# Fund 2 Performance Review I Q1 2025

April 2025

# Executive Summary I Key Areas to Monitor

# Executive Summary I Key Areas of Focus

# Executive Summary I Asset Management Operational Review

Leasing Spreads: 18 leases were signed in Q1 across 6 different markets, achieving 11% leasing spread over prior leases Since inception, the Fund has signed 167 leases with 28% spread over prior leases Escalations: Escalations in Fund II are consistently above underwriting Q1 escalations were 3.73% against BP of 2.73%, while leases signed in last 12 months achieved 3.76% ...

# Executive Summary I Asset Management Operational Review

A/R Quarterly Overview: Overall, there were no major changes during the quarter. A/R: The Fund's total A/R balance at the end of Q1 was $1.1M, down from $2.4M. This decrease is primarily attributed to the billing and collection of CAM receivables. Write-offs / Allowances: During the quarter, we successfully recovered $300K, mainly from two payments received from vacated ...

# Executive Summary I Financial Overview

NOI & YOC: $13.9M NOI for Q1, decreasing from $14.2M in Q4, due to cyclical increases in operating expenses and vacancies. This NOI represents a ~$0.1M decrease from budget Yield on Cost is 5.5% for Q1, which is slightly lower than 5.6% in Q4. Forecasted YoC % for the quarter was 5.4% Same Store NOI trend over the last 4 quarters is stagnant FFO: Core FFO is 3.1% ...

# Executive Summary I Valuations & Fund Forecast

Valuations: FMV of Investments is $1,252M, increased from $1,243M in Q4, driven by $6.4M mark-to-market appraisal adjustments and $3M CapEx Inception to date, the Fund acquired $1,075M Total Cost. After completing $54M of CapEx, selling $128M of net proceeds, and creating $253M value creation through appraisals, the Fund reached the current FMV of $1,252M ...

# Executive Summary I Key Recommendations

Distributions: For each of the last few quarters, we have distributed $4.6M (3.7% Core FFO). Per the latest model, we expect to generate Core FFO of $4.0M (~3.2%) for the next few quarters The Fund can sustain distributing $4.6M in Q1, despite $3.8M Core FFO. Future distributions will be dependent upon completing dispositions and relying on capital gains After refi, Core FFO ...

# Executive Summary I Portfolio ID

As of March 31st, 2025

Metrics exclude property dispositions through 3/31/25 (1)According to quarterly valuations (still open for Q1 appraisal adjustment) (2)Represents adjusted physical occupancy based on SF occupied at end of quarter after removing leases with pending terminations

Market Allocation by Purchase Price

Gateway Markets

Primary Growth Markets

Secondary Value Markets

Primary Value Markets

Secondary Growth Markets

# Asset Management Operational Review

# Fund Occupancy

# Contract Occupancy I Net Absorption – Fund 2

Several move outs in Q1 lead to a negative net absorption of ~514K SF End of quarter contract occupancy is 90.1% Terminated tenants that are still showing in contract occupancy account for ~175K SF and make up ~1.8% of the portfolio. Adjusted occupancy of Fund 2 is ~88.3% 1Q25 Fund SF is adjusted by 6K SF to match current reports, primarily driven by minor changes ...

*Pending Terminations include: Texpak, Simonik, and Global Concentrate

# Physical Occupancy | Net Absorption – Fund 2 Cont.

# Current Vacant Spaces I Property Level Leasing Updates Fund 2

31 suites are currently vacant with a wtd avg downtime of 9 months as of 1Q 2025 and an additional forecasted lease-up time of 5 months starting 4/1/2025. 3857 Miller and 7550 Crescent are not included in the below list

# Planned Dispositions I Fund 2

Removing the dispositions from the overall portfolio reduces the vacancy by just under 6%.

# Economic Occupancy I 2025 Forecast – Fund 2

Fund 2 is projected to have an economic occupancy < 84% at year end 2025 per the 1Q25 Reforecast; down 1.37% compared to 2025 Budget. Overall, there is a minimal variance Vacant spaces, Terminations and 2025 Rollovers are closely monitored and modeled in the forecast

# Markup to Market Projection – Based on March 2025 11 Yr CFs

~19% M2M as of today at 100% Economic Occupancy. Market Rent Growth used in the current Forecast Manager book is conservative compared to previous books. The 5 Yr CAGR is 4.0% With 2025-2026 having a large amount of lease rollover, the M2M reduces following year two. In the August book analysis, the 2024 estimated M2M at 100% occupancy was 28.2%,
...

## Leasing Spreads & Downtime

# Q1 2025 l Signed Leases – Fund 2 (Page 1/2)

4 New Leases and 14 Renewals/Expansions signed in Q1-2025

KEY HIGHLIGHTS

Vie De France exercised a fixed renewal option. BP assumed 95% probability on the fixed option. Rate was increased slightly by baking in minimal capital for HVAC improvements. G&W Products exercised a fixed renewal option.

# Q1 2025 l Signed Leases – Fund 2 (Page 2/2)

4 New Leases and 14 Renewals/Expansions signed in Q1-2025

KEY HIGHLIGHTS

Keller Warehousing lease renewal moved quickly and the team was unable to complete a credit check – this was a renewal and the tenant had a strong payment history and no outstanding balance. Content exercised their two year option but there was difficulty agreeing on rent. As a result, FP engaged an appraiser per the lease requirements, landing on $15.50 PSF. Given the ...

# Q1 2025 | Market Level Summary – Fund 2

Fund 2 achieved an 11% leasing spread in Q1 and exceeded business plan expectations. Escalations averaged 3.73%, about 100 bps above original business plan and in line with the R&D teams benchmark based on size and market.

1. Deals represent executed leases with term > 12 months 2. Rent Increase over Prior Lease calculation excludes spaces that were previously vacant

# Quarterly Trend I Fund 2 Leasing Spreads Achieved

Fund 2 lease executions were in line with forecast manager in Q1 and continued to outpace business plan.

Fund 2 continues to execute leases at rates above the prior lease with an 11% leasing spread achieved in Q1. This was slightly diluted by several fixed renewal options and lease arbitration cases during the quarter.

# Downtime Quarterly Trend | Fund 2

Fund 2 downtime is exceeding UW DT as of Q1-2025 due to a drag created by long standing vacancies. Current vacancies have been sitting an average of 8.4 months, above the underwritten 7.8 months.

# Leasing Performance since Inception l Fund 2 Stats

Leasing spreads during the quarter were lower than historical averages, mostly driven by several fixed renewal options and baseball arbitration required for several leases.

Executed leases have an escalation ~1% higher than UW assumption (2.73% UW vs 3.73% executed)

Renewal Rate peaked in Q1 at 72%, above the 60% trend Fund 2 has historically seen.

# Portfolio Trends

# Leasing Performance since Inception I Overall Portfolio Stats (Fund 2 & 3)

249 Leases signed since inception with a Wtd. Avg. Rate of $8.07 and Wtd Avg. Term of 5 years Leasing Activity achieved a spread of 32% over prior leases and 10% over Business Plan New Leases achieved a higher rate spread over Business compared to Renewals. However, when adjusted for below market fixed option renewals, Rexy comparisons disprove a renewal ...

# Quarterly Trend l Portfolio Leasing Spreads Achieved (Fund 2 & 3)

Faropoint leasing activity to date has achieved an average ~33% spread over prior lease rates, and ~12% spread over Business Plan. Over the past 10 quarters, FP leasing achieved an average 8.0% spread over Forecast Manager assumptions.

# Portfolio Downtime since Inception | How is actual Downtime trending?

74% of signed new leases between signed since inception both the funds have a downtime < 6 months. This is in-line with the standard leasing assumption used in UW. ~22% of signed new leases since inception exceeded UW downtime. 39% of the leases that exceeded UW downtime occurred in the past year. The data set represents ~127 new leases signed since inception.

# Portfolio Downtime since Inception I How is actual Downtime trending?

# Tenants Lost l Impact on Renewal Rate (Fund 2 & Fund 3)

The past quarter saw a total of 19 tenant move-outs across markets, varying in size ranges. Four of the move-outs were a result of a business closure/financial difficulty and one was the result of an eviction.

AR (Operational Overview)

# Fund 2 l Tenant AR Summary

How are the tenants from Q4 trending?

Collections for Level 1 tenants have cleared up their 60+ day balance Level 2 tenants have cleared up their 60+ balance driven by Bengal write-off Level 4 tenants continue to accrue a balance, increasing from $1.2M to $1.47M, predominantly driven by TexPac (TX) & RPI (NJ) Prior Level 4 tenants, Motorvation (GA) and Titan Solar (TX), have been removed and written-off

4 new tenants added to the Level 4 default pool 3 tenants vacated at natural expiration, CCL Label, Jack Daniels & Webtech Go Mini's in Ohio assigned parking lease to Oras Express. December balance to be written off for month of transfer. 4 new tenant added to the Level 3 payment plan pool KJ's Discount Outlet (Apollo TT) in Atlanta - TT occupies ~19K SF and hasn't honored ...

New Activity emerging in Q1

# Fund 2 | Level 4 Tenants

Detail of Level 4 Tenants

# Fund 2 | Level 3 Tenants

Detail of Level 3 Tenants

# AR Monitoring I Loan Pools

The Apollo Loan has 4 tenants that are being monitored and are currently not an issue Averr Aglow (2100 Boggs) has been upgraded to a Level 3 tenant because they are delinquent on their county personal property tax, a defaulting event under the lease. Open CAM cap dispute and has agreed to but payment remains is pending KJ's Discount Outlet LL (4450 Commerce) is ...

No Major Tenants are failing in Fund 2 Loan Pools from an AR perspective.

Dispositions

# Disposition Case Study l 14 Morris Avenue l Maple Shade, NJ

An opportunity was presented to sell a highly functional, standalone warehouse in the densely populated Burlington County submarket to an Owner/User. The Buyer, Eastern Lift Truck Co.Inc, owns multiple neighboring assets and their strategic acquisition gave them controlling interest. Closing occurred on October 9h and the building was sold vacant. During Faropoint's ...

“Gross IRR" represents target returns before Fund level fees, expenses and carried interest; "Net IRR” represents the annual compounded internal rate of return on a leveraged basis after deductions for management fees and carried interest based on a hypothetical liquidation of the property at the estimated net asset value (NAV). The calculations include theoretical distributions ...

Well located functional building sold at a significant margin

OPEN – AM

# Disposition Case Study I 187 Bobrick I Jackson, TN

An opportunity was presented to sell a highly functional, standalone warehouse in the Jackson, TN market to an Owner/User. The Buyer, Bobrick Water owns neighboring assets and their strategic acquisition provided the ability to expand their existing operation in the area. Closing occurred on October 25th and the building was sold vacant. During Faropoint's acquisition, the ...

“Gross IRR" represents target returns before Fund level fees, expenses and carried interest; "Net IRR” represents the annual compounded internal rate of return on a leveraged basis after deductions for management fees and carried interest based on a hypothetical liquidation of the property at the estimated net asset value (NAV). The calculations include theoretical distributions ...

Vacant building sold at a significant margin

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# Financial Overview

# Balance Sheet

Fund Reserves Fund Reserves = Net Current Assets + Credit Facility Availability Q1 Results = Q1-25 Fund Reserves of $47.1M, a decrease of $3.9M from the Q4-24 Fund Reserves of $51.0M -> Mainly due Distribution of $ 4.6M. Investment Property FMV: as of Q1-25 is $1,252M (TC of $1,024M) - represents 22% unrealized appreciation Dispositions: ITD -> 18 dispositions, $128.3M ...

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Key Takeaways

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# Balance Sheet

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Key Takeaways

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# Profit and Loss

Net Operating Income Decrease of $300K in NOI during the quarter (as projected based on budget) Overall, YoC has decreased to 5.45% (compared to YoC of 5.55% in Q4-2024) G&A: G&A expenses were around ~60bps of equity, consistent with prior quarters According to our projection, the expected 2025 run rate should be around ~75bps Other One-Time Income, Net Q1 ...

Key Takeaways

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# Properties NOI Actuals vs. Budget

Net Operating Income (NOI) Overall, Q1-2025 NOI aligns with the budget Total Income Total income is generally in line with the budget Other Income Includes $65K from a forfeited security deposit of a vacated tenant, as well as late and holdover fees Operating Expenses (OpEx) Slightly above budget due to $150K expected to be billed back from tenants, and approximately ...

Budget column represents 2025 property-level budgets.

Key Takeaways

Actuals vs. Budget Analysis includes all properties of the Fund as of Q1-2025, excluding 6704 North 54th Street (acquired during Q4 2024).

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# Same Store Analysis

Key Takeaways

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Overall Same Store NOI decreased ~$0.4M in Q1 2025, compared to Q4 2024 Operating Expenses Operating expenses increased by $500K, primarily due to Snow Removal and Gas/Fuel costs, which combined for about $400K, which are cyclical. Expense increases in line with Q1 budget Bad Debt Expense A number of collections of amounts that were previously written off ...

1

2

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3

Includes all properties of the Fund as of Q1-2025, excluding 6704 North 54th Street (acquired during Q4 2024).

Q4-2024 SS NOI is adjusted to reflected allocable fair share of the 2024 Cam Rec additional income.

# Same Store Analysis - QoQ Trend

Key Takeaways

We observe a similar trend of stagnation or slight decrease in Same-Store NOI and the run rate. Conclusions Negative net absorption, along with tenants going dark or not paying for various reasons, had a greater impact on NOI than the increase in base rent achieved through higher-than-projected leasing spreads on new leases. Based on the diversification of tenant
...

*Note: Physical Occupancy adjusts for tenants who are in spaces but not currently paying prior quarters. SSNOI was adjusted to reflected the fair share of the Cam Reconciliation for the period.

92.4%

94.4%

88.3%

94.9%

Adj. Physical Occupancy*

89.5%

# NOI to AFFO Analysis

Key Takeaways

Core FFO decreased this quarter to 3.1%, primarily driven by higher operating expenses dragging down NOI. Core FFO was impacted by the following: G&A G&A expenses were around ~65bps of equity According to our projection, the expected 2025 run rate should be around ~75bps Prior Year (Expense) *$400K correction of 2024 CAM Rec in Q1 2025 Payout Ratio for ...

1

2

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*Note: Prior quarters results were adjusted to reflected the fair share of the Cam Reconciliation for the period.

## Fund Performance – Non-GAAP Financial Measures

### Key Takeaways

Prior quarters YoC%/FFO/AFFO was adjusted to reflected the fair share of the CAM Reconciliation for the period.

# Valuation Summary – Q1 2025

Key Takeaways

# Valuation Summary – FMV Summary over Time ($M)

# AR Trend Summary Q4 ‘24 -> Q1 ‘25

Key Takeaways

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Net AR Balance decreased by $1,247K during Q1 2025 Bad Debt Recovery: The Bad Debt Recovery is composed of Actual Write offs and specific bad debt allowance 18 Railroad –additional A/R write-off in Q1 compared to Q4 provision Two highest AR collections netted ~$0.5M from 1157 Battlecreek (Motorvation) & 200 Rike (Greif) General Allowance Calculated in accordance ...

* As part of the technical billing cycle in Q1’25, $1.1M was recorded as revenue but later reversed as part of a specific bad debt allowance

# Bad Debt % out of Revenue

Key Takeaways

As of the end of Q1 2025 we have observed a decrease in bad debt from the peak in 2024. This is due to more collections on previously written off balances than in prior year and higher collection of written off balances than expected. Historically, particularly in 2021 and 2022, there were instances where, instead of recording bad debt, revenue was reversed at the property ...

# A/R Specific Allowance - Deep Dive

# CAPEX, Tenants Improvements & Leasing Commissions

Property Improvements includes non-recoverable CapEx items + CM Fees

Property Improvements per Square Foot (SF) is calculated as Property Improvements for the quarter divided by the WASF (Weighted Average per Square Foot) for the period

Key Takeaways

Q1 2025 Property Improvements of $1.9M in Q1-25 Represents 24.7% out of the Fund's NOI and $0.74/SF for the quarter Inception to Date Inception to date the Fund has invested $54.3M in Property Improvements, TIs and LCs ***A reference point is missing to compare with business plan or relevant budgets – pending to work with AM/CM in 2025.

