AGREE REALTY

RETHINK RETAIL

FEBRUARY 2024

Agree Realty Overview (NYSE: ADC)

NET LEASE REIT FOCUSED ON THE ACQUISITION & DEVELOPMENT OF HIGH-QUALITY RETAIL PROPERTIES

OUR COMPANY

- Founded in 1971 by Executive Chairman, Richard Agree
- Public on the NYSE since 1994
- $8.5 billion[1] retail net lease REIT headquartered in Royal Oak, Michigan
- 2,135 retail properties totaling over 44 million square feet in 49 states
- Investment grade issuer ratings of Baa1 from Moody's and BBB from S&P

RETHINK RETAIL

- Capitalize on distinct market positioning in the retail net lease space
- Focus on industry-leading retailers through our three unique external growth platforms
- Leverage our real estate acumen and relationships to identify superior risk-adjusted opportunities
- Maintain a conservative and flexible capital structure that enables our growth trajectory
- Provide consistent, high-quality earnings growth and a well-covered, growing dividend

As of December 31, 2023, unless otherwise noted. (1) As of February 7, 2024

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RETHINKING RETAIL

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consistency

[kuh n-sis-tuh n-see]

noun

steadfast adherence to the same principles, course, or form

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Recent Highlights

Announced 2023 investment activity of $1.34 billion of high-quality retail net lease assets[1]

- S&P Global Ratings revised the investment grade rating outlook to positive[2]
- Acquired over $187 million of high-quality retail net lease assets in Q4 2023 at a weighted average cap rate of 7.2%
- Approximately 70.5% of base rents acquired in Q4 2023 derived from investment grade retailers[3]
- 37 development or DFP projects completed or under construction as of December 31st for a record of approximately $150 million
- Ground lease portfolio represents 11.7% of annualized base rents as of December 31st

- Fortress-like balance sheet with over $1.0 billion of total liquidity as of December 31st[4]
- Fortified balance sheet with approximately $236 million of forward equity raised during Q4 2023
- Declared a monthly cash dividend of $0.247 per common share for February, representing a 2.9% year-over-year increase[5]
- 4.3x Proforma Net Debt to Recurring EBITDA as of December 31st [4]
- Announced the appointment of Linglong He to the Company's Board of Directors[6]

As of December 31, 2023, unless otherwise noted. (1) Includes capital committed to acquisitions, development and Developer Funding Platform projects completed or under construction during the twelve months ended December 31, 2023. (2) As of February 9, 2024. (3) Refer to footnote 1 on slide 7 for the Company's definition of Investment Grade. (4) Proforma for the settlement of the Company's outstanding forward equity as of December 31, 2023. (5) Declared by the Company on February 8, 2024. (6) Ms. He joined the Company's Board of Directors effective January 1, 2024.

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The Country's Leading Retail Portfolio

Agree Realty Snapshot

Company Overview

Share Price[1]	$58.13
Equity Market Capitalization[1][2]	$5.9 Billion
Property Count	2,135 properties
Net Debt to EBITDA	4.7x / 4.3x[3]
Investment Grade %[4]	69.1%

Top Retail Sectors *($ in millions)*

TENANT SECTOR	ANNUALIZED BASE RENT	% OF TOTAL
Grocery Stores	$53.2	9.6%
Home Improvement	48.1	8.7%
Tire & Auto Service	47.7	8.6%
Convenience Stores	46.1	8.3%
Dollar Stores	42.3	7.6%
Off-Price Retail	34.9	6.3%
General Merchandise	32.3	5.8%
Auto Parts	31.6	5.7%
Farm & Rural Supply	29.9	5.4%
Pharmacy	23.7	4.3%
Other	166.6	29.7%
Total	**$556.4**	**100.0%**

Top Tenants *($ in millions)*

TENANT / CONCEPT	ANNUALIZED BASE RENT	% OF TOTAL
Walmart	$33.9	6.1%
Tractor Supply Co	28.2	5.1%
Dollar General	26.8	4.8%
Best Buy	19.5	3.5%
CVS pharmacy	17.3	3.1%
TJX	17.0	3.1%
Dollar Tree	17.0	3.1%
Kroger	16.3	2.9%
O'Reilly Auto Parts	16.1	2.9%
Hobby Lobby	14.6	2.6%
Lowe's	14.0	2.5%
Burlington	13.8	2.5%
7-Eleven	12.4	2.2%
Sunbelt Rentals	12.4	2.2%
gerber Collision & Glass	11.9	2.1%
Sherwin-Williams	11.4	2.1%
Wawa	10.2	1.8%
The Home Depot	8.9	1.6%
BJ's	8.7	1.6%
Other	246.0	44.2%
Total	**$556.4**	**100.0%**

As of December 31, 2023, unless otherwise noted. Any differences are a result of rounding. (1) As of February 7, 2024. (2) Reflects common shares and OP units outstanding multiplied by the closing price as of February 7, 2024. (3) Proforma for the settlement of the Company's outstanding forward equity as of December 31, 2023. (4) Refer to footnote 1 on slide 7 for the Company's definition of Investment Grade.

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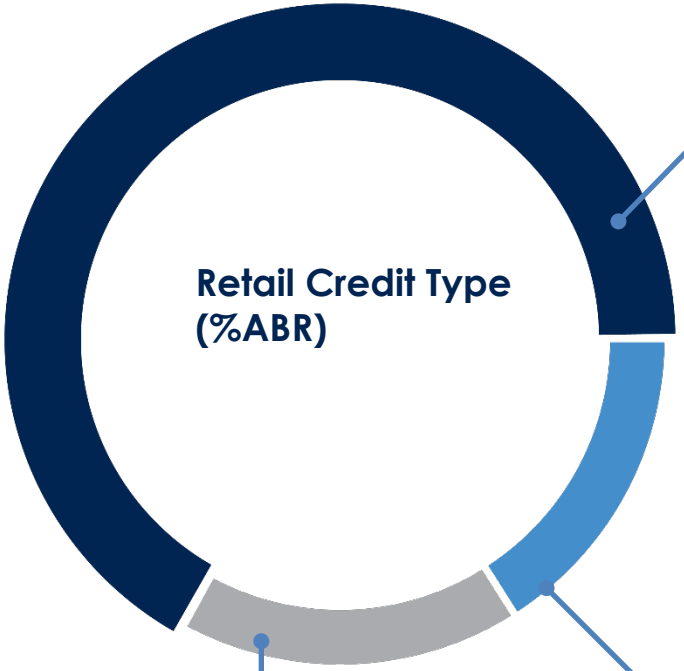
Strong Investment Grade Portfolio

BEST-IN-CLASS RETAILERS WITH CONSERVATIVE BALANCE SHEETS



69%

INVESTMENT GRADE[1]

16%

SUB-INVESTMENT GRADE

15%

NOT RATED

As of December 31, 2023. Any differences are a result of rounding. (1) Based on ABR derived from tenants, or parent entities thereof, with an investment grade credit rating from S&P Global Ratings, Moody's Investors Service, Fitch Ratings, or the National Association of Insurance Commissioners.

