



SUPPLEMENTAL INFORMATION

UNAUDITED FIRST QUARTER 2023

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## **Forward-Looking Statements**

This supplemental information package contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. STAG Industrial, Inc. (STAG) 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, which are based on certain assumptions and describe STAG's future plans, strategies and expectations, are generally identifiable by use of the words "believe," "will," "expect," "intend," "anticipate," "estimate," "should", "project" or similar expressions. You should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors that are, in some cases, beyond STAG's control and which could materially affect actual results, performances or achievements. Factors that may cause actual results to differ materially from current expectations include, but are not limited to, the risk factors discussed in STAG's most recent Annual Report on Form 10-K for the year ended December 31, 2022, as updated by the Company's subsequent reports filed with the Securities and Exchange Commission. Accordingly, there is no assurance that STAG's expectations will be realized. Except as otherwise required by the federal securities laws, STAG disclaims any obligation or undertaking to publicly release any updates or revisions to any forward-looking statement contained herein (or elsewhere) to reflect any change in STAG's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

## **Defined Terms, Including Non-GAAP Measurements**

Please refer to the Definitions section near the end of these materials for definitions of capitalized terms used herein, including, among others, Annualized Base Rental Revenue, Capitalization Rate and Retention, as well as non-GAAP financial measures, such as Adjusted EBITDAre, Cash NOI, and Core FFO. These materials provide reconciliations of non-GAAP financial measures to net income (loss) in accordance with GAAP. None of the non-GAAP financial measures is intended as an alternative to net income (loss) in accordance with GAAP as a measure of the Company's financial performance.

# TABLE OF CONTENTS

|                                                           | Page |                                                   | Page  |
|-----------------------------------------------------------|------|---------------------------------------------------|-------|
| <b><u>Overview</u></b>                                    | 3    | <b><u>Top Markets, Tenants and Industries</u></b> |       |
|                                                           |      | Top Markets, Tenants and Industries               | 14    |
| <b><u>Financials</u></b>                                  |      | <b><u>Capitalization and Guidance</u></b>         |       |
| Consolidated Balance Sheets                               | 4    | Capital Structure, Debt Metrics & Covenants       | 15    |
| Consolidated Statements of Operations                     | 5    | Debt Summary                                      | 16    |
| Net Operating Income (NOI) & Cash NOI                     | 6    | Debt Maturity Schedule                            | 17    |
| Funds From Operations (FFO) & Core FFO                    | 7    | Guidance                                          | 18    |
| Adjusted EBITDAre & Cash Available for Distribution (CAD) | 8    |                                                   |       |
| <b><u>Portfolio</u></b>                                   |      | <b><u>Definitions</u></b>                         | 19-22 |
| Dispositions                                              | 9    |                                                   |       |
| Leasing & Retention Statistics                            | 10   |                                                   |       |
| Same Store NOI                                            | 11   |                                                   |       |
| Capital Expenditures                                      | 12   |                                                   |       |
| Lease Expiration Schedule                                 | 13   |                                                   |       |

# OVERVIEW

## Snapshot (March 31, 2023)

|                                                            |                     |
|------------------------------------------------------------|---------------------|
| Square Feet                                                | 111.6 million       |
| Number of Buildings                                        | 561                 |
| Number of States                                           | 41                  |
| Portfolio Occupancy                                        | 97.6%               |
| Operating Portfolio Occupancy                              | 98.1%               |
| Weighted Average Lease Term                                | 4.7 years           |
| Weighted Average Rent                                      | \$5.00/sf           |
| Net Debt to Annualized Run Rate<br>Adjusted EBITDAre ratio | 5.0x                |
| Monthly Dividend (annualized)                              | \$0.122500 (\$1.47) |



# CONSOLIDATED BALANCE SHEETS

| (in thousands, except share data)                                                                                                                                                                                                | March 31, 2023      | December 31, 2022   |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------|---------------------|
| <b>Assets</b>                                                                                                                                                                                                                    |                     |                     |
| Rental Property:                                                                                                                                                                                                                 |                     |                     |
| Land                                                                                                                                                                                                                             | \$ 645,477          | \$ 647,098          |
| Buildings and improvements, net of accumulated depreciation of \$802,584 and \$763,128, respectively                                                                                                                             | 4,683,041           | 4,706,745           |
| Deferred leasing intangibles, net of accumulated amortization of \$333,672 and \$328,848, respectively                                                                                                                           | 483,583             | 508,935             |
| Total rental property, net                                                                                                                                                                                                       | 5,812,101           | 5,862,778           |
| Cash and cash equivalents                                                                                                                                                                                                        | 17,210              | 25,884              |
| Restricted cash                                                                                                                                                                                                                  | 963                 | 905                 |
| Tenant accounts receivable                                                                                                                                                                                                       | 116,767             | 115,509             |
| Prepaid expenses and other assets                                                                                                                                                                                                | 78,567              | 71,733              |
| Interest rate swaps                                                                                                                                                                                                              | 56,203              | 72,223              |
| Operating lease right-of-use assets                                                                                                                                                                                              | 30,843              | 31,313              |
| Assets held for sale, net                                                                                                                                                                                                        | 3,183               | 4,643               |
| <b>Total assets</b>                                                                                                                                                                                                              | <b>\$ 6,115,837</b> | <b>\$ 6,184,988</b> |
| <b>Liabilities and Equity</b>                                                                                                                                                                                                    |                     |                     |
| Liabilities:                                                                                                                                                                                                                     |                     |                     |
| Unsecured credit facility                                                                                                                                                                                                        | \$ 235,000          | \$ 175,000          |
| Unsecured term loans, net                                                                                                                                                                                                        | 1,020,772           | 1,020,440           |
| Unsecured notes, net                                                                                                                                                                                                             | 1,195,619           | 1,295,442           |
| Mortgage notes, net                                                                                                                                                                                                              | 7,813               | 7,898               |
| Accounts payable, accrued expenses and other liabilities                                                                                                                                                                         | 94,122              | 97,371              |
| Tenant prepaid rent and security deposits                                                                                                                                                                                        | 44,142              | 40,847              |
| Dividends and distributions payable                                                                                                                                                                                              | 22,484              | 22,282              |
| Deferred leasing intangibles, net of accumulated amortization of \$25,506 and \$24,593, respectively                                                                                                                             | 30,373              | 32,427              |
| Operating lease liabilities                                                                                                                                                                                                      | 34,692              | 35,100              |
| <b>Total liabilities</b>                                                                                                                                                                                                         | <b>\$ 2,685,017</b> | <b>\$ 2,726,807</b> |
| Equity:                                                                                                                                                                                                                          |                     |                     |
| Preferred stock, par value \$0.01 per share, 20,000,000 shares authorized at March 31, 2023 and December 31, 2022; none issued or outstanding                                                                                    | —                   | —                   |
| Common stock, par value \$0.01 per share, 300,000,000 shares authorized at March 31, 2023 and December 31, 2022, 179,372,871 and 179,248,980 shares issued and outstanding at March 31, 2023 and December 31, 2022, respectively | 1,794               | 1,792               |
| Additional paid-in capital                                                                                                                                                                                                       | 4,188,960           | 4,188,677           |
| Cumulative dividends in excess of earnings                                                                                                                                                                                       | (892,676)           | (876,145)           |
| Accumulated other comprehensive income                                                                                                                                                                                           | 54,849              | 70,500              |
| Total stockholders' equity                                                                                                                                                                                                       | 3,352,927           | 3,384,824           |
| Noncontrolling interest                                                                                                                                                                                                          | 77,893              | 73,357              |
| <b>Total equity</b>                                                                                                                                                                                                              | <b>3,430,820</b>    | <b>3,458,181</b>    |
| <b>Total liabilities and equity</b>                                                                                                                                                                                              | <b>\$ 6,115,837</b> | <b>\$ 6,184,988</b> |

