POSTAL REALTY TRUST, INC.

NYSE: PSTL

Q2 2023 Supplemental

Corporate Information & Analyst Coverage

POSTAL REALTY TRUST

Key Management

Andrew Spodek	Chief Executive Officer
Jeremy Garber	President, Treasurer & Secretary
Robert Klein	Chief Financial Officer

Board of Directors	Board Responsibilities
Patrick Donahoe	Chair of the Board, Member - Audit Committee
Andrew Spodek	Chief Executive Officer, Director
Barry Lefkowitz	Chair of Audit Committee, Member - Corporate Governance & Compensation Committee
Anton Feingold	Chair 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	Deloitte & Touche LLP
Cedarhurst, NY 11516	200 Park Avenue	800-937-5449	30 Rockefeller Plaza
www.postalrealtytrust.com	New York, NY 10166		New York, NY 10112
Investorrelations@postalrealtytrust.com	212-309-1000		212-492-4000
516-232-8900			

Research Coverage

Firm	Analyst	Phone	Firm	Analyst	Phone
BMO Capital Markets	John Kim	212-885-4115	Jefferies	Jonathan Petersen	212-284-1705
BTIG	Michael Gorman	212-738-6138	J.P. Morgan Securities	Anthony Paolone	212-622-6682
Colliers	Barry Oxford	203-961-6573	Stifel Nicolaus & Company, Inc.	Stephen Manaker	212-271-3716
Janney Montgomery Scott	Robert Stevenson	646-840-3217	Truist Securities	Ki Bin Kim	212-303-4124

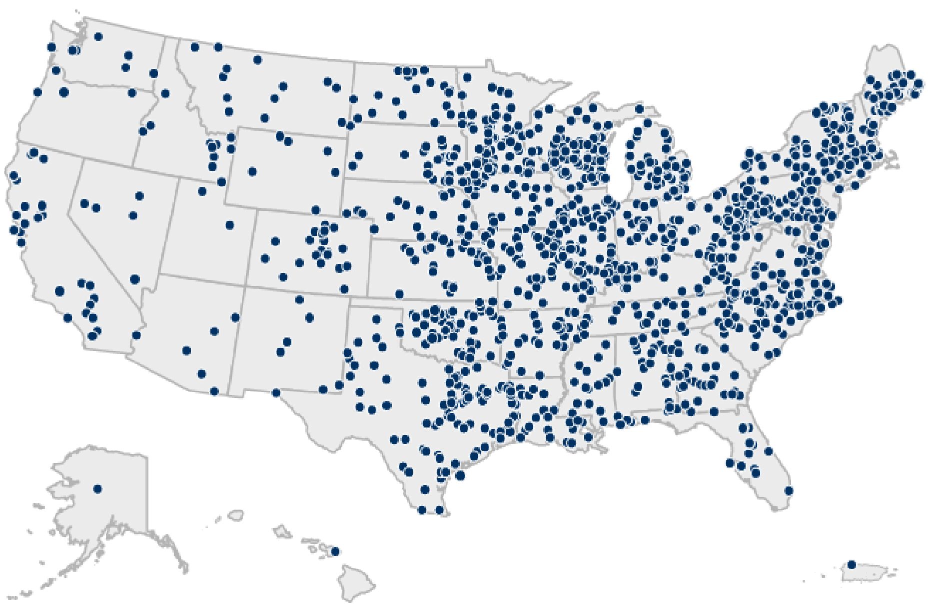
Company Overview

Postal Realty Trust, Inc. (NYSE: PSTL) is an internally managed real estate investment trust that owns properties primarily leased to the United States Postal Service ("USPS"). PSTL 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. As of June 30, 2023, PSTL owned 1,364 properties (including two properties accounted for as financing leases) located in 49 states and one territory comprising approximately 5.6 million net leasable interior square feet. Subsequent to quarter-end and through August 2, 2023, PSTL closed on 11 additional properties comprising approximately 33,000 net leasable interior square feet.