Turnover Costs represent the estimated obligations incurred in connection with the signing of a lease; including leasing commissions and tenant improvements

# Main Debt Covenants Overview

# Distributions Considerations

# Fund Reserves

Key Takeaways

Fund Reserves = Net Current Assets + KeyBank Credit Facility Availability Net Current Assets = Current Assets – Current Liabilities (including security deposit liabilities on leases coming due in <12 months) Key Drivers Impacting Fund Reserves during the Quarter: (-) 10Y Treasury Rate: KeyBank Availability calculation models the Implied DSCR based on the T12 10-Year ...

# Properties NOI Actuals vs. Budget – Apollo

$181M WA Total Cost

1.7M SF

29 Buildings

Net Operating Income (NOI) Overall, Q1-2025 NOI aligns with the budget Total Income Total income is generally in line with the budget Non-Recoverable Expenses 5070 Minola - $8K Gas & Fuel overbudget 1157 Battlecreek$12K R&M unbudgeted Various - $10K Roof Repair unbudgeted Bad Debt Expense During the quarter, we recovered some previously recognized bad debt, ...

Budget column represents 2025 property-level budgets.

Key Takeaways

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# Effective Interest Rate

CAP Amortization excluded from the P&L. Per IFRS, it is presented at its FV on the BS. Amortization is the way to reflect the Cap acquisition cost in the Effective Interest Rate (EIR).

Our Hedging vehicles are proving effective, reducing the Fund's EIR by ~86bps in Q1-25 ~106bps reduction without non-cash CAP Amortization effect, (i.e., on a cash flow basis)

# G&A Breakdown – Q1 2025

2025 G&A Run Rate is 75bps, excluding management fees & feeder expenses Most expenses are non-controllable expenses Audit Fees – based on 2025 engagement letter with KPMG Tax Compliance Fees – based on 2025 engagement letter with EY Administrator Fees – based on 2025 engagement letter with EA RESIG Valuation Fees – based on 2025 engagement letter with ...

Key Takeaways

# Insurance Proceeds

Since the fund's inception, we have received over $7.0 million in insurance proceeds, impacting the financial statements and various KPIs as follows:

# Termination Fee

Fund Forecast

Full Fund Forecast

# Fund Forecast I Overview of Fund Timeline

Key Takeaways

The Fund Initial Closing was in April 2021 with an initial fund term of 6 years with two 12-month extensions (6+1+1) The Fund is currently in the market for a ~$308M Refinance of 61 Properties expected to close in July

Dec ‘21

Dec ‘22

Dec ‘23

Dec ‘24

Dec ‘25

Apr ‘21

Dec ‘26

Dec ‘27

# Fund Forecast l Identified Dispositions

Key Takeaways

There have been 18 dispositions in the fund to date, with a total sales price of ~$132.3M The model assumes 12 dispositions in 2025 totaling ~$68.8M of sales price, largely misfits with quality or location issues The Investments Team has identified an additional 12 assets for disposition in 2026 and on, those are not modeled here

*Sale Price derived from Q1 2025 FMV

Forecasted Dispositions

Actual & Forecasted Dispositions

# Fund Forecast I Yield on Cost Trends

Key Takeaways

Significant increase to yield on cost projected throughout 2026 and 2027 Projections below reflect an adjusted NOI factoring in a bad debt assumption of 2% in 2025 and 5% in 2026 & 2027 Projections below reflect Forecast Manager (FM) book closed in April 2024

# Fund Forecast I Capex, TI & LC Trends ($M)

Key Takeaways

CapEx fluctuates over time, with it peaking in 2026 at $20.8M Accumulated CapEx and TI/LC reach ~$112.9M for the fund by the end of 2027

# Loan & Hedging Maturities

We are here – April ‘25

Dec ‘21

Dec ‘22

Dec ‘23

Dec ‘24

Dec ‘25

Dec ‘26

Dec ‘27

Revolver

Term Loan A

# Fund Forecast l Hedging Overview

Key Takeaways

In Q1 2025, our weighted average hedging was 97.8% We closed on a $112.5M loan with Apollo at an all-in rate of 6.04% in February We already have $95M of forward swaps in place to account for the expiration of the $140M cap in April 2025 To maintain REIT compliance, $20M of a swap was sold in September 2024 to prevent fund from being over hedged after recent ...

Note: All-in interest rates and % hedged graphs represent weighted averages throughout each year SOFR forward curve taken as of 4/21/2025

$140M cap expired 4/16/25

$20M swap sold Q3-24

$200M in swaps expire 12/16/26

# Fund Forecast I Effective Hedging Analysis

$140M cap expired 4/16/25

$200M in swaps expire 12/16/26

Key Takeaways

We are tracking to be above our hedging target in each quarter until Q1 2027 when $200M in swaps expire We already have $95M of forward swaps in place to account for the expiration of the $140M cap in April 2025 The hedging trend remains above 90% throughout 2025 as the cap expiration is offset by $68.8M of dispositions and the $95M in forward swaps commencing

May 2026: Revolver Expires

Dec 2026: $104M TL A Expires

Jun 2027: $267M TL B Expires

# Fund Performance Overview I Quarterly FFO & AFFO Forecast

Key Takeaways

Gap between FFO and AFFO is largest in Q1 through Q3 2025 due to high CapEx, TI & LC in these quarters The AFFO is at lowest in Q2 2025 due to $8M of CapEx, TI & LCs occurring in this quarter alone

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# Financing Strategy & Summaryl $308M Refi

Key Takeaways

The fund is actively in the market for refinance of 61 assets totaling 3.5M SF and is expecting proceeds of ~$308M Once the refi is closed the fund plans to pay off the $104M Term Loan A, Term Loan B down from $267.5M to $100M and keep $50M commitments on the revolver (to be extended May 26') to fund future CapEx, TI, and LCs

Metrics as of 3/31/2025 $308M loan is the estimate provided by the CBRE debt team sizing off an 8.0% Debt Yield

# Fund Performance Overview I Quarterly FFO & AFFO Forecast

Key Takeaways

If we complete the partial refi of the stabilized pool, the FFO decreases by $1.0-1.5M per quarter due to the higher debt balance of the fund after the refi AFFO will be negative until Q4 2026 in the scenario where we complete the partial refi

Identified Dispositions & $308M Refi

Identified Dispositions & No Refi

# Fund Performance Overview I Distribution Forecast

Key Takeaways

If we complete the stabilized pool refi in Q3 2025, we expect to be able to distribute $75M of surplus proceeds to investors In this case, we assume that after the refi we are able to maintain Core FFO distributions by funding Capex, TI & LC of all properties through the NOI growth of the unstabilized credit facility pool

Identified Dispositions & $308M Refi

Identified Dispositions & No Refi

# Fund Performance Overview I IRR Forecast

Key Takeaways

IRR and equity multiple calculations assume fund is sold at the end of 2027 (i.e., Jan 1, 2028) and factor in all side letters When factoring in the pending dispositions, the total sale price of the fund is ~$1.40B at the base case 5.85% exit cap The partial refi boosts the IRR by ~10bps by allowing us to distribute proceeds back earlier but also allowing us to maintain distributions by ...

End of Year 2028 Sale

Identified Dispositions & No Refi

End of Year 2028 Sale

Identified Dispositions & $308M Refi

# Fund Forecast I Debt Covenants

Key Takeaways

Once the T12 expense fully reflects the impact of the $308M refi, the FCCR is expected to bottom out at 1.54x, leaving a 0.04x buffer with the 1.50x covenant. This is due to ~$90M incremental loan proceeds at ~6.0% interest rate It is recommended that the we approach KeyBank to lower or remove the covenant if we continue with the refinance The higher debt service from the ...

# Debt Availability and Distribution Forecast

# Debt Availability Forecast I Previous to Current Comparison

Key Takeaways

Our current availability forecast is generally in line with where we were at the end of last quarter However, compared to the debt availability forecast used to sign-off $70M new acquisitions in the fund, the current forecast projects significantly less availability In September, the SOFR forward curve projected the 10Y Treasury at ~3.75% for 2025, compared to ~4.10% now. This increase ...

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# Debt Availability Forecast | Base Case

Key Takeaways

We project to project to be in compliance with the DSCR covenant in all quarters with no dispositions in the base case scenario This assumes that we freeze distributions starting next quarter until Q2 2026 Assumes that all assets not sold and not in the Apollo pool are included in the credit facility calculation. The pending Apollo asset swap is reflected here The graphs to the left ...

No Dispos

# Debt Availability Forecast I Stress Test

Key Takeaways

This scenario applies 50bps increase to the 10Y Treasury and 5% decrease to projected NOI In the stress test scenario, we fall out of compliance in Q4 2025 through Q2 2026, even when pausing distributions Assumes that all assets not sold and not in the Apollo pool are included in the credit facility calculation. The pending Apollo asset swap is reflected here The graphs to the left ...

No Dispos

# Debt Availability Forecast I Base Case

Key Takeaways

We project to be in compliance with the DSCR covenant throughout 2025 and 2026 after the disposition of $68.8M of assets through out 2025 With the dispositions we project Q4 2025 and Q1 2026 debt reserves of $65.1M and $60.0M respectively Assumes that all assets not sold and not in the Apollo pool are included in the credit facility calculation. The pending Apollo asset ...

With Dispos

# Debt Availability Forecast I Stress Test

Key Takeaways

This scenario applies 50bps increase to the 10Y Treasury and 5% decrease to projected NOI In the stress test scenario, we stay in compliance with the DSCR Covenant for the remaining life of the fund Debt reserves are projected to be at the lowest level in Q1 2026 at $23.8M Assumes that all assets not sold and not in the Apollo pool are included in the credit facility calculation. The ...

With Dispos

# Debt Availability Forecast I Fund Reserves

Key Takeaways

When factoring in $2.7M of Net Current Assets, the total Fund Reserves reach a stress case minimum of $26.5M in Q1 2026 In addition, reserves are boosted by $43.5M from the planned asset dispositions throughout 2025

With Dispos

Refi IRR Deep Dive

# Refi Impact Analysis I Incremental Cashflow

## Key Takeaways

Without refi, we can maintain average $5.5M distributions per quarter, or $22M per year The refi has $10M closing costs plus additional $35M interest expense The cost of the $230M upfront distribution is $22M per year, or 9.7% return. Since the fund is at 10.6% IRR, the benefit of refi is only 0.9% for 2.5 of 7 years, or 20bps on IRR

# Apollo Refi | Debt Yield Covenant Analysis

Key Takeaways

Apollo DY covenant was only slightly above the threshold in Q1 due to the $670k write off from Spartan Equity and $190k from Ashanti Films The DY threshold steps up from an 8.75% to 9.00% DY in Q1 2026 DY NOI cushion is forecasted stay around $0.4M until Q1 2025 when it will start to steadily increase by $0.3-$0.4M per quarter throughout 2025

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# Debt Availability Forecast | Previous to Current Q2 2025 Stress Test Waterfall

Key Takeaways

4 dispositions added to the model (7903 Webbles, 3333 N Canal, 187 Bobrick, 225 Bobrick) for ~$20M sale proceeds created +$13M net availability boost Increase from $1.44M to $2.80M One-Time Income & A/R 60+ adjustment, creating ($12M) change to availability ($2.8M) change to T12 stress test NOI in Q2 2025 due to change from previous to new FM 50bps increase to ...

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Apollo Forecast

# Apollo Forecast I Yield on Cost Trends

Key Takeaways

Significant increase to yield on cost projected throughout 2026 and 2027 Projections below reflect unadjusted Forecast Manager NOI before factoring in any bad debt assumption (although 2% bad debt is applied to cashflows for IRR) Projections below reflect Forecast Manager (FM) book closed in January 2025

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# Apollo Forecast | Capex, TI & LC Trends ($M)

Key Takeaways

CapEx fluctuates over time, with peak years in 2024 and 2026 Accumulated CapEx and TI/LC reach ~$96.0M for the seed portfolio by the end of 2028

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# Apollo Forecast | Debt Covenant Analysis

Key Takeaways

The Debt Yield Covenant increases from 8.75% to 9.00% in Q4 2025 and to 9.25% Q4 2027 Due to downtime and concessions in 2026, we see a reduction in the DY to 9.66% in Q3 2026 (still above 9.0% covenant) An additional 5% vacancy/credit loss factor is applied to T12 NOI in all quarters to be conservative, regardless of actual vacancy

Debt Yield Covenant uses T12 NOI for calculation

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# Credit Facility Forecast

# Credit Facility Forecast | Yield on Cost Trends

Key Takeaways

Significant increase to yield on cost projected throughout 2026 and 2027 Projections below reflect unadjusted Forecast Manager NOI before factoring in any bad debt assumption (although 2% bad debt is applied to cashflows for IRR) Projections below reflect Forecast Manager (FM) book closed in January 2025

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# Credit Facility Forecast | Capex, TI & LC Trends ($M)

Key Takeaways

CapEx fluctuates over time, with peak years in 2024 and 2026 Accumulated CapEx and TI/LC reach ~$96.0M for the seed portfolio by the end of 2028

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# Appendix

# Definitions (Continued)

# Definitions (Continued)

# Definitions (Continued)

# Same Store Analysis - Apollo

$180M (16.9%) WA Total Cost

1.7M (16.3%) SF

29 Buildings

Ready for Review – Fund Finance

# Escrows: Required Repairs- Apollo

Key Takeaways

2024 Required Repairs Release

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# KeyBank Q4 2024 Compliance – Quarterly Availability Trend Analysis

# KeyBank Q1 2025 Compliance - FCCR

Key Takeaways

Fixed Charge Coverage Ratio “FCCR” Increased to 1.85x as of Q1-25, up from 1.79x as of Q4-24. Cushion (Nominal Amount) Increased to $9.3M as of Q1-25, up from $7.7M as of Q4-24. Consolidated Interest Expense Incremental decline in Consolidated Interest Expense as we continue to utilize proceeds from asset dispositions to pay down the KeyBank facility, reducing our
...

One-Time Income Within our reported EBITDA, we have included approximately $5.6M of one-time income, primarily from Insurance Proceeds. It's important to note that this income was excluded from the Adjusted NOI for the DSCR calculation as per the definitions set in the credit agreement to calculate the Availability.

Key Considerations Recorded at the Fund-level, NOT at the individual Property-level Definition – Balance of Tenant A/R we estimate will not be collected in the future Based on: A/R aging schedule Historical fund-level data

A/R General Allowance - Deep Dive

Financial Metrics Impact Property-Level  No impact on the tenant ledgers or A/R balance for the Fund. Fund-Level  YoC – No Impact NOI for Bank Covenants - No impact FFO - Impact Core FFO (Distribution Decision) – Impact Audited P&L - Impact

DONE – Fund Finance

# Recovery Ratio Analysis

Key Takeaways

Fund 3 margins are higher the fund 2 (add) FM represent margins off? RDCF Represen

Place Holder for Occupancy data (physical and economical)

Not sure will be presented- subject to finalization and verification

OPEN – Fund Finance

# AR 60+ Days : Quarterly Trend

60+ Day AR increased significantly by 83.24% or $882K in 1Q24. This is predominantly driven by (3) Tenants: Bengal +$287K Spartan Equities +$196K RPI +$110K Known delinquent and/or bankrupt tenants are the drivers of the below increase There are no additional failing tenants this quarter

OPEN – Corp Finance

# Disposition Activity Overview

Impact on Fund NAV

Property Dispositions impact the Fund on 4 Levels throughout the quarter: Cash: The property sales generated $11.3M in net sale proceeds received by the Fund. Debt Availability: Selling the properties improves our availability, but not by the full $11.3M since the NOI used for the availability calculation decreases due to the sales. Capital Statement: From an IR perspective, $4.1M ...

QTD In Q3 2024, completed the sale of 2 assets generating $11.3M net sale proceeds (after closing costs) received by the Fund: 14 Morris Ave (PA) - $5.9M Net Sale Proceeds 187 Bobrick (TN) - $5.4M Net Sale Proceeds ITD Inception to date, completed the sale of 18 assets generating $128M net sale proceeds (after closing costs) received by the Fund: Realized Gain (Net ...

Key Takeaways

OPEN – Fund Finance

# Maximum Distributions Payout

Total Remaining 2024 Distribution of 3%

Maximum Distributions Payout

T12 EBITDA - T12 Finance Costs + T12 Realized Capital Gains - Capital Item Exceeds _ T12 Maximum Distributions

Mar 23

Max Distribution of ~9% = (3% * 4 Qtrs) – (3% Q3)

3% Q3 Dist

Jun 23

Sep 23

Dec 23

Mar 24

# Run Rate NOI Methodology

DONE – Fund Finance

OPEN – Fund Finance (in progress)

# Executive Summary I Key Takeaways

Debt Availability: We will go out of compliance in the stress test without dispositions, so it is important that we make sure to execute on the disposition plan Distributions: Apollo Refi: Project Double Refi: Development Projects (Miller & Crescent): Dispositions: Benigno went hard and Kennedy likely to go hard soon Occupancy

OPEN – Fund Finance

# A/R Aging & Trend Analysis

* Net Collections is an adjusted figured, representing aggregate gross collections during the Quarter less new billings during the quarter.

