POSTAL REALTY TRUST, INC.

NYSE: PSTL

POSTAL REALTY TRUST

Q3 2020 Supplemental

Forward-Looking Cautionary Statements

This presentation regarding Postal Realty Trust, Inc. (“our”, “us”, “we” or “the Company”) contains “forward-looking statements.” Forward-looking statements include statements regarding the proposed public offering and other statements identified by words such as “could,” “may,” “might,” “will,” “likely,” “anticipates,” “intends,” “plans,” “seeks,” “believes,” “estimates,” “expects,” “continues,” “projects” and similar references to future periods, or by the inclusion of forecasts or projections. Forward-looking statements, include, among other factors, change in the status of the USPS as an independent agency of the executive branch of the U.S. federal government, change in the structure and organization of the USPS and increased congressional oversight and regulation of the USPS, change in the demand for postal services delivered by the USPS, our ability to come to an agreement with the USPS regarding new leases, the solvency and financial health of the USPS, defaults on, early terminations of or non-renewal of leases by the USPS, the competitive market in which we operate, changes in the availability of acquisition opportunities, our inability to successfully complete real estate acquisitions or dispositions on the terms and timing we expect, or at all, our failure to successfully operate developed and acquired properties, adverse economic or real estate developments, either nationally or in the markets in which our properties are located, decreased rental rates or increased vacancy rates, change in our business, financing or investment strategy or the markets in which we operate, fluctuations in mortgage rates and increased operating costs, changes in the method pursuant to which reference rates are determined and the phasing out of LIBOR after 2021, general economic conditions, financial and capital market fluctuations, our failure to generate sufficient cash flows to service our outstanding indebtedness, our failure to obtain necessary outside financing on favorable terms or at all, the Company’s expected capitalization rates and the Company’s ability to close on pending transactions on the terms or timing it expects, if at all, failure to hedge effectively against interest rate changes, our reliance on key personnel whose continued service is not guaranteed, the outcome of claims and litigation involving or affecting us, changes in real estate, taxation, zoning laws and other legislation and government activity and changes to real property tax rates and the taxation of REITs in general, operations through joint ventures and reliance on or disputes with co-venturers, cybersecurity threats, environmental uncertainties and risks related to adverse weather conditions and natural disasters, governmental approvals, actions and initiatives, including the need for compliance with environmental requirements, lack or insufficient amounts of insurance, limitations imposed on our business in order to qualify and maintain our status as a REIT and our failure to qualify for or maintain such status, public health threats such as COVID-19 and other future conditions. Because forward-looking statements relate to the future, by their nature, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict. As a result, the Company’s actual results may differ materially from those contemplated by the forward-looking statements. Important factors that could cause actual results to differ materially from those in the forward-looking statements include the USPS’s terminations or non-renewals of leases, changes in demand for postal services delivered by the USPS, the solvency and financial health of the USPS, competitive, financial market and regulatory conditions, disruption in market, economic and financial conditions as a result of the ongoing COVID-19 pandemic, general real estate market conditions, the Company’s competitive environment, the Company’s ability to make distributions and pay dividends to its stockholders when and as declared by the Company’s board of directors as it has in the past and other factors set forth under “Risk Factors” in the Company’s filings with the Securities and Exchange Commission. Any forward-looking statement made in this presentation speaks only as of the date on which it is made. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future developments or otherwise. We undertake no obligation to publicly update any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable securities laws.

Corporate Information & Analyst Coverage

Key Management & Board of Directors

Key Management

Andrew Spodek	Chief Executive Officer
Jeremy Garber	President, Treasurer & Secretary
Matt Brandwein	Chief Accounting Officer

Board of Directors	**Board Responsibilities**
Patrick Donahoe	Chairman of the Board, Member Audit Committee
Andrew Spodek	Chief Executive Officer, Director
Barry Lefkowitz	Chairman of Audit Committee, Member Corporate Governance & Compensation Committee
Anton Feingold	Chairman of Corporate Governance & Compensation Committee, Member Audit Committee
Jane Gural-Senders	Member Corporate Governance & Compensation Committee

Corporate Information

Corporate Headquarters	**Corporate Counsel**	**Transfer Agent**	**Independent Registered Public Accounting Firm**
75 Columbia Avenue	Hunton Andrews Kurth LLP	American Stock Transfer and Trust	BDO USA, LLP
Cedarhurst, NY 11516	200 Park Avenue	800-937-5449	100 Park Avenue
www.postalrealtytrust.com	New York, NY 10166		New York, NY 10017
Investorrelations@postalrealtytrust.com	212-309-1000		212-885-8000
516-232-8900			