# CONSOLIDATED STATEMENTS OF OPERATIONS

| (in thousands, except per share data)                              | Three months ended March 31, |                  |
|--------------------------------------------------------------------|------------------------------|------------------|
|                                                                    | 2023                         | 2022             |
| <b>Revenue</b>                                                     |                              |                  |
| Rental income                                                      | \$ 173,268                   | \$ 158,601       |
| Other income                                                       | 285                          | 608              |
| Total revenue                                                      | 173,553                      | 159,209          |
| <b>Expenses</b>                                                    |                              |                  |
| Property                                                           | 35,881                       | 31,775           |
| General and administrative                                         | 12,676                       | 12,313           |
| Depreciation and amortization                                      | 68,944                       | 67,366           |
| Other expenses                                                     | 2,979                        | 497              |
| Total expenses                                                     | 120,480                      | 111,951          |
| <b>Other income (expense)</b>                                      |                              |                  |
| Interest and other income                                          | 19                           | 34               |
| Interest expense                                                   | (22,612)                     | (17,259)         |
| Gain on the sales of rental property, net                          | 20,128                       | 23,955           |
| Total other income (expense)                                       | (2,465)                      | 6,730            |
| <b>Net income</b>                                                  | <b>\$ 50,608</b>             | <b>\$ 53,988</b> |
| Less: income attributable to noncontrolling interest               | 1,142                        | 1,162            |
| <b>Net income attributable to STAG Industrial, Inc.</b>            | <b>\$ 49,466</b>             | <b>\$ 52,826</b> |
| Less: amount allocated to participating securities                 | 53                           | 62               |
| <b>Net income attributable to common stockholders</b>              | <b>\$ 49,413</b>             | <b>\$ 52,764</b> |
| Weighted average common shares outstanding — basic                 | 179,196                      | 177,827          |
| Weighted average common shares outstanding — diluted               | 179,297                      | 178,065          |
| <b>Net income per share — basic and diluted</b>                    |                              |                  |
| Net income per share attributable to common stockholders — basic   | \$ 0.28                      | \$ 0.30          |
| Net income per share attributable to common stockholders — diluted | \$ 0.28                      | \$ 0.30          |

# NET OPERATING INCOME (NOI) & CASH NOI

| (in thousands)                                           | Three months ended March 31, |                   |
|----------------------------------------------------------|------------------------------|-------------------|
|                                                          | 2023                         | 2022              |
| <b>Net income</b>                                        | \$ 50,608                    | \$ 53,988         |
| General and administrative                               | 12,676                       | 12,313            |
| Depreciation and amortization                            | 68,944                       | 67,366            |
| Interest and other income                                | (19)                         | (34)              |
| Interest expense                                         | 22,612                       | 17,259            |
| Other expenses                                           | 2,979                        | 497               |
| Gain on the sales of rental property, net                | (20,128)                     | (23,955)          |
| <b>Net operating income <sup>(1)</sup></b>               | <b>\$ 137,672</b>            | <b>\$ 127,434</b> |
| <b>Net operating income</b>                              | \$ 137,672                   | \$ 127,434        |
| Rental property straight-line rent adjustments, net      | (4,987)                      | (4,402)           |
| Amortization of above and below market leases, net       | (129)                        | (84)              |
| <b>Cash net operating income</b>                         | <b>\$ 132,556</b>            | <b>\$ 122,948</b> |
| <b>Cash net operating income</b>                         | \$ 132,556                   |                   |
| Cash NOI from dispositions' timing                       | (249)                        |                   |
| Cash termination, solar and other income                 | (962)                        |                   |
| <b>Run Rate Cash NOI</b>                                 | <b>\$ 131,345</b>            |                   |
| <b>Same Store Portfolio NOI</b>                          |                              |                   |
| Total NOI                                                | \$ 137,672                   | \$ 127,434        |
| Less: NOI non-same-store properties                      | (10,249)                     | (5,943)           |
| Termination, solar and other adjustments, net            | (892)                        | (906)             |
| <b>Same Store NOI</b>                                    | <b>\$ 126,531</b>            | <b>\$ 120,585</b> |
| Less: straight-line rent adjustments, net                | (3,916)                      | (4,638)           |
| Plus: amortization of above and below market leases, net | 115                          | (64)              |
| <b>Same Store Cash NOI</b>                               | <b>\$ 122,730</b>            | <b>\$ 115,883</b> |

(1) For the three months ended March 31, 2023 and 2022, Total Rental Income was \$173,268, and \$158,601, comprising of base rental income of \$141,156 and \$130,692 and tenant reimbursement income of \$32,112, and \$27,909, respectively.

# FUNDS FROM OPERATIONS (FFO) & CORE FFO

| (in thousands, except per share data)                                             | Three months ended March 31, |                  |
|-----------------------------------------------------------------------------------|------------------------------|------------------|
|                                                                                   | 2023                         | 2022             |
| <b>Net income</b>                                                                 | \$ 50,608                    | \$ 53,988        |
| Rental property depreciation and amortization                                     | 68,889                       | 67,313           |
| Gain on the sales of rental property, net                                         | (20,128)                     | (23,955)         |
| <b>Funds from operations</b>                                                      | <b>\$ 99,369</b>             | <b>\$ 97,346</b> |
| Amount allocated to restricted shares of common stock and unvested units          | (147)                        | (157)            |
| <b>Funds from operations attributable to common stockholders and unit holders</b> | <b>\$ 99,222</b>             | <b>\$ 97,189</b> |
| <b>Funds from operations attributable to common stockholders and unit holders</b> | <b>\$ 99,222</b>             | <b>\$ 97,189</b> |
| Amortization of above and below market leases, net                                | (129)                        | (84)             |
| Non-recurring dead deal costs and other                                           | 2,491                        | —                |
| <b>Core funds from operations</b>                                                 | <b>\$ 101,584</b>            | <b>\$ 97,105</b> |
| <b>Weighted average common shares and units</b>                                   |                              |                  |
| Weighted average common shares outstanding                                        | 179,196                      | 177,827          |
| Weighted average units outstanding                                                | 3,897                        | 3,660            |
| <b>Weighted average common shares and units - basic</b>                           | <b>183,093</b>               | <b>181,487</b>   |
| Dilutive shares                                                                   | 101                          | 238              |
| <b>Weighted average common shares, units, and other dilutive shares - diluted</b> | <b>183,194</b>               | <b>181,725</b>   |
| <b>Core funds from operations per share / unit - basic</b>                        | <b>\$ 0.55</b>               | <b>\$ 0.54</b>   |
| <b>Core funds from operations per share / unit - diluted</b>                      | <b>\$ 0.55</b>               | <b>\$ 0.53</b>   |