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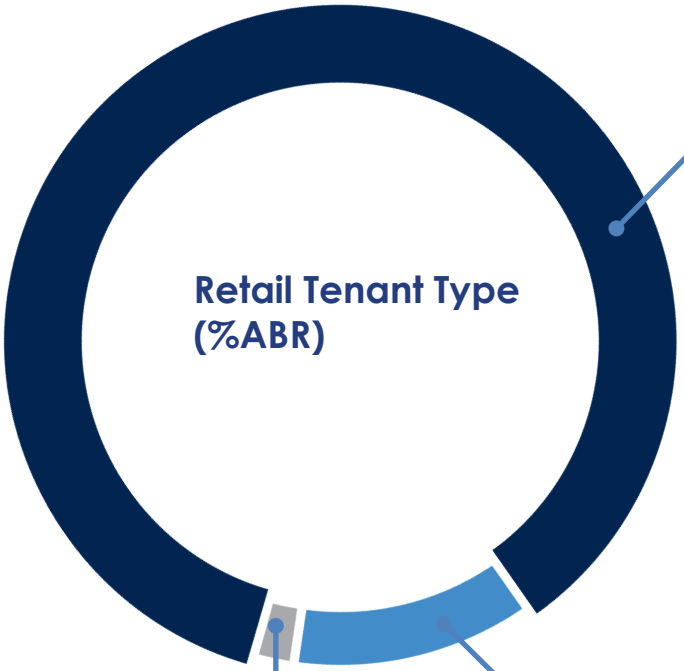
National and Super-Regional Retailers

INDUSTRY-LEADERS OPERATING IN E-COMMERCE RESISTANT SECTORS



88%

NATIONAL

HOBBY LOBBY, LOWE'S, McDonald's, ALDI, Starbucks Coffee, CVS pharmacy, Walmart, amazon, ULTA BEAUTY, T.J.maxx, The Home Depot, AutoZone, Tractor Supply Co, TARGET, DOLLAR GENERAL, O'Reilly Auto Parts, Chick-fil-A, BEST BUY, 7 ELEVEN, Sherwin Williams, ROSS, SUNBELT RENTALS, Firestone, Burlington, HomeGoods, COSTCO WHOLESALE

1%

FRANCHISE

TACO BELL, BURGER KING, SONIC, Wendy's

11%

SUPER-REGIONAL

Wawa, GIANT EAGLE, Publix, HyVee, Wegmans, RaceTrac, H-E-B

As of December 31, 2023. Any differences are a result of rounding.

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Ground Lease Portfolio Breakdown

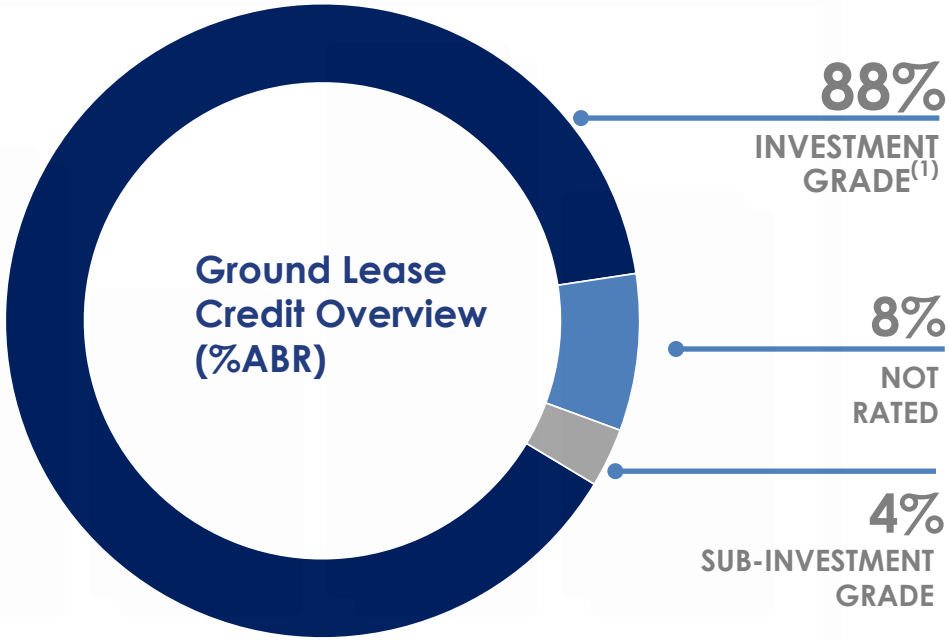
FEE SIMPLE OWNERSHIP + SIGNIFICANT TENANT INVESTMENT

Ground Lease Portfolio Overview

224 Leases

11.7% of total portfolio ABR

10.5 years weighted-average lease term



Top Ground Lease Tenants (% ABR)

As of December 31, 2023. (1) Refer to footnote 1 on slide 7 for the Company's definition of Investment Grade. Any differences are a result of rounding.

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Ground Lease Value Creation

FIRST EXPIRATION HIGHLIGHTS EMBEDDED VALUE WITH 159% RECAPTURE RATE

Chase Bank - Stockbridge, GA

Prior Lease	
Rent Per Square Foot	$29.26
Remaining Lease Term[1]	0.1 years
Rental Increases	None Remaining
Options	None Remaining
Annualized Base Rent	$110,007

New Lease	
Rent Per Square Foot	$46.54
New Lease Term	15 Years
Rental Increases	10% Every 5 Years
Options	3 x 5 Years x 10%
Annualized Base Rent	$193,083

Note: Recapture rate reflects current rent per square foot vs. prior rent per square foot. (1) Reflects remaining lease term at the time the lease extension was executed.

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Disciplined Investment Strategy & Active Portfolio Management

Our Investment Strategy

Agree leverages its three distinct investment platforms to target industry-leading retailers in e-commerce and recession resistant sectors

THREE-PRONGED GROWTH STRATEGY

COMPREHENSIVE REAL ESTATE SOLUTIONS FOR LEADING RETAILERS

- ACQUISITIONS
- DEVELOPMENT
- DEVELOPER FUNDING PLATFORM

RETAILER RELATIONSHIPS

- Engage in consistent dialogue to understand store performance and tenant sustainability
- Leverage relationships to identify the best risk-adjusted opportunities

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What Has ADC Been Investing In?

The retail landscape continues to dynamically evolve as market forces cause disruption and change. To mitigate risk in a period of continued disruption, the Company adheres to a number of investment criteria, with a **focus on four core principles**:

OMNI-CHANNEL CRITICAL
(E-COMMERCE RESISTANCE)

Focus on leading operators that have matured in omni-channel structure or those in e-commerce resistant sectors

RECESSION RESISTANCE

Emphasize a balanced portfolio with exposure to counter-cyclical sectors and retailers with strong credit profiles

AVOIDANCE OF PRIVATE EQUITY SPONSORSHIP

Strong emphasis on leading operators with strong balance sheets and avoidance of private equity sponsored retailers

