

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

**FORM 10-Q**

(Mark One)



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

**For the quarterly period ended June 30, 2025**

**OR**



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

**For the transition period from \_\_\_\_\_ to \_\_\_\_\_**

**Commission File Number: 001-42129**



**SILA REALTY TRUST, INC.**

(Exact name of registrant as specified in its charter)

**Maryland**

(State or Other Jurisdiction of Incorporation or Organization)

**1001 Water Street, Suite 800**

**Tampa, FL 33602**

(Address of Principal Executive Offices; Zip Code)

**46-1854011**

(I.R.S. Employer Identification No.)

**(813) 287-0101**

(Registrant's Telephone Number, Including Area Code)

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

| Title of each class                      | Trading Symbol | Name of each exchange on which registered |
|------------------------------------------|----------------|-------------------------------------------|
| Common stock, \$0.01 par value per share | SILA           | New York Stock Exchange                   |

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

|                         |                                     |                           |                          |
|-------------------------|-------------------------------------|---------------------------|--------------------------|
| Large accelerated filer | <input checked="" type="checkbox"/> | Accelerated filer         | <input type="checkbox"/> |
| Non-accelerated filer   | <input type="checkbox"/>            | Smaller reporting company | <input type="checkbox"/> |
|                         |                                     | Emerging growth company   | <input type="checkbox"/> |

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

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

As of July 31, 2025, there were 55,161,450 shares of common stock of Sila Realty Trust, Inc. outstanding.

**SILA REALTY TRUST, INC.**  
**(A Maryland Corporation)**  
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# PART I. FINANCIAL INFORMATION

## Item 1. Condensed Consolidated Financial Statements.

### SILA REALTY TRUST, INC. CONDENSED CONSOLIDATED BALANCE SHEETS (in thousands, except share data)

|                                                                                                                                                                                            | (Unaudited)<br>June 30, 2025 | December 31, 2024   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------|---------------------|
| <b>ASSETS</b>                                                                                                                                                                              |                              |                     |
| Real estate:                                                                                                                                                                               |                              |                     |
| Land                                                                                                                                                                                       | \$ 161,749                   | \$ 160,743          |
| Buildings and improvements, less accumulated depreciation of \$301,744 and \$277,024, respectively                                                                                         | 1,566,313                    | 1,546,877           |
| Total real estate, net                                                                                                                                                                     | 1,728,062                    | 1,707,620           |
| Cash and cash equivalents                                                                                                                                                                  | 24,832                       | 39,844              |
| Real estate related notes receivable, net of current expected credit loss reserve of \$84 and \$0, respectively                                                                            | 7,818                        | —                   |
| Intangible assets, less accumulated amortization of \$132,197 and \$122,208, respectively                                                                                                  | 120,699                      | 125,655             |
| Goodwill                                                                                                                                                                                   | 17,700                       | 17,700              |
| Right-of-use assets - operating leases                                                                                                                                                     | 35,798                       | 36,332              |
| Right-of-use assets - finance lease                                                                                                                                                        | 1,901                        | —                   |
| Other assets                                                                                                                                                                               | 82,506                       | 79,923              |
| <b>Total assets</b>                                                                                                                                                                        | <b>\$ 2,019,316</b>          | <b>\$ 2,007,074</b> |
| <b>LIABILITIES AND STOCKHOLDERS' EQUITY</b>                                                                                                                                                |                              |                     |
| Liabilities:                                                                                                                                                                               |                              |                     |
| Credit facility, net of deferred financing costs of \$2,510 and \$3,079, respectively                                                                                                      | \$ 578,490                   | \$ 521,921          |
| Accounts payable and other liabilities                                                                                                                                                     | 35,100                       | 33,405              |
| Intangible liabilities, less accumulated amortization of \$9,391 and \$8,761, respectively                                                                                                 | 6,440                        | 7,070               |
| Operating lease liabilities                                                                                                                                                                | 41,263                       | 41,493              |
| Finance lease liabilities                                                                                                                                                                  | 75                           | —                   |
| <b>Total liabilities</b>                                                                                                                                                                   | <b>661,368</b>               | <b>603,889</b>      |
| Stockholders' equity:                                                                                                                                                                      |                              |                     |
| Preferred stock, \$0.01 par value per share, 100,000,000 shares authorized; none issued and outstanding                                                                                    | —                            | —                   |
| Common stock, \$0.01 par value per share, 510,000,000 shares authorized; 61,923,184 and 61,779,631 shares issued, respectively; 54,865,968 and 55,075,006 shares outstanding, respectively | 549                          | 551                 |
| Additional paid-in capital                                                                                                                                                                 | 1,992,801                    | 1,998,777           |
| Distributions in excess of accumulated earnings                                                                                                                                            | (635,555)                    | (607,499)           |
| Accumulated other comprehensive income                                                                                                                                                     | 153                          | 11,356              |
| <b>Total stockholders' equity</b>                                                                                                                                                          | <b>1,357,948</b>             | <b>1,403,185</b>    |
| <b>Total liabilities and stockholders' equity</b>                                                                                                                                          | <b>\$ 2,019,316</b>          | <b>\$ 2,007,074</b> |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

**SILA REALTY TRUST, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME**  
(in thousands, except share data and per share amounts)  
(Unaudited)

|                                                                                        | Three Months Ended<br>June 30, |                 | Six Months Ended<br>June 30, |                  |
|----------------------------------------------------------------------------------------|--------------------------------|-----------------|------------------------------|------------------|
|                                                                                        | 2025                           | 2024            | 2025                         | 2024             |
| <b>Revenue:</b>                                                                        |                                |                 |                              |                  |
| Rental revenue                                                                         | \$ 48,544                      | \$ 43,554       | \$ 96,800                    | \$ 94,193        |
| Real estate related notes receivable interest income                                   | 188                            | —               | 188                          | —                |
| Total revenues                                                                         | 48,732                         | 43,554          | 96,988                       | 94,193           |
| <b>Expenses:</b>                                                                       |                                |                 |                              |                  |
| Rental expenses                                                                        | 5,991                          | 5,849           | 12,317                       | 11,403           |
| Listing-related expenses                                                               | —                              | 2,924           | —                            | 2,980            |
| General and administrative expenses                                                    | 5,129                          | 5,347           | 10,827                       | 13,521           |
| Depreciation and amortization                                                          | 18,182                         | 20,246          | 35,944                       | 39,144           |
| Impairment losses                                                                      | 3,261                          | 418             | 6,792                        | 418              |
| Total operating expenses                                                               | 32,563                         | 34,784          | 65,880                       | 67,466           |
| <b>Other income (expense):</b>                                                         |                                |                 |                              |                  |
| Gain on dispositions of real estate                                                    | —                              | —               | —                            | 76               |
| Interest and other income                                                              | 265                            | 1,051           | 720                          | 3,292            |
| Interest expense                                                                       | (7,829)                        | (5,193)         | (15,154)                     | (10,487)         |
| Increase in current expected credit loss reserve                                       | (7)                            | —               | (178)                        | —                |
| Total other expense                                                                    | (7,571)                        | (4,142)         | (14,612)                     | (7,119)          |
| <b>Net income attributable to common stockholders</b>                                  | <b>\$ 8,598</b>                | <b>\$ 4,628</b> | <b>\$ 16,496</b>             | <b>\$ 19,608</b> |
| Other comprehensive (loss) income - unrealized (loss) gain on interest rate swaps, net | (4,065)                        | (2,115)         | (11,203)                     | 753              |
| <b>Comprehensive income attributable to common stockholders</b>                        | <b>\$ 4,533</b>                | <b>\$ 2,513</b> | <b>\$ 5,293</b>              | <b>\$ 20,361</b> |
| <b>Weighted average number of common shares outstanding:</b>                           |                                |                 |                              |                  |
| Basic                                                                                  | 55,144,522                     | 57,230,472      | 55,137,632                   | 57,171,756       |
| Diluted                                                                                | 55,715,244                     | 57,601,204      | 55,722,581                   | 57,574,634       |
| <b>Net income per common share attributable to common stockholders:</b>                |                                |                 |                              |                  |
| Basic                                                                                  | \$ 0.16                        | \$ 0.08         | \$ 0.30                      | \$ 0.34          |
| Diluted                                                                                | \$ 0.15                        | \$ 0.08         | \$ 0.30                      | \$ 0.34          |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

**SILA REALTY TRUST, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(in thousands, except share data)  
(Unaudited)

|                                                                                                 | Common Stock      |               | Additional<br>Paid-in<br>Capital | Distributions in Excess<br>of Accumulated<br>Earnings | Accumulated Other<br>Comprehensive Income | Total<br>Stockholders'<br>Equity |
|-------------------------------------------------------------------------------------------------|-------------------|---------------|----------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|
|                                                                                                 | No. of<br>Shares  | Par<br>Value  |                                  |                                                       |                                           |                                  |
| <b>Balance, March 31, 2025</b>                                                                  | 55,145,873        | \$ 551        | \$ 1,998,893                     | \$ (621,898)                                          | \$ 4,218                                  | \$ 1,381,764                     |
| Vesting of restricted common stock and issuance of performance-based deferred stock unit awards | 25,457            | —             | —                                | —                                                     | —                                         | —                                |
| Stock-based compensation                                                                        | —                 | 1             | 1,267                            | —                                                     | —                                         | 1,268                            |
| Repurchases of common stock                                                                     | (305,362)         | (3)           | (7,359)                          | —                                                     | —                                         | (7,362)                          |
| Distributions to common stockholders                                                            | —                 | —             | —                                | (22,255)                                              | —                                         | (22,255)                         |
| Other comprehensive loss                                                                        | —                 | —             | —                                | —                                                     | (4,065)                                   | (4,065)                          |
| Net income                                                                                      | —                 | —             | —                                | 8,598                                                 | —                                         | 8,598                            |
| <b>Balance, June 30, 2025</b>                                                                   | <u>54,865,968</u> | <u>\$ 549</u> | <u>\$ 1,992,801</u>              | <u>\$ (635,555)</u>                                   | <u>\$ 153</u>                             | <u>\$ 1,357,948</u>              |

  

|                                                                                                 | Common Stock      |               | Additional<br>Paid-in<br>Capital | Distributions in Excess<br>of Accumulated<br>Earnings | Accumulated Other<br>Comprehensive Income | Total<br>Stockholders'<br>Equity |
|-------------------------------------------------------------------------------------------------|-------------------|---------------|----------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|
|                                                                                                 | No. of<br>Shares  | Par<br>Value  |                                  |                                                       |                                           |                                  |
| <b>Balance, December 31, 2024</b>                                                               | 55,075,006        | \$ 551        | \$ 1,998,777                     | \$ (607,499)                                          | \$ 11,356                                 | \$ 1,403,185                     |
| Vesting of restricted common stock and issuance of performance-based deferred stock unit awards | 143,553           | —             | —                                | —                                                     | —                                         | —                                |
| Stock-based compensation                                                                        | —                 | 2             | 2,527                            | —                                                     | —                                         | 2,529                            |
| Repurchases of common stock                                                                     | (352,591)         | (4)           | (8,503)                          | —                                                     | —                                         | (8,507)                          |
| Distributions to common stockholders                                                            | —                 | —             | —                                | (44,552)                                              | —                                         | (44,552)                         |
| Other comprehensive loss                                                                        | —                 | —             | —                                | —                                                     | (11,203)                                  | (11,203)                         |
| Net income                                                                                      | —                 | —             | —                                | 16,496                                                | —                                         | 16,496                           |
| <b>Balance, June 30, 2025</b>                                                                   | <u>54,865,968</u> | <u>\$ 549</u> | <u>\$ 1,992,801</u>              | <u>\$ (635,555)</u>                                   | <u>\$ 153</u>                             | <u>\$ 1,357,948</u>              |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

**SILA REALTY TRUST, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
(in thousands, except share data)  
(Unaudited)

|                                                                   | Common Stock     |              | Additional<br>Paid-in<br>Capital | Distributions in Excess<br>of Accumulated<br>Earnings | Accumulated Other<br>Comprehensive Income | Total<br>Stockholders'<br>Equity |
|-------------------------------------------------------------------|------------------|--------------|----------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|
|                                                                   | No. of<br>Shares | Par<br>Value |                                  |                                                       |                                           |                                  |
| <b>Balance, March 31, 2024</b>                                    | 57,223,648       | \$ 572       | \$ 2,047,457                     | \$ (574,993)                                          | \$ 19,471                                 | \$ 1,492,507                     |
| Issuance of common stock under the distribution reinvestment plan | 133,059          | 1            | 3,981                            | —                                                     | —                                         | 3,982                            |
| Stock-based compensation                                          | —                | —            | 1,163                            | —                                                     | —                                         | 1,163                            |
| Repurchases of common stock                                       | (140,229)        | (1)          | (4,195)                          | —                                                     | —                                         | (4,196)                          |
| Distributions to common stockholders                              | —                | —            | —                                | (23,058)                                              | —                                         | (23,058)                         |
| Other comprehensive loss                                          | —                | —            | —                                | —                                                     | (2,115)                                   | (2,115)                          |
| Net income                                                        | —                | —            | —                                | 4,628                                                 | —                                         | 4,628                            |
| <b>Balance, June 30, 2024</b>                                     | 57,216,478       | \$ 572       | \$ 2,048,406                     | \$ (593,423)                                          | \$ 17,356                                 | \$ 1,472,911                     |

  

|                                                                                                 | Common Stock     |              | Additional<br>Paid-in<br>Capital | Distributions in Excess<br>of Accumulated<br>Earnings | Accumulated Other<br>Comprehensive Income | Total<br>Stockholders'<br>Equity |
|-------------------------------------------------------------------------------------------------|------------------|--------------|----------------------------------|-------------------------------------------------------|-------------------------------------------|----------------------------------|
|                                                                                                 | No. of<br>Shares | Par<br>Value |                                  |                                                       |                                           |                                  |
| <b>Balance, December 31, 2023</b>                                                               | 56,983,564       | \$ 570       | \$ 2,044,450                     | \$ (567,188)                                          | \$ 16,603                                 | \$ 1,494,435                     |
| Issuance of common stock under the distribution reinvestment plan                               | 333,402          | 3            | 9,976                            | —                                                     | —                                         | 9,979                            |
| Vesting of restricted common stock and issuance of performance-based deferred stock unit awards | 183,024          | —            | —                                | —                                                     | —                                         | —                                |
| Stock-based compensation                                                                        | —                | 2            | 2,485                            | —                                                     | —                                         | 2,487                            |
| Other offering costs                                                                            | —                | —            | (26)                             | —                                                     | —                                         | (26)                             |
| Repurchases of common stock                                                                     | (283,512)        | (3)          | (8,479)                          | —                                                     | —                                         | (8,482)                          |
| Distributions to common stockholders                                                            | —                | —            | —                                | (45,843)                                              | —                                         | (45,843)                         |
| Other comprehensive income                                                                      | —                | —            | —                                | —                                                     | 753                                       | 753                              |
| Net income                                                                                      | —                | —            | —                                | 19,608                                                | —                                         | 19,608                           |
| <b>Balance, June 30, 2024</b>                                                                   | 57,216,478       | \$ 572       | \$ 2,048,406                     | \$ (593,423)                                          | \$ 17,356                                 | \$ 1,472,911                     |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

