

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

FORM 10-K

ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the fiscal year ended December 31, 2025

OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934  
For the transition period from \_\_\_\_\_ to \_\_\_\_\_.

Commission file number: 000-51948



**JLL Income Property Trust, Inc.**

(Exact name of registrant as specified in its charter)

**Maryland**

(State or other jurisdiction of incorporation or organization)

**20-1432284**

(I.R.S. Employer Identification Number)

**333 West Wacker Drive, Chicago, IL, 60606**

(Address of principal executive offices, including Zip Code)

Registrant's telephone number, including area code: **(312) 897-4000**

**Securities registered pursuant to Section 12(b) of the Act: None**

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

Title of each class

Class A Common Stock, \$0.01 par value  
Class M Common Stock, \$0.01 par value  
Class A-I Common Stock, \$0.01 par value  
Class M-I Common Stock, \$0.01 par value  
Class D Common Stock, \$0.01 par value  
Class I Common Stock, \$0.01 par value  
Class N Common Stock, \$0.01 par value  
Class S Common Stock, \$0.01 par value  
Class Z Common Stock, \$0.01 par value

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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  Emerging growth company   
Non-accelerated filer  Smaller reporting 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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

As of June 30, 2025, the last business date of the registrant's most recently completed second fiscal quarter, the aggregate market value of the 84,804,910 shares of Class A common stock, 20,059,585 shares of Class M common stock, 2,620,819 shares of Class A-I common stock, 100,786,372 shares of Class M-I common stock and 11,133,373 shares of Class N common stock held by non-affiliates of the registrant was \$962,693, \$228,024, \$29,834, \$1,145,091, and \$126,334 for Class A, Class M, Class A-I, Class M-I and Class N shares, respectively, based upon the last net asset value of \$11.35, \$11.37, \$11.38, \$11.36 and \$11.35 per share for Class A, Class M, Class A-I, Class M-I and Class N shares, respectively. As of June 30, 2025, the registrant had not authorized or issued any Class D, Class I, Class S or Class Z shares of common stock.

As of March 26, 2026, there were 75,951,525 shares of Class A common stock, 19,202,640 shares of Class M common stock, 2,757,830 shares of Class A-I common stock, 96,347,074 shares of Class M-I common stock, 0 shares of Class D common stock, 743,554 shares of Class I common stock, 11,133,373 shares of Class N common stock, 926,478 shares of Class S common stock, 0 shares of Class Z common stock outstanding.

### **DOCUMENTS INCORPORATED BY REFERENCE**

Part III of this Annual Report on Form 10-K incorporates by reference specified portions of the registrant's proxy statement, which will be filed no later than April 30, 2026 with the Securities and Exchange Commission pursuant to Regulation 14A in connection with the registrant's 2026 Annual Meeting of Stockholders.

## Risk Factor Summary

*We are subject to numerous risks and uncertainties that could cause our actual results and future events to differ materially from those set forth or contemplated in our forward-looking statements, including those summarized below. The following list of risks and uncertainties is only a summary of some of the most important factors and is not intended to be exhaustive. This risk factor summary should be read together with the more detailed discussion of risks and uncertainties set forth under "Item 1A. Risk Factors" in this Annual Report on Form 10-K (this "Form 10-K").*

### **Risks Related to Investment in Shares of Our Common Stock**

- There is no public trading market for shares of our common stock; therefore, the ability of our stockholders to dispose of their shares will likely be limited to the repurchase of shares by us which generally will not be available during the first year after the purchase. If stockholders do sell their shares to us, they may receive less than the price paid.
- Our ability to repurchase shares may be limited, and our board of directors may modify or suspend our share repurchase plan at any time.
- We have a history of operating losses and cannot assure you that we will sustain profitability.
- The availability, timing and amount of cash distributions to you is uncertain.
- Your overall return may be reduced if we pay distributions from sources other than our cash from operations.
- Your purchase price may be more or less than the actual net asset value ("NAV") if our NAV is incorrectly calculated.
- Our NAV per share may suddenly change if the appraised values of our properties materially change from prior appraisals or the actual operating results for a particular month differ from what we originally budgeted for that month.
- The NAV per share that we publish may not necessarily reflect changes in our NAV that are not immediately quantifiable.

### **Risks Related to Conflicts of Interest**

- Our Advisor will face a conflict of interest with respect to the allocation of investment opportunities and competition for tenants between us and other real estate programs that it advises.
- Our Advisor faces a conflict of interest because the fees it receives for services performed are based on our NAV, for which our Advisor is ultimately responsible for calculating.
- Our Advisor's management personnel face conflicts of interest relating to time management and there can be no assurance that our Advisor's management personnel will devote adequate time to our business activities or that our Advisor will be able to hire adequate additional employees.

### **Risks Related to Adverse Changes in General Economic Conditions**

- Changes in economic and capital markets conditions, including periods of generally deteriorating real estate industry fundamentals, may significantly affect our results of operations and returns to our stockholders.
- Any market deterioration may cause the value of our real estate investments to decline.
- Economic events that may cause our stockholders to request that we repurchase their shares may materially adversely affect our cash flow and our ability to achieve our investment objectives.
- Inflation or deflation may adversely affect our financial condition and results of operations.

### **Risks Related to Our General Business Operations and Our Corporate Structure**

- We depend on our Advisor and the key personnel of our Advisor and we may not be able to secure suitable replacements in the event that we fail to retain their services.
- Our Advisor's inability to retain the services of key real estate professionals could negatively impact our performance.
- We may change our investment and operational policies without stockholder consent.
- Cybersecurity risks and data protection could result in the loss of data, interruptions in our business, damage to our reputation, and subject us to regulatory actions, increased costs and financial losses, each of which could have a material adverse effect on our business and results of operations.

### **Risks Related to Investments in Real Property**

- We depend on tenants for our revenue, and accordingly, lease terminations and/or tenant defaults, particularly by one of our significant tenants, could adversely affect the income produced by our properties, which may harm our operating performance, thereby limiting our ability to pay distributions to our stockholders.
- Our revenues will be significantly influenced by the economies and other conditions of the healthcare, industrial, residential, retail and other markets in general and the specific geographic markets in which we operate where we have high concentrations of these types of properties.
- Our operating results are affected by economic and regulatory changes that impact the real estate market in general.
- Our retail properties may decline in rental revenue and/or occupancy as a result of co-tenancy provisions contained in certain tenants' leases.
- We face considerable competition in the leasing market and may be unable to renew existing leases or re-let space on terms similar to the existing leases, or we may expend significant efforts to re-let space, which may adversely affect our operating results.
- Competition in acquiring properties may reduce our profitability and the return on your investment.

### **Risks Related to Investments in Real Estate-Related Assets**

- Our investments in real estate-related assets will be subject to the risks related to the underlying real estate.
- The real estate-related equity securities in which we may invest are subject to specific risks relating to the particular issuer of the securities and may be subject to the general risks of investing in subordinated real estate securities.
- The value of the real estate-related securities that we may invest in may be volatile.
- We may invest in mezzanine debt, which is subject to greater risks of loss than senior loans secured by real properties, and may result in losses to us.
- We may invest in an illiquid securities portfolio, and we may not be able to adjust our portfolio in response to changes in economic and other conditions.
- Interest rate and related risks may cause the value of our real estate-related assets to be reduced.

### **Risks Related to Debt Financing**

- We have incurred and are likely to continue to incur mortgage or other indebtedness, which may increase our business risks, could hinder our ability to pay distributions and could decrease the value of your investment.
- Renewed uncertainty and volatility in the credit markets could affect our ability to obtain debt financing on reasonable terms, or at all, which could reduce the number of properties we may be able to acquire and the amount of cash distributions we can make to our stockholders.
- Increases in interest rates could increase the amount of our loan payments and adversely affect our ability to pay distributions to our stockholders.
- If we draw on our line of credit to fund repurchases or for any other reason, our financial leverage ratio could increase beyond our target.
- Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to pay distributions to our stockholders.

### **Federal Income Tax Risks**

- Failure to qualify as a real estate investment trust ("REIT") would have significant adverse consequences to us.
- Legislative, regulatory or administrative changes could adversely affect us or our stockholders.
- To maintain our REIT status, we may have to borrow funds on a short-term basis during unfavorable market conditions.
- Compliance with REIT requirements may cause us to forego otherwise attractive opportunities, which may hinder or delay our ability to meet our investment objectives and reduce your overall return.
- We may be subject to tax liabilities that reduce our cash flow and our ability to pay distributions to you even if we qualify as a REIT for federal income tax purposes.
- Our board of directors is authorized to revoke our REIT election without stockholder approval, which may cause adverse consequences to our stockholders.

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### **Cautionary Note Regarding Forward-Looking Statements**

This Form 10-K may contain forward-looking statements within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), regarding, among other things, our plans, strategies and prospects, both business and financial. Forward-looking statements include, but are not limited to, statements that represent our beliefs concerning future operations, strategies, financial results or other developments. Forward-looking statements can be identified by the use of forward-looking terminology such as, but not limited to, “may,” “should,” “expect,” “anticipate,” “estimate,” “would be,” “believe,” or “continue” or the negative or other variations of comparable terminology. Because these forward-looking statements are based on estimates and assumptions that are subject to significant business, economic and competitive uncertainties, many of which are beyond our control or are subject to change, actual results could be materially different. Although we believe that our plans, intentions and expectations reflected in or suggested by these forward-looking statements are reasonable, we cannot assure you that we will achieve or realize these plans, intentions or expectations. Forward-looking statements are inherently subject to risks, uncertainties and assumptions. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date this Form 10-K is filed with the Securities and Exchange Commission (“SEC”). Except as required by law, we do not undertake any obligation to update or revise any forward-looking statements contained in this Form 10-K. Important factors that could cause actual results to differ materially from the forward-looking statements are disclosed in “Item 1A. Risk Factors,” “Item 1. Business” and “Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

### **Presentation of Dollar Amounts**

Unless otherwise noted, all dollar amounts, except per share dollar amounts, reported in this Form 10-K are in thousands.

## PART I

### Item 1. Business.

#### GENERAL

*Except where the context suggests otherwise, the terms “we,” “us,” “our” and the “Company” refer to JLL Income Property Trust, Inc. The terms “Advisor” and “LaSalle” refer to LaSalle Investment Management, Inc.*

JLL Income Property Trust, Inc. is an externally advised, daily valued perpetual life REIT that owns and manages a diversified portfolio of healthcare, industrial, residential, retail and other properties and real estate-related assets located in the United States. Over time, our real estate portfolio may be further diversified through the acquisition of properties and real estate-related assets outside of the United States. We were incorporated on May 28, 2004 under the laws of the State of Maryland. We believe that we have operated in such a manner to qualify to be taxed as a REIT for federal income tax purposes commencing with the taxable year ended December 31, 2004, when we first elected REIT status. As of December 31, 2025, we owned interests in a total of 140 properties and 2,440 single-family rental houses located in 27 states.

We own substantially all of our assets through JLLIPT Holdings, LP, a Delaware limited partnership (our “operating partnership”), of which we are a limited partner. JLLIPT Holdings GP, LLC, our wholly owned subsidiary, is the sole general partner. The use of our operating partnership to hold substantially all of our assets is referred to as an Umbrella Partnership Real Estate Investment Trust (“UPREIT”). By using an UPREIT structure, a property owner who desires to defer taxable gain on the disposition of his or her property may transfer the property to our operating partnership in exchange for limited partnership interests in the operating partnership (“OP Units”) and defer taxation of gain until the OP Units are disposed of in a taxable transaction. As of December 31, 2025, we raised aggregate proceeds from the issuance of OP Units in our operating partnership of \$1,097,417, and owned directly or indirectly 71.5% of the OP Units of our operating partnership. The remaining 28.5% of the OP Units are held by third parties.

On October 1, 2012, we commenced our initial public offering of common stock and since that time we have offered shares of our common stock in various public offerings registered with the SEC. On June 6, 2025, our most recent public offering (the “Current Public Offering”) of up to \$1,500,000 in any combination of shares of our Class A, Class M, Class A-I and Class M-I common stock was declared effective by the SEC. As of December 31, 2025, we have raised aggregate gross proceeds from the sale of shares of our common stock in our public offerings of approximately \$4,300,000, with approximately \$124,200 raised in the Current Public Offering. We intend to continue to offer shares of our common stock on a continuous basis for an indefinite period of time by filing a new registration statement before the end of each offering.

In addition to our public offerings, on March 3, 2015, we commenced a private offering exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”) and Regulation D promulgated thereunder of up to \$350,000 in shares of our Class N (formerly Class D) common stock with an indefinite duration (the “Class N Private Offering”). As of December 31, 2025, we have raised aggregate gross proceeds of \$98,188 in the Class N Private Offering.

On October 7, 2025, we commenced a continuous private offering (the “Continuous Private Offering”) of four new classes of common stock, each with par value \$0.01 per share: Class D, Class I, Class S, and Class Z common stock. The Continuous Private Offering is exempt from registration under the Securities Act pursuant to Rule 506(b) of Regulation D. In connection with the Continuous Private Offering, we (i) renamed our previous Class D common stock as Class N common stock; (ii) renamed Class D OP Units as Class N OP Units, Class A OP Units as Class S OP Units, Class A-I OP Units as Class D OP Units, Class M OP Units as Class Z OP Units, and Class M-I OP Units as Class I OP Units; and (iii) updated our DST Program so that Class S OP Units, Class D OP Units, Class Z OP Units and Class I OP Units may be issued in exchange for DST interests and that subsequently Class D shares, Class I shares, Class S shares and Class Z shares may be issued in exchange for such OP Units. As of December 31, 2025, we have raised aggregate gross proceeds of \$6,696,000 in the Continuous Private Offering.

In addition, on October 16, 2019, through our operating partnership, we initiated a program (the “DST Program”) and on August 6, 2024 our board of directors approved an increase to raise up to a total of \$3,000,000 in private placements exempt from registration under Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder, through the sale of beneficial interests to accredited investors in specific Delaware statutory trusts (“DSTs”) holding real properties (“DST Properties”), which may be sourced from our real properties or from third parties. As of December 31, 2025, we have raised approximately \$2,300,000 of aggregate gross proceeds from our DST Program.

From our inception to December 31, 2025, we have received approximately \$7,583,000 in gross offering proceeds from various public and private offerings of shares of our common stock, issuance of OP Units as well as aggregate gross proceeds from our DST Program.

As of December 31, 2025, 79,656,280 shares of Class A common stock, 19,403,439 shares of Class M common stock, 2,668,862 shares of Class A-I common stock, 98,568,618 shares of Class M-I common stock, 0 shares of Class D common stock, 272,469 shares of Class I common stock, 11,133,373 shares of Class N common stock, 317,022 Class S common stock, and 0 Class Z common stock were outstanding and held by a total of 19,721 stockholders.

LaSalle acts as our external advisor pursuant to the advisory agreement among us, our operating partnership and LaSalle (the "Advisory Agreement"). The term of our Advisory Agreement expires June 5, 2026, subject to an unlimited number of successive one-year renewals. Our Advisor, a registered investment advisor with the SEC, has broad discretion with respect to our investment decisions and is responsible for selecting our investments and for managing our investment portfolio pursuant to the terms of the Advisory Agreement. Our executive officers are employees of, and compensated by, our Advisor. We have no employees, as all operations are managed by our Advisor.

LaSalle is a wholly owned but operationally independent subsidiary of Jones Lang LaSalle Incorporated ("JLL" or our "Sponsor"), a New York Stock Exchange-listed leading professional services firm that specializes in real estate and investment management. As of December 31, 2025, JLL and its affiliates owned an aggregate of 2,521,801 Class M-I shares and 8,726,003 Class N shares, all of which were issued for cash at a price equal to the most recently reported NAV per share as of the purchase date and have a current value of approximately \$126,589.

## ***INVESTMENT OBJECTIVES AND STRATEGY***

### **Investment Objectives**

Our primary investment objectives are:

- to generate an attractive level of current income for distribution to our stockholders;
- to preserve and protect our stockholders' capital investments;
- to achieve appreciation of our NAV over time; and
- to enable stockholders to utilize real estate as an asset class in diversified, long-term investment portfolios.

We cannot assure you that we will achieve our investment objectives. Our charter places numerous limitations on us with respect to the manner in which we may invest our funds. In most cases, these limitations cannot be changed unless our charter is amended, which may require the approval of our stockholders.

### **Investment Strategy**

The cornerstone of our investment strategy is to acquire and manage income-producing real estate properties and real estate-related assets around the world. We believe this strategy will enable us to provide stockholders with a portfolio that is well-diversified across property type, geographic region and industry, both in the United States and internationally. It is our belief that adding international investments to our portfolio over time will serve as an effective tool to construct a well-diversified portfolio designed to provide our stockholders with stable distributions and attractive long-term risk-adjusted returns.

We believe that our broadly diversified portfolio will benefit our stockholders by providing:

- diversification of sources of income;
- access to attractive real estate opportunities currently in the United States and, over time, around the world; and
- exposure to a return profile that should have lower correlations with other investments.

Since real estate markets are often cyclical in nature, our strategy will allow us to more effectively deploy capital into property types and geographic regions where the underlying investment fundamentals are relatively strong or strengthening and away from those property types and geographic regions where such fundamentals are relatively weak or weakening. We intend to meet our investment objectives by selecting investments across multiple property types and geographic regions to achieve portfolio stability, diversification, current income and favorable risk-adjusted returns. To a lesser degree, we also invest in debt and equity interests backed principally by real estate, which we refer to collectively as “real estate-related assets.”

We will leverage LaSalle's broad real estate research and strategy platform and capabilities to employ a research-based investment philosophy focused on building a portfolio of real estate properties and real estate-related assets that we believe have the potential to provide stable income streams and outperform market averages over an extended holding period. Furthermore, we believe that having access to LaSalle and JLL's international organization and platform, with real estate professionals living and working full time throughout our global target markets, will be a valuable resource to us when considering and executing upon international investment opportunities.

### **Investment Portfolio Allocation Targets**

Our board of directors has adopted investment guidelines for our Advisor to implement and actively monitor in order to allow us to achieve and maintain diversification in our overall investment portfolio. Our board of directors formally reviews our investment guidelines on an annual basis and our investment portfolio on a quarterly basis or, in each case, more often as they deem appropriate. Our board of directors will review the investment guidelines to ensure that the guidelines are being followed and are in the best interests of our stockholders. Each such determination and the basis therefore shall be set forth in the minutes of the meetings of our board of directors. Changes to our investment guidelines must be approved by our board of directors, including a majority of our independent directors, and do not require notice to or the vote of our stockholders.

We will seek to invest:

- up to 95% of our assets in properties;
- up to 25% of our assets in real estate-related assets; and
- up to 15% of our assets in cash, cash equivalents and other short-term investments.

Notwithstanding the above, the actual percentage of our portfolio that is invested in each investment type may from time to time be outside the target levels provided above due to factors such as a large inflow of capital over a short period of time, a lack of attractive investment opportunities or an increase in anticipated cash requirements for repurchase requests.

### **Sustainability and Climate Risk**

We actively work to promote our growth and operations in a sustainable and responsible manner across our portfolio. Our sustainability strategy focuses on delivering long-term value to our stockholders while operating our properties in a manner to contribute to positive outcomes for our tenants and the communities we serve.

We tailor our approach to each asset, working to protect and enhance financial returns today and in the future. We examine a range of sustainability factors for each asset that have the potential to enhance accretive value drivers, such as tenant marketability, lower operating expenses and greater appeal to future buyers, as well as to fortify defensive value protectors, such as regulatory compliance, physical climate risk and insurance premium risk, among others. The relative importance of these factors for any given investment opportunity will vary for many reasons including but not limited to the investment type, market, sector, tenant profile, the expected investment period and the local regulatory environment. By tailoring our approach, our Advisor aims to develop an action plan to maximize the financial performance of our investments. This sustainability strategy complements our investment strategy and furthers our core investment thesis.

LaSalle's dedicated sustainability team consists of a global head of climate and a sustainability officer for each of LaSalle's four business segments, with additional staff supporting each. This well-established, highly experienced in-house global team is comprised of 17 full-time employees, as well as six employees spending a portion of their time, dedicated to driving the implementation of sustainability work and goals. The team supporting us receives strategic guidance from LaSalle's Americas Sustainability Committee, and support from business segment task forces in asset management and due diligence. The sustainability team directly advises and supports us on an ongoing basis and regularly joins fund and asset sector team meetings. The asset management team is directly responsible for the implementation of efficiency projects at their properties, with the sustainability team directly advising and supporting on an ongoing basis.

We are focused on acquiring and maintaining high-performing, resilient properties that fit our investment strategy, while simultaneously looking for ways to mitigate operational costs and the potential external impacts of energy, water, waste, and climate change. Sustainability factors are incorporated throughout the investment lifecycle. Prior to the acquisition of a property, our Advisor collects key sustainability and climate risk information at the allocations stage, and then conducts an in-depth investigation as part of the due diligence process. During ownership, we actively pursue resource efficiency projects across the portfolio, and obtain sustainability certifications at properties as warranted by market demand.

Every year, our Advisor considers the energy performance level of each property and the sustainability related capital and operating activities are integrated into the annual budget process. In order to identify opportunities to increase efficiency, our Advisor conducts energy audits on properties located in jurisdictions with sustainability regulations, as well as on properties with low energy performance or with significant planned capital work that will impact energy-using systems.

Climate change is a risk to us, our tenants and our other stakeholders and will require us to evaluate these risks in our long-term strategic business decisions. The risks that are focus areas for us include transitional risks such as policy, market, technology and reputational concerns, as well as physical risks such as severe weather.

Our Advisor addresses climate risk by evaluating climate change scenarios and adapting its acquisition and portfolio review processes to address climate change vulnerabilities resulting from potential future climate scenarios. Physical and transition risks that may result from climate change could have a material adverse effect on our properties, operations and business. Our role in assessing and managing these climate-related risks and initiatives is spread across multiple teams within our Advisor, including executive leadership and the sustainability team, acquisitions, risk management, asset management, legal and compliance and research departments.

In 2018, we became the first NAV REIT to submit to Global Real Estate Sustainability Benchmark, a leading global provider of real estate environmental, social and governance benchmarking and performance assessments. Over the past year, twenty-three energy efficiency related capital and operational projects were completed across the portfolio, including ENERGY STAR appliance installations, LED lighting, submetering, cooling tower rebuilds, HVAC, water heater replacements, low-flow water fixtures, and roof replacements. In 2025, we rolled out a standardized pool efficiency policy to reduce energy use through consistent seasonal operations and temperature setpoints. The Huntington and The Tremont's solar installation is now operational and generated an annual rent revenue of \$29 in 2025. The on-site solar project at Rancho Temecula Town Center was also completed this year and generated \$8 in partial year rent (annual rent will be \$18 with 2% escalation). In addition, our properties achieved or maintained BREEAM In-Use Certifications for 29 buildings, 7 LEED Certifications, 23 ENERGY STAR Certifications, and 32 WELL Health Safety Ratings.

### ***INVESTMENT POLICIES***

We may invest in real estate directly or indirectly through interests in corporations, limited liability companies, partnerships and joint ventures having an equity interest in real property, real estate investment trusts, ground leases, tenant in common interests, mortgages, participating mortgages, convertible mortgages, second mortgages, mezzanine loans or other debt interests convertible into equity interests in real property, options to purchase real estate, real property purchase-and-leaseback transactions and other transactions and investments with respect to real estate.

We intend to use financial leverage to provide additional funds to support our investment activities. We expect to maintain a targeted company leverage ratio (calculated as our share of total liabilities (excluding future stockholder servicing and dealer manager fees) divided by our share of the fair value of total assets) of between approximately 30% and 50%. Our company leverage ratio was 32% at December 31, 2025 and 34% at December 31, 2024. We intend to continue to use portions of the proceeds from our offerings to retire certain borrowings as they mature or become available for repayment or when doing so is beneficial to achieving our investment objectives. We are precluded from borrowing more than approximately 75% of the sum of the cost of our investments (before non-cash reserves and depreciation), which is based upon the limit specified in our charter that borrowing may not exceed 300% of the cost of our net assets. "Net assets" is defined as our total assets, other than intangibles, valued at cost (prior to deducting depreciation and amortization, reserves for bad debts and other non-cash reserves) less total liabilities. However, we may temporarily borrow in excess of these amounts if such excess is approved by a majority of our board, including a majority of our independent directors, and disclosed to stockholders in our next quarterly report, along with justification for such excess. In such event, we will review our debt levels at that time and take action to reduce any such excess as soon as practicable. As of December 31, 2025, we are in compliance with the charter limitations on our indebtedness.

## **Investments in Properties**

We generally invest in properties located in large metropolitan areas that are well-leased with a stable tenant base and that are expected to generate predictable income. However, we may make investments in properties with other characteristics if we believe that the investments have the potential to enhance portfolio diversification or investment returns, as further described below under “Value Creation Opportunities.” There is no limitation on the amount we may invest in any single property.

We intend to manage risk through constructing and managing a broadly diversified portfolio of properties in developed markets around the world. We believe that a broadly diversified investment portfolio may offer stockholders significant benefits for a given level of risk relative to a more concentrated investment portfolio. In addition, we believe that assembling a diversified tenant base by investing in multiple properties and property types across multiple markets and geographic regions may mitigate the economic impacts associated with releasing properties or tenants potentially defaulting under their leases, as lease revenues represent the primary source of income from our real estate investments.

We will focus on acquiring and managing a portfolio of properties that provides tenants and residents with modern functionality and location desirability in order to avoid near-term obsolescence. We will generally invest in well-designed buildings that we believe present an attractive appearance, have been and are properly maintained and require minimal capital improvements in the near term. We generally do not intend to materially invest in higher risk properties in need of significant renovation, development or new construction; however, we may invest in these types of properties if we believe attractive risk-adjusted investment returns can be achieved through proactive management techniques or value-add programs, as further described below under “Value Creation Opportunities.”

Our board of directors is responsible for determining the consideration we pay for each property we acquire. However, our board has adopted investment guidelines that delegate this authority to our Advisor, so long as our Advisor complies with these investment guidelines. The investment guidelines limit the types of properties and investment amounts that may be acquired or disposed of without the specific approval of our board of directors. Our board of directors may change from time to time the scope of authority delegated to our Advisor.

Subject to limitations contained in our charter, we may issue, or cause to be issued, shares of our stock or OP Units in any manner (and on such terms and for such consideration) in exchange for real estate. Our existing stockholders have no preemptive rights to purchase any such shares of our stock or OP Units, and any such issuance might cause a dilution of a stockholder’s initial investment. We may enter into additional contractual arrangements with contributors of property under which we would agree to repurchase a contributor’s units for shares of our common stock or cash, at the option of the contributor, at specified times.

## **Global Target Markets**

In general, we seek to invest in properties in well-established locations within larger metropolitan areas and with the potential for above average population or employment growth. Although we have focused, and expect to continue to focus, on investing primarily in developed markets throughout the United States, we may also invest a substantial portion of the proceeds of our offerings in markets outside of the United States. We believe that investments in international markets that meet our investment objectives and guidelines will contribute materially to the diversification of our portfolio, the ability for us to identify favorable income-generating investments and the potential for achieving attractive long-term risk-adjusted returns. We believe that opportunities for attractive risk-adjusted returns exist both in and outside the United States. Most of our investments outside of the United States will be in core properties in stabilized, well-developed markets within Europe and the Asia Pacific region. We believe that our long-term strategy to acquire properties on a global basis will provide for a well-diversified portfolio that will generate attractive current returns and optimize long-term value for our stockholders.

## **Value Creation Opportunities**

We may periodically seek to enhance investment returns through various value creation opportunities. While there are no specific limitations on the nature or amount of these types of investments, in the aggregate they are not expected to materially change the risk profile of our overall portfolio. Examples of likely value creation investments include properties with significant leasing risk, forward purchase commitments, development, redevelopment or repositioning opportunities and nontraditional or mixed-use property types. These investments generally have a higher risk and higher return profile than our primarily core strategy.

## **Disposition Policies**

We anticipate that we will hold most of our properties for an extended period. However, we may determine to sell a property before the end of its anticipated holding period. We will monitor each investment within the portfolio and the overall portfolio composition for appropriateness in meeting our investment objectives. Our Advisor may determine to sell a property if:

- an opportunity has arisen to enhance overall investment returns by reallocating capital;
- there are diversification benefits associated with disposing of the property and rebalancing our investment portfolio;
- in the judgment of our Advisor, the value of the property might decline or underperform as compared to our investment strategy;
- an opportunity has arisen to pursue a more attractive investment;
- the property was acquired as part of a portfolio acquisition and does not meet our investment guidelines;
- there exists a need to generate liquidity to satisfy repurchase requests, to pay distributions to our stockholders or for working capital; or
- in the judgment of our Advisor, the sale of the property is in the best interests of our stockholders.

Generally, we intend to reinvest proceeds from the sale, financing or other disposition of properties in a manner consistent with our investment strategy and guidelines, although we may be required to distribute such proceeds to stockholders in order to comply with REIT requirements or we may make distributions for other reasons.

## **Investments in Real Estate-Related Assets**

We may invest a portion of our portfolio in real estate-related assets other than properties. These assets may include the common and preferred stock of publicly traded real estate-related companies, preferred equity interests, mortgage loans and other real estate-related equity and debt instruments. Up to 25% of our overall portfolio may be invested in real estate-related assets. We believe that our Advisor's ability to acquire real estate-related assets in conjunction with acquiring a portfolio of properties may provide us with additional liquidity and further diversification, which provides greater financial flexibility and discretion to construct an investment portfolio designed to achieve our investment objectives.

Our charter requires that any investment in equity securities (other than equity securities traded on a national securities exchange or included for quotation on an inter-dealer quotation system) not within the specific parameters of our investment guidelines adopted by our board of directors must be approved by a majority of our directors (including a majority of our independent directors) not otherwise interested in the transaction as being fair, competitive and commercially reasonable.

We may invest in mortgage loans consistent with the requirements for qualification as a REIT. We may originate or acquire interests in mortgage loans, generally on the same types of properties we might otherwise buy. These mortgage loans may pay fixed or variable interest rates or have "participating" features described below. Normally, mortgage loans will be secured by income-producing properties. These mortgage loans typically will be nonrecourse, which means they will not be the borrower's personal obligations. We expect that most will be first mortgage loans, with first priority liens on the property. These mortgage loans may provide for payments of principal and interest or may provide for interest-only payments, with a balloon payment at maturity. We may make mortgage loans that permit us to participate in the revenues from, or appreciation of, the underlying property consistent with the rules applicable for qualification as a REIT. These participations may entitle us to receive additional interest, usually calculated as a percentage of the gross income the borrower receives from operating, selling or refinancing the property. We may also receive an option to buy an interest in the property securing the participating loan. As of December 31, 2025, we had \$32,192 invested in mortgage loans and related accrued interest.

Subject to the percentage of ownership limitations and gross income and asset requirements required for REIT qualification, we may invest in equity securities of companies engaged in real estate activities, including for the purpose of exercising control over such entities. Companies engaged in real estate activities may include, for example, REITs that either own properties or make real estate loans, real estate developers, entities with substantial real estate holdings such as limited partnerships, funds and other commingled investment vehicles, and other companies whose products and services are related to the real estate industry, such as mortgage lenders or mortgage servicing companies. We may acquire all or substantially all of the securities or assets of companies engaged in real estate activities where such investment would be consistent with our investment policies and our status as a REIT. We may also acquire exchange traded funds and mutual funds focused on REITs and real estate companies. In any event, we do not intend that our investments in securities will require us to register as an investment company under the Investment Company Act of 1940, as amended (the "Investment Company Act"), and we intend to generally divest appropriate securities before any such registration would be required.

#### **Cash, Cash Equivalents and Other Short-Term Investments**

We may invest up to 15% of our assets in cash, cash equivalents and other short-term investments. These types of investments may include the following, to the extent consistent with our qualification as a REIT:

- money market instruments, cash and other cash equivalents (such as high-quality short-term debt instruments, including commercial paper, certificates of deposit, bankers' acceptances, repurchase agreements, interest-bearing time deposits and credit rated corporate debt securities);
- U.S. government or government agency securities; and
- credit rated corporate debt or asset-backed securities of U.S. or foreign entities, or credit rated debt securities of foreign governments or multi-national organizations.

#### **Other Investments**

We may, but do not presently intend to, make investments other than as previously described. At all times, we intend to make investments in such a manner consistent with maintaining our qualification as a REIT under the Internal Revenue Code of 1986, as amended (the "Code"). We do not intend to underwrite securities of other issuers.

#### **COMPETITION**

We face competition when attempting to make real estate investments, including competition from domestic and foreign financial institutions, other REITs, life insurance companies, pension funds, partnerships and individual investors. The leasing of real estate is also highly competitive. Our properties compete for tenants with similar properties primarily on the basis of location, total occupancy costs (including base rent and operating expenses), services provided and the design and condition of the improvements.

#### **SEASONALITY**

Our investments are not materially impacted by seasonality, despite certain of our retail tenants being impacted by seasonality. Percentage rents (rents computed as a percentage of tenant sales) that we earn from investments in retail properties may, in the future, be impacted by seasonality.

#### **GOVERNMENTAL REGULATIONS**

As an owner of real estate, our operations are subject, in certain instances, to supervision and regulation by U.S. and other governmental authorities, and may be subject to various laws and judicial and administrative decisions imposing various requirements and restrictions, which, include among other things: (i) federal and state securities laws and regulations; (ii) federal, state and local tax laws and regulations; (iii) state and local laws relating to real property; (iv) federal, state and local environmental laws, ordinances, and regulations, including carbon emissions; and (v) various laws relating to housing, including permanent and temporary rent control and stabilization laws, the Americans with Disabilities Act of 1990 and the Fair Housing Amendment Act of 1988, among others.

Compliance with the federal, state and local laws described above has not had a material, adverse effect on our business, assets, results of operations, financial condition and ability to pay distributions, and we do not believe that our existing portfolio will require us to incur material expenditures to comply with these laws and regulations.

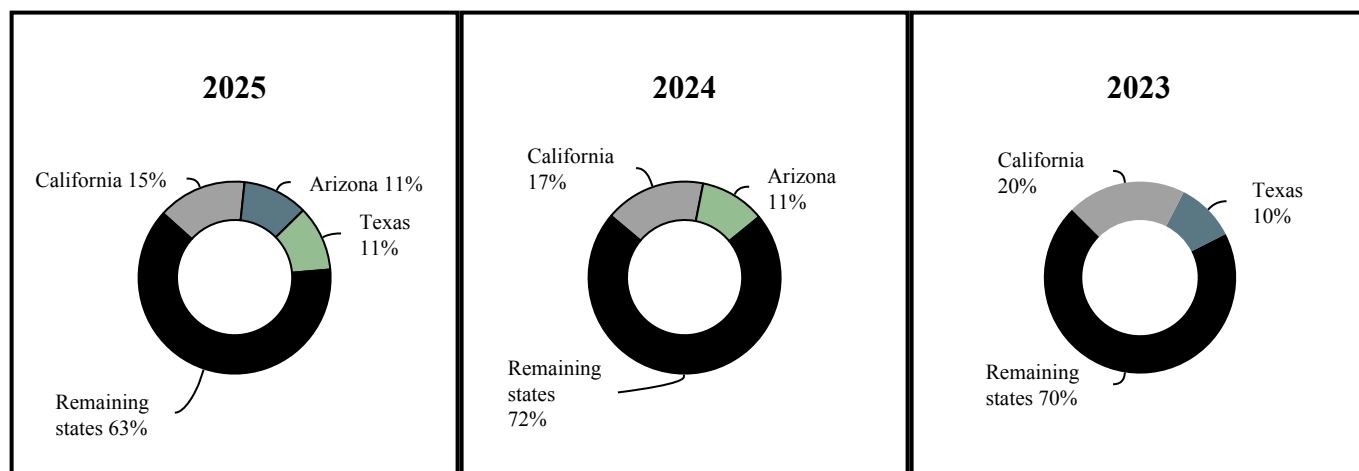
**GEOGRAPHIC CONCENTRATION**

The following table provides information regarding the geographic concentration of our real estate portfolio as of December 31, 2025:

	Real Estate Portfolio		
	Number of Properties <sup>(1)</sup>	Net Rentable Square Feet <sup>(1)</sup>	Estimated Percent of Fair Value
South	31	7,398,000	28 %
West	50	8,740,000	36
East	37	9,011,000	27
Midwest	22	3,136,000	9
<b>Total</b>	<b>140</b>	<b>28,285,000</b>	<b>100 %</b>

(1) Excludes 2,440 single-family rental houses located in various markets across the United States.

The following charts set forth the percentage of our consolidated revenues derived from properties owned in each state that accounted for more than 10% of our consolidated revenues during the years ended December 31, 2025, 2024 and 2023:



**DEPENDENCE ON SIGNIFICANT TENANTS**

Our significant tenants that accounted for more than 10% of the consolidated revenues from their respective segments during the years ended December 31, 2025, 2024 and 2023 were as follows:

	For the year ended December 31,		
	2025	2024	2023
<b>Healthcare</b>			
Amazon <sup>(1)</sup>	15%	15%	16%

(1) Amazon, including Whole Foods Market IP, Inc., also accounted for 4%, 4%, and 3% of the consolidated revenues in the retail segment in the years ended December 31, 2025, 2024 and 2023, respectively, and 0%, 0% and 3% of the consolidated revenues in the industrial segment in the years ended December 31, 2025, 2024 and 2023, respectively.

## **REPORTABLE SEGMENTS**

We align our internal operations along the primary property types we are targeting for investments, resulting in five operating segments: healthcare properties, industrial properties, residential properties, retail properties and other properties. See Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and Item 8, “Financial Statements and Supplementary Data” for financial information related to our reportable segments.

### **Healthcare Properties**

Healthcare sector properties are generally categorized as medical outpatient facilities and healthcare-related facilities based upon location and quality. We seek to invest in high-quality, well-located healthcare properties and also tend to focus on assets affiliated with strong health systems and patient bases but also have invested in Class A or B office properties that are near areas of dense population, have sufficient transportation access or are located within well-established suburban office/business parks or central business districts. Healthcare properties will generally feature longer-term leases and tenant investments in their spaces, and are less correlated to market factors than other sectors, leading to more durable and growing income over time.

### **Industrial Properties**

Industrial properties are generally categorized as warehouse/distribution centers, research and development facilities, flex space or manufacturing. The performance of industrial properties is typically dependent on the proximity to economic centers and the movement of global trade and goods. Industrial properties typically utilize a triple-net lease structure pursuant to which the tenant is generally responsible for property operating expenses in addition to base rent which can help mitigate the risks associated with rising expenses. We intend to invest in industrial properties that are located in major distribution hubs and near transportation modes such as port facilities, airports, rail lines and major highway systems as well as facilities located in close proximity to major centers of population.

### **Residential Properties**

Residential properties include multifamily apartments and single-family rental properties. Apartments are generally defined as having five or more dwelling units that are part of a single complex and offered for rental use as opposed to detached single-family residential properties. There are three main types of apartment properties: garden-style (mostly two to four story apartments), mid-rise and high-rise. Apartments generally have the lowest vacancy rates of any property type, with the better performing properties typically located in suburban markets in strong school districts, or in urban locations with strong employment and demographic dynamics. We plan to invest in apartment properties that are located in such areas or near employment centers with favorable potential for employment growth and conveniently situated with access to transportation and retail and service amenities. Traditional apartment properties are generally leased by apartment unit to individual tenants for one-year terms. Single-family rental properties differ from apartments in that single-family rental units are detached, singular homes, usually featuring private yards and garages, as opposed to multi-unit apartments with shared common areas. Tenants in single-family rentals tend to stay longer, about three years, and are on average an older demographic of approximately 40 years old versus multifamily renters whose average age is in the lower 30s.

In addition, single-family rental homes typically offer larger individual living spaces, at around 1,900 square feet per home versus 900 square feet for multifamily (but not featuring the shared amenities of Class A multifamily such as a resident center, outdoor pool, fitness facility, business center, etc.). Single-family rentals is a growing institutional segment within the broader residential sector, and offers a meaningful opportunity to scale.

### **Retail Properties**

The retail sector is comprised of five main formats: neighborhood retail, community centers, regional centers, super-regional centers and single-tenant stores. Location, convenience, accessibility and tenant mix are generally considered to be among the key criteria for successful retail investments. Retail leases tend to range from three to five years for small tenants and ten to fifteen years for large anchor tenants. Leases, particularly for anchor tenants, may include a base payment plus a percentage of retail sales. Household incomes and population density are generally considered to be key drivers of local retail demand. We will seek investments in retail properties, primarily ones in neighborhood and community centers anchored by a grocery tenant and located within densely populated residential areas, with favorable demographic characteristics and near other retail and service amenities.

## **Other Properties**

The other property sector is currently comprised of parking facilities. The parking industry is a large and fragmented sector and includes facilities that provide short-term parking spaces for vehicles on an hourly, daily, weekly or monthly basis. Parking structures can range from surface lots to larger multi-level buildings. Location and the local trade area are critically important to the performance of parking facilities. In addition to location, parking rates offered at a facility have a significant influence on a driver's decision to use a particular facility. We will seek to invest principally in parking facilities in densely populated urban areas with high barriers to entry for new competition and multiple demand drivers.

## ***AVAILABLE INFORMATION***

We are subject to the information requirements of the Exchange Act. Therefore, we file periodic reports, proxy statements and other information with the SEC. The SEC maintains a website ([www.sec.gov](http://www.sec.gov)) where the reports, proxy and information statements, and other information that we file electronically with the SEC can be accessed free of charge. Our website is [www.JLLIPT.com](http://www.JLLIPT.com). We may use our website as a distribution channel for material information about our Company. Our reports on Forms 10-K, 10-Q and 8-K, and all amendments to those reports are posted on our website as soon as reasonably practicable after the reports are electronically filed with or furnished to the SEC. The contents of our website are not incorporated by reference.

## ***INSURANCE***

Although we believe our investments are currently adequately covered by insurance consistent with the terms and levels of coverage that are standard in our industry, we cannot provide assurance that all losses will be covered or predict at this time if we will be able to obtain adequate coverage at a reasonable cost in the future.

## ***HUMAN CAPITAL***

We have no paid employees. The employees of our Advisor or its affiliates provide management, acquisition, advisory and certain other administrative services for us.

**Item 1A. Risk Factors.**

*You should consider carefully the risks and uncertainties described below and the other information in this Form 10-K, including our consolidated financial statements and the related notes included elsewhere in this Form 10-K. If any of the following risks actually occur, they may materially harm our business and our financial condition and results of operations and cause the NAV to decline.*

**Risks Related to Investing in Shares of Our Common Stock**

***There is no public trading market for shares of our common stock; therefore, the ability of our stockholders to dispose of their shares will likely be limited to the repurchase of shares by us, which generally will not be available during the first year after the purchase. If stockholders do sell their shares to us, they may receive less than the price paid.***

There is no current public trading market for shares of our common stock, and we do not expect that such a public market will ever develop. Therefore, the repurchase of shares by us will likely be the only way for stockholders to dispose of their shares, however we are not obligated to repurchase any shares of our common stock and may choose to only repurchase some, or even none, of the shares requested to be repurchased. To the extent we choose to repurchase shares, we will repurchase shares at a price equal to our NAV per share of the class of shares being repurchased on the date of repurchase, and not based on the price at which the shares were purchased. Shares are not eligible for repurchase for the first year after purchase except upon death or disability of a stockholder or under certain circumstances following the departure of key persons; provided, however, that shares issued pursuant to our distribution reinvestment plan are not subject to the one-year holding period. In addition, we may repurchase shares if a stockholder fails to maintain a minimum balance of \$5 in shares, even if the failure to meet the minimum balance is caused solely by a decline in our NAV. As a result of these terms of our share repurchase plan, stockholders may receive less than the price they paid for their shares when they sell them to us pursuant to our share repurchase plan. In addition, as a perpetual-life REIT, we are not required to and do not intend to pursue a strategic transaction such as a listing on a national securities exchange or a sale of our Company that would provide liquidity to our stockholders.

***Our ability to repurchase shares may be limited, and our board of directors may modify or suspend our share repurchase plan at any time.***

Our share repurchase plan limits the funds we may use to purchase shares each calendar quarter to 5% of the combined NAV of all classes of shares as of the last day of the previous calendar quarter, which means that in any 12-month period, to the extent we choose to repurchase shares, we limit repurchases to approximately 20% of our total NAV. We are not obligated to repurchase any shares of our common stock and may choose to only repurchase some, or even none, of the shares requested to be repurchased. The vast majority of our assets consist of properties that cannot generally be liquidated quickly. Therefore, we may not always have a sufficient amount of cash to immediately satisfy repurchase requests. Our board of directors may modify or suspend for any period of time or indefinitely our share repurchase plan should repurchase requests, in the business judgment of our board of directors, place an undue burden on our liquidity, adversely affect our investment operations or pose a risk of having a material adverse impact on stockholders whose shares are not repurchased, or should we otherwise determine that investing our liquid assets in real properties or other illiquid investments rather than repurchasing our shares is in the best interests of the Company as a whole, then we may choose to repurchase fewer shares than have been requested to be repurchased, or none at all. Because our board of directors is not required to authorize the recommencement of the share repurchase plan within any specified period of time, our board of directors may effectively terminate the plan by suspending it indefinitely. As a result, our stockholders' ability to have their shares repurchased by us may be limited and at times no liquidity may be available for our stockholders' investment.

***We have a history of operating losses and cannot assure you that we will sustain profitability.***

As a consequence of recognizing depreciation in connection with the properties we own, we have a history of operating losses and cannot assure you that we will sustain profitability. As a result, since our inception in 2004, we have experienced net losses (calculated in accordance with U.S. generally accepted accounting principles ("GAAP")) over a number of years. The extent of our future operating losses is highly uncertain, and we may not sustain profitability.

***The availability, timing and amount of cash distributions to you are uncertain.***

Our board of directors is not obligated to authorize, and we are not obligated to declare, quarterly dividends for our stockholders in any specific amounts or at all. We bear all expenses incurred in our operations, which are deducted from cash funds generated from operations prior to computing the amount of cash for distribution to stockholders. In addition, our board of directors, in its discretion, may retain any portion of such funds for working capital or other purposes.

***To the extent our distributions represent a return of capital for tax purposes, our stockholders could recognize an increased capital gain upon a subsequent sale of our common stock.***

Distributions in excess of our current and accumulated earnings and profits and not treated by us as a dividend will not be taxable to a stockholder to the extent those distributions do not exceed the stockholder's adjusted tax basis in his or her common stock. Instead, the distribution will constitute a return of capital and will reduce the stockholder's adjusted basis. (Such distributions to non-U.S. stockholders may be subject to withholding, which may be refundable.) If distributions exceed the stockholder's adjusted basis, then his or her adjusted basis will be reduced to zero, and the excess will be treated as capital gain to the stockholder. Additionally, if distributions result in a reduction of a stockholder's adjusted basis in his or her common stock, then subsequent sales of such stockholder's common stock potentially will result in recognition of an increased capital gain.

***Your overall return may be reduced if we pay distributions from sources other than our cash from operations.***

To date, all of the distributions we have paid to stockholders have been funded through a combination of cash flows from our operations and investing activities. We may not generate sufficient cash flow from operations to fully fund distributions to stockholders. Therefore, we may choose to use cash flows from investing activities such as sales of real estate investments or interests in joint ventures. We may also choose to use financing activities, which include borrowings (including borrowings secured by our assets), net proceeds of our offerings or other sources to fund distributions to our stockholders. For the year ended December 31, 2025, 78% of our distributions were funded from cash flows from operations and the remaining 22% was funded from investing activities. We may be required to continue to fund our regular distributions from a combination of some of these sources if our investments fail to perform as anticipated, our expenses are greater than expected or due to numerous other factors. We have not established a limit on the amount of our distributions that may be paid from any of these sources. Using certain of these sources may result in a liability to us, which would require a future repayment. The use of these sources for distributions and the ultimate repayment of any liabilities incurred could adversely impact our ability to pay distributions in future periods, decrease our NAV and NAV per share, decrease the amount of cash we have available for operations and new investments and adversely impact the value of an investment in our shares of common stock.

***Your purchase price may be more or less than the actual NAV if our NAV is incorrectly calculated.***

If our NAV is calculated in a way that is not reflective of our actual NAV, then the purchase price of shares of our common stock or the price paid for the repurchase of your shares of common stock on a given date may not accurately reflect the value of our portfolio, and your shares may be worth more or less than the purchase or repurchase price.

***You will not have the opportunity to evaluate future investments we will make with the proceeds raised in our offerings prior to purchasing shares of our common stock.***

We have not identified all of the investments that we will make with the proceeds of our offerings. As a result, you will not be able to evaluate the economic merits, transaction terms or other financial or operational data concerning our future investments prior to purchasing shares of our common stock. You must rely on our Advisor and our board of directors to implement our investment policies, to evaluate our investment opportunities and to structure the terms of our investments. Because you cannot evaluate all of the investments we will make in advance of purchasing shares of our common stock, this additional risk may hinder your ability to achieve your own personal investment objectives related to portfolio diversification, risk-adjusted investment returns and other objectives.

***Our ability to implement our investment strategy is dependent, in part, upon the ability of our Dealer Manager to successfully conduct our offerings, which makes an investment in us more speculative.***

We have retained LaSalle Investment Management Distributors, LLC, an affiliate of our Advisor, to conduct our offerings (the "Dealer Manager"). The success of our offerings, and our ability to implement our business strategy, is dependent upon the ability of our Dealer Manager to build and maintain a network of broker-dealers to sell our shares to their clients. If our Dealer Manager is not successful in establishing, operating and managing this network of broker-dealers, our ability to raise proceeds through our offerings will be limited, and we may not have adequate capital to execute our investment strategy. If we are unsuccessful in executing our investment strategy, you could lose all or a part of your investment.

***The performance component of the advisory fee is calculated for each class of our common stock and each class of OP Units on the basis of the total return attributable to that class over a calendar year, so it may differ among classes and it may not be consistent with the return on our shares over a longer or shorter time frame.***

The performance component of the advisory fee is calculated for each class of our common stock and for each class of OP Units on the basis of the total return attributable to that class over a calendar year. As a result, our Advisor may be entitled to receive the performance component with respect to one class of shares or OP Units but not another and may be entitled to receive compensation under the performance component of the advisory fee for a given year even if some of our stockholders who purchased shares during such year experienced a decline in NAV per share. Similarly, stockholders who request that we repurchase their shares during a given year may have their shares repurchased at a lower NAV per share as a result of an accrual for the estimated performance component of the advisory fee, even if no performance component is ultimately payable to our Advisor at the end of such calendar year. In addition, if the NAV of our classes of common stock or classes of OP Units remains above certain threshold levels, our Advisor's ability to earn the performance fee in any year will not be affected by poor performance in prior years. Furthermore, the Advisor will not be obligated to return any portion of advisory fees paid based on our subsequent performance.

***Valuations and appraisals of our properties and real estate-related assets are estimates of fair value and may not necessarily correspond to realizable value.***

For the purposes of calculating our NAV after the close of business on each business day, our properties will initially be valued at cost upon their acquisition which we expect to represent fair value at that time. Thereafter, valuations of properties, which will be based in part on appraisals of each of our properties by our independent valuation advisor at least once during every calendar quarter after the calendar quarter in which we owned each respective property, will be performed in accordance with our valuation guidelines. Likewise, our investments in real estate-related assets will initially be valued at cost upon their acquisition, and thereafter will be valued quarterly, or in the case of liquid securities, daily, as applicable, at fair value. Within the parameters of our valuation guidelines, the valuation methodologies used to value our properties will involve subjective judgments regarding such factors as comparable sales, rental and operating expense data, the capitalization or discount rate, and projections of future rent and expenses based on appropriate analysis. Valuations and appraisals of our properties and real estate-related assets will be only estimates of fair value. Ultimate realization of the value of an asset depends to a great extent on economic and other conditions beyond our control and the control of our advisor and independent valuation advisor.

Further, valuations do not necessarily represent the price at which an asset would sell, since market prices of assets can only be determined by negotiation between a willing buyer and seller. Therefore, the valuations of our properties and our investments in real estate-related assets may not correspond to the timely realizable value upon a sale of those assets. There will be no retroactive adjustment in the valuation of such assets, the price of our shares of common stock, the price we paid to repurchase shares of our common stock or NAV-based fees we paid to our advisor and dealer manager to the extent such valuations prove to not accurately reflect the true estimated value and are not a precise measure of realizable value. Because the price you will pay for shares of our common stock, and the price at which your shares may be repurchased by us pursuant to our share repurchase plan, are based on our estimated NAV per share, you may pay more than realizable value or receive less than realizable value for your investment.

***No rule, regulation, or industry practice requires that we calculate our NAV in a certain way, and our board of directors, including a majority of our independent directors, may adopt changes to our valuation guidelines.***

There are no existing rules or regulatory bodies that specifically govern the manner in which we calculate our NAV and there is no established practice among public REITs, whether listed or not, for calculating NAV in order to establish a purchase and repurchase price. As a result, it is important that you pay particular attention to the specific methodologies and assumptions we use to calculate our NAV, as other public REITs may use different methodologies or assumptions to determine their NAV. For example, we do not fair value our mortgage notes and other debt payable. In addition, our board of directors, including a majority of our independent directors, will review the appropriateness of our valuation guidelines at least annually and may, at any time, adopt changes to our valuation guidelines.

***Our NAV per share may suddenly change if the appraised values of our properties materially change from prior appraisals or the actual operating results for a particular month differ from what we originally budgeted for that month.***

Each of our properties will be appraised at least once per quarter and, under normal circumstances, will not be appraised more frequently than once per quarter. Properties may be valued more frequently than quarterly if our advisor or independent valuation advisor believes that the value of such property has changed materially since the most recent quarterly valuation. As such, when these appraisals are reflected in our NAV calculation, there may be a sudden change in our NAV per share for each class of our common stock. These changes in a property's value may be as a result of property-specific events or as a result of more general changes to real estate values resulting from local, national or global economic changes.

In addition, actual operating results for a given month may differ from what we originally budgeted for that month, which may cause a sudden increase or decrease in the NAV per share amounts. We accrue estimated income and expenses on a daily basis based on our budgets. On an ongoing basis, we adjust the income and expenses we accrued to reflect the income and expenses actually earned and incurred. We do not retroactively adjust the NAV per share of each class for each day. Therefore, because the actual results from operations may be better or worse than what we previously budgeted, the adjustment to reflect actual operating results may cause the NAV per share for each class of our common stock to increase or decrease, and such increase or decrease will occur on the day the adjustment is made.

***The NAV per share that we publish may not necessarily reflect changes in our NAV that are not immediately quantifiable.***

From time to time, we may experience events with respect to our investments that may have a material impact on our NAV. For example, an unexpected termination or renewal of a material lease, a material change in vacancies or an unanticipated structural or environmental event at a property may cause the value of a property to change materially. The NAV per share of each class of our common stock as published on any given day may not reflect such extraordinary events to the extent that their financial impact is not immediately quantifiable. As a result, the NAV per share of each class published after the announcement of a material event may differ significantly from our actual NAV per share for such class until such time as the financial impact is quantified and our NAV is appropriately adjusted in accordance with our valuation guidelines. The resulting potential disparity in our NAV may inure to the benefit of stockholders whose shares are repurchased or new stockholders, depending on whether our published NAV per share for such class is overstated or understated.

***Due to daily fluctuations in our NAV, the price at which your purchase is executed could be higher than our NAV per share at the time you submit your subscription, and the price at which your repurchase is executed could be lower than our NAV per share at the time you submit your repurchase request.***

The purchase and repurchase price for shares of our common stock will not be based on any established trading price. Your accepted subscription will be executed at a price equal to our NAV per share for the class of shares being purchased next determined after your subscription is received in proper form and processed, plus, for Class A, Class A-I, Class S and Class D shares only, any applicable selling commissions. As a result of this process, you will not know the purchase price per share at which your subscription will be executed at the time you submit your subscription. The purchase price per share at which your subscription is executed could be higher than the NAV per share on the date you submitted your subscription and if this is the case, you could receive fewer shares than initially anticipated. If the purchase price per share at which your subscription agreement is lower than the NAV per share on the date you submitted your subscription, you could receive more shares than initially anticipated. For example, if a subscription is processed and accepted on a business day and before the close of business (4:00 p.m. Eastern time) on that day, the subscription will be executed at a purchase price equal to our NAV per share for the class of shares being purchased determined after the close of business on that day, plus, for Class A, Class A-I, Class S and Class D shares, any applicable selling commissions.

If a subscription is processed and accepted on a business day, but after the close of business on that day, the subscription will be executed at a purchase price equal to our NAV per share for the class of shares being purchased determined after the close of business on the next business day, plus, for Class A, Class A-I, Class S and Class D shares only, any applicable selling commissions. Similarly, received and processed repurchase requests will be effected at a repurchase price equal to the next-determined NAV per share for the class of shares being repurchased. Investors who subscribe for shares will not know the purchase price at the time they submit their subscription. Because stockholders will not know the repurchase price that will apply at the time that repurchase requests are submitted, the repurchase price per share at which your repurchase request is executed could be lower than the NAV per share on the date you submitted your repurchase request. If our NAV per share increases, purchasers of Class A, Class A-I, Class S and Class D shares will pay a higher selling commission per share and if our NAV per share decreases, purchasers of Class A, Class A-I, Class S and Class D shares will pay a lower selling commission per share, as the amount of commissions is calculated as a percentage of NAV per share.

***We have broad discretion in how we use the proceeds from our offerings, and we may use the proceeds in ways with which you disagree.***

We expect to use the net proceeds of our public and private offerings to (i) grow and further diversify our portfolio by making investments in accordance with our investment strategy and policies, (ii) repay indebtedness incurred under various financing instruments and (iii) fund repurchases under our share repurchase plan or through tender offers. We have not allocated specific amounts of the net proceeds from our public and private offerings for any specific purpose. Accordingly, our management will have significant flexibility in applying the net proceeds of our public and private offerings, including the ability to apply net proceeds to the payment of distributions. You will be relying on the judgment of our management with regard to the use of these net proceeds, and you will not have the opportunity, as part of your investment decision, to assess whether the proceeds are being used appropriately. In addition, it is possible that the net proceeds will be invested in a way that does not yield a favorable return, or any return, for us or our stockholders. The failure of our management to use such funds effectively could have a material adverse effect on our business, financial condition, operating results and cash flows.

***Future offerings of debt securities, which would be senior to our common stock upon liquidation, or equity securities, which would dilute our existing stockholders and may be senior to our common stock for the purposes of distributions, may adversely affect the value of our common stock.***

In the future, we may attempt to increase our capital resources by making additional offerings of debt or equity securities, including medium term notes, senior or subordinated notes and classes of preferred or common stock. Upon liquidation, holders of our debt securities and shares of preferred stock and lenders with respect to other borrowings will receive a distribution of our available assets prior to the holders of our common stock.

Additionally, holders of our common stock will not have preemptive rights to any shares we issue in the future. Our charter authorizes us to issue 1 billion shares of common stock. Our board of directors may amend our charter from time to time to increase or decrease the aggregate number of authorized shares of common stock or the number of authorized shares of capital stock of any class or series without stockholder approval. After you purchase shares of our common stock, our board of directors may elect, without stockholder approval, to: (i) sell additional shares in current or future public or private offerings; (ii) issue equity interests in private offerings; (iii) issue shares upon the exercise of the options we may grant to our independent directors or future employees; (iv) issue shares to our Advisor, or its successors, or assigns, in payment of an outstanding obligation to pay fees for services rendered to us or to reimburse expenses paid on our behalf or (v) issue shares to sellers of properties we acquire in connection with an exchange of OP Units. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of our future offerings. Thus, our stockholders bear the risk of our future offerings reducing the market price of our common stock and diluting their proportionate ownership.

***If you purchase shares of common stock, you may experience immediate dilution in the net tangible book value per share.***

Net tangible book value is used as a measure of net worth that reflects certain dilution in the value of our common stock from the issue price as a result of (i) accumulated depreciation and amortization of real estate investments, (ii) fees paid in connection with the offering and (iii) the fees and expenses paid to our Advisor and its affiliates in connection with the selection, acquisition, management and sale of our investments. Net tangible book value does not reflect our estimated value per share nor does it necessarily reflect the value of our assets upon an orderly liquidation of the Company in accordance with our investment objectives. As of December 31, 2025, our net tangible book value per share was \$5.50, calculated as our net tangible book value as of December 31, 2025 divided by the 212,020,063 shares of our common stock outstanding as of December 31, 2025, as compared to our share price of \$11.26, \$11.27, \$11.29, \$11.27, \$11.27, \$11.25, and \$11.27 per Class A, Class M, Class A-I, Class M-I, Class I, Class N, and Class S shares, respectively, on such date.

***Compliance with the SEC's Regulation Best Interest by participating broker-dealers may negatively impact our ability to raise capital in Our Current Public Offering, which would harm our ability to achieve our investment objectives.***

Broker-dealers must comply with Regulation Best Interest, which, among other requirements, contains a standard of conduct for broker-dealers and their associated persons when making a recommendation of any securities transaction or investment strategy involving securities to a retail customer. The full impact of Regulation Best Interest on participating dealers cannot be determined at this time, and it may negatively impact whether participating dealers and their associated persons recommend our Current Public Offering to certain retail customers, or the amount of shares which are recommended to such customers. In particular, under SEC guidance concerning Regulation Best Interest, a broker-dealer recommending an investment in our shares should consider a number of factors, including but not limited to cost and complexity of the investment and reasonably available alternatives in determining whether there is a reasonable basis for the recommendation. Broker-dealers may recommend a more costly or complex product as long as they have a reasonable basis to believe it is in the best interest of a particular retail customer. However, if broker-dealers instead choose alternatives to our shares, many of which likely exist, our ability to raise capital may be adversely affected. If Regulation Best Interest reduces our ability to raise capital in our Current Public Offering, it would harm our ability to create a diversified portfolio of investments and ability to achieve our investment objectives.

### **Risks Related to Conflicts of Interest**

***Our Advisor will face a conflict of interest with respect to the allocation of investment opportunities and competition for tenants between us and other real estate programs that it advises.***

Our Advisor's officers and key real estate professionals identify potential investments in properties and other real estate-related assets that are consistent with our investment guidelines for our possible acquisition. However, our Advisor may not acquire an investment in a property unless it has reviewed and approved presenting it to us in accordance with its allocation policies. LaSalle and its affiliates advise other investment programs that invest in properties and real estate-related assets in which we may be interested, including the DST Program. LaSalle could face conflicts of interest in determining which programs will have the opportunity to acquire and participate in such investments as they become available. As a result, other investment programs advised by LaSalle may compete with us with respect to certain investments that we may want to acquire. Our Advisor also has discretion to choose which of our properties to syndicate in the DST Program, which presents conflicts because our Advisor and the Dealer Manager, earn fees from the DST Program.

In addition, we may acquire properties in geographic areas where other investment programs advised by LaSalle own properties. Therefore, our properties may compete for tenants with other properties owned by such investment programs. If one of such investment programs attracts a tenant that we are competing for, we could suffer a loss of revenue due to delays locating another suitable tenant.

***Our Advisor faces a conflict of interest because the fees it receives for services performed are based on our NAV, for which our Advisor is ultimately responsible for calculating.***

Our Advisor is paid a fee for its services based on our daily NAV, which is calculated by ALPS Fund Services Inc. ("ALPS") under the supervision of our Advisor. The calculation of our NAV includes certain subjective judgments of our Advisor and our independent valuation advisor, including estimates of fair value of particular assets, and therefore may not correspond to realizable value upon a sale of those assets. Our Advisor may benefit by us retaining ownership of our assets at times when our stockholders may be better served by the sale or disposition of our assets in order to avoid a reduction in our NAV. If our NAV is calculated in a way that is not reflective of our actual NAV, then the purchase price of shares of our common stock or the price paid for the repurchase of your shares of common stock on a given date may not accurately reflect the value of our portfolio, and your shares may be worth less than the purchase price or more than the repurchase price.

***Our Advisor's management personnel face conflicts of interest relating to time management and there can be no assurance that our Advisor's management personnel will devote adequate time to our business activities or that our Advisor will be able to hire adequate additional employees.***

All of our Advisor's management personnel, other employees, affiliates and related parties may also provide services to other affiliated entities of our Advisor. We are not able to estimate the amount of time that such management personnel will devote to our business. As a result, certain of our Advisor's management personnel may have conflicts of interest in allocating their time between our business and their other activities which may include advising and managing various other real estate programs and ventures, which may be numerous and may change as programs are closed or new programs are formed. During times of significant activity in other programs and ventures, the time they devote to our business may decline and be less than we would require. There can be no assurance that our Advisor's affiliates will devote adequate time to our business activities or that our Advisor will be able to hire adequate additional employees.

***Our Advisor and its affiliates, including our officers and some of our directors, face conflicts of interest caused by compensation arrangements with us and other LaSalle affiliated entities, which could result in actions that are not in our stockholders' best interests.***

Our Advisor and its affiliates receive substantial fees from us in return for their services and these fees could influence our Advisor's advice to us. Among other matters, the compensation arrangements could affect their judgment with respect to:

- the continuation, renewal or enforcement of our agreements with our Advisor and its affiliates, including the Advisory Agreement;
- the decision to adjust the value of our real estate portfolio or the value of certain portions of our portfolio of other real estate-related assets, or the calculation of our NAV;
- public and private offerings of equity by us, which may result in increased advisory fees paid to the Advisor;
- competition for tenants from affiliated programs that own properties in the same geographic area as us;
- whether to sell interests in certain of our real properties through the DST Program and the selection of the properties to be sold through the DST Program; and
- asset sales, which may allow LaSalle or its affiliates to earn disposition fees and commissions.

***We currently have, and may enter into additional, agreements with subsidiaries of our Sponsor to perform certain services for our real estate portfolio.***

Subsidiaries of our Sponsor provide property management, leasing and other services to property owners, and currently provide certain services to us with respect to a portion of our properties, and we may engage subsidiaries of our Sponsor to perform additional property or construction management, leasing and other services related to our real estate portfolio. The fees, commissions and expense reimbursements paid to our Sponsor in connection with these services have not been and will not be determined with the benefit of arm's-length negotiations of the type normally conducted between unrelated parties. Even though all such agreements will be subject to approval by our independent directors, they could be on terms not as favorable to us as those we could receive from a third party.

***The time and resources that affiliates of LaSalle devote to us may be diverted and we may face additional competition due to the fact that such affiliated entities are not prohibited from raising money for another entity that makes the same types of investments that we target.***

LaSalle affiliated entities are not prohibited from raising money for another investment entity that makes the same types of investments as those we target. As a result, the time and resources they could devote to us may be diverted. In addition, we may compete with any such investment entity for the same investors and investment opportunities. We may also co-invest with any such investment entity. Even though all such co-investments will be subject to approval by our independent directors, they could be on terms not as favorable to us as those we could achieve co-investing with a third party.

***Our Advisor may have conflicting fiduciary obligations if we acquire properties with its affiliates or other related entities; as a result, in any such transaction we may not have the benefit of arm's-length negotiations of the type normally conducted between unrelated parties.***

Our Advisor has in the past and may in the future cause us to acquire an interest in a property from its affiliates or through a joint venture with its affiliates or to dispose of an interest in a property to its affiliates. In these circumstances, our Advisor will have a conflict of interest when fulfilling its fiduciary obligation to us. In any such transaction we may not have the benefit of arm's-length negotiations of the type normally conducted between unrelated parties. Even though all such agreements will be subject to approval by our independent directors, they could be on terms not as favorable to us as those we could receive from a third party.

