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

FORM 8-K

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

Date of Report (Date of earliest event reported): **February 26, 2020**

American Finance Trust, Inc.
(Exact Name of Registrant as Specified in Charter)

Maryland	**001-38597**	**90-0929989**
(State or other jurisdiction of incorporation)	(Commission File Number)	(I.R.S. Employer Identification No.)

650 Fifth Avenue, 30th Floor
New York, New York 10019
(Address, including zip code, of Principal Executive Offices)

Registrant's telephone number, including area code: (212) 415-6500

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.01 par value	AFIN	The Nasdaq Global Select Market
7.50% Series A Cumulative Redeemable Perpetual Preferred Stock, $0.01 par value	AFINP	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth 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. ☐

Item 2.02. Results of Operations and Financial Condition.

On February 26, 2020, American Finance Trust, Inc. (the "Company") issued a press release announcing its results of operations for the quarter and year ended December 31, 2019, and supplemental financial information for the quarter and year ended December 31, 2019, attached hereto as Exhibits 99.1 and 99.2, respectively.

Item 7.01. Regulation FD Disclosure.

Press Release and Supplemental Information

As disclosed in Item 2.02 above, on February 26, 2020, the Company issued a press release announcing its results of operations for the quarter and year ended December 31, 2019, and supplemental financial information for the quarter and year ended December 31, 2019, attached hereto as Exhibits 99.1 and 99.2, respectively. The information set forth in Item 7.01 of this Current Report on Form 8-K and in the attached Exhibits 99.1 and 99.2 is deemed to be "furnished" and shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of that Section. The information set forth in Items 2.02 and 7.01 of this Current Report on Form 8-K, including Exhibits 99.1 and 99.2, shall not be deemed incorporated by reference into any filing under the Exchange Act or the Securities Act of 1933, as amended, regardless of any general incorporation language in such filing.

The statements in this Current Report on Form 8-K include statements regarding the intent, belief or current expectations of the Company and members of its management team, as well as the assumptions on which such statements are based, and generally are identified by the use of words such as "may," "will," "seeks," "strives," "anticipates," "believes," "estimates," "expects," "plans," "intends," "should" or similar expressions. Actual results may differ materially from those contemplated by such forward-looking statements, including as a result of those factors set forth in the Risk Factors section of the Company's most recent Annual Report on Form 10-K for the year ended December 31, 2018 filed on March 7, 2019 and all other filings with the Securities and Exchange Commission after that date. Forward-looking statements speak only as of the date they are made, and the Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results over time, or revise forward-looking unless required by law.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
99.1	Press release dated February 26, 2020
99.2	Quarterly supplemental information for the quarter and year ended December 31, 2019
104	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL Document.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

AMERICAN FINANCE TRUST, INC.

By: /s/ Edward M. Weil, Jr.

Edward M. Weil, Jr.

Chief Executive Officer and President
(Principal Executive Officer)

Dated: February 26, 2020

EXHIBIT 99.1

American
Finance Trust

FOR IMMEDIATE RELEASE

American Finance Trust Announces Fourth Quarter and Full Year 2019 Results

New York, February 26, 2020 - American Finance Trust, Inc. (Nasdaq: AFIN) ("AFIN" or the "Company"), a real estate investment trust focused on acquiring and managing a diversified portfolio of primarily service-oriented and traditional retail and distribution related commercial real estate properties in the U.S., announced today its financial and operating results for the quarter and year ended December 31, 2019.

Full Year 2019 Highlights

- Revenue increased 3% year-over-year to $299.7 million as compared to $291.2 million in prior year
- Net loss attributable to stockholders was $3.1 million, or $0.03 per diluted common share, compared to a net loss of $37.4 million, or $0.35 per diluted common share in prior year
- Funds from operations ("FFO") increased 7.7% year-over-year to $98.6 million, or $0.93 per diluted share from $91.6 million, or $0.87 per diluted share, in prior year
- Adjusted funds from operations ("AFFO") increased 1.8% year-over-year to $104.9 million, or $0.99 per diluted common share from $103.0 million, or $0.98 per diluted common share, in prior year
- Cash net operating income ("Cash NOI") increased 9% to $231.3 million as compared to $212.1 million in the prior year
- Year-over-year acquisitions increased 77% to $423.0 million[1] at a weighted average cash capitalization rate[2] of 7.2% compared to $239.0 million at a weighted average cash capitalization rate of 7.1%
- Strong acquisition pipeline of an additional 54 properties for an aggregate contract purchase price of $82.5 million with an 18.4 year weighted-average lease term remaining[3]
- Multi-tenant leasing pipeline of new leases and renewals under negotiation for an additional 86,000 square feet, bringing multi-tenant executed occupancy[4] to 88.3%
- High quality portfolio of investment grade or implied investment grade[5] rated tenants in 100% of Top 10 tenants portfolio-wide, 81.6% of tenants in single-tenant portfolio and 37.3% of anchor tenants[6] in multi-tenant portfolio
- Contractually embedded rent growth with annual rent escalators[7] averaging 1.3% per year in 80.3% of total leases

Fourth Quarter 2019 Highlights

- Revenue increased 2% to $76.2 million from $75.1 million in fourth quarter 2018
- Net loss attributable to common stockholders was $4.8 million, or $0.04 per diluted common share, compared to a net loss of $13.5 million, or $0.13 per diluted common share for fourth quarter 2018
- FFO was $22.4 million, or $0.21 per diluted share, compared to $27.9 million, or $0.26 per diluted share, for the fourth quarter 2018
- AFFO increased 2% to $25.2 million, or $0.24 per diluted share, compared to $24.6 million, or $0.23 per diluted share in the prior year fourth quarter
- Cash NOI grew by 9% to $57.7 million as compared to $52.9 million for the fourth quarter 2018
- Closed on the acquisition of 53 properties for an aggregate contract purchase price of $62.0 million at a weighted average cash capitalization rate of 7.3% and a weighted average capitalization rate of 7.5%[8]
- Liquidity[9] of $232.8 million to be used for future acquisitions, including current forward pipeline of $82.5 million

CEO Comments

Michael Weil, Chief Executive Officer, commented, "We are proud to report increases in revenue, cash NOI and AFFO per share. We continue to improve the portfolio by opportunistically acquiring service-oriented retail properties with long-term leases. Year over year acquisitions increased 77% to $423 million at a weighted average capitalization rate of 7.8% with over 85% of acquisitions leased to service-oriented retail tenants with lease durations averaging over 12.5 years. These acquisitions improve our portfolio's diversification, weighted-average lease term and property mix. We believe we are well positioned to continue our deliberate portfolio growth through high-quality, accretive acquisitions in 2020 and beyond."

Financial Results

(In thousands, except per share data)	Three Months Ended December 31, 2019		Three Months Ended December 31, 2018		Year Ended December 31, 2019		Year Ended December 31, 2018	
Revenue from tenants	$	76,231	$	75,092	$	299,744	$	291,207
Net loss attributable to common stockholders	$	(4,827)	$	(13,524)	$	(3,101)	$	(37,409)
Net loss per common share [(a)]	$	(0.04)	$	(0.13)	$	(0.03)	$	(0.35)
FFO attributable to common stockholders	$	22,412	$	27,884	$	98,584	$	91,574
FFO per common share [(a)]	$	0.21	$	0.26	$	0.93	$	0.87
AFFO attributable to common stockholders	$	25,220	$	24,632	$	104,888	$	103,031
AFFO per common share [(a)]	$	0.24	$	0.23	$	0.99	$	0.98

(a) All per share data based on 107,286,620 and 106,096,401 diluted weighted-average shares outstanding for the three months ended December 31, 2019 and 2018, respectively, and 106,397,296 and 105,560,053 for the years ended December 31, 2019 and 2018, respectively.

Real Estate Portfolio

The Company's portfolio consisted of 819 net lease properties located in 47 states and comprised of 18.5 million rentable square feet as of December 31, 2019. Portfolio metrics include:

- 94.6% leased with 8.8 years weighted-average remaining lease term
- 80.3% of leases have contractual rent increases of 1.3% on average based on annualized straight-line rent
- 81.6% of single-tenant portfolio and 37.3% of multi-tenant portfolio anchor tenant annualized straight-line rent derived from investment grade or implied investment grade tenants
- 79% retail properties, 11% industrial and distribution properties and 10% office properties (based on annualized straight-line rent) compared to 75% retail, 14% industrial and distribution and 12% office as of December 31, 2018
- 70.0% of the retail portfolio, based on straight line rent, is focused on either service[10] or experiential retail[11] giving the company strong alignment with "e-commerce resistant" real estate

Property Acquisitions

During the three months ended December 31, 2019, the Company completed the acquisition of 53 properties for an aggregate contract purchase price of $62.0 million at a weighted average capitalization rate of 7.5%.

For the year ended December 31, 2019, AFIN closed on the acquisition of 218 properties for an aggregate contract purchase price of $423.0 million with a weighted-average capitalization rate of 7.8% and 12.6 year weighted-average remaining lease term and with average annual rent increases of 1.6%.

The Company's pipeline of acquisitions as of January 31, 2020 includes 54 properties for an aggregate purchase price of $82.5 million. There can be no assurance that all these acquisitions will be completed on their current terms, or at all.