STRONG REAL ESTATE FUNDAMENTALS & FUNGIBLE BUILDINGS

Protects against unforeseen changes to our top-down investment philosophy

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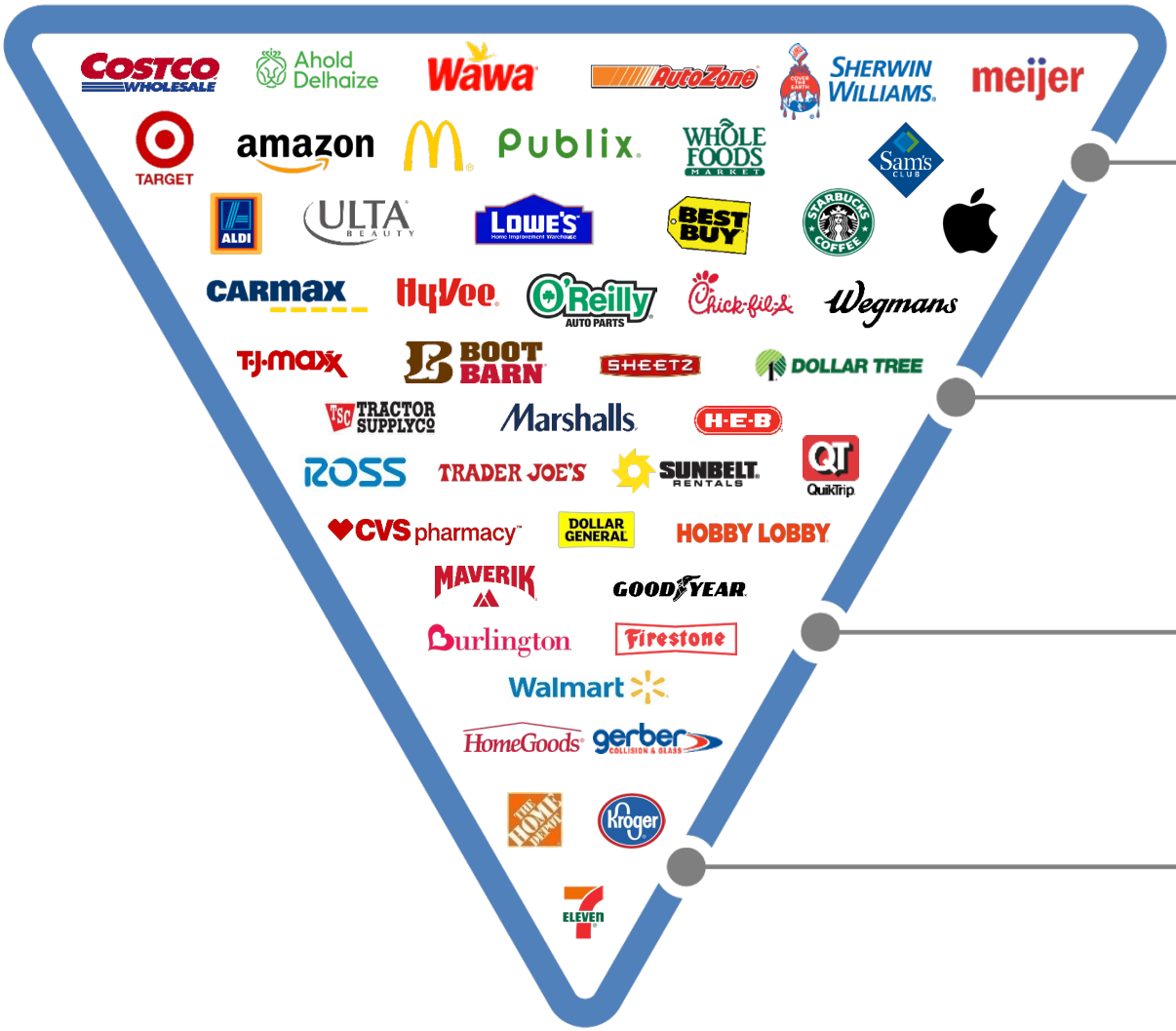
Large & Fragmented Opportunity Set

TOP-DOWN FOCUS ON LEADING RETAILERS IN THE U.S. PAIRED WITH A BOTTOMS-UP REAL ESTATE ANALYSIS

ADC reviewed over $82 billion of opportunities since 2018



$6.8 BILLION
acquired since 2018

1 **MARKET RENTS**
- Rents ≤ market
- Fungibility of building

2 **COMPETITION**
- Limited competition
- Strong market presence

3 **REAL ESTATE FUNDAMENTALS**
- Access
- Visibility
- Demographics

4 **RETAIL SYNERGY**
- Major retail corridor
- Strong traffic drivers

As of December 31, 2023.

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Sandbox Offers Runway for Growth

164,000+ NET LEASE OPPORTUNITIES AND *GROWING* WITH BEST-IN-CLASS RETAILERS

10,800+
Grocery Stores

8,600+
Home Improvement Stores

7,100+
Tire & Auto Service Stores

36,300+
Dollar Stores

24,000+
Convenience Stores

7,000+
General Merchandise Stores

23,500+
Auto Parts Stores

6,300+
Off-Price Retail Stores

2,400+
Farm & Rural Supply Stores

1,200+
Consumer Electronics Stores

1,000+
Crafts & Novelties Stores

1,400+
Warehouse Clubs

1,100+
Equipment Rental Stores

32,900+
Quick-Service Restaurants

400+
Dealerships

As of February 8, 2023. Store counts include both leased and owned locations and were obtained from company filings and third-party sources including CS News, CSP Daily News, CT Insider, and Progressive Grocer. Table is representative and does not include all retailers.

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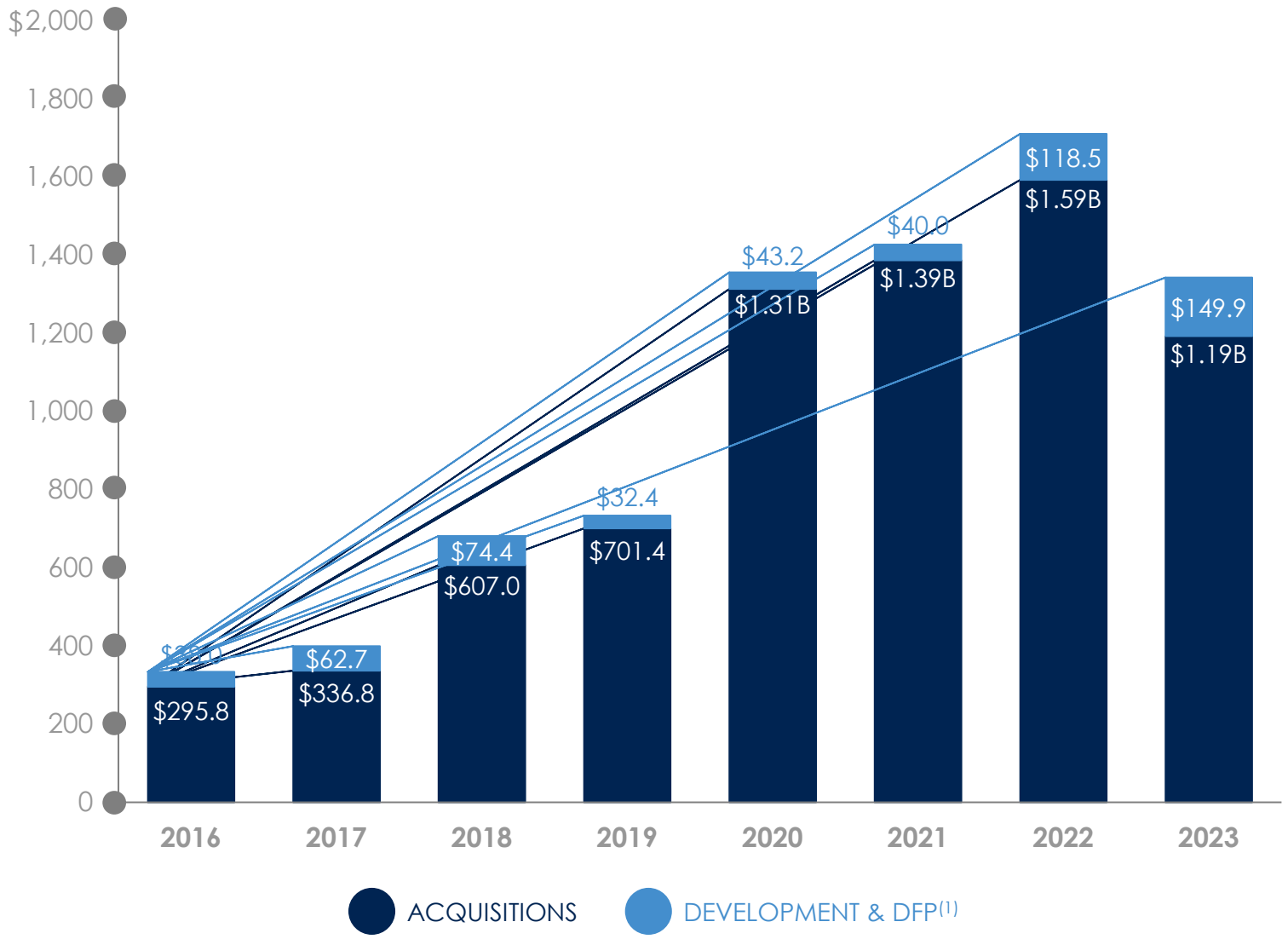
Robust Investment Activity

ADC HAS INVESTED $8.7 BILLION IN HIGH-QUALITY RETAIL NET LEASE PROPERTIES SINCE 2010

Investment Activity

($ in millions)



As of December 31, 2023. (1) Represents development & Developer Funding Platform ("DFP") activity, completed or commenced.