***The fees we pay to affiliates in connection with our offerings of securities and in connection with the management of our investments were not determined on an arm's-length basis, and therefore, we do not have the benefit of arm's-length negotiations of the type normally conducted between unrelated parties.***

Our Advisor, our Dealer Manager and other affiliates, including our Sponsor, have earned and will continue to earn fees, commissions and expense reimbursements from us. The fees, commissions and expense reimbursements paid and to be paid to our Advisor, our Dealer Manager and other affiliates for services they provided us in connection with our offerings were determined without the benefit of arm's-length negotiations of the type normally conducted between unrelated parties.

***Our executive officers, our affiliated directors and the key real estate professionals acting on behalf of our Advisor face conflicts of interest related to their positions or interests in affiliates of our Advisor, which could hinder our ability to implement our business strategy and to generate returns to our stockholders.***

Our executive officers, our affiliated directors and the key real estate professionals acting on behalf of our Advisor may also be involved in the management of other real estate businesses, including other LaSalle affiliated entities, and separate accounts established for institutional investors, each of which invests in real estate or real estate related assets. As a result, they owe fiduciary duties to each of these entities and their investors, which fiduciary duties may from time to time conflict with the fiduciary duties that they owe to us and our stockholders. Their loyalties to these other entities and investors could result in action or inaction that is detrimental to our business, which could harm the implementation of our investment strategy. These individuals face conflicts of interest in allocating their time among us and such other funds, investors and activities. These conflicts of interest could cause these individuals to allocate less of their time to us than we may require, which may adversely impact our operations.

***You may not have the benefit of an independent due diligence review in connection with our offerings, which would increase the risk of your investment.***

Because our Dealer Manager is an affiliate of our Advisor, investors will not have the benefit of an independent due diligence review and investigation by our Dealer Manager of the type normally conducted by an unaffiliated, independent underwriter in connection with a securities offering. Accordingly, you will have to rely on your own broker-dealer to make an independent due diligence review of the terms of our offerings. The absence of a due diligence review of us and our offerings by an independent underwriter increases the risk you face as a stockholder.

#### **Risks Related to Adverse Changes in General Economic Conditions**

***Changes in economic and capital markets conditions, including periods of generally deteriorating real estate industry fundamentals, may significantly affect our results of operations and returns to our stockholders.***

We are subject to risks generally incident to the ownership of real estate investments, including changes in global, national, regional or local economic, demographic or capital market conditions, including economic impacts resulting from actual or perceived instability in the U.S. banking system, disruptions in the labor market (including labor shortages and unemployment), stock market volatility, trade conflict, civil unrest, national and international security events, geopolitical events, military conflicts and war (including ongoing conflicts in the Middle East and Ukraine), as well as other factors particular to the locations of our investments. The threat or imposition of new tariffs may create uncertainty in real estate markets, increase construction costs, slow economic growth, lead to job losses, shift demand for industrial properties, and increase costs of retail goods impacting consumer spending, resulting in potential reduction in demand for related property types. A recession could adversely impact our investments as a result of, among other items, increased tenant defaults under our leases, lower demand for rentable space, as well as potential oversupply of rentable space, each of which could lead to increased concessions, tenant improvement expenditures or reduced rental rates to maintain occupancies. These conditions could also adversely impact the financial condition of the tenants that occupy our real properties and, as a result, their ability to pay us rents.

To the extent that a general economic slowdown is prolonged or becomes more severe or real estate fundamentals deteriorate, it may have a significant and adverse impact on the values of our assets, revenues, results from operations, financial condition, liquidity, overall business prospects and ultimately our ability to pay distributions to our stockholders.

***Uncertainty about U.S. federal initiatives could negatively impact our business, financial condition and results of operations.***

There is significant uncertainty with respect to legislation, regulation and government policy at the federal level, as well as the state and local levels. Recent events have created a climate of heightened uncertainty and introduced new and difficult-to-quantify macroeconomic and political risks with potentially far-reaching implications. The current U.S. presidential administration's changes to U.S. policy may impact, among other things, the U.S. and global economy, international trade and relations, unemployment, immigration, taxes, healthcare, the U.S. regulatory environment, inflation and other areas. Additionally, recent policy proposals aimed at limiting institutional investors from buying single-family housing could reduce our ability to acquire certain single-family housing, increase regulatory uncertainty, and reduce the number of buyers for single-family housing, which may adversely affect market dynamics and valuations. Although we cannot predict the impact, if any, of these changes to our business, they could adversely affect our business, financial condition, operating results and cash flows. Until we know what policy changes are made and how those changes effect our business and the business of our competitors over the long term, we will not know the impact of them.

***Changes to U.S. tariff and import/export regulations may have an adverse effect on our business, financial condition and results of operations.***

There have been significant changes, and continue to be ongoing discussion and commentary regarding potential significant changes to U.S. trade policies, treaties and tariffs, creating significant uncertainty about the future relationship between the United States and other countries with respect to trade policies, treaties and tariffs. These developments, or the perception that any of them could occur, may have a material adverse effect on global economic conditions and the stability of global financial markets, and may significantly reduce global trade and, in particular, trade between the impacted nations and the United States. Any of these factors could depress economic activity and have a material adverse effect on our business, financial condition and results of operations.

***Any market deterioration may cause the future value of our real estate investments to decline.***

If the current economic or real estate environment were to worsen in the markets where our properties are located, our NAV per share of our common stock may experience more volatility or decline as a result. Volatility in the fair value and operating performance of commercial real estate has made estimating cash flows from our real estate investments difficult, since such estimates are dependent upon our judgment regarding numerous factors, including, but not limited to, current and potential future refinancing availability, fluctuations in regional or local real estate values and fluctuations in regional or local rental or occupancy rates, real estate tax rates and other operating expenses.

We cannot assure our stockholders that we will not have to realize or record impairment charges, or experience disruptions in cash flows and/or permanent losses related to our real estate investments or decreases in our NAV per share of our common stock in future periods. In addition, to the extent that volatile markets persist, these conditions could adversely impact our ability to potentially sell our real estate investments at a price and with terms acceptable to us or at all.

***Economic events that may cause our stockholders to request that we repurchase their shares may materially adversely affect our cash flow and our ability to achieve our investment objectives.***

Economic events affecting the U.S. and global economies, such as the general negative performance of the real estate sector (including as a result of inflation or higher interest rates), disruptions in the labor market (including labor shortages and unemployment) and stock market volatility, trade conflict, civil unrest, national and international security events, geopolitical events and military conflicts and war (including ongoing conflicts in the Middle East and Ukraine) could cause our stockholders to seek to have us repurchase their shares pursuant to our share repurchase plan. Our share repurchase plan limits the amount of funds we may use for repurchases during each calendar quarter to 5% of the combined NAV of all classes of shares as of the last day of the previous calendar quarter. Even if we are able to satisfy all resulting repurchase requests, our cash flow could be materially adversely affected.

In addition, if we determine to sell assets to satisfy repurchase requests, our ability to achieve our investment objectives, including, without limitation, diversification of our portfolio by property type and location, moderate financial leverage, conservative operating risk and an attractive level of current income, could be adversely affected.

***Inflation or deflation may adversely affect our financial condition and results of operations.***

Although neither inflation nor deflation has materially impacted our operations in the recent past, increased inflation could have an adverse impact on our floating rate mortgages and interest rates and general and administrative expenses, as these costs could increase at a rate higher than our rental and other revenue. Inflation could also have an adverse effect on consumer spending which could impact our tenants' revenues and, in turn, our percentage rents where applicable. Conversely, deflation could lead to downward pressure on rents and other sources of income.

***Changes in accounting standards or inaccurate estimates or assumptions in the application of accounting policies could adversely affect our financial results.***

Our accounting policies and methods are fundamental to how we record and report our financial condition and results of operations. Some of these policies require use of estimates and assumptions that may affect the reported value of our assets or liabilities and financial results and are critical because they require management to make difficult, subjective, and complex judgments about matters that are inherently uncertain. Accounting standard setters and those who interpret the accounting standards (such as the Financial Accounting Standards Board ("FASB"), the SEC, and our independent registered public accounting firm) may amend, clarify, interpret or even reverse their previous interpretations or positions on how these standards should be applied. In some cases, we could be required to apply a new or revised standard retrospectively, resulting in the revision of prior period financial statements. Changes in accounting standards can be hard to predict and can materially impact how we record and report our financial condition and results of operations.

## **Risks Related to Our General Business Operations and Our Corporate Structure**

***We depend on our Advisor and the key personnel of our Advisor and we may not be able to secure suitable replacements in the event that we fail to retain their services.***

Our success is dependent upon our relationships with, and the performance of, our Advisor and the key real estate professionals of our Advisor for the acquisition and management of our investment portfolio and our corporate operations. Any of these parties may suffer or become distracted by adverse financial or operational problems in connection with their business and activities unrelated to us and over which we have no control. Should any of these parties fail to allocate sufficient resources to perform their responsibilities to us for any reason, we may be unable to achieve our investment objectives. In the event that, for any reason, the Advisory Agreement is terminated, or our Advisor is unable to retain its key personnel, it may be difficult for us to secure suitable replacements on acceptable terms, which would adversely impact the value of your investment.

***Our Advisor's inability to retain the services of key real estate professionals could negatively impact our performance.***

Our success depends to a significant degree upon the contributions of certain key real estate professionals employed by our Advisor, each of whom would be difficult to replace. Neither we nor our Advisor have employment agreements with these individuals and they may not remain associated with us or our Advisor. If any of these persons were to cease their association with us or our Advisor, our operating results could suffer. Our future success depends, in large part, upon our Advisor's ability to attract and retain highly skilled managerial, operational and marketing professionals. If our Advisor loses or is unable to obtain the services of highly skilled professionals, our ability to implement our investment strategies could be delayed or hindered.

***We are required to pay substantial compensation to our Advisor and its affiliates, which may be increased or decreased during our Current Public Offering or future offerings by a majority of our board of directors, including a majority of the independent directors.***

Pursuant to our agreements with our Advisor and its affiliates, including our Sponsor, we are obligated to pay substantial compensation to our Advisor and its affiliates. Subject to limitations in our charter, the fees, expense reimbursements and other payments that we are required to pay to our Advisor and its affiliates may increase or decrease during our Current Public Offering or future offerings from those described elsewhere in our prospectus related to our Current Public Offering if such change is approved by a majority of our board of directors, including a majority of the independent directors. These payments to our Advisor and its affiliates will decrease the amount of cash we have available for operations and new investments and could negatively impact our NAV, our ability to pay distributions and your overall return.

***We may change our investment and operational policies without stockholder consent.***

We may change our investment and operational policies, including our policies with respect to investments, operations, indebtedness, capitalization and distributions, at any time without the consent of our stockholders, which could result in our making investments that are different from, and possibly riskier or more highly leveraged than is currently contemplated. A change in our investment strategy may, among other things, increase our exposure to interest rate risk, default risk and real estate market fluctuations, all of which could materially affect our ability to achieve our investment objectives.

***Our board of directors will not approve each investment selected by our Advisor.***

Our board of directors has approved investment guidelines that delegate to our Advisor the authority to execute (1) acquisitions and dispositions of real property and (2) investments in other real estate-related assets, in each case so long as such investments are consistent with the investment guidelines. Our directors review our investment guidelines on an annual basis and our investment portfolio on a quarterly basis or, in each case, as often as they deem appropriate. The prior approval of our board of directors will be required only for the acquisition or disposition of assets that are not in accordance with our investment guidelines. In addition, in conducting periodic reviews, our directors will rely primarily on information provided to them by our Advisor. Furthermore, transactions entered into on our behalf by our Advisor may be costly, difficult or impossible to unwind when they are subsequently reviewed by our board of directors.

***We are and may continue to be subject to litigation, which could have a material adverse effect on our financial condition.***

We currently are, and are likely to continue to be, subject to litigation. Some of these claims may result in significant defense costs and potentially significant judgments against us. We cannot be certain of the ultimate outcomes of currently asserted claims or of those that arise in the future. Resolution of these types of matters against us may result in our having to pay significant fines, judgments, or settlements, which, if uninsured, or if the fines, judgments, and settlements exceed insured levels, would adversely impact our earnings and cash flows, thereby impacting our ability to service debt and make quarterly distributions to our stockholders. Certain litigation or the resolution of certain litigation may affect the availability or cost of some of our insurance coverage, which could adversely impact our results of operations and cash flows, expose us to increased risks that would be uninsured, and/or adversely impact our ability to attract officers and directors.

***The limits on the percentage of shares of our common stock that any person may own may discourage a takeover or business combination that could otherwise benefit our stockholders.***

Our charter, with certain exceptions, authorizes our board of directors to take such actions as are necessary and desirable to preserve our qualification as a REIT. Unless exempted by our board of directors, no person may own more than 9.8% in value of our outstanding capital stock or more than 9.8% in value or number of shares, whichever is more restrictive, of our outstanding common stock. A person that did not acquire more than 9.8% of our shares may become subject to our charter restrictions if repurchases by other stockholders cause such person's holdings to exceed 9.8% of our outstanding shares. Any attempt to own or transfer shares of our common stock in excess of the ownership limit without the consent of our board of directors will be void, or will result in those shares being transferred by operation of law to a charitable trust, and the person who acquired such excess shares will not be entitled to any distributions thereon or to vote those excess shares. Our 9.8% ownership limitation may have the effect of delaying, deferring or preventing a change in control of us, including an extraordinary transaction (such as a merger, tender offer or sale of all or substantially all of our assets) that might provide a premium price for our stockholders.

***Maryland law and our organizational documents limit our rights and the rights of our stockholders to recover claims against our directors and officers, which could reduce your and our recovery against them if they cause us to incur losses.***

Maryland law provides that a director will not have any liability as a director so long as he or she performs his or her duties in accordance with the applicable standard of conduct. In addition, Maryland law and our charter provide that no director or officer shall be liable to us or our stockholders for monetary damages unless the director or officer (1) actually received an improper benefit or profit in money, property or services or (2) was actively and deliberately dishonest as established by a final judgment as material to the cause of action. Moreover, our charter generally requires us to indemnify and advance expenses to our directors and officers for losses they may incur by reason of their service in those capacities unless their act or omission was material to the matter giving rise to the proceeding and was committed in bad faith or was the result of active and deliberate dishonesty, they actually received an improper personal benefit in money, property or services or, in the case of any criminal proceeding, they had reasonable cause to believe the act or omission was unlawful. As a result, you and our company may have more limited rights against our directors or officers than might otherwise exist under common law, which could reduce your and our recovery from these persons if they act in a manner that causes us to incur losses. In addition, we are obligated to fund the defense costs incurred by these persons in some cases. However, our charter provides that we may not indemnify our directors, or our Advisor and its affiliates, for any liability or loss suffered by them or hold our directors, our Advisor and its affiliates harmless for any liability or loss suffered by us, unless they have determined that the course of conduct that caused the loss or liability was in our best interests, they were acting on our behalf or performing services for us, the liability or loss was not the result of negligence or misconduct by our non-independent directors, our Advisor and its affiliates, or gross negligence or willful misconduct by our independent directors, and the indemnification or agreement to hold harmless is recoverable only out of our net assets or the proceeds of insurance and not from our stockholders.

***Certain provisions in our organizational documents and Maryland law could inhibit transactions or changes of control under circumstances that could otherwise provide stockholders with the opportunity to realize a premium.***

Our charter and bylaws contain provisions that could delay or prevent a change of control of our company or changes in our board of directors that our stockholders might consider favorable. For example, our charter authorizes the issuance of preferred stock which can be created and issued by our board of directors without prior stockholder approval, with rights senior to those of our common stock, and prohibits our stockholders from filling board vacancies. In addition, for so long as the advisory agreement is in effect, our Advisor has the right to nominate, subject to the approval of such nomination by our board of directors, three affiliated directors to the slate of directors to be voted on by the stockholders at our annual meeting of stockholders. Furthermore, our board of directors must also consult with our Advisor in connection with (i) its selection of each independent director for nomination to the slate of directors to be voted on at the annual meeting of stockholders, and (ii) filling any vacancies created by the removal, resignation, retirement or death of any director. These and other provisions in our charter and bylaws could make it more difficult for stockholders or potential acquirers to obtain control of our board of directors or initiate actions that are opposed by our then-current board of directors, including a merger, tender offer or proxy contest involving our company.

In addition, certain provisions of the Maryland General Corporation Law applicable to us prohibit business combinations with: (1) any person who beneficially owns, directly or indirectly, 10% or more of the voting power of our outstanding voting stock, which we refer to as an “interested stockholder;” (2) an affiliate or associate of ours who, at any time within the two-year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of our then outstanding stock, which we also refer to as an “interested stockholder;” or (3) an affiliate of an interested stockholder. These prohibitions last for five years after the most recent date on which the interested stockholder became an interested stockholder. Thereafter, any business combination with the interested stockholder or an affiliate of the interested stockholder must be recommended by our board of directors and approved by the affirmative vote of at least 80% of the votes entitled to be cast by holders of our outstanding voting stock, and two-thirds of the votes entitled to be cast by holders of our voting stock other than shares held by the interested stockholder or its affiliate with whom the business combination is to be effected or held by an affiliate or associate of the interested stockholder. These requirements could have the effect of inhibiting a change in control even if a change in control were in our stockholders’ best interest. These provisions of Maryland law do not apply, however, to business combinations that are approved or exempted by our board of directors prior to the time that someone becomes an interested stockholder. Pursuant to the business combination statute, our board of directors has exempted any business combination involving us and any person, provided that such business combination is first approved by a majority of our board of directors, including a majority of our independent directors.

***Our UPREIT structure may result in potential conflicts of interest with our operating partnership or limited partners in our operating partnership whose interests may not be aligned with those of our stockholders.***

Conflicts of interest exist or could arise in the future as a result of the relationships between us and our affiliates, on the one hand, and our operating partnership or any partner thereof, on the other. Our directors and officers have duties to our company under applicable Maryland law in connection with their direction of the management of our company. At the same time, we, as the sole member of the general partner, have duties to the general partner of our operating partnership which, in turn, as general partner of our operating partnership, has duties to our operating partnership and to the limited partners thereof under Delaware law in connection with the management of our operating partnership.

Under Delaware law, the general partner of a Delaware limited partnership has fiduciary duties of care and loyalty, and an obligation of good faith, to the partnership and its partners. While these duties and obligations cannot be eliminated entirely in the limited partnership agreement, Delaware law permits the parties to a limited partnership agreement to specify certain types or categories of activities that do not violate the general partner’s duty of loyalty and to modify the duty of care and obligation of good faith, so long as such modifications are not unreasonable. Our duties as the sole member of our general partner to the operating partnership and its partners may come into conflict with the interests of our company. Under the partnership agreement of our operating partnership, upon the admission of a person other than one of our subsidiaries as a limited partner in our operating partnership, the limited partners of our operating partnership expressly agree that the general partner of our operating partnership is acting for the benefit of our operating partnership itself and our stockholders, collectively. The general partner is under no obligation to give priority to the separate interests of the limited partners in deciding whether to cause our operating partnership to take or decline to take any actions. If there is a conflict between the interests of us or our stockholders, on the one hand, and the interests of the limited partners of our operating partnership other than us or our subsidiaries, on the other, that cannot be resolved in a manner not adverse to either, the partnership agreement provides that such conflict will be resolved in favor of our stockholders and the general partner will not be liable for losses sustained by the limited partners in connection with such decisions provided the general partner acted in good faith. Additionally, the partnership agreement of our operating partnership expressly limits our liability by providing that we and our directors, officers, agents and employees, will not be liable or accountable to our operating partnership or its partners for monetary damages.

In addition, our operating partnership is required to indemnify us, our directors, officers and employees, the general partner and its trustees, officers and employees, employees of our operating partnership and any other persons whom the general partner may designate from and against any and all claims arising from operations of our operating partnership in which any indemnitee may be involved, or is threatened to be involved, as a party or otherwise unless it is established that the act or omission of the indemnitee constituted fraud, intentional harm or gross negligence on the part of the indemnitee, the claim is brought by the indemnitee (other than to enforce the indemnitee's rights to indemnification or advance of expenses) or the indemnitee is found to be liable to our operating partnership, and then only with respect to each such claim. The provisions of Delaware law that allow the fiduciary duties of a general partner to be modified by a partnership agreement have not been tested in a court of law, and we have not obtained an opinion of counsel covering the provisions set forth in the partnership agreement that purport to waive or restrict our fiduciary duties.

***Tax protection agreements could limit our ability to sell or otherwise dispose of property contributed to our operating partnership.***

In connection with a contribution of property to our operating partnership, our operating partnership may enter into a tax protection agreement with the contributor of such property that provides that if we dispose of any interest in the contributed property in a taxable transaction within a certain time period, subject to certain exceptions, we may be required to indemnify the contributor for its tax liabilities attributable to the built-in gain that exists with respect to such property interests, and the tax liabilities incurred as a result of such tax protection payment. Therefore, although it may be in our stockholders' best interests that we sell the contributed property, it may be economically prohibitive for us to do so because of these obligations.

***Tax protection agreements may require our operating partnership to maintain certain debt levels that otherwise would not be required to operate our business.***

Our operating partnership may enter into tax protection agreements with persons who contribute property to the operating partnership. Under those tax protection agreements, our operating partnership may provide the contributor of property the opportunity to guarantee debt or enter into a deficit restoration obligation so as to allow the contributor to maintain a certain minimum amount of liability with respect to the contributed property. If we fail to make such opportunities available, we may be required to deliver to such contributor a cash payment intended to approximate the contributor's tax liability resulting from our failure to make such opportunities available to that contributor and the tax liabilities incurred as a result of such tax protection payment. These obligations may require our operating partnership to maintain more or different indebtedness than we would otherwise require for our business.

***The DST Program could subject us to liabilities from litigation or otherwise.***

The DST Program raises capital in private placements exempt from registration under the Securities Act through the sale of beneficial interests to "accredited investors" in specific DSTs holding DST Properties. We expect that the DST Program will give us the opportunity to expand and diversify our capital-raising strategies by offering what we believe to be an attractive investment product for investors that may be seeking replacement properties to complete like-kind exchange transactions under Section 1031 of the Code. There is no guarantee that the DST Program will provide the tax benefits expected by investors. Investors who acquire beneficial interests pursuant to such private placements may be seeking certain tax benefits that depend on the interpretation of, and compliance with, federal and state income tax laws and regulations. As the sole member and manager of the general partner of our operating partnership, we may become subject to liability, from litigation or otherwise, as a result of the DST Program, including in the event an investor fails to qualify for any desired tax benefits.

***The DST Program will not shield us from risks related to the performance of the DST Properties held through such structures.***

Pursuant to the DST Program, certain of our existing real properties and real properties acquired from third parties may be placed into DSTs, the beneficial interests of which will be sold to investors. We will hold long-term leasehold interests in each DST Property pursuant to a master lease, which is intended to be fully guaranteed by our operating partnership. Under each master lease we will be responsible for subleasing the DST Property to occupying tenants until the earlier of the expiration of the master lease or our operating partnership's exercise of the fair market value purchase option giving it the right, but not the obligation, to acquire the beneficial interests in the DSTs from the investors in exchange for OP Units or cash (the "FMV Option"), which means that we bear the risk that the underlying cash flow from a DST Property may be less than the master lease payments. Therefore, even though we will no longer own the DST Property, because of the fixed terms of the master lease guaranteed by our operating partnership, negative performance by the DST Property could affect cash available for distributions to our stockholders and will likely have an adverse effect on our results of operations. In addition, although our operating partnership will hold a FMV Option to reacquire each DST Property, the purchase price will be based on the then-current fair market value of the DST Property, without regard for the rental terms fixed by the master lease. Therefore, we may pay more for the DST Property upon the FMV Option exercise if it appreciates while held by the DST than if we had not placed such property in the DST Program.

***We may own beneficial interests in trusts owning DST Properties that will be subject to the agreements under our DST Program, which may have an adverse effect on our results of operations, relative to if the DST Program agreements did not exist.***

In connection with the launch of our DST Program, we may own beneficial interests in DSTs owning DST Properties that are subject to the terms of the agreements provided by our DST Program. The DST Program agreements may limit our ability to encumber, lease or dispose of our beneficial interests. Such agreements could affect our ability to turn our beneficial interests into cash and could affect cash available for distributions to our stockholders. The DST Program agreements, and in some cases the financing documents, used in connection with the DST Program could also impair our ability to take actions that would otherwise be in the best interests of our stockholders and, therefore, may have an adverse effect on our results of operations and NAV, relative to if the DST Program agreements did not exist.

***DST Properties may be less liquid than other assets, which could impair our ability to utilize cash proceeds from sales of such DST Properties for other purposes such as paying down debt, distributions or additional investments.***

DST Properties may later be reacquired through the exercise of our operating partnership's FMV Option. In such cases the investors who become limited partners in our operating partnership will generally still be tied to the DST Property in terms of basis and built-in gain. As a result, if the DST Property is subsequently sold, unless we effectuate a like-kind exchange under Section 1031 of the Code, then tax will be triggered on the investors' built-in gain. Although we are not contractually obligated to do so, we may consider executing a 1031 exchange in such situations. Any replacement property acquired in connection with a 1031 exchange will similarly be tied to the investors with similar considerations if such replacement property ever is sold. As a result of these factors, placing real properties into the DST Program may limit our ability to access liquidity from such real properties or replacement properties through sale without triggering taxes due to the built-in gain tied to investors in the DST Program. Such reduced liquidity could impair our ability to utilize cash proceeds from sales for other purposes such as paying down debt, distributions or additional investments.

***Cash payments to redeem OP Units will reduce cash available for distribution to our stockholders or to honor their repurchase requests under our share repurchase program.***

Following a one-year holding period, the holders of OP Units (other than us and the general partner) generally have the right to cause our operating partnership to redeem all or a portion of their OP Units for, at our sole discretion, shares of our common stock, cash, or a combination of both. An election to redeem OP Units for cash may reduce funds available for distribution to our stockholders or to honor our stockholders' repurchase requests under our share repurchase program.

***Determining to exercise the FMV Option for DST Properties may cause us to incur significant additional non-cash interest expense that could materially impact our GAAP earnings and our funds from operations ("FFO").***

When we determine it is probable that we will exercise a DST Property's FMV Option we will need to begin recording additional non-cash interest expense, which will reduce GAAP earnings and FFO. If we exercise the FMV Option prior to the end of the master lease, we record, as a lump sum, non-cash interest expense for the difference between the fair market value of the property and the sum of the mortgage debts outstanding balance and the financing obligation, in the quarter in which we exercise the FMV Option. The lump sum non-cash interest expense could have a very material negative impact on our GAAP earnings and FFO.

***Your investment return may be reduced if we are required to register as an investment company under the Investment Company Act.***

We intend to conduct our operations so that neither we nor our operating partnership or our respective subsidiaries are investment companies under the Investment Company Act. Section 3(a)(1)(A) of the Investment Company Act defines an investment company as any issuer that is or holds itself out as being engaged primarily in the business of investing, reinvesting or trading in securities. We believe that neither we nor our operating partnership will be considered an investment company under Section 3(a)(1)(A) of the Investment Company Act because neither we nor our operating partnership will engage primarily or hold ourselves out as being engaged primarily in the business of investing, reinvesting or trading in securities. Rather, through our operating partnership's wholly owned or majority-owned subsidiaries, we and our operating partnership will be primarily engaged in the non-investment company businesses of these subsidiaries, namely the business of purchasing or otherwise acquiring real property, mortgages and other interests in real estate. We believe that we, our operating partnership and our respective subsidiaries will satisfy this exclusion.

Section 3(a)(1)(C) of the Investment Company Act defines an investment company as any issuer that is engaged or proposes to engage in the business of investing, reinvesting, owning, holding or trading in securities and owns or proposes to acquire investment securities having a value exceeding 40% of the value of the issuer's total assets (exclusive of U.S. government securities and cash items) on an unconsolidated basis. Excluded from the term "investment securities," among other things, are U.S. government securities and securities issued by majority-owned subsidiaries that are not themselves investment companies and are not relying on the exception from the definition of investment company set forth in Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act.

A change in the value of any of our assets could cause us, our operating partnership or one or more of our respective subsidiaries to fall within the definition of "investment company" and thus be required to register under the Investment Company Act. To ensure that we are not required to register the company or any of our subsidiaries as an investment company under the Investment Company Act, we may be unable to sell assets we would otherwise want to sell and may be unable to purchase securities we would otherwise want to purchase. In addition, we may have to acquire additional income- or loss-generating assets that we might not otherwise have acquired or may have to forgo opportunities to acquire interests in companies that we would otherwise want to acquire and would be important to our investment strategy.

Our Advisor will continually review our investment activity to attempt to ensure that we will not be regulated as an investment company.

However, if we were obligated to register as an investment company, we would have to comply with a variety of substantive requirements under the Investment Company Act that impose, among other things:

- limitations on capital structure;
- restrictions on specified investments;
- restrictions or prohibitions on retaining earnings;
- restrictions on leverage or senior securities;
- restrictions on unsecured borrowings;
- requirements that our income be derived from certain types of assets;
- prohibitions on transactions with affiliates; and
- compliance with reporting, record keeping, voting, proxy disclosure and other rules and regulations that would significantly increase our operating expenses.

If we were required to register as an investment company but failed to do so, we would be prohibited from engaging in our business, and criminal and civil actions could be brought against us. In addition, our contracts would be unenforceable unless a court required enforcement, and a court could appoint a receiver to take control of us and liquidate our business.

Registration with the SEC as an investment company would be costly, would subject our company to a host of complex regulations, and would divert the attention of management from the conduct of our business. In addition, the purchase of real estate that does not fit our investment guidelines and the purchase or sale of investment securities or other assets to preserve our status as a company not required to register as an investment company could materially adversely affect our NAV, the amount of funds available for investment and our ability to pay distributions to our stockholders.

***Rapid changes in the values of potential investments in real estate-related investments may make it more difficult for us to maintain our qualification as a REIT or our exception from the Investment Company Act.***

If the market value or income potential of our real estate-related investments declines, including as a result of increased interest rates, prepayment rates or other factors, we may need to increase our real estate investments and income or liquidate our non-qualifying assets in order to maintain our REIT qualification or our exception from registration under the Investment Company Act. If the decline in real estate asset values or income occurs quickly, this may be especially difficult to accomplish. This difficulty may be exacerbated by the illiquid nature of any non-real estate assets that we may own. We may have to make investment decisions that we otherwise would not make absent REIT and Investment Company Act considerations.

***Cybersecurity risks and data protection could result in the loss of data, interruptions in our business, damage to our reputation, and subject us to regulatory actions, increased costs and financial losses, each of which could have a material adverse effect on our business and results of operations.***

Our operations are highly dependent on our information systems and technology, and we rely heavily on JLL's and our Advisor's financial, accounting, treasury, communications and other data processing systems. Such systems may fail to operate properly or become disabled as a result of tampering or a breach of the network security systems or otherwise. In addition, such systems are from time to time subject to cyber attacks which are continually evolving and may increase in sophistication and frequency in the future. Attacks on JLL, our Advisor, their affiliates and their third-party service providers' systems could involve and, in some instances, have in the past involved, attempted attacks that are intended to obtain unauthorized access to our proprietary information or personal identifying information of our stockholders, destroy data or disable, degrade or sabotage our systems, through the introduction of computer viruses or other malicious code.

Cyber security incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Our information and technology systems as well as those of JLL, our Advisor, their affiliates and their third-party service providers, may be vulnerable to damage or interruptions from cyber security breaches, computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and other security breaches, usage errors by their respective professionals or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Cyberattacks and other security threats could originate from a wide variety of sources, including cyber criminals, nation state hackers, hacktivists and other outside parties. There has been an increase in the frequency and sophistication of the cyber and security threats JLL and our Advisor face, with attacks ranging from those common to businesses generally to those that are more advanced and persistent, which may target JLL or our Advisor because they hold a significant amount of confidential and sensitive information about their investors and potential investments. As a result, JLL and our Advisor may face a heightened risk of a security breach or disruption with respect to this information. If successful, these types of attacks on JLL's or our Advisor's network or other systems could have a material adverse effect on our business and results of operations, due to, among other things, the loss of investor or proprietary data, interruptions or delays in the operation of our business and damage to our reputation. There can be no assurance that measures JLL or our Advisor take to ensure the integrity of its systems will provide protection, especially because cyberattack techniques used change frequently or are not recognized until successful.

If unauthorized parties gain access to such information and technology systems, they may be able to steal, publish, delete or modify private and sensitive information including nonpublic personal information related to stockholders (and their beneficial owners) and material nonpublic information. Although JLL and our Advisor have implemented various measures to manage risks relating to these types of events, such systems could prove to be inadequate and, if compromised, could become inoperable for extended periods of time, cease to function properly or fail to adequately secure private information. JLL and our Advisor do not control cyber security plans and systems put in place by third-party service providers, and such third-party service providers may have limited indemnification obligations to JLL or our Advisor, each of which could be negatively impacted as a result. Breaches such as those involving covertly introduced malware, impersonation of authorized users and industrial or other espionage may not be identified even with sophisticated prevention and detection systems, potentially resulting in further harm and preventing them from being addressed appropriately. The failure of these systems or of disaster recovery plans for any reason could cause significant interruptions in JLL's, our Advisor's, their affiliates' or our operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to stockholders, material nonpublic information and the intellectual property and trade secrets and other sensitive information in the possession of JLL and our Advisor. We, JLL or our Advisor could be required to make a significant investment to remedy the effects of any such failures, harm to their reputations, legal claims that they and their respective affiliates may be subjected to, regulatory action or enforcement arising out of applicable privacy and other laws, adverse publicity and other events that may affect their business and financial performance.

In addition, JLL and our Advisor operate in businesses that are highly dependent on information systems and technology. The costs related to cyber or other security threats or disruptions may not be fully insured or indemnified by other means. In addition, we are reliant on third-party service providers for certain aspects of our business, including for administrative services, as well as for certain information systems and technology, including cloud-based services. These third-party service providers could also face ongoing cybersecurity threats and compromises of their systems and as a result, unauthorized individuals could gain access to certain confidential data.

Our Sponsor's and our Advisor's increasing reliance on AI technology introduces risks relating to our dependency on the accuracy and reliability of AI-generated outputs, the potential for data privacy and security breaches, and challenges in complying with rapidly evolving AI regulations. Specifically, the rapid adoption of AI tools exposes us to risks of inaccurate or misleading outputs, which could lead to flawed business analysis. Furthermore, the use of generative AI may create uncertainty around intellectual property ownership of both inputs and outputs, and could increase the risk of inadvertent disclosure of confidential investor or Company information.

While our Sponsor and Advisor have implemented policies and safeguards governing the use of AI technology and protection of our intellectual property and sensitive information, we cannot guarantee complete adherence by their employees, contractors, or other agents. The misuse or improper implementation of AI could lead to erroneous decisions, biased outcomes, regulatory fines, or reputational damage.

The legal and regulatory landscape surrounding AI also is rapidly evolving and fragmented. Jurisdictions are beginning to implement distinct regulatory frameworks which could impose varying and potentially conflicting compliance obligations on our operations. Navigating these changes may require significant resources to ensure compliance with both U.S. and non-U.S. laws, potentially impacting our operations and financial performance.

In addition, cybersecurity has become a top priority for regulators around the world. The SEC recently adopted amendments to its rules that relate to cybersecurity risk management, strategy, governance, and incident reporting for entities that are subject to Exchange Act reporting requirements. Many jurisdictions in which JLL and our Advisor operate have laws and regulations relating to data privacy, cybersecurity and protection of personal information. Some jurisdictions have also enacted laws requiring companies to notify individuals of data security breaches involving certain types of personal data. Breaches in security could potentially jeopardize JLL, our Advisor, its employees' or our investors' or counterparties' confidential and other information processed and stored in, and transmitted through JLL's or our Advisor's computer systems and networks, or otherwise cause interruptions or malfunctions in its, its employees', our investors', our counterparties' or third-parties' operations, which could result in significant losses, increased costs, disruption of JLL's or our Advisor's business, liability to our investors and other counterparties, regulatory intervention or reputational damage.

If JLL or our Advisor fails to comply with the relevant laws and regulations, it could result in regulatory investigations and penalties, which could lead to negative publicity and may cause our investors to lose confidence in the effectiveness of our, JLL's or our Advisor's security measures.

Finally, we depend on JLL's headquarters in Chicago, Illinois for the continued operation of our business. A disaster or a disruption in the infrastructure that supports our business, including a disruption involving electronic communications or other services used by us or third parties with whom we conduct business, or directly affecting our headquarters, could have a material adverse impact on our ability to continue to operate our business without interruption. JLL's disaster recovery programs may not be sufficient to mitigate the harm that may result from such a disaster or disruption. In addition, insurance and other safeguards might only partially reimburse us for our losses, if at all.

***We are subject to risks associated with artificial intelligence and machine learning technology.***

AI and its current and potential future applications including in the private investment and financial industries, as well as the legal and regulatory frameworks within which AI operates, continue to rapidly evolve.

Recent technological advances in AI pose risks to us, our Advisor, and our properties. We could also be exposed to the risks of AI if third-party service providers or any counterparties, whether or not known to us, also use AI in their business activities. We may not be in a position to control the use of AI technology in third-party products or services.

Use of AI could include the input of confidential information in contravention of applicable policies, contractual or other obligations or restrictions, resulting in such confidential information becoming accessible by other third-party AI applications and users. While LaSalle does not currently use AI to make investment recommendations, the use of AI could also exacerbate or create new and unpredictable risks to our business and our Advisor's business, including by potentially significantly disrupting the markets in which we operate or subjecting us and our Advisor to increased competition and regulation, which could materially and adversely affect the business, financial condition or results of operations of us and our Advisor. In

addition, the use of AI by bad actors could heighten the sophistication and effectiveness of cyber and security attacks experienced by properties and our Advisor.

Independent of its context of use, AI technology is generally highly reliant on the collection and analysis of large amounts of data, and it is not possible or practicable to incorporate all relevant data into the model that AI technology utilizes to operate. Certain data in such models will inevitably contain a degree of inaccuracy and error—potentially materially so—and could otherwise be inadequate or flawed, which would be likely to degrade the effectiveness of AI technology. To the extent that we are exposed to the risks of AI use, any such inaccuracies or errors could have adverse impacts on us or our investments.

AI technology and its applications, including in the private investment and financial sectors, continue to develop rapidly, and it is impossible to predict the future risks that may arise from such developments.

### **Risks Related to Investments in Real Property**

***We depend on tenants for our revenue, and accordingly, lease terminations and/or tenant defaults, particularly by one of our significant tenants, could adversely affect the income produced by our properties, which may harm our operating performance, thereby limiting our ability to pay distributions to our stockholders.***

The success of our investments depends on the financial stability of our tenants, any of whom may experience a change in their business at any time, including as a result of global economic and geopolitical events, military conflicts, and war (including ongoing conflicts in the Middle East and Ukraine), natural disasters, public health or pandemic crises, labor shortages, elevated consumer prices or broad inflationary pressures. Our tenants may delay lease commencements, decline to extend or renew their leases upon expiration, fail to make rental payments when due, or declare bankruptcy. Any of these actions could result in the termination of the tenants' leases, or expiration of existing leases without renewal, and the loss of rental income attributable to the terminated or expired leases. In the event of a tenant default or bankruptcy, we may experience delays in enforcing our rights as a landlord and may incur substantial costs in protecting our investment and re-letting our property. If significant leases are terminated or defaulted upon, we may be unable to lease the property for the rent previously received or sell the property without incurring a loss. In addition, significant expenditures, such as mortgage payments, real estate taxes and insurance and maintenance costs, are generally fixed and do not decrease when revenues at the related property decrease.

The occurrence of any of the situations described above, particularly if it involves one of our significant tenants, could seriously harm our operating performance. If any of these significant tenants were to default on its lease obligation(s) to us or not extend current leases as they mature, our results of operations and ability to pay distributions to our stockholders could be adversely affected. The revenues generated by the properties these tenants occupy are substantially dependent upon the financial condition of these tenants and, accordingly, any event of bankruptcy, insolvency, or a general downturn in the business of any of these tenants may result in the failure or delay of such tenant's rental payments, which may have a substantial adverse effect on our operating performance.

***Our revenues will be significantly influenced by the economies and other conditions of the healthcare, industrial, residential, retail and other markets in general and the specific geographic markets in which we operate where we have high concentrations of these types of properties.***

As of December 31, 2025, our diversification of current fair value of our consolidated properties by property type consisted of, 11% in the healthcare property sector, 40% in the industrial property sector, 37% in the residential property sector, 12% in the retail property sector and less than 1% in the other property sector. As of December 31, 2025, we also owned an interest in unconsolidated properties in the healthcare, residential, retail and other property sectors. Because our portfolio consists primarily of healthcare, industrial, residential and retail properties, we are subject to risks inherent in investments in these property types and in particular the risk that e-commerce poses to retail. This concentration exposes us to risk of economic downturns in these property sectors to a greater extent than if our portfolio included other sectors in the real estate industry.

Additionally, as of December 31, 2025, approximately 38%, 29% and 24% of the current fair value of our consolidated properties was geographically concentrated in the western, southern and eastern United States, respectively. Moreover, our properties located in California, Arizona and Texas accounted for approximately 15%, 11% and 11% of our consolidated revenues, respectively. As a result, we are particularly susceptible to adverse market conditions in these particular areas, including the current economic conditions, the reduction in demand for healthcare, retail, industrial or residential properties, industry slowdowns, relocation of businesses and changing demographics.

Adverse economic or real estate developments in the markets in which we have a concentration of properties, or in any of the other markets in which we operate, or any decrease in demand for healthcare, retail, industrial or residential space resulting from the local or national business climate, could adversely affect our rental revenues and operating results.

***Our operating results are affected by economic and regulatory changes that impact the real estate market in general.***

Real estate historically has experienced significant fluctuations and cycles in value that have resulted in reductions in the value of properties. Real estate will continue to be subject to such fluctuations and cycles in value in the future that may negatively impact the value of our properties. The value of our properties will depend on many factors beyond our control. The value of our properties depends upon our ability to operate the real properties in a manner sufficient to maintain or increase revenues in excess of operating expenses and debt service. Revenues and the values of our properties may be adversely affected by:

- changes in national or international economic conditions;
- the cyclical nature of real estate;
- changes in local market conditions due to changes in general or local economic conditions and neighborhood characteristics;
- the financial condition of tenants, buyers and sellers of properties;
- acts of God, earthquakes, hurricanes, climate change and other natural disasters, acts of war, acts of terrorism (any of which may result in uninsured losses), national and international security events, epidemics and pandemics;
- competition from other properties offering the same or similar services;
- changes in interest rates and in the availability, cost and terms of mortgage debt;
- access to capital;
- the impact of present or future environmental legislation and compliance with environmental laws;
- the ongoing need for capital improvements (particularly in older structures);
- changes in real estate tax rates and other operating expenses;
- adverse changes in governmental rules and fiscal policies;
- trade conflict;
- civil unrest;
- adverse changes in zoning laws; and
- other factors that are beyond our control.

All of these factors are beyond our control. Any negative changes in these factors could affect our ability to meet our obligations and pay distributions to stockholders.

***Consequences of climate change and related regulations could impact our properties and financial performance.***

The impact of climate change presents a significant risk. Damage to our properties caused by extreme weather events linked to climate change is becoming more evident, highlighting the fragility of the global infrastructure. These physical effects of climate change could have a material adverse effect on our properties, operations and business, including a decline in demand for our properties and an increase in operation costs related to repairs and insurance. In addition, the adoption of regulations at the federal, state and local levels designed to address climate change, including building performance standards, may present additional costs and compliance risks as more markets move toward carbon neutral goals.

We anticipate the potential effects of climate change will increasingly impact the decisions and analysis our Advisor makes with respect to buying and selling properties, as climate change considerations can impact the relative desirability of locations and the cost of operating and insuring acquired properties, with the possibility that insurance may not be available, or on terms we find acceptable, for some properties in the future. Legislation that requires specific performance levels for building operations could make non-compliant buildings obsolete or costly to obtain compliance, which could materially affect the performance of our existing and future investments. In addition, capital improvements required to mitigate the potential impacts of climate risk could have an impact on our financial performance.

***Our retail properties may decline in rental revenue and/or occupancy as a result of co-tenancy provisions contained in certain tenant's leases.***

Tenants of certain of our retail properties have leases that contain certain co-tenancy provisions that require either certain tenants and/or certain amounts of square footage to be occupied and open for business. If these co-tenancy provisions are not satisfied then other tenants of these properties may have the right to, among other things, pay reduced rents and/or terminate the lease. As a result, the loss of a single tenant on these properties, and the triggering of these co-tenancy provisions, could result in reduced rental income and/or reduced occupancy with respect to these properties, which could have a material adverse effect on our business, financial condition and results of operations.

***We face considerable competition in the leasing market and may be unable to renew existing leases or re-let space on terms similar to the existing leases, or we may expend significant capital in our efforts to re-let space, which may adversely affect our operating results.***

Leases (excluding our residential properties) representing approximately 7% and 7% of the annualized minimum base rent from our consolidated properties, as of December 31, 2025, were scheduled to expire in 2026 and 2027, respectively. Because we compete with a number of other developers, owners and managers of healthcare, retail, industrial and residential properties, we may be unable to renew leases with our existing tenants and, if our current tenants do not renew their leases, we may be unable to re-let the space to new tenants. To the extent that we are able to renew leases that are scheduled to expire in the short-term or re-let such space to new tenants, heightened competition resulting from adverse market conditions may require us to utilize rent concessions and tenant improvements to a greater extent than we historically have. Further, leases of long-term duration or which include renewal options that specify a maximum rate increase may not result in fair market lease rates over time if we do not accurately estimate inflation or market lease rates. If we are subject to below-market lease rates on a significant number of our properties pursuant to long-term leases, our cash flow from operations and financial position may be adversely affected. In addition, historic economic turmoil led to foreclosures and sales of foreclosed properties at depressed values, and we may have difficulty competing with competitors who purchase properties in the foreclosure process, because their lower cost basis in their properties may allow them to offer space at reduced rental rates.

If our competitors offer space at rental rates below current market rates or below the rental rates we currently charge our tenants, we may lose potential tenants, and we may be pressured to reduce our rental rates below those we currently charge in order to retain tenants upon expiration of their existing leases. Even if our tenants renew their leases or we are able to re-let the space, the terms and other costs of renewal or re-letting, including the cost of required renovations, increased tenant improvement allowances, leasing commissions, declining rental rates, and other potential concessions, may be less favorable than the terms of our current leases and could require significant capital expenditures. If we are unable to renew leases or re-let space in a reasonable time, or if rental rates decline or tenant improvement, leasing commissions, or other costs increase, our financial condition, cash flows, cash available for distribution, value of our common stock, and ability to satisfy our debt service obligations could be materially adversely affected.

***Competition in acquiring properties may reduce our profitability and the return on your investment.***

We face competition from various entities for investment opportunities in properties, including other REITs, pension funds, insurance companies, investment funds and companies, partnerships, and developers. We may also face competition from real estate programs sponsored by our Sponsor and its affiliates. Many third party competitors have substantially greater financial resources than we do and may be able to accept more risk than we can prudently manage. Competition from these entities may reduce the number of suitable investment opportunities offered to us or increase the bargaining power of property owners seeking to sell. Additionally, disruptions and dislocations in the credit markets may materially impact the cost and availability of debt to finance real estate acquisitions, which is a key component of our acquisition strategy. A lack of available debt could result in a further reduction of suitable investment opportunities and create a competitive advantage for other entities that have greater financial resources than we do. In addition, the number of entities and the amount of funds competing for suitable investments may continue to increase. In addition to third party competitors, other programs sponsored by our Advisor may raise additional capital and seek investment opportunities under our Advisor's allocation policy. If we acquire properties and other investments at higher prices or by using less-than-ideal capital structures, our returns will be lower and the value of our assets may not appreciate or may decrease significantly below the amount we paid for such assets. If such events occur, you may experience a lower return on your investment.

To the extent we acquire properties, our operating results may depend on the availability of, and our Advisor's ability to identify, acquire and manage, appropriate real estate investment opportunities. It may take considerable time for us or our Advisor to identify and acquire appropriate investments. In general, the availability of desirable real estate opportunities and our investment returns will be affected by the level and volatility of interest rates, conditions in the financial markets and general, national and local economic conditions. Further, rapid advances in artificial intelligence may intensify competition and disrupt traditional operating models, creating pressures and operational uncertainties across industries. No assurance can be given that we will be successful in identifying, underwriting and then acquiring investments which satisfy our return objectives or that such investments, once acquired, will perform as intended. The real estate industry is competitive and we compete for investments with traditional equity sources, both public and private, as well as existing funds, or funds formed in the future, with similar investment objectives. If we cannot effectively compete with these entities for investments, our financial performance may be adversely affected.

***Potential losses or damage to our properties may not be covered by insurance.***

Our tenants are required to maintain property insurance coverage for the properties under net leases and we carry comprehensive liability, fire, extended coverage, business interruption and rental loss insurance covering all of the properties in our portfolio not insured by our tenants under a blanket policy. Our Advisor will select policy specifications and insured limits that it believes to be appropriate and adequate given the relative risk of loss, the cost of the coverage and industry practice. Insurance policies on our properties may include some coverage for losses that are generally catastrophic in nature, such as losses due to terrorism, earthquakes and floods, but we cannot assure you that it will be adequate to cover all losses and some of our policies will be insured subject to limitations involving large deductibles or co-payments and policy limits which may not be sufficient to cover losses.

In addition, we share certain policy risk with other clients of our Advisor and it is possible that they may draw those limits leaving no coverage for a claim by us. If we or one or more of our tenants experience a loss which is uninsured or which exceeds policy limits, we could lose the capital invested in the damaged properties as well as the anticipated future cash flows from those properties. In addition, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if these properties were irreparably damaged.

***Our real properties are subject to property and other taxes that may increase in the future, which could adversely affect our cash flow.***

Our real properties are subject to real and personal property and other taxes that may increase as tax rates change and as the properties are assessed or reassessed by taxing authorities. Certain of our leases provide that the property taxes, or increases therein, are charged to the lessees as an expense related to the real properties that they occupy while other leases will generally provide that we are responsible for such taxes. In any case, as the owner of the properties, we are ultimately responsible for payment of the taxes to the applicable governmental authorities. If property taxes increase, our tenants may be unable to make the required tax payments, ultimately requiring us to pay the taxes even if otherwise stated under the terms of the lease. If we fail to pay any such taxes, the applicable taxing authorities may place a lien on the property and the property may be subject to a tax sale. In addition, we will generally be responsible for property taxes related to any vacant space.

***We rely on third party property managers to operate our properties and leasing agents to lease vacancies in our properties.***

Although our Advisor has hired and may hire JLL to manage and lease certain of our properties, we also rely on third party property managers and leasing agents to manage and lease vacancies in most of our properties. The third party property managers have significant decision-making authority with respect to the management of our properties. Our ability to direct and control how our properties are managed on a day-to-day basis may be limited because we will engage third parties to perform this function. Thus, the success of our business may depend in large part on the ability of our third party property managers to manage the day-to-day operations and the ability of our leasing agents to lease vacancies in our properties. Any adversity experienced by our property managers or leasing agents could adversely impact the operation and profitability of our properties.

***We may not have sole decision-making authority over some of our real property investments and may be unable to take actions to protect our interests in these investments.***

A component of our investment strategy includes entering into joint venture agreements with partners in connection with certain property acquisitions. As of December 31, 2025, we had interests in eight joint ventures that collectively own 15 properties and 2,440 single-family rental homes across the United States accounting for 20% of our total assets. We may co-invest in the future with third parties through partnerships or other entities, which we collectively refer to as joint ventures, acquiring non-controlling interests in or sharing responsibility for managing the affairs of the joint venture. In such event, we would not be in a position to exercise sole decision-making authority regarding the joint venture. Investments in joint ventures may, under certain circumstances, involve risks not present were a third party not involved, including the possibility that partners or co-venturers might become bankrupt or fail to fund their required capital contributions. Co-venturers may have economic or other business interests or goals which are inconsistent with our business interests or goals, and may be in a position to take actions contrary to our policies or objectives. Such investments may also have the potential risk of impasses on decisions, such as a sale, because neither we nor the co-venturer would have full control over the joint venture. Disputes between us and co-venturers may result in litigation or arbitration that would increase our expenses and prevent our officers and directors from focusing their time and effort on our business. Consequently, actions by or disputes with co-venturers might result in subjecting properties owned by the joint venture to additional risk. In addition, we may in certain circumstances be liable for the actions of our co-venturers. In addition, our lack of control over the properties in which we invest could result in us being unable to obtain accurate and timely financial information for these properties and could adversely affect our internal control over financial reporting.

***We may not have funding for future tenant improvements, which may adversely affect the value of our assets, our results of operations and returns to our stockholders.***

When a tenant at one of our real properties does not renew its lease or otherwise vacates its space in one of our buildings, it is likely that, in order to attract one or more new tenants, we will be required to expend substantial funds to construct new tenant improvements in the vacated space. We do not anticipate that we will maintain permanent working capital reserves and do not currently have an identified funding source to provide funds that may be required in the future for tenant improvements and tenant refurbishments in order to attract new tenants. If we do not establish sufficient reserves for working capital or obtain adequate financing to supply necessary funds for capital improvements or similar expenses, we may be required to defer necessary or desirable improvements to our real properties. If we defer such improvements, the applicable real properties may decline in value, and it may be more difficult for us to attract or retain tenants to such real properties or the amount of rent we can charge at such real properties may decrease. We cannot assure our stockholders that we will have any sources of funding available to us for repair or reconstruction of damaged real property in the future.

***The costs of compliance with governmental laws and regulations may adversely affect our financial condition and results of operations.***

Real estate and the operations conducted on properties are subject to federal, state and local laws and regulations relating to environmental protection and human health and safety. Tenants' ability to operate and generate income to pay their lease obligations may be affected by permitting and compliance obligations arising under such laws and regulations. Some of these laws and regulations may impose joint and several liability on tenants, owners, or managers for the costs to investigate or remediate contaminated properties, regardless of fault or whether the acts causing the contamination were legal. In addition, the presence of hazardous substances, or the failure to properly remediate these substances, may hinder our ability to sell, rent, or pledge such property as collateral for future borrowings. Compliance with new laws or regulations or stricter interpretation of existing laws by agencies or the courts may require us to incur material expenditures. Future laws, ordinances, or regulations may impose material environmental liability.

Additionally, our tenants' operations, the existing condition of land when we buy it, operations in the vicinity of our properties such as the presence of underground storage tanks or activities of unrelated third parties may affect our properties. In addition, there are various local, state, and federal fire, health, life-safety, and similar regulations with which we may be required to comply, and which may subject us to liability in the form of fines or damages for noncompliance. Any material expenditures, fines, or damages we must pay will reduce our cash flows and ability to pay distributions and may reduce the value of our shares of common stock.

***As the present or former owner or manager of real property, we could become subject to liability for environmental contamination, regardless of whether we caused such contamination.***

We could become subject to liability in the form of fines or damages for noncompliance with environmental laws and regulations. These laws and regulations generally govern wastewater discharges, air emissions, the operation and removal of underground and above-ground storage tanks, the use, storage, treatment, transportation and disposal of solid hazardous materials, the remediation of contaminated property associated with the disposal of solid and hazardous materials and other health and safety-related concerns. Some of these laws and regulations may impose joint and several liability on tenants, owners or managers for the costs of investigation or remediation of contaminated properties, regardless of fault or the legality of the original disposal. Under various federal, state and local environmental laws, ordinances, and regulations, a current or former owner or manager of real property may be liable for the cost to remove or remediate hazardous or toxic substances, wastes, or petroleum products on, under, from, or in such property. These costs could be substantial and liability under these laws may attach whether or not the owner or manager knew of, or was responsible for, the presence of such contaminants. Even if more than one person may have been responsible for the contamination, each liable party may be held entirely responsible for all of the clean-up costs incurred.

In addition, third parties may sue the owner or manager of a property for damages based on personal injury, natural resources, or property damage and/or for other costs, including investigation and clean-up costs, resulting from the environmental contamination. The presence of contamination on one of our properties, or the failure to properly remediate a contaminated property, could give rise to a lien in favor of the government for costs it may incur to address the contamination, or otherwise adversely affect our ability to sell or lease the property or borrow using the property as collateral. In addition, if contamination is discovered on our properties, environmental laws may impose restrictions on the manner in which the property may be used or businesses may be operated, and these restrictions may require substantial expenditures or prevent us from entering into leases with prospective tenants. There can be no assurance that future laws, ordinances or regulations will not impose any material environmental liability, or that the current environmental condition of our properties will not be affected by the operations of the tenants, by the existing condition of the land, by operations in the vicinity of the properties. There can be no assurance that these laws, or changes in these laws, will not have a material adverse effect on our business, results of operations or financial condition.

***Future terrorist attacks may result in financial losses for us and limit our ability to obtain terrorism insurance.***

Our portfolio maintains significant holdings in areas that are located in or around major population centers that may be high-risk geographical areas for terrorism and threats of terrorism. Future terrorist attacks and the anticipation of any such attacks, or the consequences of the military or other response by the United States and its allies, could severely impact the demand for, and value of, our properties. Terrorist attacks in and around any of the major metropolitan areas in which we own properties also could directly impact the value of our properties through damage, destruction, loss, or increased security costs, and could thereafter materially impact the availability or cost of insurance to protect against such acts. A decrease in demand could make it difficult to renew or re-lease our properties at lease rates equal to or above historical rates. To the extent that any future terrorist attacks otherwise disrupt our tenants' businesses, it may impair our tenants' ability to make timely payments under their existing leases with us, which would harm our operating results.

In addition, the events of September 11, 2001 created significant uncertainty regarding the ability of real estate owners of high profile properties to obtain insurance coverage protecting against terrorist attacks at commercially reasonable rates, if at all. With the enactment of the Terrorism Risk Insurance Act, which has been extended through 2027, insurers must make terrorism insurance available under their property and casualty insurance policies, but this legislation does not regulate the pricing of such insurance. The absence of affordable insurance coverage may affect the general real estate lending market, lending volume and the market's overall loss of liquidity may reduce the number of suitable investment opportunities available to us and the pace at which its investments are made. We currently carry terrorism insurance under our master insurance program on all of our investments.

***We may be subject to additional risks from our international investments.***

We do not own any properties located outside the United States as of December 31, 2025 but may purchase investments located outside the United States, and may make or purchase loans or participations in loans secured by property located outside the United States. These investments may be affected by factors peculiar to the laws and business practices of the jurisdictions in which the properties are located. These laws and business practices may expose us to risks that are different from and in addition to those commonly found in the United States. Foreign investments could be subject to the following additional risks:

- the burden of complying with a wide variety of foreign laws;
- changing governmental rules and policies, including changes in land use and zoning laws, more stringent environmental laws or changes in such laws;
- existing or new laws relating to the foreign ownership of real property or loans and laws restricting the ability of foreign persons or companies to remove profits earned from activities within the country to the person's or company's country of origin;
- the potential for expropriation;
- possible currency transfer restrictions;
- imposition of adverse or confiscatory taxes;
- changes in real estate and other tax rates and changes in other operating expenses in particular countries;
- possible challenges to the anticipated tax treatment of the structures that allow us to acquire and hold investments;
- adverse market conditions caused by terrorism, civil unrest and changes in national or local governmental or economic conditions;
- the willingness of domestic or foreign lenders to make loans in certain countries and changes in the availability, cost and terms of loan funds resulting from varying national economic policies;
- general political and economic instability in certain regions;
- the potential difficulty of enforcing obligations in other countries; and
- our limited experience and expertise in foreign countries relative to our experience and expertise in the United States.

***Investments in properties or other real estate investments outside the United States subject us to foreign currency risks, which may adversely affect distributions and our REIT status.***

Revenues generated from any properties or other real estate investments we acquire or ventures we enter into relating to transactions involving assets located in markets outside the United States likely will be denominated in the local currency. Therefore any investments we make outside the United States may subject us to foreign currency risk due to potential fluctuations in exchange rates between foreign currencies and the U.S. dollar. As a result, changes in exchange rates of any such foreign currency to U.S. dollars may affect our revenues, operating margins and distributions and may also affect the book value of our assets and the amount of stockholders' equity. Changes in foreign currency exchange rates used to value a REIT's foreign assets may be considered changes in the value of the REIT's assets. These changes may adversely affect our status as a REIT. Further, bank accounts in foreign currency that are not considered cash or cash equivalents may adversely affect our status as a REIT.

***Inflation in foreign countries, along with government measures to curb inflation, may have an adverse effect on our investments.***

Certain countries have in the past experienced extremely high rates of inflation. Inflation, along with governmental measures to curb inflation, coupled with public speculation about possible future governmental measures to be adopted, has had significant negative effects on the certain international economies in the past and this could occur again in the future. The introduction of governmental policies to curb inflation can have an adverse effect on our business. High inflation in the countries in which we purchase real estate or make other investments could increase our expenses and we may not be able to pass these increased costs onto our tenants.

***Lack of compliance with the United States Foreign Corrupt Practices Act could subject us to penalties and other adverse consequences.***

We are subject to the United States Foreign Corrupt Practices Act, which generally prohibits United States companies from engaging in bribery or other prohibited payments to foreign officials for the purpose of obtaining or retaining business. Foreign companies, including potential competitors, are not subject to these prohibitions. Fraudulent practices, including corruption, extortion, bribery, payoffs, theft and others, occur from time-to-time in countries in which we may do business. If people acting on our behalf or at our request are found to have engaged in such practices, severe penalties and other consequences could be imposed on us that may have a material adverse effect on our business, results of operations, cash flows and financial condition and our ability to pay distributions to our stockholders and the value of our shares of common stock.

#### **Risks Related to Investments in Real Estate-Related Assets**

***Our investments in real estate-related assets will be subject to the risks related to the underlying real estate.***

Real estate loans secured by properties are subject to the risks related to underlying real estate. The ability of a borrower to repay a loan secured by a property typically is dependent upon the successful operation of such property rather than upon the existence of independent income or assets of the borrower. If the net operating income of the property is reduced, the borrower's ability to repay the loan may be impaired. Any default on the loan could result in our acquiring ownership of the property, and we would bear a risk of loss of principal to the extent of any deficiency between the value of the collateral and the principal and accrued interest of the mortgage loan. In addition, foreclosure of a mortgage loan can be an expensive and lengthy process that could have a substantial negative effect on our anticipated return on the foreclosed loan. We will not know whether the values of the properties ultimately securing our loans will remain at the levels existing on the dates of origination of those loans. If the values of the underlying properties decline, our risk will increase because of the lower value of the security associated with such loans. In this manner, real estate values could impact the values of our loan investments. Our investments in mortgage-backed securities, collateralized debt obligations and other real estate-related investments may be similarly affected by property values.

***The real estate-related equity securities in which we may invest are subject to specific risks relating to the particular issuer of the securities and may be subject to the general risks of investing in subordinated real estate securities.***

We may invest in common and preferred stock of both publicly listed and private real estate companies, which involves a higher degree of risk than debt securities due to a variety of factors, including that such investments are subordinate to creditors and are not secured by the issuer's properties. Our investments in real estate-related equity securities will involve special risks relating to the particular issuer of the equity securities, including the financial condition and business outlook of the issuer. Issuers of real estate-related common equity securities generally invest in real estate or real estate-related assets and are subject to the inherent risks associated with real estate discussed in our prospectus related to our Current Public Offering.

***The value of the real estate-related securities that we may invest in may be volatile.***

The value of real estate-related securities, including those of publicly-listed REITs, fluctuates in response to issuer, political, market and economic developments. In the short term, equity prices can fluctuate dramatically in response to these developments. Different parts of the market and different types of equity securities can react differently to these developments and they can affect a single issuer, multiple issuers within an industry, the economic sector or geographic region, or the market as a whole. The real estate industry is sensitive to economic downturns. The value of securities of companies engaged in real estate activities can be affected by changes in real estate values and rental income, property taxes, interest rates and tax and regulatory requirements. In addition, the value of a REIT's equity securities can depend on the capital structure and amount of cash flow generated by the REIT.

***We may invest in mezzanine debt, which is subject to greater risks of loss than senior loans secured by real properties, and may result in losses to us.***

We may invest in mezzanine loans that take the form of subordinated loans secured by second mortgages on the underlying real property or loans secured by a pledge of the ownership interests of either the entity owning the real property or the entity that owns the interest in the entity owning the real property. These types of investments involve a higher degree of risk than first-lien mortgage loans secured by income producing real property because the investment may become unsecured as a result of foreclosure by the senior lender. In the event of a bankruptcy of the entity providing the pledge of its ownership interests as security, we may not have full recourse to the assets of such entity, or the assets of the entity may not be sufficient to satisfy our mezzanine loan. If a borrower defaults on our mezzanine loan or debt senior to our loan, or in the event of a borrower bankruptcy, our mezzanine loan will be satisfied only after the senior debt. As a result, we may not recover some or all of our investment. In addition, mezzanine loans may have higher loan-to-value ratios than conventional mortgage loans, resulting in less equity in the real property and increasing the risk of loss of principal.

***We may invest in illiquid real estate-related securities, and we may not be able to adjust our portfolio in response to changes in economic and other conditions.***

We may purchase real estate-related securities in connection with privately negotiated transactions that are not registered under the relevant securities laws, resulting in a prohibition against their transfer, sale, pledge or other disposition except in a transaction that is exempt from the registration requirements of, or is otherwise in accordance with, those laws. As a result, our ability to vary our portfolio in response to changes in economic and other conditions may be relatively limited. The mezzanine and bridge loans we may purchase will be particularly illiquid investments due to their short life, their unsuitability for securitization and the greater risk of our inability to recover loaned amounts in the event of a borrower's default.

***Interest rate and related risks may cause the value of our real estate-related assets to be reduced.***

We are subject to interest rate risk with respect to our investments in fixed income securities such as preferred equity and debt securities, and to a lesser extent dividend paying common stocks. Interest rate risk is the risk that these types of securities will decline in value because of changes in market interest rates. Generally, when market interest rates rise, the fair value of such securities will decline, and vice versa. Our investment in such securities means that our NAV may decline if market interest rates rise. During periods of rising interest rates, the average life of certain types of securities may be extended because of slower than expected principal payments. This may lock in a below-market interest rate, increase the security's duration and reduce the value of the security. This is known as extension risk. During periods of declining interest rates, an issuer may be able to exercise an option to prepay principal earlier than scheduled, which is generally known as "call risk" or "prepayment risk." If this occurs, we may be forced to reinvest in lower yielding securities. This is known as "reinvestment risk." Preferred equity and debt securities frequently have call features that allow the issuer to redeem the security prior to its stated maturity. An issuer may redeem an obligation if the issuer can refinance the debt at a lower cost due to declining interest rates or an improvement in the credit standing of the issuer. These risks may reduce the value of our securities investments.

### **Risks Related to Debt Financing**

***We have incurred and are likely to continue to incur mortgage or other indebtedness, which may increase our business risks, could hinder our ability to pay distributions and could decrease the value of your investment.***

As of December 31, 2025, we had total outstanding indebtedness of \$1,930,111. Our Company leverage ratio, calculated as our share of total liabilities (excluding future stockholder servicing and investor servicing fees) divided by our share of the fair value of total assets, was 32% as of December 31, 2025 and 34% as of December 31, 2024. We may obtain mortgage loans and pledge some or all of our properties as security for these loans to acquire the property secured by the mortgage loan, acquire additional properties or pay down other debt. We may also use our line of credit as a flexible borrowing source to cover short-term capital needs, for new property acquisitions and for working capital. If there is a shortfall between the cash flow from a property and the cash flow needed to service mortgage loans on that property, then the amount of cash available for distributions to stockholders may be reduced.

