most cases, the payments will be less than the total remaining expected rental revenue. The termination of a lease by a tenant may impair the value of the property. In addition, we will be responsible for 100 % of the operating costs following the termination by any such tenant and subsequent vacating of the property, and we will incur re-leasing costs. Our ability to fully control the maintenance of our net-leased properties may be limited. The tenants of our net-leased properties are responsible for maintenance and other day-to-day management of the properties or their premises. If a property is not adequately maintained in accordance with the terms of the applicable lease, we may incur expenses for deferred maintenance or other liabilities once the property is no longer leased. We generally visit our properties on **at least** an annual basis, but these visits are not comprehensive inspections and deferred maintenance items may go unnoticed. While our leases generally provide for recourse against the tenant in these instances, a bankrupt or financially-troubled tenant may be more likely to defer maintenance, and it may be more difficult to enforce remedies against such a tenant. You should not rely on the credit ratings of our tenants. Some of our tenants, guarantors and / or their parent or sponsor entities are rated by certain rating agencies. In certain instances, we may disclose the credit ratings of our tenants or their parent or sponsor entities even though those parent or sponsor entities are not liable for the obligations of the tenant or guarantor under the lease. Any such credit ratings are subject to ongoing evaluation by these credit rating agencies and we cannot assure you that any such ratings will not be changed or withdrawn by these rating agencies in the future if, in their judgment, circumstances warrant. If these rating agencies assign a lower-than-expected rating or reduce or withdraw, or indicate that they may reduce or withdraw, the credit rating of a tenant, guarantor or its parent entity, the value of our investment in any properties leased by such tenant could significantly decline. Our assets may be subject to impairment charges. We periodically evaluate our real estate investments and other assets for impairment indicators. The judgment regarding the existence of impairment indicators is based on GAAP, which includes a variety of factors such as market conditions, the status of significant leases, **a prolonged vacancy at a property**, the financial condition of major tenants and other factors that could affect the cash flow or value of an investment. Based on this evaluation, we may, from time to time, take non-cash impairment charges. These impairments could have a material adverse effect on our financial condition and results of operations. If we take an impairment charge on a property subject to a non-recourse secured mortgage and reduce the book value of such property below the balance of the mortgage on our balance sheet, upon foreclosure or other disposition, we may be required to recognize a gain on debt satisfaction. Our real estate development activities are subject to additional risks. Development activities generally require various government and other approvals, which we may not receive. We rely on third-party construction managers and / or engineers to monitor certain construction activities. If we engage or partner with a developer, we rely on the developer to monitor construction activities and our interests may not be aligned. In addition, development activities, including speculative development and redevelopment and renovation of vacant properties, are subject to risks including, but not limited to: • unsuccessful development opportunities could cause us to incur direct expenses; • construction costs of a project may exceed original estimates, possibly making the project less profitable than originally estimated or unprofitable; • time required to complete the construction of a project or to lease up the completed project may be greater than originally anticipated, thereby adversely affecting our cash flow and liquidity; • legal action to compel performance of contractors, developers or partners may cause delays and our costs may not be reimbursed; • we may not be able to find

tenants to lease the space built on a speculative basis or in a redeveloped or renovated building, which will impact our cash flow and ability to finance or sell such properties; • there may be gaps in warranty obligations of our developers and contractors and the obligations to a tenant; • occupancy rates and rents of a completed project may not be sufficient to make the project profitable; and • favorable financing sources to fund development activities may not be available. **Our** In addition, our development activities are subject to risks related to supply- chain disruptions and inflation, which increase costs and may delay completion. **In addition, we hold land for development and we are unable to estimate any further costs to develop such land until we commit to develop any such land.** A tenant's bankruptcy proceeding may result in the re- characterization of related sale- leaseback transactions or in the restructuring of the tenant's payment obligations to us, either of which could adversely affect our financial condition. We have entered and may continue to enter into sale- leaseback transactions, whereby we purchase a property and then lease the same property back to the person from whom we purchased it or a related person. In the event of the bankruptcy of a tenant, a transaction structured as a sale- leaseback may be re- characterized as either a financing or a joint venture. As a result of the foregoing, the re- characterization of a sale- leaseback transaction could adversely affect our financial condition, cash flow and the amount available for distributions to our shareholders. If the sale- leaseback were re- characterized 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 relation to the tenant. 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, with the claim arguably secured by the property. The tenant / debtor might have the ability to propose a plan restructuring the term, interest rate and amortization schedule of the claims outstanding balance. If confirmed by the bankruptcy court, we could be bound by the new terms and prevented from foreclosing our lien on the property. If the sale- leaseback were re- characterized as a joint venture, our tenant and we could be treated as co- venturers with regard to the property. As a result, we could be held liable, under some circumstances, for debts incurred by the tenant relating to the property. A significant portion of our leases are long- term and do not have fair market rental rate adjustments, which could negatively impact our income and reduce the amount of funds available to make distributions to shareholders. A significant portion of our rental income comes from long- term net leases, which generally provide the tenant greater discretion in using the leased property than ordinary property leases, such as the right to freely sublease the property, to make alterations in the leased premises and to terminate the lease prior to its expiration under specified circumstances. Furthermore, net leases typically have longer lease terms and, thus, there is an increased risk that contractual rental increases in future years will fail to result in fair market rental