Research Coverage

Firm	Analyst	Phone	Firm	Analyst	Phone
B. Riley FBR, Inc.	Craig Kucera	703-312-1635	Height Capital Markets	Ed Groshan	202-629-0025
BMO Capital Markets	Frank Lee	415-591-2129	Janney Montgomery Scott	Robert Stevenson	646-840-3217
BTIG	Michael Gorman	212-738-6138	Jefferies	Jonathan Petersen	212-284-1705
Compass Point	Merrill Ross	202-534-1392	Stifel Nicolaus & Company, Inc.	Stephen Manaker	212-271-3716
DA Davidson & Co.	Barry Oxford	212-240-9871			

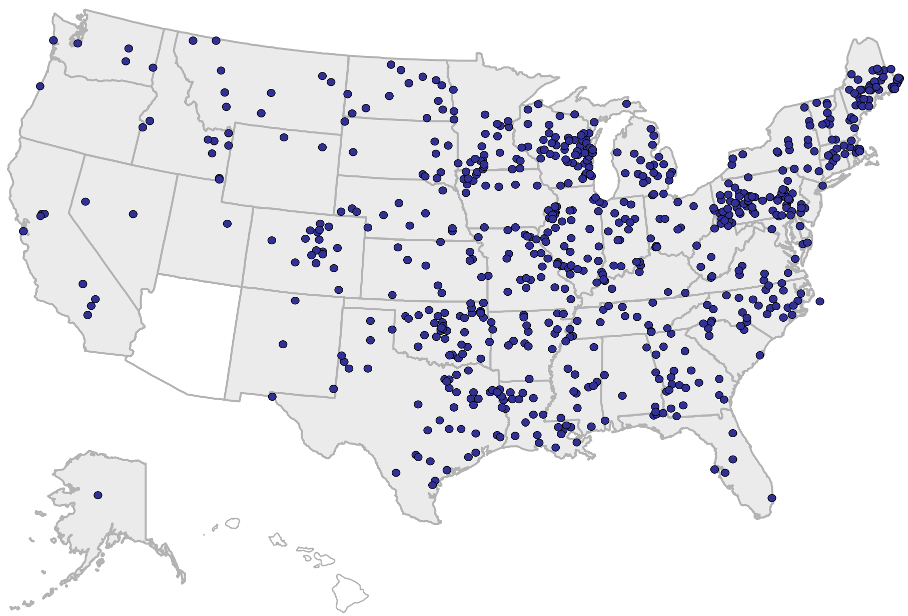
Company Overview

Postal Realty Trust, Inc. (NYSE: PSTL) is an internally managed real estate corporation that owns properties leased to the United States Postal Service, or the USPS. Postal Realty Trust is focused on acquiring the network of USPS properties, which provide a critical element of the nation's logistics infrastructure that facilitates cost effective and efficient last-mile delivery solutions. At September 30, 2020, PSTL owned 691 postal properties (including a property accounted for as a financing lease) located in 47 states comprising approximately 2.1 million net leasable interior square feet, all of which are leased to the USPS. Subsequent to quarter-end, the Company closed on an additional 14 properties comprising approximately 75,000 net leasable interior square feet.

PSTL believes this is a promising opportunity due to:

- Extensive and Geographically Diverse Portfolio
- Experienced, Proven and Aligned Management Team with Extensive Seller Relationships
- Only Publicly Traded REIT Focused Exclusively on Properties Leased to the USPS

PSTL's Footprint of Owned Properties



Source: Company Filings;
Note: Map as of 11/6/2020

Executive Summary

(Figures in actuals; amounts during the quarter ending September 30, 2020)

Price of Common Shares	
High closing price during period	$16.20
Low closing price during period	$13.00
End of period closing price	$15.14

Outstanding Classes of Stock and Partnership Units	
Common shares	9,449,352
OP Units	2,640,795
LTIP	214,307
Deferred Units	23,424
Voting equivalent shares	27,206
Total shares - fully diluted	12,355,084

Market Capitalization	
Total equity market capitalization - fully diluted	$187,055,972
Net debt	57,386,557
Enterprise value	$244,442,529

Debt Ratios	
Net debt to enterprise value	23.5%
Net debt to annualized adjusted EBITDA	3.9x
Adjusted interest coverage ratio	7.6x
Fixed charge coverage ratio	7.2x

Earnings for the Quarter Ended 9/30/2020	
Net income (loss) attributable to PSTL	$(15,184)
Net income (loss) attributable to PSTL per share:	$(0.01)
Funds From Operations ("FFO")	$2,374,147
FFO per share - fully diluted basis	$0.21
Adjusted Funds From Operations ("AFFO")	$2,764,492
AFFO per share - fully diluted basis	$0.24
Dividend per share	$0.215
Net Operating Income	$4,958,131

Current Metrics [(1)]	
Annualized total owned rental revenue	$21,540,693
Total owned square footage	2,166,401
Weighted average rent per square foot	$9.94
Total owned property count	705
Total managed property count	400
Portfolio occupancy	100.0%
Total current debt	$68,599,366
Total share count - fully diluted	12,355,084

