# UNITED STATES
# SECURITIES AND EXCHANGE COMMISSION
**WASHINGTON, D.C. 20549**

# FORM 10-Q

☒ **Quarterly report pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934**

**For the quarterly period ended March 31, 2026**

☐ **Transition report pursuant to section 13 or 15(d) of the Securities Exchange Act of 1934**

**Commission File Number 001-39529**

# BROADSTONE NET LEASE, INC.
**(Exact name of registrant as specified in its charter)**

| | |
|---|---|
| **Maryland** | **26-1516177** |
| **(State or other jurisdiction of incorporation or organization)** | **(I.R.S. Employer Identification No.)** |
| **207 High Point Drive Suite 300 Victor, New York** | **14564** |
| **(Address of principal executive offices)** | **(Zip Code)** |

**(585) 287-6500**

**(Registrant's telephone number, including area code)**

Securities registered pursuant to Section 12(b) of the Act:

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---|---|---|
| **Common Stock, $0.00025 par value** | **BNL** | **The New York Stock Exchange** |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15 (d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

| | | | |
|---|---|---|---|
| Large accelerated filer | ☒ | Accelerated filer | ☐ |
| Non-accelerated filer | ☐ | Smaller reporting company | ☐ |
| Emerging growth company | ☐ | | |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

There were 191,766,555 shares of the Registrants' Common Stock, $0.00025 par value per share, outstanding as of April 27, 2026.

**BROADSTONE NET LEASE, INC.**
**TABLE OF CONTENTS**

**Part I. FINANCIAL INFORMATION**

**Item 1. Financial Statements**

Broadstone Net Lease, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets
(Unaudited)
*(in thousands, except per share amounts)*

| | March 31, 2026 | December 31, 2025 |
|---|---|---|
| **Assets** | | |
| Accounted for using the operating method: | | |
| Land | $ 822,795 | $ 781,117 |
| Land improvements | 381,795 | 373,405 |
| Buildings and improvements | 4,173,302 | 4,118,578 |
| Equipment | 15,324 | 15,281 |
| Total accounted for using the operating method | 5,393,216 | 5,288,381 |
| Less accumulated depreciation | (803,658) | (772,589) |
| Accounted for using the operating method, net | 4,589,558 | 4,515,792 |
| Accounted for using the direct financing method | 25,303 | 25,497 |
| Accounted for using the sales-type method | 14,393 | 14,405 |
| Property under development | 329,260 | 265,812 |
| Investment in rental property, net | 4,958,514 | 4,821,506 |
| Cash and cash equivalents | 20,310 | 30,540 |
| Accrued rental income | 184,668 | 178,880 |
| Tenant and other receivables, net | 3,633 | 4,404 |
| Prepaid expenses and other assets | 56,183 | 55,910 |
| Interest rate swap, assets | 19,975 | 18,248 |
| Goodwill | 339,769 | 339,769 |
| Intangible lease assets, net | 261,975 | 268,010 |
| **Total assets** | $ 5,845,027 | $ 5,717,267 |
| **Liabilities and equity** | | |
| Unsecured revolving credit facility | $ 397,640 | $ 266,036 |
| Mortgages, net | 56,197 | 56,689 |
| Unsecured term loans, net | 994,820 | 994,219 |
| Senior unsecured notes, net | 1,191,143 | 1,190,738 |
| Interest rate swap, liabilities | 637 | 1,501 |
| Accounts payable and other liabilities | 61,738 | 60,081 |
| Dividends payable | 59,884 | 59,513 |
| Accrued interest payable | 21,759 | 13,502 |
| Intangible lease liabilities, net | 39,860 | 41,527 |
| **Total liabilities** | 2,823,678 | 2,683,806 |
| **Commitments and contingencies (Note 16)** | | |
| **Equity** | | |
| Broadstone Net Lease, Inc. equity: | | |
| Preferred stock, $0.001 par value; 20,000 shares authorized, no shares issued or outstanding | — | — |
| Common stock, $0.00025 par value; 500,000 shares authorized, 191,771 and 191,423 shares issued and outstanding at March 31, 2026 and December 31, 2025, respectively | 48 | 48 |
| Additional paid-in capital | 3,502,465 | 3,502,380 |
| Cumulative distributions in excess of retained earnings | (630,951) | (620,221) |
| Accumulated other comprehensive income | 20,898 | 19,788 |
| Total Broadstone Net Lease, Inc. equity | 2,892,460 | 2,901,995 |
| Non-controlling interests | 128,889 | 131,466 |
| **Total equity** | 3,021,349 | 3,033,461 |
| **Total liabilities and equity** | $ 5,845,027 | $ 5,717,267 |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

Broadstone Net Lease, Inc. and Subsidiaries
Condensed Consolidated Statements of Income and Comprehensive Income (Loss)
(Unaudited)
*(in thousands, except per share amounts)*

| | For the Three Months Ended March 31, 2026 | For the Three Months Ended March 31, 2025 |
|---|---|---|
| **Revenues** | | |
| Lease revenues, net | $ 121,401 | $ 108,690 |
| | | |
| **Operating expenses** | | |
| Depreciation and amortization | 41,526 | 39,497 |
| Property and operating expense | 6,180 | 5,488 |
| General and administrative | 10,349 | 9,672 |
| Provision for impairment of investment in rental properties | — | 16,128 |
| **Total operating expenses** | 58,055 | 70,785 |
| | | |
| **Other income (expenses)** | | |
| Interest income | 49 | 99 |
| Interest expense | (25,260) | (20,074) |
| Gain on sale of real estate | 7,122 | 405 |
| Income taxes | (311) | (355) |
| Other income (expenses) | 1,446 | (487) |
| **Net income** | 46,392 | 17,493 |
| Net income attributable to non-controlling interests | (27) | (750) |
| **Net income attributable to Broadstone Net Lease, Inc.** | 46,365 | 16,743 |
| | | |
| **Weighted average number of common shares outstanding** | | |
| Basic | 190,435 | 187,865 |
| Diluted | 199,754 | 196,898 |
| **Net earnings per share attributable to common stockholders** | | |
| Basic and Diluted | $ 0.24 | $ 0.09 |
| | | |
| **Comprehensive income (loss)** | | |
| Net income | $ 46,392 | $ 17,493 |
| Other comprehensive income (loss) | | |
| Change in fair value of interest rate swaps | 2,591 | (19,892) |
| Realized loss (gain) on interest rate swaps | 31 | (6) |
| Comprehensive income (loss) | 49,014 | (2,405) |
| Comprehensive (income) loss attributable to non-controlling interests | (136) | 103 |
| Comprehensive income (loss) attributable to Broadstone Net Lease, Inc. | $ 48,878 | $ (2,302) |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

Broadstone Net Lease, Inc. and Subsidiaries
Condensed Consolidated Statements of Equity
(Unaudited)
*(in thousands, except per share amounts)*

| | Common Stock | Additional Paid-in Capital | Cumulative Distributions in Excess of Retained Earnings | Accumulated Other Comprehensive Income | Non-controlling Interests | Total Equity |
|---|---|---|---|---|---|---|
| Balance at January 1, 2026 | $ 48 | $ 3,502,380 | $ (620,221) | $ 19,788 | $ 131,466 | $ 3,033,461 |
| Net income | — | — | 46,365 | — | 27 | 46,392 |
| Issuance of 619 shares of common stock under equity incentive plan | — | 1,053 | — | — | — | 1,053 |
| Contributions from non-controlling interests | — | — | — | — | 43 | 43 |
| Stock-based compensation | — | 2,566 | — | — | — | 2,566 |
| Retirement of 271 shares of common stock under equity incentive plan | — | (5,183) | — | — | — | (5,183) |
| Distributions declared ($0.2925 per share and OP Unit) | — | — | (57,095) | — | (2,510) | (59,605) |
| Change in fair value of interest rate swap agreements | — | — | — | 2,483 | 108 | 2,591 |
| Realized loss on interest rate swap agreements | — | — | — | 30 | 1 | 31 |
| Adjustment of non-controlling interests | — | 1,649 | — | (1,403) | (246) | — |
| Balance at March 31, 2026 | $ 48 | $ 3,502,465 | $ (630,951) | $ 20,898 | $ 128,889 | $ 3,021,349 |

| | Common Stock | Additional Paid-in Capital | Cumulative Distributions in Excess of Retained Earnings | Accumulated Other Comprehensive Income | Non-controlling Interests | Total Equity |
|---|---|---|---|---|---|---|
| Balance, January 1, 2025 | $ 47 | $ 3,450,584 | $ (496,543) | $ 49,657 | $ 137,679 | $ 3,141,424 |
| Net income | — | — | 16,743 | — | 750 | 17,493 |
| Issuance of 292 shares of common stock under equity incentive plan | — | 104 | — | — | — | 104 |
| Offering costs, discounts, and commissions | — | (136) | — | — | — | (136) |
| Stock-based compensation, net of three shares of restricted stock forfeited | — | 2,147 | — | — | — | 2,147 |
| Retirement of 86 shares of common stock under equity incentive plan | — | (1,446) | — | — | — | (1,446) |
| Conversion of 244 OP Units to 244 shares of common stock | — | 3,882 | — | — | (3,882) | — |
| Distributions declared ($0.29 per share and OP Unit) | — | — | (56,274) | — | (2,600) | (58,874) |
| Change in fair value of interest rate swap agreements | — | — | — | (19,039) | (853) | (19,892) |
| Realized gain on interest rate swap agreements | — | — | — | (6) | — | (6) |
| Adjustment to non-controlling interests | — | 906 | — | (892) | (14) | — |
| Balance, March 31, 2025 | $ 47 | $ 3,456,041 | $ (536,074) | $ 29,720 | $ 131,080 | $ 3,080,814 |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

Broadstone Net Lease, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows
(Unaudited)
*(in thousands)*

| | For the Three Months Ended March 31, 2026 | For the Three Months Ended March 31, 2025 |
|---|---|---|
| **Operating activities** | | |
| Net income | $ 46,392 | $ 17,493 |
| Adjustments to reconcile net income including non-controlling interests to net cash provided by operating activities: | | |
| Depreciation and amortization including intangibles associated with investment in rental property | 40,511 | 38,433 |
| Provision for impairment of investment in rental properties | — | 16,128 |
| Amortization of debt issuance costs and original issuance discounts charged to interest expense | 1,627 | 1,237 |
| Stock-based compensation expense | 2,566 | 2,147 |
| Straight-line rent, direct financing and sales-type lease adjustments | (5,630) | (3,679) |
| Gain on sale of real estate | (7,122) | (405) |
| Other non-cash items | (2,488) | 470 |
| Changes in assets and liabilities: | | |
| Tenant and other receivables | 771 | 700 |
| Prepaid expenses and other assets | (4,667) | (36) |
| Accounts payable and other liabilities | (4,125) | (4,591) |
| Accrued interest payable | 8,257 | 3,562 |
| Net cash provided by operating activities | 76,092 | 71,459 |
| **Investing activities** | | |
| Acquisition of rental property | (59,014) | (60,522) |
| Investment in property under development including capitalized interest of $3,016 and $322 in 2026 and 2025, respectively | (112,927) | (16,687) |
| Capital expenditures and improvements | (1,364) | (14,348) |
| Proceeds from disposition of rental property, net | 11,216 | 7,522 |
| Change in deposits on investments in rental property | (322) | (1,300) |
| Net cash used in investing activities | (162,411) | (85,335) |
| **Financing activities** | | |
| Offering costs, discounts, and commissions | — | (146) |
| Contributions from non-controlling interests | 43 | — |
| Proceeds from unsecured term loans | — | 400,000 |
| Principal payments on mortgages and unsecured term loans | (501) | (400,596) |
| Borrowings on unsecured revolving credit facility | 212,500 | 145,300 |
| Repayments on unsecured revolving credit facility | (79,500) | (64,500) |
| Cash distributions paid to stockholders | (55,692) | (56,196) |
| Cash distributions paid to non-controlling interests | (2,489) | (2,671) |
| Debt issuance costs paid | (5) | (12,275) |
| Net cash provided by financing activities | 74,356 | 8,916 |
| Net decrease in cash and cash equivalents and restricted cash | (11,963) | (4,960) |
| Cash and cash equivalents and restricted cash at beginning of period | 33,642 | 15,993 |
| Cash and cash equivalents and restricted cash at end of period | $ 21,679 | $ 11,033 |
| **Reconciliation of cash and cash equivalents and restricted cash** | | |
| Cash and cash equivalents at beginning of period | $ 30,540 | $ 14,845 |
| Restricted cash at beginning of period | 3,102 | 1,148 |
| Cash and cash equivalents and restricted cash at beginning of period | $ 33,642 | $ 15,993 |
| Cash and cash equivalents at end of period | $ 20,310 | $ 9,605 |
| Restricted cash at end of period | 1,369 | 1,428 |
| Cash and cash equivalents and restricted cash at end of period | $ 21,679 | $ 11,033 |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

**1. Business Description**

Broadstone Net Lease, Inc. (the "Corporation") is a Maryland corporation formed on October 18, 2007, that elected to be taxed as a real estate investment trust ("REIT") commencing with the taxable year ended December 31, 2008. Broadstone Net Lease, LLC (the Corporation's operating company, or the "OP"), is the entity through which the Corporation conducts its business and owns (either directly or through subsidiaries) all of the Corporation's properties. The Corporation is the sole managing member of the OP. The membership units not owned by the Corporation are referred to as "OP Units" and are recorded as non-controlling interests in the Condensed Consolidated Financial Statements. As the Corporation conducts substantially all of its operations through the OP, it is structured as an umbrella partnership real estate investment trust ("UPREIT"). The Corporation's common stock is listed on the New York Stock Exchange under the symbol "BNL". The Corporation, the OP, and its consolidated subsidiaries are collectively referred to as the "Company".

The Company is an industrial-focused, diversified net lease REIT that focuses on investing in income-producing, single-tenant net leased commercial properties, primarily in the United States. The Company leases primarily industrial and retail commercial properties under long-term lease agreements. At March 31, 2026, the Company owned a diversified portfolio of 773 individual commercial properties with 766 properties located in 44 U.S. states and seven properties located in four Canadian provinces.

The following table summarizes the outstanding equity and economic ownership interest of the Company:

| | March 31, 2026 | | | December 31, 2025 | | |
|---|---|---|---|---|---|---|
| *(in thousands)* | Shares of Common Stock | OP Units | Total Diluted Shares | Shares of Common Stock | OP Units | Total Diluted Shares |
| Ownership interest | 191,771 | 8,296 | 200,067 | 191,423 | 8,296 | 199,719 |
| Percent ownership of OP | 95.9% | 4.1% | 100.0% | 95.8% | 4.2% | 100.0% |

Refer to Note 14 for further discussion regarding the calculation of weighted average shares outstanding.

**2. Summary of Significant Accounting Policies**

**Interim Information**

The accompanying Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information (Accounting Standards Codification ("ASC") 270, *Interim Reporting*) and Article 10 of the Securities and Exchange Commission's ("SEC") Regulation S-X. Accordingly, the Company has omitted certain footnote disclosures which would substantially duplicate those contained within the audited consolidated financial statements for the year ended December 31, 2025, included in the Company's 2025 Annual Report on Form 10-K, filed with the SEC on February 19, 2026. Therefore, the readers of this quarterly report should refer to those audited consolidated financial statements, specifically Note 2, *Summary of Significant Accounting Policies*, for further discussion of significant accounting policies and estimates. The Company believes all adjustments necessary for a fair presentation have been included in these interim Condensed Consolidated Financial Statements (which include only normal recurring adjustments).

**Basis of Accounting**

The Condensed Consolidated Financial Statements have been prepared in accordance with GAAP.

**Principles of Consolidation**

The Condensed Consolidated Financial Statements include the accounts and operations of the Company. All intercompany balances and transactions have been eliminated in consolidation.

When the Company obtains an economic interest in an entity, the entity is evaluated to determine if it should be deemed a variable interest entity ("VIE") and, if so, whether the Company is the primary beneficiary and is therefore required to consolidate the entity. The accounting guidance for consolidation of VIEs is applied to certain entities in which the equity investors do not have the characteristics of a controlling financial interest or do not have sufficient equity at risk for the entity to finance its activities without additional subordinated financial support from other parties. Certain decision-making rights within a loan or joint-venture agreement may cause us to consider an entity a VIE. The contractual arrangements in a partnership agreement or other related contracts are reviewed to determine whether the entity is a VIE, and if the Company has variable interests in the VIE. The Company's variable interests are then compared to those of the other variable interest holders to determine which party is the primary beneficiary of the VIE. A primary beneficiary: (i) has the power to direct the activities that most significantly impact the economic performance of the VIE and (ii) has the obligation to absorb losses or the right to receive benefits of the VIE that could potentially be significant to the VIE. The Company reassesses the initial evaluation of whether an entity is a VIE when certain events occur, and reassesses the primary beneficiary determination of a VIE on an ongoing basis based on current facts and circumstances. To the extent the Company has a variable interest in entities that are not evaluated under the VIE model, the Company evaluates its interests using the voting interest entity model.

The Corporation has complete responsibility for the day-to-day management of, authority to make decisions for, and control of the OP. Based on consolidation guidance, the Corporation has concluded that the OP is a VIE as the members in the OP do not possess kick-out rights or substantive participating rights. Accordingly, the Corporation consolidates its interest in the OP. However, because the Corporation holds the majority voting interest in the OP and certain other conditions are met, it qualifies for the exemption from providing certain disclosure requirements associated with investments in VIEs. The portions of a consolidated entity not owned by the Company are presented as non-controlling interests as of and during the periods presented.

From time to time, the Company acquires properties using a reverse like-kind exchange structure pursuant to Section 1031 of the Internal Revenue Code (a "reverse 1031 exchange") and, as such, the properties are in the possession of an Exchange Accommodation Titleholder ("EAT") until the reverse 1031 exchange is completed. EATs are classified as VIEs as they are "thinly capitalized" entities. The Company consolidates the EAT because it is the primary beneficiary as it has the ability to control the activities that most significantly impact the EAT's economic performance and can collapse the reverse 1031 exchange structure at its discretion. The assets of the EAT primarily consist of leased property (net real estate investment in rental property and lease intangibles).

The Company invests in various entities in exchange for ownership interests. Each of these investments is a VIE in which the Company is considered the primary beneficiary as it: (i) has the power to direct the activities that significantly impact the economic performance of the VIE, and (ii) has the obligation to absorb losses and the right to receive benefits of the VIE. As a result, the Company consolidates these VIEs. At March 31, 2026 and December 31, 2025, the Company had six consolidated VIEs.

The following table presents a summary of selected financial data of the consolidated VIEs included in the Condensed Consolidated Balance Sheets:

| *(in thousands)* | | March 31, 2026 | | December 31, 2025 |
|---|---|---|---|---|
| **Assets** | | | | |
| Accounted for using the operating method: | | | | |
| Land | $ | 7,644 | $ | 7,644 |
| Land improvements | | 2,707 | | 2,707 |
| Buildings and improvements | | 40,664 | | 40,664 |
| Total accounted for using the operating method | | 51,015 | | 51,015 |
| Less accumulated depreciation | | (2,461) | | (2,131) |
| Accounted for using the operating method, net | | 48,554 | | 48,884 |
| Property under development | | 130,282 | | 114,094 |
| Investment in rental property, net | | 178,836 | | 162,978 |
| Intangible lease assets, net | | 1,854 | | 2,097 |
| Other assets | | 14,169 | | 17,825 |
| **Total assets** | $ | 194,859 | $ | 182,900 |
| | | | | |
| **Liabilities** | | | | |
| Intangible lease liabilities, net | $ | 403 | $ | 425 |
| Other liabilities | $ | 1,357 | $ | 1,925 |
| **Total liabilities** | $ | 1,760 | $ | 2,350 |

**Use of Estimates**

The preparation of Condensed Consolidated Financial Statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the Condensed Consolidated Financial Statements and the reported amounts of revenues and expenses during the reporting periods. Accordingly, actual results may differ from those estimates.