PSTL believes its competitive strengths are:

- 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 August 2, 2023

Executive Summary

Figures for the quarter ended June 30, 2023

POSTAL REALTY TRUST

Price of Common Shares	
High closing price during period	$15.37
Low closing price during period	$14.37
End of period closing price	$14.71

Outstanding Classes of Stock and Partnership Units	
Common shares	20,003
OP Units	4,111
LTIP Units	882
Restricted Stock Units	145
Voting equivalent shares	27
Total shares - fully diluted	25,168

Market Capitalization and Enterprise Value	
Total equity market capitalization - fully diluted[1]	$370,221
Net debt	224,161
Enterprise value	$594,382

Debt Ratios	
Net debt to enterprise value	37.7%
Net debt to annualized adjusted EBITDA	5.6x
Adjusted interest coverage ratio	4.4x
Fixed charge coverage ratio	4.4x

Earnings	
Net income attributable to common stockholders	$1,012
Net income attributable to common stockholders per share	$0.03
Funds From Operations ("FFO")	$6,016
FFO per share - fully diluted basis	$0.24
Adjusted Funds From Operations ("AFFO")	$6,813
AFFO per share - fully diluted basis	$0.27
Quarterly dividend per share	$0.2375
Net Operating Income	$12,119

Current Metrics[2]	
Annualized total owned cash base rent	$51,055
Total owned square footage	5,592
Weighted average rent per square foot[3]	$9.16
Total owned property count	1,375
Total managed property count	397
Owned portfolio occupancy	99.7%
Total current net debt[4]	$220,160
Total share count - fully diluted	25,713

Source: Company Filings
Note: Figures in thousands, except for per share, per square foot, and property count data

(1) Total equity market capitalization – fully diluted calculated with closing share price of $14.71
(2) Based on figures as of August 2, 2023
(3) Inclusive of owned and occupied square footage
(4) Total current net debt includes cash balance and escrow & reserves as of June 30, 2023

Balance Sheet

($ in thousands and unaudited)	Balance Sheet	
ASSETS	June 30, 2023	March 31, 2023
Investments:		
Real estate properties, at cost:		
Land	$96,063	$92,822
Building and improvements	405,927	393,143
Tenant improvements	6,643	6,526
Total real estate properties, at cost	508,633	492,491
Less: Accumulated depreciation	(37,286)	(34,210)
Total real estate properties, net	471,347	458,281
Investment in financing leases, net	16,083	16,105
Total real estate investments, net	487,430	474,386
Cash	2,191	2,112
Escrows and reserves	751	672
Rent and other receivables	3,936	2,861
Prepaid expenses and other assets, net	15,225	12,566
Goodwill	1,536	1,536
Deferred rent receivable	1,356	1,279
In-place lease intangible, net	14,340	15,051
Above market leases, net	385	403
Total Assets	**$527,150**	**$510,866**
LIABILITIES AND EQUITY		
Term loans, net	$163,887	$163,820
Revolving credit facility	29,000	17,000
Secured borrowings, net	32,822	32,821
Accounts payable, accrued expenses and other, net	7,996	7,429
Below market leases, net	11,875	12,030
Total Liabilities	245,580	233,100
PSTL - Class A & Class B	200	197
Additional paid-in-capital	258,331	254,030
Accumulated other comprehensive income	7,934	5,207
Accumulated deficit	(40,754)	(36,996)
Total Stockholders' Equity	225,711	222,438
Operating Partner unitholders' noncontrolling interests	55,859	55,328
Total Equity	281,570	277,766
Total Liabilities and Equity	**$527,150**	**$510,866**

Source: Company Filings

Statement of Operations

POSTAL REALTY TRUST

($ in thousands and unaudited)	Statement of Operations				
	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
REVENUE					
Rental income	$14,762	$14,499	$14,211	$13,181	$12,135
Fee and other	695	649	689	594	589
Total revenues	15,457	15,148	14,900	13,775	12,724
OPERATING EXPENSES					
Real estate taxes	$2,029	$1,983	$2,037	$1,836	$1,705
Property operating expenses	1,414	1,624	1,519	1,346	1,230
General and administrative	3,610	4,159	3,119	3,040	3,309
Depreciation and amortization	4,781	4,837	4,761	4,637	4,219
Total operating expenses	11,834	12,603	11,436	10,859	10,463
Income from operations	$3,623	$2,545	$3,464	$2,916	$2,261
Other income	125	114	311	44	187
Interest expense, net	(2,466)	(2,210)	(2,068)	(1,826)	(1,265)
Income before income tax (expense) benefit	1,282	449	1,707	1,134	1,183
Income tax (expense) benefit	(21)	(16)	1	16	(18)
Net income	1,261	433	1,708	1,150	1,165
Net income attributable to Operating Partnership unitholders' non-controlling interests	(249)	(85)	(333)	(219)	(212)
Net income attributable to common stockholders	$1,012	$348	$1,375	$931	$953