Source: Company Filings

(1) Based on 11/6/2020 figures

Balance Sheet

($ in actuals)	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019
ASSETS						
Investments:						
Real estate properties, at cost:						
Land	$38,603,504	$32,528,667	$29,971,741	$25,147,732	$16,827,724	$14,208,005
Building and improvements	144,763,204	125,168,945	117,541,035	92,873,637	57,177,951	48,796,854
Tenant improvements	3,227,454	2,910,913	2,850,042	2,562,293	2,114,364	1,924,021
Total real estate properties, at cost	$186,594,162	$160,608,525	$150,362,818	$120,583,662	$76,120,039	$64,928,880
Less: Accumulated depreciation	(11,875,852)	(10,735,163)	(9,730,056)	(8,813,579)	(8,180,839)	(7,723,284)
Total real estate properties, net	$174,718,310	$149,873,362	$140,632,762	$111,770,083	$67,939,200	$57,205,596
Investment in financing lease, net	516,164	-	-	-	-	-
Total investments	$175,234,474	$149,873,362	$140,632,762	$111,770,083	$67,939,200	$57,205,596
Cash	7,786,677	4,895,427	2,844,040	12,475,537	10,969,557	11,744,971
Rent and other receivables	2,728,818	1,991,301	1,741,169	1,710,314	1,138,621	855,506
Prepaid expenses and other assets, net	3,669,503	4,667,105	3,734,438	2,752,862	2,853,298	1,354,525
Escrows and reserves	694,910	714,251	691,766	708,066	610,200	601,173
Deferred rent receivable	145,690	87,035	46,052	33,344	31,687	23,864
In-place lease intangibles, net	9,349,264	8,258,395	8,660,413	7,315,867	4,776,515	4,397,221
Above market leases, net	54,667	22,590	26,166	22,124	9,401	12,265
Total Assets	$199,664,003	$170,509,466	$158,376,806	$136,788,197	$88,328,479	$76,195,121
LIABILITIES AND EQUITY						
Liabilities:						
Secured borrowings, net	$16,599,366	$16,623,546	$3,184,519	$3,211,004	$3,237,327	$2,817,545
Revolving credit facility	49,000,000	67,469,056	68,000,000	54,000,000	17,000,000	-
Accounts payable, accrued expenses and other	4,537,644	4,236,786	3,220,430	3,152,799	4,224,599	4,224,011
Below market lease, net	8,379,874	7,639,889	7,899,853	6,601,119	5,365,118	4,479,286
Due to affiliates	-	-	-	-	512,530	6,687,587
Total Liabilities	$78,516,884	$95,969,277	$82,304,802	$66,964,922	$30,339,574	$18,208,429
Equity:						
PSTL - Class A	$94,494	$54,239	$53,929	$52,859	$52,859	$52,856
PSTL - Class B	272	272	272	272	272	272
Additional paid-in capital	101,303,229	54,351,945	54,187,591	51,396,226	46,502,630	46,250,914
Accumulated deficit	(8,246,422)	(5,416,113)	(4,176,857)	(2,575,754)	(1,034,471)	(726,502)
Total Stockholders' Equity	$93,151,573	$48,990,343	$50,064,935	$48,873,603	$45,521,290	$45,577,540
Operating Partnership unitholders' noncontrolling interests	27,995,546	25,549,846	26,007,069	20,949,672	12,467,615	12,409,152
Total Equity	$121,147,119	$74,540,189	$76,072,004	$69,823,275	$57,988,905	$57,986,692
Total Liabilities and Equity	$199,664,003	$170,509,466	$158,376,806	$136,788,197	$88,328,479	$76,195,121

Balance Sheet

Source: Company Filings

Income Statement

($ in actuals)	Statement of Operations					
	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019(1)
REVENUE						
Rental income	$5,270,143	$4,640,403	$4,300,771	$3,129,972	$2,387,082	$1,099,459
Tenant reimbursements	743,622	652,748	601,346	458,617	342,419	162,010
Fee and other income	282,703	311,786	295,519	270,270	278,846	135,292
Total revenues	$6,296,468	$5,604,937	$5,197,636	$3,858,859	$3,008,347	$1,396,761
OPERATING EXPENSES						
Real estate taxes	797,996	696,865	641,944	486,775	353,663	$171,048
Property operating expenses	460,033	394,434	407,048	385,647	332,892	133,576
General and administrative	2,027,284	1,916,905	2,301,543	1,876,291	1,601,727	861,475
Depreciation and amortization	2,394,332	2,161,782	2,034,868	1,485,506	1,066,338	522,459
Total operating expenses	$5,679,645	$5,169,986	$5,385,403	$4,234,219	$3,354,620	$1,688,558
Income (loss) from operations	$616,823	$434,951	$(187,767)	$(375,360)	$(346,273)	$(291,797)
Interest expense, net	(607,254)	(659,653)	(831,862)	(694,036)	(52,303)	(200,412)
Income (loss) before income tax (expense) benefit	$9,569	$(224,702)	$(1,019,629)	$(1,069,396)	$(398,576)	$(492,209)
Income tax (expense) benefit	(29,754)	(4,925)	(10,197)	-	6,259	(6,259)
Net income (loss)	$(20,185)	$(229,627)	$(1,029,826)	$(1,069,396)	$(392,317)	$(498,468)