Key Takeaways

Q1 2024: A Stable Start to the year began with relatively low overdue A/R ($636K) and manageable total A/R ($2.73M). Collections appeared to be in control, with minimal write-offs ($63K). Q2 2024: Faropoint wrote-off a large sum of the A/R we didn’t expect to collect. The overdue A/R began to rise to $952K, and total A/R declined slightly to $2.1M. A Few receivables ...

Fund 2 Performance Review I Q2 2025

July 2025

# Pending Changes Tracker | Q2 2025 FPR

# Executive Summary I Key Areas to Monitor

# Executive Summary | Key Areas to Monitor

# Executive Summary I Key Areas of Monitor

# Executive Summary I Portfolio ID

As of March 31st, 2025

Metrics exclude property dispositions through 3/31/25 (1)According to quarterly valuations (still open for Q1 appraisal adjustment) (2)Represents adjusted physical occupancy based on SF occupied at end of quarter after removing leases with pending terminations

Market Allocation by Purchase Price

Gateway Markets

Primary Growth Markets

Secondary Value Markets

Primary Value Markets

Secondary Growth Markets

OPEN

# Executive Summary I Portfolio ID

As of June 30th, 2025

Market Allocation by Purchase Price

Gateway Markets

Primary Growth Markets

Secondary Value Markets

Primary Value Markets

Secondary Growth Markets

Metrics exclude property dispositions through 6/30/25. According to quarterly valuations (still open for Q2 appraisal adjustment). Represents physical occupancy based on SF occupied at end of quarter (and does not consider tenants with free rent/concessions as vacant). Adjusted for tenants who are in spaces but not currently paying. As of June 30, 2025. Represents ...

Refers to assets that are currently on the credit facility. Data as of March 31, 2025. Yield on Cost at acquisition – YOC using acquisition in-place NOI, Yield on Cost at current – run rate YOC as of March 31, 2025. NOI at acquisition is based on the first month's underwritten NOI, annualized. Current NOI reflects annualized quarterly income net of recoverable and non-recoverable ...

Operational Summary - Current Properties

Asset Management Operational Review

# Fund Occupancy

# Contract Occupancy I Net Absorption – Fund 2

Several move outs in Q2 lead to a negative net absorption of ~200K SF End of quarter contract occupancy is 89.1% Terminated tenants that are still showing in contract occupancy account for ~101K SF and make up ~1% of the portfolio. Adjusted occupancy of Fund 2 is ~88.1% 2Q25 SF is adjusted by 2,696 SF to match current reports, primarily driven by historical minor changes in ...

Fund 2 has had six consecutive quarters of negative net absorption. The focus now remains on leasing and selling outstanding vacancies.

# Physical Occupancy I Net Absorption – Fund 2 Cont.

# Current Vacant Spaces I Property Level Leasing Updates Fund 2

32 suites are currently vacant with a wtd. avg downtime of 8 months as of 2Q 2025 and an additional forecasted lease-up time of 5 months starting 7/1/2025. *3857 Miller and 7550 Crescent are not included in the below list *The Asking Rent PSF is per FM, and is in-line with CBRE market rents

# Top 10 Vacant Spaces I Property Level Leasing Updates Fund 2

Of the 10 major vacancies, four have been sitting for over 10 months. We are currently targeting a disposition for six of the 10, and one of them, 1211 Ford, is under contract and scheduled to close in early September.

# Planned Dispositions I Fund 2

Removing the dispositions from the overall portfolio reduces the vacancy by just over 6%. Of the 24 dispositions listed, 2 have gone hard, 4 are in LOI negotiation, and 18 are in active marketing or in the planning phase.

# Economic Occupancy I 2025 Forecast – Fund 2

Economic Occupancy methodology updated this quarter to align with Fund Finance and now uses NOI as defined by the ‘FPR P&L Account Tree’ Fund 2 is projected to have an economic occupancy of 80.9% at year end 2025 per the 2Q25 Forecast; Vacant spaces, Terminations and 2025 Rollovers are closely monitored and modeled in the forecast The 2Q25 Forecast ...

Please note: Aligned Economic Occupancy methodology takes Concessions + Vacancy over NOI + Concessions + Vacancy. Net Operating Income is per the FPR P&L account tree which has legal costs, marketing etc. below NOI, previously included in non-recoverable expenses

# Markup to Market Projection – Based on July 2025 11 Yr CFs (updated with CBRE numbers)

~20.0% M2M as of today at 100% Economic Occupancy. Market Rent Growth has declined compared to previous forecast, down from 4.0% to 3.8% 17% of occupied space expires in next 12 months (vs 11.4% for Fund 3)

# Leasing Spreads & Downtime

# Q1 2025 I Signed Leases – Fund 2

4 New Leases and 1 Renewals/Expansions signed in Q2-2025. An additional 4 short term renewals/new leases under 12 months were executed in Q2.

KEY HIGHLIGHTS

DEAL NOTES  Trident Exlm, Chicago- New lease with current sub-tenant, now direct with LL with increased security deposit and 6 personal guarantors (all partners) on the lease Olive My Pickle, Jacksonville - 26% bump year 1 then 4% escalations in the following years (used 4% to not skew averages)

# Q1 2025 I Market Level Summary – Fund 2

Fund 2 achieved a 42% leasing spread in Q2, surpassing the overall portfolio at 29%. Escalations outperformed business plan target of 2.74%, achieving 3.93% for the quarter.

1. Deals represent executed leases with term > 12 months 2. Rent Increase over Prior Lease calculation excludes spaces that were previously vacant

# Downtime Quarterly Trend I Fund 2

Fund 2 downtime is exceeding UW DT only slightly as of Q2-2025 due to a drag created by long standing vacancies. Current vacancies have been sitting an average of 8.0 months, above the underwritten 7.9 months.

*"Months to lease" – pulled from CoStar (7/25/25) for industrial properties 20-200KSF in FP markets

# Leasing Performance since Inception I Fund 2 Stats

Leasing spreads during the quarter outpaced historical performance at 42%.

Executed leases for the quarter have an escalation about 120 bp higher than UW assumption (2.74% UW vs 3.93% executed).

Renewal Rate has been 68% over the last year, in line with the overall portfolio. This last quarter renewal rate dropped to 17%, though this only represented six tenants.

# Quarterly Trend I Fund 2 Leasing Spreads Achieved

Fund 2 lease executions were approximately 5% above forecast manager in Q2 and 18% above business plan.

Fund 2 continues to execute leases at rates above the prior lease with a 42% leasing spread achieved in Q2.

# Q2 2025 I External benchmarking

Lease escalations based on FP lease table; other metrics pulled from CoStar (7/25/25) for industrial properties 20-200KSF in FP markets

Portfolio Trends

# Leasing Performance since Inception l Overall Portfolio Stats (Fund 2 & 3)

252 Leases signed since inception with a Wtd. Avg. Rate of $7.28 and Wtd Avg. Term of 5.0 Leasing Activity achieved a spread of 40% over prior leases and 10% over Business Plan New Leases achieved a higher rate spread over Business compared to Renewals. However, when adjusted for below market fixed option renewals, Rexy comparisons disprove a renewal bias.

# Quarterly Trend I Portfolio Leasing Spreads Achieved (Fund 2 & 3)

Faropoint leasing activity to date has achieved an average ~40% spread over prior lease rates, and ~10% spread over Business Plan.

# Portfolio Downtime since Inception I How is actual Downtime trending?

74% of signed new leases since inception in both funds have a downtime < 6 months. ~22% of signed new leases since inception exceeded UW downtime. 28% of the leases that exceeded UW downtime occurred in the past year. The data set represents ~132 new leases signed since inception.

# Tenants Lost I Impact on Renewal Rate (Fund 2 & Fund 3)

The past quarter saw a total of 17 tenant move-outs, of which 11 were in Fund 2, across markets, varying in size ranges. One of the move outs was a result of a business closure/financial difficulty and one was the result of an eviction, both in Fund 2

AR (Operational Overview)

# Fund 2 | Tenant AR Summary

How are the tenants from Q1 trending?

Level 1 tenant 60+ balance predominately driven by 6001 Irwin (NJ) - PSEG’s prior year CAM, which is $88K and is anticipated to be collected Level 2 tenants balance remains relatively unchanged and is comprised of 17-01 Pollitt (NJ) where Kyodo is disputing electric charges and Philadelphia Hardware’s, at 7 Mary Way (NJ), where the tenant is disputing management fees ...

2 new tenants added to the Level 4 default pool CTL Global Inc in Chicago (11697 Grand) - TT terminated lease and is paying lease termination fee over 3 months; Natural LXD 4/30/2029; $0 60+ day balance MAGIC SCREEN PRINT LLC, and RETRO VERT, LLC in Atlanta (4507 Mills) - executed an early termination agreement and will vacate end of July. Natural LXD 9/30/2027; ...

New Activity emerging in Q1

# Fund 2 | Level 4 Tenants

Detail of Level 4 Tenants

# Fund 2 | Level 3 Tenants

Detail of Level 3 Tenants

# AR Monitoring I Loan Pools

The Apollo Loan has 4 tenants that are being monitored KJ's Discount Outlet LL (4450 Commerce) was previously on a payment plan and has since terminated their lease effective June 2025 Averr Aglow (2100 Boggs) has been upgraded to a Level 3 tenant because they are delinquent on their county personal property tax, a defaulting event under the lease. Open CAM cap dispute ...

No Major Tenants are failing in Fund 2 Loan Pools from an AR perspective.

# Disposition Activity Overview

Impact on Fund NAV

Property Dispositions impact the Fund on 4 Levels throughout the quarter: Cash: The property sales generated $18.2M in net sale proceeds received by the Fund. Debt Availability: Selling the properties improves our availability, but not by the full $18.2M since the NOI used for the availability calculation decreases due to the sales. Capital Statement: From an IR perspective, $3.2M ...

QTD In Q2 2025, completed the sale of 3 assets generating $18.2M net sale proceeds (after closing costs) received by the Fund: 900 Kennedy (NJ) - $6.1M Net Sale Proceeds 420 Benigno (NJ)- $6.7M Net Sale Proceeds 440 Benigno (NJ) - $5.4M Net Sale Proceeds ITD Inception to date, completed the sale of 21 assets generating $147M net sale proceeds (after closing costs) ...

Key Takeaways

# Financial Overview

# Balance Sheet

Fund Reserves Fund Reserves = Net Current Assets + Credit Facility Availability Q2 Results: Q2-25 Fund Reserves of $66M, decrease of $1M from the Q1-25 Fund Reserves of $67M – after reducing revolver commitment to $50 ($150M in Q1) Cash: $15M in JPM at a ~3.5% yield, pending distributions Investments in Real Estate FMV: $1,240M as of Q2-25 (TC of $1,013M) - ...

1

1

2

2

3

4

3

4

*Note: Promote liability is presented as of Q1-25 balance, as the Q2-25 promote is not yet approved.

# Profit and Loss

Net Operating Income Increase of $0.4M in NOI during the quarter (as projected based on budget) Overall, YoC has increased to 5.7% (compared to YoC of 5.5% in Q1-2025) G&A: G&A expenses were around ~62bps of equity, consistent with prior quarters According to our analysis, we project 2025 G&A at ~65bps out of equity ($500) Other One-Time Income, Net Q2 2025 - $800K ...

Key Takeaways

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3

# Properties NOI Actuals vs. Budget

Overall, Q2-2025 NOI was above budget, primarily due to higher base rent and bad debt recoveries. Base Rent Four tenants drove most of the positive variance: Amphenol EEC (170 Birchwood), Economy Tire (11839 Shiloh), and Werner Aero Services (19 Industrial Avenue) continued paying full base rent despite budget assumptions of no rent, reflecting lease renewals. Black ...

Key Takeaways

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3

1

2

3

4

4

# Same Store Analysis

Key Takeaways

Overall Same Store NOI increased ~$0.4M mainly due to bad debt recovery in Q2 2025, compared to Q1 2025 Base Rent Consistent QoQ, in line with decrease in occupancy Concessions Tenants (19-05 Nevins Road) vacated in current quarter were a large % of Concessions in prior quarter Operating Expenses Consistent QoQ, R&M connected to vacated properties Bad Debt ...

*Physical Occupancy adjusts for Leases pending Yardi Terminations - Includes all properties owned by the Fund as end of Q1-2025

1

2

3

4

1

2

3

# Same Store Analysis - QoQ Trend

Key Takeaways

Q2 Same Store NOI Same store NOI increased in Q2, primarily driven by successful bad debt recoveries. Same Store NOI – Yearly Trend Over the past year, same store NOI remained stable, as higher leasing spreads were offset by a decline in occupancy. Importantly, base rent per occupied square foot grew by 6%, rising from $6.70 to $7.10, reflecting the strength of our ...

*Note: Physical Occupancy adjusts for tenants who are in spaces but not currently paying prior quarters. SSNOI was adjusted to reflected the fair share of the Cam Reconciliation for the period.

92.4%

94.4%

88.3%

87.2%

Adj. Physical Occupancy*

89.5%

# Fund Performance – Non-GAAP KPIs

Key Takeaways

Core FFO increased this quarter to 3.6%, primarily driven by higher NOI. Core FFO was impacted by the following: G&A G&A expenses were around ~62bps of equity According to our analysis, we project 2025 G&A at ~65bps out of equity ($500) Payout Ratio According to the loan agreement, we include realized capital gains and exclude non-cash expenses such as financing ...

* Prior quarters results were adjusted to reflected the fair share of the Cam Reconciliation for the period.

# Fund Performance – Non-GAAP Financial Measures

## Key Takeaways

Prior quarters YoC%/FFO/AFFO was adjusted to reflected the fair share of the CAM Reconciliation for the period.

# Distributions Considerations

# Valuation Summary – Q2 2025

Key Takeaways

# Valuation Summary – FMV Summary over Time ($M)

# Same Store Analysis – Market Comparison

*Note: - Physical Occupancy adjusts for tenants who are in spaces but not currently paying prior quarters - Includes all properties owned by the Fund as of Q1-2025

Still need to provide more context and commentary

# Same Store Analysis – Market Comparison

*Note: - Physical Occupancy adjusts for tenants who are in spaces but not currently paying prior quarters - Includes all properties owned by the Fund as of Q1-2025

Still need to provide more context and commentary

# AR Trend Summary Q1 ‘25 -> Q2 ’25

Key Takeaways

1

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1

2

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Net AR Balance increased by $100K during Q2 2025 Bad Debt Recovery: The Bad Debt Recovery is composed of Actual Write offs and specific bad debt allowance Two highest AR collections (RPI Industries and Global Concentrate) netted ~$0.35M General Allowance Calculated in accordance with the General Allowance methodology, slight decrease in line with the overall ...

# Bad Debt % out of Revenue

Key Takeaways

As of the end of Q2 2025 we have observed a decrease in bad debt from the peak in 2024. So far in 2025 we were able to recover amounts that had been written off in the past. Historically, particularly in 2021 and 2022, there were instances where, instead of recording bad debt, revenue was reversed at the property level. The chart is based solely on the "bad debt expense" ...

# CAPEX, Tenants Improvements & Leasing Commissions

*Property Improvements include non-recoverable CapEx and CM Fees. **Turnover Costs represent the estimated obligations incurred in connection with the signing of a lease; including leasing commissions and tenant improvements. ***Property Improvements per WA SQFT is calculated as Property Improvements for the period divided by the WASF (weighted average ...