rates during those years. If we do not accurately judge the potential for increases in market rental rates when negotiating these long- term leases or if we are unable to obtain any increases in rental rates over the terms of our leases, significant increases in future property operating costs, to the extent not covered under the net leases, could result in us receiving less than fair value from these leases. As a result, our income and distributions to our shareholders could be lower than they would otherwise be if we did not engage in long- term net leases. In addition, increases in interest rates may also negatively impact the value of our properties that are subject to long- term leases. While a significant number of our net leases provide for annual escalations in the rental rate, the increase in interest rates may outpace the annual escalations. Interests in loans receivable are subject to delinquency, foreclosure and loss. While loan receivables are not a primary focus, we make loans to purchasers of our properties and developers. Our interests in loans receivable are generally non- recourse and secured by real estate properties owned by borrowers that were unable to obtain similar financing from a commercial bank. These loans are subject to many risks including delinquency. The ability of a borrower to repay a loan secured by a real estate property is typically and primarily dependent upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If a borrower were to default on a loan, it is possible that we would not recover the full value of the loan as the collateral may be non- performing or impaired. Our inability to carry out our growth strategy could adversely affect our financial condition and results of operations. Our plan to grow through the acquisition and development of new properties could be adversely affected by trends in the real estate and financing businesses. For example, our ability to grow will be influenced by the relationship between our expected returns on available acquisition and development opportunities in our target markets and our cost of available capital. Our ability to implement our strategy may also be impeded because we may have difficulty finding opportunities that meet our investment criteria, in addition, our acquisitions and developments may fail to perform in accordance with expectations, including operating and leasing expectations. If we are unable to carry out our growth strategy, our financial condition and results of operations could be adversely affected. Some of our acquisitions and developments may be financed using short- term financing, such as our line of credit, with the expectation of providing permanent financing in the future, such as through an equity or debt offering. If permanent debt or equity financing is not available on attractive terms to refinance this short- term financing, further acquisitions and developments may be curtailed, or cash available to satisfy our debt service obligations and distributions to shareholders may be adversely affected. Our investment and disposition activity may lead to dilution. Our strategy is to increase our investment in general purpose, well -located warehouse / distribution assets **in and reduce our target markets direct exposure to all other asset types.** We believe this strategy will lessen capital expenditures over time and mitigate revenue reductions on renewals and re- tenanting. To implement this strategy, we have been selling non- industrial assets and recapitalizing special purpose industrial assets, which generally have higher capitalization rates, and buying warehouse and distribution properties, which generally have lower capitalization rates. We also may sell industrial properties outside of our target markets at capitalization rates higher than we expect to reinvest in our target markets. This strategy adversely impacts returns and cash flows in the short- term. There can be no assurance that the implementation of our strategy will lead to improved results or that we will be able to execute our strategy as contemplated or on terms acceptable to us. Investment activities may not produce expected results and may be affected by outside factors. The demand for industrial space in the United States is generally related to the level of economic output and consumer demand. Accordingly, reduced economic output and / or consumer demand may lead to lower occupancy rates for our properties. The concentration of our investments, among

other factors, in industrial assets may expose us to the risk of economic downturns specific to industrial assets to a greater extent than if our investments were diversified. Investment in commercial properties entail certain risks, such as (1) underwriting assumptions, including occupancy, rental rates and expenses, may differ from estimates, (2) the properties may become subject to environmental liabilities that we were unaware of at the time we acquired the property despite any environmental testing, (3) we may have difficulty obtaining financing on acceptable terms or paying the operating expenses and debt service associated with acquired properties prior to sufficient occupancy and (4) projected exit strategies may not come to fruition due to a variety of factors such as market conditions and / or tenant credit conditions at the time of dispositions. We may not be successful in identifying suitable real estate properties or other assets that meet our investment criteria. We may also fail to complete investments on satisfactory terms. Failure to identify or complete investments could slow our growth, which could, in turn, have a material adverse effect on our financial condition and results of operations. Properties where we have operating responsibilities and multi-tenant properties expose us to additional risks. Properties where we have operating responsibilities involve risks not typically encountered in real estate properties which are fully operated by a single tenant. The ownership of properties which are not fully operated by a single tenant expose us to the risk of potential “CAM slippage,” which may occur when the actual cost of taxes, insurance and maintenance at the property exceeds the operating expenses paid by tenants and / or the amounts budgeted. Depending on the tenant’s leverage in the lease negotiation, the tenant may be successful in negotiating for caps on certain operating expenses and we are responsible for any amounts in excess of any cap. Multi-tenant properties are also subject to the risk that a sufficient number of suitable tenants may not be found to enable the property to operate profitably and provide a return to us. Moreover, tenant turnover and fluctuation in occupancy rates, could affect our operating results. This risk may be compounded by the failure of existing tenants to satisfy their obligations due to various factors. These risks, in turn, could cause a material adverse impact to our results of operations and business. Uninsured losses or a loss in excess of insured limits could adversely affect our financial condition. We carry comprehensive liability, property, fire, extended coverage, **pollution** and rent loss insurance on certain of the properties in which we have an interest, with policy specifications and insured limits that we believe are customary for similar properties. However, with respect to those properties where the leases do not provide for abatement of rent