Source: Company Filings

(1) Period from May 17, 2019 to June 30, 2019

FFO & AFFO Reconciliation

($ in actuals, except per share data)	FFO & AFFO					
	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019[(1)]
Net loss	**$(20,185)**	**$(229,627)**	**$(1,029,826)**	**$(1,069,396)**	**$(392,317)**	**$(498,468)**
Depreciation and amortization	2,394,332	2,161,782	2,034,868	1,485,506	1,066,338	522,459
Funds from operations (FFO)	**$2,374,147**	**$1,932,155**	**$1,005,042**	**$416,110**	**$674,021**	**$23,991**
Recurring capital expenditures	(51,476)	(123,375)	(48,688)	(38,640)	(31,417)	-
Write-off and amortization of debt issuance costs	123,650	115,399	104,462	233,205	4,523	262
Loss on extinguishment of debt	-	-	-	-	-	185,586
Straight-line rent adjustments	(47,775)	(36,284)	(7,937)	1,125	(5,041)	(1,623)
Fair value lease adjustments	(322,687)	(293,287)	(316,275)	(209,058)	(135,948)	(61,538)
Acquisition related expenses	118,732	51,345	295,037	444,544	82,065	-
Non-cash components of compensation expense	569,901	534,580	713,810	411,652	394,530	190,343
Adjusted funds from operations (AFFO)	**$2,764,492**	**$2,180,533**	**$1,745,451**	**$1,258,938**	**$982,733**	**$337,021**
FFO per common share and common unit outstanding	**$0.21**	**$0.23**	**$0.12**	**$0.06**	**$0.10**	**$0.00**
AFFO per common share and common unit outstanding	**$0.24**	**$0.26**	**$0.21**	**$0.18**	**$0.15**	**$0.05**
Weighted average common shares and common units outstanding	11,524,405	8,249,743	8,125,355	7,124,638	6,766,227	6,760,612

Source: Company Filings
(1) Period from May 17, 2019 to June 30, 2019

NOI Reconciliation

($ in actuals)	Net Operating Income					
	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019 [1]
REVENUE						
Rental income	$5,270,143	$4,640,403	$4,300,771	$3,129,972	$2,387,082	$1,099,459
Tenant reimbursements	743,622	652,748	601,346	458,617	342,419	162,010
Total revenues	$6,013,765	$5,293,151	$4,902,117	$3,588,589	$2,729,501	$1,261,469
OPERATING EXPENSES						
Real estate taxes	$797,996	$696,865	$641,944	$486,775	$353,663	$171,048
Property operating expenses [2]	257,638	205,279	165,512	172,176	147,815	52,304
Total operating expenses	$1,055,634	$902,144	$807,456	$658,951	$501,478	$223,352
Net Operating Income	$4,958,131	$4,391,007	$4,094,661	$2,929,638	$2,228,023	$1,038,117

Source: Company Filings

(1) Period from May 17, 2019 to June 30, 2019

(2) Property operating expenses is not inclusive of property management expenses of $202,395, $189,155, $241,536, $213,471, $185,077 and $81,272 for Q3 2020, Q2 2020, Q1 2020, Q4 2019, Q3 2019 and Q2 2019, respectively

EBITDA Reconciliation

($ in actuals)	EBITDA					
	Q3 2020	Q2 2020	Q1 2020	Q4 2019	Q3 2019	Q2 2019 (1)
Net loss	$(20,185)	$(229,627)	$(1,029,826)	$(1,069,396)	$(392,317)	$(498,468)
Contractual interest expense	484,272	544,915	728,226	463,365	48,916	15,688
Amortization of deferred financing costs	123,650	115,399	104,462	233,205	4,523	262
Early extinguishment of debt	-	-	-	-	-	185,586
Income tax expense (benefit)	29,754	4,925	10,197	-	(6,259)	6,259
Depreciation and amortization	2,394,332	2,161,782	2,034,868	1,485,506	1,066,338	522,459
Non-cash components of compensation expense	569,901	534,580	713,810	411,652	394,530	190,343
EBITDA	$3,581,724	$3,131,974	$2,561,737	$1,524,332	$1,115,731	$422,129
Acquisition related expenses	118,732	51,345	295,037	444,544	82,065	-
Adjusted EBITDA	$3,700,456	$3,183,319	$2,856,774	$1,968,876	$1,197,796	$422,129