# ADJUSTED EBITDA<sub>re</sub> & CASH AVAILABLE FOR DISTRIBUTION (CAD)

| (in thousands)                                                           | Three months ended March 31, |                   |
|--------------------------------------------------------------------------|------------------------------|-------------------|
|                                                                          | 2023                         | 2022              |
| <b>Net income</b>                                                        | \$ 50,608                    | \$ 53,988         |
| Depreciation and amortization                                            | 68,944                       | 67,366            |
| Interest and other income                                                | (19)                         | (34)              |
| Interest expense                                                         | 22,612                       | 17,259            |
| Gain on the sales of rental property, net                                | (20,128)                     | (23,955)          |
| <b>EBITDA for Real Estate (EBITDA<sub>re</sub>)</b>                      | <b>\$ 122,017</b>            | <b>\$ 114,624</b> |
| <b>EBITDA<sub>re</sub></b>                                               | <b>\$ 122,017</b>            | <b>\$ 114,624</b> |
| Straight-line rent adjustments, net                                      | (5,044)                      | (4,450)           |
| Amortization of above and below market leases, net                       | (129)                        | (84)              |
| Non-cash compensation expense                                            | 3,092                        | 3,249             |
| Non-recurring other items                                                | 2,390                        | (335)             |
| <b>Adjusted EBITDA<sub>re</sub></b>                                      | <b>\$ 122,326</b>            | <b>\$ 113,004</b> |
| <b>Cash available for distribution reconciliation</b>                    |                              |                   |
| <b>Core funds from operations</b>                                        | <b>\$ 101,584</b>            | <b>\$ 97,105</b>  |
| Amount allocated to restricted shares of common stock and unvested units | 147                          | —                 |
| Non-rental property depreciation and amortization                        | 55                           | 53                |
| Straight-line rent adjustments, net                                      | (5,044)                      | (4,450)           |
| Capital expenditures                                                     | (5,947)                      | (7,386)           |
| Capital expenditures reimbursed by tenants                               | (189)                        | (153)             |
| Lease commissions and tenant improvements                                | (4,575)                      | (6,838)           |
| Non-cash portion of interest expense                                     | 976                          | 864               |
| Non-cash compensation expense                                            | 3,092                        | 3,249             |
| <b>Cash available for distribution</b>                                   | <b>\$ 90,099</b>             | <b>\$ 82,444</b>  |

# DISPOSITIONS

## FIRST QUARTER 2023 DISPOSITIONS

| Market       | Date Disposed | Square Feet    | Buildings | Gross Proceeds (\$000s) |
|--------------|---------------|----------------|-----------|-------------------------|
| Houston, TX  | 1/10/2023     | 185,000        | 1         | \$14,750                |
| Greer, SC    | 3/29/2023     | 222,710        | 1         | 22,463                  |
| <b>Total</b> |               | <b>407,710</b> | <b>2</b>  | <b>\$37,213</b>         |

# LEASING & RETENTION STATISTICS

| FIRST QUARTER 2023 OPERATING PORTFOLIO LEASING ACTIVITY |                  |             |                         |                      |                    |                         |                           |                  |                |           |
|---------------------------------------------------------|------------------|-------------|-------------------------|----------------------|--------------------|-------------------------|---------------------------|------------------|----------------|-----------|
| Lease Type                                              | Square Feet      | Lease Count | W.A. Lease Term (Years) | Cash Base Rent \$/SF | SL Base Rent \$/SF | Lease Commissions \$/SF | Tenant Improvements \$/SF | Cash Rent Change | SL Rent Change | Retention |
| New Leases                                              | 775,324          | 9           | 3.8                     | \$7.48               | \$7.79             | \$1.95                  | \$1.27                    | 47.3%            | 55.6%          |           |
| Renewal Leases                                          | 4,025,974        | 32          | 4.5                     | \$4.92               | \$5.17             | \$0.71                  | \$0.23                    | 20.1%            | 30.4%          | 74.0%     |
| <b>Total / weighted average</b>                         | <b>4,801,298</b> | <b>41</b>   | <b>4.4</b>              | <b>\$5.34</b>        | <b>\$5.60</b>      | <b>\$0.91</b>           | <b>\$0.40</b>             | <b>25.3%</b>     | <b>35.3%</b>   |           |

Note: The table above represents leases commencing during the quarter.

Note: Additionally, for the three months ended March 31, 2023, leases commenced totaling 708,432 square feet related to Value Add assets and first generation leasing. These are excluded from the Operating Portfolio statistics above.

# SAME STORE NOI

| (in thousands, except building count data and square footage) | Three months ended March 31, |                  | Change         | % Change    |
|---------------------------------------------------------------|------------------------------|------------------|----------------|-------------|
|                                                               | 2023                         | 2022             |                |             |
| Same Store square footage                                     | 103,440,769                  |                  |                |             |
| Same Store buildings                                          | 522                          |                  |                |             |
| % of total square feet                                        | 92.7 %                       |                  |                |             |
| Occupancy Rate at quarter end                                 | 98.1 %                       | 97.5 %           | 0.6 %          |             |
| Average Occupancy Rate                                        | 98.1 %                       | 97.6 %           | 0.5 %          |             |
| <b>Same Store GAAP Analysis</b>                               |                              |                  |                |             |
| Income from real estate operations                            | \$159,173                    | \$151,843        | \$7,330        |             |
| Income from lease terminations, solar and other               | (900)                        | (906)            | 6              |             |
| GAAP adjustments for write-offs for lease terminations        | 8                            | —                | 8              |             |
| Income excluding lease terminations, solar and other          | 158,281                      | 150,937          | 7,344          |             |
| Expenses from real estate operations                          | (31,750)                     | (30,352)         | (1,398)        |             |
| <b>Same Store GAAP NOI</b>                                    | <b>\$126,531</b>             | <b>\$120,585</b> | <b>\$5,946</b> | <b>4.9%</b> |
| <b>Same Store Cash Analysis</b>                               |                              |                  |                |             |
| Income from real estate operations                            | \$155,324                    | \$146,926        | \$8,398        |             |
| Cash received from lease terminations, solar and other        | (933)                        | (785)            | (148)          |             |
| Income excluding lease terminations, solar and other          | 154,391                      | 146,141          | 8,250          |             |
| Expenses from real estate operations                          | (31,661)                     | (30,258)         | (1,403)        |             |
| <b>Same Store Cash NOI</b>                                    | <b>\$122,730</b>             | <b>\$115,883</b> | <b>\$6,847</b> | <b>5.9%</b> |