Property Dispositions

The Company sold five properties during the fourth quarter of 2019 for $16.3 million, of which approximately $6.3 million was used to repay related mortgage debt.

The Company sold 25 properties during 2019 for $132.0 million, of which approximately $92.6 million was used to repay related mortgage debt.

Capital Structure and Liquidity Resources

As of December 31, 2019, the Company had a total borrowing capacity under its credit facility of $484.1 million. Of this amount, $333.1 million was outstanding under this facility as of December 31, 2019 and $150.9 million remained available for future borrowing[12]. As of December 31, 2019, the Company had $81.9 million of cash and cash equivalents. The Company's net debt[13] to gross asset value[14] was 39.2%, with net debt of $1.6 billion.

The Company's percentage of fixed rate debt was 79.9% as of December 31, 2019. The Company's total combined debt had a weighted-average interest rate cost of 4.3%[15], resulting in an interest coverage ratio of 2.8 times[16].

During the fourth quarter of 2019, the Company sold 881,174 shares of Series A preferred stock, generating gross proceeds of $22.4 million from sales through its Preferred Stock ATM program. Also, the Company sold 510,000 shares Class A common stock, generating gross proceeds of $7.4 million, through its Common Stock ATM program.

Footnotes/Definitions

[1] Represents the contract purchase price and excludes acquisition costs which are not capitalized per GAAP.

[2] Cash capitalization rate is a rate of return on a real estate investment property based on the expected, annualized cash rental income during the first year of ownership that the property will generate under its existing lease. For acquisitions, cash capitalization rate is calculated by dividing the annualized cash rental income the property will generate (before debt service and depreciation and after fixed costs and variable costs) and the purchase price of the property. The weighted-average cash capitalization rate is based upon square feet.

[3] The weighted-average remaining lease term (years) is based on annualized straight-line rent as of December 31, 2019.

[4] Includes all leases where the tenant has taken possession as of December 31, 2019 as well as all leases executed by both parties as of December 31, 2019 where the tenant has yet to take possession as of such date.

[5] As used herein, investment grade includes both actual investment grade ratings of the tenant or guarantor, if available, or implied investment grade. Implied investment grade may include actual ratings of tenant parent, guarantor parent (regardless of whether or not the parent has guaranteed the tenant's obligation under the lease) or by using a proprietary Moody's analytical tool, which generates an implied rating by measuring a company's probability of default. Ratings information is as of December 31, 2019. Single-tenant portfolio tenants are 46.0% actual investment grade rated and 35.6% implied investment grade rate. Anchor tenants in the multi-tenant portfolio are 23.4% actual investment grade rated and 13.9% implied investment grade rated.

[6] Anchor tenants are defined as tenants that occupy over 10,000 square feet of one of the Company's multi-tenant properties.

[7] Based on annualized straight-line rent as of December 31, 2019. Contractual rent increases include fixed percent or actual increases, or CPI-indexed increases.

[8] Capitalization rate is a rate of return on a real estate investment property based on the expected, annualized straight-lined rental income that the property will generate under its existing lease. Capitalization rate is calculated by dividing the annualized straight-lined rental income the property will generate (before debt service and depreciation and after fixed costs and variable costs) by the purchase price of the property. The weighted-average capitalization rate is based upon square feet.

[9] Liquidity includes the amount available for future borrowings under the Company's credit facility of $150.9 million and cash and cash equivalents. The $150.9 million is net of any letters of credit posted against the amount available for future borrowings as of December 31, 2019. In accordance with the Company's credit facility, the Company is permitted to pay distributions in an aggregate amount not exceeding 105% of Modified FFO (as defined in the credit facility) for any applicable period if, as of the last day of the period, the Company is able to satisfy a maximum leverage ratio after giving effect to the payments and also has a combination of cash, cash equivalents and amounts available for future borrowings under the credit facility of not less than $60.0 million. The Company relied on this exception for the two consecutive fiscal quarters ended September 30, 2019 and the three consecutive fiscal quarters ended December 31, 2019. The Company also expects it will rely on this exception in future periods.

[10] Service retail is defined as single-tenant retail properties leased to tenants in the retail banking, restaurant, grocery, pharmacy, gas/convenience, healthcare, and auto services sectors.

[11] Experiential retail is defined as multi-tenant properties leased to tenants in the restaurant, discount retail, entertainment, salon/beauty, and grocery sectors, among others.

[12] The borrowing capacity and availability for future borrowings under the Company's credit facility is based on the borrowing base thereunder, which is the pool of eligible otherwise unencumbered real estate assets as December 31, 2019.

[13] Total debt of $1.6 billion less cash and cash equivalents of $81.9 million as of December 31, 2019. Excludes the effect of deferred financing costs, net, mortgage premiums, net and includes the effect of cash and cash equivalents.

[14] Defined as the carrying value of total assets plus accumulated depreciation and amortization as of December 31, 2019.

[15] Weighted based on the outstanding principal balance of the debt.

[16] The interest coverage ratio is calculated by dividing adjusted EBITDA by cash paid for interest (interest expense less amortization of deferred financing costs, net, and change in accrued interest and amortization of mortgage premiums on borrowings) for the quarter ended December 31, 2019.

Webcast and Conference Call

AFIN will host a webcast and call on February 27, 2020 at 11:00 a.m. ET to discuss its financial and operating results. This webcast will be broadcast live over the Internet and can be accessed by all interested parties through the AFIN website, www.americanfinancetrust.com, in the "Investor Relations" section.

Dial-in instructions for the conference call and the replay are outlined below.

To listen to the live call, please go to AFIN's "Investor Relations" section of the website at least 15 minutes prior to the start of the call to register and download any necessary audio software. For those who are not able to listen to the live broadcast, a replay will be available shortly after the call on the AFIN website at www.americanfinancetrust.com.

Live Call
Dial-In (Toll Free): 1-888-317-6003
International Dial-In: 1-412-317-6061
Canada Dial-In (Toll Free): 1-866-605-3851
Participant Elite Entry Number: 9212654

*Conference Replay**
Domestic Dial-In (Toll Free): 1-877-344-7529
International Dial-In: 1-412-317-0088
Canada Dial-In (Toll Free): 1-855-669-9658
Conference Number: 10138888
*Available one hour after the end of the conference call through May 27, 2020.

About American Finance Trust, Inc.

American Finance Trust, Inc. (Nasdaq: AFIN) is a publicly traded real estate investment trust listed on the Nasdaq focused on acquiring and managing a diversified portfolio of primarily service-oriented and traditional retail and distribution related commercial real estate properties in the U.S. Additional information about AFIN can be found on its website at www.americanfinancetrust.com.

Supplemental Schedules

The Company will file supplemental information packages with the Securities and Exchange Commission (the "SEC") to provide additional disclosure and financial information. Once posted, the supplemental package can be found under the "Presentations" tab in the Investor Relations section of AFIN's website at www.americanfinancetrust.com and on the SEC website at www.sec.gov.

Important Notice

The statements in this press release that are not historical facts may be forward-looking statements. These forward-looking statements involve risks and uncertainties that could cause actual results or events to be materially different. Forward-looking statements may include, but are not limited to, statements regarding stockholder liquidity and investment value and returns. The words "anticipates," "believes," "expects," "estimates," "projects," "plans," "intends," "may," "will," "would" and similar expressions are intended to identify forward-looking statements, although not all forward-looking statements contain these identifying words. Actual results may differ materially from those contemplated by such forward-looking statements, including those set forth in the Risk Factors section of AFIN's Annual Report on Form 10-K for the year ended December 31, 2018 filed on March 7, 2019 and all other filings with the SEC after that date, as such risks, uncertainties and other important factors may be updated from time to time in AFIN's subsequent reports. Further, forward-looking statements speak only as of the date they are made, and AFIN undertakes no obligation to update or revise any forward-looking statement to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results, unless required to do so by law.

Contacts:

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Phone: (866) 902-0063

American Finance Trust, Inc.
Consolidated Balance Sheets
(In thousands. except share and per share data)

	December 31, 2019	December 31, 2018
	(Unaudited)	
ASSETS		
Real estate investments, at cost:		
Land	$ 685,889	$ 629,190
Buildings, fixtures and improvements	2,681,485	2,441,659
Acquired intangible lease assets	448,175	413,948
Total real estate investments, at cost	3,815,549	3,484,797
Less: accumulated depreciation and amortization	(529,052)	(454,614)
Total real estate investments, net	3,286,497	3,030,183
Cash and cash equivalents	81,898	91,451
Restricted cash	17,942	18,180
Deposits for real estate acquisitions	85	3,037
Goodwill	—	1,605
Deferred costs, net	17,467	16,222
Straight-line rent receivable	46,976	37,911
Operating lease right-of-use assets	18,959	—
Prepaid expenses and other assets (including $503 and $0 due from related parties as of December 31, 2019 and 2018, respectively)	19,188	19,439
Assets held for sale	1,176	44,519
Total assets	$ 3,490,188	$ 3,262,547
LIABILITIES AND EQUITY		
Mortgage notes payable, net	$ 1,310,943	$ 1,196,113
Credit facility	333,147	324,700
Market lease liabilities, net	84,041	89,938
Accounts payable and accrued expenses (including $1,153 and $2,634 due to related parties as of December 31, 2019 and 2018, respectively)	26,817	28,383
Operating lease liabilities	19,318	—
Derivative liabilities, at fair value	—	531
Deferred rent and other liabilities	10,392	13,067
Dividends payable	3,300	80
Total liabilities	1,787,958	1,652,812
7.50% Series A cumulative redeemable perpetual preferred stock, $0.01 par value, liquidation preference $25.00 per share, 8,796,000 shares authorized, 6,917,230 issued and outstanding as of December 31, 2019 and no shares issued and outstanding as of December 31, 2018	69	—
Common stock, $0.01 par value per share, 300,000,000 shares authorized, 108,475,266 and 106,230,901 shares issued and outstanding as of December 31, 2019 and 2018, respectively	1,085	1,063
Additional paid-in capital	2,615,089	2,412,915
Accumulated other comprehensive (loss) income	—	(531)
Distributions in excess of accumulated earnings	(932,912)	(812,047)
Total stockholders' equity	1,683,331	1,601,400
Non-controlling interests	18,899	8,335
Total equity	1,702,230	1,609,735
Total liabilities and equity	$ 3,490,188	$ 3,262,547