**SILA REALTY TRUST, INC.**  
**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**  
(in thousands)  
(Unaudited)

|                                                                                                                       | Six Months Ended<br>June 30, |           |
|-----------------------------------------------------------------------------------------------------------------------|------------------------------|-----------|
|                                                                                                                       | 2025                         | 2024      |
| <b>Cash flows from operating activities:</b>                                                                          |                              |           |
| Net income attributable to common stockholders                                                                        | \$ 16,496                    | \$ 19,608 |
| Adjustments to reconcile net income attributable to common stockholders to net cash provided by operating activities: |                              |           |
| Depreciation and amortization                                                                                         | 35,944                       | 39,144    |
| Amortization of deferred financing costs                                                                              | 1,373                        | 1,029     |
| Amortization of above- and below-market leases, net                                                                   | (258)                        | 947       |
| Amortization of fees on real estate related notes receivable                                                          | (24)                         | —         |
| Other amortization expenses                                                                                           | 366                          | 366       |
| Increase in current expected credit loss reserve                                                                      | 178                          | —         |
| Gain on dispositions of real estate                                                                                   | —                            | (76)      |
| Loss on extinguishment of debt                                                                                        | 233                          | 228       |
| Impairment losses                                                                                                     | 6,792                        | 418       |
| Straight-line rent adjustments, net of write-offs                                                                     | (4,732)                      | (2,473)   |
| Stock-based compensation                                                                                              | 2,529                        | 2,487     |
| Changes in operating assets and liabilities:                                                                          |                              |           |
| Accounts payable and other liabilities                                                                                | (1,691)                      | 9,406     |
| Other assets                                                                                                          | (1,152)                      | (2,872)   |
| Net cash provided by operating activities                                                                             | 56,054                       | 68,212    |
| <b>Cash flows from investing activities:</b>                                                                          |                              |           |
| Investments in real estate                                                                                            | (59,456)                     | (135,681) |
| Net proceeds from real estate dispositions                                                                            | —                            | 1,439     |
| Capital expenditures and other costs                                                                                  | (1,117)                      | (863)     |
| Net payments of deposits for investments in real estate                                                               | 350                          | (250)     |
| Fundings of real estate related notes receivable                                                                      | (8,229)                      | —         |
| Fees received on real estate related notes receivable                                                                 | 351                          | —         |
| Net cash used in investing activities                                                                                 | (68,101)                     | (135,355) |
| <b>Cash flows from financing activities:</b>                                                                          |                              |           |
| Proceeds from credit facility                                                                                         | 61,000                       | 250,000   |
| Payments on credit facility                                                                                           | (5,000)                      | (250,000) |
| Payments of deferred financing costs                                                                                  | (5,783)                      | (2,577)   |
| Repurchases of common stock                                                                                           | (8,507)                      | (8,482)   |
| Offering costs on issuance of common stock                                                                            | —                            | (61)      |
| Distributions to common stockholders                                                                                  | (44,675)                     | (36,785)  |
| Net cash used in financing activities                                                                                 | (2,965)                      | (47,905)  |
| Net change in cash, cash equivalents and restricted cash                                                              | (15,012)                     | (115,048) |
| Cash, cash equivalents and restricted cash - Beginning of period                                                      | 39,844                       | 202,185   |
| Cash, cash equivalents and restricted cash - End of period                                                            | \$ 24,832                    | \$ 87,137 |
| <b>Supplemental cash flow disclosure:</b>                                                                             |                              |           |
| Interest paid                                                                                                         | \$ 13,253                    | \$ 9,383  |
| <b>Supplemental disclosure of non-cash transactions:</b>                                                              |                              |           |
| Common stock issued through distribution reinvestment plan                                                            | \$ —                         | \$ 9,979  |
| Change in accrued distributions to common stockholders                                                                | \$ (123)                     | \$ (921)  |
| Change in accrued capital expenditures and other costs                                                                | \$ (345)                     | \$ 466    |
| Change in accrued acquisition costs related to investments in real estate                                             | \$ 6                         | \$ —      |
| Right-of-use assets obtained in exchange for new operating lease liabilities                                          | \$ —                         | \$ 28     |
| Right-of-use assets obtained in exchange for new finance lease liabilities                                            | \$ 74                        | \$ —      |

*The accompanying notes are an integral part of these condensed consolidated financial statements.*

**SILA REALTY TRUST, INC.**  
**NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS**  
**(Unaudited)**  
**June 30, 2025**

**Note 1—Organization and Business Operations**

Sila Realty Trust, Inc., or the Company, is a Maryland corporation, headquartered in Tampa, Florida, that has elected, and currently qualifies, to be taxed as a real estate investment trust, or a REIT, under the Internal Revenue Code of 1986, as amended, or the Code, for federal income tax purposes. The Company is primarily focused on investing in high quality net lease healthcare facilities across the continuum of care, which the Company believes typically generate predictable, durable and growing income streams. The Company may also make other real estate related investments, which may include equity or debt interests in other real estate entities.

Substantially all of the Company's business is conducted through Sila Realty Operating Partnership, LP, a Delaware limited partnership, or the Operating Partnership. The Company is the sole general partner of the Operating Partnership and directly and indirectly owns 100% of the Operating Partnership. Except as the context otherwise requires, the "Company" refers to Sila Realty Trust, Inc., the Operating Partnership and their wholly-owned subsidiaries.

The Company's common stock, par value \$0.01 per share, or the Common Stock, is the sole class of stock traded on the New York Stock Exchange, or the NYSE, under the ticker symbol "SILA."

**Note 2—Summary of Significant Accounting Policies**

The accompanying condensed consolidated financial statements have been prepared in accordance with United States generally accepted accounting principles, or GAAP, for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. Accordingly, they do not include all of the information and notes required by GAAP for complete financial statements. The information included in this Quarterly Report on Form 10-Q should be read in conjunction with the Company's audited consolidated financial statements as of and for the year ended December 31, 2024, and related notes thereto set forth in the Company's Annual Report on Form 10-K, filed with the U.S. Securities and Exchange Commission, or the SEC, on March 3, 2025. In the opinion of management, all adjustments, consisting of a normal and recurring nature considered for a fair presentation, have been included. Operating results for the three and six months ended June 30, 2025, are not necessarily indicative of the results that may be expected for the year ending December 31, 2025.

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

The accompanying condensed consolidated financial statements include the accounts of the Company, the Operating Partnership, and their wholly-owned subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

***Use of Estimates***

The preparation of the condensed consolidated financial statements and accompanying notes in conformity with GAAP requires the Company to make estimates and assumptions that affect the amounts reported in the condensed consolidated financial statements and accompanying notes. These estimates are made and evaluated on an ongoing basis using information that is currently available as well as various other assumptions believed to be reasonable under the circumstances. Actual results could differ from those estimates.

***Cash, Cash Equivalents and Restricted Cash***

Cash consists of demand deposits at commercial banks. Cash equivalents consist of highly liquid money market funds with original maturities of three months or less at the time of purchase. Restricted cash consists of cash held in an escrow account in accordance with a tenant's lease agreement. Restricted cash is reported in other assets in the accompanying condensed consolidated balance sheets.

The following table presents a reconciliation of the beginning of period and end of period cash, cash equivalents and restricted cash reported within the condensed consolidated balance sheets to the totals shown in the condensed consolidated statements of cash flows (amounts in thousands):

|                                            | Six Months Ended<br>June 30, |                   |
|--------------------------------------------|------------------------------|-------------------|
|                                            | 2025                         | 2024              |
| <b>Beginning of period:</b>                |                              |                   |
| Cash and cash equivalents                  | \$ 39,844                    | \$ 202,019        |
| Restricted cash                            | —                            | 166               |
| Cash, cash equivalents and restricted cash | <u>\$ 39,844</u>             | <u>\$ 202,185</u> |
| <b>End of period:</b>                      |                              |                   |
| Cash and cash equivalents                  | \$ 24,832                    | \$ 86,971         |
| Restricted cash                            | —                            | 166               |
| Cash, cash equivalents and restricted cash | <u>\$ 24,832</u>             | <u>\$ 87,137</u>  |

### ***Real Estate Related Notes Receivable***

Real estate related notes receivable are recorded at stated principal amounts, net of unamortized fees and the current expected credit loss reserve. Interest income from the Company's real estate related notes receivable is recognized over the life of each loan using the effective interest method and is recorded on the accrual basis. Recognition of fees associated with these notes receivable is deferred and recorded over the term of the loan as an adjustment to yield.

### ***Current Expected Credit Losses Reserve***

The Company recognizes and measures the reserve for credit losses under the current expected credit loss, or CECL, model required under Accounting Standards Codification, or ASC, 326, Financial Instruments - Credit Losses, or ASC 326, to estimate potential losses from real estate related notes receivable. The measurement of expected credit losses under CECL is applicable to financial assets measured at amortized cost, and off-balance sheet credit exposures such as unfunded loan commitments. The CECL reserve is deducted from the real estate related notes receivable amortized cost basis on the accompanying condensed consolidated balance sheets. The CECL reserve attributed to unfunded loan commitments is included in accounts payable and other liabilities on the accompanying condensed consolidated balance sheets. The Company records increases and decreases to the CECL reserve in the accompanying condensed consolidated statements of comprehensive income. Other than a few narrow exceptions, ASC 326 requires that all financial instruments subject to the CECL model have some amount of loss reserve to reflect the principle underlying the CECL model that all loans and similar assets have some inherent risk of loss, regardless of credit quality, subordinate capital, or other mitigating factors.

The Company determines the CECL reserve quarterly by using a probability of default/loss given default method. ASC 326 details factors the Company should consider when developing the CECL reserve, including historical loss data, current portfolio and market conditions, and reasonable and supportable forecasts for the duration of each respective loan. Additionally, the Company considers credit quality when developing the CECL reserve, including the borrower credit rating and the underlying collateral and progress of developments, if applicable, among other considerations. The Company considers both of the mezzanine loans as a pool when developing the CECL reserve.

Pursuant to ASC 326, the Company has made an accounting policy election not to measure the CECL reserve for accrued interest receivables, as these will be written off, if deemed uncollectible, in a timely manner. The Company generally suspends the income accrual for loans at the earlier of the date at which payments become 90 days past due or when, in the Company's opinion, recovery of income and principal becomes doubtful.

See Note 4—"Real Estate Related Notes Receivable" for additional details regarding the Company's real estate related notes receivable. See Note 17—"Commitments and Contingencies" for additional details regarding the Company's unfunded commitments on real estate related notes receivable.

### ***Stock-based Compensation***

On May 21, 2025, the Company's stockholders approved the amendment and restatement of the Amended and Restated 2014 Restricted Share Plan, or the A&R Incentive Plan, pursuant to which the Company has the authority and power to grant awards of restricted shares of its Common Stock to its directors, officers and employees. The Company accounts for its stock awards in accordance with ASC 718-10, *Compensation—Stock Compensation*, or ASC 718-10. ASC 718-10 requires that compensation cost for all stock awards be calculated and amortized over the service period (generally equal to the vesting period). For performance-based awards, compensation costs are recognized over the service period if it is probable that the

performance condition will be satisfied, with changes of the assessment at each reporting period and recording the effect of the change in the compensation cost as a cumulative catch-up adjustment. For market-based awards, compensation costs are recognized over the service period regardless of whether the market performance measures are achieved. The Company's performance-based awards and market-based awards are collectively referred to as "Performance DSUs". The compensation costs for restricted stock are recognized based on the fair value of the restricted stock awards at grant date, which is equal to the market value of the Company's Common Stock on that date of grant. Prior to the Company's listing on the NYSE, the fair value was estimated based on the most recent per share net asset value. The Company recognizes the impact of forfeitures as they occur.

### Recently Issued Accounting Pronouncements

In November 2024, the FASB issued ASU 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40), *Disaggregation of Income Statement Expenses* to improve disclosures about an entity's expenses and to provide detailed information about the types of expenses in commonly presented expense captions. ASU 2024-03 requires disclosures about specific expense categories including purchases of inventory, employee compensation, depreciation, amortization and selling expenses. Additionally, ASU 2024-03 requires a qualitative description of amounts remaining in relevant expense captions that are not separately disaggregated. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026 and interim periods for fiscal years beginning after December 15, 2027, and should be applied either prospectively for reporting periods after the effective date of the ASU or retrospectively to all periods presented. Early adoption is permitted. The Company expects the adoption of this standard to expand its annual and interim expense disclosures, but otherwise have no impact on the condensed consolidated financial statements.

### Note 3—Real Estate

#### Acquisitions

During the six months ended June 30, 2025, the Company purchased two real estate properties, which were determined to be asset acquisitions, including one that was subject to a ground lease. The Company allocated the purchase price to tangible assets, consisting of land, building and improvements, and tenant improvements; intangible assets, consisting of an in-place lease and right-of-use assets - finance lease; and finance lease liabilities, based on the relative fair value method of allocating all accumulated costs. The Company engaged a third-party real estate services firm to assist in performing the purchase price allocation.

The following table summarizes the cash consideration transferred, including acquisition costs, and the purchase price allocation for the acquisitions during the six months ended June 30, 2025 (amounts in thousands):

| Property Description                | Date Acquired | Ownership Percentage | Cash Consideration Transferred<br>(amount in thousands) |
|-------------------------------------|---------------|----------------------|---------------------------------------------------------|
| Knoxville Healthcare Facility       | 03/04/2025    | 100%                 | \$ 35,320                                               |
| Dover Healthcare Facility           | 04/16/2025    | 100%                 | 24,142                                                  |
| Total                               |               |                      | <u>\$ 59,462</u>                                        |
|                                     |               |                      | <b>Total</b>                                            |
| Land                                |               |                      | 1,347                                                   |
| Building and improvements           |               |                      | \$ 45,143                                               |
| Tenant improvements                 |               |                      | 6,112                                                   |
| In-place leases                     |               |                      | 5,033                                                   |
| Right-of-use assets - finance lease |               |                      | 1,901                                                   |
| Total assets acquired               |               |                      | <u>59,536</u>                                           |
| Finance lease liabilities           |               |                      | <u>(74)</u>                                             |
| Total liabilities assumed           |               |                      | <u>(74)</u>                                             |
| Net assets acquired                 |               |                      | <u>\$ 59,462</u>                                        |

The Company capitalized acquisition costs of \$844,000, which are included in the allocation of the real estate acquisitions presented above.

### ***Investment Risk Concentrations***

As of June 30, 2025, the Company did not have exposure to geographic concentration that accounted for at least 10.0% of rental revenue for the six months ended June 30, 2025.

As of June 30, 2025, the Company had one exposure to tenant concentration that accounted for at least 10.0% of rental revenue for the six months ended June 30, 2025. The leases with tenants at properties under the common control of PAM Health and its affiliates accounted for 16.2% of rental revenue for the six months ended June 30, 2025.

### ***Impairment***

During the three and six months ended June 30, 2025, the Company recorded impairment losses on real estate of \$3,261,000 and \$6,792,000, respectively. During each of the three and six months ended June 30, 2024, the Company recorded impairment losses on real estate of \$418,000. Refer below for further details on the impairment losses recorded.

#### **Steward**

On May 6, 2024, Steward Health Care System LLC, or Steward, the sponsor and owner of a tenant at the Stoughton Healthcare Facility, announced that it filed for Chapter 11 bankruptcy protection under the United States Bankruptcy Code. On September 19, 2024, the U.S. Bankruptcy Court for the Southern District of Texas approved Steward's request to reject our lease.

During the six months ended June 30, 2025, the Company recorded impairment losses on real estate of \$3,531,000 attributable to the Stoughton Healthcare Facility. The fair value of the Stoughton Healthcare Facility was measured based on inputs that are derived principally from observable market data related to the marketing for sale of the asset, which resides within Level 2 of the fair value hierarchy. This impairment was allocated to buildings and improvements.

#### **GenesisCare**

As disclosed in the Current Report on Form 8-K that the Company filed with the SEC on June 5, 2023, GenesisCare, the sponsor and owner of the tenant in certain of the Company's real estate properties announced that it filed for Chapter 11 bankruptcy protection under the United States Bankruptcy Code on June 1, 2023. On March 27, 2024, the Company entered into a second amendment to the second amended and restated master lease, or the GenesisCare Amended Master Lease, with GenesisCare in connection with its emergence from bankruptcy on February 16, 2024. The Company received a \$2,000,000 severance fee from GenesisCare, or the GenesisCare Severance Fee, on March 27, 2024. The Company recognizes the GenesisCare Severance Fee in rental revenue on a straight-line basis over the remaining GenesisCare Amended Master Lease term. During both the three months ended June 30, 2025 and 2024, the Company recognized \$57,000 of amortization of the GenesisCare Severance Fee in rental revenue in the accompanying condensed consolidated statements of comprehensive income. During the six months ended June 30, 2025 and 2024, the Company recognized \$114,000 and \$60,000, respectively, of amortization of the GenesisCare Severance Fee in rental revenue in the accompanying condensed consolidated statements of comprehensive income.

The Company recorded impairment losses on real estate of \$418,000 for both the three and six months ended June 30, 2024 as a result of triggering events that occurred at certain properties. These impairments were allocated to the asset groups, for each respective property, on a pro-rata basis, which included land and buildings and improvements.