# CAPITAL EXPENDITURES

| (in thousands, except square feet data)               | CAPITAL EXPENDITURES, TENANT IMPROVEMENTS, AND LEASE COMMISSIONS SUMMARY |             |
|-------------------------------------------------------|--------------------------------------------------------------------------|-------------|
|                                                       | Three months ended March 31,                                             |             |
|                                                       | 2023                                                                     | 2022        |
| Average portfolio square feet                         | 111,638,730                                                              | 109,338,659 |
| Tenant improvements (TIs) and lease commissions (LCs) | \$4,575                                                                  | \$6,838     |
| Capital expenditures                                  | \$5,947                                                                  | \$7,386     |
| Capital expenditures per average square foot          | \$0.05                                                                   | \$0.07      |
| Total capital expenditures, TIs and LCs               | \$10,522                                                                 | \$14,224    |
| Building expansions and redevelopment                 | \$939                                                                    | \$518       |
| Development                                           | \$19,541                                                                 | \$3,367     |
| Capital expenditures reimbursed by tenants            | \$189                                                                    | \$153       |

# LEASE EXPIRATION SCHEDULE

| LEASE EXPIRATION SCHEDULE AS OF MARCH 31, 2023 |                           |                    |                  |                                         |                                           |
|------------------------------------------------|---------------------------|--------------------|------------------|-----------------------------------------|-------------------------------------------|
| Lease Expiration Year                          | Number of Leases Expiring | Total Rentable SF  | % of Occupied SF | Annualized Base Rental Revenue (\$000s) | % of Total Annualized Base Rental Revenue |
| Available                                      | N/A                       | 2,679,458          | N/A              | N/A                                     | N/A                                       |
| MTM <sup>(1)</sup>                             | —                         | 60,000             | 0.1%             | \$471                                   | 0.1%                                      |
| 2023                                           | 38                        | 4,680,993          | 4.3%             | 22,627                                  | 4.2%                                      |
| 2024                                           | 98                        | 13,364,749         | 12.3%            | 65,239                                  | 12.0%                                     |
| 2025                                           | 106                       | 14,856,734         | 13.6%            | 69,084                                  | 12.7%                                     |
| 2026                                           | 127                       | 18,963,488         | 17.4%            | 95,037                                  | 17.4%                                     |
| 2027                                           | 94                        | 14,110,659         | 13.0%            | 71,077                                  | 13.0%                                     |
| 2028                                           | 76                        | 10,125,841         | 9.3%             | 49,256                                  | 9.0%                                      |
| 2029                                           | 49                        | 8,294,915          | 7.6%             | 40,879                                  | 7.5%                                      |
| 2030                                           | 32                        | 4,233,184          | 3.9%             | 24,519                                  | 4.5%                                      |
| 2031                                           | 41                        | 7,312,872          | 6.7%             | 35,403                                  | 6.5%                                      |
| 2032                                           | 18                        | 2,542,575          | 2.3%             | 17,885                                  | 3.3%                                      |
| Thereafter                                     | 36                        | 10,328,555         | 9.5%             | 53,317                                  | 9.8%                                      |
| <b>Total</b>                                   | <b>715</b>                | <b>111,554,023</b> | <b>100.0%</b>    | <b>\$544,794</b>                        | <b>100.0%</b>                             |

(1) The number of month-to-month leases is zero. The month-to-month total rentable square footage refers to a secondary short-term lease occupied by the tenant, whose lease count is included in their original long-term suite.  
Note: Leases previously scheduled to expire in 2023, totaling 8.5 million square feet, have been executed as of March 31, 2023. These leases are excluded from 2023 expirations and are now reflected in the new year of expiration.

# TOP MARKETS, TENANTS AND INDUSTRIES

| TOP MARKETS<br>March 31, 2023 |                       |       |
|-------------------------------|-----------------------|-------|
| #                             | Market <sup>(1)</sup> | ABR % |
| 1                             | Chicago, IL           | 7.2%  |
| 2                             | Greenville, SC        | 5.3%  |
| 3                             | Pittsburgh, PA        | 4.3%  |
| 4                             | Detroit, MI           | 4.2%  |
| 5                             | Columbus, OH          | 3.7%  |
| 6                             | Minneapolis, MN       | 3.6%  |
| 7                             | South Central PA      | 3.3%  |
| 8                             | Houston, TX           | 2.7%  |
| 9                             | El Paso, TX           | 2.5%  |
| 10                            | Philadelphia, PA      | 2.3%  |
| 11                            | Milwaukee, WI         | 2.2%  |
| 12                            | Charlotte, NC         | 2.1%  |
| 13                            | Indianapolis, IN      | 1.9%  |
| 14                            | Cleveland, OH         | 1.9%  |
| 15                            | Sacramento, CA        | 1.8%  |
| 16                            | Kansas City, KS       | 1.7%  |
| 17                            | Boston, MA            | 1.7%  |
| 18                            | Columbia, SC          | 1.6%  |
| 19                            | Grand Rapids, MI      | 1.5%  |
| 20                            | Raleigh, NC           | 1.4%  |
| Top 10                        |                       | 39.1% |
| Top 11-20                     |                       | 17.8% |
| Total Top 20                  |                       | 56.9% |

| TOP TENANTS<br>March 31, 2023 |                                      |             |       |
|-------------------------------|--------------------------------------|-------------|-------|
| #                             | Tenant <sup>(2)</sup>                | # of Leases | ABR % |
| 1                             | Amazon                               | 6           | 2.8%  |
| 2                             | Eastern Metal Supply, Inc.           | 5           | 0.9%  |
| 3                             | American Tire Distributors, Inc.     | 7           | 0.9%  |
| 4                             | Tempur Sealy International, Inc.     | 2           | 0.9%  |
| 5                             | Hachette Book Group, Inc.            | 1           | 0.8%  |
| 6                             | Kenco Logistic Services, LLC         | 3           | 0.8%  |
| 7                             | WestRock Company                     | 7           | 0.7%  |
| 8                             | FedEx Corporation                    | 3           | 0.7%  |
| 9                             | Penguin Random House, LLC            | 1           | 0.7%  |
| 10                            | Lippert Component Manufacturing      | 4           | 0.7%  |
| 11                            | DS Smith North America               | 2           | 0.7%  |
| 12                            | GXO Logistics, Inc.                  | 2           | 0.7%  |
| 13                            | Yanfeng US Automotive Interior       | 2           | 0.7%  |
| 14                            | DHL Supply Chain                     | 4           | 0.7%  |
| 15                            | AFL Telecommunications LLC           | 2           | 0.7%  |
| 16                            | Carolina Beverage Group              | 3           | 0.7%  |
| 17                            | Berlin Packaging L.L.C.              | 4           | 0.6%  |
| 18                            | Iron Mountain Information Management | 5           | 0.6%  |
| 19                            | Ford Motor Company                   | 1           | 0.6%  |
| 20                            | Schneider Electric USA, Inc.         | 3           | 0.6%  |
| Top 10                        |                                      | 39          | 9.9%  |
| Top 11-20                     |                                      | 28          | 6.6%  |
| Total Top 20                  |                                      | 67          | 16.5% |