Source: Company Filings
(1) Period from May 17, 2019 to June 30, 2019

Debt Summary

Debt Breakdown			
Lender	Interest Rate		Outstanding
	Fixed	Variable	
Fixed Rate Debt	4.32%	N/A	$16,838,728
Line of Credit		LIBOR + 170 BPS	$49,000,000
Total Principal			$65,838,728
Deferred Financing Costs, Net			(239,362)
Total Debt:			**$65,599,366**

- Credit Agreement in place that provides for a $150.0 million senior revolving credit facility with a 4-year term through September 2023, with the floating rate carrying an interest rate of either a base rate plus a range of 70 to 140 basis points or LIBOR plus a range of 170 to 240 basis points, each depending on a consolidated leverage ratio. The additional undrawn capacity is subject to certain financial restrictions in the Company's credit facility, including but not limited to restrictions on its borrowing base
- $16.8 million of mortgage debt with a weighted average term of 18.8 years

Source: Company Filings

Debt Statistics

Debt Statistics	
($ in actuals)	**Q3 2020**
Market Capitalization	
Debt Principal	$65,838,728
Cash	7,786,677
Maintenance Reserve	665,494
Net Debt	57,386,557
Market Value of Common Equity	187,055,972
Total Enterprise Value	244,442,529
Net Debt to Enterprise Value	23.5%
Leverage	
Net Debt	$57,386,557
Annualized Adjusted EBITDA	14,801,824
Net Debt / Annualized Adjusted EBITDA	3.9x
Adjusted Interest Coverage Ratio	
Cash Interest Expense	$484,272
Adjusted EBITDA	3,700,456
Adjusted Interest Coverage Ratio	7.6x
Fixed Charge Coverage Ratio	
Contractual Interest Expense	$484,272
Debt Amortization	27,323
Total Fixed Charges	511,595
Adjusted EBITDA	3,700,456
Fixed Charge Coverage Ratio	7.2x

Source: Company Filings

Acquisition Summary by Region

2020 Acquisition Summary as of 11/6/2020

2020 Acquisition Summary				
Acquisitions Region	Property Count	Purchase Price	Interior Square Feet	Annualized Rent
Q1 2020 Acquisitions				
Midwest	52 Properties	$12,339,020	133,552	$1,175,163
Northeast	4 Properties	3,838,191	37,796	344,859
South	10 Properties	3,014,362	26,925	283,664
West	17 Properties	11,334,637	69,872	1,104,928
Q1 2020 Totals	**83 Properties**	**$30,526,210**	**268,145**	**$2,908,614**
Q2 2020 Acquisitions				
Midwest	3 Properties	$652,667	5,021	$65,877
Northeast	6 Properties	3,207,047	17,158	281,356
South	8 Properties	4,866,297	32,671	400,299
West	2 Properties	1,882,195	11,370	164,700
Q2 2020 Totals	**19 Properties**	**$10,608,207**	**66,220**	**$912,232**
Q3 2020 Acquisitions				
Midwest	36 Properties	$7,627,470	96,228	$775,375
Northeast	49 Properties	10,104,037	88,964	929,479
South	33 Properties	7,594,749	80,243	756,231
West	5 Properties (1)	2,245,038	59,549	232,072
Q3 2020 Totals	**123 Properties**	**$27,571,294**	**324,984**	**$2,693,157**
Q4 2020 Acquisitions				
Midwest	2 Properties	$194,700	2,846	$19,920
Northeast	5 Properties	1,585,500	11,490	157,891
South	6 Properties	6,029,000	59,717	779,961
West	1 Properties	210,000	1,278	16,050
Q4 2020 Totals	**14 Properties**	**$8,019,200**	**75,331**	**$973,822**
Total 2020	**239 Properties**	**$76,724,911**	**734,680**	**$7,487,825**