American Finance Trust, Inc.
Consolidated Statements of Operations (Unaudited)
(In thousands, except share and per share data)

	Three Months Ended December 31,		Year Ended December 31,	
	2019	2018	2019	2018
Revenue from tenants	$ 76,231	$ 75,092	$ 299,744	$ 291,207
Operating expenses:				
Asset management fees to related party	6,777	5,848	25,695	23,143
Property operating expense	14,344	14,059	52,715	54,068
Impairment of real estate investments	—	11,023	827	21,080
Acquisition, transaction and other costs [1]	3,022	1,616	6,257	7,557
Listing fees	—	—	—	4,988
Vesting and conversion of Class B Units	—	—	—	15,786
Equity-based compensation [2]	3,211	2,935	12,717	5,266
General and administrative	4,300	5,876	20,375	22,733
Depreciation and amortization	31,802	32,638	124,713	139,907
Goodwill impairment	—	—	1,605	—
Total operating expenses	63,456	73,995	244,904	294,528
Operating income (loss) before gain on sale of real estate investments	12,775	1,097	54,840	(3,321)
Gain on sale of real estate investments	4,519	2,186	23,690	31,776
Operating income	17,294	3,283	78,530	28,455
Other income (expense):				
Interest expense	(18,990)	(17,623)	(77,994)	(66,789)
Other income	367	794	3,627	863
Total other expense, net	(18,623)	(16,829)	(74,367)	(65,926)
Net (loss) income	(1,329)	(13,546)	4,163	(37,471)
Net (income) loss attributable to non-controlling interests	(1)	22	(16)	62
Preferred stock dividends	(3,497)	—	(7,248)	—
Net loss attributable to common stockholders	$ (4,827)	$ (13,524)	$ (3,101)	$ (37,409)
Basic and Diluted Net Loss Per Share:				
Weighted-average shares outstanding — Basic and Diluted	107,286,620	106,096,401	106,397,296	105,560,053
Net loss per share attributable to common stockholders — Basic and Diluted	$ (0.04)	$ (0.13)	$ (0.03)	$ (0.35)

[1] For the three months and year ended December 31, 2019, includes litigation costs related to AFIN's 2017 merger with American Realty Capital - Retail Centers of America, Inc. (the "Merger") of $0.7 million and $1.3 million, respectively. For the three months and year ended December 31, 2018, includes litigation costs related to the Merger of $0.4 million and $1.9 million, respectively, that were previously classified as general and administrative expenses.

[2] For the three months and year ended December 31, 2019, includes expense related to the Company's restricted common shares of $0.3 million and $1.2 million, respectively. For the three months and year ended December 31, 2018, includes expense related to the Company's restricted common shares of $0.3 million and $0.5 million, respectively, that was previously classified as general and administrative expenses.

American Finance Trust, Inc.
Quarterly Reconciliation of Non-GAAP Measures (Unaudited)
(In thousands)

	Three Months Ended				Year Ended
	March 31, 2019	**June 30, 2019**	**September 30, 2019**	**December 31, 2019**	**December 31, 2019**
Adjusted EBITDA					
Net (loss) income	$ (3,200)	$ 8,540	$ 152	$ (1,329)	$ 4,163
Depreciation and amortization	32,086	30,924	29,901	31,802	124,713
Interest expense	18,440	21,995	18,569	18,990	77,994
Impairment of real estate assets	823	4	—	—	827
Acquisition, transaction and other costs [1]	854	1,892	489	3,022	6,257
Equity-based compensation [2]	3,021	3,268	3,217	3,211	12,717
Gain on sale of real estate investments	(2,873)	(14,365)	(1,933)	(4,519)	(23,690)
Other income	(2,545)	(667)	(48)	(367)	(3,627)
Goodwill impairment	—	1,605	—	—	1,605
Adjusted EBITDA [3]	**46,606**	**53,196**	**50,347**	**50,810**	**200,959**
Asset management fees to related party	6,038	6,335	6,545	6,777	25,695
General and administrative	6,061	6,441	3,573	4,300	20,375
NOI [3]	**58,705**	**65,972**	**60,465**	**61,887**	**247,029**
Amortization of market lease and other intangibles, net	(1,839)	(1,723)	(2,503)	(1,307)	(7,372)
Straight-line rent	(1,196)	(1,566)	(2,716)	(2,847)	(8,325)
Cash NOI [3]	**$ 55,670**	**$ 62,683**	**$ 55,246**	**$ 57,733**	**$ 231,332**

Cash Paid for Interest:					
Interest expense	$ 18,440	$ 21,995	$ 18,569	$ 18,990	$ 77,994
Amortization of deferred financing costs, net and change in accrued interest	(1,329)	(3,062)	(725)	(2,394)	(7,510)
Amortization of mortgage premiums on borrowings	794	839	839	1,344	3,816
Total cash paid for interest	**$ 17,905**	**$ 19,772**	**$ 18,683**	**$ 17,940**	**$ 74,300**

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[1] For the three months ended March 31, 2019, June 30, 2019, September 30, 2019 and December 31, 2019, includes litigation costs related to the Merger of $0.3 million, $0.2 million, $0.2 million and $0.7 million, respectively.

[2] Includes expense related to the amortization of the Company's restricted common shares and LTIP Units.

[3] For the three months ended June 30, 2019 and year ended December 31, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations. While such termination payments occur infrequently, they represent cash income for accounting and tax purposes and as such management believes they should be included in both FFO and AFFO, consistent with what we believe to be general industry practice.

American Finance Trust, Inc.
Quarterly Reconciliation of Non-GAAP Measures (Unaudited)
(In thousands)

	Three Months Ended				Year Ended
	March 31, 2019	**June 30, 2019**	**September 30, 2019**	**December 31, 2019**	**December 31, 2019**
Net income (loss) attributable to common stockholders (in accordance with GAAP)	$ (3,227)	$ 7,884	$ (2,931)	$ (4,827)	$ (3,101)
Impairment of real estate investments	823	4	—	—	827
Depreciation and amortization	32,086	30,924	29,901	31,802	124,713
Gain on sale of real estate investments	(2,873)	(14,365)	(1,933)	(4,519)	(23,690)
Proportionate share of adjustments for non-controlling interests to arrive at FFO	(49)	(27)	(45)	(44)	(165)
FFO attributable to common stockholders [1]	**26,760**	**24,420**	**24,992**	**22,412**	**98,584**
Acquisition, transaction and other costs [2]	854	1,892	489	3,022	6,257
Litigation cost reimbursements related to the Merger [3]	(1,833)	(115)	—	(316)	(2,264)
Amortization of market lease and other intangibles, net	(1,839)	(1,723)	(2,503)	(1,307)	(7,372)
Straight-line rent	(1,196)	(1,566)	(2,716)	(2,847)	(8,325)
Amortization of mortgage premiums on borrowings	(794)	(839)	(839)	(1,344)	(3,816)
Equity-based compensation [4]	3,021	3,268	3,217	3,211	12,717
Amortization of deferred financing costs, net and change in accrued interest	1,329	3,062	725	2,394	7,510
Goodwill impairment [5]	—	1,605	—	—	1,605
Proportionate share of adjustments for non-controlling interests to arrive at AFFO	1	(7)	3	(5)	(8)
AFFO attributable to common stockholders [1]	**$ 26,303**	**$ 29,997**	**$ 23,368**	**$ 25,220**	**$ 104,888**

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[1] FFO and AFFO for the three months ended June 30, 2019 and year ended December 31, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations. While such termination payments occur infrequently, they represent cash income for accounting and tax purposes and as such management believes they should be included in both FFO and AFFO, consistent with what we believe to be general industry practice.

[2] Primarily includes prepayment costs incurred in connection with early debt extinguishment as well as litigation costs related to the Merger.

[3] Included in "Other income" in the Company's consolidated statement of operations.

[4] Includes expense related to the amortization of the Company’s restricted common shares and LTIP Units.

[5] This is a non-cash item and is added back as it is not considered indicative of operating performance.

