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

FORM 10-Q

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

For the quarterly period ended September 30, 2025

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

Commission File Number 001-42301

FRONTVIEW REIT, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

3131 McKinney Avenue
Suite L10

Dallas, Texas
(Address of principal executive offices)

93-2133671
(I.R.S. Employer
Identification No.)

75204
(Zip Code)

(214) 796-2445

(Registrant's telephone number, including area code)

Not Applicable

(Former name, former address and former fiscal year, if changed since last report)

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value	FVR	The New York Stock Exchange

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

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

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

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

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

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

There were 21,653,669 shares of the Registrant's Common Stock, \$0.01 par value per share, outstanding as of November 10, 2025.

FRONTVIEW REIT, INC.
TABLE OF CONTENTS

	<u>Page</u>
Part I - FINANCIAL INFORMATION	
Item 1. Financial Statements - FrontView REIT Inc.	
Cautionary Note Regarding Forward-Looking Statements	1
Financial Statements	
Condensed Consolidated Balance Sheets (Unaudited)	2
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) (Unaudited)	3
Condensed Consolidated Statements of Equity (Unaudited)	4
Condensed Consolidated Statements of Cash Flows (Unaudited)	6
Notes to the Condensed Consolidated Financial Statements (Unaudited)	8
Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations	25
Item 3. Quantitative and Qualitative Disclosures About Market Risk	46
Item 4. Controls and Procedures	46
Part II - OTHER INFORMATION	46
Item 1. Legal Proceedings	46
Item 1A. Risk Factors	46
Item 2. Unregistered Sales of Equity Securities and Use of Proceeds	47
Item 3. Defaults Upon Senior Securities	47
Item 4. Mine Safety Disclosures	47
Item 5. Other Information	47
Item 6. Exhibits	48

Cautionary Note Regarding Forward-Looking Statements

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

Important factors that could cause results to differ materially from the forward-looking statements are described in Item 1. “Business,” Item 1A. “Risk Factors,” and Item 7. “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in our Annual Report on Form 10-K for the fiscal year ended December 31, 2024, which was filed with the U.S. Securities and Exchange Commission (“SEC”) on March 20, 2025 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025, which was filed with the SEC on August 14, 2025. The “Risk Factors” in our Annual Report on Form 10-K should not be construed as exhaustive and should be read in conjunction with other cautionary statements included elsewhere in this Quarterly Report on Form 10-Q.

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

Regulation FD Disclosures

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

CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(in thousands, except share and per share amounts)

	September 30, 2025	December 31, 2024
ASSETS		
Real estate held for investment, at cost		
Land	\$ 325,699	\$ 332,944
Buildings and improvements	399,052	386,462
Total real estate held for investment, at cost	724,751	719,406
Less accumulated depreciation	(45,065)	(40,398)
Real estate held for investment, net	679,686	679,008
Assets held for sale	17,667	5,898
Mortgage loans receivable	10,274	—
Cash and cash equivalents	19,595	5,094
Intangible lease assets, net	101,685	114,868
Other assets	17,883	16,941
Total assets	\$ 846,790	\$ 821,809
LIABILITIES AND EQUITY		
Liabilities		
Debt, net	\$ 307,071	\$ 266,538
Intangible lease liabilities, net	14,050	14,735
Accounts payable and accrued liabilities	21,518	17,858
Total liabilities	342,639	299,131
Equity		
FrontView REIT, Inc. equity		
Common Stock, \$0.01 par value 450,000,000 shares authorized, 21,267,861 shares issued and outstanding as of September 30, 2025	212	173
Additional paid-in capital	405,222	331,482
Accumulated deficit	(19,285)	(6,834)
Accumulated other comprehensive loss	(938)	—
Total FrontView REIT, Inc. equity	385,211	324,821
Non-controlling interests	118,940	197,857
Total equity	504,151	522,678
Total liabilities and equity	\$ 846,790	\$ 821,809

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

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME (LOSS)
(Unaudited)

(in thousands, except share and per share amounts)

	Successor For the three months ended September 30,	Predecessor ⁽¹⁾ For the three months ended September 30,	Successor For the nine months ended September 30,	Predecessor ⁽¹⁾ For the nine months ended September 30,
	2025	2024	2025	2024
Revenues				
Rental revenues	\$ 16,602	\$ 14,533	\$ 50,206	\$ 44,160
Interest income on mortgage loans receivable	156	—	164	—
Other income	45	1	230	243
Total revenues	16,803	14,534	50,600	44,403
Operating expenses				
Depreciation and amortization	7,351	7,119	24,622	21,415
Property operating expenses	2,209	2,003	7,299	5,694
Property management fees	—	494	—	1,501
Asset management fees	—	1,034	—	3,102
General and administrative expenses	3,112	697	9,230	2,059
Total operating expenses	12,672	11,347	41,151	33,771
Other expenses (income)				
Interest expense	4,564	6,463	13,708	19,755
Gain on sale of real estate	(7,583)	—	(9,244)	(337)
Impairment loss	1,551	—	4,957	591
Income taxes	52	63	348	344
Total other expenses	(1,416)	6,526	9,769	20,353
Net income (loss)	5,547	(3,339)	(320)	(9,721)
Less: Net loss attributable to convertible non-controlling preferred interests	—	908	—	2,652
Less: Net (income) loss attributable to non-controlling interests	(1,532)	—	601	—
Net income (loss) attributable to NADG NNN Property Fund LP (Predecessor) and to FrontView REIT, Inc. (Successor)	\$ 4,015	\$ (2,431)	\$ 281	\$ (7,069)
Weighted average number of common shares outstanding				
Basic	20,723,471	—	19,071,703	—
Diluted	27,834,670	—	27,828,225	—
Net income (loss) per share attributable to common stockholders				
Basic	\$ 0.19	\$ —	\$ (0.01)	\$ —
Diluted	\$ 0.19	\$ —	\$ (0.01)	\$ —
Comprehensive income (loss)				
Net income (loss)	\$ 5,547	\$ (3,339)	\$ (320)	\$ (9,721)
Other comprehensive income (loss)				
Change in fair value of interest rate swaps	37	—	(1,474)	—
Comprehensive income (loss)	5,584	(3,339)	(1,794)	(9,721)
Less: Comprehensive loss attributable to convertible non-controlling preferred interests	—	908	—	2,652
Less: Comprehensive (income) loss attributable to non-controlling interests	(1,542)	—	1,163	—
Comprehensive income (loss) attributable to NADG NNN Property Fund LP (Predecessor) and to FrontView REIT, Inc. (Successor)	\$ 4,042	\$ (2,431)	\$ (631)	\$ (7,069)

(1) The Company determined that earnings per unit in the Predecessor period would not be meaningful to users of this filing, given the different unitholders in the Predecessor.

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

CONDENSED CONSOLIDATED STATEMENTS OF EQUITY
(Unaudited)

(in thousands, except share and per share amounts)

	Common Stock	Additional Paid-in Capital	Accumulated Deficit	Accumulated Other Comprehen- sive Loss	Non- controlling Interests	Total Equity
Balances, December 31, 2024 (Successor)	\$ 173	\$ 331,482	\$ (6,834)	\$ —	\$ 197,857	\$ 522,678
Conversion of 229,200 OP Units to 229,200 shares of Common Stock	2	4,711	—	—	(4,713)	—
Stock-based compensation	—	615	—	—	—	615
Distributions declared (\$0.215 per share and OP Unit)	—	—	(3,767)	—	(2,411)	(6,178)
Distributions declared to Preferred Units	—	—	—	—	(8)	(8)
Reallocation of non-controlling interests	—	(773)	—	—	773	—
Change in fair value of interest rate swaps	—	—	—	(112)	(67)	(179)
Net loss	—	—	(833)	—	(504)	(1,337)
Balances, March 31, 2025 (Successor)	\$ 175	\$ 336,035	\$ (11,434)	\$ (112)	\$ 190,927	\$ 515,591
Conversion of 2,898,389 OP Units to 2,898,389 shares of Common Stock	29	60,464	—	—	(60,493)	—
Stock-based compensation, net of 392,068 shares of stock forfeited	—	200	—	—	—	200
Distributions declared (\$0.215 per share and OP Unit), net	—	—	(4,392)	—	(1,578)	(5,970)
Distributions declared to Preferred Units	—	—	—	—	(8)	(8)
Reallocation of non-controlling interests	—	(7,321)	—	—	7,321	—
Change in fair value of interest rate swaps	—	—	—	(853)	(479)	(1,332)
Net loss	—	—	(2,901)	—	(1,629)	(4,530)
Balances, June 30, 2025 (Successor)	\$ 204	\$ 389,378	\$ (18,727)	\$ (965)	\$ 134,061	\$ 503,951
Conversion of 837,765 OP Units to 837,765 shares of Common Stock	8	17,339	—	—	(17,347)	—
Stock-based compensation	—	750	—	—	—	750
Distributions declared (\$0.215 per share and OP Unit)	—	—	(4,573)	—	(1,553)	(6,126)
Distributions declared to Preferred Units	—	—	—	—	(8)	(8)
Reallocation of non-controlling interests	—	(2,245)	—	—	2,245	—
Change in fair value of interest rate swaps	—	—	—	27	10	37
Net income	—	—	4,015	—	1,532	5,547
Balances, September 30, 2025 (Successor)	\$ 212	\$ 405,222	\$ (19,285)	\$ (938)	\$ 118,940	\$ 504,151

	<u>Common Stock</u>	<u>Additional Paid-in Capital</u>	<u>Accumulated Deficit</u>	<u>Non- controlling Interests</u>	<u>Partners' Capital</u>	<u>Total Equity</u>
Balances, December 31, 2023						
(Predecessor)	\$ —	\$ —	\$ —	\$ —	\$ 197,071	\$ 197,071
Accretion of non-controlling interests	—	—	—	—	(2,532)	(2,532)
Distributions	—	—	—	—	(4)	(4)
Net loss	—	—	—	—	(2,452)	(2,452)
Balances, March 31, 2024 (Predecessor)	\$ —	\$ —	\$ —	\$ —	\$ 192,083	\$ 192,083
Accretion of non-controlling interests	—	—	—	—	(2,442)	(2,442)
Distributions	—	—	—	—	(1,504)	(1,504)
Net loss	—	—	—	—	(2,186)	(2,186)
Balances, June 30, 2024 (Predecessor)	\$ —	\$ —	\$ —	\$ —	\$ 185,951	\$ 185,951
Accretion of non-controlling interests	—	—	—	—	(2,542)	(2,542)
Distributions	—	—	—	—	(4)	(4)
Net loss	—	—	—	—	(2,431)	(2,431)
Balances, September 30, 2024						
(Predecessor)	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ —</u>	<u>\$ 180,974</u>	<u>\$ 180,974</u>

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(in thousands)

	Successor For the nine months ended September 30, 2025	Predecessor For the nine months ended September 30, 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	\$ (320)	\$ (9,721)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization	24,622	21,415
Amortization of above/below market leases	2,304	1,338
Amortization of financing transaction and discount costs	1,199	3,145
Amortization of software costs	26	25
Net cash received from derivative settlements	778	—
Non-cash rental revenue adjustments	(340)	(970)
Gain on sale of real estate	(9,244)	(337)
Stock-based compensation	1,565	—
Impairment loss	4,957	591
Changes in operating assets and liabilities:		
Other assets	(1,994)	214
Accounts payable and accrued liabilities	2,064	(428)
Net cash provided by operating activities	<u>25,617</u>	<u>15,272</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Acquisition of real estate held for investment	(83,797)	(523)
Deposits on real estate held for investment	744	(350)
Deferred leasing costs and other additions to real estate held for investment	(1,606)	(1,103)
Investment in mortgage loans receivable	(10,274)	—
Net proceeds from sale of real estate	57,129	9,846
Net proceeds from expropriation	4,953	85
Additions to software costs	—	(21)
Net cash (used in) provided by investing activities	<u>(32,851)</u>	<u>7,934</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceeds from debt	50,000	—
Repayment of debt	(10,000)	(20,913)
Financing transaction costs	—	(416)
Deferred offering costs	—	(2,843)
Cash distributions paid to stockholders	(11,996)	(1,500)
Cash distributions paid to Preferred Unit holders	(16)	(12)
Cash distributions paid to non-controlling convertible preferred interests	—	(4,864)
Cash distributions paid to non-controlling interests	(6,253)	—
Contributions from non-controlling convertible preferred interests	—	108
Net cash provided by (used in) financing activities	<u>21,735</u>	<u>(30,440)</u>
Net increase (decrease) in cash and cash equivalents during the period	<u>14,501</u>	<u>(7,234)</u>
Cash and cash equivalents, beginning of period	<u>5,094</u>	<u>17,129</u>
Cash and cash equivalents, end of period	<u>\$ 19,595</u>	<u>\$ 9,895</u>

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

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)
(Unaudited)
(in thousands)

	Successor For the nine months ended September 30, 2025	Predecessor For the nine months ended September 30, 2024
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:		
Cash paid for interest	\$ 10,900	\$ 16,531
Non-cash disclosures of non-cash investing and financing activities:		
Accrued real estate development and improvement costs	\$ 621	\$ 1,627
Accrued deferred leasing fees	\$ 111	\$ 559
Accrued deferred offering costs	\$ —	\$ 225
Conversion of OP Units to Common Stock and additional paid-in capital	\$ 82,553	\$ —
Distributions payable to convertible non-controlling preferred interests	\$ —	\$ 1,633
Distributions payable	\$ 6,134	\$ —

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

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (Unaudited)

1. BUSINESS DESCRIPTION

All amounts expressed in these condensed consolidated financial statements are in United States (“U.S.”) currency.

FrontView REIT, Inc. (the “Company” or “Successor”) was formed on June 23, 2023 as a Maryland corporation and elected to be taxed as a real estate investment trust (“REIT”) commencing with its short taxable year ended December 31, 2024. FrontView Operating Partnership LP (the “OP”) is the entity through which the Company conducts its business and owns all of the Company's properties either directly or indirectly through subsidiaries. Upon the closing of the initial public offering (“IPO”) on October 3, 2024, the Company is the sole general partner of the OP. The units not owned by the Company in the OP are referred to as OP Units or non-controlling interests.

The Company is an internally-managed net-lease REIT that acquires, owns and manages primarily properties with frontage that are net leased to a diversified group of tenants. The Company is differentiated by an investment approach focused on properties that are in prominent locations with direct frontage on high-traffic roads that are highly visible to consumers. As of September 30, 2025, the Company owned a well-diversified portfolio of 307 properties with direct frontage across 37 U.S. states.

NADG NNN Property Fund LP (the “Predecessor”) was formed on January 6, 2016, to provide investors with the opportunity to invest in a portfolio of high quality, primarily single tenant net leased properties located in the U.S. NADG NNN Operating LP (the “Sub OP”) was the entity through which the Predecessor conducted its business and owned (either directly or through subsidiaries) all of the Predecessor’s properties. The Predecessor had a 72.89% ownership interest in the Sub OP prior to the formation transactions on October 2, 2024 described below. The remaining ownership in the Sub OP were held as convertible non-controlling preferred interests (“Sub OP Preferred Units”).

Prior to October 2, 2024, the Predecessor was externally managed by North American Realty Services LLLP (“NARS”) and affiliates. NARS and the Predecessor were related parties (see Note 14) and the Company’s CEO and COO were employees of NARS.

Formation Transactions

On October 2, 2024, the Predecessor effected a 250-for-1 split with no fractional units being issued that was approved by the Predecessor's general partner and executive committee, on its then outstanding 30,078 common units. After adjusting for the split, the Predecessor had 7,519,500 common units outstanding.

On October 2, 2024, the Company, through a series of REIT contribution transactions and completion of the internalization of the external management functions (“Internalization”), created an umbrella partnership real estate investment trust (“UPREIT”) structure with a publicly-traded REIT that is internally managed and owns all of its assets and conducts all of its business through the OP. Pursuant to the contribution agreements, (1) common unit holders of the Predecessor (or the owners of such holders) exchanged their common units (or interest in such holders) for OP Units or common stock, \$0.01 per value per share (“Common Stock”) of the Company on a one-for-one basis and (2) Sub OP Preferred Unit holders (or the owners of such holders) exchanged their interests in the Sub OP (or interest in such holders) for OP Units.