Key Takeaways

Q2 2025 $2.8M CapEx invested, representing 19.6% of NOI and $0.60/sqft for the quarter Inception to Date $57.1M CapEx invested, representing 28.9% of accumulated NOI 45 properties have had roof replacements, totaling ~10.4M Comparison to UW $7.6M CapEx invested compared to the initial underwriting data provided by the Construction team

# Main Debt Covenants Overview

*Note: - Yield on Cost (YoC %) calculated based on trailing-12 months adjusted NOI (T12 NOI, less: non-recurring other income and A/R +60 days outstanding - Non-recurring other income is comprised mainly of insurance proceeds and termination fee income

# Fund Reserves

Key Takeaways

FCCR = 2.01x Fund Reserves = Net Current Assets + KeyBank Credit Facility Availability Net Current Assets = Current Assets – Current Liabilities (including security deposit liabilities on leases coming due in <12 months) Key Drivers Impacting Fund Reserves during the Quarter: (-) 10Y Treasury Rate: KeyBank Availability calculation models the Implied DSCR based on the ...

# G&A Breakdown – Q2 2025

2025 Projected G&A is ~65bps, excluding management fees & feeder expenses Most expenses are non-controllable expenses Audit Fees – based on 2025 engagement letter with KPMG Tax Compliance Fees – based on 2025 engagement letter with EY Administrator Fees – based on 2025 engagement letter with EA RESIG Valuation Fees – based on 2025 engagement letter with ...

Key Takeaways

# Insurance Proceeds - Deep Dive

Since the Fund's inception, $9.3 million insurance proceeds were collected. The impact on the financial statements and various KPIs is shown below:

# Termination Fee - Deep Dive

Since the Fund's inception, $1.6 million termination fees were collected. The impact on the financial statements and various KPIs is shown below:

Fund Forecast

Full Fund Forecast

# Fund Forecast I Overview of Fund Timeline

Key Takeaways

The Fund Initial Closing was in April 2021 with an initial fund term of 6 years with two 12-month extensions (6+1+1) The Fund is currently in DD for a ~$273M Refinance of 61 Properties with JPM & CONA expected to close in September

Dec ‘21

Dec ‘22

Dec ‘23

Dec ‘24

Dec ‘25

Apr ‘21

Dec ‘26

Dec ‘27

# Fund Forecast I Identified Dispositions

Key Takeaways

There have been 21 dispositions in the fund to date, with a total sales price of ~$151.3M The model assumes 24 dispositions in the future totaling ~$151.8M of sales price, largely misfits with quality or location issues

Forecasted Dispositions

# Fund Forecast l Identified Dispositions

Key Takeaways

There have been 21 dispositions in the fund to date, with a total sales price of ~$132.3M The model assumes 12 dispositions in 2025 totaling ~$68.8M of sales price, largely misfits with quality or location issues The Investments Team has identified an additional 12 assets for disposition in 2026 and on, those are not modeled here

*Sale Price derived from Q2 2025 FMV

Forecasted Dispositions

Actual & Forecasted Dispositions

Update

# Fund Forecast I Yield on Cost Trends

Key Takeaways

Significant 89bps (i.e., 15.9%) growth to yield on cost projected in 2026 Projections below reflect an adjusted NOI factoring in a bad debt assumption of 2% H2 2025 – H1 2026 and 5% thereafter Projections below reflect Forecast Manager (FM) book closed in July 2025

# Fund Forecast l Capex, TI & LC Trends ($M)

Key Takeaways

CapEx fluctuates over time, with it peaking in 2026 at $8.7M Accumulated CapEx and TI/LC reach ~$93.3M for the fund by the end of 2027

# Loan & Hedging Maturities

We are here – July ‘25

Dec ‘21

Dec ‘22

Dec ‘23

Dec ‘24

Dec ‘25

Dec ‘26

Dec ‘27

Revolver

Term Loan A

# Fund Forecast l Hedging Overview after Refi

Key Takeaways

In Q2 2025, our weighted average hedging was 90% We have $95M of forward swaps that are now effective as of Q2 2025 to account for the expiration of the $140M cap in April 2025 We expect to close on a $273M refi in September at SOFR + 170 bps for which we will enter a swap for 3-4 years To maintain REIT compliance, some hedging will have to be sold upon the refi to ...

Note: All-in interest rates and % hedged graphs represent weighted averages throughout each year SOFR forward curve taken as of 7/23/2025

$140M cap expired 4/16/25

$20M swap sold Q3-24

$200M in swaps expire 12/16/26

$273M hedged refi brings fund over 100% hedged if no action is taken

# Fund Forecast l Effective Hedging Analysis

$140M cap expired 4/16/25

$200M in swaps expire 12/16/26

Key Takeaways

We are tracking to be above our hedging target in each quarter until Q1 2027 when $200M in swaps expire We already have $95M of forward swaps in place to account for the expiration of the $140M cap in June 2025 The hedging trend remains above 90% throughout 2025 as the cap expiration is offset by $68.8M of dispositions and the $95M in forward swaps commencing

May 2026: Revolver Expires

Dec 2026: $104M TL A Expires

Jun 2027: $267M TL B Expires

# Fund Performance Overview I Quarterly FFO & AFFO Forecast

Key Takeaways

After refi in Q3, Core FFO will drop to $2.5-3.0M for the remainder of 2025. In 2026 after refi, the Fund projects to average $4.4M (or 3.5%) Core FFO AFFO is negative in Q4 2025 and early 2026 due to significant CapEx, TIs, and LCs expected in those quarters

# Fund Performance Overview I Distribution Forecast

Key Takeaways

Starting in Q3 25, we expect to maintain ~$12-16M distributions per quarter through the 2027. However, this is dependent upon restructuring the facility payout ratio covenant to allow for larger distributions After the completing the $273M refi, we expect to be able to distribute an additional ~$75M of surplus proceeds to investors

# Fund Performance Overview I IRR Forecast

Key Takeaways

With a recap at the end of this year, the Fund generates $32.3M of total promote. However, only $17.7M of this promote will be recognized in January, with a significant additional portion unlocked in 2026. This is driven by the Standard LPA investors being at only ~8% IRR after the recap and relying on the later 2026 dispos to reach the 100% catch-up tranche The 2026 recap
...

End of Year 2025 Sale

2026 Recap with Dispos Post Recap

End of Year 2027 Sale

Identified Dispositions & $273M Refi

# Fund Forecast I Debt Covenants

Key Takeaways

With no dispositions and no refi, we are expected to maintain compliance with the FCCR in all quarters moving forward In the refi, we assume that we distribute $75M back to investors and maintain ~$12-16M distributions per quarter (associated with restructured facility covenant). Even in this case, we have a minimum FCCR of 1.48x in the stress case However, we aim to ...

# Debt Availability and Distribution Forecast

# Debt Availability Forecast I Base Case

Key Takeaways

We project to project to be in compliance with the DSCR covenant in all quarters even with no dispositions and no refi This assumes that we distribute $12.0M in Q3 2025 and the greater of FFO or $4.6M is distributed through 2027 Assumes that all assets not sold and not in the Apollo pool are included in the credit facility calculation The graphs to the left use the current 4.4% ...

No Dispos

# Debt Availability Forecast I Stress Test

Key Takeaways

This scenario applies 50bps increase to the 10Y Treasury and 5% decrease to projected NOI In the stress test scenario, we stay in compliance through the remaining life of the fund, even without pausing distributions The fund reaches has the lowest debt reserves in Q2 2026 at $6.1M The graphs to the left use the current 4.4% 10Y Treasury forward curve as 7/23/2025 per our ...

No Dispos

# Debt Availability Forecast | Fund Reserves

Key Takeaways

When factoring in $16.1M of Net Current Assets, the total Fund Reserves reach a stress case minimum of $10.2M in Q2 2026
Instead of paying off a portion of the facility with the surplus reserves, the model assumes a $12.0M distribution in Q3 2025

No Dispos

# Debt Availability Forecast | Previous to Current Comparison

Key Takeaways

Our current availability forecast is generally in line with where we were at the end of last quarter However, compared to the debt availability forecast used to sign-off $70M new acquisitions in the fund, the current forecast projects significantly less availability In September, the SOFR forward curve projected the 10Y Treasury at ~3.75% for 2025, compared to ~4.10% now. This increase ...

OPEN – Corp Finance

Refi IRR Deep Dive

# Refi Impact Analysis I Incremental Cashflow

Key Takeaways

Without refi, we can maintain average $5.5M distributions per quarter, or $22M per year The refi has $10M closing costs plus additional $35M interest expense The cost of the $230M upfront distribution is $22M per year, or 9.7% return. Since the fund is at 10.6% IRR, the benefit of refi is only 0.9% for 2.5 of 7 years, or 20bps on IRR

# Appendix

# Balance Sheet

*Note: Promote liability is presented as of Q1-25 balance, as the Q2-25 promote is not yet approved

# Effective Interest Rate

CAP Amortization excluded from the P&L. Per IFRS, it is presented at its FV on the BS. CAP Amortization reflects how acquisition costs impact the Effective Interest Rate (EIR).

Our Hedging vehicles are proving effective, reducing the Fund's EIR by ~83bps in Q2-25 ~97 bps reduction without non-cash CAP Amortization effect, (i.e., on a cash flow basis)

# KeyBank Q2 2025 Compliance - FCCR

Key Takeaways

Fixed Charge Coverage Ratio “FCCR” Increased to 2.01x as of Q2-25, up from 1.84x as of Q1-25 Consolidated Interest Expense Incremental decline in Consolidated Interest Expense as we continue to utilize proceeds from asset dispositions to pay down the KeyBank facility, reducing our exposure to floating rate debt within the portfolio

Cushion (Nominal Amount) Increased to $9.3M as of Q1-25, up from $9.3M as of Q1-25 One-Time Income Within our reported EBITDA, we have included approximately $8.3M of one-time income, primarily from Insurance Proceeds ($6M) and Termination Fee Income ($1.5M) It's important to note that this income was excluded from the Adjusted NOI for the DSCR calculation as per ...

# KeyBank Q2 2025 Compliance – Quarterly Availability Trend Analysis

# A/R Specific Allowance - Deep Dive

# A/R Aging by Market

# Same Store Analysis – Market Comparison (Appendix)

# Same Store Analysis – Market Comparison (Appendix)

# Same Store Analysis – Market Comparison (Appendix)

Definitions

# Definitions (Continued)

# Definitions (Continued)

# Definitions (Continued)

# Properties NOI Actuals vs. Budget – Apollo

$181M WA Total Cost

1.7M SF

29 Buildings

Net Operating Income (NOI) Overall, Q2-2025 NOI aligns with the budget Total Income Total income is generally in line with the budget Non-Recoverable Expenses 1157 Battlecreek - $98K Painting, landscaping, installations Various - $12K General R&M unbudgeted Bad Debt Expense During the quarter, we recovered some previously recognized bad debt, which was not included ...

Budget column represents 2025 property-level budgets.

Key Takeaways

1

2

3

In Progress – Fund Finance

# Same Store Analysis - Apollo

$180M (16.9%) WA Total Cost

1.7M (16.3%) SF

29 Buildings

OPEN – Fund Finance

# Escrows: Required Repairs- Apollo

Key Takeaways

2024 Required Repairs Release

OPEN – Fund Finance

OPEN – Fund Finance (in progress)

Fund III Performance Review l Q1 2025

April 2025

# Executive Summary I Key Areas to Monitor

# Executive Summary I Asset Management Operational Review

Leasing Spreads: 15 leases were signed in Q1 across 8 different markets, achieving 67% leasing spread over prior leases Since inception, the Fund has signed 82 leases with 42% spread over prior leases Escalations: Escalations in Fund III are consistently just above underwriting Q1 escalations were 3.49% against BP of 3.06%, while leases signed in last 12 months achieved 3.58% ...

# Executive Summary I Financial Overview

Transaction Activity: In Q1-25, the fund acquired 10 properties for a total cost of approximately $87M. Additionally, in Q1-25 the fund sold 1 property (631 S. Royal Lane, Coppell, TX) for $9M, resulting in a $0.3M loss after closing costs NOI & YOC: NOI at $16.2M for Q1 increased from $15.1M in Q4, mainly due to new acquisitions. Yield on Cost is 5.52% with Development and ...

# Executive Summary I Financial Overview

Financing & Leverage: Cash basis effective interest rate was 5.81% excluding the subline and 5.92% including the subline The economical effective interest rate in Q4 was 6.59% excluding the subline and 6.58% including the subline. This factors in the impact of unused fees, cap amortization, and financing costs amortization The outstanding debt as of the end of Q4 was $663M, ...

# Executive Summary I Valuations, Development & Forecast

Valuations FMV of Investments is $1,318M, increased from $1,227M in Q4, driven by $87M Total Cost of Acquisitions, $9M of CapEx, and $3M of value creation from appraisals, less $9M of dispositions 21 properties were appraised (3 for the first time) to a total of $267.3M, reflecting a $4M (1.6%) value increase compared to the purchase price(or last appraisal value) of $263M.
...

# Executive Summary I Seed Portfolio ID

As of March 31st, 2025

(1)Includes co-invest on 10-building NNJ portfolio. Total Purchase Price excluding the co-invest is $1,018M (2)According to quarterly valuations (still open for Q1 appraisal adjustment) (3) Represents adjusted physical occupancy based on SF occupied at end of quarter after removing leases with pending terminations (4)Loan-to-total cost and loan-to-value do not include the ...

Primary Value Markets

Market Allocation by Purchase Price

Gateway Markets

Primary Growth Markets

Secondary Value Markets

Secondary Growth Markets

# Fund ID I Fund III Overview Including Pipeline

Primary Value Markets

Including Pipeline Deals

(1)Includes co-invest on 10-building NNJ portfolio. Excludes any potential dispositions. (2)Represents physical occupancy based on SF occupied at end of quarter (and does not consider tenants with free rent/concessions as vacant)

Market Allocation by Purchase Price

Gateway Markets

Primary Growth Markets

Secondary Value Markets

Secondary Growth Markets

# Executive Summary I Dry Powder Overview

$1,603M Asset + Land Purchase Price acquired through Q2 ($1,674M before co-invest) ~$274M Purchase Price remaining to reach fund target of ~$1.95B

We have ~$275M of forecasted AUM dry powder remaining (after dispositions and dependent on NOI growth)

Total land, future construction costs, and development JV buyouts of $89M

Total Acquisitions as of Q3 2025(excl. land) of $1,583M factoring in 51% co-invest with MS

Target for $370M refi in 2025 and an additional refi in 2026

~$1.3B Target Debt Size ($1.8B including facility re-syndication)

Q2-Q3 2025 Deployment of $492M includes the Maple Tree and Inland Empire Portfolios plus an additional $97.9M of Pipeline deals

Asset Management Operational Review

## Fund Occupancy

# Contract Occupancy I Net Absorption – Fund 3

Positive net absorption for the quarter at 254K SF 608K SF acquired in Q1 End of quarter contract occupancy is 93.4%

*An adjustment to the Q4 End Period Fund SF was made to account for acquisition and disposition activity that was previously excluded – Raines, 8490 Seward Rd, 825 26th St, 1670 Frontenac Rd. **Pending Terminations include: Melissa Cueller and Jeffrey Scott Crocoll, dba MT Training Center

# Current Vacant Spaces I Property Level Leasing Updates – Fund 3

22 suites are currently vacant with a wtd avg downtime to date of 10 months as of Q1 2025 and an additional forecasted lease-up time of 5 months starting 4/1/2025. This list does not include termination of Ericsson (121K SF) which is effective 4/1/2025.

# Economic Occupancy I 2025 Budget Forecast – Fund 3

Economic Occupancy for Fund 3 is forecasted to be 88.04% for 2025 This is based on the 1Q25 Forecast book which includes 1Q25 new leasing/termination activity.

DRAFT- Error identified 4/29/25

# Markup to Market Projection – Based on March 2025 11 Yr CFs

Fund 3 M2M Potential as of today is 23% and excluding non-industrial tenants is 35% At 100% occupancy, the M2M potential is 7.7%. This assumes 9% of the current vacancy is leased up at market rate, pushing the YOC to 7%+ Link Portfolio, 1425 Grandview and 920 NW 159 Dr (Krsipy Kreme) are above market rate and

15% mark-to-market as of today at 100% Economic Occupancy. Market Rent Growth used in the current Forecast Manager book is conservative compared to previous books. The 5 Yr CAGR is 4.1%, slightly higher than Fund 2 given market composition. In the August book analysis, the 2024 estimated M2M at 100% occupancy was 21.6%, dropping to 10.6% in 2025. The increase in ...

# Leasing Spreads & Downtime

# Q1 2025 I Signed Leases – Fund 3

9 New Leases and 6 Renewals/Expansions signed in Q1-2025

KEY HIGHLIGHTS

Mash Enterprises expanded into a sublet space, taking out a below market tenant 1.5 years early, with no TI. G&W Products exercised a fixed renewal option.