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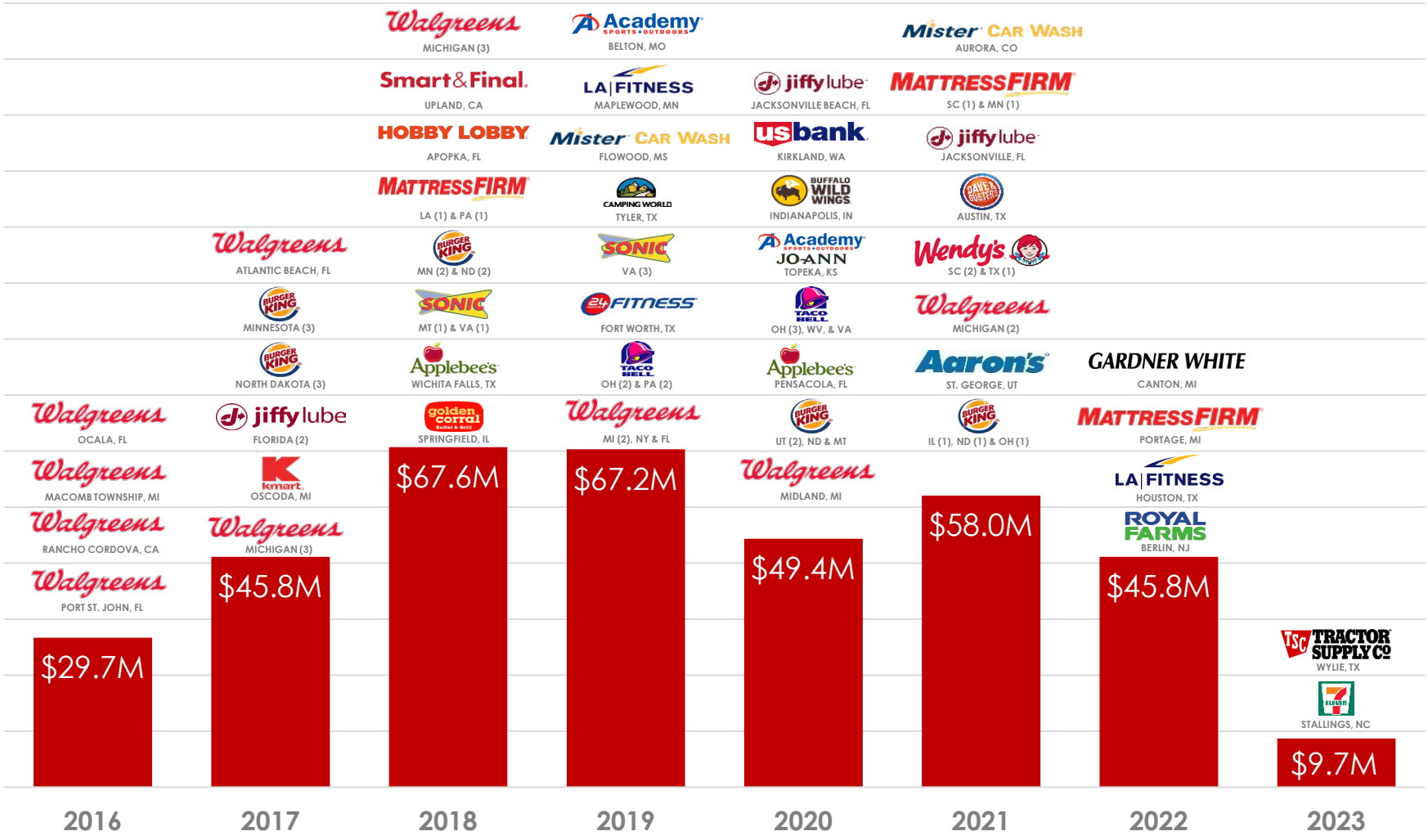
Active Portfolio Management

FOCUSED ON NON-CORE ASSET SALES & CAPITAL RECYCLING

Total Dispositions 2010-2023: $459 million



As of December 31, 2023. Graph is representative and does not include all dispositions.

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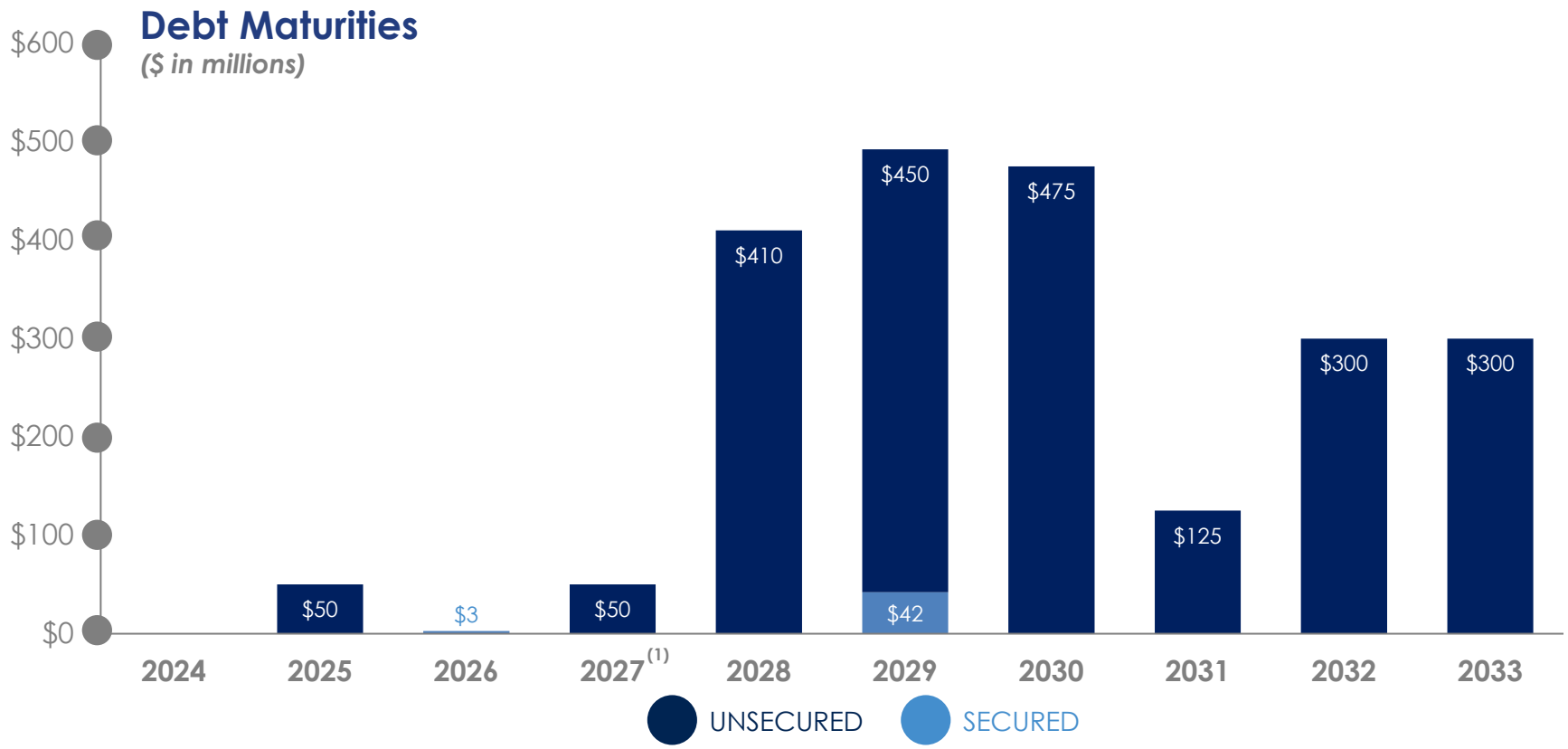
Fortified Balance Sheet

Leading With Our "Fortress" Balance Sheet

NO MATERIAL DEBT MATURITIES UNTIL 2028 & WEIGHTED-AVERAGE DEBT MATURITY OF APPROXIMATELY 6 YEARS



CAPITALIZATION STATISTICS	
Equity Market Capitalization[2]	$5.9 Billion
Enterprise Value[2][3]	$8.5 Billion
Total Debt to Enterprise Value	27.2%

CREDIT METRICS	
Fixed Charge Coverage Ratio	5.0x
Net Debt to Recurring EBITDA[4]	4.7x / 4.3x[5]
Issuer Ratings	Baa1 / BBB
Ratings Outlooks	Stable / Positive[6]

As of December 31, 2023, unless otherwise noted. (1) Excludes $227.0 million of outstanding borrowings on the Company's $1.0 billion Revolving Credit Facility as of December 31, 2023; assumes two 6-month extension options are exercised. (2) As of February 7, 2024. (3) Enterprise value is calculated as the sum of net debt, the liquidation value of preferred equity and equity market capitalization. (4) Reflects net debt to annualized Q4 2023 recurring EBITDA. (5) Proforma for the settlement of the Company's outstanding forward equity as of December 31, 2023. (6) As of February 9, 2024.