**Investment in Property Under Development**

Land acquired for development and construction and improvement costs incurred in connection with the development of new properties are capitalized and recorded as Property under development in the accompanying Condensed Consolidated Balance Sheets until construction has been completed. Such capitalized costs include all direct and indirect costs related to planning, development, and construction, including interest, real estate taxes, and other miscellaneous costs incurred during the construction period. Once substantially complete, the property under development is placed in service and depreciation commences. During the three months ended March 31, 2026 and 2025, the Company funded capital expenditures of $5.1 million and $10.4 million, respectively, on development properties after they have reached substantial completion. The following tables summarize the Company's investments in property under development:

| *(in thousands)* | | March 31, 2026 | | December 31, 2025 |
|---|---|---|---|---|
| Development, construction and improvement costs | $ | 323,404 | $ | 261,541 |
| Capitalized interest | | 5,856 | | 4,271 |
| Property under development | $ | 329,260 | $ | 265,812 |

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| *(in thousands)* | | 2026 | | 2025 |
| Investment in properties under development, excluding capitalized costs | $ | 109,951 | $ | 16,387 |

**Long-lived Asset Impairment**

The Company reviews long-lived assets to be held and used for possible impairment when events or changes in circumstances indicate that their carrying amounts may not be recoverable. If, and when, such events or changes in circumstances are present, an impairment exists to the extent the carrying value of the long-lived asset or asset group exceeds the sum of the undiscounted cash flows expected to result from the use of the long-lived asset or asset group and its eventual disposition. Such cash flows include expected future operating income, as adjusted for trends and prospects, as well as the effects of demand, competition, and other factors. An impairment loss is measured as the amount by which the carrying amount of the long-lived asset or asset group exceeds its fair value. Significant judgment is made to determine if and when impairment should be taken. The Company's assessment of impairment during the three months ended March 31, 2026 and 2025, was based on the most current information available to the Company. Certain of the Company's properties may have fair values less than their carrying amounts. However, based on the Company's plans with respect to each of those properties, the Company believes that their carrying amounts are recoverable and therefore, no impairment charges were recognized other than those described below. If the operating conditions mentioned above deteriorate or if the Company's expected holding period for assets changes, subsequent tests for impairment could result in additional impairment charges in the future.

Inputs used in establishing fair value for impaired real estate assets generally fall within Level 3 of the fair value hierarchy, which are characterized as requiring significant judgment as little or no current market activity may be available for validation. The main indicator used to establish the classification of the inputs is current market conditions, as derived through the use of published commercial real estate market information and information obtained from brokers and other third party sources. The Company determines the valuation of impaired assets using generally accepted valuation techniques including discounted cash flow analysis, income capitalization, analysis of recent comparable sales transactions, actual sales negotiations, and bona fide purchase offers received from third parties. Management may consider a single valuation technique or multiple valuation techniques, as appropriate, when estimating the fair value of its real estate.

The following table summarizes the Company's impairment charges, resulting primarily from changes in the Company's long-term hold strategy with respect to the individual properties:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands)* | **2026** | **2025** |
| Number of properties | — | 7 |
| Impairment charge | $ — | $ 16,128 |

During the three months ended March 31, 2025, the Company recognized impairment of $16.1 million, resulting from changes in the Company's long-term hold strategy with respect to the individual properties. The impairments were based on actual and expected sales prices of individual properties and includes a $12.5 million impairment charge on two healthcare properties.

**Restricted Cash**

Restricted cash generally includes escrow funds the Company maintains pursuant to the terms of certain mortgages, lease agreements, and undistributed proceeds from the sale of properties under Section 1031 of the Internal Revenue Code of 1986, as amended (the "Code"), and is reported within Prepaid expenses and other assets in the Condensed Consolidated Balance Sheets. Restricted cash consisted of the following:

| *(in thousands)* | **March 31, 2026** | **December 31, 2025** |
|---|---|---|
| Escrow funds and other | $ 1,369 | $ 3,102 |

**Rent Received in Advance**

Rent received in advance represents tenant rent payments received prior to the contractual due date, and is included in Accounts payable and other liabilities in the Condensed Consolidated Balance Sheets. Rent received in advance consisted of the following:

| *(in thousands)* | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Rent received in advance | $ 24,245 | $ 18,498 |

**Segment Reporting**

The Company currently operates in a single reportable segment, which includes the acquisition, leasing, and ownership of net leased properties. The Company's chief operating decision maker ("CODM") is the Company's senior leadership team, which includes, the Chief Executive Officer, President and Chief Operating Officer, Chief Financial Officer and Treasurer, and the Company's Senior Vice Presidents. The CODM assesses, measures, and reviews the operating and financial results at the consolidated level for the entire portfolio based on consolidated revenues, expenses, and net income as reported on the Condensed Consolidated Statements of Income and Comprehensive Income. The Company does not evaluate the results of operations based on geography, size, or property type.

**Fair Value Measurements**

*Recurring Fair Value Measurements*

The balances of financial instruments measured at fair value on a recurring basis are as follows (see Note 9):

| | March 31, 2026 | | | |
|---|---|---|---|---|
| *(in thousands)* | Total | Level 1 | Level 2 | Level 3 |
| Interest rate swap, assets | $ 19,975 | $ — | $ 19,975 | $ — |
| Interest rate swap, liabilities | (637) | — | (637) | — |

| | December 31, 2025 | | | |
|---|---|---|---|---|
| *(in thousands)* | Total | Level 1 | Level 2 | Level 3 |
| Interest rate swap, assets | $ 18,248 | $ — | $ 18,248 | $ — |
| Interest rate swap, liabilities | (1,501) | — | (1,501) | — |

*Long-term Debt* – The fair value of the Company's debt was estimated using Level 1, Level 2, and Level 3 inputs based on recent secondary market trades of the Company's senior unsecured public notes, recent comparable financing transactions, recent market risk premiums for loans of comparable quality, Secured Overnight Financing Rate ("SOFR"), Canadian Overnight Repo Rate Average ("CORRA"), U.S. Treasury obligation interest rates, and discounted estimated future cash payments to be made on such debt. The discount rates estimated reflect the Company's judgment as to the approximate current lending rates for loans or groups of loans with similar maturities and assumes that the debt is outstanding through maturity. Market information, as available, or present value techniques were utilized to estimate the amounts required to be disclosed. Since such amounts are estimates that are based on limited available market information for similar transactions and do not acknowledge transfer or other repayment restrictions that may exist on specific loans, it is unlikely that the estimated fair value of any such debt could be realized by immediate settlement of the obligation.

The following table summarizes the carrying amount reported in the Condensed Consolidated Balance Sheets and the Company's estimate of the fair value of the unsecured revolving credit facility, mortgages, unsecured term loans, and senior unsecured notes which includes the fair value of interest rate swaps:

| *(in thousands)* | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Carrying amount | $ 2,653,856 | $ 2,522,753 |
| Fair value | 2,687,702 | 2,564,437 |

*Non-recurring Fair Value Measurements*

The Company's non-recurring fair value measurements at December 31, 2025 consisted of the fair value of impaired real estate assets that were determined using Level 2 and Level 3 inputs.

**Right-of-Use Assets and Lease Liabilities**

Right-of-use assets and lease liabilities associated with operating and finance leases were included in the accompanying Condensed Consolidated Balance Sheets as follows:

| *(in thousands)* | Financial Statement Presentation | March 31, 2026 | December 31, 2025 |
|---|---|---|---|
| Operating leases: | | | |
| Right-of-use assets | Prepaid expenses and other assets | 9,407 | 9,578 |
| Lease liabilities | Accounts payable and other liabilities | 9,422 | 9,580 |
| Financing leases: | | | |
| Right-of-use assets | Prepaid expenses and other assets | 2,210 | 2,221 |
| Lease liabilities | Accounts payable and other liabilities | 2,743 | 2,729 |

Refer to Note 16 for obligations under operating and finance leases.

**Recently Issued Accounting Standards**

In November 2024, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40)* ("ASU 2024-03"). ASU 2024-03 requires a public entity to disclose additional information about specific expense categories in the notes to financial statements on an annual and interim basis. The amendments are effective for annual periods beginning after December 15, 2026, and interim periods beginning after December 15, 2027, with early adoption permitted. The Company may elect to apply the amendments either prospectively to financial statements issued for reporting periods after the effective date of this ASU or retrospectively to any or all prior periods presented in the financial statements. While this update will result in enhanced disclosures, the Company does not expect it will have a material impact on the Company's financial statements.

In November 2025, the FASB issued ASU 2025-09, *Derivatives and Hedging (Topic 815): Hedge Accounting Improvements* ("ASU 2025-09"). ASU 2025-09 seeks to better align hedge accounting with an entity's risk management strategies by improving the ability to achieve and maintain hedge accounting for highly effective economic hedges of forecasted transactions. ASU 2025-09 is effective for annual periods beginning after December 15, 2026, including interim periods within those fiscal years. The Company is currently evaluating the potential impact of the guidance, including any additional disclosures that may be required.

In December 2025, the FASB issued ASU 2025-11, *Interim Reporting (Topic 270): Narrow-Scope Improvements* ("ASU 2025-11"). ASU 2025-11 clarifies the applicability of the interim reporting guidance in ASC 270, specifies the form and content of interim financial statements and related disclosures, adds a disclosure principle requiring entities to disclose events since the end of the most recent annual reporting period that have a material impact, and improves the organization and navigability of required interim disclosures. The amendments are not intended to change the fundamental nature of interim reporting or significantly expand or reduce existing interim disclosure requirements. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the potential impact of the guidance, including additional disclosures that may be required.

**3. Asset Acquisitions**

The Company closed on the following acquisitions during the three months ended March 31, 2026:

*(in thousands, except number of properties)*

| Date | Property Type | Number of Properties | | Real Estate Acquisition Price | |
|---|---|---|---|---|---|
| January 30, 2026 | Industrial | 0 | $ | 20,100 | (a) |
| February 18, 2026 | Retail | 1 | $ | 2,018 | (b) |
| February 24, 2026 | Industrial | 1 | | 17,538 | (b) |
| March 19, 2026 | Industrial | 1 | | 61,195 | |
| | | 3 | $ | 100,851 | (c) |

(a) Acquisition of an option to purchase land to be developed in connection with an industrial property.

(b) Acquisition of land to be developed in connection with a build-to-suit development.

(c) Acquisition price excludes capitalized acquisition and development costs of $3.3 million.

The Company closed on the following acquisitions during the three months ended March 31, 2025:

| *(in thousands, except number of properties)* Date | Property Type | Number of Properties | Real Estate Acquisition Price | |
|---|---|---|---|---|
| January 28, 2025 | Retail | 1 | $ 9,871 | |
| February 13, 2025 | Retail | 1 | 495 | (d) |
| March 11, 2025 | Industrial | 1 | 41,088 | |
| March 28, 2025 | Retail | 4 | 8,045 | |
| | | 7 | $ 59,499 | (e) |

(d) Acquisition of land to be developed in connection with a build-to-suit development.

(e) Acquisition price excludes capitalized acquisition costs of $2.0 million.

The Company allocated the purchase price of these properties to the fair value of the assets acquired and liabilities assumed. The following table summarizes the purchase price allocation for completed real estate acquisitions:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands)* | 2026 | 2025 |
| Land | $ 43,311 | $ 3,720 |
| Land improvements | 2,144 | 1,569 |
| Buildings and improvements | 15,666 | 49,858 |
| Property under development | 40,730 | 824 |
| Acquired in-place leases (f) | 2,259 | 6,053 |
| Acquired below-market leases (g) | — | (145) |
| Right-of-use asset | — | 2,262 |
| Lease liability | — | (2,681) |
| | $ 104,110 | $ 61,460 |

(f) The weighted average amortization period for acquired in-place leases is 12 years and 13 years for acquisitions completed during the three months ended March 31, 2026 and 2025, respectively.

(g) There were no acquisitions of below-market leases during the three months ended March 31, 2026. The weighted average amortization period for acquired below-market leases is 14 years for acquisitions completed during the three months ended March 31, 2025.

The above acquisitions were funded using a combination of available cash on hand and unsecured revolving credit facility borrowings. All real estate acquisitions closed during the three months ended March 31, 2026 and 2025 qualified as asset acquisitions and as such, acquisition costs were capitalized.

Subsequent to March 31, 2026, the Company closed on the following acquisitions (see Note 17):

| *(in thousands, except number of properties)* Date | Property Type | Number of Properties | Real Estate Acquisition Price |
|---|---|---|---|
| April 29, 2026 | Industrial | 1 | $ 6,990 |

**4. Sale of Real Estate**

The Company closed on the following sales of real estate, none of which qualified as discontinued operations:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands, except number of properties)* | 2026 | 2025 |
| Number of properties disposed | 1 | 3 |
| Aggregate sale price | $ 12,094 | $ 7,808 |
| Aggregate carrying value | (4,095) | (7,385) |
| Additional sales expenses | (877) | (18) |
| Gain on sale of real estate | $ 7,122 | $ 405 |

## 5. Investment in Rental Property and Lease Arrangements

The Company generally leases its investment rental property to established tenants in the industrial and retail property types. At March 31, 2026, the Company had 773 real estate properties, 761 of which were leased under leases that have been classified as operating leases, nine that have been classified as direct financing leases, one that has been classified as a sales-type lease, and two that were vacant. Of the nine leases classified as direct financing leases, three include land portions which are accounted for as operating leases (see *Revenue Recognition* within Note 2). Most leases have initial terms of 10 to 20 years. The Company's leases generally provide for limited increases in rent as a result of fixed increases, increases in the Consumer Price Index ("CPI"), or increases in the tenant's sales volume. Generally, tenants are also required to pay all property taxes and assessments, substantially maintain the interior and exterior of the building, and maintain property and liability insurance coverage. The leases also typically provide for one or more multiple-year renewal options, at the election of the tenant, and are subject to generally the same terms and conditions as the initial lease.

### Investment in Rental Property – Operating Leases

Depreciation expense on investment in rental property was as follows:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands)* | 2026 | 2025 |
| Depreciation | $ 33,363 | $ 31,459 |

Estimated lease payments to be received under non-cancelable operating leases with tenants at March 31, 2026 are as follows:

| *(in thousands)* | |
|---|---|
| Remainder of 2026 | $ 434,726 |
| 2027 | 431,444 |
| 2028 | 432,024 |
| 2029 | 422,919 |
| 2030 | 397,843 |
| Thereafter | 3,070,437 |
| | $ 5,189,393 |

Since lease renewal periods are exercisable at the option of the tenant, the above amounts only include future lease payments due during the initial lease terms. Such amounts exclude any potential variable rent increases that are based on changes in the CPI or future variable rents which may be received under the leases based on a percentage of the tenant's gross sales. Additionally, certain of our leases provide tenants with the option to terminate their leases in exchange for termination penalties, or that are contingent upon the occurrence of a future event. Future lease payments within the table above have not been adjusted for these termination rights.

### Investment in Rental Property – Direct Financing Leases

The Company's net investment in direct financing leases was comprised of the following:

| *(in thousands)* | March 31, 2026 | December 31, 2025 |
|---|---|---|
| Undiscounted estimated lease payments to be received | $ 27,861 | $ 28,699 |
| Estimated unguaranteed residual values | 14,547 | 14,547 |
| Unearned revenue | (17,019) | (17,663) |
| Reserve for credit losses | (86) | (86) |
| Net investment in direct financing leases | $ 25,303 | $ 25,497 |

Undiscounted estimated lease payments to be received under non-cancelable direct financing leases with tenants at March 31, 2026 are as follows:

| *(in thousands)* | | |
|---|---|---|
| Remainder of 2026 | $ | 2,520 |
| 2027 | | 3,426 |
| 2028 | | 3,496 |
| 2029 | | 3,561 |
| 2030 | | 3,682 |
| Thereafter | | 11,176 |
| | $ | 27,861 |

The above rental receipts do not include future lease payments for renewal periods, potential variable CPI rent increases, or variable percentage rent payments that may become due in future periods.

**Investment in Rental Property – Sales-Type Leases**

The Company's net investment in a sales-type lease was $14.4 million at March 31, 2026 and December 31, 2025, and was comprised of one lease. The lease has $16.4 million of undiscounted estimated lease payments to be received throughout the remaining lease term, which expires in 2027.

**Lease Revenues, Net**

The following table summarizes amounts reported as Lease revenues, net in the Condensed Consolidated Statements of Income and Comprehensive Income:

| | **For the Three Months Ended March 31,** | | | |
|---|---|---|---|---|
| *(in thousands)* | **2026** | | **2025** | |
| Contractual rental amounts billed for operating leases | $ | 107,519 | $ | 99,314 |
| Adjustment to recognize contractual operating lease billings on a straight-line basis | | 5,848 | | 6,064 |
| Net write-offs of accrued rental income | | — | | (2,228) |
| Variable rental amounts earned | | 757 | | 680 |
| Earned income from direct financing leases | | 667 | | 682 |
| Interest income from sales-type leases | | 474 | | 14 |
| Operating expenses billed to tenants | | 5,700 | | 4,944 |
| Other income from real estate transactions | | 32 | | 77 |
| Adjustment to revenue recognized for uncollectible rental amounts billed, net | | 404 | | (857) |
| Total lease revenues, net | $ | 121,401 | $ | 108,690 |

**6. Intangible Assets and Liabilities, and Leasing Fees**

The following is a summary of intangible assets and liabilities, and leasing fees, and related accumulated amortization:

| *(in thousands)* | | March 31, 2026 | | December 31, 2025 |
|---|---|---|---|---|
| Lease intangibles: | | | | |
| Acquired above-market leases | $ | 40,662 | $ | 41,082 |
| Less accumulated amortization | | (20,775) | | (20,574) |
| Acquired above-market leases, net | | 19,887 | | 20,508 |
| Acquired in-place leases | | 422,010 | | 423,920 |
| Less accumulated amortization | | (179,922) | | (176,418) |
| Acquired in-place leases, net | | 242,088 | | 247,502 |
| Total intangible lease assets, net | $ | 261,975 | $ | 268,010 |
| Acquired below-market leases | $ | 91,168 | $ | 91,670 |
| Less accumulated amortization | | (51,308) | | (50,143) |
| Intangible lease liabilities, net | $ | 39,860 | $ | 41,527 |
| Leasing fees | $ | 24,171 | $ | 22,643 |
| Less accumulated amortization | | (8,125) | | (7,760) |
| Leasing fees, net | $ | 16,046 | $ | 14,883 |

Amortization of intangible lease assets and liabilities, and leasing fees was as follows:

| *(in thousands)* | | For the Three Months Ended March 31, | | |
|---|---|---|---|---|
| Intangible | Financial Statement Presentation | 2026 | | 2025 |
| Acquired in-place leases and leasing fees | Depreciation and amortization | $ 8,069 | $ | 7,944 |
| Above-market and below-market leases | Lease revenues, net | 1,016 | | 1,065 |

There was no accelerated amortization resulting from early lease terminations during the three months ended March 31, 2026. For the three months ended March 31, 2025, amortization of all intangible assets and liabilities includes $0.2 million of accelerated amortization resulting from early lease terminations.

Estimated future amortization of intangible assets and liabilities, and leasing fees at March 31, 2026 is as follows:

| *(in thousands)* | | |
|---|---|---|
| Remainder of 2026 | $ | 20,850 |
| 2027 | | 26,312 |
| 2028 | | 24,091 |
| 2029 | | 22,493 |
| 2030 | | 20,104 |
| Thereafter | | 124,311 |
| | $ | 238,161 |

## 7. Unsecured Credit Agreements and Unsecured Notes

The following table summarizes the Company's unsecured credit agreements and unsecured notes:

| *(in thousands, except interest rates)* | Outstanding Balance March 31, 2026 | Outstanding Balance December 31, 2025 | Interest Rate | Maturity Date |
|---|---|---|---|---|
| Unsecured revolving credit facility | $ 397,640 | $ 266,036 | applicable reference rate + 0.85% [a] | Mar. 2029 [d] |
| Unsecured term loans: | | | | |
| 2027 Unsecured Term Loan | 200,000 | 200,000 | daily simple SOFR + 0.95% [c] | Aug. 2027 |
| 2028 Unsecured Term Loan | 500,000 | 500,000 | one-month SOFR + 0.95% [b] | Mar. 2028 [e] |
| 2029 Unsecured Term Loan | 300,000 | 300,000 | daily simple SOFR + 0.95% [c] | Feb. 2029 [f] |
| Total unsecured term loans | 1,000,000 | 1,000,000 | | |
| Unamortized debt issuance costs, net | (5,180) | (5,781) | | |
| Total unsecured term loans, net | 994,820 | 994,219 | | |
| Senior unsecured notes: | | | | |
| 2027 Senior Unsecured Notes - Series A | 150,000 | 150,000 | 4.84% | Apr. 2027 |
| 2028 Senior Unsecured Notes - Series B | 225,000 | 225,000 | 5.09% | Jul. 2028 |
| 2030 Senior Unsecured Notes - Series C | 100,000 | 100,000 | 5.19% | Jul. 2030 |
| 2031 Senior Unsecured Public Notes | 375,000 | 375,000 | 2.60% | Sep. 2031 |
| 2032 Senior Unsecured Public Notes | 350,000 | 350,000 | 5.00% | Nov. 2032 |
| Total senior unsecured notes | 1,200,000 | 1,200,000 | | |
| Unamortized debt issuance costs and original issuance discounts, net | (8,857) | (9,262) | | |
| Total senior unsecured notes, net | 1,191,143 | 1,190,738 | | |
| Total unsecured debt, net | $ 2,583,603 | $ 2,450,993 | | |

(a) At March 31, 2026 and December 31, 2025, a balance of $326.0 million and $193.0 million, respectively, was subject to daily simple SOFR. The remaining balance of $100.0 million Canadian Dollars ("CAD") borrowings remeasured to $71.6 million United States Dollars ("USD") and $73.0 million USD, at March 31, 2026 and December 31, 2025, respectively, and was subject to daily simple CORRA of 2.27% and 2.30% at March 31, 2026 and December 31, 2025, respectively.