| TOP INDUSTRIES<br>March 31, 2023 |                                                     |       |
|----------------------------------|-----------------------------------------------------|-------|
| #                                | Industry <sup>(3)</sup>                             | ABR % |
| 1                                | Air Freight & Logistics                             | 11.3% |
| 2                                | Containers & Packaging                              | 8.2%  |
| 3                                | Automobile Components                               | 7.3%  |
| 4                                | Machinery                                           | 5.9%  |
| 5                                | Commercial Services & Supplies                      | 5.5%  |
| 6                                | Trading Companies & Distribution (Industrial Goods) | 5.1%  |
| 7                                | Household Durables                                  | 4.4%  |
| 8                                | Distributors (Consumer Goods)                       | 4.2%  |
| 9                                | Consumer Staples Distribution                       | 3.7%  |
| 10                               | Broadline Retail                                    | 3.6%  |
| 11                               | Building Products                                   | 3.6%  |
| 12                               | Media                                               | 3.3%  |
| 13                               | Specialty Retail                                    | 2.8%  |
| 14                               | Ground Transportation                               | 2.4%  |
| 15                               | Food Products                                       | 2.4%  |
| 16                               | Chemicals                                           | 2.2%  |
| 17                               | Beverages                                           | 2.2%  |
| 18                               | Electronic Equip, Instruments                       | 2.1%  |
| 19                               | Textiles, Apparel, Luxury Goods                     | 1.9%  |
| 20                               | Health Care Equipment & Supplies                    | 1.8%  |
| Top 10                           |                                                     | 59.2% |
| Top 11-20                        |                                                     | 24.7% |
| Total Top 20                     |                                                     | 83.9% |

(1) Top markets classification based on CBRE-EA industrial market geographies.

(2) Based on annualized base rental revenue and the inclusion of tenants, guarantors, and / or non-guarantor parents.

(3) Industry classification based on GICS methodology.

# CAPITAL STRUCTURE, DEBT METRICS & COVENANTS

## CAPITAL STRUCTURE

As of March 31, 2023

|                                                                                       |                    |
|---------------------------------------------------------------------------------------|--------------------|
| <b>Common shares, participating securities, performance units and other units</b>     |                    |
| Common shares outstanding                                                             | 179,228,839        |
| Participating securities outstanding                                                  | 144,032            |
| Units outstanding                                                                     | 4,167,097          |
| <b>Common shares, participating securities, and other units - basic</b>               | <b>183,539,968</b> |
| Performance units                                                                     | 328,622            |
| <b>Common shares, participating securities, performance and other units - diluted</b> | <b>183,868,590</b> |

## DEBT METRICS

(in thousands)

March 31, 2023

|                                                                   |                   |
|-------------------------------------------------------------------|-------------------|
| <b>Adjusted EBITDAre</b>                                          | \$ 122,326        |
| Adjusted EBITDAre from dispositions' timing                       | (249)             |
| <b>Run Rate Adjusted EBITDAre</b>                                 | <b>\$ 122,077</b> |
| Less: Allowable one-time items                                    | (861)             |
| <b>Run Rate Adjusted EBITDAre net of allowable one-time items</b> | <b>\$ 121,216</b> |
| Annualize                                                         | 484,864           |
| Plus: Allowable one-time items                                    | 861               |
| <b>Annualized Run Rate Adjusted EBITDAre</b>                      | <b>\$ 485,725</b> |
| Net Debt / Annualized Adjusted EBITDAre ratio                     | 5.0x              |
| Net Debt / Annualized Run Rate Adjusted EBITDAre ratio            | 5.0x              |
| Net Debt / total Real Estate Cost Basis (at quarter end)          | 35.5%             |
| Total debt / total Enterprise Value (at quarter end)              | 28.5%             |
| Liquidity                                                         | \$778.9 million   |
| Fitch Credit Rating                                               | BBB / Stable      |
| Moody's Credit Rating                                             | Baa3 / Stable     |

## UNSECURED BANK DEBT COVENANTS

|                                   | Covenant | March 31, 2023 |
|-----------------------------------|----------|----------------|
| Consolidated leverage ratio       | < 60%    | 29.2%          |
| Secured leverage ratio            | < 40%    | 0.1%           |
| Unencumbered leverage ratio       | < 60%    | 30.5%          |
| Unsecured interest coverage ratio | > 1.75x  | 5.9x           |
| Fixed charge coverage ratio       | > 1.5x   | 5.6x           |