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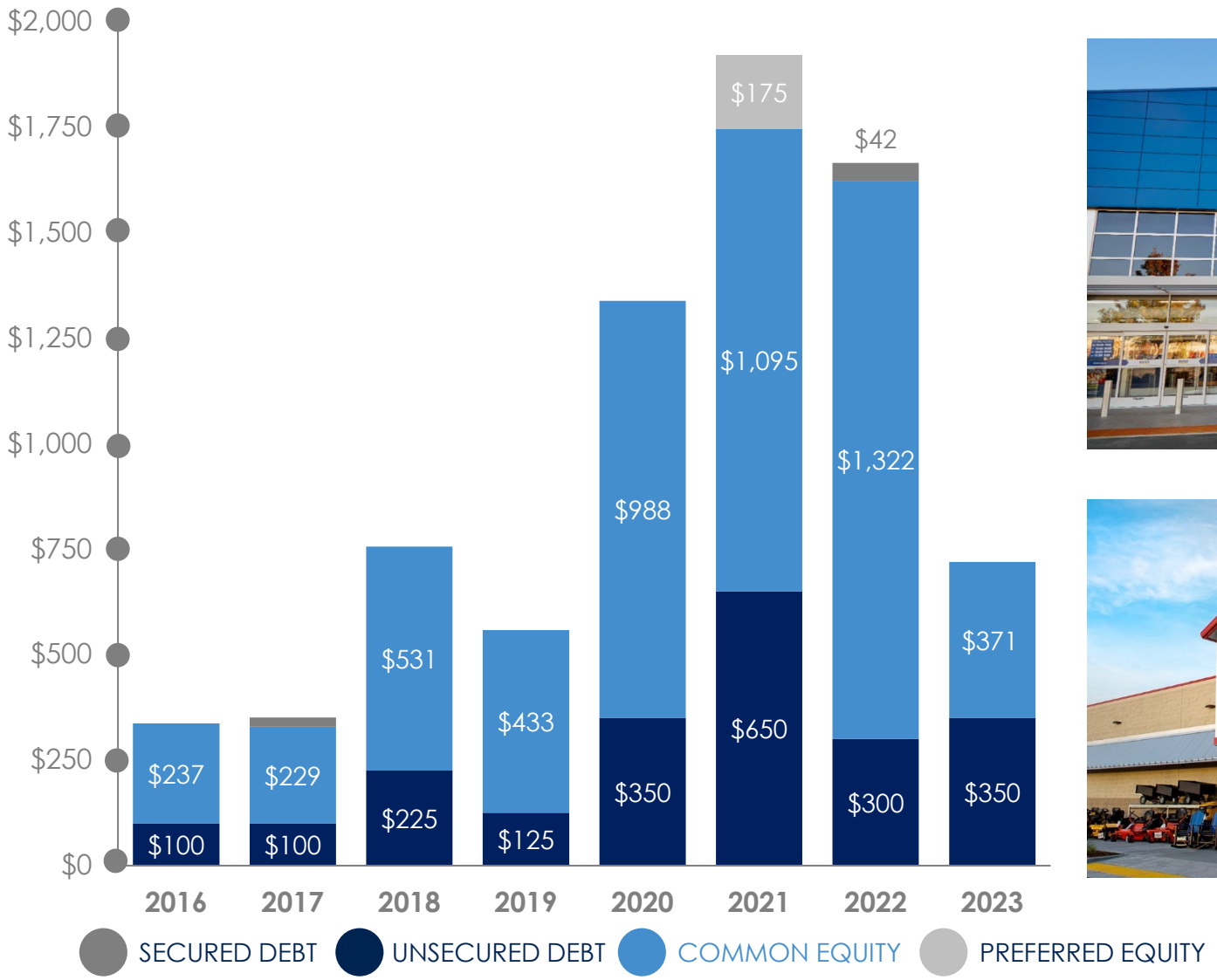
Capital Markets Track Record

STRONG CAPITAL MARKETS EXECUTION HAS PROVIDED AMPLE LIQUIDITY; $8.2 BILLION OF ACTIVITY SINCE 2010

Capital Markets Activity

($ in millions)



Reflects gross proceeds for equity and long-term debt raised through December 31, 2023. Forward equity offerings are shown in the year they were raised, rather than settled.

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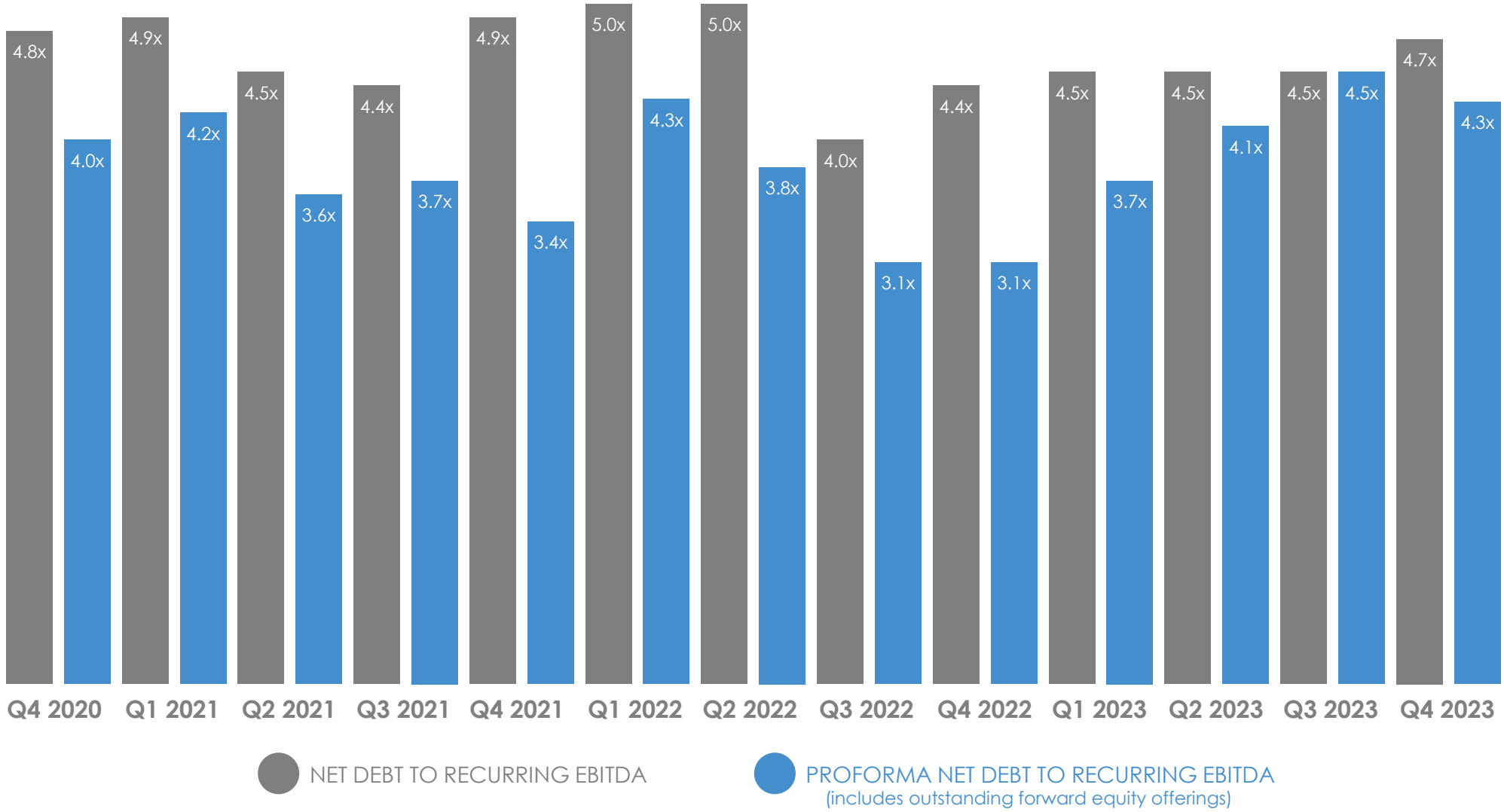
Low Leverage = Strong Positioning