In addition, incurring mortgage debt increases the risk of loss of a property since defaults on indebtedness secured by a property may result in lenders initiating foreclosure actions. In that case, we could lose the property securing the loan that is in default, thus reducing the value of the shares of our common stock. For tax purposes, a foreclosure on any of our properties will be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the loan secured by the mortgage exceeds our tax basis in the property, we will recognize taxable income on foreclosure, but we would not receive any cash proceeds. We may give full or partial guarantees to lenders of mortgage loans to the entities that own our properties. When we give a guaranty on behalf of an entity that owns one of our properties, we will be responsible to the lender for satisfaction of the loan if it is not paid by such entity. If any mortgage contains cross-collateralization or cross-default provisions, a default on a single property could affect multiple properties. If any of our properties are foreclosed upon due to a default, our ability to pay cash distributions to our stockholders may be adversely affected.

***Renewed uncertainty and volatility in the credit markets could affect our ability to obtain debt financing on reasonable terms, or at all, which could reduce the number of properties we may be able to acquire and the amount of cash distributions we can make to our stockholders.***

The U.S. and global credit markets have historically experienced severe dislocations and liquidity disruptions, which caused volatility in the credit spreads on prospective debt financings and constrained the availability of debt financing due to the reluctance of lenders to offer financing at high leverage ratios. Renewed uncertainty in the credit markets, including as a result of global economic events, natural disasters and public health or pandemic crises, may adversely impact our ability to access additional debt financing on reasonable terms or at all, which may adversely affect investment returns on future acquisitions or our ability to make acquisitions.

If mortgage debt is unavailable on reasonable terms as a result of increased interest rates, increased credit spreads, decreased liquidity or other factors, we may not be able to finance the initial purchase of properties. In addition, when we incur mortgage debt on properties, we run the risk of being unable to refinance such debt upon maturity, or of being unable to refinance on favorable terms. As of December 31, 2025, we had \$1,468,211 in aggregate outstanding mortgage notes payable, which had maturity dates through June 1, 2055.

If interest rates are higher or other financing terms, such as principal amortization, the need for a corporate guaranty, or other terms are not as favorable when we refinance debt or issue new debt, our income could be reduced. To the extent we are unable to refinance debt on reasonable terms, or at appropriate times or at all, we may be required to sell properties on terms that are not advantageous to us, or could result in the foreclosure of such properties. If any of these events occur, our cash flow would be reduced. This, in turn, would reduce cash available for distribution to our stockholders and may hinder our ability to raise more capital by borrowing more money.

***Increases in interest rates could increase the amount of our loan payments and adversely affect our ability to pay distributions to our stockholders.***

Interest we pay on our loan obligations will reduce cash available for distributions. If we obtain variable rate loans, increases in interest rates would increase our interest costs, which would reduce our cash flows and our ability to pay distributions to stockholders. In addition, if we need to repay existing loans during periods of rising interest rates, we could be required to liquidate one or more of our investments in properties at times which may not permit realization of the maximum return on such investments.

***If we draw on our line of credit to fund repurchases or for any other reason, our financial leverage ratio could increase beyond our target.***

We may use our line of credit to provide for a ready source of liquidity to fund repurchases of shares of our common stock in the event that repurchase requests exceed net proceeds from our continuous offerings. If we borrow under a line of credit to fund repurchases of shares of our common stock, our financial leverage will increase and may exceed our target leverage ratio. Our leverage may remain at the higher level until we receive additional net proceeds from our continuous offerings or sell some of our assets to repay outstanding indebtedness.

***Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to pay distributions to our stockholders.***

When providing financing, a lender may impose restrictions on us that affect our distribution and operating policies and our ability to obtain additional loans. Loan documents we enter into may contain covenants that limit our ability to further mortgage the property or discontinue insurance coverage. In addition, loan documents may limit our ability to enter into or terminate certain operating or lease agreements related to the property. These or other limitations may adversely affect our flexibility and our ability to achieve our investment objectives.

***If we enter into financing arrangements involving balloon payment obligations, it may adversely affect our ability to pay distributions to our stockholders.***

Some of our financing arrangements may require us to make a lump-sum or “balloon” payment at maturity. Our ability to make a balloon payment at maturity is uncertain and may depend upon our ability to obtain replacement financing or our ability to sell particular properties. At the time the balloon payment is due, we may or may not be able to refinance the balloon payment on terms as favorable as the original loan or sell the particular property at a price sufficient to make the balloon payment. The effect of a refinancing or sale could affect the rate of return to stockholders and the projected time of disposition of our assets.

***Failure to hedge effectively against interest rate changes may materially adversely affect our ability to achieve our investment objectives.***

Subject to any limitations required to maintain qualification as a REIT, we may seek to manage our exposure to interest rate volatility by using interest rate hedging arrangements, such as interest rate cap or collar agreements and interest rate swap agreements. These agreements involve risks, such as the risk that counterparties may fail to honor their obligations under these arrangements and that these arrangements may not be effective in reducing our exposure to interest rate changes. These interest rate hedging arrangements may create additional assets or liabilities from time to time that may be held or liquidated separately from the underlying property or loan for which they were originally established. We have adopted a policy relating to the use of derivative financial instruments to hedge interest rate risks related to our variable rate borrowings. Hedging may reduce the overall returns on our investments. Failure to hedge effectively against interest rate changes may materially adversely affect our ability to achieve our investment objectives.

### **Federal Income Tax Risks**

***Failure to qualify as a REIT would have significant adverse consequences to us.***

We are organized and operated in a manner intended to permit us to qualify to be taxed as a REIT for U.S. federal income tax purposes. We first elected REIT status for our taxable year that ended December 31, 2004. REIT qualification requires ongoing satisfaction of various requirements regarding our organization, the nature of our gross income and assets and the amount of dividends we distribute. In addition, future legislative, judicial or administrative changes to the federal income tax laws, which could be applied retroactively, could result in our disqualification as a REIT. If the Internal Revenue Service (the "IRS") determines that we do not qualify as a REIT or if we qualify as a REIT and subsequently lose our REIT qualification, we will be subject to serious tax consequences that would cause a significant reduction in our cash available for distribution for each of the years involved and our NAV because:

- we would be subject to federal and applicable state and local corporate income taxation on our taxable income;
- we would not be permitted to take a deduction for dividends paid to stockholders in computing our taxable income; and
- we could not re-elect to be taxed as a REIT for four taxable years following the year during which we were disqualified (unless we were entitled to relief under applicable statutory provisions).

In addition, if we do not qualify as a REIT, we will not be required to pay distributions to stockholders. As a result of all these factors, our failure to qualify as a REIT also could hinder our ability to raise capital and grow our business.

***Legislative, regulatory or administrative changes could adversely affect us or our stockholders.***

Legislative, regulatory or administrative changes could be enacted or promulgated at any time, either prospectively or with retroactive effect, and may adversely affect us and/or our stockholders.

The One Big Beautiful Bill Act, which was signed into law on July 4, 2025, made significant changes to the U.S. federal income tax laws in various areas. Among the notable changes, the One Big Beautiful Bill Act permanently extended certain tax provisions that were enacted in the Tax Cuts and Jobs Act of 2017, many of which were set to expire after December 31, 2025. There can be no assurance that future tax law changes will not increase income tax rates, impose new limitations on deductions, credits or other tax benefits, or make other changes that may adversely affect our business, cash flows or financial performance or a stockholder's investment in us.

We urge you to consult with your own tax advisor with respect to the impact of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in shares of our common stock.

***To maintain our REIT status, we may have to borrow funds on a short-term basis during unfavorable market conditions.***

To maintain our status as a REIT, we generally must distribute annually to our stockholders dividends equal to at least 90% of our REIT taxable income, determined without regard to the dividends-paid deduction and excluding net capital gain. We will be subject to regular corporate income taxes on any undistributed REIT taxable income, including undistributed net capital gain each year.

Additionally, we will be subject to a 4% non-deductible excise tax on any amount by which dividends paid by us in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from previous years. Payments we make to our stockholders under our share repurchase plan generally will not be taken into account for purposes of these distribution requirements. If we do not have sufficient cash to pay distributions necessary to preserve our REIT status for any year or to avoid taxation, we may be forced to borrow funds or sell assets even if the market conditions at that time are not favorable for these borrowings or sales.

***Compliance with REIT requirements may cause us to forego otherwise attractive opportunities, which may hinder or delay our ability to meet our investment objectives and reduce your overall return.***

To maintain our status as a REIT, we are required at all times to satisfy tests relating to, among other things, the sources of our income, the nature and diversification of our assets, the ownership of our stock and the amounts we distribute to our stockholders. Compliance with the REIT requirements may impair our ability to operate solely on the basis of maximizing profits. For example, we may be required to pay distributions to stockholders at disadvantageous times or when we do not have funds readily available for distribution.

***Compliance with REIT requirements may force us to liquidate otherwise attractive investments.***

To maintain our status as a REIT, at the end of each calendar quarter, at least 75% of our assets must consist of cash, cash items, government securities and qualified real estate assets. The remainder of our investments in securities (other than securities that are qualifying assets for purposes of the 75% asset test and securities of our taxable REIT subsidiaries), if any, generally cannot include more than 10% of the voting securities of any one issuer or more than 10% of the value of the outstanding securities of any one issuer.

Additionally, no more than 5% of the value of our assets (other than securities that are qualifying assets for purposes of the 75% asset test and securities of our taxable REIT subsidiaries) can consist of the securities of any one issuer, and for taxable years ending on or before December 31, 2025, no more than 20% of the value of our assets may be represented by securities of one or more taxable REIT subsidiaries. For taxable years beginning after December 31, 2025, no more than 25% of the value of our assets may be represented by securities of one or more taxable REIT subsidiaries. Finally, no more than 25% of our assets may consist of debt instruments that are issued by "publicly offered REITs" and that would not otherwise be treated as qualifying real estate assets. In order to satisfy these requirements, we may be forced to liquidate otherwise attractive investments.

***The IRS may take the position that the gain from one or more sales of our properties is subject to a 100% prohibited transaction tax.***

From time to time, we may sell assets to fund repurchase requests, to satisfy our REIT distribution requirements, to satisfy other REIT requirements, or for other purposes. The IRS may deem one or more sales of our properties to be "prohibited transactions." If the IRS takes the position that we have engaged in a "prohibited transaction" (*i.e.*, we sell a property that has been held by us primarily for sale in the ordinary course of our trade or business and we do not qualify for a statutory safe harbor), the gain we recognize from such sale would be subject to a 100% tax. The Code sets forth a safe harbor for REITs that wish to sell property without risking the imposition of the 100% tax; however, there is no assurance that we will be able to qualify at all times for the safe harbor.

We do not intend to hold our properties for sale in the ordinary course of business, but there is no assurance that our position will not be challenged by the IRS, especially if we make frequent property sales or frequent sales of property in which we have short holding periods.

***Non-U.S. holders may be required to file U.S. federal income tax returns and pay U.S. federal income tax upon their disposition of shares of our common stock or upon their receipt of certain distributions from us.***

In addition to any potential withholding tax on ordinary dividends (including with regard to a repurchase of our common stock to the extent not treated as a sale or exchange), a non-U.S. holder other than a “qualified shareholder” or a “qualified foreign pension fund,” as each is defined for purposes of the Code, that disposes of a “United States real property interest” (“USRPI”) (which includes shares of stock of a U.S. corporation whose assets consist principally of USRPIs), is generally required to report such income on U.S. federal income tax returns and is subject to U.S. federal income tax at regular U.S. federal income tax rates under the Foreign Investment in Real Property Tax Act of 1980, as amended (“FIRPTA”), on the gain from such disposition. FIRPTA gains must be reported on U.S. federal income tax returns and are taxable at regular U.S. federal income tax rates. Such tax does not apply, however, to the gain on disposition of stock in a REIT that is “domestically controlled.” Generally, a REIT is domestically controlled if less than 50% of its stock, by value, has been owned directly or indirectly by non-U.S. persons during a continuous five-year period ending on the date of disposition or, if shorter, during the entire period of the REIT’s existence. We cannot assure you that we will qualify as or that we will remain a domestically controlled REIT. If we were to fail so to qualify, amounts received by a non-U.S. holder on certain dispositions of shares of our common stock (including a redemption) would be subject to tax under FIRPTA, unless (i) our shares of common stock were regularly traded on an established securities market and (ii) the non-U.S. holder did not, at any time during a specified testing period, hold more than 10% of our common stock. We currently do not expect that any class of our shares of common stock will be regularly traded on an established securities market.

Even if we are domestically controlled, a non-U.S. holder other than a “qualified shareholder” or a “qualified foreign pension fund,” that receives a distribution from a REIT that is attributable to gains from the disposition of a USRPI as described above, including in connection with a repurchase of our common stock, is generally subject to U.S. federal income tax under FIRPTA to the extent such distribution is attributable to gains from such disposition, regardless of whether the difference between the fair market value and the tax basis of the USRPI giving rise to such gains is attributable to periods prior to or during such non-U.S. holder’s ownership of our common stock. An exception applies if the relevant class of stock is regularly traded on an established securities market in the United States and such non-U.S. holder did not own more than 10% of such class at any time during the one-year period ending on the date of such distribution. In addition, a repurchase of our common stock, to the extent not treated as a sale or exchange, may be subject to withholding as an ordinary dividend.

We seek to act in the best interests of our company as a whole and not in consideration of the particular tax consequences to any specific holder of our stock. Potential non-U.S. holders should inform themselves as to the U.S. tax consequences, and the tax consequences within the countries of their citizenship, residence, domicile, and place of business, with respect to the purchase, ownership and disposition of shares of our common stock.

***Investments outside the United States may subject us to additional taxes and could present additional complications to our ability to satisfy the REIT qualification requirements.***

Non-U.S. investments may subject us to various non-U.S. tax liabilities, including withholding taxes. In addition, operating in functional currencies other than the U.S. dollar and in environments in which real estate transactions are typically structured differently than they are in the U.S. or are subject to different legal rules may complicate our ability to structure non-U.S. investments in a manner that enables us to satisfy the REIT qualification requirements.

***We may be subject to tax liabilities that reduce our cash flow and our ability to pay distributions to you even if we qualify as a REIT for federal income tax purposes.***

We may be subject to federal and state taxes on our income or property even if we qualify as a REIT for federal income tax purposes, including, but not limited to, situations as those described below:

- in order to maintain our status as a REIT, we are required to distribute as dividends annually at least 90% of our REIT taxable income (determined without regard to the dividends-paid deduction and excluding net capital gain) to our stockholders. If we satisfy the distribution requirement but distribute less than 100% of our REIT taxable income, we will be subject to corporate income tax on the undistributed income, including undistributed net capital gains;
- we will be required to pay a 4% nondeductible excise tax on the amount, if any, by which the distributions we make to our stockholders in any calendar year are less than the sum of 85% of our ordinary income, 95% of our capital gain net income and 100% of our undistributed income from previous years;
- if we have net income from the sale of foreclosure property that we hold primarily for sale to customers in the ordinary course of business or other non-qualifying income from foreclosure property, we will be required to pay a tax on that income at the highest corporate income tax rate; and
- any gain we recognize on the sale of a property, other than foreclosure property, that we hold primarily for sale to customers in the ordinary course of business would be subject to the 100% “prohibited transaction” tax unless we qualify for a safe harbor exception.

***Restrictions on the deduction of our interest expense could prevent us from satisfying the REIT distribution requirement and avoiding the incurrence of income or excise taxes.***

Section 163(j) of the Code, may limit our ability (and the ability of entities that are not treated as disregarded entities for U.S. federal income tax purposes and in which we hold an interest) to deduct interest expense. The deduction for business interest expense may be limited to the amount of the taxpayer’s business interest income plus 30% of the taxpayer’s “adjusted taxable income” unless the taxpayer’s gross receipts do not exceed \$25 million per year during the applicable testing period or the taxpayer qualifies to elect and elects to be treated as an “electing real property trade or business.” A taxpayer’s adjusted taxable income will start with its taxable income and add back items of non-business income and expense, depreciation, amortization or depletion, business interest income and business interest expense, net operating losses and any deductions for “qualified business income.” A taxpayer that is exempt from the interest expense limitation as an electing real property trade or business is ineligible for certain expensing benefits and is subject to less favorable depreciation rules for real property.

The rules for business interest expense will apply to us and at the level of each entity in which or through which we invest that is not a disregarded entity for U.S. federal income tax purposes. To the extent that our interest expense is not deductible, our taxable income will be increased as will our REIT distribution requirement and the amounts we need to distribute to avoid incurring income and excise taxes.

***Our board of directors is authorized to revoke our REIT election without stockholder approval, which may cause adverse consequences to our stockholders.***

Our charter authorizes our board of directors to revoke or otherwise terminate our REIT election, without the approval of our stockholders, if it determines that it is not in our best interest to qualify as a REIT. In this event, we would become subject to U.S. federal income tax on our taxable income and we would no longer be required to distribute most of our net taxable income to our stockholders, which may cause a reduction in the total return to our stockholders.

***You may have current tax liability on distributions you elect to reinvest in our common stock.***

If you participate in our distribution reinvestment plan, you will be deemed to have received, and for income tax purposes will be taxed on, the amount reinvested in shares of our common stock to the extent the amount reinvested was not a tax-free return of capital. Therefore, unless you are a tax-exempt entity, you may be forced to use funds from other sources to pay your tax liability on the reinvested dividends.

***We may choose to pay dividends in our own stock, in which case our stockholders may be required to pay income taxes in excess of the cash dividends received.***

Under IRS Revenue Procedure 2017-45, as a publicly offered REIT, we may give stockholders a choice, subject to various limits and requirements, of receiving a dividend in cash or in our common stock. As long as at least 20% of the total dividend is available to be paid in cash and certain other requirements are satisfied, the IRS will treat the stock distribution as a dividend (to the extent applicable rules treat such distribution as being made out of the REIT's earnings and profits). Taxable stockholders receiving such dividends will be required to include in income for federal income tax purposes the full amount of the dividend income to the extent of our current and accumulated earnings and profits. As a result, a U.S. stockholder may be required to pay income taxes with respect to such dividends in excess of the cash dividends received. If a U.S. stockholder sells the stock it receives as a dividend in order to pay this tax, the sales proceeds may be less than the amount included in income with respect to the dividend, depending on the market price of our stock at the time of the sale. Furthermore, with respect to non-U.S. stockholders, we may be required to withhold U.S. tax with respect to such dividends, including in respect of all or a portion of such dividend that is payable in stock.

***Generally, ordinary dividends payable by REITs do not qualify for the reduced U.S. federal income tax rates that apply to "qualified dividend income".***

The maximum U.S. federal income tax rate applicable to "qualified dividend income" payable by U.S. corporations to individual U.S. stockholders (as such term is defined under "Federal Income Tax Considerations" below) is 20% (excluding the 3.8% Medicare Tax). However, dividends payable by REITs that are not designated as capital gain dividends or qualified dividend income (referred to herein as "qualified REIT dividends") generally are not eligible for the reduced rates applicable to qualified dividend income and are taxed at ordinary income tax rates. Non-corporate U.S. stockholders, however, are entitled to a deduction of up to 20% of the amount of their qualified REIT dividends, subject to certain limitations. Nevertheless, non-corporate investors may perceive investments in REITs to be relatively less attractive than investments in the stocks of other corporations whose dividends are taxed at lower rates as qualified dividend income.

***The failure of a mezzanine loan to qualify as a real estate asset could adversely affect our ability to qualify as a REIT.***

The IRS has issued Revenue Procedure 2003-65, which provides a safe harbor pursuant to which a mezzanine loan that is secured by interests in a pass-through entity will be treated by the IRS as a real estate asset for purposes of the REIT tests, and interest derived from such loan will be treated as qualifying mortgage interest for purposes of the REIT 75% gross income test. Although the Revenue Procedure provides a safe harbor on which taxpayers may rely, it does not prescribe rules of substantive tax law. To the extent that any of our investments in loans secured by interests in pass-through entities do not satisfy all of the requirements for reliance on the safe harbor set forth in the Revenue Procedure, there can be no assurance that the IRS will not challenge the tax treatment of such loans, which could jeopardize our ability to qualify as a REIT.

***If certain sale-leaseback transactions are not characterized by the IRS as "true leases," we may be subject to adverse tax consequences.***

We may purchase investments in properties and lease them back to the sellers of these properties. If the IRS does not characterize these leases as "true leases," the rental payments would not be treated as rents from real property, which could affect our ability to satisfy the REIT gross income tests and qualify as a REIT.

***If our operating partnership failed to qualify as a partnership or is not otherwise disregarded for U.S. federal income tax purposes, we would cease to qualify as a REIT.***

If the IRS were to successfully challenge the status of our operating partnership as a partnership or disregarded entity for U.S. federal income tax purposes, it would be taxable as a corporation. In the event that this occurs, it would reduce the amount of distributions that our operating partnership could make to us. This would also result in our failing to qualify as a REIT and becoming subject to a corporate-level tax on our income, which would substantially reduce our cash available to pay distributions and the yield on your investment.

## Retirement Plan Risks

***If the fiduciary of an employee benefit plan subject to the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), fails to meet the fiduciary and other standards under ERISA, the Code or common law as a result of an investment in our stock, the fiduciary could be subject to civil (and criminal, if the violation was willful) penalties.***

There are special considerations that apply to investing in our shares on behalf of a trust, pension, profit sharing or 401(k) plans, health or welfare plans, trusts, individual retirement accounts, or IRAs, or Keogh plans. If you are investing the assets of any of the entities identified in the prior sentence in our common stock, you should satisfy yourself that:

- the investment is consistent with your fiduciary obligations under applicable law, including common law, ERISA and the Code;
- the investment is made in accordance with the documents and instruments governing the trust, plan or IRA, including a plan's investment policy;
- the investment satisfies the prudence and diversification requirements of Sections 404(a)(1)(B) and 404(a)(1)(C) of ERISA and other applicable provisions of ERISA and the Code;
- the investment will not impair the liquidity of the trust, plan or IRA;
- the investment will not produce "unrelated business taxable income" for the plan or IRA;
- our stockholders will be able to value the assets of the plan annually in accordance with ERISA requirements and applicable provisions of the plan or IRA; and
- the investment will not constitute a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Failure to satisfy the fiduciary standards of conduct and other applicable requirements of ERISA, the Code, or other applicable statutory or common law may result in the imposition of civil (and criminal, if the violation was willful) penalties, and can subject the fiduciary to equitable remedies.

In addition, if an investment in our shares constitutes a prohibited transaction under ERISA or the Code, the fiduciary that authorized or directed the investment may be subject to the imposition of excise taxes with respect to the amount invested. Investors that are governmental plans or foreign plans may be subject to laws that are similar to the aforementioned provisions of ERISA and the Code or that otherwise regulate the purchase of our shares.

***If we were at any time deemed to hold "plan assets" under ERISA or the Code, stockholders subject to ERISA and the related excise tax provisions of the Code may be subject to adverse financial and legal consequences.***

Stockholders subject to ERISA or the Code should consult their own advisors as to the effect of an investment in the shares. As discussed under "Certain ERISA Considerations," our assets may not be deemed to constitute "plan assets" of stockholders that are subject to the fiduciary provisions of ERISA or the prohibited transaction rules of Section 4975 of the Code ("Plans"). If we were deemed to hold "plan assets" of Plans (i) ERISA's fiduciary standards would apply to, and might materially affect, our operations if any such Plans are subject to ERISA, and (ii) any transaction we enter into could be deemed a transaction with each Plan and transactions we might enter into in the ordinary course of business could constitute prohibited transactions under ERISA and/or Section 4975 of the Code. Holding plan assets may negatively impact our results.

**Item 1B. Unresolved Staff Comments.**

Not applicable.

**Item 1C. Cybersecurity.**

To respond to the threat of security breaches and cyberattacks, we rely on a cybersecurity program developed by our Sponsor and Advisor, the implementation of which is led by our Sponsor's and Advisor's Global Chief Information Officer ("CIO") and Chief Information Security Officer ("CISO"). The cybersecurity program is designed to protect and preserve the confidentiality, integrity and continued availability of all information and systems owned by them, or in their care. Our board of directors has oversight of cybersecurity risk, as indicated in the Company's proxy statement disclosure. Cybersecurity is reviewed as part of our and our Sponsor's and Advisor's overall enterprise risk management program. These are led by our management, our Sponsor's Director of Enterprise Risk Management and our Advisor's Global General Counsel, respectively and assess our significant enterprise risks, provide a summary of those risks and primary mitigations, and identify control improvement projects for our significant risks. The progress of control improvement projects for our Sponsor and Advisor risks are regularly reported to our management and on our risks to our board of directors. Our Sponsor's Director of Enterprise Risk Management regularly meets with their CISO and CIO to assess cybersecurity risks, cybersecurity program mitigants, and status of control improvement projects and our management and other employees of our Advisor regularly meet and communicate with our Sponsor's Director of Enterprise Risk Management, CISO and CIO.

Like other companies with a large technology footprint and high-profile client base, our Sponsor and Advisor are regularly subject to cyberattacks. While certain attacks have been successful, thus far none have had a material impact to our operations. In the future, it is possible such attacks could be successful and have a material impact on our operations. Our Sponsor's and Advisor's cybersecurity program strategy is to implement layered controls to reduce their and our cybersecurity risk by minimizing both the likelihood and potential impact of cybersecurity events. These controls are aligned with the National Institute of Standards and Technology cybersecurity framework.

Our Advisor's role in executing our cybersecurity strategy is led by its CIO and its CISO both with over twenty years' experience in large institutions. Our Advisor's CISO leads the cybersecurity program, holds a master's degree in business administration and has over twenty years of relevant experience, including cybersecurity and enterprise security leadership roles in Financial Services and within the Department of Defense. Our Advisor's CISO reports to its CIO who is responsible for the development and implementation of its technology, data and information management strategy. Its CIO's educational background includes a bachelor's degree in mechanical engineering and a master's degree in industrial engineering – operations research, providing a strong foundation for work in technology, data management, data science and analytics.

Our Sponsor engages third-party consultants for assessing, identifying and managing material cybersecurity risks, including those associated with certain third-party providers. We and our Sponsor maintain a cyber incident response plan and regularly conduct simulations and tabletop exercises.

We established a cyber incident management team that consists of our Sponsor's CIO, CISO, Chief Financial Officer, Chief Legal Officer and our Chief Executive Officer, General Counsel and Head of Marketing that is responsible for determining if a cybersecurity incident is material to us and requires disclosure.

Although our Sponsor, Advisor, or we have not experienced any material cybersecurity events to date, cybersecurity threats could materially affect our business strategy, results of operations, or financial condition, as further discussed in our "Risk Related to Our General Business Operations and Our Corporate Structure" in Part I, Item 1A of this report. Our business is highly dependent on our ability to collect, use, store and manage organizational data. If any of our significant information and data management systems do not operate properly or are disabled, we could suffer a material disruption of our businesses, loss of investor or other sensitive data, regulatory intervention, breach of confidentiality or other contract provisions, or reputational damage. These systems may fail to operate properly or become disabled as a result of events wholly or partially beyond our control, including disruptions of electrical or communications services, natural disasters, political instability, terrorist attacks, sabotage, computer viruses, deliberate attempts to disrupt our computer systems through "hacking," "phishing," or other forms of both deliberate or unintentional cyber-attack. As our Sponsor and Advisor outsource significant portions of their information technology functions to third-party providers, such as cloud computing, we bear the risk of them having less direct control over the security and performance of those systems.

Our cybersecurity risk is affected by cyber threats that are proliferating and advancing in their ability to identify and exploit vulnerabilities, requiring continuous evaluation and improvements to our security architecture and cyber defenses. We also face increased cybersecurity risk as our Sponsor and Advisor deploy additional mobile and cloud technologies. They are continuously hardening their infrastructure built on these technologies, monitoring for threats, and evaluating their capability to respond to any incidents to minimize any impact to their systems, data, or business operations, including those that impact us. Because our Sponsor services clients across multiple industry verticals — many of which are higher-profile cyber targets themselves — including financial services, technology, government institutions, healthcare and life sciences, this also may increase the risk that they and we are subject to cyber-attack incidents.

As noted above, our Sponsor, Advisor and we have experienced various types of cyber-attack incidents which thus far have been contained and not material to us. Our Sponsor and Advisor continue to implement new controls, governance, technical protections and other procedures to mitigate against the risks of a cybersecurity event. Our Sponsor also maintains a cyber risk insurance policy that provides coverage to us but the costs related to cybersecurity threats or disruptions may not be fully insured. We may incur substantial costs and suffer other negative consequences such as liability, reputational harm and significant remediation costs and experience material harm to our business and financial results if we, our Sponsor, Advisor or other vendors or suppliers we engage, fall victim to other successful cyberattacks.

Our Advisor's management and our board of directors provide significant oversight of risks, including those from cybersecurity threats, and are informed about and monitor the prevention, detection, mitigation and remediation of cybersecurity incidents applicable to us.

Our board of directors receives at least annual reports from our Sponsor's CISO and other members of our Advisor's management on our information security program including top cybersecurity risks, cybersecurity strategy, information system controls and related security measures and improvements, cyber incident response plan, cyber incidents and cyber defense metrics, and cyber security protocols and trainings.

Our Sponsor maintains a cyber risk insurance policy, but costs related to cybersecurity threats or disruptions may not be fully insured. We acknowledge that successful cyberattacks could result in substantial costs, liability, reputational harm, and significant remediation expenses.

**Item 2. Properties.**

For an overview of our real estate investments, see Item 7. "Management's Discussion and Analysis of Financial Condition and Results of Operations—Portfolio."

Principal Executive Offices: Our principal executive and administrative offices are located at 333 West Wacker Drive, Chicago, IL, 60606. We consider these facilities to be suitable and adequate for the management and operations of our business.

**Item 3. Legal Proceedings.**

We are involved in various claims and litigation matters arising in the ordinary course of business, some of which involve claims for damages. Many of these matters are covered by insurance, although they may nevertheless be subject to deductibles or retentions. Although the ultimate liability for these matters cannot be determined, based upon information currently available, we believe the ultimate resolution of such claims and litigation will not have a material adverse effect on our financial position, results of operations or liquidity.

**Item 4. Mine Safety Disclosures.**

Not applicable.

**PART II**

**Item 5. Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities.**

Our common stock is not currently traded on any exchange, and there is no established public trading market for our common stock. As of March 26, 2026, there were 19,195 stockholders of record of our common stock, including 9,156 holders of Class A, 3,291 holders of Class M, 37 holders of Class A-I, 6,586 holders of Class M-I, — holders of Class D shares, 38 holders of Class I shares, 2 holders of Class N shares, 85 holders of Class S shares and 0 holders of Class Z shares.

***NAV per Share***

At the end of each day the New York Stock Exchange is open for unrestricted trading, before taking into consideration additional issuances of shares of common stock, repurchases or class-specific expense accruals for that day, any change in our aggregate NAV (whether an increase or decrease) is allocated among each class of shares based on each class's relative percentage of the previous aggregate NAV. Changes in our daily NAV reflect factors including, but not limited to, our portfolio income, interest expense and unrealized/realized gains (losses) on assets, and accruals for the advisory fees. The portfolio income is calculated and accrued on the basis of data extracted from (i) the annual budget for each property, real estate loan investment and the company level, including organization and offering expenses incurred after commencement of a public offering and certain operating expenses, (ii) material, unbudgeted non-recurring income and expense events such as capital expenditures, prepayment penalties, assumption fees, tenant buyouts, lease termination fees and tenant turnover with respect to our properties when our Advisor becomes aware of such events and the relevant information is available and (iii) material property acquisitions and dispositions and real estate loans made and repaid occurring during the month. For the first month following a property acquisition, we calculate and accrue portfolio income with respect to such property based on the performance of the property before the acquisition and the contractual arrangements in place at the time of the acquisition, as identified and reviewed through our due diligence and underwriting process in connection with the acquisition. On an ongoing basis, our Advisor adjusts the accruals to reflect actual operating results and to appropriately reflect the outstanding receivable, payable and other account balances resulting from the accumulation of daily accruals for which financial information is available. The daily accrual of portfolio income also includes reimbursements to our Advisor and dealer manager for organization and offering expenses incurred prior to the date a public offering commences and paid on our behalf, which we reimburse over the 36 months following the date such public offering commences. For the purpose of calculating our NAV, all organization and offering costs incurred after the date the given public offering commences are recognized as expenses when incurred, and acquisition expenses with respect to each acquired property will be amortized on a daily basis over a five year period following the acquisition date.

Following the allocation of income and expenses as described above, NAV for each class is adjusted for additional issuances of common stock, repurchases and class specific expense accruals, such as the stockholder servicing fee (which will be included in the calculation on a daily basis and not when accrued on our financial statements), to determine the current day's NAV. Our share classes may have different expense accruals associated with the advisory fee we pay to our Advisor because the performance component of the advisory fee is calculated separately with respect to each class. At the close of business on the date that is one business day after each record date for any declared distribution, our NAV for each class will be reduced to reflect the accrual of our liability to pay the distribution to our stockholders of record of each class as of the record date. NAV per share for each class is calculated by dividing such class's NAV at the end of each trading day by the number of shares outstanding for that class on such day.

At the beginning of each calendar year, our Advisor develops a valuation plan with the objective of having each of our wholly owned properties valued each quarter by an appraisal. Newly acquired wholly owned properties (not including a DST Property acquired following our operating partnership's exercise of its FMV Option) will initially be valued at cost and thereafter will join the quarterly appraisal cycle during the quarter following the calendar quarter in which we own the property. Development assets, if any, will be valued at cost plus capital expenditures and will join the quarterly appraisal cycle during the development stage as determined by the independent valuation advisor, but no later than completion. Acquisition costs and expenses incurred in connection with the acquisition of multiple wholly owned properties that are not directly related to any single wholly owned property generally will be allocated among the applicable wholly owned properties pro rata based on relative values. Properties purchased as a portfolio or held in a joint venture that acquires properties over time may be valued as a single asset and additions to an existing portfolio will initially be valued at cost and thereafter will join the quarterly appraisal cycle for that portfolio during the next scheduled quarterly appraisal.

The fair value of our wholly owned properties is determined using the fair value methodologies detailed within the FASB Accounting Standards Codification under Topic 820, Fair Value Measurements and Disclosures. Our valuation procedures and our NAV are not subject to GAAP or independent audit. Real estate appraisals are reported on a free and clear basis, excluding any property-level indebtedness that may be in place. We expect the primary methodology used to value properties will be the income approach, whereby value is derived by determining the present value of an asset's stream of future cash flows (for example, discounted cash flow analysis). Consistent with industry practices, the income approach incorporates subjective judgments regarding comparable rental and operating expense data, the capitalization or discount rate and projections of future rent and expenses based on appropriate evidence. Other methodologies that may also be used to value properties include sales comparisons and replacement cost approaches.

A fundamental element of the valuation process, the valuation of our properties, real estate loans and the DST Properties, is managed by our independent valuation advisor, SitusAMC Real Estate Valuation Services, LLC, a valuation firm selected by our Advisor and approved by our board of directors, including a majority of our independent directors. SitusAMC Real Estate Valuation Services, LLC, founded in 1931, is one of the longest-serving commercial real estate research, valuation and consulting firms in the nation with offices throughout the United States. SitusAMC Real Estate Valuation Services, LLC is engaged in the business of rendering opinions regarding the value of commercial real estate properties and real estate loans and is not affiliated with us or our Advisor. The compensation we pay to our independent valuation advisor is based on the number of properties appraised and is not based on the estimated values of such properties. While our independent valuation advisor is responsible for providing our property valuations, our independent valuation advisor is not responsible for, and does not calculate, our daily NAV. Effective January 1, 2018, our NAV and our NAV per share are calculated by ALPS, in accordance with the valuation guidelines established by our board of directors. Our Advisor is responsible for reviewing and confirming our NAV, and overseeing the process around the calculation of our NAV, in each case, as performed by ALPS.

Our independent valuation advisor has provided, and is expected to continue to provide, real estate appraisal, appraisal management and real estate valuation advisory services to other clients of our Advisor and its affiliates and has received, and is expected to continue to receive, fees in connection with such services. Our independent valuation advisor and its affiliates may from time to time in the future perform other commercial real estate and financial advisory services for other clients of our Advisor and its affiliates, so long as such other services do not adversely affect the independence of the independent valuation advisor as certified in the applicable appraisal report.

Properties held through joint ventures are valued in a manner that is consistent with the guidelines described above for wholly owned properties. Once the value of a property held by the joint venture is determined by an independent appraisal, the value of our interest in the joint venture would then be determined by applying the distribution provisions of the applicable joint venture agreements to the value of the underlying property held by the joint venture.

The DST Properties included in a DST offering will be valued at cost until the quarterly appraisal cycle during the quarter following the first full calendar quarter in which the DST Property is owned, and thereafter will be valued before the commencement of the DST offering for purposes of determining the price for beneficial interests in the DST Properties in such DST offering regardless of the valuation schedule otherwise applicable pursuant to the valuation guidelines, and no subsequent valuation of such DST Properties will be performed until the earlier of (i) ninety days from the date of the last closing on the DST offering and (ii) one year from the commencement of the DST offering. Such values will be included in our operating partnership's NAV calculation only to the extent of our operating partnership's interest in such DST Properties. In addition, the cash received or a loan made in exchange for the sale of interests in a DST Property will be valued as our assets. The Advisor may modify the timing of the valuation of a DST Property to accommodate the timing of our purchase option under the DST Program, regardless of the valuation schedule otherwise applicable pursuant to our valuation guidelines. A DST Property acquired by us pursuant to our purchase option will continue being valued on the same cycle following our exercise of the purchase option.

Real estate-related assets that we own or may acquire include debt and equity interests backed principally by real estate, such as the common and preferred stock of publicly traded real estate companies, commercial mortgage-backed securities, mortgage loans and participation in mortgage loans (i.e. A-Notes and B-Notes) and mezzanine loans. In general, real estate-related assets are valued according to the procedures specified below upon acquisition or issuance and then quarterly, or in the case of liquid securities, daily, as applicable, thereafter.

Publicly traded debt and real estate-related equity securities (such as bonds and shares issued by listed REITs) that are not restricted as to salability or transferability are valued by our Advisor on the basis of publicly available information provided by third parties. Generally, the third parties will rely on the price of the last trade of such securities that was executed at or prior to closing on the valuation day or, in the absence of such trade, the last "bid" price. Our Advisor may adjust the value of publicly traded debt and real estate-related equity securities that are restricted as to salability or transferability for a liquidity discount. In determining the amount of such discount, consideration will be given to the nature and length of such restriction and the relative volatility of the market price of the security.

Investments in privately placed debt instruments and securities of real estate-related operating businesses (other than joint ventures), such as real estate development or management companies, are valued by our Advisor at cost (purchase price plus all related acquisition costs and expenses, such as legal fees and closing costs) and thereafter will be revalued each quarter at fair value. In evaluating the fair value of our interests in certain commingled investment vehicles (such as private real estate funds), values periodically assigned to such interests by the respective issuers, broker-dealers or managers may be relied upon. Our board of directors may retain additional independent valuation firms to assist with the valuation of our private real estate-related assets.

Investments in first mortgages and other debt interests are initially valued by our Advisor at our acquisition cost and will remain at that value until a review by our advisor or a monthly collateral operations report indicates that a loan may become real estate owned or the value of the collateral may be less than the debt, indicating impairment, at which time a third party appraisal will be performed and any adjustments to the value of the investment will be made. Our board of directors may retain additional independent valuation firms to assist with the valuation of our private mortgage loans. Notwithstanding the foregoing, this policy only applies to investments in private debt interests and does not apply to any debt facilities placed on direct property investments or company-level credit or debt facilities, which will be carried at cost.

Liquid non-real estate-related assets include credit rated government and corporate debt securities, publicly traded equity securities and cash and cash equivalents. Liquid non-real estate-related assets are valued daily by our Advisor.

Our liabilities include the fees payable to our Advisor and dealer manager, accounts payable, accrued operating expenses, property-level mortgages, any portfolio-level credit facilities and other liabilities. All liabilities are valued at cost. Costs and expenses that relate to a particular loan will be amortized over the life of the loan. We allocate the financing costs and expenses incurred in connection with obtaining multiple loans that are not directly related to any single loan among the applicable loans, generally pro rata based on the amount of proceeds from each loan. Liabilities allocable to a specific class of shares are only included in the NAV calculation for that class. For non-recourse, property-level mortgages that exceed the value of the underlying property, we assume a value of zero for purposes of the property and the mortgage in the determination of our NAV.

**NAV as of December 31, 2025**

The following table presents our historical NAV per share as of each date indicated below:

Quarter Ended	NAV per Share						
	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
December 31, 2025	\$ 11.26	\$ 11.27	\$ 11.29	\$ 11.27	\$ 11.27	\$ 11.25	\$ 11.27
September 30, 2025	11.29	11.31	11.32	11.30	—	11.29	—
June 30, 2025	11.35	11.37	11.38	11.36	—	11.35	—
March 31, 2025	11.40	11.42	11.43	11.41	—	11.40	—
December 31, 2024	11.46	11.48	11.49	11.47	—	11.45	—
September 30, 2024	11.57	11.58	11.60	11.58	—	11.56	—
June 30, 2024	11.71	11.72	11.74	11.72	—	11.70	—
March 31, 2024	12.01	12.03	12.04	12.02	—	12.00	—

The decrease in NAV from December 31, 2024 to December 31, 2025 is primarily related to an increase in total dividends paid during 2025.

The following table provides a breakdown of the major components of our NAV as of December 31, 2025:

Component of NAV	December 31, 2025	December 31, 2024
Real estate investments <sup>(1)</sup>	\$ 3,564,600	\$ 4,086,105
Debt	(1,379,332)	(1,657,872)
Other assets and liabilities, net	202,560	83,000
Estimated enterprise value premium	None assumed	None assumed
NAV	\$ 2,387,828	\$ 2,511,233

- (1) The value of our real estate investments was less than the historical cost by approximately 1.6% and 1.0% as of December 31, 2025 and December 31, 2024, respectively.

The following are key assumptions (shown on a weighted-average basis) that are used in the discounted cash flow models to estimate the value of our real estate investments as of December 31, 2025:

	Healthcare	Industrial	Office	Residential	Retail	Other <sup>(1)</sup>	Total Company
Exit capitalization rate	5.9 %	5.7 %	6.9 %	5.3 %	6.0 %	6.5 %	5.6 %
Discount rate/internal rate of return (IRR)	7.3	7.4	8.6	7.0	7.5	8.3	7.3
Annual market rent growth rate	3.0	3.1	2.6	3.2	3.0	3.0	3.1
Holding period (years)	10.0	10.3	10.0	10.0	10.0	18.1	10.2

- (1) Other includes two standalone parking garages. South Beach Parking Garage is subject to a ground lease and the appraisal incorporates discounted cash flows over its remaining lease term and therefore does not utilize an exit capitalization rate.

The following are key assumptions (shown on a weighted-average basis) that are used in the discounted cash flow models to estimate the value of our real estate investments as of December 31, 2024:

	Healthcare	Industrial	Office	Residential	Retail	Other <sup>(1)</sup>	Total Company
Exit capitalization rate	5.7 %	5.6 %	6.8 %	5.3 %	5.9 %	6.5 %	5.6 %
Discount rate/internal rate of return (IRR)	7.4	7.3	8.6	7.0	7.5	8.1	7.2
Annual market rent growth rate	3.0	3.1	2.6	3.1	2.9	3.0	3.0
Holding period (years)	10.0	10.1	10.0	10.0	10.0	18.4	10.1

- (1) Other includes two standalone parking garages. South Beach Parking Garage is subject to a ground lease and the appraisal incorporates discounted cash flows over its remaining lease term and therefore does not utilize an exit capitalization rate.

While we believe our assumptions are reasonable, a change in these assumptions would impact the calculation of the value of our real estate investments. For example, assuming all other factors remain unchanged, the changes listed below would result in the following effects on our real estate investment value:

Input		December 31, 2025	December 31, 2024
Discount Rate - weighted average	0.25% increase	(1.9)%	(1.9)%
Exit Capitalization Rate - weighted average	0.25% increase	(2.7)	(2.8)
Annual market rent growth rate - weighted average	0.25% decrease	(1.7)	(1.8)

The following table reconciles stockholders' equity per our Consolidated Balance Sheet to our NAV:

	December 31, 2025
Stockholders' equity under GAAP	\$ 1,344,264
Adjustments:	
Accrued stockholder servicing fees <sup>(1)</sup>	201,251
Organization and offering costs <sup>(2)</sup>	400
Unrealized real estate appreciation <sup>(3)</sup>	81,381
Accumulated depreciation, amortization and other <sup>(4)</sup>	760,532
NAV	\$ 2,387,828

- (1) Accrued stockholder servicing fees represents the accrual for future stockholder servicing fees for Class A, Class M, Class A-I, Class D, Class S and Class Z shares. We accrue for future stockholder servicing fees at the time such shares are sold as an offering cost. For Class A, Class M and Class A-I shares, we accrue for future stockholder servicing fees up to the 10% regulatory limit. For Class D, Class S and Class Z shares, we accrue for future stockholder servicing fees based on an estimated life of the shares held by stockholders of such share classes as of December 31, 2025 as an offering cost. For NAV calculation purposes, stockholder servicing fees are accrued daily, on a continuous basis equal to 1/365th of the stated fee.
- (2) The Advisor agreed to advance organization and offering costs for the Current Public Offering on our behalf through June 6, 2025, and all such costs will be reimbursed to the Advisor ratably over 36 months through June 6, 2028. Under GAAP, organization costs are expensed as incurred and offering costs are charged to equity as such amounts are incurred. For NAV, such costs will be recognized as a reduction to NAV ratably over 36 months.
- (3) Our investments in real estate are presented under historical cost in our GAAP Consolidated Financial Statements. As such, any increases in the fair market value of our investments in real estate are not included in our GAAP results. For purposes of determining our NAV, our investments in real estate are recorded at fair value.
- (4) We depreciate our investments in real estate and amortize certain other assets and liabilities in accordance with GAAP. Such depreciation and amortization is not recorded for purposes of determining our NAV. Additionally, we make other fair value adjustments to our NAV to account for differences with historical cost GAAP, an example would be straight-line rent revenue.

### *Limitations and Risks*

As with any valuation methodology, our methodology is based upon a number of estimates and assumptions that may not be accurate or complete. Our valuation methodology may not result in the determination of the fair value of our net assets as our mortgage notes and other debt payable are valued at cost. Different parties with different assumptions and estimates could derive a different NAV per share.

Accordingly, with respect to our NAV per share, we can provide no assurance that:

- a stockholder would be able to realize this NAV per share upon attempting to resell his or her shares;
- we would be able to achieve for our stockholders the NAV per share upon a listing of our shares of common stock on a national securities exchange, selling our real estate portfolio, or merging with another company; or
- the NAV per share, or the methodologies relied upon to estimate the NAV per share, will be found by any regulatory authority to comply with any regulatory requirements.

Furthermore, the NAV per share was calculated as of a particular point in time. The NAV per share will fluctuate over time in response to, among other things, changes in real estate market fundamentals, capital markets activities and attributes specific to the properties and leases within our portfolio.

## **UNREGISTERED SALES OF EQUITY SECURITIES**

On March 3, 2015, we commenced the Class N Private Offering of up to \$350,000 in shares of our Class N common stock with indefinite duration. No Class N shares were issued during the three months ended December 31, 2025.

On October 7, 2025, we commenced the Continuous Private Offering of four new classes of common stock. During the three months ended December 31, 2025 we issued 272,469 shares of Class I common stock for a total of \$3,092 and 317,022 shares of Class S common stock for a total of \$3,603.

## **ISSUER PURCHASES OF EQUITY SECURITIES**

### **Share Repurchase Plan**

We adopted a share repurchase plan whereby on a daily basis stockholders may request we repurchase all or a portion of their shares of common stock at that day's NAV per share. The share repurchase plan is subject to a one-year holding period, with certain exceptions, and limited to 5% of NAV per quarter. As of December 31, 2025, we have neither deferred nor rejected any request for repurchase under our share repurchase plan. All repurchases were paid out through a combination of cash flows from our operations, investing activities such as sales of real estate investments, borrowings, and offering proceeds. During the quarter ended December 31, 2025, we fulfilled 100% of repurchase requests and repurchased shares of our common stock pursuant to our share repurchase plan as follows:

Period	Total Number of Shares Purchased	Average Price Paid per Share	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Repurchases as a Percentage of NAV <sup>(1)</sup>	Maximum Number of Shares that May Yet Be Purchased Pursuant to the Plan <sup>(2)</sup>
October 1-October 31, 2025	3,308,732	\$ 11.31	3,308,732	1.5 %	—
November 1-November 30, 2025	2,447,484	11.36	2,447,484	1.1	—
December 1-December 31, 2025	3,105,459	11.36	3,105,459	1.4	—
Total	8,861,675	\$ 11.34	8,861,675	4.0 %	—

- (1) Represents aggregate NAV of the shares repurchased under our share repurchase plan over aggregate NAV of all shares outstanding, in each case, based on the NAV as of the last calendar day of the prior quarter end.
- (2) Repurchases are limited under the share repurchase plan as described above, which was first announced in 2011.

## **SOURCES OF DISTRIBUTIONS**

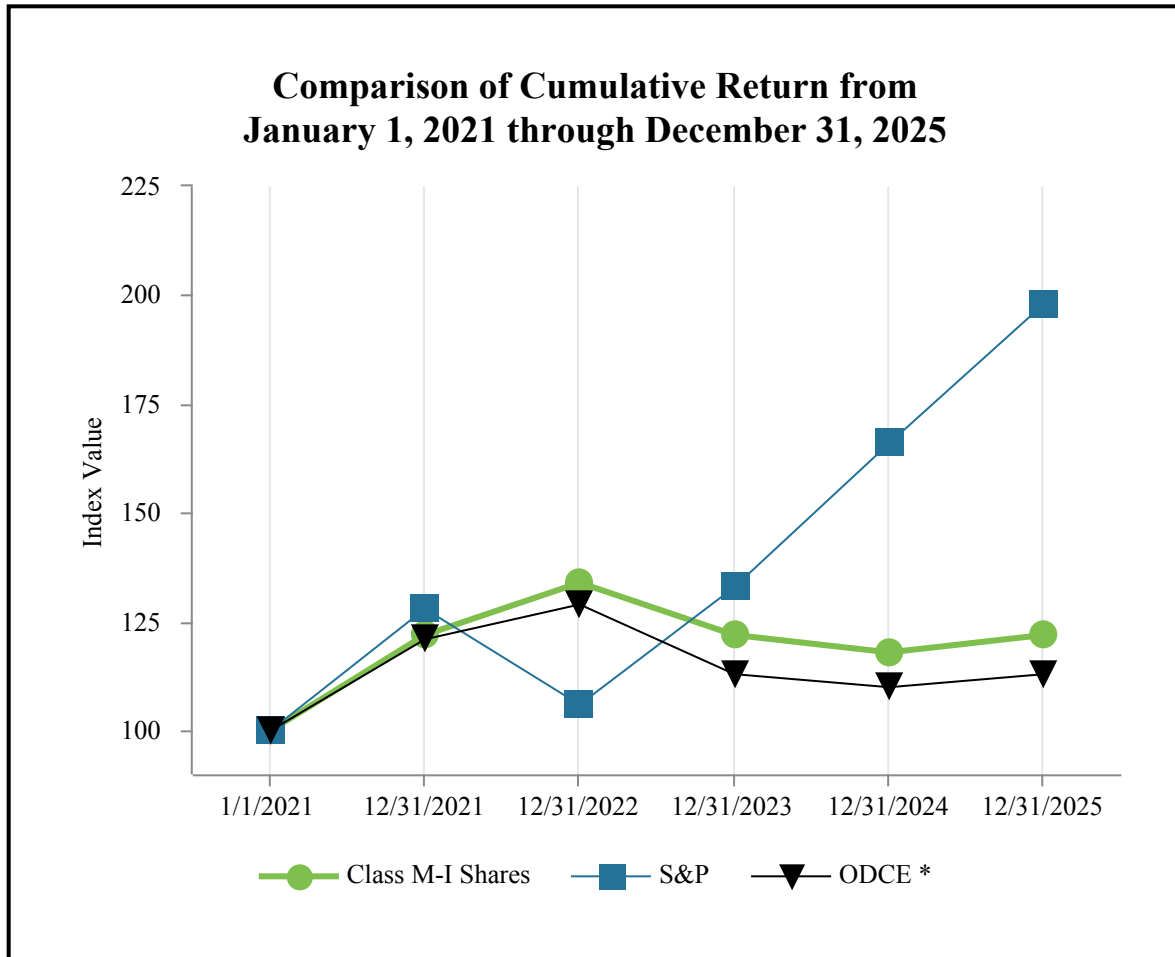
The following table summarizes our distributions paid over the last three fiscal years:

	For the Year Ended December 31,		
	2025	2024	2023
<b>Distributions:</b>			
Paid in cash <sup>(1)</sup>	\$ 93,096	\$ 75,743	\$ 59,005
Reinvested in shares	75,632	80,600	80,644
Total distributions	168,728	156,343	139,649
<b>Source of distributions:</b>			
Cash flow from operating activities	93,096	75,743	59,005
DRIP <sup>(2)</sup>	75,632	80,600	80,644
Total sources of distributions	\$ 168,728	\$ 156,343	\$ 139,649

- (1) Includes distributions paid on common stock and OP Units.
- (2) Common stockholders and OP Unitholders may elect to have their distributions reinvested in shares of common stock through our DRIP.

*Performance Graph (Dollars in whole dollars)*

The following graph is a comparison of the cumulative return of our shares of Class M-I common stock (post leverage and fees), the Standard and Poor’s 500 Index (“S&P 500”) and the National Council of Real Estate Investment Fiduciaries Fund Index-Open-End Diversified Core Equity (“ODCE”). The graph assumes that \$100 was invested on January 1, 2021 in each of our shares of Class M-I common stock, the S&P 500 Index and the ODCE, assuming that all dividends were reinvested without the payment of any commissions. We currently have Class A, Class M, Class A-I, Class M-I, Class I, Class N and Class S shares of common stock outstanding. There can be no assurance that the performance of our shares will continue in line with the same or similar trends depicted in the graph below.



\*The ODCE is a capitalization-weighted, time weighted index of open-end core real estate funds reported net of fees. The term core typically reflects lower risk investment strategies, utilizing low leverage and generally represented by equity ownership positions in stable U.S. operating properties. Funds are weighted by capitalization, so larger funds have a greater impact on index returns. While funds used in this benchmark typically target institutional investors and have characteristics that differ from the Company (including differing fees), we feel that the ODCE is an appropriate and accepted index for the purpose of evaluating returns on investments in direct real estate funds. Investors cannot invest in this index. The Company has the ability to utilize higher leverage than is allowed for the funds in this index, which could increase the Company’s volatility relative to the index.

**Item 6. Reserved**

## **Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

### **Management Overview**

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 consolidated financial statements and the accompanying notes to the consolidated financial statements appearing elsewhere in this Form 10-K. All references to numbered Notes are to specific notes to our consolidated financial statements beginning on page F-1 of this Form 10-K, and the descriptions referred to are incorporated into the applicable portion of this section by reference. References to “base rent” in this Form 10-K refer to cash payments made under the relevant lease(s), excluding real estate taxes and certain property operating expenses that are paid by us and are recoverable under the relevant lease(s) and exclude adjustments for straight-line rent revenue and above- and below-market lease amortization.

Our primary business is the ownership and management of a diversified portfolio of healthcare, industrial, residential, retail and other properties located in the United States and debt and equity interests backed principally by real estate, which we refer to as "real estate-related assets, " located in the United States. Over time our portfolio may be further diversified through the acquisition of properties, and real estate-related assets backed by properties, located outside the United States. It is expected that over time our real estate portfolio will be further diversified on a global basis and will be complemented further by additional investments in real estate-related assets.

We are managed by our Advisor, LaSalle, a subsidiary of our Sponsor, JLL (NYSE: JLL), a New York Stock Exchange-listed leading professional services firm that specializes in real estate and investment management. We hire property management and leasing companies to provide the on-site, day-to-day management and leasing services for our properties. When selecting a property management or leasing company for one of our properties, we look for service providers that have a strong local market or industry presence, create portfolio efficiencies, have the ability to develop new business for us and will provide a strong internal control environment that will comply with our Sarbanes-Oxley Act of 2002 internal control requirements. We currently use a mix of property management and leasing service providers that include large national real estate service firms, including an affiliate of our Advisor, and smaller local firms.

We seek to minimize risk and maintain stability of income and principal value through broad diversification across property sectors and geographic markets and by balancing tenant lease expirations and debt maturities across the real estate portfolio. Our diversification goals also take into account investing in sectors or regions we believe will create returns consistent with our investment objectives. Under normal conditions, we intend to pursue investments principally in well-located, well-leased properties within the healthcare, industrial, residential, retail and other sectors. We expect to actively manage the mix of properties and markets over time in response to changing operating fundamentals within each property sector and to changing economies and real estate markets in the geographic areas considered for investment. When consistent with our investment objectives, we also seek to maximize the tax efficiency of our investments through like-kind exchanges and other tax planning strategies.

**PORTFOLIO**

Our investments in real estate assets as of December 31, 2025 consisted of interests in wholly owned properties and eight joint ventures. The discussions surrounding our Consolidated Properties refer to our wholly or majority owned and controlled properties (recent acquisitions refer to properties acquired in 2023-2025 based on the date acquired below). Discussions surrounding our Unconsolidated Properties refer to properties owned through joint venture arrangements or condominium interests. The following table sets forth information with respect to our real estate assets by segment as of December 31, 2025. We own a fee simple interest in all properties unless otherwise noted.

Property Name	Location	% Owned	Year Built	Date Acquired	Net Rentable Square Feet	Percentage Leased
<i>Consolidated Properties:</i>						
<b>Healthcare Segment:</b>						
Monument IV at Worldgate	Herndon, VA	100 %	2001	August 27, 2004	228,000	100 %
140 Park Avenue <sup>(1)</sup>	Florham Park, NJ	100	2015	December 21, 2015	100,000	100
San Juan Medical Center	San Juan Capistrano, CA	100	2015	April 1, 2016	40,000	93
Genesee Plaza						
9333 Genesee Ave	San Diego, CA	100	1983	July 2, 2019	80,000	90
9339 Genesee Ave	San Diego, CA	100	1983	July 2, 2019	81,000	90
Fountainhead Corporate Park	Tempe, AZ	100	1985	February 6, 2020	295,000	85
170 Park Avenue	Florham Park, NJ	100	1998	February 2, 2021	147,000	100
9101 Stony Point Drive	Richmond, VA	100	2018	September 15, 2021	87,000	100
North Tampa Surgery Center	Odessa, FL	100	2021	October 8, 2021	13,000	100
Duke Medical Center	Durham, NC	100	2010	December 23, 2021	60,000	98
KC Medical Office Portfolio						
8600 NE 82nd Street	Kansas City, MO	100	2021	December 23, 2021	11,000	100
1203 SW 7 Highway	Blue Springs, MO	100	2000	December 23, 2021	10,000	100
Roeland Park Medical Office	Roeland Park, KS	100	2021	December 28, 2021	30,000	100
South Reno Medical Center	Reno, NV	100	2004	December 28, 2021	32,000	100
Sugar Land Medical Office	Sugar Land, TX	100	2020	December 30, 2021	37,000	100
Cedar Medical Center	Flagstaff, AZ	100	2022	April 29, 2022	26,000	100
North Boston Medical Center	Haverhill, MA	100	2017	June 28, 2022	30,000	100
North Charlotte Medical Center	Stanley, NC	100	2017	June 28, 2022	25,000	100
Grand Rapids Medical Center	Wyoming, MI	100	2018	July 21, 2022	25,000	80
Glendale Medical Center	Los Angeles, CA	100	2018	July 29, 2022	20,000	100
6300 Dumbarton Circle	Fremont, CA	100	1990	September 15, 2022	44,000	100
6500 Kaiser Drive	Fremont, CA	100	1990	September 15, 2022	88,000	100
Greater Sacramento Medical Center	Rancho Cordova, CA	100	2012	September 16, 2022	18,000	100
Naperville Medical Center	Naperville, IL	100	2014	March 28, 2025	39,000	100
3000 University Center Drive	Tampa, FL	100	1987	December 12, 2025	133,000	100
<b>Industrial Segment:</b>						
Kendall Distribution Center	Atlanta, GA	100 %	2002	June 30, 2005	409,000	100 %
Suwanee Distribution Center	Suwanee, GA	100	2013	June 28, 2013	559,000	100
Grand Prairie Distribution Center <sup>(1)</sup>						
3325 West Trinity Boulevard	Grand Prairie, TX	100	2013	January 22, 2014	277,000	100
3324 West Trinity Boulevard	Grand Prairie, TX	100	2015	May 31, 2019	145,000	100
Charlotte Distribution Center	Charlotte, NC	100	1991	June 27, 2014	347,000	100
DFW Distribution Center <sup>(1)</sup>						
4050 Corporate Drive	Grapevine, TX	100	1996	April 15, 2015	441,000	100
4055 Corporate Drive	Grapevine, TX	100	1996	April 15, 2015	202,000	100
O'Hare Industrial Portfolio						
200 Lewis	Wood Dale, IL	100	1985	September 30, 2015	31,000	100
1225 Michael Drive	Wood Dale, IL	100	1985	September 30, 2015	109,000	100
1300 Michael Drive	Wood Dale, IL	100	1985	September 30, 2015	71,000	100
1301 Mittel Drive	Wood Dale, IL	100	1985	September 30, 2015	53,000	100
1350 Michael Drive	Wood Dale, IL	100	1985	September 30, 2015	56,000	100
2501 Allan Drive	Elk Grove, IL	100	1985	September 30, 2015	198,000	100
2601 Allan Drive	Elk Grove, IL	100	1985	September 30, 2015	124,000	100
Tampa Distribution Center	Tampa, FL	100	2009	April 11, 2016	386,000	100

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Aurora Distribution Center	Aurora, IL	100	2016	May 19, 2016	305,000	100
Valencia Industrial Portfolio						
28150 West Harrison Parkway	Valencia, CA	100	1997	June 29, 2016	87,000	100
28145 West Harrison Parkway	Valencia, CA	100	1997	June 29, 2016	114,000	100
28904 Paine Avenue	Valencia, CA	100	1999	June 29, 2016	117,000	100
25045 Tibbitts Avenue	Santa Clarita, CA	100	1988	June 29, 2016	142,000	100
Mason Mill Distribution Center	Buford, GA	100	2016	December 20, 2017	340,000	100
Fremont Distribution Center						
45275 Northport Court	Fremont, CA	100	1991	March 29, 2019	117,000	100
45630 Northport Loop East	Fremont, CA	100	1995	March 29, 2019	120,000	100
Taunton Distribution Center <sup>(1)</sup>	Taunton, MA	100	2016	August 23, 2019	200,000	100
Chandler Distribution Center <sup>(1)</sup>						
1725 East Germann Road	Chandler, AZ	100	2016	December 5, 2019	122,000	100
1825 East Germann Road	Chandler, AZ	100	2016	December 5, 2019	89,000	100
Fort Worth Distribution Center	Fort Worth, TX	100	2020	October 23, 2020	351,000	100
Whitestown Distribution Center						
4993 Anson Boulevard	Whitestown, IN	100	2020	December 11, 2020	280,000	100
5102 E 500 South	Whitestown, IN	100	2020	December 11, 2020	440,000	100
Louisville Distribution Center <sup>(1)</sup>	Shepherdsville, KY	100	2020	January 21, 2021	1,040,000	100
Southeast Phoenix Distribution Center						
6511 West Frye Road	Chandler, AZ	100	2019	February 23, 2021	102,000	100
6565 West Frye Road	Chandler, AZ	100	2019	February 23, 2021	118,000	100
6615 West Frye Road	Chandler, AZ	100	2019	February 23, 2021	136,000	100
6677 West Frye Road	Chandler, AZ	100	2019	February 23, 2021	118,000	100
6635 West Frye Road	Chandler, AZ	100	2019	June 8, 2022	105,000	100
6575 West Frye Road	Chandler, AZ	100	2019	June 8, 2022	140,000	100
Louisville Airport Distribution Center	Louisville, KY	100	2020	June 24, 2021	284,000	100
13500 Danielson Street <sup>(2)</sup>	Poway, CA	95	1997	July 2, 2021	73,000	100
4211 Starboard <sup>(2)</sup>	Fremont, CA	95	1997	July 9, 2021	130,000	100
5 National Way	Durham, NC	100	2020	September 28, 2021	188,000	100
47 National Way <sup>(1)</sup>	Durham, NC	100	2020	September 28, 2021	187,000	100
Friendship Distribution Center						
4627 Distribution Pkwy	Buford, GA	100	2020	October 20, 2021	126,000	100
4630 Distribution Pkwy	Buford, GA	100	2020	October 20, 2021	149,000	100
4646 Distribution Pkwy	Buford, GA	100	2020	October 20, 2021	102,000	100
4651 Distribution Pkwy	Buford, GA	100	2020	October 20, 2021	272,000	100
South San Diego Distribution Center						
2001 Sanyo Avenue	San Diego, CA	100	1987	October 28, 2021	320,000	17
2055 Sanyo Avenue	San Diego, CA	100	1991	October 28, 2021	209,000	58
2065 Sanyo Avenue	San Diego, CA	100	2020	October 28, 2021	136,000	100
1755 Britannia Drive <sup>(1)</sup>	Elgin, IL	100	2020	November 16, 2021	80,000	100
2451 Bath Road <sup>(1)</sup>	Elgin, IL	100	2020	November 16, 2021	327,000	100
687 Conestoga Parkway	Shepherdsville, KY	100	2021	November 17, 2021	327,000	100
2840 Loker Avenue <sup>(2)</sup>	Carlsbad, CA	95	1998	November 30, 2021	104,000	100
15890 Bernardo Center Drive <sup>(2)</sup>	San Diego, CA	95	1991	November 30, 2021	48,000	100
Northeast Atlanta Distribution Center	Jefferson, GA	100	2016	April 8, 2022	459,000	100
West Phoenix Distribution Center	Glendale, AZ	100	2022	September 30, 2022	1,200,000	100
Puget Sound Distribution Center	Lacey, WA	100	2021	October 6, 2022	142,000	73
Louisville Logistics Center <sup>(1)</sup>	Shepherdsville, KY	100	2022	April 10, 2023	1,043,000	100
Minneapolis Distribution Center	Maple Grove, MN	100	2022	November 19, 2024	443,000	100
Richmond Distribution Center	Richmond, VA	100	2022	March 5, 2025	279,000	100
Glendale Distribution Center <sup>(1)</sup>	Glendale, AZ	100	2024	July 29, 2025	1,024,000	100
West Raleigh Distribution Center						
895 Gateway Drive	Apex, NC	100	2024	September 10, 2025	138,000	100
875 Gateway Drive	Apex, NC	100	2024	September 10, 2025	176,000	100
3550 Brightleaf Lane	Apex, NC	100	2024	September 10, 2025	138,000	100
3560 Brightleaf Lane	Apex, NC	100	2024	September 10, 2025	206,000	27
3530 Brightleaf Lane	Apex, NC	100	2024	September 10, 2025	327,000	100

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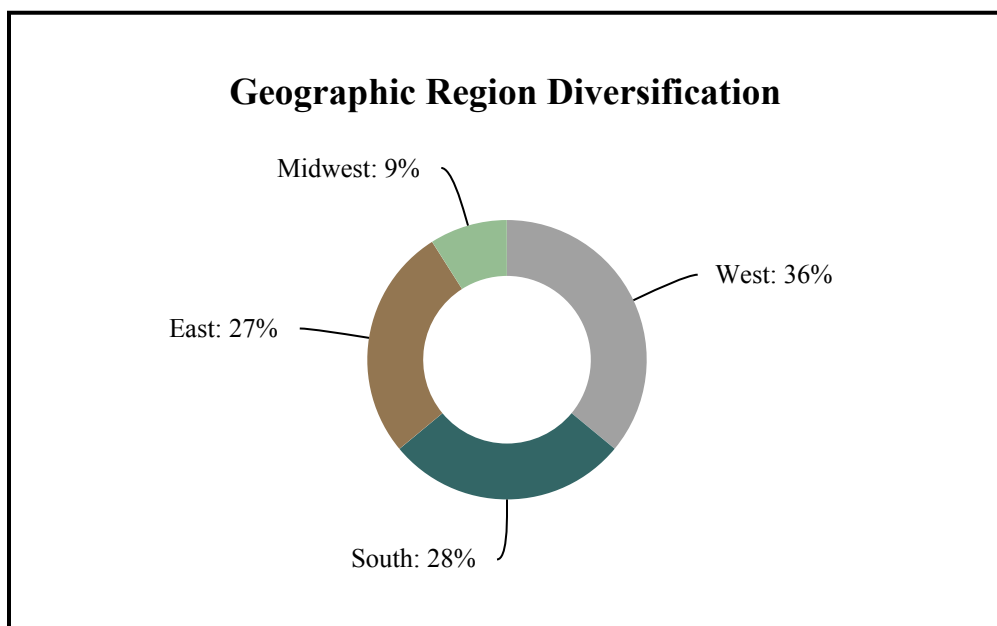
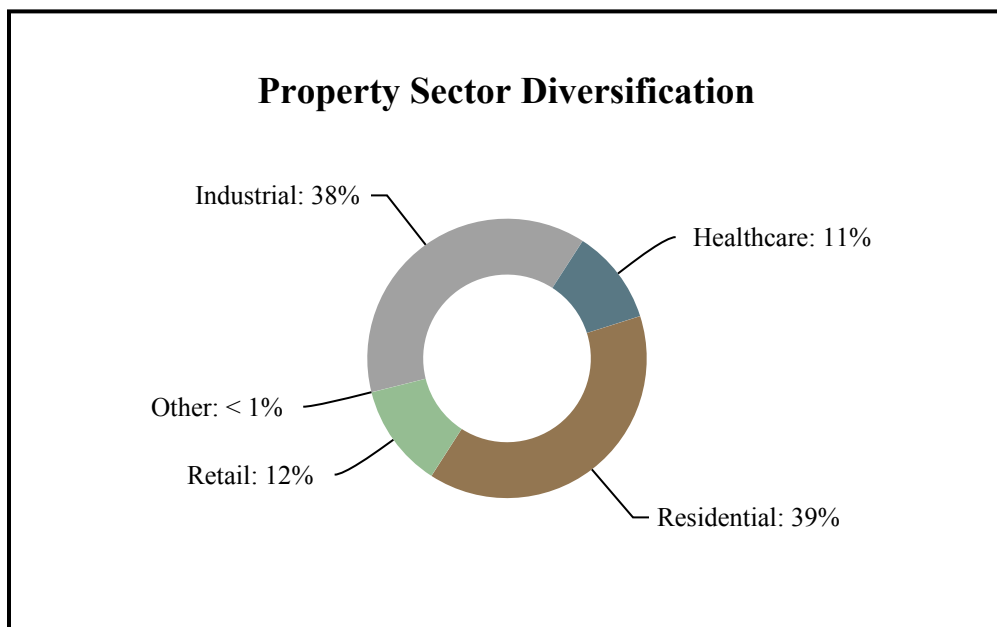
<b>Residential Segment:</b>						
Townlake of Coppell <sup>(1)</sup>	Coppell, TX	100 %	1986	May 22, 2015	351,000	94 %
AQ Rittenhouse	Philadelphia, PA	100	2015	July 30, 2015	92,000	90
Lane Parke Apartments	Mountain Brook, AL	100	2014	May 26, 2016	263,000	92
Dylan Point Loma <sup>(3)</sup>	San Diego, CA	100	2016	August 9, 2016	204,000	94
The Penfield	St. Paul, MN	100	2013	September 22, 2016	245,000	94
Jory Trail at the Grove <sup>(1)</sup>	Wilsonville, OR	100	2012	July 14, 2017	315,000	93
The Reserve at Johns Creek	Johns Creek, GA	100	2007	July 28, 2017	244,000	94
Villas at Legacy	Plano, TX	100	1999	June 6, 2018	340,000	95
Summit at San Marcos	Chandler, AZ	100	2018	July 31, 2019	257,000	92
Haven North Andover <sup>(1)</sup>	North Andover, MA	100	2019	May 3, 2021	204,000	95
The Preserve at the Meadows	Fort Collins, CO	100	2001	August 23, 2021	208,000	95
The Rockwell	Berlin, MA	100	2020	August 31, 2021	233,000	93
Miramont <sup>(1)</sup>	Fort Collins, CO	100	1995	September 29, 2021	212,000	95
Pinecone <sup>(1)</sup>	Fort Collins, CO	100	1993	September 29, 2021	176,000	93
Reserve at Venice	North Venice, FL	100	2021	December 17, 2021	268,000	76
Woodside Trumbull <sup>(1)</sup>	Trumbull, CT	100	2021	December 21, 2021	207,000	92
Jefferson Lake Howell	Casselberry, FL	100	2021	March 30, 2022	374,000	93
Oak Street Lofts <sup>(1)</sup>	Tigard, OR	100	2021	July 15, 2022	162,000	94
Molly Brook on Belmont	North Haledon, NJ	100	2019	September 27, 2022	177,000	92
Creekview Crossing	Sherwood, OR	100	2009	February 29, 2024	217,000	93
Single-Family Rental Portfolio I <sup>(2)</sup>	Various	95	Various	Various	3,382,000	94
Single-Family Rental Portfolio II <sup>(2)</sup>	Various	95	Various	Various	858,000	93
<b>Retail Segment:</b>						
The District at Howell Mill <sup>(2)</sup>	Atlanta, GA	88 %	2006	June 15, 2007	306,000	98 %
Grand Lakes Marketplace <sup>(2)</sup>	Katy, TX	90	2012	September 17, 2013	131,000	99
Rancho Temecula Town Center	Temecula, CA	100	2007	June 16, 2014	165,000	88
Skokie Commons <sup>(1)</sup>	Skokie, IL	100	2015	May 15, 2015	97,000	95
Whitestone Market <sup>(1)</sup>	Austin, TX	100	2003	September 30, 2015	145,000	98
Maui Mall	Kahului, HI	100	1971	December 22, 2015	235,000	88
Silverstone Marketplace	Scottsdale, AZ	100	2015	July 27, 2016	78,000	89
Kierland Village Center <sup>(1)</sup>	Scottsdale, AZ	100	2001	September 30, 2016	118,000	100
Timberland Town Center	Beaverton, OR	100	2015	September 30, 2016	92,000	97
Montecito Marketplace	Las Vegas, NV	100	2007	August 8, 2017	190,000	100
Milford Crossing	Milford, MA	100	2018	January 29, 2020	159,000	100
Patterson Place	Durham, NC	100	2010	May 31, 2022	25,000	89
Silverado Square	Las Vegas, NV	100	2018	June 1, 2022	48,000	98
Woodlawn Point <sup>(1)</sup>	Marietta, GA	100	1993	June 30, 2022	98,000	100
Westbury Square	Huntsville, AL	100	1990	December 22, 2025	123,000	100
<b>Other Segment<sup>(4)</sup>:</b>						
South Beach Parking Garage <sup>(5)</sup>	Miami Beach, FL	100 %	2001	January 28, 2014	130,000	N/A
<i>Unconsolidated Properties:</i>						
Chicago Parking Garage <sup>(6)</sup>	Chicago, IL	100 %	2003	December 23, 2014	167,000	N/A
NYC Retail Portfolio <sup>(7)(8)</sup>	NY/NJ	14	1996 - 2004	December 8, 2015	1,787,000	78 %
Pioneer Tower <sup>(9)</sup>	Portland, OR	100	1990	June 28, 2016	308,000	32
The Tremont <sup>(2)</sup>	Burlington, MA	75	2016	July 19, 2018	175,000	94
The Huntington <sup>(2)</sup>	Burlington, MA	75	2018	July 19, 2018	115,000	96
Siena Suwanee Town Center <sup>(10)</sup>	Suwanee, GA	100	2018	December 15, 2020	226,000	95
Kingston at McLean Crossing <sup>(2)(11)</sup>	McLean, VA	80	2018	December 3, 2021	279,000	93

1. This property is included in our DST Program.
2. We own a majority interest in the joint venture that owns a fee simple interest in this property or portfolio of single-family rental houses.
3. This property was classified as held for sale as of December 31, 2025 and sold on January 27, 2026.
4. Other Segment also includes Mortgage Notes Receivable.
5. The parking garage contains 343 stalls. This property is owned leasehold.
6. We own a condominium interest in the building that contains a 366 stall parking garage.
7. We own an approximate 14% interest in a portfolio of 6 urban infill retail properties located in the greater New York City area.