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

	September 30, 2025			December 31, 2024		
	Shares of Common Stock	OP Units	Total Diluted Shares	Shares of Common Stock	OP Units	Total Diluted Shares
Ownership Interest	21,267,861	6,566,809	27,834,670	17,290,663	10,532,163	27,822,826
Percent Ownership of OP	76.4%	23.6%	100.0%	62.1%	37.9%	100.0%

2. ACCOUNTING POLICIES FOR FINANCIAL STATEMENTS

Basis of Presentation and Principles of Consolidation

These unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America (“GAAP”) and with the rules and regulations of the U.S. Securities and Exchange Commission (the “SEC”). The condensed consolidated financial statements include the financial position, results of operations and cash flows of the Company and subsidiaries in which it has a controlling financial interest. All intercompany amounts have been

eliminated in consolidation and the Company's net income is reduced by the portion of net income attributable to non-controlling interests.

The accompanying unaudited interim condensed consolidated financial statements have been prepared pursuant to the rules and regulations of the SEC. These unaudited interim condensed consolidated financial statements do not include all of the information and notes required by GAAP for complete financial statements, and should be read in conjunction with the Company's audited consolidated financial statements and notes thereto as of and for the years ended December 31, 2024 and 2023 contained in the Company's Annual Report on Form 10-K filed with the SEC on March 20, 2025, which provide a more complete understanding of the Company's accounting policies, financial position, operating results, business properties, and other matters. In the opinion of management, all adjustments of a normal recurring nature necessary for a fair presentation have been included. The results of operations for the three and nine months ended September 30, 2025, and 2024 are not necessarily indicative of the results for the full year.

Generally, a controlling financial interest reflects ownership of a majority of the voting interests. The Company consolidates a voting interest entity in which it has a controlling financial interest and a variable interest entity ("VIE") if it possesses both the power to direct the activities of the VIE that most significantly affects its economic performance, and (a) is obligated to absorb the losses that could be significant to the VIE or (b) holds the right to receive benefits from the VIE that could be significant to the VIE. The Company has concluded that the OP is a VIE and consolidates its interest in the OP as the Company is deemed to be the primary beneficiary. The portion of the OP not owned by the Company is presented as non-controlling interests as of September 30, 2025 and December 31, 2024.

Use of Estimates

The preparation of these condensed consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of these condensed consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The most significant assumptions and estimates relate to the valuation of real estate and related intangible assets and liabilities upon acquisition, including the assessment of impairments, as well as depreciable lives, and the collectability of trade receivables. On an on-going basis, the Company's chief operating decision makers review the estimates and assumptions. These estimates are based on historical experience and various other assumptions that the Company's chief operating decision makers believes to be reasonable under the circumstances. Actual results could differ from those estimates.

Real Estate Held for Investment

Real estate held for investment is stated at cost, less accumulated depreciation and impairment losses. Upon acquisition of real estate held for investment considered to be an asset acquisition, the purchase price and related acquisition costs (collectively, "the purchase price") is capitalized as part of the cost basis. The purchase price is allocated between land, buildings and improvements, site improvements, and identifiable intangible assets and liabilities such as amounts related to in-place leases and origination costs acquired, above- and below-market leases, based upon their relative fair values. The allocation of the purchase price requires judgment and significant estimates. The fair values of the land and building assets are determined on an as-if-vacant basis.

Above- and below-market leases are based upon a comparison between existing leases upon acquisition and current market rents for similar real estate. The fair value of above- and below-market leases is equal to the aggregate present value of the spread between the contract and the market rate of each of the in-place leases over their remaining term. The values of the above- and below-market leases are amortized to rental revenues over the remaining term of the related leases.

The fair values of in-place leases and origination costs are determined based on the estimates of carrying costs during the expected lease-up periods and costs that would be incurred to put the existing leases in place under the same market terms and conditions.

In the event a tenant terminates its lease, the unamortized portion of the related intangible values is written off immediately.

Depreciation and amortization are calculated using the straight-line method over the estimated useful lives of the asset:

Asset	Estimated useful lives
Buildings and improvements	16 – 54 years
Site improvements	4 – 28 years
Tenant improvements	Shorter of the lease term or useful life
In-place leases and origination costs	Remaining lease term
Leasing fees	Remaining lease term
Above- and below-market leases	Remaining lease term

Repairs and maintenance are charged to operations as incurred; major renewals and betterments that extend the useful life or improve the operating capacity of the asset are capitalized.

Assets Held for Sale

The Company classifies assets held for sale when all of the following criteria are met: (1) management commits to a plan to sell the property, (2) the property is available for immediate sale in its present condition, subject only to terms that are usual and customary for sale of real estate properties, (3) an active program to locate a buyer and conduct other actions required to complete the sale has been initiated, (4) the sale of the property is probable and is expected to qualify as a completed sale, (5) the property is actively marketed for sale at a price that is reasonable in relation to its fair value, and (6) actions required to complete the sale indicate that it is unlikely that any significant changes will be made or that the plan to sell will be withdrawn.

For properties classified as held for sale, the Company suspends depreciation and amortization of the real estate properties, including the related intangible lease assets and liabilities, as well as straight-line revenue recognition of the associated lease. Properties held for sale are carried at the lower of cost or fair value, less estimated selling costs. If the estimated fair value less selling costs is lower than the carrying value, the difference will be recorded as an impairment on assets held for sale in the condensed consolidated statements of operations and comprehensive income (loss). The Company estimated the fair value of the assets held for sale using Level 2 and Level 3 inputs based on the negotiated selling price, less costs of disposal, received from a third party and a capitalized fair value approach, less costs of disposal, based on market rents and capitalization rates from comparable transactions, respectively. The results of operations for properties disposed of or classified as held for sale were not reclassified as discontinued operations as these events are a normal part of the Company's operations and do not represent strategic shifts in the Company's operations.

Impairment of Long-lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. The net recoverable amount represents the undiscounted estimated future cash flow expected to be earned from the long-lived asset. In the case of real estate, the undiscounted estimated future cash flows are based on expected cash flows from the use and eventual disposition of the property. The review of anticipated cash flows involves subjective assumptions of estimated occupancy, rental rates and residual value. If such impairment is present, an impairment loss is recognized based on the excess of the carrying amount of the asset over its fair value.

All investments in real estate are subject to elements of risk and are affected by, but not limited to, the general prevailing economic conditions, local real estate markets, supply and demand for leased premises, competition and governmental laws and other requirements.

The Company determined the fair value measurement using a range of significant unobservable fair value level inputs, including broker market information and recent comparable sales transactions.

The following table summarizes the Company's impairment for the respective periods:

	Successor		Predecessor	
	For the three months ended September 30,		For the nine months ended September 30,	
	2025	2024	2025	2024
(in thousands, except number of properties)				
Number of properties	6	—	14	1
Impairment loss	\$ 1,551	\$ —	\$ 4,957	\$ 591

Revenue Recognition and Accounts Receivable

The Company accounts for leases in accordance with ASC 842, *Leases* ("ASC 842"). For property related contracts that contain leases, revenue is recognized when the lessee takes possession of or controls the physical use of the leased assets. At the time of lease assumption or inception of a new lease, including new leases that arise from amendments, the Company assesses the terms and conditions of the lease to determine the property lease classification.

A lease is classified as an operating lease if none of the following criteria are met: (i) ownership transfers to the lessee at the end of the lease term, (ii) the lessee has a purchase option that is reasonably expected to be exercised, (iii) the lease term is for a major part of the economic life of the leased property, (iv) the present value of the future lease payments and any residual value guaranteed by the lessee that is not already reflected in the lease payments equals or exceeds substantially all of the fair value of the leased property, and (v) the leased property is of such a specialized nature that it is expected to have no future alternative use to the Company at the end of the lease term. If one or more of these criteria are met, the lease will generally be classified as a sales-type lease, unless the lease contains a residual value guarantee from a third party other than the lessee, in which case, it would be classified as a direct financing lease under certain circumstances.

As of September 30, 2025 and December 31, 2024, all of the Company's leases with tenants are accounted for as operating leases. Minimum rents are recognized on a straight-line basis over the term of the respective leases and reasonably certain renewal periods. The difference between rental revenue recognized and the cash rent due under the provisions of the lease is recorded as deferred rent receivable and included as a component of other assets in the condensed consolidated balance sheets. If the Company determines that collectability of the lease payments is not probable, the Company records an adjustment to rental revenues to reduce the outstanding receivables where collectability is not probable including deferred rent receivables. Future revenue recognized is limited to amounts paid by the lessee.

The Company's property leases have been classified as operating leases and some have scheduled rent increases throughout the lease term. The Company's leases typically provide the tenant with one or more multi-year renewal options to extend their leases, subject to generally the same terms and conditions, including rent increases, consistent with the initial lease term.

Variable rental amounts include rent increases that are based on changes in the Consumer Price Index ("CPI"), percentage rent or lease terminations. Variable rental amounts are not recognized until the specific events that trigger the variable payments have occurred.

For the three and nine months ended September 30, 2025, and September 30, 2024, the Company had no individual tenants or common franchises that accounted for more than 10% of rental revenues, excluding lease termination fees.

In accordance with ASC 842, provisions for uncollectible rent are recorded as an offset to rental revenues in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

Mortgage Loans Receivable

The Company provided seller-financing to the acquirers of certain real estate property sales. As of September 30, 2025, the Company had four mortgage loans receivables in its portfolio.

The full gain on sale of the properties is recognized at the time of disposition. Interest income associated with the mortgage loans receivable is recognized when earned. The Company evaluates its loan receivable balances, including accrued interest, for potential credit losses by analyzing the credit of the borrower, the remaining time to maturity of the loan, collateral value and quality, and other relevant factors. Allowance is recorded when management determines that full recovery of the contractually specified payments of principal and interest is doubtful.

Cash and Cash Equivalents

Cash and cash equivalents comprise amounts held in operating bank and money market accounts.

Financing Transaction and Discount Costs

Financing transaction costs incurred in connection with obtaining debt are deferred and amortized over the term of the related debt. For any debt acquired at a discount, where the fair value of debt is less than the carrying amount, the fair value discount is amortized over the term of the related debt using the effective interest method. The amortization of financing transaction costs and fair value discount is charged to interest expense on the accompanying condensed consolidated statements of operations and

comprehensive income (loss). The unamortized balance of deferred financing transaction costs associated with the revolving credit facility and term loan are reported within other assets and debt, net, respectively, in the condensed consolidated balance sheets.

Derivative Instruments

The Company uses derivative instruments to manage exposure to interest rates. The Company does not enter into derivatives for trading or speculative purposes.

All derivatives are recognized at fair value on the Company's condensed consolidated balance sheets. The accounting for gains and losses resulting from changes in fair value depends on the use of the derivative and whether it is designated and qualifies for hedge accounting. The Company formally documents the relationship of the hedge with the hedged item as well as the risk-management strategy for all designated hedges. Both at inception and on an ongoing basis, the hedging instrument is assessed as to its effectiveness, when applicable. If and when a derivative is determined not to be highly effective as a hedge, the underlying hedged transaction is no longer likely to occur, or the derivative is terminated, hedge accounting is discontinued.

The Company is subject to the credit risk of the counterparties to derivative instruments. Counterparties include a number of major banks and financial institutions. The Company manages individual counterparty exposure by monitoring the credit rating of the counterparty and the size of financial commitments and exposures between the Company and the counterparty.

Certain interest rate swap agreements are qualified and designated as cash flow hedges. The effective portion of the fair value unrealized gain or loss on cash flow hedges is reported as a component of Accumulated other comprehensive income ("AOCI") with offsetting amounts recorded in the Company's condensed consolidated balance sheets depending on the position and the duration of the contract. The gain or loss on the derivative instrument due to the change in fair value is reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. If a derivative is deemed to be ineffective, the change in fair value of the derivative is recognized directly in earnings.

Initial Public Offering Costs

Prior to the close of the IPO on October 3, 2024, the Predecessor incurred and capitalized certain direct, incremental legal, professional, accounting and other third-party fees in connection with the IPO. The deferred IPO costs were offset against IPO proceeds, and reclassified as a component of additional paid-in capital on the condensed consolidated balance sheets and condensed consolidated statements of equity upon consummation of the offering.

Non-Controlling Interests

Non-controlling interests represent the interests held in the OP of 23.6% as of September 30, 2025, by third parties and related parties involved in the Internalization which are accounted for as a separate component of equity.

The Company periodically adjusts the carrying value of non-controlling interests to reflect their share of the book value of the OP. Such adjustments are recorded to additional paid-in capital as a reallocation of non-controlling interests in the condensed consolidated statements of equity.

The OP units may be redeemed at the option of the holder or through certain change of control transactions and liquidation events. Approval of the Company's Board of Directors would be required to effect any change in control transaction or liquidation event and the Company has the right to reject any redemption request received from OP unitholders. Additionally, the Company has the right to settle any approved redemption request of OP units through the issuance of Common Stock or cash, at the option of the Company. Therefore, the OP units are classified within permanent equity. The redemption value of OP units is calculated based on the market value of the Company's Common Stock or the approved tender offer in the event of a change of control transaction.

Stock-Based Compensation

The Company has issued restricted stock units ("RSUs") under its 2024 Omnibus Equity and Incentive Plan ("Equity and Incentive Plan"). The Company accounts for stock-based incentives in accordance with ASC 718, *Compensation - Stock Compensation*, which requires that such compensation expense be recognized based on the awards estimated grant date fair value. The value of such awards is recognized as compensation expense in general and administrative expenses in the condensed consolidated statements of operations and comprehensive income (loss) over the appropriate vesting period on a straight-line basis or at the cumulative amount vested at each balance sheet date, if greater. The Company records forfeitures during the period in which they occur by reversing all previously recorded stock compensation expense associated with the forfeited shares. Dividends declared on RSUs issued under the Equity and Incentive Plan are recorded as cumulative distributions in excess of retained earnings in the condensed consolidated balance sheets.

Income Taxes

The Company has elected to be treated as a REIT under Sections 856 to 860 of the Internal Revenue Code of 1986, as amended (the “Code”) and expects to continue to qualify as a REIT. To qualify as a REIT, the Company is subject to various requirements including that it generally must distribute at least 90% of its taxable income (other than net capital gain) to its shareholders as dividends. As a REIT, the Company will be subject to federal income tax on its undistributed REIT taxable income (including net capital gain) and to a 4% non-deductible excise tax on any amount by which distributions it pays with respect to any calendar year are less than the sum of (1) 85% of its ordinary income, (2) 95% of its capital gain net income and (3) 100% of its undistributed taxable income from prior years. The Company intends to operate in such a manner so as to qualify as a REIT, but no assurance can be given that the Company will operate in a manner so as to qualify as a REIT. If the Company fails to meet these requirements, it could be subject to federal income tax on all of the Company’s taxable income at regular corporate rates for that year. The Company would not be able to deduct distributions paid to shareholders in any year in which it fails to qualify as a REIT. Additionally, the Company will also be disqualified from electing to be taxed as a REIT for the four taxable years following the year during which qualification was lost, unless the Company is entitled to relief under specific statutory provisions. As of September 30, 2025, the Company believes it is in compliance with all applicable REIT requirements.

The Company intends to distribute 100% of its taxable income on an annual basis and, therefore, is not required to pay any federal income tax on its own taxable income.

The Company is subject to state and local income or franchise taxes in certain jurisdictions in which some of its properties are located and records these within income taxes in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

Taxable income from certain non-REIT activities is managed through a taxable REIT subsidiary (“TRS”) and is subject to applicable federal, state, and local income and margin taxes. The Company had no significant taxes associated with its TRS for the three and nine months ended September 30, 2025 and September 30, 2024.