under any circumstances, we generally do not maintain rent loss insurance. In addition, certain of our leases require the tenant to maintain all insurance on the property, and the failure of the tenant to maintain the proper insurance could adversely impact our investment in a property in the event of a loss. Furthermore, there are certain types of losses, such as losses resulting from wars, terrorism or certain acts of God, that generally are not insured because they are either uninsurable or not economically insurable. Should an uninsured loss or a loss in excess of insured limits occur, we could lose capital invested in a property as well as the anticipated future revenues from a property, while remaining obligated for any mortgage indebtedness or other financial obligations related to the property. Any loss of these types could adversely affect our financial condition and results of operations. In addition, the cost of property and related coverage insurance has increased significantly in recent years due to the rise in construction costs and property values and the decrease in capacity in the insurance market. Cybersecurity incidents may adversely affect our business. Cybersecurity incidents may result in disrupted operations, including as a result of the loss of access to our information systems, misstated or unreliable financial data, liability for stolen assets or information, increased cybersecurity protection and insurance costs, litigation and damage to our tenant, investor and / or vendor relationships. As our reliance on technology has increased, so have the risks posed to our information systems, both internal and those we have outsourced. Although we have implemented processes, procedures and internal controls to mitigate these risks, we **can have in the past and may in the future** be subject to cybersecurity incidents. We are also subject to third-party cybersecurity incident risks. **As For example, as** a landlord, we are **exposed** also susceptible to **the risk of** cyber attacks on our tenants and their payment systems. In addition, **as we outsource the maintenance of our information technology systems to third party vendors. As** a smaller company, we use third-party vendors to maintain our network and information technology requirements. While we carefully select these third-party vendors, we cannot control their actions. Any problems caused by these third parties, including those resulting from breakdowns or other disruptions in communication services provided by a vendor, failure of a vendor to handle current or higher volumes, **or** cyber attacks and security breaches at a vendor could adversely affect our operations. Further information relating to cybersecurity risk management is discussed in Item 1C. “Cybersecurity” in this Annual Report. Competition may adversely affect our ability to purchase properties. There are numerous other companies and individuals with greater financial and other resources and lower costs of capital than we have that compete with us in seeking investments and tenants. This competition may result in a higher cost for properties and lower returns and impact our ability to grow. We may have limited control over our joint venture investments. Our joint venture investments involve risks not otherwise present for investments made solely by us, including the possibility that our partner might, at any time, become bankrupt, have different interests or goals than we do, or take action contrary to our expectations, its previous instructions or our instructions, requests, policies or objectives, including our policy with respect to maintaining our qualification as a REIT. Other risks of joint venture investments include impasses on decisions, such as a sale, because neither we nor our partner may have full control over the joint venture. Also, there is no limitation under our organizational documents as to the amount of funds that may be invested in joint ventures. Our ability to change our portfolio is limited because real estate investments are illiquid. Investments in real estate are relatively illiquid and, therefore, our ability to change our portfolio promptly in response to changed conditions is limited. Our Board of Trustees may establish investment criteria or limitations as it deems appropriate, but currently does not limit the number or type of properties in which we may seek to invest or on the concentration of investments in any one geographic region. Our Board of Trustees may change our investment policy without shareholders’ approval. Subject to our fundamental investment policy to maintain our qualification as a REIT, our Board of Trustees will determine our investment and financing policies, growth strategy and our debt, capitalization, distribution, acquisition, disposition and operating policies. Our Board of Trustees may revise or amend these strategies and policies at any time without a vote by shareholders. Changes made by our Board of Trustees may not serve the interests of debt or equity

security holders and could adversely affect our financial condition or results of operations, including our ability to satisfy our debt service obligations, distribute cash to shareholders and qualify as a REIT. Accordingly, shareholders' control over changes in our strategies and policies is limited to the election of trustees. Industry and Economic Risks Public health emergencies could adversely impact or cause disruption to our business, financial condition, results of operations and cash flows. In recent years, public health emergencies, including COVID- 19, have caused significant and widespread damage to the economy and the financial markets. The COVID- 19 pandemic contributed to labor shortages, supply chain issues, including longer lead times for construction materials and increased construction costs, capital markets disruptions and inflationary conditions. Future public health emergencies, and the steps governments take to control them, may negatively affect (i) the operation of our properties, (ii) the effectiveness of our strategic decision making, (iii) the operation of our key information systems, (iv) our ability to make timely filings with the SEC and (v) our ability to maintain an effective control environment. Disruptions in the financial markets and uncertain economic conditions could adversely affect our ability to obtain financing on reasonable terms, the value of our real estate investments, and have other adverse effects on us. Concerns over possible economic recession, high interest rates, bank failures, **political dysfunction** ~~the upcoming U. S. elections~~, geopolitical issues, including military conflicts, trade wars, labor shortages, and inflation may contribute to increased financial market volatility. The United States financial markets have periodically experienced significant dislocations and liquidity disruptions due to a variety of factors. Uncertainty in the financial markets may negatively impact our ability to access additional financing on reasonable terms, which may negatively affect our ability to execute our growth strategy. In addition, these factors may make it more difficult for us to sell properties or may adversely affect the price we receive for properties that we do sell, as prospective buyers may experience increased costs of capital or difficulties in obtaining capital. Volatile financial markets may also have an adverse effect on our tenants.