- 8. We have elected the fair value option to account for this investment.
- 9. We own a condominium interest in the building that contains a 17 story multi-tenant healthcare property.
- 10. We own a condominium interest in the project that contains a 240-unit residential property.
- 11. This property was sold on January 30, 2026.

The following charts summarize our portfolio diversification by property sector and geographic region based upon the fair value of our properties. These tables provide examples of how our Advisor evaluates our real estate portfolio when making investment decisions.

**Estimated Percent of Fair Value as of December 31, 2025**



**OPERATING STATISTICS**

We generally hold investments in properties with high occupancy rates leased to quality tenants under long-term, non-cancelable leases. We believe these leases are beneficial to achieving our investment objectives. The following table shows our operating statistics by property type for our consolidated properties as of December 31, 2025:

	Number of Properties/ Portfolios <sup>(1)</sup>	Total Area (Sq Ft)	% of Total Area	Occupancy %	Estimated Percent of Fair Value	Average Minimum Base Rent per Occupied Sq Ft <sup>(2)</sup>
Healthcare	26	1,699,000	6 %	96 %	11 %	\$ 34.49
Industrial	66	16,628,000	56	97	40	7.62
Residential	22	8,989,000	31	92	37	21.15
Retail	15	2,010,000	7	96	12	22.36
Other	1	130,000	—	N/A	—	N/A
<b>Total</b>	<b>130</b>	<b>29,456,000</b>	<b>100 %</b>	<b>95 %</b>	<b>100 %</b>	<b>\$ 14.33</b>

(1) Residential includes 2,440 single-family rental homes in the Single-Family Rental Portfolio I and II.

(2) Amount calculated as in-place minimum base rent for all occupied space at December 31, 2025 and excludes any straight line rents, tenant recoveries and percentage rent revenues.

The following table shows our operating statistics by property type for our unconsolidated properties as of December 31, 2025:

	Number of Properties/ Portfolios	Total Area (Sq Ft)	% of Total Area	Occupancy %	Estimated Percent of Fair Value	Average Minimum Base Rent per Occupied Sq Ft <sup>(1)</sup>
Healthcare	1	308,000	10 %	32 %	9 %	\$ 28.32
Residential	4	795,000	26	94	66	38.00
Retail	6	1,787,000	59	78	22	39.15
Other	1	167,000	5	N/A	3	N/A
<b>Total</b>	<b>12</b>	<b>3,057,000</b>	<b>100 %</b>	<b>77 %</b>	<b>100 %</b>	<b>\$ 38.22</b>

(1) Amount calculated as in-place minimum base rent for all occupied space at December 31, 2025 and excludes any straight line rents, tenant recoveries and percentage rent revenues.

As of December 31, 2025, our average effective annual rent per square foot, calculated as average minimum base rent per occupied square foot less tenant concessions and allowances, was \$13.07 for our consolidated properties. As of December 31, 2025, the scheduled lease expirations at our consolidated properties are as follows:

Year	Number of Leases Expiring	Annualized Minimum Base Rent <sup>(1)</sup>	Square Footage	Percentage of Annualized Minimum Base Rent
2026 <sup>(2)</sup>	63	\$ 15,384	1,985,000	7 %
2027	78	16,124	954,000	7
2028	76	24,964	2,605,000	11
2029	55	18,578	1,616,000	8
2030	72	35,520	3,354,000	16
2031 and thereafter	165	112,007	8,982,000	51
<b>Total</b>	<b>509</b>	<b>\$ 222,577</b>	<b>19,496,000</b>	

(1) Amount calculated as annualized in-place minimum base rent excluding any above- and below-market lease amortization, straight line rents, tenant recoveries and percentage rent revenues as of December 31, 2025 presented in the year of lease expiration.

(2) Does not include 6,702 leases totaling approximately 8,308,000 square feet and approximately \$175,715 in annualized minimum base rent associated with the residential properties and single-family rental houses we owned as of December 31, 2025.

As of December 31, 2025, the scheduled lease expirations at our unconsolidated properties are as follows:

Year	Number of Leases Expiring	Annualized Minimum Base Rent <sup>(1)</sup>	Square Footage	Percentage of Annualized Minimum Base Rent
2026 <sup>(2)</sup>	16	\$ 12,891	473,000	48 %
2027	10	4,234	325,000	16
2028	6	5,217	45,000	19
2029	1	14	192,000	—
2030	3	953	257,000	4
2031 and thereafter	11	3,592	355,000	13
<b>Total</b>	<b>47</b>	<b>\$ 26,901</b>	<b>1,647,000</b>	

- (1) Amount calculated as annualized in-place minimum base rent excluding any above- and below-market lease amortization, straight line rents, tenant recoveries and percentage rent revenues as of December 31, 2025 presented in the year of lease expiration.
- (2) Does not include 806 leases totaling approximately 749,000 square feet and approximately \$28,500 in annualized minimum base rent associated with the unconsolidated residential investments.

The following table shows the aggregate portfolio occupancy rates for our consolidated and unconsolidated properties as of December 31, 2025 and each of the previous five years:

As of December 31,	Occupancy Rate for Consolidated Properties	Occupancy Rate for Unconsolidated Properties
2025	95 %	77 %
2024	97	89
2023	97	91
2022	97	93
2021	98	91

The following tables show the occupancy rates for our consolidated properties by property type as well as the average minimum base rent per occupied square foot as of December 31, 2025 and 2024:

	Occupancy Rate		
	December 31, 2025	December 31, 2024	Change
Healthcare	96 %	96 %	— %
Industrial	97	99	(2)
Residential	92	94	(2)
Retail	96	88	8
<b>Total</b>	<b>95 %</b>	<b>97 %</b>	<b>(2)%</b>

	Average Minimum Base Rent per Occupied Square Foot <sup>(1)</sup>		
	December 31, 2025	December 31, 2024	Change
Healthcare	\$ 34.49	\$ 35.06	\$ (0.57)
Industrial	7.62	6.98	0.64
Residential	21.15	22.68	(1.53)
Retail	22.36	23.48	(1.12)
<b>Total</b>	<b>\$ 14.33</b>	<b>\$ 13.78</b>	<b>\$ 0.55</b>

- (1) Amount calculated as in-place minimum base rent for all occupied space and excludes any straight line rents, tenant recoveries and percentage rent revenues.

Our healthcare properties' occupancy rate remained fairly consistent with strong occupancy from December 31, 2024 to December 31, 2025. Average minimum base rent decreased from December 31, 2024 to December 31, 2025 as a result of acquisitions in the healthcare portfolio that have a lower average minimum base rent per square foot.

Our industrial properties' occupancy rate decreased from December 31, 2024 to December 31, 2025. The average minimum base rent per occupied square foot for our industrial properties at December 31, 2025 increased when compared to

December 31, 2024, due to higher in place rents for our recent acquisitions, as well as base rent increases in our existing properties.

Our residential properties' occupancy rate decreased from December 31, 2024 to December 31, 2025. The average minimum base rents per occupied square foot for our residential properties at December 31, 2025 decreased when compared to December 31, 2024 due to the consolidation of the Single-family Rental Portfolio I in April, which were at lower rental rates per square foot.

Our retail properties' occupancy rate increased from December 31, 2024 to December 31, 2025 while the average minimum base rents per occupied square foot at December 31, 2025 decreased when compared to December 31, 2024. Both changes were primarily due to an anchor tenant commencing a new lease at The District at Howell Mill, which was at a lower rental rate per square foot.

The occupancy rate of our properties remained high at 95% across our overall portfolio as of December 31, 2025 compared to 97% as of December 31, 2024. The average minimum base rent per occupied square foot increased from December 31, 2024 to December 31, 2025.

**PRINCIPAL TENANTS**

The following table sets forth the top ten tenants of our consolidated properties based on their percentage of annualized minimum base rent as of December 31, 2025:

Tenants	Property	Line of Business	Date of Lease Expiration	Lease Renewal Options	Annual Minimum Base Rent <sup>(1)</sup>	% of Total Area	% of Annualized Minimum Base Rent <sup>(2)</sup>
Amazon	Monument IV at Worldgate, Maui Mall and Grand Lakes Marketplace	Internet Web Services / Online Retailer / Grocery Store	Various	Various	\$ 11,766	1 %	3 %
Williams-Sonoma	Taunton Distribution Center and West Phoenix Distribution Center	Home Products Retailer	Various	Various	8,009	4	2
Puma North America, Inc.	Glendale Distribution Center	Sports and Lifestyle Manufacturing	March 31, 2038	Two 5-year options	7,461	3	2
Life Science Logistics	4993 Anson Boulevard and 3530 Brightleaf Lane	Supply Chain Management	Various	Various	5,239	2	1
Quanta Computer	Fremont Distribution Center	Computer Manufacturer	January 31, 2032	One 5-year option	4,768	1	1
McKesson Corporation	Louisville Distribution Center	Pharmaceutical Distributor	December 31, 2030	Two 5-year options	4,707	3	1
United Parcel Service	Louisville Logistics Center, Kierland Village Center and Maui Mall	Supply Chain Management	Various	Various	4,613	3	1
Wistron Corporation	4055 Corporate Dr and 4211 Starboard	Technology Manufacturing	Various	Various	3,977	1	1
The TJX Companies Inc.	Grand Lakes Marketplace, Maui Mall, Milford Crossing, Montecito Marketplace, The District at Howell Mill and Westbury Square	Home Products Retailer	Various	Various	3,800	1	1
Celularity Inc.	170 Park Avenue	Biotechnology Company	January 31, 2036	None	3,526	<1	1
<b>Total</b>					<b>\$ 57,866</b>	<b>19 %</b>	<b>14 %</b>

(1) Annual minimum base rent is calculated as annualized monthly in-place minimum base rent excluding any above- and below-market lease amortization, straight-line rents, tenant recoveries and percentage rent revenues.

(2) Percent of annualized minimum base rent is calculated as annualized in-place minimum base rent excluding any above- and below-market lease amortization, straight-line rents, tenant recoveries and percentage rent revenues divided by total annualized minimum base rent.

**PRINCIPAL PROPERTIES**

The following table sets forth our top ten consolidated properties/portfolios based on percentage of annualized minimum base rent as of December 31, 2025:

Properties	Property Segment	% of Total Area	% of Annualized Minimum Base Rent <sup>(1)</sup>
Single-Family Rental Portfolio I	Residential	12 %	11 %
Single-Family Rental Portfolio II	Residential	3	3
Monument IV at Worldgate	Healthcare	1	3
West Raleigh Distribution Center	Industrial	3	2
Jefferson Lake Howell	Residential	1	2
Genesee Plaza	Healthcare	1	2
Townlake of Coppell	Residential	1	2
Fountainhead Corporate Park	Healthcare	1	2
Jory Trail at the Grove	Residential	1	2
Lane Parke Apartments	Residential	1	2
<b>Total</b>		<b>25 %</b>	<b>31 %</b>

(1) Minimum base rent is calculated as in-place minimum base rent excluding any above- and below-market lease amortization, straight-line rents, tenant recoveries and percentage rent revenues.

**Recent Events and Outlook**

*Property Valuations*

Property valuations increased by approximately 0.3% across our portfolio as capital market assumptions remained consistent on a portfolio level during the year ended December 31, 2025.

*Credit Facility*

On April 28, 2022, we entered into our \$1,000,000 Credit Facility, which consists of a \$600,000 Revolving Credit Facility and a \$400,000 Term Loan. The Credit Facility provides us with the ability, from time to time, to increase the size of the Credit Facility up to a total of \$1,300,000, subject to receipt of lender commitments and other conditions. We are in compliance with our debt covenants as of December 31, 2025. We expect to maintain compliance with our debt covenants. On March 4, 2025, we exercised our first twelve month extension option on our Credit Facility.

*Liquidity*

At December 31, 2025, we had in excess of \$103,000 in total cash on hand and \$515,000 of capacity under our Credit Facility. Looking into 2026, we expect to utilize our cash on hand and Credit Facility capacity to acquire new properties, fund repurchases of our shares, extinguish mortgage notes maturing and fund quarterly distributions.

*Share Repurchase Plan*

During the fourth quarter of 2025, we repurchased 100% of requests totaling \$100,517 of our common stock pursuant to our share repurchase plan, which had a quarterly limit of \$122,267. The quarterly limit on repurchases is calculated as 5% of our NAV as of the last day of the previous quarter. The limit for the first quarter of 2026 is \$119,391.

*Impairments*

During the year ended December 31, 2025, we recorded impairment charges totaling \$286 on individual homes within our Single-Family Rental Portfolio I related to six homes listed for sale at values below our current carrying value.

### *Fair Value of Assets and Liabilities*

We account for our approximate 14% investment in the NYC Retail Portfolio using the fair value option. During the year ended December 31, 2025, we recorded an unrealized fair value loss of \$12,161 related to our investment in NYC Retail Portfolio. Our interest rate swaps and collars resulted in an unrealized fair value loss of \$11,433 during the year. We utilize our interest rate swaps and collars to fix interest rates on variable rate debt we plan to hold to maturity. On October 1, 2023, we elected the fair value option for DST Programs launching after that date and as such the financial obligation will be remeasured on a recurring basis. During the year ended December 31, 2025, we recorded \$44,592 of unrealized loss on financing obligations related to DST Programs for which we elected the fair value option.

### *Capital Raised and Use of Proceeds*

As of December 31, 2025, we have raised gross proceeds of approximately \$7,583,000 from our public and private offerings since 2012. We used these proceeds along with proceeds from mortgage debt to acquire approximately \$6,163,000 of real estate investments, deleverage the Company by repaying mortgage loans of approximately \$1,066,000 and repurchase shares of our common stock for approximately \$2,356,000.

### *2025 Property Acquisitions*

- seven industrial buildings totaling 2,288,000 square feet for approximately \$371,000;
- two healthcare properties totaling 172,000 square feet for approximately \$37,000; and
- one retail property totaling 123,000 square feet for approximately \$32,000.

### *2025 Property Dispositions*

- 237 Via Vera Cruz for approximately \$16,200 less closing costs.

### *2025 Mortgage notes receivable*

- received \$102,000 upon retirement of three mortgage notes receivable.

### *2025 Financing*

- entered into five new mortgage notes payable on various properties and single-family houses totaling approximately \$575,000, and
- retired seven mortgage notes payable for a total of approximately \$186,000.

### *Leasing and Occupancy*

We ended 2025 with our portfolio occupancy at 95%. During the year we signed new or renewal leases encompassing approximately 1,800,000 square feet of primarily industrial and retail property space at an approximate 25% increase in rental rates over expiring rental rates. Additionally, for consolidated properties owned all 12 months of 2024 and 2025 we experienced a 2.3% increase in rental revenue and a 1.9% increase in net operating income in 2025 as compared to 2024.

During 2025, we raised approximately \$838,000 of new capital and acquired approximately \$437,000 of real estate investments. These properties are in keeping with the investment strategy we began in 2012 and provide solid cash flow and good dividend coverage. We will continue to make these types of investments in 2026 and beyond.

The 2025 property acquisitions and leasing activity were in line with our long-term strategic objectives of generating attractive income, preserving stockholder capital and realizing moderate appreciation of our NAV over time. Our gross dividends declared and paid in 2025 was \$0.63 per share.

We expect to maintain a targeted company leverage ratio (calculated as our share of total liabilities divided by our share of the fair value of total assets) of between 30% and 50%. We intend to use low leverage, or in some cases possibly no leverage, to finance new acquisitions in order to maintain our targeted company leverage ratio. Our company leverage ratio was 32% as of December 31, 2025.

### ***Net Asset Value***

The NAV per share for our nine classes of common stock was between \$11.25 and \$11.29 as of December 31, 2025. The decrease of approximately \$0.03 per share in NAV from September 30, 2025 is primarily related to the dilution from operations. We paid a distribution of \$0.1575 per share during the quarter ended December 31, 2025, less share class specific fees. For the year ended December 31, 2025, our various classes of common stock had total net returns ranging from 3.0% to 3.8% including cash distributions of approximately \$0.63 per share, less share class-specific fees.

### ***2026 Key Initiatives***

Our initiatives for 2026 are to use capital raised from our public and private offerings and the DST Program to acquire new investment opportunities, repurchase stock under our share repurchase plan, and fund quarterly distributions. Likely acquisition candidates may include well-located, residential properties, industrial, healthcare, retail properties and originating mortgage loan investments that align with our property investment strategy. We will also attempt to further our geographic diversification. We will use debt financing when attractive interest rates are available, while looking to keep the company leverage ratio in the 30% to 50% range in the near term. We also intend to use our Revolving Credit Facility to allow us to efficiently manage our cash flows.

### ***Use of Estimates***

The preparation of financial statements in conformity with GAAP requires us to make estimates and assumptions. These estimates and assumptions affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. For example, significant estimates and assumptions have been made with respect to the useful lives of assets, recoverable amounts of receivables, initial valuations and related amortization periods of deferred costs and intangibles, particularly with respect to property acquisitions. Actual results could differ from those estimates.

### ***Critical Accounting Policies***

This MD&A is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of these consolidated financial statements requires management to make estimates and judgments that affect the reported amounts of assets, liabilities, revenues and expenses. Management bases its estimates on historical experience and assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Our critical accounting policies are those applicable to the following which can be found in greater detail within Note 2 Summary of Significant Accounting Policies.

#### ***Initial Valuations for Real Estate Investments and Intangibles***

These estimates are particularly important as they are used for the allocation of purchase price between building, land and other identifiable intangibles, including acquired in-place, above, below and at-market leases. As a result, the impact of these estimates on our operations could be substantial. Significant differences in annual depreciation or amortization expense may result from the differing useful life or amortization periods related to such purchased assets and liabilities.

We allocate the purchase price of acquired properties to tangible and identified intangible assets based on their relative fair values, using all pertinent information available at the date of acquisition. The allocation of the purchase price to tangible assets, such as building and land, is based upon our determination of the value of the property as if it were vacant. This “as-if vacant” value is estimated using an income, or discounted cash flow, approach that relies upon internally determined assumptions that we believe are consistent with current market conditions for similar properties. Land is valued using comparable land sales specific to the applicable market.

The purchase price of real estate assets is also allocated to intangible assets consisting of the above or below-market component of in-place leases and the value of in-place leases. The value allocable to the above or below market component of an acquired in-place lease is determined based upon the present value of the difference between (i) the contractual amounts to be received pursuant to the lease over its remaining term and (ii) management's estimate of the amounts that would be received using market rates over the remaining term of the lease. Factors considered in determining the value allocable to in-place leases include estimates, during estimated lease up periods, related to space that is actually leased at the time of acquisition. These estimates include (i) lost rent at market rates, (ii) fixed operating costs that will be recovered from tenants and (iii) theoretical leasing commissions and tenant improvements required to execute similar leases.

*Impairment of Long-Lived Assets*

Our estimate of the expected future cash flows used in testing for impairment is highly subjective and based on, among other things, our estimates regarding future market conditions, rental rates, occupancy levels, costs of tenant improvements, leasing commissions and other tenant concessions, assumptions regarding the residual value of our properties at the end of our anticipated holding period, discount rates and the length of our anticipated holding period. These assumptions could differ materially from actual results. If our strategy changes or if market conditions otherwise dictate a change in the holding period and an exit date, an impairment loss could be recognized and such loss could be material. During the year ended December 31, 2025, we determined that five single-family homes no longer fit our current investment objectives and strategy; therefore, we reduced our expected hold periods. We further determined that these assets were impaired as the carrying value of the investments were not deemed recoverable. Therefore, we recognized impairment charges totaling \$286, which represents the difference between the fair value and the carrying value of the property. Additionally, during the year ended December 31, 2024, we determined AQ Rittenhouse and 180 N Jefferson no longer fit our current investment objective and recorded impairment of \$21,135. We recorded no impairment related to consolidated properties during the year ended December 31, 2023.

## Results of Operations

### General

Our revenues are primarily received from tenants in the form of fixed minimum base rents and recoveries of operating expenses. Our expenses primarily relate to the costs of operating and financing our properties. Our share of the net income, net loss or dividend income from our unconsolidated properties is included in equity in income of unconsolidated affiliates. We believe the following analysis of reportable segments provides important information about the operating results of our real estate investments, such as trends in total revenues or operating expenses that may not be as apparent in a period-over-period comparison of our entire Company. We group our investments in real estate assets from continuing operations into five reportable operating segments based on the type of property: healthcare, industrial, residential, retail and other. Operations from corporate level items and real estate assets sold are excluded from reportable segments.

### Results of Operations for the Years ended December 31, 2025 and 2024:

Properties acquired or sold during any of the periods are presented within the recent acquisitions and sold properties line until the property has been owned for all periods presented. The properties currently presented within the recent acquisitions and sold properties line include the properties listed as either acquired or sold in the Management Overview section above. 114 of our consolidated properties and 458 single-family houses have been owned for the entire years ended December 31, 2025 and 2024 and are referred to as our comparable properties.

### Revenues

The following chart sets forth revenues, by reportable segment, for the years ended December 31, 2025 and 2024:

	Year Ended December 31, 2025	Year Ended December 31, 2024	\$ Change	% Change
<b>Revenues:</b>				
Rental revenue				
Healthcare	\$ 65,455	\$ 63,876	\$ 1,579	2.5 %
Industrial	131,831	125,210	6,621	5.3
Residential	122,454	121,977	477	0.4
Retail	53,622	54,078	(456)	(0.8)
Other	285	(46)	331	(719.6)
Comparable properties total	<u>\$ 373,647</u>	<u>\$ 365,095</u>	<u>\$ 8,552</u>	<u>2.3 %</u>
Recent acquisitions and sold properties	53,182	20,274	32,908	162.3
<b>Total rental revenue</b>	<u>\$ 426,829</u>	<u>\$ 385,369</u>	<u>\$ 41,460</u>	<u>10.8 %</u>
Other revenue				
Healthcare	\$ 2,441	\$ 1,864	\$ 577	31.0 %
Industrial	1,739	501	1,238	247.1
Residential	5,181	4,886	295	6.0
Retail	949	3,103	(2,154)	(69.4)
Other	1,969	1,925	44	2.3
Comparable properties total	<u>\$ 12,279</u>	<u>\$ 12,279</u>	<u>\$ —</u>	<u>— %</u>
Recent acquisitions and sold properties	2,831	1,112	1,719	154.6
<b>Total other revenue</b>	<u>\$ 15,110</u>	<u>\$ 13,391</u>	<u>\$ 1,719</u>	<u>12.8 %</u>
<b>Interest on mortgage notes receivable</b>	<u>11,915</u>	<u>8,873</u>	<u>3,042</u>	<u>34.3</u>
<b>Total revenues</b>	<u>\$ 453,854</u>	<u>\$ 407,633</u>	<u>\$ 46,221</u>	<u>11.3 %</u>

Rental revenue at comparable properties increased by \$8,552 for the year ended December 31, 2025 as compared to the same period in 2024. The increases within our industrial, healthcare and residential segments were primarily related to an increase in rental rates and occupancy at various properties during the year ended December 31, 2025 as compared to the same period of 2024. Recovery revenue within our industrial segment also increased as a result of increased real estate taxes and operating expenses. The decrease in rental revenue within the retail segment was primarily related to temporary reduced based rent for two tenants located at the District at Howell Mill totaling \$918 during the year ended December 31, 2025. The increase

in rental revenue within our other segment relates to a one time write off of uncollected rental charges from a retail tenant within our South Beach Parking Garage property during the year ended December 31, 2024.

Other revenues relate mainly to parking and nonrecurring revenue such as lease termination fees. Other revenue at comparable properties remained flat for the year ended December 31, 2025 as compared to the same period in 2024. The decrease within our retail segments related to approximately \$2,000 decrease in lease termination payments collected during the year ended December 31, 2025 at The District at Howell Mill as compared to the same period of 2024. Offsetting this decrease was approximately \$900 increase in lease termination fee payments collected within the industrial segment during the year end December 31, 2025 as compared to the prior year.

Interest on mortgage note receivable relates to interest income and exit fees earned on mortgage notes originated by us. During the year ended December 31, 2025, interest income on mortgage notes we held increased by approximately \$1,300 during the year end December 31, 2025 as compared to the year ended December 2024. Additionally we earned approximately \$1,660 of exit fees in the year December 31, 2025 related to three loans that were repaid late in the year.

### ***Operating Expenses***

The following chart sets forth real estate taxes and property operating expenses, by reportable segment, for the years ended December 31, 2025 and 2024:

	Year Ended December 31, 2025	Year Ended December 31, 2024	\$ Change	% Change
<b>Operating expenses:</b>				
Real estate taxes				
Healthcare	\$ 5,253	\$ 5,942	\$ (689)	(11.6)%
Industrial	21,522	20,819	703	3.4
Residential	17,791	18,000	(209)	(1.2)
Retail	6,610	6,558	52	0.8
Other	444	403	41	10.2
Comparable properties total	<u>\$ 51,620</u>	<u>\$ 51,722</u>	<u>\$ (102)</u>	<u>(0.2)%</u>
Recent acquisitions and sold properties	<u>7,466</u>	<u>3,040</u>	<u>4,426</u>	<u>145.6</u>
<b>Total real estate taxes</b>	<u><b>\$ 59,086</b></u>	<u><b>\$ 54,762</b></u>	<u><b>\$ 4,324</b></u>	<u><b>7.9 %</b></u>
Property operating expenses:				
Healthcare	\$ 15,503	\$ 14,504	\$ 999	6.9 %
Industrial	11,232	9,920	1,312	13.2
Residential	34,517	33,316	1,201	3.6
Retail	9,507	9,480	27	0.3
Other	857	762	95	12.5
Comparable properties total	<u>\$ 71,616</u>	<u>\$ 67,982</u>	<u>\$ 3,634</u>	<u>5.3 %</u>
Recent acquisitions and sold properties	<u>10,758</u>	<u>6,948</u>	<u>3,810</u>	<u>54.8</u>
<b>Total property operating expenses</b>	<u><b>\$ 82,374</b></u>	<u><b>\$ 74,930</b></u>	<u><b>\$ 7,444</b></u>	<u><b>9.9 %</b></u>
<b>Total operating expenses</b>	<u><b>\$ 141,460</b></u>	<u><b>\$ 129,692</b></u>	<u><b>\$ 11,768</b></u>	<u><b>9.1 %</b></u>

Real estate taxes at comparable properties decreased by \$102 for the year ended December 31, 2025 as compared to the same period in 2024. Our properties are reassessed periodically by the taxing authorities, which may result in increases or decreases in the real estate taxes that we owe. Overall, we expect real estate taxes to increase over time; however, we utilize real estate tax consultants to attempt to control assessment increases.

Property operating expenses consist of the costs of ownership and operation of the real estate investments, many of which are recoverable under net leases. Examples of property operating expenses include insurance, utilities and repair and maintenance expenses. Property operating expenses at comparable properties increased by \$3,634 during the year ended December 31, 2025 as compared to the same period in 2024. The increases generally relate to higher repairs and maintenance projects, increased property management fees due to higher revenues, higher salary costs and higher utility costs in some markets.

The following chart sets forth other income and expenses not directly related to the operations of the reportable segments for the years ended December 31, 2025 and 2024:

	Year Ended December 31, 2025	Year Ended December 31, 2024	\$ Change	% Change
Property general and administrative	\$ (3,070)	\$ (3,980)	\$ 910	(22.9)%
Advisor fees	(40,893)	(40,392)	(501)	1.2
Company level expenses	(8,704)	(7,686)	(1,018)	13.2
Provision for impairment of real estate	(286)	(21,135)	20,849	(98.6)
Depreciation and amortization	(160,887)	(144,622)	(16,265)	11.2
Interest expense	(89,266)	(82,530)	(6,736)	8.2
Unrealized loss on financing obligation	(44,592)	(5,758)	(38,834)	674.4
Loss from unconsolidated affiliates and fund investments	(2,256)	(13,713)	11,457	(83.5)
Investment income on marketable securities	—	989	(989)	(100.0)
Net realized loss upon sale of marketable securities	—	(5,015)	5,015	(100.0)
Gain on disposition of property and extinguishment of debt, net	2,375	73,510	(71,135)	(96.8)
Total other income and expenses	<u>\$ (347,579)</u>	<u>\$ (250,332)</u>	<u>\$ (97,247)</u>	<u>38.8 %</u>

Property general and administrative expenses relate mainly to property expenses unrelated to the operations of the property. Property general and administrative expenses decreased during the year ending December 31, 2025 as compared to the same period in 2024 by \$910 primarily due to a decrease in state level taxes and property level legal expenses.

Advisor fees relate to the fixed advisory and performance fees earned by our Advisor. Fixed fees increase or decrease based on changes in our NAV which will be primarily impacted by changes in capital raised and the value of our properties. The performance fee is accrued when the total return per share for a share class exceeds 7% for that calendar year, where in our Advisor will receive 10% of the excess total return above the 7% threshold. The increase in advisor fees of \$501 for the year ended December 31, 2025 is related to higher fixed fees as a result of a slightly higher average net asset value.

Company level expenses relate mainly to our compliance and administration related costs. Company level expenses increased for the year ended December 31, 2025 as compared to the same period in 2024 primarily due to general increases across all categories.

Provision for impairment of real estate relates to real estate investments where the estimated future undiscounted cash flows during our hold period have decreased below the carrying value of the consolidated property. A provision for impairment of real estate is recorded to write the property down from its carrying value to its fair value. We recorded a provision for impairment of \$286 related to individual homes within our Single-Family Rental Portfolio I which were held for sale and listed for sale at values below our current carrying value during the year ended December 31, 2025. We recorded a provision for impairment of \$21,135 related to 180 North Jefferson and AQ Rittenhouse during the year ended December 31, 2024.

Depreciation and amortization expense is impacted by the values assigned to buildings, personal property and in-place lease assets as part of the initial purchase price allocation. The increase of \$16,265 in depreciation and amortization expense for the year ended December 31, 2025 as compared to the same period in 2024 is primarily related to increased expense from our 2025 and 2024 acquisitions.

Interest expense increased by \$6,736 for the year ended December 31, 2025 as compared to the same period in 2024 primarily as a result of \$11,433 of unrealized losses on our interest rate swaps and collars during the year ended December 31, 2025 as compared to unrealized gains of \$3,849 during the year ended December 31, 2024. Offsetting the unrealized losses was approximately \$5,300 decreased interest expense related to lower overall balance on our Credit Facility and mortgage loans that were extinguished. Additionally, we incurred approximately \$4,300 lower interest expense, including interest income upon exercising our fair market value purchase on the financial obligations related to the DST Program, as well as non-cash interest expense and interest income on properties deemed probable for repurchase.

Unrealized loss on financial obligation relates to changes in the fair value of our financial obligations for the various DST Programs that we have elect the fair value option. We recorded unrealized losses of \$44,592 and \$5,758 during the years ended December 31, 2025 and 2024, respectively.

Loss from unconsolidated affiliates and fund investments relates to the income from Chicago Parking Garage, Pioneer Tower, The Tremont, The Huntington, Siena Suwanee Town Center and Kingston at McLean Crossing as well as changes in fair value and operating distributions received from our investment in the NYC Retail Portfolio and the Single-Family Rental Portfolio I. During the year ended December 31, 2025, we recorded a \$12,161 decrease in the fair value of our investment in NYC Retail Portfolio and a \$11,261 increase in fair value in Single-Family Rental Portfolio I as well as \$698 in distributions of income. During the year ended December 31, 2024, we recorded a \$10,586 increase in the fair value in the Single-Family Rental Portfolio I in addition to \$4,761 of distributions of income and a \$11,463 decrease in the fair value of NYC Retail Portfolio. Additionally, during the years ended December 31, 2025 and 2024, we recorded impairment charges totaling \$917 and \$21,100 respectively related to our investment in Pioneer Tower as the carrying value of the investment exceeded its estimated fair value.

Investment income on marketable securities relates to dividends earned on our portfolio of publicly traded REIT securities. We recorded dividend income of \$989 during the year ended December 31, 2024, respectively. We liquidated our investments in marketable securities during the three months ended June 30, 2024.

Net realized loss upon the sale of marketable securities relates to sales of individual stocks within our portfolio of publicly traded REIT stocks. We recorded a realized loss of \$5,015 during the year ended December 31, 2024.

Gain on disposition of property and extinguishment of debt, net of \$2,375 in the year ended December 31, 2025 relates to the sales of 237 Via Vera Cruz, individual houses within our Single-Family Portfolio I and the early extinguishment of debt on Pinecone Apartments and Miramont Apartments. Gain on disposal of property and relinquishment of debt, net of \$73,510 recorded in the year ended December 31, 2024 relates to the sales of 180 North Jefferson, Stonemeadow Farms and Pinole Point Distribution Center.

***Results of Operations for the Years ended December 31, 2024 and 2023:***

For discussion on our results of operations for the years ended December 31, 2024 and 2023 please see our Annual Report on Form 10-K filed with the SEC on March 14, 2025.

***FUNDS FROM OPERATIONS***

Consistent with real estate industry and investment community preferences, we consider FFO as a supplemental measure of the operating performance for a real estate investment trust and a complement to GAAP measures because it facilitates an understanding of the operating performance of our properties. The National Association of Real Estate Investment Trusts ("NAREIT") defines FFO as net income attributable to the Company (computed in accordance with GAAP), excluding gains or losses from cumulative effects of accounting changes, extraordinary items, impairment write-downs of depreciable real estate and sales of properties, plus real estate related depreciation and amortization and after adjustments for these items related to noncontrolling interests and unconsolidated affiliates.

FFO does not give effect to real estate depreciation and amortization because these amounts are computed to allocate the cost of a property over its useful life. Because values for well-maintained real estate assets have historically increased or decreased based upon prevailing market conditions, we believe that FFO provides stockholders with an additional view of our operating performance. We also use Adjusted FFO ("AFFO") as a supplemental measure of operating performance. We define AFFO as FFO adjusted for straight-line rental income, amortization of above- and below-market leases, amortization of net premium or discount on assumed debt, gains or losses on derivative instruments and the extinguishment or modification of debt, adjustments for investments accounted for under the fair value option, net unrealized change in fair value of investments in marketable securities, acquisition expenses and adjustments for DST Properties. Because values for well-maintained real estate assets have historically increased or decreased based upon prevailing market conditions, we believe that FFO and AFFO provide investors with an additional view of our operating performance.

In order to provide a better understanding of the relationship between FFO, AFFO and GAAP net income, the most directly comparable GAAP financial reporting measure, we have provided reconciliations of GAAP net income attributable to JLL Income Property Trust, Inc. to FFO and FFO to AFFO. FFO and AFFO do not represent cash flow from operating activities in accordance with GAAP, should not be considered as an alternative to GAAP net income and is not a measure of liquidity or an indicator of the Company's ability to make cash distributions. We believe that to more comprehensively understand its operating performance, FFO and AFFO should be considered along with its reported net income attributable to JLL Income Property Trust, Inc. and its cash flows in accordance with GAAP, as presented in our consolidated financial statements. Our presentations of FFO and AFFO are not necessarily comparable to the similarly titled measures of other REITs due to the fact that not all REITs use the same definitions.

The following table presents a reconciliation of net income to NAREIT FFO for the periods presented:

	<b>Year ended December 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>Reconciliation of net income to NAREIT FFO</b>			
Net (loss) income attributable to JLL Income Property Trust, Inc.	\$ (25,808)	\$ 19,839	\$ (111,739)
Real estate depreciation and amortization <sup>(1)</sup>	129,577	127,431	144,012
Loss (gain) on disposition of property and unrealized loss (gain) on investment in unconsolidated real estate affiliate <sup>(1)</sup>	898	(59,387)	(9,242)
Impairment of depreciable real estate <sup>(1)</sup>	950	36,606	17,515
NAREIT FFO attributable to JLL Income Property Trust, Inc. Common Stockholders	<u>\$ 105,617</u>	<u>\$ 124,489</u>	<u>\$ 40,546</u>
Weighted average shares outstanding, basic and diluted	219,247,509	223,648,138	240,639,048
NAREIT FFO per share, basic and diluted	\$ 0.48	\$ 0.56	\$ 0.17

(1) Includes amounts attributable to our ownership share of both consolidated properties and unconsolidated real estate affiliates for all periods.

The following table presents a reconciliation of NAREIT FFO to AFFO for the periods presented:

	<b>Year ended December 31,</b>		
	<b>2025</b>	<b>2024</b>	<b>2023</b>
<b>Reconciliation of NAREIT FFO to AFFO</b>			
NAREIT FFO attributable to JLL Income Property Trust, Inc.	\$ 105,617	\$ 124,489	\$ 40,546
Straight-line rental income <sup>(1)</sup>	(5,373)	(3,579)	(4,379)
Amortization of above- and below-market leases <sup>(1)</sup>	(3,643)	(4,126)	(4,256)
Amortization of net premium/(discount) on assumed debt <sup>(1)</sup>	733	93	(655)
Loss (gain) on derivative instruments and extinguishment or modification of debt <sup>(1)</sup>	9,711	(1,084)	4,013
Adjustment for investments accounted for under the fair value option <sup>(2)</sup>	2,091	7,986	9,638
Net unrealized change in fair value of investment in marketable securities <sup>(1)</sup>	—	4,260	(4,986)
Acquisition expenses <sup>(1)</sup>	58	—	—
Adjustment for DST Properties <sup>(3)</sup>	(11,393)	(33,123)	70,001
AFFO attributable to JLL Income Property Trust, Inc. Common Stockholders	<u>\$ 97,801</u>	<u>\$ 94,916</u>	<u>\$ 109,922</u>
Weighted average shares outstanding, basic and diluted	219,247,509	223,648,138	240,639,048
AFFO per share, basic and diluted	\$ 0.45	\$ 0.42	\$ 0.46

(1) Includes amounts attributable to our ownership share of both consolidated properties and unconsolidated real estate affiliates for all periods.

(2) Represents the normal and recurring AFFO reconciling adjustments for the NYC Retail Portfolio and Single-Family Rental Portfolio I prior to consolidation on April 23, 2025.

(3) Adjustments to reflect the AFFO attributable to the Company for DST Properties including non-cash interest expense and unrealized losses related to the FMV Option.

**Review of our Policies**

Our board of directors, including our independent directors, has reviewed our policies described in this Form 10-K and our registration statement related to our Current Public Offering, as well as other policies previously reviewed and approved by our board of directors, and determined that they are in the best interests of our stockholders because: (i) they increase the likelihood that we will be able to acquire a diversified portfolio of income-producing properties, thereby reducing risk in our portfolio; (ii) there are sufficient property acquisition opportunities with the attributes that we seek; (iii) our executive officers, directors and affiliates of our Advisor have expertise with the type of real estate investments we seek; (iv) borrowings should enable us to purchase assets and earn rental income more quickly; and (v) best practices corporate governance and high ethical standards help promote long-term performance, thereby increasing our likelihood of generating income for our stockholders and preserving stockholder capital.

**Liquidity and Capital Resources**

Our primary uses and sources of cash are as follows:

<u>Uses</u>	<u>Sources</u>
<p>Short-term liquidity and capital needs such as:</p> <ul style="list-style-type: none"> <li>• Interest payments on debt</li> <li>• Distributions to stockholders</li> <li>• Fees payable to our Advisor</li> <li>• Minor improvements made to individual properties that are not recoverable through expense recoveries or common area maintenance charges to tenants</li> <li>• General and administrative costs</li> <li>• Costs associated with our public offering and private offerings and DST Program</li> <li>• Other company level expenses</li> <li>• Lender escrow accounts for real estate taxes, insurance, and capital expenditures</li> <li>• Fees payable to our Dealer Manager</li> </ul> <p>Longer-term liquidity and capital needs such as:</p> <ul style="list-style-type: none"> <li>• Acquisitions of real estate investments</li> <li>• Expansion of existing properties</li> <li>• Tenant improvements and leasing commissions</li> <li>• Issuance of mortgage notes receivable</li> <li>• Debt repayment requirements, including both principal and interest</li> <li>• Repurchases of our shares pursuant to our share repurchase plan</li> <li>• Fees payable to our Advisor</li> <li>• Fees payable to our Dealer Manager</li> </ul>	<ul style="list-style-type: none"> <li>• Operating cash flow, including the receipt of distributions of our share of cash flow produced by our unconsolidated real estate affiliates</li> <li>• Proceeds from secured loans collateralized by individual properties</li> <li>• Proceeds from our Credit Facility</li> <li>• Sales of our shares in our public and private offerings</li> <li>• Sales of real estate investments</li> <li>• Draws from lender escrow accounts</li> <li>• Sales of beneficial interests in the DST Program</li> </ul>

The sources and uses of cash for the years ended December 31, 2025 and 2024 were as follows:

	Year Ended December 31, 2025	Year Ended December 31, 2024	\$ Change
Net cash provided by operating activities	\$ 131,756	\$ 111,083	\$ 20,673
Net cash (used in) provided by investing activities	(324,651)	145,256	(469,907)
Net cash provided by (used in) financing activities	234,733	(260,484)	495,217

Net cash provided by operating activities increased by \$20,673 for the year ending December 31, 2025, as compared to the same period in 2024. The increase in cash from operating activities is primarily due to lower interest expense paid of approximately \$5,300 during the year ending December 31, 2025 as compared to the same period in 2024 plus the impact from acquisitions. Offsetting this was a \$8,225 payment for entering into an interest rate cap agreement during the year ending December 31, 2025.

Net cash (used in) provided by investing activities decreased by \$469,907 for the year ending December 31, 2025 as compared to the same period in 2024. The decrease is primarily related to over \$325,000 of increased acquisitions during the year ended December 31, 2025 as compared to the same period of 2024 as well as approximately \$275,000 of lower cash received from sales of real estate investments. Offsetting this was \$102,000 cash payments related retiring mortgage receivable during the year ended December 31, 2025.

Net cash provided by (used in) financing activities increased by \$495,217 for the year ending December 31, 2025 as compared to the same period in 2024. The change is primarily related to \$406,892 higher net proceeds from mortgage note payables and our Credit Facility during the year ending December 31, 2025 as compared to the same period in 2024, as well as an increase in cash from higher net sales of common stock and DST Proceeds of \$147,482. Offsetting the increases were higher distributions paid to noncontrolling interests of \$51,915 during the year ending December 31, 2025 as compared to the same period in 2024.

### ***Financing***

We have relied primarily on fixed-rate financing, locking in what were favorable spreads between real estate income yields and mortgage interest rates, and have tried to maintain a balanced schedule of debt maturities. We also use interest rate derivatives to manage our exposure to interest rate movements of our variable rate debt. The following consolidated debt table provides information on the outstanding principal balances and the weighted average interest rate at December 31, 2025 and 2024:

	<b>Consolidated Debt</b>			
	<b>December 31, 2025</b>		<b>December 31, 2024</b>	
	<b>Principal Balance</b>	<b>Weighted Average Interest Rate</b>	<b>Principal Balance</b>	<b>Weighted Average Interest Rate</b>
Fixed	\$ 1,899,778	4.30 %	\$ 1,555,292	4.08 %
Variable	53,433	5.29	54,694	6.03
<b>Total</b>	<b>\$ 1,953,211</b>	<b>4.33 %</b>	<b>\$ 1,609,986</b>	<b>4.15 %</b>

The ten-year debt repayment table represents debt principal repayments and maturities and the weighted average interest rate of those repayments and maturities for our Consolidated Properties and our Credit Facility.

<b>Year</b>	<b>Principal Repayments and Maturities</b>	<b>Percent of Total Outstanding Debt</b>	<b>Weighted Average Interest Rate</b>
2026	\$ 242,257	12 %	4.52 %
2027	447,349	23	4.72
2028	536,118	27	4.29
2029	84,200	4	5.18
2030	275,855	14	4.40
2031	215,421	11	3.41
2032	52,057	3	2.99
2033	2,195	—	3.24
2034	39,268	2	5.57
2035 and thereafter	58,491	3	3.28

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The following is a summary of the mortgage notes for our consolidated properties as of December 31, 2025:

<b>Property</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Principal Balance</b>
Maui Mall	3.64 %	June 1, 2026	\$ 32,813
Rancho Temecula Town Center	4.02	July 1, 2026	28,000
Dylan Point Loma <sup>(1)</sup>	3.83	September 1, 2026	37,175
4211 Starboard Drive	5.29	September 1, 2026	20,164
13500 Danielson Street	5.29	September 1, 2026	10,751
2840 Loker Ave	5.29	September 1, 2026	14,005
15890 Bernardo Center Drive	5.29	September 1, 2026	8,513
Lane Parke Apartments	3.18	November 1, 2026	37,000
The District at Howell Mill	5.30	March 1, 2027	25,290
San Juan Medical Center	3.35	October 1, 2027	16,730
Whitestown Distribution Center	2.95	February 10, 2028	34,000
Townlake of Coppell	2.41	April 1, 2028	36,030
Single-Family Rental Portfolio I	4.70	April 1, 2028	386,174
Southeast Phoenix Distribution Center	2.70	June 1, 2028	49,000
Grand Lakes Marketplace	6.12	October 5, 2028	23,900
Jefferson Lake Howell	6.16	July 1, 2029	53,535
Reserve at Johns Creek	3.58	December 1, 2029	25,521
Haven North Andover	3.28	April 1, 2030	35,900
Glendale Distribution Center	5.04	August 1, 2030	50,000
West Phoenix Distribution Center	4.99	September 1, 2030	62,000
Montecito Marketplace	5.35	September 1, 2030	37,710
Mason Mill Distribution Center	3.25	October 1, 2030	17,500
The Penfield	2.50	November 1, 2030	35,434
West Raleigh Distribution Center	5.03	December 1, 2030	35,750
South San Diego Distribution Center	3.18	January 1, 2031	72,500
Woodside Trumbull	3.03	January 1, 2031	34,500
Villas at Legacy	5.82	September 1, 2031	37,500
The Preserve at the Meadows	2.57	October 1, 2031	32,400
The Rockwell	2.62	October 1, 2031	46,310
Reserve at Venice	2.98	March 1, 2032	55,800
Summit at San Marcos	5.71	April 1, 2034	37,000
Molly Brook on Belmont	3.31	August 1, 2042	51,222
Creekview Crossing	3.09	June 1, 2055	25,253

(1) The property associated with this mortgage note payable was classified as held for sale as of December 31, 2025 and sold on January 27, 2026. The loan was retired as part of the sale.

On April 28, 2022, we entered into a credit agreement providing for a \$1,000,000 revolving line of credit and unsecured term loan (collectively, the "Credit Facility") with a syndicate of nine lenders led by JPMorgan Chase Bank, N.A., Bank of America, N.A., PNC Capital Markets LLC, Wells Fargo Securities, LLC and Capital One, National Association. The Credit Facility provides us with the ability, from time to time, to increase the size of the Credit Facility up to a total of \$1,300,000, subject to receipt of lender commitments and other conditions. The \$1,000,000 Credit Facility consists of a \$600,000 revolving line of credit (the "Revolving Credit Facility") and a \$400,000 term loan (the "Term Loan"). The Revolving Credit Facility contains a sublimit of \$25,000 for letters of credit. The primary interest rate for the Revolving Credit Facility is based on one-month term secured overnight financing rate ("SOFR") plus 0.10% ("Adjusted Term SOFR"), plus a margin ranging from 1.30% to 2.00%, depending on our total leverage ratio. The primary interest rate for the Term Loan is based on Adjusted Term SOFR, plus a margin ranging from 1.25% to 1.95%, depending on our total leverage ratio. The maturity date of the Revolving Credit Facility was extended to April 28, 2026 and the Term Loan matures on April 28, 2027. The Credit Facility contains one additional twelve-month extension option at our election. Based on our current total leverage ratio, we can elect to borrow at Adjusted Term SOFR plus 1.35% and Adjusted Term SOFR plus 1.30% for the Revolving Credit Facility and Term Loan, respectively, or alternatively, we can choose to borrow at a "base rate" equal to (i) the highest of (a) the Federal Funds Rate plus 0.50%, (b) the prime rate announced by JPMorgan Chase Bank, N.A., and (c) Adjusted Term SOFR plus 1.00%, plus (ii) a margin ranging from 0.30% to 1.00% for base rate loans under the Revolving Credit Facility or a margin ranging from 0.25% to 0.95% for base rate loans under the Term Loan. If the "base rate" is less than 1.00%, it will be deemed to be 1.00% for purposes of the Credit Facility. We intend to use the Revolving Credit Facility to cover short-term capital needs, for new property acquisitions and working capital. We may not draw funds on our Credit Facility if we (i) experience a material adverse effect, which is defined to include, among other things, (a) a material adverse effect on the business, assets, operations or financial condition of the Company taken as a whole; (b) the inability of any loan party to perform any of its obligations under any loan document; or (c) a material adverse effect upon the validity or enforceability of any loan document or (ii) are in default, as that term is defined in the agreement, including a default under certain other loan agreements and/or guarantees entered into by us or our subsidiaries. As of December 31, 2025, we believe no material adverse effects had occurred. As our mortgage notes mature, we will explore refinancing and paying off the loans as well as full or partial sales of the properties. To accomplish these refinancings and paydowns, we would use cash on hand, our Credit Facility, cash from future property operations and capital from the proceeds of the Current Public Offering and the DST Program.

Borrowings under the Credit Facility are guaranteed by us and certain of our subsidiaries. The Credit Facility requires the maintenance of certain financial covenants, including: (i) unencumbered property pool leverage ratio; (ii) debt service coverage ratio; (iii) maximum total leverage ratio; (iv) fixed charges coverage ratio; (v) minimum NAV; (vi) maximum secured debt ratio; (vii) maximum secured recourse debt ratio; (viii) maximum permitted investments; and (ix) unencumbered property pool criteria. The Credit Facility provides the flexibility to move assets in and out of the unencumbered property pool during the term of the Credit Facility.

At December 31, 2025, we had \$85,000 outstanding under the Revolving Credit Facility at Adjusted Term SOFR plus 1.35% and \$400,000 outstanding under the Term Loan at Adjusted Term SOFR plus 1.30%. We entered into swap and collar agreements for \$650,000 of the Credit Facility to fix the floating rate SOFR at an average of 3.87% (all in rate of 5.17% to 5.22% at December 31, 2025). The interest rate swap and collar agreements mature on April 28, 2027.

At December 31, 2025, we were in compliance with all debt covenants.

On March 12, 2026, we entered into an amended credit agreement providing for a \$1,000,000 revolving line of credit and unsecured term loan (collectively, the "Amended Credit Facility") with a syndicate of ten lenders led by JPMorgan Chase Bank. The Amended Credit Facility provides us with the ability, from time to time, to increase the size of the Credit Facility up to a total of \$1,300,000, subject to receipt of lender commitments and other conditions. The \$1,000,000 Amended Credit Facility consists of a \$600,000 revolving credit facility (the "Revolving Credit Facility") and a \$400,000 term loan (the "Term Loan"). The primary interest rate for the Revolving Credit Facility is based on one-month SOFR ("Term SOFR"), plus a margin ranging from 1.25% to 1.95%, depending on our total leverage ratio. The primary interest rate for the Term Loan is based on Term SOFR, plus a margin ranging from 1.20% to 1.90%, depending on our total leverage ratio. The maturity date of both the Revolving Credit Facility and the Term Loan is March 13, 2028. The credit facility contains three, twelve-month extension options at our election. Based on our current total leverage ratio, we can elect to borrow at Term SOFR plus 1.30% and Term SOFR plus 1.25% for the Revolving Credit Facility and Term Loan, respectively, or alternatively, we can choose to borrow at a "base rate" equal to (i) the highest of (a) the Federal Funds Rate plus 0.5%, (b) the prime rate announced by JPMorgan Chase Bank, N.A., and (c) Adjusted Term SOFR plus 1.0%, plus (ii) a margin ranging from 0.30% to 0.95% for base rate loans under the Revolving Credit Facility or a margin ranging from 0.20% to 0.90% for base rate loans under the Term Loan. If the "base rate" is less than 0.0%, it will be deemed to be 0.0% for purposes of the Credit Facility.

## **INSURANCE**

Although we believe our investments are currently adequately covered by insurance consistent with the terms and levels of coverage that are standard in our industry, we cannot provide assurance that all losses will be covered or predict at this time if we will be able to obtain adequate coverage at a reasonable cost in the future.

### **Commitments**

We are involved in various claims and litigation matters arising in the ordinary course of business, some of which involve claims for damages. Many of these matters are covered by insurance, although they may nevertheless be subject to deductibles or retentions. Although the ultimate liability for these matters cannot be determined, based upon information currently available, we believe the ultimate resolution of such claims and litigation will not have a material adverse effect on our financial position, results of operations or liquidity.

From time to time, we have entered into contingent agreements for the acquisition and financing of properties. Such acquisitions and financings are subject to the satisfactory completion of due diligence.

We are subject to fixed ground lease payments on South Beach Parking Garage of \$126 per year until September 30, 2029, which will increase every five years thereafter by the lesser of 12% or the cumulative Consumer Price Index ("CPI") over the previous five year period. We are also subject to a variable ground lease payment calculated as 2.5% of revenue. The lease expires September 30, 2041 and has a ten-year renewal option.

The operating agreement for Grand Lakes Marketplace allows the unrelated third party joint venture partner, owning a 10% interest, to immediately put its interest to us at a market determined value.

The operating agreement for 13500 Danielson Street, 4211 Starboard, 2840 Loker Avenue and 15890 Bernardo Center Drive allows the unrelated third party joint venture partner, owning a 5% interest, to immediately put its interest to us at a market determined value.

The operating agreement for our investment in Single-Family Rental Portfolio I allows the unrelated third party joint venture partner, owning a 5% interest, to put its interest to us at a market determined value starting April 15, 2033.

The operating agreement for our investment in Single-Family Rental Portfolio II allows the unrelated third party joint venture, owning a 5% interest, to put its interest to us at a market determined value starting November 9, 2030.

### **Distributions to Stockholders**

To remain qualified as a REIT for federal income tax purposes, we must distribute or pay tax on 100% of our capital gains and distribute at least 90% of ordinary taxable income to stockholders.

The following factors, among others, will affect operating cash flow and, accordingly, influence the decisions of our board of directors regarding distributions:

- scheduled increases in base rents of existing leases;
- changes in minimum base rents and/or overage rents attributable to replacement of existing leases with new or renewal leases;
- changes in occupancy rates at existing properties and procurement of leases for newly acquired or developed properties;
- necessary capital improvement expenditures or debt repayments at existing properties;
- ability of our tenants to pay rent as a result of their financial condition; and
- our share of distributions of operating cash flow generated by the unconsolidated real estate affiliates, less management costs and debt service on additional loans that have been or will be incurred.

We anticipate that operating cash flow, cash on hand, proceeds from dispositions of real estate investments, or refinancings will provide adequate liquidity to conduct our operations, fund general and administrative expenses, fund operating costs and interest payments and allow distributions to our stockholders in accordance with the REIT qualification requirements of the Code.

**Item 7A. Quantitative and Qualitative Disclosures About Market Risk.**

We are subject to market risk associated with changes in interest rates in terms of the price of our variable-rate debt and the price of new fixed-rate debt for refinancing of existing debt. We manage our interest rate risk exposure by obtaining fixed-rate loans where possible. As of December 31, 2025, we had consolidated debt of \$1,953,211. Including the \$23,100 net discount on the assumption of debt and debt issuance costs, we had consolidated debt of \$1,930,111 at December 31, 2025. We also entered into interest rate derivative agreements on \$1,100,000 of the variable rate debt that cap the SOFR rate at between 2.6% and 4.5% that mature in 2027. A 0.25% movement in the interest rate on the \$53,433 of variable-rate debt would have resulted in a \$134 annualized increase or decrease in consolidated interest expense and cash flow from operating activities.

We are subject to interest rate risk with respect to our fixed-rate financing in that changes in interest rates will impact the fair value of our fixed-rate financing. To determine fair market value, the fixed-rate debt is discounted at a rate based on an estimate of current lending rates, assuming the debt is outstanding through maturity and considering the collateral. At December 31, 2025, the fair value of our mortgage notes and other debt payable was estimated to be approximately \$67,827 lower than the carrying value of \$1,953,211. If treasury rates were 0.25% higher at December 31, 2025, the fair value of our consolidated debt would have been approximately \$82,703 lower than the carrying value.

**Item 8. Financial Statements and Supplementary Data.**

See “Index to Consolidated Financial Statements” on page F-1 of this Form 10-K.

**Item 9. Changes in and Disagreements With Accountants on Accounting and Financial Disclosure.**

None.

**Item 9A. Controls and Procedures.**

***Evaluation of Disclosure Controls and Procedures***

Under the supervision and with the participation of our management, including the chief executive officer and chief financial officer, we conducted an evaluation of the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this report. Based on management’s evaluation as of December 31, 2025, our chief executive officer and chief financial officer concluded that our disclosure controls and procedures were effective to provide reasonable assurance that the information required to be disclosed by us in our reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC’s rules and forms and such information is accumulated and communicated to management, including our chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure.

***Management’s Report on Internal Control Over Financial Reporting***

Our management is responsible for establishing and maintaining adequate internal control over financial reporting, as such term is defined in Exchange Act Rule 13a-15(f). Our internal control over financial reporting is a process designed under the supervision of our chief executive officer and chief financial officer to provide reasonable assurance regarding the reliability of financial reporting and preparation of our financial statements for external purposes in accordance with accounting principles generally accepted in the United States of America.

As of December 31, 2025, our management conducted an assessment of the effectiveness of our internal control over financial reporting based on criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in “Internal Control—Integrated Framework” (2013). Based on the assessment, management has concluded that our internal control over financial reporting was effective as of December 31, 2025 to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles in the United States of America.

***Changes in Internal Control Over Financial Reporting***

There were no changes to our internal control over financial reporting during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

**Item 9B. Other Information.**

*Share Repurchase Plan*

Effective March 2, 2026, we amended and restated our share repurchase plan to waive the one-year holding period for certain feeder vehicles primarily created to hold our shares that in turn offer interests in the feeder vehicles to non-U.S. persons. The foregoing description of the share repurchase plan does not purport to be complete and is qualified in its entirety by reference to the share repurchase plan, a copy of which is included as Exhibit 4.1 to this Form 10-K and incorporated herein by reference.

*Tenth Amended and Restated Director Compensation Plan*

Effective March 2, 2026, our board of directors adopted the Tenth Amended and Restated JLL Income Property Trust, Inc. Independent Directors Compensation Plan and form of Deferred Stock Award Certificate (collectively, the “Director Compensation Plan”) to allow our independent directors to elect to receive their stock based annual retainer in the form of deferred stock units pursuant to the terms set forth in the Director Compensation Plan. The foregoing description of the Director Compensation Plan does not purport to be complete and is qualified in its entirety by reference to the Director Compensation Plan, copies of which are included as Exhibits 10.13 and 10.14 to this Form 10-K and incorporated herein by reference.

*Trading Arrangements*

None of our directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the quarter ended December 31, 2025.

**Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections.**

Not applicable.

