EXCHANGERIGHT INCOME FUND OPERATING PARTNERSHIP

# 4th Quarter 2025 Report

**February 2026**

Dear ExchangeRight Income Fund Operating Partnership Investor,

The Essential Income REIT produced strong operating results during Q4 2025. Your regular monthly distribution from the ExchangeRight Operating Partnership (the "Essential Income REIT") was processed on January 15. If you are participating in the REIT's Dividend Reinvestment Program, your dividend was automatically reinvested into additional shares on your behalf.

ExchangeRight's and its affiliates' assets under management grew to $7.1+ billion in Q4 2025. We are honored to have provided every ExchangeRight investor with monthly distributions that have met or exceeded initial projections inception-to-date across all 126 of our past and current offerings.

Blue Vault's recently released Q3 2025 Non-Traded REIT Industry Review awarded the Essential Income REIT a top-tier sweep in Blue Vault's performance ratings. The REIT was one of only two Growth and Stabilizing Non-Traded equity REITs ("NTRs") to receive the highest rating across all three Performance Profiles: Operating Performance, Financing Outlook, and Cumulative MFFO coverage. In Q3 2025, the Essential Income REIT was also one of only three NTRs to fully cover its distributions with Adjusted Funds from Operations ("AFFO") or Modified Funds from Operations ("MFFO"). These achievements reflect our consistent commitment to operational and financial excellence in the capital stewarded on behalf of investors.

During the fourth quarter, the Essential Income REIT's revolving line of credit was expanded to $185,000,000 with the addition of a $35,000,000 commitment from Synovus Bank as a new participant lender alongside Wells Fargo, Fifth Third, and Renasant. The increased credit facility enhances ExchangeRight's control over the REIT's financing strategy and continues positioning the REIT towards longer-term success through an increase in our unencumbered portfolio of assets and overall creditworthiness as an entity.

## Portfolio and Business Development Updates

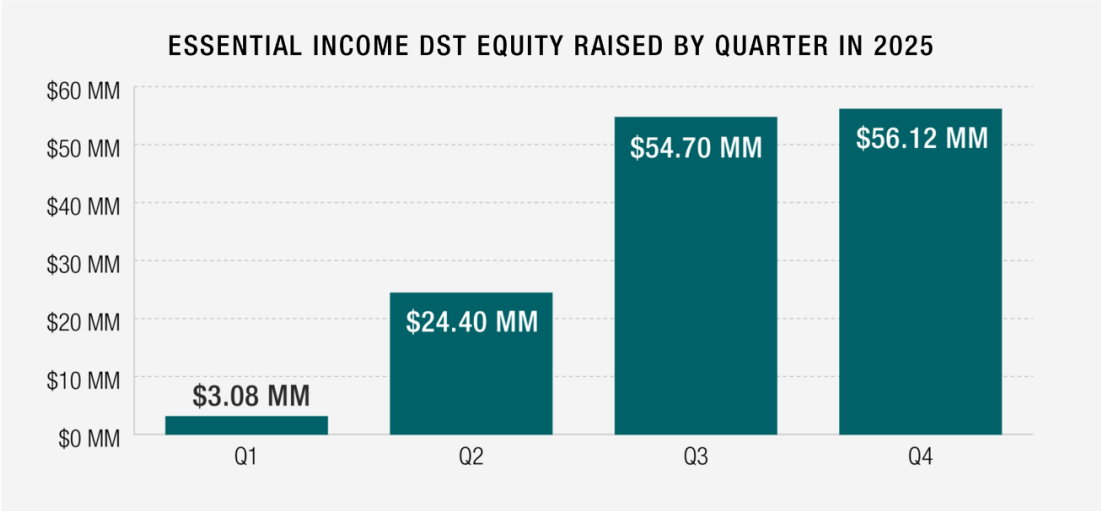
The NAV of the Essential Income REIT has been declared at $27.46 per share, based in part on an independent real estate valuation of the REIT's real estate by KPMG combined with its other assets and liabilities as of December 31, 2025, which represents an increase of 0.59% from last quarter. The Essential Income REIT continues to deliver tax-efficient income, with 62.05% of 2025 distributions being reflected as non-taxable and a total of 69.64% of the distributions being sheltered when factoring in Section 199A REIT pass-through deductions.

As part of its portfolio optimization strategy, in Q4 the Essential Income REIT acquired four net-leased properties totaling 47,277 square feet and sold eight net-leased properties totaling 73,302 square feet, resulting in an extension of our weighted average lease term. These acquisitions bring the REIT's total asset value to more than $1.4 billion diversified across 357 net-leased properties, 40 national creditworthy tenants, 35 states, and 5.3 million square feet as of December 31, 2025.

ExchangeRight's Asset Management team successfully negotiated 12 lease renewals across five tenants for the Essential Income REIT in the fourth quarter, representing an average lease extension of 60 months and an average rent increase of 9.10%.

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

There is continuing and growing demand for our new Essential Income DST series for 1031 investors. The Essential Income DSTs allow 1031 exchange investors to transfer their DST equity to the Essential Income REIT via a 721 exchange. After a two-year period in the DST, these assets are transferred to the REIT, providing a rapidly growing pipeline of unlevered assets and long-term equity capital that will enhance the REIT's diversification, scale, credit quality, and access to liquidity.




ExchangeRight leadership will share a Performance Update on February 10 at 10:00 a.m. PT, including new REIT and DST developments, asset management highlights, and our aggregation strategy. To register for the presentation, please click the button below.

**REGISTER**

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

Best regards,
ExchangeRight Real Estate