ADC HAS BEEN AT OR BELOW 4.5X PROFORMA NET DEBT TO RECURRING EBITDA SINCE 2018



As of December 31, 2023. Proforma Net Debt to Recurring EBTIDA deducts the Company's outstanding forward equity offerings for each period from the Company's net debt for each period.

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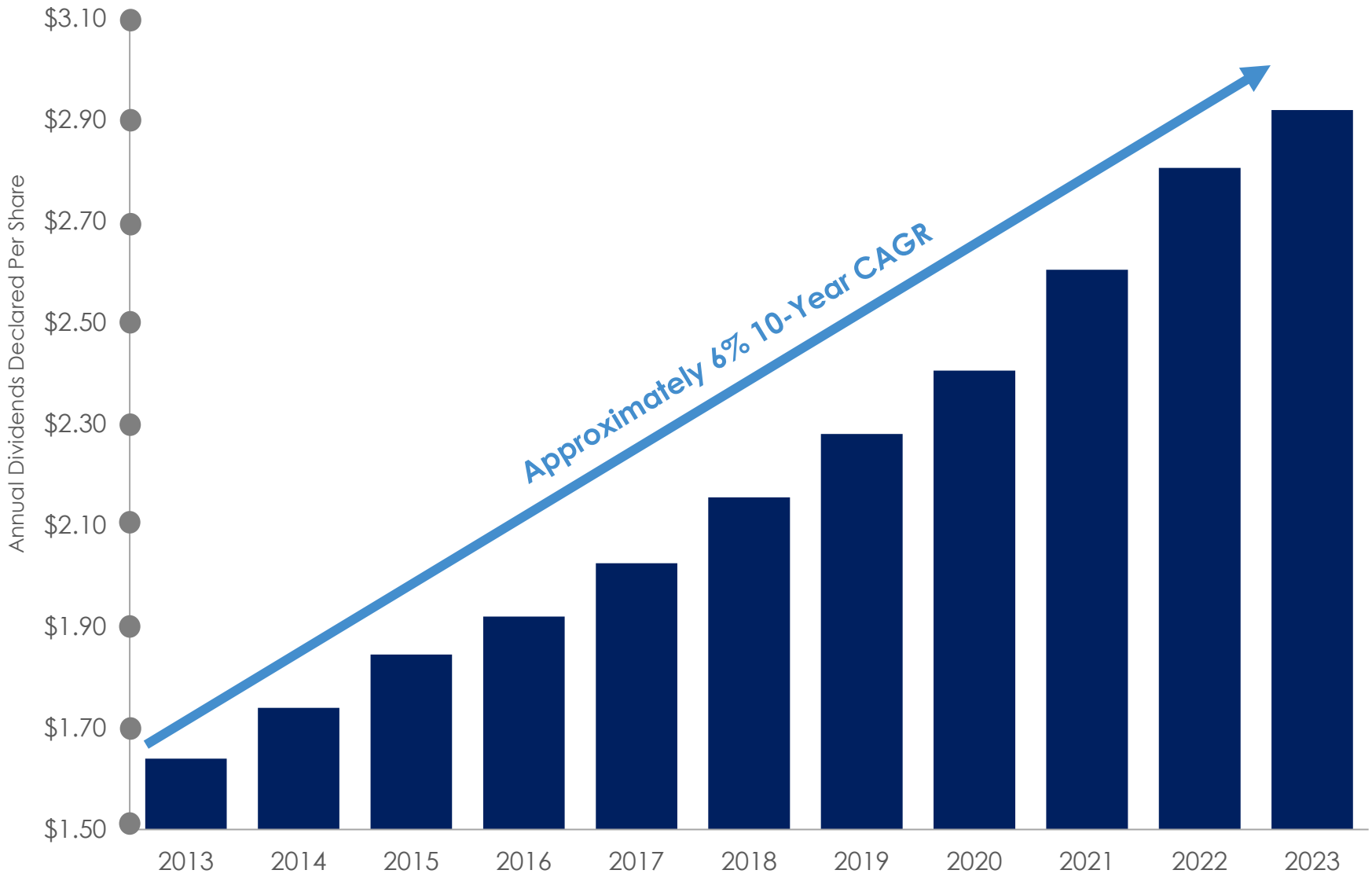
Growing, Well-Covered Monthly Dividend

143 CONSECUTIVE COMMON DIVIDENDS PAID; AVERAGE AFFO PAYOUT RATIO OF 76% OVER PAST 10 YEARS



As of January 16, 2024. Reflects common dividends per share declared in each year, rounded to two decimals.

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Agree Realty's ESG Practices

DEDICATED TO SUSTAINABILITY AND GOOD CORPORATE CITIZENSHIP

ENVIRONMENTAL PRACTICES

Focus on industry leading, national & super-regional retailers provides for a relationship with some of the most environmentally conscientious retailers in the world

The Company anticipates its new headquarters will achieve LEED certification, with features including EV charging stations, motion activated lighting and high-quality building materials

Executed several green leases with tenants, resulting in the achievement of Gold Level recognition from the Green Lease Leaders organization

GREEN LEASE LEADER GOLD

As of January 1, 2024.

SOCIAL RESPONSIBILITY

The Agree Wellness program focuses on Health Wellness & Financial Wellness to enhance employee well-being

Ongoing professional development is offered to help all team members advance their careers

The Company has recently sponsored charities including CARE House of Oakland County, Michigan Veteran's Foundation and Leader Dogs for the Blind

ADC has received awards from Globe St, Crain's Detroit Business, and Best and Brightest in Wellness recognizing its outstanding corporate culture and wellness initiatives

MVF Michigan Veterans Foundation DVC Detroit Veterans Center

40 YEARS OF HELPING CHILDREN. CARE HOUSE OF OAKLAND COUNTY

CORPORATE GOVERNANCE

ADC's Board has 10 directors, eight of whom are independent; six new independent directors added since 2018

The Board recently added a third female Director, appointing Linglong He effective January 1st

The Nominating & Governance Committee has formal oversight responsibility for the Company's ESG program

The Company adopted the Sustainability Accounting Standards Board and the Task Force on Climate-related Financial Disclosures frameworks to align our disclosures with the issues most relevant to our stakeholders

TCFD

SASB SUSTAINABILITY ACCOUNTING STANDARDS BOARD

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Investment Summary Highlights