**International trade disputes and increases in U. S. trade tariffs could adversely impact demand for our properties. Demand for our properties is impacted by trading volumes and global supply chains. International trade disputes or the imposition of significant tariffs or other trade restrictions by the U. S. on imported goods could adversely impact trading volumes and global supply chains and thereby decrease demand for our properties. In addition, the anticipation of these issues could result in a decrease in demand for our properties.**

~~We invest in properties on a nationwide basis.~~ Natural disasters could adversely impact our results. ~~in these and other areas in which we operate.~~ Natural disasters, including earthquakes, storms, tornados, floods and hurricanes, could impact our properties. Incurring losses, costs or business interruptions related to natural disasters may adversely affect our operating and financial results. We are exposed to the potential direct and indirect impacts of climate change. We are exposed to physical risks from changes in climate. Our properties, especially the properties near seaports, may be exposed to rare catastrophic weather events, such as severe storms, drought, earthquakes, floods, wildfires or other extreme weather events. If the frequency of extreme weather events increases, our exposure to these events could increase and could impact our tenants' operations and their ability to pay rent. We carry comprehensive insurance coverage to mitigate our casualty risk, in amounts and of a kind that we believe are appropriate for the markets where each of our properties and their business operations are located given climate change risk. We may be adversely impacted in the future by potential impacts to the supply chain or stricter energy efficiency standards or greenhouse gas regulations for the commercial building sectors. Compliance with new laws or regulations relating to climate change, including compliance with “ green ” building codes, may require us to make improvements to our existing properties or result in increased operating costs that we may not be able to effectively pass on to our tenants. Any such laws or regulations could also impose substantial costs on our tenants, thereby impacting the financial condition of our tenants and their ability to meet their lease obligations and to lease or re- lease our properties. We cannot give any assurance that other such conditions do not exist or may not arise in the future. The potential impacts of climate change on our real estate properties could adversely affect our ability to lease, develop or sell such properties or to borrow using such properties as collateral. Risks Related to our Indebtedness We have a substantial amount of indebtedness. We have a substantial amount of debt. Our substantial indebtedness could adversely affect our financial condition and our ability to fulfill our obligations under the documents governing our unsecured indebtedness and otherwise adversely impact our business and growth prospects. We have incurred, and may continue to incur, direct and indirect indebtedness in furtherance of our activities. Neither our declaration of trust nor any policy statement formerly adopted by our Board of Trustees limits the total amount of indebtedness that we may incur, and accordingly, we could become even more highly leveraged. As of December 31, ~~2023~~ **2024**, our total consolidated indebtedness was approximately \$ 1. ~~8~~ **6** billion and we had approximately \$ 600. 0 million available for borrowing under our principal credit agreement, subject to covenant compliance. Our substantial indebtedness could adversely affect our financial condition and results of operations and have important consequences to us and our debt and equity security holders. For example, it could: • make it more difficult for us to satisfy our indebtedness and debt service obligations and adversely affect our ability to pay distributions; • increase our vulnerability to adverse economic and industry conditions; • require us to dedicate a substantial portion of our cash flow from operations to the payment of interest on and principal of our indebtedness, thereby reducing the availability of cash to fund working capital, capital expenditures and other general corporate purposes; • limit our ability to borrow money or sell stock to fund our development projects, working capital, capital expenditures, general corporate purposes or acquisitions; • restrict us from making strategic acquisitions or exploiting business opportunities; • place us at a disadvantage compared to competitors that have less debt; and • limit our flexibility in planning for, or reacting to, changes in our business and the industry in which we operate. In addition, the agreements that govern our current indebtedness contain, and the agreements that may govern any future indebtedness that we may incur may contain, financial and other restrictive covenants, which may limit our ability to engage in activities that may be in our long- term best interests. Our failure to comply with those covenants could result in an event of default that, if not cured or waived, could result in the acceleration of our debt. Furthermore, our growth strategy is dependent on speculative development of properties. Development activities do not produce current income that can be used to pay debt service obligations. Market interest rates could have an adverse effect on our borrowing costs, profitability and the value of our fixed-

rate debt securities. We have exposure to market risks relating to increases in interest rates due to our variable- rate debt. ~~Interest rates rose significantly in 2022 and 2023.~~ An increase in interest rates may increase our costs of borrowing on existing variable- rate indebtedness, leading to a reduction in our earnings. As of December 31, ~~2023~~ **2024**, we had \$ 129. 1 million of trust preferred securities that mature in April 2037 that are SOFR indexed. **An aggregate amount of \$ 82. 5 million of the trust preferred securities is swapped to obtain an effective fixed interest rate of 5. 20 % to October 30, 2027.** In addition, we ~~have had~~ a \$ 300. 0 million unsecured term loan which matures January 2027 that is ~~Term~~-SOFR indexed and ~~is was~~ subject to interest rate swap agreements ~~through that expired in~~ January 2025 . **An aggregate amount of \$ 250. 0 million of the term loan is swapped to obtain an effective fixed interest rate of 4. 31 % from January 31, 2025 to January 31, 2027.** Also, our unsecured revolving credit facility is subject to a variable interest rate. **We also have an aggregate of \$ 1. 1 billion of unsecured senior notes which mature from November 2028 to October 2031.** The level of our variable- rate indebtedness ; along with the interest rate associated with such variable- rate indebtedness, may change in the future and materially affect our interest costs and earnings. In addition, our interest costs on our fixed- rate indebtedness may increase if we are required to refinance our fixed- rate indebtedness upon maturity at higher interest rates. Higher interest rates could also adversely affect the ability of prospective buyers to obtain financing for properties we intend to sell. We have engaged and may engage in hedging transactions that may limit gains or result in losses. We have used derivatives to hedge certain of our variable- rate liabilities. As of December 31, ~~2023~~ **2024**, we had ~~aggregate~~ **11** interest rate swap agreements ~~on~~ **outstanding with an aggregate notional amount of \$ 300-632. 