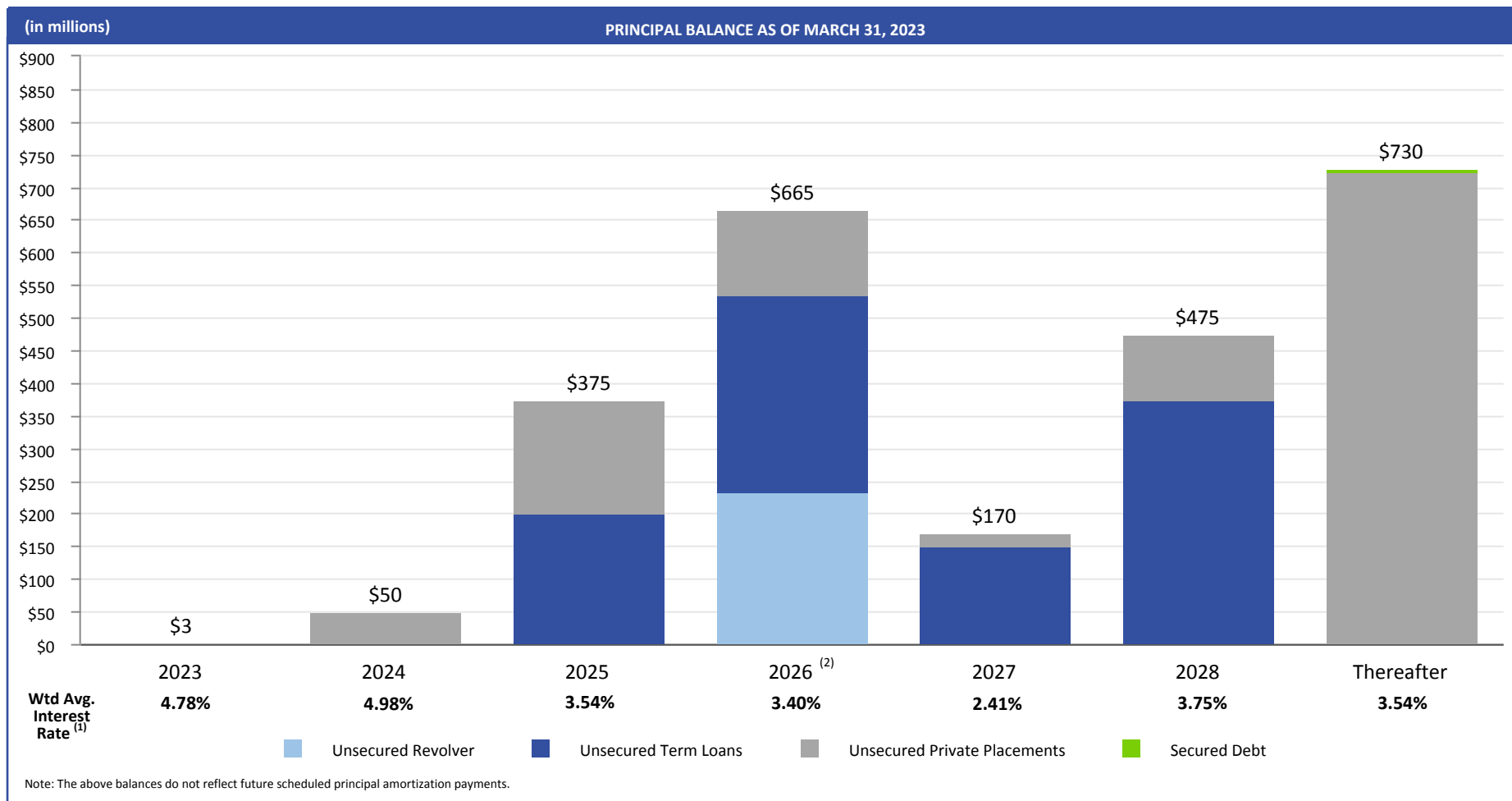
# DEBT SUMMARY

| AS OF MARCH 31, 2023 (in millions)                                      |                  |                   |                              |                   |                    |                             |                       |
|-------------------------------------------------------------------------|------------------|-------------------|------------------------------|-------------------|--------------------|-----------------------------|-----------------------|
| Category                                                                | Committed        | Principal Balance | Interest Rate <sup>(1)</sup> | Current Maturity  | In Place Swap Rate | Forward Swap Effective Date | Swap Rate at Maturity |
| <b>Unsecured Debt:</b>                                                  |                  |                   |                              |                   |                    |                             |                       |
| Unsecured Credit Facility <sup>(2)</sup>                                | 1,000.0          | 235.0             | Term SOFR + 0.755%           | 10/23/2026        |                    |                             |                       |
| <b>Total / weighted average credit facility</b>                         | <b>1,000.0</b>   | <b>235.0</b>      | <b>Term SOFR + 0.755%</b>    |                   |                    |                             |                       |
| Unsecured Term Loan F                                                   | 200.0            | 200.0             | 2.94 %                       | 1/12/2025         | 2.11 %             | NA                          | 2.11 %                |
| Unsecured Term Loan G                                                   | 300.0            | 300.0             | 1.09 %                       | 2/5/2026          | 0.26 %             | 4/18/2023                   | 0.95 %                |
| Unsecured Term Loan A                                                   | 150.0            | 150.0             | 2.14 %                       | 3/15/2027         | 1.31 %             | NA                          | 1.31 %                |
| Unsecured Term Loan H                                                   | 187.5            | 187.5             | 3.73 %                       | 1/25/2028         | 2.90 %             | 1/12/2024                   | 2.50 %                |
| Unsecured Term Loan I                                                   | 187.5            | 187.5             | 3.49 %                       | 1/25/2028         | 2.66 %             | NA                          | 2.66 %                |
| <b>Total / weighted average term loans</b>                              | <b>1,025.0</b>   | <b>1,025.0</b>    | <b>2.52 %</b>                |                   | <b>1.69 %</b>      |                             | <b>1.82 %</b>         |
| Series A Unsecured Note                                                 | 50.0             | 50.0              | 4.98 %                       | 10/1/2024         |                    |                             |                       |
| Series D Unsecured Note                                                 | 100.0            | 100.0             | 4.32 %                       | 2/20/2025         |                    |                             |                       |
| Series G Unsecured Note                                                 | 75.0             | 75.0              | 4.10 %                       | 6/13/2025         |                    |                             |                       |
| Series B Unsecured Note                                                 | 50.0             | 50.0              | 4.98 %                       | 7/1/2026          |                    |                             |                       |
| Series C Unsecured Note                                                 | 80.0             | 80.0              | 4.42 %                       | 12/30/2026        |                    |                             |                       |
| Series E Unsecured Note                                                 | 20.0             | 20.0              | 4.42 %                       | 2/20/2027         |                    |                             |                       |
| Series H Unsecured Note                                                 | 100.0            | 100.0             | 4.27 %                       | 6/13/2028         |                    |                             |                       |
| Series I Unsecured Note                                                 | 275.0            | 275.0             | 2.80 %                       | 9/29/2031         |                    |                             |                       |
| Series K Unsecured Note                                                 | 400.0            | 400.0             | 4.12 %                       | 6/28/2032         |                    |                             |                       |
| Series J Unsecured Note                                                 | 50.0             | 50.0              | 2.95 %                       | 9/28/2033         |                    |                             |                       |
| <b>Total / weighted average notes</b>                                   | <b>1,200.0</b>   | <b>1,200.0</b>    | <b>3.89 %</b>                |                   |                    |                             |                       |
| <b>Total / weighted average unsecured</b>                               | <b>\$3,225.0</b> | <b>\$2,460.0</b>  | <b>3.49 %</b>                | <b>5.1 years</b>  |                    |                             |                       |
| <b>Secured Debt:</b>                                                    |                  |                   |                              |                   |                    |                             |                       |
| Thrivent Financial for Lutherans                                        | 3.3              | 3.3               | 4.78 %                       | 12/15/2023        |                    |                             |                       |
| United of Omaha Life Insurance Company                                  | 4.7              | 4.7               | 3.71 %                       | 10/1/2039         |                    |                             |                       |
| <b>Total / weighted average secured</b>                                 | <b>\$8.0</b>     | <b>\$8.0</b>      | <b>4.15 %</b>                | <b>10.0 years</b> |                    |                             |                       |
| <b>Total / weighted average</b>                                         | <b>\$3,233.0</b> | <b>\$2,468.0</b>  | <b>3.49 %</b>                | <b>5.1 years</b>  |                    |                             |                       |
| Less: net unamortized fair market value discount                        |                  | (0.1)             |                              |                   |                    |                             |                       |
| Less: total unamortized deferred financing fees and debt issuance costs |                  | (8.7)             |                              |                   |                    |                             |                       |
| <b>Total book value</b>                                                 |                  | <b>\$2,459.2</b>  |                              |                   |                    |                             |                       |

(1) The interest rate on the unsecured facilities represents the interest rate as of March 31, 2023, based on the Company's investment grade rating as defined in the respective loan agreements. Unsecured term loans A, F, G, H and I have a stated interest rate of one-month term SOFR plus a spread of 0.83%. As of March 31, 2023, one-month term SOFR for the unsecured term loans A, F, G, H, and I was swapped to a fixed rate of 1.31%, 2.11%, 0.26%, 2.90%, and 2.66%, respectively. One-month term SOFR for the Unsecured Term Loan G will be swapped to a fixed rate of 0.95% effective April 18, 2023. One-month term SOFR for the Unsecured Term Loan H will be swapped to a fixed rate of 2.50% effective January 12, 2024. The current interest rates presented in the table above are not adjusted to include the amortization of deferred financing fees or debt issuance costs incurred in obtaining debt or the unamortized fair market value premiums or discounts.

(2) The all-in rate for the unsecured credit facility has a stated interest rate of one-month term SOFR plus a spread of 0.755% plus an additional 0.10% to account for the transition from one-month LIBOR to one-month term SOFR. The maturity date for the unsecured credit facility is October 24, 2025, or such later date as may be extended pursuant to two six-month extension options exercisable by the Company in its discretion upon advance written notice. Exercise of each six-month option is subject to the following conditions: (i) absence of a default immediately before the extension and immediately after giving effect to the extension, (ii) accuracy of representations and warranties as of the extension date (both immediately before and after the extension), as if made on the extension date, and (iii) payment of a fee. Neither extension option is subject to lender consent, assuming proper notice and satisfaction of the conditions.