The Company and certain of its subsidiaries (including the Predecessor) are required to file income tax returns with U.S. federal and state taxing authorities. As of September 30, 2025, the Company’s U.S. federal and state income tax returns remain subject to examination by the respective taxing authorities for the 2023 and 2024 tax years, and the Predecessor’s U.S. federal and state income tax returns remain subject to examination by the respective taxing authorities for the 2021 through 2024 tax years.

Earnings Per Share

Earnings per common share have been computed pursuant to the guidance in ASC 260, *Earnings Per Share*, which requires the classification of the Company’s unvested shares of restricted Common Stock, which contain rights to receive non-forfeitable dividends as participating securities requiring the two-class method of computing earnings per share. The two-class method is an earnings allocation formula that determines earnings per share for each class of Common Stock and participating securities according to dividends declared (or accumulated) and participation rights in undistributed earnings. In accordance with the two-class method, the Company’s calculation of earnings per share excludes the income attributable to unvested shares of restricted Common Stock from the numerator of the calculation and the weighted average shares of Common Stock and potentially dilutive securities in accordance with the treasury stock method and /or if converted method. Basic earnings (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of outstanding shares during the period. Diluted earnings (loss) per share gives effect to all dilutive potential common shares outstanding during the period. Due to their anti-dilutive effect, the calculation of diluted net loss per share for the periods presented do not include the unvested restricted stock units.

Concentration of Credit Risk

Credit risk arises from the potential that a counterparty will fail to perform its obligations. The Company is not exposed to significant credit risk as the Company maintains a number of diverse tenants which mitigates the credit risk.

Segment Reporting

The Company currently operates in a single reportable segment, which includes the acquisition, leasing, mortgage loan financing and ownership of net leased properties. The Company’s chief operating decision maker (“CODM”) is the Company’s executive management team, which consists of the Chief Executive Officer and Chief Financial Officer. The CODM assesses, measures, and reviews the operating and financial results at the consolidated level for the entire portfolio and therefore, each property or property type is not considered an individual operating segment. The Company does not evaluate the results of operations based on geography, size, or property type.

Fair Value Measurement

ASC 820 defines fair values as the price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. ASC 820 also establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value. In instances, where the determination of the fair value measurement is based on inputs from more than one level of the fair value hierarchy, the entire fair value measurement is classified based on the lowest-level input.

The hierarchy is measured in three levels based on the reliability of inputs:

Level 1 – Quoted prices that are available in active markets for identical assets or liabilities.

Level 2 – Pricing inputs other than quoted prices in active markets, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

The fair value of the Company's debt was estimated using recent secondary markets, recent financing transactions, estimates of the fair value of the property that serves as collateral for such debt, historical risk premiums for loans of comparable quality, current SOFR and discounted estimated future cash payments to be made on such debt. The discount rates estimated reflect the Company's judgment as to the approximate current lending rates for loans with similar maturities and assumes that the debt is outstanding through maturity.

The Company measures the fair value of its interest rate swap agreements using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates derived from the observable market interest rate curves.

Level 3– Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following table summarizes the carrying amount reported in the Condensed Consolidated Balance Sheets and the Company's estimate of the fair value of debt:

<i>(in thousands)</i>	September 30, 2025	December 31, 2024
Carrying amount	\$ 308,500	\$ 268,500
Fair value	308,546	268,500

The Company has financial instruments which include cash and cash equivalents, other assets, mortgage loans receivable, and accounts payable and accrued liabilities, which are carried at amortized cost and approximate their fair value unless otherwise noted.

Reclassification of Prior Year Presentation

Certain prior year amounts have been reclassified for consistency with the current year presentation. These reclassifications had no effect on the reported results of operations. An adjustment has been made to the condensed consolidated statements of operations and comprehensive income (loss) for the three and nine months ended September 30, 2025, and 2024, to present separate line items under revenue.

Subsequent Events

The Company evaluates subsequent events for disclosure in these condensed consolidated financial statements through the date of which these condensed consolidated financial statements were available to be issued.

Recently Adopted Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, "Income Statement - Reporting Comprehensive Income - Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses." This ASU enhances expense disclosures on both an annual and interim basis by requiring public business entities to disclose additional information about specific expense categories in the notes to the condensed consolidated financial statements. This ASU requires public entities to disclose, in a tabular format, purchases of inventory, employee compensation, depreciation, intangible asset amortization and depletion, as applicable, for each income statement line item that contains those expenses. Specific expenses, gains and losses that are already

disclosed under existing GAAP are also required to be included in the disaggregated income statement expense line-item disclosures, and any remaining amounts will need to be described qualitatively. Additionally, the ASU requires disclosure of the total amount of selling expenses and the entity's definition of selling expenses. This ASU is effective for fiscal years beginning after December 15, 2026 and for interim periods within fiscal years beginning after December 15, 2027. The Company is evaluating the impact of adopting this ASU.

3. REAL ESTATE HELD FOR INVESTMENT AND LEASE ARRANGEMENTS

The Company acquires, owns, and manages net-leased properties with frontage. The leases are generally net leases, where the tenants are generally responsible for the payment of real estate taxes, insurance premiums and maintenance costs related to the leased property. The leases have been classified as operating leases and generally provide for limited increases in rent as a result of fixed increases, increases in CPI, or increases in tenant's sales volume.

As of September 30, 2025 and December 31, 2024, the Company had a portfolio of 307 real estate properties. The average remaining lease term, excluding renewal options, for real estate properties owned by the Company as of September 30, 2025 and December 31, 2024 was approximately 7.2 years and 7.4 years, respectively.

During the nine months ended September 30, 2025, the Company acquired 25 properties for an aggregate purchase price (including acquisition costs) of \$83.8 million. All of the properties acquired during the nine months ended September 30, 2025, were leased at acquisition with an average remaining lease term of approximately 11.6 years.

During the year ended December 31, 2024, the Company acquired 29 properties for an aggregate purchase price of \$104.2 million. The majority of properties acquired during the year ended December 31, 2024, were leased at acquisition with an average remaining lease term of approximately 11.3 years.

The acquisitions were all accounted for as asset acquisitions. The Company allocated the purchase price of these properties to the fair values of the assets and liabilities assumed, which is summarized in the following table:

<i>(in thousands)</i>	September 30, 2025	December 31, 2024
Land	\$ 20,512	\$ 28,597
Buildings	49,653	51,138
Site improvements	4,480	8,423
Other assets	122	340
Intangible assets:		
Above-market leases	2,241	7,311
In-place leases and origination costs	9,422	10,846
	<u>86,430</u>	<u>106,655</u>
Liabilities assumed:		
Below-market leases intangible liabilities	(2,488)	(1,649)
Accounts payable and accrued liabilities	(145)	(822)
Purchase price (including acquisition costs)	<u>\$ 83,797</u>	<u>\$ 104,184</u>

During the nine months ended September 30, 2025, the Company sold 25 real estate properties for \$57.6 million. The Company received net proceeds of \$54.5 million from the property sales, including \$8.1 million of mortgage loans receivable, after paying closing costs of \$3.1 million and recorded a gain on sale of \$4.3 million. The aggregate cost and associated accumulated depreciation and amortization of the properties sold, at the date of sale, was \$58.1 million and \$8.0 million, respectively.

During the nine months ended September 30, 2025, the Company received proceeds for the expropriation from the state for a portion of real estate from two properties for \$5.4 million. The Company received net proceeds of \$5.0 million from the expropriation from the state, after paying closing costs of \$0.4 million and recorded a gain on sale of \$4.7 million. The aggregate cost of the portion of the properties that was expropriated was \$0.2 million.

During the nine months ended September 30, 2025, the Company sold a partial interest in one real estate property for \$2.8 million. The company received net proceeds of \$2.6 million from the sale, including \$2.2 million of mortgage loan receivable, after paying closing costs of \$0.2 million and recorded a gain on sale of \$0.2 million. The aggregate cost of the partial interest, at the date of the sale was \$2.5 million.

During the year ended December 31, 2024, the Company sold five real estate properties for \$11.0 million. The Company received net proceeds of \$10.1 million after paying closing costs of \$0.9 million and recorded a gain on sale of \$0.3 million. The aggregate cost and associated accumulated depreciation and amortization of the properties sold, at the date of sales, were \$10.2 million and \$0.7 million, respectively.

The depreciation expense on real estate held for investment was as follows:

	Successor For the three months ended September 30,		Predecessor For the nine months ended September 30,	
(in thousands)	2025	2024	2025	2024
Depreciation	\$ 3,607	\$ 2,923	\$ 10,957	\$ 8,783

The following table summarizes amounts reported as rental revenues on the accompanying condensed consolidated statements of operations and comprehensive income (loss):

	Successor For the three months ended September 30,		Predecessor For the nine months ended September 30,	
(in thousands)	2025	2024	2025	2024
Rental revenues:				
Contractual rental amounts billed	\$ 15,325	\$ 12,678	\$ 45,863	\$ 38,569
Recovery income	1,804	1,293	5,904	4,418
Adjustment to recognize contractual rental amounts on a straight-line basis	52	187	460	964
Variable rental amounts earned	73	798	283	1,547
Above/below market lease amortization, net	(652)	(423)	(2,304)	(1,338)
Total rental revenues	<u>\$ 16,602</u>	<u>\$ 14,533</u>	<u>\$ 50,206</u>	<u>\$ 44,160</u>

Total estimated future minimum rents to be received under non-cancelable leases in effect as of September 30, 2025, are as follows:

(in thousands)	September 30, 2025
Remainder of 2025	\$ 14,943
2026	59,399
2027	55,616
2028	50,392
2029	46,619
2030	41,575
Thereafter	235,444
	<u>\$ 503,988</u>

Since lease renewal periods are exercisable at the option of the tenant, the above amounts only include future lease payments due during the initial lease terms. Such amounts exclude any potential variable rent increases that are based on changes in the CPI or future variable rents which may be received under the leases based on a percentage of the tenant's gross sales.

4. MORTGAGE LOANS RECEIVABLE

In connection with the sales of certain real estate properties, the Company provided seller-financing to the acquirers. The loan-to-value (LTV) of the mortgage loans receivables range from 75.0% to 87.1%, and the interest rates and other terms and conditions were consistent with market standards. The Company recognized the full gain on sale of the properties in the amount of \$0.4 million. Given the LTV's noted above, and that the mortgage loans receivable are fully collateralized by the underlying properties, no allowance for the mortgage loans receivable was recorded at September 30, 2025. Interest income associated with these mortgage loans receivable is recognized when earned.

The following is a summary of the Company's mortgage loans receivable portfolio as of September 30, 2025:

(in thousands, except percentages)

Loan Type	Monthly Payment ⁽¹⁾	Number of Secured Properties	Effective Interest Rate	Stated Interest Rate	Maturity Date	September 30, 2025
Mortgage	I/O	1	7.9%	7.9%	11-Jun-28	\$1,734
Mortgage	I/O	1	7.6%	8.1%	30-Jun-29	5,400
Mortgage	I/O	1	8.0%	8.0%	25-Aug-28	2,240
Mortgage ⁽²⁾	I/O	1	7.8%	7.8%	27-Oct-25	900
Total mortgage loans receivables						<u>\$10,274</u>

(1) I/O: Interest Only

(2) The borrower has the right to extend the maturity date to November 26, 2025 and exercised this option on October 12, 2025.

5. INTANGIBLE ASSETS AND LIABILITIES

The following is a summary of intangible lease assets and liabilities and related accumulated amortization:

(in thousands)

As of September 30, 2025

	Cost	Accumulated Amortization	Net Book Value
Intangible lease assets:			
In-place leases and origination costs	\$ 135,196	\$ 65,838	\$ 69,358
Above-market leases	50,135	23,987	26,148
Leasing fees	6,984	805	6,179
Total intangible lease assets	<u>\$ 192,315</u>	<u>\$ 90,630</u>	<u>\$ 101,685</u>
Intangible lease liabilities:			
Below-market leases	\$ 26,123	\$ 12,073	\$ 14,050
Total intangible lease liabilities	<u>\$ 26,123</u>	<u>\$ 12,073</u>	<u>\$ 14,050</u>

(in thousands)

As of December 31, 2024

	Cost	Accumulated Amortization	Net Book Value
Intangible lease assets:			
In-place leases and origination costs	\$ 138,256	\$ 60,773	\$ 77,483
Above-market leases	51,871	21,385	30,486
Leasing fees	7,235	336	6,899
Total intangible lease assets	<u>\$ 197,362</u>	<u>\$ 82,494</u>	<u>\$ 114,868</u>
Intangible lease liabilities:			
Below-market leases	\$ 25,607	\$ 10,872	\$ 14,735
Total intangible lease liabilities	<u>\$ 25,607</u>	<u>\$ 10,872</u>	<u>\$ 14,735</u>

The amortization and net adjustment to rental revenue of intangible lease assets and liabilities was as follows:

	Successor For the three months ended September 30,		Predecessor For the nine months ended September 30,	
(in thousands)	2025	2024	2025	2024
Amortization:				
Amortization of in-place leases and leasing fees	\$ 3,643	\$ 4,196	\$ 13,367	\$ 12,632
Net adjustment to rental revenue:				
Above-market and below-market leases	\$ 652	\$ 423	\$ 2,304	\$ 1,338

The remaining weighted average amortization period for the Company's intangible assets and liabilities as of September 30, 2025 and December 31, 2024 by category are as follows:

Years remaining as at	September 30, 2025	December 31, 2024
In-place leases and origination costs	9.6	9.1
Leasing fees	11.5	12.0
Above-market leases	7.9	8.2
Below-market leases	10.4	10.5

The estimated future amortization expense for intangible lease assets, net of intangible lease liabilities, are as follows:

(in thousands)	September 30, 2025
Remainder of 2025	\$ 4,231
2026	16,102
2027	13,462
2028	10,945
2029	9,217
2030	6,951
Thereafter	26,727
	<u>\$ 87,635</u>

6. DEBT, NET

	As of September 30, 2025		
(in thousands, except interest rate)	Note	Maturity	Interest Rate
Revolving Credit Facility	(a)	3-Oct-2027	SOFR + 1.20% *
Term Loan	(b)	3-Oct-2027	SOFR + 1.20% *
Unamortized financing transaction, Term Loan			(1,429)
			<u>\$ 307,071</u>

* The approximate SOFR rate at September 30, 2025 was 4.24%.

	As of December 31, 2024		
(in thousands, except interest rate)	Note	Maturity	Interest Rate
Revolving Credit Facility	(a)	3-Oct-2027	Adjusted SOFR + 1.20% **
Term Loan	(b)	3-Oct-2027	Adjusted SOFR + 1.20% **
Unamortized financing transaction costs, Term Loan			(1,962)
			<u>\$ 266,538</u>

** The approximate SOFR rate at December 31, 2024 was 4.37%, plus a 10 basis point adjustment ("Adjusted SOFR").

As of September 30, 2025 and December 31, 2024, the weighted average interest rate was 5.36% and 5.65%, respectively.

The aggregate principal repayment of the Company's debt, excluding the unamortized financing transaction costs of \$1.4 million, due in each of the years under the remaining term, are as follows:

(in thousands)	September 30, 2025
Remainder of 2025	\$ —
2026	—
2027	308,500

(a) Revolving Credit Facility

On October 3, 2024, the Company entered into a credit facility agreement with JPMorgan Chase Bank, N.A., which provides for an unsecured revolving line of credit of \$250.0 million, including \$20.0 million available for issuance of letters of credit (the "Revolving Credit Facility"). The Revolving Credit Facility has a three-year term expiring on October 3, 2027, with two 12-month extensions, subject to certain conditions including payment of 0.125% fee on the aggregate outstanding amount of the revolving commitments. Borrowings under the Revolving Credit Facility bear interest at floating rates based on adjusted SOFR plus an

applicable margin based on the Company's leverage ratio ranging between 1.20% and 1.75% per annum. On September 16, 2025, the Company amended the Revolving Credit Facility to remove the 10 bps credit spread adjustment applicable to adjusted SOFR. As of September 30, 2025 and December 31, 2024, the applicable margin was 1.20% as of each date. The Revolving Credit Facility contains a commitment fee of 0.15% per annum if average daily usage in such quarter is over 50% of total revolving commitments. The commitment fee is payable quarterly in arrears on the first day of each calendar quarter and is included in interest expense on the accompanying condensed consolidated statements of operations and comprehensive income (loss).