Source: Company Filings

FFO & AFFO Reconciliation

($ in thousands and unaudited, except per share / unit data)	FFO & AFFO Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net income	**$1,261**	**$433**	**$1,708**	**$1,150**	**$1,165**
Depreciation and amortization of real estate assets	4,755	4,811	4,735	4,616	4,202
Funds from operations (FFO)	**$6,016**	**$5,244**	**$6,443**	**$5,766**	**$5,367**
Recurring capital expenditures	(94)	(106)	(119)	(200)	(251)
Write-off and amortization of deferred financing fees	165	165	156	156	155
Straight-line rent and other adjustments	(100)	(107)	(122)	(159)	(159)
Fair value lease adjustments	(623)	(601)	(625)	(613)	(525)
Acquisition-related and other expenses(1)	301	137	144	111	96
Income on insurance recoveries from casualties	(125)	(114)	(311)	(44)	(187)
Non-real estate depreciation and amortization	26	26	26	21	17
Non-cash components of compensation expense	1,247	1,960	1,006	1,021	986
Adjusted funds from operations (AFFO)	**$6,813**	**$6,604**	**$6,598**	**$6,059**	**$5,499**
FFO per common share and common unit outstanding	**$0.24**	**$0.21**	**$0.27**	**$0.25**	**$0.23**
AFFO per common share and common unit outstanding	**$0.27**	**$0.27**	**$0.28**	**$0.26**	**$0.24**
Weighted average common shares and common units outstanding(2)	25,005	24,659	23,991	23,524	23,072

Source: Company Filings
(1) Includes non-recurring expenses of approximately $0.2 million for the quarter ended June 30, 2023 related to transition of the Company's independent registered public accounting firm
(2) Basic and diluted

NOI Reconciliation

POSTAL REALTY TRUST

($ in thousands and unaudited)	Net Operating Income				
	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
REVENUE					
Rental income[1]	$12,854	$12,550	$12,227	$11,435	$10,482
Tenant reimbursements[1]	1,908	1,949	1,984	1,746	1,653
Revenue from direct financing leases[2]	262	259	265	266	263
Total revenues	15,024	14,758	14,476	13,447	12,398
OPERATING EXPENSES					
Real estate taxes	$2,029	$1,983	$2,037	$1,836	$1,705
Property operating expenses[3]	876	873	1,024	845	770
Total operating expenses	2,905	2,856	3,061	2,681	2,475
Net Operating Income	$12,119	$11,902	$11,415	$10,766	$9,923

Source: Company Filings
(1) Revenue from tenant reimbursements is included in rental income in the consolidated statements of operations
(2) Revenue from direct financing leases is included in fee and other in the consolidated statements of operations
(3) Property operating expenses excludes property management expenses; reference Net Operating Income definition on page 18 for further detail

EBITDA Reconciliation

($ in thousands and unaudited)	EBITDA				
	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Net income	$1,261	$433	$1,708	$1,150	$1,165
Contractual interest expense	2,302	2,045	1,913	1,670	1,111
Write-off and amortization of deferred financing fees	165	165	156	156	155
Income tax expense (benefit)	21	16	(1)	(16)	18
Depreciation and amortization	4,781	4,837	4,761	4,637	4,219
EBITDA	$8,530	$7,496	$8,537	$7,597	$6,668
Acquisition-related and other expenses [1]	301	137	144	111	96
Non-cash components of compensation expense	1,247	1,960	1,006	1,021	986
Adjusted EBITDA	$10,078	$9,593	$9,687	$8,729	$7,750