# Q1 2025 l Market Level Summary – Fund 3

Fund 3 achieved a 67% leasing spread in Q1 and was in line with business plan expectations. Escalations averaged 3.06%, about 2% above original business plan, but about 40 bps below the R&D teams benchmark based on size and market. Atlanta's leasing spread is primarily drive by SRS Distribution, which had a 368% leasing spread

1. Deals represent executed leases with term > 12 months 2. Rent Increase over Prior Lease calculation excludes spaces that were previously vacant

# Quarterly Trend I Fund 3 Leasing Spreads Achieved

Leasing spreads have stabilized into the fund life and continue to be in line with forecast manager and business plan.

Fund 3 achieved strong 1Q25 leasing spreads, which was anticipated in the original underwriting, over prior lease of 67% in 1Q25

# Downtime Quarterly Trend I Fund 3

Fund 3 downtime is exceeding UW DT as of Q1-2025 due to a drag created by long standing vacancies. The current quarter figures are driven by the new lease execution at 1501 Kings after ~21 months downtime.

# Leasing Performance since Inception | Fund 3 Stats

Strong leasing spread in Q1 in Fund 3, outperforming the portfolio overall, but in line with original underwriting.

Fund 3 escalations continue to be slightly ahead of BP, with Q1 superseding business plan by about 40 bps.

Renewal Rate has remained steady at ~61% for Fund 3 since inception.

# Portfolio Trends

# Leasing Performance since Inception I Overall Portfolio Stats (Fund 2 & 3)

249 Leases signed since inception with a Wtd. Avg. Rate of $8.07 and Wtd Avg. Term of 5 years Leasing Activity achieved a spread of 32% over prior leases and 10% over Business Plan New Leases achieved a higher rate spread over Business compared to Renewals. However, when adjusted for below market fixed option renewals, Rexy comparisons disprove a renewal ...

# Quarterly Trend I Portfolio Leasing Spreads Achieved (Fund 2 & 3)

Faropoint leasing activity to date has achieved an average ~33% spread over prior lease rates, and ~12% spread over Business Plan. Over the past 10 quarters, FP leasing achieved an average 8.0% spread over Forecast Manager assumptions.

# Portfolio Downtime since Inception I How is actual Downtime trending?

74% of signed new leases between signed since inception both the funds have a downtime < 6 months. This is in-line with the standard leasing assumption used in UW. ~22% of signed new leases since inception exceeded UW downtime. 39% of the leases that exceeded UW downtime occurred in the past year. The data set represents ~127 new leases signed since inception.

# Portfolio Downtime since Inception I How is actual Downtime trending?

# Tenants Lost l Impact on Renewal Rate (Fund 2 & Fund 3)

The past quarter saw a total of 19 tenant move-outs across markets, varying in size ranges. Four of the move-outs were a result of a business closure/financial difficulty and one was the result of an eviction.

AR (Operational Overview)

# Fund 3 l Tenant AR Summary

How are the tenants from Q4 trending?

All Level 3 tenants from 4Q24 (11) made payments to reduce their balances and the trend in 1Q25 is due to Xcision Medical (MD) being added with a 60+ day balance of $90K. Level 4 tenants have predominately stopped accruing significant balances, going from $446.5K to $386K, driven by Xcision Medical (MD) moving to a Level 3 tenant.

No new tenants added to the Level 4 default pool 1 new tenant added to the Level 3 payment plan pool Xcision Medical in Baltimore- prior Level 4, paid $153K in 1Q25 and downgraded to a Level 3 tenant. Provo Ventures LLC in Baltimore – New TT, Security Deposit remains uncollected 1 new tenant added to the Level 2 dispute pool Railway Products Group, Inc. in Baltimore ...

New Activity emerging in Q1

# Fund 3 I Level 3 & 4 Tenants

# AR Monitoring I Loan Pools

The Apollo Loan has 2 tenants that are being monitored Blackbeard Marine, 2200 Chemsearch, Texas Level 4 TT Vacated and lawsuit filed to attempt collection Gorilla Rides, 4390 Westroads, Florida Level 3 LL approved sublease and now TT is current The Blackstone Loan has 3 tenants that are being monitored BES Associates, 12900 NW 38th Ave, Florida Level 3 Watchlist ...

# Financial Overview

Key Takeaways

Operating Properties: In Q1-25, the fund acquired 10 properties for a total cost of approximately $87M. The total FMV of operating properties is $1,288M. Total cost (1.184M) In Q1-25, the fund sold 1 property (631 S Royal Lane) for $9M, resulting in a $325k loss after closing. 21 properties (3 were valued for the first time) to a total of $264.4M, reflecting a $2.9M (1.6%) value ...

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Key Takeaways

Loans $663.5M Outstanding loans (including $72.5M Revolver + 150M Subline + 175 Term Loan + 266M Refis) , less deferred financing costs of $7.0M. The weighted average LTC (excluding Subline) in Q1-25 was 46% (49% in Q4-24). The weighted average LTC including the Subline in Q1-25 was 58% (60% in Q4-24). Carried Interest Liability - The promote is based on 12/24 ...

Balance Sheet

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# Inception to Date Gain Breakdown - NAV Trend

Key Takeaways

The fund's net income stands at $66M since inception, which is 11.1% over the Equity contributions. This has been driven largely by the growth in the value of portfolio properties. Without the impact of $94M increase from appraisals (and the promote), the NAV would experience $28M deficit (i.e., J curve), which is negative 4.6% over the Equity contributions. The Equity Called is ...

Outstanding Equity $663,492

Equity Called $597,272

# Investment Property Breakdown

Key Takeaways

Approximately 62% of the portfolio has been appraised based on the purchase price. The fund properties' Fair Market Value stands at $1,318M, which is 6.8% higher than the total cost (including CAPEX), which amounts to $1,234M.

Key Takeaways

In Q1-25, the Fund acquired 10 properties for a total cost of $87M, invested $4M in development projects, and $6M in CAPEX. During Q1-25, 21 properties were appraised, and 1 property was sold. The Q1-25 value creation of approximately $3.2M includes a Q1 gain from appraisals of approx. $4.6M, offset by acquisition closing costs of approximately $1.1M and realized loss ...

# Q1 2025 First Time Appraisals

In Q1-25, 21 properties were appraised with a value creation of approximately $3.5M ($4.6M gain less $1.1M acquisition closing costs). Among these, 3 properties were appraised for the first time, showing a value increase of around $2.4M, representing a 17.2% gain over total cost and accumulated CAPEX of $13.8M. The remaining 18 properties, which had been appraised before, ...

Key Takeaways

# Q1 2025 First Time Appraisals

Key Takeaways

Approximately 62% of the portfolio has been appraised (based on purchase price). Since inception, the fund has seen a $98.3M value creation from first time appraisals, which represents 13% gain over total cost and accumulated CAPEX. This is in line with the trend we’ve seen across our funds.

# Disposition Activity Overview

Key Takeaways

The Fund has sold three properties, generating $15M in net sale proceeds (after closing costs). The Fund has a capital loss for inception to date of $1.2M. Additionally, the Fund has incurred a net realized capital gain of $1.4M. This gain is calculated by subtracting the book value of the properties from the net sale proceeds. In Q1 2025, the Fund completed the sale of one ...

READY FOR REVIEW – Fund Finance

NOI is aligned with the budget. See further details regarding slight variances below: Additional Rent – Additional rent higher than budget mainly due to projects billed back to the tenants. Other Income – Higher Other Income mainly due to: Late Fee Income not accounted for in the budget for late paying tenants Repairs and Maintenance – Lower R&M than budgeted mainly due to the ...

$1,174M Total Cost

136 Buildings

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The increase in NOI is mainly due to collection of previously written off revenues as well as increases in additional rent. Base Rent and Concessions – increase is mainly driven by two new tenants. Additional Rent – increase is mainly driven by updated assumptions for budgeted RET increases. Bad Debt Expenses – the primary driver of this change is collections received from ...

$1,013M Total Cost

114 Buildings

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Key Takeaways

*the WATC is excluding development projects. ** 2024 YoC% was adjusted to reflected the fair share of the Cam Reconciliation for that period.

YOC increased significantly due to the acquisition of the NNJ portfolio at YOC >6.5%

Slight decrease to YOC in Q2 2024 due to an increase in the operating expenses, mainly insurance and utilities

YOC decrease in Q4-24 mainly due to an increase in operating expenses, mainly due to duplicate insurance expenses. In H2-24, the Fund acquired 41 properties with an in place acquisition YOC of 5.5%.

Key Takeaways

89.5%

89.6%

89.2%

92.1%

Physical Occupancy

*the WATC is excluding development projects. ** 2024 YoC% was adjusted to reflected the fair share of the Cam Reconciliation for that period.

89.5%

89.6%

89.2%

92.1%

Physical Occupancy

89.6%

93.2%

Properties Performance

2024 Q1: YOC increased significantly due to the acquisition of the NNJ portfolio at YOC >6.5% 2024 Q2: Slight decrease to YOC in Q2 2024 due to an increase in the operating expenses, mainly insurance and utilities 2024 Q4: YOC decrease in Q4-24 mainly due to an increase in operating expenses, mainly due to duplicate insurance expenses. In H2-24, the Fund acquired 41 ...

Key Takeaways

Fund Performance | Non-GAAP KPIs

Key Takeaways

Core AFFO is ($2.7M) which represents (0.5%) of the of the $536M WA equity Including $5.8M CAPEX invested in the quarter Excluding $633k non-cash financing cost amortization and change in bad debt allowance

Fund Performance l Non-GAAP KPIs

Key Takeaways

AR balance improved in comparison to PQ mainly due to collections of CAM Reconciliation included as well as other net collections detailed below. Bad Debt Recovery: Composed of collections from previously written off AR mainly from the following two tenants: Xcision Medical at 9176 Red Branch – made payments since PQ BES Associates at 12900 NW 38th Ave – made ...

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A/R Trend Summary

# A/R Specific Allowance - Deep Dive

# Financing Metrics I Cash Basis vs Effective Interest Rate by Loan

Key Takeaways

The base interest of the fund is 5.92% after taking a weighted average across all loans (including the subline) and applying hedging When also factoring in financing costs amortization & unused fees, the effective interest rate is 6.58% As of quarter end, the fund was 68% hedged (87% excluding the subline). In anticipation of our refi closing at the end of June, the fund is going to ...

* The Cap and SWAP hedging effect is associated with the credit Facility.

61%

63%

58%

52%

LTC

## Main Debt Covenants Overview

* Occupancy figures are physical occupancy for Apollo, NYL, and BX, acquisition occupancy for Credit Facility, and adjusted occupancy for Fund Level

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Joyce Kilmer - The total actual contribution is higher than the expected because the loan had not closed yet at time of contribution. To fund the construction, we made additional contributions. We will receive proceeds once the loan is finalized and spent 39% of the budget. With 90% of entitlements secured, demolition of existing buildings will start on June 1st when the
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Key Takeaways

Turnover Costs represent the estimated obligations incurred in connection with the signing of a lease; including leasing commissions and tenant improvements.

Key Takeaways

CAPEX of Q1-2025 of $5.9M, which represent 36.3% out of the Fund's NOI Main investments: Interior build out on the renovation of 120-200 Adams ($900K) and 4450 Alpha Rd roof repairs ($630k). Leasing commissions for a 10-year lease for the Beard Integrated Systems lease at 1501 Kings (TX)-($925k) and renewal of a lease at 1400 Beaver (GA). ($250K) Inception to ...

Property Improvements per square foot (SF) is calculated as Property Improvements for the quarter divided by the WASF (Weighted Average per Square Foot) for the period.

Property Improvements includes non-recoverable CapEx items + CM Fees.

CAPEX, Tenants Improvements & Leasing Commissions

The internal KPIs are based on management's definitions and are not governed by IFRS or US GAAP. Since termination fees are a one-time income, they will be excluded from Core FFO and NOI. However, in cases where the termination fee compensates for loss of income, the relevant amount may be included in the non-GAAP KPIs, as determined by management.

Key Bank Covenant Calculation: NOI Excluded; EBITDA Included

Under the credit agreement definition, termination fees are excluded from NOI in the Implied DSCR test for availability determination. However, per the credit facility agreement, termination fees will be included in EBITDA ( which is used for FCCR Test )if they are part of net income in the audited financial statement (which applies here).

Audited Financial Statement: Proceeds Recorded as Revenue, Boosting Net Income

In the audited financial statement, termination fees will increase both the fund's revenue and net income. As a reminder, Non-GAAP KPIs like NOI and Core FFO are not presented in the audited financial statement

FPR: Proceeds Typically Excluded from Non-GAAP KPIs (FFO/NOI)

Termination Fee

Key Takeaways

Aggregate cash for fund operating account and property operating accounts. Maintained in JPM, KeyBank and Citizens Funds held by the various development JVs and MS Co-Invest. Cannabis tenant – per KeyBank – cannot use these funds

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BS Exhibit

# Sources & Uses

Key Takeaways

As of today, the fund has enough resources to fund all the deals in the pipeline other than Maple Tree. In anticipation of Maple Tree Closing, we are proposing a potential additional capital call for $274M for late May/early June, with funding mid June. Proceeds will be used for the acquisition of Maple Tree, which is scheduled to close late June. This capital call will bring us to ...

(1) The above schedule omits future capital needs for development as separate development loans will be entered.

*The total projected credit facility availability will be reliant on the total DSCR as well as the additional $100M bridge loan.

Sources and Uses – Next Capital Call (1)

As of 3/31, the fund acquired properties with a total cost of $1.197M ITD and $84M QTD. As of quarter end, there was another $130M of identified deals for April. There were $597M in equity calls, including $100M call in the current quarter. Approximately 64% of all commitments have been called. Currently, the fund has $664M in outstanding debt.

READY FOR REVIEW – Fund Finance

Sources and Uses l End of Q1 -25

# Fund Hypothetical Performance Forecast I Credit Facility Collateral Pool Covenants

Removes vacant properties with negative T12 NOI from the credit facility pool. Uses T12 NOI as of Q2 2025. Uses the 12/31/2024 FMV for same store assets plus the estimated purchase prices of identified future acquisitions and less estimated sale prices of identified future dispositions

# Fund Hypothetical Performance Forecast I Sources & Uses

TC calculation uses actuals as of 12/31/2024 and forecasts going forward. The calculation also includes identified future acquisitions and dispositions.

# Fund Hypothetical Performance Forecast I Identified Acquisitions

Key Takeaways

The fund is expected to close on $578M of assets totaling 3.5M SF in 2025 YTD there have been $86M of assets acquired, with an additional $492M expected to close by the end of Q3 2025

*Assets have been closed

NWBC JV, LP Co-Investment with Morgan Stanley

# Profit & Loss

Key Takeaways

NOI is consistent with a slight decrease to PQ, but inline overall with the budget. In Q1-25, all 10 properties were appraised with an overall gain.

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# Fund Performance | Non-GAAP KPIs

## Key Takeaways

The FFO in Q1-25 is $0.9M, which represent 6.1% of the $59M Equity. The Core FFO for the period is $0.8M, which represents 5.4% of the equity. The Core FFO is decreased by the effect of excluding Other Income & Prior Year Adjustments. The AFFO for the period is ($0.04M), which represents (0.3%) of the equity. AFFO decreased mainly due to $950k of CAPEX costs – there are ...

Key Takeaways

Based on the analysis above, and assuming we do not want to call for additional funds to cover ongoing CAPEX, we should continue to accumulate our AFFO and not make distributions this quarter.

Balance Sheet and S&U

# Valuation - NWBC

## Key Takeaways

In Q1-25 we appraised the entire portfolio of 10 assets, which resulted in 1.4% value creation since last appraised value. Consistent with the main fund trend, we see a smaller valuation creation in comparison to the first-time appraisal. This portfolio of assets is driving the QTD valuation gain, 69% of total gain, and signifies the high-quality assets.