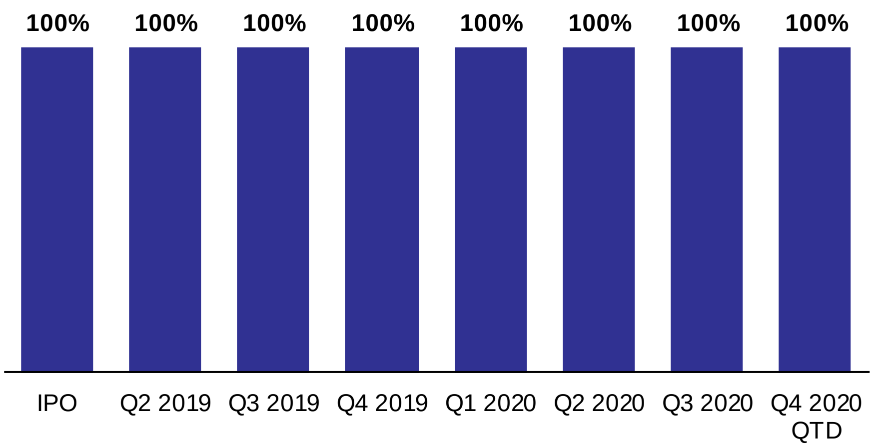
Source: Company Filings

(1) Includes one property accounted for as a financing lease

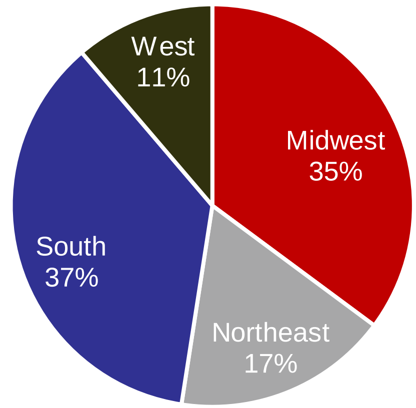
Portfolio Fundamentals

Diversified Portfolio with High Historic Lease Retention

Historic Lease Retention Rate Since IPO

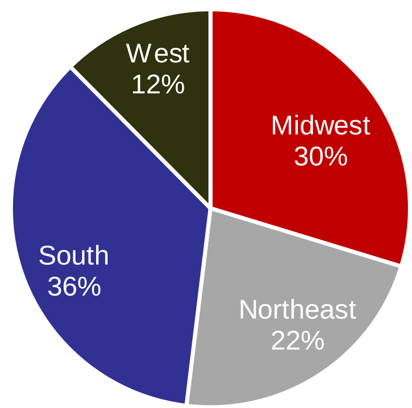


Portfolio By % of Aggregate Interior Sq Ft



Region	Sq Ft
Midwest	761,609
Northeast	374,727
South	786,709
West	243,356
Total	**2,166,401**

Portfolio By % of Annualized Gross Rent[1]



Region	Rent
Midwest	$6,401,911
Northeast	4,782,924
South	7,685,701
West	2,670,157
Total	**$21,540,693**

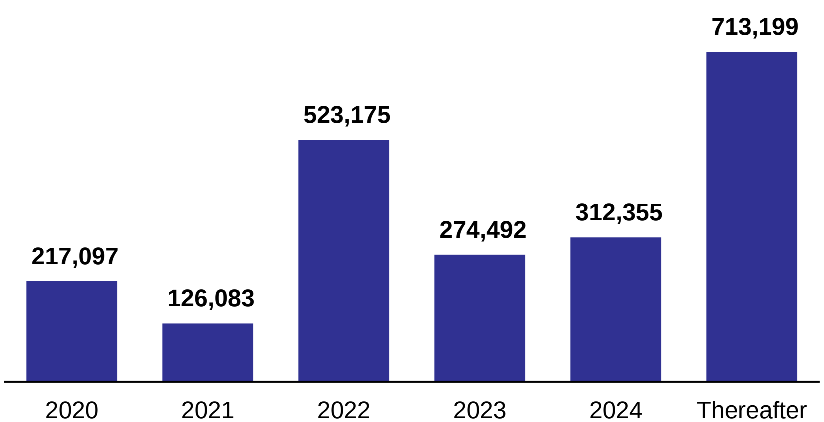
Source: Company Filings
Note: Portfolio statistics as of 11/6/2020
(1) Annualized contractually specified cash base rent in effect on November 6, 2020 for all of our leases (including those accounted for as direct financing leases)

Lease Rollover Drives Significant Upside

Upcoming Lease Expirations Provide Organic Growth Opportunity

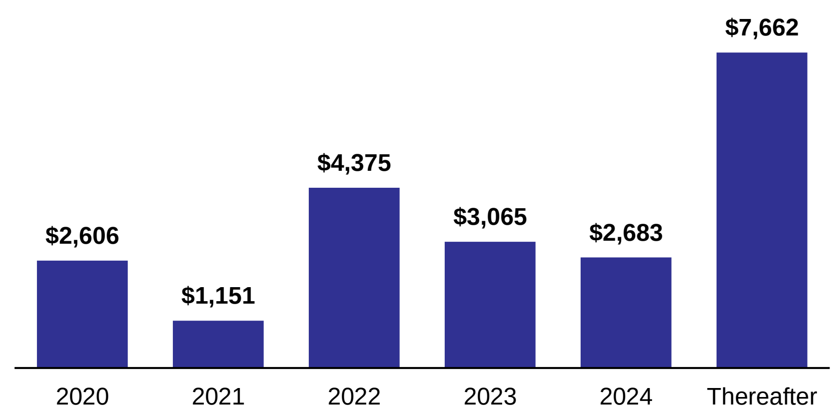
Year	Number of Leases	Square Feet	Annual Rent[2]
2020[1]	60	217,097	$2,605,799
2021	54	126,083	$1,150,669
2022	215[3]	523,175	$4,374,977
2023	82	274,492	$3,064,807
2024	73	312,355	$2,682,719
Thereafter	221	713,199	$7,661,722
Total	**705**	**2,166,401**	**$21,540,693**