American Finance Trust, Inc.
Quarterly Reconciliation of Non-GAAP Measures (Unaudited)
(In thousands)

	Three Months Ended December 31, 2018	Year Ended December 31, 2018
Net loss attributable to stockholders (in accordance with GAAP)	$ (13,524)	$ (37,409)
Impairment of real estate investments	11,023	21,080
Depreciation and amortization	32,638	139,907
Gain on sale of real estate investments	(2,186)	(31,776)
Proportionate share of adjustments for non-controlling interests to arrive at FFO	(67)	(228)
FFO attributable to stockholders	**27,884**	**91,574**
Acquisition, transaction and other costs	1,616	7,557
Listing fees	—	4,988
Vesting and conversion of Class B Units	—	15,786
Amortization of market lease and other intangibles, net	(6,054)	(15,498)
Straight-line rent	(2,119)	(9,501)
Amortization of mortgage premiums on borrowings	(1,097)	(3,790)
Mark-to-market adjustments	—	(72)
Equity-based compensation	2,935	5,266
Amortization of deferred financing costs, net and change in accrued interest	1,461	6,740
Proportionate share of adjustments for non-controlling interest to arrive at AFFO	6	(19)
AFFO attributable to stockholders	**$ 24,632**	**$ 103,031**

American Finance Trust, Inc.
Quarterly Reconciliation of Non-GAAP Measures (Unaudited)
(In thousands)

	Three Months Ended December 31, 2018	Year Ended December 31, 2018
Adjusted EBITDA		
Net (loss) income	$ (13,546)	$ (37,471)
Depreciation and amortization	32,638	139,907
Interest expense	17,623	66,789
Impairment of real estate assets	11,023	21,080
Acquisition, transaction and other costs	1,616	7,557
Listing fees	—	4,988
Vesting and conversion of Class B Units	—	15,786
Equity-based compensation	2,935	5,266
Gain on sale of real estate investments	(2,186)	(31,776)
Other income	(794)	(863)
Adjusted EBITDA	**49,309**	**191,263**
Asset management fees to related party	5,848	23,143
General and administrative	5,876	22,733
NOI	**61,033**	**237,139**
Amortization of market lease and other intangibles, net	(6,054)	(15,498)
Straight-line rent	(2,119)	(9,501)
Cash NOI	**$ 52,860**	**$ 212,140**

Non-GAAP Financial Measures

This release discusses the non-GAAP financial measures we use to evaluate our performance, including Funds from Operations ("FFO"), Adjusted Funds from Operations ("AFFO"), Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"), Net Operating Income ("NOI") and Cash Net Operating Income ("Cash NOI"). While NOI is a property-level measure, AFFO is based on our total performance and therefore reflects the impact of other items not specifically associated with NOI such as, interest expense, general and administrative expenses and operating fees to related parties. Additionally, NOI as defined herein, does not reflect an adjustment for straight-line rent but AFFO does. A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measure, which is net income, is provided below. Adjustments for unconsolidated partnerships and joint ventures are calculated to exclude the proportionate share of the non-controlling interest to arrive at FFO, AFFO and NOI attributable to stockholders.

Caution on Use of Non-GAAP Measures

FFO, AFFO, Adjusted EBITDA, NOI and Cash NOI should not be construed to be more relevant or accurate than the current GAAP methodology in calculating net income or in its applicability in evaluating our operating performance. The method utilized to evaluate the value and performance of real estate under GAAP should be construed as a more relevant measure of operational performance and considered more prominently than the non-GAAP measures.

Other REITs may not define FFO in accordance with the current National Association of Real Estate Investment Trusts ("NAREIT"), an industry trade group, definition (as we do), or may interpret the current NAREIT definition differently than we do, or may calculate AFFO differently than we do. Consequently, our presentation of FFO and AFFO may not be comparable to other similarly titled measures presented by other REITs.

We consider FFO and AFFO useful indicators of our performance. Because FFO and AFFO calculations exclude such factors as depreciation and amortization of real estate assets and gains or losses from sales of operating real estate assets (which can vary among owners of identical assets in similar conditions based on historical cost accounting and useful-life estimates), FFO and AFFO presentations facilitate comparisons of operating performance between periods and between other REITs in our peer group.

As a result, we believe that the use of FFO and AFFO, together with the required GAAP presentations, provide a more complete understanding of our performance, including relative to our peers and a more informed and appropriate basis on which to make decisions involving operating, financing, and investing activities. However, FFO and AFFO are not indicative of cash available to fund ongoing cash needs, including the ability to pay cash dividends. Investors are cautioned that FFO and AFFO should only be used to assess the sustainability of our operating performance excluding these activities, as they exclude certain costs that have a negative effect on our operating performance during the periods in which these costs are incurred.

Funds from Operations and Adjusted Funds from Operations

Funds from Operations

Due to certain unique operating characteristics of real estate companies, as discussed below, the NAREIT, an industry trade group, has promulgated a performance measure known as FFO, which we believe to be an appropriate supplemental measure to reflect the operating performance of a REIT. FFO is not equivalent to net income or loss as determined under GAAP.

We calculate FFO, a non-GAAP measure, consistent with the standards established over time by the Board of Governors of NAREIT, as restated in a White Paper and approved by the Board of Governors of NAREIT effective in December 2018 (the "White Paper"). The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding depreciation and amortization related to real estate, gains and losses from sales of certain real estate assets, gain 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 the entity. Adjustments for consolidated partially-owned entities (including our Operating Partnership) and equity in earnings of unconsolidated affiliates are made to arrive at our proportionate share of FFO attributable to our stockholders. Our FFO calculation complies with NAREIT's definition.

The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, and straight-line amortization of intangibles. We believe that, because real estate values historically rise and fall with market conditions, including inflation, interest rates, unemployment and consumer spending, presentations of operating results for a REIT using historical accounting for depreciation and certain other items may be less informative. Historical accounting for real estate involves the use of GAAP. Any other method of accounting for real estate such as the fair value method cannot be construed to be any more accurate or relevant than the comparable methodologies of real estate valuation found in GAAP. Nevertheless, we believe that the use of FFO, which excludes the impact of real estate related depreciation and amortization, among other things, provides a more complete understanding of our performance to investors and to management, and when compared year over year, reflects the impact on our operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses, and interest costs, which may not be immediately apparent from net income.

Adjusted Funds from Operations

In calculating AFFO, we start with FFO, then we exclude certain income or expense items from AFFO that we consider to be more reflective of investing activities, such as fees related to the Listing, non-cash income and expense items and the income and expense effects of other activities that are not a fundamental attribute of our day to day operating business plan, such as amounts related to litigation arising out of the Merger. These amounts include legal costs incurred as a result of the litigation, portions of which have been and may in the future be reimbursed under insurance policies maintained by us. Insurance reimbursements are deducted from AFFO in the period of reimbursement. We believe that excluding the litigation costs and subsequent insurance reimbursements related to litigation arising out of the Merger helps to provide a better understanding of the operating performance of our business. Other income and expense items also include early extinguishment of debt and unrealized gains and losses, which may not ultimately be realized, such as gains or losses on derivative instruments and gains and losses on investments. In addition, by excluding non-cash income and expense items such as amortization of above-market and below-market leases intangibles, amortization of deferred financing costs, straight-line rent, vesting and conversion of the Class B Units and share-based compensation related to restricted shares and the 2018 OPP from AFFO, we believe we provide useful information regarding those income and expense items which have a direct impact on our ongoing operating performance.

In calculating AFFO, we exclude certain expenses which under GAAP are characterized as operating expenses in determining operating net income (loss). All paid and accrued merger, acquisition and transaction related fees and certain other expenses negatively impact our operating performance during the period in which expenses are incurred or properties are acquired will also have negative effects on returns to investors but are not reflective of our on-going performance. Further, under GAAP, certain contemplated non-cash fair value and other non-cash adjustments are considered operating non-cash adjustments to net income (loss). In addition, as discussed above, we view gains and losses from fair value adjustments as items which are unrealized and may not ultimately be realized and not reflective of ongoing operations and are therefore typically adjusted for when assessing operating performance. Excluding income and expense items detailed above from our calculation of AFFO provides information consistent with management's analysis of our operating performance. Additionally, fair value adjustments, which are based on the impact of current market fluctuations and underlying assessments of general market conditions but can also result from operational factors such as rental and occupancy rates, may not be directly related or attributable to our current operating performance. By excluding such changes that may reflect anticipated and unrealized gains or losses, we believe AFFO provides useful supplemental information. By providing AFFO, we believe we are presenting useful information that can be used to better assess the sustainability of our ongoing operating performance without the impact of transactions or other items that are not related to the ongoing performance of our portfolio of properties. AFFO presented by us may not be comparable to AFFO reported by other REITs that define AFFO differently. Furthermore, we believe that in order to facilitate a clear understanding of our operating results, AFFO should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. AFFO should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or ability to pay dividends.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, Net Operating Income and Cash Net Operating Income.

We believe that Adjusted EBITDA, which is defined as earnings before interest, taxes, depreciation and amortization adjusted for acquisition and transaction-related expenses, fees related to the Listing, other non-cash items such as the vesting and conversion of the Class B Units, expense related to our multi-year outperformance agreement with the Advisor and including our pro-rata share from unconsolidated joint ventures, is an appropriate measure of our ability to incur and service debt. Adjusted EBITDA should not be considered as an alternative to cash flows from operating activities, as a measure of our liquidity or as an alternative to net income as an indicator of our operating activities. Other REITs may calculate Adjusted EBITDA differently and our calculation should not be compared to that of other REITs.