Fund Forecast

# Fund Performance Forecast I Acquisitions Pace

Key Takeaways

To acquire the $492M of Pipeline Assets in Q2-Q3 2025, 95% of the equity will be called by the end of June 2025 (meaning we will call $274M in June) There will be $274M of remaining deployment after 2025, ~$174M in 2026 and ~$100M in H1 2027

# Fund Performance Forecast I Deployment and Capital Call Pace

Key Takeaways

To acquire the $492M of Pipeline Assets in Q2-Q3 2025, 95% of the remaining equity will have to be called (assuming 5% equity reserves) at the start of Q3 2025 (or at the end of Q2, depending on Mapletree timing) There will be $274M of remaining deployment after 2025, ~$174M in 2026 and ~$100M in H1 2027

Reflects 5% equity reserves

# Fund Performance Forecast I Identified Acquisitions

Key Takeaways

The fund is expected to close on $578M of assets totaling 3.5M SF in 2025 YTD there have been $85.5M of assets acquired, with an additional $492M expected to close by the end of Q3 2025

*Assets have been closed

# Fund Performance Forecast I Dispositions

Key Takeaways

There have been 3 dispositions in the fund to date, with a total sales price of ~$15.8M The model assumes 10 future dispositions totaling ~$66.8M of sales price before the sale of the fund, largely misfits from the Mapletree portfolio and other select assets with quality or location issues While we may also exit the Baltimore & Cincy markets, those are not modeled here

*Assets have been sold

Can't be sold until 2026 as assets are in the Maple Tree REIT

# Fund Performance Forecast | Yield on Cost

Key Takeaways

In 2025, the fund’s projected YOC is 35bps lower than previously forecasted due to Q1 2025 actuals and low YOC of Mapletree and the other pipeline assets Even in 2028, the forecasted YOC is 16bps lower than previously forecasted due to the ~7.0% untrended YOC of Mapletree

35bps decrease vs prior model

# Fund Performance Forecast I Yield on Cost

Key Takeaways

Yield on cost for the portfolio grows most steeply in late 2026 through 2027, with more of the growth shifted into 2027 than the previous iteration of the model Overall YOC is lower compared to the previous model due to the low in-place NOI of Mapletree and other pipeline assets

# Fund Performance Forecast I CapEx, TI & LC Including Pipeline

Key Takeaways

CapEx PSF is highest in 2026, while TIs are highest in 2026-28 due to lease expirations in 2026-27 For future acquisitions, we assume constant TIs ($ PSF) and LCs (% of NOI) each year, creating less variability in their forecasts

# Financing Strategy & Summary

Key Takeaways

The Fund closed on an $81.5M loan with Blackstone for a pool of 16 properties in September 2024 Capital Call Line remained at $150M Credit Facility decreased from $274.5M to $247.5M

$84.5M

$175M

$90M

# Loan & Hedging Maturities

$21M

We are here – April ‘25

May ‘22

May ‘23

May ‘24

May ‘25

May ‘26

May ‘27

May ‘28

Term Loan

# Fund Performance Forecast I Hedging & Debt Forecast

Key Takeaways

Currently, the Fund has $182M of hedging against the credit facility at a 3.03% weighted average SOFR rate with staggered maturity dates from 3Q25 to 1Q29 The Apollo, New York Life, and Blackstone refinances are fixed rate loans, providing additional hedging through the remainder of the fund term The model uses the all-in rate for the $370M refi of SOFR Fwd Curve ...

Note: SOFR forward curve as of April 3rd, 2025

# Fund Performance Forecast I Quarterly FFO Forecast

Key Takeaways

Core FFO and AFFO are both significantly lower than the previous version of the model in 2025 and 2026 due to the low in-place YOC of the pipeline properties Over the next 18 months, we expect to have AFFO of ($12.1M) before stress test We assume distributions of Core FFO commencing Q1 2026, with CapEx, TI & LC funded by availability growth of the facility properties

# Fund Performance Forecast I Annual FFO Forecast

Key Takeaways

Core FFO and AFFO are both significantly lower than the previous version of the model in 2025 and 2026 due to the low in-place YOC of the pipeline properties Over the next 18 months, we expect to have AFFO of ($12.1M) before stress test We assume distributions of Core FFO commencing Q1 2026, with CapEx, TI & LC funded by availability growth of the facility properties

# Fund Performance Forecast I Performance Overview

Key Takeaways

The Fund reaches 17.67% Gross IRR & 13.86% Net IRR over a 7-year hold period (assuming a sale on January 1st, 2029) The FPR Model and Pipeline Model use exit caps of 5.91% and 5.83% respectively. These were calculated using Mike's updated exit cap methodology IRR is highly sensitive to changes in disposition cap rate (i.e., 25bps change to exit cap rate impacts Net IRR ...

Pipeline Model Jan 1st, 2029 Sale

Q4 2024 FPR Model Jan 1st, 2029 Sale

# Fund Performance Forecast I DSCR Forecast

Key Takeaways

The DSCR Stress case layers on a 50 bps increase to the 10Y Treasury starting 5/1/2025 and an additional 2% NOI Reduction Through 2026, the DSCR bottoms out at the 1.33x in the stress case while the base case stays in the 1.42-1.43x range, as we acquire more properties at a level that maintains 1.30x stress test DSCR The projection uses a 10Y Treasury forward curve of ...

# Fund Performance Forecast I FCCR Forecast

Key Takeaways

When including the identified pipeline and future acquisitions, the Pipeline Model closes in on the 1.50x FCCR covenant in Q1 & Q2 2026, indicating a potential covenant issue in the near future In comparison, the minimum 2026 FCCR buffer reduced from 5 bps in Q4 2024 FPR down to 3 bps now

# Fund Performance Overview I Seed Portfolio Forecast

Key Takeaways

The assets in the seed portfolio reach 16.8% Gross & 12.6% Net IRR over a 6-year hold period (sale on Jan 1, 2028) and assuming a 5.75% exit cap Although we plan to sell the fund after 7 years, we evaluate the seed portfolio assets over a 6-year hold since this is roughly the average hold time of all projected fund assets (since assets purchased in 2024-25 will be held for ...

OPEN – Corp Finance

Refi Analysis

# Fund III Refi Pool I Portfolio ID

Key Takeaways

This pool of 47 assets provides strong, consistent performance, with cap rates in the 6.2-7.3% range for each of the next 4 years 97% occupancy, with most rent unlocking 2028 and onwards, reflecting the relatively longer WALT of the portfolio Long WALTs targeted as to more efficiently retrieve the benefits to debt availability in the credit facility, as the CMBS will be sized without the ...

The Total Cost of this pool is $471.1M as of the end of Q4 2024 (including purchase price & acquisition costs of pipeline assets) Adjusting for the projected boost to FMV from appraisals for properties in the pool, the FMV of the pool is projected to increase to $550.7M As of 12/31/2024

# Fund III Refi Pool I Breakdown by Market

Key Takeaways

The portfolio is well diversified geographically, with the highest concentrations in Atlanta, Northern NJ/NY, and Los Angeles In total, these 3 markets make up 44% of the total purchase price of the pool

# Fund III Refi Pool I Lease Expiration

Key Takeaways

2028 will be a key focus given the $ amount of rent rolling during those calendar year Existing pool covenants and quotes received from brokers influenced the WALT composition of the refi pool beyond maximizing debt proceeds Capex, TI and LCs stay in the $5.1-7.0M range through 2025-27 and peak at $7.5M in 2028

# Fund III Refi I Credit Facility vs CMBS Availability

Key Takeaways

We assume $370M CMBS proceeds here, which represents the midpoint of the range shown on the prior page The Credit Facility has a peak debt availability of $309.5M in Q4 2028 with a balance of $290.9M (6% debt reserves) Credit Facility loan balance stays ~$60-125M below the CMBS's fixed balance from 2025 through the end of 2028 Credit Facility reflects ~4.22% ...

# Fund Impact Analysis I Credit Facility Collateral Pool Covenants

Key Takeaways

This analysis includes all acquired properties to date plus pipeline properties as of 3/31 After Refi values reflect removal of the Fund III CMBS Refi Pool properties, and No Vacancy pool additionally removes vacant properties with negative T12 NOI After removing the CMBS properties and vacancies, the occupancy moves above the 85% threshold Choosing long WALT properties ...

Removes vacant properties with negative T12 NOI from the credit facility pool. Uses T12 NOI as of Q2 2025.

# Appendices

NYL Pool (NNJ Co-Invest)

# Yield on Cost & CapEx Forecast I NYL

## Key Takeaways

Yield on Cost for our NYL pool grows most sharply in 2028 as many properties unlock during 2027 CapEx and TI/LC stays flat over time, stabilizing near $2M annually Accumulated CapEx and TI/LC reach $9.6M for the NYL pool by the end of 2028

# Debt Yield Covenant Analysisl NYL

Key Takeaways

Debt Yield covenant remains flat at 8.5% throughout the course of the loan Stryker lease expiration at the end of 2026 results in significant drop to quarterly NOI in Q1 2027 (amplified since the adjusted NOI is calculated by annualizing the quarterly NOI)

Debt Yield Covenant uses the quarters NOI annualized for calculation

# Fund Performance Overview I NNJ Co-Invest

Key Takeaways

The co-invest with Morgan Stanley is projected to reach 20.6% Gross & 18.1% Net IRR, assuming sale on Jan 1, 2029 (aligned with full fund), 5.50% disposition cap rate, 1.25% management fee, and 10% GP promote Distributions CoC% differs from AFFO % since in certain quarters the co-invest will prepare for large upcoming capex events by keeping additional reserves

# Reserves Policy I Next 30 Months Cashflow Forecast

Key Takeaways

In the next 30 months, we have significant capex events in 2025 through 2027 We will need to set aside reserves in 2026 to cover the negative Q1-27 AFFO

Step 1: Notice upcoming negative AFFO period or large CapEx Events Step 2: Build cash reserves balance in advance Step 3: Draw on reserves balance in required period to enable distribution

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# Reserves Policy l Next 24 Months Cashflow Forecast

Key Takeaways

In the next 24 months, we have significant capex events in 2025 through 2026 We will need to set aside reserves from our Q4-24 and Q1-25 AFFO, as well as the Q1-26 AFFO

Step 1: Notice upcoming negative AFFO period or large CapEx Events Step 2: Build cash reserves balance in advance Step 3: Draw on reserves balance in required period to enable distribution

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OLD

# Reserves Policy l Next 24 Months Cashflow Forecast

Key Takeaways

In the next 24 months, we have significant capex events in Q3-24 and Q2 & Q3-25 Because of these, we will need to set aside reserves from our Q1-24 AFFO as well as from Q4-24 AFFO

Step 1: Notice upcoming negative AFFO period Step 2: Build cash reserves balance in advance Step 3: Draw on reserves balance in required period to enable distribution

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PLACEHOLDER – TO BE UPDATED

OPEN – Corp Finance

Apollo Pool

# Same Store Analysis – Apollo Refi Pool

Key Takeaways

Overall, the performance is aligned with business plan. Additional Rent - The increase is mainly due to change of assumptions for RET and Insurance.

162M Total Cost

13 Buildings

Finance team internal analysis

# Actual vs. Budget – Apollo Refi Pool

Key Takeaways

Overall, the actuals and the budget are aligned. Additional Rent - The increase is mainly due to change of assumptions for RET and Insurance.

162M Total Cost

13 Buildings

The budget column represent the annual properties budgets from 03/2025.

Finance team internal analysis

# Yield on Cost & CapEx Forecast I Apollo

Key Takeaways

Yield on Cost for the Apollo properties decreases significantly in 2026 primarily due to Marcolin lease expiration in Jan 2026
CapEx fluctuates over time, with it peaking in 2026 Accumulated CapEx and TI/LC reach ~$15.7M for the Apollo Pool by the end of 2028

CorpFin to update

# Debt Yield Covenant Analysisl Apollo

Key Takeaways

The Debt Yield Covenant increases from 8.75% to 9.00% in Q4 2025 and to 9.25% Q4 2027 Due to downtime and concessions in 2026, we see a reduction in the DY to 9.66% in Q3 2026 (still above 9.0% covenant) An additional 5% vacancy/credit loss factor is applied to T12 NOI in all quarters to be conservative, regardless of actual vacancy

Debt Yield Covenant uses T12 NOI for calculation

Blackstone Pool

# Same Store Analysis – Backstone Refi Pool

Key Takeaways

Overall, the performance is aligned with business plan. Additional Rent - The increase is mainly due to change of assumptions for RET and Insurance.

129M Total Cost

16 Buildings

Finance team internal analysis

# Actual vs. Budget – Blackstone Refi Pool

Key Takeaways

Overall, the actuals and the budget are aligned. Property Taxes and Insurance higher than budget due to updated assumptions for RET tax and insurance. Utilities Expenses higher than budget due to the timing of the charges.

129M Total Cost

16 Buildings

The budget column represent the annual properties budgets from 03/2025.

Finance team internal analysis

# Yield on Cost & CapEx Forecast I Blackstone

Key Takeaways

Yield on Cost for the Blackstone properties float between the 6.1% - 6.5% range through the remaining life of the fund CapEx peaks in 2024, with $2.7M forecasted in Q4 2024 Accumulated CapEx and TI/LC reach ~$14.5M for the Blackstone Pool by the end of 2028

CorpFin to update

Credit Facility Pool

# Yield on Cost & CapEx Forecast I Credit Facility

Key Takeaways

Yield on Cost for our seed portfolio grows most sharply in 2026 and 2027 as a large amount amount of leases roll in 2025-26 CapEx peaks in 2025 at ~$8.0M and then fluctuates over time Accumulated CapEx and TI/LC reach ~$60.6M for the Credit Facility Pool by the end of 2028

CorpFin to update

# Definitions

# Definitions

# Definitions (continued)

# Recurring Commitment Fees Calculation

Back to G&A Breakdown

Methodology: The commitment fee operates as a commercial mechanism where investors pay a fee based on a percentage of their commitment to the fund, starting from day 1, even though their contributions may be called in parts over the deployment period. The underlying assumption is that part of the commitment fee compensates the General Partner for their efforts,
...

Fund Finance Team – Not Required?

# A/R Tenants – Allowance for Doubtful accounts & Write Offs

An allowance for doubtful accounts is a contra-asset account that reduces the value of accounts receivable. It estimates the accounts receivable that are expected to be uncollectible. The allowance is determined as follows:

Back to the Balance Sheet

A/R Write-Offs: During Q4-23 there was a write off in the amount of $70k for the tenant Milano Foods in the property 1253 Glen Avenue Moorestown, NJ. Business Reason: We believe the Tenant is unwilling or unable to pay the outstanding amount. Despite the write off we will soon have a $100k default monetary judgement against the Tenant as an individual and corporation ...

Fund Finance Team – Not Required?

# A/R Aging

5 high AR balance tenants

Key Takeaways

Consider Write off of the $90k balance of HIS Restoration, LLC

Fund Finance Team – Not Required?

# G&A Breakdown & Run Rate

Key Takeaways

Find out more about Recurring Commitment Fees. Feeders Expenses – Not part of the Fund G&A as it recorded on the Feeders books. mainly consists of the 2022 tax return fees and REIT compliance consulting expenses to KPMG US. Legal Fees – Fund level – side letters, PPM supplements, LPA amendments, advising DDQ processes, regulatory compliance, expense allocation ...

Back to the P&L

Fund Finance Team – Not Required?

# Uses – as of April 22, 2024

Key Takeaways

The Identified Deals are based on FaroS. Un-Identified Deals – using default assumption of 50M for the last 2 months for the projection. Other Uses - including but not limited to hedging costs, origination fees, Capex, organizational expenses, etc. The calculation uses the actual expenses + general assumption of $2M per month.

Back to the Balance Sheet

Fund Finance Team – Not Required?

# Fixed Charge Coverage Ratio

Key Takeaways

The FCCR improved from 1.78 last quarter to 1.84 this quarter mainly due to the properties performance improvement (5.7% YoC in LTM ended 3.24 compared to 5.5% in LTM 12.23) The Non-Recurring and Non-Cash expenses are taken from the G&A Breakdown slide (one-time expenses, excluding the Feeders expenses).

Fund Finance Team – Not Required?

# Financing Metrics

Back to the Balance Sheet

Key Takeaways

The weighted average Loan-to-Cost (LTC) in Q1-24 is 68% including the Subline (65% in Q4-23), and 49% excluding the Subline (44% in Q4-23). The weighted average LTC, excluding the Subline but including credit facility availability is 56% in Q1-24.

Fund Finance Team – Not Required?

# Financing Metrics (continued)

According to the original Hedging policy, there should be 75% hedged out of the theoretical debt (83% as of the Quarter-End). In Addition, the allocation between Cap and SWAP should be 50% each (as of Quarter-End, it’s 61% Cap and 39% SWAP).

Fund Finance Team – Not Required?