(b) At March 31, 2026 and December 31, 2025, one-month SOFR was 3.66% and 3.69%, respectively.

(c) At March 31, 2026 and December 31, 2025, overnight SOFR was 3.68% and 3.87%, respectively.

(d) The unsecured revolving credit facility contains two six-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.0625% of the revolving commitments.

(e) The 2028 Unsecured Term Loan contains two twelve-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.125% of the aggregate principal amount of the loans outstanding under the 2028 term loan facility.

(f) The 2029 Unsecured Term Loan contains two twelve-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.10% of the aggregate principal amount of the loans outstanding under the 2029 term loan facility.

At March 31, 2026, the weighted average interest rate on all outstanding borrowings was 4.48% exclusive of interest rate swap agreements, and 4.10% inclusive of interest rate swap agreements.

The Company is subject to various financial and operational covenants and financial reporting requirements pursuant to its unsecured credit agreements. These covenants require the Company to maintain certain financial ratios. As of March 31, 2026, and for all periods presented, the Company believes it was in compliance with all of its loan covenants. Failure to comply with the covenants would result in a default which, if the Company were unable to cure or obtain a waiver from the lenders, could accelerate the repayment of the obligations. Further, in the event of default, the Company may be restricted from paying dividends to its stockholders in excess of dividends required to maintain its REIT qualification. Accordingly, an event of default could have a material effect on the Company.

The Company did not incur debt issuance costs during the three months ended March 31, 2026. For the three months ended March 31, 2025, the Company incurred $12.3 million in debt issuance costs associated with the amended and restated unsecured revolving credit facility and 2028 Unsecured Term Loan, which have been deferred and are being amortized over the term of the associated debt.

Debt issuance costs and original issuance discounts are amortized as a component of Interest expense in the accompanying Condensed Consolidated Statements of Income and Comprehensive Income. The following table summarizes debt issuance cost and original issuance discount amortization:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands)* | 2026 | 2025 |
| Debt issuance costs and original issuance discount amortization | $ 1,627 | $ 1,237 |

**8. Mortgages**

The Company's mortgages consist of the following:

| *(in thousands, except interest rates)* Lender | Origination Date | Maturity Date | Interest Rate | March 31, 2026 | December 31, 2025 | |
|---|---|---|---|---|---|---|
| Wilmington Trust National Association | Apr. 2019 | Feb. 2028 | 4.92% | $ 41,013 | $ 41,393 | (a) (b) (c) (d) |
| PNC Bank | Oct. 2016 | Nov. 2026 | 3.62% | 15,203 | 15,324 | (b) (c) |
| Total mortgages | | | | 56,216 | 56,717 | |
| Debt issuance costs, net | | | | (19) | (28) | |
| Mortgages, net | | | | $ 56,197 | $ 56,689 | |

(a) Non-recourse debt includes the indemnification/guaranty of the Company pertaining to fraud, environmental claims, insolvency, and other matters.

(b) Debt secured by related rental property and lease rents.

(c) Debt secured by guaranty of the OP.

(d) Mortgage was assumed as part of the acquisition of the related property. The debt was recorded at fair value at the time of assumption.

At March 31, 2026, investment in rental property with a net book value of $80.5 million was pledged as collateral against the Company's mortgages.

Estimated future principal payments to be made under the above mortgages and the Company's unsecured credit agreements (see Note 7) at March 31, 2026 are as follows:

| *(in thousands)* | |
|---|---|
| Remainder of 2026 | $ 16,342 |
| 2027 | 351,597 |
| 2028 | 763,277 |
| 2029 | 697,640 |
| 2030 | 100,000 |
| Thereafter | 725,000 |
| | $ 2,653,856 |

Certain of the Company's mortgages provide for prepayment fees and can be terminated under certain events of default as defined under the related agreements. These prepayment fees are not reflected as part of the table above.

## 9. Interest Rate Swaps

The following is a summary of the Company's outstanding interest rate swap agreements:

*(in thousands, except interest rates)*

| Counterparty | Maturity Date | Fixed Rate | Variable Rate Index | March 31, 2026 Notional Amount | March 31, 2026 Fair Value | December 31, 2025 Notional Amount | December 31, 2025 Fair Value |
|---|---|---|---|---|---|---|---|
| Bank of Montreal | January 2026 | 1.92% | daily compounded SOFR | $ — | $ — | $ 25,000 | $ 1 |
| Bank of Montreal | January 2026 | 2.05% | daily compounded SOFR | — | — | 40,000 | 2 |
| Capital One, National Association | January 2026 | 2.08% | daily compounded SOFR | — | — | 35,000 | 2 |
| Truist Financial Corporation | January 2026 | 1.93% | daily compounded SOFR | — | — | 25,000 | 1 |
| Capital One, National Association | April 2026 | 2.68% | daily compounded SOFR | 15,000 | 3 | 15,000 | 43 |
| Capital One, National Association | July 2026 | 1.32% | daily compounded SOFR | 35,000 | 216 | 35,000 | 410 |
| Bank of Montreal | December 2026 | 2.33% | daily compounded SOFR | 10,000 | 107 | 10,000 | 116 |
| Bank of Montreal | December 2026 | 1.99% | daily compounded SOFR | 25,000 | 330 | 25,000 | 373 |
| Toronto-Dominion Bank | March 2027 | 2.46% | daily compounded CORRA | 14,328 (a) | 46 | 14,607 (a) | 32 |
| Wells Fargo Bank, N.A. | April 2027 | 2.72% | daily compounded SOFR | 25,000 | 259 | 25,000 | 224 |
| Bank of Montreal | December 2027 | 2.37% | daily compounded SOFR | 25,000 | 568 | 25,000 | 494 |
| Capital One, National Association | December 2027 | 2.37% | daily compounded SOFR | 25,000 | 566 | 25,000 | 493 |
| Wells Fargo Bank, N.A. | January 2028 | 2.37% | daily compounded SOFR | 75,000 | 1,707 | 75,000 | 1,485 |
| Bank of Montreal | May 2029 | 2.09% | daily compounded SOFR | 25,000 | 1,161 | 25,000 | 1,084 |
| Regions Bank | May 2029 | 2.11% | daily compounded SOFR | 25,000 | 1,144 | 25,000 | 1,067 |
| Regions Bank | June 2029 | 2.03% | daily compounded SOFR | 25,000 | 1,208 | 25,000 | 1,136 |
| U.S. Bank National Association | June 2029 | 2.03% | daily compounded SOFR | 25,000 | 1,209 | 25,000 | 1,135 |
| Regions Bank | August 2029 | 2.58% | one-month SOFR | 100,000 | 2,947 | 100,000 | 2,501 |
| Toronto-Dominion Bank | August 2029 | 2.58% | one-month SOFR | 45,000 | 1,345 | 45,000 | 1,145 |
| U.S. Bank National Association | August 2029 | 2.65% | one-month SOFR | 15,000 | 415 | 15,000 | 345 |
| U.S. Bank National Association | August 2029 | 2.58% | one-month SOFR | 100,000 | 2,956 | 100,000 | 2,508 |
| U.S. Bank National Association | August 2029 | 1.35% | daily compounded SOFR | 25,000 | 1,825 | 25,000 | 1,793 |
| Toronto-Dominion Bank | December 2030 | 3.66% | daily simple SOFR | 70,000 | (351) | 70,000 | (835) |
| Regions Bank | December 2030 | 3.66% | daily simple SOFR | 55,000 | (286) | 55,000 | (666) |
| Regions Bank | March 2032 | 2.69% | daily compounded CORRA | 14,328 (a) | 422 | 14,607 (a) | 394 |
| U.S. Bank National Association | March 2032 | 2.70% | daily compounded CORRA | 14,328 (a) | 420 | 14,607 (a) | 391 |
| Bank of Montreal | March 2034 | 2.81% | daily compounded CORRA | 28,656 (b) | 1,121 | 29,214 (b) | 1,073 |
| **Total Swaps** | | | | $ 816,640 | $ 19,338 | $ 943,035 | $ 16,747 |

(a) The contractual notional amount is $20.0 million CAD.

(b) The contractual notional amount is $40.0 million CAD.

At March 31, 2026, the weighted average interest rate on all outstanding borrowings was 4.10%, inclusive of a weighted average fixed rate on effective interest rate swaps of 2.56%.

The total amounts recognized, and the location in the accompanying Condensed Consolidated Statements of Income and Comprehensive Income, from converting from variable rates to fixed rates under these agreements were as follows:

| *(in thousands)* For the Three Months Ended March 31, | Amount of Gain (Loss) Recognized in Accumulated Other Comprehensive Income | Reclassification from Accumulated Other Comprehensive Income: Location | Reclassification from Accumulated Other Comprehensive Income: Amount of Gain | Total Interest Expense Presented in the Condensed Consolidated Statements of Income and Comprehensive Income (Loss) |
|---|---|---|---|---|
| 2026 | $ 2,591 | Interest expense | $ 2,160 | $ 25,260 |
| 2025 | (19,892) | Interest expense | 4,733 | 20,074 |

Amounts related to the interest rate swaps expected to be reclassified out of Accumulated other comprehensive income to Interest expense during the next twelve months are estimated to be a gain of $7.6 million.

**10. Non-Controlling Interests**

The Company has seven entities with non-controlling interests that are consolidated: the “OP” and interests in six consolidated VIEs not wholly-owned by the Company (See *Principles of Consolidation* within Note 2).

The following table summarizes OP Units exchanged for shares of common stock:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands)* | **2026** | **2025** |
| OP Units exchanged for shares of common stock | — | 244 |
| Value of units exchanged | $ — | $ 3,882 |

**11. Credit Risk Concentrations**

The Company maintained bank balances that, at times, exceeded the federally insured limit during the three months ended March 31, 2026. The Company has not experienced losses relating to these deposits and management does not believe that the Company is exposed to any significant credit risk with respect to these amounts based on the financial position and capitalization of the applicable banks.

For the three months ended March 31, 2026 and 2025, the Company had no individual tenants or common franchises that accounted for more than 10% of Lease revenues, net, excluding lease termination fees.

## 12. Equity

### At-the-Market Program (“ATM Program”)

The Company has entered into an at-the-market common equity offering program (the "ATM Program") through which it may, from time to time, publicly offer and sell shares of common stock. The Company’s ATM Program also provides for forward sale agreements, enabling the Company to set the price of shares upon pricing the offering, while delaying the issuance of shares and the receipt of the net proceeds.

The following table presents information about the Company’s ATM Programs that were in place during 2025 and 2026:

| *(in thousands)* Program | Program Size | Total Shares Sold | Total Shares Settled | Total Shares Unsettled as of March 31, 2026 | Total Net Proceeds Anticipated or Received from Shares Sold |
|---|---|---|---|---|---|
| 2024 | $ 400,000 | 6,527 [(a)] | 2,188 | 4,340 [(b)] | $ 118,969 |

(a) After considering the shares of common stock sold subject to forward sale agreements, the Company has $281.0 million of capacity remaining under the ATM Program at March 31, 2026.

(b) The Company has the option to settle all outstanding shares of common stock from forward sale agreements at any time before December 2026 for net proceeds of approximately $80.6 million.

The following table presents activity under the Company’s ATM Programs:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands, except per share amounts)* | 2026 | 2025 |
| Shares of common stock sold | 3,718 | — |
| Weighted average gross sales price | $ 19.13 | $ — |
| Shares of common stock settled | — | — |
| Net proceeds received | $ — | $ — |

### Stock Repurchase Program

The Company has a stock repurchase program (the “Repurchase Program”), which authorizes the Company to repurchase up to $150.0 million of the Company’s common stock. On February 13, 2026, the Company’s Board of Directors re-authorized the Repurchase Program for a twelve-month period ending on March 14, 2027. The Repurchase Program may be extended, suspended, or discontinued at any time. Under the Repurchase Program, repurchases of the Company’s stock can be made in the open market or through private transactions from time to time over the twelve-month period, depending on prevailing market conditions and compliance with applicable legal and regulatory requirements. The timing, manner, price, and amount of any repurchases of common stock under the Repurchase Program will be determined at the Company’s discretion, using available cash resources. During the three months ended March 31, 2026 and 2025, no shares of the Company’s common stock were repurchased under the Repurchase Program.

## 13. Stock-Based Compensation

### Restricted Stock Awards

During the three months ended March 31, 2026 and 2025, the Company awarded 258,679 and 265,872 shares of restricted stock awards ("RSAs"), respectively, to officers, employees, and non-employee directors under the Company's equity incentive plan. The holder of RSAs is generally entitled at all times on and after the date of issuance of the restricted common shares to exercise the rights of a stockholder of the Company, including the right to vote the shares and the right to receive dividends on the shares. The RSAs vest over a one-, three-, four-, or five-year period from the date of the grant and are subject to the holder's continued service through the applicable vesting dates and in accordance with the terms of the individual award agreements. The weighted average value of awards granted per share during the three months ended March 31, 2026 and 2025, were $19.32 and $16.85, respectively, which were based on the market price per share of the Company's common stock on the grant dates.

The following table presents information about the Company's RSAs:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands)* | 2026 | 2025 |
| Compensation cost | $ 1,497 | $ 1,342 |
| Dividends declared on unvested RSAs | 325 | 313 |
| Fair value of shares vested during the period | 4,191 | 2,887 |

As of March 31, 2026, there was $14.1 million of unrecognized compensation costs related to the unvested restricted shares, which is expected to be recognized over a weighted average period of 2.9 years.

The following table presents information about the Company's restricted stock activity:

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| *(in thousands, except per share amounts)* | Number of Shares | Weighted Average Grant Date Fair Value per Share | Number of Shares | Weighted Average Grant Date Fair Value per Share |
| Unvested at beginning of period | 1,070 | $ 15.69 | 989 | $ 15.51 |
| Granted | 259 | 19.32 | 266 | 16.85 |
| Vested | (216) | 16.82 | (172) | 16.72 |
| Forfeited | — | 19.32 | (3) | 16.13 |
| Unvested at end of period | 1,113 | 16.32 | 1,080 | 15.64 |

### Performance-based Restricted Stock Units

During the three months ended March 31, 2026 and 2025, the Company issued target grants of 260,729 and 246,967 of performance-based restricted stock units ("PRSUs"), respectively, under the Company's equity incentive plan to the executive officers of the Company. The awards are non-vested restricted stock units where the vesting percentages and the ultimate number of units vesting will be measured 50% based on the relative total shareholder return ("rTSR") of the Company's common stock as compared to the rTSR of peer companies, as identified in the grant agreements, over a three-year period, and 50% based on the rTSR of the Company's common stock as compared to the rTSR of the MSCI US REIT Index over a three-year measurement period. Vesting percentages range from 0% to 200% with a target of 100%. rTSR means the percentage appreciation in the fair market value of one share over the three-year measurement period beginning on the date of grant, assuming the reinvestment of dividends on the ex-dividend date. The target number of units is based on achieving a rTSR equal to the 55$^{th}$ percentile of the peer companies and MSCI US REIT Index. For PRSUs issued during the three months ended March 31, 2026 and 2025 that achieve a percentile rank of at least the 55$^{th}$ percentile, and the absolute rTSR of the Company is negative for the performance period, the awards will be reduced by 25%, not to result in a reduction less than target. Recipients of PRSU awards issued during the three months ended March 31, 2026 are eligible to receive additional PRSUs equal to additional 25% of their respective target awards if the absolute rTSR reaches 24%, and an additional 50% vesting if the rTSR reaches 36%, with linear interpolation if the rTSR is between 24% and 36%. Dividends accrue during the measurement period and will be paid on the PRSUs ultimately earned at the end of the measurement period in either cash or common stock, at the discretion of the Compensation Committee of the Board of Directors. The grant date fair value of the PRSUs was measured using a Monte Carlo simulation model based on assumptions including share price volatility.

The following table presents compensation cost recognized on the Company's performance-based restricted stock units:

| *(in thousands)* | For the Three Months Ended March 31, 2026 | 2025 |
|---|---|---|
| Compensation cost | $ 1,069 | $ 805 |

As of March 31, 2026, there was $10.6 million of unrecognized compensation costs related to the unvested PRSUs, which is expected to be recognized over a weighted average period of 2.4 years.

The following table presents information about the Company's performance-based restricted stock unit activity:

| | For the Three Months Ended March 31, | | | |
|---|---|---|---|---|
| | 2026 | | 2025 | |
| *(in thousands, except per share amounts)* | Number of Shares | Weighted Average Grant Date Fair Value per Share | Number of Shares | Weighted Average Grant Date Fair Value per Share |
| Unvested at beginning of period | 606 | $ 20.13 | 433 | $ 20.90 |
| Granted | 261 | 25.09 | 247 | 21.12 |
| Vested | (163) | 23.78 | (74) | 27.93 |
| Forfeited | — | — | — | — |
| Unvested at end of period | 704 | 20.13 | 606 | 20.13 |

## 14. Earnings per Share

The following table summarizes the components used in the calculation of basic and diluted earnings per share ("EPS"):

| *(in thousands, except per share amounts)* | For the Three Months Ended March 31, 2026 | 2025 |
|---|---|---|
| Basic earnings: | | |
| Net earnings attributable to Broadstone Net Lease, Inc. common shareholders | $ 46,365 | $ 16,743 |
| Less: earnings allocated to unvested restricted shares | (325) | (310) |
| Net earnings used to compute basic earnings per common share | $ 46,040 | $ 16,433 |
| | | |
| Diluted earnings: | | |
| Net earnings used to compute basic earnings per common share | $ 46,040 | $ 16,433 |
| Add: net earnings attributable to OP Unit holders | 1,926 | 750 |
| Net earnings used to compute diluted earnings per common share | $ 47,966 | $ 17,183 |
| | | |
| Weighted average number of common shares outstanding | 191,519 | 188,882 |
| Less: weighted average unvested restricted shares (a) | (1,084) | (1,017) |
| Weighted average number of common shares outstanding used in basic earnings per common share | 190,435 | 187,865 |
| Add: effects of restricted stock units (b) | 1,023 | 573 |
| Add: effects of convertible OP Units (c) | 8,296 | 8,460 |
| Weighted average number of common shares outstanding used in diluted earnings per common share | 199,754 | 196,898 |
| | | |
| Basic and diluted earnings per share | $ 0.24 | $ 0.09 |

(a) Represents the weighted average effects of 1,112,435 and 1,068,754 unvested restricted shares of common stock as of March 31, 2026 and 2025, respectively, which will be excluded from the computation of earnings per share until they vest.

(b) Represents the weighted average effects of shares of common stock to be issued as though the end of the period were the end of the performance period (see Note 13).

(c) Represents the weighted average effects of 8,295,768 and 8,401,937 OP Units outstanding at March 31, 2026 and 2025, respectively.

## 15. Supplemental Cash Flow Disclosures

The following table summarizes the Company's supplemental cash flow information:

| *(in thousands)* | For the Three Months Ended March 31, 2026 | For the Three Months Ended March 31, 2025 |
|---|---|---|
| Supplemental disclosures: | | |
| Cash paid for interest | $ 18,290 | $ 15,557 |
| Cash paid for income taxes | 311 | 722 |
| Non-cash activities: | | |
| Issuance and conversion of OP Units to common stock [(a)] | — | 3,882 |
| Dividends declared not yet paid | 59,884 | 58,220 |
| Reclassifications from Property under development to Buildings and Land improvements upon development properties | 49,725 | — |
| Retirement of common stock withheld for net settlement under the equity incentive plan | 5,183 | 1,446 |

(a) See Note 10.