**PART III**

In accordance with the rules of the SEC, certain information required by Part III is incorporated by reference into this Form 10-K from our definitive proxy statement (our “2026 Proxy Statement”) relating to our 2026 annual meeting of stockholders (our “2026 Annual Meeting”) to be filed with the SEC no later than April 30, 2026.

On March 2, 2026, our board of directors determined to hold the 2026 Annual Meeting on June 11, 2026.

**Item 10. Directors, Executive Officers and Corporate Governance.**

The information required by this Item is incorporated by reference to our 2026 Proxy Statement.

**Item 11. Executive Compensation.**

The information required by this Item is incorporated by reference to our 2026 Proxy Statement.

**Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholders Matters.**

The information required by this Item is incorporated by reference to our 2026 Proxy Statement.

**Item 13. Certain Relationships and Related Transactions, and Director Independence.**

The information required by this Item is incorporated by reference to our 2026 Proxy Statement.

**Item 14. Principal Accounting Fees and Services.**

The information required by this Item is incorporated by reference to our 2026 Proxy Statement.

Our independent registered public accounting firm is KPMG LLP, Chicago, Illinois Auditor Firm ID: 185.

**PART IV**

**Item 15. Exhibits, Financial Statement Schedules.**

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- (1) Consolidated Financial Statements: See “Index to Consolidated Financial Statements” at page [F-1](#) below.
- (2) Financial Statement Schedule: See “Schedule III—Real Estate and Accumulated Depreciation as of December 31, 2025” at page [F-36](#) below.
- (3) Exhibits

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">3.1</a>	Second Articles of Amendment and Restatement (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on September 28, 2012).
<a href="#">3.2</a>	First Articles of Amendment to the Second Articles of Amendment and Restatement (incorporated by reference to Appendix A to the Company's prospectus supplement filed with the SEC on May 9, 2013).
<a href="#">3.3</a>	First Articles of Amendment to the Second Articles of Amendment and Restatement (incorporated by reference to Exhibit 3.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on May 8, 2014).
<a href="#">3.4</a>	Articles Supplementary (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 9, 2014).
<a href="#">3.5</a>	Articles of Amendment (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on July 9, 2014).
<a href="#">3.6</a>	Second Articles of Amendment to the Second Articles of Amendment and Restatement (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on June 18, 2015).
<a href="#">3.7</a>	Certificate of Correction to the Company's Articles Supplementary (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on May 17, 2016).
<a href="#">3.8</a>	Third Articles of Amendment to the Second Articles of Amendment and Restatement (incorporated by reference to Exhibit 3.1 to the Company's Registration Statement on Form S-11 filed with the SEC on October 16, 2019).
<a href="#">3.9</a>	Fourth Articles of Amendment to the Second Articles of Amendment and Restatements of Jones Lang LaSalle Income Property Trust, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on October 3, 2022).
<a href="#">3.10</a>	Articles of Amendment, dated October 2, 2025 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">3.11</a>	Articles Supplementary, dated October 2, 2025 (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">3.12</a>	Third Amended and Restated Bylaws (incorporated by reference to Exhibit 3.10 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 10, 2022).
<a href="#">4.1*</a>	Share Repurchase Plan, dated March 20, 2026.
<a href="#">4.2</a>	Fourth Amended and Restated Distribution Reinvestment Plan, effective October 7, 2025 (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the SEC on September 26, 2025).
<a href="#">4.3*</a>	Description of the Company's securities.
<a href="#">10.1</a>	Fifth Amended and Restated Advisory Agreement, dated October 7, 2025, among JLL Income Property Trust, Inc., JLLIPT Holdings LP and LaSalle Investment Management, Inc. (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">10.2</a>	Amended and Restated Dealer Manager Agreement between Jones Lang LaSalle Income Property Trust, Inc. JLLIPT Holdings LP and LaSalle Investment Management Distributors, LLC, dated as of March 9, 2021 (incorporated by reference to Exhibit 10.13 to the Company's Quarterly Report on Form 10-Q filed with the SEC on May 6, 2021).
<a href="#">10.3</a>	Second Amended and Restated JLL Income Property Trust, Inc. Incentive Plan, dated October 7, 2025 (incorporated by reference to Exhibit 10.6 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">10.4</a>	License Agreement by and between Jones Lang LaSalle Income Property Trust, Inc. and Jones Lang LaSalle IP, Inc. dated as of November 14, 2011 (incorporated by reference to Exhibit 10.16 to the Company's Registration Statement on Form S-11, Commission File No. 333-177963, filed with the SEC on November 14, 2011).
<a href="#">10.5</a>	Dealer Manager Agreement between Jones Lang LaSalle Income Property Trust, Inc. and LaSalle Investment Management Distributors, LLC, dated as of March 3, 2015 (incorporated by reference to Exhibit 10.9 to the Company's Annual Report on Form 10-K filed with the SEC on March 5, 2015).

<b>Exhibit Number</b>	<b>Description</b>
<a href="#">10.6</a>	Third Amended and Restated Dealer Manager Agreement, dated October 7, 2025, among JLL Exchange TRS, LLC, LaSalle Investment Management Distributors, LLC, and, solely with respect to Section 6.1(c) thereof, JLLIPT Holdings LP and JLL Income Property Trust, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">10.7</a>	Form of First Amended and Restated Trust Agreement (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 8, 2019).
<a href="#">10.8</a>	Form of Master Lease (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 8, 2019).
<a href="#">10.9</a>	Fifth Amended and Restated Limited Partnership Agreement of JLLIPT Holdings LP, dated October 7, 2025, among JLLIPT Holdings GP, LLC, JLL Income Property Trust, Inc. and the other limited partners party thereto from time to time (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">10.10</a>	Purchase and Sale Agreement for Single-Family Rental Portfolio I, dated August 5, 2021 between LIPT SFR Portfolio, LLC and GVI RH JV HoldCo, LLC (incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the SEC on November 10, 2021).
<a href="#">10.11</a>	Third Amended and Restated Credit Agreement between Jones Lang LaSalle Income Property Trust, Inc. and JPMorgan Chase Bank, N.A. for a \$1 billion revolving line of credit and unsecured term loan (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the SEC on May 4, 2022).
<a href="#">10.12</a>	Dealer Manager Agreement, dated October 7, 2025, between JLL Income Property Trust, Inc. and LaSalle Investment Management Distributors, LLC (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the SEC on October 7, 2025).
<a href="#">10.13*</a>	Tenth Amended and Restated JLL Income Property Trust, Inc. Independent Directors Compensation Plan, dated March 20, 2026.
<a href="#">10.14*</a>	Form of Deferred Stock Award Certificate.
<a href="#">10.15</a>	Fourth Amended and Restated Credit Agreement between JLL Income Property Trust, Inc. and JPMorgan Chase Bank, N.A. for a \$1 billion revolving line of credit and unsecured term loan (incorporated by reference to Exhibit 99.1 to the Company's Current Report on Form 8-K filed with the SEC on March 18, 2026).
<a href="#">19.1*</a>	Insider Trading Policy Statement of JLL Income Property Trust, Inc.
<a href="#">21.1*</a>	Subsidiaries of the Registrant.
<a href="#">31.1*</a>	Certification of Chief Executive Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
<a href="#">31.2*</a>	Certification of Chief Financial Officer Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
<a href="#">32.1**</a>	Certification of Chief Executive Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
<a href="#">32.2**</a>	Certification of Chief Financial Officer Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
<a href="#">99.1*</a>	Madison NYC Core Retail Partners, LP Financial Statements as of and for the years ended December 31, 2025 and 2024.
101.INS*	XBRL Instance Document.
101.SCH*	XBRL Schema Document.
101.CAL*	XBRL Calculation Linkbase Document.
101.DEF*	Definition Linkbase Document.
101.LAB*	XBRL Labels Linkbase Document.
101.PRE*	XBRL Presentation Linkbase Document.
104*	Cover Page Intereactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101)

\* Filed herewith.

\*\* Furnished herewith.

**Item 16. Form 10-K Summary.**

The Company has elected not to provide summary information.



**JLL Income Property Trust, Inc.**  
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## Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors  
JLL Income Property Trust, Inc.:

### *Opinion on the Consolidated Financial Statements*

We have audited the accompanying consolidated balance sheets of JLL Income Property Trust, Inc. and subsidiaries (the Company) as of December 31, 2025 and 2024, the related consolidated statements of operations and comprehensive income, equity, and cash flows for each of the years in the three-year period ended December 31, 2025, and the related notes and financial statement schedule III (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2025, in conformity with U.S. generally accepted accounting principles.

### *Basis for Opinion*

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

### *Critical Audit Matter*

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### *Expected hold period of net property and equipment*

As discussed in Note 2 to the consolidated financial statements, the Company evaluates the recoverability of net property and equipment whenever events or changes in circumstances, including changes in the expected hold period, indicate that the carrying amount of net property and equipment may exceed fair value. As of December 31, 2025, the Company had net property and equipment of \$4.8 billion.

We have identified the assessment of expected hold period of net property and equipment as a critical audit matter. A high degree of auditor judgement was required to evaluate the reasonableness of management's assessment of the hold period. Changes in the expected hold period could have a material impact on the results of management's recoverability assessment and indicate a potential impairment.

The following are the primary procedures we performed to address this critical audit matter. We compared the company's historical hold period for similar net property and equipment to the hold period assumed in the Company's analyses used to evaluate whether a change in circumstances has occurred. We inquired of management and inspected documents such as meeting minutes of the Board of Directors and forecasts developed at the portfolio management team's strategic planning meetings to evaluate the likelihood that a property would be sold before the end of its previously identified hold period. We read external communications with investors in order to identify information regarding potential sales of the Company's properties, or other indicators of a potential reduction in an investment property's hold period.

/s/ KPMG LLP

We have served as the Company's auditor since 2012.

Chicago, Illinois

March 26, 2026

**JLL Income Property Trust, Inc.**  
**CONSOLIDATED BALANCE SHEETS**  
**\$ in thousands, except per share amounts**

	December 31,	
	2025	2024
<b>ASSETS</b>		
Investments in real estate:		
Land	\$ 831,442	\$ 686,082
Buildings and equipment	4,547,886	3,722,299
Less accumulated depreciation	(555,458)	(459,600)
Net property and equipment	4,823,870	3,948,781
Investments in unconsolidated real estate affiliates	137,280	148,324
Real estate fund investments	58,721	334,329
Investments in real estate and other assets held for sale, net	78,145	13,492
Net investments in real estate	5,098,016	4,444,926
Mortgage notes receivable	32,192	132,913
Cash and cash equivalents	103,397	85,833
Restricted cash	48,974	24,827
Tenant accounts receivable, net	9,183	9,257
Deferred expenses, net	28,740	22,470
Acquired intangible assets, net	225,684	193,652
Deferred rent receivable, net	50,645	42,992
Prepaid expenses and other assets	30,548	46,811
<b>TOTAL ASSETS</b>	<b>\$ 5,627,379</b>	<b>\$ 5,003,681</b>
<b>LIABILITIES AND EQUITY</b>		
Mortgage notes and other debt payable, net	\$ 1,930,111	\$ 1,588,536
Liabilities held for sale	37,556	11,877
Accounts payable and other accrued expenses	79,484	64,296
Financing obligation	1,271,410	1,078,102
Accrued offering costs	204,300	180,012
Accrued interest	6,156	5,431
Accrued real estate taxes	16,832	13,079
Advisor fees payable	3,549	3,328
Acquired intangible liabilities, net	38,809	37,562
<b>TOTAL LIABILITIES</b>	<b>3,588,207</b>	<b>2,982,223</b>
Commitments and contingencies	—	—
Redeemable noncontrolling interests	29,572	17,641
Redeemable equity	98,168	—
Equity:		
Common Stock, \$0.01 par value per share (Note 7)	2,033	2,190
Additional paid-in capital (net of offering costs of \$428,681 and \$379,028 as of December 31, 2025 and 2024, respectively)	2,546,562	2,652,581
Distributions to stockholders	(1,071,835)	(944,253)
Accumulated deficit	(132,496)	(106,688)
Total JLL Income Property Trust, Inc. stockholders' equity	1,344,264	1,603,830
Noncontrolling interests	567,168	399,987
Total equity	1,911,432	2,003,817
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 5,627,379</b>	<b>\$ 5,003,681</b>

See notes to consolidated financial statements.

**JLL Income Property Trust, Inc.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE INCOME**  
**\$ in thousands, except per share amounts**

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
<b>Revenues:</b>			
Rental revenue	\$ 426,829	\$ 385,369	\$ 378,241
Other revenue	15,110	13,391	13,663
Interest on mortgage notes receivable	11,915	8,873	2,015
Total revenues	453,854	407,633	393,919
<b>Operating expenses:</b>			
Real estate taxes	59,086	54,762	52,386
Property operating	82,374	74,930	73,039
Property general and administrative	3,070	3,980	2,765
Advisor fees	40,893	40,392	44,400
Company level expenses	8,704	7,686	6,268
Provision for impairment of real estate	286	21,135	—
Depreciation and amortization	160,887	144,622	147,470
Total operating expenses	355,300	347,507	326,328
<b>Other (expenses) and income:</b>			
Interest expense	(89,266)	(82,530)	(195,483)
Net unrealized loss on financing obligation	(44,592)	(5,758)	—
Loss from unconsolidated real estate affiliates and fund investments	(2,256)	(13,713)	(10,815)
Investment income on marketable securities	—	989	2,170
Net realized loss upon sale of marketable securities	—	(5,015)	(1,675)
Net unrealized change in fair value of investment in marketable securities	—	—	5,703
Gain on disposition of property and extinguishment of debt, net	2,375	73,510	14,056
Total other (expenses) and income	(133,739)	(32,517)	(186,044)
Net (loss) income	(35,185)	27,609	(118,453)
Net loss (income) attributable to the noncontrolling interests	9,377	(7,770)	6,714
Net (loss) income attributable to JLL Income Property Trust, Inc.	\$ (25,808)	\$ 19,839	\$ (111,739)
<b>Net (loss) income attributable to JLL Income Property Trust, Inc. per share- basic and diluted:</b>			
Class A	\$ (0.12)	\$ 0.09	\$ (0.46)
Class M	(0.12)	0.09	(0.46)
Class A-I	(0.12)	0.09	(0.46)
Class M-I	(0.12)	0.09	(0.46)
Class I	(0.09)	—	—
Class N	(0.12)	0.09	(0.46)
Class S	(0.09)	—	—
Weighted average common stock outstanding-basic and diluted	219,247,509	223,648,138	240,639,048

See notes to consolidated financial statements.

**JLL Income Property Trust, Inc.**  
**CONSOLIDATED STATEMENTS OF EQUITY**  
**\$ in thousands, except per share amounts**

	Common Stock		Additional Paid-in Capital	Distributions to Stockholders	(Accumulated Deficit) Retained Earnings	Noncontrolling Interests	Total Equity
	Shares	Amount					
Balance, December 31, 2022	243,592,068	\$ 2,436	\$ 2,799,539	\$ (691,090)	\$ (14,788)	\$ 86,663	\$ 2,182,760
Issuance and conversion of common stock	17,858,200	179	242,120	—	—	—	242,298
Repurchase of shares	(27,311,786)	(273)	(367,436)	—	—	—	(367,709)
Offering costs	—	—	(20,399)	—	—	—	(20,399)
Stock based compensation	30,428	—	420	—	—	—	420
Net loss (\$54 loss allocated to redeemable noncontrolling interests)	—	—	—	—	(111,739)	(6,660)	(118,399)
Issuance of OP units	—	—	—	—	—	356,803	356,803
Repurchase of OP units	—	—	—	—	—	(8,897)	(8,897)
Adjustment of noncontrolling interests	—	—	138,750	—	—	(138,750)	—
Cash distributed to noncontrolling interests	—	—	—	—	—	(13,852)	(13,852)
Allocation to redeemable noncontrolling interests and equity	—	—	(1,043)	—	—	—	(1,043)
Distributions declared (\$0.58) per share	—	—	—	(126,349)	—	—	(126,349)
Balance, December 31, 2023	<u>234,168,910</u>	<u>\$ 2,342</u>	<u>\$ 2,791,951</u>	<u>\$ (817,439)</u>	<u>\$ (126,527)</u>	<u>\$ 275,307</u>	<u>\$ 2,125,634</u>
Issuance and conversion of common stock	20,889,789	209	246,249	—	—	—	246,458
Repurchase of shares	(36,099,255)	(361)	(430,100)	—	—	—	(430,461)
Offering costs	—	—	(21,070)	—	—	—	(21,070)
Stock based compensation	29,118	—	350	—	—	—	350
Net income (\$38 loss allocated to redeemable noncontrolling interests)	—	—	—	—	19,839	7,808	27,647
Issuance of OP units	—	—	—	—	—	224,210	224,210
Repurchase of OP units	—	—	—	—	—	(11,282)	(11,282)
Adjustment of noncontrolling interests	—	—	66,453	—	—	(66,453)	—
Cash distributed to noncontrolling interests	—	—	—	—	—	(29,603)	(29,603)
Allocation to redeemable noncontrolling interests and equity	—	—	(1,252)	—	—	—	(1,252)
Distributions declared (\$0.6175) per share	—	—	—	(126,814)	—	—	(126,814)
Balance, December 31, 2024	<u>218,988,562</u>	<u>\$ 2,190</u>	<u>\$ 2,652,581</u>	<u>\$ (944,253)</u>	<u>\$ (106,688)</u>	<u>\$ 399,987</u>	<u>\$ 2,003,817</u>
Issuance and conversion of common stock	18,560,982	186	211,539	—	—	—	211,725
Repurchase of shares	(34,291,871)	(343)	(391,202)	—	—	—	(391,545)
Offering costs	—	—	(49,653)	—	—	—	(49,653)
Stock based compensation	36,387	—	420	—	—	—	420
Net loss (\$485 loss allocated to redeemable noncontrolling interests)	—	—	—	—	(25,808)	(8,892)	(34,700)
Issuance of OP units	—	—	—	—	—	388,034	388,034
Repurchase of OP units	—	—	—	—	—	(50,675)	(50,675)
Adjustment of noncontrolling interests	—	—	120,240	—	—	(120,240)	—
Cash contributed from noncontrolling interests	—	—	—	—	—	125	125
Cash distributed to noncontrolling interests	—	—	—	—	—	(41,171)	(41,171)
Allocation to redeemable noncontrolling interests and equity	—	—	2,637	—	—	—	2,637
Distributions declared (\$0.63) per share	—	—	—	(127,582)	—	—	(127,582)
Balance, December 31, 2025	<u>203,294,060</u>	<u>\$ 2,033</u>	<u>\$ 2,546,562</u>	<u>\$ (1,071,835)</u>	<u>\$ (132,496)</u>	<u>\$ 567,168</u>	<u>\$ 1,911,432</u>

See notes to consolidated financial statements.

**JLL Income Property Trust, Inc.**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**\$ in thousands, except per share amounts**

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>			
Net (loss) income	\$ (35,185)	\$ 27,609	\$ (118,453)
Adjustments to reconcile net (loss) income to net cash provided by operating activities:			
Depreciation and amortization	160,925	143,967	146,255
Gain on disposition of property and extinguishment of debt, net	(2,375)	(73,510)	(14,056)
Net realized loss upon sale of marketable securities	—	5,015	1,675
Net unrealized change in fair value of marketable securities	—	—	(5,703)
Straight line rent	(7,648)	(4,793)	(5,069)
Provision for impairment of real estate	286	21,135	—
Loss from unconsolidated real estate affiliates and fund investments	2,256	13,713	10,815
Payment for interest rate cap	(8,225)	—	—
Distributions received from unconsolidated affiliates and fund investments	12,454	16,119	19,829
Non-cash impact related to the DST Program	(18,816)	(38,333)	68,815
Performance fee	—	—	(6,969)
Net changes in assets, liabilities and other	28,084	161	2,732
Net cash provided by operating activities	<u>131,756</u>	<u>111,083</u>	<u>99,871</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>			
Purchase of real estate investments	(436,903)	(110,686)	(124,170)
Proceeds from sales of real estate investments and fixed assets	18,296	293,744	65,231
Capital improvements and lease commissions	(55,120)	(51,256)	(41,632)
Investment in unconsolidated real estate affiliates and fund investments	(10,699)	(1,185)	(1,426)
Deposits for investments under contract	—	—	(1,200)
Investment in marketable securities	—	(8,747)	(29,857)
Proceeds from sale of marketable securities	—	53,932	27,867
Investment in mortgage notes receivable	(1,800)	(38,402)	(93,798)
Proceeds from mortgage notes receivable	102,000	—	—
Distributions received from unconsolidated affiliates and fund investments	256	7,856	—
Cash received related to restructuring of Single-Family Rental Portfolio I	61,319	—	—
Cash payments related to restructuring of Single-Family Rental Portfolio I	(2,000)	—	—
Net cash (used in) provided by investing activities	<u>(324,651)</u>	<u>145,256</u>	<u>(198,985)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>			
Issuance of common stock	239,335	163,574	153,901
Proceeds from DST Program	598,665	566,235	318,533
Offering costs	(25,837)	(24,352)	(23,968)
Repurchase of shares	(391,489)	(430,780)	(367,093)
Distributions to stockholders	(51,939)	(46,214)	(45,705)
Distributions paid to noncontrolling interests and redeemable noncontrolling interests	(93,302)	(41,387)	(22,913)
Contributions received from noncontrolling interests	165	197	41
Draws on credit facility	380,000	171,000	390,000
Payments on credit facility	(378,000)	(548,000)	(155,000)
Proceeds from mortgage notes and other debt payable	185,460	133,035	23,900
Principal payments on mortgage notes and other debt payable	(222,646)	(202,177)	(160,764)
Payment on early extinguishment of debt	(519)	(630)	—
Debt issuance costs	(5,160)	(985)	(581)
Net cash provided by (used in) financing activities	<u>234,733</u>	<u>(260,484)</u>	<u>110,351</u>
Net increase (decrease) in cash, cash equivalents and restricted cash	41,838	(4,145)	11,237
Cash, cash equivalents and restricted cash at the beginning of the year	110,660	114,805	103,568
Cash, cash equivalents and restricted cash at the end of the year	<u>\$ 152,498</u>	<u>\$ 110,660</u>	<u>\$ 114,805</u>
Reconciliation of cash, cash equivalents and restricted cash shown per Consolidated Balance Sheets to Consolidated Statements of Cash Flows			
Cash and cash equivalents	\$ 103,397	\$ 85,833	\$ 87,887
Restricted cash	48,974	24,827	26,918
Restricted cash included in assets held for sale	127	—	—
Cash, cash equivalents and restricted cash at the end of the period	<u>\$ 152,498</u>	<u>\$ 110,660</u>	<u>\$ 114,805</u>

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### Supplemental disclosure of cash flow information:

Interest paid	\$	137,583	\$	125,550	\$	124,905
Non-cash activities:						
Write-offs of receivables	\$	23	\$	375	\$	259
Write-offs of retired assets and liabilities		46,268		39,302		35,722
Change in liability for capital expenditures		(941)		(2,648)		(4,652)
Net liabilities transferred at sale of real estate investments		(82)		679		230
Net liabilities assumed at acquisition		1,628		101		228
Change in issuance of common stock receivable and redemption of common stock payable		1,070		(1,334)		654
Change in accrued offering costs		23,816		(3,282)		(3,569)
Assumption of mortgage notes payable		—		(26,191)		—
Investments in real estate and settlement of financing obligations in exchange for OP Units		388,035		224,210		355,482
Net assets consolidated in exchange of real estate fund investment		236,504		—		—

See notes to consolidated financial statements.

**JLL Income Property Trust, Inc.**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**\$ in thousands, except per share amounts**

**NOTE 1—ORGANIZATION**

***General***

*Except where the context suggests otherwise, the terms “we,” “us,” “our” and the “Company” refer to JLL Income Property Trust, Inc. The terms “Advisor” and “LaSalle” refer to LaSalle Investment Management, Inc.*

JLL Income Property Trust, Inc., is an externally advised, daily valued perpetual-life real estate investment trust (“REIT”) that owns and manages a diversified portfolio of healthcare, industrial, residential, retail and other properties and real estate-related assets located in the United States. Over time our real estate portfolio may be further diversified on a global basis through the acquisition of properties and real estate-related assets outside of the United States. We were incorporated on May 28, 2004 under the laws of the State of Maryland. We believe that we have operated in such a manner to qualify to be taxed as a REIT for federal income tax purposes commencing with the taxable year ended December 31, 2004, when we first elected REIT status. As of December 31, 2025, we owned interests in a total of 140 properties and 2,440 single-family rental houses located in 27 states.

We own substantially all of our assets through JLLIPT Holdings, LP, a Delaware limited partnership (our “operating partnership”), of which we are a limited partner. JLLIPT Holdings GP, LLC, our wholly owned subsidiary, is the sole general partner. The use of our operating partnership to hold substantially all of our assets is referred to as an Umbrella Partnership Real Estate Investment Trust (“UPREIT”). By using an UPREIT structure, a property owner who desires to defer taxable gain on the disposition of his or her property may transfer the property to our operating partnership in exchange for limited partnership interests in the operating partnership (“OP Units”) and defer taxation of gain until the OP Units are disposed of in a taxable transaction. As of December 31, 2025, we raised aggregate proceeds from the issuance of OP Units in our operating partnership of \$1,097,417, and owned directly or indirectly 71.5% of the OP Units of our operating partnership. The remaining 28.5% of the OP Units are held by third parties.

On October 1, 2012, we commenced our initial public offering of common stock and since that time we have offered shares of our common stock in various public offerings registered with the Securities and Exchange Commission (the “SEC”). On June 6, 2025, our most recent public offering (the “Current Public Offering”) of up to \$1,500,000 in any combination of shares of our Class A, Class M, Class A-I and Class M-I common stock was declared effective by the SEC. As of December 31, 2025, we have raised aggregate gross proceeds from the sale of shares of our common stock in our public offerings of approximately \$4,300,000, with approximately \$124,200 raised in the Current Public Offering. We intend to continue to offer shares of our common stock on a continuous basis for an indefinite period of time by filing a new registration statement before the end of each offering.

In addition to our public offerings, on March 3, 2015, we commenced a private offering exempt from registration under Section 4(a)(2) of the Securities Act of 1933, as amended (the “Securities Act”) and Regulation D promulgated thereunder of up to \$350,000 in shares of our Class N (formerly Class D) common stock with an indefinite duration (the “Class N Private Offering”). As of December 31, 2025, we have raised aggregate gross proceeds of \$98,188 in the Class N Private Offering.

On October 7, 2025, we commenced a continuous private offering (the “Continuous Private Offering”) of four new classes of common stock, each with par value \$0.01 per share: Class D, Class I, Class S, and Class Z common stock. The Continuous Private Offering is exempt from registration under the Securities Act pursuant to Rule 506(b) of Regulation D. In connection with the Continuous Private Offering, we (i) renamed our previous Class D common stock as Class N common stock; (ii) renamed Class D OP Units as Class N OP Units, Class A OP Units as Class S OP Units, Class A-I OP Units as Class D OP Units, Class M OP Units as Class Z OP Units, and Class M-I OP Units as Class I OP Units; and (iii) updated our DST Program so that Class S OP Units, Class D OP Units, Class Z OP Units and Class I OP Units may be issued in exchange for DST interests and that subsequently Class D shares, Class I shares, Class S shares and Class Z shares may be issued in exchange for such OP Units. As of December 31, 2025, we have raised aggregate gross proceeds of \$6,696 in the Continuous Private Offering.

In addition, on October 16, 2019, we, through our operating partnership, initiated a program (the “DST Program”), and on August 6, 2024, our board of directors approved an increase to raise up to a total of \$3,000,000 in private placements exempt from registration under Section 4(a)(2) of the Securities Act and Regulation D promulgated thereunder, through the sale of beneficial interests to accredited investors in specific Delaware statutory trusts (“DSTs”) holding real properties (“DST Properties”), which may be sourced from our real properties or from third parties. As of December 31, 2025, we have raised approximately \$2,300,000 of aggregate gross proceeds from our DST program.

From our inception to December 31, 2025, we have received approximately \$7,583,000 in gross offering proceeds from various public and private offerings of shares of our common stock, issuance of OP Units as well as gross proceeds from our DST Program.

As of December 31, 2025, 79,656,280 shares of Class A common stock, 19,403,439 shares of Class M common stock, 2,668,862 shares of Class A-I common stock, 98,568,618 shares of Class M-I common stock, 0 shares of Class D common stock, 272,469 shares of Class I common stock, 11,133,373 shares of Class N common stock, 317,022 Class S common stock, and 0 Class Z common stock were outstanding and held by a total of 19,721 stockholders.

LaSalle acts as our advisor pursuant to the advisory agreement among us, our operating partnership and LaSalle (the "Advisory Agreement"). The term of our Advisory Agreement expires June 5, 2026, subject to an unlimited number of successive one-year renewals. Our Advisor, a registered investment advisor with the SEC, has broad discretion with respect to our investment decisions and is responsible for selecting our investments and for managing our investment portfolio pursuant to the terms of the Advisory Agreement. Our executive officers are employees of, and compensated by, our Advisor. We have no employees as all operations are managed by our Advisor.

LaSalle is a wholly owned, but operationally independent subsidiary of Jones Lang LaSalle Incorporated ("JLL" or our "Sponsor"), a New York Stock Exchange-listed leading professional services firm that specializes in real estate and investment management. As of December 31, 2025, JLL and its affiliates owned an aggregate of 2,521,801 Class M-I shares and 8,726,003 Class N shares, all of which were issued for cash at a price equal to the most recently reported net asset value ("NAV") per share as of the purchase date and have a value as of December 31, 2025 of approximately \$126,589.

## **NOTE 2—SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

### ***Basis of Presentation and Principles of Consolidation***

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("GAAP") and the instructions to Form 10-K and include the accounts of our wholly owned subsidiaries, consolidated variable interest entities ("VIE") and the unconsolidated investments in real estate affiliates. We consider the authoritative guidance of accounting for investments in common stock, investments in real estate ventures, investors accounting for an investee when the investor has the majority of the voting interest but the minority partners have certain approval or veto rights, determining whether a general partner or general partners as a group controls a limited partnership or similar entity when the limited partners have certain rights, and the consolidation of VIEs in which we own less than a 100% interest. All significant intercompany balances and transactions have been eliminated in consolidation.

As of December 31, 2025, our VIEs include The District at Howell Mill, Grand Lakes Marketplace, 4211 Starboard Drive, 13500 Danielson Drive, 2840 Loker Ave, 15890 Bernardo Center Drive and Single-Family Rental Portfolio I and II due to the joint venture structures and our partners having limited participation rights and no kick-out rights. The creditors of our VIEs do not have general recourse to us. As of December 31, 2025, the total assets and liabilities of our consolidated VIEs were \$1,014,556 and \$513,813, respectively, compared to \$368,507 and \$123,026, respectively, as of December 31, 2024. The liabilities of these VIEs include mortgage notes payable specifically related to the real estate investments of these VIEs. Such amounts are included in our Consolidated Balance Sheets.

Noncontrolling interests represent the minority members' proportionate share of the equity in our VIEs and our operating partnership. At acquisition, the assets, liabilities and noncontrolling interests were measured and recorded at the estimated fair value. Noncontrolling interests will increase for the minority members' share of net income of these entities and contributions and decrease for the minority members' share of net loss and distributions. As of December 31, 2025, noncontrolling interests represented the minority members' proportionate share of the equity of the entities listed above as VIEs.

Redeemable noncontrolling interests represent noncontrolling interests that are redeemable at the option of the holder or in circumstances out of our control and therefore are accounted for as temporary equity. The carrying amount of the redeemable noncontrolling interests is adjusted over time on an accretive basis to reflect the fair value at the time the noncontrolling interest becomes redeemable by the holder. Changes in the redemption value of redeemable noncontrolling interest are recorded as an allocation of retained earnings on our Consolidated Statements of Equity. We have redeemable noncontrolling interest that related to Grand Lakes Marketplace, 4211 Starboard Drive, 13500 Danielson Drive, 2840 Loker Ave, 15890 Bernardo Center Drive and Single-Family Rental Portfolio I and II as of December 31, 2025. As of December 31, 2025, \$29,572 related to these third party joint ventures was included in Redeemable noncontrolling interests on our Consolidated Balance Sheet of which \$8,584 is immediately puttable by the holder of the noncontrolling interest.

Certain of our joint venture agreements include provisions whereby, at certain specified times, each party has the right to initiate a purchase or sale of its interest in the joint ventures at an agreed upon fair value. Under these provisions, we are not obligated to purchase the interest of its outside joint venture partners.

The carrying amount of our noncontrolling interests reflected in equity are as follows as of December 31:

	2025	2024
Interests in the partnership equity of the operating partnership	\$ 563,394	\$ 396,090
Noncontrolling interest in consolidated joint ventures	3,774	3,897
<b>Total noncontrolling interests reflected in equity</b>	<b>\$ 567,168</b>	<b>\$ 399,987</b>

Redeemable equity interests represent common shares that are redeemable at the option of the holder under conditions out of our control and therefore are accounted for as temporary equity. The carrying value of the redeemable equity interest will be reported at the higher of the carrying basis or the current fair value of the shares held as redeemable equity. Changes in redemption value of redeemable equity are recorded as an allocation of additional paid in capital on our Consolidated Statements of Equity. We have redeemable equity related to 8,726,003 of Class N shares.

### ***Investments in Real Estate***

Real estate assets are stated at cost. Our real estate assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. A real estate asset is considered to be impaired when the estimated future undiscounted operating cash flow over the expected hold period is less than its carrying value in accordance with the authoritative guidance on accounting for the impairment or disposal of long-lived assets. To the extent impairment has occurred, the excess of the carrying value of the asset over its estimated fair value will be charged to operations. The valuation adjustments were calculated based on market conditions and assumptions made by management at the time the valuation adjustments were recorded, which may differ materially from actual results if market conditions or the underlying assumptions change in the future. If our strategy changes or if market conditions otherwise dictate a change in the holding period and an exit date, an impairment loss could be recognized and such loss could be material. When we have committed to a plan to sell a property that is available for immediate sale, have the necessary approvals and marketing in place, and believe that the sale of the property is probable the assets selected for disposal will be classified as held-for-sale and carried at the lower of their carrying values (*i.e.*, cost less accumulated depreciation and any impairment loss recognized, where applicable) or estimated fair values less costs to sell. Carrying values are reassessed at each balance sheet date. Due to market fluctuation, actual proceeds realized on the ultimate sale of these properties may differ from estimates and such differences could be material. Depreciation and amortization cease once a property is classified as held-for-sale. For our consolidated properties we recorded impairment charges of \$286 related to individual homes within our Single-Family Rental Portfolio I for the year ended December 31, 2025 and \$9,635 related to 180 North Jefferson and \$11,500 related to AQ Rittenhouse for the year ended December 31, 2024 and no impairment charges for the year ended December 31, 2023.

Depreciation expense is computed using the straight-line method based upon the following estimated useful lives:

Asset Category	Estimated Useful Life
Buildings and improvements	40-50 Years
Tenant improvements	Lesser of life of improvement or life of related lease
Equipment and fixtures	2-10 Years

Maintenance and repairs are charged to expense when incurred. Expenditures for significant betterments and improvements are capitalized.

### ***Investments in Unconsolidated Real Estate Affiliates and Real Estate Fund Investment***

We account for our investments in unconsolidated real estate affiliates using either the equity method or the fair value option. Under the equity method the cost of the investment is adjusted for our share of equity in net income or loss and reduced by distributions received and increased by contributions provided. Under the fair value option, the cost basis of the investment is increased for contributions made to the investment and adjusted for our share of changes in the fair value of the investment. Distributions received from investments in unconsolidated real estate affiliates under the fair value option are recorded as income from the unconsolidated affiliates. Distributions that are identified as returns of capital are recorded as a reduction to the cost basis of the investment, whereas distributions identified as capital gains or losses are recorded as realized gains or losses.

We evaluate the carrying values of our investments in unconsolidated real estate affiliates accounted for under the equity method, excluding our investment under the fair value option, in accordance with the authoritative guidance on the equity

method of accounting for investments in common stock. We analyze our investments in unconsolidated real estate affiliates when circumstances change and at every reporting period and determine if an “other-than-temporary” impairment exists and, if so, we assess our ability to recover our carrying cost of the investment. During the years ended December 31, 2025, 2024 and 2023, we concluded that an other than temporary decline in value exists in our investment in Pioneer Tower and recognized an impairment charge of \$917, \$21,100, and \$18,904, respectively.

### ***Investment in Marketable Securities***

In accordance with our investment guidelines, investments in marketable securities consist of stock of publicly traded REITs. The net unrealized change in the fair value of our investments in marketable securities is recorded in earnings as part of net income in accordance with Accounting Standard Update ("ASU") 2016-1, Financial Statements - Overall (Subtopic 825-10) - Recognition and Measurement of Financial Assets and Financial Liabilities.

### ***Rental Revenue Recognition***

Minimum rent revenues are recognized on a straight-line basis over the terms of the related leases. Straight-line rent revenue (representing rents recognized prior to being billed and collectible as provided by the terms of the leases) caused net increases to rent revenue of \$7,648, \$4,857 and \$5,069 for the years ended December 31, 2025, 2024 and 2023, respectively. Also included, as an increase to rent revenue, for the years ended December 31, 2025, 2024 and 2023, are \$4,321, \$4,573 and \$4,231, respectively, of net amortization related to above- and below-market in-place leases at properties acquired as provided by authoritative guidance on goodwill and intangible assets. Tenant recoveries are recognized as revenues in the period the applicable costs are incurred.

We recognize rental revenue from tenants under operating leases on a straight-line basis over the non-cancelable term of the lease when collectibility of substantially all rents is reasonably assured. Recognition of rental revenue on a straight-line basis includes the effects of rental abatements, lease incentives and fixed and determinable increases in lease payments over the lease term. For leases where collection of substantially all rents is not deemed to be probable of collection, revenue is recorded equal to cash that has been received from the tenant. We evaluate the collectibility of rents and other receivables at each reporting period based on factors including, among others, tenant's payment history, the financial condition of the tenant, business conditions and trends in the industry in which the tenant operates, and economic conditions in the geographic area where the property is located. If evaluation of these factors or others indicates it is not probable we will collect substantially all rent we recognize an adjustment to rental revenue. If our judgment or estimation regarding probability of collection changes, we may adjust or record additional rental revenue in the period such conclusion is reached.

### ***Cash and Cash Equivalents***

We consider all highly-liquid investments purchased with original maturities of three months or less to be cash equivalents. We maintain a portion of our cash in bank deposit accounts, which, at times, may exceed the federally insured limits. No losses have been experienced related to such accounts. We believe our bank deposit accounts are held with quality financial institutions.

### ***Restricted Cash***

Restricted cash includes amounts established pursuant to various agreements for loan escrow accounts, loan commitments and property sale proceeds. At December 31, 2025 and 2024, our restricted cash balance on our Consolidated Balance Sheets was primarily related to loan escrow amounts and subscriptions received in advance.

### ***Deferred Expenses***

Deferred expenses consist of lease commissions. Lease commissions are capitalized and amortized over the term of the related lease as a component of depreciation and amortization expense. Accumulated amortization of deferred expenses at December 31, 2025 and 2024 was \$15,635 and \$11,801, respectively.

### ***Acquisitions***

We use estimates of future cash flows and other valuation techniques to allocate the fair value of acquired property among land, building and other identifiable asset and liability intangibles. We value land based on comparable land sales specific to the applicable market. We record building values using an as-if-vacant methodology. We record above- and below-market in-place lease values for acquired properties based on the present value (using an interest rate which reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) our estimate of fair market lease rates for the corresponding in-place leases, measured over a period equal to the remaining non-cancelable term of the lease plus any below-market lease extension option periods. We amortize the capitalized above-market

lease values as a reduction of minimum rents over the remaining non-cancelable terms of the respective leases. We amortize the capitalized below-market lease values as an increase to minimum rents over the term of the respective leases plus any below-market lease extension option terms. Should a tenant terminate its lease prior to the contractual expiration, the unamortized portion of the above-market and below-market in-place lease value is immediately charged to minimum rents.

We measure the aggregate value of other intangible assets acquired based on the difference between (i) the property valued with existing in-place leases and (ii) the property valued as-if-vacant. Our estimates of value are made using methods similar to those used by independent appraisers, primarily discounted cash flow analyses. Factors considered by us in our analysis include an estimate of carrying costs during the hypothetical expected lease-up periods considering current market conditions at the date of acquisition, and costs to execute similar leases. We also consider information obtained about each property as a result of the pre-acquisition due diligence, marketing and leasing activities in estimating the fair value of the tangible and intangible assets acquired. In estimating carrying costs, we will include estimates of lost rentals during the expected lease-up periods, which is expected to primarily range from one to two years, depending on specific local market conditions, and costs to execute similar leases, including leasing commissions, legal and other related expenses to the extent that such costs are not already incurred in connection with a new lease origination as part of the transaction.

The total amount of other intangible assets acquired is further allocated to in-place lease values and customer relationship intangible values based on our evaluation of the specific characteristics of each tenant's lease and our overall relationship with that respective tenant. Characteristics considered by us in allocating these values include, among other factors, the nature and extent of our existing business relationships with the tenant, growth prospects for developing new business with the tenant, the tenant's credit quality and expectations of lease renewals (including those existing under the terms of the lease agreement). As of December 31, 2025 and 2024, we have allocated no value to customer relationships. We amortize the value of in-place leases to expense over the weighted average lease term of the respective leases, which generally range from one to 10 years.

Purchase price has been allocated to acquired intangible assets, which include acquired in-place lease intangibles, acquired above-market in-place lease intangibles and acquired ground lease intangibles, which are reported net of accumulated amortization of \$153,849 and \$159,737 at December 31, 2025 and 2024, respectively, on the accompanying Consolidated Balance Sheets. The acquired intangible liabilities represent acquired below-market in-place leases, which are reported net of accumulated amortization of \$21,481 and \$21,077 at December 31, 2025 and 2024, respectively, on the accompanying Consolidated Balance Sheets. Our amortizing intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying value may not be recoverable. According to authoritative guidance, an amortizing intangible asset is considered to be impaired when the estimated future undiscounted operating cash flow is less than its carrying value. To the extent impairment has occurred, the excess of the carrying value of the amortizing intangible asset over its estimated fair value will be charged to operations.

Future amortization related to amortizing acquired intangible assets and liabilities as of December 31, 2025 is as follows:

	Acquired in- place leases	Acquired above- market leases	Below-market ground lease	Acquired below- market leases
2026	\$ 33,408	\$ 1,848	\$ 15	\$ (5,967)
2027	31,658	1,909	15	(5,639)
2028	29,914	1,811	15	(4,848)
2029	26,819	1,747	15	(4,582)
2030	22,131	1,575	15	(4,007)
Thereafter	66,454	6,166	169	(13,766)
	<u>\$ 210,384</u>	<u>\$ 15,056</u>	<u>\$ 244</u>	<u>\$ (38,809)</u>

### ***Income Taxes***

We first elected to be taxed as a REIT under sections 856-860 of the Internal Revenue Code of 1986, as amended (the "Code"), for our taxable year ended December 31, 2004. To qualify as a REIT, we must meet a number of organizational and operational requirements, including requirements to distribute at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding net capital gains, and to meet certain quarterly asset and annual income tests. It is our current intention to adhere to these requirements. As a REIT, we will generally not be subject to corporate-level federal income tax to the extent we distribute 100% of our taxable income to our stockholders. If we fail to qualify as a REIT in any taxable year, we will be subject to federal income taxes at regular corporate rates (including any applicable alternative minimum tax) and may not be able to qualify as a REIT for four subsequent taxable years. Even if we qualify for taxation as a REIT, we may be subject to certain state and local taxes on our income, property or net worth, and to certain federal income and excise taxes.

Earnings and profits, which determine the tax treatment of dividends to stockholders, differ from net income reported for financial reporting purposes due to differences for federal income tax reporting purposes in computing, among other things, estimated useful lives, depreciable basis of properties and permanent and timing differences on the inclusion or deductibility of elements of income and expense for such purposes.

We evaluate uncertain tax positions in accordance with the Financial Accounting Standards Board's ("FASB") Accounting Standard Codification 740, *Income Taxes*. Based upon our current evaluation, we have concluded that there are no significant uncertain tax positions relevant to the jurisdictions where we are required to file income tax returns requiring recognition in the consolidated financial statements at December 31, 2025, 2024, and 2023. We are not subject to federal income tax examinations for tax years prior to 2022.

### ***Business Segments***

Consistent with how we review and manage our properties, we align our internal operations along the five primary property types we are targeting for investments resulting in five operating segments: healthcare, industrial, residential, retail and other properties.

### ***Assets and Liabilities Measured at Fair Value***

The FASB's guidance for fair value measurement and disclosure states that fair value is an exit price, representing the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. As a basis for considering assumptions, authoritative guidance establishes a three-tier fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- *Level 1*—Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that we have access to at the measurement date.
- *Level 2*—Observable inputs, other than quoted prices included in level 1 that are observable for the asset or liability, either directly or indirectly. Level 2 inputs are those in markets for which there are few transactions, the prices are not current, little public information exists or instances where prices vary substantially over time or among brokered market makers.
- *Level 3*—Unobservable inputs for the asset or liability. Unobservable inputs are those inputs that reflect our own assumptions that market participants would use to price the asset or liability based on the best available information.

The authoritative guidance requires the disclosure of the fair value of our financial instruments for which it is practicable to estimate that value. The guidance does not apply to all balance sheet items. Market information as available or present value techniques have been utilized to estimate the amounts required to be disclosed. Since such amounts are estimates, there can be no assurance that the disclosed value of any financial instrument could be realized by immediate settlement of the instrument.

Our investments in marketable securities were valued using Level 1 inputs as the securities are publicly traded on major stock exchanges.

Real estate fund investments accounted for under the fair value option are stated at the fair value of our ownership in the fund. The fair value is recorded based upon changes in the NAV of the limited partnership as determined from the financial statements of the real estate fund. During the years ended December 31, 2025 and 2024, we recorded a net unrealized loss in fair value classified within the Level 3 category of \$900 and \$877, respectively, which related to our investments in the NYC Retail Portfolio (as defined below) and the Single-Family Rental Portfolio I ([see Note 4-Unconsolidated Real Estate Affiliates and Fund Investments](#)).

During the year ended December 31, 2025, we recorded an impairment charge in our unconsolidated investment in Pioneer Tower within the Level 3 category of \$917 utilizing a capitalization rate of 7.5% and a discount rate of 10% to reflect our investment at its estimated fair value and during the year ended December 31, 2024, we recorded an impairment charge of \$21,100 utilizing a capitalization rate of 7.0% and a discount rate of 8.25% to reflect our investment at its estimated fair value.

During the year ended December 31, 2025, we recorded impairment charges totaling \$286 on individual homes within our Single-Family Rental Portfolio I within the Level 2 category related to six homes being held for sale and listed for sale at values below our current carrying value.

During the year ended December 31, 2024, we recorded an impairment charge related to AQ Rittenhouse within the Level 3 category of \$11,500 utilizing a capitalization rate of 5.5% and a discount rate of 7.25% to reflect our investment at its estimated fair value.

During the year ended December 31, 2024, we recorded an impairment charge related to 180 North Jefferson within the Level 3 category of \$9,635 utilizing a capitalization rate of 5.5% and a discount rate of 7.5% to reflect our investment at its estimated fair value.

Commencing on October 1, 2023, we have elected the fair value option for DST Programs launching after that date. The estimate of fair value of financing obligations takes into consideration various factors including the current DST Property values and master lease payments to DST investors. The inputs used in estimating the fair value of these financial liabilities are considered Level 3. As of December 31, 2025 and 2024, \$1,174,938 and \$574,357, respectively, of our financial obligation was measured at fair value and we have recorded a net unrealized loss on financing obligation in the amount of \$44,592 and \$5,758 during the years ended December 31, 2025 and 2024.

We have estimated the fair value of our mortgage notes and other debt payable reflected in the accompanying Consolidated Balance Sheets at amounts that are based upon an interpretation of available market information and valuation methodologies (including discounted cash flow analysis with regard to fixed rate debt) for similar loans made to borrowers with similar credit ratings and for the same maturities. The fair value of our mortgage notes and other debt payable, including amounts included as held for sale, using level two inputs was approximately \$67,827 lower and \$104,270 lower than the aggregate carrying amounts at December 31, 2025 and 2024, respectively. Such fair value estimates are not necessarily indicative of the amounts that would be realized upon extinguishment of our mortgage notes and other debt payable.

### ***Derivative Financial Instruments***

We record all derivatives on the Consolidated Balance Sheets at fair value in prepaid expenses and other assets or accounts payable and other accrued expenses. Changes in the fair value of our derivatives are recorded on our Consolidated Statements of Operations and Comprehensive Income, as a component of interest expense, as we have not designated our derivative instruments as hedges. Our objective in using interest rate derivatives is to manage our exposure to interest rate movements. To accomplish this objective, we use interest rate caps and swaps.

As of December 31, 2025, we had the following outstanding interest rate derivatives related to managing our interest rate risk:

<b>Interest Rate Derivative</b>	<b>Number of Instruments</b>	<b>Notional Amount</b>
Interest Rate Cap	1	\$ 388,000
Interest Rate Swaps	6	362,000
Interest Rate Collars	3	350,000

The fair value of our interest rate derivatives represent net assets of \$444 and \$5,575 at December 31, 2025 and 2024, respectively.

### ***Mortgage Notes Receivable***

Mortgage notes receivable, including related accrued interest receivable, consists of mortgage loans originated by us and the related accrued and unpaid interest income as of the balance sheet date. In accordance with Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("Topic 326"), we will measure for any expected credit loss at each reporting period and record an allowance on those mortgage note receivables when deemed necessary. While Topic 326 does not require any particular method for determining any reserves, it does specify that it should be based on relevant information about past events, including historical loss experience, current portfolio and market conditions, as well as reasonable forecasts for the term of each mortgage note receivable.

### ***Ground Lease***

As of December 31, 2025, we have a single ground lease arrangement for which we are the lessee and recorded a right-of-use asset within prepaid expenses and other assets on our Consolidated Balance Sheets in the amount of \$1,949 and a lease liability within accounts payable and other liabilities on our Consolidated Balance Sheets in the amount of \$2,232.

***Use of Estimates***

The preparation of consolidated financial statements in conformity with GAAP requires us to make estimates and assumptions. These estimates and assumptions impact the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the reporting period. For example, significant estimates and assumptions have been made with respect to useful lives of assets, recoverable amounts of receivables, fair value of derivatives and real estate assets, initial valuations and related amortization periods of deferred costs and intangibles, particularly with respect to property acquisitions. Actual results could differ from those estimates.

***Recent Issued Accounting Pronouncements***

In December 2023, the FASB issued ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures which provides improvements to annual income tax disclosures by enhancing the transparency. We have elected to be taxed as a REIT and, accordingly, are not subject to federal income taxes on our taxable income at the REIT level to the extent such income is distributed to our shareholders annually. Taxable income from non-REIT corporate subsidiaries is subject to federal income taxes and such amounts are not material. As such, the adoption of this ASU did not impact our consolidated financial statements.

In November 2024, the FASB issued ASU No. 2024-03, Disaggregation of Income Statement Expenses (DISE), which requires additional disclosure of the nature of expenses included in the income statement. The effective date will be for the fiscal years beginning after December 15, 2026. We are currently evaluating the impact that the adoption of the new standard will have on our consolidated financial statements and footnotes.

**NOTE 3—PROPERTY**

The primary reason we make acquisitions of real estate investments in the healthcare, industrial, residential, retail and other property sectors is to invest capital contributed by stockholders in a diversified portfolio of real estate assets. All references to square footage and units are unaudited. The following table provides information regarding the consolidated properties acquired during the years ended December 31, 2025, 2024 and 2023:

Property Name	Property Type	Acquisition Date	Price	Square Footage / Units	Location
<b>2025 Acquisitions</b>					
Richmond Distribution Center	Industrial	March 5, 2025	\$ 40,700	279,000	Richmond, VA
Naperville Medical Center	Healthcare	March 28, 2025	16,250	39,000	Naperville, IL
Glendale Distribution Center	Industrial	July 29, 2025	140,200	1,024,000	Glendale, AZ
West Raleigh Distribution Center	Industrial	September 10, 2025	190,200	985,000	Apex, NC
3000 University Center Drive	Healthcare	December 12, 2025	21,050	133,000	Tampa, FL
Westbury Square	Retail	December 22, 2025	32,400	123,000	Huntsville, AL
<b>2024 Acquisitions</b>					
Creekview Crossing	Residential	February 29, 2024	\$ 61,250	183 units	Sherwood, OR
Single-Family Rental Portfolio II	Single Family Homes	Various	26,042	91 homes	Various
Minneapolis Distribution Center	Industrial	November 19, 2024	66,500	443,000	Maple Grove, MN
<b>2023 Acquisitions</b>					
Single-Family Rental Portfolio II	Single Family Homes	Various	\$ 40,709	140 homes	Various
Louisville Logistics	Industrial	April 20, 2023	81,500	1,043,000	Shepherdsville, KY

We allocated the purchase price for our recent acquisitions in accordance with authoritative guidance as follows:

	2025 Acquisitions	2024 Acquisitions	2023 Acquisitions
Land	\$ 35,460	\$ 17,583	\$ 16,438
Building and equipment	345,686	120,426	94,214
In-place lease intangible (acquired intangible assets)	63,522	12,244	15,483
Above-market lease intangible (acquired intangible assets)	6,438	1	—
Below-market lease intangible (acquired intangible liabilities)	(7,200)	(2,448)	(4,053)
Debt discount on assumed mortgage loan payable	—	7,620	—
	<u>\$ 443,906</u>	<u>\$ 155,426</u>	<u>\$ 122,082</u>
Amortization period for intangible assets and liabilities	3 months - 15 years	6 months - 31 years	6 months - 10 years

***Consolidation of Single-Family Rental Portfolio I***

On April 23, 2025, we restructured our investment in Single-Family Rental Portfolio I converting our previous non-controlling 47% interest in nearly 4,000 homes to a controlling 95% interest in a newly formed entity owning 1,900 homes located in various markets across the United States and in accordance with applicable guidance have consolidated our 95% interest. The portfolio of 1,900 homes is encumbered by a mortgage note payable of \$387,620 maturing on April 23, 2028, and bears interest at the Secured Overnight Financing Rate ("SOFR") plus 1.51%. We entered into an interest rate cap agreement which caps SOFR at 3.19%. Our consolidated investment in real estate and other assets and liabilities was comprised of:

	April 23, 2025
Land	\$ 128,985
Building and equipment	512,957
In-place lease intangible	4,260
Other assets	31,296
Total assets	<u>\$ 677,498</u>
Mortgage notes and other debt payable, net	\$ 402,646
Other liabilities	6,332
Total liabilities	<u>\$ 408,978</u>

***Impairment of Investment in Real Estate***

During the year ended December 31, 2025, in accordance with authoritative guidance for impairment of long-lived assets, we recorded impairment charges totaling \$286 on individual homes within our Single-Family Rental Portfolio I related to six homes being held for sale and listed for sale at values below our current carrying value.

During the year ended December 31, 2024, we determined that 180 North Jefferson and AQ Rittenhouse no longer fit our current investment objectives and strategy and reduced our expected hold periods. We further determined that these assets were impaired as the carrying value of the investments were not deemed recoverable. Therefore, we recognized impairment charges totaling \$21,135, which represents the difference between the fair value and the carrying value of the properties.

**2025 Dispositions**

On January 15, 2025, we sold 237 Via Vera Cruz located in San Marcos, California for \$16,200 less closing costs. In connection with the disposition, the mortgage loan associated with the property of \$13,100 was retired. We recorded a gain on the sale of the property in the amount of \$2,108 and a loss on the extinguishment of debt of \$92.

**2024 Dispositions**

On September 26, 2024, we sold 180 North Jefferson, a 274-unit residential property located in Chicago, Illinois for \$76,257 less closing costs. We recorded a loss on the sale of property in the amount of \$37.

On October 8, 2024, we sold Stonemeadow Farms, a 280-unit residential property located in Bothell, Washington for \$93,100 less closing costs. We recorded a gain on the sale of the property in the amount of \$15,524 and a loss on the extinguishment of debt of \$379.

On October 23, 2024, we sold Pinole Point Distribution Center, a 518,000 square foot industrial property located in Richmond, California for \$132,500 less closing costs. We recorded a gain on the sale of the property in the amount of \$58,669.

**2023 Dispositions**

On November 16, 2023, we sold Presley Uptown, a 230-unit residential property located in Charlotte, North Carolina for approximately \$65,800 less closing costs. In connection with the disposition, the mortgage note associated with the property of \$30,000 was assumed by the buyer. We recorded a gain on the sale of the property in the amount of \$14,347 and a loss on the extinguishment of debt of \$291.

**Held for Sale**

As of December 31, 2025, Dylan Point Loma and three single-family houses were classified as held for sale. Dylan Point Loma and was sold on January 27, 2026 (see [Note 14-Subsequent Events](#)). As of December 31, 2025, our investments in real estate and other assets and liabilities held for sale were comprised of:

	<b>December 31, 2025</b>
Land	\$ 19,000
Building and equipment, net	59,048
Other assets, net	97
Total assets	<u>\$ 78,145</u>
Mortgage notes and other debt payable, net	\$ 37,169
Other liabilities	387
Total liabilities	<u>\$ 37,556</u>

**NOTE 4—UNCONSOLIDATED REAL ESTATE AFFILIATES AND FUND INVESTMENTS**

In addition to investments in consolidated properties, we may make investments in real estate which are classified as unconsolidated real estate affiliates under GAAP. The residential sector includes multi-family properties and single-family rental homes.

*Unconsolidated Real Estate Affiliates*

The following represent our unconsolidated real estate affiliates as of December 31, 2025 and December 31, 2024:

Property	Property Type	Location	Acquisition Date	Carrying Amount of Investment	
				December 31, 2025	December 31, 2024
Chicago Parking Garage	Other	Chicago, IL	December 23, 2014	\$ 12,318	\$ 12,886
Pioneer Tower	Healthcare	Portland, OR	June 28, 2016	38,970	42,663
The Tremont	Residential	Burlington, MA	July 19, 2018	22,346	21,416
The Huntington	Residential	Burlington, MA	July 19, 2018	8,953	8,541
Siena Suwanee Town Center	Residential	Suwanee, GA	December 15, 2020	30,293	30,651
Kingston at McLean Crossing	Residential	McLean, VA	December 3, 2021	24,400	32,167
<b>Total</b>				<b>\$ 137,280</b>	<b>\$ 148,324</b>

*Summarized Combined Balance Sheets—Unconsolidated Real Estate Affiliates—Equity Method Investments (Unaudited)*

	December 31, 2025	December 31, 2024
Net investments in real estate	\$ 376,551	\$ 384,850
Acquired intangible assets, net	7,760	7,951
Other assets	6,950	13,942
<b>Total assets</b>	<b>\$ 391,261</b>	<b>\$ 406,743</b>
Mortgage notes and other debt payable	\$ 178,682	\$ 180,964
Acquired intangible liabilities, net	449	879
Other liabilities	3,196	4,344
<b>Total liabilities</b>	<b>182,327</b>	<b>186,187</b>
Members' equity	208,934	220,556
<b>Total liabilities and members' equity</b>	<b>\$ 391,261</b>	<b>\$ 406,743</b>

***Company Investments in Unconsolidated Real Estate Affiliates—Equity Method Investments (Unaudited)***

	December 31, 2025	December 31, 2024
Members' equity	\$ 208,934	\$ 220,556
Less: other members' equity	(16,505)	(18,002)
Basis differential	(55,149)	(54,230)
Investments in unconsolidated real estate affiliates	<u>\$ 137,280</u>	<u>\$ 148,324</u>

***Summarized Combined Statements of Operations—Unconsolidated Real Estate Affiliates—Equity Method Investments (Unaudited)***

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Total revenues	\$ 35,926	\$ 37,423	\$ 37,237
Total operating expenses	25,550	25,069	25,069
Operating income	\$ 10,376	\$ 12,354	\$ 12,168
Total other expenses	8,214	8,175	7,577
Net income	<u>\$ 2,162</u>	<u>\$ 4,179</u>	<u>\$ 4,591</u>

***Company Equity in Income of Unconsolidated Real Estate Affiliates—Equity Method Investments (Unaudited)***

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Net income of unconsolidated real estate affiliates	\$ 2,162	\$ 4,179	\$ 4,591
Other members' share of net income	(793)	(676)	(663)
Impairment of investments in unconsolidated real estate affiliates	(917)	(21,100)	(18,904)
Company equity in income (loss) of unconsolidated real estate affiliates	<u>\$ 452</u>	<u>\$ (17,597)</u>	<u>\$ (14,976)</u>

***Real Estate Fund Investments***

At acquisition, we may make the election to account for our interest in investments under the fair value option. This fair value election may be made when the investment is in the form of a commingled fund with institutional partners where fair value accounting provides the most relevant information about the financial condition of the investment. We record increases and decreases in our investment each reporting period based on the change in the fair value of the investment as estimated by the general partner. Critical inputs to NAV estimates include valuations of the underlying real estate assets which incorporate investment-specific assumptions such as discount rates, capitalization rates and rental growth rates. We do not consider adjustments to NAV estimates provided by the general partner, including adjustments for any restrictions to the transferability of ownership interests embedded within the investment agreement to which we are a party, to be necessary based upon (i) our understanding of the methodology utilized and inputs incorporated to estimate NAV at the investment level, (ii) consideration of market demand for the assets held by the venture, and (iii) contemplation of real estate and capital markets conditions in the localities in which the venture operates. Our investments accounted for under the fair value option are presented on our Consolidated Balance Sheets within real estate fund investments. Changes in the fair value of our investments as well as cash distributions of income received are recorded on our Consolidated Statements of Operations within income from unconsolidated real estate affiliates and fund investments.

***NYC Retail Portfolio***

On December 8, 2015, a wholly owned subsidiary of ours acquired an approximate 28% interest in a newly formed limited partnership, Madison NYC Core Retail Partners, L.P, which acquired an approximate 49% interest in entities that initially owned 15 retail properties located in the greater New York City area (the "NYC Retail Portfolio"), the result of which is that we own an approximate 14% interest in the NYC Retail Portfolio. The purchase price for such portion was approximately \$85,600 including closing costs. As of December 31, 2025, the NYC Retail Portfolio owned six retail properties totaling approximately 1,790,000 square feet across urban infill locations in Manhattan, Brooklyn, Queens and New Jersey. As of December 31, 2025, we have an unfunded commitment totaling \$8,759.

As of December 31, 2025 and 2024, the carrying amount of our investment in the NYC Retail Portfolio was \$58,721 and \$60,403 respectively. During the year ended December 31, 2025 and 2024, we recorded decreases in fair value of our investment in the NYC Retail Portfolio of \$12,161 and \$11,463, respectively, and received no cash distributions. During the year ended December 31, 2025, we made capital contributions to totaling \$10,479.

*Single-Family Rental Portfolio I*

On August 5, 2021, we acquired an approximate 47% interest in a portfolio of approximately 4,000 stabilized single-family rental homes located in various markets across the United States, including Atlanta, Dallas, Phoenix, Nashville and Charlotte, among others (the "Single-Family Rental Portfolio I"). The portfolio was encumbered by securitized mortgages in a net amount of approximately \$760,000 maturing in the fourth quarter of 2025 at a weighted average interest rate of 2.1%. The equity purchase price for our approximate 47% interest was approximately \$205,000. On April 23, 2025, we restructured our investment in Single-Family Rental Portfolio I to a 95% interest in a newly created joint venture that we control which owns 1,900 homes and as a result have consolidated our 95% interest as of such date (See [Note 3—Property](#)). The newly formed joint venture entered into a mortgage note payable in the amount of \$387,620 that matures on April 21, 2028 and bears interest at SOFR plus 1.51%. In addition, we entered into an interest rate cap agreement to limit SOFR to 3.19%.

At acquisition on August 5, 2021, we made the election to account for our equity interest in the Single-Family Rental Portfolio I under the fair value option. Upon the restructure of our investment on April 23, 2025, we account for our 95% controlling interest under historical cost basis. As of December 31, 2024, the carrying amount of our investment in the Single-Family Rental Portfolio I was \$273,926. During the period from January 1, 2025 through April 23, 2025, we recorded an increase in the fair value of our investment in the Single-Family Rental Portfolio I of \$11,261 and incurred \$2,506 in costs related to restructuring the joint venture. Also during the period from January 1, 2025 through April 23, 2025, we received distributions of income totaling \$698 and we received return of capital distributions totaling \$256, which reduced the carrying amount of our investment. During the year ended December 31, 2024, we recorded an increase in the fair value of our investment in the Single-Family Rental Portfolio I of 10,586. During the year ended December 31, 2024, we received distributions of income totaling \$4,761. The cash distributions of income increased income from unconsolidated real estate affiliates. During the year ended December 31, 2024, we received return of capital distributions totaling \$7,856 which reduced the carrying amount of our investments and we made capital contributions totaling \$41.

***Summarized Combined Balance Sheets—NYC Retail Portfolio Investment and Single-Family Rental Portfolio I—Fair Value Option Investment (Unaudited)***

	December 31, 2025	December 31, 2024
Investment in real estate venture	\$ 209,737	\$ 1,555,770
Cash	220	31,250
Other assets	15	65,935
Total assets	<u>\$ 209,972</u>	<u>\$ 1,652,955</u>
Total liabilities	\$ 53,173	\$ 832,767
Partners' capital	156,799	820,188
Total liabilities and partners' capital	<u>\$ 209,972</u>	<u>\$ 1,652,955</u>

***Summarized Statement of Operations—NYC Retail Portfolio Investment and Single-Family Rental Portfolio I—Fair Value Option Investment (Unaudited)***

	Year Ended December 31, 2025	Year Ended December 31, 2024	Year Ended December 31, 2023
Total revenue	\$ 26,443	\$ 92,922	\$ 95,643
Net investment (loss) income	\$ (237,179)	\$ 36,508	\$ 33,100
Net change in unrealized loss on investment in real estate venture	185,519	(50,161)	(42,414)
Net loss	<u>\$ (51,660)</u>	<u>\$ (13,653)</u>	<u>\$ (9,314)</u>

**NOTE 5—MORTGAGE NOTES RECEIVABLE**

Mortgage notes receivable, including related accrued interest receivable, consists of first mortgage loans originated by us and the related accrued and unpaid interest income as of the balance sheet date. Mortgage notes receivable are initially recorded at the amount advanced to the borrower less allowance for credit loss, if applicable. As of December 31, 2025, no allowance for credit loss has been recorded. Interest income is recognized monthly and includes the stated interest less the amortization of any financing costs. Mortgage note receivables that we enter into may include commitments to fund incremental amounts to our borrowers after the initial closing. Our mortgage notes receivable consist of the following as of December 31, 2025:

Loan Secured By	Location	Origination Date	Maturity Date	Loan Type	Interest Rate (SOFR +) <sup>(1)</sup>	Loan Amount	Unfunded Amount
Residential	Tomball, TX	December 20, 2024	December 15, 2027	Interest Only	3.00	\$ 32,000	\$ —

(1) One month term Secured Overnight Financing Rate ("SOFR").

During the year ending December 31, 2025, we received \$102,000 upon the retirement of mortgage notes receivable which represented full payment of outstanding loan balances. In addition, during the year ending December 31, 2025 we collected exit fee revenue totaling \$1,661 which is presented as Interest on mortgage notes receivable on our Consolidated Statement of Operations and Comprehensive Income.