NOI is a non-GAAP financial measure used by us to evaluate the operating performance of our real estate. NOI is equal to total revenues, excluding contingent purchase price consideration, less property operating and maintenance expense. NOI excludes all other items of expense and income included in the financial statements in calculating net income (loss). We believe NOI provides useful and relevant information because it reflects only those income and expense items that are incurred at the property level and presents such items on an unleveraged basis. We use NOI to assess and compare property level performance and to make decisions concerning the operations of the properties. Further, we believe NOI is useful to investors as a performance measure because, when compared across periods, NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating expenses and acquisition activity on an unleveraged basis, providing perspective not immediately apparent from net income (loss). NOI excludes certain items included in calculating net income (loss) in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. We believe that in order to facilitate a clear understanding of our operating results, NOI should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. NOI should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or our ability to pay dividends.

Cash NOI, is a non-GAAP financial measure that is intended to reflect the performance of our properties. We define Cash NOI as NOI excluding amortization of above/below market lease intangibles and straight-line adjustments that are included in GAAP lease revenues. We believe that Cash NOI is a helpful measure that both investors and management can use to evaluate the current financial performance of our properties and it allows for comparison of our operating performance between periods and to other REITs. Cash NOI should not be considered as an alternative to net income, as an indication of our financial performance, or to cash flows as a measure of liquidity or our ability to fund all needs. The method by which we calculate and present Cash NOI may not be directly comparable to the way other REITs present Cash NOI.

American Finance Trust, Inc.
Supplemental Information

Quarter ended December 31, 2019 (unaudited)

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Please note that totals may not add due to rounding.

Forward-looking Statements:

This supplemental package includes “forward looking statements”. Forward-looking statements may be identified by the use of words such as “believes,” “expects,” “may,” “will,” “should,” “seeks,” “approximately,” “intends,” “plans,” “pro forma,” “estimates,” “contemplates,” “aims,” “continues,” “would” or “anticipates” or the negative of these words and phrases or similar words or phrases. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: the factors included in (i) the Annual Report on Form 10-K for the year ended December 31, 2018 of American Finance Trust, Inc. (the “Company”) filed on March 7, 2019, including those set forth under the headings “Risk Factors,” “Management’s Discussion and Analysis of Financial Condition and Results of Operations,” and “Business,” and (ii) in future periodic reports filed by the Company under the Securities Exchange Act of 1934, as amended. While forward-looking statements reflect the Company’s good faith beliefs, they are not guarantees of future performance. The Company disclaims any obligation to publicly update or revise any forward-looking statement to reflect changes in underlying assumptions or factors, new information, data or methods, future events or other changes after the date of this press release, except as required by applicable law. For a further discussion of these and other factors that could impact the Company’s future results, performance or transactions, see the section entitled “Risk Factors” in the Annual Report on Form 10-K for the year ended December 31, 2018 filed on March 7, 2019, and other risks described in documents subsequently filed by the Company from time to time with the Securities and Exchange Commission. Prospective investors should not place undue reliance on any forward-looking statements, which are based only on information currently available to the Company (or to third parties making the forward-looking statements).

Non-GAAP Financial Measures

This section discusses non-GAAP financial measures we use to evaluate our performance, including Funds from Operations ("FFO"), Adjusted Funds from Operations ("AFFO"), Adjusted Earnings before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA"), Net Operating Income ("NOI") and Cash Net Operating Income ("Cash NOI"). While NOI is a property-level measure, AFFO is based on total Company performance and therefore reflects the impact of other items not specifically associated with NOI such as, interest expense, general and administrative expenses and operating fees to related parties. Additionally, NOI as defined herein, does not reflect an adjustment for straight-line rent but AFFO does. A description of these non-GAAP measures and reconciliations to the most directly comparable GAAP measure, which is net income (loss), is provided below. Adjustments for unconsolidated partnerships and joint ventures are calculated to exclude the proportionate share of the non-controlling interest to arrive at FFO, AFFO and NOI attributable to stockholders.

Caution on Use of Non-GAAP Measures

FFO, AFFO, Adjusted EBITDA, NOI and Cash NOI should not be construed to be more relevant or accurate than the current GAAP methodology in calculating net income or in its applicability in evaluating our operating performance. The method utilized to evaluate the value and performance of real estate under GAAP should be construed as a more relevant measure of operational performance and considered more prominently than the non-GAAP measures.

Other REITs may not define FFO in accordance with the current National Association of Real Estate Investment Trusts ("NAREIT"), an industry trade group, definition (as we do), or may interpret the current NAREIT definition differently than we do, or may calculate AFFO differently than we do. Consequently, our presentation of FFO and AFFO may not be comparable to other similarly-titled measures presented by other REITs.

We consider FFO and AFFO useful indicators of our performance. Because FFO and AFFO calculations exclude such factors as depreciation and amortization of real estate assets and gains or losses from sales of operating real estate assets (which can vary among owners of identical assets in similar conditions based on historical cost accounting and useful-life estimates), FFO and AFFO presentations facilitate comparisons of operating performance between periods and between other REITs in our peer group.

As a result, we believe that the use of FFO and AFFO, together with the required GAAP presentations, provide a more complete understanding of our performance, including relative to our peers and a more informed and appropriate basis on which to make decisions involving operating, financing, and investing activities. However, FFO and AFFO are not indicative of cash available to fund ongoing cash needs, including the ability to pay cash dividends. Investors are cautioned that FFO and AFFO should only be used to assess the sustainability of our operating performance excluding these activities, as they exclude certain costs that have a negative effect on our operating performance during the periods in which these costs are incurred.

Funds from Operations and Adjusted Funds from Operations

Funds from Operations

Due to certain unique operating characteristics of real estate companies, as discussed below, NAREIT, an industry trade group, has promulgated a performance measure known as FFO, which we believe to be an appropriate supplemental measure to reflect the operating performance of a REIT. FFO is not equivalent to net income or loss as determined under GAAP.

We calculate FFO, a non-GAAP measure, consistent with the standards established over time by the Board of Governors of NAREIT, as restated in a White Paper and approved by the Board of Governors of NAREIT effective in December 2018 (the “White Paper”). The White Paper defines FFO as net income or loss computed in accordance with GAAP, excluding depreciation and amortization related to real estate, gains and losses from sales of certain real estate assets, gain 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 the entity. Adjustments for consolidated partially-owned entities (including our Operating Partnership) and equity in earnings of unconsolidated affiliates are made to arrive at our proportionate share of FFO attributable to our stockholders. Our FFO calculation complies with NAREIT’s definition.

The historical accounting convention used for real estate assets requires straight-line depreciation of buildings and improvements, and straight-line amortization of intangibles, which implies that the value of a real estate asset diminishes predictably over time. We believe that, because real estate values historically rise and fall with market conditions, including inflation, interest rates, unemployment and consumer spending, presentations of operating results for a REIT using historical accounting for depreciation and certain other items may be less informative. Historical accounting for real estate involves the use of GAAP. Any other method of accounting for real estate such as the fair value method cannot be construed to be any more accurate or relevant than the comparable methodologies of real estate valuation found in GAAP. Nevertheless, we believe that the use of FFO, which excludes the impact of real estate related depreciation and amortization, among other things, provides a more complete understanding of our performance to investors and to management, and when compared year over year, reflects the impact on our operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses, and interest costs, which may not be immediately apparent from net income.

Adjusted Funds from Operations

In calculating AFFO, we start with FFO, then we exclude certain income or expense items from AFFO that we consider to be more reflective of investing activities, such as fees related to the Listing, non-cash income and expense items and the income and expense effects of other activities that are not a fundamental attribute of our day to day operating business plan, such as amounts related to litigation arising out of AFIN's 2017 merger with American Realty Capital - Retail Centers of America, Inc. (the "Merger"). These amounts include legal costs incurred as a result of the litigation, portions of which have been and may in the future be reimbursed under insurance policies maintained by us. Insurance reimbursements are deducted from AFFO in the period of reimbursement. We believe that excluding the litigation costs and subsequent insurance reimbursements related to litigation arising out of the Merger helps to provide a better understanding of the operating performance of our business. Other income and expense items also include early extinguishment of debt and unrealized gains and losses, which may not ultimately be realized, such as gains or losses on derivative instruments and gains and losses on investments. In addition, by excluding non-cash income and expense items such as amortization of above-market and below-market leases intangibles, amortization of deferred financing costs, straight-line rent, vesting and conversion of Class B Units and share-based compensation related to restricted shares and the multi-year outperformance agreement from AFFO, we believe we provide useful information regarding those income and expense items which have a direct impact on our ongoing operating performance.