# Cash Flow

Key Takeaways

The Net Cash for Operating Activities (minus $1.2M in Q4-23) should be close to the Core FFO. The main difference between the Core FFO ($0.7M in Q4-23) is related to One-time expenses that are excluded from the Core-FFO. Additional differences are due to timing differences (the change in working capital), Deferred State Tax, the Change in the Allowance for Doubtful
...

Fund Finance Team – Working on it

# Margins Analysis

Key Takeaways

Fund 3 margins are higher the fund 2 (add) FM represent margins off? RDCF Represen

Place Holder for Occupancy data (physical and economical)

Not sure will be presented- subject to finalization and verification

# A/R General Allowance - Deep Dive

Key Takeaways

Key Considerations General Allowance – Balance of A/R determined based on the A/R Age and % of Allowance, that we estimate will not be collected in the future A/R General Allowance is recorded at the Fund-level, NOT at the individual Property-level Financial Metrics Impact Property Level – No impact in the tenant ledger or A/R Balance of the fund Fund Level ...

Fund Finance – updated

# Financing Cost Summary – Life Company Refi’s

* Net Proceeds- Outstanding Loan minus Closing Costs and Upfront Reserves **Effective LTC- Net Proceeds divided by TC ***Effective Interest Rate- expected interest expenses divided by Net Proceeds

Key Takeaways

Higher Closing Costs: Loan closing costs are significantly higher than current model estimates, ranging between 1.6% and 2.61%. Impact on Effective LTC: The higher closing costs and loan reserves have a significant impact on the effective LTC ratio. Decreasing LTC Over Time: For these loans, the LTC will decrease over time as no additional draws will be made to finance ...

No significant changes in Hazel Park UW, Swedesboro is still in entitlement stage therefore too early to determine if any significant UW changes will materialize. Joyce Kilmer - Total contributions have decreased due to an increase in the expected construction debt loan. We will receive proceeds once the loan is finalized. Lincoln Swisher – Total underwritten contributions ...

Key Takeaways

Ready for review– Fund Finance

Development Dealsl Underwriting Comparison

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Fund III Performance Review | Q2 2025

July 2025

# Executive Summary I Key Areas to Monitor

# Executive Summary I Key Areas to Monitor

# Executive Summary I Key Areas to Monitor

# Executive Summary I Key Decisions

Future Acquisitions: On account of pending Truist refi (plus potential Plymouth sale & MT co-invest) initiatives, the Fund should open up $100M of deployment with aim to start closing deals in mid-September Financing: Continue moving forward with MT refi efforts, aiming to secure earnout loan. Engage KeyBank in Q4 to discuss recast of existing facility Distributions: There will be no ...

# Executive Summary I Asset Management Operational Review

Leasing Spreads: 12 leases were signed in Q2 across 5 different markets, achieving 23% leasing spread over prior leases Since inception, the Fund has signed 104 leases with 41% spread over prior leases Escalations: Escalations in Fund III are consistently just above underwriting, this quarter was particularly high given an outsized escalation in Columbus Q2 escalations ...

AM – highlighted section to be updated

# Executive Summary I Financial Overview

Transaction Activity: In Q2-25, the fund acquired 39 properties for a total cost of approximately $452M. The fund anticipates one expected disposition for a sales price of $12M. NOI & YOC: NOI at $17.9M for Q2 increased from $16.2M in Q1, mainly due to new acquisitions. YOC declined to 5.37%, compared to 5.52% in Q1. Yield on Cost is 5.37% with Development and 5.50%
...

Open for update

# Executive Summary I Financial Overview

Financing & Leverage: During the quarter, the fund was extend an accordion loan associated with the credit facility, we've drawn $40M of the $75M capacity of this Term Loan. The fund expects to repay this loan within 90 days, following the closing of the refinance with Truist Bank. During the quarter, the fund closed and began drawing on two construction loans with a combined ...

Ready for review

# Executive Summary I Valuations, Development & Forecast

Valuations FMV of Investments is $1,787M, increased from $1,318M, in Q2 driven by $452M Total Cost of Acquisitions, $8M of CapEx, $8M of Development costs and $.3M of net mark to market from appraisals. Inception to date, the Fund acquired $1,650M of total cost. After completing $51M of cape, selling $15M of net proceeds, and creating $101M of value creation ...

Updated from Finance

# Fund ID I Fund III Overview

Market Allocation by Purchase Price

Gateway Markets

Primary Growth Markets

Secondary Value Markets

Secondary Growth Markets

Primary Value Markets

As of June 30th, 2025

Includes co-invest on 10-building NNJ portfolio. According to quarterly valuations (still open for Q2 appraisal adjustment). Represents physical occupancy based on SF occupied at end of quarter (and does not consider tenants with free rent/concessions as vacant). Run-Rate YOC is calculated as Run-Rate NOI divided by Total Cost. Total Cost includes Purchase ...

# Executive Summary I Dry Powder Overview

$1,558M Asset + Land Purchase Price acquired through Q3 ($1,629M before co-invest)

We have ~$192M of forecasted AUM dry powder remaining (dependent on NOI growth) if we were to not continue with the Truist Refi, MapleTree Co-Invest nor the Plymouth sale

Total land, future construction costs, and development JV buyouts of $89M

Total Acquisitions as of Q3 2025(excl. land) of $1,538M factoring in 51% co-invest with MS

Future NOI Growth of the Fund allows $192M additional acquisitions

Plymouth Sale results in $80M additional acquisitions

MapleTree Co-Invest results in $210M additional acquisitions

Truist Refi results in $101M additional acquisitions

# Financing Strategy & Summary

Key Takeaways

The Fund is expected to close on an $350M loan with Truist & US Bank for a pool of 46 properties in August 2025 Capital Call Line was paid down from $150M to $23M, we expect to terminate it in Q4 2025 Credit Facility increased from $247.5M to $553M, $75M of additional commitments secured to fund Mapletree Acquisition

Simplified version

# Executive Summary I Financing Overview

We have ~$275M of forecasted AUM dry powder remaining (after dispositions and dependent on NOI growth)

Target for $370M refi in 2025 and an additional refi in 2026

~$1.3B Target Debt Size ($1.8B including facility re-syndication)

AM to update

Asset Management Operational Review

# Fund Occupancy

# Contract Occupancy I Net Absorption – Fund 3

Negative net absorption for the quarter at ~(138.6K) SF 2.47M SF acquired in Q2 (Mapletree). Audit of Mapletree vacancy/ onboarding underway and any corrections will be included in 3Q25 End of quarter contract occupancy is 93.0% Adjusted occupancy for Xcision Medical 92.9% SF Adjustment for 3001 Irwin (3pa00002) - was active in Yardi, but not acquired.
...

# Current Vacant Spaces I Property Level Leasing Updates – Fund 3

30 suites are currently vacant with a wtd avg downtime to date of 8 months as of Q2 2025 and an additional forecasted lease-up time of 7 months starting 7/1/2025 Additional vacancies may not be accounted for from the Mapletree acquisition. Being audited and will correct in 3Q25

# Top 10 Vacant Spaces | Property Level Leasing Updates Fund 2

Of the 10 major vacancies, four have been sitting for over 10 months. We are currently targeting a disposition for two of the 10 vacancies, 1460 N Glenville and 4000 Precision, both of which are under contract.

# Economic Occupancy I 2025 Budget Forecast – Fund 3

Economic Occupancy methodology updated this quarter to align with Fund Finance and now uses NOI as defined by the 'FPR P&L Account Tree' Fund 3 is projected to have an economic occupancy of 85.6% at year end 2025 per the 2Q25 Forecast; Vacant spaces, Terminations and 2025 Rollovers are closely monitored and modeled in the forecast The 2Q25 Forecast ...

Please note: Aligned Economic Occupancy methodology takes Concessions + Vacancy over NOI + Concessions + Vacancy. Net Operating Income is per the FPR P&L account tree which has legal costs, marketing etc. below NOI, previously included in non-recoverable expenses

# Markup to Market Projection – Based on July 2025 11 Yr CFs

Fund 3 M2M Potential as of today is 23% and excluding non-industrial tenants is 35% At 100% occupancy, the M2M potential is 7.7%. This assumes 9% of the current vacancy is leased up at market rate, pushing the YOC to 7%+ Link Portfolio, 1425 Grandview and 920 NW 159 Dr (Krsipy Kreme) are above market rate and

12.3% mark-to-market as of today at 100% Economic Occupancy. Market Rent Growth used in the current Forecast Manager book is conservative compared to previous books. The 5 Yr CAGR is 4.1%, slightly higher than Fund 2 given market composition.

Leasing Spreads & Downtime

# Q2 2025 I Signed Leases – Fund 3

2 New Leases and 10 Renewals/Expansions signed in Q2-2025, in addition, 3 short term leases under 12 months were signed.

KEY HIGHLIGHTS

DEAL NOTES Ohio Department (2), Chicago - Renewal with State of Ohio who only does a gross lease structure with 2 years term- net equivalent rent would be $8.60 PSF in year 1 and $10.50 in year 2 American Builders & Contractors (2), Memphis- Multiple requests were made to review financials but were denied

# Q2 2025 I Market Level Summary – Fund 3

Fund 3 achieved a 23% leasing spread in Q2 and was in line with business plan expectations. Escalations averaged 5.51%, about 240 bps above original business plan, but including one unusually high escalation in Columbus.

1. Deals represent executed leases with term > 12 months 2. Rent Increase over Prior Lease calculation excludes spaces that were previously vacant

# Downtime Quarterly Trend I Fund 3

Fund 3 downtime is exceeding UW DT as of Q2-2025 due to a drag created by long standing vacancies.

* ”Months to lease” – pulled from CoStar (7/25/25) for industrial properties 20-200KSF in FP markets

# Leasing Performance since Inception I Fund 3 Stats

Fund 3 leasing spreads at 23% are in line with the portfolio at 29%, though it has slightly moderated from it's year one levels of 43%.

Fund 3 escalations continue to be very ahead of BP, with Q2 superseding business plan by about 240 bps and since inception exceeding business plan by 75 bps.

Renewal Rate was above the historical average in Q2 at 83%. Over the last year it has been 57%.

# Quarterly Trend I Fund 3 Leasing Spreads Achieved

Fund three outperformed forecast manager in Q2 and was in line with business plan.

Fund 3 achieved strong 2Q25 leasing spreads, which was anticipated in the original underwriting, over prior lease of 23% in 2Q25

# Q2 2025 I External benchmarking

Lease escalations based on FP lease table; other metrics pulled from CoStar (7/25/25) for industrial properties 20-200KSF in FP markets

Portfolio Trends

# Leasing Performance since Inception I Overall Portfolio Stats (Fund 2 & 3)

252 Leases signed since inception with a Wtd. Avg. Rate of $7.28 and Wtd Avg. Term of 5.0 Leasing Activity achieved a spread of 40% over prior leases and 10% over Business Plan New Leases achieved a higher rate spread over Business compared to Renewals. However, when adjusted for below market fixed option renewals, Rexy comparisons disprove a renewal bias.

# Quarterly Trend I Portfolio Leasing Spreads Achieved (Fund 2 & 3)

Faropoint leasing activity to date has achieved an average ~40% spread over prior lease rates, and ~10% spread over Business Plan.

# Portfolio Downtime since Inception I How is actual Downtime trending?

74% of signed new leases since inception in both funds have a downtime < 6 months. ~22% of signed new leases since inception exceeded UW downtime. 28% of the leases that exceeded UW downtime occurred in the past year. The data set represents ~132 new leases signed since inception.

# Tenants Lost I Impact on Renewal Rate (Fund 2 & Fund 3)

The past quarter saw a total of 17 tenant move-outs, of which 11 were in Fund 2, across markets, varying in size ranges. One of the move outs was a result of a business closure/financial difficulty and one was the result of an eviction, both in Fund 2

AR (Operational Overview)

# Fund 3 I Tenant AR Summary

How are the tenants from Q4 trending?

Level 3 tenants balance from 1Q25 reduced due to Xcision Medical (MD) being moved to Level 4 will all other Level 3 tenants having growing balances and 3 new tenants identified this quarter. Level 4 tenants: Blackbeard Marine's (TX) $256K balance from 1Q25 has been written off which was offset by Xcision Medical (MD) being added back to Level 4 with a 60+ balance of ...

3 new Level 4 default pool Xcision Medical in Baltimore- prior Level 3, did not pay again in 2Q25 and was upgraded to a Level 4 tenant. $145K 60+ Balance Thieme Gmbh & Co. KG. in Chicago- Termination Agreement pending and tenant is vacating 8/31/2025. Natural LXD 12/31/2028; $0 60+ balance Lauxes Grades Corp. in LA- Truist Refi TT- TT vacated in early July; ...

New Activity emerging in Q2

# Fund 3 I Level 3 Tenants

# Fund 3 | Level 3 Tenants

# AR Monitoring I Loan Pools

The Apollo Loan has no tenants currently being monitored. (2) Tenants with open balances are CAM related and are not being disputed Biazzo Dairy, 1145 Edgewater, NNJ Level 1 CAM related and AM anticipates collection Thomas Scientific, 1654 High Hill Road, NNJ Level 1 CAM related and AM anticipates collection Prior issue with Blackbeard Marine, 2200 Chemsearch, Texas ...

# Financial Overview

Operating Properties: In Q2-25, the fund acquired 39 new properties - including the Maple Tree portfolio ($328M) - for approximately $452M in total. Total cost at acquisition is $1,636M. FMV as of Q2-25 is $1,787 (TC of $1,688) – represents 6% of unrealized appreciation. Approximately 48% of the portfolio has been appraised, accumulating $100M of unrealized fair value ...

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Balance Sheet

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Key Takeaways

NOI: There was a $1.6M increase in NOI (5.37% YoC) from PQ mainly due to fund being in the investment period. Change in Fair Value of Investment Property: In Q2-25, 24 properties were appraised, including 4 that were valued for the first time, resulting in $4.1M of MTM gain. This gain was offset by $3.8M of closing costs written off through change in fair value of
...

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Income Statement

Key Takeaways

The fund's net income stands at $68M since inception, which is 7.8% over the Equity contributions. This has been driven largely by the growth in the value of portfolio properties. Without the impact of $96M increase from appraisals (and the promote), the NAV would experience $28M deficit (i.e., J curve), which is negative 3.2% over the Equity contributions. The Equity Called is ...

Outstanding Equity $936,626

Equity Called $871,316

Inception to Date Gain Breakdown – NAV Trend

## Key Takeaways

Approximately 48% of the portfolio has been appraised based on the purchase price. Since Inception, the fund has incurred a total of $18.4M in closing costs related to the acquisition of the properties. These closing costs have partially offset the overall value creation amount over the specified period. The fund properties' Fair Market Value stands at $1,787M, which is 6% higher ...

## Key Takeaways

In Q2-25, the Fund acquired 39 properties for a total cost of $452M, invested $8.4M in CAPEX and $8.2M in development projects. During Q2-25, 24 properties were appraised, for a total appraised value of $261.6M The Q2-25 value creation of approximately $.3M includes a Q2 unrealized gain from appraisals of approx. $4.1M, largely offset by acquisition closing costs of ...

## Investment Property Breakdown

In Q2-25, 24 properties were appraised with a value creation of approximately $0.3M. ($4.1M gain offset by acquisition closing costs $3.8M) Among these, 4 properties were appraised for the first time, showing a value increase of approximately $3.6M, representing a 10.3% gain over cost and accumulated CAPEX of $0.8M The remaining 20 properties, which had been appraised ...

Key Takeaways

Q2-2025 Appraisals

OPEN FOR REVIEW – Fund Finance

The decrease in NOI is due to higher recoverable operating expenses, partially offset by other income from late fees. Operating Expenses– There was an increase in snow removal, security control and fire protection services, these are all unbudgeted recoverable expenses. Property G&A Expense- Increased due to unbudgeted consulting fees for environmental remediation and ...

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Above figures exclude any disposed properties.

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$1,636M Total Cost

176 Buildings

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3

The decrease in NOI is due less additional rent from late fees and higher recoverable operating expenses Base Rent – The increase mainly from one month of rent being recognized in the prior quarter from a newly signed significant lease. Property G&A Expense- Increased due to environmental remediation and legal fees as discussed on the previous slide. Other income – The ...

1

Above figures exclude any disposed properties.

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$1,076M Total Cost

125 Buildings

Same Store(1) Analysis

3

Market Analysis

OPEN FOR REVIEW – Fund Finance

*the WATC is excluding development projects. ** 2024 YoC% was adjusted to reflected the fair share of the Cam Reconciliation for that period.