#### **Other Impairment Losses and Accelerated Amortization of Intangible Assets**

In addition to the impairments disclosed above, the Company recorded the following additional impairments and accelerated amortization of intangible assets. During the three and six months ended June 30, 2025, the Company recorded impairment losses on real estate of \$3,261,000 as a result of a tenant at a single-tenant property who vacated its leased space during the three months ended June 30, 2025, resulting in a book value of \$2,300,000.

During the three months ended June 30, 2024, the Company recorded accelerated amortization of in-place lease intangible assets, above-market lease intangible assets and below-market lease intangible liabilities of \$2,564,000, \$2,667,000, and \$1,025,000, respectively, due to the GenesisCare Amended Master Lease. During the six months ended June 30, 2024, the Company recorded accelerated amortization of in-place lease intangible assets, above-market lease intangible assets and below-market lease intangible liabilities of \$4,646,000, \$2,825,000, and \$2,038,000, respectively, primarily due to the GenesisCare Amended Master Lease.

Impairment losses on real estate are recorded as impairment losses in the accompanying condensed consolidated statements of comprehensive income. Accelerated amortization of in-place leases is included in depreciation and amortization in the accompanying condensed consolidated statements of comprehensive income. Accelerated amortization of above-market leases is recorded as a reduction to rental revenue in the accompanying condensed consolidated statements of comprehensive

income. Accelerated amortization of below-market leases is recorded as an increase to rental revenue in the accompanying condensed consolidated statements of comprehensive income.

#### Note 4—Real Estate Related Notes Receivable

On November 5, 2024, the Company entered into two mezzanine loans for the development of an inpatient rehabilitation facility and a behavioral healthcare facility in Lynchburg, Virginia, or the Mezzanine Loans. The Mezzanine Loans have total loan amounts of \$12,543,000 and \$5,000,000, respectively, and a maturity date of November 5, 2029, or the Maturity Date. The Mezzanine Loans bear interest at a rate of 13% per annum for the period commencing November 5, 2024 through November 4, 2027, and 15% per annum for the period commencing November 5, 2027 through the Maturity Date. The Company received an upfront fee of 2% of the total loan amount of the Mezzanine Loans, and will receive an additional 1% fee if the Mezzanine Loans have not been paid in full before November 5, 2027 and another 1% fee if the Mezzanine Loans have not been paid in full before November 5, 2028. The Mezzanine Loans include purchase options for the Company for both the inpatient rehabilitation facility and the behavioral healthcare facility upon completion of construction.

The Company's real estate related notes receivable consist of the Mezzanine Loans. For the six months ended June 30, 2025, the Company's real estate related notes receivable activity was as follows (amounts in thousands):

|                                                                | Principal Balance | Fees            | Carrying Value  |
|----------------------------------------------------------------|-------------------|-----------------|-----------------|
| Real estate related notes receivable, as of December 31, 2024  | \$ —              | \$ —            | \$ —            |
| Fundings of real estate related notes receivable               | 8,229             | —               | 8,229           |
| Fees received on notes receivable                              | —                 | (351)           | (351)           |
| Amortization of fees                                           | —                 | 24              | 24              |
| Real estate related notes receivable, as of June 30, 2025      | <u>\$ 8,229</u>   | <u>\$ (327)</u> | <u>\$ 7,902</u> |
| CECL reserve                                                   |                   |                 | (84)            |
| Real estate related notes receivable, net, as of June 30, 2025 |                   |                 | <u>\$ 7,818</u> |

During each of the three and six months ended June 30, 2025, the Company recognized interest income related to the real estate related notes receivable of \$188,000, including \$24,000 related to the amortization of fees which is included in real estate related notes receivable interest income in the accompanying condensed consolidated statements of comprehensive income.

#### Current Expected Credit Loss Reserve

Refer to Note 2—"Summary of Significant Accounting Policies" for further discussion of the Company's CECL reserves. As of June 30, 2025, the Company's total CECL reserve balance was \$178,000. During the three months ended June 30, 2025, the Company recorded an increase to the total CECL reserve of \$7,000, consisting of an \$84,000 increase related to the outstanding principal balance and a \$77,000 decrease related to unfunded commitments. During the six months ended June 30, 2025, the Company recorded a total increase to the CECL reserve of \$178,000, consisting of an \$84,000 increase related to the outstanding principal balance and a \$94,000 increase related to unfunded commitments. There was no CECL reserve as of December 31, 2024.

#### Note 5—Intangible Assets, Net

Intangible assets, net, consisted of the following as of June 30, 2025 and December 31, 2024 (amounts in thousands, except weighted average remaining life amounts):

|                                                                                                                                                                             | June 30, 2025     | December 31, 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------|-------------------|
| In-place leases, net of accumulated amortization of \$124,391 and \$114,774, respectively (with a weighted average remaining life of 6.9 years and 7.3 years, respectively) | \$ 115,815        | \$ 120,399        |
| Above-market leases, net of accumulated amortization of \$7,806 and \$7,434, respectively (with a weighted average remaining life of 7.1 years and 7.6 years, respectively) | 4,884             | 5,256             |
|                                                                                                                                                                             | <u>\$ 120,699</u> | <u>\$ 125,655</u> |

The aggregate weighted average remaining life of the intangible assets was 6.9 years and 7.3 years as of June 30, 2025 and December 31, 2024, respectively.

Amortization of intangible assets was \$5,019,000 and \$10,594,000 for the three months ended June 30, 2025 and 2024, respectively, and \$9,989,000 and \$18,072,000 for the six months ended June 30, 2025 and 2024, respectively. Amortization of in-place leases is included in depreciation and amortization, and amortization of above-market leases is recorded as a reduction to rental revenue, in the accompanying condensed consolidated statements of comprehensive income.

## Note 6—Intangible Liabilities, Net

Intangible liabilities, net, consisted of the following as of June 30, 2025 and December 31, 2024 (amounts in thousands, except weighted average remaining life amounts):

|                                                                                                                                                                             | June 30, 2025 | December 31, 2024 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------|-------------------|
| Below-market leases, net of accumulated amortization of \$9,391 and \$8,761, respectively (with a weighted average remaining life of 5.6 years and 6.1 years, respectively) | \$ 6,440      | \$ 7,070          |

Amortization of below-market leases was \$315,000 and \$1,366,000 for the three months ended June 30, 2025 and 2024, respectively, and \$630,000 and \$2,753,000 for the six months ended June 30, 2025 and 2024, respectively. Amortization of below-market leases is recorded as an increase to rental revenue in the accompanying condensed consolidated statements of comprehensive income.

## Note 7—Leases

### Lessor

The Company's real estate properties are leased to tenants under operating leases with varying terms. Typically, the leases have provisions to extend the terms of the lease agreements. The Company retains substantially all of the risks and benefits of ownership of the real estate properties leased to tenants.

The following table summarizes the Company's rental revenue from operating leases for the three and six months ended June 30, 2025 and 2024 (amounts in thousands):

|                       | Three Months Ended<br>June 30, |           | Six Months Ended<br>June 30, |           |
|-----------------------|--------------------------------|-----------|------------------------------|-----------|
|                       | 2025                           | 2024      | 2025                         | 2024      |
| Rental income         | \$ 44,664                      | \$ 39,811 | \$ 88,761                    | \$ 86,607 |
| Variable lease income | 3,880                          | 3,743     | 8,039                        | 7,586     |
| Total rental revenue  | \$ 48,544                      | \$ 43,554 | \$ 96,800                    | \$ 94,193 |

Future rent to be received from the Company's investments in real estate assets under the terms of non-cancellable operating leases in effect as of June 30, 2025, for the period ending December 31, 2025, and for each of the next four years ending December 31, and thereafter, are as follows (amounts in thousands):

|                                 | June 30, 2025 <sup>(1)</sup> |
|---------------------------------|------------------------------|
| Period ending December 31, 2025 | \$ 85,957                    |
| 2026                            | 168,745                      |
| 2027                            | 165,824                      |
| 2028                            | 161,125                      |
| 2029                            | 156,179                      |
| Thereafter                      | 1,118,693                    |
| Total                           | \$ 1,856,523                 |

(1) The table includes payments from a tenant who is on the cash basis of accounting for revenue recognition purposes that has continued to make rental payments as of June 30, 2025.

### Lessee

The Company is subject to various non-cancellable operating lease agreements on which certain of its properties reside (ground leases) and for its corporate office. Additionally, the Company has one non-cancellable lease agreement that is classified as a finance lease related to a ground lease of a healthcare property.

The Company's operating leases and finance lease do not provide implicit interest rates. In order to calculate the present value of the remaining operating and finance lease payments, the Company used incremental borrowing rates, or IBRs, adjusted for a number of factors. The determination of an appropriate IBR involves multiple inputs and judgments. The Company determined its IBRs considering the general economic environment, term of the underlying leases, and various financing and asset specific adjustments to ensure the IBRs are appropriate for the intended use of the underlying operating leases and finance

lease.

The effects of the Company's operating leases are recorded in right-of-use assets - operating leases and operating lease liabilities on the condensed consolidated balance sheets. The effects of the Company's finance lease are recorded in right-of-use assets - finance lease and finance lease liabilities on the condensed consolidated balance sheets.

The future rent payments under non-cancellable leases in effect as of June 30, 2025, for the period ending December 31, 2025, and for each of the next four years ending December 31 and thereafter, are as follows (amounts in thousands):

|                                    | Operating | Finance |
|------------------------------------|-----------|---------|
| Period ending December 31, 2025    | \$ 1,396  | \$ —    |
| 2026                               | 2,811     | 9       |
| 2027                               | 2,852     | 9       |
| 2028                               | 2,868     | 9       |
| 2029                               | 2,603     | 9       |
| Thereafter                         | 103,513   | 67      |
| Total undiscounted rental payments | 116,043   | 103     |
| Less imputed interest              | (74,780)  | (28)    |
| Total lease liabilities            | \$ 41,263 | \$ 75   |

The weighted average IBR and weighted average remaining lease term as of June 30, 2025 and December 31, 2024 for the Company's operating leases are as follows:

|                                       | June 30, 2025 | December 31, 2024 |
|---------------------------------------|---------------|-------------------|
| Weighted average IBR                  | 5.5 %         | 5.5 %             |
| Weighted average remaining lease term | 34.8 years    | 35.2 years        |

The weighted average IBR and weighted average remaining lease term as of June 30, 2025 and December 31, 2024 for the Company's finance lease is as follows:

|                      | June 30, 2025 | December 31, 2024 |
|----------------------|---------------|-------------------|
| IBR                  | 5.8 %         | — %               |
| Remaining lease term | 11.0 years    | —                 |

The following table provides details of the Company's total lease costs for the three and six months ended June 30, 2025 and 2024 (amounts in thousands):

|                                                                              |                                                                          | Three Months Ended<br>June 30, |        | Six Months Ended<br>June 30, |          |
|------------------------------------------------------------------------------|--------------------------------------------------------------------------|--------------------------------|--------|------------------------------|----------|
|                                                                              | Location in Condensed Consolidated Statements of<br>Comprehensive Income | 2025                           | 2024   | 2025                         | 2024     |
| <b>Operating lease costs:</b>                                                |                                                                          |                                |        |                              |          |
| Ground lease costs <sup>(1)</sup>                                            | Rental expenses                                                          | \$ 689                         | \$ 681 | \$ 1,378                     | \$ 1,363 |
| Corporate operating lease costs                                              | General and administrative expenses                                      | 183                            | 187    | 366                          | 376      |
| <b>Finance lease costs:</b>                                                  |                                                                          |                                |        |                              |          |
| Interest on lease liability                                                  | Interest expense                                                         | 1                              | —      | 1                            | —        |
| <b>Supplemental disclosure of cash flows information:</b>                    |                                                                          |                                |        |                              |          |
| Operating cash outflows for operating leases <sup>(2)</sup>                  |                                                                          | \$ 165                         | \$ 176 | \$ 409                       | \$ 419   |
| Right-of-use assets obtained in exchange for new operating lease liabilities |                                                                          | \$ —                           | \$ 28  | \$ —                         | \$ 28    |
| Right-of-use assets obtained in exchange for new finance lease liabilities   |                                                                          | \$ —                           | \$ —   | \$ 74                        | \$ —     |

(1) The Company receives reimbursements from tenants for certain operating ground leases, which are recorded as rental revenue in the accompanying condensed consolidated statements of comprehensive income.

(2) Amounts are net of reimbursements the Company receives from tenants for certain operating ground leases.

**Note 8—Other Assets**

Other assets consisted of the following as of June 30, 2025 and December 31, 2024 (amounts in thousands):

|                                                                                                                                                      | June 30, 2025    | December 31, 2024 |
|------------------------------------------------------------------------------------------------------------------------------------------------------|------------------|-------------------|
| Deferred financing costs, related to the revolver portion of the credit facility, net of accumulated amortization of \$599 and \$2,988, respectively | \$ 5,950         | \$ 1,203          |
| Leasing commissions, net of accumulated amortization of \$411 and \$306, respectively                                                                | 2,312            | 1,941             |
| Tenant receivables                                                                                                                                   | 3,658            | 3,281             |
| Straight-line rent receivable                                                                                                                        | 62,777           | 58,400            |
| Real estate deposits                                                                                                                                 | —                | 350               |
| Prepaid and other assets                                                                                                                             | 3,641            | 3,392             |
| Derivative assets - interest rate swaps                                                                                                              | 4,168            | 11,356            |
|                                                                                                                                                      | <u>\$ 82,506</u> | <u>\$ 79,923</u>  |

**Note 9—Accounts Payable and Other Liabilities**

Accounts payable and other liabilities consisted of the following as of June 30, 2025 and December 31, 2024 (amounts in thousands):

|                                                                    | June 30, 2025    | December 31, 2024 |
|--------------------------------------------------------------------|------------------|-------------------|
| Accounts payable and accrued expenses                              | \$ 5,437         | \$ 6,303          |
| Accrued interest expense                                           | 2,503            | 2,187             |
| Accrued property taxes                                             | 5,153            | 3,897             |
| Accrued personnel costs                                            | 2,134            | 6,660             |
| Performance DSUs distributions payable                             | 421              | 544               |
| Tenant deposits                                                    | 1,636            | 1,691             |
| Deferred rental income                                             | 13,707           | 12,123            |
| Derivative liabilities - interest rate swaps                       | 4,015            | —                 |
| Current expected credit loss reserve for unfunded loan commitments | 94               | —                 |
|                                                                    | <u>\$ 35,100</u> | <u>\$ 33,405</u>  |

**Note 10—Credit Facility**

The Company's outstanding credit facility as of June 30, 2025 and December 31, 2024 consisted of the following (amounts in thousands):

|                                                                               | Weighted<br>Average Contractual<br>Rate <sup>(1)</sup> | June 30, 2025     | December 31, 2024 |
|-------------------------------------------------------------------------------|--------------------------------------------------------|-------------------|-------------------|
| 2029 Variable rate revolving line of credit                                   | 5.55%                                                  | \$ 56,000         | \$ —              |
| 2027 Variable rate term loan fixed through interest rate swaps <sup>(2)</sup> | 5.11%                                                  | 250,000           | 250,000           |
| 2028 Variable rate term loan fixed through interest rate swaps <sup>(3)</sup> | 4.18%                                                  | 275,000           | 275,000           |
| Total credit facility, principal amount outstanding                           | 4.71%                                                  | 581,000           | 525,000           |
| Unamortized deferred financing costs related to credit facility term loans    |                                                        | (2,510)           | (3,079)           |
| Total credit facility, net of deferred financing costs                        |                                                        | <u>\$ 578,490</u> | <u>\$ 521,921</u> |

- (1) Weighted average contractual rate is as of June 30, 2025.
- (2) Fixed through four interest rate swaps that mature on March 20, 2029.
- (3) Fixed through six interest rate swaps that mature on January 31, 2028.