Source: Company Filings

(1) Includes non-recurring expenses of approximately $0.2 million for the quarter ended June 30, 2023 related to transition of the Company's independent registered public accounting firm

Debt Summary

Debt Outstanding as of June 30, 2023

Debt Breakdown			
Lender	Maturity Date	Effective Interest Rate[3]	Outstanding Balance
($ in thousands)			
2022 Term Loan[1]	February-28	4.59%	$115,000
2021 Term Loan[1]	January-27	2.27%	50,000
AIG	January-31	2.80%	30,225
Vision Bank	September-41	3.69%	1,409
Vision Bank - 2018	September-41	3.69%	844
First Oklahoma Bank	December-37	3.63%	324
Seller Financing	January-25	6.00%	194
Fixed Rate Debt		**3.72%**	**$197,996**
2021 Revolving Credit Facility[2]	January-26	6.72%	29,000
Floating Rate Debt		**6.72%**	**$29,000**
Total Principal			**$226,996**
Unamortized Deferred Financing Costs			(1,287)
Total Debt:		**4.10%**	**$225,709**

Source: Company Filings

(1) On July 24, 2023, the Company exercised $25.0 million of term loan accordion under the 2021 Term Loan and, on a delayed-draw basis, $10.0 million of term loan accordion under the 2022 Term Loan. As of August 2, 2023, the $10.0 million delayed-draw portion of the 2022 Term Loan was not drawn by the Company.

(2) As of August 2, 2023, there was no debt outstanding on the revolving credit facility. The credit facilities include an accordion feature permitting the Company to borrow up to an additional $150 million under the revolving credit facility.

(3) Interest rates as of June 30, 2023, reflect the interest rate hedges in effect during the period.

Debt Statistics

Debt Statistics	
($ in thousands)	Q2 2023
Market Capitalization	
Debt Principal	$226,996
Cash	2,191
Escrow & Reserves	644
Net Debt	224,161
Market Value of Common Equity[1]	370,221
Total Enterprise Value	594,382
Net Debt to Enterprise Value	37.7%
Leverage	
Net Debt	$224,161
Annualized Adjusted EBITDA	40,312
Net Debt / Annualized Adjusted EBITDA	5.6x
Adjusted Interest Coverage Ratio	
Contractual Interest Expense	$2,302
Adjusted EBITDA	10,078
Adjusted Interest Coverage Ratio	4.4x
Fixed Charge Coverage Ratio	
Contractual Interest Expense	$2,302
Debt Amortization	4
Total Fixed Charges	2,306
Adjusted EBITDA	10,078
Fixed Charge Coverage Ratio	4.4x

Source: Company Filings
(1) Calculated using the closing share price of $14.71 as of June 30, 2023

Acquisition Summary

Acquisition Summary as of August 2, 2023

Acquisitions By Property Type	Property Count	Purchase Price[(1)]	Interior Square Feet	Purchase Price per Int. Sq Ft	Annualized Rent[(2)]
Q1 2023 Acquisitions					
Last-Mile	20 Properties	$3,249,500	24,582	$132.19	$319,291
Flex	19 Properties	13,989,780	96,828	$144.48	1,143,126
Industrial	—	—	—	—	—
Q1 2023 Totals	**39 Properties**	**$17,239,280**	**121,410**	**$141.99**	**$1,462,417**
Q2 2023 Acquisitions					
Last-Mile	24 Properties	$2,927,000	29,875	$97.97	$284,862
Flex	15 Properties	12,847,031	63,478	$202.39	1,038,643
Industrial	—	—	—	—	—
Q2 2023 Totals	**39 Properties**	**$15,774,031**	**93,353**	**$168.97**	**$1,323,505**
Q3 2023 Acquisitions[(3)]					
Last-Mile	6 Properties	$584,650	6,775	$86.30	$69,408
Flex	5 Properties	4,737,500	26,274	$180.31	441,729
Industrial	—	—	—	—	—
Q3 2023 Totals	**11 Properties**	**$5,322,150**	**33,049**	**$161.04**	**$511,137**
2023 Acquisitions					
Last-Mile	50 Properties	$6,761,150	61,232	$110.42	$673,561
Flex	39 Properties	31,574,311	186,580	$169.23	2,623,498
Industrial	—	—	—	—	—
2023 Totals	**89 Properties**	**$38,335,461**	**247,812**	**$154.70**	**$3,297,059**

