

## ESSENTIAL INCOME REIT

# 2nd Quarter 2025 Report

**August, 2025**

Dear Essential Income REIT Investor,

The Essential Income REIT produced strong operating results during Q2 2025. Your regular monthly distribution was processed on July 15. If you are participating in the REIT's Dividend Reinvestment Program, your dividend was automatically reinvested into additional shares on your behalf.

ExchangeRight's and its affiliates' assets under management grew to \$6.6+ billion in Q2 2025. We are honored to have provided every ExchangeRight investor with monthly distributions that have met or exceeded initial projections across all 116 of our past and current offerings.

During the second quarter, we launched a new webpage with materials about our REIT. We are proud of the enhancements we made both to our website and our materials to provide this information for all of our stakeholders. For more information, please visit the REIT's [new webpage](#). We also have launched a new share class, Class D, specifically tailored for registered investment advisors and custodial platforms, offering a highly competitive fee structure and a streamlined transaction process. We also released new subclasses for our Class ER shares, including ER-I, ER-D, and ER-A shares. Class ER Shares are structured to provide investors with the REIT's tax-efficient monthly income and long-term growth potential, a year-one bonus distribution, and participation in ExchangeRight's performance fee after a targeted five-year hold.

During the quarter, Fifth Third Bank increased its commitment to the Essential Income REIT's revolving line of credit by \$35 million, raising our total committed capacity to \$135 million with the potential for expansion to \$400 million. Subsequent to quarter end, we added another \$15 million commitment from Renasant Bank, raising our total committed capacity to \$150 million. These strategic allocations provide greater financial flexibility for future acquisitions and portfolio financing optimization, underscoring the strong confidence our banking partners have in the REIT's disciplined strategy and consistent performance.

ExchangeRight leadership presented a Q2 Investor Update last month, sharing performance details for the second quarter of 2025, including new business developments, asset management highlights, and the latest progress on the execution of our aggregation strategy. The presentation also covered how ExchangeRight's top tenants continue to produce recession-resilient results and are delivering consistent rental performance in the current macroeconomic environment. To watch a recording of the presentation, please click the button below.

**WATCH RECORDING**

*password: strength777*

## Portfolio and Business Development Updates

The NAV of the Essential Income REIT has been declared at \$27.17 per share, based in part on an independent real estate valuation of the REIT's real estate by KPMG combined with its other assets and liabilities as of June 30, 2025.

As part of its portfolio optimization strategy, in Q2 the Essential Income REIT acquired 9 net-leased properties totaling 264,510 square feet and sold 14 net-leased properties totaling 118,404 square feet. These transactions resulted in an increase in the portfolio's weighted average lease term and brings the REIT's total asset value to more than \$1.3 billion diversified across 359 net-leased properties, 39 national creditworthy tenants, 34 states, and 5.3 million square feet as of June 30, 2025.

The REIT's Dividend Reinvestment Program ("DRIP") continues to attract investors and grow quarter over quarter, providing investors with the opportunity to compound their returns. The program allows investors to automatically reinvest their monthly dividends to acquire additional shares of the REIT at a discount to the REIT's most recent quarterly NAV. If you are not yet participating in this program and would like to do so, please reach out to your advisor or representative, or to our Investor Relations department to learn more.

Should you have any questions, please contact our Investor Relations department at (855) 379-8172 or [investors@exchangeright.com](mailto:investors@exchangeright.com). Our Investor Relations department's operating hours are Monday through Friday, 9 a.m. to 5 p.m. CT.

Best regards,  
ExchangeRight Real Estate



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