Significant activities regarding the credit facility during the six months ended June 30, 2025 include:

- On February 18, 2025, the Company entered into a senior unsecured revolving credit agreement, or the 2029 Revolving Credit Agreement, with Bank of America, N.A., as Administrative Agent for the lenders, for aggregate commitments available of up to \$600,000,000, which may be increased, subject to lender approval, through incremental term loans and/or revolving loan commitments in an aggregate amount not to exceed \$1,500,000,000. The maturity date for the 2029 Revolving Credit Agreement is February 16, 2029, which, at the Company's election, may be extended for a period of six-months on no more than two occasions, subject to certain conditions, including a payment of an extension fee. The 2029 Revolving Credit Agreement was entered into to replace the Company's prior \$500,000,000 revolving line of credit, which had a maturity date of February 15, 2026, or the 2026 Revolving Credit Agreement, with the option to extend for two six-month periods. The Company did not exercise the option to extend. Upon closing of the 2029 Revolving Credit Agreement, the Company extinguished all commitments associated with the 2026 Revolving Credit Agreement. At the Company's election, borrowings under the 2029 Revolving Credit Agreement may be made as Base Rate loans or Secured Overnight Financing Rate, or SOFR, loans. The applicable margin for loans that are Base Rate loans is adjustable based on a total leverage ratio, ranging from 0.25% to 0.90%. The applicable margin for loans that are SOFR loans is adjustable based on a total leverage ratio, ranging from 1.25% to 1.90%. In addition to interest, the Company is required to pay a fee on the unused portion of the lenders' commitments under the 2029 Revolving Credit Agreement at a rate per annum equal to 0.20% if the average daily amount outstanding under the 2029 Revolving Credit Agreement is less than 50% of the aggregate commitments, or 0.15% if the average daily amount outstanding under the 2029 Revolving Credit Agreement is equal to or greater than 50% of the aggregate commitments. The unused fee is payable quarterly in arrears. Additionally, upon closing of the 2029 Revolving Credit Agreement, the Company entered into a First Amendment to the senior unsecured amended and restated term loan agreement with Truist Bank, as Administrative Agent, or the 2027 Term Loan Agreement, and a Second Amendment to the senior unsecured term loan with Truist Bank, as Administrative Agent for the lenders, or the 2028 Term Loan Agreement, to align certain terms and covenants to the 2029 Revolving Credit Agreement.
- In connection with entering into the 2029 Revolving Credit Agreement to replace the 2026 Revolving Credit Agreement, the Company recognized a loss on extinguishment of debt of \$233,000 during the six months ended June 30, 2025. The loss on extinguishment of debt was recognized in interest expense in the accompanying condensed consolidated statements of comprehensive income.

The principal payments due on the credit facility as of June 30, 2025, for the period ending December 31, 2025, and for each of the next four years ending December 31 and thereafter, are as follows (amounts in thousands):

|                                 | Amount            |
|---------------------------------|-------------------|
| Period ending December 31, 2025 | \$ —              |
| 2026                            | —                 |
| 2027                            | 250,000           |
| 2028                            | 275,000           |
| 2029                            | 56,000            |
| Thereafter                      | —                 |
|                                 | <u>\$ 581,000</u> |

#### Note 11—Segment Reporting

The Company's healthcare properties are aggregated into one operating segment due to their similar economic characteristics. The healthcare operating segment is the Company's only reportable segment.

In the healthcare operating segment, the Company generates income from rental revenue from leases and tenant reimbursements, which include additional amounts recoverable from tenants for common area maintenance expenses and certain other recoverable expenses. Additionally, the healthcare operating segment earns interest income from real estate related investments.

The Company's chief operating decision maker, or CODM, is the Chief Executive Officer, who assesses the performance of the operating segment using net income, which is reported on the condensed consolidated statements of comprehensive income as net income attributable to common stockholders. The CODM assesses net income at least quarterly to review budget-to-actual variances, review quarter-over-quarter actual variances, evaluate the operating performance of the healthcare properties, and allocate resources within the segment. Segment expenses provided to the CODM for budget-to-actual variance review and quarter-over-quarter actual variance review include rental expenses, general and administrative expenses,

depreciation and amortization, impairment and disposition losses and interest expense. Additionally, the CODM considers net income when determining the amount of distributions necessary to maintain the Company's REIT status.

There were no intersegment sales or transfers during the three and six months ended June 30, 2025 and 2024. Segment assets are reported on the condensed consolidated balance sheets as total assets while capital expenditures for the reportable segment are reported on the condensed consolidated statements of cash flows as capital expenditures and other costs.

#### **Note 12—Fair Value**

*Cash and cash equivalents, restricted cash, tenant receivables, prepaid and other assets, accounts payable and other liabilities*—The Company considers the carrying values of these financial instruments, assets and liabilities, to approximate fair value because of the short period of time between origination of the instruments and their expected realization.

*Real estate related notes receivable*—The carrying value of the real estate related notes receivable was \$7,818,000, which approximated fair value as of June 30, 2025. The fair value of the Company's real estate related notes receivable is estimated using significant unobservable inputs not based on observable market activity, but rather through particular valuation techniques (Level 3). The fair value was measured using a discounted cash flow methodology, taking into consideration various factors including discount rates, credit worthiness of borrowers, availability and cost of financing and other factors.

*Credit facility*—The outstanding principal of the credit facility was \$581,000,000 and \$525,000,000, which approximated its fair value due to the variable nature of the terms as of June 30, 2025 and December 31, 2024, respectively.

The fair value of the Company's credit facility is estimated based on the interest rates currently offered to the Company by its financial institutions.

*Derivative instruments*—The Company's derivative instruments consist of interest rate swaps. These swaps are carried at fair value to comply with the provisions of ASC 820. The fair value of these instruments is determined using interest rate market pricing models. The Company incorporated credit valuation adjustments to appropriately reflect the Company's nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. The Company determined that the inputs used to value its interest rate swaps, with the exception of the credit valuation adjustment, fall within Level 2 of the fair value hierarchy. The credit valuation adjustments associated with these instruments utilize Level 3 inputs, such as estimates of current credit spreads, to evaluate the likelihood of default by the Company and the respective counterparty. However, as of June 30, 2025, the Company assessed the significance of the impact of the credit valuation adjustments on the overall valuation of its derivative positions and determined that the credit valuation adjustments are not significant to the overall valuation of its interest rate swaps. As a result, the Company determined that its interest rate swaps valuation in its entirety is classified in Level 2 of the fair value hierarchy.

Considerable judgment is necessary to develop estimated fair values of financial assets and liabilities. Accordingly, the estimates presented herein are not necessarily indicative of the amounts the Company could realize or be liable for on disposition of the financial assets and liabilities.

The following tables show the fair value of the Company's financial assets and liabilities that are required to be measured at fair value on a recurring basis as of June 30, 2025 and December 31, 2024 (amounts in thousands):

| June 30, 2025                                |                                                                |                                               |                                           |                  |
|----------------------------------------------|----------------------------------------------------------------|-----------------------------------------------|-------------------------------------------|------------------|
|                                              | Fair Value Hierarchy                                           |                                               |                                           | Total Fair Value |
|                                              | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |                  |
| <b>Assets:</b>                               |                                                                |                                               |                                           |                  |
| Derivative assets - interest rate swaps      | \$ —                                                           | \$ 4,168                                      | \$ —                                      | \$ 4,168         |
| Total assets at fair value                   | \$ —                                                           | \$ 4,168                                      | \$ —                                      | \$ 4,168         |
| <b>Liabilities:</b>                          |                                                                |                                               |                                           |                  |
| Derivative liabilities - interest rate swaps | \$ —                                                           | \$ 4,015                                      | \$ —                                      | \$ 4,015         |
| Total liabilities at fair value              | \$ —                                                           | \$ 4,015                                      | \$ —                                      | \$ 4,015         |
| December 31, 2024                            |                                                                |                                               |                                           |                  |
|                                              | Fair Value Hierarchy                                           |                                               |                                           | Total Fair Value |
|                                              | Quoted Prices in Active Markets for Identical Assets (Level 1) | Significant Other Observable Inputs (Level 2) | Significant Unobservable Inputs (Level 3) |                  |
| <b>Assets:</b>                               |                                                                |                                               |                                           |                  |
| Derivative assets - interest rate swaps      | \$ —                                                           | \$ 11,356                                     | \$ —                                      | \$ 11,356        |
| Total assets at fair value                   | \$ —                                                           | \$ 11,356                                     | \$ —                                      | \$ 11,356        |

Derivative assets and liabilities are reported in the condensed consolidated balance sheets as other assets and accounts payable and other liabilities, respectively.

*Real Estate Assets*— As of June 30, 2025, there was one real estate asset measured at fair value, on a non-recurring basis, of \$2,300,000 and resulted in the recognition of an impairment loss of \$3,261,000 for the three months ended June 30, 2025. The fair value was measured based on a discounted cash flow model, which includes significant unobservable inputs that reside within Level 3 of the fair value hierarchy. This cash flow model consisted of unobservable inputs such as forecasted revenues and expenses and estimated net disposition proceeds at the end of the hold period, based on market conditions and expected growth rates. The significant unobservable inputs and assumptions used in the discounted cash flow model to estimate the fair value include a discount rate of 8.06%, which is considered a Level 3 input per the fair value hierarchy.

As of December 31, 2024, there were no real estate assets measured at fair value on a non-recurring basis.

### Note 13—Derivative Instruments and Hedging Activities

#### Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy.

For derivatives designated and qualifying as cash flow hedges of interest rate risk, the gain or loss on the derivative is recorded in accumulated other comprehensive income and subsequently reclassified into interest expense in the same period(s) during which the hedged transaction affects earnings. Amounts reported in accumulated other comprehensive income related to derivatives will be reclassified to interest expense as interest is incurred on the Company's variable rate debt. During the next twelve months, the Company estimates that an additional \$2,787,000 will be reclassified from accumulated other comprehensive income as a reduction to interest expense. As of June 30, 2025, the Company had 10 interest rate swap agreements, of which six mature on January 31, 2028 and four mature on March 20, 2029.

The following table summarizes the notional amount and fair value of the Company's derivative instruments (amounts in thousands):

| Derivatives Designated as Hedging Instruments | Weighted Average Fixed Interest Rate | Effective Dates          | Maturity Dates | June 30, 2025               |                 |                   | December 31, 2024           |                  |               |
|-----------------------------------------------|--------------------------------------|--------------------------|----------------|-----------------------------|-----------------|-------------------|-----------------------------|------------------|---------------|
|                                               |                                      |                          |                | Outstanding Notional Amount | Fair Value of   |                   | Outstanding Notional Amount | Fair Value of    |               |
|                                               |                                      |                          |                |                             | Assets          | (Liabilities)     |                             | Assets           | (Liabilities) |
| Interest rate swaps <sup>(1)</sup>            | 2.83%                                | 05/02/2022 to 05/01/2023 | 01/31/2028     | 275,000                     | 4,168           | (477)             | 275,000                     | 9,261            | —             |
| Interest rate swaps <sup>(1)</sup>            | 3.76%                                | 12/31/2024               | 03/20/2029     | 250,000                     | —               | (3,538)           | 250,000                     | 2,095            | —             |
|                                               |                                      |                          |                | <u>\$ 525,000</u>           | <u>\$ 4,168</u> | <u>\$ (4,015)</u> | <u>\$ 525,000</u>           | <u>\$ 11,356</u> | <u>\$ —</u>   |

(1) Derivative assets and liabilities are reported in the condensed consolidated balance sheets as other assets and accounts payable and other liabilities, respectively.

The notional amount under the agreements is an indication of the extent of the Company's involvement in each instrument at the time, but does not represent exposure to credit, interest rate or market risks.

The table below summarizes the amount of income and loss recognized on the interest rate derivatives designated as cash flow hedges for the three and six months ended June 30, 2025 and 2024 (amounts in thousands):

| Derivatives in Cash Flow Hedging Relationships | Amount of (Loss) Income Recognized in Other Comprehensive Income on Derivatives | Location of (Loss) Income Reclassified From Accumulated Other Comprehensive Income to Net Income | Amount of Income Reclassified From Accumulated Other Comprehensive Income to Net Income | Total Amount of Line Item in Condensed Consolidated Statements of Comprehensive Income |
|------------------------------------------------|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| <b>Three Months Ended June 30, 2025</b>        |                                                                                 |                                                                                                  |                                                                                         |                                                                                        |
| Interest rate swaps                            | \$ (2,670)                                                                      | Interest expense                                                                                 | \$ 1,395                                                                                | \$ (7,829)                                                                             |
| <b>Three Months Ended June 30, 2024</b>        |                                                                                 |                                                                                                  |                                                                                         |                                                                                        |
| Interest rate swaps                            | \$ 2,393                                                                        | Interest expense                                                                                 | \$ 4,508                                                                                | \$ (5,193)                                                                             |
| <b>Six Months Ended June 30, 2025</b>          |                                                                                 |                                                                                                  |                                                                                         |                                                                                        |
| Interest rate swaps                            | \$ (8,415)                                                                      | Interest expense                                                                                 | \$ 2,788                                                                                | \$ (15,154)                                                                            |
| <b>Six Months Ended June 30, 2024</b>          |                                                                                 |                                                                                                  |                                                                                         |                                                                                        |
| Interest rate swaps                            | \$ 9,786                                                                        | Interest expense                                                                                 | \$ 9,033                                                                                | \$ (10,487)                                                                            |

### Credit Risk-Related Contingent Features

The Company has agreements with each of its derivative counterparties that contain a provision where if the Company either defaults or is capable of being declared in default on any of its indebtedness, then the Company could also be declared in default on its derivative obligations. The Company records credit risk valuation adjustments on its interest rate swaps based on the respective credit quality of the Company and the counterparty. The Company believes it mitigates its credit risk by entering into agreements with creditworthy counterparties. As of June 30, 2025, the fair value of derivatives related to counterparties that were in a net liability position was \$3,325,000, inclusive of accrued interest but excluding any adjustment for nonperformance risk related to the agreement. As of December 31, 2024, the Company had no counterparties with fair value of derivatives in a net liability position, inclusive of accrued interest but excluding any adjustment for nonperformance risk related to the agreement. As of both June 30, 2025 and December 31, 2024, there were no termination events or events of default related to the interest rate swaps.

### Tabular Disclosure Offsetting Derivatives

The Company has elected not to offset derivative positions in its condensed consolidated financial statements. The following tables present the effect on the Company's financial position had the Company made the election to offset its derivative positions as of June 30, 2025 and December 31, 2024 (amounts in thousands):

#### Offsetting of Derivative Assets

|                   | Gross Amounts of Recognized Assets | Gross Amounts Offset in the Balance Sheet | Net Amounts of Assets Presented in the Balance Sheet | Gross Amounts Not Offset in the Balance Sheet |                 |            |
|-------------------|------------------------------------|-------------------------------------------|------------------------------------------------------|-----------------------------------------------|-----------------|------------|
|                   |                                    |                                           |                                                      | Financial Instruments Collateral              | Cash Collateral | Net Amount |
| June 30, 2025     | \$ 4,168                           | \$ —                                      | \$ 4,168                                             | \$ (649)                                      | \$ —            | \$ 3,519   |
| December 31, 2024 | \$ 11,356                          | \$ —                                      | \$ 11,356                                            | \$ —                                          | \$ —            | \$ 11,356  |

#### Offsetting of Derivative Liabilities

|                   | Gross Amounts of Recognized Liabilities | Gross Amounts Offset in the Balance Sheet | Net Amounts of Liabilities Presented in the Balance Sheet | Gross Amounts Not Offset in the Balance Sheet |                 |            |
|-------------------|-----------------------------------------|-------------------------------------------|-----------------------------------------------------------|-----------------------------------------------|-----------------|------------|
|                   |                                         |                                           |                                                           | Financial Instruments Collateral              | Cash Collateral | Net Amount |
| June 30, 2025     | \$ 4,015                                | \$ —                                      | \$ 4,015                                                  | \$ (649)                                      | \$ —            | \$ 3,366   |
| December 31, 2024 | \$ —                                    | \$ —                                      | \$ —                                                      | \$ —                                          | \$ —            | \$ —       |

### Note 14—Stockholders' Equity

On April 8, 2024, the Company amended its charter to effect a one-for-four reverse stock split, effective May 1, 2024. On June 13, 2024, authorized but unissued shares of Class I Common Stock, Class T Common Stock and Class T2 Common Stock were reclassified into additional shares of Class A Common Stock and outstanding shares of Class I Common Stock and Class T Common Stock were converted into shares of Class A Common Stock. Class A Common Stock was then immediately renamed "Common Stock" and is the sole class of stock traded on the NYSE.