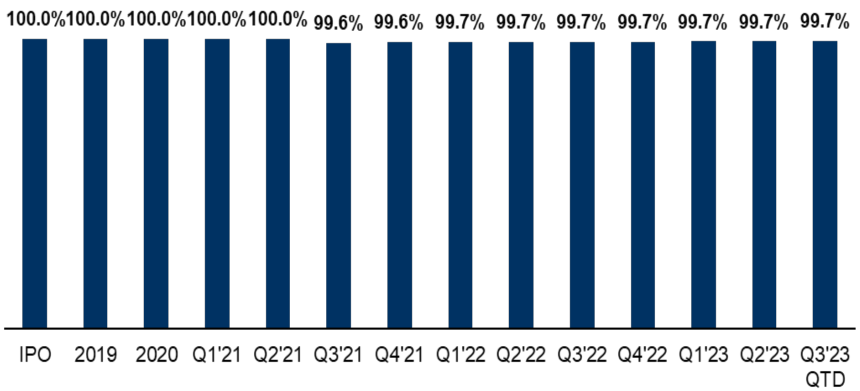
Source: Company Filings
(1) Purchase price defined by GAAP, excluding closing costs
(2) Annualized contractually specified cash base rent in effect on August 2, 2023, for all of our leases
(3) Representative of Q3 2023 acquisitions as of August 2, 2023

Portfolio Fundamentals

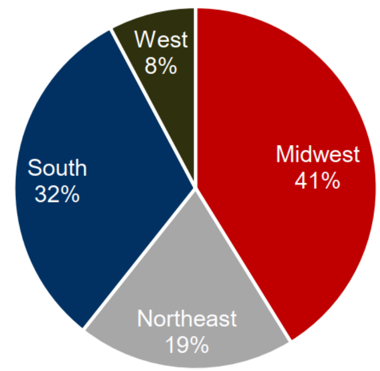
Diversified Portfolio with High Historic Occupancy

POSTAL REALTY TRUST

Historic Occupancy Rate Since IPO[1]

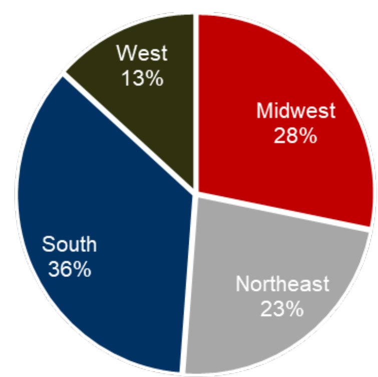


Portfolio By % of Aggregate Interior Sq Ft



Region	Sq Ft
Midwest	2,272,643
South[2]	1,802,699
Northeast	1,063,822
West	452,698
Total	**5,591,862**

Portfolio By % of Annualized Gross Rent[3]



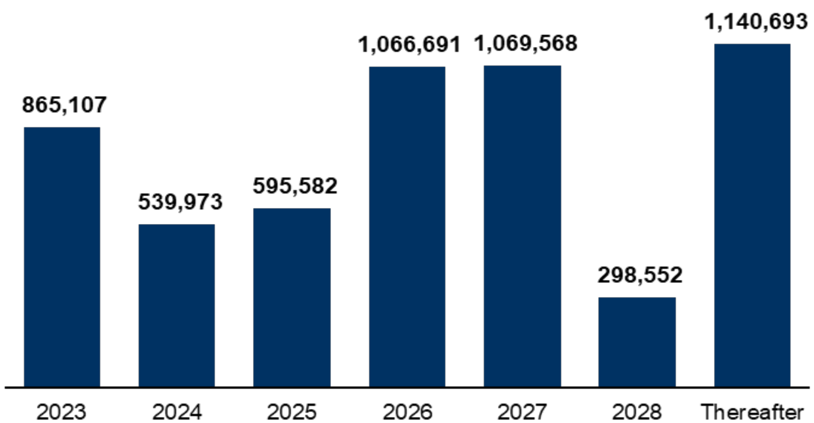
Region	Rent
South[2]	$18,252,402
Midwest	$14,321,560
Northeast	$11,731,359
West	$6,749,694
Total	**$51,055,015**