**NOTE 6—MORTGAGE NOTES AND OTHER DEBT PAYABLE**

Mortgage notes and other debt payable have various maturities through 2055 and consist of the following:

	Maturity/ Extinguishment Date	Fixed / Floating	Interest Rate	Amount payable as of	
				December 31, 2025	December 31, 2024
Mortgage notes payable <sup>(1)(2)</sup>	June 1, 2026 - June 1, 2055	Fixed / Floating	2.41% - 6.16%	\$ 1,468,211	\$ 1,126,986
Revolving line of credit	April 28, 2026	Fixed / Floating	5.15	85,000	83,000
Term loan	April 28, 2027	Fixed	4.77	400,000	400,000
<b>TOTAL</b>				<b>\$ 1,953,211</b>	<b>\$ 1,609,986</b>
Net debt discount on assumed debt and debt issuance costs				(23,100)	(21,450)
<b>MORTGAGE NOTES AND OTHER DEBT PAYABLE, NET</b>				<b>\$ 1,930,111</b>	<b>\$ 1,588,536</b>
Dylan Point Loma <sup>(3)</sup>				\$ 37,169	\$ —
237 Via Vera Cruz <sup>(4)</sup>				—	11,806
<b>MORTGAGE NOTES AND OTHER DEBT PAYABLE OF HELD FOR SALE PROPERTY</b>				<b>\$ 37,169</b>	<b>\$ 11,806</b>

- (1) During the year ended December 31, 2025, we repaid the mortgage notes payable related to Miramont Apartments, Pinecone Apartments, DFW Distribution Center, Skokie Commons, Louisville Distribution Center, AQ Rittenhouse and Timberland Town Center in the amounts of \$26,023, \$23,881, \$17,720, \$21,767, \$52,250, \$26,370 and \$18,212, respectively.
- (2) During the year ended December 31, 2025, we entered into mortgage notes payable related to Single-Family Rental Portfolio I, Glendale Distribution Center, Montecito Marketplace, West Phoenix Distribution Center and West Raleigh Distribution Center in the amounts of \$387,620, \$50,000, \$37,710, \$62,000 and \$35,750, respectively.
- (3) The property associated with this mortgage note payable was classified as held for sale as of December 31, 2025.
- (4) The property associated with this mortgage note payable was classified as held for sale as of December 31, 2024.

We have recognized a premium or discount on debt we assumed with the following property acquisitions, the remaining premium or discount is as follows as of December 31, 2025:

Property	Debt Premium (Discount)	Effective Interest Rate
The District at Howell Mill	\$ (271)	6.34 %
South San Diego Distribution Center	1,880	3.18
Molly Brook on Belmont	(10,405)	5.90
Creekview Crossing	(6,877)	5.93
<b>Net debt discount on assumed debt</b>	<b>\$ (15,673)</b>	

Aggregate future principal payments of mortgage notes payable and other debt payable are as follows, net of held for sale:

Year	Amount
2026	\$ 242,257
2027	447,349
2028	536,118
2029	84,200
2030	275,855
Thereafter	367,432
<b>Total</b>	<b>\$ 1,953,211</b>

Land, buildings, equipment and acquired intangible assets related to the mortgage notes payable, with an aggregate cost of approximately \$3,400,000 and \$2,716,000 at December 31, 2025 and 2024, respectively, have been pledged as collateral, and are not available to satisfy our debts and obligations unless first satisfying the mortgage note payable on the property. As our mortgage notes mature, we will explore refinancing and paying off the loans as well as full or partial sales of the properties. To accomplish these refinancings and pay downs, we would use cash on hand, cash from future property operations and capital from the proceeds of the Current Public Offering and the DST Program.

### ***Credit Facility***

On April 28, 2022, we entered into a credit agreement providing for a \$1,000,000 revolving line of credit and unsecured term loan (collectively, the "Credit Facility") with a syndicate of nine lenders led by JPMorgan Chase Bank, N.A., Bank of America, N.A., PNC Capital Markets LLC, Wells Fargo Securities, LLC and Capital One, National Association. The Credit Facility provides us with the ability, from time to time, to increase the size of the Credit Facility up to a total of \$1,300,000, subject to receipt of lender commitments and other conditions. The \$1,000,000 Credit Facility consists of a \$600,000 revolving line of credit (the "Revolving Credit Facility") and a \$400,000 term loan (the "Term Loan"). The primary interest rate for the Revolving Credit Facility is based on one-month term SOFR plus 0.10% ("Adjusted Term SOFR"), plus a margin ranging from 1.30% to 2.00%, depending on our total leverage ratio. The primary interest rate for the Term Loan is based on Adjusted Term SOFR, plus a margin ranging from 1.25% to 1.95%, depending on our total leverage ratio. The maturity date of the Revolving Credit Facility was extended to April 28, 2026 and the Term Loan matures on April 28, 2027. The Credit Facility contains one additional twelve-month extension option at our election. Based on our current total leverage ratio, we can elect to borrow at Adjusted Term SOFR plus 1.35% and Adjusted Term SOFR plus 1.30% for the Revolving Credit Facility and Term Loan, respectively, or alternatively, we can choose to borrow at a "base rate" equal to (i) the highest of (a) the Federal Funds Rate plus 0.50%, (b) the prime rate announced by JPMorgan Chase Bank, N.A., and (c) Adjusted Term SOFR plus 1.00%, plus (ii) a margin ranging from 0.30% to 1.00% for base rate loans under the Revolving Credit Facility or a margin ranging from 0.25% to 0.95% for base rate loans under the Term Loan. If the "base rate" is less than 1.00%, it will be deemed to be 1.00% for purposes of the Credit Facility. We intend to use the Revolving Credit Facility to cover short-term capital needs, for new property acquisitions and working capital. We may not draw funds on our Credit Facility if we (i) experience a material adverse effect, which is defined to include, among other things, (a) a material adverse effect on the business, assets, operations or financial condition of the Company taken as a whole; (b) the inability of any loan party to perform any of its obligations under any loan document; or (c) a material adverse effect upon the validity or enforceability of any loan document or (ii) are in default, as that term is defined in the agreement, including a default under certain other loan agreements and/or guarantees entered into by us or our subsidiaries. As of December 31, 2025, we believe no material adverse effects had occurred. We expect to utilize our cash on hand and Credit Facility capacity to extinguish mortgage notes maturing in 2026, fund redemptions and other general corporate needs.

Borrowings under the Credit Facility are guaranteed by us and certain of our subsidiaries. The Credit Facility requires the maintenance of certain financial covenants, including: (i) unencumbered property pool leverage ratio; (ii) debt service coverage ratio; (iii) maximum total leverage ratio; (iv) fixed charges coverage ratio; (v) minimum NAV; (vi) maximum secured debt ratio; (vii) maximum secured recourse debt ratio; (viii) maximum permitted investments; and (ix) unencumbered property pool criteria. The Credit Facility provides the flexibility to move assets in and out of the unencumbered property pool during the term of the Credit Facility.

At December 31, 2025, we had \$85,000 outstanding under the Revolving Credit Facility at Adjusted Term SOFR plus 1.35% and \$400,000 outstanding under the Term Loan at Adjusted Term SOFR plus 1.30%. We entered into swap and collar agreements for \$650,000 of the Credit Facility to fix the floating rate SOFR at an average of 3.87% (all in rate of 5.17% to 5.22% at December 31, 2025). The interest rate swap and collar agreements mature on April 28, 2027. At December 31, 2024, we had \$83,000 outstanding under the Revolving Credit Facility at Adjusted Term SOFR plus 1.55% and \$400,000 outstanding under the Term Loan at Adjusted Term SOFR plus 1.50%.

On March 12, 2026, we entered into an amended credit agreement providing for a \$1,000,000 revolving line of credit and unsecured term loan (collectively, the “Amended Credit Facility”) with a syndicate of ten lenders led by JPMorgan Chase Bank. The Amended Credit Facility provides us with the ability, from time to time, to increase the size of the Credit Facility up to a total of \$1,300,000, subject to receipt of lender commitments and other conditions. The \$1,000,000 Amended Credit Facility consists of a \$600,000 revolving credit facility (the “Revolving Credit Facility”) and a \$400,000 term loan (the “Term Loan”). The primary interest rate for the Revolving Credit Facility is based on one-month SOFR (“Term SOFR”), plus a margin ranging from 1.25% to 1.95%, depending on our total leverage ratio. The primary interest rate for the Term Loan is based on Term SOFR, plus a margin ranging from 1.20% to 1.90%, depending on our total leverage ratio. The maturity date of both the Revolving Credit Facility and the Term Loan is March 13, 2028. The credit facility contains three, twelve-month extension options at our election. Based on our current total leverage ratio, we can elect to borrow at Term SOFR plus 1.30% and Term SOFR plus 1.25% for the Revolving Credit Facility and Term Loan, respectively, or alternatively, we can choose to borrow at a “base rate” equal to (i) the highest of (a) the Federal Funds Rate plus 0.5%, (b) the prime rate announced by JPMorgan Chase Bank, N.A., and (c) Adjusted Term SOFR plus 1.0%, plus (ii) a margin ranging from 0.30% to 0.95% for base rate loans under the Revolving Credit Facility or a margin ranging from 0.20% to 0.90% for base rate loans under the Term Loan. If the “base rate” is less than 0.0%, it will be deemed to be 0.0% for purposes of the Credit Facility.

### ***Covenants***

At December 31, 2025, we were in compliance with all debt covenants.

### ***Debt Issuance Costs***

Debt issuance costs are capitalized and amortized over the terms of the respective agreements as a component of interest expense. Accumulated amortization of debt issuance costs at December 31, 2025 and December 31, 2024 were \$17,951 and \$15,808, respectively.

**NOTE 7—COMMON STOCK AND OP UNITS**

We have nine classes of common stock: Class A, Class M, Class A-I, Class M-I, Class D, Class I, Class N, Class S, and Class Z. Effective October 7, 2025, fees payable to LaSalle Investment Management Distributors, LLC, an affiliate of our Advisor and the dealer manager for our offerings (the "Dealer Manager"), with respect to each outstanding share of each class, as a percentage of NAV, are as follows:

	Selling Commission <sup>(1)</sup>	Annual Stockholder Servicing Fee <sup>(2)</sup>
Class A Shares	up to 3.0%	0.85%
Class M Shares	—	0.30%
Class A-I Shares	up to 1.5%	0.30%
Class M-I Shares	—	None
Class D Shares <sup>(3)</sup>	up to 1.5%	0.30%
Class I Shares <sup>(3)</sup>	—	None
Class N Shares <sup>(3)</sup>	up to 1.0%	None
Class S Shares <sup>(3)</sup>	up to 3.0%	0.85%
Class Z Shares <sup>(3)</sup>	—	0.30%

(1) Selling commissions are paid on the date of sale of our common stock.

(2) We accrue for future stockholder servicing fees at the time such shares are sold as an offering cost on our Consolidated Balance Sheet. For Class A, Class M and Class A-I shares, we accrue for future stockholder servicing fees up to the 10% regulatory limit. For Class D, Class S and Class Z shares, we accrue for future stockholder servicing fees based on the estimated life of the shares held by stockholders of such share classes as of December 31, 2025. For NAV calculation purposes, stockholder servicing fees are accrued daily, on a continuous basis equal to 1/365th of the stated fee. Each Class A, Class M and Class A-I share sold in a public offering will automatically convert into the number of Class M-I shares based on the then-current applicable NAV of each class on the date following the termination of the primary portion of such public offering in which we, with the assistance of the Dealer Manager, determine that total underwriting compensation paid with respect to such public offering equals 10% of the gross proceeds from the primary portion of such public offering.

(3) Shares of Class D, I, N, S, and Z common stock are only being offered pursuant to a private offering.

The selling commissions and stockholder servicing fees are offering costs and are recorded as a reduction of additional paid in capital.

***Common Stock***

The following tables shows the shares authorized as well as the transactions for each of our classes of common stock for the years ending December 31, 2025, 2024 and 2023 and the shares issued and outstanding as of December 31, 2025, 2024, and 2023. All share classes have a par value of \$0.01 per share.

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	Class A Shares	Class M Shares	Class A-I Shares	Class M-I Shares	Class D Shares	Class I Shares	Class N Shares	Class S Shares	Class Z Shares
Shares authorized	200,000,000	200,000,000	200,000,000	200,000,000	250,000,000	250,000,000	200,000,000	250,000,000	250,000,000
Balance, December 31, 2022	113,645,166	26,170,260	4,950,208	95,803,409	—	—	3,023,025	—	—
Issuance of common stock	6,590,900	1,878,863	138,481	9,250,923	—	—	—	—	—
Repurchase of shares	(11,972,300)	(1,324,769)	(620,671)	(12,778,391)	—	—	(615,655)	—	—
Stock based compensation	—	—	—	30,428	—	—	—	—	—
Share conversions	(583,047)	(124,958)	61,799	645,239	—	—	—	—	—
Balance, December 31, 2023	107,680,719	26,599,396	4,529,817	92,951,608	—	—	2,407,370	—	—
Issuance of common stock	7,624,734	2,302,983	120,294	10,855,731	—	—	—	—	—
Repurchase of shares	(17,982,564)	(2,537,881)	(1,576,811)	(14,001,999)	—	—	—	—	—
Stock based compensation	—	—	—	29,118	—	—	—	—	—
Share conversions	(8,185,178)	(5,902,461)	(90,875)	14,164,561	—	—	—	—	—
Balance, December 31, 2024	89,137,711	20,462,037	2,982,425	103,999,019	—	—	2,407,370	—	—
Issuance of common stock	6,504,130	1,542,163	98,911	9,826,183	—	272,469	8,726,003	317,022	—
Repurchase of shares	(15,820,200)	(2,460,473)	(270,137)	(15,741,061)	—	—	—	—	—
Stock based compensation	—	—	—	36,387	—	—	—	—	—
Share conversions	(165,361)	(140,288)	(142,337)	448,090	—	—	—	—	—
Balance, December 31, 2025	79,656,280	19,403,439	2,668,862	98,568,618	—	272,469	11,133,373	317,022	—

**Stock Issuances**

The stock issuances for our classes of shares, including those issued through our distribution reinvestment plan and as stock compensation, for the years ending December 31, 2025, 2024 and 2023 were as follows:

	December 31, 2025		December 31, 2024		December 31, 2023	
	# of shares	\$ Amount	# of shares	\$ Amount	# of shares	\$ Amount
Class A Shares	6,504,130	\$ 74,382	7,624,734	\$ 90,212	6,590,900	\$ 89,549
Class M Shares	1,542,163	17,555	2,302,983	27,032	1,878,863	25,403
Class A-I Shares	98,911	1,122	120,294	1,413	138,481	1,829
Class M-I Shares	9,862,570	112,359	10,884,849	128,151	9,281,351	125,937
Class I Shares	272,469	3,092	—	—	—	—
Class N Shares	8,726,003	100,000	—	—	—	—
Class S Shares	317,022	3,635	—	—	—	—
Total		\$ 312,145		\$ 246,808		\$ 242,718

**Share Repurchase Plan**

Our share repurchase plan allows stockholders, subject to a one-year holding period, with certain exceptions, to request that we repurchase all or a portion of their shares of common stock on a daily basis at that day's NAV per share, limited to 5% of aggregate Company NAV per quarter. We honored 100% of repurchase requests we received and have made repurchases according to our share repurchase plan as follows:

Year ending December 31,	Class A	Class M	Class A-I	Class M-I	Class N	Total Dollar of Repurchases
2023	11,972,300	1,324,769	620,671	12,778,391	615,655	\$ 367,709
2024	17,982,564	2,537,881	1,576,811	14,001,999	—	430,461
2025	15,820,200	2,460,473	270,137	15,741,061	—	391,545

***Distribution Reinvestment Plan***

Pursuant to our distribution reinvestment plan, holders of shares of any class of our common stock and OP Units may elect to have their cash distributions reinvested in additional shares of our common stock at the NAV per share applicable to the class of shares being purchased on the distribution date. For the years ended December 31, 2025, 2024, and 2023, we issued 6,684,456 shares of common stock for \$75,643, 6,884,872 shares of common stock for \$80,600 and 6,117,974 shares of common stock for \$80,644, respectively, under the distribution reinvestment plan.

***Operating Partnership Units***

Our operating partnership will issue OP Units to DST investors upon exercising its fair market value purchase option in exchange for their beneficial interests in such DST Properties, which are recorded as financing obligations (see [Note 8-DST Program](#)). Our operating partnership may also issue OP Units in connection with certain acquisitions from third parties. After a one-year holding period, holders of OP Units generally have the right to cause our operating partnership to redeem all or a portion of their OP Units for, at our sole discretion, shares of our common stock, cash, or a combination of both. During the years ended December 31, 2025, 2024, and 2023, we issued a total of 34,207,311 OP Units with a value of \$388,034, a total of 18,489,300 OP Units with a value of \$224,210 and a total of 26,674,800 OP Units with a value of \$356,803, respectively. During the years ended December 31, 2025, 2024, and 2023, we redeemed a total of 4,450,784 OP Units with a value of \$50,675, a total of 968,932 OP Units with a value of \$11,282 and a total of 678,065 OP Units with a value of \$8,897, respectively.

***Distributions Declared***

The distributions declared per share for each of our classes of common stock for the years ended December 31, 2025, 2024 and 2023 were as follows:

Record Date	Distributions		Distributions Paid <sup>(1)(2)</sup>					
	Declared	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
3/25/2025	\$ 0.15750	\$ 0.13315	\$ 0.14894	\$ 0.14891	\$ 0.15750	\$ —	\$ 0.15750	\$ —
6/24/2025	0.15750	0.13271	0.14887	0.14850	0.15750	—	0.15750	—
9/23/2025	0.15750	0.13289	0.14885	0.14894	0.15750	—	0.15750	—
12/23/2025	0.15750	0.13272	0.14877	0.14890	0.15750	0.15750	0.15750	0.14651
Total	<u>\$ 0.63000</u>	<u>\$ 0.53147</u>	<u>\$ 0.59543</u>	<u>\$ 0.59525</u>	<u>\$ 0.63000</u>	<u>\$ 0.15750</u>	<u>\$ 0.63000</u>	<u>\$ 0.14651</u>

Record Date	Distributions		Distributions Paid <sup>(1)</sup>					
	Declared	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
3/25/2024	\$ 0.14500	\$ 0.12210	\$ 0.13652	\$ 0.13669	\$ 0.14500	\$ —	\$ 0.14500	\$ —
6/24/2024	0.15750	0.13561	0.14941	0.15030	0.15750	—	0.15750	—
9/23/2024	0.15750	0.13613	0.14951	0.15069	0.15750	—	0.15750	—
12/23/2024	0.15750	0.13571	0.14923	0.15061	0.15750	—	0.15750	—
Total	<u>\$ 0.61750</u>	<u>\$ 0.52955</u>	<u>\$ 0.58467</u>	<u>\$ 0.58829</u>	<u>\$ 0.61750</u>	<u>\$ —</u>	<u>\$ 0.61750</u>	<u>\$ —</u>

Record Date	Distributions		Distributions Paid <sup>(1)</sup>					
	Declared	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
3/24/2023	\$ 0.14500	\$ 0.11884	\$ 0.13532	\$ 0.13693	\$ 0.14500	\$ —	\$ 0.14500	\$ —
6/23/2023	0.14500	0.11974	0.13555	0.13718	0.14500	—	0.14500	—
9/22/2023	0.14500	0.12007	0.13577	0.13731	0.14500	—	0.14500	—
12/22/2023	0.14500	0.12069	0.13595	0.13760	0.14500	—	0.14500	—
Total	<u>\$ 0.58000</u>	<u>\$ 0.47934</u>	<u>\$ 0.54259</u>	<u>\$ 0.54902</u>	<u>\$ 0.58000</u>	<u>\$ —</u>	<u>\$ 0.58000</u>	<u>\$ —</u>

(1) Distributions paid are net of stockholder servicing fees applicable to each share class.  
(2) No distributions declared for private share classes D or Z as of December 31, 2025.

### ***Organization and Offering Costs***

Organization and offering costs include, but are not limited to, legal, accounting and printing fees and personnel costs of our Advisor attributable to our organization, preparation of the registration statement, registration and qualification of our common stock for sale with the SEC, or in a private placement, and in the various states and filing fees incurred by our Advisor. LaSalle agreed to fund our organization and offering expenses for the Current Public Offering through June 6, 2025, the day the registration statement was declared effective by the SEC, following which time we commenced reimbursing LaSalle over 36 months. Following the Current Public Offering commencement date, we began paying directly or reimbursing LaSalle if it pays on our behalf any organization and offering costs incurred during the Current Public Offering period (other than selling commissions and stockholder servicing fees) as and when incurred. After the termination of the Current Public Offering, LaSalle has agreed to reimburse us to the extent that the organization and offering costs that we incur exceed 15% of our gross proceeds from the Current Public Offering. Organization costs are expensed, whereas offering costs are recorded as a reduction of capital in excess of par value. As of December 31, 2025 and 2024, LaSalle has paid \$3,049 and \$2,821, respectively, of organization and offering costs on our behalf which we had not yet reimbursed. These costs are included in accrued offering costs on the Consolidated Balance Sheets.

### ***Earnings Per Share (“EPS”)***

Basic per share amounts are based on the weighted average of shares outstanding of 219,247,509, 223,648,138 and 240,639,048 for the years ended December 31, 2025, 2024 and 2023, respectively. We have no dilutive or potentially dilutive securities.

We compute net loss per share for Class A, Class M, Class A-I, Class M-I, Class D, Class I, Class N, Class S, and Class Z common stock using the two-class method. Our Advisor may earn a performance fee ([see Note 10-Related Party Transactions](#)) which may impact the net income of each class of common stock differently. In periods where no performance fee is recognized in our Consolidated Statements of Operations and Comprehensive Income, the net loss per share will be the same for each class of common stock. No performance fee is recognized for the years ended December 31, 2025, 2024 and 2023.

Basic and diluted net income per share for each class of common stock is computed using the weighted-average number of common shares outstanding during the period for each class of common stock. We have not issued any dilutive or potentially dilutive securities, and thus the basic and diluted net income per share for a given class of common stock is the same for each period presented.

The following table sets forth the computation of basic and diluted net income per share for each class of our common stock with shares outstanding:

Year Ended December 31, 2025							
	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
Basic and diluted net loss per share:							
Allocation of net income before advisory fees	\$ 2,119	\$ 499	\$ 69	\$ 2,522	\$ 1	\$ 278	\$ 1
Allocation of advisory fees	12,077	2,847	392	14,391	5	1,581	4
Total	\$ (9,958)	\$ (2,348)	\$ (323)	\$ (11,869)	\$ (4)	\$ (1,303)	\$ (3)
Weighted average number of common shares outstanding	84,663,361	19,922,321	2,741,829	100,730,742	43,160	11,109,466	36,630
Basic and diluted net loss per share:	\$ (0.12)	\$ (0.12)	\$ (0.12)	\$ (0.12)	\$ (0.09)	\$ (0.12)	\$ (0.09)
Year Ended December 31, 2024							
	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
Basic and diluted net income per share:							
Allocation of net income before advisory fees	\$ 23,621	\$ 5,971	\$ 815	\$ 22,166	\$ —	\$ 572	\$ —
Allocation of advisory fees	14,803	3,745	512	13,888	—	358	—
Total	\$ 8,818	\$ 2,226	\$ 303	\$ 8,278	\$ —	\$ 214	\$ —
Weighted average number of common shares outstanding	99,408,289	25,094,355	3,418,311	93,319,813	—	2,407,370	—
Basic and diluted net income per share:	\$ 0.09	\$ 0.09	\$ 0.09	\$ 0.09	\$ —	\$ 0.09	\$ —
Year Ended December 31, 2023							
	Class A	Class M	Class A-I	Class M-I	Class I	Class N	Class S
Basic and diluted net loss per share:							
Allocation of net loss before advisory fees	\$ (32,902)	\$ (7,830)	\$ (1,399)	\$ (28,065)	\$ —	\$ (868)	\$ —
Allocation of advisory fees	18,807	4,484	804	16,082	—	498	—
Total	\$ (51,709)	\$ (12,314)	\$ (2,203)	\$ (44,147)	\$ —	\$ (1,366)	\$ —
Weighted average number of common shares outstanding	111,359,347	26,519,408	4,745,546	95,073,260	—	2,941,487	—
Basic and diluted net loss per share:	\$ (0.46)	\$ (0.46)	\$ (0.46)	\$ (0.46)	\$ —	\$ (0.46)	\$ —

**NOTE 8—DST PROGRAM**

On October 16, 2019, we, through our operating partnership, initiated the DST Program, and on August 6, 2024, our board of directors approved an increase to raise up to a total of \$3,000,000 in private placements through the sale of beneficial interests in specific DSTs holding DST Properties, which may be sourced from our existing portfolio or from newly acquired properties sourced from third parties. Each DST Property will be leased back by a wholly owned subsidiary of our operating partnership on a long-term basis for up to ten years pursuant to a master lease agreement. The master lease agreements are expected to be guaranteed by our operating partnership. As compensation for the master lease guarantee, our operating partnership will retain a fair market value purchase option giving it the right, but not the obligation, to acquire the beneficial interests in the DST from the investors at any time after two years from the closing of the applicable DST offering in exchange for OP Units or cash, at our discretion.

The sale of beneficial interests in the DST Property will be accounted for as a failed sale-leaseback transaction due to the fair market value purchase option retained by the operating partnership and as such, the property will remain on our books and records. The proceeds received from each DST offering will be accounted for as a financing obligation on the Consolidated Balance Sheets. Upfront costs for legal work and debt placement costs for the DST are reimbursed by DST investors and are accounted for as deferred loan costs and are netted against the financing obligation. As of December 31, 2025, there are no costs to be reimbursed.

Under the master lease, we are responsible for subleasing the DST Property to tenants, for covering all costs associated with operating the underlying DST Property, and for paying base rent to the DST that owns such property. For financial reporting purposes (and not for income tax purposes), the DST Properties are included in our consolidated financial statements, with the master lease rent payments accounted for as interest expense for programs launched prior to October 1, 2023. During the years ended December 31, 2025 and 2024, we recorded interest expense related to the master lease in the amounts of \$14,129 and \$28,365, respectively. We will record non-cash interest expense over the expected period until exercising of the fair market value purchase option for properties that have increased in fair value. We will recognize non-cash interest income (recorded as a reduction to interest expense) at exercise of the fair market value purchase option for properties that have decreased in fair value in addition to when properties have decreased in fair value following initial periods when the fair value has increased. For the years ended December 31, 2025 and 2024, we incurred non-cash interest expense of \$8,855, and \$5,775 respectively. For the years ended December 31, 2025 and 2024, we recorded non-cash interest income of \$29,579 and \$36,808, respectively.

Commencing on October 1, 2023, we have elected the fair value option for DST Programs launching after that date and as such the financial obligation will be remeasured on a recurring basis. We account for payments made to the DST under the master lease as a reduction of our financial obligations prior to remeasuring the fair value. During the years ended December 31, 2025 and 2024, we recorded \$44,592, and \$5,758 of net unrealized loss on financing obligations related to DST Programs for which we elected the fair value option which was inclusive of \$42,684 and \$13,058 of payments made under the master lease.

For financial reporting purposes, the rental revenues and rental expenses associated with the underlying property of each master lease are included in the respective line items on our Consolidated Statements of Operations and Comprehensive Income. The net amount we receive from the underlying DST Properties may be more or less than the amount we pay to the investors in the specific DST and are considered operating cash flows and could fluctuate over time.

As of December 31, 2025, we have sold approximately \$2,300,000 of interests related to the DST Program. As of December 31, 2025, the following properties are included in our DST Program:

Louisville Logistics Center	Grand Prairie Distribution Center	Kierland Village Center
140 Park Ave	Oak Street Lofts	Pinecone Apartments
47 National Way	Woodlawn Point	Miramont Apartments
Taunton Distribution Center	Woodside Trumbull Apartments	Glendale Distribution Center
Townlake of Coppell	Chandler Distribution Center	DFW Distribution Center
Haven North Andover	Jory Trail at the Grove	Skokie Commons
Elgin Distribution Center	Whitestone Market	Louisville Distribution Center

**NOTE 9—RENTALS UNDER OPERATING LEASES**

We receive rental income from operating leases. The minimum future rentals from consolidated properties, excluding those classified as held for sale and those from residential properties which are short term, generally 12 months or less, based on operating leases in place at December 31, 2025 are as follows:

<b>Year</b>	<b>Amount</b>
2026	\$ 219,689
2027	201,229
2028	184,829
2029	162,414
2030	139,094
Thereafter	475,617
<b>Total</b>	<b>\$ 1,382,872</b>

Minimum future rentals do not include amounts payable by certain tenants based upon a percentage of their gross sales or as reimbursement of property operating expenses. During the years ended December 31, 2025, 2024 and 2023, no individual tenant accounted for greater than 10% of minimum base rents.

**NOTE 10—RELATED PARTY TRANSACTIONS**

Pursuant to the Advisory Agreement with LaSalle, we pay an annual fixed advisory fee of 1.25% of our NAV calculated daily. The Advisory Agreement allows for a performance fee to be earned for each share class based on the total return of that share class or OP Unit during the calendar year. The performance fee is calculated as 10% of the return in excess of 7% per annum. The term of our Advisory Agreement expires June 5, 2026, subject to an unlimited number of successive one-year renewals. Effective during the period from October 7, 2025 through December 31, 2026 (the “Waiver Period”), the Advisor has agreed to waive 20% of the fixed component of the advisory fees otherwise payable to the Advisor with respect to (i) the NAV of the operating partnership attributable to Class D, Class I, Class S and Class Z OP Units (corresponding to Class D, Class I, Class S and Class Z shares), and (ii) the NAV of any assets held by us outside of the Operating Partnership attributable to Class D, Class I, Class S and Class Z shares, effectively reducing the amount of such fixed component advisory fees from 1.25% to 1.0% of the applicable NAV over the Waiver Period. The Advisor will not seek payment of any such waived fees at any time in the future. The Waiver Period will end as of December 31, 2026, and will not be extended and following December 31, 2026 the fixed component of the advisor fee will be 1.25% of the applicable NAV of our operating partnership and us.

The fixed advisory fees for the years ended December 31, 2025, 2024 and 2023 were \$40,893, \$40,392 and \$44,400, respectively. There were no performance fees for the years ended December 31, 2025, 2024 and 2023. Included in Advisor fees payable for the years ended December 31, 2025 and 2024 were \$3,549 and \$3,328 of fixed fee expense, respectively, and no performance fee expenses.

We pay Jones Lang LaSalle Americas, Inc. (“JLL Americas”), an affiliate of the Advisor, for property management, construction management, leasing, mortgage brokerage and sales brokerage services performed at various properties we own. For the years ended December 31, 2025, 2024 and 2023, JLL Americas was paid \$6,448, \$3,543 and \$2,603, respectively.

We pay the Dealer Manager selling commissions and stockholder servicing fees in connection with our offerings. For the years ended December 31, 2025, 2024 and 2023, we paid the Dealer Manager selling commissions and stockholder servicing fees totaling \$12,239, \$11,899 and \$13,969, respectively. A majority of the selling commissions and stockholder servicing fees are reallocated to participating broker-dealers. Included in accrued offering costs at December 31, 2025 and 2024 were \$201,251 and \$177,191 of future stockholder servicing fees payable, respectively.

As of December 31, 2025 and 2024, we owed \$3,049 and \$2,821, respectively, for organization and offering costs paid by LaSalle ([see Note 7 - Common Stock and OP Units](#)). These costs are included in Accrued offering costs.

LaSalle Investment Management Distributors, LLC also serves as the dealer manager for the DST Program on a “best efforts” basis. Our taxable REIT subsidiary, which is a wholly owned subsidiary of our operating partnership, will pay the dealer manager upfront selling commissions, upfront stockholder servicing fees and placement fees of up to 5.0%, 1.0% and 1.0%, respectively, of the gross purchase price per unit of beneficial interest sold in the DST Program. All upfront selling commissions and upfront stockholder servicing fees are reallocated to participating broker-dealers. For the years ended December 31, 2025 and 2024, our taxable REIT subsidiary paid \$13,270 and \$12,994, respectively, to the Dealer Manager. In addition, the dealer manager may receive an ongoing investor servicing fee or stockholder servicing fees, as applicable, that is calculated daily on a continuous basis from year to year equal to 1/365th of (a) 0.25% of the total, gross equity offering at the time of syndication, payable by the DSTs; (b) 0.85% of the NAV of each outstanding Class S OP Unit, 0.30% of the NAV of each outstanding Class Z OP Unit and 0.30% of the NAV of each outstanding Class D OP Unit for such day issued in connection with the FMV Option, payable by our operating partnership; and (c) 0.85% of the NAV of each outstanding Class S share, 0.30% of the NAV of each outstanding Class Z share and 0.30% of the NAV of each outstanding Class D share for such day issued in connection with the Redemption Right, payable by us. The investor servicing fee or stockholder servicing fees, as applicable, may continue for so long as the investor in the DST Program holds beneficial interests, Class Z, Class D, Class I or Class S OP Units or Class Z, Class D, Class I or Class S shares that were issued in connection with the DST Program. No investor servicing fee will be paid on Class M-I OP Units or Class M-I shares. For the years ended December 31, 2025 and 2024, the DSTs paid \$3,057 and \$2,285, respectively, in investor servicing fees to the Dealer Manager in connection with the DST Program.

LaSalle also serves as the manager for the DST Program. Each DST may pay the manager a management fee equal to a to-be-agreed-upon percentage of the total equity of such DST. For the years ended December 31, 2025 and 2024, the DSTs paid \$1,834 and \$1,381, respectively, in management fees to our Advisor in connection with the DST Program.

#### **NOTE 11—COMMITMENTS AND CONTINGENCIES**

We are involved in various claims and litigation matters arising in the ordinary course of business, some of which involve claims for damages. Many of these matters are covered by insurance, although they may nevertheless be subject to deductibles or retentions. Although the ultimate liability for these matters cannot be determined, based upon information currently available, we believe the ultimate resolution of such claims and litigation will not have a material adverse effect on our financial position, results of operations or liquidity.

From time to time, we have entered into contingent agreements for the acquisition and financing of properties. Such acquisitions and financings are subject to satisfactory completion of due diligence or meeting certain leasing or occupancy thresholds.

We are subject to fixed ground lease payments on South Beach Parking Garage of \$126 per year until September 30, 2029, which will increase every five years thereafter by the lesser of 12% or the cumulative Consumer Price Index (“CPI”) over the previous five year period. We are also subject to a variable ground lease payment calculated as 2.5% of revenue. The lease expires September 30, 2041 and has a ten-year renewal option.

The operating agreement for Grand Lakes Marketplace allows the unrelated third party joint venture partner, owning a 10% interest, to immediately put its interest to us at a market determined value.

The operating agreement for 13500 Danielson Street, 4211 Starboard, 2840 Loker Avenue and 15890 Bernardo Center Drive allows the unrelated third party joint venture partner, owning a 5% interest, to immediately put its interest to us at a market determined value.

The operating agreement for our investment in Single-Family Rental Portfolio I allows the unrelated third party joint venture partner, owning a 5% interest, to put its interest to us at a market determined value starting April 15, 2033.

The operating agreement for our investment in Single-Family Rental Portfolio II allows the unrelated third party joint venture, owning a 5% interest, to put its interest to us at a market determined value starting November 9, 2030.

**NOTE 12—SEGMENT REPORTING**

We have five operating segments: healthcare, industrial, residential, retail and other. Other includes operations of our consolidated parking garage and mortgage notes receivable. Consistent with how our chief operating decision maker ("CODM") reviews and manages our properties, the financial information summarized below is presented by operating segment for the years ended December 31, 2025, 2024 and 2023. Our CODM is made up of our chief executive officer and two executives of our Advisor's portfolio management group.

Year Ended December 31, 2025	Healthcare	Industrial	Residential	Retail	Other	Total
<b>Assets</b>	\$ 625,069	\$2,093,203	\$2,047,655	\$ 613,733	\$ 52,636	\$ 5,432,296
<b>Capital expenditures by segment</b>	8,605	12,626	21,314	13,517	—	56,062
<b>Revenues:</b>						
Rental revenue	\$ 66,637	\$ 148,520	\$ 157,685	\$ 53,702	\$ 285	\$ 426,829
Other revenue	2,441	1,726	6,161	949	1,969	13,246
Interest on mortgage note receivable	—	—	—	—	11,915	11,915
<b>Total revenues</b>	<u>\$ 69,078</u>	<u>\$ 150,246</u>	<u>\$ 163,846</u>	<u>\$ 54,651</u>	<u>\$ 14,169</u>	<u>\$ 451,990</u>
Adjustments to total revenues <sup>(1)</sup>	(3,105)	(8,203)	(2,087)	(2,179)	15	(15,559)
<b>Total segment revenue</b>	<u>\$ 65,973</u>	<u>\$ 142,043</u>	<u>\$ 161,759</u>	<u>\$ 52,472</u>	<u>\$ 14,184</u>	<u>\$ 436,431</u>
<b>Operating expenses:</b>						
Real estate taxes	\$ 5,371	\$ 23,419	\$ 23,238	\$ 6,614	\$ 444	\$ 59,086
Property operating	15,573	12,397	44,054	9,508	857	82,389
Property general and administrative	358	424	208	538	104	1,632
<b>Total operating expenses</b>	<u>\$ 21,302</u>	<u>\$ 36,240</u>	<u>\$ 67,500</u>	<u>\$ 16,660</u>	<u>\$ 1,405</u>	<u>\$ 143,107</u>
Adjustments to total operating expenses <sup>(2)</sup>	—	(91)	(829)	(417)	—	(1,337)
<b>Total segment operating expenses</b>	<u>\$ 21,302</u>	<u>\$ 36,149</u>	<u>\$ 66,671</u>	<u>\$ 16,243</u>	<u>\$ 1,405</u>	<u>\$ 141,770</u>
<b>Total segment operating income</b>	<u>\$ 44,671</u>	<u>\$ 105,894</u>	<u>\$ 95,088</u>	<u>\$ 36,229</u>	<u>\$ 12,779</u>	<u>\$ 294,661</u>
<b>Reconciliation to net income</b>						
Total segment operating income						\$ 294,661
Elimination of adjustments						14,222
Corporate level revenue and operating expenses						441
Advisor fees						(40,893)
Company level expenses						(8,704)
Provision for impairment of real estate						(286)
Depreciation and amortization						(160,887)
Interest expense						(89,266)
Unrealized loss on financial obligation						(44,592)
Loss from unconsolidated real estate affiliates and fund investment						(2,256)
Gain on disposition of property and extinguishment of debt, net						2,375
Net Loss						<u>\$ (35,185)</u>
<b>Reconciliation to total consolidated assets as of December 31, 2025</b>						
Assets per reportable segments						\$ 5,432,296
Investment in unconsolidated real estate affiliates, real estate fund investment, corporate level and other assets						195,083
<b>Total consolidated assets</b>						<u>\$ 5,627,379</u>

(1) Adjustments represent exclusion of straight-line rent and amortization of above and below lease intangibles as well as amounts attributable to our joint venture partner's share of total revenues.

(2) Adjustments represent amounts attributable to our joint venture partner's share of total operating expenses.

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Year Ended December 31, 2024	Healthcare	Industrial	Residential	Retail	Other	Total
<b>Assets</b>	\$ 604,502	\$1,657,627	\$1,417,376	\$ 581,580	\$152,883	\$ 4,413,968
<b>Capital expenditures by segment</b>	\$ 9,977	\$ 18,704	\$ 20,464	\$ 4,759	\$ —	\$ 53,904
<b>Revenues:</b>						
Rental revenue	\$ 63,876	\$ 129,358	\$ 138,101	\$ 54,078	\$ (44)	\$ 385,369
Other revenue	1,864	501	5,896	3,108	1,925	13,294
Interest on mortgage note receivable	—	—	—	—	8,873	8,873
<b>Total revenues</b>	\$ 65,740	\$ 129,859	\$ 143,997	\$ 57,186	\$ 10,754	\$ 407,536
Adjustments to total revenues <sup>(1)</sup>	(3,353)	(4,564)	(466)	(3,342)	15	(11,710)
<b>Total segment revenue</b>	\$ 62,387	\$ 125,295	\$ 143,531	\$ 53,844	\$ 10,769	\$ 395,826
<b>Operating expenses:</b>						
Real estate taxes	\$ 5,942	\$ 22,426	\$ 19,526	\$ 6,558	\$ 403	\$ 54,855
Property operating	14,504	10,939	39,245	9,480	762	74,930
Property general and administrative	336	501	153	796	87	1,873
<b>Total operating expenses</b>	\$ 20,782	\$ 33,866	\$ 58,924	\$ 16,834	\$ 1,252	\$ 131,658
Adjustments to total operating expenses <sup>(2)</sup>	—	(103)	(227)	(446)	—	(776)
<b>Total segment operating expenses</b>	\$ 20,782	\$ 33,763	\$ 58,697	\$ 16,388	\$ 1,252	\$ 130,882
<b>Total segment operating income</b>	<u>\$ 41,605</u>	<u>\$ 91,532</u>	<u>\$ 84,834</u>	<u>\$ 37,456</u>	<u>\$ 9,517</u>	<u>\$ 264,944</u>
<b>Reconciliation to net income</b>						
Total segment operating income						\$ 264,944
Elimination of adjustments						10,934
Corporate level revenue and general and administrative expenses						(1,917)
Advisor fees						(40,392)
Company level expenses						(7,686)
Provision for impairment of real estate						(21,135)
Depreciation and amortization						(144,622)
Interest expense						(82,530)
Unrealized loss on financial obligation						(5,758)
Loss from unconsolidated real estate affiliates and fund investments						(13,713)
Investment income on marketable securities						989
Net realized loss upon sale of marketable securities						(5,015)
Gain on disposition of property and extinguishment of debt, net						73,510
Net income						<u>\$ 27,609</u>
<b>Reconciliation to total consolidation assets as of December 31, 2024</b>						
Assets per reportable segments						\$ 4,413,968
Investment in unconsolidated real estate affiliates, real estate fund investment and corporate level assets						589,713
<b>Total consolidated assets</b>						<u>\$ 5,003,681</u>

(1) Adjustments represent exclusion of straight-line rent and amortization of above and below lease intangibles as well as amounts attributable to our joint venture partner's share of total revenues.

(2) Adjustments represent amounts attributable to our joint venture partner's share of total operating expenses.

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Year Ended December 31, 2023	Healthcare	Industrial	Residential	Retail	Other	Total
<b>Capital expenditures by segment</b>	\$ 4,994	\$ 15,269	\$ 18,123	\$ 7,899	\$ —	\$ 46,285
<b>Revenues:</b>						
Rental revenue	\$ 62,737	\$ 124,629	\$ 137,246	\$ 53,244	\$ 385	\$ 378,241
Other income	1,493	1,884	6,529	1,025	2,021	12,952
Interest on mortgage note receivable	—	—	—	—	2,015	2,015
<b>Total revenues</b>	<b>\$ 64,230</b>	<b>\$ 126,513</b>	<b>\$ 143,775</b>	<b>\$ 54,269</b>	<b>\$ 4,421</b>	<b>\$ 393,208</b>
Adjustments to total revenues <sup>(1)</sup>	(4,115)	(4,906)	(791)	(2,021)	(21)	(11,854)
<b>Total segment revenue</b>	<b>\$ 60,115</b>	<b>\$ 121,607</b>	<b>\$ 142,984</b>	<b>\$ 52,248</b>	<b>\$ 4,400</b>	<b>\$ 381,354</b>
<b>Operating expenses:</b>						
Real estate taxes	\$ 5,659	\$ 21,235	\$ 18,689	\$ 6,428	\$ 375	\$ 52,386
Property operating	13,854	9,942	38,963	9,437	843	73,039
Property general and administrative	405	500	102	882	123	2,012
<b>Total operating expenses</b>	<b>\$ 19,918</b>	<b>\$ 31,677</b>	<b>\$ 57,754</b>	<b>\$ 16,747</b>	<b>\$ 1,341</b>	<b>\$ 127,437</b>
Adjustments to total operating expenses <sup>(2)</sup>	—	(90)	(352)	(444)	—	(886)
<b>Total segment operating expenses</b>	<b>\$ 19,918</b>	<b>\$ 31,587</b>	<b>\$ 57,402</b>	<b>\$ 16,303</b>	<b>\$ 1,341</b>	<b>\$ 126,551</b>
<b>Total segment operating income</b>	<b>\$ 40,197</b>	<b>\$ 90,020</b>	<b>\$ 85,582</b>	<b>\$ 35,945</b>	<b>\$ 3,059</b>	<b>\$ 254,803</b>
<b>Reconciliation to net income</b>						
Total segment operating income						254,803
Elimination of adjustments						10,968
Corporate level revenue and general and administrative expenses						(42)
Advisor fees						(44,400)
Company level expenses						(6,268)
Depreciation and amortization						(147,470)
Interest expense						(195,483)
Loss from unconsolidated real estate affiliates and fund investments						(10,815)
Investment income on marketable securities						2,170
Net realized loss upon sale of marketable securities						(1,675)
Net unrealized change in fair value of investment in marketable securities						5,703
Gain on disposition of property and extinguishment of debt, net						14,056
Net loss						<u>\$ (118,453)</u>

(1) Adjustments represent exclusion of straight-line rent and amortization of above and below lease intangibles as well as amounts attributable to our joint venture partner's share of total revenues.

(2) Adjustments represent amounts attributable to our joint venture partner's share of total operating expense

**NOTE 13—INVESTMENT IN MARKETABLE SECURITIES**

During the year ended December 31, 2024, we liquidated our investment in marketable securities, which consisted entirely of stock of publicly traded REITs. Upon the sale of a particular security, the realized net gain or loss is computed assuming the shares purchased first are sold first. During the year ended December 31, 2024, marketable securities sold generated proceeds of \$53,932, resulting in realized gains of \$4,727, and realized losses of \$9,742. During the year ended December 31, 2023, marketable securities sold generated proceeds of \$27,867, resulting in realized gains of \$870, and realized losses of \$2,545.

**NOTE 14—SUBSEQUENT EVENTS**

On January 16, 2026, our operating partnership exercised its fair market value purchase option to acquire Louisville Logistics Center and issued 8,591,124 OP Units to the DST investors for approximately \$96,018 in exchange for their beneficial interest in such DST property. Upon exercising the fair market value purchase option we estimate a realized loss on financial obligation of \$850 will be recorded which includes a \$963 disposition fee.

On January 27, 2026, we sold Dylan Point Loma, a 180-unit residential building located in San Diego, California for approximately \$91,000 less closing costs. In connection with the disposition, the mortgage loan associated with the property of \$40,500 was retired. We estimate a gain on the sale of the property in the amount of \$13,000 and a loss on the extinguishment of debt of \$200.

On January 30, 2026, the joint venture owning Kingston at McLean Crossing, a 319-unit residential building located in McLean, Virginia sold the property for approximately \$144,500 less closing costs. In connection with the disposition, the mortgage loan associated with the property of \$80,000 was retired. We estimate a gain on the sale of our investment in the amount of \$19,000.

On February 26, 2026, we acquired West Boston Medical Center, a 53,000 square foot medical office building located in Watertown, Massachusetts for approximately \$32,150. The acquisition was funded with cash on hand.

On March 2, 2026, our board of directors approved a gross dividend for the second quarter of 2026 of \$0.1575 per share to stockholders and OP Unit holders of record as of June 30, 2026. The dividend will be paid on or around July 1, 2026. Stockholders and OP Unit holders will receive \$0.1575 per share or OP Unit, less applicable class-specific fees, if any.

On March 12, 2026, we entered into an amended credit agreement providing for a \$1,000,000 revolving line of credit and unsecured term loan with a syndicate of ten lenders led by JPMorgan Chase Bank ([see Note 6 - Mortgage Notes and Other Debt Payable](#)).

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Schedule III—Real Estate and Accumulated Depreciation as of December 31, 2025

Description	Col. A	Col. C		Col. D			Col. E			
	Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition (1)			Gross Amounts at which Carried at the Close of Period			
		Land	Building and Equipment	Land	Building and Equipment	Carrying Costs	Land	Building and Equipment	Total	
<b>Healthcare Properties:</b>										
Monument IV at Worldgate—Herndon, VA	\$ —	\$ 5,186	\$ 57,013	\$ —	\$ 10,583	\$ —	\$ 5,186	\$ 67,596	\$ 72,782	
140 Park Avenue—Florham Park, NJ	—	3,162	34,784	—	(4)	—	3,162	34,780	37,942	
San Juan Medical Center- San Juan Capistrano, CA	16,730	9,807	13,303	—	1,239	—	9,807	14,542	24,349	
Genesee Plaza - San Deigo, CA	—	8,222	73,964	—	9,124	—	8,222	83,088	91,310	
Fountainhead Corporate Park--Tempe, AZ	—	5,942	36,301	—	10,557	—	5,942	46,858	52,800	
170 Park Avenue-Florham Park, NJ	—	4,612	38,337	—	140	—	4,612	38,477	43,089	
South Reno Medical Center-Reno, NV	—	1,029	9,882	—	38	—	1,029	9,920	10,949	
North Tampa Surgery Center-Odessa, FL	—	1,227	5,069	—	(4)	—	1,227	5,065	6,292	
1203 SW 7 Highway-Blue Springs, MO	—	171	2,355	—	11	—	171	2,366	2,537	
8600 NE 82nd Street-Kansas City, MO	—	143	3,519	—	12	—	143	3,531	3,674	
Sugar Land Medical Office-Sugar Land, TX	—	2,449	9,943	—	(91)	—	2,449	9,852	12,301	
Roeland Park Medical Office-Roeland Park, KS	—	1,057	8,182	—	22	—	1,057	8,204	9,261	
Durham Medical Center-Durham, NC	—	974	29,575	—	279	—	974	29,854	30,828	
9101 Stony Point Drive--Richmond, VA	—	3,980	37,939	—	33	—	3,980	37,972	41,952	
Cedar Medical Center at Flagstaff-Flagstaff, AZ	—	1,735	12,814	—	—	—	1,735	12,814	14,549	
North Boston Medical Center-Haverhill, MA	—	2,004	16,253	—	1	—	2,004	16,254	18,258	
North Charlotte Medical Center-Denver, NC	—	2,462	8,562	—	1	—	2,462	8,563	11,025	
Grand Rapids Medical Center-Wyoming, MI	—	1,031	5,941	—	8	—	1,031	5,949	6,980	
Glendale Medical Center-Los Angeles, CA	—	2,782	13,074	—	45	—	2,782	13,119	15,901	
6300 Dumbarton Circle-Fremont, CA	—	5,804	23,359	—	52	—	5,804	23,411	29,215	
6500 Kaiser Drive-Fremont, CA	—	11,542	17,535	—	356	—	11,542	17,891	29,433	
Greater Sacramento Medical Center-Rancho Cordova, CA	—	1,105	8,770	—	1	—	1,105	8,771	9,876	
Naperville Medical Center-Naperville, IL	—	2,415	10,200	—	21	—	2,415	10,221	12,636	
3000 University Center Drive-Tampa, FL	—	2,846	10,948	—	—	—	2,846	10,948	13,794	
<b>Total Healthcare Properties</b>	<b>16,730</b>	<b>81,687</b>	<b>487,622</b>	<b>—</b>	<b>32,424</b>	<b>—</b>	<b>81,687</b>	<b>520,046</b>	<b>601,733</b>	
<b>Industrial Properties:</b>										
Kendall Distribution Center—Atlanta, GA	—	2,656	12,836	(294)	823	\$ —	\$ 2,362	\$ 13,659	\$ 16,021	
Suwanee Distribution Center—Suwanee, GA	—	6,155	27,598	—	993	—	6,155	28,591	34,746	
Grand Prairie Distribution Center—Grand Prairie, TX	—	2,100	12,478	—	596	—	2,100	13,074	15,174	
Charlotte Distribution Center—Charlotte, NC	—	5,381	15,002	—	426	—	5,381	15,428	20,809	
4050 Corporate Drive—Grapevine, TX	—	5,200	18,327	—	2,126	—	5,200	20,453	25,653	
4055 Corporate Drive—Grapevine, TX	—	2,400	12,377	—	4,013	—	2,400	16,390	18,790	
2501-2575 Allan Drive—Elk Grove, IL	—	4,300	10,926	—	977	—	4,300	11,903	16,203	

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Description	Col. A	Col. B		Col. C			Col. D			Col. E	
		Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition (1)			Gross Amounts at which Carried at the Close of Period			
			Land	Building and Equipment	Land	Building and Equipment	Carrying Costs	Land	Building and Equipment	Total	
2601-2651 Allan Drive—Elk Grove, IL		—	2,600	7,726	—	361	—	2,600	8,087	10,687	
1300 Michael Drive—Wood Dale, IL		—	1,900	6,770	—	414	—	1,900	7,184	9,084	
1350 Michael Drive—Wood Dale, IL		—	1,500	5,059	—	378	—	1,500	5,437	6,937	
1225 Michael Drive—Wood Dale, IL		—	2,600	7,149	—	549	—	2,600	7,698	10,298	
200 Lewis Drive—Wood Dale, IL		—	1,100	4,165	—	239	—	1,100	4,404	5,504	
1301-1365 Mittel Boulevard—Chicago, IL		—	2,700	5,473	—	638	—	2,700	6,111	8,811	
Tampa Distribution Center- Tampa, FL		—	3,507	22,485	—	1,867	—	3,507	24,352	27,859	
Aurora Distribution Center- Aurora, IL		—	9,861	14,646	—	—	—	9,861	14,646	24,507	
28150 West Harrison Parkway- Valencia, CA		—	2,760	8,899	—	730	—	2,760	9,629	12,389	
28145 West Harrison Parkway- Valencia, CA		—	3,468	10,111	—	675	—	3,468	10,786	14,254	
28904 Avenue Paine- Valencia, CA		—	3,812	10,535	—	941	—	3,812	11,476	15,288	
25045 Avenue Tibbitts- Santa Clarita, CA		—	4,087	13,224	—	1,010	—	4,087	14,234	18,321	
Mason Mill Distribution Center—Buford, GA		17,500	3,406	23,312	—	(109)	—	3,406	23,203	26,609	
Fremont Distribution Center - Fremont, CA		—	29,427	7,024	—	1,966	—	29,427	8,990	38,417	
3324 Trinity Boulevard - Grand Prairie, TX		—	3,215	11,255	—	37	—	3,215	11,292	14,507	
Taunton Distribution Center - Taunton, MA		—	2,000	21,589	—	104	—	2,000	21,693	23,693	
Chandler Distribution Center - Chandler, AZ		—	3,803	24,095	—	541	—	3,803	24,636	28,439	
Fort Worth Distribution Center--Fort Worth, TX		—	3,059	21,053	—	1,296	—	3,059	22,349	25,408	
4993 Anson Boulevard--Whitestown, IN		17,000	2,197	20,224	—	(39)	—	2,197	20,185	22,382	
5102 E 500 South--Whitestown, IN		17,000	3,460	28,049	—	(50)	—	3,460	27,999	31,459	
Louisville Distribution Center—Shepherdsville, KY		—	9,028	66,792	—	4,283	—	9,028	71,075	80,103	
6511 West Frye Road—Chandler, AZ		12,250	2,102	15,511	—	1,666	—	2,102	17,177	19,279	
6565 West Frye Road—Chandler, AZ		12,250	2,451	18,807	—	23	—	2,451	18,830	21,281	
6615 West Frye Road—Chandler, AZ		12,250	2,799	18,030	—	19	—	2,799	18,049	20,848	
6677 West Frye Road—Chandler, AZ		12,250	2,451	18,662	—	53	—	2,451	18,715	21,166	
5 National Way—Durham, NC		—	6,846	21,233	—	277	—	6,846	21,510	28,356	
47 National Way—Durham, NC		—	6,840	20,401	—	2,122	—	6,840	22,523	29,363	
South San Diego Distribution Center—San Diego, CA		72,500	18,496	123,681	—	11,549	—	18,496	135,230	153,726	
2451 Bath Road—Elgin, IL		—	4,247	26,182	—	6	—	4,247	26,188	30,435	
1755 Britannia Drive—Elgin, IL		—	1,046	10,522	—	726	—	1,046	11,248	12,294	
687 Conestoga Parkway—Shepardsville, KY		—	2,462	33,393	—	429	—	2,462	33,822	36,284	
Louisville Airport Distribution Center—Louisville, KY		—	2,843	26,812	—	(1)	—	2,843	26,811	29,654	
Friendship Distribution Center-Buford, GA		—	7,082	80,654	—	106	—	7,082	80,760	87,842	
13500 Danielson Street-Poway, CA		10,751	7,624	11,503	—	918	—	7,624	12,421	20,045	
4211 Starboard-Fremont, CA		20,164	13,409	13,872	—	9,977	—	13,409	23,849	37,258	
2840 Loker Avenue-Carlsbad, CA		14,005	7,631	16,030	—	245	—	7,631	16,275	23,906	

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Col. A Description	Col. B Encumbrances	Col. C Initial Cost		Col. D Costs Capitalized Subsequent to Acquisition (1)			Col. E Gross Amounts at which Carried at the Close of Period		
		Land	Building and Equipment	Land	Building and Equipment	Carrying Costs	Land	Building and Equipment	Total
15890 Bernardo Center Drive-San Diego, CA	8,513	2,316	11,715	—	407	—	2,316	12,122	14,438
NE Atlanta DC-Jefferson, GA	—	7,587	42,725	—	—	—	7,587	42,725	50,312
6635 West Frye Road-Chandler, AZ	—	2,960	24,950	—	18	—	2,960	24,968	27,928
6575 West Frye Road-Chandler, AZ	—	3,971	29,415	—	20	—	3,971	29,435	33,406
West Phoenix Distribution Center-Glendale, AZ	62,000	28,914	95,012	—	—	—	28,914	95,012	123,926
Puget Sound Distribution Center-Lacey, WA	—	3,898	17,470	—	549	—	3,898	18,019	21,917
Louisville Logistics Center-Shepherdsville, KY	—	8,336	62,032	—	—	—	8,336	62,032	70,368
Minneapolis Distribution Center-Maple Grove MN	—	7,342	50,732	—	1	—	7,342	50,733	58,075
Richmond Distribution Center-Richmond, VA	—	3,404	31,318	—	—	—	3,404	31,318	34,722
Glendale Distribution Center-Glendale, AZ	50,000	14,525	98,637	—	(118)	—	14,525	98,519	113,044
West Raleigh Distribution Center-Apex, NC	35,750	9,656	162,379	—	1,604	—	9,656	163,983	173,639
<b>Total Industrial Properties</b>	<b>374,183</b>	<b>308,920</b>	<b>1,530,857</b>	<b>(294)</b>	<b>56,381</b>	<b>—</b>	<b>308,626</b>	<b>1,587,238</b>	<b>1,895,864</b>
<b>Residential Properties:</b>									
Townlake of Coppell—Coppell, TX	36,030	8,444	36,805	—	2,914	—	8,444	39,719	48,164
AQ Rittenhouse—Philadelphia, PA	—	11,000	39,963	(2,869)	(15,809)	—	8,131	24,154	32,285
Lane Park Apartments—Mountain Brook, AL	37,000	5,100	66,428	—	24,307	—	5,100	90,735	95,835
The Penfield—St. Paul, MN	35,434	8,021	52,713	—	1,324	—	8,021	54,037	62,058
Jory Trail at the Grove—Wilsonville, OR	—	7,877	64,369	—	4,798	—	7,877	69,167	77,044
The Reserve at Johns Creek Walk—Johns Creek, GA	25,521	7,552	38,025	(327)	3,248	—	7,225	41,273	48,498
Villas at Legacy—Plano, TX	37,500	6,888	48,504	—	6,953	—	6,888	55,457	62,345
Summit at San Marcos - Chandler, AZ	37,000	6,401	63,335	—	(698)	—	6,401	62,637	69,038
Haven North Andover-North Andover, MA	35,900	7,501	75,403	—	1,985	—	7,501	77,388	84,889
The Preserve at the Meadows—Fort Collins, CO	32,400	5,500	86,125	—	1,038	—	5,500	87,163	92,663
The Rockwell—Berlin, MA	46,310	9,656	53,870	—	2,320	—	9,656	56,190	65,846
Miramont—Fort Collins, CO	—	8,140	63,156	—	611	—	8,140	63,767	71,907
Pinecone—Fort Collins, CO	—	9,217	49,005	—	2,647	—	9,217	51,652	60,869
Reserve at Venice-North Venice, FL	55,800	8,558	43,833	—	2,569	—	8,558	46,402	54,960
Woodside Trumbull-Trumbull, CT	34,500	4,654	91,755	—	(191)	—	4,654	91,564	96,218
Jefferson Lake Howell-Casselberry, FL	53,535	12,680	139,532	—	394	—	12,680	139,926	152,606
Oak Street Lofts-Tigard, OR	—	5,325	75,260	—	800	—	5,325	76,060	81,385
Molly Brook on Belmont-North Haledon, NJ	51,222	8,893	60,049	4	175	—	8,897	60,224	69,121
Creekview Crossing-Sherwood, OR	25,253	4,623	47,088	—	1,835	—	4,623	48,923	53,546
Single-Family Rental Portfolio II	—	32,957	131,411	1,174	5,273	—	34,131	136,684	170,815
Single-Family Rental Portfolio I	386,174	128,985	512,957	(177)	1,152	—	128,808	514,109	642,917
<b>Total Residential Properties</b>	<b>929,579</b>	<b>307,972</b>	<b>1,839,586</b>	<b>(2,195)</b>	<b>47,645</b>	<b>—</b>	<b>305,777</b>	<b>1,887,231</b>	<b>2,193,009</b>

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Description	Col. A	Col. B		Col. C		Col. D			Col. E	
		Encumbrances	Initial Cost		Costs Capitalized Subsequent to Acquisition (1)			Gross Amounts at which Carried at the Close of Period		Total
			Land	Building and Equipment	Land	Building and Equipment	Carrying Costs	Land	Building and Equipment	
<b>Retail Properties:</b>										
The District at Howell Mill—Atlanta, GA		25,290	10,000	56,040	(36)	18,057	—	9,964	74,097	84,061
Grand Lakes Marketplace—Katy, TX		23,900	5,215	34,770	—	1,452	—	5,215	36,222	41,437
Rancho Temecula Town Center—Temecula, CA		28,000	14,600	41,180	—	868	—	14,600	42,048	56,648
Skokie Commons—Skokie, IL		—	8,859	25,705	891	3	—	9,750	25,708	35,458
Whitestone Market—Austin, TX		—	7,000	39,868	—	3,595	—	7,000	43,463	50,463
Maui Mall—Maui, HI		32,813	44,257	39,454	(547)	11,739	—	43,710	51,193	94,903
Silverstone Marketplace—Scottsdale, AZ		—	8,012	33,771	—	807	—	8,012	34,578	42,590
Kierland Village Center—Scottsdale, AZ		—	7,037	26,693	—	1,233	—	7,037	27,926	34,963
Timberland Town Center—Beaverton, OR		—	6,083	33,826	—	1,212	—	6,083	35,038	41,121
Montecito Marketplace—Las Vegas, NV		37,710	11,410	45,212	—	1,666	—	11,410	46,878	58,288
Milford Crossing—Milford, MA		—	1,124	30,869	—	(100)	—	1,124	30,769	31,893
Patterson Place—Durham, NC		—	855	12,169	—	112	—	855	12,281	13,136
Silverado Square—Las Vegas, NV		—	4,293	16,273	—	113	—	4,293	16,386	20,679
Woodlawn Point Shopping Center—Marietta, GA		—	4,731	26,881	—	643	—	4,731	27,524	32,255
Westbury Square—Huntsville, AL		—	1,568	27,413	—	—	—	1,568	27,413	28,981
<b>Total Retail Properties</b>		<b>147,713</b>	<b>135,044</b>	<b>490,124</b>	<b>308</b>	<b>41,400</b>	<b>—</b>	<b>135,352</b>	<b>531,524</b>	<b>666,876</b>
<b>Other Properties:</b>										
South Beach Parking Garage—Miami, FL		—	—	21,467	—	379	—	—	21,846	21,846
<b>Total Other Properties</b>		<b>—</b>	<b>—</b>	<b>21,467</b>	<b>—</b>	<b>379</b>	<b>—</b>	<b>—</b>	<b>21,846</b>	<b>21,846</b>
<b>Total Consolidated Properties:</b>		<b>\$ 1,468,205</b>	<b>\$ 833,623</b>	<b>\$ 4,369,656</b>	<b>\$ (2,181)</b>	<b>\$ 178,229</b>	<b>\$ —</b>	<b>\$ 831,442</b>	<b>\$ 4,547,886</b>	<b>\$ 5,379,328</b>
<b>Properties Held for Sale:</b>										
Dylan Point Loma—San Diego, CA		37,169	19,000	70,860	—	795	—	19,000	71,655	90,655
Single-Family Rental Portfolio I		—	—	—	—	1,041	—	—	1,041	1,041
<b>Total Properties Held For Sale</b>		<b>\$ 37,169</b>	<b>\$ 19,000</b>	<b>\$ 70,860</b>	<b>\$ —</b>	<b>\$ 1,836</b>	<b>\$ —</b>	<b>\$ 19,000</b>	<b>\$ 72,696</b>	<b>\$ 91,696</b>

The unaudited aggregate cost and accumulated depreciation for tax purposes was approximately \$5,098,508 and \$918,501, respectively.

- (1) Includes net provisions for impairment of real estate taken since acquisition of property.