## 16. Commitments and Contingencies

### Litigation

From time to time, the Company is a party to various litigation matters incidental to the conduct of the Company's business. While the resolution of such matters cannot be predicted with certainty, based on currently available information, the Company does not believe that the final outcome of any of these matters will have a material effect on its consolidated financial position, results of operations, or liquidity.

### Property and Acquisition Related

In connection with ownership and operation of real estate, the Company may potentially be liable for costs and damages related to environmental matters. The Company is not aware of any non-compliance, liability, claim, or other environmental condition that would have a material effect on its consolidated financial position, results of operations, or liquidity.

As of March 31, 2026, the Company has commitments to fund 11 build-to-suit transactions with remaining obligations of $175.8 million expected to fund in multiple draws through March 2027, using a combination of available cash on hand and Revolving Credit Facility borrowings. Rent is contractually scheduled to commence when the properties reach substantial completion and are made available for use by the tenant, which is expected to occur at various dates between July 2026 and March 2027. Additionally, the Company has a $7.0 million commitment to complete infrastructure improvements at a property acquired during 2026.

The Company is a party to a tax protection agreement with the contributing members of an UPREIT transaction and a second tax protection agreement entered into in connection with the Company's internalization. The tax protection agreements require the Company to indemnify the beneficiaries in the event of a sale, exchange, transfer, or other disposal of the contributed property, and in the case of the tax protection agreement entered into in connection with the Company's internalization, the entire Company, in a taxable transaction that would cause such beneficiaries to recognize a gain that is protected under the agreements, subject to certain exceptions. The Company is required to allocate an amount of nonrecourse liabilities to each beneficiary that is at least equal to the minimum liability amount, as contained in the agreements. The minimum liability amount and the associated allocation of nonrecourse liabilities are calculated in accordance with applicable tax regulations, are completed at the OP level, and are not probable. Therefore, there is no impact to the Condensed Consolidated Financial Statements. Based on values as of March 31, 2026, taxable sales of the applicable properties would trigger liability under the agreements of approximately $16.4 million. Based on information available, the Company does not believe that the events resulting in damages as detailed above have occurred or are likely to occur in the foreseeable future.

In the normal course of business, the Company enters into various types of commitments to purchase real estate properties. These commitments are generally subject to the Company's customary due diligence process and, accordingly, a number of specific conditions must be met before the Company is obligated to purchase the properties.

### Obligations Under Operating and Finance Leases

The Company is a lessee under non-cancelable operating and finance leases associated with its corporate headquarters and other office spaces as well as ground leases. The Company's obligations under leases primarily consist of a lease for the Company's corporate office space, which expires in March 2034 and was determined to be an operating lease. The lease contains two five-year extension options, exercisable at the Company's discretion, that are not reasonably certain to be exercised, and are therefore excluded from our calculation of the lease liability. The remaining lease obligations primarily consist of ground leases that, in accordance with the terms of our leases, are typically required to be reimbursed by our tenants. The Company remains primarily responsible for ground leases in the event a tenant is unable to pay. The weighted average discount rate on our operating and finance leases is 8.4%. The weighted average years remaining on our operating and finance lease liabilities is 27.3 years.

The following table summarizes the total lease costs associated with operating and finance leases:

| *(in thousands)* | Financial Statement Presentation | For the Three Months Ended March 31, 2026 | 2025 |
|---|---|---|---|
| Operating lease costs: | | | |
| Office leases | General and administrative | $ 252 | $ 252 |
| Ground leases | Property and operating expense | 67 | 33 |
| Ground leases - development properties | Property under development | 21 | 55 |
| Variable lease costs - ground leases | Property and operating expense | 15 | 20 |
| Financing lease costs: | | | |
| Amortization of right-of-use assets | Depreciation and amortization | 9 | 9 |
| Interest expense on lease liabilities | Interest expense | 4 | 45 |
| Total lease cost | | $ 368 | $ 414 |

The following table summarizes payments associated with obligations under operating and finance leases reported as net cash provided by operating activities on the accompanying Condensed Consolidated Statements of Cash Flows:

| *(in thousands)* | For the Three Months Ended March 31, 2026 | 2025 |
|---|---|---|
| Operating lease payments | $ 335 | $ 392 |
| Financing lease payments | 54 | 36 |
| Total | $ 389 | $ 428 |

At March 31, 2026, minimum future rental payments due from the Company for operating and finance leases over the next five years and thereafter are as follows:

| *(in thousands)* | Operating Leases | Financing Leases |
|---|---|---|
| Remainder of 2026 | $ 979 | $ 163 |
| 2027 | 1,251 | 218 |
| 2028 | 1,134 | 218 |
| 2029 | 1,174 | 238 |
| 2030 | 1,202 | 245 |
| Thereafter | 14,632 | 18,061 |
| Total undiscounted lease payments | 20,372 | 19,143 |
| Present value adjustment for remaining lease payments | (10,950) | (16,400) |
| Total lease liability | $ 9,422 | $ 2,743 |

**17. Subsequent Events**

On April 15, 2026, the Company paid distributions totaling $58.5 million.

On April 23, 2026, the Board of Directors declared a quarterly distribution of $0.2925 per share on the Company's common stock and OP Units for the second quarter of 2026, which will be payable on or before July 15, 2026 to stockholders and OP Unit holders of record as of June 30, 2026.

Subsequent to March 31, 2026, the Company borrowed $69.0 million, and paid down $53.0 million on the unsecured revolving credit facility, the proceeds of which were used to fund investment activity and for general corporate purposes.

Subsequent to March 31, 2026, the Company acquired $7.0 million of land to be developed in connection with a $30.4 million built-to-suit transaction (see Note 3), and invested $31.2 million in thirteen developments.

Subsequent to March 31, 2026, the Company sold three properties with an aggregate carrying value of $41.1 million for total proceeds of $54.8 million. The Company incurred additional expenses related to the sales of approximately $1.0 million, resulting in a gain on sale of real estate of approximately $12.7 million.

## Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations

*Except where the context suggests otherwise, as used in this Quarterly Report on Form 10-Q, the terms "BNL," "we,""us,""our," and "our Company" refer to Broadstone Net Lease, Inc., a Maryland corporation incorporated on October 18, 2007, and, as required by context, Broadstone Net Lease, LLC, a New York limited liability company, which we refer to as the or our "OP," and to their respective subsidiaries.*

The following Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") is intended to help the reader understand our results of operations and financial condition. This MD&A is provided as a supplement to, and should be read in conjunction with, our Condensed Consolidated Financial Statements and the accompanying Notes to the Condensed Consolidated Financial Statements appearing elsewhere in this Quarterly Report on Form 10-Q.

### Cautionary Note Regarding Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements, which reflect our current views regarding our business, financial performance, growth prospects and strategies, market opportunities, and market trends, that are intended to be made pursuant to the safe harbor provisions of Section 27A of the Securities Act of 1933, as amended (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Forward-looking statements include all statements that are not historical facts. In some cases, you can identify these forward-looking statements by the use of words such as "outlook," "believes," "expects," "potential," "continues," "may," "will," "should," "could," "seeks," "approximately," "projects," "predicts," "intends," "plans," "estimates," "anticipates," or the negative version of these words or other comparable words. All of the forward-looking statements included in this Quarterly Report on Form 10-Q are subject to various risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions, and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results, performance, and achievements could differ materially from those expressed in or by the forward-looking statements and may be affected by a variety of risks and other factors. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from such forward-looking statements.

Important factors that could cause results to differ materially from the forward-looking statements are described in Item 1. "Business," Item 1A. "Risk Factors," and Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations" in our 2025 Annual Report on Form 10-K, as filed with the U.S. Securities and Exchange Commission ("SEC") on February 19, 2026. The "Risk Factors" of our 2025 Annual Report should not be construed as exhaustive and should be read in conjunction with other cautionary statements included elsewhere in this Quarterly Report on Form 10-Q.

You are cautioned not to place undue reliance on any forward-looking statements included in this Quarterly Report on Form 10-Q. All forward-looking statements are made as of the date of this Quarterly Report on Form 10-Q and the risk that actual results, performance, and achievements will differ materially from the expectations expressed in or referenced by this Quarterly Report on Form 10-Q will increase with the passage of time. We undertake no obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise, except as required by law.

### Regulation FD Disclosures

We use any of the following to comply with our disclosure obligations under Regulation FD: SEC filings, press releases, public conference calls, or our website. We routinely post important information on our website at www.broadstone.com, including information that may be deemed material. We encourage our shareholders and others interested in our company to monitor these distribution channels for material disclosures. Our website address is included in this Quarterly Report as a textual reference only and the information on the website is not incorporated by reference in this Quarterly Report.

**Explanatory Note and Certain Defined Terms**

Unless the context otherwise requires, the following terms and phrases are used throughout this MD&A as described below:

- "annualized base rent" or "ABR" means the annualized contractual cash rent due for the last month of the reporting period, excluding the impacts of short-term rent deferrals, abatements, or free rent, and adjusted to remove rent from properties sold during the month and to include a full month of contractual cash rent for investments made during the month;
- "investments" or amounts "invested" include real estate investments in new property acquisitions, revenue generating capital expenditures, whereby we agree to fund certain expenditures in exchange for increased rents that often include rent escalations and terms consistent with that of the underlying lease, build-to-suit developments, and transitional capital, which represent shorter term investments and currently includes preferred equity investments, and exclude capitalized costs;
- "cash capitalization rate" represents either (1) for acquisitions and new build-to-suit developments, our pro-rata share of the estimated first year cash yield to be generated on a real estate investment, which was estimated at the time of investment based on the contractually specified cash base rent for the first full year after the date of the investment, divided by the purchase price for the property excluding capitalized acquisition costs, or (2) for dispositions, the property's ABR in effect immediately prior to the disposition, divided by the disposition price, or (3) for transitional capital, the contractual cash yield to be generated on total invested capital;
- "CPI" means the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average, All Items, as published by the U.S. Bureau of Labor Statistics, or other similar index which is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services;
- "occupancy" or a specified percentage of our portfolio that is "occupied" or "leased" means as of a specified date the quotient of (1) the total rentable square footage of our properties minus the square footage of our properties that are vacant and from which we are not receiving any rental payment, and (2) the total square footage of our properties;
- "Revolving Credit Facility" means our $1.0 billion unsecured revolving credit facility, dated February 28, 2025, with J.P. Morgan Chase Bank, N.A., as administrative agent, and the other lenders party thereto; and
- "straight-line yield" represents our pro-rata share of the estimated first year yield to be generated on a real estate investment, which was computed at the time of investment based on the straight-line annual rental income computed in accordance with GAAP, divided by the purchase price.

**Overview**

We are an industrial-focused, diversified net lease real estate investment trust ("REIT") that invests in primarily single-tenant commercial real estate properties that are net leased on a long-term basis to a diversified group of tenants. As of March 31, 2026, our portfolio includes 773 properties, with 766 properties located in 44 U.S. states and seven properties located in four Canadian provinces.

We expect to achieve growth in revenues and earnings through our three core building blocks, which are (1) embedded same store net operating income growth through best-in-class portfolio rent escalations, stable rent collections, minimal credit losses, strong lease rollover outcomes, accretive recycling, and revenue generating capital expenditures with existing tenants, (2) build-to-suit developments, and (3) a diversified acquisition pipeline.

We focus on investing in real estate that is operated by creditworthy single tenants in industries characterized by positive business drivers and trends. We target properties that are an integral part of the tenants' businesses and are therefore opportunities to secure long-term net leases through which our tenants are able to retain operational control of their strategically important locations, while allocating their debt and equity capital to fund core business operations rather than real estate ownership.

- **Diversified Investment Strategy**. We invest in real estate through property acquisitions, revenue generating capital expenditures, build-to-suit developments, and transitional capital. Our investments in these alternatives fluctuate from time to time depending on macroeconomic conditions and business or market trends. Our strong relationships with brokers, developers, and tenants provides access to off-market and marketed investment opportunities. Off-market transactions are characterized by a lack of a formal marketing process and a lack of widely disseminated marketing materials. Marketed transactions are often characterized by extensive buyer competition. For all investments, we seek to maintain our portfolio's diversification by property type, geography, tenant, and industry in an effort to reduce fluctuations in income caused by under-performing individual real estate assets or adverse economic conditions affecting an entire industry or geographic region.
- **Diversified Portfolio**. As of March 31, 2026, our portfolio was comprised of approximately 41.9 million rentable square feet of operational space, was highly diversified based on property type, geography, tenant, and industry, and was cross-diversified within each (e.g., property-type diversification within a geographic concentration):
  - *Property Type:* We are primarily diversified across industrial and retail property types. Within these sectors, we have meaningful concentrations in distribution and warehouse, manufacturing, food processing, general merchandise, quick service restaurants, and casual dining.
  - *Geographic Diversification:* Our properties are located in 44 U.S. states and four Canadian provinces, with no single geographic concentration exceeding 10.0% of our ABR.
  - *Tenant and Industry Diversification:* Our properties are occupied by 209 different commercial tenants who operate 198 distinct brands that are diversified across 57 varying industries, with no single tenant accounting for more than 3.8% of our ABR.
- **Strong In-Place Leases with Significant Remaining Lease Term**. As of March 31, 2026, our portfolio was approximately 99.8% leased with an ABR weighted average remaining lease term of approximately 9.5 years, excluding renewal options.
- **Standard Contractual Base Rent Escalation**. Approximately 96.8% of our leases have contractual rent escalations, with an ABR weighted average increase of 2.1%.
- **Extensive Tenant Financial Reporting**. Approximately 96.0% of our tenants, based on ABR, provide financial reporting, of which 81.7% are required to provide us with specified financial information on a periodic basis, and an additional 14.2% of our tenants report financial statements publicly, either through SEC filings or otherwise.

**Current Macroeconomic Conditions and Strategic Priorities**

Since 2022 and continuing into 2026, challenging macroeconomic and volatile geopolitical conditions have affected the broader commercial real estate market, including the net lease sector. During this period, interest rates remained elevated, contributing to a materially higher cost of capital for commercial real estate participants. The sustained high-rate environment during this period exceeded movements in commercial real estate capitalization rates, resulting in compression of returns on new investments. Market expectations regarding potential future monetary policy relief contributed to net lease property sellers maintaining elevated pricing expectations, which continued to limit transaction activity. These conditions have constrained, and may continue to constrain, the ability of commercial real estate owners, including us, to complete investments at volumes and accretion levels consistent with periods preceding this environment, which has contributed to lower earnings growth compared to those historical periods. Notwithstanding these conditions, we believe that our portfolio performance, ability to opportunistically access public equity and debt markets, and liquidity position provide a foundation to pursue future investment opportunities. We expect that revenues and earnings will continue to be supported by our three primary growth drivers: embedded same store net operating income growth, build-to-suit development activity, and a diversified acquisition pipeline.

## Diversified Investment Activity

During the three months ended March 31, 2026, our investment activity consisted of the following:

| | | For the Three Months Ended<br>March 31, 2026 |
|---|---|---|
| **Acquisitions:** | | |
| Acquisition price | $ | 61,195 (b) |
| Initial cash capitalization rate | | 9.0% (b) |
| Straight-line yield | | 9.4% |
| Weighted average lease term (years) | | 4.0 (b) |
| Weighted average annual rent increase | | 0.8% (b) |
| | | |
| **Build-to-suit developments:** | | |
| Investments | $ | 99,447 |
| | | |
| **Revenue generating capital expenditures:** | | |
| Investments | $ | 893 |
| Initial cash capitalization rate | | 8.3% |
| Weighted average lease term (years) | | 12.9 |
| Weighted average annual rent increase | | 2.8% |
| | | |
| **Transitional capital:** | | |
| Investments | $ | 10,351 |
| | | |
| **Total investments** | **$** | **171,886** |
| **Total initial cash capitalization rate** (a) | | **9.0%** |
| **Total weighted average lease term (years)** (a) | | **4.1** |
| **Total weighted average annual rent increase** (a) | | **0.8%** |

(a) Transitional capital, which represents a contractual yield on invested capital, and build-to-suit developments, which do not generate revenue until stabilization, are excluded from the calculations of total cash capitalization, weighted average lease terms, and weighted average rent increases.

(b) In connection with this acquisition, the Company expects to fund approximately $7.0 million to re-parcel up to 80% of the property into two distinct parcels and complete related infrastructure improvements. The sale leaseback investment includes two separate leases, one for each future parcel, consisting of (i) a 12-year long-term lease with initial cash rents of $1.5 million and annual rent escalations of 3.0%, and (ii) a one-year lease with cash rents of $4.0 million. The Company is currently evaluating future options related to the property associated with the short-term lease, with the objective of maximizing long-term shareholder value, including potential accretive alternatives, such as redevelopment.

## Build-to-Suit Development Projects

The following table summarizes the Company's in-process and stabilized developments as of March 31, 2026:

| Property | Projected Rentable Square Feet | Start Date (a) | Target Stabilization Date/Stabilized Date (b) | Lease Term (Years) | Annual Rent Escalations | Estimated Total Project Investment (c) | Cumulative Investment | Estimated Remaining Investment | Estimated Cash Capitalization Rate (d) | Estimated Straight-line Yield |
|---|---|---|---|---|---|---|---|---|---|---|
| **In-process retail:** | | | | | | | | | | |
| Sprouts (Bedford, TX) | 22 | Jul. 2025 | Aug. 2026 | 15.0 | 0.9 % | $ 9,533 | $ 1,573 | $ 7,960 | 7.2 % | 7.7 % |
| Hobby Lobby (Granbury, TX) | 55 | Oct. 2025 | Sep. 2026 | 15.0 | 0.7 % | 8,129 | 2,362 | 5,767 | 7.1 % | 7.4 % |
| Academy Sports (Granbury, TX) | 55 | Oct. 2025 | Nov. 2026 | 15.0 | 0.6 % | 12,393 | 4,579 | 7,814 | 7.1 % | 7.4 % |
| Academy Sports (Waco, TX) | 68 | Dec. 2025 | Sep. 2026 | 15.0 | 0.6 % | 14,487 | 6,215 | 8,272 | 7.2 % | 7.5 % |
| Academy Sports (Magnolia, TX) | 55 | Feb. 2026 | Nov. 2026 | 15.0 | 0.5 % | 12,975 | 2,803 | 10,172 | 7.3 % | 7.5 % |
| **In-process industrial:** | | | | | | | | | | |
| Southwire (Bremen, GA) | 1,178 | Dec. 2024 | Nov. 2026 | 10.0 | 2.8 % | 115,411 | 57,880 | 57,531 | 7.8 % | 8.8 % |
| Fiat Chrysler Automobile (Forsyth, GA) | 422 | Apr. 2025 | Aug. 2026 | 15.0 | 2.8 % | 78,242 | 47,758 | 30,484 | 6.9 % | 8.3 % |
| AGCO (Visalia, CA) | 115 | Jun. 2025 | Aug. 2026 | 12.0 | 3.5 % | 19,577 | 16,249 | 3,328 | 7.0 % | 8.5 % |
| Palmer Logistics (Midlothian, TX) (e) | 270 | Jul. 2025 | Jul. 2026 | 12.3 | 3.5 % | 32,063 | 21,392 | 10,671 | 7.6 % | 9.2 % |
| Amazon.com Services, LLC (Sarasota, FL) | 230 | Feb. 2026 | May. 2027 | 15.0 | 2.3 % | 49,705 | 18,564 | 31,141 | 7.5 % | 8.8 % |
| | 2,470 | | | 13.0 | 2.5 % | 352,515 | 179,375 | 173,140 | 7.4 % | 8.5 % |
| **Stabilized industrial:** | | | | | | | | | | |
| Sierra Nevada (Dayton, OH) | 122 | Oct. 2024 | Nov. 2025 | 15.0 | 3.0 % | 53,625 | 53,625 | — | 7.5 % | 9.3 % |
| Sierra Nevada (Dayton, OH) | 122 | Oct. 2024 | Mar. 2026 | 15.0 | 3.0 % | 52,546 | 48,420 | 4,126 | 7.6 % | 9.4 % |
| **Stabilized retail:** | | | | | | | | | | |
| 7Brew (Jacksonville, FL) | 1 | Jun. 2025 | Nov. 2025 | 15.0 | 1.9 % | 2,005 | 2,005 | — | 8.0 % | 8.8 % |
| **Total / weighted average** | 2,715 | | | 13.5 | 2.6 % | $ 460,691 | $ 283,425 | $ 177,266 | 7.4 % | 8.7 % |

(a) The period in which we have acquired access to the land and begun physical construction on a property.