FORTIFIED BALANCE SHEET

Robust growth trajectory

Well-covered & consistent dividend

HIGHEST-QUALITY RETAIL REAL ESTATE

MULTI-YEAR TRACK RECORD OF EXECUTION

INVESTMENT GRADE ISSUER RATINGS

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APPENDIX

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Forward-Looking Statements

This presentation contains forward-looking statements within the meaning 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"). The Company intends such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995 and includes this statement for purposes of complying with these safe harbor provisions. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "may," "will," "should," "potential," "intend," "expect," "seek," "anticipate," "estimate," "approximately," "believe," "could," "project," "predict," "forecast," "continue," "assume," "plan," references to "outlook" or other similar words or expressions. Forward- looking statements are based on certain assumptions and can include future expectations, future plans and strategies, financial and operating projections and forecasts and other forward-looking information and estimates. These forward-looking statements are subject to various risks and uncertainties, many of which are beyond the Company's control, which could cause actual results to differ materially from such statements. Certain factors could occur that might cause actual results to vary, including the potential adverse effect of ongoing worldwide economic uncertainties, disruptions in the banking system and financial markets, and increased inflation on the financial condition, results of operations, cash flows and performance of the Company and its tenants, the real estate market and the global economy and financial markets, the general deterioration in national economic conditions, weakening of real estate markets, decreases in the availability of credit, increases in interest rates, adverse changes in the retail industry, the Company's continuing ability to qualify as a REIT and other risks and uncertainties as described in greater detail in the Company's filings with the Securities and Exchange Commission (the "SEC"), including, without limitation, the Company's Annual Report on Form 10-K and subsequent quarterly reports. Except as required by law, the Company disclaims any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

For further information about the Company's business and financial results, please refer to the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" sections of the Company's SEC filings, including, but not limited to, its Annual Report on Form 10-K and Quarterly Reports on Form 10-Q, copies of which may be obtained at the Investors section of the Company's website at www.agreerealty.com.

All information in this presentation is as of December 31, 2023, unless otherwise noted. The Company undertakes no duty to update the statements in this presentation to conform the statements to actual results or changes in the Company's expectations.

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Non-GAAP Financial Measures

This presentation includes a non-GAAP financial measure, Net Debt to Recurring EBITDA, which is presented on an actual and proforma basis. A reconciliation of this non-GAAP financial measure to the most directly comparable GAAP measure is included in the following pages. The components of this ratio and their use and utility to management are described further in the section below.

Components of Net Debt to Recurring EBITDA

EBITDAre is defined by Nareit to mean net income computed in accordance with GAAP, plus interest expense, income tax expense, depreciation and amortization, any gains (or losses) from sales of real estate assets and/or changes in control, any impairment charges on depreciable real estate assets, and after adjustments for unconsolidated partnerships and joint ventures. The Company considers the non-GAAP measure of EBITDAre to be a key supplemental measure of the Company's performance and should be considered along with, but not as an alternative to, net income or loss as a measure of the Company's operating performance. The Company considers EBITDAre a key supplemental measure of the Company's operating performance because it provides an additional supplemental measure of the Company's performance and operating cash flow that is widely known by industry analysts, lenders and investors. The Company's calculation of EBITDAre may not be comparable to EBITDAre reported by other REITs that interpret the Nareit definition differently than the Company.

Recurring EBITDA The Company defines Recurring EBITDA as EBITDAre with the addback of noncash amortization of above- and below-market lease intangibles, and after adjustments for the run-rate impact of the Company's investment and disposition activity for the period presented, as well as adjustments for non-recurring benefits or expenses. The Company considers the non-GAAP measure of Recurring EBITDA to be a key supplemental measure of the Company's performance and should be considered along with, but not as an alternative to, net income or loss as a measure of the Company's operating performance. The Company considers Recurring EBITDA a key supplemental measure of the Company's operating performance because it represents the Company's earnings run rate for the period presented and because it is widely followed by industry analysts, lenders and investors. Our Recurring EBITDA may not be comparable to Recurring EBITDA reported by other companies that have a different interpretation of the definition of Recurring EBITDA. Our ratio of net debt to Recurring EBITDA is used by management as a measure of leverage and may be useful to investors in understanding the Company's ability to service its debt, as well as assess the borrowing capacity of the Company. Our ratio of net debt to Recurring EBITDA is calculated by taking annualized Recurring EBITDA and dividing it by our net debt per the consolidated balance sheet.

Net Debt The Company defines Net Debt as total debt less cash, cash equivalents and cash held in escrows. The Company considers the non-GAAP measure of Net Debt to be a key supplemental measure of the Company's overall liquidity, capital structure and leverage. The Company considers Net Debt a key supplemental measure because it provides industry analysts, lenders and investors useful information in understanding our financial condition. The Company's calculation of Net Debt may not be comparable to Net Debt reported by other REITs that interpret the definition differently than the Company. The Company presents Net Debt on both an actual and proforma basis, assuming the Anticipated Net Proceeds from Outstanding Forwards are used to pay down debt. The Company believes the proforma measure may be useful to investors in understanding the potential effect of the Anticipated Net Proceeds from Outstanding Forwards on the Company's capital structure, its future borrowing capacity, and its ability to service its debt.

Anticipated Net Proceeds from Outstanding Forwards Since the first quarter of 2018, the Company has utilized forward sale agreements to sell shares of common stock. Selling common stock through forward sale agreements enables the Company to set the price of such shares upon pricing the offering (subject to certain adjustments) while delaying the issuance of such shares and the receipt of the net proceeds by the Company. Given the Company's frequent use of forward sale agreements, the Company considers the non-GAAP measure of Anticipated Net Proceeds from Outstanding Forwards to be a key supplemental measure of the Company's overall liquidity, capital structure and leverage. The Company defines Anticipated Net Proceeds from Outstanding Forwards as the number of shares outstanding under forward sale agreements at the end of each quarter, multiplied by the applicable forward sale price for each agreement, respectively.

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Non-GAAP Financial Measures

This presentation also includes the non-GAAP measures of Annualized Base Rent ("ABR"), Funds From Operations ("FFO" or "Nareit FFO"), Core Funds From Operations ("Core FFO") and Adjusted Funds From Operations ("AFFO"). ABR represents the annualized amount of contractual minimum rent required by tenant lease agreements, computed on a straight-line basis. ABR is not, and is not intended to be, a presentation in accordance with GAAP. The Company believes annualized contractual minimum rent is useful to management, investors, and other interested parties in analyzing concentrations and leasing activity. FFO, Core FFO and AFFO are reconciled to the most directly comparable GAAP measure in the following pages and are described in further detail below.

Components of Funds from Operations, Core Funds from Operations, and Adjusted Funds from Operations

Funds from Operations ("FFO" or "Nareit FFO") is defined by the National Association of Real Estate Investment Trusts, Inc. ("Nareit") to mean net income computed in accordance with GAAP, excluding gains (or losses) from sales of real estate assets and/or changes in control, plus real estate related depreciation and amortization and any impairment charges on depreciable real estate assets, and after adjustments for unconsolidated partnerships and joint ventures. Historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time. Since real estate values instead have historically risen or fallen with market conditions, most real estate industry investors consider FFO to be helpful in evaluating a real estate company's operations. FFO should not be considered an alternative to net income as the primary indicator of the Company's operating performance, or as an alternative to cash flow as a measure of liquidity. Further, while the Company adheres to the Nareit definition of FFO, its presentation of FFO is not necessarily comparable to similarly titled measures of other REITs due to the fact that all REITs may not use the same definition.

Core Funds from Operations ("Core FFO") The Company defines Core FFO as Nareit FFO with the addback of (i) noncash amortization of acquisition purchase price related to above- and below- market lease intangibles and discount on assumed debt and (ii) certain infrequently occurring items that reduce or increase net income in accordance with GAAP. Management believes that its measure of Core FFO facilitates useful comparison of performance to its peers who predominantly transact in sale-leaseback transactions and are thereby not required by GAAP to allocate purchase price to lease intangibles. Unlike many of its peers, the Company has acquired the substantial majority of its net-leased properties through acquisitions of properties from third parties or in connection with the acquisitions of ground leases from third parties. Core FFO should not be considered an alternative to net income as the primary indicator of the Company's operating performance, or as an alternative to cash flow as a measure of liquidity. Further, the Company's presentation of Core FFO is not necessarily comparable to similarly titled measures of other REITs due to the fact that all REITs may not use the same definition.