0-5** million of borrowings until January 31, 2025. The counterparties of these arrangements are major financial institutions; however, we are exposed to credit risk in the event of non- performance or default by the counterparties. Further, additional risks, including losses on a hedge position, may reduce the return on our investments. Such losses may exceed the amount invested in such instruments. We may also have to pay certain costs, such as transaction fees or breakage costs, related to hedging transactions. Covenants in certain of the agreements governing our debt could adversely affect our financial condition, investment activities and / or operating activities. Our unsecured revolving credit facility, unsecured term loan and indentures governing our senior notes contain certain cross- default and cross- acceleration provisions as well as customary restrictions, requirements and other limitations on our ability to incur indebtedness and consummate mergers, consolidations or sales of all or substantially all of our assets. Our ability to borrow under our unsecured revolving credit facility is also subject to compliance with certain other covenants. In addition, failure to comply with our covenants could cause a default under the applicable debt instrument and we may then be required to repay such debt with capital from other sources. Under those circumstances, other sources of capital may not be available to us or be available only on unattractive terms. Additionally, our ability to satisfy current or prospective lenders' insurance requirements may be adversely affected if lenders generally insist upon greater insurance coverage than is available to us in the marketplace or on commercially reasonable terms. We rely on debt financing, including borrowings under our unsecured revolving credit facility, unsecured term loan, debt securities, and debt secured by individual properties, for working capital, including to finance our investment activities. If we are unable to obtain financing from these or other sources, or to refinance existing indebtedness upon maturity, our financial condition and results of operations could be adversely affected. The documents governing our non- recourse indebtedness contain restrictions on the operations of our property owner subsidiaries and their properties. Certain activities, like leasing and alterations, may be subject to the consent of the applicable lender. In addition, certain lenders engage third- party loan servicers that may not be as responsive as we would be or as the leasing market requires. We face risks associated with refinancings. Some of the properties in which we have an interest are subject to a mortgage or other secured notes with balloon payments due at maturity. In addition, our corporate level borrowings require interest only payments with all principal due at maturity. Our ability to make the scheduled balloon payments on any corporate recourse note will depend on our access to the capital markets, including our ability to refinance the maturing note. Our ability to make the scheduled balloon payment on any non- recourse mortgage note will depend upon (1) in the event we determine to contribute capital, our cash balances and the amount available under our unsecured credit facility, and (2) the property owner subsidiary' s ability either to refinance the related mortgage debt or to sell the related property. If the property owner subsidiary is unable to refinance or sell the related property, the property may be conveyed to the lender through foreclosure or other means or the property owner subsidiary may declare bankruptcy. We face risks associated with returning properties to lenders. Some of the properties in which we have an interest, primarily non- consolidated properties, are subject to non- recourse mortgages, which generally provide that a lender' s only recourse upon an event of default is to foreclose on the property. In the event these properties are conveyed via foreclosure to the lenders thereof, we would lose all of our interest in these properties. The loss of a significant number of properties to foreclosure or through bankruptcy of a property owner subsidiary could adversely affect our financial condition and results of operations, relationships with lenders and ability to obtain additional financing in the future. In addition, a lender may attempt to trigger a carve out to the non- recourse nature of a mortgage loan. To the extent a lender is successful, the ability of our property owner subsidiary to return the property to the lender may be inhibited and / or we may be liable for all or a portion of such loan. Certain of our indebtedness is subject to cross- default, cross- acceleration and cross- collateral provisions. Substantially all of our corporate level borrowings and, in the future, certain of our secured indebtedness may, contain cross- default and / or cross- acceleration provisions, which may be triggered if we default on certain indebtedness in excess of certain thresholds. In the event of such a default, the resulting cross defaults and / or cross- accelerations may adversely impact our financial condition. **Two One** of our non- consolidated joint ventures ~~have has a~~ portfolio loans ~~loan~~ where the loans ~~loan~~ are ~~is~~ cross- collateral collateralized with a majority of the assets in the portfolio. The effective subordination of our unsecured indebtedness and any related guaranty may reduce amounts available for payment on our unsecured indebtedness and any related guaranty. The holders of our secured debt may foreclose on the assets securing such debt, reducing the cash flow from the foreclosed property available for payment of unsecured debt and any related guaranty. The holders of any of our secured debt also would have priority with respect to the secured collateral over unsecured creditors in the event of a bankruptcy, liquidation or similar

proceeding. None of our subsidiaries are guarantors of our unsecured debt; therefore assets of our subsidiaries may not be available to make payments on our unsecured indebtedness. We are the sole borrower of our unsecured indebtedness and none of our subsidiaries were guarantors of our unsecured indebtedness. In the event of a bankruptcy, liquidation or reorganization of any of our subsidiaries, holders of subsidiary debt, including trade creditors, will generally be entitled to payment of their claims from the assets of our subsidiaries before any assets are made available for distribution to us. All of our assets are held through our subsidiaries. Consequently, our cash flow and our ability to meet our debt service obligations depend in large part upon the cash flow of our subsidiaries and the payment of funds by our subsidiaries to us in the form of distributions or otherwise.