(b) Represents our current estimate of the period in which we will have substantially completed a project and the project is made available for occupancy. We expect to update our timing estimates on a quarterly basis.

(c) Represents the estimated costs to be incurred to complete development of each project, inclusive of any economic incentive amounts expected to be received. We expect to update our estimates upon completion of the project, or sooner if there are any significant changes to expected costs from quarter to quarter. Excludes capitalized costs consisting of capitalized interest and other acquisition costs.

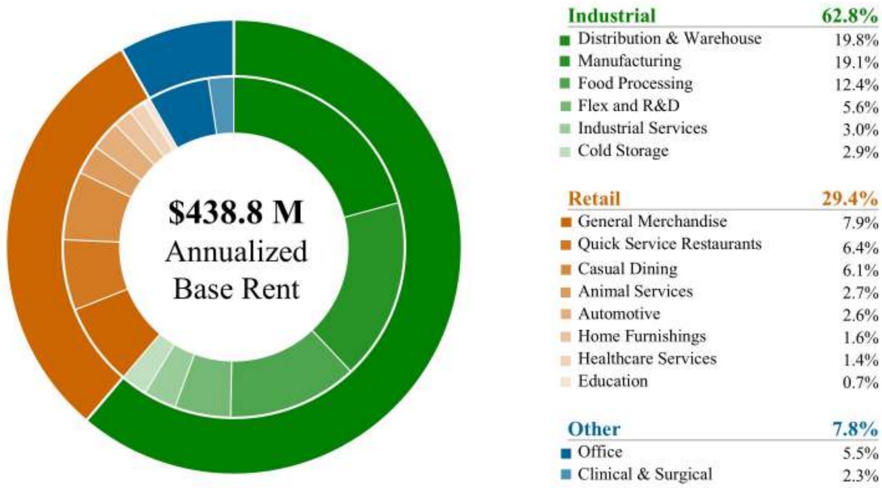
(d) Calculated by dividing the estimated first year cash yield to be generated on a real estate investment by the Estimated Total Project Investment for the property.

(e) Development represents our common and preferred equity investments in a consolidated joint venture, and excludes amounts attributed to non-controlling interest holders.

**Our Real Estate Investment Portfolio**

The following charts summarize our portfolio diversification by property type, tenant, brand, industry, and geographic location as of March 31, 2026. These portfolio statistics exclude transitional capital investments. The percentages below are calculated based on our ABR of $438.8 million as of March 31, 2026.

*Diversification by Property Type*



| Property Type | # of Properties | ABR ('000s) | ABR as a % of Total Portfolio | Square Feet ('000s) | SF as a % of Total Portfolio |
|---|---|---|---|---|---|
| **Industrial** | | | | | |
| Distribution & Warehouse | 53 | $ 86,997 | 19.8% | 12,057 | 28.8% |
| Manufacturing | 80 | 83,760 | 19.1% | 12,867 | 30.7% |
| Food Processing | 36 | 54,537 | 12.4% | 6,050 | 14.4% |
| Flex and R&D | 9 | 24,709 | 5.6% | 1,710 | 4.1% |
| Industrial Services | 21 | 13,116 | 3.0% | 529 | 1.3% |
| Cold Storage | 4 | 12,441 | 2.9% | 874 | 2.0% |
| In-Process Development | 5 | — | — | — | — |
| Untenanted | 1 | — | — | 74 | 0.2% |
| **Industrial Total** | **209** | **275,560** | **62.8%** | **34,161** | **81.5%** |
| **Retail** | | | | | |
| General Merchandise | 156 | 34,868 | 7.9% | 2,645 | 6.3% |
| Quick Service Restaurants | 154 | 27,882 | 6.4% | 516 | 1.2% |
| Casual Dining | 95 | 26,973 | 6.1% | 637 | 1.5% |
| Animal Services | 27 | 11,667 | 2.7% | 421 | 1.0% |
| Automotive | 63 | 11,428 | 2.6% | 755 | 1.8% |
| Home Furnishings | 13 | 7,177 | 1.6% | 797 | 1.9% |
| Healthcare Services | 18 | 6,131 | 1.4% | 220 | 0.6% |
| Education | 4 | 2,952 | 0.7% | 119 | 0.3% |
| In-Process Development | 4 | — | — | — | — |
| Untenanted | 1 | — | — | 10 | — |
| **Retail Total** | **535** | **129,078** | **29.4%** | **6,120** | **14.6%** |
| **Other** | | | | | |
| Office | 14 | 24,229 | 5.5% | 1,311 | 3.1% |
| Clinical & Surgical | 15 | 9,976 | 2.3% | 327 | 0.8% |
| **Other Total** | **29** | **34,205** | **7.8%** | **1,638** | **3.9%** |
| **Total** | **773** | **$ 438,843** | **100.0%** | **41,919** | **100.0%** |

### *Diversification by Tenant*

| Tenant | Property Type | # of Properties | ABR ('000s) | ABR as a % of Total Portfolio | Square Feet ('000s) | SF as a % of Total Portfolio |
|---|---|---|---|---|---|---|
| Roskam Baking Company, LLC* | Food Processing | 7 | $ 16,560 | 3.8% | 2,250 | 5.4% |
| United Natural Foods, Inc. | Distribution & Warehouse | 1 | 14,746 | 3.4% | 1,016 | 2.4% |
| AHF, LLC* | Distribution & Warehouse/Manufacturing | 8 | 9,852 | 2.2% | 2,284 | 5.4% |
| Sierra Nevada Company, LLC | Manufacturing | 3 | 9,094 | 2.1% | 280 | 0.7% |
| Joseph T. Ryerson & Son, Inc. | Distribution & Warehouse | 11 | 8,145 | 1.9% | 1,599 | 3.8% |
| Dollar General Corporation | General Merchandise | 74 | 7,835 | 1.8% | 717 | 1.7% |
| Jack's Family Restaurants LP* | Quick Service Restaurants | 43 | 7,757 | 1.8% | 147 | 0.4% |
| Tractor Supply Company | General Merchandise | 23 | 6,566 | 1.5% | 462 | 1.1% |
| J. Alexander's, LLC* | Casual Dining | 16 | 6,395 | 1.4% | 131 | 0.3% |
| Nestle' USA, Inc. | Cold Storage/Food Processing | 2 | 6,374 | 1.4% | 503 | 1.2% |
| **Total Top 10 Tenants** | | **188** | **93,324** | **21.3%** | **9,389** | **22.4%** |
| | | | | | | |
| Hensley & Company* | Distribution & Warehouse | 3 | 6,355 | 1.4% | 577 | 1.4% |
| Salm Partners, LLC* | Food Processing | 2 | 6,276 | 1.4% | 426 | 1.0% |
| BluePearl Holdings, LLC** | Animal Services | 13 | 6,057 | 1.4% | 159 | 0.4% |
| Axcelis Technologies, Inc. | Flex and R&D | 1 | 6,018 | 1.4% | 417 | 1.0% |
| Owens & Minor Distribution, Inc. | Distribution & Warehouse | 2 | 5,960 | 1.3% | 523 | 1.2% |
| Red Lobster Hospitality, LLC & Red Lobster Restaurants, LLC* | Casual Dining | 18 | 5,674 | 1.3% | 147 | 0.3% |
| Outback Steakhouse of Florida, LLC*(a) | Casual Dining | 22 | 5,635 | 1.3% | 140 | 0.3% |
| Academy LTD | General Merchandise | 9 | 5,600 | 1.3% | 535 | 1.3% |
| Krispy Kreme Doughnut Corporation | Quick Service Restaurants/Food Processing | 27 | 5,538 | 1.3% | 156 | 0.4% |
| Charles River Laboratories, Inc. | Flex and R&D | 1 | 5,487 | 1.2% | 316 | 0.8% |
| **Total Top 20 Tenants** | | **286** | **$ 151,924** | **34.6%** | **12,785** | **30.5%** |

(a) Tenant's properties include 20 Outback Steakhouse restaurants and two Carrabba's Italian Grill restaurants.

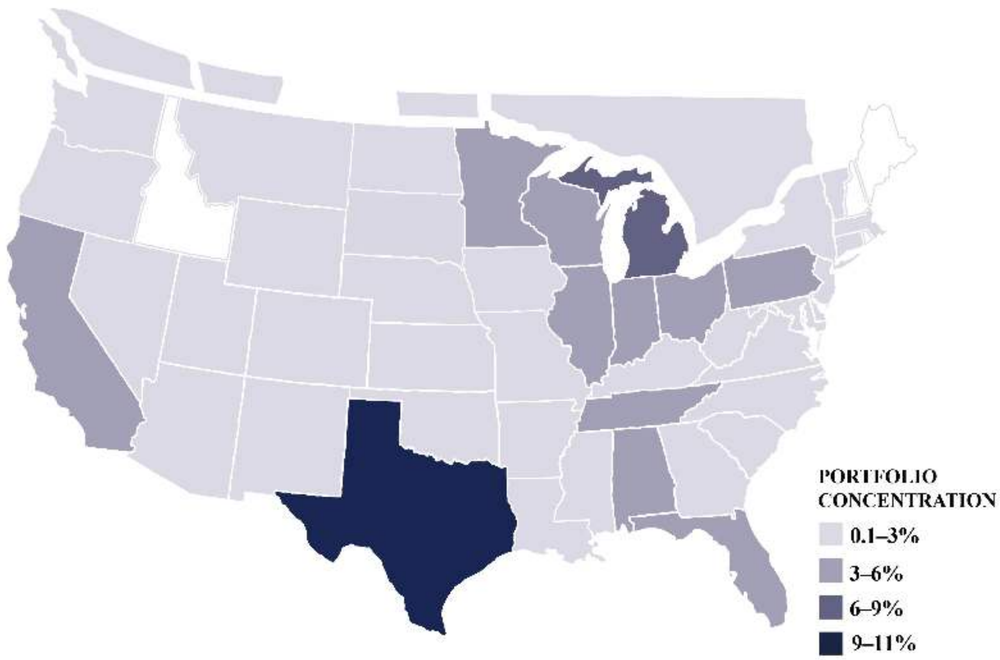
* Subject to a master lease.

** Includes properties leased by multiple tenants, some, not all, of which are subject to master leases.

*Diversification by Industry*

| Tenant Industry | # of Properties | ABR ('000s) | ABR as a % of Total Portfolio | Square Feet ('000s) | SF as a % of Total Portfolio |
|---|---|---|---|---|---|
| Packaged Foods & Meats | 39 | $ 57,405 | 13.1% | 6,338 | 15.1% |
| Restaurants | 252 | 55,699 | 12.7% | 1,196 | 2.9% |
| Food Distributors | 7 | 28,567 | 6.5% | 2,534 | 6.0% |
| Specialty Stores | 43 | 22,259 | 5.1% | 1,932 | 4.6% |
| Distributors | 29 | 22,100 | 5.0% | 3,357 | 8.0% |
| Healthcare Facilities | 42 | 21,643 | 4.9% | 748 | 1.8% |
| Auto Parts & Equipment | 38 | 19,092 | 4.4% | 2,953 | 7.0% |
| Aerospace & Defense | 6 | 14,207 | 3.2% | 695 | 1.7% |
| Home Furnishing Retail | 17 | 12,170 | 2.8% | 1,692 | 4.0% |
| General Merchandise Stores | 110 | 11,666 | 2.7% | 1,035 | 2.5% |
| Specialized Consumer Services | 44 | 11,539 | 2.6% | 707 | 1.7% |
| Metal & Glass Containers | 8 | 11,054 | 2.5% | 2,206 | 5.3% |
| Healthcare Services | 17 | 10,941 | 2.5% | 568 | 1.4% |
| Life Sciences Tools & Services | 6 | 9,907 | 2.3% | 600 | 1.4% |
| Forest Products | 8 | 9,852 | 2.2% | 2,284 | 5.4% |
| Other (42 industries) | 105 | 120,742 | 27.5% | 12,990 | 31.0% |
| Untenanted properties | 2 | — | — | 84 | 0.2% |
| **Total** | **773** | **$ 438,843** | **100.0%** | **41,919** | **100.0%** |

*Diversification by Geographic Location*



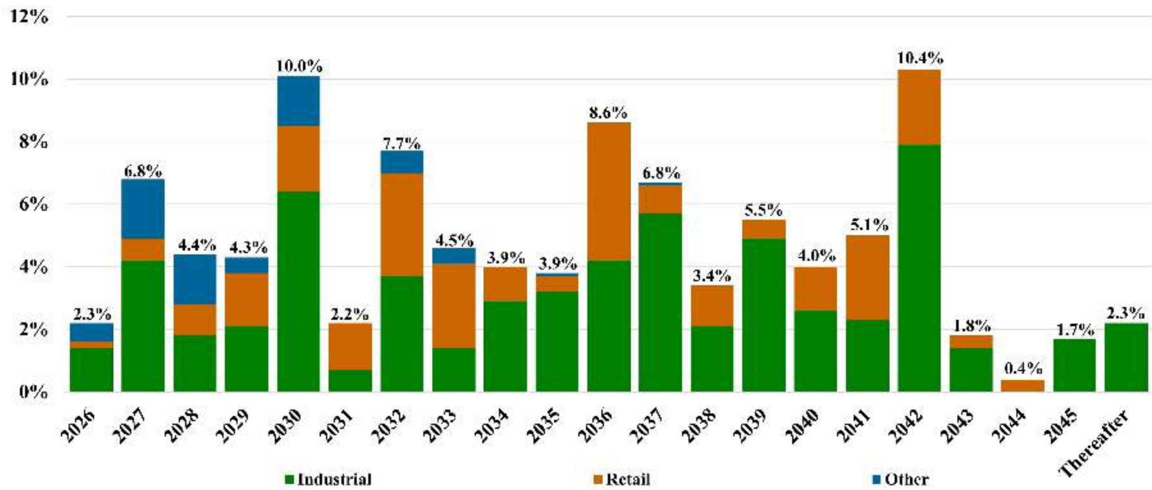

**TOTAL PROPERTIES: 773 TOTAL STATES/PROVINCES: 44 U.S. states & 4 Canadian provinces**

| State / Province | # of Properties | ABR ('000s) | ABR as a % of Total Portfolio | Square Feet ('000s) | SF as a % of Total Portfolio |
|---|---|---|---|---|---|
| TX | 70 | $ 43,833 | 10.0% | 4,090 0 | 9.8% |
| MI | 51 | 36,689 | 8.4% | 4,009 | 9.6% |
| FL | 29 | 25,548 | 5.8% | 1,549 | 3.7% |
| OH | 49 | 25,067 | 5.7% | 1,833 | 4.4% |
| IL | 29 | 23,353 | 5.3% | 2,364 | 5.6% |
| CA | 16 | 22,786 | 5.2% | 2,215 | 5.3% |
| WI | 25 | 22,227 | 5.1% | 2,223 | 5.3% |
| MN | 21 | 20,361 | 4.6% | 3,051 | 7.3% |
| PA | 33 | 16,292 | 3.7% | 2,305 | 5.5% |
| TN | 48 | 15,459 | 3.5% | 1,084 | 2.6% |
| IN | 27 | 14,400 | 3.3% | 1,687 | 4.0% |
| AL | 53 | 13,189 | 3.0% | 950 | 2.3% |
| GA | 35 | 12,320 | 2.8% | 1,576 | 3.8% |
| MA | 4 | 11,942 | 2.7% | 759 | 1.8% |
| NC | 26 | 10,156 | 2.3% | 961 | 2.3% |
| KY | 23 | 9,367 | 2.1% | 927 | 2.2% |
| WV | 18 | 9,111 | 2.1% | 1,232 | 2.9% |
| MO | 19 | 9,092 | 2.1% | 1,260 | 3.0% |
| AZ | 7 | 9,080 | 2.1% | 747 | 1.8% |
| OK | 24 | 8,659 | 2.0% | 1,001 | 2.4% |
| AR | 10 | 7,772 | 1.8% | 340 | 0.8% |
| NY | 28 | 7,410 | 1.7% | 562 | 1.3% |
| KS | 10 | 5,371 | 1.2% | 643 | 1.5% |
| VA | 15 | 5,095 | 1.2% | 178 | 0.4% |
| SD | 2 | 4,586 | 1.0% | 340 | 0.8% |

| State / Province | # of Properties | ABR ('000s) | ABR as a % of Total Portfolio | Square Feet ('000s) | SF as a % of Total Portfolio |
|---|---|---|---|---|---|
| MS | 12 | $ 4,215 | 1.0% | 607 | 1.4% |
| LA | 5 | 3,857 | 0.9% | 210 | 0.5% |
| SC | 13 | 3,450 | 0.8% | 304 | 0.7% |
| NE | 6 | 3,439 | 0.8% | 492 | 1.2% |
| NJ | 2 | 3,404 | 0.8% | 266 | 0.6% |
| IA | 4 | 2,976 | 0.7% | 622 | 1.5% |
| UT | 3 | 2,810 | 0.6% | 280 | 0.7% |
| NM | 9 | 2,797 | 0.6% | 107 | 0.2% |
| WA | 13 | 2,714 | 0.6% | 69 | 0.2% |
| CO | 4 | 2,633 | 0.6% | 126 | 0.3% |
| MD | 3 | 2,212 | 0.5% | 205 | 0.5% |
| CT | 2 | 1,945 | 0.4% | 55 | 0.1% |
| MT | 7 | 1,749 | 0.4% | 43 | 0.1% |
| DE | 4 | 1,175 | 0.3% | 133 | 0.3% |
| ND | 2 | 1,073 | 0.2% | 24 | 0.1% |
| VT | 2 | 439 | 0.1% | 24 | 0.1% |
| WY | 1 | 338 | 0.1% | 21 | 0.1% |
| NV | 1 | 282 | 0.1% | 6 | 0.0% |
| OR | 1 | 136 | 0.0% | 9 | 0.0% |
| **Total U.S.** | **766** | **$ 430,809** | **98.2%** | **41,489** | **99.0%** |
| BC | 2 | $ 4,686 | 1.1% | 253 | 0.6% |
| ON | 3 | 2,044 | 0.4% | 101 | 0.2% |
| AB | 1 | 961 | 0.2% | 51 | 0.1% |
| MB | 1 | 343 | 0.1% | 25 | 0.1% |
| **Total Canada** | **7** | **$ 8,034** | **1.8%** | **430** | **1.0%** |
| **Grand Total** | **773** | **$ 438,843** | **100.0%** | **41,919** | **100.0%** |

**Our Leases**

The following chart sets forth our lease expirations based upon the terms of the leases in place as of March 31, 2026.