Adjusted Funds from Operations ("AFFO") is a non-GAAP financial measure of operating performance used by many companies in the REIT industry. AFFO further adjusts FFO and Core FFO for certain non-cash items that reduce or increase net income computed in accordance with GAAP. Management considers AFFO a useful supplemental measure of the Company's performance, however, AFFO should not be considered an alternative to net income as an indication of its performance, or to cash flow as a measure of liquidity or ability to make distributions. The Company's computation of AFFO may differ from the methodology for calculating AFFO used by other equity REITs, and therefore may not be comparable to such other REITs.

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Reconciliation of Net Debt to Recurring EBITDA

	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023
Net Income	$23,760	$30,278	$22,461	$36,830	$33,306	$36,289	$36,130	$39,577	$41,039	$41,774	$41,015	$41,657	$46,101
Interest expense, net	11,791	11,653	12,549	13,066	13,111	13,931	15,512	17,149	16,843	17,998	19,948	20,803	22,371
Income tax expense	260	1,009	485	390	517	719	698	720	723	783	709	709	709
Depreciation of rental real estate assets	13,980	15,292	16,127	17,019	18,293	19,470	21,299	23,073	24,843	26,584	28,145	29,769	31,119
Amortization of lease intangibles - in-place leases and leasing costs	5,567	6,050	6,905	7,310	8,116	8,924	10,550	11,836	12,800	13,770	14,328	15,258	15,611
Non-real estate depreciation	144	147	156	159	156	167	101	248	261	292	277	598	527
Provision for impairment	141	0	0	0	1,919	1,015	0	0	0	0	1,315	3,195	2,665
(Gain) loss on sale of assets, net	(437)	(3,062)	(6,753)	(3,470)	(1,826)	(2,285)	8	(2,885)	(97)	0	(319)	20	(1,550)
EBITDAre	$55,206	$61,367	$51,930	$71,304	$73,592	$78,230	$84,298	$89,718	$96,412	$101,201	$105,418	$112,009	$117,553
Run-Rate Impact of Investment, Disposition & Leasing Activity	$3,973	$4,175	$3,939	$3,491	$3,372	$4,654	$4,104	$4,217	$4,742	$4,147	$4,259	$5,207	$2,344
Amortization of above (below) market lease intangibles, net	4,333	4,756	5,260	6,615	7,654	8,178	8,311	8,374	8,474	8,611	8,711	8,293	7,481
Other expense (income)	0	0	14,614	0	0	0	0	0	0	0	0	0	0
Recurring EBITDA	$63,512	$70,298	75,743	$81,410	$84,618	$91,062	$96,713	$102,309	$109,628	$113,959	$118,388	$125,509	$127,378
Annualized Recurring EBITDA	$254,048	$281,192	302,972	$325,640	$338,472	$364,248	$386,852	$409,236	$438,512	$455,836	$473,552	$502,036	$509,512
Total Debt	$1,225,433	$1,371,238	$1,543,040	$1,542,839	$1,702,635	$1,862,428	$1,954,467	$1,884,253	$1,960,395	$2,056,173	$2,162,949	$2,254,099	$2,431,868
Cash, cash equivalents and cash held in escrows	(7,955)	(7,369)	(188,381)	(102,808)	(45,250)	(25,766)	(27,107)	(251,514)	(28,909)	(12,940)	(12,247)	(6,387)	(14,524)
Net Debt	$1,217,478	$1,363,869	$1,354,659	$1,440,031	$1,657,385	$1,836,662	$1,927,360	$1,632,738	$1,931,486	$2,043,233	$2,150,702	$2,247,712	$2,417,344
Net Debt to Recurring EBITDA	4.8x	4.9x	4.5x	4.4X	4.9X	5.0X	5.0x	4.0x	4.4x	4.5x	4.5x	4.5x	4.7x
Anticipated Net Proceeds from Outstanding Forwards	$203,211	$189,577	$258,749	$226,455	$519,183	$262,940	$475,768	$381,708	$557,364	$362,125	$202,026	$0	$235,619
Proforma Net Debt	$1,014,267	$1,174,291	$1,095,909	$1,213,576	$1,138,202	$1,573,722	$1,451,592	1,251,030	$1,374,122	$1,681,108	$1,948,676	$2,247,712	$2,181,725
Proforma Net Debt to Recurring EBITDA	4.0x	4.2x	3.6x	3.7X	3.4X	4.3X	3.8x	3.1x	3.1x	3.7x	4.1x	4.5x	4.3x

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Reconciliation of Net Income to FFO, Core FFO and AFFO

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
Net Income	$20,190	$18,913	$39,762	$45,797	$58,790	$58,798	$80,763	$91,972	$122,876	$153,035	$170,547
Series A Preferred Stock Dividends	0	0	0	0	0	0	0	0	(2,148)	(7,437)	(7,437)
Net Income attributable to OP Common Unitholders	$20,190	$18,913	$39,762	$45,797	$58,790	$58,798	$80,763	$91,972	$120,728	$145,598	$163,110
Depreciation of rental real estate assets	$6,930	$8,362	$11,466	$15,200	$19,507	$24,553	$34,349	$48,367	$66,732	$88,685	$115,617
Amortization of lease intangibles - in-place leases and leasing costs	1,747	2,616	4,957	8,135	7,076	8,271	11,071	17,882	28,379	44,107	58,967
Provision for impairment	450	3,020	0	0	0	2,319	1,609	4,137	1,919	1,015	7,175
(Gain) loss on sale or involuntary conversion of assets, net	(946)	405	(12,135)	(9,964)	(14,193)	(11,180)	(13,306)	(8,004)	(15,111)	(5,258)	(1,849)
Funds from Operations - OP Common Unitholders	$28,370	$33,316	$44,050	$59,168	$71,180	$82,761	$114,486	$154,354	$202,647	$274,147	$343,020
Loss on extinguishment of debt & settlement of related hedges	$0	$0	$0	$0	$0	$0	$0	$0	$14,614	$0	$0
Amortization of above (below) market lease intangibles	0	0	0	0	5,091	10,668	13,501	15,885	24,284	33,563	33,430
Core Funds from Operations - OP Common Unitholders	$28,370	$33,316	$44,050	$59,168	$76,271	$93,429	$127,987	$170,239	$241,545	$307,710	$376,450
Straight-line accrued rent	($1,148)	($1,416)	($2,450)	($3,582)	($3,548)	($4,648)	($7,093)	($7,818)	($11,857)	($13,176)	($12,142)
Stock based compensation expense	1,813	1,987	1,992	2,441	2,589	3,227	4,106	4,995	5,467	6,464	8,338
Amortization of financing costs	326	398	494	516	574	578	706	826	1,197	3,141	4,403
Loss on extinguishment of debt	0	0	180	333	0	0	0	0	0	0	0
Non-real estate depreciation	67	123	62	72	78	146	283	509	618	778	1,693
Other	(463)	(463)	(463)	(541)	(230)	0	(475)	0	0	0	0
Adjusted Funds from Operations - OP Common Unitholders	$28,964	$33,945	$43,865	$58,407	$75,734	$92,732	$125,514	$168,751	$236,970	$304,917	$378,742
FFO Per Common Share and OP Unit - Diluted	$2.10	$2.18	$2.39	$2.54	$2.54	$2.53	$2.75	$2.93	$3.00	$3.45	$3.58
Core FFO Per Common Share and OP Unit - Diluted	$2.10	$2.18	$2.39	$2.54	$2.72	$2.85	$3.08	$3.23	$3.58	$3.87	$3.93
Adjusted FFO Per Common Share and OP Unit - Diluted	$2.14	$2.22	$2.38	$2.51	$2.70	$2.83	$3.02	$3.20	$3.51	$3.83	$3.95
Weighted Average Number of Common Shares and OP Units Outstanding - Diluted	13,505,124	15,314,514	18,413,034	23,307,418	28,047,966	32,748,741	41,571,233	52,744,353	67,486,698	79,512,005	95,785,031

Note: The Company began reporting Core FFO in 2018.

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