# DEBT MATURITY SCHEDULE



(1) The weighted average interest rate for unsecured debt was calculated using the current swapped notional amount of \$1.025 billion of debt, and excludes any fair market value premiums or discounts and also excludes the amortization of deferred financing fees and debt issuance costs incurred in obtaining debt. As of March 31, 2023, one-month term SOFR for the unsecured term loans A, F, G, H, and I was swapped to a fixed rate of 1.31%, 2.11%, 0.26%, 2.90%, and 2.66%, respectively. One-month term SOFR for the Unsecured Term Loan G will be swapped to a fixed rate of 0.95% effective April 18, 2023. One-month term SOFR for the Unsecured Term Loan H will be swapped to a fixed rate of 2.50% effective January 12, 2024.

(2) The maturity date for the unsecured credit facility is October 24, 2025, or such later date as may be extended pursuant to two six-month extension options exercisable by the Company in its discretion upon advance written notice. Exercise of each six-month option is subject to the following conditions: (i) absence of a default immediately before the extension and immediately after giving effect to the extension, (ii) accuracy of representations and warranties as of the extension date (both immediately before and after the extension), as if made on the extension date, and (iii) payment of a fee. Neither extension option is subject to lender consent, assuming proper notice and satisfaction of the conditions.

# GUIDANCE

| 2023 GUIDANCE                                     |                |                |                |                |
|---------------------------------------------------|----------------|----------------|----------------|----------------|
|                                                   | As of Q1       |                | Initial        |                |
|                                                   | Low            | High           | Low            | High           |
| Core FFO per share                                | \$2.23         | \$2.27         | \$2.22         | \$2.26         |
| Acquisition volume                                | \$300 million  | \$700 million  | \$300 million  | \$700 million  |
| Stabilized Capitalization Rate                    | 5.75%          | 6.50%          | 5.75%          | 6.50%          |
| Disposition volume                                | \$50 million   | \$200 million  | \$50 million   | \$200 million  |
| Same Store Cash NOI Change                        | 4.75%          | 5.25%          | 4.50%          | 5.00%          |
| Retention                                         | 65%            | 75%            | 65%            | 75%            |
| Net Debt to Annualized Run Rate Adjusted EBITDAre | 5.00x          | 5.50x          | 5.00x          | 5.50x          |
| General & administrative expense                  | \$48.0 million | \$50.0 million | \$48.0 million | \$50.0 million |

# NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

**Acquisition Capital Expenditures:** We define Acquisition Capital Expenditures as capital expenditures identified at the time of acquisition. Acquisition Capital Expenditures also include new lease commissions and tenant improvements for space that was not occupied under the Company's ownership.

**Annualized Base Rental Revenue:** We define Annualized Base Rental Revenue as the monthly base cash rent for the applicable property or properties (which is different from rent calculated in accordance with GAAP for purposes of our financial statements), multiplied by 12. If a tenant is in a free rent period, the annualized rent is calculated based on the first contractual monthly base rent amount multiplied by 12.

**Cash Available for Distribution:** Cash Available for Distribution represents Core FFO, excluding non-rental property depreciation and amortization, straight-line rent adjustments, non-cash portion of interest expense, non-cash compensation expense, and deducts capital expenditures reimbursed by tenants, capital expenditures, leasing commissions and tenant improvements, and severance costs.

Cash Available for Distribution should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, these measurements should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements.

Cash Available for Distribution excludes, among other items, depreciation and amortization and capture neither the changes in the value of our buildings that result from use or market conditions of our buildings, all of which have real economic effects and could materially impact our results from operations, the utility of these measures as measures of our performance is limited. In addition, our calculation of Cash Available for Distribution may not be comparable to similarly titled measures disclosed by other REITs.

**Cash Capitalization Rate:** We define Cash Capitalization Rate as calculated by dividing (i) the Company's estimate of year one cash net operating income from the applicable property's operations stabilized for occupancy (post-lease-up for vacant properties), which does not include termination income, solar income, miscellaneous other income, capital expenditures, general and administrative costs, reserves, tenant improvements and leasing commissions, credit loss, or vacancy loss, by (ii) the GAAP purchase price plus estimated Acquisition Capital Expenditures. These Capitalization Rate estimates are subject to risks, uncertainties, and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control, including those risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2022.

**Cash Rent Change:** We define Cash Rent Change as the percentage change in the base rent of the lease commenced during the period compared to the base rent of the Comparable Lease for assets included in the Operating Portfolio. The calculation compares the first base rent payment due after the lease commencement date compared to the base rent of the last monthly payment due prior to the termination of the lease, excluding holdover rent. Rent under gross or similar type leases are converted to a net rent based on an estimate of the applicable recoverable expenses.

**Comparable Lease:** We define a Comparable Lease as a lease in the same space with a similar lease structure as compared to the previous in-place lease, excluding new leases for space that was not occupied under our ownership.

**Earnings before Interest, Taxes, Depreciation, and Amortization for Real Estate (EBITDAre), Adjusted EBITDAre, Annualized Adjusted EBITDAre, Run Rate Adjusted EBITDAre, and Annualized Run Rate Adjusted EBITDAre:** We define EBITDAre in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). EBITDAre represents net income (loss) (computed in accordance with GAAP) before interest expense, interest and other income, tax, depreciation and amortization, gains or losses on the sale of rental property, and loss on impairments. Adjusted EBITDAre further excludes straight-line rent adjustments, non-cash compensation expense, amortization of above and below market leases, net, gain (loss) on involuntary conversion, debt extinguishment and modification expenses, and other non-recurring items.

# NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

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We define Annualized Adjusted EBITDAre as Adjusted EBITDAre multiplied by four.

We define Run Rate Adjusted EBITDAre as Adjusted EBITDAre plus incremental Adjusted EBITDAre adjusted for a full period of acquisitions and dispositions. Run Rate Adjusted EBITDAre does not reflect the Company's historical results and does not predict future results, which may be substantially different.

We define Annualized Run Rate Adjusted EBITDAre as Run Rate Adjusted EBITDAre excluding allowable one-time items multiplied by four plus allowable one-time items.

EBITDAre, Adjusted EBITDAre, and Run Rate Adjusted EBITDAre should not be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, EBITDAre, Adjusted EBITDAre, and Run Rate Adjusted EBITDAre should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements. We believe that EBITDAre, Adjusted EBITDAre, and Run Rate Adjusted EBITDAre are helpful to investors as supplemental measures of the operating performance of a real estate company because they are direct measures of the actual operating results of our properties. We also use these measures in ratios to compare our performance to that of our industry peers.

**Enterprise Value:** We define Enterprise Value as the Company's total Equity Market Capitalization, plus Net Debt.

**Equity Market Capitalization:** We define Equity Market Capitalization as the Company's total outstanding shares and units, less performance units, multiplied by the Company's closing share price.

**Fixed Charge Coverage Ratio:** We define the Fixed Charge Coverage Ratio as Adjusted EBITDAre divided by cash interest expense, preferred dividends paid and principal payments.