Lease Expirations (by Square Feet)



Lease Expirations (by Annual Rent)

($ in thousands)



Source: Company Filings;
Note: As of 11/6/2020
(1) Includes 52 holdovers that are paying monthly rent while a new lease is being finalized; holdovers represent $2.5 million of annualized rental revenue
(2) Annualized contractually specified cash base rent in effect on November 6, 2020 for all of our leases (including those accounted for as direct financing leases)
(3) 135 of the 215 leases set to expire are under a master lease that expires in Feb. 28, 2022

Property Breakdown by State

Property Breakdown by State							
State	Property Count	% Property Count	Square Footage	% Square Footage	Gross Rent	% Gross Rent	Occupany
Pennsylvania	64	9.08%	181,451	8.38%	1,881,685	8.74%	100.00%
Wisconsin	55	7.80%	195,460	9.02%	1,646,709	7.64%	100.00%
Texas	42	5.96%	132,602	6.12%	1,439,026	6.68%	100.00%
North Carolina	25	3.55%	130,095	6.01%	1,319,812	6.13%	100.00%
Colorado	17	2.41%	72,801	3.36%	1,088,421	5.05%	100.00%
Ohio	12	1.70%	112,392	5.19%	1,072,356	4.98%	100.00%
Massachusetts	12	1.70%	53,672	2.48%	995,570	4.62%	100.00%
Oklahoma	38	5.39%	100,561	4.64%	819,040	3.80%	100.00%
California	8 (1)	1.13%	94,420	4.36%	791,629	3.68%	100.00%
Louisiana	23	3.26%	65,385	3.02%	658,021	3.05%	100.00%
Illinois	38	5.39%	89,568	4.13%	660,179	3.06%	100.00%
Michigan	25	3.55%	90,919	4.20%	638,151	2.96%	100.00%
Maine	40	5.67%	50,796	2.34%	587,569	2.73%	100.00%
Tennessee	14	1.99%	75,501	3.49%	568,148	2.64%	100.00%
Indiana	18	2.55%	62,088	2.87%	554,043	2.57%	100.00%
New York	18	2.55%	43,784	2.02%	673,190	3.13%	100.00%
Arkansas	17	2.41%	54,059	2.50%	510,673	2.37%	100.00%
Mississippi	13	1.84%	46,610	2.15%	456,101	2.12%	100.00%
Florida	8	1.13%	32,117	1.48%	453,348	2.10%	100.00%
Missouri	25	3.55%	57,653	2.66%	452,889	2.10%	100.00%
Minnesota	22	3.12%	47,167	2.18%	397,900	1.85%	100.00%
Georgia	19	2.70%	37,390	1.73%	347,642	1.61%	100.00%
Iowa	15	2.13%	35,584	1.64%	281,203	1.31%	100.00%
Alabama	8	1.13%	28,318	1.31%	257,071	1.19%	100.00%

Note: As of 11/6/2020

(1) Includes one property accounted for as a financing lease

Property Breakdown by State (continued)

Property Breakdown by State							
State	Property Count	% Property Count	Square Footage	% Square Footage	Gross Rent	% Gross Rent	Occupany
Connecticut	3	0.43%	19,511	0.90%	255,703	1.19%	100.00%
South Carolina	7	0.99%	23,081	1.07%	246,641	1.15%	100.00%
Montana	9	1.28%	22,211	1.03%	237,953	1.10%	100.00%
Kansas	11	1.56%	19,851	0.92%	221,206	1.03%	100.00%
Virginia	8	1.13%	26,636	1.23%	209,047	0.97%	100.00%
North Dakota	15	2.13%	19,363	0.89%	190,849	0.89%	100.00%
Vermont	8	1.13%	11,674	0.54%	185,849	0.86%	100.00%
Kentucky	6	0.85%	14,195	0.66%	156,722	0.73%	100.00%
South Dakota	9	1.28%	15,161	0.70%	154,936	0.72%	100.00%
Nebraska	11	1.56%	16,403	0.76%	131,490	0.61%	100.00%
Maryland	4	0.57%	9,316	0.43%	129,470	0.60%	100.00%
Idaho	9	1.28%	13,983	0.65%	104,873	0.49%	100.00%
West Virginia	7	0.99%	10,843	0.50%	114,938	0.53%	100.00%
Oregon	1	0.14%	7,685	0.35%	104,700	0.49%	100.00%
Washington	5	0.71%	10,180	0.47%	101,182	0.47%	100.00%
New Hampshire	4	0.57%	6,166	0.28%	90,548	0.42%	100.00%
Utah	1	0.14%	4,425	0.20%	87,141	0.40%	100.00%
New Mexico	3	0.43%	7,987	0.37%	83,579	0.39%	100.00%
New Jersey	2	0.28%	4,613	0.21%	60,009	0.28%	100.00%
Delaware	1	0.14%	3,060	0.14%	52,800	0.25%	100.00%
Nevada	2	0.28%	3,803	0.18%	36,773	0.17%	100.00%
Wyoming	2	0.28%	3,041	0.14%	22,808	0.11%	100.00%
Alaska	1	0.14%	2,820	0.13%	11,100	0.05%	100.00%
Total:	**705**	**100.00%**	**2,166,401**	**100.00%**	**$21,540,693**	**100.00%**	**100.00%**