**Risks Related to Investment in our Equity** We may change the dividend policy for our common shares in the future. The decision to declare and pay dividends on our common shares in the future, as well as the timing, amount and composition of any such future dividends, will be at the sole discretion of our Board of Trustees in light of conditions then existing, including our earnings, financial condition, capital requirements, debt maturities, the availability of debt and equity capital, applicable REIT and legal restrictions and the general overall economic conditions and other factors. The actual dividend payable will be determined by our Board of Trustees based upon the circumstances at the time of declaration and the actual dividend payable may vary from such expected amount. Any change in our dividend policy could have a material adverse effect on the market price of our common shares. Securities eligible for future sale may have adverse effects on our share price. We have an unallocated universal shelf registration statement and we also maintain an At-the-Market offering program and a direct share purchase plan, pursuant to which we may issue additional common shares. There is no restriction on our issuing additional common or preferred shares, including any securities that are convertible into or exchangeable for, or that represent the right to receive, common or preferred shares or any substantially similar securities. Pursuant to our At-the-Market offering, we may enter into forward sale agreements. Settlement provisions contained in any forward sale agreement could result in substantial dilution to our earnings per share or result in substantial cash payment obligations. In addition, in the case of our bankruptcy or insolvency, any forward sale agreement will automatically terminate, and we would not receive the expected proceeds from the sale of our common shares under such agreement. There are certain limitations on a third party's ability to acquire us or effectuate a change in our control. Severance payments under our executive severance policy. Substantial termination payments may be required to be paid under our executive severance policy applicable to and related agreements with our executives upon the termination of an executive. If those executive officers are terminated without cause, as defined, or resign for good reason, as defined, those executive officers may be entitled to severance benefits based on their current annual base salaries and trailing average of recent annual cash bonuses as defined in our executive severance policy and related agreements and the acceleration of certain non-vested equity awards. ~~In addition, in connection with our Board of Trustees' review of strategic alternatives in 2022, we implemented a severance policy for non-executive employees that provided for payments in connection with a termination following a change in control prior to June 30, 2024. Accordingly, these payments may discourage a third party from acquiring us.~~ Our ability to issue additional shares. Our declaration of trust authorizes 1,400,000,000 shares of beneficial interest (par value \$ 0.0001 per share) consisting of 600,000,000 common shares, 100,000,000 preferred shares and 700,000,000 shares of beneficial interest classified as excess stock, or excess shares. Our Board of Trustees is authorized to cause us to issue these shares without shareholder approval. Our Board of Trustees may establish the preferences and rights of any such class or series of additional shares, which could have the effect of delaying or preventing someone from taking control of us, even if a change in control were in shareholders' best interests. At December 31, ~~2023~~ **2024**, in addition to common shares, we had outstanding 1,935,400 Series C Preferred Shares. Our Series C Preferred Shares include provisions, such as increases in dividend rates or adjustments to conversion rates, which may deter a change of control. The establishment and issuance of shares of our existing series of preferred shares or a future class or series of shares could make a change of control of us more difficult. Maryland Takeover Statutes. Certain provisions of the Maryland General Corporation Law, including the Maryland Business Combination Act, the Maryland Control Share Act, and certain elective provisions of Maryland law under Subtitle 8 of the Maryland General Corporation Law, each as further described under the heading "Restrictions on Transfers of Capital Stock and Anti-Takeover Provisions – Maryland Law" in Exhibit 4. ~~10-12~~ of this Annual Report, are applicable to Maryland REITs, such as the Company. We are subject to the Maryland Business Combination Act, and while our by-laws contain a provision exempting from the Maryland Control Share Acquisition Act any and all acquisitions by any person of our shares, we cannot assure you that this provision will not be amended or eliminated at any time in the future. We have also not elected to be governed by any of the specific provisions of Subtitle 8, however, through provisions of our declaration of trust and / or by-laws, as applicable, unrelated to Subtitle 8, we provide for an 80% shareholder vote to remove trustees and then only for cause, and that the number of trustees may be determined by a resolution of our Board of Trustees, subject to a minimum number. In addition, we can elect to be governed by any or all of the provisions of Subtitle 8 of the Maryland General Corporation Law at any time in the future. These statutes could have the effect of discouraging offers to acquire us and of increasing the difficulty of consummating any such offers, even if such acquisition would be in shareholders' best interests.