The following table presents certain information based on lease expirations by year:

| Expiration Year | # of Properties | # of Leases | ABR ('000s) | ABR as a % of Total Portfolio | Square Feet ('000s) | SF as a % of Total Portfolio |
|---|---|---|---|---|---|---|
| 2026 | 11 | 11 | $ 10,092 | 2.3% | 1,069 | 2.6% |
| 2027 | 25 | 27 | 29,941 | 6.8% | 2,488 | 5.9% |
| 2028 | 26 | 27 | 19,185 | 4.4% | 1,606 | 3.8% |
| 2029 | 60 | 35 | 18,701 | 4.3% | 2,587 | 6.2% |
| 2030 | 92 | 55 | 44,067 | 10.0% | 3,805 | 9.1% |
| 2031 | 42 | 37 | 9,827 | 2.2% | 892 | 2.1% |
| 2032 | 65 | 50 | 33,952 | 7.7% | 3,491 | 8.3% |
| 2033 | 50 | 24 | 19,948 | 4.5% | 1,495 | 3.6% |
| 2034 | 39 | 28 | 17,318 | 3.9% | 1,426 | 3.4% |
| 2035 | 22 | 17 | 16,951 | 3.9% | 2,219 | 5.3% |
| 2036 | 96 | 30 | 37,918 | 8.6% | 3,857 | 9.2% |
| 2037 | 23 | 13 | 29,777 | 6.8% | 2,786 | 6.6% |
| 2038 | 39 | 39 | 14,815 | 3.4% | 1,336 | 3.2% |
| 2039 | 21 | 17 | 23,998 | 5.5% | 1,869 | 4.5% |
| 2040 | 33 | 13 | 17,591 | 4.0% | 927 | 2.2% |
| 2041 | 41 | 10 | 22,197 | 5.1% | 1,575 | 3.8% |
| 2042 | 58 | 13 | 45,515 | 10.4% | 4,803 | 11.5% |
| 2043 | 3 | 2 | 8,050 | 1.8% | 517 | 1.2% |
| 2044 | 3 | 3 | 1,660 | 0.4% | 103 | 0.2% |
| 2045 | 4 | 3 | 7,350 | 1.7% | 698 | 1.7% |
| Thereafter | 9 | 2 | 9,990 | 2.3% | 2,286 | 5.4% |
| Total leased properties | 762 | 456 | 438,843 | 100.0% | 41,835 | 99.8% |
| In-process developments | 9 | 10 | — | — | — | — |
| Untenanted properties | 2 | — | — | — | 84 | 0.2% |
| Total properties | 773 | 466 | $ 438,843 | 100.0% | 41,919 | 100.0% |

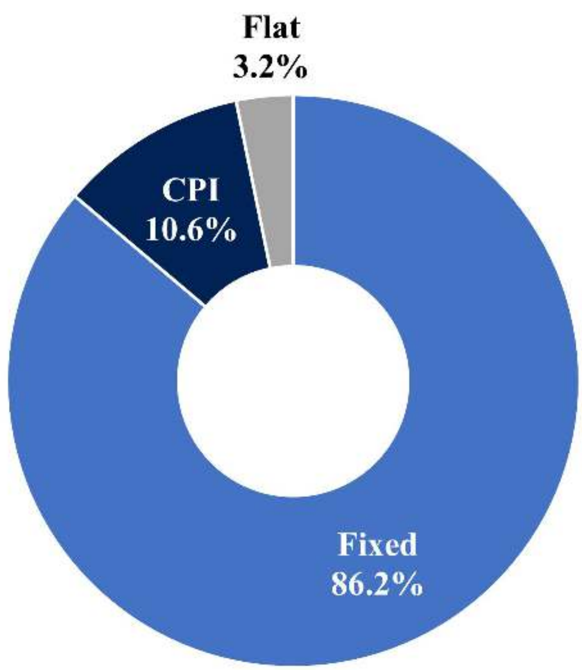
Substantially all of our leases provide for periodic contractual rent escalations. As of March 31, 2026, leases contributing 96.8% of our ABR provided for increases in future ABR, generally ranging from 1.5% to 3.0% annually, with an ABR weighted average annual increase equal to 2.1% of base rent. Generally, our rent escalators increase rent on specified dates by a fixed percentage. Our escalations provide us with a source of organic revenue growth and a measure of inflation protection. Additional information on lease escalation frequency and weighted average annual escalation rates as of March 31, 2026 is displayed below:

| Lease Escalation Frequency | % of ABR | Weighted Average Annual Increase (a) |
|---|---|---|
| Annually | 79.9% | 2.2% |
| Every 2 years | 0.1% | 1.8% |
| Every 3 years | 2.1% | 2.9% |
| Every 4 years | 0.9% | 2.4% |
| Every 5 years | 8.0% | 1.5% |
| Every 6 years | 0.1% | 1.7% |
| Other escalation frequencies | 5.7% | 1.5 % |
| Flat (b) | 3.2% | —% |
| **Total/ABR Weighted Average** | 100.0% | 2.1% |

(a) Represents the ABR weighted average annual increase of the entire portfolio as if all escalations occurred annually. For leases where rent escalates by the greater of a stated fixed percentage or the change in CPI, we have assumed an escalation equal to the stated fixed percentage in the lease. As of March 31, 2026, leases contributing 4.3% of our ABR provide for rent increases equal to the lesser of a stated fixed percentage or the change in CPI. As any future increase in CPI is unknowable at this time, we have not included an increase in the rent pursuant to these leases in the weighted average annual increase presented.

(b) Generally associated with investment grade retail tenants.

The escalation provisions of our leases (by percentage of ABR) as of March 31, 2026, are displayed in the following chart:



## Transitional Capital

We may, from time to time, invest in transitional capital opportunities, including preferred equity interests and real estate lending opportunities. Such investments are intended to be shorter in duration, offering an alternative source of financing.

The following table presents our transitional capital investments at March 31, 2026:

| Property [(a)] | | Investment ('000s) | Stabilized Cash Capitalization Rate [(b)] | Annualized Initial Cash NOI Yield | Remaining Initial Term (Years) |
|---|---|---|---|---|---|
| Sunset Hills Retail Center - St. Louis, MO [(c)] [(d)] | $ | 57,028 | 8.0 % | 7.6 % | 1.3 |
| Project Triboro Industrial Park - Olyphant, PA [(e)] | | 106,297 | 7.8 % | — % | 2.6 |

(a) Each of the Company's transitional capital investments at March 31, 2026 are in the form of preferred equity.

(b) Represents stated yield with unpaid amounts accruing with preferential payment.

(c) Agreement includes an additional $7.8 million commitment of preferred capital at the Company's sole discretion. The remaining commitment at March 31, 2026 is $3.0 million. Agreement contains two one-year extension options subject to a 0.50% extension fee. Repayment at end of term subject to a $3.5 million repayment fee.

(d) Underlying property metrics at March 31, 2026: 28 retail spaces, 0.3 million rentable square feet, 5.8 years of weighted average remaining lease term, 98.3% occupancy rate (based on square feet and including leases that have been executed but rent has not yet commenced), and 99.0% rent collection (on a quarterly basis).

(e) This investment represents preferred equity in four consolidated joint ventures that have acquired land designated for industrial build-to-suit development. Agreements contain two one-year extension options subject to a 0.25% fee for the first option, and a 0.50% fee for the second option, and the right to transfer or sell our preferred equity at any time.

## Results of Operations

The following discussion includes the results of our operations for the periods presented.

*Three Months Ended March 31, 2026 Compared to Three Months Ended December 31, 2025*

<u>*Lease revenues, net*</u>

| | For the Three Months Ended | | | | Increase/(Decrease) | | |
|---|---|---|---|---|---|---|---|
| *(in thousands)* | | March 31, 2026 | | December 31, 2025 | | $ | % |
| Contractual rental amounts billed for operating leases | $ | 107,519 | $ | 106,196 | $ | 1,323 | 1.2 % |
| Adjustment to recognize contractual operating lease billings on a straight-line basis | | 5,848 | | 5,317 | | 531 | 10.0 % |
| Net write-offs of accrued rental income | | — | | (1,103) | | 1,103 | 100.0 % |
| Variable rental amounts earned | | 757 | | 1,210 | | (453) | (37.4)% |
| Earned income from direct financing leases | | 667 | | 671 | | (4) | (0.6)% |
| Interest income from sales-type leases | | 474 | | 474 | | — | — % |
| Operating expenses billed to tenants | | 5,700 | | 5,138 | | 562 | 10.9 % |
| Other income from real estate transactions | | 32 | | 392 | | (360) | (91.8)% |
| Adjustment to revenue recognized for uncollectible rental amounts billed, net | | 404 | | — | | 404 | 100.0 % |
| Total lease revenues, net | $ | 121,401 | $ | 118,295 | $ | 3,106 | 2.6 % |

The increase in Lease revenues, net, during the three months ended March 31, 2026, was primarily attributable to receiving a full quarter of rents related to $176.7 million of real property acquisitions at a weighted average cash capitalization rate of 7.0% and the stabilization of a $54.1 million build-to-suit development at a cash capitalization rate of 7.5% during the three months ended December 31, 2025. Additionally, we closed on $62.1 million of acquisitions and revenue generating capital expenditures at a weighted average cash capitalization rate of 9.0% during the three months ended March 31, 2026. These increases in rent were partially offset by dispositions during prior periods and during the three months ended March 31, 2026. Lastly, there were no write-offs of accrued rental income during the three months ended March 31, 2026. Write-offs of accrued rental income are discrete charges in a quarter related to collection probabilities and fluctuate quarter to quarter.

*Operating expenses*

| (in thousands) | For the Three Months Ended March 31, 2026 | For the Three Months Ended December 31, 2025 | Increase/(Decrease) $ | Increase/(Decrease) % |
|---|---|---|---|---|
| Operating expenses | | | | |
| Depreciation and amortization | $ 41,526 | $ 41,768 | $ (242) | (0.6)% |
| Property and operating expense | 6,180 | 6,282 | (102) | (1.6)% |
| General and administrative | 10,349 | 9,666 | 683 | 7.1 % |
| Provision for impairment of investment in rental properties | — | 4,668 | (4,668) | (100.0)% |
| Total operating expenses | $ 58,055 | $ 62,384 | $ (4,329) | (6.9)% |

*Provision for impairment of investment in rental properties*

The following table presents the impairment charges for the respective periods:

| (in thousands, except number of properties) | For the Three Months Ended March 31, 2026 | For the Three Months Ended December 31, 2025 |
|---|---|---|
| Number of properties | — | 4 |
| Carrying value prior to impairment charge | $ — | $ 22,783 |
| Fair value | — | 18,115 |
| Impairment charge | $ — | $ 4,668 |

During the three months ended March 31, 2026, we did not recognize any impairment. The timing and amount of impairment fluctuates from period to period depending on the specific facts and circumstances.

*Other income (expenses)*

| (in thousands) | For the Three Months Ended March 31, 2026 | For the Three Months Ended December 31, 2025 | Increase/(Decrease) $ | Increase/(Decrease) % |
|---|---|---|---|---|
| Other income (expenses) | | | | |
| Interest income | $ 49 | $ (14) | $ 63 | > 100.0 % |
| Interest expense | (25,260) | (25,051) | 209 | 0.8 % |
| Gain on sale of real estate | 7,122 | 8,371 | (1,249) | (14.9)% |
| Income taxes | (311) | (392) | (81) | (20.7) % |
| Other income (expenses) | 1,446 | (3,797) | 5,243 | > 100.0 % |

*Gain on sale of real estate*

Our recognition of a gain or loss on the sale of real estate varies from transaction to transaction based on fluctuations in asset prices and demand in the real estate market. During the three months ended March 31, 2026, we recognized a gain of $7.1 million on the sale of one property, compared to a gain of $8.4 million on the sale of five properties during the three months ended December 31, 2025.

*Other income (expenses)*

The increase in other income during the three months ended March 31, 2026 was primarily due to a $1.4 million unrealized foreign exchange gain recognized on the quarterly remeasurement of our $100.0 million Canadian Dollars (“CAD”) Revolving Credit Facility borrowings, compared to a $1.3 million unrealized foreign exchange loss recognized during the three months ended December 31, 2025. Additionally, the Company recognized a $2.5 million write-off of a non-real estate note receivable during the three months ended December 31, 2025 that did not reoccur during the three months ended March 31, 2026.

*Net income and Net earnings per diluted share*

| | For the Three Months Ended | | Increase/(Decrease) | |
|---|---|---|---|---|
| *(in thousands, except per share data)* | March 31, 2026 | December 31, 2025 | $ | % |
| Net income | $ 46,392 | $ 35,028 | $ 11,364 | 32.4 % |
| Net earnings per diluted share | 0.24 | 0.17 | 0.07 | 41.2 % |

The increase in net income is primarily attributable to a $4.7 million decrease in the provision for impairment of investment in rental properties, a $3.1 million increase in lease revenues, net, a $5.2 million decrease in other expenses, primarily related to a decrease in unrealized foreign exchange loss. This was partially offset by a $1.2 million decrease in gain on sale of real estate.

GAAP net income includes items such as gain or loss on sale of real estate and provisions for impairment, unrealized foreign exchange gain or loss, among others, which can vary from quarter to quarter and impact period-over-period comparisons.

*Three Months Ended March 31, 2026 Compared to Three Months Ended March 31, 2025*

*Lease revenues, net*

| | For the Three Months Ended March 31, | | Increase/(Decrease) | |
|---|---|---|---|---|
| *(in thousands)* | 2026 | 2025 | $ | % |
| Contractual rental amounts billed for operating leases | $ 107,519 | $ 99,314 | $ 8,205 | 8.3 % |
| Adjustment to recognize contractual operating lease billings on a straight-line basis | 5,848 | 6,064 | (216) | (3.6)% |
| Net write-offs of accrued rental income | — | (2,228) | 2,228 | > 100.0 % |
| Variable rental amounts earned | 757 | 680 | 77 | 11.3 % |
| Earned income from direct financing leases | 667 | 682 | (15) | (2.2)% |
| Interest income from sales-type leases | 474 | 14 | 460 | > 100.0 % |
| Operating expenses billed to tenants | 5,700 | 4,944 | 756 | 15.3 % |
| Other income from real estate transactions | 32 | 77 | (45) | (58.4)% |
| Adjustment to revenue recognized for uncollectible rental amounts billed, net | 404 | (857) | 1,261 | > 100.0 % |
| Total lease revenues, net | $ 121,401 | $ 108,690 | $ 12,711 | 11.7 % |

The increase in lease revenues, net was primarily attributable to growth in our real estate portfolio. Subsequent to the first quarter of 2025, we had a total of $376.4 million of acquisitions and revenue generating capital expenditures at a cash capitalization rate of 7.1%, as well as had a $54.1 million build-to-suit development reach stabilization at a cash capitalization rate of 7.5%. This stabilized investment activity is partially offset by 2025 disposition activity of $96.1 million at a weighted average cash capitalization rate of 7.3% on tenanted properties. Additionally, there were no write-offs of accrued rental income during the three months ended March 31, 2026. Write-offs of accrued rental income are discrete charges in a quarter related to collection probabilities and fluctuate quarter to quarter. The increase in lease revenues, net was partially due to net recoveries of bad debt during the three months ended March 31, 2026 compared to bad debt expense during the three months ended December 31, 2025.

*Operating expenses*

| | For the Three Months Ended March 31, | | Increase/(Decrease) | |
|---|---|---|---|---|
| *(in thousands)* | 2026 | 2025 | $ | % |
| Operating expenses | | | | |
| Depreciation and amortization | $ 41,526 | 39,497 | $ 2,029 | 5.1 % |
| Property and operating expense | 6,180 | 5,488 | 692 | 12.6 % |
| General and administrative | 10,349 | 9,672 | 677 | 7.0 % |
| Provision for impairment of investment in rental properties | — | 16,128 | (16,128) | (100.0)% |
| Total operating expenses | $ 58,055 | $ 70,785 | $ (12,730) | (18.0)% |

*Depreciation and amortization*

The increase in depreciation and amortization for the three months ended March 31, 2026 was primarily due to timing and amount of net investment activity in our real estate portfolio as discussed above.

*Provision for impairment of investment in rental properties*

The following table presents the impairment charges for the respective periods:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(in thousands, except number of properties)* | 2026 | 2025 |
| Number of properties | — | 7 |
| Carrying value prior to impairment charge | $ — | $ 38,618 |
| Fair value | — | 22,490 |
| Impairment charge | $ — | $ 16,128 |

During the three months ended March 31, 2026, we did not recognize any impairment. The timing and amount of impairment fluctuates from period to period depending on the specific facts and circumstances.

*Other income (expenses)*

| | For the Three Months Ended March 31, | | Increase/(Decrease) | |
|---|---|---|---|---|
| *(in thousands)* | 2026 | 2025 | $ | % |
| Other income (expenses) | | | | |
| Interest income | $ 49 | $ 99 | $ (50) | (50.5)% |
| Interest expense | (25,260) | (20,074) | 5,186 | 25.8 % |
| Gain on sale of real estate | 7,122 | 405 | 6,717 | > 100.0 % |
| Income taxes | (311) | (355) | (44) | (12.4) % |
| Other income (expenses) | 1,446 | (487) | 1,933 | > 100.0 % |

*Interest expense*

The increase in interest expense for the three months ended March 31, 2026 is primarily due to the completion of our $350.0 million 5.00% senior unsecured notes during the third quarter of 2025, the proceeds of which were used to fund acquisitions and paydown the Revolving Credit Facility during 2025. Additionally, the increase in interest expense during the three months ended March 31, 2026 is due to increased borrowings on our variable-rate USD Revolving Credit Facility to fund investment activity.

*Gain on sale of real estate*

Our recognition of a gain or loss on the sale of real estate varies from transaction to transaction based on fluctuations in asset prices and demand in the real estate market. During the three months ended March 31, 2026, we recognized a gain of $7.1 million on the sale of one property, compared to a gain of $0.4 million on the sale of three properties during the three months ended March 31, 2025.

*Other (expenses) income*

The increase in other income during the three months ended March 31, 2026 was primarily due to a $1.4 million foreign exchange gain recognized on the quarterly remeasurement of our $100.0 million Canadian Dollars (“CAD”) Revolving Credit Facility borrowings, compared to a $0.3 million unrealized foreign exchange loss recognized during the three months ended March 31, 2025.

*Net income and Net earnings per diluted share*

| | For the Three Months Ended March 31, | | Increase/(Decrease) | |
|---|---|---|---|---|
| *(in thousands, except per share data)* | 2026 | 2025 | $ | % |
| Net income | $ 46,392 | $ 17,493 | $ 28,899 | > 100.0 % |
| Net earnings per diluted share | 0.24 | 0.09 | 0.15 | > 100.0 % |

The increase in net income is primarily due to a decrease in impairment charges of $16.1 million, an increase in net lease revenues of $12.7 million, and an increase in the gain on sale of real estate of $6.7 million. These are partially offset by an increase in interest expense of $5.2 million and an increase in depreciation and amortization of $2.0 million.

GAAP net income includes items such as gain or loss on sale of real estate and provisions for impairment, unrealized foreign exchange gain or loss, among others, which can vary from quarter to quarter and impact period-over-period comparisons.

**Liquidity and Capital Resources**

*General*

We acquire real estate using a combination of debt and equity capital, cash from operations that is not otherwise distributed to our stockholders, and proceeds from dispositions of real estate properties. Our focus is on maximizing the risk-adjusted return to our stockholders through an appropriate balance of debt and equity in our capital structure. We are committed to maintaining an investment grade balance sheet through active management of our leverage profile and overall liquidity position. We believe our leverage strategy has allowed us to take advantage of the lower cost of debt while simultaneously strengthening our balance sheet, as evidenced by our current investment grade credit ratings of ‘BBB’ from S&P and ‘Baa2’ from Moody’s. We seek to maintain on a sustained basis a Leverage Ratio that is generally less than 6.0x. As of March 31, 2026, we had total debt outstanding of $2.7 billion, Net Debt of $2.6 billion, Pro Forma Net Debt of $2.6 billion, a Net Debt to Annualized Adjusted EBITDAre ratio of 6.1x, and a Pro Forma Net Debt to Annualized Adjusted EBITDAre ratio of 5.8x.

Net Debt, Pro Forma Net Debt, and Annualized Adjusted EBITDAre are non-GAAP financial measures, Annualized Adjusted EBITDAre, and Pro Forma Net Debt to Annualized Adjusted EBITDAre are calculated based upon EBITDA, EBITDAre, Adjusted EBITDAre, and Pro Forma Adjusted EBITDAre each of which is also a non-GAAP financial measure. Refer to Non-GAAP Measures below for further details concerning our calculation of non-GAAP measures and reconciliations to the comparable GAAP measure.

*Liquidity/REIT Requirements*

Liquidity is a measure of our ability to meet potential cash requirements, including our ongoing commitments to repay debt, fund our operations, acquire and develop properties, make distributions to our stockholders, and fund other general business needs. As a REIT, we are required to distribute to our stockholders at least 90% of our REIT taxable income determined without regard to the dividends paid deduction and excluding net capital gains, on an annual basis. As a result, it is unlikely that we will be able to retain substantial cash balances to meet our long-term liquidity needs, including repayment of debt and investment in additional properties, from our annual taxable income. Instead, we expect to meet our long-term liquidity needs primarily by relying upon external sources of capital and proceeds from selective property dispositions.