(b) Term Loan

On October 3, 2024, the Company entered into a credit facility agreement with JPMorgan Chase Bank N.A. as administrative agent that provided commitments for an unsecured term loan, allowing borrowings of up to \$200.0 million (the "Term Loan"). The Term Loan is available to be drawn until October 2025 and has an initial maturity of October 3, 2027, with two 12-month extensions, subject to certain conditions including payment of a 0.125% fee on the aggregate outstanding principal amount of the Term Loan. The Term Loan bears interest at floating rates based on Adjusted SOFR plus an applicable margin based on the Company's leverage ratio ranging between 1.20% and 1.75% per annum. On September 16, 2025, the Company amended the Term Loan to remove the 10 bps credit spread adjustment applicable to adjusted SOFR. As of September 30, 2025 and December 31, 2024, the applicable margin was 1.20% as of each date.

Debt Covenants

The Company is subject to various financial and operational covenants and financial reporting requirements pursuant to its Revolving Credit Facility and Term Loan agreements. These covenants require the Company to maintain certain financial ratios. As of September 30, 2025 and December 31, 2024, the Company believes it was in compliance with all of its loan covenants. If a default or event of default exists, either through default on payments or breach of covenants, we may be restricted from paying dividends to our stockholders in excess of dividends required to maintain our REIT qualification.

7. INTEREST RATE SWAPS

The Company uses derivative instruments to manage exposures to interest rates arising in connection with its outstanding debt arrangements. The Company has established policies and procedures that govern the risk management of these exposures. Both at inception and on an ongoing basis, the derivative instruments that qualify for hedge accounting are assessed as to their effectiveness, when applicable.

The Company is subject to the credit risk of counterparties to derivative instruments. Counterparties include a number of major banks and financial institutions. None of the concentrations of risk with an individual counterparty was considered significant as of September 30, 2025. The Company does not expect any counterparties to fail to meet their obligations. The Company records derivatives in the condensed consolidated balance sheets at fair value.

Cash Flow Hedge

On March 3, 2025, the Company entered into interest rate swap agreements to manage interest rate risk exposure on the Term Loan. The aggregate notional amount of these contracts is \$200.0 million, and they mature in March 2028. The interest rate swap agreements utilized by the Company effectively modify the Company's exposure to interest rate risk by converting a portion of the Company's floating-rate debt to a fixed rate of 3.664%, thus reducing the impact of interest-rate changes on future interest expense. The agreements involve the receipt of floating-rate amounts in exchange for fixed-rate interest payments over the life of the agreement without an exchange of the underlying principal amount.

On September 10, 2025, the Company entered into five sequential interest rate swap agreements to manage interest rate risk exposure on the Revolving Credit Facility, with the first interest rate swap agreement effective September 12, 2025. Each agreement is structured to commence immediately following the maturity of the preceding agreement. The aggregate notional amount on these contracts is \$100.0 million, and they mature in six-month intervals, with the final maturity in March 2028. The interest rate swap agreements utilized by the Company effectively modify the Company's exposure to interest rate risk by converting a portion of the Company's floating-rate debt to a weighted average fixed rate of 3.22%, reducing the impact of interest-rate changes on future interest expense. The agreements involve the receipt of floating-rate amounts in exchange for fixed-rate interest payments over the life of the agreement without an exchange of the underlying principal amount.

The above interest rate swap agreements are designated and qualify as a cash flow hedge and as such, the gain or loss on the derivative instruments due to the change in fair value is reported as a component of AOCI and reclassified into earnings in the same period or periods during which the hedged transaction affects earnings. If a derivative is deemed to be ineffective, the change in fair

value of the derivative is recognized directly in earnings. The Company did not have any ineffectiveness related to cash flow hedges during the three and nine months ended September 30, 2025.

The cash inflows and outflows associated with the Company's interest rate swap agreements designated as cash flow hedges are classified in cash flows from operating activities in the accompanying condensed consolidated statements of cash flows.

The Company expects a gain of \$1.7 million, net of tax, related to interest rate swap agreements to be reclassified from AOCI to earnings over the next 12 months as the hedged transactions are realized.

The effects of designated cash flow hedges on the Company's condensed consolidated statements of operations and comprehensive income (loss) consisted of the following for the three and nine months ended September 30, 2025:

	Amount of Gain (Loss) Recognized in OCI on Derivative (Effective Portion)	Location of Gain (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain Reclassified from Accumulated OCI into Income (Effective Portion)
<i>(in thousands)</i>			
Derivatives in Cash Flow Hedging Relationships	2025		2025
For the three months ended September 30			
Interest rate swaps	\$ 379	Interest expense, net	\$ 342
For the nine months ended September 30			
Interest rate swaps	\$ (696)	Interest expense, net	\$ 778

The table below shows the fair value and location of the derivatives recognized in the Company's condensed consolidated balance sheets:

	Derivative Assets	
		Fair Value as of
<i>(in thousands)</i>		
Derivatives Designated as Hedging Instruments:	Balance Sheet Location	September 30, 2025
Interest rate swaps	Other assets	\$ 253
	Derivative Liabilities	
		Fair Value as of
<i>(in thousands)</i>		
Derivatives Designated as Hedging Instruments:	Balance Sheet Location	September 30, 2025
Interest rate swaps	Accounts payable and accrued liabilities	\$ (1,727)

8. EQUITY

On October 3, 2024, the Company completed its IPO and issued 13,200,000 shares of Common Stock at an initial public offering price of \$19.00 per share ("IPO Price") and received net proceeds of \$233.9 million, which were net of underwriter fees and commissions of \$16.9 million. As part of the IPO, the underwriters were granted an option, exercisable within 30 days from October 3, 2024, to purchase up to an additional 1,980,000 shares of Common Stock at the IPO Price, less underwriting discounts and commissions. On October 23, 2024, the underwriters partially exercised their option by purchasing an additional 1,090,846 shares of Common Stock. The Company received net proceeds of \$19.3 million, which were net of underwriter fees and commissions of \$1.4 million.

Pursuant to the Company's Articles of Incorporation (the "Charter"), the Company is authorized to issue an aggregate of 450,000,000 shares of Common Stock with a par value of \$0.01 per share and 50,000,000 shares of preferred stock with a par value of \$0.01 per share. The Company's Board of Directors, without any action by our stockholders, may amend the Company's Charter from time to time to increase or decrease the aggregate number of shares or the number of shares of any class or series of stock that the Company has authority to issue.

The shares of the Company's Common Stock entitle the holders to one vote per share on all matters upon which stockholders are entitled to vote, to receive dividends and other distributions as authorized by the Board of Directors in accordance with the Maryland General Corporation Law, and to all rights of the stockholder pursuant to the Maryland General Corporation Law.

Dividends

During the nine months ended September 30, 2025, the Board of Directors declared the following Common Stock and OP Unit quarterly dividends:

(in thousands, except per share amounts)

For the nine months ended September 30, 2025					
Declaration Date	Dividend per Share	Record Date	Total Amount	Payment Date	
18-Mar-2025	\$ 0.215	31-Mar-2025	\$ 6,178	15-Apr-2025	
13-May-2025	0.215	30-Jun-2025	6,102	15-Jul-2025	
12-Aug-2025	0.215	30-Sep-2025	6,126	15-Oct-2025	
	\$ 0.645		\$ 18,406		

9. NON-CONTROLLING INTERESTS

In connection with the REIT contribution transactions and Internalization, non-controlling interests are comprised of the Predecessor's common units, the convertible non-controlling preferred interests (Sub OP Preferred Units), OP units issued in the Internalization (see Note 10), and Preferred Units.

The OP Units are economically equivalent to the Company's Common Stock and, subject to certain restrictions, are redeemable into the Company's Common Stock at the option of the respective unit holders on a one-for-one basis. Holders of the OP Units do not have voting rights in the Company. The OP Units are redeemable at the option of the holder, in which case however, the Company may issue Common Stock or cash, at the Company's election. Therefore, the OP Units are considered to be permanent equity. Redemption of OP Units held by non-controlling interest holders are recorded by reducing non-controlling interest at historical cost basis with a corresponding increase in Common Stock and additional paid-in capital.

For the three months ended September 30, 2025, there were 837,765 OP Units redeemed which the Company settled by issuing 837,765 shares of Common Stock.

10. INTERNALIZATION

On October 2, 2024, the Company completed the Internalization and the Company's management team and corporate staff, who were previously employed by NARS, became employees of a subsidiary of the OP. The management and other fees in the Predecessor's Sub OP agreement were terminated, and the Company acquired the assets necessary to operate and manage the portfolio of properties. The purchase price of the Internalization was 931,490 OP Units with a fair value of \$17.7 million. This was allocated to:

- Termination of the management arrangement of \$16.5 million, which is included in internalization expense on the year ended December 31, 2024 consolidated statements of operations and comprehensive loss;
- Assembled work force of \$1.2 million, which is included in other assets in the accompanying condensed consolidated balance sheets;
- Right-of-use lease asset and liability of an operating lease of office space of \$0.6 million, which are included in other assets and accounts payable and accrued liabilities, respectively, in the accompanying condensed consolidated balance sheets.

During the three and nine months ended September 30, 2025, the Company recorded amortization of the assembled work force of \$0.1 million and \$0.3 million, respectively. This is included in depreciation and amortization in the accompanying condensed consolidated statements of operations and comprehensive income (loss).

11. STOCK-BASED COMPENSATION

The only stock-based compensation granted by the Company were service-based RSUs. The total amount of stock-based compensation expense recognized in general and administrative expenses in the accompanying condensed consolidated statements of operations and comprehensive income (loss) was \$0.8 million and \$1.6 million for the three and nine months ended September 30, 2025, respectively. As of September 30, 2025, the remaining unamortized stock-based compensation expense totaled \$8.5 million, and these awards are expected to be recognized over a remaining weighted average period of 1.9 years. Stock-based compensation expense is recognized on a straight-line basis over the total requisite service period for the entire award.

Pursuant to the Equity and Incentive Plan, the Company made service-based grants of RSUs to certain employees and non-employee directors. The RSUs have no rights as a common stockholder, but have dividend equivalent rights equal to the cash

dividends paid with respect to the corresponding number of common shares to be issued in respect of the RSUs. The vesting terms of these grants are specific to the individual grant, with a maximum term of 5 years, are subject to the holder's continued service through the applicable vesting dates and the terms of the individual grant agreements. The grant date fair value of service-based RSUs were based on the market price per share of the Company's Common Stock on the grant date or on the 10-day volume weighted average price per share of the Company's Common Stock on the grant date.

The following table presents information about the Company's RSU activity during the nine months ended September 30, 2025:

	September 30, 2025	
	Number of Shares	Weighted Average Grant Date Fair Value per Share
<i>(in thousands, except per share amounts)</i>		
Unvested RSU grants outstanding as of December 31, 2024	556	\$ 19.00
Granted during the period	507	12.97
Vested during the period	(12)	19.00
Forfeited during the period	(392)	16.60
Unvested RSU grants outstanding as of September 30, 2025	659	\$ 15.79

12. EARNINGS PER SHARE

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

<i>(in thousands, except per share amounts)</i>	Three months ended September 30, 2025	Nine months ended September 30, 2025
Basic earnings:		
Net income attributable to FrontView REIT, Inc. common shareholders	\$ 4,015	\$ 281
Less: income allocated to participating unvested restricted stock units	(142)	(456)
Net income (loss) used to compute basic earnings per common share	\$ 3,873	\$ (175)
Diluted earnings:		
Net income (loss) used to compute basic earnings per common share	\$ 3,873	\$ (175)
Add: net income (loss) attributable to non-controlling interests	1,532	(601)
Net earnings used to compute diluted earnings per common share	\$ 5,405	\$ (776)
Weighted average number of common shares outstanding	21,358	19,742
Less: weighted average unvested restricted stock units ⁽¹⁾	(635)	(670)
Weighted average number of common shares outstanding used in basic earnings per common share	20,723	19,072
Add: effects of convertible OP Units ⁽²⁾	7,112	8,756
Weighted average number of common shares outstanding used in diluted earnings per common share	27,835	27,828
Basic and Diluted earnings per share	\$ 0.19	\$ (0.01)

(1) Represents the weighted average effects of 659 unvested RSUs of Common Stock as of September 30, 2025, which will be excluded from the computation of earnings per share until they vest.

(2) Represents the weighted average effects of 6,567 OP Units outstanding at September 30, 2025.

13. OTHER ASSETS

(in thousands)

	September 30, 2025	December 31, 2024
Accounts receivable, net	\$ 3,270	\$ 1,960
Deferred rent receivables	9,429	8,969
Fair value of interest rate swaps	253	—
Deferred financing transaction costs, net	1,786	2,452
Prepaid expenses and other assets	3,145	3,560
Total other assets	<u>\$ 17,883</u>	<u>\$ 16,941</u>

14. RELATED PARTY TRANSACTIONS

Predecessor transactions

Related parties consist of the Predecessor's general partner, their employees, officers, directors and parties related to them and entities under their control. In addition to disclosures elsewhere in these condensed consolidated financial statements:

- (a) During the three and nine months ended September 30, 2024, the Predecessor incurred asset management fees of \$1.0 million and \$3.1 million, respectively, and property management fees and direct costs of \$0.5 million and \$1.5 million, respectively, payable to NARS.
- (b) On October 2, 2024, the Company completed the Internalization and issued 931,490 OP Units as consideration (see Note 10).

Successor transactions

- (a) For the three and nine months ended September 30, 2025, the Company incurred outsourcing service fees of less than \$0.1 million and \$0.4 million, respectively, to North American Asset Management Corp. ("NAAM"), an affiliate of the Predecessor. The services are limited to property accounting and human resources support.

15. CONTINGENCIES

Litigation

From time to time, the Company is a party to various litigation matters incidental to the conduct of the Company's business. While the resolution of such matters cannot be predicted with certainty, based on currently available information, the Company does not believe that the final outcome of any of these matters will have a material effect on its condensed consolidated balance sheets, condensed consolidated statements of operations and comprehensive income (loss) or liquidity.

Environmental matters

As an owner of real estate property, the Company is subject to various U.S. federal, state and municipal laws related to environmental matters. These laws could hold the Company liable for the costs of removal and remediation of certain hazardous substances or wastes released or deposited on or in its properties or disposed of at other locations. The failure to remove or remediate such substances, if any, could adversely affect the Company's ability to sell its real estate or to borrow using real estate as collateral and could potentially result in claims or other proceedings against the Company. The Company engages third party consultants to review the environmental condition of such property as part of its due diligence review prior to acquisition and is not aware of any material non-compliance with environmental laws at any of its properties.

Property and acquisition related

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

As of September 30, 2025, the Company did not have any material commitments that could not be funded for re-leasing costs, recurring capital expenditures, non-recurring building improvements, or similar types of costs.

16. SUBSEQUENT EVENTS

The Company identified the following events subsequent to September 30, 2025 that are not recognized in the accompanying condensed consolidated financial statements:

- (a) On October 15, 2025, the Company paid distributions in the aggregate amount of \$6.1 million.
- (b) On October 24, 2025, the Company amended the Revolving Credit Facility and Term Loan agreements to revise the applicable margin based on the Company's leverage ratio and updated financial covenants.
- (c) On November 11, 2025, the Board of Directors declared a quarterly distribution of \$0.215 per share on the Company's Common Stock and OP Units for the quarter ended December 31, 2025, which will be payable on or before January 15, 2026 to stockholders and unitholders of record as of December 31, 2025.
- (d) On November 12, 2025, the Company entered into agreements providing for a \$75.0 million delayed-draw convertible perpetual preferred equity investment led by Maewyn Capital Partners.