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Col. A	Col. F	Col. G	Col. H	Col. I
Description	Accumulated Depreciation	Date of Construction	Date of Acquisition	Life on which depreciation in latest income statement is computed
<b>Healthcare Properties:</b>				
Monument IV at Worldgate—Herndon, VA	\$ (32,032)	2001	8/27/2004	50 years
140 Park Avenue—Florham Park, NJ	(6,956)	2015	12/21/2015	50 years
San Juan Medical Center- San Juan Capistrano, CA	(3,392)	2015	4/1/2016	50 years
Genesee Plaza - San Deigo, CA	(13,244)	1983	7/2/2019	40 years
Fountainhead Corporate Park--Tempe, AZ	(9,717)	1985	2/6/2020	40 years
170 Park Avenue-Florham Park, NJ	(4,737)	1998	2/2/2021	40 years
South Reno Medical Center-Reno, NV	(983)	2004	12/28/2021	40 years
North Tampa Surgery Center-Odessa, FL	(431)	2021	10/8/2021	50 years
1203 SW 7 Highway-Blue Springs, MO	(237)	2021	12/23/2021	40 years
8600 NE 82nd Street-Kansas City, MO	(282)	2021	12/23/2021	50 years
Sugar Land Medical Office-Sugar Land, TX	(788)	2020	12/30/2021	50 years
Roeland Park Medical Office-Roeland Park, KS	(655)	2021	12/28/2021	50 years
Durham Medical Center-Durham, NC	(3,027)	2010	12/23/2021	40 years
9101 Stony Point Drive--Richmond, VA	(3,297)	2018	9/15/2021	50 years
Cedar Medical Center at Flagstaff-Flagstaff, AZ	(940)	2022	4/29/2022	50 years
North Boston Medical Center-Haverhill, MA	(1,138)	2017	6/28/2022	50 years
North Charlotte Medical Center-Denver, NC	(599)	2017	6/28/2022	50 years
Grand Rapids Medical Center-Wyoming, MI	(406)	2018	7/21/2022	50 years
Glendale Medical Center-Los Angeles, CA	(1,118)	2018	7/29/2022	50 years
6300 Dumbarton Circle-Fremont, CA	(1,790)	1990	9/15/2022	40 years
6500 Kaiser Drive-Fremont, CA	(1,802)	1990	9/15/2022	40 years
Greater Sacramento Medical Center-Rancho Cordova, CA	(713)	2012	9/16/2022	40 years
Naperville Medical Center-Naperville, IL	(194)	2014	3/28/2025	40 years
3000 University Center Drive-Tampa, FL	(17)	1987	12/12/2025	40 years
<b>Total Healthcare Properties</b>	<b>(88,495)</b>			
<b>Industrial Properties:</b>				
Kendall Distribution Center—Atlanta, GA	(5,448)	2002	6/30/2005	50 years
Suwanee Distribution Center—Suwanee, GA	(7,333)	2012	6/28/2013	50 years
Grand Prairie Distribution Center—Grand Prairie, TX	(3,266)	1980	12/18/2013	40 years
Charlotte Distribution Center—Charlotte, NC	(4,554)	2013	1/22/2014	50 years
4050 Corporate Drive—Grapevine, TX	(5,360)	1991	6/27/2014	40 years
4055 Corporate Drive—Grapevine, TX	(4,225)	1996	4/15/2015	40 years
2501-2575 Allan Drive—Elk Grove, IL	(3,040)	1996	4/15/2015	40 years
2601-2651 Allan Drive—Elk Grove, IL	(2,115)	1985	9/30/2015	40 years
1300 Michael Drive—Wood Dale, IL	(1,813)	1985	9/30/2015	40 years
1350 Michael Drive—Wood Dale, IL	(1,386)	1985	9/30/2015	40 years

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Col. A	Col. F	Col. G	Col. H	Col. I
Description	Accumulated Depreciation	Date of Construction	Date of Acquisition	Life on which depreciation in latest income statement is computed
1225 Michael Drive—Wood Dale, IL	(1,976)	1985	9/30/2015	40 years
200 Lewis Drive—Wood Dale, IL	(1,359)	1985	9/30/2015	40 years
1301-1365 Mittel Boulevard—Chicago, IL	(1,568)	1985	9/30/2015	40 years
Tampa Distribution Center- Tampa, FL	(5,798)	1985	9/30/2015	40 years
Aurora Distribution Center- Aurora, IL	(2,807)	2009	4/11/2016	40 years
28150 West Harrison Parkway- Valencia, CA	(2,406)	2016	5/19/2016	50 years
28145 West Harrison Parkway- Valencia, CA	(2,538)	1997	6/29/2016	40 years
28904 Avenue Paine- Valencia, CA	(2,689)	1997	6/29/2016	40 years
25045 Avenue Tibbitts- Santa Clarita, CA	(3,525)	1988	6/29/2016	40 years
Mason Mill Distribution Center—Buford, GA	(3,715)	2016	12/29/2016	50 years
Fremont Distribution Center - Fremont, CA	(1,934)	1991	3/29/2019	40 years
3324 Trinity Boulevard - Grand Prairie, TX	(1,888)	2015	5/31/2019	40 years
Taunton Distribution Center - Taunton, MA	(2,947)	2016	8/23/2019	50 years
Chandler Distribution Center - Chandler, AZ	(3,204)	2016	12/5/2019	50 years
Fort Worth Distribution Center--Fort Worth, TX	(3,188)	2020	10/23/2020	50 years
4993 Anson Boulevard--Whitestown, IN	(2,053)	2020	12/11/2020	50 years
5102 E 500 South--Whitestown, IN	(2,848)	2020	12/11/2020	50 years
Louisville Distribution Center—Shepherdsville, KY	(8,611)	2020	1/21/2021	50 years
6511 West Frye Road—Chandler, AZ	(2,335)	2019	2/23/2021	50 years
6565 West Frye Road—Chandler, AZ	(1,827)	2019	2/23/2021	50 years
6615 West Frye Road—Chandler, AZ	(1,751)	2019	2/23/2021	50 years
6677 West Frye Road—Chandler, AZ	(1,815)	2019	2/23/2021	50 years
5 National Way—Durham, NC	(1,847)	2020	9/28/2021	50 years
47 National Way—Durham, NC	(2,134)	2020	9/28/2021	50 years
South San Diego Distribution Center—San Diego, CA	(13,954)	2020	10/28/2021	40 years
2451 Bath Road—Elgin, IL	(2,185)	2020	11/16/2021	50 years
1755 Britannia Drive—Elgin, IL	(1,382)	2020	11/16/2021	50 years
687 Conestoga Parkway—Shepherdsville, KY	(2,891)	2021	11/17/2021	50 years
Louisville Airport Distribution Center—Louisville, KY	(2,413)	2020	6/24/2021	50 years
Friendship Distribution Center-Buford, GA	(6,722)	2020	10/20/2021	50 years
13500 Danielson Street-Poway, CA	(1,389)	1997	7/2/2021	40 years
4211 Starboard-Fremont, CA	(2,220)	1997	7/9/2021	40 years
2840 Loker Avenue-Carlsbad, CA	(1,699)	1998	11/30/2021	40 years
15890 Bernardo Center Drive-San Diego, CA	(1,285)	1991	11/30/2021	40 years
NE Atlanta DC-Jefferson, GA	(4,007)	2016	04/08/2022	40 years
6635 West Frye Road-Chandler, AZ	(2,384)	2019	06/08/2022	50 years
6575 West Frye Road-Chandler, AZ	(2,115)	2019	06/08/2022	50 years
West Phoenix Distribution Center-Glendale, AZ	(6,176)	2022	09/30/2022	50 years
Puget Sound Distribution Center-Lacey, WA	(1,283)	2021	10/06/2022	50 years
Louisville Logistics Center-Shepherdsville, KY	(3,346)	2022	04/10/2023	50 years
Minneapolis Distribution Center-Maple Grove MN	(1,137)	2022	11/19/2024	50 years

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Col. A	Col. F	Col. G	Col. H	Col. I
Description	Accumulated Depreciation	Date of Construction	Date of Acquisition	Life on which depreciation in latest income statement is computed
Richmond Distribution Center-Richmond, VA	(515)	2022	3/5/2025	50 years
Glendale Distribution Center-Glendale, AZ	(832)	2024	7/29/2025	50 years
West Raleigh Distribution Center-Apex, NC	(1,001)	2024	9/10/2025	50 years
<b>Total Industrial Properties</b>	<b>(164,239)</b>			
<b>Residential Properties:</b>				
Townlake of Coppell—Coppell, TX	(11,024)	1986	5/22/2015	40 years
AQ Rittenhouse—Philadelphia, PA	93	2015	7/30/2015	50 years
Lane Park Apartments—Mountain Brook, AL	(16,432)	2014	5/26/2016	50 years
The Penfield—St. Paul, MN	(10,211)	2013	9/22/2016	50 years
Jory Trail at the Grove—Wilsonville, OR	(12,815)	2012	7/14/2017	50 years
The Reserve at Johns Creek Walk—Johns Creek, GA	(9,517)	2007	7/28/2017	40 years
Villas at Legacy—Plano, TX	(11,568)	1999	6/6/2018	40 years
Summit at San Marcos - Chandler, AZ	(8,313)	2018	7/31/2019	50 years
Haven North Andover-North Andover, MA	(7,429)	2019	5/3/2021	50 years
The Preserve at the Meadows-Fort Collins, CO	(7,881)	2001	8/23/2021	40 years
The Rockwell-Berlin, MA	(6,974)	2020	8/31/2021	50 years
Miramont-Fort Collins, CO	(6,670)	1995	9/29/2021	40 years
Pinecone-Fort Collins, CO	(6,557)	1993	9/29/2021	40 years
Reserve at Venice-North Venice, FL	(5,954)	2021	12/17/2021	50 years
Woodside Trumbull-Trumbull, CT	(8,010)	2021	12/21/2021	50 years
Jefferson Lake Howell-Casselberry, FL	(11,917)	2021	03/30/2022	50 years
Oak Street Lofts-Tigard, OR	(6,098)	2019	07/15/2022	50 years
Molly Brook on Belmont-North Haledon, NJ	(4,586)	2022	09/27/2022	50 years
Creekview Crossing-Sherwood, OR	(2,562)	2009	02/29/2024	50 years
Single-Family Rental Portfolio II	(12,789)	Various	Various	50 years
Single-Family Rental Portfolio I	(12,187)	Various	Various	50 years
<b>Total Residential Properties</b>	<b>(179,401)</b>			
<b>Retail Properties:</b>				
The District at Howell Mill—Atlanta, GA	(23,822)	2006	6/15/2007	50 years
Grand Lakes Marketplace—Katy, TX	(8,829)	2012	9/17/2013	50 years
Rancho Temecula Town Center—Temecula, CA	(12,153)	2007	6/16/2014	40 years
Skokie Commons—Skokie, IL	(5,485)	2015	5/15/2015	50 years
Whitestone Market—Austin, TX	(11,167)	2003	9/30/2015	40 years
Maui Mall—Maui, HI	(17,314)	1971	12/22/2015	40 years
Silverstone Marketplace—Scottsdale, AZ	(6,542)	2015	7/27/2016	50 years
Kierland Village Center—Scottsdale, AZ	(6,430)	2001	9/30/2016	40 years

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Col. A	Col. F	Col. G	Col. H	Col. I
Description	Accumulated Depreciation	Date of Construction	Date of Acquisition	Life on which depreciation in latest income statement is computed
Timberland Town Center—Beaverton, OR	(6,498)	2015	9/30/2016	50 years
Montecito Marketplace—Las Vegas, NV	(9,977)	2007	8/8/2017	50 years
Milford Crossing-Milford, MA	(3,656)	2017	1/29/2020	50 years
Patterson Place-Durham, NC	(1,096)	2010	5/31/2022	40 years
Silverado Square-Las Vegas, NV	(1,178)	2018	6/1/2022	50 years
Woodlawn Point Shopping Center-Marrietta, GA	(2,496)	1993	6/30/2022	40 years
Westbury Square-Huntsville, AL	(17)	1990	12/22/2025	40 years
<b>Total Retail Properties</b>	<b>(116,660)</b>			
<b>Other Properties:</b>				
South Beach Parking Garage—Miami, FL	(6,663)	2001	1/28/2014	40 years
<b>Total Other Properties</b>	<b>(6,663)</b>			
<b>Total Consolidated Properties:</b>	<b>\$ (555,458)</b>			
<b>Properties Held for Sale:</b>				
Dylan Point Loma—San Diego, CA	(13,648)	1987	7/2/2021	40 years
<b>Total Properties Held for Sale</b>	<b>\$ (13,648)</b>			

**Reconciliation of Real Estate**

Consolidated Properties	2025	2024	2023
Balance at beginning of year	\$ 4,408,381	\$ 4,538,986	\$ 4,453,585
Additions	1,070,727	184,564	147,335
Assets sold/ written off	(6,419)	(281,596)	(61,934)
Write-downs for impairment charges	(278)	(19,332)	
Reclassified as held for sale	(93,083)	(14,241)	—
Balance at close of year	<b>\$ 5,379,328</b>	<b>\$ 4,408,381</b>	<b>\$ 4,538,986</b>

**Reconciliation of Accumulated Depreciation**

<b>Consolidated Properties</b>	<b>2025</b>	<b>2024</b>	<b>2023</b>
Balance at beginning of year	\$ 459,600	\$ 421,204	\$ 335,216
Additions	115,317	100,272	97,527
Assets sold/ written off	(4,423)	(53,286)	(11,539)
Write-downs for impairment charges	—	(7,832)	—
Reclassified as held for sale	(15,036)	(758)	—
Balance at close of year	<u>\$ 555,458</u>	<u>\$ 459,600</u>	<u>\$ 421,204</u>

JLL INCOME PROPERTY TRUST, INC.

SHARE REPURCHASE PLAN

Effective as of March 20, 2026

**Definitions**

The following terms used in the Plan shall have the meanings set forth below.

*Board of Directors* – shall mean the board of directors of the Company, as constituted from time to time.

*Company* – shall mean JLL Income Property Trust, Inc., a Maryland corporation.

*DRIP* – shall mean the Company’s distribution reinvestment plan, as may be amended or restated and as in effect from time to time.

*LaSalle* – shall mean LaSalle Investment Management, Inc., the Company’s advisor.

*Memorandum* – shall mean a confidential private placement memorandum of the Company with respect to a private offering of Shares exempt from registration under the Securities Act, as may be amended or supplemented from time to time.

*NAV* – shall mean the net asset value of the Company attributable to its Stockholders or the net asset value of a class of its Shares, as the context requires, determined in accordance with the Company’s Net Asset Value Calculation and Valuation Guidelines as described in the Prospectus or Memorandum, as applicable.

*Plan* – shall mean this Share Repurchase Plan of the Company.

*Prospectus* – shall mean a prospectus included in the registration statement filed by the Company with the SEC with respect to a public offering of Shares registered under the Securities Act, as may be amended or supplemented from time to time.

*SEC* – shall mean the Securities and Exchange Commission.

*Securities Act* – shall mean the Securities Act of 1933, as amended, and any successor statute thereto.

*Shares* – shall mean shares of (i) the Company’s common stock designated as Class A shares, Class A-I shares, Class D shares, Class I shares, Class M shares, Class M-I shares, Class N shares, Class S shares and Class Z Shares, and (ii) any other classes of the Company’s common stock that may be designated from time to time hereafter.

*Stockholders* – shall mean the holders of Shares.

*Triggering Event* – shall have the meaning set forth in the Plan.

*Waiver Event* – shall have the meaning set forth in the Plan.

## Share Repurchase Plan

Stockholders may request that the Company repurchase Shares through their investment advisor or directly with the Company's transfer agent. To the extent that the Company chooses to repurchase Shares, the Company will adhere to the following procedures relating to the repurchase of Shares:

- Under the Plan, on each day the New York Stock Exchange is open for trading (a business day), Stockholders may request that the Company repurchase all or any portion of their Shares. Repurchase requests received and processed by the Company's transfer agent on a business day and before the close of business (4:00 p.m. Eastern time) on that day will be effected at a repurchase price equal to the NAV per Share for the class of Shares being repurchased calculated after the close of business on that day.
- Repurchase requests received and processed by the Company's transfer agent on a business day, but after the close of business on that day, will be effected at the NAV per share for the class of Shares being repurchased calculated after the close of business on the next business day. The repurchase price per Share on any business day will be the NAV per Share for the class of Shares being repurchased, after giving effect to any Share purchases or repurchases to be effected on such day. Although a Stockholder will not know at the time he or she requests the repurchase of Shares the exact price at which such repurchase request will be processed, the Stockholder may cancel the repurchase request before it has been processed by notifying a customer service representative available on the Company's toll-free, automated telephone line, (855) 652-0277. The line is open on each business day between the hours of 9:00 a.m. and 6:00 p.m. (Eastern time). Repurchase requests submitted before 4:00 p.m. on a business day must be cancelled before 4:00 p.m. on the same day. Repurchase requests received after 4:00 p.m. on a business day, or at any time on a day that is not a business day, must be cancelled before 4:00 p.m. on the next business day. If the repurchase request is not cancelled before the applicable time described above, the Stockholder will be contractually bound to repurchase of the shares and will not be permitted to cancel the request prior to the payment of repurchase proceeds.
- A Stockholder may make a repurchase request by mail or by contacting its financial intermediary, all subject to the conditions set forth herein. A Stockholder making a repurchase request by contacting their financial intermediary may be required to provide certain documentation or information to such financial intermediary.

**If by Mail:** A Stockholder making a repurchase request by mail to the Company's transfer agent must complete and sign a repurchase authorization form, which is available upon request. Written requests should be sent to the transfer agent at the following address:

JLL Income Property Trust, Inc.  
c/o SS&C GIDS, Inc.  
P.O. Box 219165  
Kansas City, MO 64121-9165  
(855) 652-0277

Corporate investors and other non-individual entities must have an appropriate certification on file authorizing repurchases. A signature guarantee may be required.

- For processed repurchases, Stockholders may request that repurchase proceeds are paid by mailed check provided that the amount is less than \$100,000 and the check is mailed to an address on file with the transfer agent for at least 30 days.
- Processed repurchases of more than \$100,000 are intended to be paid only via direct deposit. For this reason, Stockholders who own more than \$100,000 in Shares must provide banking instructions for their brokerage account or designated U.S. bank account. Stockholders who own less than \$100,000 in Shares may also receive repurchase proceeds via direct deposit, provided the payment amount is at least \$5,000. For all repurchases paid via direct deposit, the funds will be electronically delivered to the account on file with the transfer agent or, upon instruction, to another financial institution provided that the Stockholder has made the necessary funds transfer arrangements. The customer service representative can provide detailed instructions on establishing funding arrangements and designating the Stockholder's bank or brokerage account on file. Funds will be electronically delivered only to U.S. financial institutions (ACH network members).
- A medallion signature guarantee will be required in certain circumstances. The medallion signature process protects stockholders by verifying the authenticity of a signature and limiting unauthorized fraudulent transactions. A medallion signature guarantee may be obtained from a domestic bank or trust company, broker-dealer, clearing agency, savings association, or other financial institution which participates in a medallion program recognized by the Securities Transfer Association. The three recognized medallion programs are the Securities Transfer Agents Medallion Program (STAMP), the Stock Exchanges Medallion Program (SEMP) and the New York Stock Exchange, Inc. Medallion Signature Program (NYSE MSP). Signature guarantees from financial institutions which are not participating in any of these medallion programs will not be accepted. A notary public cannot provide signature guarantees. The Company reserves the right to amend, waive or discontinue this policy at any time and establish other criteria for verifying the authenticity of any repurchase or transaction request. The Company may require a medallion signature guarantee if, among other reasons: (1) the amount of the repurchase request is over \$100,000; (2) the Stockholder wishes to have repurchase proceeds transferred by wire to an account other than the designated bank or brokerage account on file for at least 30 days or sent to an address other than the Stockholder's address of record for the past 30 days; or (3) the Company's transfer agent cannot confirm the Stockholder's identity or suspects fraudulent activity.

The Board of Directors will approve any distributions on each class of Shares for Stockholders of record as of a record date. Because the Company anticipates that each class of Shares will have a different amount of net income allocated thereto as a result of the differences in the fees paid on each class of Shares, the distributions paid with respect to each class of Shares is not expected to be of equal dollar amounts. At the close of business on the distribution adjustment date, the NAV will be reduced to reflect the accrual of the Company's liability to pay the distribution to Stockholders of record as of the record date. As a result, Stockholders requesting that the Company repurchase Shares will be affected in the following manner:

- If a Stockholder's request for repurchase is received and processed up to and including the business day immediately preceding the distribution adjustment date, the repurchase price will

not reflect a reduction in NAV resulting from the distribution because the Stockholder will no longer be a Stockholder of record on the applicable record date and therefore will not be entitled to receive the distribution.

- If a Stockholder's request for repurchase is received and processed on or after the distribution adjustment date, the repurchase price will reflect this reduction in NAV because the Stockholder will still be a Stockholder of record for distribution purposes and therefore will be entitled to receive the distribution.

### **Minimum Account Repurchases**

In the event that any Stockholder fails to maintain the minimum balance of \$5,000 of Shares, the Company may repurchase all of the Shares held by that Stockholder at the repurchase price in effect on the date the Company determines that the Stockholder has failed to meet the minimum balance. Minimum account repurchases will apply even in the event that the failure to meet the minimum balance is caused solely by a decline in the NAV.

### **Sources of Funds for Repurchases**

The Company may, in LaSalle's discretion, after taking the interests of the Company as a whole and the interests of the remaining Stockholders into consideration, use proceeds from any available sources at the Company's disposal to satisfy repurchase requests, subject to the limitation on the amount of funds that the Company may use described below under "—Repurchase Limitations." Potential sources of funding for repurchases include, but are not limited to, available cash, proceeds from sales of Shares, excess cash flow from operations, sales of the Company's liquid investments, incurrence of indebtedness and, if necessary, proceeds from the disposition of properties or real estate-related assets.

### **Payment of Repurchase Proceeds**

Under normal market conditions, the Company will pay repurchase proceeds, less any applicable tax or other withholding required by law, by the third business day following receipt by the Company's transfer agent of a repurchase request in good order. However, when a Stockholder requests that the Company repurchase Shares for which the funds for the Shares being repurchased has not yet been collected, the request will be executed at the next determined NAV, but the transfer agent will not release the proceeds until the purchase payment clears. This may take up to 15 days or more. Because the NAV per Share for each class of common stock will be calculated at the close of each business day, the repurchase price may fluctuate between the date the Company receives the repurchase request and the date on which repurchase proceeds are paid. As a result, the repurchase price that a Stockholder will receive may be different from the repurchase price on the day the repurchase proceeds are paid. If a Stockholder's Shares are repurchased after a distribution record date but prior to the date on which the declared distribution is paid, the Stockholder will be entitled to receive such distribution with respect to the repurchased Shares held on the record date. Such Stockholder's repurchase price will reflect the reduction in NAV allocable to the class of Shares being repurchased on the distribution adjustment date to reflect the accrual of the Company's liability to pay a distribution to the Stockholders of record of that class of Shares as of the applicable record date. This will have no effect on the true price of the repurchased Shares even though, everything being equal, NAV will decrease on the distribution adjustment date by the amount of the declared distribution.

## Repurchase Limitations

Under the Plan, the repurchase of Shares is limited during any calendar quarter to Shares whose aggregate value (based on the repurchase price per Share on the day the repurchase is effected) is 5% of the combined NAV of all classes of Shares as of the last day of the previous calendar quarter, which means that in any 12-month period, the Company limits repurchases to approximately 20% of the total NAV, to the extent the Company chooses to repurchase Shares. The Company is not obligated to repurchase any Shares and may choose to only repurchase some, or even none, of the Shares requested to be repurchased. Shares are not eligible for repurchase for the first year after purchase, except upon death or disability of a stockholder; *provided, however*, that Shares issued pursuant to the DRIP are not subject to the one-year holding period and the Company may waive the one-year holding period for certain feeder vehicles formed to hold shares or as otherwise may be approved by the Board of Directors. The one-year holding period will also not apply under certain circumstances following the departure of persons performing key management functions for the Company as designated from time-to-time by the Board of Directors, including a majority of its independent directors, unless such persons are replaced as described below. The Company refers to such designated persons as “key persons.” The current key persons are C. Allan Swaringen, Gregory Falk, Sean Meehan and Lucas Kimmel, and in the future the key persons will include any other individual appointed by a majority of the Board of Directors, including a majority of its independent directors, to replace any such key person named above. If during any 12 consecutive month period (a) two or more key persons cease to devote substantially all of their business time to the Company for any reason, including death, permanent disability, resignation, withdrawal or removal (each, a “Triggering Event”), and (b) within 90 days of any Triggering Event a majority of the Board of Directors, including a majority of its independent directors, has not approved the replacement for each key person, then the one-year holding period will be waived with respect to the repurchase of any Shares purchased prior to the fifth business day after the public disclosure of the occurrence of the conclusion of such 90-day period (a “Waiver Event”). The Company will disclose any Waiver Event and the associated waiver of the one-year holding period promptly upon its occurrence. Any such disclosure may be made to Stockholders in a supplement to the Prospectus or the Memorandum, as applicable, in a special or periodic report filed by the Company with the SEC, in a press release or on the applicable website maintained by the Company. All other limitations to the Plan, including the aggregate value limitations, will remain in effect during any waiver event period.

On the first business day during any quarter in which the Company has reached that quarter’s repurchase volume limitation, the Company will disclose such fact through a filing with the SEC and posting the applicable website maintained by the Company in order to notify Stockholders that the Company will not accept additional repurchase requests during such quarter. In such event, unless the Board of Directors determines to suspend the Plan for any of the reasons described below, the Plan will automatically and without Stockholder notification resume on the first day of the calendar quarter following the quarter in which repurchases were suspended due to reaching such quarter’s volume limitation, to the extent the Company chooses to repurchase Shares. Even when repurchase requests do not exceed the Plan’s quarterly volume limitation, the Company may not have a sufficient amount of liquid assets to satisfy repurchase requests because the Company’s assets will consist primarily of properties and types of real estate-related assets that cannot be readily liquidated. Under normal circumstances, the Company intends to maintain an allocation to cash, cash equivalents, securities and other liquid assets, which the Company may supplement by borrowing additional funds under its line of credit.

Should repurchase requests, in the business judgment of the Board of Directors, place an undue burden on the Company’s liquidity, adversely affect its operations or risk having an adverse impact on

Stockholders whose Shares are not repurchased or should the Company otherwise determine that investing its liquid assets in real properties or other illiquid investments rather than repurchasing Shares is in the best interests of the Company as a whole, then the Company may choose to repurchase fewer Shares than have been requested to be repurchased or none at all. The Board of Directors may modify or suspend the Plan if it deems such action to be in the best interest of the Stockholders. In addition, the Board of Directors may determine to suspend the Plan due to regulatory changes, changes in law or if the Board of Directors becomes aware of undisclosed material information that it believes should be publicly disclosed before Shares are repurchased. Accordingly, Stockholders cannot be assured that all of the Shares in their repurchase requests will be repurchased. Any suspension of, or material modification to, the Plan will be disclosed to Stockholders as promptly as practicable in a supplement to the Prospectus or the Memorandum, as applicable, in the other reports that the Company files with the SEC and via the applicable website maintained by the Company. Once the Plan is suspended by the Board of Directors other than as a result of reaching the quarterly volume limitation, the Board of Directors must affirmatively authorize the recommencement of the Plan before Stockholder requests will be considered again. Upon a suspension of the Plan, the Board of Directors will consider at least quarterly whether the continued suspension of the Plan remains in the Company's best interest and the best interest of the Stockholders. However, the Board of Directors is not required to authorize the recommencement of the Plan within any specified period of time. Because the Board of Directors is not required to authorize the recommencement of the Plan within any specified period of time, the Board of Directors may effectively terminate the Plan by suspending it indefinitely. The Company will provide notice to Stockholders of any recommencement of the Plan following such a suspension due to action of the Board of Directors. The Board of Directors may also determine to terminate the Plan if required by applicable law or in connection with a transaction in which Stockholders receive liquidity for their Shares, such as a sale or merger of the Company or listing of Shares on a national securities exchange.

If the full amount of all the Shares requested to be repurchased as of any given date are not repurchased, due to the Plan's volume limitations or lack of readily available funds, available funds will be allocated pro rata based on the total number of Shares subject to pending repurchase requests without regard to class and subject to the volume limitation.

All unsatisfied repurchase requests due to any of the limitations described above must be resubmitted after the start of the next quarter or upon the recommencement of the Plan, as applicable.

### **REIT Restrictions**

To avoid certain issues related to the Company's ability to comply with the REIT distribution requirement and utilize the deficiency dividend procedure, the Company will implement procedures designed to track Stockholders' percentage interests in the Company's common stock in order to identify any such dividend equivalent repurchases and will decline to effect a repurchase to the extent that that the Company believes that it would constitute a dividend equivalent repurchase.

### **Other**

Stockholders requesting that the Company repurchase Shares should note the following:

- if the Stockholder is requesting that some but not all of its Shares be repurchased, the Stockholder must keep its balance above \$5,000 to avoid minimum account repurchase, if applicable;

- the Stockholder will not receive interest on amounts represented by uncashed repurchase checks; and
- under applicable anti-money laundering regulations and other federal regulations, repurchase requests may be suspended, restricted or canceled and the proceeds may be withheld.

Internal Revenue Service regulations require the Company to determine and disclose on Form 1099-B the adjusted cost basis for Shares sold or repurchased. Although there are several available methods for determining the adjusted cost basis, unless a Stockholder elects otherwise, which it may do by checking the appropriate box on its subscription agreement or by calling the Company's customer service number at (855) 652-0277, the Company will utilize the first-in-first-out method. For purposes of calculating a Stockholder's cost basis using the first-in-first-out method, tax lots of both held Shares and available Shares are used.

Shares repurchased under the Plan will have the status of authorized but unissued Shares. Shares that the Company acquires through the Plan will not be reissued unless they are first registered with the SEC under the Securities Act, and under appropriate state securities laws or otherwise issued in compliance with such laws.

### **Mail and Telephone Instructions**

The Company and its transfer agent will not be responsible for the authenticity of mail or phone instructions or losses, if any, resulting from unauthorized Stockholder transactions if they reasonably believe that such instructions were genuine. The Company's transfer agent has established reasonable procedures to confirm that instructions are genuine including requiring the Stockholder to provide certain specific identifying information on file and sending written confirmation to Stockholders of record. Failure by the Stockholder or its agent to notify the Company's transfer agent in a timely manner, but in no event more than sixty (60) days from receipt of such confirmation, that the instructions were not properly acted upon or any other discrepancy will relieve the Company, the Company's transfer agent and the financial advisor of any liability with respect to the discrepancy.

**DESCRIPTION OF COMPANY'S SECURITIES  
REGISTERED PURSUANT TO SECTION 12 OF  
THE SECURITIES EXCHANGE ACT OF 1934**

References herein to “we,” “us,” or “our” refer to JLL Income Property Trust, Inc., a Maryland corporation, and its subsidiaries unless the context specifically requires otherwise.

The following summary of the material terms of our capital stock does not purport to be complete and is subject to and qualified in its entirety by reference to Maryland law and our charter and bylaws. Our charter authorizes us to issue up to 2,000,000,000 shares of common stock, par value \$0.01 per share, 200,000,000 of which are classified as Class A shares, 200,000,000 of which are classified as Class M shares, 200,000,000 of which are classified as Class A-I shares, 200,000,000 of which are classified as Class M-I shares, 250,000,000 of which are classified as Class S shares, 250,000,000 of which are classified as Class D shares, 250,000,000 of which are classified as Class Z shares, 250,000,000 of which are classified as Class I shares, 200,000,000 of which are classified as Class N shares, and 50,000,000 shares of preferred stock, par value \$0.01 per share. Our charter authorizes our board of directors to amend our charter from time to time to increase or decrease the aggregate number of authorized shares or the number of authorized shares of any class or series without stockholder approval.

**Common Stock**

Subject to the provisions of our charter regarding the restrictions on ownership and transfer of our stock and except as may otherwise be specified in the charter, the holders of shares of our common stock are entitled to one vote per share on all matters voted on by stockholders, including the election of our directors. Each holder of a share of common stock will vote together with the holders of all other shares of common stock entitled to vote on all matters (as to which a common stockholder is entitled to vote pursuant to applicable law) at all meetings of stockholders. Our charter does not provide for cumulative voting in the election of directors. Therefore, under the provisions of the Maryland General Corporation Law, the holders of a majority of the outstanding shares of our common stock can elect our entire board of directors to hold office until the next annual meeting of stockholders and until their successors are duly elected and qualify. Subject to any preferential rights of any outstanding series of preferred stock and the provisions of our charter regarding the restrictions on ownership and transfer of our stock, the holders of shares of our common stock are entitled to such distributions as may be authorized from time to time by our board of directors out of legally available funds and declared by us and, upon liquidation, are entitled to receive all assets available for distribution to stockholders. All shares of our common stock issued in our offerings will be fully paid and nonassessable shares of common stock. Holders of shares of our common stock will not have preemptive rights, which means that they will not have an option to purchase any new shares of common stock that we issue, or preference, conversion, exchange, sinking fund or redemption rights. Holders of shares of our common stock will not have appraisal rights, unless our board of directors determines that appraisal rights apply, with respect to all or any classes or series of our common stock, to one or more transactions occurring after the date of such determination in connection with which stockholders would otherwise be entitled to exercise such rights. Under Maryland law, a stockholder generally is not liable for a corporation's debts or obligations solely as a result of the stockholder's status as a stockholder.

We will not issue certificates for shares of our common stock. Shares of our common stock will be held in “uncertificated” form, which will eliminate the physical handling and safekeeping responsibilities inherent in owning transferable share certificates and eliminate the need to return a duly executed share certificate to effect a transfer. SS&C Technologies acts as our registrar and as the transfer agent for shares of our common stock. Transfers can be effected by contacting the transfer agent at:

JLL Income Property Trust, Inc.  
c/o SS&C GIDS, Inc.  
P.O. Box 219165  
Kansas City, MO 64121-9165  
(855) 652-0277

*Class A Shares*

Each Class A share issued in the primary portion of our public offering is subject to a selling commission of up to 3.0% of the net asset value (“NAV”) per Class A share on the date of purchase. In addition, we pay our dealer manager a stockholder servicing fee that accrues daily in an amount equal to up to 1/365th of 0.85% of the amount of our NAV for the Class A shares for such day on a continuous basis from year to year, subject to certain limitations. Each Class A share sold in our public offering will automatically convert into the number of Class M-I shares based on the then-current applicable NAV of each class on the date following the completion of the primary portion of our public offering in which we, with the assistance of our dealer manager, determine that total underwriting compensation paid with respect to the public offering equals 10% of the gross proceeds from the primary portion of such public offering.

*Class M Shares*

No selling commissions are paid for sales of any Class M shares in our public offering. We pay our dealer manager a stockholder servicing fee that accrues daily in an amount equal to up to 1/365th of 0.30% of the amount of our NAV for the Class M shares for such day on a continuous basis from year to year, subject to certain limitations. Class M shares are available for purchase only (1) through fee-based programs, also known as wrap accounts, of investment dealers, (2) through participating broker-dealers that have alternative fee arrangements with their clients, (3) through certain registered investment advisers, (4) through bank trust departments who charge fiduciary fees on the shares or any other organization or person authorized to act in a fiduciary capacity for its clients or customers for a fee, (5) by endowments, foundations, pension funds and other institutional investors or (6) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, our sponsor or other affiliates and their immediate family members, and, if approved by our board of directors, joint venture partners, consultants and other service providers. Each Class M share sold in our public offering will automatically convert into the number of Class M-I shares based on the then-current applicable NAV of each class on the date following the completion of the primary portion of our public offering in which we, with the assistance of our dealer manager, determine that total underwriting compensation paid with respect to the public offering equals 10% of the gross proceeds from the primary portion of such public offering.

*Class A-I Shares*

Each Class A-I share issued in the primary portion of our public offering is subject to a selling commission of up to 1.5% of the NAV per Class A-I share on the date of purchase. In addition, we pay our dealer manager a stockholder servicing fee that accrues daily in an amount equal to up to 1/365th of 0.30% of the amount of our NAV for the Class A-I shares for such day on a continuous basis from year to year, subject to certain limitations. Investors in Class A-I shares must purchase the minimum investment amount of at least \$1,000,000 in shares, provided that the minimum initial investment amount may be reduced in the discretion of our dealer manager and by our advisor with respect to investments by our executive officers and directors and their immediate family members and officers and employees of our advisor, our sponsor or other affiliates. Each Class A-I share sold in our public offering will automatically

convert into the number of Class M-I shares based on the then-current applicable NAV of each class on the date following the completion of the primary portion of our public offering in which we, with the assistance of our dealer manager, determine that total underwriting compensation paid with respect to the public offering equals 10% of the gross proceeds from the primary portion of such public offering.

#### *Class M-I Shares*

No selling commissions or stockholder servicing fees are paid in connection with the sale of any Class M-I shares. Class M-I shares are available for purchase only (1) through fee-based programs, also known as wrap accounts, of investment dealers, (2) through participating broker-dealers that have alternative fee arrangements with their clients, (3) through certain registered investment advisers, (4) through bank trust departments who charge fiduciary fees on the shares or any other organization or person authorized to act in a fiduciary capacity for its clients or customers for a fee, (5) by endowments, foundations, pension funds and other institutional investors or (6) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, our sponsor or other affiliates and their immediate family members, and, if approved by our board of directors or our advisor, joint venture partners, consultants and other service providers. Investors in Class M-I shares must purchase the minimum investment amount of at least \$1,000,000 in shares, provided that the minimum initial investment amount may be reduced in the discretion of our dealer manager and by our advisor with respect to investments by our executive officers and directors and their immediate family members and officers and employees of our advisor, our sponsor or other affiliates.

#### *Class N Shares*

No Class N shares will be issued in our public offering. Each Class N share sold in the primary portion of our private offering is subject to a selling commission of up to 1.0% of the NAV per Class N share on the date of purchase. No stockholder servicing fee is payable with respect to the Class N shares. Class N shares are available for purchase in our private offering by any investor that satisfies the investor suitability standards established by us and which satisfies the minimum initial investment amount of at least \$10,000,000 in Class N shares.

#### *Class S Shares*

No Class S shares will be issued in our public offering. Each Class S share issued in the primary portion of our private offering is subject to a selling commission of up to 3.0% of the NAV per Class S share on the date of purchase. In addition, we pay our Dealer Manager a stockholder servicing fee that accrues daily in an amount equal to up to 1/365th of 0.85% of the amount of our NAV for the Class S shares for such day on a continuous basis from year to year. Class S shares are generally available for purchase through brokerage and transactional-based accounts and by other categories of investors that we may determine in our sole discretion.

#### *Class D Shares*

No Class D shares will be issued in our public offering. Each Class D share issued in the primary portion of our private offering is subject to a selling commission of up to 1.5% of the NAV per Class D share on the date of purchase. In addition, we pay our Dealer Manager a stockholder servicing fee that accrues daily in an amount equal to up to 1/365th of 0.30% of the amount of our NAV for the Class D shares for such day on a continuous basis from year to year. Class D shares are generally available for purchase through brokerage and transactional-based accounts and by other categories of investors that we may determine in our sole discretion.

### *Class Z Shares*

No Class Z shares will be issued in our public offering. No selling commissions are paid for sales of any Class Z shares. We pay our Dealer Manager a stockholder servicing fee that accrues daily in an amount equal to up to 1/365th of 0.30% of the amount of our NAV for the Class Z shares for such day on a continuous basis from year to year. Class Z shares are generally available for purchase (1) through fee-based programs, also known as wrap accounts, of investment dealers, (2) through participating broker-dealers that have alternative fee arrangements with their clients, (3) through certain registered investment advisers, (4) through bank trust departments who charge fiduciary fees on the shares or any other organization or person authorized to act in a fiduciary capacity for its clients or customers for a fee, (5) by endowments, foundations, pension funds and other institutional investors, (6) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, our sponsor or other affiliates and their immediate family members, and, if approved by our board of directors, joint venture partners, consultants and other service providers, and (7) by other categories of investors that we may determine in our sole discretion.

### *Class I Shares*

No Class I shares will be issued in our public offering. No selling commissions or stockholder servicing fees are paid in connection with the sale of any Class I shares. Class I shares are generally available for purchase (1) through fee-based programs, also known as wrap accounts, of investment dealers, (2) through participating broker-dealers that have alternative fee arrangements with their clients, (3) through certain registered investment advisers, (4) through bank trust departments who charge fiduciary fees on the shares or any other organization or person authorized to act in a fiduciary capacity for its clients or customers for a fee, (5) by endowments, foundations, pension funds and other institutional investors, (6) by our executive officers and directors and their immediate family members, as well as officers and employees of our advisor, our sponsor or other affiliates and their immediate family members, and, if approved by our board of directors or our advisor, joint venture partners, consultants and other service providers, and (7) by other categories of investors that we may determine in our sole discretion.

### *Rights Upon Liquidation*

In the event of any voluntary or involuntary liquidation, dissolution or winding up of our company, or any distribution of our assets, (i) the holder of each Class S share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to our NAV for Class S shares divided by the number of Class S shares outstanding, or the NAV per Class S share, (ii) the holder of each Class D share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to the NAV for Class D shares divided by the number of Class D shares outstanding, or the NAV per Class D share, (iii) the holder of each Class Z share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to our NAV for Class Z shares divided by the number of Class Z shares outstanding, or the NAV per Class Z share, (iv) the holder of each Class I share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to the NAV for Class I shares divided by the number of Class I shares outstanding, or the NAV per Class I share, (v) the holder of each Class A share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to our NAV for Class A shares divided by the number of Class A shares outstanding, or the NAV per Class A share, (vi) the holder of each Class M share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to the NAV for Class M shares divided by the number of Class M shares outstanding, or the NAV per Class M share, (vii) the holder of

each Class A-I share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to our NAV for Class A-I shares divided by the number of Class A-I shares outstanding, or the NAV per Class A-I share, (viii) the holder of each Class M-I share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to our NAV for Class M-I shares divided by the number of Class M-I shares outstanding, or the NAV per Class M-I share, and (ix) the holder of each Class N share shall be entitled to be paid, out of our assets that are legally available for distribution, a liquidation preference equal to our NAV for Class N shares divided by the number of Class N shares outstanding, or the NAV per Class N share. If upon the voluntary or involuntary liquidation, dissolution or winding up of our company, our available assets, or proceeds thereof, distributable among our stockholders are insufficient to pay these liquidation preferences, then such assets, or the proceeds thereof, will be distributed among the holders of each of share class ratably in the same proportion as the respective amounts that would be payable on such share class if all amounts payable thereon were paid in full.

#### *Elective Conversion of Stock*

If a holder of Class A, Class A-I, or Class M shares has a change in circumstances (including for example a change in broker-dealer, financial advisor, or type of account in which the shares are held, or availability of a lower fee share class) and, in each case, satisfies the eligibility requirements to hold either Class A-I, Class M, or Class M-I shares, such holder may convert Class A, Class A-I, or Class M shares into an equivalent NAV amount of Class A-I, Class M, or Class M-I shares.

If a holder of Class S, Class D, or Class Z shares has a change in circumstances (including for example a change in broker-dealer, financial advisor, or type of account in which the shares are held, or availability of a lower fee share class) and, in each case, satisfies the eligibility requirements to hold either Class D, Class Z, or Class I shares, such holder may convert Class S, Class D, or Class Z shares into an equivalent NAV amount of Class D, Class Z, or Class I shares.

#### **Preferred Stock**

Our charter authorizes our board of directors, without stockholder approval, to classify and reclassify any unissued shares of our common stock and preferred stock into other classes or series of stock. Prior to issuance of shares of each class or series, our board of directors is required by the Maryland General Corporation Law and by our charter to set, subject to our charter restrictions on transfer of our stock, the terms, preferences, conversion or other rights, voting powers, restrictions, limitations as to dividends or other distributions, qualifications and terms and conditions of redemption for each class or series. Thus, our board of directors could authorize the issuance of shares of common stock or preferred stock with terms and conditions which could have the effect of delaying, deferring or preventing a transaction or change in control that might involve a premium price for holders of our common stock or otherwise be in their best interest. However, the voting rights per share of any series or class of preferred stock sold in a private offering may not exceed voting rights which bear the same relationship to the voting rights of a publicly held share as the consideration paid to us for each privately offered preferred share bears to the book value of each outstanding publicly held share. Our board of directors has no present plans to issue preferred stock, but may do so at any time in the future without stockholder approval. The issuance of preferred stock must be approved by a majority of our independent directors not otherwise interested in the transaction, who will have access, at our expense, to our legal counsel or to independent legal counsel. Our board of directors has adopted a resolution that no preferred stock will be issued that has voting rights greater than any class of common stock, except that it may allow for the election of no more than three directors by the holders of preferred stock, provided, however, that a majority of directors shall be elected by the common stockholders.

## **Meetings, Special Voting Requirements and Access to Records**

An annual meeting of the stockholders will be held each year at our principal executive office or such other location convenient to stockholders determined by our board of directors on a specific date which will be at least 30 days after delivery of our annual report to stockholders. Special meetings of stockholders may be called upon the request of a majority of the directors, a majority of the independent directors, the chair of the board, the chief executive officer or the president and must be called by the secretary to act on any matter that may properly be considered at a meeting of stockholders upon the written request of stockholders entitled to cast at least 10% of the votes entitled to be cast on such matter at the meeting. The presence either in person or by proxy of stockholders entitled to cast at least 50% of the votes entitled to be cast at the meeting on any matter will constitute a quorum. Generally, the affirmative vote of a majority of all votes cast is necessary to take stockholder action, except as described in the next paragraph and except that the affirmative vote of a majority of the shares entitled to vote and represented in person or by proxy at a meeting at which a quorum is present is required to elect a director.

Under the Maryland General Corporation Law, a Maryland corporation generally cannot amend its charter, consolidate, convert, merge, sell all or substantially all of its assets, engage in a statutory share exchange or dissolve unless the action is advised by its board of directors and approved by the affirmative vote of stockholders entitled to cast at least two-thirds of the votes entitled to be cast on the matter. However, a Maryland corporation may provide in its charter for approval of these matters by a lesser percentage, but not less than a majority of all of the votes entitled to be cast on the matter. Our charter provides for approval of these matters by the affirmative vote of stockholders entitled to cast at least a majority of the votes entitled to be cast on the matter. Under the Maryland General Corporation Law, stockholder approval is not required for certain mergers and transfers of all or substantially all of a corporation's assets. Such transactions generally include (1) mergers with a 90% or more owned subsidiary in which the charter is not amended and stockholder contract rights do not change, (2) mergers in which the corporation is the successor entity and the terms of its stock do not change, its charter is not otherwise amended and the number of shares of stock of any class or series outstanding immediately after the merger becomes effective does not increase by more than 20% of the number of shares of the class or series outstanding immediately before the merger becomes effective, (3) mergers with or into a single direct or indirect wholly owned subsidiary constituting a holding company and (4) transfers of all or substantially all of the corporation's assets to a wholly owned subsidiary or by mortgage or pledge.

The advisory agreement is approved annually by our board of directors including a majority of the independent directors. While the stockholders do not have the ability to vote to replace our advisor or to select its replacements, stockholders do have the ability, with or without cause and by the affirmative vote of a majority of the votes entitled to be cast generally in the election of directors, to remove a director from our board of directors.

Under the Maryland General Corporation Law and our charter, any stockholder and any designated representative will be permitted access to the following records: our charter, our bylaws, the minutes of the proceedings of our stockholders, our annual statements of affairs and voting trust agreements deposited with us. We will make any of these requested documents available at our principal office within seven days after receipt of a request; provided, however, that we will have up to 20 days to prepare and have available on file for inspection and copying certain requested statements of stock and securities issued. A requesting stockholder may inspect and copy any of these documents for a reasonable charge, upon reasonable notice and during normal business hours. In addition, we may require the stockholder to execute a confidentiality agreement prior to reviewing certain other corporate records relating to our proposed and existing investments. Inspection of our records by the office or agency administering the securities laws of a jurisdiction will be provided upon reasonable notice and during normal business

hours. An alphabetical list of the names, addresses and telephone numbers of our stockholders, along with the number of shares of our stock held by each of them, will be maintained as part of our books and records and will be available for inspection by any stockholder or the stockholder's designated agent at our office. The stockholder list will be updated at least quarterly to reflect changes in the information contained therein. A copy of the list will be mailed to any stockholder who requests the list within 10 days of the receipt of the request. A stockholder may request a copy of the stockholder list for reasons including, but not limited to, matters relating to voting rights and the exercise of stockholder rights under federal proxy laws. A stockholder requesting a list will be required to pay reasonable costs of postage and duplication. We have the right to request that a requesting stockholder represent to us that the list will not be used to pursue commercial interests unrelated to the stockholder's interest in us. In addition to the foregoing, stockholders have rights under Rule 14a-7 under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), which provides that, upon the request of investors and the payment of the expenses of the distribution, we are required to distribute specific materials to stockholders in the context of the solicitation of proxies for voting on matters presented to stockholders or, at our option, provide requesting stockholders with a copy of the list of stockholders so that the requesting stockholders may make the distribution of proxies themselves. If a proper request for the stockholder list is not honored, then the requesting stockholder will be entitled to recover certain costs, including attorneys' fees, incurred in compelling the production of the list as well as actual damages suffered by reason of the refusal or failure to produce the list.

### **Restriction on Ownership and Transfer of Shares of Capital Stock**

For us to qualify to be taxed as a real estate investment trust ("REIT") for U.S. federal income tax purposes, no more than 50% in value of the outstanding shares of our stock may be owned, directly or indirectly through the application of certain attribution rules under the Internal Revenue Code of 1986, as amended (the "Code"), by any five or fewer individuals, as defined in the Code to include specified entities, during the last half of any taxable year. In addition, the outstanding shares of our stock must be owned by 100 or more persons independent of us and each other during at least 335 days of a 12-month taxable year or during a proportionate part of a shorter taxable year. These ownership tests did not apply in our first taxable year for which we elect to be taxed as a REIT. In addition, we must meet requirements regarding the nature of our gross income to qualify as a REIT. One of these requirements is that at least 75% of our gross income for each calendar year must consist of specified types of income, such as rents from real property and certain income from other real property investments. The rents received by us or our operating partnership from any tenant will not qualify as rents from real property, which could result in our loss of REIT status, if we own, actually or constructively within the meaning of certain provisions of the Code, 10% or more of the ownership interests in that tenant. To assist us in preserving our status as a REIT, our charter contains limitations on the ownership and transfer of shares of our stock which prohibit: (1) any person or entity from owning or acquiring, directly or indirectly, more than 9.8% of the value of our then outstanding capital stock or more than 9.8% of the value or number of shares, whichever is more restrictive, of our then outstanding common stock (collectively, the "9.8% ownership limit"); and (2) any transfer of or other event or transaction with respect to shares of our capital stock that would result in the beneficial ownership of our outstanding shares of capital stock by fewer than 100 persons. In addition, our charter prohibits any transfer of, or other event with respect to, shares of our capital stock that would (1) result in us being "closely held" within the meaning of Section 856(h) of the Code, (2) cause us to own, actually or constructively, 9.8% or more of the ownership interests in a tenant of our real property or the real property of our operating partnership or any of our respective direct or indirect subsidiaries, (3) otherwise cause us to fail to qualify as a REIT, (4) cause us to fail to qualify as a domestically controlled qualified investment entity or (5) result in us being considered a pension-held REIT.

Our charter provides that the shares of our capital stock that, if transferred, would: (1) result in a violation of the 9.8% ownership limit; (2) result in us being “closely held” within the meaning of Section 856(h) of the Code; (3) cause us to own 9.8% or more of the ownership interests in a tenant of our real property or the real property of our operating partnership or any of our respective direct or indirect subsidiaries; (4) otherwise cause us to fail to qualify as a REIT, (5) cause us to fail to qualify as a domestically controlled qualified investment entity or (6) result in us being considered a pension-held REIT, will be transferred automatically to a trust for the benefit of a charitable beneficiary effective as of the close of business on the business day before the purported transfer of such shares of our capital stock and the purported transferee will acquire no rights in such shares. We will designate a trustee of the share trust that will not be affiliated with us or the purported transferee or record holder. We will also name a charitable organization as beneficiary of the share trust. The trustee will receive all dividends or other distributions on the shares of our capital stock in the share trust and will hold such dividends or other distributions in trust for the benefit of the beneficiary. The trustee also will vote the shares of capital stock in the share trust and, subject to Maryland law, will have the authority (1) to rescind as void any vote cast by the intended transferee prior to our discovery that the shares have been transferred to the share trust and (2) to recast the vote in accordance with the desires of the trustee acting for the benefit of the charitable beneficiary. However, if we have already taken irreversible corporate action, then the trustee will not have the authority to rescind and recast the vote. The intended transferee will acquire no rights in such shares of capital stock, unless, in the case of a transfer that would cause a violation of the 9.8% ownership limit, the transfer is exempted by our board of directors from the ownership limit (prospectively or retroactively) based upon receipt of information (including certain representations and undertakings from the intended transferee) establishing that such transfer would not violate the provisions of the Code for our qualification as a REIT. In addition, our charter provides that any transfer of shares of our capital stock that would result in shares of our capital stock being beneficially owned by fewer than 100 persons will be null and void and the intended transferee will acquire no rights in such shares of our capital stock.

The trustee will sell the shares of our capital stock to a person whose ownership of shares of our capital stock will not violate the ownership limits. The sale will be within 20 days after the trustee receives notice from us that shares of our capital stock have been transferred to the share trust or the date we determine that a purported transfer of shares of stock has occurred. Upon any such sale, the purported transferee or holder will receive the lesser of (1) the price paid by the purported transferee or holder for the shares of our capital stock or, if the purported transferee or holder did not give value for the shares of our capital stock in connection with the event causing the shares to be transferred to the share trust (e.g., a gift, devise or other similar transaction), the market price (as defined in our charter) of the shares of our capital stock on the day of the event causing the shares of our capital stock to be transferred to the share trust and (2) the price received by the trustee (net of any commissions and other expenses of sale) from the sale or other disposition of the shares of our capital stock. The trustee may reduce the amount payable to the purported transferee or holder by the amount of dividends and other distributions which have been paid to the purported transferee or holder and are owed by the purported transferee or holder to the trustee. The charitable beneficiary will receive any excess amounts. If, prior to our discovery that shares of our capital stock have been transferred to the share trust, the shares are sold by the purported transferee or holder, then (1) the shares will be deemed to have been sold on behalf of the share trust and (2) to the extent that the purported transferee or holder received an amount for the shares that exceeds the amount such purported transferee or holder was entitled to receive, the excess must be paid to the trustee upon demand.

In addition, shares of our capital stock held in the share trust will be deemed to have been offered for sale to us, or our designee, at a price per share equal to the lesser of (1) the price per share in the transaction that resulted in the transfer to the share trust (or, in the case of a devise or gift, the market price at the time

of the devise or gift) and (2) the market price on the date we, or our designee, accept the offer. We will have the right to accept the offer until the trustee has sold the shares of our capital stock. Upon a sale to us, the interest of the charitable beneficiaries in the shares of our capital stock sold will terminate and the trustee will distribute the net proceeds of the sale to the purported transferee. We may reduce the amount payable to the purported transferee by the amount of dividends and other distributions which have been paid to the purported transferee and are owed by the purported transferee to the trustee. We may pay the amount of such reduction to the trustee for the benefit of the charitable beneficiaries.

Any person who acquires or attempts or intends to acquire shares of our capital stock that will or may violate the foregoing restrictions or who would have owned shares of our capital stock that were transferred to any such share trust is required to give written notice to us of such event promptly or in the case of a proposed or attempted transaction, to give us at least 15 days prior written notice. In both cases, such persons must provide to us such other information as we may request to determine the effect, if any, of such event on our status as a REIT. The foregoing restrictions will continue to apply until our board of directors determines it is no longer in our best interest to continue to qualify as a REIT or that compliance is no longer required for REIT qualification.

The 9.8% ownership limit does not apply to a person or persons that our board of directors exempts (prospectively or retroactively) from the ownership limit upon the receipt of certain representations and undertakings and other appropriate assurances that our qualification as a REIT is not jeopardized. Any person who owns more than 5% (or such lower percentage applicable under the regulations promulgated by the U.S. Treasury Department, or the Treasury Regulations) of the outstanding shares of our capital stock during any taxable year will be asked to deliver a statement or affidavit setting forth, among other things, the number of shares of our capital stock beneficially owned.

## **Distributions**

We intend to declare and pay distributions on a quarterly basis, subject to applicable law. In connection with a distribution to our stockholders, our board of directors will approve a quarterly distribution for each share of each class of our common stock. For purposes of calculating our NAV to account for any declared distributions, our advisor will accrue as our liability on the day after the record date (the distribution adjustment date) the amount of the declared distributions. Distributions will be payable only to stockholders of record at the close of business on the business day immediately preceding the distribution adjustment date.

Distributions will be made on all classes of our common stock at the same time. The per share amount of distributions on each class of shares will likely differ because of different allocations of class-specific expenses. We expect to use the record share method of determining the per share amount of distributions on each share class, although our board of directors may choose any other method. The record share method is one of several distribution calculation methods for multiple-class funds recommended, but not required, by the American Institute of Certified Public Accountants (AICPA). Under this method, the amount to be distributed on our common stock will be increased by the sum of all class-specific expenses accrued for such period. Such amount will be divided by the number of shares of our common stock outstanding at the close of business on the record date. Such per share amount will be reduced for each class of common stock by the per share amount of any class-specific expenses allocable to such class.

We are required to pay distributions sufficient to satisfy the requirements for qualification as a REIT for federal income tax purposes. Generally, income we distribute to our stockholders will not be taxable to us under the Code if we qualify to be taxed as a REIT. Distributions will be authorized at the discretion of our board of directors, in accordance with our earnings, cash flow and general financial condition. Our

board of directors' discretion will be directed, in substantial part, by its obligation to cause us to comply with the REIT requirements. Because we may receive income from interest or rents at various times during our fiscal year, distributions may not reflect our income earned in that particular distribution period and may be made in advance of actual receipt of funds in an attempt to pay relatively uniform distributions. We are authorized to borrow money, issue new securities or sell assets to pay distributions. There are no restrictions on the ability of our operating partnership to transfer funds to us.

We are not prohibited from distributing our own securities in lieu of making cash distributions to stockholders, provided that the securities distributed to stockholders are readily marketable. The receipt of marketable securities in lieu of cash distributions may cause stockholders to incur transaction expenses in liquidating the securities. We do not have any current intention to list the shares of our common stock on a national securities exchange, nor is it expected that a public market for the shares of common stock will develop.

Generally, our policy will be to pay distributions from cash flow from operations. However, we may pay distributions from any other source, including, without limitation, the sale of assets, borrowings, net offering proceeds and the deferral of fees and expense reimbursements by our advisor in its sole discretion. If we fund distributions from financings or the net proceeds from our offerings, we will have less funds available for investment in properties, real estate-related assets and other investments. We have not established a limit on the amount of offering proceeds we may use to fund distributions. In addition, in most previous years in which we paid distributions, our total distributions for the year exceeded our U.S. generally accepted accounting principles ("GAAP") earnings due to the fact that GAAP earnings are reduced by non-cash charges for depreciation and amortization expenses and impairment of real estate. For the same reasons, we anticipate that we will pay distributions in excess of our earnings in the future. We will make certain payments to our advisor for services provided to us in connection with the selection, acquisition and management of our assets and certain administrative services, some of which are based on performance. Such payments, including advisory fees and expense reimbursements, will reduce the amount of cash available for distributions. Payments to fulfill repurchase requests under our share repurchase plan will also reduce funds available for distribution to remaining stockholders. However, our board of directors may modify or suspend our share repurchase plan if it deems such modification or suspension to be in the best interest of our stockholders.

### **Distribution Reinvestment Plan**

We have adopted a distribution reinvestment plan whereby stockholders will have their cash distributions automatically reinvested in additional shares of the same class of our common stock unless they elect to receive their distributions in cash. Investors who reside in certain states or are clients of certain participating broker-dealers that do not permit automatic enrollment in our distribution reinvestment plan will automatically receive their distributions in cash unless they elect to have their cash distributions reinvested in additional shares of our common stock. All such distributions are reinvested in our shares on behalf of the participants on the business day such distribution would have been paid to such stockholder.

The per share purchase price for shares purchased pursuant to the distribution reinvestment plan is equal to our NAV per share applicable to the class of shares purchased, calculated as of the distribution date. Stockholders do not pay selling commissions when purchasing shares pursuant to the distribution reinvestment plan. Because the stockholder servicing fee is calculated based on our NAV for Class A, Class A-I, Class M, Class S, Class D and Class Z shares, it will reduce the NAV with respect to the shares of each such class, including shares issued under our distribution reinvestment plan. Shares acquired under the distribution reinvestment plan entitle the participant to the same rights and be treated in the same manner as shares of that class purchased in our offerings.

We reserve the right to amend any aspect of our distribution reinvestment plan without the consent of our stockholders, provided that notice of any material amendment is sent to participants at least ten days prior to the effective date of that amendment. In addition, we may suspend or terminate the distribution reinvestment plan for any reason at any time upon ten days' prior written notice to participants. A stockholder's participation in the distribution reinvestment plan will be terminated to the extent that a reinvestment of such stockholder's distributions in our shares would cause the percentage ownership or other limitations contained in our charter to be violated. Participants may terminate their participation in the distribution reinvestment plan with ten days' prior written notice to us.

#### *Account Statements*

We provide on a quarterly basis to each participant in the distribution reinvestment plan a statement of account describing, as to such participant: (1) the distributions reinvested during the quarter; (2) the number of shares purchased during the quarter; (3) the per share purchase price for such shares; and (4) the total number of shares purchased on behalf of the participant under the distribution reinvestment plan. On an annual basis, tax information with respect to income earned on shares under the distribution reinvestment plan for the calendar year is provided to each applicable participant.

#### *Tax Consequences of Participation*

If a stockholder elects to participate in the distribution reinvestment plan, the stockholder will be treated as receiving, in lieu of the reinvested cash distribution, a distribution of additional shares of the same class of common stock on which the distribution is made. If the stockholder is subject to federal income taxation, the stockholder will be treated for federal income tax purposes as if he or she has received a dividend, to the extent of our current and accumulated earnings and profits, in an amount equal to the fair value on the relevant distribution date of the shares of the class of common stock purchased with the reinvested distributions, and will be taxed on the amount of such distribution as ordinary income (after taking into account up to a 20% deduction for ordinary REIT dividends received by non-corporate U.S. stockholders) to the extent such distribution is from current or accumulated earnings and profits, unless we have designated all or a portion of the distribution as a capital gain dividend or qualified dividend income, in which event the appropriate portion of the distribution will be treated as long-term capital gain to the extent the distribution does not exceed our current and accumulated earnings and profits.

#### **Business Combinations**

Under the Maryland General Corporation Law, business combinations between a Maryland corporation and an interested stockholder or the interested stockholder's affiliate are prohibited for five years after the most recent date on which the stockholder becomes an interested stockholder. For this purpose, the term "business combinations" includes mergers, consolidations, share exchanges or, in circumstances specified in the Maryland General Corporation Law, asset transfers and issuances or reclassifications of equity securities. An "interested stockholder" is defined for this purpose as: (1) any person who beneficially owns, directly or indirectly, 10% or more of the voting power of the corporation's outstanding voting stock; or (2) an affiliate or associate of the corporation who, at any time within the two-year period prior to the date in question, was the beneficial owner, directly or indirectly, of 10% or more of the voting power of the then outstanding stock of the corporation. A person is not an interested stockholder under the Maryland General Corporation Law if the board of directors approved in advance the transaction by which such person otherwise would have become an interested stockholder. However, in approving the transaction, the board of directors may provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by the board of directors.

After the five-year prohibition, any business combination between the corporation and an interested stockholder generally must be recommended by the board of directors of the corporation and approved by the affirmative vote of at least: (1) 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation, voting together as a single voting group; and (2) two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than shares of stock held by the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by an affiliate or associate of the interested stockholder, voting together as a single voting group.

These super-majority vote requirements do not apply if the corporation's common stockholders receive a minimum price, as defined under the Maryland General Corporation Law, for their shares of common stock in the form of cash or other consideration in the same form as previously paid by the interested stockholder for its shares of common stock.

None of these provisions of the Maryland General Corporation Law will apply, however, to business combinations that are approved or exempted by the board of directors of the corporation prior to the time that the interested stockholder becomes an interested stockholder. Pursuant to the business combination statute, our board of directors has adopted a resolution exempting any business combination involving us and any person, provided that such business combination is first approved by a majority of our board of directors, including a majority of our independent directors. Consequently, the five-year prohibition and the super majority vote requirements will not apply to business combinations between us and any person. As a result, any person may be able to enter into business combinations with us that may not be in the best interest of our stockholders, without compliance with the super-majority vote requirements and other provisions of the statute.

Should our board of directors opt into the business combination statute or otherwise fail to first approve a business combination, it may discourage others from trying to acquire control of us and increase the difficulty of consummating any offer.

### **Control Share Acquisitions**

The Maryland General Corporation Law provides that control shares of a Maryland corporation acquired in a control share acquisition have no voting rights except to the extent approved by a vote of two-thirds of the votes entitled to be cast on the matter. Shares of common stock owned by the acquiror, by officers or by employees who are directors of the corporation are not entitled to vote on the matter. "Control shares" are voting shares of stock which, if aggregated with all other shares of stock owned by the acquiror or with respect to which the acquiror has the right to vote or to direct the voting of, other than solely by virtue of revocable proxy, would entitle the acquiror to exercise voting power in electing directors within one of the following ranges of voting powers:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- a majority or more of all voting power.

Control shares do not include shares of stock the acquiring person is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from the corporation. Except as otherwise specified in the statute, a "control share acquisition" means the acquisition of issued and outstanding control shares. Once a person who has made or proposes to make a control share acquisition has undertaken to pay expenses and has satisfied other required conditions, the person may compel the

board of directors to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the shares of stock. If no request for a meeting is made, the corporation may itself present the question at any stockholders' meeting. If voting rights are not approved for the control shares at the meeting or if the acquiring person does not deliver an "acquiring person statement" for the control shares as required by the statute, the corporation may redeem any or all of the control shares for their fair value, except for control shares for which voting rights have previously been approved. Fair value is to be determined for this purpose without regard to the absence of voting rights for the control shares, and is to be determined as of the date of the last control share acquisition or of any meeting of stockholders at which the voting rights for control shares are considered and not approved or, if no such meeting is held, the date of the last control share acquisition by the acquiror.

If voting rights for control shares are approved at a stockholders' meeting and the acquiror becomes entitled to vote a majority of the shares of stock entitled to vote, all other stockholders may exercise appraisal rights. The fair value of the shares of stock as determined for purposes of these appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition. Some of the limitations and restrictions otherwise applicable to the exercise of dissenters' rights do not apply in the context of a control share acquisition.

The control share acquisition statute does not apply to shares of stock acquired in a merger or consolidation or share exchange if the corporation is a party to the transaction or to acquisitions approved or exempted by the charter or bylaws of the corporation. As permitted by the Maryland General Corporation Law, we have provided in our bylaws that the control share provisions of the Maryland General Corporation Law will not apply to any acquisition by any person of shares of our stock, but the board of directors retains the discretion to change this provision at any time in the future.

### **Unsolicited Takeover Statutes**

Subtitle 8 of Title 3 of the Maryland General Corporation Law ("Subtitle 8") permits a Maryland corporation with a class of equity securities registered under the Exchange Act and at least three independent directors to elect to be subject, without a stockholder vote, by provision in its charter or bylaws or a resolution of its board of directors and notwithstanding any contrary provision in the charter or bylaws, to any or all of five provisions:

- a classified board;
- requiring a two-thirds stockholder vote for removing a director;
- requiring that the number of directors be fixed only by vote of the board of directors;
- requiring that a vacancy on the board be filled only by the remaining directors and for the remainder of the full term of the class of directors in which the vacancy occurred; and
- a majority requirement for the calling of a stockholder-requested special meeting of stockholders.

Pursuant to Subtitle 8, we have elected to provide that vacancies on our board of directors be filled only by the affirmative vote of a majority of the remaining directors even if the remaining directors do not constitute a quorum and for the remainder of the full term of the directorship in which the vacancy occurred. Through provisions in our charter and bylaws unrelated to Subtitle 8, we vest in the board the exclusive power to fix the number of directors, provided that the number is not less than three. We have not elected to be subject to any of the other provisions of Subtitle 8.

## **Anti-Takeover Effect of Certain Provisions of Maryland Law and of Our Charter and Bylaws**

Our charter and bylaws and Maryland law contain provisions that may delay, defer or prevent a change of control or other transaction that might involve a premium price for our common stock or otherwise be in the best interests of our stockholders, including the power of our board to issue additional shares of our common stock, the restrictions on ownership and transfer of our stock, advance notice requirements for director nominations and stockholder proposals and the application of the Maryland business combination provisions. Likewise, if the provision in the bylaws opting out of the control share acquisition provisions of the Maryland General Corporation Law were rescinded, these provisions of the Maryland General Corporation Law could have similar anti-takeover effects.

## **Restrictions on Roll-Up Transactions**

In accordance with our charter, in connection with any proposed transaction considered a “roll-up transaction” (as defined below) involving us and the issuance of securities of an entity that would be created or would survive after the successful completion of the roll-up transaction, an appraisal of all of our assets shall be obtained from a competent independent appraiser. If the appraisal will be included in a prospectus used to offer the securities of a roll-up entity, the appraisal shall be filed with the Securities and Exchange Commission and the states as an exhibit to the registration statement for a public offering. The assets shall be appraised on a consistent basis, and the appraisal shall be based on the evaluation of all relevant information and shall indicate the value of the assets as of a date immediately prior to the announcement of the proposed roll-up transaction. The appraisal shall assume an orderly liquidation of the assets over a 12-month period. The terms of the engagement of the independent appraiser shall clearly state that the engagement is for our benefit and the benefit of our stockholders. A summary of the appraisal, indicating all material assumptions underlying the appraisal, shall be included in a report to stockholders in connection with any proposed roll-up transaction.