*Short-term Liquidity Requirements*

Our short-term liquidity requirements consist primarily of funds necessary to pay for our operating expenses, including our general and administrative expenses and interest payments on our outstanding debt, to pay distributions, to fund our acquisitions that are under control or expected to close within a short time period, and to pay for commitments to fund build-to-suit developments, revenue generating capital expenditures, and transitional capital investments. Under leases where we are required to bear the cost of structural repairs and replacements, we do not currently anticipate making significant capital expenditures or incurring other significant property-level costs, including as a result of inflationary pressures in the current economic environment, because of the strong occupancy levels across our portfolio and the net lease nature of our leases. We expect to meet our short-term liquidity requirements primarily from cash and cash equivalents balances and net cash provided by operating activities, supplemented by borrowings under our Revolving Credit Facility, capital raised through equity programs, and capital recycled through selective property dispositions. We use cash on hand and borrowings under our Revolving Credit Facility to initially fund investments, which are subsequently repaid or replaced with proceeds from our equity and debt capital markets activities as well as proceeds from selective property dispositions.

As detailed in the contractual obligations table below, we have approximately $331.3 million of expected obligations due throughout the remainder of 2026, consisting of $171.9 million of commitments to fund investments, $82.0 million of projected interest expense, $59.9 million of dividends declared, $16.3 million of mortgage payments and amortization, and $1.1 million of lessee obligations. We expect our cash provided by operating activities, as discussed below, will be sufficient to pay for our current obligations, including interest and mortgage amortization. We expect to pay for commitments to fund investments and our dividends declared using our Revolving Credit Facility. At March 31, 2026, we had $591.9 million of available capacity under our Revolving Credit Facility.

*Long-term Liquidity Requirements*

Our long-term liquidity requirements consist primarily of funds necessary to repay debt and invest in additional revenue generating properties and build-to-suit developments. We expect to source debt capital from unsecured term loans from commercial banks, revolving credit facilities, private placement senior unsecured notes, and public bond offerings.

The source and mix of our debt capital in the future will be impacted by market conditions as well as our continued focus on lengthening our debt maturity profile to better align with our portfolio's long-term leases, staggering debt maturities to reduce the risk that a significant amount of debt will mature in any single year in the future, and managing our exposure to interest rate risk. We have no material debt maturities until 2027, as detailed in the table below.

We expect to meet our long-term liquidity requirements primarily from borrowings under our Revolving Credit Facility, future debt and equity financings, and proceeds from selective property dispositions. Our ability to access these capital sources may be impacted by unfavorable market conditions, particularly in the debt and equity capital markets, that are outside of our control. In addition, our success will depend on our operating performance, our borrowing restrictions, our degree of leverage, and other factors. Our acquisition growth strategy significantly depends on our ability to obtain acquisition financing on favorable terms. We seek to reduce the risk that long-term debt capital may be unavailable to us by strengthening our balance sheet by investing in real estate with creditworthy tenants and lease guarantors, and by maintaining an appropriate mix of debt and equity capitalization. We also, from time to time, obtain or assume non-recourse mortgage financing from banks and insurance companies secured by mortgages on the corresponding specific property subject to limitations imposed by our Revolving Credit Facility covenants and our investment grade credit rating.

*Equity Capital Resources*

Our equity capital is primarily provided through our at-the-market common equity offering program ("ATM Program"), as well as follow-on equity offerings. Under the terms of our ATM Program we may, from time to time, publicly offer and sell shares of our common stock having an aggregate gross sales price of up to $400.0 million. The ATM Program provides for forward sale agreements, which enable us to set the price of shares upon pricing the offering, while delaying the issuance of shares and the receipt of the net proceeds. After considering the shares sold subject to forward sale agreements, we had $281.0 million of capacity remaining under the ATM Program as of March 31, 2026.

Our public offerings have been used to repay debt, to fund investments, and for other general corporate purposes.

*Unsecured Indebtedness as of March 31, 2026*

The following table sets forth our outstanding Revolving Credit Facility, unsecured term loans and senior unsecured notes at March 31, 2026:

| *(in thousands, except interest rates)* | Outstanding Balance | Interest Rate | Maturity Date |
|---|---|---|---|
| Revolving Credit Facility | $ 397,640 | applicable reference rate + 0.85% [a] | Mar. 2029 [d] |
| Unsecured term loans: | | | |
| 2027 Unsecured Term Loan | 200,000 | daily simple SOFR + 0.95% [b] | Aug. 2027 |
| 2028 Unsecured Term Loan | 500,000 | one-month SOFR + 0.95% [c] | Mar. 2028 [e] |
| 2029 Unsecured Term Loan | 300,000 | daily simple SOFR + 0.95% [b] | Feb. 2029 [f] |
| Total unsecured term loans | 1,000,000 | | |
| Unamortized debt issuance costs, net | (5,180) | | |
| Total unsecured term loans, net | 994,820 | | |
| Senior unsecured notes: | | | |
| 2027 Senior Unsecured Notes - Series A | 150,000 | 4.84% | Apr. 2027 |
| 2028 Senior Unsecured Notes - Series B | 225,000 | 5.09% | Jul. 2028 |
| 2030 Senior Unsecured Notes - Series C | 100,000 | 5.19% | Jul. 2030 |
| 2031 Senior Unsecured Public Notes | 375,000 | 2.60% | Sep. 2031 |
| 2032 Senior Unsecured Public Notes | 350,000 | 5.00% | Nov. 2032 |
| Total senior unsecured notes | 1,200,000 | | |
| Unamortized debt issuance costs and original issuance discounts, net | (8,857) | | |
| Total senior unsecured notes, net | 1,191,143 | | |
| Total unsecured debt | $ 2,583,603 | | |

(a) At March 31, 2026, a balance of $326.0 million was subject to daily simple SOFR. At March 31, 2026, the balance includes $100.0 million CAD borrowings remeasured to $71.6 million USD, and was subject to the daily simple Canadian Overnight Repo Rate Average ("CORRA") of 2.27%.

(b) At March 31, 2026, overnight SOFR was 3.68%.

(c) At March 31, 2026, one-month SOFR was 3.66%.

(d) Our Revolving Credit Facility contains two six-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.0625% of the revolving commitments.

(e) The 2028 Unsecured Term Loan contains two twelve-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.125% of the aggregate principal amount of the loans outstanding under the 2028 term loan facility.

(f) The 2029 Unsecured Term Loan contains two twelve-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.10% of the aggregate principal amount of the loans outstanding under the 2029 term loan facility.

*Debt Covenants*

We are subject to various covenants and financial reporting requirements pursuant to our debt facilities, which are summarized below. As of March 31, 2026, we believe we were in compliance with all of our covenants on all outstanding borrowings. In the event of default, either through default on payments or breach of covenants, we may be restricted from paying dividends to our stockholders in excess of dividends required to maintain our REIT qualification. For each of the previous three years, we paid dividends out of our cash flows from operations in excess of the distribution amounts required to maintain our REIT qualification.

*Contractual Obligations*

The following table provides information with respect to our contractual commitments and obligations as of March 31, 2026 (in thousands). Refer to the discussion in the Liquidity and Capital Resources section above for further discussion over our short and long-term obligations.

| Year of Maturity | Revolving Credit Facility [(a)] | Mortgages | Term Loans | Senior Notes | Interest Expense [(d)] | Dividends [(e)] | Commitments to Fund Investments [(f)] | Lessee Obligations [(g)] | Total |
|---|---|---|---|---|---|---|---|---|---|
| 2026 | $ — | $ 16,342 | $ — | $ — | $ 82,033 | $ 59,884 | $ 171,881 | $ 1,143 | $ 331,283 |
| 2027 | — | 1,596 | 200,000 | 150,000 | 100,699 | — | 3,949 | 1,469 | 457,713 |
| 2028 | — | 38,277 | 500,000 [(b)] | 225,000 | 69,682 | — | — | 1,352 | 834,311 |
| 2029 | 397,640 | — | 300,000 [(c)] | — | 42,275 | — | — | 1,412 | 741,327 |
| 2030 | — | — | — | 100,000 | 30,142 | — | — | 1,447 | 131,589 |
| Thereafter | — | — | — | 725,000 | 39,705 | — | — | 32,693 | 797,398 |
| Total | $ 397,640 | $ 56,215 | $ 1,000,000 | $ 1,200,000 | $ 364,536 | $ 59,884 | $ 175,830 | $ 39,516 | $ 3,293,621 |

(a) Our Revolving Credit Facility contains two six-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.0625% of the revolving commitments.

(b) Our 2028 Unsecured Term Loan contains two twelve-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.125% of the aggregate principal amount of the loans outstanding under the 2028 term loan facility.

(c) Our 2029 Unsecured Term Loan contains two twelve-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.10% of the aggregate principal amount of the loans outstanding under the 2029 term loan facility.

(d) Interest expense is projected based on the outstanding borrowings and interest rates in effect as of March 31, 2026. This amount includes the impact of interest rate swap agreements.

(e) Amounts include dividends declared as of March 31, 2026 of $0.2925 per common share and OP Unit. Future undeclared dividends have been excluded.

(f) Amounts include acquisitions under control, defined as acquisitions under contract or executed letter of intent, commitments to fund revenue generating capital expenditures, and both current in-process developments and under control development opportunities.

(g) Represents our contractual lease obligations as a lessee, primarily including our corporate headquarters and ground leases at our rental properties or properties under development. Our tenants are responsible for paying the rent under these ground leases at our stabilized assets. In the event our tenant fails to pay the ground lease rent, we are primarily responsible.

At March 31, 2026 investment in rental property with a net book value of $80.5 million was pledged as collateral against the Company's mortgages.

In the normal course of business, we enter into various types of commitments to purchase real estate properties. These commitments are generally subject to our customary due diligence process and, accordingly, a number of specific conditions must be met before we are obligated to purchase the properties.

**Derivative Instruments and Hedging Activities**

We are exposed to interest rate risk arising from changes in interest rates on the floating-rate borrowings under our unsecured credit facilities. Borrowings pursuant to our unsecured credit facilities bear interest at floating rates based on SOFR or CORRA plus an applicable margin. Accordingly, fluctuations in market interest rates may increase or decrease our interest expense, which will in turn, increase or decrease our net income and cash flow.

We attempt to manage the interest rate risk on variable rate borrowings by entering into interest rate swaps. As of March 31, 2026, we had 23 effective interest rate swaps with an aggregate notional amount of $816.6 million. Under the effective swap agreements, we receive monthly payments from the counterparties equal to the related variable interest rates multiplied by the outstanding notional amounts. In turn, we pay the counterparties each month an amount equal to a fixed interest rate multiplied by the related outstanding notional amounts. The intended net impact of these transactions is that we pay a fixed interest rate on our variable-rate borrowings. The interest rate swaps have been designated by us as cash flow hedges for accounting purposes and are reported at fair value. We assess, both at inception and on an ongoing basis, the effectiveness of our qualifying cash flow hedges. We have not entered, and do not intend to enter, into derivative or interest rate transactions for speculative purposes.

In addition, we own investments in Canada, and as a result are subject to risk from the effects of exchange rate movements in the Canadian dollar, which may affect future costs and cash flows. We funded a significant portion of our Canadian investments through Canadian dollar borrowings under our Revolving Credit Facility, which is intended to act as a natural hedge against our Canadian dollar investments. The Canadian dollar Revolving Credit Facility borrowings are remeasured each reporting period, with the unrealized foreign currency gains and losses flowing through earnings. These unrealized foreign currency gains and losses do not impact our cash flows from operations until settled, and are expected to directly offset the changes in the value of our net investments as a result of changes in the Canadian dollar. Our Canadian investments are recorded at their historical exchange rates, and therefore are not impacted by changes in the value of the Canadian dollar.

**Cash Flows**

Cash and cash equivalents and restricted cash totaled $21.7 million and $11.0 million at March 31, 2026 and March 31, 2025, respectively. The table below shows information concerning cash flows for the three months ended March 31, 2026 and 2025:

| | For the Three Months Ended March 31, | |
|---|---|---|
| *(In thousands)* | 2026 | 2025 |
| Net cash provided by operating activities | $ 76,092 | $ 71,459 |
| Net cash used in investing activities | (162,411) | (85,335) |
| Net cash provided by financing activities | 74,356 | 8,916 |
| Net decrease in cash and cash equivalents and restricted cash | $ (11,963) | $ (4,960) |

The increase in net cash provided by operating activities was primarily due to increased contractual rents related to rent escalations and growth in our real estate portfolio.

The increase in net cash used in investing activities was primarily due to an increase in build-to-suit development and transitional capital investment during the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

The increase in net cash provided by financing activities during the three months ended March 31, 2026 as compared to the three months ended March 31, 2025, mainly reflects an increase in net proceeds from the Revolving Credit Facility.

## Non-GAAP Measures

*FFO, Core FFO, and AFFO*

We compute Funds From Operations ("FFO") in accordance with the standards established by the Board of Governors of the National Association of Real Estate Investment Trusts ("Nareit"), the worldwide representative voice for REITs and publicly traded real estate companies with an interest in the U.S. real estate and capital markets. Nareit defines FFO as GAAP net income or loss adjusted to exclude net gains (losses) from sales of certain depreciated real estate assets, depreciation and amortization expense from real estate assets, and impairment charges related to certain previously depreciated real estate assets. FFO is used by management, investors, and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers, primarily because it excludes the effect of real estate depreciation and amortization and net gains (losses) on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We include a proportionate share of adjustments related to our joint venture noncontrolling interests.

We compute Core Funds From Operations ("Core FFO") by adjusting FFO, as defined by Nareit, to exclude certain GAAP income and expense amounts that we believe are infrequently recurring, unusual in nature, or not related to its core real estate operations, including write-offs or recoveries of accrued rental income, lease termination fees and other non-core income from real estate transactions, cost of debt extinguishment, unrealized and realized gains or losses on foreign currency transactions, severance and employee transition costs, and other extraordinary items. Exclusion of these items from similar FFO-type metrics is common within the equity REIT industry, and management believes that presentation of Core FFO provides investors with a metric to assist in their evaluation of our operating performance across multiple periods and in comparison to the operating performance of our peers, because it removes the effect of unusual items that are not expected to impact our operating performance on an ongoing basis.

We compute Adjusted Funds From Operations ("AFFO"), by adjusting Core FFO for certain revenues and expenses that are non-cash or unique in nature, including straight-line rents, amortization of lease intangibles, adjustment to provision for credit losses, amortization of debt issuance costs, adjustment to provision for credit losses, amortization of net mortgage premiums, non-capitalized transaction costs such as acquisition costs related to deals that failed to transact, loss on interest rate swaps and other non-cash interest expense, deferred taxes, stock-based compensation, and other specified non-cash items. We believe that excluding such items assists management and investors in distinguishing whether changes in our operations are due to growth or decline of operations at our properties or from other factors. We use AFFO as a measure of our performance when we formulate corporate goals and as a factor in determining management compensation. We believe that AFFO is a useful supplemental measure for investors to consider because it will help them to better assess our operating performance without the distortions created by non-cash revenues or expenses.

Specific to our adjustment for straight-line rents, our leases include cash rents that increase over the term of the lease to compensate us for anticipated increases in market rental rates over time. Our leases do not include significant front-loading or back-loading of payments, or significant rent-free periods. Therefore, we find it useful to evaluate rent on a contractual basis as it allows for comparison of existing rental rates to market rental rates.

FFO, Core FFO, and AFFO may not be comparable to similarly titled measures employed by other REITs, and comparisons of our FFO, Core FFO, and AFFO with the same or similar measures disclosed by other REITs may not be meaningful.

Neither the SEC nor any other regulatory body has passed judgment on the acceptability of the adjustments to FFO that we use to calculate Core FFO and AFFO. In the future, the SEC, Nareit or another regulatory body may decide to standardize the allowable adjustments across the REIT industry and in response to such standardization we may have to adjust our calculation and characterization of Core FFO and AFFO accordingly.

The following table reconciles net income (which is the most comparable GAAP measure) to FFO, Core FFO, and AFFO:

| | For the Three Months Ended | | |
|---|---|---|---|
| *(in thousands, except per share data)* | **March 31, 2026** | **December 31, 2025** | **March 31, 2025** |
| Net income | $ 46,392 | $ 35,028 | $ 17,493 |
| Real property depreciation and amortization | 41,443 | 41,686 | 39,411 |
| Gain on sale of real estate | (7,122) | (8,371) | (405) |
| Provision for impairment on investment in rental properties | — | 4,667 | 16,128 |
| FFO adjustments allocable to joint venture noncontrolling interests | $ (16) | $ — | $ — |
| **FFO** | $ 80,697 | $ 73,010 | $ 72,627 |
| Net write-offs of accrued rental income | — | 1,103 | 2,228 |
| Other non-core income from real estate transactions | — | (211) | (63) |
| Cost of debt extinguishment | — | — | 165 |
| Severance and employee transition costs | — | — | 1 |
| Other (income) expenses [(a)] | (1,446) | 3,797 | 322 |
| **Core FFO** | $ 79,251 | $ 77,699 | $ 75,280 |
| Straight-line rent adjustment | (5,630) | (5,140) | (5,907) |
| Adjustment to provision for credit losses | — | — | — |
| Amortization of debt issuance costs | 1,627 | 1,566 | 1,237 |
| Non-capitalized transaction costs | 6 | 157 | 117 |
| Realized gain or loss on interest rate swaps and other non-cash interest expense | 45 | 14 | 2 |
| Amortization of lease intangibles | (1,015) | (1,017) | (1,064) |
| Stock-based compensation | 2,566 | 2,492 | 2,147 |
| Deferred taxes | — | 75 | — |
| **AFFO** | $ 76,850 | $ 75,846 | $ 71,812 |

(a) Amount includes $1.4 million, $(1.3) million, and $(0.3) million of unrealized foreign exchange gain (loss) for the three months ended March 31, 2026, December 31, 2025, and March 31, 2025, respectively, primarily associated with our Canadian dollar denominated revolving borrowings, and a $2.5 million write-off of a non-real estate note receivable during three months ended December 31, 2025.

*EBITDA, EBITDAre, Adjusted EBITDAre, Pro Forma Adjusted EBITDAre, Annualized EBITDAre, Annualized Adjusted EBITDAre, and Pro Forma Annualized Adjusted EBITDAre*

We compute EBITDA as earnings before interest, income taxes and depreciation and amortization. EBITDA is a measure commonly used in our industry. We believe that this ratio provides investors and analysts with a measure of our performance that includes our operating results unaffected by the differences in capital structures, capital investment cycles and useful life of related assets compared to other companies in our industry. We compute EBITDAre in accordance with the definition adopted by Nareit, as EBITDA excluding gains (losses) from the sales of depreciable property and provisions for impairment on investment in real estate. We believe EBITDA and EBITDAre are useful to investors and analysts because they provide important supplemental information about our operating performance exclusive of certain non-cash and other costs. EBITDA and EBITDAre are not measures of financial performance under GAAP, and our EBITDA and EBITDAre may not be comparable to similarly titled measures of other companies. You should not consider our EBITDA and EBITDAre as alternatives to net income or cash flows from operating activities determined in accordance with GAAP.

We are focused on a disciplined and targeted investment strategy, together with active asset management that includes selective sales of properties. We manage our leverage profile using a ratio of Net Debt to Annualized Adjusted EBITDAre, and Pro Forma Net Debt to Annualized Adjusted EBITDAre, each discussed further below, which we believe is a useful measure of our ability to repay debt and a relative measure of leverage, and is used in communications with our lenders and rating agencies regarding our credit rating. As we fund new investments using our unsecured Revolving Credit Facility, our leverage profile and Net Debt will be immediately impacted by current quarter investments. However, the full benefit of EBITDAre from new investments will not be received in the same quarter in which the properties are acquired. Additionally, EBITDAre for the quarter includes amounts generated by properties that have been sold during the quarter. Accordingly, the variability in EBITDAre caused by the timing of our investments and dispositions can temporarily distort our leverage ratios. We adjust EBITDAre ("Adjusted EBITDAre") for the most recently completed quarter (i) to recalculate as if all investments and dispositions had occurred at the beginning of the quarter, (ii) to exclude certain GAAP income and expense amounts that are either non-cash, such as cost of debt extinguishments, realized or unrealized gains and losses on foreign currency transactions, or gains on insurance recoveries, or that we believe are one time, or unusual in nature because they relate to unique circumstances or transactions that had not previously occurred and which we do not anticipate occurring in the future, and (iii) to eliminate the impact of lease termination fees and other items that are not a result of normal operations. While investments in build-to-suit developments have an immediate impact to Net Debt, we do not make an adjustment to EBITDAre until the quarter in which the lease commences. We define our Pro Forma Adjusted EBITDAre as Adjusted EBITDAre adjusted to show the impact of estimated contractual revenues based on in-process development spend to-date. Our Pro Forma Net Debt is defined as Net Debt adjusted for estimated net proceeds from forward sale agreements that have not settled as if they have been physically settled for cash as of the period presented. We then annualize quarterly Adjusted EBITDAre and Pro Forma Adjusted EBITDAre by multiplying them by four ("Annualized Adjusted EBITDAre" and "Annualized Pro Forma Adjusted EBITDAre"). You should not unduly rely on this measure as it is based on assumptions and estimates that may prove to be inaccurate. Our actual reported EBITDAre for future periods may be significantly different from our Annualized Adjusted EBITDAre. Adjusted EBITDAre and Annualized Adjusted EBITDAre are not measurements of performance under GAAP, and our Adjusted EBITDAre and Annualized Adjusted EBITDAre may not be comparable to similarly titled measures of other companies. You should not consider our Adjusted EBITDAre and Annualized Adjusted EBITDAre as alternatives to net income or cash flows from operating activities determined in accordance with GAAP.