Source: Company Filings
Note: Portfolio statistics as of August 2, 2023
(1) Reflects historical occupancy of REIT owned properties since IPO
(2) South region includes one property located in Puerto Rico
(3) Annualized contractually specified cash base rent in effect on August 2, 2023, for all of our leases (including those accounted for as direct financing leases)

Lease Expiration Schedule

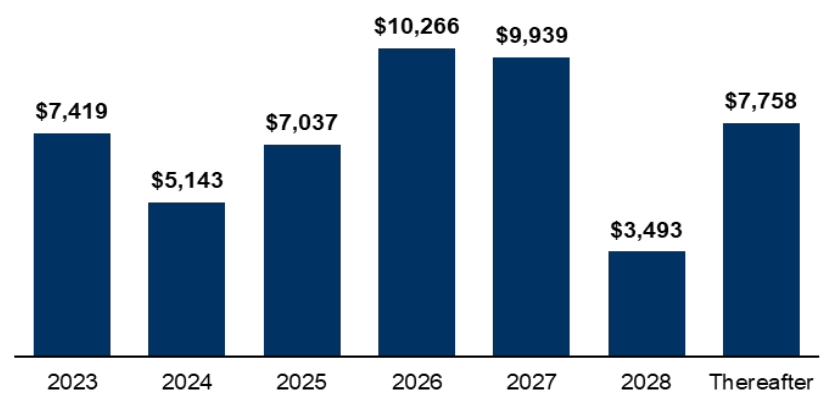
Year	Number of Leases	Square Feet	Annual Rent[(1)]	% of Total Rent[(1)]
2023	162[(2)]	865,107	$7,419,431	14.5%
2024	96	539,973	$5,143,138	10.1%
2025	202	595,582	$7,036,961	13.8%
2026	275	1,066,691	$10,266,239	20.1%
2027	333	1,069,568	$9,938,924	19.5%
2028	97	298,552	$3,492,746	6.8%
Thereafter	212	1,140,693	$7,757,576	15.2%
Total	**1,377**	**5,576,166**	**$51,055,015**	**100.0%**

Lease Expirations (by Square Feet)



Lease Expirations (by Annual Rent)[(1)]

($ in thousands)



Source: Company Filings
Note: As of August 2, 2023; excludes any vacant property
(1) Annualized contractually specified cash base rent in effect on August 2, 2023, for all of our leases (including those accounted for as direct financing leases). Assumes tenants do not exercise any existing renewal, termination or purchase options.
(2) Executed non-binding letter of intent with the USPS for 5-year renewals for the 2022 lease expirations with new expiration dates in 2027.

Property Breakdown by Location

Property Breakdown by Location						
Location	Gross Rent	% Gross Rent	Square Footage	% Square Footage	Property Count[1]	% Property Count
Pennsylvania	$5,976,087	11.71%	708,095	12.66%	90	6.55%
Wisconsin	3,368,596	6.60%	818,311	14.63%	79	5.75%
Texas	2,693,232	5.28%	260,159	4.65%	92	6.69%
North Carolina	2,655,304	5.20%	228,190	4.08%	57	4.15%
California	2,547,709	4.99%	176,733	3.16%	28	2.04%
New York	1,946,943	3.81%	126,729	2.27%	50	3.64%
Alabama	1,912,746	3.75%	283,473	5.07%	28	2.04%
Michigan	1,736,018	3.40%	179,318	3.21%	55	4.00%
Ohio	1,550,855	3.04%	171,873	3.07%	33	2.40%
Kansas	1,447,214	2.83%	453,293	8.11%	31	2.25%
Massachusetts	1,419,473	2.78%	69,912	1.25%	17	1.24%
Florida	1,331,086	2.61%	126,438	2.26%	23	1.67%
Colorado	1,328,569	2.60%	83,735	1.50%	20	1.45%
Oklahoma	1,311,680	2.57%	137,615	2.46%	52	3.78%
Minnesota	1,286,245	2.52%	135,633	2.43%	59	4.29%
Illinois	1,273,860	2.50%	129,937	2.32%	69	5.02%
Louisiana	1,187,387	2.33%	108,229	1.94%	32	2.33%
Virginia	1,168,956	2.29%	98,122	1.75%	25	1.82%
Tennessee	1,153,909	2.26%	124,944	2.23%	25	1.82%
Missouri	969,990	1.90%	104,280	1.86%	45	3.27%
Indiana	947,944	1.86%	94,422	1.69%	30	2.18%
Georgia	912,726	1.79%	78,289	1.40%	31	2.25%
Mississippi	880,104	1.72%	76,064	1.36%	20	1.45%
South Carolina	832,148	1.63%	69,183	1.24%	24	1.75%
West Virginia	791,896	1.55%	76,642	1.37%	37	2.69%