#### Distributions Paid and Distributions Payable

The Company declared and paid distributions per share of Common Stock in the amount of \$0.40 for each of the three months ended June 30, 2025 and 2024. The Company declared and paid distributions per share of Common Stock in the amount of \$0.80 for each of the six months ended June 30, 2025 and 2024.

On August 5, 2025, the Board authorized a quarterly cash dividend of \$0.40 per share of Common Stock payable on September 4, 2025, to the Company's stockholders of record as of the close of business on August 21, 2025.

On April 5, 2024, the Board approved the termination of the distribution reinvestment plan, effective May 1, 2024.

#### Share Repurchases

##### Share Repurchase Program

On August 16, 2024, the Company's Board authorized a share repurchase program of up to the lesser of 1,500,000 shares of the Company's outstanding Common Stock or \$25,000,000 in gross purchase proceeds for a period of 12 months from August 16, 2024, or the Share Repurchase Program. Repurchases of Common Stock under the Share Repurchase Program may be made from time to time in the open market, in privately negotiated purchases, in accelerated share repurchase programs or by any other lawful means. The number of shares of Common Stock purchased and the timing of any purchases will depend on a number of factors, including the price and availability of Common Stock and general market conditions. During the six months ended June 30, 2025, 304,878 shares of Common Stock were repurchased for an aggregate purchase price of \$7,344,000, excluding all related costs and fees (an average of \$24.09 per share). The Company did not repurchase any shares under the Share Repurchase Program during the year ended December 31, 2024. Therefore, as of June 30, 2025, up to the lesser of 1,195,122 shares of the Company's Common Stock, or \$17,656,000 of the Company's Common Stock remained available for repurchase under the Share Repurchase Program.

### Other Repurchases of Common Stock

During the six months ended June 30, 2025, the Company repurchased 47,713 shares of Common Stock for the net settlement of withholding taxes in connection with the vesting of restricted stock and performance-based deferred stock unit awards, for an aggregate purchase price of \$1,157,000 (an average of \$24.25 per share). During the six months ended June 30, 2024, the Company repurchased 283,512 Class A shares, Class I shares and Class T shares of Common Stock pursuant to the Terminated SRP (as defined below) and for the net settlement of withholding taxes in connection with the vesting of restricted stock and performance-based deferred stock unit awards (246,024 Class A shares, 7,574 Class I shares and 29,914 Class T shares), for an aggregate purchase price of \$8,482,000 (an average of \$29.92 per share).

### Terminated Share Repurchase Program

The Company's Amended and Restated Share Repurchase Program, or the Terminated SRP, allowed for repurchases of shares of the Company's Common Stock upon meeting certain criteria. On April 5, 2024, the Board approved the suspension of the Terminated SRP, effective immediately, and the termination of the Terminated SRP, effective upon the Company's listing on the NYSE.

### Accumulated Other Comprehensive Income

The following table presents a rollforward of amounts recognized in accumulated other comprehensive income by component for the six months ended June 30, 2025 and 2024 (amounts in thousands):

|                                                                                         |    | Unrealized Loss<br>on Derivative<br>Instruments   |
|-----------------------------------------------------------------------------------------|----|---------------------------------------------------|
| Balance as of December 31, 2024                                                         | \$ | 11,356                                            |
| Other comprehensive loss before reclassification                                        |    | (8,415)                                           |
| Amount of income reclassified from accumulated other comprehensive income to net income |    | (2,788)                                           |
| Other comprehensive loss                                                                |    | (11,203)                                          |
| Balance as of June 30, 2025                                                             | \$ | 153                                               |
|                                                                                         |    |                                                   |
|                                                                                         |    | Unrealized Income<br>on Derivative<br>Instruments |
| Balance as of December 31, 2023                                                         |    | 16,603                                            |
| Other comprehensive income before reclassification                                      |    | 9,786                                             |
| Amount of income reclassified from accumulated other comprehensive income to net income |    | (9,033)                                           |
| Other comprehensive income                                                              |    | 753                                               |
| Balance as of June 30, 2024                                                             | \$ | 17,356                                            |

The following table presents reclassifications out of accumulated other comprehensive income for the six months ended June 30, 2025 and 2024 (amounts in thousands):

| Details about Accumulated Other Comprehensive Income Components | Income Amounts Reclassified from Accumulated Other Comprehensive Income to Net Income |            | Affected Line Items in the Condensed Consolidated Statements of Comprehensive Income |
|-----------------------------------------------------------------|---------------------------------------------------------------------------------------|------------|--------------------------------------------------------------------------------------|
|                                                                 | Six Months Ended June 30,                                                             |            |                                                                                      |
|                                                                 | 2025                                                                                  | 2024       |                                                                                      |
| Interest rate swap contracts                                    | \$ (2,788)                                                                            | \$ (9,033) | Interest expense                                                                     |

## Note 15—Earnings Per Share

The Company calculates basic and diluted earnings per share using the two-class method. Basic earnings per share is computed based on the weighted average shares of the Company's Common Stock outstanding for the period. Diluted earnings per share is computed based on the weighted average number of shares outstanding and all potentially dilutive securities, which include shares of restricted Common Stock and Performance DSUs. The shares of restricted Common Stock contain non-forfeitable dividend distribution rights and are considered participating securities. The Performance DSUs are entitled to dividend equivalents which are paid to the grantee only in the event that the applicable performance criteria are achieved and the Performance DSUs vest.

The following table is a reconciliation of the numerator and denominator used in the computation of basic and diluted earnings per share using the two-class method (amounts in thousands, except share data and per share amounts):

|                                                                                  | Three Months Ended<br>June 30, |                   | Six Months Ended<br>June 30, |                   |
|----------------------------------------------------------------------------------|--------------------------------|-------------------|------------------------------|-------------------|
|                                                                                  | 2025                           | 2024              | 2025                         | 2024              |
| <b>Earnings:</b>                                                                 |                                |                   |                              |                   |
| Net income attributable to common stockholders                                   | \$ 8,598                       | \$ 4,628          | \$ 16,496                    | \$ 19,608         |
| Less: Income allocated to participating securities                               | (47)                           | (22)              | (92)                         | (94)              |
| <b>Net income used in basic earnings per share</b>                               | <b>8,551</b>                   | <b>4,606</b>      | <b>16,404</b>                | <b>19,514</b>     |
| Add back: Income allocated to participating securities                           | 47                             | 22                | 92                           | 94                |
| <b>Net income used in diluted earnings per share</b>                             | <b>\$ 8,598</b>                | <b>\$ 4,628</b>   | <b>\$ 16,496</b>             | <b>\$ 19,608</b>  |
| <b>Weighted Average Shares:</b>                                                  |                                |                   |                              |                   |
| Basic weighted average number of common shares outstanding                       | 55,144,522                     | 57,230,472        | 55,137,632                   | 57,171,756        |
| Dilutive effect of weighted average shares of non-vested restricted common stock | 305,119                        | 267,784           | 309,589                      | 276,577           |
| Dilutive effect of weighted average shares of Performance DSUs                   | 265,603                        | 102,948           | 275,360                      | 126,301           |
| <b>Diluted weighted average number of common shares outstanding</b>              | <b>55,715,244</b>              | <b>57,601,204</b> | <b>55,722,581</b>            | <b>57,574,634</b> |
| <b>Net income per share attributable to common stockholders:</b>                 |                                |                   |                              |                   |
| Basic                                                                            | \$ 0.16                        | \$ 0.08           | \$ 0.30                      | \$ 0.34           |
| Diluted                                                                          | \$ 0.15                        | \$ 0.08           | \$ 0.30                      | \$ 0.34           |

## Note 16—Stock-based Compensation

On March 6, 2020, the Board approved the A&R Incentive Plan pursuant to which the Company has the authority and power to grant awards of restricted shares of its Common Stock to its directors, executive officers, and employees.

On April 2, 2025, the Board adopted the A&R Incentive Plan. The Company's stockholders approved the A&R Incentive Plan on May 21, 2025, which, among other things, increased the number of shares authorized for issuance by 1,000,000 shares to 2,250,000 shares.

During the six months ended June 30, 2025, the Company granted time-based awards to its executive officers and certain employees, consisting of 110,523 restricted shares of Common Stock, or the Time-Based 2025 Awards. The Time-Based 2025 Awards will vest 25% annually following the grant date, subject to each executive's and employee's employment through the applicable vesting dates, with certain exceptions. As of June 30, 2025, there was \$2,374,000 of total unrecognized stock-based compensation expense related to these awards, which will be recognized over the vesting period.

Additionally, during the six months ended June 30, 2025, the Company's compensation committee granted Performance DSUs to its executive officers, or the Performance-Based 2025 Awards. The Performance-Based 2025 Awards will be measured based on the Company's market performance over a three-year performance period ending on December 31, 2027. Subject to each executive's continuous employment through the applicable vesting dates, with certain exceptions, the Performance-Based 2025 Awards, if any, will be issued following the performance period end date. Market-based awards are valued as of the grant date utilizing a Monte Carlo simulation model that assesses the probability of satisfying certain market-based thresholds over a three-year performance period. The number of shares of Common Stock that vest is based on the

Company's total shareholder return, or TSR, relative to that of the MSCI US REIT Index and a Healthcare REIT Peer Group on a percentile basis. As of June 30, 2025, there was \$2,210,000 of total unrecognized stock-based compensation expense related to these awards, which will be recognized over the vesting period.

The Time-Based 2025 Awards and the Performance-Based 2025 Awards, or collectively, the 2025 Awards, were granted under and are subject to the terms of the A&R Incentive Plan and award agreements.

The Company recognized total stock-based compensation expense of \$1,268,000 and \$1,163,000 for the three months ended June 30, 2025 and 2024, respectively, and \$2,529,000 and \$2,487,000, respectively, for the six months ended June 30, 2025 and 2024. The Company recognized accelerated stock-based compensation expense of \$19,000 for the three and six months ended June 30, 2025, as a result of the acceleration of award agreements. The Company recognized accelerated stock-based compensation expense of \$863,000 for the six months ended June 30, 2024, primarily as a result of the acceleration of awards pursuant to severance agreements with departed executive officers. Stock-based compensation expense is reported in general and administrative expenses in the accompanying condensed consolidated statements of comprehensive income, and forfeitures are recorded as they occur.

## **Note 17—Commitments and Contingencies**

### ***Tenant Improvements***

The Company may provide tenant improvement allowances in new or renewal leases for the purpose of refurbishing or renovating tenant space. The Company may also assume tenant improvement obligations included in leases acquired in its real estate acquisitions. Many of these allowances are subject to contingencies that make it difficult to predict when they will be utilized, if at all.

### ***Unfunded Loan Commitments***

Unfunded loan commitments include amounts undrawn on the Mezzanine Loans. As of June 30, 2025, unfunded loan commitments totaled \$9,314,000. Prior to making advances on these commitments, the Company will confirm that there has been no material adverse change in the progress of the construction project, financial or otherwise, and that there have been no events of default by the borrower and will confirm that the borrower is currently in compliance with the loan terms and conditions. In some cases, the borrower's access to the full amount of the loan is further constrained by the designated purpose, imposition of borrower-specific restrictions or by additional conditions that must be met prior to advancing funds.

### ***Legal Proceedings***

In the ordinary course of business, the Company may become subject to litigation or claims. As of June 30, 2025, there were, and currently there are, no material pending legal proceedings to which the Company is a party. While the resolution of a lawsuit or proceeding may have an impact to the Company's financial results for the period in which it is resolved, the Company believes that the final resolution of the lawsuits or proceedings in which it is currently involved, either individually or in the aggregate, will not have a material adverse effect on its financial position, results of operations or liquidity.

## **Note 18—Subsequent Events**

### ***Distributions Authorized***

On August 5, 2025, the Board authorized a quarterly cash dividend of \$0.40 per share of Common Stock payable on September 4, 2025, to the Company's stockholders of record as of the close of business on August 21, 2025. The quarterly cash dividend of \$0.40 per share represents an annualized amount of \$1.60 per share.

### ***Acquisition of Southlake Healthcare Facilities***

On August 1, 2025, the Company purchased 100% of the ownership interests in two healthcare properties in Southlake Texas, or the Southlake Healthcare Facilities, for an aggregate contract purchase price of \$16,150,000.

### ***Share Repurchase Program***

On August 4, 2025, the Board authorized a share repurchase program of up to \$75,000,000 in gross purchase proceeds for a period of three-years from August 4, 2025, subject to the limitation of \$25,000,000 in gross purchase proceeds in any twelve-month period. Repurchases of common stock under the share repurchase program may be made from time to time in the open market, in privately negotiated purchases, in accelerated share repurchase programs or by any other lawful means. The number of shares of common stock purchased and the timing of any purchases will depend on a number of factors, including the price and availability of common stock and general market conditions. The three-year share repurchase program replaces the prior one-year share repurchase program authorized on August 16, 2024, which allowed for the repurchase of up to the lesser of 1,500,000 shares of the Company's outstanding common stock or \$25,000,000 in gross purchase proceeds.

## **Item 2. Management’s Discussion and Analysis of Financial Condition and Results of Operations.**

The following discussion and analysis of our financial condition and results of operations should be read in conjunction with our condensed consolidated financial statements, and the notes thereto, and the other financial information appearing elsewhere in this Quarterly Report on Form 10-Q.

The following discussion should also be read in conjunction with our audited consolidated financial statements, and the notes thereto, Risk Factors and Management’s Discussion and Analysis of Financial Condition and Results of Operations included in our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the U.S. Securities and Exchange Commission, or the SEC, on March 3, 2025, or the 2024 Annual Report on Form 10-K.

The terms “we,” “our,” “us,” and the “Company” refer to Sila Realty Trust, Inc., Sila Realty Operating Partnership, LP, or our Operating Partnership, and all wholly-owned subsidiaries.

### **Forward-Looking Statements**

Certain statements contained in this Quarterly Report on Form 10-Q, other than historical facts, include forward-looking statements that reflect our expectations and projections about our future results, performance, prospects and opportunities. Such statements include, in particular, statements about our liquidity and capital resources, capital expenditures, material cash requirements, debt service requirements, expected interest rates and interest rate hedging impacts and practices, macroeconomic factors, the ability of our tenants to satisfy their rent and other obligations under their leases, tariffs and changes in other governmental policies, term loan requirements, our share repurchases, our acquisitions and dispositions, plans, leases, dividends, distributions, strategies, and prospects and are subject to certain risks and uncertainties, including known and unknown risks, which could cause actual results to differ materially from those projected or anticipated. Therefore, such statements are not intended to be a guarantee of our performance in future periods. Such forward-looking statements can generally be identified by our use of forward-looking terminology such as “may,” “will,” “would,” “could,” “should,” “expect,” “intend,” “anticipate,” “estimate,” “believe,” “continue,” or other similar words. Forward-looking statements are subject to various risks and uncertainties, and factors that could cause actual results to differ materially from our expectations, and investors should not rely on forward-looking statements since they involve known and unknown risks, uncertainties and other factors which are, in some cases, beyond our control and which could materially affect our results of operations, financial condition, cash flows, performance or future achievements or events.

Forward-looking statements that were true at the time they were made may ultimately prove to be incorrect or false. We make no representation or warranty (express or implied) about the accuracy of any such forward-looking statements contained in this Quarterly Report on Form 10-Q, and we do not undertake to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. See Part I, Item 1A. “Risk Factors” of our 2024 Annual Report on Form 10-K, for a discussion of some, although not all, of the risks and uncertainties that could cause actual results to differ materially from those presented in our forward-looking statements.

Management’s discussion and analysis of financial condition and results of operations is based upon our condensed consolidated financial statements, which have been prepared in accordance with United States generally accepted accounting principles, or GAAP. The preparation of these financial statements requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenues and expenses. We evaluate these estimates on a regular basis. These estimates are based on management’s historical industry experience and on various other assumptions that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

### **Overview**

We are a net lease real estate investment trust, or REIT, with a strategic focus on investing in the growing and resilient healthcare sector. We invest in high quality net lease healthcare facilities along the continuum of care in the pursuit of generating predictable, durable and growing income streams. Our portfolio comprises high quality tenants in geographically diverse facilities, which are positioned to capitalize on the dynamic delivery of healthcare to patients. We may also make other real estate related investments, which may include equity or debt interests in other real estate entities.