89.5%

89.2%

Physical Occupancy

89.6%

93.2%

Key Takeaways

Q2 2024: Slight decrease to YOC in Q2 2024 due to an increase in the operating expenses, mainly insurance and utilities Q3 – Q4 2024: YOC decrease in H2-24 mainly due to an increase in operating expenses, mainly due to duplicate insurance expenses. In H2-24, the Fund acquired 41 properties with an in-place acquisition YOC of 5.5%. Q1 2025: YOC slight increased ...

Properties Performance

The FFO for Q2 2025 is $1.9M, which represents 1.2% of the $616M of WA Equity FFO increased due to newly entered hedge income as well as increase in assets from PQ. Core FFO is increased by the effect of the management fees that are being paid based on commitments ($916M) even though the WA Equity is only $616M. In addition, $134.5M weighted avg subline balance ...

Key Takeaways

Fund Performance lNon-GAAP KPIs

## Key Takeaways

Core AFFO is ($4.8M) which represents (3.1%) of the of the $616M WA equity Including $8.4M CAPEX invested in the quarter Excluding $704k non-cash financing cost amortization and change in bad debt allowance

## Fund Performance I Non-GAAP KPIs

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A/R Trend Summary

AR balance improved in comparison to PQ mainly due to greater net collections detailed below, bad debt recovery, offset by an increase to general allowance Bad Debt Recovery: Composed of collections from previously written off AR mainly from two tenants, noted on the following slide. Offset mainly by, Sannova Analytical at 155 Pierce where we are filing for eviction and if ...

Key Takeaways

# Financing Metrics I Cash Basis vs Effective Interest Rate by Loan

Key Takeaways

The base interest of the fund is 5.7% after taking a weighted average across all loans (including the subline and dev) and applying hedging When also factoring in financing costs amortization & unused fees, the effective interest rate is 6.34% As of quarter end, the fund was 88% hedged (91% excluding the subline and development). In anticipation of our refi during Q3-25, ...

*The Cap and SWAP hedging effect is associated with the credit Facility. **LTC Based on the total availability of the credit facility

61%

63%

58%

50%**

LTC

64%

## Main Debt Covenants Overview

*Meets the aggregate collateral pool occupancy test for Credit Facility.

Development Deals I Project Analysis

*Term sheet signed **Asset is wholly owned – budgeted IRR is Gross IRR.

Forecast – The updated calculation from the forecasted underwriting mode.

UW- The original IC memo presented at the investment committee at time of deal.

Key Takeaways

Park 295 and Swisher loans both secured with relationship banks in those markets (Pinnacle & Synovus) who were able to offer sub 300s spreads at >60% LTC Joyce Kilmer loan also secured with a relationship bank (BHI) with higher rate (375bps spread) offset by higher 65% leverage Lack of bank bids on Gibbstown due to location and small size of project forced debt fund loan ...

*Term sheet signed **Budgeted Development Costs- The budgeted costs are based on the most up to date forecasted model. Excluding the total land cost.

**

Development Dealsl Project Analysis

**

Development Deals I Project Analysis

Need to be updated

*Term sheet signed **Asset is wholly owned – budgeted IRR is Gross IRR.

Forecast – The updated calculation from the forecasted underwriting mode.

UW- The original IC memo presented at the investment committee at time of deal.

Key Takeaways

Financing – Park 295 and Swisher loans both secured with relationship banks in those markets who were able to offer. Joyce Kilmer loan also secured with a relationship bank with higher rate but offset by higher leverage. Lack of bank bids on Gibbstown forced debt fund loan with Berkeley at high spread Park 295 – Pinnacle Bank construction loan officially closed Q2-25, driving ...

## Key Takeaways

In Q2-25, We recorded CAPEX totaling $8.4M representing 47% of the Funds NOI. Main investments: Approximately $2.1M of the quarters CAPEX was allocated to roof replacements across 5 properties. There were 3 draws made from the TI allowance for 1501 Kings Rd for approximately $1.2M. A TI fit out was completed at 3 Pearl Ct for approximately $750K Inception to Date ...

## CAPEX, Tenants Improvements & Leasing Commissions

*Turnover Costs represent the estimated obligations incurred in connection with the signing of a lease; including leasing commissions and tenant improvements

# Sources & UsesI After Refi

The fund plans to close on one additional asset which was included in the original pipeline to close prior to MapleTree. After the acquisition of Maple Tree, the Fund will pause future acquisitions until Maple Tree is stabilized, due to potential FCCR Limitations. Subject to FFCR Limitation amendment and Future NOI Growth, the fund will have additional dry powder of ...

Need to Revised to reflect the dry powder

Key Takeaways

Key Takeaways

NWBC JV, LP Co-Investment with Morgan Stanley

# Profit & Loss

Key Takeaways

NOI is consistent to PQ with a slight decrease related to the below: Repairs performed in Q2-25 related to the masonry, recoverable asphalt and paving led to the increase noted in operating expenses in comparison to Q1-25.

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# Fund Performance I Non-GAAP KPIs

Key Takeaways

The FFO in Q2-25 is $0.6M, which represent 3.8% of the $59M Equity. FFO decrease due to slight decrease in NOI due to higher R&M than PQ The Core FFO for the period is $0.6M, which represents 3.8% of the equity. Core FFO decreased due to higher R&M as well The AFFO for the period is ($0.6M), which represents (4.3%) of the equity. NOI decreases mentioned above ...

## Key Takeaways

Fund continued ongoing construction projects which contribute to the higher operating portfolio amount. Fund is considering a future distribution once the is more certainty around future capex. Increase in liabilities relates to a tenant improvement liability

## Balance Sheet and S&U

# Fund Forecast

# Fund Performance Forecast I Acquisitions Pace

Key Takeaways

There will be ~$293M of available remaining deployment if the Fund relied solely on Future NOI Growth and the Truist Refi There will be ~$600M of available remaining deployment if the Fund goes forward with the Co-Invest and Plymouth Sale Both Scenarios assume a recast of our current facility to extend the term through the fund life

Total land, future construction costs, and development JV buyouts of $89M

Total Acquisitions as of Q3 2025(excl. land) of $1,538M factoring in 51% co-invest with MS

Future NOI Growth of the Fund allows $192M additional acquisitions

Plymouth Sale results in $90M additional acquisitions

MapleTree Co-Invest results in $210M additional acquisitions

Truist Refi results in $101M additional acquisitions

# Fund Performance Forecast I Dispositions

Key Takeaways

There have been 3 dispositions in the fund to date, with a total sales price of ~$15.8M The model assumes 10 future dispositions totaling ~$111.6M of sales price before the sale of the fund, largely misfits and other select assets with quality or location issues In the scenario where we sell to Plymouth, we model a sale occurring 10/1/2025 at a $100.9M sales price

Plymouth Dispo 10/1/2025

Assets realized as of 6/30/25

# Fund Performance Forecast I Yield on Cost

Key Takeaways

In 2025, the fund's projected YOC is due to low YOC of Mapletree and the other pipeline assets In 2026-2028 moving MapleTree to a Co-Invest and going forward with the Plymouth Sale gives only a 1 to 2 bps boost to YoC

# Fund Performance Forecast | CapEx, TI & LC w/ MT Co-Invest & Plymouth Sale

Key Takeaways

CapEx PSF is ticks down in 2026, while TIs are highest in 2027-28 due to lease expirations in 2026-27 For future acquisitions, we assume constant TIs ($ PSF) and LCs (% of NOI) each year, creating less variability in their forecasts

# Financing Strategy & Summary

Key Takeaways

The Fund is expected to close on an $350M loan with Truist & US Bank for a pool of 46 properties in August 2025 Capital Call Line was paid down from $150M to $25M, we expect to terminate it in Q4 2025 Credit Facility increased from $247.5M to $553M, $75M of additional commitments secured to fund Mapletree Acquisition

Simplified version

# Loan & Hedging Maturities

Aug ‘22

Aug ‘25

Nov ‘22

Nov ‘26

Dec ‘29

Dec ‘22

Aug ‘22

Jun ‘27

Jun ‘27

Nov ‘22

# Fund Performance Forecast I Hedging & Debt Forecast w/ MT Co-Invest & Plymouth Sale

Key Takeaways

Currently, the Fund has $182M of hedging against the credit facility at a 3.03% weighted average SOFR rate with staggered maturity dates from 3Q25 to 1Q29 The Apollo, New York Life, and Blackstone refinances are fixed rate loans, providing additional hedging through the remainder of the fund term The model uses the all-in rate for the $350M Truist loan of SOFR ...

Note: SOFR forward curve as of July 23rd, 2025

# Fund Performance Forecast | Quarterly FFO Forecast

Key Takeaways

Core FFO and AFFO are similar but improve slightly after the MT co-invest and Plymouth sale The boost to AFFO after the co-invest and sale is driven by avoiding high CapEx, TI & LCs for the MT portfolio Per this forecast, the fund can support 4% Core FFO distributions in 2026 and 5-6% in 2027

# Fund Performance Forecast I Annual FFO Forecast

Key Takeaways

Core FFO and AFFO are similar but improve slightly after the MT co-invest and Plymouth sale The boost to AFFO after the co-invest and sale is driven by avoiding high CapEx, TI & LCs for the MT portfolio Per this forecast, the fund can support 4% Core FFO distributions in 2026 and 5-6% in 2027

# Fund Performance Forecast I Performance Overview

Key Takeaways

In the Base Case, the Fund reaches 17.28% Gross IRR & 13.54% Net IRR When the Co-Invest and Plymouth sale are modeled, the Fund reaches 17.39% Gross IRR & 13.64% Net IRR The Base Case and Co-Invest & Plymouth Dispo Model use exit caps of 5.84% and 5.85% respectively, modeled over a 7-year hold period (assuming a sale on January 1st, 2029)

With Co-Invest & Plym Dispo Model Jan 1st, 2029 Sale

Base Case Model Jan 1st, 2029 Sale

# Fund Performance Forecast I IRR Waterfall

Key Takeaways

The Base Net IRR represents the return of the fund if none of the additional $500-600M of future acquisitions are completed The NOI growth boosts represents the impact from the $190M of additional acquisitions from Q1 2026 through Q2 2027 The Truist refi represents the impact of the $100M additional acquisitions supported by surplus availability created through refi The
...

IRR will be reduced by ~20bps if deployment pace of future acquisitions is limited to ~$80M per quarter

# Fund Performance Forecast I DSCR Forecast

Key Takeaways

The DSCR Stress case layers on a 50 bps increase to the 10Y Treasury starting 8/1/2025 and an additional 2% NOI Reduction In the Base Case the DSCR bottoms out at 1.46x in 2027, when stressed it gets to a 1.36x With the MapleTree and Plymouth Disposition the DSCR bottoms out at 1.50x in 2027, when stressed it gets to a 1.37x

Note: 10Y Treasury forward curve of 4.36% as of 7/23/25

Temporary boost due to additional proceeds from Truist refi before more acquisitions are made

# Fund Performance Forecast I FCCR Forecast

Key Takeaways

In the Base Case with $293M of future acquisitions, the FCCR stays above the 1.50x FCCR buffer getting to 1.82x in Q2 2027
When including the MapleTree Co-Invest, Plymouth Sale and $593M of future acquisitions, the FCCR stays above the 1.50x FCCR buffer as well getting to 1.80x in Q2 2027

# Fund Performance Overview I Seed Portfolio Forecast

Key Takeaways

The assets in the seed portfolio reach 16.8% Gross & 12.6% Net IRR over a 6-year hold period (sale on Jan 1, 2028) and assuming a 5.75% exit cap Although we plan to sell the fund after 7 years, we evaluate the seed portfolio assets over a 6-year hold since this is roughly the average hold time of all projected fund assets (since assets purchased in 2024-25 will be held for ...

OPEN – Corp Finance

# Appendices

# A/R Specific Allowance - Deep Dive

NYL Pool (NNJ Co-Invest)

# Yield on Cost & CapEx Forecast I NYL

Key Takeaways

Yield on Cost for our NYL pool grows most sharply in 2028 as many properties unlock during 2027 CapEx and TI/LC stays flat over time, stabilizing near $2M annually Accumulated CapEx and TI/LC reach $10.6M for the NYL pool by the end of 2028

# Debt Yield Covenant Analysisl NYL

Key Takeaways

Debt Yield covenant remains flat at 8.5% (equating to an annualized NOI of $7.65M) throughout the course of the loan Stryker lease expiration at the end of 2026 results in significant drop to quarterly NOI in Q1 2027 (amplified since the adjusted NOI is calculated by annualizing the quarterly NOI)

Debt Yield Covenant uses the quarters NOI annualized for calculation

# Fund Performance Overview I NNJ Co-Invest

Key Takeaways

The co-invest with Morgan Stanley is projected to reach 19.1% Gross & 16.7% Net IRR, assuming sale on Jan 1, 2029 (aligned with full fund), 5.50% disposition cap rate, 1.25% management fee, and 10% GP promote Distributions CoC% differs from AFFO % since in certain quarters the co-invest will prepare for large upcoming capex events by keeping additional reserves

# Reserves Policy I Next 30 Months Cashflow Forecast

Key Takeaways

In the next 30 months, we have significant capex events in 2025 through 2027 We will need to set aside reserves in 2026 to cover the negative Q1-27 AFFO

Step 1: Notice upcoming negative AFFO period or large CapEx Events Step 2: Build cash reserves balance in advance Step 3: Draw on reserves balance in required period to enable distribution

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# Yield on Cost & CapEx Forecast I NYL

Key Takeaways

Yield on Cost for our NYL pool grows most sharply in 2028 as many properties unlock during 2027 CapEx and TI/LC stays flat over time, stabilizing near $2M annually Accumulated CapEx and TI/LC reach $9.6M for the NYL pool by the end of 2028

OLD

# Debt Yield Covenant Analysisl NYL

Key Takeaways

Debt Yield covenant remains flat at 8.5% throughout the course of the loan Stryker lease expiration at the end of 2026 results in significant drop to quarterly NOI in Q1 2027 (amplified since the adjusted NOI is calculated by annualizing the quarterly NOI)

Debt Yield Covenant uses the quarters NOI annualized for calculation

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# Reserves Policy I Next 30 Months Cashflow Forecast

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In the next 30 months, we have significant capex events in 2025 through 2027 We will need to set aside reserves in 2026 to cover the negative Q1-27 AFFO

Step 1: Notice upcoming negative AFFO period or large CapEx Events Step 2: Build cash reserves balance in advance Step 3: Draw on reserves balance in required period to enable distribution

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# Fund Performance Overview l NNJ Co-Invest

Key Takeaways

The co-invest with Morgan Stanley is projected to reach 20.6% Gross & 18.1% Net IRR, assuming sale on Jan 1, 2029 (aligned with full fund), 5.50% disposition cap rate, 1.25% management fee, and 10% GP promote Distributions CoC% differs from AFFO % since in certain quarters the co-invest will prepare for large upcoming capex events by keeping additional reserves

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# Definitions

# Definitions

# Definitions (continued)

# A/R General Allowance - Deep Dive

Key Takeaways

Key Considerations General Allowance – Balance of A/R determined based on the A/R Age and % of Allowance, that we estimate will not be collected in the future A/R General Allowance is recorded at the Fund-level, NOT at the individual Property-level Financial Metrics Impact Property Level – No impact in the tenant ledger or A/R Balance of the fund Fund Level ...

Fund Finance – updated

# Financing Cost Summary – Life Company Refi’s

* Net Proceeds- Outstanding Loan minus Closing Costs and Upfront Reserves **Effective LTC- Net Proceeds divided by TC ***Effective Interest Rate- expected interest expenses divided by Net Proceeds

Key Takeaways

Higher Closing Costs: Loan closing costs are significantly higher than current model estimates, ranging between 1.6% and 2.61%. Impact on Effective LTC: The higher closing costs and loan reserves have a significant impact on the effective LTC ratio. Decreasing LTC Over Time: For these loans, the LTC will decrease over time as no additional draws will be made to finance ...

No significant changes in Hazel Park UW, Swedesboro is still in entitlement stage therefore too early to determine if any significant UW changes will materialize. Joyce Kilmer - Total contributions have decreased due to an increase in the expected construction debt loan. We will receive proceeds once the loan is finalized. Lincoln Swisher – Total underwritten contributions ...

Key Takeaways

Ready for review– Fund Finance

Development Dealsl Underwriting Comparison

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