**Ownership Limits in Our Declaration of Trust.** For us to qualify as a REIT for federal income tax purposes, among other requirements, not more than 50% of the value of our outstanding capital shares may be owned, directly or indirectly, by five or fewer individuals (as defined for federal income tax purposes to include certain entities) during the last half of each taxable year, and these capital shares must be beneficially owned by 100 or more persons during at least 335 days of a taxable year of 12 months or during a proportionate part of a shorter taxable year (in each case, other than the first such year for which a REIT election is made). Our declaration of trust includes certain restrictions regarding transfers of our capital shares and ownership limits. In order to protect against the loss of our REIT status, among other things, actual or constructive ownership of our capital shares in violation of the restrictions contained in our declaration of trust or in excess of 9.8% in value of our outstanding equity shares, defined as our common shares, or preferred shares, subject to certain exceptions, would cause the violative transfer or ownership to be void or cause the shares to be transferred to a charitable trust and then sold to a person or entity who can own the shares without violating these limits. As a

result, if a violative transfer were made, the recipient of the shares would not acquire any economic or voting rights attributable to the transferred shares. Additionally, the constructive ownership rules for these limits are complex, and groups of related individuals or entities may be deemed a single owner and consequently in violation of the share ownership limits. However, these restrictions and limits may not be adequate in all cases to prevent the transfer of our capital shares in violation of the ownership limitations.

**Legal and Regulatory Risks** We face possible liability relating to environmental matters. Under various federal, state and local environmental laws, statutes, ordinances, rules and regulations, as an owner of real property, our property owner subsidiaries may be liable for the costs of removal or remediation of certain hazardous or toxic substances at, on, in or under the properties in which we have an interest as well as certain other potential costs relating to hazardous or toxic substances. These liabilities may include government fines and penalties and damages for injuries to persons and adjacent property. These laws may impose liability without regard to whether we knew of, or were responsible for, the presence or disposal of those substances. This liability may be imposed on our property owner subsidiaries in connection with the activities of an operator of, or tenant at, the property. The cost of any required remediation, removal, fines or personal or property damages, and our liability therefore, could be significant and could exceed the value of the property and / or our aggregate assets. In addition, the presence of those substances, or the failure to properly dispose of or remove those substances, may adversely affect a property owner subsidiary's ability to sell or rent that property or to borrow using that property as collateral, which, in turn, would reduce our revenues and ability to satisfy our debt service obligations and to pay dividends. A property can also be adversely affected either through physical contamination or by virtue of an adverse effect upon value attributable to the migration of hazardous or toxic substances, or other contaminants that have or may have emanated from other properties. Although the tenants of the properties in which we have an interest are primarily responsible for any environmental damages and claims related to the leased premises, in the event of the bankruptcy or inability of any of the tenants of the properties in which we have an interest to satisfy any obligations with respect to the property leased to that tenant, our property owner subsidiary may be required to satisfy such obligations. In addition, we may be held directly liable for any such damages or claims irrespective of the provisions of any lease and, in certain cases, we have provided lenders with environmental indemnities. From time to time, in connection with the conduct of our business, our property owner subsidiaries authorize the preparation of Phase I environmental reports and, when recommended, Phase II environmental reports, with respect to their properties. There can be no assurance that these environmental reports will reveal all environmental conditions at the properties in which we have an interest. We are also subject to exposure to material liability from the discovery of previously unknown environmental conditions; changes in law; activities of tenants; or activities relating to properties in the vicinity of the properties in which we have an interest. Changes in laws increasing the potential liability for environmental conditions existing on properties or increasing the restrictions on discharges or other conditions may result in significant unanticipated expenditures or may otherwise adversely affect the operations of the tenants of the properties in which we have an interest, which could adversely affect our financial condition or results of operations. Costs of complying with changes in governmental laws and regulations may adversely affect our results of operations. We cannot predict what laws or regulations may be enacted, repealed or modified in the future, how future laws or regulations will be administered or interpreted, or how future laws or regulations will affect our properties. Compliance with new or modified laws or regulations, or stricter interpretation of existing laws, may require us or our tenants to incur significant expenditures, impose significant liability, restrict or prohibit business activities and could cause a material adverse effect on our results of operations. Legislation such as the Americans with Disabilities Act may require us to modify our properties at substantial costs and noncompliance could result in the imposition of fines or an award of damages to private litigants. Future legislation may impose additional requirements. We may incur additional costs to comply with any future requirements.