As of June 30, 2025, we owned 136 real estate properties, two undeveloped land parcels and one property taken out of service.

### **Critical Accounting Estimates**

Our critical accounting estimates are disclosed in our 2024 Annual Report on Form 10-K. There have been no material changes to our critical accounting estimates as disclosed therein.

## **Interim Unaudited Financial Data**

Our accompanying condensed consolidated financial statements have been prepared by us in accordance with GAAP in conjunction with the rules and regulations of the SEC. Certain information and footnote disclosures required for annual financial statements have been condensed or excluded pursuant to SEC rules and regulations. Accordingly, our accompanying condensed consolidated financial statements do not include all of the information and footnotes required by GAAP for complete financial statements. Our accompanying condensed consolidated financial statements reflect all adjustments, which are, in our view, of a normal recurring nature and necessary for a fair presentation of our financial position, results of operations and cash flows for the interim period. Interim results of operations are not necessarily indicative of the results to be expected for the full year; such full year results may be less favorable. Our accompanying condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the notes thereto included in our 2024 Annual Report on Form 10-K.

## **Qualification as a REIT**

We elected, and qualify, to be taxed as a REIT for federal income tax purposes, and we intend to continue to be taxed as a REIT. To maintain our qualification as a REIT, we must continue to meet certain organizational and operational requirements, including a requirement to distribute at least 90.0% of our REIT taxable income, without regard to the deduction for dividends paid and excluding net capital gain, to our stockholders. As a REIT, we generally will not be subject to federal income tax on taxable income that we distribute to our stockholders.

If we fail to maintain our qualification as a REIT in any taxable year, we would then be subject to federal income taxes on our taxable income at regular corporate rates and would not be permitted to qualify for treatment as a REIT for federal income tax purposes for four years following the year during which qualification is lost unless the Internal Revenue Service grants us relief under certain statutory provisions. Such an event could have a material adverse effect on our net income and net cash available for distribution to our stockholders.

## **Factors That May Influence Results of Operations**

### ***Economic and Market Conditions***

Our operating results have been and will continue to be generally impacted by global and national economic and market conditions and by the local economic conditions where our real estate properties are located. Increased interest rates, persistent inflation, ongoing geopolitical tensions, and increased volatility in public and private equity and fixed income markets have led to increased costs and have limited the availability of capital. In response to inflationary pressures, the Federal Reserve began raising interest rates in 2022. While the Federal Reserve cut interest rates in late 2024, it has since kept interest rates stable and future increases or decreases are uncertain. Higher interest rates imposed by the Federal Reserve to address potential inflation may adversely impact our borrowing costs and real estate asset values generally, including our real estate properties. In addition, any tariffs imposed by the current administration or other countries may cause further inflationary pressures in the economy. On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA") was signed into law. The OBBBA includes, among other things, changes to Medicaid and health insurance marketplaces that may have an impact on our tenants' financial position. We continue to evaluate the impacts of the OBBBA.

Most of our lease agreements contain provisions designed to mitigate the adverse impact of inflation, including annual rent increases based on stated increases or consumer price index (CPI) increases, as well as the triple net nature of the leases whereby tenants are responsible for the operating expenses of the properties. To the extent our tenants have experienced difficulties due to the foregoing economic and market conditions, they may be unable or unwilling to make payments or perform their obligations when due.

### ***Rental Revenue***

The amount of rental revenue generated by our properties depends principally on our ability to maintain the occupancy rates of leased space and to lease available space at existing rental rates. Negative trends in one or more of these factors could adversely affect our rental revenue in future periods. We continually monitor our tenants' ability to meet their lease obligations to pay us rent to determine if any adjustments should be reflected currently. As of June 30, 2025, our properties were 99.2% leased.

## Results of Operations

Our results of operations are influenced by the timing of acquisitions and the performance of our real estate properties.

The following table shows the property statistics of our real estate properties as of June 30, 2025 and 2024:

|                                                            | June 30,  |           |
|------------------------------------------------------------|-----------|-----------|
|                                                            | 2025      | 2024      |
| Number of real estate properties <sup>(1)</sup>            | 136       | 137       |
| Leased square feet                                         | 5,153,000 | 5,155,000 |
| Weighted average percentage of rentable square feet leased | 99.2 %    | 97.5 %    |

- (1) As of June 30, 2025 we owned 136 real estate properties, two undeveloped land parcels and one property taken out of service. As of June 30, 2024, we owned 137 real estate properties and two undeveloped land parcels.

The following table summarizes our real estate activity for the three and six months ended June 30, 2025 and 2024:

|                                                                            | Three Months Ended<br>June 30, |               | Six Months Ended<br>June 30, |                |
|----------------------------------------------------------------------------|--------------------------------|---------------|------------------------------|----------------|
|                                                                            | 2025                           | 2024          | 2025                         | 2024           |
| Real estate properties acquired                                            | 1                              | 1             | 2                            | 7              |
| Real estate properties disposed                                            | —                              | —             | —                            | 1              |
| Aggregate purchase price of real estate properties acquired <sup>(1)</sup> | \$ 24,142,000                  | \$ 10,771,000 | \$ 59,462,000                | \$ 135,689,000 |
| Net book value of real estate properties disposed                          | \$ —                           | \$ —          | \$ —                         | \$ 1,352,000   |
| Leased square feet of real estate property additions                       | 42,000                         | 30,000        | 112,000                      | 244,000        |
| Leased square feet of real estate property dispositions                    | —                              | —             | —                            | 71,000         |

- (1) Includes capitalized acquisition costs associated with transactions determined to be asset acquisitions.

This section describes and compares our results of operations for the three and six months ended June 30, 2025 and 2024. We generate substantially all of our revenue from property operations. In order to evaluate our overall portfolio, management analyzes the results of our "same store properties." We define "same store properties" as properties that were owned and operated for the entirety of both calendar periods being compared and exclude properties under development, re-development, or classified as held for sale.

By evaluating the results of our same store properties, management is able to monitor the operations of our existing properties for comparable periods to measure the performance of our current portfolio and readily observe the expected effects of our new acquisitions and dispositions on net income.

### Three Months Ended June 30, 2025 Compared to Three Months Ended June 30, 2024

The following table allocates total rental revenue for the three months ended June 30, 2025 compared to the comparable period in 2024 (amounts in thousands).

|                                                      | Three Months Ended<br>June 30, |           | \$ Change | % Change |
|------------------------------------------------------|--------------------------------|-----------|-----------|----------|
|                                                      | 2025                           | 2024      |           |          |
| Same store rental revenue                            | \$ 42,817                      | \$ 41,207 | \$ 1,610  | 3.9 %    |
| Same store tenant reimbursements                     | 3,831                          | 3,728     | 103       | 2.8 %    |
| Non-same store rental revenue                        | 1,847                          | (1,396)   | 3,243     | 232.3 %  |
| Non-same store tenant reimbursements                 | 48                             | 14        | 34        | 242.9 %  |
| Other operating income                               | 1                              | 1         | —         | — %      |
| Total rental revenue                                 | 48,544                         | 43,554    | 4,990     | 11.5 %   |
| Real estate related notes receivable interest income | 188                            | —         | 188       | n/a      |
| Total revenues                                       | \$ 48,732                      | \$ 43,554 | \$ 5,178  | 11.9 %   |

- Same store rental revenue increased primarily due to a \$1,628,000 increase as a result of new and renewal leasing activity, and a \$37,000 increase in rent recognized on a cash basis as a result of a tenant with payment uncertainty who was paying less rent in the prior period and had annual base rent escalations in the current year being compared, partially offset by a decrease of \$47,000 as a result of straight-line rent that was written off due to a tenant vacancy, and an \$8,000 decrease

related to less accelerated amortization of below-market lease intangible liabilities as a result of lease amendments related to GenesisCare in the prior year.

- Same store tenant reimbursements increased primarily due to higher operating costs in the current year, which are generally passed along to our tenants.
- Non-same store rental revenue increased primarily due to a \$2,667,000 increase related to less accelerated amortization of above-market lease intangibles as a result of lease amendments and terminations related to GenesisCare in the prior year, a \$1,742,000 increase attributable to properties acquired since April 1, 2024, and a \$59,000 net increase related to less amortization of above and below-market lease intangibles from properties sold in the prior year, partially offset by a \$1,017,000 decrease related to less accelerated amortization of below-market lease intangibles as a result of lease amendments and terminations related to GenesisCare in the prior year, and a \$208,000 decrease resulting from the vacant Stoughton Healthcare Facility due to a lease termination in the prior year.
- Non-same store tenant reimbursements increased primarily due to properties acquired since April 1, 2024.
- There were no material changes in other operating income.
- Real estate related notes receivable interest income increased due to the funding of mezzanine loans during the three months ended June 30, 2025.

Changes in our expenses are summarized in the following table (amounts in thousands):

|                                     | Three Months Ended<br>June 30, |           | \$ Change  | % Change |
|-------------------------------------|--------------------------------|-----------|------------|----------|
|                                     | 2025                           | 2024      |            |          |
| Same store rental expenses          | \$ 5,417                       | \$ 5,282  | \$ 135     | 2.6 %    |
| Non-same store rental expenses      | 574                            | 567       | 7          | 1.2 %    |
| Listing-related expenses            | —                              | 2,924     | (2,924)    | n/a      |
| General and administrative expenses | 5,129                          | 5,347     | (218)      | (4.1)%   |
| Depreciation and amortization       | 18,182                         | 20,246    | (2,064)    | (10.2)%  |
| Impairment losses                   | 3,261                          | 418       | 2,843      | 680.1 %  |
| Total operating expenses            | \$ 32,563                      | \$ 34,784 | \$ (2,221) | (6.4)%   |

- Same store rental expenses, most of which are subject to reimbursement by our tenants, increased primarily due to higher operating costs in the current year.
- Non-same store rental expenses, most of which are subject to reimbursement by our tenants, increased primarily due to a \$133,000 increase attributable to properties acquired since April 1, 2024, and a \$215,000 increase in non-reimbursable operating costs resulting from the vacant Stoughton Healthcare Facility due to a lease termination in the prior year, partially offset by a \$341,000 decrease attributable to property dispositions since April 1, 2024.
- Listing-related expenses of \$2,924,000 were recorded during the three months ended June 30, 2024, consisting of advisory fees for legal, banking, and other advisory services, related to our listing on the New York Stock Exchange, or the NYSE, on June 13, 2024, or the Listing.
- General and administrative expenses decreased primarily due to a \$408,000 decrease in costs primarily attributable to transfer agent and custodial fees as result of the Listing, and an \$82,000 decrease in other administrative costs primarily due to fewer costs incurred for our annual meeting and proxy statement, partially offset by a \$168,000 increase in personnel costs primarily attributable to annual merit increases, and a \$104,000 increase in stock-based compensation.
- Depreciation and amortization decreased primarily due to a \$2,564,000 decrease in accelerated amortization of in-place lease intangible assets as a result of lease amendments and terminations related to GenesisCare in the prior year, a \$336,000 decrease primarily attributable to fully amortized in-place lease intangible assets and tenant improvements, and a \$141,000 decrease from properties sold since April 1, 2024, partially offset by an \$875,000 increase due to properties acquired since April 1, 2024 and a \$102,000 increase due to assets placed in service since April 1, 2024.
- Impairment losses were recorded in the amount of \$3,261,000 during the three months ended June 30, 2025, attributable to a tenant at a single-tenant property who vacated its leased space during the current year. Impairment losses were recorded in the amount of \$418,000 during the three months ended June 30, 2024, as a result of tenant related triggering events that occurred at certain properties.

Changes in other (expense) income are summarized in the following table (amounts in thousands):

|                                                  | Three Months Ended<br>June 30, |                   | \$ Change         | % Change      |
|--------------------------------------------------|--------------------------------|-------------------|-------------------|---------------|
|                                                  | 2025                           | 2024              |                   |               |
| Interest and other income                        | 265                            | 1,051             | (786)             | (74.8)%       |
| Interest expense                                 | (7,829)                        | (5,193)           | (2,636)           | 50.8 %        |
| Increase in current expected credit loss reserve | (7)                            | —                 | (7)               | n/a           |
| Total other (expense) income                     | <u>\$ (7,571)</u>              | <u>\$ (4,142)</u> | <u>\$ (3,429)</u> | <u>82.8 %</u> |

- Interest and other income decreased primarily due to a decline in dividend income attributable to a lower average investment in money market funds from the deployment of proceeds in the prior year.
- Interest expense increased due to a \$2,493,000 increase primarily resulting from a higher weighted average interest rate on our credit facility, driven by higher average borrowings on our variable rate debt and higher fixed rates on interest rate swaps entered into to replace five interest rate swaps that matured on December 31, 2024, and a \$143,000 increase in amortization of deferred financing costs.
- The current expected credit loss reserve increased by \$7,000 primarily due to fundings on the mezzanine loans during the period.

#### **Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024**

The following table details our total rental revenue for the six months ended June 30, 2025, compared to the comparable period in 2024 (amounts in thousands):

|                                                      | Six Months Ended<br>June 30, |                  | \$ Change       | % Change     |
|------------------------------------------------------|------------------------------|------------------|-----------------|--------------|
|                                                      | 2025                         | 2024             |                 |              |
| Same store rental revenue                            | \$ 81,071                    | \$ 78,160        | \$ 2,911        | 3.7 %        |
| Same store tenant reimbursements                     | 7,862                        | 7,284            | 578             | 7.9 %        |
| Non-same store rental revenue                        | 7,690                        | 8,447            | (757)           | (9.0)%       |
| Non-same store tenant reimbursements                 | 175                          | 299              | (124)           | (41.5)%      |
| Other operating income                               | 2                            | 3                | (1)             | (33.3)%      |
| Total rental revenue                                 | <u>96,800</u>                | <u>94,193</u>    | <u>2,607</u>    | <u>2.8 %</u> |
| Real estate related notes receivable interest income | 188                          | —                | 188             | n/a          |
| Total revenues                                       | <u>\$ 96,988</u>             | <u>\$ 94,193</u> | <u>\$ 2,795</u> | <u>3.0 %</u> |

- Same store rental revenue increased primarily due to a \$3,011,000 increase as a result of new and renewal leasing activity, a \$243,000 increase in annual base rent escalations for leases indexed to CPI, a \$158,000 increase related to less accelerated amortization of above-market lease intangible assets as a result of lease amendments related to GenesisCare in the prior year, a \$99,000 increase in rent recognized on a cash basis as a result of a tenant with payment uncertainty who was paying less rent in the prior period and had annual base rent escalations in the current year being compared, an \$89,000 increase primarily related to the acceleration of previously deferred rent as a result of a tenant at a multi-tenant property who vacated its 2,107 square feet of leased space in the current period, and a \$54,000 increase attributable to the amortization of GenesisCare severance fee income, partially offset by a decrease of \$696,000 as a result of less accelerated amortization of below-market lease intangible liabilities as a result of lease amendments related to GenesisCare in the prior year and \$47,000 of straight-line rent that was written off due to a tenant vacancy.
- Same store tenant reimbursements increased primarily due to higher operating costs in the current year, which are generally passed along to our tenants.
- Non-same store rental revenue decreased primarily due to lease termination income of \$4,098,000 recognized in the prior period, a \$1,630,000 decrease from properties sold since January 1, 2024, a \$1,342,000 decrease related to less accelerated amortization of below-market lease intangibles as a result of lease amendments and terminations related to GenesisCare in the prior year, an \$844,000 decrease resulting from the vacant Stoughton Healthcare Facility due to a lease termination in the prior year, and a \$191,000 decrease related to a property that is under re-development, effective December 13, 2024, partially offset by a \$4,681,000 increase attributable to properties acquired since January 1, 2024, and a \$2,667,000 increase related to less accelerated amortization of above-market lease intangibles as a result of lease amendments and terminations related to GenesisCare in the prior year.

- Non-same store tenant reimbursements decreased primarily due to properties sold since January 1, 2024.
- There were no material changes in other operating income.
- Real estate related notes receivable interest income increased due to the funding of mezzanine loans during the current year.