**Funds from Operations (FFO) and Core FFO:** We define FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO represents net income (loss) (computed in accordance with GAAP), excluding gains (or losses) from sales of depreciable operating property, gains (losses) from sales of land, impairment write-downs of depreciable real estate, rental property depreciation and amortization (excluding amortization of deferred financing costs and fair market value of debt adjustment) and after adjustments for unconsolidated partnerships and joint ventures. Core FFO excludes amortization of above and below market leases, net, debt extinguishment and modification expenses, gain (loss) on involuntary conversion, gain (loss) on swap ineffectiveness, and non-recurring other expenses.

None of FFO or Core FFO should be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, these measurements should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements. We use FFO as a supplemental performance measure because it is a widely recognized measure of the performance of REITs. FFO may be used by investors as a basis to compare our operating performance with that of other REITs. We and investors may use Core FFO similarly as FFO.

However, because FFO and Core FFO exclude, among other items, depreciation and amortization and capture neither the changes in the value of our buildings that result from use or market conditions of our buildings, all of which have real economic effects and could materially impact our results from operations, the utility of these measures as measures of our performance is limited. In addition, other REITs may not calculate FFO in accordance with the NAREIT definition as we do, and, accordingly, our FFO may not be comparable to such other REITs' FFO. Similarly, our calculation of Core FFO may not be comparable to similarly titled measures disclosed by other REITs.

**GAAP:** We define GAAP as generally accepted accounting principles in the United States.

# NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

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**Liquidity:** We define Liquidity as the amount of aggregate undrawn nominal commitments the Company could immediately borrow under the Company's unsecured debt instruments, consistent with the financial covenants, plus unrestricted cash balances.

**Market:** We define Market as the market defined by CBRE-EA based on the building address. If the building is located outside of a CBRE-EA defined market, the city and state is reflected.

**Net Debt:** We define Net Debt as the outstanding principal balance of the Company's total debt, less cash and cash equivalents.

**Net operating income (NOI), Cash NOI, and Run Rate Cash NOI:** We define NOI as rental income, including reimbursements, less property expenses, which excludes depreciation, amortization, loss on impairments, general and administrative expenses, interest expense, interest income, gain (loss) on involuntary conversion, debt extinguishment and modification expenses, gain on sales of rental property, and other expenses.

We define Cash NOI as NOI less rental property straight-line rent adjustments and less amortization of above and below market leases, net.

We define Run Rate Cash NOI as Cash NOI plus Cash NOI adjusted for a full period of acquisitions and dispositions, less cash termination income, solar income and revenue associated with one-time tenant reimbursements of capital expenditures. Run Rate Cash NOI does not reflect the Company's historical results and does not predict future results, which may be substantially different.

We consider NOI, Cash NOI and Run Rate Cash NOI to be appropriate supplemental performance measures to net income because we believe they help us, and investors understand the core operations of our buildings. None of these measures should be considered as an alternative to net income (determined in accordance with GAAP) as an indication of our performance, and we believe that to understand our performance further, these measurements should be compared with our reported net income or net loss in accordance with GAAP, as presented in our consolidated financial statements. Further, our calculations of NOI, Cash NOI and Run Rate NOI may not be comparable to similarly titled measures disclosed by other REITs.

**Occupancy Rate:** We define Occupancy Rate as the percentage of total leasable square footage for which either revenue recognition has commenced in accordance with GAAP or the lease term has commenced as of the close of the reporting period, whichever occurs earlier.

**Operating Portfolio:** We define the Operating Portfolio as all buildings that were acquired stabilized or have achieved Stabilization. The Operating Portfolio excludes non-core flex/office buildings, buildings contained in the Value Add Portfolio, and buildings classified as held for sale.

**Pipeline:** We define Pipeline as a point in time measure that includes all of the transactions under consideration by the Company's acquisitions group that have passed the initial screening process. The pipeline also includes transactions under contract and transactions with non-binding LOIs.

**Real Estate Cost Basis:** We define Real Estate Cost Basis as the book value of rental property and deferred leasing intangibles, exclusive of the related accumulated depreciation and amortization.

**Renewal Lease:** We define a Renewal Lease as a lease signed by an existing tenant to extend the term for 12 months or more, including (i) a renewal of the same space as the current lease at lease expiration, (ii) a renewal of only a portion of the current space at lease expiration, or (iii) an early renewal or workout, which ultimately does extend the original term for 12 months or more.

**Retention:** We define Retention as the percentage determined by taking Renewal Lease square footage commencing in the period divided by square footage of leases expiring in the period for assets included in the Operating Portfolio.

# NON-GAAP FINANCIAL MEASURES & OTHER DEFINITIONS

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**Same Store:** We define Same Store properties as properties that were in the Operating Portfolio for the entirety of the comparative periods presented. The results for Same Store properties exclude termination fees, solar income, and revenue associated with one-time tenant reimbursements of capital expenditures. Same Store properties exclude Operating Portfolio properties with expansions placed into service or transferred from the Value Add Portfolio to the Operating Portfolio after December 31, 2021.

**Stabilization:** We define Stabilization for assets under development or redevelopment to occur as the earlier of achieving 90% occupancy or 12 months after completion. Stabilization for assets that were acquired and immediately added to the Value Add Portfolio occurs under the following:

- if acquired with less than 75% occupancy as of the acquisition date, Stabilization will occur upon the earlier of achieving 90% occupancy or 12 months from the acquisition date;
- if acquired and will be less than 75% occupied due to known move-outs within two years of the acquisition date, Stabilization will occur upon the earlier of achieving 90% occupancy after the known move-outs have occurred or 12 months after the known move-outs have occurred.

**Straight-Line Capitalization Rate:** We define Straight-Line Capitalization Rate as calculated by dividing (i) the Company's estimate of average annual net operating income from the applicable property's operations stabilized for occupancy (post-lease-up for vacant properties), which does not include termination income, solar income, miscellaneous other income, capital expenditures, general and administrative costs, reserves, tenant improvements and leasing commissions, credit loss, or vacancy loss, by (ii) the GAAP purchase price plus estimated Acquisition Capital Expenditures. These Capitalization Rate estimates are subject to risks, uncertainties, and assumptions and are not guarantees of future performance, which may be affected by known and unknown risks, trends, uncertainties, and factors that are beyond our control, including those risk factors contained in our Annual Report on Form 10-K for the year ended December 31, 2022.

**Straight-Line Rent Change (SL Rent Change):** We define SL Rent Change as the percentage change in the average monthly base rent over the term of the lease that commenced during the period compared to the Comparable Lease for assets included in the Operating Portfolio. Rent under gross or similar type leases are converted to a net rent based on an estimate of the applicable recoverable expenses, and this calculation excludes the impact of any holdover rent.

**Value Add Portfolio:** We define the Value Add Portfolio as properties that meet any of the following criteria:

- less than 75% occupied as of the acquisition date
- will be less than 75% occupied due to known move-outs within two years of the acquisition date;
- out of service with significant physical renovation of the asset;
- development.

**Weighted Average Lease Term:** We define Weighted Average Lease Term as the contractual lease term in years as of the lease start date weighted by square footage. Weighted Average Lease Term related to acquired assets reflects the remaining lease term in years as of the acquisition date weighted by square footage.