**Risks Related to Our REIT Status** There can be no assurance that we will remain qualified as a REIT for federal income tax purposes. We believe that LXP has met the requirements for qualification as a REIT for federal income tax purposes beginning with its taxable year ended December 31, 1993, and we intend for LXP to continue to meet these requirements in the future. However, qualification as a REIT involves the application of highly technical and complex provisions of the Code, for which there are only limited judicial or administrative interpretations. The determination of various factual matters and circumstances not entirely within our control may affect LXP's ability to continue to qualify as a REIT. No assurance can be given that LXP has qualified or will remain qualified as a REIT. In addition, no assurance can be given that legislation, regulations, administrative interpretations or court decisions will not significantly change the requirements for qualification as a REIT or the federal income tax consequences of such qualification. If LXP does not qualify as a REIT, LXP would not be allowed a deduction for dividends paid to shareholders in computing its net taxable income and LXP would not be required to continue making distributions. In addition, LXP's income would be subject to tax at the regular corporate rates. LXP also could be disqualified from treatment as a REIT for the four taxable years following the year during which qualification was lost. Cash required to be used to pay taxes would not be available to satisfy LXP's debt service obligations and to make distributions to its shareholders. Although we currently intend for LXP to continue to qualify as a REIT, it is possible that future economic, market, legal, tax or other considerations may cause LXP, without the consent of the shareholders, to revoke the REIT election or to otherwise take action that would result in disqualification. We may be subject to the REIT prohibited transactions tax, which could result in significant U. S. federal income tax liability to us. A REIT will incur a 100 % tax on the net income from a prohibited transaction. Generally, a prohibited transaction includes a sale or disposition of property held primarily for sale to customers in the ordinary course of business. While we believe that the dispositions of our assets pursuant to our investment strategy should not be treated as prohibited transactions, whether a particular sale will be treated as a prohibited transaction depends on the underlying facts and circumstances. We have not sought and do not intend to seek a ruling from the Internal Revenue Service regarding any dispositions. Accordingly, there can be no assurance that our dispositions of such assets will not be subject to the prohibited transactions tax. If all or a significant portion of those dispositions were treated as prohibited transactions, we would incur a significant U. S. federal income tax liability, which could have a material adverse

effect on our financial position. Distribution requirements imposed by law limit our flexibility. To maintain LXP's status as a REIT for federal income tax purposes, LXP is generally required to distribute to its shareholders at least 90 % of its taxable income for that calendar year. LXP's taxable income is determined without regard to any deduction for dividends paid and by excluding net capital gains. To the extent that LXP satisfies the distribution requirement but distributes less than 100 % of its taxable income, LXP will be subject to federal corporate income tax on its undistributed income. In addition, LXP will incur a 4 % nondeductible excise tax on the amount by which its distributions in any year are less than the sum of (i) 85 % of its ordinary income for that year, (ii) 95 % of its capital gain net income for that year and (iii) 100 % of its undistributed taxable income from prior years. We intend for LXP to continue to make distributions to its shareholders to comply with the distribution requirements of the Code and to reduce exposure to federal taxes. Differences in timing between the receipt of income and the payment of expenses in determining its taxable income and the effect of required debt amortization payments could require LXP to borrow funds on a short-term basis in order to meet the distribution requirements that are necessary to achieve the tax benefits associated with qualifying as a REIT. Legislative or regulatory tax changes could have an adverse effect on us. At any time, the federal income tax laws governing REITs or the administrative interpretations of those laws may be amended. Any of those new laws or interpretations may take effect retroactively and could adversely affect us or you as a debt or equity security holder. Federal tax legislation passed in 2017 made numerous changes to tax rules. These changes do not affect the REIT qualification rules directly, but may otherwise affect us or our shareholders. For example, the top federal income tax rate for individuals was reduced to 37 %, there is a deduction available for certain Qualified Business Income that reduces the top effective tax rate applicable to ordinary dividends from REITs to 29.6 % (through a 20 % deduction for ordinary REIT dividends received) and various deductions are eliminated or limited. Most of the changes applicable to individuals are temporary. General Risk Factors A downgrade in our credit ratings could have a material adverse effect on our business and financial condition. The credit ratings assigned to us and our debt could change based upon, among other things, our results of operations and financial condition or the real estate industry generally. These ratings are subject to ongoing evaluation by credit rating agencies, and we cannot assure you that any rating will not be changed or withdrawn by a rating agency in the future if, in the applicable rating agency's judgment, circumstances warrant. Moreover, these credit ratings do not apply to our common and preferred shares and are not recommendations to buy, sell or hold any other securities. Any downgrade of us or our debt could have a material adverse effect on the market price of our debt securities and our common and preferred shares. If any credit rating agency that has rated us or our debt downgrades or lowers its credit rating, or if any credit rating agency indicates that it has placed any such rating on a so-called "watch list" for a possible downgrading or lowering or otherwise indicates that its outlook for that rating is negative, it could also have a material adverse effect on our costs and availability of capital, which could, in turn, have a material adverse effect on our financial condition, results of operations, cash flows and our ability to satisfy our debt service obligations and to make dividends and distributions on our common shares and preferred shares. We are dependent upon our key personnel. We are dependent upon key personnel, particularly certain of our executive officers. We do not have employment agreements with our executive officers, but we have entered into severance arrangements with our executive officers that provide certain payments upon specified termination events. Our inability to retain the services of any of our key personnel, an unplanned loss of any of their services or our inability to replace them upon termination as needed, could adversely impact our operations. We do not have key man life insurance coverage on our executive officers. **21**