Changes in our expenses are summarized in the following table (amounts in thousands):

|                                     | Six Months Ended<br>June 30, |           | \$ Change  | % Change |
|-------------------------------------|------------------------------|-----------|------------|----------|
|                                     | 2025                         | 2024      |            |          |
| Same store rental expenses          | \$ 11,011                    | \$ 10,439 | \$ 572     | 5.5 %    |
| Non-same store rental expenses      | 1,306                        | 964       | 342        | 35.5 %   |
| Listing-related expenses            | —                            | 2,980     | (2,980)    | n/a      |
| General and administrative expenses | 10,827                       | 13,521    | (2,694)    | (19.9)%  |
| Depreciation and amortization       | 35,944                       | 39,144    | (3,200)    | (8.2)%   |
| Impairment losses                   | 6,792                        | 418       | 6,374      | 1524.9 % |
| Total operating expenses            | \$ 65,880                    | \$ 67,466 | \$ (1,586) | (2.4)%   |

- Same store rental expenses, most of which are subject to reimbursement by our tenants, increased primarily due to higher operating costs in the current year.
- Non-same store rental expenses, most of which are subject to reimbursement by our tenants, increased primarily due to a \$603,000 increase in non-reimbursable operating costs resulting from the vacant Stoughton Healthcare Facility due to a lease termination in the prior year, and a \$244,000 increase from properties acquired since January 1, 2024, partially offset by a \$505,000 decrease primarily attributable to properties sold since January 1, 2024.
- Listing-related expenses of \$2,980,000 were recorded during the six months ended June 30, 2024, and consisted of advisory fees for legal, banking, and other advisory services, related to the Listing.
- General and administrative expenses decreased primarily due to a \$2,441,000 decrease in personnel costs primarily attributable to separation pay resulting from the departure of our former Chief Accounting Officer and former Chief Investment Officer and performance bonuses, a \$972,000 decrease in costs primarily attributable to transfer agent and custodial fees as a result of the Listing, an \$844,000 decrease in accelerated stock-based compensation as a result of accelerated awards due to severance, and a \$82,000 decrease in legal fees, partially offset by an \$885,000 increase in stock-based compensation and a \$760,000 increase in other administrative costs primarily due to audit fees as a result of the audit of internal controls over financial reporting due to (among other things) the change in our filer status to a large accelerated filer.
- Depreciation and amortization decreased primarily due to a \$4,646,000 decrease in accelerated amortization of in-place lease intangible assets as a result of lease amendments and terminations related to GenesisCare in the prior year, a \$665,000 decrease primarily attributable to fully amortized in-place lease intangible assets and tenant improvements, and a \$290,000 decrease from properties sold since January 1, 2024, partially offset by a \$2,210,000 increase due to properties acquired since January 1, 2024 and a \$191,000 increase due to assets placed in service since January 1, 2024.
- We recorded impairment losses of \$6,792,000 during the six months ended June 30, 2025, of which \$3,261,000 was a result of a tenant at a single-tenant property who vacated its leased space during the current year and \$3,531,000 was a result of the impacts of a lease termination at the Stoughton Healthcare Facility in the prior year, based on inputs that are derived principally from observable market data related to the marketing for sale of the asset. Impairment losses were recorded in the aggregate amount of \$418,000 during the six months month ended June 30, 2024, as a result of tenant related triggering events that occurred at certain properties.

Changes in other (expense) income are summarized in the following table (amounts in thousands):

|                                                  | Six Months Ended<br>June 30, |                   | \$ Change         | % Change       |
|--------------------------------------------------|------------------------------|-------------------|-------------------|----------------|
|                                                  | 2025                         | 2024              |                   |                |
| Gain on dispositions of real estate              | \$ —                         | \$ 76             | \$ (76)           | n/a            |
| Interest and other income                        | 720                          | 3,292             | (2,572)           | (78.1)%        |
| Interest expense                                 | (15,154)                     | (10,487)          | (4,667)           | 44.5 %         |
| Increase in current expected credit loss reserve | (178)                        | —                 | (178)             | n/a            |
| Total other (expense) income                     | <u>\$ (14,612)</u>           | <u>\$ (7,119)</u> | <u>\$ (7,493)</u> | <u>105.3 %</u> |

- During the six months ended June 30, 2025, we did not dispose of any real estate properties. On January 31, 2024, we sold one property for a sale price of \$1,500,000, resulting in a gain on sale of \$76,000.
- Interest and other income decreased primarily due to a decline in dividend income attributable to a lower average investment in money market funds from the deployment of proceeds in the prior year.
- Interest expense increased due to a \$4,318,000 increase primarily resulting from a higher weighted average interest rate on our credit facility, driven by higher average borrowings on our variable rate debt and higher fixed rates on interest rate swaps entered into to replace five interest rate swaps that matured on December 31, 2024, a \$344,000 increase in amortization of deferred financing costs, and a \$5,000 increase in loss on extinguishment of debt in connection with entering into the 2029 Revolving Credit Agreement (as defined below) to replace the 2026 Revolving Credit Agreement (as defined below).
- The current expected credit loss reserve increased by \$178,000 due to the initial recognition of expected credit losses associated with two mezzanine loans we entered into in November 2024.

### Liquidity and Capital Resources

Our principal uses of funds are for acquisitions of real estate and real estate related investments, capital expenditures, operating expenses, distributions to, and share repurchases from, stockholders, and principal and interest payments on current and future indebtedness. Interest rates on variable rate debt increased in recent years and then declined some due to the interest rate cuts by the Federal Reserve in the second half of 2024. Future increases or decreases are difficult to predict during the current uncertain macroeconomic environment, particularly given the recent, frequent, and significant changes in U.S. tariffs. That said, we believe our exposure to increased or fluctuating interest rates is limited at this time due to our hedging strategy, which has effectively fixed 90% of our outstanding debt as of June 30, 2025, and therefore allowed us to reasonably project our liquidity needs. Generally, cash for these items is generated from operations of our current and future investments. Our sources of funds are primarily operating cash flows, our credit facility and other potential borrowings.

When we acquire a property, we prepare a capital plan that contemplates the estimated capital needs of that investment. In addition to operating expenses, capital needs may also include, for example, costs of refurbishment, tenant improvements or other major capital expenditures. The capital plan also sets forth the anticipated sources of the necessary capital, which may include a line of credit, operating cash generated by the investment, additional equity investments from us, and when necessary, capital reserves. The capital plan for each investment will be adjusted through ongoing, regular reviews of our portfolio or, as necessary, to respond to unanticipated additional capital needs.

### Short-term Liquidity and Capital Resources

For at least the next twelve months, we expect our principal demands for funds will be for operating expenses, including our general and administrative expenses, as well as the acquisition of real estate and real estate related investments, including mezzanine loans, and funding of capital improvements and tenant improvements, distributions to, and potential stock repurchases from, stockholders, and interest payments on our credit facility. We expect to meet our short-term liquidity requirements through net cash flows provided by operations and borrowings on our credit facility and potential other borrowings. Additionally, we may issue our common stock within the next twelve months, afterwards, or both to raise funds to meet our liquidity needs.

We believe we will have sufficient liquidity available to meet our obligations in a timely manner, under both normal and stressed conditions, for the next twelve months.

### ***Long-term Liquidity and Capital Resources***

Beyond the next twelve months, we expect our principal demands for funds will be for costs to acquire additional real estate properties, interest and principal payments on our credit facility, long-term capital investment demands for our real estate properties and distributions necessary to maintain our REIT status.

We currently expect to meet our long-term liquidity requirements through proceeds from cash flows from operations and borrowings on our credit facility, potential other borrowings and potential equity offerings.

We expect to pay distributions to our stockholders from cash flows from operations; however, we have used, and may continue to use, other sources to fund distributions, as necessary. To the extent cash flows from operations are lower due to lower-than-expected returns on the properties held or the disposition of properties, distributions paid to stockholders may be lower. We currently expect that substantially all net cash flows from our operations will be used to fund acquisitions, certain capital expenditures identified at acquisition, ongoing capital expenditures, interest and principal payments on outstanding debt and distributions to our stockholders.

### ***Material Cash Requirements***

As of June 30, 2025, we had \$24,832,000 in cash and cash equivalents. In addition to the cash we need to conduct our normal business operations, we expect to require \$39,490,000 in cash over the next twelve months, of which \$27,367,000 is related to estimated interest payments on our outstanding debt (calculated based on our effective interest rates as of June 30, 2025), \$9,314,000 is related to unfunded loan commitment amounts on our mezzanine loans, and \$2,809,000 is related to our various obligations as lessee. We cannot provide assurances, however, that actual expenditures will not exceed these estimates. In addition, we may provide capital expenditure or tenant improvement allowances in new or renewal leases for the purpose of refurbishing or renovating tenant space. We may also assume tenant improvement obligations included in leases acquired in our real estate acquisitions. Many of these allowances are subject to contingencies that make it difficult to predict when they will be utilized, if at all.

As of June 30, 2025, we had material obligations beyond twelve months in the amount of \$729,925,000, inclusive of \$616,588,000 related to principal and estimated interest payments on our outstanding debt (calculated based on our effective interest rates as of June 30, 2025) and \$113,337,000 related to our various obligations as lessee.

One of our principal liquidity needs is the payment of principal and interest on outstanding indebtedness. As of June 30, 2025, we had \$581,000,000 of principal outstanding under our Unsecured Credit Facility (as defined below). We are required by the terms of certain loan documents relating to the Unsecured Credit Facility to meet certain covenants, such as financial ratios and reporting requirements. As of June 30, 2025, we were in compliance with all such covenants and requirements on our Unsecured Credit Facility.

As of June 30, 2025, the aggregate notional amount under our derivative instruments was \$525,000,000. We have agreements with each derivative counterparty that contain cross-default provisions; if we default on our indebtedness, then we could also be declared in default on our derivative obligations, resulting in an acceleration of payment of any net amounts due under our derivative contracts. As of June 30, 2025, we were in compliance with all such cross-default provisions.

### ***Debt Service Requirements***

#### ***Credit Facility***

As of June 30, 2025, the maximum commitments available under our senior unsecured revolving line of credit with Bank of America, N.A., as Administrative Agent for the lenders, or the 2029 Revolving Credit Agreement, were \$600,000,000, which may be increased, subject to lender approval, through incremental term loans and/or revolving loan commitments in an aggregate amount not to exceed \$1,500,000,000. The maturity date for the 2029 Revolving Credit Agreement is February 16, 2029, which, at our election, may be extended for a period of six-months on no more than two occasions, subject to certain conditions, including the payment of an extension fee. The 2029 Revolving Credit Agreement was entered into on February 18, 2025, to replace our prior Revolving Credit Agreement with Truist Bank, as Administrative Agent for the Lenders, that had a maturity date of February 15, 2026, or the 2026 Revolving Credit Agreement. Upon closing of the 2029 Revolving Credit Agreement, we extinguished all commitments associated with the 2026 Revolving Credit Agreement. As of June 30, 2025, the 2029 Revolving Credit Agreement had an aggregate outstanding principal balance of \$56,000,000.

As of June 30, 2025, the maximum commitments available under our senior unsecured amended and restated term loan agreement with Truist Bank, as Administrative Agent, or the 2027 Term Loan Agreement, were \$250,000,000, which may be increased, subject to lender approval, to an aggregate amount not to exceed \$500,000,000. The 2027 Term Loan Agreement has a maturity date of March 20, 2027, and, at our election, may be extended for a period of one year on no more than two occasions, subject to the satisfaction of certain conditions, including the payment of an extension fee. As of June 30, 2025, the 2027 Term Loan Agreement had an aggregate outstanding principal balance of \$250,000,000.

As of June 30, 2025, the maximum commitments available under our senior unsecured term loan with Truist Bank, as Administrative Agent for the lenders, or the 2028 Term Loan Agreement, were \$275,000,000, which may be increased, subject to lender approval, to an aggregate amount not to exceed \$500,000,000 and has a maturity date of January 31, 2028. The 2028 Term Loan Agreement is pari passu with our 2029 Revolving Credit Agreement and 2027 Term Loan Agreement. As of June 30, 2025, the 2028 Term Loan Agreement had an aggregate outstanding principal balance of \$275,000,000.

We refer to the 2029 Revolving Credit Agreement, the 2027 Term Loan Agreement and the 2028 Term Loan Agreement, collectively, as the “Unsecured Credit Facility,” which has aggregate commitments available of \$1,125,000,000, as of June 30, 2025. Generally, the proceeds of loans made under our Unsecured Credit Facility may be used for acquisition of real estate investments, funding of tenant improvements and leasing commissions with respect to real estate, repayment of indebtedness, funding of capital expenditures with respect to real estate, and general corporate and working capital purposes.

As of June 30, 2025, we had a total pool availability under our Unsecured Credit Facility of \$1,125,000,000 and an aggregate outstanding principal balance of \$581,000,000; therefore, \$544,000,000 was available to be drawn under our Unsecured Credit Facility.

## Cash Flows

### Six Months Ended June 30, 2025 Compared to Six Months Ended June 30, 2024

| (in thousands)                            | Six Months Ended<br>June 30, |              |    | Change   |
|-------------------------------------------|------------------------------|--------------|----|----------|
|                                           | 2025                         | 2024         |    |          |
| Net cash provided by operating activities | \$ 56,054                    | \$ 68,212    | \$ | (12,158) |
| Net cash used in investing activities     | \$ (68,101)                  | \$ (135,355) | \$ | 67,254   |
| Net cash used in financing activities     | \$ (2,965)                   | \$ (47,905)  | \$ | 44,940   |

### Operating Activities

- Net cash provided by operating activities decreased primarily due to a decrease in cash due to property dispositions, vacancies, lease terminations, lease termination income, dividend income from money market funds, and an increase in interest paid on our Unsecured Credit Facility, partially offset by an increase in cash collected for rent resulting from property acquisitions and annual rent increases.

### Investing Activities

Significant investing activities included:

- Investment of \$59,456,000 to purchase two properties during the six months ended June 30, 2025, compared to an investment of \$135,681,000 to purchase seven properties during the six months ended June 30, 2024.
- There were no property dispositions during the six months ended June 30, 2025. Received net proceeds of \$1,439,000 from the sale of a property during the six months ended June 30, 2024.
- Funded capital expenditures, primarily for tenant improvements, of \$1,117,000 during the six months ended June 30, 2025, compared to \$863,000 funded during the six months ended June 30, 2024.
- Funded real estate related notes receivable of \$8,229,000 during the six months ended June 30, 2025.
- Received origination fees on real estate related notes receivable of \$351,000 during the six months ended June 30, 2025.

### Financing Activities

Significant financing activities included:

- Payment of \$44,675,000 in cash distributions to common stockholders, including cash distributions on vested performance-based deferred stock unit awards, during the six months ended June 30, 2025, compared to \$36,785,000 during the six months ended June 30, 2024.
- Repurchase of \$8,507,000 of common stock for the Share Repurchase Program and the net settlement of withholding taxes in connection with the vesting of restricted stock and issuance of performance-based deferred stock unit awards during the six months ended June 30, 2025, compared to \$8,482,000 of common stock repurchased pursuant to our terminated amended and restated share repurchase program and for the net settlement of withholding taxes in connection with the vesting of restricted stock and issuance of performance-based deferred stock unit awards during the six months ended June 30, 2024.

- Payment of \$5,783,000 in deferred financing costs primarily as a result of entering into the 2029 Revolving Credit Agreement during the six months ended June 30, 2025, compared to \$2,577,000 as a result of entering into the 2027 Term Loan Agreement during the six months ended June 30, 2024.
- The following Unsecured Credit Facility related activity during the six months ended June 30, 2025:
  - Drew \$61,000,000 on the 2029 Revolving Credit Agreement to fund acquisitions and mezzanine loan fundings.
  - Repayment of \$5,000,000 on the 2029 Revolving Credit Agreement with cash provided by operations.
- The following Unsecured Credit Facility related activity during the six months ended June 30, 2024:
  - Replacement of \$250,000,000 on our prior term loan with borrowings from the 2027 Term Loan Agreement.