Note: As of 11/6/2020

Definitions

Non-GAAP Financial Measures

Funds from Operation (FFO)

The Company calculates FFO in accordance with the current National Association of Real Estate Investment Trusts (“NAREIT”) definition. NAREIT currently defines FFO as follows: net income (loss) (computed in accordance with GAAP) excluding depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by an entity. Other REITs may not define FFO in accordance with the NAREIT definition or may interpret the current NAREIT definition differently than we do and therefore the Company’s computation of FFO may not be comparable to such other REITs.

Adjusted Funds from Operations (AFFO)

We calculate AFFO by starting with FFO and adjusting for recurring capital expenditures (defined as all capital expenditures and beginning with Q3 2020, leasing costs that are recurring in nature, excluding beginning with Q2 2020 as a policy change all capital improvements that are planned at the acquisition of a property or obtaining a lease or lease renewal) and acquisition related expenses (defined as acquisition-related expenses that are incurred for investment purposes and do not correlate with the ongoing operations of our existing portfolio, including due diligence costs for acquisitions not consummated and certain auditing and accounting fees incurred that were directly related to completed acquisitions or dispositions) that are not capitalized and then adding back non-cash items including: non-real estate depreciation, loss on extinguishment of debt, write-off and amortization of debt issuance costs, straight-line rent adjustments, (beginning with Q3 2020, including lump sum catch up payments for increased rents), fair value lease adjustments and non-cash components of compensation expense. AFFO is a non-GAAP financial measure and should not be viewed as an alternative to net income calculated in accordance with GAAP as a measurement of our operating performance. We believe that AFFO is widely-used by other REITs and is helpful to investors as a meaningful additional measure of our ability to make capital investments. Other REITs may not define AFFO in the same manner as we do and therefore our calculation of AFFO may not be comparable to such other REITs.

Earnings before Interest Tax and Depreciation and Amortization (EBITDA)

The Company computes EBITDA as earnings before interest, income taxes, depreciation and amortization. The Company presents EBITDA as it is a measure commonly used in its industry and the Company believes that this measure is useful to investors and analysts because they provide important supplemental information concerning its operating performance, exclusive of certain non-cash items and other costs. The Company uses EBITDA as a measure of its operating performance and not as a measure of liquidity.

EBITDA is not a measure of financial performance under GAAP. You should not consider EBITDA as an alternative to net income or cash flows from operating activities determined in accordance with GAAP. Additionally, the Company’s computation of EBITDA may differ from the methodology for calculating this metric used by other equity REITs and, therefore, may not be comparable to similarly titled measures reported by other equity REITs.

Definitions (continued)

Non-GAAP Financial Measures

Net Debt

The Company calculates its net debt as gross debt (defined as total debt plus net deferred financing costs on its secured borrowings) less cash and cash equivalents and restricted cash deposits held for the benefit of lenders. The Company believes excluding cash and cash equivalents and restricted cash deposits held for the benefit of lenders from gross debt, all of which could be used to repay debt, provides an estimate of the net contractual amount of borrowed capital to be repaid, which it believes is a beneficial disclosure to investors and analysts.

Net Operating Income (NOI)

The Company computes NOI as rental and tenant reimbursements less real estate taxes and property operating expenses (excluding property management expenses). NOI excludes all other items of expense and income included in the financial statements in calculating net income or loss. The Company believes NOI provides useful and relevant information because it reflects only those revenue and expense items that are incurred at the property level and present such items on an unlevered basis. NOI is not a measure of financial performance under GAAP. You should not consider the Company’s NOI as an alternative to net income or cash flows from operating activities determined in accordance with GAAP. Additionally, the Company’s computation of NOI may differ from the methodology for calculating these metrics used by other equity REITs, and, therefore, may not be comparable to similarly titled measures reported by other equity REITs.