Note: As of August 2, 2023

(1) Includes properties accounted for as direct financing leases

Property Breakdown by Location (continued)

POSTAL REALTY TRUST

Property Breakdown by Location						
Location	Gross Rent	% Gross Rent	Square Footage	% Square Footage	Property Count[1]	% Property Count
Iowa	760,316	1.49%	84,716	1.51%	33	2.40%
Arkansas	728,439	1.43%	76,107	1.36%	29	2.11%
Maine	659,707	1.29%	54,300	0.97%	43	3.13%
Arizona	575,249	1.13%	29,973	0.54%	9	0.65%
Connecticut	572,656	1.12%	38,926	0.70%	8	0.58%
Vermont	553,849	1.08%	30,486	0.55%	20	1.45%
Montana	448,040	0.88%	35,623	0.64%	13	0.95%
Kentucky	414,824	0.81%	38,882	0.70%	24	1.75%
South Dakota	364,453	0.71%	33,244	0.59%	23	1.67%
Nebraska	348,535	0.68%	41,400	0.74%	25	1.82%
New Jersey	336,908	0.66%	18,925	0.34%	8	0.58%
Nevada	327,051	0.64%	18,216	0.33%	5	0.36%
Hawaii	312,695	0.61%	9,705	0.17%	1	0.07%
North Dakota	267,534	0.52%	26,216	0.47%	21	1.53%
Oregon	256,337	0.50%	16,157	0.29%	4	0.29%
Wyoming	245,439	0.48%	24,063	0.43%	9	0.65%
Maryland	236,290	0.46%	17,422	0.31%	8	0.58%
New Mexico	189,357	0.37%	16,993	0.30%	7	0.51%
New Hampshire	186,935	0.37%	11,523	0.21%	8	0.58%
Washington	186,820	0.37%	14,677	0.26%	7	0.51%
Idaho	163,304	0.32%	18,514	0.33%	12	0.87%
Utah	98,681	0.19%	5,489	0.10%	2	0.15%
Delaware	78,800	0.15%	4,926	0.09%	2	0.15%
Alaska	70,444	0.14%	2,820	0.05%	1	0.07%
Puerto Rico	41,675	0.08%	2,940	0.05%	1	0.07%
Total:	**$51,055,015**	**100.0%**	**5,591,862**	**100.0%**	**1,375**	**100.0%**

Note: As of August 2, 2023
(1) Includes properties accounted for as direct financing leases

Definitions

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 the Company does and therefore the Company's computation of FFO may not be comparable to such other REITs.

Adjusted Funds from Operations (AFFO)

The Company calculates AFFO by starting with FFO and adjusting for recurring capital expenditures (defined as all capital expenditures and leasing costs that are recurring in nature, excluding all expenditures that (i) are for items identified or existing at the time a property was acquired or contributed (including through the Company's formation transactions), (ii) are part of a strategic plan intended to increase the value or revenue-generating ability of a property, (iii) are considered infrequent or extraordinary in nature, or (iv) for casualty damage), acquisition-related expenses (defined as expenses that are incurred for investment purposes and business acquisitions and do not correlate with the ongoing operations of the Company's existing portfolio, including due diligence costs for acquisitions not consummated and certain professional fees incurred that were directly related to completed acquisitions or dispositions and integration of acquired business) that are not capitalized, and certain other non-recurring expenses and then adding back non-cash items including: write-off and amortization of deferred financing fees, straight-line rent and other adjustments (including lump sum catch up payments for increased rents), fair value lease adjustments, income on insurance recoveries from casualties, non-real estate depreciation and amortization 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 the Company's operating performance. The Company believes that AFFO is widely-used by other REITs and is helpful to investors as a meaningful additional measure of the Company's ability to make capital investments. Other REITs may not define AFFO in the same manner as the Company does and therefore its calculation of AFFO may not be comparable to such other REITs. For additional details regarding the Company's recurring and non-recurring capital expenditures, please see the table below.