In calculating AFFO, we exclude certain expenses which under GAAP are characterized as operating expenses in determining operating net income (loss). All paid and accrued merger, acquisition and transaction related fees and certain other expenses negatively impact our operating performance during the period in which expenses are incurred or properties are acquired will also have negative effects on returns to investors but are not reflective of our on-going performance. Further, under GAAP, certain contemplated non-cash fair value and other non-cash adjustments are considered operating non-cash adjustments to net income (loss). In addition, as discussed above, we view gains and losses from fair value adjustments as items which are unrealized and may not ultimately be realized and not reflective of ongoing operations and are therefore typically adjusted for when assessing operating performance. Excluding income and expense items detailed above from our calculation of AFFO provides information consistent with management's analysis of our operating performance. Additionally, fair value adjustments, which are based on the impact of current market fluctuations and underlying assessments of general market conditions but can also result from operational factors such as rental and occupancy rates, may not be directly related or attributable to our current operating performance. By excluding such changes that may reflect anticipated and unrealized gains or losses, we believe AFFO provides useful supplemental information. By providing AFFO, we believe we are presenting useful information that can be used to better assess the sustainability of our ongoing operating performance without the impact of transactions or other items that are not related to the ongoing performance of our portfolio of properties. AFFO presented by us may not be comparable to AFFO reported by other REITs that define AFFO differently. Furthermore, we believe that in order to facilitate a clear understanding of our operating results, AFFO should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. AFFO should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or ability to pay dividends.

Adjusted Earnings before Interest, Taxes, Depreciation and Amortization, Net Operating Income and Cash Net Operating Income.

We believe that Adjusted EBITDA, which is defined as earnings before interest, taxes, depreciation and amortization adjusted for acquisition and transaction-related expenses, fees related to the Listing, other non-cash items such as the vesting and conversion of the Class B Units, expense related to our multi-year outperformance agreement with the Advisor and including our pro-rata share from unconsolidated joint ventures, is an appropriate measure of our ability to incur and service debt. Adjusted EBITDA should not be considered as an alternative to cash flows from operating activities, as a measure of our liquidity or as an alternative to net income as an indicator of our operating activities. Other REITs may calculate Adjusted EBITDA differently and our calculation should not be compared to that of other REITs.

NOI is a non-GAAP financial measure used by us to evaluate the operating performance of our real estate. NOI is equal to total revenues, excluding contingent purchase price consideration, less property operating and maintenance expense. NOI excludes all other items of expense and income included in the financial statements in calculating net income (loss). We believe NOI provides useful and relevant information because it reflects only those income and expense items that are incurred at the property level and presents such items on an unleveraged basis. We use NOI to assess and compare property level performance and to make decisions concerning the operations of the properties. Further, we believe NOI is useful to investors as a performance measure because, when compared across periods, NOI reflects the impact on operations from trends in occupancy rates, rental rates, operating expenses and acquisition activity on an unleveraged basis, providing perspective not immediately apparent from net income (loss). NOI excludes certain items included in calculating net income (loss) in order to provide results that are more closely related to a property's results of operations. For example, interest expense is not necessarily linked to the operating performance of a real estate asset. In addition, depreciation and amortization, because of historical cost accounting and useful life estimates, may distort operating performance at the property level. NOI presented by us may not be comparable to NOI reported by other REITs that define NOI differently. We believe that in order to facilitate a clear understanding of our operating results, NOI should be examined in conjunction with net income (loss) as presented in our consolidated financial statements. NOI should not be considered as an alternative to net income (loss) as an indication of our performance or to cash flows as a measure of our liquidity or our ability to pay dividends.

Cash NOI, is a non-GAAP financial measure that is intended to reflect the performance of our properties. We define Cash NOI as NOI excluding amortization of above/below market lease intangibles and straight-line adjustments that are included in GAAP lease revenues. We believe that Cash NOI is a helpful measure that both investors and management can use to evaluate the current financial performance of our properties and it allows for comparison of our operating performance between periods and to other REITs. Cash NOI should not be considered as an alternative to net income, as an indication of our financial performance, or to cash flows as a measure of liquidity or our ability to fund all needs. The method by which we calculate and present Cash NOI may not be directly comparable to the way other REITs present Cash NOI.

Key Metrics
As of and for the three months ended December 31, 2019

Financial Results (*Amounts in thousands, except per share data, ratios and percentages*)		
Revenue from tenants		76,231
Net loss attributable to common stockholders	$	(4,827)
Basic and diluted net loss per share attributable to common stockholders	$	(0.04)
Cash NOI [1]	$	57,733
Adjusted EBITDA [1]	$	50,810
AFFO attributable to stockholders [1]	$	25,220
Dividends declared [2]	$	29,468

Balance Sheet and Capitalization (*Amounts in thousands, except per share data, ratios and percentages*)		
Gross asset value [3]	$	4,019,240
Net debt [4] [5]	$	1,574,703
Total consolidated debt [5]	$	1,656,601
Total assets	$	3,490,188
Liquidity [6]	$	232,803
Common shares outstanding as of December 31, 2019		108,475
Net debt to gross asset value		39.2%
Net debt to adjusted EBITDA [1] (annualized based on quarterly results)		7.7x
Weighted-average interest rate cost [7]		4.3%
Weighted-average debt maturity (years) [8]		3.8
Interest Coverage Ratio [9]		2.8x

Real Estate Portfolio		**Single-Tenant Portfolio**		**Multi-Tenant Portfolio**		**Total Portfolio**
Portfolio Metrics:						
Real estate investments, at cost (in billions)	$	2.3	$	1.5	$	3.8
Number of properties		786		33		819
Square footage (in millions)		11.3		7.2		18.5
Annualized straight-line rent (in millions) [10]	$	178.7	$	88.5	$	267.2
Straight-line rent per leased square foot	$	15.8	$	14.2	$	15.2
Occupancy [11]		99.3%		87.1%		94.6%
Weighted-average remaining lease term (years) [12]		10.8		4.9		8.8
% investment grade [13]		81.6%		—%		N/A
% of anchor tenants in multi-tenant portfolio that are investment grade [13] [14]		N/A		37.3%		N/A
% of leases with rent escalators [15]		86.6%		67.7%		80.3%
Average annual rent escalator [15]		1.3%		1.3%		1.3%

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[1] This Non-GAAP metric is reconciled below.
[2] Represents dividends declared on shares of the Company's common stock payable to holders of record on the applicable record date.
[3] Defined as total assets plus accumulated depreciation and amortization as of December 31, 2019.
[4] Represents total debt outstanding less cash and cash equivalents.
[5] Excludes the effect of deferred financing costs, net and mortgage premiums, net.
[6] Liquidity includes the amount available for future borrowings under the Company's credit facility of $150.9 million and cash and cash equivalents. In accordance with the Company's credit facility, the Company is permitted to pay distributions in an aggregate amount not exceeding 105% of Modified FFO for any applicable period if, as of the last day of the period, the Company is able to satisfy a maximum leverage ratio after giving effect to the payments and also has a combination of cash, cash equivalents and amounts available for future borrowings under the credit facility of not less than $60.0 million. The Company relied on this exception for the two consecutive fiscal quarters ended September 30, 2019 and the three consecutive fiscal quarters ended December 31, 2019. The Company also expects it will rely on this exception in future periods.
[7] Weighted based on the outstanding principal balance of the debt as of December 31, 2019.
[8] Weighted based on the outstanding principal balance of the debt as of December 31, 2019 and does not reflect any changes to maturity dates subsequent to December 31, 2019. The maturity date of the Company's credit facility is April 2022. The Company has the right to extend the maturity date to April 2023.

[9] The interest coverage ratio is calculated by dividing adjusted EBITDA by cash paid for interest (interest expense less amortization of deferred financing costs, net, change in accrued interest and amortization of mortgage premiums on borrowings) for the quarter ended December 31, 2019. Adjusted EBITDA and cash paid for interest are Non-GAAP metrics and are reconciled below.

[10] Calculated using the most recent available lease terms as of December 31, 2019.

[11] Only includes leases which have commenced and were taken possession by the tenant as of December 31, 2019.

[12] The weighted-average remaining lease term (years) is based on straight-line rent.

[13] As used herein, Investment grade includes both actual investment grade ratings of the tenant or guarantor, if available, or implied investment grade. Implied investment grade may include actual ratings of tenant parent (regardless of whether or not the parent has guaranteed the tenant's obligation under the lease) or by using a proprietary Moody's analytical tool, which generates an implied rating by measuring a company's probability of default. Ratings information is as of December 31, 2019. The weighted averages are based on straight-line rent. Single-tenant portfolio tenants are 46.0% actual investment grade rated and 35.6% implied investment grade rated.

[14] Anchor tenants are defined as tenants that occupy over 10,000 square feet of one of the Company's multi-tenant properties. Anchor tenants are 23.4% actual investment grade rated and 13.9% implied investment grade rated.

[15] Based on annualized straight-line rent as of December 31, 2019. Contractual rent increases include fixed percent or actual increases, or CPI-indexed increases.