The following table reconciles net income (which is the most comparable GAAP measure) to EBITDA, EBITDAre, Adjusted EBITDAre, and Pro Forma Adjusted EBITDAre. Information is also presented with respect to Annualized EBITDAre, Annualized Adjusted EBITDAre, and Pro Forma Annualized Adjusted EBITDAre:

| | For the Three Months Ended | | |
|---|---|---|---|
| *(in thousands)* | March 31, 2026 | December 31, 2025 | March 31, 2025 |
| **Net income** | $ 46,392 | $ 35,028 | $ 17,493 |
| Depreciation and amortization | 41,526 | 41,768 | 39,497 |
| Interest expense | 25,260 | 25,051 | 20,074 |
| Income taxes | 311 | 392 | 355 |
| **EBITDA** | $ 113,489 | $ 102,239 | $ 77,419 |
| Provision for impairment of investment in rental properties | — | 4,667 | 16,128 |
| Gain on sale of real estate | (7,122) | (8,371) | (405) |
| **EBITDAre** | $ 106,367 | $ 98,535 | $ 93,142 |
| Adjustment for current quarter investment activity [a] | 2,548 | 1,821 | 978 |
| Adjustment for current quarter disposition activity [b] | (80) | (286) | (135) |
| Adjustment to exclude non-recurring and other expenses [c] | — | 2,515 | 44 |
| Adjustment to exclude net write-offs of accrued rental income | — | 1,103 | 2,228 |
| Adjustment to exclude realized / unrealized foreign exchange (gain) loss | (1,446) | 1,282 | 322 |
| Adjustment to exclude cost of debt extinguishment | — | — | 166 |
| Adjustment to exclude other income from real estate transactions | (33) | (392) | (63) |
| **Adjusted EBITDAre** | $ 107,356 | $ 104,578 | $ 96,682 |
| Estimated revenues from developments [c] | 3,237 | 2,867 | 631 |
| **Pro Forma Adjusted EBITDAre** | $ 110,593 | $ 107,445 | $ 97,313 |
| Annualized EBITDAre | $ 425,467 | $ 394,140 | $ 372,568 |
| Annualized Adjusted EBITDAre | $ 429,425 | $ 418,312 | $ 386,728 |
| Pro Forma Annualized Adjusted EBITDAre | $ 442,371 | $ 429,780 | $ 389,252 |

(a) Reflects an adjustment to give effect to all investments during the quarter as if they had been made as of the beginning of the quarter.

(b) Reflects an adjustment to give effect to all dispositions during the quarter as if they had been sold as of the beginning of the quarter.

(c) Amount includes a $2.5 million write-off of a non-real estate note receivable for the three months ended December 31, 2025. Amount includes less than $0.1 million of accelerated lease intangible amortization for the three months ended March 31, 2025.

(d) Represents estimated contractual revenues based on in-process development spend to-date.

*Net Debt, Pro Forma Net Debt, Net Debt to Annualized EBITDAre, Net Debt to Annualized Adjusted EBITDAre, and Pro Forma Net Debt to Annualized Adjusted EBITDAre*

We define Net Debt as gross debt (total reported debt plus debt issuance costs and original issuance discount) less cash and cash equivalents and restricted cash. Our Pro Forma Net Debt is defined as Net Debt adjusted for estimated net proceeds from unsettled forward sale agreements as if they have been settled for cash as of the period presented. We believe that the presentation of Net Debt to Annualized EBITDAre and Net Debt to Annualized Adjusted EBITDAre is useful to investors and analysts because these ratios provide information about gross debt less cash and cash equivalents, which could be used to repay debt, compared to our performance as measured using EBITDAre, and is used in communications with lenders and rating agencies regarding our credit rating. The following table reconciles total debt (which is the most comparable

GAAP measure) to Net Debt, Pro Forma Net Debt, and presents the ratios of Net Debt to Annualized EBITDAre, Net Debt to Annualized Adjusted EBITDAre, and Pro Forma Net Debt to Annualized Adjusted EBITDAre, respectively:

| *(in thousands)* | March 31, 2026 | December 31, 2025 | March 31, 2025 |
|---|---|---|---|
| **Debt** | | | |
| Unsecured revolving credit facility | $ 397,640 | $ 266,036 | $ 174,122 |
| Unsecured term loans, net | 994,820 | 994,219 | 893,505 |
| Senior unsecured notes, net | 1,191,143 | 1,190,738 | 846,252 |
| Mortgages, net | 56,197 | 56,689 | 76,260 |
| Debt issuance costs | 14,056 | 15,072 | 10,300 |
| **Gross Debt** | 2,653,856 | 2,522,754 | 2,000,439 |
| Cash and cash equivalents | (20,310) | (30,540) | (9,605) |
| Restricted cash | (1,369) | (3,102) | (1,428) |
| **Net Debt** | $ 2,632,177 | $ 2,489,112 | $ 1,989,406 |
| Estimated net proceeds from forward equity agreements [(a)] | (80,551) | (10,964) | (38,124) |
| **Pro Forma Net Debt** | $ 2,551,626 | $ 2,478,148 | $ 1,951,282 |
| | | | |
| **Leverage Ratios:** | | | |
| **Net Debt to Annualized EBITDAre** | 6.2x | 6.3x | 5.3x |
| **Net Debt to Annualized Adjusted EBITDAre** | 6.1x | 6.0x | 5.1x |
| **Pro Forma Net Debt to Annualized Adjusted EBITDAre** | 5.8x | 5.8x | 5.0x |

(a) Represents pro forma adjustment for estimated net proceeds from forward sale agreements that have not settled as if they have been physically settled for cash as of the period presented.

**Critical Accounting Policies and Estimates**

This Management's Discussion and Analysis of Financial Condition and Results of Operations is based upon our Condensed Consolidated Financial Statements, which have been prepared in accordance with GAAP. The preparation of these Condensed Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues, and expenses as well as other disclosures in the financial statements. We base our estimates on historical experience and on various other assumptions believed to be reasonable under the circumstances. These judgments affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the dates of the financial statements, and the reported amounts of revenue and expenses during the reporting periods. On an ongoing basis, management evaluates its estimates and assumptions; however, actual results may differ from these estimates and assumptions, which in turn could have a material impact on our financial statements. A summary of our significant accounting policies and procedures are included in Note 2, "Summary of Significant Accounting Policies," in the Notes to the Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q. We believe there have been no significant changes during the three months ended March 31, 2026 to the items that we disclosed as our critical accounting policies and estimates in our 2025 Annual Report on Form 10-K.

**Impact of Recent Accounting Pronouncements**

For information on the impact of recent accounting pronouncements on our business, see Note 2 of the Notes to the Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

## Item 3. Quantitative and Qualitative Disclosures About Market Risk

*Interest Rate Risk*

We are exposed to certain market risks, one of the most predominant of which is a change in interest rates. Increases in interest rates can result in increased interest expense under our Revolving Credit Facility and other variable-rate debt. Increases in interest rates can also result in increased interest expense when our fixed rate debt and interest rate swaps mature. We attempt to manage interest rate risk by entering into long-term fixed rate debt, entering into interest rate swaps to convert certain variable-rate debt to a fixed rate, and staggering our debt maturities. We have designated the interest rate swaps as cash flow hedges for accounting purposes and they are reported at fair value. We have not entered, and do not intend to enter, into derivative or interest rate transactions for speculative purposes. Further information concerning our interest rate swaps can be found in Note 9 in our Condensed Consolidated Financial Statements contained elsewhere in this Quarterly Report on Form 10-Q.

Our fixed-rate debt includes our senior unsecured notes, mortgages, and variable-rate debt converted to a fixed rate with the use of interest rate swaps. Our fixed-rate debt had a carrying value and fair value of approximately $2.1 billion and $2.0 billion, respectively, as of March 31, 2026. Changes in market interest rates impact the fair value of our fixed-rate debt and interest rate swaps, but they have no impact on interest incurred or on cash flows. For instance, if interest rates were to increase and the fixed-rate debt balance were to remain constant, we would expect the fair value of our debt to decrease, similar to how the price of a bond decreases as interest rates rise. A 1% increase in market interest rates would have resulted in a decrease in the fair value of our fixed-rate debt as of approximately $46.1 million as of March 31, 2026.

Borrowings pursuant to our Revolving Credit Facility and other variable-rate debt bear interest at rates based on the applicable reference rate plus an applicable margin, and totaled $1.4 billion as of March 31, 2026, of which $816.6 million was swapped to a fixed rate by our use of interest rate swaps. Taking into account the effect of our interest rate swaps, a 1% increase or decrease in interest rates would have a corresponding $5.8 million increase or decrease in interest expense annually.

With the exception of our interest rate swap transactions, we have not engaged in transactions in derivative financial instruments or derivative commodity instruments.

*Foreign Currency Exchange Rate Risk*

We own investments in Canada, and as a result are subject to risk from the effects of exchange rate movements in the Canadian dollar, which may affect future costs and cash flows. We funded a significant portion of our Canadian investments through Canadian dollar borrowings under our Revolving Credit Facility, which is intended to act as a natural hedge against our Canadian dollar investments. The Canadian dollar Revolving Credit Facility borrowings are remeasured each reporting period, with the unrealized foreign currency gains and losses flowing through earnings. A 10% increase or decrease in the exchange rate between the Canadian dollar and USD would have a corresponding $7.2 million increase or decrease in unrealized foreign currency gain or loss. These unrealized foreign currency gains and losses do not impact our cash flows from operations until settled, and are expected to directly offset the changes in the value of our net investments as a result of changes in the Canadian dollar. Our Canadian investments are recorded at their historical exchange rates, and therefore are not impacted by changes in the value of the Canadian dollar.

## Item 4. Controls and Procedures

***Evaluation of Disclosure Controls and Procedures***

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act), that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC’s rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. For the quarter ended March 31, 2026, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective and were operating at a reasonable assurance level.

***Changes in Internal Control Over Financial Reporting***

There have been no changes in our internal control over financial reporting during the quarter ended March 31, 2026 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## Part II – OTHER INFORMATION

### Item 1. Legal Proceedings.

From time to time, we are subject to various lawsuits, claims, and other legal proceedings that arise in the ordinary course of our business. We are not currently a party to legal proceedings that we believe would reasonably be expected to have a material adverse effect on our business, financial condition, or results of operations. We are not aware of any material legal proceedings to which we or any of our subsidiaries are a party or to which any of our property is subject, nor are we aware of any such legal proceedings contemplated by government agencies.

### Item 1A. Risk Factors.

Please refer to the risk factors disclosed in Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 19, 2026. There have been no further material changes.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds from Registered Securities.

None.

### Item 3. Defaults Upon Senior Securities.

None.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

None of our officers or directors adopted or terminated any contract, instruction, or written plan for the purchase or sale of our securities intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any non-Rule 10b5-1 trading arrangement.

## Item 6. Exhibits

| No. | Description |
|---|---|
| 3.1 | Articles of Incorporation of Broadstone Net Lease, Inc. (filed as Exhibit 3.1 to the Corporation's Registration Statement on Form 10 filed April 24, 2017 and incorporated herein by reference) |
| 3.2 | Articles of Amendment of Broadstone Net Lease, Inc. (filed as Exhibit 3.1 to the Corporation's Current Report on Form 8-K filed September 18, 2020 and incorporated herein by reference) |
| 3.3 | Articles Supplementary of Broadstone Net Lease, Inc. (filed as Exhibit 3.2 to the Corporation's Current Report on Form 8-K filed September 18, 2020 and incorporated herein by reference) |
| 3.4 | Articles of Amendment of Broadstone Net Lease, Inc. (filed as Exhibit 3.3 to the Corporation's Current Report on Form 8-K filed September 18, 2020 and incorporated herein by reference) |
| 3.5 | Articles of Amendment and Restatement of Broadstone Net Lease, Inc. (filed as Exhibit 3.1 to the Corporation's Current Report on Form 8-K filed May 8, 2023 and incorporated herein by reference) |
| 3.6 | Second Amended and Restated Bylaws of Broadstone Net Lease, Inc., adopted March 23, 2020 (filed as Exhibit 3.1 to the Corporation's Current Report on Form 8-K filed March 25, 2020 and incorporated herein by reference) |
| 4.1 | Indenture, dated as of September 15, 2021, among the Issuer, the Company and the Trustee, including the form of the Guarantee (filed as Exhibit 4.1 to the Corporation's Current Report on Form 8-K filed September 10, 2021 and incorporated herein by reference) |
| 4.2 | First Supplemental Indenture, dated as of September 15, 2021, among the Issuer, the Company and the Trustee, including the form of the Notes (filed as Exhibit 4.2 to the Corporation's Current Report on Form 8-K filed September 10, 2021 and incorporated herein by reference) |
| 4.3 | Second Supplemental Indenture, dated as of September 26, 2025, among the Issuer, the Company and the Trustee, including the form of the Notes (filed as Exhibit 4.2 to the Corporation's Current Report on Form 8-K filed September 26, 2025 and incorporated herein by reference) |
| 10.1* | Letter Agreement, effective February 20, 2026, by and among Broadstone Net Lease, Inc., Broadstone Net Lease, LLC, Broadstone Employee Sub, LLC, and John D. Moragne |
| 10.2* | Form of Broadstone Net Lease, Inc. 2020 Omnibus Equity and Incentive Plan Restricted Stock Unit Award Agreement (2026 Form) |
| 31.1* | Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 31.2* | Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or Rule 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 |
| 32.1*† | Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 32.2*† | Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 |
| 101.INS | Inline XBRL Instance Document – the instance document does not appear in Interactive Data File because its XBRL tags are embedded within the Inline XBRL Document |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document |
| 104 | Cover Page Interactive Data File (embedded within the Inline XBRL document) |

* Filed herewith.

† In accordance with Item 601(b)(32) of Regulation S-K, this Exhibit is not deemed "filed" for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the Registrant specifically incorporates it by reference.

## SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

| | |
|---|---|
| | **BROADSTONE NET LEASE, INC.** |
| Date: April 30, 2026 | /s/ John D. Moragne |
| | John D. Moragne<br>Chief Executive Officer<br>*(Principal Executive Officer)* |
| Date: April 30, 2026 | /s/ Kevin M. Fennell |
| | Kevin M. Fennell<br>Executive Vice President and Chief Financial Officer and Treasurer<br>*(Principal Financial Officer)* |

**BROADSTONE NET LEASE, INC.**

February 20, 2026

Mr. John D. Moragne
[BY EMAIL]

Re: Employment Agreement – Form of Annual Bonus Payment

Dear John:

Reference is hereby made to that certain amended and restated employment agreement by and among Broadstone Net Lease, Inc., a Maryland corporation (the "REIT"), Broadstone Net Lease, LLC, a New York limited liability company (the "Operating Company"), and the Operating Company's subsidiary, Broadstone Employee Sub, LLC, a New York limited liability company (the "REIT Operator" and, together with the REIT and the Operating Company, the "Company") and you, effective February 7, 2020, as amended on January 10, 2023 (your "Employment Agreement"). All capitalized terms that are not defined herein will have the meanings given to them in the Employment Agreement.

This letter agreement (this "Letter Agreement") confirms our understanding that, notwithstanding anything to the contrary in Section 3(b)(i) or the Employment Agreement or otherwise, effective for the performance period ending December 31, 2026 and for all subsequent performance periods, the Annual Bonus in an amount to be determined by the Board (or a committee of directors to whom such responsibility has been delegated by the Board) in the Board's, or the committee's, normal course of business, will be paid to you as follows:

(i) An amount in cash, up to your Target Bonus for the applicable calendar year (the "Target Bonus"); and

(ii) For any amount in excess of the Target Bonus for the applicable calendar year (the "Above Target Amount"), a number of fully-vested shares the common stock of the REIT ("Common Stock") with a value equal to the Above Target Amount, calculated based on the closing share price of the Common Stock on the date that Annual Bonuses are paid by the Company to other Company executive officers.

The cash payment representing the Target Bonus will be paid, and the Common Stock representing the Above Target Amount, will be issued, as applicable, no later than March 15th of the calendar year following the applicable performance period, or at substantially the same time as payment of Annual Bonuses are made by the Company to other Company executive officers.

The remainder of the Employment Agreement remains in full force and effect.

[*Remainder of Page Intentionally Left Blank*]

Please acknowledge your acceptance of the terms of this Letter Agreement by signing where indicated below.

Sincerely,

**BROADSTONE NET LEASE, INC.**

By: /s/ John D. Callan Jr.
Name: John D. Callan Jr.
Its: SVP, General Counsel, and Secretary

**BROADSTONE NET LEASE, LLC**

By: Broadstone Net Lease, Inc.
Its: Managing Member

By: /s/ John D. Callan Jr.
Name: John D. Callan Jr.
Its: SVP, General Counsel, and Secretary

**BROADSTONE EMPLOYEE SUB, LLC**

By: Broadstone Net Lease, LLC
Its: Manager

By: Broadstone Net Lease, Inc.
Its: Managing Member

By: /s/ John D. Callan Jr.
Name: John D. Callan Jr.
Its: SVP, General Counsel, and Secretary

Accepted and Agreed as of February 20, 2026:

/s/ John D. Moragne
JOHN D. MORAGNE

**EXHIBIT 31.1**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**
**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**
**(Rule 13a-14(a)/15d-14(a) Certification)**

I, John D. Moragne, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Broadstone Net Lease, Inc. for the quarter ended March 31, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2026

/s/ John D. Moragne

John D. Moragne
Chief Executive Officer
*(Principal Executive Officer)*

**EXHIBIT 31.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**
**PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**
**(Rule 13a-14(a)/15d-14(a) Certification)**

I, Kevin M. Fennell, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Broadstone Net Lease, Inc. for the quarter ended March 31, 2026;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

   (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2026

/s/ Kevin M. Fennell

Kevin M. Fennell
Executive Vice President and Chief Financial Officer and Treasurer
*(Principal Financial Officer)*

**EXHIBIT 32.1**

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER**
**PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**
**(Section 1350 Certification)**

In connection with the Quarterly Report on Form 10-Q of Broadstone Net Lease, Inc. (the "Company") for the quarter ended March 31, 2026 (the "Third Quarter 10-Q"), and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, John D. Moragne, Chief Executive Officer, certifies, to the best of his knowledge, that:

1. The Third Quarter 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the "Exchange Act"); and

2. The information contained in the Third Quarter 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ John D. Moragne

John D. Moragne
Chief Executive Officer

The foregoing certification is being furnished solely to accompany the Quarterly Report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**EXHIBIT 32.2**

**CERTIFICATION OF CHIEF FINANCIAL OFFICER**
**PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**
**(Section 1350 Certification)**

In connection with the Quarterly Report on Form 10-Q of Broadstone Net Lease, Inc. (the “Company”) for the quarter ended March 31, 2026 (the “Third Quarter 10-Q”), and pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, the undersigned, Kevin M. Fennell, Executive Vice President and Chief Financial Officer of the Company, certifies, to the best of his knowledge, that:

1. The Third Quarter 10-Q fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended (the “Exchange Act”); and

2. The information contained in the Third Quarter 10-Q fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2026

/s/ Kevin M. Fennell

Kevin M. Fennell
Executive Vice President and Chief Financial Officer and Treasurer

The foregoing certification is being furnished solely to accompany the Quarterly Report pursuant to 18 U.S.C. Section 1350, and is not being filed for purposes of Section 18 of the Exchange Act, and is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.