	Total Capital Expenditures				
($ in thousands)	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022
Recurring	$94	$106	$119	$200	$251
Non-Recurring	680	221	406	597	1,286
Total Capital Expenditures	$774	$327	$525	$797	$1,537

Definitions (continued)

POSTAL REALTY TRUST

Earnings before Interest Tax and Depreciation and Amortization (EBITDA) and Adjusted 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. The Company computes Adjusted EBITDA by starting with EBITDA and adjusting for acquisition-related expenses (as defined above) and certain other non-recurring expenses and non-cash components of compensation expense.

EBITDA and Adjusted EBITDA are not measures of financial performance under GAAP. You should not consider EBITDA or Adjusted EBITDA as alternatives to net income or cash flows from operating activities determined in accordance with GAAP. Additionally, the Company's computations of EBITDA and Adjusted EBITDA 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.

Net Debt

The Company calculates its net debt as total debt less cash and property-related reserves. The Company believes excluding cash and restricted cash deposits held for the benefit of lenders from total 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 income, tenant reimbursements and revenue from direct financing leases 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. Below are the property management expenses excluded from NOI.

($ in thousands)	**Q2 2023**	**Q1 2023**	**Q4 2022**	**Q3 2022**	**Q2 2022**
Property Management Expense	$538	$751	$495	$501	$460

Occupancy

The Company calculates occupancy by dividing the amount of the Company's owned portfolio's total net leasable interior square feet currently under lease agreements, regardless of the actual use or occupation by the tenant of the area being leased, by the Company's owned portfolio's total net leasable interior square feet.

Forward-Looking Cautionary Statements

This presentation regarding the Company contains “forward-looking statements.” Forward-looking statements include 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. 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, among others, change in the status of the USPS as an independent agency of the executive branch of the U.S. federal government, change in the demand for postal services delivered by the USPS, the Company’s ability to come to an agreement with the USPS regarding new leases or lease renewals on terms and timing the Company expects, or at all, the solvency and financial health of the USPS, defaults on, early terminations of or non-renewal of leases or relocation, or actual, potential or threatened closure or consolidation of postal offices or delivery units by the USPS, the competitive market in which the Company operates, changes in the availability of acquisition opportunities, the Company’s inability to successfully complete real estate acquisitions or dispositions on the terms and timing it expects, or at all, the Company’s failure to successfully operate developed and acquired properties, adverse economic or real estate developments, either nationally or in the markets in which the Company’s properties are located, decreased rental rates or increased vacancy rates, change in the Company’s business, financing or investment strategy or the markets in which it operates, fluctuations in interest rates and increased operating costs, general economic conditions (including inflation, rising interest rates, uncertainty regarding ongoing conflict between Russia and Ukraine and their related impact on macroeconomic conditions), financial market fluctuations, the Company’s failure to generate sufficient cash flows to service its outstanding indebtedness, the Company’s failure to obtain necessary outside financing on favorable terms or at all, failure to hedge effectively against interest rate changes, the Company’s reliance on key personnel whose continued service is not guaranteed, the outcome of claims and litigation involving or affecting the Company, 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, uncertainties and risks related to adverse weather conditions, natural disasters and climate change, exposure to liability relating to environmental and health and safety matters, governmental approvals, actions and initiatives, including the need for compliance with environmental requirements, lack or insufficient amounts of insurance, limitations imposed on the Company’s business in order to qualify and maintain its status as a REIT and the Company’s failure to qualify for or maintain such status, public health threats such as the COVID-19 pandemic, 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 any forward-looking statement, whether as a result of new information, future developments or otherwise, except as may be required by applicable securities laws.