Consolidated Balance Sheets

Amounts in thousands, except share and per share data

	December 31, 2019 (Unaudited)	December 31, 2018
ASSETS		
Real estate investments, at cost:		
Land	$ 685,889	$ 629,190
Buildings, fixtures and improvements	2,681,485	2,441,659
Acquired intangible lease assets	448,175	413,948
Total real estate investments, at cost	3,815,549	3,484,797
Less: accumulated depreciation and amortization	(529,052)	(454,614)
Total real estate investments, net	3,286,497	3,030,183
Cash and cash equivalents	81,898	91,451
Restricted cash	17,942	18,180
Deposits for real estate acquisitions	85	3,037
Derivative assets, at fair vale	—	—
Goodwill	—	1,605
Deferred costs, net	17,467	16,222
Straight-line rent receivable	46,976	37,911
Operating lease right-of-use assets	18,959	—
Prepaid expenses and other assets (including $503 and $0 due from related parties as of December 31, 2019 and 2018, respectively)	19,188	19,439
Assets held for sale	1,176	44,519
Total assets	$ 3,490,188	$ 3,262,547
LIABILITIES AND EQUITY		
Mortgage notes payable, net	$ 1,310,943	$ 1,196,113
Credit facility	333,147	324,700
Market lease liabilities, net	84,041	89,938
Accounts payable and accrued expenses (including $1,153 and $2,634 due to related parties as of December 31, 2019 and 2018, respectively)	26,817	28,383
Operating lease liabilities	19,318	—
Derivative liabilities, at fair value	—	531
Deferred rent and other liabilities	10,392	13,067
Dividends payable	3,300	80
Total liabilities	1,787,958	1,652,812
7.50% Series A cumulative redeemable perpetual preferred stock, $0.01 par value, liquidation preference $25.00 per share, 8,796,000 shares authorized, 6,917,230 issued and outstanding as of December 31, 2019 and no shares issued and outstanding as of December 31, 2018	69	—
Common stock, $0.01 par value per share, 300,000,000 shares authorized, 108,475,266 and 106,230,901 shares issued and outstanding as of December 31, 2019 and 2018, respectively	1,085	1,063
Additional paid-in capital	2,615,089	2,412,915
Accumulated other comprehensive (loss) income	—	(531)
Distributions in excess of accumulated earnings	(932,912)	(812,047)
Total stockholders' equity	1,683,331	1,601,400
Non-controlling interests	18,899	8,335
Total equity	1,702,230	1,609,735
Total liabilities and equity	$ 3,490,188	$ 3,262,547

`Consolidated Statements of Operations
Amounts in thousands, except share and per share data

	Three Months Ended			
	December 31, 2019	**September 30, 2019**	**June 30, 2019**	**March 31, 2019**
	(Unaudited)	**(Unaudited)**	**(Unaudited)**	**(Unaudited)**
Revenue from tenants	$ 76,231	$ 72,863	$ 79,109	$ 71,541
Operating expenses:				
Asset management fees to related party	6,777	6,545	6,335	6,038
Property operating expense	14,344	12,398	13,137	12,836
Impairment of real estate investments	—	—	4	823
Acquisition, transaction and other costs	3,022	489	1,892	854
Listing fees	—	—	—	—
Vesting and conversion of Class B Units	—	—	—	—
Equity-based compensation	3,211	3,217	3,268	3,021
General and administrative	4,300	3,573	6,441	6,061
Depreciation and amortization	31,802	29,901	30,924	32,086
Goodwill impairment	—	—	1,605	—
Total operating expenses	63,456	56,123	63,606	61,719
Operating income (loss) before gain on sale of real estate investments	12,775	16,740	15,503	9,822
Gain on sale of real estate investments	4,519	1,933	14,365	2,873
Operating income (loss)	17,294	18,673	29,868	12,695
Other (expense) income:				
Interest expense	(18,990)	(18,569)	(21,995)	(18,440)
Other income	367	48	667	2,545
Total other expense, net	(18,623)	(18,521)	(21,328)	(15,895)
Net (loss) income	**(1,329)**	**152**	**8,540**	**(3,200)**
Net loss (income) attributable to non-controlling interests	(1)	(4)	(14)	3
Preferred stock dividends	(3,497)	(3,079)	(642)	(30)
Net (loss) income attributable to common stockholders	**$ (4,827)**	**$ (2,931)**	**$ 7,884**	**$ (3,227)**
Basic and Diluted Net (Loss) Income Per Share:				
Net (loss) income per share attributable to common stockholders — Basic and Diluted	$ (0.04)	$ (0.03)	$ 0.07	$ (0.03)
Weighted-average shares outstanding — Basic	107,286,620	106,139,668	106,075,741	106,076,588
Weighted-average shares outstanding — Diluted	107,286,620	106,139,668	106,394,277	106,076,588

[1] For the three months ended December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, includes litigation costs related to the Merger of $0.7 million, $0.2 million and $0.3 million, respectively.

[2] For the three months ended December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, includes equity-based compensation expense related to the Company's restricted common shares of $0.2 million, $0.3 million, $0.3 million and$0.3 million, respectively.

Non-GAAP Measures
Amounts in thousands

	Three Months Ended			
	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
EBITDA:				
Net income (loss)	$ (1,329)	$ 152	$ 8,540	$ (3,200)
Depreciation and amortization	31,802	29,901	30,924	32,086
Interest expense	18,990	18,569	21,995	18,440
EBITDA [1]	**49,463**	**48,622**	**61,459**	**47,326**
Impairment of real estate investments	—	—	4	823
Acquisition, transaction and other costs [2]	3,022	489	1,892	854
Equity-based compensation [3]	3,211	3,217	3,268	3,021
Gain on sale of real estate investments	(4,519)	(1,933)	(14,365)	(2,873)
Other income	(367)	(48)	(667)	(2,545)
Goodwill impairment	—	—	1,605	—
Adjusted EBITDA [1]	**50,810**	**50,347**	**53,196**	**46,606**
Asset management fees to related party	6,777	6,545	6,335	6,038
General and administrative	4,300	3,573	6,441	6,061
NOI [1]	**61,887**	**60,465**	**65,972**	**58,705**
Amortization of market lease and other intangibles, net	(1,307)	(2,503)	(1,723)	(1,839)
Straight-line rent	(2,847)	(2,716)	(1,566)	(1,196)
Cash NOI [1]	**$ 57,733**	**$ 55,246**	**$ 62,683**	**$ 55,670**
Cash Paid for Interest:				
Interest expense	$ 18,990	$ 18,569	$ 21,995	$ 18,440
Amortization of deferred financing costs, net and change in accrued interest	(2,394)	(725)	(3,062)	(1,329)
Amortization of mortgage premiums and discounts on borrowings	1,344	839	839	794
Total cash paid for interest	**$ 17,940**	**$ 18,683**	**$ 19,772**	**$ 17,905**

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[1] For the three months ended June 30, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations.
[2] For the three months ended December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, includes litigation costs related to the Merger of $0.7 million, $0.2 million, $0.2 million and $0.3 million, respectively.
[3] For the three months ended December 31, 2019, September 30, 2019, June 30, 2019 and March 31, 2019, includes equity-based compensation expense related to the Company's restricted common shares of $0.2 million, $0.3 million, $0.3 million and$0.3 million, respectively.

Non-GAAP Measures
Amounts in thousands, except per share data

	Three Months Ended			
	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
	(Unaudited)	(Unaudited)	(Unaudited)	(Unaudited)
Funds from operations (FFO):				
Net income (loss) attributable to common stockholders (in accordance with GAAP)	$ (4,827)	$ (2,931)	$ 7,884	$ (3,227)
Impairment of real estate investments	—	—	4	823
Depreciation and amortization	31,802	29,901	30,924	32,086
Gain on sale of real estate investments	(4,519)	(1,933)	(14,365)	(2,873)
Proportionate share of adjustments for non-controlling interest to arrive at FFO	(44)	(45)	(27)	(49)
FFO attributable to common stockholders [1]	**22,412**	**24,992**	**24,420**	**26,760**
Acquisition, transaction and other costs [2]	3,022	489	1,892	854
Litigation cost reimbursements related to the Merger [3]	(316)	—	(115)	(1,833)
Amortization of market lease and other intangibles, net	(1,307)	(2,503)	(1,723)	(1,839)
Straight-line rent	(2,847)	(2,716)	(1,566)	(1,196)
Amortization of mortgage premiums and discounts on borrowings	(1,344)	(839)	(839)	(794)
Equity-based compensation [4]	3,211	3,217	3,268	3,021
Amortization of deferred financing costs, net and change in accrued interest	2,394	725	3,062	1,329
Goodwill impairment [5]	—	—	1,605	—
Proportionate share of adjustments for non-controlling interest to arrive at AFFO	(5)	3	(7)	1
AFFO attributable to common stockholders [1]	**$ 25,220**	**$ 23,368**	**$ 29,997**	**$ 26,303**
Weighted-average common shares outstanding (in thousands)	**107,287**	**106,140**	**106,394**	**106,077**
Net income (loss) per share attributable to common stockholders — Basic and Diluted	$ (0.04)	$ (0.03)	$ 0.07	$ (0.03)
FFO per common share	$ 0.21	$ 0.24	$ 0.23	$ 0.25
AFFO per common share	$ 0.24	$ 0.22	$ 0.28	$ 0.25
Dividends declared [6]	$ 29,468	$ 29,212	$ 29,213	$ 29,207

[1] FFO and AFFO for the three months ended June 30, 2019 includes income from a lease termination fee of $7.6 million, which is recorded in Revenue from tenants in the consolidated statements of operations. While such termination payments occur infrequently, they represent cash income for accounting and tax purposes and as such management believes they should be included in both FFO and AFFO, consistent with what the Company believes to be general industry practice.
[2] Primarily includes prepayment costs incurred in connection with early debt extinguishment as well as litigation costs related to the Merger.
[3] Included in "Other income" in the Company's consolidated statement of operations.
[4] Includes expense related to the amortization of the Company's restricted common shares and LTIP Units.
[5] This is a non-cash item and is added back as it is not considered indicative of operating performance.
[6] Represents dividends declared to common stockholders.

