

ESSENTIAL INCOME REIT CLASS I

1st Quarter 2025 Report

April, 2025

Dear Essential Income REIT Class I Investor,

The Essential Income REIT produced strong results during Q1 2025. Your regular monthly distribution was processed on April 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 over \$6.4 billion in Q1 2025. We are honored to have provided ExchangeRight investors with monthly distributions that have met or exceeded initial projections on all 111 of our past and current offerings. Past performance does not guarantee future results.

The Essential Income REIT achieved 9.84%–14.33% tax-equivalent yields on 2024 distributions. The company's calculations of tax-equivalent yield assume an investment that would have been made for the full year at the REIT's current offering price, with a 37% federal income tax rate, an 8% state income tax rate, and a 3.8% Medicare surtax. The Essential Income REIT's 2024 distributions were reported as 62.24% nontaxable for federal and state income tax purposes (1099-DIV). The Section 199A deduction for REITs further decreased the federal taxable income for 2024 by 20% of the remaining taxable amount.

Earlier this month, ExchangeRight leadership presented a Q1 Investor Update, sharing the company's performance in the first 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 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 \$27.37 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 March 31, 2025.

As part of its aggregation strategy, in Q1 the Essential Income REIT acquired 2 net-leased properties totaling 45,073 square feet. This latest acquisition brings the REIT's total asset value to more than \$1.3 billion diversified across 364 net-leased properties, 39 national creditworthy tenants, 34 states, and 5.2 million square feet as of March 31, 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 Investor Relations to learn more.

Should you have any questions, please contact our Investor Relations department at (855) 379-8172 or 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



Joshua Ungerecht
Managing Partner



Warren Thomas
Managing Partner



David Fisher
Managing Partner

CASH FLOW AND VALUE DIVERSIFIED BY



PROPERTY



LOCATION



TENANT



INDUSTRY



LEASE TERM



DEBT TERM