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

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

Explanatory Note and Certain Defined Terms

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

- "annualized base rent" or "ABR" means the annualized contractual cash rent due for the last month of the reporting period, and adjusted to remove rent from properties sold during the month and to include a full month of contractual cash rent for properties acquired during the last month of the reporting period;
- "Canadian Investment Entities" means the intermediate entities through which Canadian investors will hold interests in the OP that will be issued pursuant to the REIT Contribution Transactions;
- "Contribution Agreements" means (i) the Contribution Agreement, dated as of the closing date of our initial public offering, by and between certain individual investors in our predecessor and the OP, (ii) the Contribution Agreement, dated as of the closing date of our initial public offering, by and between the individual investors in one of the Subsidiary REITs and the OP, (iii) the Contribution Agreement, dated as of the closing date of our initial public offering, by and between one of the Canadian Investment Entities and the OP, and (iv) the Contribution Agreement, dated as of our closing date of our initial public offering, by and between the other Canadian Investment Entity and the OP;
- "CPI" means the Consumer Price Index for All Urban Consumers (CPI-U): U.S. City Average, All Items, as published by the U.S. Bureau of Labor Statistics, or other similar index which is a measure of the average change over time in the prices paid by urban consumers for a market basket of consumer goods and services;
- "Internalization" means the internalization of the external management team, assets and functions previously performed for our predecessor by our external manager and its affiliates, pursuant to the terms of the Internalization Agreement, which closed contemporaneously with the closing of our initial public offering;
- "occupancy" or a specified percentage of our portfolio that is "occupied" or "leased" means as of a specified date (i) the number of properties that are subject to a signed lease *divided* by (ii) the total number of properties in our portfolio;
- "predecessor" means NADG NNN Property Fund LP, a Delaware limited partnership, and its subsidiaries;
- "properties" means individual building properties (small or large formats) leased to one or more tenants that are in locations with direct frontage on high-traffic roads that are visible to consumers;
- "REIT Contribution Transactions" means the contributions of the interests in entities within our Predecessor's private REIT fund structure that directly or indirectly own our Predecessor's properties pursuant to the terms of the Contribution Agreements, which closed contemporaneously with the closing of our initial public offering;
- "Revolving Credit Facility" means our \$250 million unsecured revolving credit facility under a credit agreement that became effective concurrently with the completion of our initial public offering;
- "SOFR" means the Secured Overnight Financing Rate, which is a new index calculated by short-term repurchase agreements, backed by Treasury securities;
- "Term Loan" means our \$200 million unsecured term loan under a credit agreement that became effective concurrently with the completion of our initial public offering; and
- "we," "our," "us," "FrontView," and "Company" mean FrontView REIT, Inc., a Maryland corporation, together with its consolidated subsidiaries, including the OP, after giving effect to the REIT Contribution Transactions and Internalization, except where it is clear from the context that the term only means FrontView REIT, Inc. before giving effect to such transactions.

Overview

We are an internally-managed net-lease REIT that is experienced in acquiring, owning and managing properties that are net leased to a diversified group of tenants. We are a growing net-lease REIT and own a well-diversified portfolio of 307 properties with frontage across 37 U.S. states as of September 30, 2025. Our tenants include service-oriented businesses, such as medical and dental providers, quick service restaurants, casual dining, financial institutions, cellular stores, automotive stores, convenience stores and gas stations, discount retail, automotive dealers, fitness operators, car washes, pharmacies, home improvement stores, as well as professional services tenants.

We currently derive a majority of our revenue from rents received from individual tenants of each of our properties in our portfolio. Our properties are typically leased under long-term net leases. As of September 30, 2025, the ABR weighted average remaining term of our leases was approximately 7.2 years, excluding renewal options. Approximately 97.5% of our leases (based on ABR) had contractual rent escalations, including, in some cases, pursuant to option terms. As of September 30, 2025, we had 323 leases that represented 152 different concepts. Our top 10 concepts (based on ABR) represented approximately 24.3 % of our portfolio ABR as of September 30, 2025.

In connection with our initial public offering on October 2, 2024, we completed the Internalization pursuant to which we began directly employing 15 employees and entered into employment agreements with each of our named executive officers. In addition, the Internalization eliminated the management and other fees and carried interest provisions that were previously paid by our predecessor. The historical results of operations for our predecessor through October 2, 2024, include the payment of management fees that we no longer pay following the Internalization and do not include the direct compensation expense associated with our aforementioned approximately 15 employees, or other asset management, acquisition or general and administrative expenses not previously incurred based upon our externally managed structure.

As of September 30, 2025, we had total debt of \$308.5 million, Net Debt of \$288.9 million, Net Debt to Annualized Adjusted EBITDAre ratio of 5.3x and a Fixed Charge Coverage Ratio of 3.3x. Net Debt, Annualized Adjusted EBITDAre and Fixed Charge Coverage Ratio are non-GAAP financial measures, and Annualized Adjusted EBITDAre is calculated based upon EBITDA, EBITDAre, and Adjusted EBITDAre, each of which is also a non-GAAP financial measure. Refer to *Non-GAAP Measures* below for further details concerning our calculation of non-GAAP measures and reconciliations to the comparable GAAP measure.

Our Real Estate Investment Portfolio

To achieve an appropriate risk-adjusted return, we intend to maintain a highly-diversified portfolio of properties that are in prominent locations with direct frontage on high-traffic roads that are highly visible to consumers and maintain diversity across geographic locations, tenants, and brands and that have cross-diversification within each. We discuss below our portfolio diversification based on several different metrics and information provided as of September 30, 2025.

Diversification by Tenant Brand

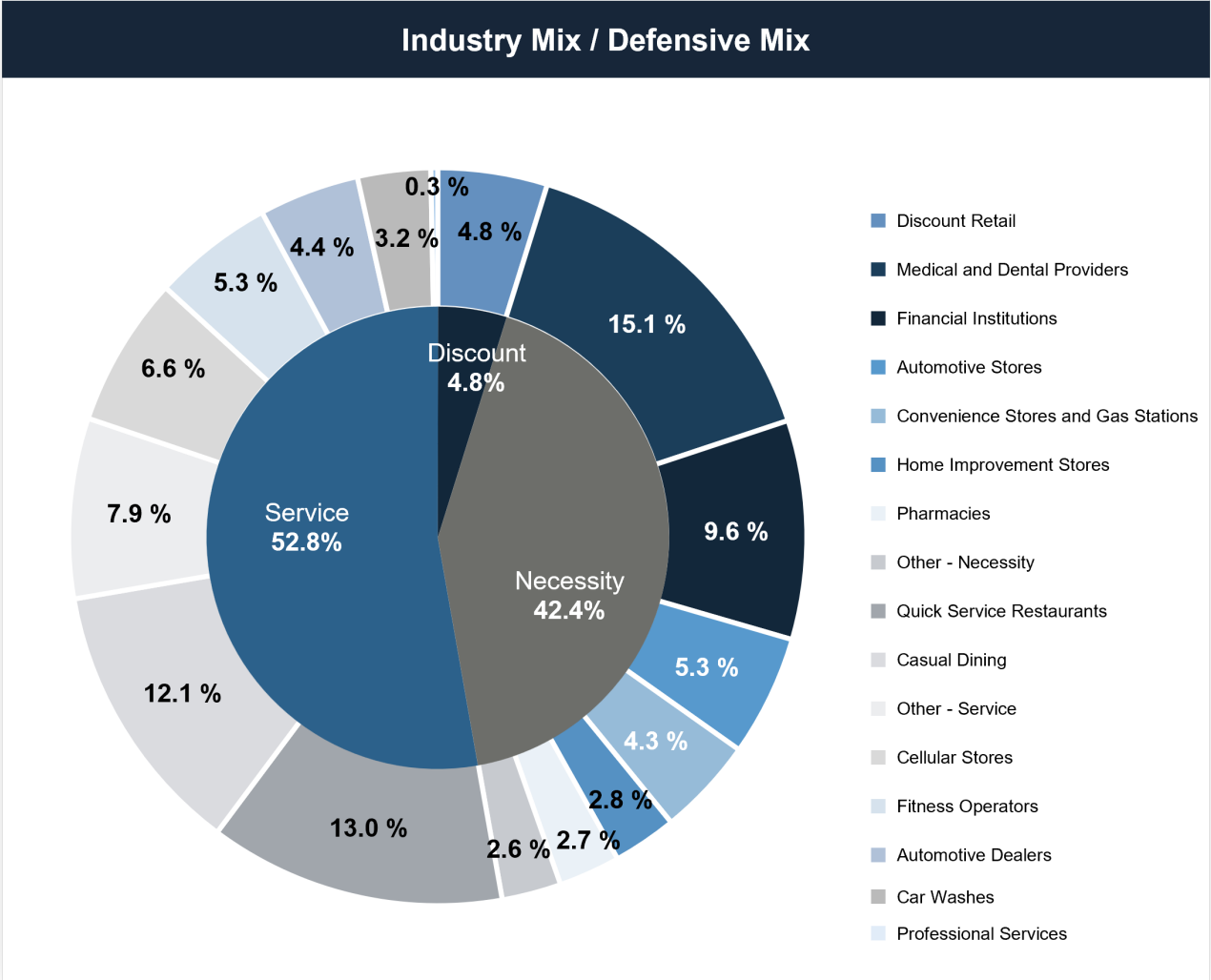
We primarily seek tenants that operate service-oriented businesses, such as restaurants, cellular stores, financial institutions, automotive stores and dealers, medical and dental providers, convenience and gas stores, pharmacies, car washes, home improvement stores, grocery stores, fitness operators, professional services as well as general retail tenants. As of September 30, 2025, our properties were occupied by 323 leases that operated 152 different concepts, with no single concept accounting for more than 3.6% of our ABR.

The following table sets forth information with respect to each of our top 60 tenant concepts (based on ABR) as of September 30, 2025:

#	Tenant Concepts	# of Leases	% of ABR	Investment Grade Rated
1	Dollar Tree	14	3.6 %	Yes
2	Fast Pace Urgent Care	8	2.8 %	—
3	Verizon	9	2.8 %	Yes
4	Raising Canes	6	2.5 %	—
5	Adams Auto Group	3	2.3 %	—
6	LA Fitness	3	2.2 %	—
7	Oak Street Health	6	2.2 %	—
8	IHOP	7	2.0 %	—
9	Mammoth Car Wash	6	2.0 %	—
10	Bank of America	5	1.9 %	Yes
11	PNC Bank	6	1.9 %	Yes
12	LA-Z-Boy	3	1.9 %	—
13	CVS	4	1.8 %	Yes
14	AT&T	6	1.7 %	Yes
15	T-Mobile	9	1.7 %	Yes
16	Chili's	3	1.6 %	—
17	Wells Fargo	3	1.4 %	Yes
18	Advance Auto Parts	7	1.4 %	—
19	St. Joseph Hospice	2	1.4 %	—
20	Heartland Dental	5	1.3 %	—
21	Lowe's Home Improvement	1	1.2 %	Yes
22	VASA Fitness	1	1.1 %	—
23	Charles Schwab	1	1.1 %	Yes
24	Aspen Dental	5	1.1 %	—
25	Wendy's	5	1.1 %	—
26	Parachute Plasma	2	1.1 %	—
27	WSS	2	1.1 %	—
28	Wellnow	4	1.0 %	—
29	Walmart	1	1.0 %	Yes
30	Best Buy	1	1.0 %	Yes
31	Andy's Frozen Custard	4	1.0 %	—
32	Burger King	4	1.0 %	—
33	Edge Fitness	1	1.0 %	—
34	Chase Bank	3	1.0 %	Yes
35	Floor & Decor	1	1.0 %	—
36	Tricolor	1	0.9 %	—
37	Applebee's	3	0.9 %	—
38	Walgreens	2	0.9 %	—
39	Stop & Shop Gas	3	0.9 %	Yes
40	Sleep Number	3	0.8 %	—
41	Chuy's Mexican	2	0.8 %	Yes
42	Texas Roadhouse	2	0.8 %	—
43	Take 5 Oil Change	5	0.8 %	—
44	Chipotle	4	0.7 %	—
45	Auto Saavy	1	0.7 %	—
46	Physicians Immediate Care	2	0.7 %	—
47	Sonic	4	0.7 %	—
48	7-Eleven	3	0.7 %	Yes
49	Harbor Freight	2	0.7 %	—
50	O'Reilly Auto Parts	4	0.6 %	Yes
51	AutoZone	3	0.6 %	Yes
52	Dollar General	3	0.6 %	Yes
53	Planet Fitness	1	0.6 %	—
54	McAlister's Deli	3	0.6 %	—
55	Starbucks	4	0.6 %	Yes
56	Range USA	1	0.6 %	—
57	Twin Peaks	2	0.6 %	—
58	Circle K	2	0.6 %	Yes
59	Fulton Bank	1	0.5 %	Yes
60	Longhorn Steakhouse	2	0.5 %	Yes
Top 60		214	73.6 %	
Other (61 through 152)		109	26.4 %	
Total Portfolio		323	100.0 %	

Diversification by Tenant Industry

The following chart shows a breakdown of our ABR by the tenant industries that comprised our portfolio as of September 30, 2025:



(in thousands, except for # of Leases, percentages, and Rent per Square Foot)

Industry	# of Leases	ABR	% of ABR	Square Feet	Rent per Square Foot
Medical and Dental Providers	48	\$ 9,270	15.1%	286	\$ 32.41
Quick Service Restaurants	61	\$ 7,982	13.0%	179	\$ 44.59
Casual Dining	38	\$ 7,470	12.1%	234	\$ 31.92
Financial Institutions	27	\$ 5,882	9.6%	142	\$ 41.42
Other - Service	21	\$ 4,836	7.9%	229	\$ 21.12
Cellular Stores	26	\$ 4,066	6.6%	95	\$ 42.80
Fitness Operators	7	\$ 3,265	5.3%	215	\$ 15.19
Automotive Stores	28	\$ 3,222	5.3%	162	\$ 19.89
Discount Retail	19	\$ 2,919	4.8%	207	\$ 14.10
Automotive Dealers	6	\$ 2,690	4.4%	87	\$ 30.92
Convenience Stores and Gas Stations	15	\$ 2,616	4.3%	40	\$ 65.40
Car Washes	10	\$ 1,964	3.2%	33	\$ 59.52
Home Improvement Stores	5	\$ 1,690	2.8%	263	\$ 6.43
Pharmacies	6	\$ 1,652	2.7%	70	\$ 23.60
Other - Necessity	5	\$ 1,592	2.6%	284	\$ 5.61
Professional Services	1	\$ 173	0.3%	4	\$ 43.25
Total	323	\$ 61,289	100.0%	2,530	\$ 24.22

Diversification by Geography

The following table sets forth information with respect to geographic diversification by state in our portfolio (based on ABR) as of September 30, 2025:

(in thousands, except for # of Properties, and percentages)

State	# of Properties	Square Feet	% of ABR
IL	38	384	15.2%
GA	24	167	8.0%
TX	22	123	7.3%
OH	21	125	4.9%
FL	13	134	4.8%
NC	15	89	4.5%
IN	15	79	4.5%
TN	13	98	4.5%
PA	8	145	4.1%
VA	15	76	4.0%
NY	8	242	3.4%
AL	11	49	2.9%
SC	10	86	2.9%
MO	9	55	2.8%
MN	7	72	2.4%
MD	6	43	2.3%
MI	8	49	2.3%
AZ	6	40	2.2%
OK	9	48	2.1%
NJ	9	46	2.1%
LA	4	47	2.0%
ME	3	185	1.7%
KS	6	41	1.7%
KY	8	40	1.7%
CT	2	5	0.7%
MS	2	13	0.7%
CO	2	10	0.6%
UT	2	22	0.6%
NE	2	20	0.5%
WI	2	15	0.5%
NV	1	4	0.4%
AR	1	3	0.4%
ID	1	6	0.3%
RI	1	1	0.3%
SD	1	10	0.3%
MA	1	2	0.2%
WV	1	1	0.2%
Total	307	2,575	100.0%

Property Acquisitions

Our acquisitions team presents potential transactions to the Real Estate Investment Committee for approval. Subsequent to March 31, 2025, the Board of Directors approved revisions to the thresholds that the Real Estate Investment Committee is required to approve. The Real Estate Investment Committee is now responsible for approving (i) all acquisitions, (ii) the disposition of any single property greater than \$5.0 million, and (iii) the disposition of properties in an aggregate amount up to \$30.0 million in any one calendar quarter, in each case, prior to consulting with our Board of Directors. Further, the Real Estate Investment Committee is responsible for recommending that the full Board of Directors approve, (i) individual property acquisitions or dispositions that exceed \$25.0 million in value, (ii) the acquisition of properties that exceed an aggregate amount of \$150.0 million in any one calendar quarter and (iii) disposition of properties that exceed an aggregate amount of \$30.0 million in any one calendar quarter.