A “roll-up transaction” is a transaction involving the acquisition, merger, conversion or consolidation, directly or indirectly, of us and the issuance to the holders of our common stock of securities of another entity, or a roll-up entity, that would be created or would survive after the successful completion of such transaction.

The term roll-up transaction does not include:

- a transaction involving securities of our company that have been for at least 12 months listed on a national securities exchange; or
- a transaction involving our conversion to a corporate, trust, or association form if, as a consequence of the transaction, there will be no significant adverse change in any of the following: common stockholder voting rights; the term of our existence; compensation to our sponsor or advisor; or our investment objectives.

In connection with a proposed roll-up transaction, the person sponsoring the roll-up transaction must offer to common stockholders who vote against the proposal the choice of:

- (1) accepting the securities of a roll-up entity offered in the proposed roll-up transaction; or
- (2) one of the following:
  - (a) remaining as holders of shares of our common stock and preserving their interests therein on the same terms and conditions as existed previously; or

(b) receiving cash in an amount equal to the stockholder's pro rata share of the appraised value of our net assets.

We are prohibited from participating in any proposed roll-up transaction:

- that would result in the common stockholders having voting rights in a roll-up entity that are less than those provided in our charter, including rights with respect to the election and removal of directors, annual and special meetings, amendment of our charter and our dissolution;
- that includes provisions that would operate to materially impede or frustrate the accumulation of shares by any purchaser of the securities of the roll-up entity, except to the minimum extent necessary to preserve the tax status of the roll-up entity, or which would limit the ability of an investor to exercise the voting rights of its securities of the roll-up entity on the basis of the number of shares held by that investor;
- in which an investor's rights to access of records of the roll-up entity will be less than those provided in the section above entitled "Meetings, Special Voting Requirements and Access to Records;" or
- in which any of the costs of the roll-up transaction would be borne by us if the roll-up transaction is rejected by the common stockholders.

### **Tender Offers**

Our charter provides that any tender offer made by any person, including any "mini-tender" offer, must comply with the provisions of Regulation 14D of the Exchange Act, including the notice and disclosure requirements. Among other things, the offeror must provide us notice of such tender offer at least ten business days before initiating the tender offer. Any non-compliant offeror will be responsible for all of our expenses in connection with that offeror's noncompliance.

### **Advance Notice of Director Nominations and New Business**

Our bylaws provide that with respect to an annual meeting of stockholders, nominations of individuals for election to our board of directors and the proposal of business to be considered by stockholders may be made only (1) pursuant to our notice of the meeting, (2) by or at the direction of our board of directors or (3) by a stockholder who is a stockholder of record both at the time of giving the advance notice required by the bylaws and at the time of the meeting (and any postponement or adjournment thereof), who is entitled to vote at the meeting in the election of each individual so nominated or on any such other business and who has complied with the advance notice procedures of the bylaws. With respect to special meetings of stockholders, only the business specified in our notice of the meeting may be brought before the meeting. Nominations of individuals for election to our board of directors at a special meeting may be made only (1) by or at the direction of our board of directors or (2) provided that the special meeting has been called in accordance with the bylaws for the purpose of electing directors, by a stockholder who is a stockholder of record on the record date set by the board of directors for the purpose of determining stockholders entitled to vote at the special meeting, at the time of giving the advance notice required by the bylaws and at the time of the meeting (and any postponement or adjournment thereof), who is entitled to vote at the meeting in the election of each individual so nominated and who has complied with the advance notice provisions of the bylaws.

**TENTH AMENDED AND RESTATED  
JLL INCOME PROPERTY TRUST, INC.  
INDEPENDENT DIRECTORS COMPENSATION PLAN**

**AS OF MARCH 20, 2026**

**TENTH AMENDED AND RESTATED  
JLL INCOME PROPERTY TRUST, INC.  
INDEPENDENT DIRECTORS COMPENSATION PLAN**

**Article 1  
PURPOSE**

Section 1.1 PURPOSE. The purpose of the Plan is to attract, retain and compensate highly-qualified individuals who are not employees of JLL Income Property Trust, Inc. or any of its subsidiaries or affiliates for service as members of the Board by providing them with competitive compensation. The Plan is a sub-plan of the Incentive Plan.

Section 1.2 ELIGIBILITY. Independent Directors of the Company who are Eligible Participants, as defined below, shall automatically be participants in the Plan.

**Article 2  
DEFINITIONS**

Section 2.1 DEFINITIONS. Capitalized terms used herein and not otherwise defined shall have the meanings given such terms in the Incentive Plan. Unless the context clearly indicates otherwise, the following terms shall have the following meanings:

“Audit Committee” means the Audit Committee of the Board.

“Base Annual Retainer” means the annual retainer (excluding Supplemental Annual Retainers and expenses) payable by the Company to an Independent Director pursuant to Section 5.1 hereof for service as an Independent Director, as such amount may be changed from time to time.

“Board” means the Board of Directors of the Company.

“Cash Base Annual Retainer” has the meaning set forth in Section 5.1 of the Plan.

“Charter” means the articles of incorporation of the Company, as such articles of incorporation may be amended and supplemented from time to time.

“Company” means JLL Income Property Trust, Inc.

“Effective Date” of the Plan has the meaning set forth in Section 8.4 of the Plan.

“Eligible Participant” means any person who is an Independent Director on the Effective Date or becomes an Independent Director while this Plan is in effect; except that during any period a director is prohibited from participating in the Plan by his or her employer or otherwise waives participation in the Plan, such director shall not be an Eligible Participant.

“Incentive Plan” means the Second Amended and Restated JLL Income Property Trust, Inc. Incentive Plan, as amended or replaced from time to time.

“Independent Director” means a director of the Company who is not a common law employee of the Company and who meets the additional requirements set forth for an “independent director” in the Charter.

“Ninth Amended and Restated Plan” means the Ninth Amended and Restated JLL Income Property Trust, Inc. Independent Directors Compensation Plan, approved by the Board effective January 1, 2026.

“Nominating, Governance and Compensation Committee” means the Nominating, Governance and Compensation Committee of the Board.

“Plan” means this Tenth Amended and Restated JLL Income Property Trust, Inc. Independent Directors Compensation Plan, as amended from time to time.

“Plan Year(s)” means a calendar year.

“Stock” means the \$0.01 par value Class A, Class A-I, Class D, Class I, Class M, Class M-I, Class N, Class S and Class Z common stock of the Company and such other securities of the Company as may be substituted for such class of Stock pursuant to Article 13 of the Incentive Plan.

“Stock Base Annual Retainer” has the meaning set forth in Section 5.1 of the Plan.

“Supplemental Annual Retainer” means the annual retainer (excluding the Base Annual Retainer and expenses) payable by the Company to an Independent Director pursuant to Section 5.2 hereof for service as the chair or a member of the Audit Committee, chair or a member of the Nominating, Governance and Compensation Committee, or as lead Independent Director, as such amount may be changed from time to time.

### **Article 3 ADMINISTRATION**

Section 3.1 ADMINISTRATION. The Plan shall be administered by the Board. Subject to the provisions of the Plan, the Board shall be authorized to interpret the Plan, to establish, amend and rescind any rules and regulations relating to the Plan, and to make all other determinations necessary or advisable for the administration of the Plan. The Board’s interpretation of the Plan, and all actions taken and determinations made by the Board pursuant to the powers vested in it hereunder, shall be conclusive and binding upon all parties concerned, including the Company, its stockholders and persons granted awards under the Plan. The Board may appoint a plan administrator to carry out the ministerial functions of the Plan, but the administrator shall have no other authority or powers of the Board.

Section 3.2 RELIANCE. In administering the Plan, the Board may rely upon any information furnished by the Company, its public accountants and other experts. No individual will have personal liability by reason of anything done or omitted to be done by the Company or the Board in connection with the Plan. This limitation of liability shall not be exclusive of any other limitation of liability to which any such person may be entitled under the Company’s certificate of incorporation or otherwise.

### **Article 4 SOURCE OF SHARES**

Section 4.1 SOURCE OF SHARES. The shares of Stock or other equity that may be issued pursuant to the Plan shall be issued under the Incentive Plan, subject to all of the terms and conditions of the Incentive Plan. The terms contained in the Incentive Plan are incorporated into and made a part of this Plan with respect to shares of Stock or other equity granted pursuant hereto and any such grant shall be governed by and construed in accordance with the Incentive Plan. In the event of any actual or alleged conflict between the provisions of the Incentive Plan and the provisions of this Plan, the provisions of the Incentive Plan shall be controlling and determinative. This Plan does not constitute a separate source of Shares for the grant of awards of Stock described herein.

## **Article 5 RETAINERS AND EXPENSES**

Section 5.1 BASE ANNUAL RETAINER. Each Eligible Participant shall be paid a Base Annual Retainer for service as an Independent Director during each Plan Year. The amount of the Base Annual Retainer shall be established from time to time by the Board. Until changed by the Board, the Base Annual Retainer for a full Plan Year shall be \$185,000.00 (which Base Annual Retainer includes fees for attendance at meetings of the Board or its committees), 40% of which shall be payable in Stock in accordance with Section 6.2 below (the "Stock Base Annual Retainer") and 60% of which shall be payable in cash in approximately equal quarterly installments in advance, beginning at the start of a Plan Year (the "Cash Base Annual Retainer"). A pro rata Base Annual Retainer will be paid to any person who becomes an Eligible Participant on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as an Independent Director during the Plan Year. Payment of such prorated Cash Base Annual Retainer shall begin on the date that the person first becomes an Eligible Participant, and shall resume on a quarterly basis thereafter.

### Section 5.2 SUPPLEMENTAL ANNUAL RETAINERS.

(a) The chair of the Audit Committee shall be paid a Supplemental Annual Retainer for his or her service as such chair during a Plan Year, payable quarterly at the same times as installments of the Cash Base Annual Retainer. The amount of the Supplemental Annual Retainer for the chair of the Audit Committee shall be established from time to time by the Board. Until changed by the Board, the Supplemental Annual Retainer for a full Plan Year for the chair of the Audit Committee shall be \$15,000.00. A pro rata Supplemental Annual Retainer will be paid to any Eligible Participant who becomes the chair of the Audit Committee on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as chair of the Audit Committee during the Plan Year. Payment of such pro-rated Supplemental Annual Retainer shall begin on the date that the person first becomes chair of the Audit Committee and shall resume on a quarterly basis thereafter.

(b) Each member of the Audit Committee, other than the chair of the Audit Committee whose supplemental retainer is set forth above, shall be paid a Supplemental Annual Retainer for his or her service as a member of the Audit Committee during a Plan Year, payable quarterly at the same times as installments of the Cash Base Annual Retainer. The amount of the Supplemental Annual Retainer for a member of the Audit Committee shall be established from time to time by the Board. Until changed by the Board, the Supplemental Annual Retainer for a full Plan Year for a member of the Audit Committee, other than the chair of the Audit Committee, shall be \$5,000.00. A pro rata Supplemental Annual Retainer will be paid to any Eligible Participant who becomes a member of the Audit Committee on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as a member of the Audit Committee during the Plan Year. Payment of such pro-rated Supplemental Annual Retainer shall begin on the date that the person first becomes a member of the Audit Committee, and shall resume on a quarterly basis thereafter.

(c) The director elected as the lead Independent Director shall be paid a Supplemental Annual Retainer for his or her service as such lead Independent Director during a Plan Year, payable quarterly at the same times as installments of the Cash Base Annual Retainer. The amount of the Supplemental Annual Retainer for the lead Independent Director shall be established from time to time by the Board. Until changed by the Board, the Supplemental Annual Retainer for a full Plan Year for the lead Independent Director shall be \$15,000.00. A pro rata Supplemental Annual Retainer will be paid to any Eligible Participant who becomes the lead Independent Director on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as lead Independent Director during the Plan Year. Payment of such pro-rated Supplemental Annual Retainer shall begin on the date that the person first becomes the lead Independent Director, and shall resume on a quarterly basis thereafter.

(d) The chair of the Nominating, Governance and Compensation Committee shall be paid a Supplemental Annual Retainer for his or her service as such chair during a Plan Year, payable quarterly at the same times as installments of the Cash Base Annual Retainer. The amount of the Supplemental Annual Retainer for the chair of the Nominating, Governance and Compensation Committee shall be established from time to time by the Board. Until changed by the Board, the

Supplemental Annual Retainer for a full Plan Year for the chair of the Nominating, Governance and Compensation Committee shall be \$10,000.00. A pro rata Supplemental Annual Retainer will be paid to any Eligible Participant who becomes the chair of the Nominating, Governance and Compensation Committee on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as a chair of the Nominating, Governance and Compensation Committee during the Plan Year. Payment of such pro-rated Supplemental Annual Retainer shall begin on the date that the person first becomes chair of the Nominating Governance and Compensation Committee, and shall resume on a quarterly basis thereafter.

(e) Each member of the Nominating, Governance and Compensation Committee, other than the chair of the Nominating, Governance and Compensation Committee whose supplemental retainer is set forth above, shall be paid a Supplemental Annual Retainer for his or her service as a member of the Nominating, Governance and Compensation Committee during a Plan Year, payable quarterly at the same times as installments of the Cash Base Annual Retainer. The amount of the Supplemental Annual Retainer for a member of the Nominating, Governance and Compensation Committee shall be established from time to time by the Board. Until changed by the Board, the Supplemental Annual Retainer for a full Plan Year for a member of the Nominating, Governance and Compensation Committee, other than the chair of the Nominating, Governance and Compensation Committee, shall be \$2,500.00. A pro rata Supplemental Annual Retainer will be paid to any Eligible Participant who becomes a member of the Nominating, Governance and Compensation Committee on a date other than the beginning of a Plan Year, based on the number of full months he or she serves as a member of the Nominating, Governance and Compensation Committee during the Plan Year. Payment of such pro-rated Supplemental Annual Retainer shall begin on the date that the person first becomes a member of the Nominating, Governance and Compensation Committee, and shall resume on a quarterly basis thereafter.

Section 5.3 TRAVEL EXPENSE REIMBURSEMENT. All Eligible Participants shall be reimbursed for reasonable travel expenses in connection with attendance at meetings of the Board and its committees, or other Company functions at which the Chief Executive Officer or Chair of the Board requests the Independent Director to participate. Notwithstanding the foregoing, the Company's reimbursement obligations pursuant to this Section 5.3 shall be limited to expenses incurred during such director's service as an Independent Director. Such payments will be made within 30 days after delivery of the Independent Director's written requests for payment, accompanied by such evidence of expenses incurred as the Company may reasonably require, but in no event later than the last day of the Independent Director's tax year following the tax year in which the expense was incurred. The amount reimbursable in any one tax year shall not affect the amount reimbursable in any other tax year. Independent Directors' right to reimbursement pursuant to this Section 5.3 shall not be subject to liquidation or exchange for another benefit.

## **Article 6 EQUITY COMPENSATION**

Section 6.1 INITIAL STOCK GRANT. Subject to share availability under the Incentive Plan and the terms of this Section 6.1, on the first date an Independent Director is initially elected or appointed to the Board, he or she shall receive an award of fully-vested shares of Stock equal to 40% of the Base Annual Retainer (or \$74,000.00), valued based on the net asset value per share on the grant date (which shares of Stock shall be Class I, or such other class of Stock as may be determined by the Board, and subject to the one-year holding period applicable to all Stock). Such shares of Stock shall be subject to the terms and conditions described herein and in the Incentive Plan and shall be in addition to any otherwise applicable annual grant of Stock granted to such Independent Director under Section 6.2.

### Section 6.2 STOCK BASE ANNUAL RETAINER.

(a) Subject to share availability under the Incentive Plan and subject to any valid election pursuant to Section 6.2(b) hereof, each Independent Director will receive fully-vested shares of Stock equal to the Stock Base Annual Retainer (or \$74,000.00, subject to proration pursuant to Section 5.1), valued based on the net asset value per share on the grant date (which shares of Stock shall be Class I, or such other class of Stock as may be determined by the Board, and subject to the one-year holding

period applicable to all Stock) on March 31 of each year, subject to the Independent Director's nomination by the Board for reelection as an Independent Director at the upcoming annual meeting of stockholders.

(b) Commencing with calendar year 2026, an Independent Director may elect, pursuant to an irrevocable election form delivered to the Company (the "Election Form"), to receive his or her Stock Base Annual Retainer in the form of Deferred Stock Units. Such Election Form must be furnished to the Company: (i) on or before March 15, 2026, for calendar year 2026, (ii) on or before December 31 of any calendar year (or such earlier date established in the discretion of the Company) with respect to the Stock Base Annual Retainer granted to the Participant in the following calendar year and any subsequent calendar years as specified in the deferral election; or (iii) in the case of the first year of a Participant's participation in this Plan as an Independent Director, which first year of eligibility shall be determined in accordance with Treas. Reg. § 1.409A-2(a)(7), within 30 days after the date such individual becomes a Participant in the Plan; provided, however, that no election may be made by an Independent Director pursuant to this subsection (b) if the Company determines in its sole discretion that, prior to becoming an Independent Director, such Independent Director was eligible to participate in any "non-qualified deferred compensation plan" (as defined in Section 409A of the Code) that would be aggregated with the Plan for purposes of Section 409A of the Code. All Deferred Stock Units received by a Participant shall be credited to an account maintained for the Participant on the books of the Company as of the Grant Date and shall be settled in shares of Stock as set forth in the award agreement and Election Form.

#### **Article 7 AMENDMENT, MODIFICATION AND TERMINATION**

Section 7.1 AMENDMENT, MODIFICATION AND TERMINATION. The Board may, at any time and from time to time, amend, modify or terminate the Plan without stockholder approval; provided, however, that if an amendment to the Plan would, in the reasonable opinion of the Board, require stockholder approval under applicable laws, policies or regulations or the applicable listing or other requirements of a securities exchange on which the Stock is listed or traded, then such amendment shall be subject to stockholder approval; and provided further, that the Board may condition any other amendment or modification on the approval of stockholders of the Company for any reason.

#### **Article 8 GENERAL PROVISIONS**

Section 8.1 ADJUSTMENTS. The adjustment provisions of the Incentive Plan shall apply with respect to equity awards granted pursuant to this Plan.

Section 8.2 DURATION OF THE PLAN. The Plan shall remain in effect until terminated by the Board.

Section 8.3 EXPENSES OF THE PLAN. The expenses of administering the Plan shall be borne by the Company.

Section 8.4 EFFECTIVE DATE. This Plan will become effective as of March 20, 2026, and will replace the Ninth Amended and Restated Plan, which will expire as of that date (the "Effective Date").

\*\*\*\*\*

The foregoing is hereby acknowledged as being the Tenth Amended and Restated JLL Income Property Trust, Inc. Independent Directors Compensation Plan as adopted by the Board effective March 20, 2026.

JLL INCOME PROPERTY TRUST, INC.

By:     /s/ C. Allan Swaringen    

Name: C. Allan Swaringen

Title: President and Chief Executive Officer

**DEFERRED STOCK UNIT AWARD CERTIFICATE**

*Non-transferable*

GRANT TO

\_\_\_\_\_  
 (“Grantee”)

by JLL Income Property Trust, Inc. (the “Company”) of

[ ]

deferred stock units convertible on a 1-for-1 basis into shares of Class I Stock (the “Units”). The Units are granted pursuant to and subject to the provisions of the Tenth Amended and Restated JLL Income Property Trust, Inc. Independent Directors Compensation Plan (the “Plan”), which operates as a sub-plan of the Second Amended and Restated JLL Income Property Trust, Inc. Incentive Plan (together with the Plan, the “Plans”), and to the terms and conditions set forth on the following page (the “Terms and Conditions”). By accepting the Units, Grantee shall be deemed to have agreed to the Terms and Conditions and the Plans. Capitalized terms used herein and not otherwise defined shall have the meanings assigned to such terms in the Plans.

IN WITNESS WHEREOF, JLL Income Property Trust, Inc., acting by and through its duly authorized officers, has caused this Certificate to be duly executed as of the Grant Date.

JLL Income Property Trust, Inc.

By: \_\_\_\_\_

Its:

Grant Date:

## TERMS AND CONDITIONS

1. Units. The Units are fully vested and non-forfeitable on the Grant Date, and have been credited to a bookkeeping account on behalf of Grantee.
2. Conversion to Stock. The Units, including those acquired pursuant to Section 3 hereof, will be converted to shares of Class I Stock on the earlier of (i) Grantee's separation from service (as defined in Code Section 409A), or (ii) a Change in Control of the Company (as defined in Code Section 409A) (the "Conversion Date"). Stock certificates evidencing the conversion of Units into shares of Class I Stock will be registered on the books of the Company in Grantee's name as of the Conversion Date and delivered to Grantee as soon as practical thereafter.
3. Dividend Equivalent Rights. If any dividends or other distributions are paid with respect to the Class I Stock while the Units are outstanding, Grantee shall receive dividend equivalents ("Dividend Equivalents") equal to the number of Units multiplied by any such dividends or other distributions with respect to the Company's Class I common stock. Such Dividend Equivalents will be reinvested in additional Units, based on the Fair Market Value of the Class I Stock as of the date of the dividend payment date.
4. No Voting Rights. Grantee will not have any voting rights with respect to the Units until the Conversion Date.
5. Restrictions on Transfer. No right or interest of Grantee in the Units may be pledged, encumbered, or hypothecated to or in favor of any party other than the Company or an Affiliate, or shall be subject to any lien, obligation, or liability of Grantee to any other party other than the Company or an Affiliate. The Units are not assignable or transferable by Grantee other than to a beneficiary or by will or the laws of descent and distribution or pursuant to a domestic relations order that would satisfy Code Section 414(p)(1)(A) if such Section applied to the Units.
6. Plans Control. The terms contained in the Plans shall be and are hereby incorporated into and made a part of this Certificate and this Certificate shall be governed by and construed in accordance with the Plans. In the event of any actual or alleged conflict between the provisions of the Plans and the provisions of this Certificate, the provisions of the Plans shall be controlling and determinative.
7. Successors. This Certificate shall be binding upon any successor of the Company, in accordance with the terms of this Certificate and the Plans.
8. Severability. If any one or more of the provisions contained in this Certificate are invalid, illegal or unenforceable, the other provisions of this Certificate will be construed and enforced as if the invalid, illegal or unenforceable provision had never been included.
9. Notice. Notices hereunder must be in writing, delivered personally or sent by registered or certified U.S. mail, return receipt requested, postage prepaid. Notices to the Company must be addressed to JLL Income Property Trust, Inc., 333 West Wacker Drive, Chicago, IL 60606, Attn: Secretary, or any other address designated by the Company in a written notice to Grantee. Notices to Grantee will be directed to the address of Grantee then currently on file with the Company, or at any other address given by Grantee in a written notice to the Company.
10. Section 409A. The payments provided under this Certificate shall comply with the requirements of Code Section 409A. This Certificate shall be construed in a manner that effects such intent. Nevertheless, the tax treatment of the Units is not warranted or guaranteed. Neither the Company, its Affiliates nor their respective directors, officers, employees or advisers (other than in his or her capacity as Grantee) shall be held liable for any taxes, interest, penalties or other monetary amounts owed by Grantee or other taxpayer as a result of the Units.



**JLL INCOME PROPERTY TRUST, INC.**

**INSIDER TRADING POLICY STATEMENT**

Amended and Restated as of May 9, 2023

It is the policy of JLL Income Property Trust, Inc. (the “Company”) that no director, officer, other employee, agent or representative of the Company who is aware of material nonpublic information relating to the Company may, directly or through family members or other persons or entities, (a) buy or sell securities of the Company or engage in any other action to take personal advantage of that information, or (b) pass that information on to others outside the Company, including family and friends. In addition, it is the policy of the Company that no director, officer, other employee, agent or representative of the Company who, in the course of working for the Company, learns of material nonpublic information about a subsidiary or other affiliate of the Company or a company with which the Company does business, including a customer or supplier of the Company, may trade in that company’s securities until the information becomes public or is no longer material.

Directors, executive officers and any other employee, agent or representative of the Company, together with their family members, may not engage in any transaction in the Company’s securities (including a gift, contribution to a trust or similar transfer) at any time without first obtaining pre-clearance of the transaction from a compliance officer responsible for administering and monitoring this insider trading policy (the “Compliance Officer”), who shall be appointed by the Company’s Audit Committee. A request for pre-clearance should be submitted to the Compliance Officer at least two business days in advance of the proposed transaction. The Compliance Officer is under no obligation to approve a transaction submitted for pre-clearance and may determine not to permit the transaction.

Material information is any information that a reasonable investor would consider important in making a decision to buy, hold or sell securities. Examples of information that could be regarded as material include, but are not limited to:

- Projections of future earnings or losses, or other earnings guidance;
- Exceeding the repurchase plan cap;
- A pending or proposed merger, acquisition or tender offer;
- A pending or proposed acquisition or disposition of a significant asset;
- A change in dividend policy, the declaration of a stock split, or an offering of additional securities;
- Extraordinary borrowings;
- Developments regarding significant litigation or government agency investigations;
- A change in management or the advisor;
- Impending bankruptcy or the existence of liquidity problems; and
- Bankruptcy of a significant tenant; and
- A material cybersecurity incident.

This list is not an exhaustive list. If you are unsure whether information is material, you should consult the Compliance Officer before making any decision to disclose such information or to trade in or recommend securities to which that information relates.

The Company's insider trading policy does not apply to the exercise of an employee stock option or independent director stock option. The policy does apply, however, to the subsequent sale of any stock received upon the exercise of an option, as well as the sale of stock as part of a broker-assisted cashless exercise of an option or to any other market sale for the purpose of generating the cash needed to pay the exercise price of an option.

In addition, the Company's insider trading policy does not apply to purchases of Company stock under the Company's distribution reinvestment plan resulting from the reinvestment of distributions paid on Company securities. The policy does apply, however, to elections to participate in the plan or increases in the level of participation in the plan. The policy also applies to sales of any Company stock purchased pursuant to the plan.

The failure of a director, officer, other employee, agent or representative to comply with the Company's insider trading policy may subject him or her to sanctions, up to and including dismissal for cause, whether or not the failure to comply results in a violation of law. Each individual must acknowledge that he or she has received a copy of the Company's insider trading policy and has read and understands the Company's insider trading policy by signing the Receipt and Acknowledgement of the Insider Trading Policy Statement, attached hereto, and returning the same to the Compliance Officer.

**RECEIPT AND ACKNOWLEDGMENT OF THE INSIDER TRADING POLICY STATEMENT**

I hereby acknowledge that I have received, carefully read and understand the “Insider Trading Policy Statement” of JLL Income Property Trust, Inc. dated May 9, 2023 and will comply in all respects with all such procedures to which I am subject. I understand that the Compliance Officer is available to answer any questions I have regarding the Insider Trading Policy Statement.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Name (please print)

**VIOLATION OF THE POLICIES DESCRIBED ABOVE WILL RESULT IN SERIOUS DISCIPLINARY ACTION BY THE COMPANY AND/OR ITS SUBSIDIARIES, INCLUDING POSSIBLE DISMISSAL AND MAY RESULT IN CRIMINAL AND CIVIL PENALTIES. IF YOU HAVE ANY QUESTIONS ABOUT THESE POLICIES OR WHETHER YOU MAY BUY OR SELL ANY SECURITY AT A PARTICULAR TIME, PLEASE CONTACT THE COMPLIANCE OFFICER BEFORE YOU TAKE ANY ACTION WHICH MAY BE PROHIBITED.**

Exhibit 21.1

Jones Lang LaSalle Income Property Trust, Inc. Subsidiaries as of March 26, 2026	State or Jurisdiction or Incorporation	Percent Owned
Holding San Marcos LLC	Delaware	78.00
LIPT San Marcos LLC	Delaware	100.00
LIPT 140 Park Avenue, LLC	Delaware	100.00
LIPT Chestnut Street, LLC	Delaware	100.00
Aquinas Realty Investors II, LLC	Delaware	100.00
Aquinas Holdings II, LLC	Delaware	100.00
Aquinas 2021 Chestnut Street, General Partner, LLC	Delaware	100.00
Aquinas 2021 Chestnut Street, LP	Delaware	100.00
JLLIPT Holdings GP, LLC	Delaware	100.00
JLLIPT Holdings LP	Delaware	99.00
JLL Exchange TRS, LLC	Delaware	100.00
JLLX Ardenwood Master Tenant, LLC	Delaware	100.00
JLLX Ardenwood I, LLC	Delaware	100.00
JLLX Ardenwood II, LLC	Delaware	100.00
JLLX Chandler Distribution Center, DST	Delaware	100.00
JLLX Chandler Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX Diversified II Master Tenant, LLC	Delaware	100.00
JLLX Diversified Portfolio III, DST	Delaware	100.00
JLLX Diversified Portfolio III Master Tenant, LLC	Delaware	100.00
JLLX Diversified Portfolio VI, DST	Delaware	100.00
JLLX Diversified Portfolio VI Master Tenant, LLC	Delaware	100.00
JLLX Diversified Portfolio VIII, DST	Delaware	100.00
JLLX Diversified Portfolio VIII Master Tenant, LLC	Delaware	100.00
JLLX Diversified 9, DST	Delaware	100.00
JLLX Diversified 9, Master Tenant, LLC	Delaware	100.00
JLLX Diversified 10, DST	Delaware	100.00
JLLX Diversified 10 Master Tenant, LLC	Delaware	100.00
JLLX Durham Medical Center, LLC	Delaware	100.00
JLLX Elgin Distribution Center, DST	Delaware	100.00
JLLX Elgin Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX Friendship Distribution Master Tenant, LLC	Delaware	100.00
JLLX Friendship Distribution Center Springing, LLC	Delaware	100.00
JLLX Glendale Distribution Center, DST	Delaware	100.00
JLLX Glendale Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX Grand Prairie Distribution Center, DST	Delaware	100.00
JLLX Grand Prairie Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX Johns Creek Master Tenant, LLC	Delaware	100.00
JLLX Johns Creek, LLC	Delaware	100.00
JLLX Louisville Logistics Master Tenant LLC	Delaware	100.00
JLLX Mason Mill Master Tenant, LLC	Delaware	100.00
JLLX Mason Mill, LLC	Delaware	100.00
JLLX Milford Crossing Master Tenant, LLC	Delaware	100.00

Jones Lang LaSalle Income Property Trust, Inc. Subsidiaries as of March 26, 2026	State or Jurisdiction or Incorporation	Percent Owned
JLLX Milford Crossing, LLC	Delaware	100.00
JLLX North Andover Apartments, DST	Delaware	100.00
JLLX North Andover Apartments Master Tenant, LLC	Delaware	100.00
JLLX Penfield Master Tenant, LLC	Delaware	100.00
JLLX Penfield, LLC	Delaware	100.00
JLLX San Marcos Master Tenant, LLC	Delaware	100.00
JLLX San Marcos, LLC	Delaware	100.00
JLLX SJC Medical Office Master Tenant, LLC	Delaware	100.00
JLLX SJC Medical Office, LLC	Delaware	100.00
JLLX Taunton Distribution Center, DST	Delaware	100.00
JLLX Taunton Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX Townlake of Coppell, DST	Delaware	100.00
JLLX Townlake of Coppell Master Tenant, LLC	Delaware	100.00
JLLX Villas at Legacy Master Tenant, LLC	Delaware	100.00
JLLX Villas at Legacy, LLC	Delaware	100.00
JLLX Montecito Marketplace Master Tenant, LLC	Delaware	100.00
JLLX Montecito Marketplace, LLC	Delaware	100.00
JLLX Whitestown Master Tenant, LLC	Delaware	100.00
JLLX Whitestown, LLC	Delaware	100.00
JLLX Louisville Airport Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX Louisville Airport Distribution Center, LLC	Delaware	100.00
JLLX Louisville Logistics, LLC	Delaware	100.00
JLLX The Preserve at the Meadows Master	Delaware	100.00
JLLX The Preserve at the Meadows, LLC	Delaware	100.00
JLLX Rockwell Apartments Master Tenant	Delaware	100.00
JLLX Rockwell Apartments, LLC	Delaware	100.00
JLLX Silverstone Marketplace, LLC	Delaware	100.00
JLLX South Reno Medical Center, LLC	Delaware	100.00
JLLX Stony Point Master Tenant LLC	Delaware	100.00
JLLX Stony Point, LLC	Delaware	100.00
JLLX Sugar Land Medical Center, LLC	Delaware	100.00
JLLX Suwanee Distribution Center, LLC	Delaware	100.00
JLLX Reserve at Venice Master Tenant LLC	Delaware	100.00
JLLX Reserve at Venice, LLC	Delaware	100.00
JLLX West Phoenix Distribution Center Master Tenant, LLC	Delaware	100.00
JLLX West Phoenix Distribution Center, LLC	Delaware	100.00
JLLX Woodside Trumbull Apartments, DST	Delaware	100.00
JLLX Woodside Trumbull Apartments Master Tenant, LLC	Delaware	100.00
ELPF Howell Mill LLC	Delaware	100.00
ELPF Kendall LLC	Delaware	100.00
ELPF Lafayette Subsidiary, Inc.	Delaware	100.00
Holding Lafayette LLC	Delaware	100.00
ELPF Lafayette Member LLC	Delaware	100.00

Jones Lang LaSalle Income Property Trust, Inc. Subsidiaries as of March 26, 2026	State or Jurisdiction or Incorporation	Percent Owned
ELPF Lafayette LLC	Delaware	100.00
ELPF Norfleet LLC	Delaware	100.00
LIPT 10th Street East, LLC	Delaware	100.00
LIPT 1225 Michael Drive, LLC	Delaware	100.00
LIPT 1300-1350 Michael Drive, LLC	Delaware	100.00
LIPT 170 Park Avenue, LLC	Delaware	100.00
LIPT 2212 Vermont Drive, LLC	Delaware	100.00
LIPT 27th Avenue SE, LLC	Delaware	100.00
LIPT 350 Riva Ridge Drive, LLC	Delaware	100.00
LIPT 3324 Trinity Boulevard, LLC	Delaware	100.00
LIPT 47 National Way Member, LLC	Delaware	100.00
LIPT 47 National Way, LP	Delaware	100.00
LIPT 4900 Boardwalk Drive, LLC	Delaware	100.00
LIPT 5 National Way Member, LLC	Delaware	100.00
LIPT 5 National Way, LP	Delaware	100.00
LIPT Airport Drive, LLC	Delaware	100.00
LIPT Airport Road SW, LLC	Delaware	100.00
LIPT Allan Drive, LLC	Delaware	100.00
LIPT Anson Blvd, LLC	Delaware	100.00
LIPT Arbor Lakes, LLC	Delaware	100.00
LIPT Ash Meadows Lane, LLC	Delaware	100.00
LIPT ASP Valencia, LLC	Delaware	100.00
LIPT Aurora Avenue, LLC	Delaware	100.00
LIPT Bath Road, LLC	Delaware	100.00
LIPT Belmont Avenue Urban Renewal, LLC	Delaware	100.00
LIPT Bixby Member, LLC	Delaware	100.00
LIPT Bixby JV, LLC	Delaware	95.00
LIPT Bixby I, LLC	Delaware	100.00
LIPT Bixby II, LLC	Delaware	100.00
LIPT Bixby III, LLC	Delaware	100.00
LIPT Bixby IV, LLC	Delaware	100.00
LIPT Bixby V, LLC	Delaware	100.00
LIPT Boulder Falls Street, LLC	Delaware	100.00
Boulder Falls Street JV, LLC	Delaware	95.00
LIPT Britannia Drive, LLC	Delaware	100.00
LIPT Charles F. Colton Road, LLC	Delaware	100.00
LIPT Clermont Road, LLC	Delaware	100.00
LIPT Collins Avenue, LLC	Delaware	100.00
LIPT Colorado Boulevard, LLC	Delaware	100.00
LIPT Conestoga Parkway, LLC	Delaware	100.00
LIPT Corporate Drive, LLC	Delaware	100.00
LIPT East Germann Road, LLC	Delaware	100.00
LIPT East Greenway Parkway, LLC	Delaware	100.00

Jones Lang LaSalle Income Property Trust, Inc. Subsidiaries as of March 26, 2026	State or Jurisdiction or Incorporation	Percent Owned
LIPT East Kaahumanu Avenue, LLC	Delaware	100.00
LIPT East Silverado Ranch, LLC	Delaware	100.00
LIPT Foothill Boulevard, LLC	Delaware	100.00
LIPT Genesee Avenue, LLC	Delaware	100.00
LIPT Giant Road, LLC	Delaware	100.00
LIPT Grand Lakes GP LLC	Delaware	100.00
Cinco Grand & Fry Retail LP	Texas	90.00
LIPT Grand Lakes Retail LLC	Delaware	100.00
LIPT Highway 114, LLC	Delaware	100.00
LIPT Hogum Bay Road LLC	Delaware	100.00
LIPT Investors, LLC	Delaware	100.00
LIPT Johnson Ferry Road, LLC	Delaware	100.00
LIPT Johns Creek Commons, LLC	Delaware	100.00
LIPT Kingston Member, LLC	Delaware	100.00
Kingston JV Apartments LLC	Delaware	80.00
LIPT Lake Howell Apartments, LLC	Delaware	100.00
LIPT Lane Parke, LLC	Delaware	100.00
LIPT Lewis Mittel, LLC	Delaware	100.00
LIPT Loan HoldCo, LLC	Delaware	100.00
LIPT Madison Industrial Lane, LLC	Delaware	100.00
LIPT Mason Mill Road, LLC	Delaware	100.00
LIPT McFarland Drive Member, LLC	Delaware	100.00
LIPT McFarland Drive Retail, LLC	Delaware	100.00
LIPT Medway Road, LLC	Delaware	100.00
LIPT MOB PORTFOLIO, LLC	Delaware	100.00
LIPT MOB Portfolio I, LLC	Delaware	100.00
LIPT Gezon Parkway LLC	Delaware	100.00
LIPT Gilman Road, LLC	Delaware	100.00
LIPT Northeast 82nd Street, LLC	Delaware	100.00
LIPT Primrose Street, LLC	Delaware	100.00
LIPT Roe Boulevard, LLC	Delaware	100.00
LIPT Southwest 7 Highway, LLC	Delaware	100.00
LIPT Summergate Boulevard, LLC	Delaware	100.00
LIPT Virginia Station LLC	Delaware	100.00
LIPT Zinfandel Drive, LLC	Delaware	100.00
LIPT NE Alderwood Road, LLC	Delaware	100.00
LIPT North Durango Drive, LLC	Delaware	100.00
LIPT North Dayton Street, LLC	Delaware	100.00
LIPT North Jasper Drive, LLC	Delaware	100.00
LIPT North Jefferson Street, LLC	Delaware	100.00
LIPT North Moore Road, LLC	Delaware	100.00
Coppell Properties, LLC	Delaware	100.00
LIPT Northport Court, LLC	Delaware	100.00

Jones Lang LaSalle Income Property Trust, Inc. Subsidiaries as of March 26, 2026	State or Jurisdiction or Incorporation	Percent Owned
LIPT Northport Loop East, LLC	Delaware	100.00
LIPT NW Buford Highway, LLC	Delaware	100.00
LIPT NW Cedar Falls Drive, LLC	Delaware	100.00
LIPT Oak Grove, LLC	Delaware	100.00
LIPT Ontario Street, LLC	Delaware	100.00
LIPT Orchard Gateway, LLC	Delaware	100.00
LIPT Osgood Street, LLC	Delaware	100.00
LIPT Otay Mesa Road, LLC	Delaware	100.00
LIPT Presley, LLC	Delaware	100.00
Presley Uptown Venture, LLC	Delaware	100.00
LIPT PM, LLC	Delaware	100.00
LIPT Reems Road, LLC	Delaware	100.00
LIPT San Diego, LLC	Delaware	100.00
LIPT Sanyo Avenue, LLC	Delaware	100.00
LIPT SFR Portfolio II, LLC	Delaware	100.00
LIPT SFR REIT, LLC	Delaware	100.00
LIPT SFR Portfolio, LLC	Delaware	100.00
LIPT Shepherdsville Road, LLC	Delaware	100.00
LIPT Spokane Street LLC	Delaware	100.00
LIPT Stony Point Parkway, LLC	Delaware	100.00
LIPT Summergate Boulevard, LLC	Delaware	100.00
LIPT SW Cedar Brook Way, LLC	Delaware	100.00
LIPT SW Fifth Avenue, LLC	Delaware	100.00
LIPT SW Oak Street, LLC	Delaware	100.00
LIPT Sylvan Way, LLC	Delaware	100.00
LIPT Thomas Parkway, LLC	Delaware	100.00
LIPT Touhy McCormick, LLC	Delaware	100.00
LIPT Tremington Member, LLC	Delaware	100.00
NWP Tremington JV LLC	Delaware	75.00
NWP Huntington Owner LLC	Delaware	100.00
NWP Tremont Owner LLC	Delaware	100.00
LIPT Trinity Boulevard, LLC	Delaware	100.00
LIPT Twin Lakes Member, LLC	Delaware	100.00
LIPT Twin Lakes, LP	Delaware	99.00
LIPT Valencia Commerceplex, LLC	Delaware	100.00
LIPT University Center Drive, LLC	Delaware	100.00
LIPT West Chandler Boulevard, LLC	Delaware	100.00
LIPT West Fountainhead Parkway, LLC	Delaware	100.00
LIPT West Frye Road, LLC	Delaware	100.00
LIPT West Frye Road Phase II, LLC	Delaware	100.00
LIPT West Raleigh Distribution Center I, LLC	Delaware	100.00
LIPT West Raleigh Distribution Center II, LLC	Delaware	100.00

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<b>Jones Lang LaSalle Income Property Trust, Inc. Subsidiaries as of March 26, 2026</b>	<b>State or Jurisdiction or Incorporation</b>	<b>Percent Owned</b>
LIPT West Raleigh Distribution Center III, LLC	Delaware	100.00
LIPT West Spring Creek Parkway, LLC	Delaware	100.00
LIPT Whitestone Boulevard, LLC	Delaware	100.00
LIPT Winchester Road, LLC	Delaware	100.00
LIPT Woodside Court, LLC	Delaware	100.00
MIVPO Member LLC	Delaware	100.00
MIVPO LLC	Delaware	100.00

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, C. Allan Swaringen, certify that:

1. I have reviewed this annual report on Form 10-K of JLL Income Property Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 26, 2026

/s/ C. ALLAN SWARINGEN  
\_\_\_\_\_  
C. Allan Swaringen  
Chief Executive Officer, President and Director (Principal Executive Officer)

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 302  
OF THE SARBANES-OXLEY ACT OF 2002**

I, Gregory A. Falk, certify that:

1. I have reviewed this annual report on Form 10-K of JLL Income Property Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: March 26, 2026

/s/ GREGORY A. FALK  
\_\_\_\_\_  
Gregory A. Falk  
Chief Financial Officer and Treasurer (Principal Financial Officer)

**CERTIFICATION OF CHIEF EXECUTIVE OFFICER PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of JLL Income Property Trust, Inc. (the “Company”) on Form 10-K for the period ending December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, C. Allan Swaringen, in my capacity as Chief Executive Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ C. ALLAN SWARINGEN

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C. Allan Swaringen

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

March 26, 2026

**CERTIFICATION OF CHIEF FINANCIAL OFFICER PURSUANT TO SECTION 906  
OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Annual Report of JLL Income Property Trust, Inc. (the “Company”) on Form 10-K for the period ending December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the “Report”), I, Gregory A. Falk, in my capacity as Chief Financial Officer of the Company, do hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ GREGORY A. FALK

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Gregory A. Falk

Chief Financial Officer and Treasurer (Principal Financial Officer)

March 26, 2026

# **Madison NYC Core Retail Partners, LP**

**(a Delaware limited partnership)**

Financial Statements

December 31, 2025

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

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## Independent Auditors' Report

The Partners  
Madison NYC Core Retail Partners, LP:

### *Opinion*

We have audited the financial statements of Madison NYC Core Retail Partners, LP (the Partnership), which comprise the statement of assets, liabilities, and partners' capital, including the schedule of investments, as of December 31, 2025, and the related statements of operations, changes in partners' capital, and cash flows for the year then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as of December 31, 2025, and the results of its operations, changes in its partners' capital, and its cash flows for the year then ended in accordance with U.S. generally accepted accounting principles.

### *Basis for Opinion*

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Partnership, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Responsibilities of Management for the Financial Statements*

Management is responsible for the preparation and fair presentation of the financial statements in accordance with U.S. generally accepted accounting principles, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

### *Auditors' Responsibilities for the Audit of the Financial Statements*

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Partnership's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ KPMG LLP

New York, New York  
February 27, 2026

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Statement of Assets, Liabilities and Partners' Capital December 31, 2025

### ASSETS

Investment in real estate ventures (Cost: \$307,343,158)	\$	209,736,725
Cash		220,143
Prepaid expenses		15,110
<b>Total assets</b>	<b>\$</b>	<b>209,971,978</b>

### LIABILITIES AND PARTNERS' CAPITAL

Preferred equity	\$	52,831,364
Due to related parties		307,369
Accrued expenses		83,800
<b>Total liabilities</b>		<b>53,222,533</b>
Partners' Capital		156,749,445
<b>Total liabilities and partners' capital</b>	<b>\$</b>	<b>209,971,978</b>

See Notes to Financial Statements.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Schedule of Investments

December 31, 2025

Investment	Location	Asset Type	Total Asset Size	Date of Acquisition	Ownership %	Cost	Fair Value	% of Capital
Madison NYC Core Portfolio	New York Metro Area	Retail	1,468,000 sf	Dec 2015	49%*	\$ 207,402,566	\$ 171,797,739	109.6 %
Madison (42nd Street) NYC Core Portfolio	New York Metro Area	Retail	312,000 sf	Dec 2015	49%**	99,940,592	37,938,986	24.2 %
					Total	<u>\$ 307,343,158</u>	<u>\$ 209,736,725</u>	<u>133.8 %</u>

\* As of December 31, 2025, the Madison NYC Core Portfolio consists of five core retail properties owned in a joint venture with an affiliate, Madison NYC Core Retail Partners II, LP, which owns 51% of the equity interest. In August 2025, the lender at the property level commenced a foreclosure action against the Queens Place property due to failure to pay interest. No recourse has been asserted against the guarantor. Madison NYC Core Portfolio holds the investment in Queens Place at zero.

\*\* As of December 31, 2025, the Madison (42nd Street) NYC Core Portfolio consists of one core retail property owned jointly with Brookfield Properties, which owns 51% of the equity interest.

See Notes to Financial Statements.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Statement of Operations

For the Year Ended December 31, 2025

### Revenue:

Dividend income	\$ 1,338,909
<b>Total revenue</b>	<b>1,338,909</b>

### Expenses:

In-kind dividend expense - Preferred	17,583,788
Interest expense	1,989,094
Asset management fees	917,750
Amortization of deferred credit facility costs	830,941
Salary expense	592,259
Professional fees	188,558
Administration fees	178,668
General and administrative expenses	129,248
Insurance expense	32,392
<b>Total expenses</b>	<b>22,442,698</b>

**Net investment loss** (21,103,789)

Net change in unrealized loss on interest rate cap (12,024)

Net change in unrealized loss on investment in real estate ventures (40,391,685)

**Net loss** \$ (61,507,498)

See Notes to Financial Statements.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Statement of Changes in Partners' Capital For the Year Ended December 31, 2025

	General Partner	Limited Partners	Total
<b>Balance at January 1, 2025</b>	\$ 436,509	\$ 217,820,434	\$ 218,256,943
Net loss	(123,012)	(61,384,486)	(61,507,498)
<b>Balance at December 31, 2025</b>	<u>\$ 313,497</u>	<u>\$ 156,435,948</u>	<u>\$ 156,749,445</u>

See Notes to Financial Statements.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Statement of Cash Flows

For the Year Ended December 31, 2025

### Cash Flows From Operating Activities:

Net loss	\$ (61,507,498)
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### Adjustments to reconcile net loss to net cash used in operating activities:

Net change in unrealized loss on investment in real estate ventures	40,391,685
Proceeds from interest rate cap, net	9,428
Net change in unrealized loss on interest rate cap	12,024
Amortization of deferred credit facility costs	830,941
In-kind dividend expense - Preferred	17,583,788
Changes in operating assets and liabilities:	
Increase in prepaid expenses	(15,110)
Decrease in due from related parties	23,488
Decrease in due to related parties	(190,692)
Decrease in accrued expenses	(28,456)
Decrease in interest expense payable	(168,259)
Increase in investment in real estate ventures	(9,470,736)
<b>Net cash used in operating activities</b>	<b>(12,529,397)</b>

### Cash Flows From Financing Activities:

Preferred equity contributions	35,247,576
Credit facility borrowings	9,990,000
Credit facility repayments	(32,836,476)
Credit facility costs	(218,264)
<b>Net cash provided by financing activities</b>	<b>12,182,836</b>
<b>Net decrease in cash</b>	<b>(346,561)</b>

### Cash:

Beginning	566,704
Ending	\$ 220,143

### Supplemental disclosure of cash flow information:

Cash paid for interest	\$ 2,157,353
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### Supplemental disclosure of non-cash financing activities:

Increase in preferred equity from in-kind dividend	\$ 17,583,788
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See Notes to Financial Statements.

# **Madison NYC Core Retail Partners, LP**

(a Delaware limited partnership)

## **Notes to Financial Statements**

**For the Year Ended December 31, 2025**

### **Note 1. Organization and Principal Business Activities**

Madison NYC Core Retail Partners, LP (the “Partnership”) is a limited partnership formed pursuant to the laws of the State of Delaware on October 15, 2015, in accordance with the Limited Partnership Agreement. Madison International Holdings NYC Core Retail, LLC is the general partner of the Partnership (the “General Partner”). Madison International Realty NYC Core, LLC, is the asset manager for the Partnership (“Asset Manager”). Madison International Realty PM, LLC is the property manager of the real estate properties in the underlying portfolios (“Property Manager”), which engaged a third party property manager. As of December 31, 2025, the Partnership has capital commitments of \$308,687,572 from Limited Partners and \$618,601 of capital commitments from the General Partner. All capitalized terms not defined herein shall have the meaning ascribed to them in the partnership agreement, as amended (“Partnership Agreement”).

On September 14, 2017, the Limited Partners and General Partner executed an amended and restated Partnership Agreement, which allowed the Partnership to sponsor a 51% joint venture recapitalization of the Joint Venture. The recapitalization closed on 10 of the 13 properties on December 22, 2017, which converted the Partnership’s 49% common equity interest, to a 98% common equity interest, while the Joint Venture partner, Forest City Realty Trust, Inc. retained a 2% common equity interest and received a 100% preferred equity interest. During 2018, Forest City Realty Trust, Inc.'s (“Forest City”) equity interest (2% common and 100% preferred) in 11 core retail properties in and around New York City (the “Madison NYC Core Portfolio”), was redeemed through the distribution of the Partnership's equity interest in University Park at MIT, 80 DeKalb and 3700M to Forest City. Following the redemption of Forest City's equity interest in the Madison NYC Core Portfolio, its equity interest was converted to a 51% common equity interest in Madison NYC Core Retail Holdings, LLC (“HoldCo”), an entity formed to hold the indirect common equity ownership interests in the Madison NYC Core Portfolio. Concurrent to the 51% common equity conversion, the Partnership contributed its then 49% common equity interest in the Madison NYC Core Portfolio into HoldCo. Subsequent to the 51% common equity conversion, and the Partnership's contribution of its 49% common equity interest into HoldCo, the Partnership's affiliate, Madison NYC Core Retail Partners II, LP (“51%Co”), converted its acquisition loan into the 51% common equity interest in HoldCo. The common equity of HoldCo is now owned 49% by the Partnership and 51% by 51%Co. HoldCo owns 100% of Madison NYC Core Retail Partners REIT (“REIT”) that owns the Madison NYC Core Portfolio. In addition, outside of HoldCo, the Partnership owns a 49% joint venture equity interest in 42nd Street Entertainment & Retail Complex with Forest City as its joint venture partner, “Madison (42nd Street) NYC Core Portfolio”. From the Partnership's perspective, the recapitalization of the Joint Venture did not impact the Partnership's indirect ownership of the underlying properties. The Partnership continues to own an indirect 49% equity interest in the remaining six core retail properties. Such ownership is in joint venture with either 51%Co or Forest City. The Madison NYC Core Portfolio together with Madison (42nd Street) NYC Core Portfolio is hereinafter referred to as “Combined NYC Core Portfolio.”

The sole purpose of the Partnership is to manage equity investments in HoldCo and Madison (42nd Street) NYC Core Portfolio, which consists of 42nd Street Entertainment & Retail Complex. The strategy of the Partnership is to own partnership interests that own and manage core retail properties in and around New York City. The Partnership will directly or indirectly hold for investment, oversee the liquidation or other disposition of, and otherwise manage and exercise all of the rights of an owner of the investments, and to do any and all other acts or things which the General Partner may determine are necessary thereto.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Notes to Financial Statements For the Year Ended December 31, 2025

### Note 1. Organization and Principal Business Activities (continued)

As of December 31, 2025, the Partnership has called \$321,306,173 or 103.9% of the total capital commitments. This capital call in excess of the original capital commitments is pursuant to Section 4.03(a) of the Partnership Agreement.

The Partnership shall continue until December 31, 2030, unless terminated earlier, or extended for additional consecutive five-year periods by a Super-Majority in Interest of the Limited Partners.

### Note 2. Summary of Significant Accounting Policies

*Basis of Presentation.* The accompanying financial statements of the Partnership have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) pursuant to which investments in real estate ventures are presented on a fair value basis. The Partnership qualifies as an Investment Company as defined in Accounting Standards Codification (“ASC”) 946, *Financial Services—Investment Companies*.

*Allocation of Profits and Losses.* The General Partner shall allocate profits and losses and make cash distributions in accordance with the Partnership Agreement. The capital account balances at December 31, 2025 represent each Partner’s cumulative contributions, allocation of profits, losses and cash distributions paid pursuant to the distribution priority described in the Partnership Agreement. In addition, the capital account balances at December 31, 2025 reflect each Partner’s share of cash which would be distributed to the Partners under a hypothetical liquidation of the Partnership at net book value as of December 31, 2025.

*Use of Estimates.* The preparation of financial statements in conformity with US GAAP requires the General Partner to make estimates and assumptions that affect the financial statements and accompanying notes. Actual results could differ from those estimates. The most significant estimates and assumptions for the Partnership relate to the valuation of the investments in real estate ventures.

The valuations presented herein were performed based on various inputs and direct comparisons as of December 31, 2025. These inputs and comparables may be subject to favorable or unfavorable changes subsequent to December 31, 2025, depending on numerous factors including, among other things, jurisdiction, property-type and tenant status, and the Partnership’s determination of any investment’s fair value (or the value that would have been determined had such facts been known as of December 31, 2025) may be materially impacted for current and future periods. Therefore, during this period of continued uncertainty, disruption, and volatility in the economic and financial markets, fair values of investments in real estate ventures and financial instruments may be subject to significant fluctuation. Generational, global inflation and subsequent shifts in monetary policy and interest rates have had an impact on valuations of investments in real estate ventures and financial instruments and the interest rate on certain debt obligations.

*Cash.* The Partnership maintains its cash account with a financial institution which, at times, may exceed federally insured limits. The Partnership has not experienced any losses on the account.

*Income Taxes.* No provision for income taxes has been made in the financial statements since the income or loss from the Partnership is allocated to each partner in accordance with the provisions mandated by the Partnership Agreement and is passed through directly to each partner and reported on their individual tax returns.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Notes to Financial Statements For the Year Ended December 31, 2025

### Note 2. Summary of Significant Accounting Policies (continued)

The Partnership evaluates the uncertainties of tax positions taken or expected to be taken on a return based on the probability of whether the position taken will be sustained upon examination by taxing authorities. The Partnership uses a more-likely-than-not threshold for recognition and derecognition of tax positions taken or to be taken on a tax return. In accordance with the accounting guidance on the accounting for uncertainty in income taxes, the Partnership assessed its tax positions for the open tax years 2022 through 2025. The Partnership concluded that it has no material uncertain tax liabilities to be recognized at this time.

*Revenue and Expense Recognition.* Operating distributions received by the Partnership are reported on the Statement of Operations as dividend income. Realized gains are recognized when liquidating proceeds in excess of investment cost are received. Expenses are recognized when incurred. Interest income is recognized on an accrual basis.

*Deferred Credit Facility Costs.* Debt issuance costs related to the credit facility payable are amortized over the life of the facility. The Partnership presents credit facility debt issuance costs, net of amortization, as an asset.

*Derivatives.* The Partnership uses derivative financial instruments, such as interest rate caps and swaps to hedge its interest rate risk. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Any gains or losses arising from changes in the fair value of the derivatives are recognized directly in the Statement of Operations.

*Investment Valuation.* The Partnership's investments are composed of equity interests in real estate ventures. These investments are accounted for at fair value and reflect the Partnership's allocable share of the fair value of each such investment. The General Partner has estimated a value for such investments based upon available information concerning the market for real property investments including, but not limited to, the estimated liquidation value of investments, the value of comparable assets, the replacement costs, impact on value due to ground leases and the income and cash flows expected to be generated by the investments.

Specifically, fair value is the cost of the investment, net of distributions of capital from its acquisition date through the date of the financial statements, plus an estimate of any unrealized appreciation or depreciation.

Valuation methods for investment in real estate ventures may include, but are not limited to, the following:

- 1) Discounted Cash Flows - forecasts of future net cash flows during the holding period, anticipated net proceeds from the sale, disposition or resolution of the investment, discounted at prevailing market rates;
- 2) Income Capitalization - prevailing market capitalization rates or earnings multiples applied to stabilized income or adjusted earnings from the investment and other observable market data;
- 3) Sales Comparable - recent sales of comparable investments;
- 4) Offer Price - sale negotiations and bona fide purchase offers, contracts received from independent parties, or estimated proceeds from sold assets.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Notes to Financial Statements For the Year Ended December 31, 2025

### Note 2. Summary of Significant Accounting Policies (continued)

ASC 820, Fair Value Measurements and Disclosures, clarifies the definition of fair value for financial reporting, establishes a framework for measuring fair value and requires additional disclosures about the use of the fair value measurements. This standard defines fair value as the price that the Partnership would receive upon selling an investment in an orderly transaction between market participants in the principal or most advantageous market at the measurement date. The standard establishes a three-level hierarchy based on inputs to fair value measurements. Inputs refer broadly to the assumptions that market participants would use in pricing the investment, including assumptions about risk.

The three levels of the fair value hierarchy under this standard are described below:

Level 1 – Unadjusted quoted prices in active markets for identical investments that the Partnership has the ability to access at the measurement date. This level of the fair value hierarchy provides the most reliable evidence of fair value and is used to measure fair value whenever available.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the investment, either directly or indirectly. These inputs include quoted prices for similar investments in active markets, quoted prices for identical or similar investments in markets that are not active, and inputs other than quoted prices that are observable for the investment. These are inputs that are derived principally from or corroborated by observable market data by correlation or other means.

Level 3 – Inputs that are unobservable inputs for the investments that are used to measure fair value when observable inputs are not available. Unobservable inputs reflect the Partnership’s own assumptions about the assumptions that market participants would use in pricing the investment. These are inputs that are developed based on the best information available in the circumstances, which might include the Partnership’s own data.

Because of the inherent uncertainty of real estate valuations related to assumptions regarding highest and best use, capitalization rates, discount rates, leasing and other factors, the fair values reflected in the financial statements may differ significantly from values that would be determined by negotiation between independent parties in sales transactions, and the difference could be material. These valuations are generally classified within Level 3 of the valuation hierarchy.

### Note 3. Investment Valuation

The following is a summary of valuation level inputs used at December 31, 2025 in valuing the Partnership’s investments and other financial instruments carried at fair value:

<b>Valuation Level Inputs</b>	<b>Real Estate Ventures</b>	<b>Other Financial Instruments</b>
Level 1 - Quoted Prices	\$ —	\$ —
Level 2 - Other Significant Observable Inputs	—	—
Level 3 - Significant Unobservable Inputs	209,736,725	—
Total	\$ 209,736,725	\$ —

There was funding of Level 3 investments of \$9,470,736 and no transfers into or out of Level 3 measurements for the year ended December 31, 2025.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Notes to Financial Statements For the Year Ended December 31, 2025

### Note 3. Investment Valuation (continued)

The following table shows quantitative information about unobservable inputs related to the Level 3 fair value measurements at December 31, 2025:

Asset Class	Fair Value	Valuation Techniques	Unobservable Inputs	Range
Retail	\$ 209,736,725	Discounted Cash Flows (DCF)	Terminal Capitalization Rate	6.50% - 7.25%
			Discount Rate	7.25% - 8.75%
			DCF Term	9.0 years - 11.0 years
			Market Rent Growth Rate	3.00%
Total	<u>\$ 209,736,725</u>			

Unobservable inputs used to determine Level 3 valuations may have similar or diverging impacts on valuation. Significant increases or decreases in these inputs in isolation and interrelationships between those inputs could result in significantly higher or lower fair value measurements than noted in the table above.

### Note 4. Interest Rate Derivatives

The Partnership entered into interest rate cap agreements to mitigate exposure to variability in interest rates associated with borrowings under the City National Bank Revolving Credit Agreement, with a notional amount of \$10,847,661. As of December 31, 2025, the interest rate derivative contracts remained outstanding but had a fair value of zero.

### Note 5. Investment Funding and Other Commitments

The Partnership discloses financial support provided or contractually required to be provided to any of its investments. The disclosures include (i) the type and amount of financial support provided to investee companies, including situations in which the Partnership assisted an investee in obtaining financial support, (ii) the primary reasons for providing the financial support, (iii) the type and amount of financial support the Partnership is contractually required to provide to an investee, but has not yet provided, and (iv) the primary reasons for the contractual requirement to provide the financial support.

During the year ended December 31, 2025, the Partnership made \$9,470,736 of investment contributions for capital expenditures and leasing costs. The Partnership has no unfunded commitment to its investments in existing real estate ventures as of December 31, 2025.

The Partnership's right to redeem or sell its investments is subject to restrictions per the terms of the underlying investment operating agreements.

# **Madison NYC Core Retail Partners, LP**

(a Delaware limited partnership)

## **Notes to Financial Statements**

**For the Year Ended December 31, 2025**

### **Note 6. Related Party Transactions**

In accordance with the Partnership Agreement, the Partnership pays asset management fees quarterly, in advance, to the Asset Manager, an affiliate of the General Partner, equal to 0.40% per annum of the aggregate Capital Contributions of each Partner less the portion of such Capital Contributions in respect of (i) Partnership Expenses other than Investment Expenses; (ii) any portion of the Investments that have been sold or written-off; and (iii) the portion of such Capital Contributions that have been returned unused. During the year ended December 31, 2025, the Partnership incurred and paid asset management fees of \$917,750.

As part of the closing and execution of the Partnership Agreement, the Limited Partners approved the reimbursement of expenses, subject to annual limits, for Owner's Representatives (who may be employees or consultants of the General Partner and its affiliates) in connection with the ownership and operation of the Properties. The Advisory Board amended section 6.06 of the Partnership Agreement in October 2018 to increase the annual limits of such Owner's Representatives expenses. In addition, the Partnership also approved reimbursements for advisory or consultant services, including legal, tax and/or accounting related services incurred by the General Partner and its affiliates for its employees or consultants, subject to annual limits, as provided for in Section 6.06 of the Partnership Agreement and subsequently amended in October 2018. For the year ended December 31, 2025, the Partnership incurred expenses for Owner's Representatives and advisory or consulting services of \$433,776 and \$35,000 respectively, which equaled the annual limits per the Partnership Agreement and is included in salary expenses in the accompanying Statement of Operations. As of December 31, 2025, the Partnership had \$307,369 outstanding payables included in due to related parties in the Statement of Assets, Liabilities, and Partners' Capital.

The Partnership reimbursed \$900,420, including \$782,951 salary expenses paid during the year, to an affiliate of the General Partner for operating expenses paid on behalf of the Partnership for the year ended December 31, 2025. The expenses are included in the Statement of Operations.

The Partnership has outstanding preferred equity payable to Madison NYC Core Retail Preferred, LP, which is considered a related party due to common ownership. The terms and accounting treatment of the preferred equity are described in Note 8.

### **Note 7. Credit Facility Payable**

On May 30, 2024, the Partnership entered into a revolving credit agreement (the 'City National Revolving Credit Agreement') with City National Bank of Florida, collateralized by the net asset value of the Partnership. The City National Revolving Credit Agreement was a NAV-based facility with a maximum commitment of \$36,621,636 and bore interest at the Secured Overnight Financing Rate ('SOFR') in either 1, 3, or 6 month durations plus 4.00%. The facility was subject to a one-time upfront fee of 1.5% and carried no unused commitment fees.

The City National Revolving Credit Agreement was cross-collateralized with an affiliate, Madison NYC Core Retail Partners II, LP, through a pledge of shared equity interests in the Madison NYC Core Portfolio.

The City National Revolving Credit Agreement was repaid in full and terminated on September 26, 2025. As of December 31, 2025, the Partnership had no outstanding borrowings or commitments under the facility.

# Madison NYC Core Retail Partners, LP

(a Delaware limited partnership)

## Notes to Financial Statements For the Year Ended December 31, 2025

### Note 8. Preferred Equity

The Partnership has outstanding preferred equity to Madison NYC Core Retail Preferred, LP (the “Preferred Holder”). The preferred equity was issued to facilitate the repayment of amounts outstanding under the City National Bank Revolving Credit Agreement and to support ongoing operating activities of the Partnership.

The preferred equity is repayable at an amount equal to the greater of (i) the original capital advanced plus a preferred return compounded monthly at 15% per annum or (ii) 150% of net peak equity, as defined in the governing partnership agreements. The preferred equity has a stated maturity date of December 28, 2029, unless repaid earlier through capital distributions or capital events.

During 2025, the Partnership calculated the preferred return in accordance with the Partnership Agreement (150% of net peak equity) and notified investors of the in-kind dividend. The Partnership recorded the preferred return as a in-kind, preferred dividend. The resulting amount was recorded as an increase in preferred equity in the Statement of Assets, Liabilities and Partners’ Capital and as in-kind dividend expense - Preferred in the Statement of Operations.

As of December 31, 2025, the carrying value of preferred equity includes both Preferred Capital Contributions and the capitalized preferred return dividend.

### Note 9. Financial Highlights

The Partnership is required to disclose financial highlights for Limited Partners in accordance with the provisions of ASC 946. These financial highlights consist of net investment loss, expenses and carried interest allocation ratios for the year ended December 31, 2025 and the internal rate of return since inception (“IRR”) of the Limited Partners, net of all expenses, through December 31, 2024 and December 31, 2025.

The following summarizes the Limited Partners’ financial highlights:

	<b>Year Ended December 31, 2025</b>
Net investment loss	(10.77)%
Expenses	11.45%
Carried Interest allocation	0.00%
Expenses and Carried Interest allocation	11.45%
Cumulative internal rate of return through December 31, 2024	(1.52)%
Cumulative internal rate of return through December 31, 2025	(4.47)%

The net investment loss, expenses and carried interest allocation ratios are computed as a percentage of weighted average Limited Partners’ capital.

The IRR was computed based on the daily cash inflows (capital contributions), outflows (distributions) and the Limited Partners’ capital at the end of the period (residual value) as of the measurement date.

# **Madison NYC Core Retail Partners, LP**

(a Delaware limited partnership)

## **Notes to Financial Statements**

**For the Year Ended December 31, 2025**

### **Note 10. Subsequent Events**

Subsequent to December 31, 2025 and through February 27, 2026, the date through which management evaluated subsequent events and on which the financial statements were available for issuance, the Partnership noted no subsequent events that require recognition and disclosure.