Debt Overview
As of December 31, 2019
Amounts in thousands, except ratios and percentages

Year of Maturity	Number of Encumbered Properties	Weighted-Average Debt Maturity (Years) [3]	Weighted-Average Interest Rate [3][4]	Total Outstanding Balance [5]	Percent
Non-Recourse Debt					
2020	245	0.8	4.5%	$ 538,411	
2021	108	1.4	5.3%	206,882	
2022	—	—	—%	2,311	
2023	—	—	—%	2,643	
2024	1	4.2	5.0%	22,287	
Thereafter	264	7.8	4.2%	550,920	
Total Non-Recourse Debt	**618**	**4.0**	**4.5%**	**1,323,454**	**80%**
Recourse Debt [1]					
Credit Facility [2]		3.3	3.8%	333,147	
Total Recourse Debt		**3.3**	**3.8%**	**333,147**	**20%**
Total Debt		**3.8**	**4.3%**	**$ 1,656,601**	**100%**

[1] Recourse debt is debt that is guaranteed by the Company.
[2] The maturity date of the Company's credit facility is April 2022. The Company has the right to extend the maturity date to April 2023.
[3] Weighted based on the outstanding principal balance of the debt.
[4] As of December 31, 2019, the Company’s total combined debt was 79.9% fixed rate or swapped to a fixed rate and 20.1% floating rate.
[5] Excludes the effect of deferred financing costs, net and mortgage premiums, net.

Future Minimum Base Lease Rents Due to the Company
As of December 31, 2019
Amounts in thousands

	Future Minimum Base Rent Payments [1]
2020	$ 252,892
2021	244,424
2022	233,507
2023	220,928
2024	202,147
Thereafter	1,251,529
Total	**$ 2,405,427**

[1] Represents future minimum base rent payments on a cash basis due to the Company over the next five years and thereafter. These amounts exclude contingent rent payments, as applicable, that may be collected from certain tenants based on provisions related to sales thresholds and increases in annual rent based on exceeding certain economic indexes among other items.

Top Ten Tenants (by annualized straight-line rent)
As of December 31, 2019
Amounts in thousands, except percentages

Tenant / Lease Guarantor	Property Type	Tenant Industry	Annualized SL Rent [1]	SL Rent Percent	Remaining Lease Term [2]	Investment Grade [3]
Truist Bank (f/k/a SunTrust Bank)	Retail	Retail Banking	$ 18,451	7%	9.6	Yes
Sanofi US	Office	Pharmaceuticals	17,143	6%	13.0	Yes
Mountain Express	Retail	Gas/Convenience	13,237	5%	18.7	Yes
AmeriCold	Distribution	Refrigerated Warehousing	12,720	5%	7.7	Yes
Fresenius	Retail	Healthcare	11,376	4%	8.6	Yes
Tenants 6 - 10	Various	Various	36,433	14%	10.9	5 of 5 - Yes
Subtotal			109,360	41%	11.3	
Remaining portfolio			157,869	59%		
Total Portfolio			**$ 267,229**	**100%**		

[1] Calculated using the most recent available lease terms as of December 31, 2019.
[2] Based on annualized straight-line rent as of December 31, 2019.
[3] The top ten tenants are 60.6% actual investment grade rated and 39.4% implied investment grade rated (see page 6 for definition of Investment Grade).

Diversification by Property Type
As of December 31, 2019
Amounts in thousands, except percentages

	Total Portfolio			
Property Type	**Annualized SL Rent [1]**	**SL Rent Percent**	**Square Feet**	**Sq. ft. Percent**
Retail *(including Power and Lifestyle Centers)*	$ 212,273	79%	12,740	69%
Industrial and Distribution	28,857	11%	4,351	23%
Office	26,099	10%	1,442	8%
Total	**$ 267,229**	**100%**	**18,533**	**100%**

	Retail Properties			
Tenant Type	**Annualized SL Rent [1]**	**SL Rent Percent**	**Square Feet [2]**	**Sq. ft. Percent**
Single-Tenant:				
Service-oriented [3]	$ 105,027	50%	3,581	30%
Traditional retail [4]	18,699	9%	1,944	16%
Multi-Tenant:				
Experiential/e-commerce defensive [5]	43,180	20%	2,450	21%
Other traditional retail	45,367	21%	3,807	32%
Total	**$ 212,273**	**100%**	**11,782**	**100%**

[1] Calculated using the most recent available lease terms as of December 31, 2019.
[2] Represents total rentable square feet of retail properties occupied as of December 31, 2019.
[3] Includes single-tenant retail properties leased to tenants in the retail banking, restaurant, grocery, pharmacy, gas/convenience, healthcare, and auto services sectors.
[4] Includes single-tenant retail properties leased to tenants in the discount retail, home improvement, furniture, specialty retail, auto retail, sporting goods sectors, wireless/electronics, department stores and home improvement.
[5] Represents multi-tenant properties leased to tenants in the restaurant, discount retail, entertainment, salon/beauty, and grocery sectors, among others.

Diversification by Geography
As of December 31, 2019
Amounts in thousands, except percentages

	Total Portfolio			
Region	**Annualized SL Rent [1]**	**SL Rent Percent**	**Square Feet**	**Sq. ft. Percent**
Alabama	$ 14,735	5.5%	1,362	7.2%
Alaska	409	0.2%	9	0.1%
Arizona	352	0.1%	22	0.1%
Arkansas	2,284	0.9%	85	0.5%
California	228	0.1%	9	0.1%
Colorado	776	0.3%	51	0.3%
Connecticut	1,640	0.6%	84	0.5%
Delaware	176	0.1%	5	0.1%
District of Columbia	236	0.1%	3	0.1%
Florida	19,161	7.2%	1,159	6.2%
Georgia	27,186	10.2%	1,924	10.3%
Idaho	331	0.1%	14	0.1%
Illinois	9,937	3.7%	706	3.7%
Indiana	2,015	0.8%	89	0.5%
Iowa	2,752	1.0%	166	0.9%
Kansas	3,098	1.2%	264	1.4%
Kentucky	9,734	3.6%	626	3.4%
Louisiana	5,119	1.9%	316	1.7%
Maine	202	0.1%	12	0.1%
Maryland	1,239	0.5%	36	0.2%
Massachusetts	6,069	2.3%	589	3.2%
Michigan	6,223	2.3%	373	2.0%
Minnesota	11,350	4.2%	761	4.0%
Mississippi	3,522	1.3%	178	1.0%
Missouri	5,831	2.2%	486	2.6%
Montana	1,243	0.5%	44	0.2%
Nebraska	514	0.2%	12	0.1%
Nevada	6,696	2.5%	408	2.2%
New Hampshire	127	—%	6	0.1%
New Jersey	18,655	7.0%	818	4.4%
New Mexico	629	0.2%	47	0.3%
New York	2,351	0.9%	172	0.9%
North Carolina	18,514	6.9%	1,521	8.2%
North Dakota	1,222	0.5%	170	0.9%
Ohio	17,020	6.4%	906	4.9%
Oklahoma	8,920	3.3%	849	4.6%
Pennsylvania	9,423	3.5%	543	2.9%
Rhode Island	2,419	0.9%	149	0.8%
South Carolina	14,062	5.3%	1,446	7.8%
South Dakota	339	0.1%	47	0.3%
Tennessee	4,239	1.6%	299	1.6%
Texas	12,422	4.6%	822	4.4%
Utah	189	0.1%	7	0.1%
Virginia	3,418	1.3%	211	1.1%
West Virginia	1,876	0.7%	100	0.5%
Wisconsin	7,028	2.6%	560	3.0%
Wyoming	1,318	0.5%	67	0.4%
Total	**267,229**	**100.0%**	**18,533**	**100.0%**

[1] Calculated using the most recent available lease terms as of December 31, 2019.

Lease Expirations
As of December 31, 2019
Amounts in thousands, except ratios and percentages

Year of Expiration	Number of Leases Expiring	Annualized SL Rent [1]	Annualized SL Rent Percent	Leased Square Feet	Percent of Leased Square Feet Expiring
		(In thousands)		*(In thousands)*	
2020	101	$ 7,107	2.7%	398	2.3%
2021	83	16,717	6.3%	1,441	8.2%
2022	93	12,110	4.5%	1,134	6.5%
2023	111	16,784	6.3%	1,185	6.8%
2024	105	20,377	7.6%	1,478	8.4%
2025	95	22,056	8.3%	1,681	9.6%
2026	43	15,603	5.8%	1,017	5.8%
2027	94	32,796	12.3%	3,549	20.2%
2028	72	9,570	3.6%	740	4.2%
2029	135	23,670	8.8%	1,306	7.4%
2030	38	9,159	3.4%	692	3.9%
2031	41	10,248	3.8%	412	2.3%
2032	23	21,247	8.0%	940	5.4%
2033	64	8,391	3.1%	287	1.6%
2034	15	2,125	0.8%	126	0.7%
2035	2	1,042	0.4%	74	0.4%
Thereafter (>2035)	252	38,227	14.3%	1,074	6.1%
Total	1,367	$ 267,229	100.0%	17,534	100.0%

[1] Calculated using the most recent available lease terms as of December 31, 2019.