Our Leases

Lease Maturity

Our portfolio was approximately 98.0% leased as of September 30, 2025. Our cash flows from operations are primarily generated through our real estate investment portfolio and the monthly lease payments received under our long-term leases with our tenants. As of September 30, 2025, the ABR weighted average remaining term of our leases was approximately 7.2 years, excluding renewal options, and approximately 96.9 % of such leases (based on ABR) have renewal options remaining. As of September 30, 2025, no more than 11.4 % of our rental revenue was derived from leases that expire in any single year prior to 2030.

Because substantially all of our properties are leased under long-term leases, we are not currently required to perform significant ongoing leasing activities on our properties. We have 1 lease, representing approximately 0.2 % of our ABR, that will expire prior to December 31, 2025, with a tenant renewal option.

The following table presents our lease expirations by year as of September 30, 2025:

(in thousands, except for percentages, Rent per Square Foot, and # of Leases)

Year	ABR	% of ABR	Square Feet	Rent per Square Foot	# of Leases
Remainder of 2025	\$ 159	0.2%	2	\$ 79.50	1
2026	\$ 3,149	5.1%	102	\$ 30.87	20
2027	\$ 7,007	11.4%	385	\$ 18.20	34
2028	\$ 3,893	6.3%	139	\$ 28.01	27
2029	\$ 5,981	9.8%	196	\$ 30.52	32
2030	\$ 6,223	10.2%	190	\$ 32.75	32
2031	\$ 4,717	7.7%	156	\$ 30.24	28
2032	\$ 5,329	8.7%	401	\$ 13.29	24
2033	\$ 2,632	4.3%	82	\$ 32.10	17
2034	\$ 4,142	6.8%	164	\$ 25.26	21
Thereafter	\$ 18,057	29.5%	698	\$ 25.87	83
New Leases ⁽¹⁾	\$ —	—%	15	\$ —	4
Total	\$ 61,289	100.0%	2,530	\$ 24.22	323

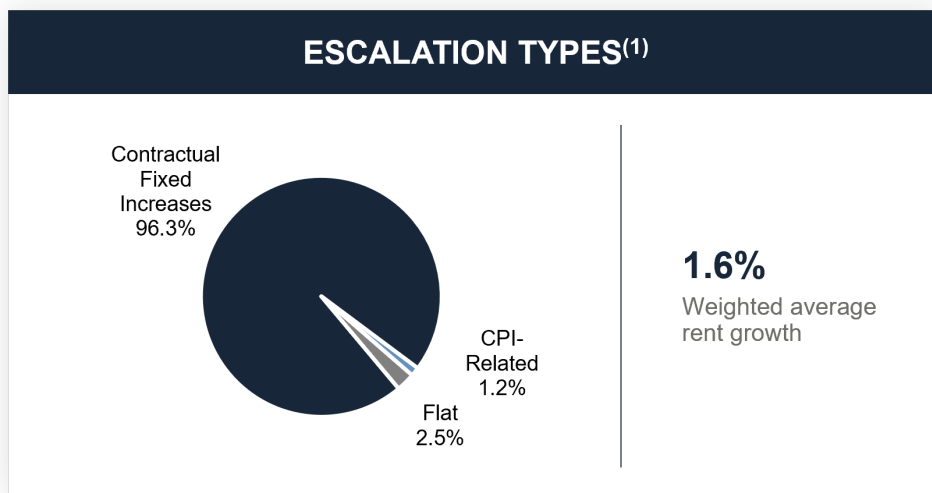
(1) Represents new tenant leases where rent hasn't commenced.

We typically purchase properties that are subject to existing long-term net leases with a variety of remaining lease terms (initial terms of 10 years or more at lease signing that often have renewal options as well). Substantially all of our leases are net leases, meaning our tenant generally is obligated to pay customary expenses associated with the leased property (such as real estate taxes, insurance, maintenance and repairs, and in many cases, capital costs, subject to caps and exclusions in some leases). For the nine months ended September 30, 2025, we incurred an aggregate of approximately \$1.2 million of expenses not reimbursed or paid by our tenants.

Approximately 97.5% of our leases (based on ABR) have rent escalations, including in some cases, pursuant to option terms, and generally ranging from 1.0% to 3.0% annually.

The following chart breaks down the type of rent increase provided in our leases (based on ABR) as of September 30, 2025:

Lease Escalations



(1) Includes contractual rent increases on tenant renewal options to the extent a lease is at the end of its initial term. Approximately 22% escalate annually, 2.5% have no escalations, and the rest escalate over longer periods.

In general, when negotiating a new lease or an amendment to an existing lease in connection with an acquisition, redevelopment or new development, we seek to negotiate, among other things, relatively long lease terms and tenant renewal options; market rents; annual rent escalation provisions; landlord-favorable going dark, assignment, change of control provisions; limited or no exclusive or co-tenancy clauses that favor the tenant and obligations for certain tenants and certain guarantors to periodically provide us with financial information.

In the future, we may seek to use master lease structures where it fits market practice in the particular property type, pursuant to which we seek to lease multiple properties to an individual tenant on an all or none basis. In a master lease structure, a tenant is responsible for a single lease payment relating to the entire portfolio of leased properties, as opposed to multiple lease payments relating to individually leased properties. The master lease structure prevents a tenant from “cherry picking” locations, where it unilaterally gives up underperforming properties while maintaining its leasehold interest in well-performing properties.

Results of Operations

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

Three Months Ended September 30, 2025 Compared to the Three Months Ended September 30, 2024

(unaudited, in thousands, except for percentages)

For the three months ended September 30,

	Successor	Predecessor		
	2025	2024	\$	%
Revenues				
Rental revenues	\$ 16,602	\$ 14,533	\$ 2,069	14%
Interest income on mortgage loans receivable	156	—	156	> 100%
Other income	45	1	44	> 100%
Total revenues	16,803	14,534	2,269	16%
Operating expenses				
Depreciation and amortization	7,351	7,119	232	3%
Property operating expenses	2,209	2,003	206	10%
Property management fees	—	494	(494)	(100)%
Asset management fees	—	1,034	(1,034)	(100)%
General and administrative expenses	3,112	697	2,415	> 100%
Total operating expenses	12,672	11,347	1,325	12%
Other expenses (income)				
Interest expense	4,564	6,463	(1,899)	(29)%
Gain on sale of real estate	(7,583)	—	(7,583)	> (100)%
Impairment loss	1,551	—	1,551	> 100%
Income taxes	52	63	(11)	(17)%
Total other expenses	(1,416)	6,526	(7,942)	> (100)%
Net income (loss)	\$ 5,547	\$ (3,339)	\$ 8,886	> 100%

Rental Revenues

(unaudited, in thousands, except for percentages)

For the three months ended September 30,

	Successor	Predecessor		
	2025	2024	\$	%
Revenues:				
Contractual rental amounts billed	\$ 15,325	\$ 12,678	\$ 2,647	21%
Recovery income	1,804	1,293	511	40%
Adjustment to recognize contractual rental amounts on a straight-line basis	52	187	(135)	(72)%
Variable rental amounts earned	73	798	(725)	(91)%
Above/below market lease amortization, net	(652)	(423)	(229)	(54)%
Total rental revenues	\$ 16,602	\$ 14,533	\$ 2,069	14%

Rental revenues for the three months ended September 30, 2025 increased \$2.1 million compared to September 30, 2024, due to an increase in our portfolio from 278 properties as of September 30, 2024 to 307 properties as of September 30, 2025.

The \$0.5 million increase in recovery income was mainly due to the growth in properties and property expense recovered from tenants during the three months ended September 30, 2025.

The \$0.7 million decrease in variable rental amounts earned was attributable to lease termination fees received for certain properties during the three months ended September 30, 2024.

Interest income on mortgage loans receivable for the three months ended September 30, 2025 increased \$0.2 million compared to September 30, 2024, due to an increase in mortgage loans receivable relating to seller financing in connection with the sale of certain properties.

Operating Expenses

Depreciation and amortization

The \$0.2 million increase in depreciation and amortization for the three months ended September 30, 2025 was primarily due to the growth of our real estate portfolio through new acquisitions in the year ended December 31, 2024 and the nine months ended September 30, 2025.

Property operating expenses

The \$0.2 million increase in property operating expenses for the three months ended September 30, 2025 was mainly due to the increase in the number of properties in our portfolio. Substantially all of our leases are net leases pursuant to which our tenants generally are obligated to pay customary expenses associated with the leased property such as real estate taxes, insurance, maintenance and repairs, and in many cases capital costs. For the three months ended September 30, 2025, we incurred \$0.4 million in aggregate of expenses that were not tenant obligations, which includes non-recurring legal costs and property operating expenses incurred on vacant properties.

Property management and asset management fees

Property management and asset management fees for the three months ended September 30, 2024 were \$0.5 million and \$1.0 million, respectively. On October 2, 2024, the completion of the Internalization terminated the agreements for property management and asset management fees. Following the completion of the Internalization, we no longer pay property management and asset management fees.

General and administrative expenses

The \$2.4 million increase in general and administrative expenses for the three months ended September 30, 2025 is primarily due to the Internalization of management. This increase was mainly comprised of \$1.3 million of employee compensation and \$0.8 million for stock-based compensation incurred during the three months ended September 30, 2025. For the three months ended September 30, 2025, we also incurred \$0.2 million of non-recurring expenses mainly attributable to executive leadership changes and structuring costs as well as \$0.1 million of director fees.

Other expenses and income

Interest expense

Interest expense for the three months ended September 30, 2025 decreased \$1.9 million compared to the three months ended September 30, 2024. The decrease is primarily due to the decrease in debt of \$307.1 million as of September 30, 2025 compared to \$418.3 million as of September 30, 2024 as well as an increase of \$0.3 million in net cash received from derivative settlements.

Gain on sale of real estate

During the three months ended September 30, 2025, we sold 15 properties at a net gain of approximately \$7.6 million. During the three months ended September 30, 2024, we did not sell any properties.

Impairment loss

The following table presents the impairment for the respective periods:

	Successor	Predecessor
	For the three months ended September 30, 2025	2024
(unaudited, in thousands, except number of properties)		
Number of properties	6	—
Carrying value prior to impairment loss	\$ 9,713	\$ —
Fair value	8,162	—
Impairment loss	\$ 1,551	\$ —

During the three months ended September 30, 2025, we recorded an impairment loss of \$1.6 million relating to 6 properties. The amount of impairment fluctuates each period based on existing facts and circumstances. During the three months ended September 30, 2024, we did not record any impairment.

Nine Months Ended September 30, 2025 Compared to the Nine Months Ended September 30, 2024

(unaudited, in thousands, except for percentages)

For the nine months ended September 30,

	Successor	Predecessor		
	2025	2024	\$	%
Revenues				
Rental revenues	\$ 50,206	\$ 44,160	\$ 6,046	14%
Interest income on mortgage loans receivable	164	—	164	> 100%
Other income	230	243	(13)	(5)%
Total revenues	50,600	44,403	6,197	14%
Operating expenses				
Depreciation and amortization	24,622	21,415	3,207	15%
Property operating expenses	7,299	5,694	1,605	28%
Property management fees	—	1,501	(1,501)	(100)%
Asset management fees	—	3,102	(3,102)	(100)%
General and administrative expenses	9,230	2,059	7,171	> 100%
Total operating expenses	41,151	33,771	7,380	22%
Other expenses (income)				
Interest expense	13,708	19,755	(6,047)	(31)%
Gain on sale of real estate	(9,244)	(337)	(8,907)	> (100)%
Impairment loss	4,957	591	4,366	> 100%
Income taxes	348	344	4	1%
Total other expenses	9,769	20,353	(10,584)	(52)%
Net loss	<u>\$ (320)</u>	<u>\$ (9,721)</u>	<u>\$ 9,401</u>	<u>97%</u>

Rental Revenues

(unaudited, in thousands, except for percentages)

For the nine months ended September 30,

	Successor	Predecessor		
	2025	2024	\$	%
Revenues:				
Contractual rental amounts billed	\$ 45,863	\$ 38,569	\$ 7,294	19%
Recovery income	5,904	4,418	1,486	34%
Adjustment to recognize contractual rental amounts on a straight-line basis	460	964	(504)	(52)%
Variable rental amounts earned	283	1,547	(1,264)	(82)%
Above/below market lease amortization, net	(2,304)	(1,338)	(966)	(72)%
Total rental revenues	<u>\$ 50,206</u>	<u>\$ 44,160</u>	<u>\$ 6,046</u>	<u>14%</u>

The \$6.0 million increase in rental revenues for the nine months ended September 30, 2025 was attributable to the growth of our real estate portfolio from 278 properties as of September 30, 2024 to 307 properties as of September 30, 2025.

The \$1.5 million increase in recovery income was mainly due to the growth in properties and property expense recovered from tenants during the nine months ended September 30, 2025.

The \$1.3 million decrease in variable rental amounts earned was attributable to lease termination fees received for certain properties during the nine months ended September 30, 2024.

Interest income on mortgage loans receivable for the nine months ended September 30, 2025 increased \$0.2 million compared to September 30, 2024, due to an increase in mortgage loans receivable relating to seller financing in connection with the sale of certain properties.

Operating Expenses

Depreciation and amortization

The \$3.2 million increase in depreciation and amortization for the nine months ended September 30, 2025 was primarily due to the growth of our real estate portfolio through new acquisitions in the year ended December 31, 2024 and the nine months ended September 30, 2025.

Property operating expenses

The \$1.6 million increase in property operating expenses for the nine months ended September 30, 2025 was mainly due to the increase in the number of properties in our portfolio. Substantially all of our leases are net leases pursuant to which our tenants generally are obligated to pay customary expenses associated with the leased property such as real estate taxes, insurance, maintenance and repairs, and in many cases capital costs. For the nine months ended September 30, 2025, we incurred \$1.2 million in aggregate of expenses that were not tenant obligations, which includes non-recurring legal costs and property operating expenses incurred on vacant properties.

Property management and asset management fees

Property management and asset management fees for the nine months ended September 30, 2024 were \$1.5 million and \$3.1 million, respectively. On October 2, 2024, the completion of the Internalization terminated the agreements for property management and asset management fees. Following the completion of the Internalization, we no longer pay property management and asset management fees.

General and administrative expenses

The \$7.2 million increase in general and administrative expenses for the nine months ended September 30, 2025 is primarily due to the Internalization of management. This increase was mainly comprised of \$3.9 million of employee compensation, and \$1.6 million of stock-based compensation incurred during the nine months ended September 30, 2025. For the nine months ended September 30, 2025, there was also \$1.5 million of non-recurring expenses mainly attributable to executive leadership changes and structuring costs and \$0.2 million of director fees.

Other expenses and income

Interest expense

Interest expense for the nine months ended September 30, 2025 decreased \$6.0 million compared to the nine months ended September 30, 2024. The decrease is primarily due to the decrease in debt of \$307.1 million as of September 30, 2025 compared to \$418.3 million as of September 30, 2024 as well as an increase of \$0.8 million in net cash received from derivative settlements.

Gain on sale of real estate

During the nine months ended September 30, 2025 we sold 25 properties at a net gain of approximately \$4.3 million. We received proceeds for the expropriation of a portion of two properties for a net gain of approximately \$4.7 million. Additionally, we sold a partial interest of one property for a net gain of approximately \$0.2 million. During the nine months ended September 30, 2024, we sold five properties at a net gain of approximately \$0.3 million.

Impairment loss

The following table presents the impairment for the respective periods:

	Successor	Predecessor
	For the nine months ended September 30, 2025	2024
(unaudited, in thousands, except number of properties)		
Number of properties	14	1
Carrying value prior to impairment loss	\$ 41,279	\$ 2,590
Fair value	36,322	1,999
Impairment loss	\$ 4,957	\$ 591

During the nine months ended September 30, 2025, we recorded an impairment loss of \$5.0 million relating to 14 properties. During the nine months ended September 30, 2024, we recorded an impairment loss of \$0.6 million relating to one property. The amount of impairment fluctuates each period based on existing facts and circumstances.

Liquidity and Capital Resources

Liquidity/REIT Requirements

Liquidity is a measure of our ability to meet potential cash requirements, including our ongoing commitments to repay debt, fund our operations, acquire properties, make distributions to our stockholders, and other general business needs. As a REIT, we are required to distribute to our stockholders at least 90% of our taxable income determined without regard to the dividends paid deduction and excluding net capital gain, on an annual basis. As a result, it is unlikely that we will be able to retain substantial cash balances to meet our liquidity needs from our annual taxable income. Instead, we expect to meet our liquidity needs primarily by relying upon external sources of capital, such as borrowings under our debt facilities or additional equity or preferred offerings or other capital raises, which would all be subject to a number of market and other factors in order to be successfully accessible.

Short-term Liquidity Requirements

Our short-term liquidity requirements consist primarily of funds necessary to pay for our operating expenses, including our general and administrative expenses as well as interest payments on our outstanding debt and to pay distributions. Since our portfolio has had a historically strong occupancy level and substantially all of our leases are net leases, we do not currently anticipate making significant capital expenditures or incurring other significant property operating costs (unless vacancies adjust beyond historical norms) that would materially adversely impact short-term financial liquidity. We expect to meet our short-term liquidity requirements primarily from cash and cash equivalents balances, net cash provided by operating activities, and borrowings under our Revolving Credit Facility and Term Loan or through the issuance of debt or equity instruments subject to market conditions.

Long-term Liquidity Requirements

Our long-term liquidity requirements consist primarily of funds necessary to repay debt and to invest in additional revenue generating properties. Debt capital is provided through our Revolving Credit Facility and Term Loan, as well as potentially through the issuance of debt and equity instruments subject to market conditions and Company operating performance. The source and mix of our debt capital in the future will be impacted by market conditions. We plan to prudently balance our debt portfolio with a combination of fixed and floating rate debt and will evaluate opportunities to hedge certain interest rate risk where appropriate.

We expect to meet our long-term liquidity requirements primarily from borrowings under our Revolving Credit Facility and Term Loan, any future debt and equity financings, and proceeds from limited sales of our properties. Our ability to access these capital sources may be impacted by unfavorable market conditions, particularly in the debt and equity capital markets and the real estate market in general, that are outside of our control. In addition, our success will depend on our operating performance, our borrowing restrictions, our degree of leverage, market perceptions of the Company, our access to debt, equity or other capital instruments and other factors. Our acquisition growth strategy significantly depends on our ability to obtain acquisition-financing on favorable terms. We seek to reduce the risk that long-term debt capital may be unavailable to us by strengthening our balance sheet by investing in real estate with creditworthy tenants and lease guarantors, and by maintaining an appropriate mix of debt and equity capitalization.

Capital Resources

As a new publicly traded REIT we plan to access the public equity markets to maintain an appropriate mix of debt and equity in line with our leverage policy, primarily through follow-on equity offerings and eventually through an at-the-market common equity offering program once we are shelf eligible. We anticipate that the net proceeds from any public offerings will be used to repay debt, fund acquisitions, and for other general corporate purposes.

Description of Existing Debt Outstanding

The following is a summary of the material provisions of our Revolving Credit Facility and Term Loan.

Revolving Credit Facility

Upon closing of our IPO, a group of lenders, including JPMorgan Chase Bank, N.A. acting as administrative agent, provided commitments for our Revolving Credit Facility, allowing borrowings of up to \$250.0 million, including \$20.0 million available for issuance of letters of credit. Our Revolving Credit Facility has an initial maturity in October 2027 together with two 12-month extension options, subject to certain conditions, including payment of a 0.125% fee on the aggregate outstanding amount of the revolving commitments.

The Revolving Credit Facility contains a commitment fee of 0.15% per annum if average daily usage in such quarter is over 50% of total revolving commitments and 0.25% per annum if average daily usage in such quarter is equal to or less than 50% of total revolving commitments. Borrowings under our Revolving Credit Facility will bear interest at floating rates based on SOFR plus an applicable margin based on our leverage ratio ranging between 1.20% and 1.75% per annum. On September 16, 2025, we amended the Revolving Credit Facility to bear interest at floating rates based on SOFR plus an applicable margin based on the Company's leverage ratio per annum. As of September 30, 2025, the applicable margin was 1.20%.

The Revolving Credit Facility contains an applicable facility fee based on our credit rating ranging between 0.125% and 0.30% per annum. As of September 30, 2025, the applicable facility fee was 0.30%.

As of September 30, 2025, we had \$141.5 million of available capacity under our Revolving Credit Facility.

Term Loan

Upon closing of our IPO, a group of lenders, including JPMorgan Chase Bank, N.A. as administrative agent, provided commitments for our Term Loan, allowing borrowings of up to \$200.0 million. Our Term Loan is available to be drawn until October 2025 and has an initial maturity of October 2027 together with two 12-month extension options, at our election, subject to certain conditions including payment of a 0.125% fee on the aggregate outstanding principal amount of the Term Loan. On December 30, 2024, we borrowed \$200.0 million from the Term Loan to repay our ABS Notes when they matured in December 2024. Our Term Loan includes a ticking fee of 0.20% per annum on the average daily amount of unfunded term loan commitments.

Borrowings under our Term Loan bear interest at floating rates based on SOFR plus an applicable margin based on our leverage ratio ranging between 1.20% and 1.75% per annum. On September 16, 2025, we amended the Term Loan to bear interest at floating rates based on SOFR plus an applicable margin based on the Company's leverage ratio per annum. As of September 30, 2025, the applicable margin was 1.20%.

Covenants

We are subject to various covenants and financial reporting requirements pursuant to our Revolving Credit Facility and Term Loan. The table below summarizes the applicable financial covenants. If a default or event of default exists, either through default on payments or breach of covenants, we may be restricted from paying dividends to our stockholders in excess of dividends required to maintain our REIT qualification. As of September 30, 2025, we believe we were in compliance with our covenants.

Covenants	Required
Total Leverage Ratio	≤ 60%
Adjusted EBITDA to Fixed Charges Ratio	≥ 1.50 to 1.00
Secured Leverage Ratio	≤ 40%
Unencumbered NOI to Unsecured Interest Expense Ratio	≥ 1.75 to 1.00
Unsecured Leverage Ratio	≤ 60%
Tangible Net Worth	≥ 380,032

Contractual Obligations

The following table provides information with respect to our contractual commitments and obligations as of September 30, 2025. Refer to the discussion in the Liquidity and Capital Resources section above for further discussion over our short and long-term obligations.

(unaudited, in thousands)

Year of Maturity	Revolving Credit Facility (1)	Term Loan (1)	Interest Expense (2)	Dividend (3)	Commitments to Fund Investments (4)	Total
Remainder of 2025	\$ —	\$ —	\$ 4,135	\$ 6,134	\$ 21,058	\$ 31,327
2026	—	—	16,538	—	—	16,538
2027	108,500	200,000	13,782	—	—	322,282
2028	—	—	—	—	—	—
2029	—	—	—	—	—	—
Thereafter	—	—	—	—	—	—
Total	\$ 108,500	\$ 200,000	\$ 34,455	\$ 6,134	\$ 21,058	\$ 370,147

(1) Our Revolving Credit Facility and Term Loan contain two 12-month extension options subject to certain conditions, including the payment of an extension fee equal to 0.125% of the commitments.

(2) Interest expense is projected based on the outstanding borrowings and interest rates in effect as of September 30, 2025.

(3) Amounts include dividends declared as of September 30, 2025 of \$0.215 per Common Stock and OP Unit. Future undeclared dividends are excluded.

(4) Amounts include acquisitions under contract.

Derivative Instruments and Hedging Activities

We are exposed to interest rate risk arising from changes in interest rates on any floating-rate borrowings that we make under our Revolving Credit Facility and Term Loan or other debt or capital instruments that bear interest. Borrowings under our Revolving Credit Facility and Term Loan will bear interest at floating rates based on SOFR plus an applicable margin. Accordingly, fluctuations in market interest rates may increase or decrease our interest expense, which will in turn, decrease or increase our net income and cash flow.

On March 3, 2025, we entered into interest rate swap agreements to manage interest rate risk exposure on the Term Loan. The aggregate notional amount of these contracts is \$200.0 million, and they mature in March 2028. The interest rate swap agreements utilized by us effectively modify our exposure to interest rate risk by converting a portion of our floating-rate debt to a fixed rate of 3.664%, thus reducing the impact of interest-rate changes on future interest expense. The agreements involve the receipt of floating-rate amounts in exchange for fixed-rate interest payments over the life of the agreement without an exchange of the underlying principal amount.

On September 10, 2025, we entered into five sequential interest rate swap agreements to manage interest rate risk exposure on the Revolving Credit Facility, with the first interest rate swap agreement effective September 12, 2025. Each agreement is structured to commence immediately following the maturity of the preceding agreement. The aggregate notional amount on these contracts is \$100.0 million, and they mature in six-month intervals, with the final maturity in March 2028. The interest rate swap agreements utilized by us effectively modifies our exposure to interest rate risk by converting a portion of our floating-rate debt to a weighted average fixed rate of 3.22%, reducing the impact of interest-rate changes on future interest expense. The agreements involve the receipt of floating-rate amounts in exchange for fixed-rate interest payments over the life of the agreement without an exchange of the underlying principal amount.

In the future, we may attempt to manage our interest rate risk by entering into further interest rate swaps or other hedging arrangements. Under these agreements, we will receive monthly payments from the counterparties equal to the related variable interest rates multiplied by the outstanding notional amounts. In turn, we pay the counterparties each month an amount equal to a fixed interest rate multiplied by the related outstanding notional amounts. The intended net impact of these transactions is that we pay a fixed interest rate on our variable-rate borrowings. We have not entered, and do not intend to enter, into derivative or interest rate transactions for speculative purposes.

Cash Flows

Cash and cash equivalents totaled \$19.6 million as of September 30, 2025, as compared to \$9.9 million as of September 30, 2024. The table below shows information concerning cash flows for the nine months ended September 30, 2025, and 2024:

<i>(unaudited, in thousands)</i>	Successor For the nine months ended September 30,		Predecessor For the nine months ended September 30,	
	2025		2024	
Net cash provided by operating activities	\$	25,617	\$	15,272
Net cash (used in) provided by investing activities		(32,851)		7,934
Net cash provided by (used in) financing activities		21,735		(30,440)
Net increase (decrease) in cash and cash equivalents	\$	14,501	\$	(7,234)

The change in net cash provided by operating activities during the nine months ended September 30, 2025 as compared to nine months ended September 30, 2024 was mainly due to growth in our real estate portfolio and increase in rental receipts offset by a decrease in interest expense of approximately \$6.0 million. The remainder of the change in net cash provided by operating activities relates to timing of payment of payables and accrued liabilities

The change in net cash (used in) provided by investing activities was due to 25 properties acquired and 25 properties sold during the nine months ended September 30, 2025, compared to no properties acquired and five properties sold during the nine months ended September 30, 2024.

The increase in net cash provided by (used in) financing activities during the nine months ended September 30, 2025 as compared to the nine months ended September 30, 2024 is mainly due to the proceeds from debt of \$50.0 million, \$10.0 million repayment of debt offset by distributions paid of \$18.3 million. For the nine months ended September 30, 2024, the Company had \$20.9 million of debt repayment and \$6.4 million of distributions paid, in addition to deferred offering costs of \$2.8 million.

Non-GAAP Financial Measures

Our reported results and net earnings per diluted share are presented in accordance with GAAP. We also disclose FFO, AFFO, EBITDA, EBITDAre, Adjusted EBITDAre, Annualized Adjusted EBITDAre, Adjusted NOI, Annualized Adjusted NOI, Adjusted Cash NOI, Annualized Adjusted Cash NOI, Net Debt and Fixed Charge Coverage Ratio, each of which are non-GAAP measures. We believe these non-GAAP financial measures are industry measures used by analysts and investors to compare the operating performance of REITs.

We compute FFO in accordance with the standards established by the Board of Governors of the National Association of Real Estate Investment Trusts (“Nareit”). Nareit defines FFO as GAAP net income or loss adjusted to exclude net gains (losses) from sales of certain depreciated real estate assets, depreciation and amortization expense from real estate assets, gains and losses from change in control, and impairment charges related to certain previously depreciated real estate assets. To derive AFFO, we modify the Nareit computation of FFO to include other adjustments to GAAP net income related to certain non-cash or non-recurring revenues and expenses, including straight-line rents, cost of debt extinguishments, amortization of lease intangibles, amortization of debt issuance costs, amortization of net mortgage premiums, (gain) loss on interest rate swaps and other non-cash interest expense, realized gains or losses on foreign currency transactions, Internalization expenses, structuring and public company readiness costs, extraordinary items, and other specified non-cash items. We believe that such items are not a result of normal operations and thus we believe excluding such items assists management and investors in distinguishing whether changes in our operations are due to growth or decline of operations at our properties or from other factors.

Our leases typically include cash rents that increase through lease escalations over the term of the lease. Our leases do not typically include significant front-loading or back-loading of payments, or significant rent-free periods. Therefore, we find it useful to evaluate rent on a contractual basis as it allows for comparison of existing rental rates to market rental rates. We further exclude costs or gains recorded on the extinguishment of debt, non-cash interest expense and gains, the amortization of debt issuance costs, net mortgage premiums, and lease intangibles, realized gains and losses on foreign currency transactions, Internalization expenses, and structuring and public company readiness costs, as these items are not indicative of ongoing operational results. We use AFFO as a measure of our performance when we formulate corporate goals.

FFO is used by management, investors, and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers, primarily because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We believe that AFFO is a useful supplemental measure for investors to consider because it will help them to better assess our operating performance without the distortions created by one-time cash and non-cash revenues or expenses. FFO and AFFO may not be comparable to similarly titled measures employed by other REITs, and comparisons of our FFO and AFFO with the same or similar measures disclosed by other REITs may not be meaningful. FFO and AFFO should not be considered alternatives to net income as a performance measure or to cash flows from operations, as reported on our statement of cash flows, or as a liquidity measure, and should be considered in addition to, and not in lieu of, GAAP financial measures.

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

The following is a reconciliation of net income (which is the most comparable GAAP measure) to FFO and AFFO:

Reconciliation of net income (loss) to FFO and AFFO

	Successor For the three months ended September 30,		Predecessor For the three months ended September 30,		Successor For the nine months ended September 30,		Predecessor For the nine months ended September 30,	
	2025	2024	2025	2024	2025	2024	2025	2024
<i>(unaudited, in thousands, except per share amounts)</i>								
Net income (loss)	\$ 5,547	\$ (3,339)	\$ (320)	\$ (9,721)				
Depreciation on real property and amortization of real estate intangibles ⁽¹⁾	7,351	7,119	24,622	21,415				
Gain on sale of real estate	(7,583)	—	(9,244)	(337)				
Impairment loss	1,551	—	4,957	591				
Funds from Operations (“FFO”)	\$ 6,866	\$ 3,780	\$ 20,015	\$ 11,948				
Diluted Weighted Average Shares Outstanding	27,835	—	27,828	—				
FFO per share	\$ 0.25	\$ —	\$ 0.72	\$ —				
Straight-line rent adjustments	(52)	(187)	(460)	(964)				
Amortization of financing transaction and discount costs	404	1,053	1,199	3,145				
Amortization of above/below market lease intangibles ⁽²⁾	652	423	2,304	1,338				
Stock-based compensation	750	—	1,565	—				
Lease termination fees ⁽³⁾	—	(747)	—	(1,384)				
Adjustment for structuring and public company readiness costs	50	440	340	514				
Other non-recurring expenses ⁽⁴⁾	159	14	1,123	59				
Adjusted Funds from Operations (“AFFO”)	\$ 8,829	\$ 4,776	\$ 26,086	\$ 14,656				
Diluted Weighted Average Shares Outstanding	27,835	—	27,828	—				
AFFO per share	\$ 0.32	\$ —	\$ 0.94	\$ —				

(1) Includes write-offs of intangibles of \$1.6 million for the nine months ended September 30, 2025 and \$0.3 million for the nine months ended September 30, 2024.

(2) Includes write-offs of \$0.4 million for the nine months ended September 30, 2025.

(3) In 2025, lease termination fees are not adjusted for AFFO purposes. 2024 AFFO figures included an adjustment for lease termination fees.

(4) Other non-recurring expenses include one-time legal expenses, deal pursuit costs and other non-recurring items.

We compute EBITDA as earnings before interest, income taxes and depreciation and amortization. EBITDA is a measure commonly used in our industry. We believe that this ratio provides investors and analysts with a measure of our leverage that includes our operating results unaffected by the differences in capital structures, capital investment cycles and useful life of related assets compared to other companies in our industry. In 2017, Nareit issued a white paper recommending that companies that report EBITDA also report EBITDAre in financial reports. We compute EBITDAre in accordance with the definition adopted by Nareit. Nareit defines EBITDAre as EBITDA (as defined above) excluding gains (loss) from the sales of depreciable property and provisions for impairment on investment in real estate. We believe EBITDA and EBITDAre are useful to investors and analysts because they provide important supplemental information about our operating performance exclusive of certain non-cash and other costs.

EBITDA and EBITDAre are not measures of financial performance under GAAP, and our EBITDA and EBITDAre may not be comparable to similarly titled measures of other companies. You should not consider our EBITDA and EBITDAre as alternatives to net income or cash flows from operating activities determined in accordance with GAAP.

We compute adjusted EBITDAre as EBITDAre for the applicable quarter, as adjusted to (i) reflect all investment and disposition activity that took place during the applicable quarter as if each transaction had been completed on the first day of the quarter, (ii) exclude certain GAAP income and expense amounts that we believe are infrequent and unusual in nature because they relate to unique circumstances or transactions that had not previously occurred and which we do not anticipate occurring in the future, (iii) eliminate the impact of lease termination fees from certain of our tenants, and (iv) exclude non-cash stock-based compensation expense. Annualized Adjusted EBITDAre is calculated by multiplying adjusted EBITDAre for the applicable quarter by four, which we believe provides a meaningful estimate of our current run rate for all of our investments as of the end of the most recently completed quarter given the contractual nature of our long term net leases. You should not unduly rely on this measure as it is based on assumptions and estimates that may prove to be inaccurate. Our actual reported EBITDAre for future periods may be significantly different from our Annualized Adjusted EBITDAre.

Adjusted EBITDAre and Annualized Adjusted EBITDAre are not measurements of performance under GAAP, and our Adjusted EBITDAre and Annualized Adjusted EBITDAre may not be comparable to similarly titled measures of other companies. You should not consider our Adjusted EBITDAre and Annualized Adjusted EBITDAre as alternatives to net income or cash flows from operating activities determined in accordance with GAAP.

Adjusted Net Operating Income ("NOI") and Adjusted Cash NOI are non-GAAP financial measures which we use to assess our operating results. We compute Adjusted NOI as Adjusted EBITDAre and exclude general and administration expenses. We further adjust Adjusted NOI for non-cash revenue components of straight-line rent and other amortization expense to derive Adjusted Cash NOI. We believe Adjusted NOI and Adjusted Cash NOI provide useful and relevant information because they reflect only those income and expense items that are incurred at the property level.

Adjusted NOI and Adjusted Cash NOI are not measurements of financial performance under GAAP and may not be comparable to similarly titled measures of other companies. You should not consider our measures as alternatives to net income or cash flows from operating activities determined in accordance with GAAP.

Annualized Adjusted NOI is calculated by multiplying Adjusted NOI for the applicable quarter by four and Annualized Adjusted Cash NOI is calculated by multiplying Adjusted Cash NOI for the applicable quarter by four. We believe these annualized figures provide a meaningful estimate of our current run rate for all of our investments as of the end of the most recently completed quarter given the contractual nature of our long term net leases. You should not unduly rely on these measures as they are based on assumptions and estimates that may prove to be inaccurate. Our actual reported NOI for future periods may be significantly different from our Annualized Adjusted NOI and Annualized Adjusted Cash NOI.

The following table reconciles net income (which is the most comparable to GAAP measure) to EBITDA, EBITDAre, Adjusted EBITDAre, Adjusted NOI and Adjusted Cash NOI:

Reconciliation of net income to EBITDA, EBITDAre, Adjusted EBITDAre, Adjusted NOI and Adjusted Cash NOI

<i>(unaudited, in thousands)</i>		Three months ended September 30, 2025
Net income		5,547
Depreciation and amortization		8,003
Interest expense		4,564
Income taxes		52
EBITDA		18,166
Gain on sale of real estate		(7,583)
Impairment loss		1,551
EBITDAre		12,134
Adjustment for current period investment activity ⁽¹⁾		154
Adjustment for current period disposition activity ⁽²⁾		(121)
Adjustment for non-cash compensation expense ⁽³⁾		750
Adjustment to exclude non-recurring expenses ⁽⁴⁾		209
Adjustment to exclude net write-offs of accrued rental income		501
Adjusted EBITDAre		13,627
General and administrative, net of non-recurring		2,153
Adjusted Net Operating Income ("NOI")		15,780
Straight-line rental revenue, net		(559)
Adjusted Cash NOI		15,221
Annualized EBITDAre		48,536
Annualized Adjusted EBITDAre		54,508
Annualized Adjusted NOI		63,120
Annualized Adjusted Cash NOI		60,884

(1) Reflects an adjustment to give effect to all acquisitions during the period as if they had been acquired as of the beginning of the period.

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

(3) Reflects an adjustment to exclude non-cash stock-based compensation expense.

(4) Reflects an adjustment to exclude non-recurring expenses, including structuring and public company readiness costs, lease termination fees, legal one-time expenses, and other non-recurring income or expenses.

Net Debt is a non-GAAP financial measure. We define Net Debt as our Gross Debt less cash and cash equivalents. The ratios of Net Debt to EBITDAre and Net Debt to Annualized Adjusted EBITDAre represent Net Debt as of the end of the applicable period divided by EBITDAre or Annualized Adjusted EBITDAre for the period, respectively. We believe that these ratios are useful to investors and analysts because they provide information about Gross Debt less cash and cash equivalents, which could be useful to repay debt, compared to our performance as measured using EBITDAre and Annualized Adjusted EBITDAre, which are described above.

The following table reconciles total debt (which is the most comparable GAAP measure) to Net Debt, and presents the ratios of Net Debt to EBITDAre and Net Debt to Annualized Adjusted EBITDAre:

Reconciliation of total debt to Net Debt and ratio of Net Debt to Annualized EBITDAre and Net Debt to Annualized Adjusted EBITDAre and Fixed Charge Coverage Ratio

<i>(unaudited, in thousands)</i>	As of September 30, 2025
Debt	
Term Loan	\$ 200,000
Revolving Credit Facility	108,500
Gross Debt	308,500
Cash and cash equivalents	(19,595)
Net Debt	\$ 288,905
Leverage Ratios:	
Net Debt to Annualized EBITDAre	6.0x
Net Debt to Annualized Adjusted EBITDAre	5.3x

The Adjusted EBITDA to Fixed Charge Ratio is the ratio of Adjusted EBITDA to fixed charges as of the last day of any fiscal quarter. Adjusted EBITDA is computed as net income adjusted for depreciation and amortization, interest expense, income tax expense, extraordinary or nonrecurring items, fees in connection with debt financing, acquisitions and dispositions and capital markets transactions, non-cash items and equity in net income of unconsolidated subsidiaries minus a reserve for replacements with respect to certain properties. Fixed charges are computed on a consolidated basis as interest expense (excluding amortization of fees paid in cash and discounts and premiums on debt), plus regularly scheduled principal repayments of debt (excluding any balloon or similar payments), plus any preferred dividends payable in cash.

The Annualized Fixed Charges is calculated by multiplying fixed charges for the applicable quarter by four. The Fixed Charge Coverage Ratio is the ratio of Annualized Adjusted EBITDAre to Annualized Fixed Charges. We believe this ratio is useful to investors and analysts as it is used to evaluate our liquidity and ability to obtain financing.

The following table summarizes our fixed charges, and presents Annualized Fixed Charges to Annualized Adjusted EBITDAre:

<i>(unaudited, in thousands)</i>	As of September 30, 2025
Interest Expense	\$ 4,564
Less: Non-cash interest	(404)
Fixed Charges	4,160
Annualized Fixed Charges	\$ 16,640
Annualized Adjusted EBITDAre / Annualized Fixed Charges	3.3x

Critical Accounting Policies and Estimates

The preparation of the historical condensed consolidated financial statements in conformance with GAAP requires management to make estimates and assumptions that are subjective in nature and affect the reported amounts of assets, liabilities, revenues, and expenses as well as other disclosures in the condensed consolidated financial statements. We base our estimates on historical experience and on various other assumptions believed to be reasonable under the circumstances. On an ongoing basis, management evaluates its estimates and assumptions, however, our actual results could differ materially from our estimates. A summary of our significant accounting policies is included in Note 2—Accounting Policies for Financial Statements, contained in the condensed consolidated financial statements included elsewhere in this Form 10-Q. Management believes the following critical accounting policies affect its more significant estimates and assumptions used in the preparation of our condensed consolidated financial statements.

Purchase Price Allocation of Acquired Properties

Upon acquisition of real estate held for investment considered to be an asset acquisition, we capitalized the purchase price (including related acquisition costs) as part of the cost basis. We allocate the purchase price between land, buildings and improvements, site improvements, and identifiable intangible assets and liabilities such as amounts related to in-place leases and origination costs acquired, above- and below-market leases, based upon their fair values. The allocation of the purchase price requires judgment and significant estimates. The fair value of the land and building assets is determined on an as-if-vacant basis.

Above- and below-market leases are based upon a comparison between existing leases upon acquisition and current market rents for similar real estate. The fair value of above- and below-market leases is equal to the aggregate present value of the spread between the contract and the market rate of each of the in-place leases over their remaining term. The fair values of in-place leases and origination costs are determined based on the estimates of carrying costs during the expected lease-up periods and costs that would be incurred to put the existing leases in place under the same market terms and conditions.

We use multiple sources to estimate fair value, including information obtained about each property as a result of our pre-acquisition due diligence and marketing and leasing activities. We also consider information and other factors that impact the determination of fair value such as market conditions, industry conditions that the tenant operates in, characteristics of the real estate (e.g., location, size, value of comparative rental rates, traffic count) and tenant credit profile.

Impairment of Long-Lived Assets

Long-lived assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value of an asset may not be recoverable. If such impairment is present, an impairment loss is recognized based on the excess of the carrying amount of the asset over its fair value. The net recoverable amount represents the undiscounted estimated future cash flow expected to be earned from the long-lived asset. In the case of real estate, the undiscounted estimated future cash flows are based on expected cash flows from the use and eventual disposition of the property. We estimate fair value using data such as operating income, estimated capitalization rates or multiples, and with regards to assets held for sale, negotiated selling price, less estimated costs of disposal.

Impact of Recent Accounting Pronouncements

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

Item 3. Quantitative and Qualitative Disclosures About Market Risk

We are exposed to interest rate risk arising from changes in interest rates on any floating-rate borrowings we make under our Revolving Credit Facility or Term Loan or other debt or other capital instruments that bear interest. Borrowings under our Revolving Credit Facility and Term Loan will bear interest at floating rates based on SOFR plus an applicable margin. Accordingly, fluctuations in market interest rates may increase or decrease our interest expense, which will in turn, decrease or increase our net income and cash flow. In the future, we may manage a portion of our interest rate risk by entering into interest rate swaps or other hedging arrangements. To the extent that we seek to do so, our interest rate risk management strategy will be intended to stabilize cash flow requirements by maintaining interest rate swaps to convert certain variable-rate debt to a fixed rate. We have not entered, and do not intend to enter, into derivative or interest rate transactions for speculative purposes. Refinancing of any of our debt instruments would also be subject to market conditions at the time of such refinancing and our operational performance, which could require principal paydowns and equity injections due to limited financing sources being available at the time.

On March 3, 2025 and September 10, 2025, we entered into interest rate swap agreements to manage interest rate risk exposure on the Term Loan and part of the Revolving Credit Facility, respectively.

As of September 30, 2025 and December 31, 2024, our financial instruments were not exposed to significant market risk due to foreign currency exchange risk or other relevant market rates or prices.

Item 4. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act), that are designed to ensure that information required to be disclosed in our Exchange Act reports is recorded, processed, summarized, and reported within the time periods specified in the SEC's rules and forms, and that such information is accumulated and communicated to our management, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. As of and for the quarter ended September 30, 2025, we carried out an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures, under the supervision and with the participation of management, including our Chief Executive Officer and Chief Financial Officer. Based on the foregoing, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective and were operating at a reasonable assurance level.

Changes in Internal Control Over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Part II – OTHER INFORMATION

Item 1. Legal Proceedings.

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

Item 1A. Risk Factors.

There have been no material changes from the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 20, 2025 and our Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 filed with the SEC on August 14, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

None.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

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

Item 6. Exhibits

No.	Description
3.1	<u>Articles of Amendment and Restatement of FrontView REIT, Inc. (filed as Exhibit 3.1 to the Corporation's Registration Statement on Form S-11 filed September 9, 2024 and incorporated herein by reference)</u>
3.2	<u>Amended and Restated Bylaws of FrontView REIT, Inc. (filed as Exhibit 3.2 to the Corporation's Registration Statement on Form S-11/A filed September 24, 2024 and incorporated herein by reference)</u>
3.3	<u>Amended and Restated Partnership Agreement of FrontView Operating Partnership LP, dated as of October 3, 2024 (filed as Exhibit 10.1 to the Corporation's Current Report on Form 8-K filed October 7, 2024 and incorporated herein by reference)</u>
10.1*	<u>Amendment No. 2 to Credit Agreement, dated as of September 16, 2025, by and among FrontView Operating Partnership LP, as borrower, FVR Subsidiary OP LP, as borrower, JPMorgan Chase Bank, N.A., as administrative agent, and the other lenders and agents party thereto.</u>
31.1*	<u>Certification of Chief Executive Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
31.2*	<u>Certification of Chief Financial Officer pursuant to Rule 13a-14(a) or 15d-14(a) of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u>
32.1*†	<u>Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
32.2*†	<u>Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u>
101.INS	Inline XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH	Inline XBRL Taxonomy Extension Schema Document.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed herewith.

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

SIGNATURES

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

FRONTVIEW REIT, INC.

Date: November 13, 2025

/s/ Stephen Preston

Stephen Preston

Chairman, Chief Executive Officer and President
(Principal Executive Officer)

Date: November 13, 2025

/s/ Pierre Revol

Pierre Revol

Chief Financial Officer
(Principal Financial Officer)