### ***Distributions to Stockholders***

We have paid, and may in the future pay, distributions from sources other than from our cash flows from operations. For the six months ended June 30, 2025, our cash flows provided by operations of approximately \$56,054,000 covered 100% of our ordinary distributions paid (total ordinary distributions were approximately \$44,675,000, of which all were cash) during such period. For the six months ended June 30, 2024, our cash flows provided by operations of approximately \$68,212,000 covered 100% of our ordinary distributions paid (total ordinary distributions were approximately \$46,764,000, of which \$36,785,000 was cash and \$9,979,000 was reinvested in shares of our common stock pursuant to the distribution reinvestment plan, or DRIP) during such period.

The amount of distributions payable to our stockholders is determined by the Board and is dependent on a number of factors, including our funds available for distribution, financial condition, lenders' restrictions and limitations, capital expenditure requirements, corporate law restrictions and the annual distribution requirements needed to maintain our status as a REIT under the Internal Revenue Code of 1986, as amended. The Board must authorize each distribution and may, in the future, authorize lower amounts of distributions or not authorize additional distributions and, therefore, distribution payments are not guaranteed. Additionally, our organizational documents permit us to pay distributions from unlimited amounts of any source, and we may use sources other than operating cash flows to fund distributions, which may reduce the amount of capital we ultimately invest in properties or other permitted investments. We have funded distributions with operating cash flows from our properties and previously through funds reinvested in the DRIP. To the extent that we do not have taxable income, distributions paid will be considered a return of capital to stockholders.

We terminated the DRIP on May 1, 2024.

### **Non-GAAP Financial Measures**

In the real estate industry, analysts and investors employ certain non-GAAP supplemental financial measures in order to facilitate meaningful comparisons between periods and among peer companies. We believe that these measures are useful to investors to consider because they may assist them to better understand and measure the performance of our business over time and against similar companies. We use the following non-GAAP financial measures: Funds From Operations, or FFO, Core Funds From Operations, or Core FFO, and Adjusted Funds From Operations, or AFFO.

#### ***Net Income and FFO, Core FFO and AFFO***

A description of FFO, Core FFO, and AFFO and reconciliations of these non-GAAP measures to net income, the most directly comparable GAAP measure, are provided below.

The National Association of Real Estate Investment Trusts, or Nareit, an industry trade group, has promulgated the FFO measure, which we believe is an appropriate additional measure to reflect the operating performance of a REIT. The use of FFO is recommended by the REIT industry as a supplemental performance measure. FFO is not equivalent to our net income as determined under GAAP.

We define FFO, consistent with Nareit's definition, as net income (calculated in accordance with GAAP), excluding gains and losses from sales of real estate assets, impairment of 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, and depreciation and amortization of real estate assets. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect FFO on the same basis. We do not have any investments in unconsolidated partnerships or joint ventures.

We, along with many of our peers in the real estate industry, consider FFO to be an appropriate supplemental measure of a REIT's operating performance because it is based on a net income analysis of real estate portfolio performance that excludes non-cash items such as real estate depreciation and amortization and real estate impairments. We believe FFO provides

investors a useful understanding of our performance to the investors and to our management, and when compared to year over year, FFO reflects the impact on our operations from trends in occupancy.

We calculate Core FFO by adjusting FFO to remove the effect of certain GAAP non-cash income and expense items, unusual and infrequent items that are not expected to impact our operating performance on an ongoing basis, items that affect comparability to prior periods and/or items that are not related to our core real estate operations. We consider it to be a useful supplemental financial performance measure because it provides investors with additional information to understand our sustainable performance. Excluded items include listing-related expenses, severance, write-off of straight-line rent receivables related to prior periods, accelerated stock-based compensation, amortization of above- and below-market lease intangibles (including ground leases), loss on extinguishment of debt and changes in the current expected credit loss reserve.

We calculate AFFO by further adjusting Core FFO for the following items: deferred rent, current period straight-line rent adjustments, amortization of deferred financing costs, amortization of fees on our real estate related notes receivable, and stock-based compensation. We believe AFFO is a supplemental performance measure that provides investors appropriate supplemental information to evaluate our ongoing operations. AFFO is a metric used by management to evaluate our dividend policy.

Presentation of this information is intended to assist management and investors in comparing the operating performance of different REITs, although it should be noted that not all REITs calculate FFO, Core FFO and AFFO the same way, so comparisons with other REITs may not be meaningful. Furthermore, FFO, Core FFO and AFFO are not necessarily indicative of cash flows available to fund cash needs and should not be considered as an alternative to net income as an indication of our performance or as an indication of our liquidity, including our ability to make distributions to our stockholders. FFO, Core FFO and AFFO may be useful in assisting management and investors in assessing the sustainability of operating performance in future operating periods. All of our non-GAAP financial measures should be reviewed in conjunction with other measurements as an indication of our performance. The method used to evaluate the value and performance of real estate under GAAP should be considered a more relevant measure of operating performance and more prominent than the non-GAAP financial measures presented here.

### Reconciliation of Net Income to FFO, Core FFO and AFFO

The following table presents a reconciliation of net income attributable to common stockholders, which is the most directly comparable GAAP financial measure, to FFO, Core FFO and AFFO for the three and six months ended June 30, 2025 and 2024 (amounts in thousands):

|                                                                                      | Three Months Ended<br>June 30, |           | Six Months Ended<br>June 30, |           |
|--------------------------------------------------------------------------------------|--------------------------------|-----------|------------------------------|-----------|
|                                                                                      | 2025                           | 2024      | 2025                         | 2024      |
| Net income attributable to common stockholders <sup>(1)</sup>                        | \$ 8,598                       | \$ 4,628  | \$ 16,496                    | \$ 19,608 |
| Adjustments:                                                                         |                                |           |                              |           |
| Depreciation and amortization of real estate assets                                  | 18,155                         | 20,222    | 35,892                       | 39,097    |
| Gain on dispositions of real estate                                                  | —                              | —         | —                            | (76)      |
| Impairment losses                                                                    | 3,261                          | 418       | 6,792                        | 418       |
| FFO <sup>(1)</sup>                                                                   | \$ 30,014                      | \$ 25,268 | \$ 59,180                    | \$ 59,047 |
| Adjustments:                                                                         |                                |           |                              |           |
| Listing-related expenses                                                             | —                              | 2,924     | —                            | 2,980     |
| Severance                                                                            | 11                             | —         | 22                           | 1,863     |
| Write-off of straight-line rent receivables related to prior periods                 | 33                             | —         | 36                           | —         |
| Accelerated stock-based compensation                                                 | 19                             | —         | 19                           | 863       |
| Amortization of above (below) market lease intangibles, including ground leases, net | 22                             | 1,877     | 45                           | 1,248     |
| Loss on extinguishment of debt                                                       | —                              | —         | 233                          | 228       |
| Increase in current expected credit loss reserve                                     | 7                              | —         | 178                          | —         |
| Core FFO <sup>(1)</sup>                                                              | \$ 30,106                      | \$ 30,069 | \$ 59,713                    | \$ 66,229 |
| Adjustments:                                                                         |                                |           |                              |           |
| Deferred rent <sup>(2)</sup>                                                         | 322                            | 333       | 641                          | 2,721     |
| Straight-line rent adjustments                                                       | (2,377)                        | (1,297)   | (4,768)                      | (2,473)   |
| Amortization of deferred financing costs                                             | 721                            | 577       | 1,373                        | 1,029     |
| Amortization of fees on real estate related notes receivable                         | (24)                           | —         | (24)                         | —         |
| Stock-based compensation                                                             | 1,249                          | 1,163     | 2,510                        | 1,624     |
| AFFO <sup>(1)</sup>                                                                  | \$ 29,997                      | \$ 30,845 | \$ 59,445                    | \$ 69,130 |

(1) The six months ended June 30, 2024 include \$4,098,000 of lease termination fee income received.

(2) The six months ended June 30, 2024 include a \$2,000,000 severance fee received from GenesisCare, which will be recognized in rental revenues over the remaining GenesisCare amended master lease term.

### Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Market risk includes risks that arise from changes in interest rates, foreign currency exchange rates, commodity prices, equity prices and other market changes that affect market sensitive instruments. In pursuing our business plan, the primary market risk to which we are exposed is interest rate risk.

We have obtained variable rate debt financing and we are exposed to such changes in SOFR. Loans under the Unsecured Credit Facility may be made as Base Rate Loans or SOFR Loans, at our election, and all of our interest rate swap agreements are indexed to SOFR. Our objectives in managing interest rate risk are to limit the impact of interest rate fluctuations on operations and cash flows, and to lower overall borrowing costs. To achieve these objectives, we will borrow primarily at interest rates with the lowest margins available and, in some cases, with the ability to convert variable interest rates to fixed rates.

As of June 30, 2025, of our total principal debt outstanding of \$581,000,000, \$525,000,000 was fixed through 10 interest rate swap agreements, of which six mature on January 31, 2028 and four mature on March 20, 2029. As of December 31, 2024, our total principal debt outstanding of \$525,000,000 was fixed through 10 interest rate swap agreements. As of June 30, 2025, the interest rate swap agreements had an aggregate notional amount of \$525,000,000 and an aggregate settlement asset value of \$461,000. The settlement value of these interest rate swap agreements is dependent upon existing market interest rates and swap

spreads. As of June 30, 2025, an increase of 50 basis points in the market rates of interest would have resulted in an increase to the settlement value of these interest rate swaps to an asset value of \$7,841,000. As of June 30, 2025, a decrease of 50 basis points in the market rates of interest would have resulted in a decrease to the settlement value of these interest rate swaps to a liability value of \$7,077,000. These interest rate swap agreements were designated as cash flow hedging instruments. See Note 10—"Credit Facility" and Note 13—"Derivative Instruments and Hedging Activities" in the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for more information about the impacts of our interest rate swaps on our outstanding debt and for more information about our interest rate swaps.

As of June 30, 2025, the weighted average interest rate on our total principal debt outstanding was 4.71%, including the impact of our interest rate swap agreements. We have entered, and may continue to enter, into additional derivative financial instruments, such as interest rate swaps, in order to mitigate our interest rate risk on a given variable rate financial instrument. To the extent we do, we are exposed to credit risk and market risk. Credit risk is the failure of the counterparty to perform under the terms of the derivative contract. When the fair value of a derivative contract is positive, the counterparty owes us, which creates credit risk for us. When the fair value of a derivative contract is negative, we owe the counterparty and, therefore, it does not possess credit risk. Market risk is the adverse effect on the value of a financial instrument that results from a change in interest rates. We manage the market risk associated with interest rate contracts by establishing and monitoring parameters that limit the types and degree of market risk that may be undertaken. We have not entered, and do not intend to enter, into derivative or interest rate swap transactions for speculative purposes. We may also enter into rate-lock arrangements to lock interest rates on future borrowings.

As of June 30, 2025, of the \$581,000,000 total principal debt outstanding, \$56,000,000 was subject to variable interest rates, indexed to daily SOFR, with an average interest rate of 5.55% per annum. As of June 30, 2025, an increase of 50 basis points in the market rates of interest would have resulted in an increase in interest expense of approximately \$280,000 per year.

In addition to changes in interest rates, the value of our future investments will be subject to fluctuations based on changes in local and regional economic conditions and changes in the creditworthiness of tenants, which may affect our ability to refinance our debt, if necessary.

We do not have any foreign operations, and thus we are not exposed to foreign currency fluctuation risks.

#### **Item 4. Controls and Procedures.**

(a) *Evaluation of disclosure controls and procedures.* We maintain disclosure controls and procedures that are designed to ensure that information required to be disclosed in our reports pursuant to the Securities Exchange Act of 1934, as amended, or the Exchange Act, is recorded, processed, summarized and reported within the time periods specified in the rules and forms, and that such information is accumulated and communicated to us, including our Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure. In designing and evaluating the disclosure controls and procedures, we recognize that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives, as ours are designed to do, and we necessarily were required to apply our judgment in evaluating whether the benefits of the controls and procedures that we adopt outweigh their costs.

As required by Rules 13a-15(b) and 15d-15(b) of the Exchange Act, we conducted an evaluation as of June 30, 2025, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, of the effectiveness of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based on this evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures, as of June 30, 2025, were effective at a reasonable assurance level.

(b) *Changes in internal control over financial reporting.* There have been no changes in our internal controls over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that occurred during the three months ended June 30, 2025, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

## PART II. OTHER INFORMATION

### Item 1. Legal Proceedings.

We are not aware of any material pending legal proceedings to which we are a party or to which our properties are the subject.

### Item 1A. Risk Factors

There have been no material changes from the risk factors set forth in our Annual Report on Form 10-K for the year ended December 31, 2024, as filed with the SEC on March 3, 2025.

### Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

#### 2(a): Unregistered Sales of Equity Securities and Use of Proceeds

None.

#### 2(b): Use of Proceeds from Registered Securities

None.

#### 2(c): Purchases of Equity Securities

During the three months ended June 30, 2025, we repurchased shares of our common stock as follows:

| Period                         | Total Number of<br>Shares Purchased | Average<br>Price Paid per<br>Share | Total Number<br>of Shares Purchased<br>as Part of Publicly<br>Announced Plans<br>or Programs <sup>(1)</sup> | Maximum Number (or<br>Approximate Dollar Value)<br>of Shares that May Yet<br>be Purchased Under the<br>Plans or Programs <sup>(1)</sup> |
|--------------------------------|-------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------|
| April 1, 2025 - April 30, 2025 | —                                   | \$ —                               | —                                                                                                           | \$ 25,000,000                                                                                                                           |
| May 1, 2025 - May 31, 2025     | 484 <sup>(2)</sup>                  | \$ 24.92                           | —                                                                                                           | \$ 25,000,000                                                                                                                           |
| June 1, 2025 - June 30, 2025   | 304,878                             | \$ 24.09                           | 304,878                                                                                                     | \$ 17,656,000                                                                                                                           |
| Total                          | 305,362                             | \$ 24.09                           | 304,878                                                                                                     |                                                                                                                                         |

- (1) As announced on August 19, 2024, on August 16, 2024, the Board authorized the Share Repurchase Program of up to the lesser of 1,500,000 shares of our outstanding common stock, or \$25,000,000 in gross purchase proceeds, for a period of 12 months from August 16, 2024. During the three months ended June 30, 2025, we repurchased 304,878 shares of Common Stock for an aggregate purchase price of \$7,344,000, excluding all related costs and fees. Therefore, as of June 30, 2025, up to the lesser of 1,195,122 shares of our outstanding common stock, or \$17,656,000 of our common stock remained available for repurchase under the Share Repurchase Program. On August 4, 2025, the Board authorized a new share repurchase program of up to \$75,000,000 in gross purchase proceeds for a period of three-years from August 4, 2025, subject to the limitation of \$25,000,000 in gross purchase proceeds in any twelve-month period. The three-year share repurchase program replaces the prior one-year share repurchase program authorized on August 16, 2024.
- (2) Consists of shares of common stock repurchased for the net settlement of withholding taxes in connection with the vesting of restricted stock and performance-based deferred stock unit awards.

### Item 3. Defaults Upon Senior Securities.

None.

### Item 4. Mine Safety Disclosures.

Not applicable.

### Item 5. Other Information.

*Insider trading arrangements and policies.* During the three months ended June 30, 2025, none of the Company's officers or directors adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that

was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any “non-Rule 10b5-1 trading arrangement,” as defined in Item 408 of Regulation S-K.

**Item 6. Exhibits.**

| <b>Exhibit<br/>No:</b> |                                                                                                                                                                                                                                                                                                                                                                                                                    |
|------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 3.1                    | <a href="#"><u>Third Articles of Amendment and Restatement (included as Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 000-55435) filed on August 15, 2022, and incorporated herein by reference).</u></a>                                                                                                                                                                                   |
| 3.1.1                  | <a href="#"><u>Articles of Amendment effecting Reverse Stock Split (included as Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 000-55435) filed on April 8, 2024, and incorporated herein by reference).</u></a>                                                                                                                                                                             |
| 3.1.2                  | <a href="#"><u>Articles of Amendment adjusting Par Value (included as Exhibit 3.2 to the Registrant's Current Report on Form 8-K (File No. 000-55435) filed on April 8, 2024, and incorporated herein by reference).</u></a>                                                                                                                                                                                       |
| 3.1.3                  | <a href="#"><u>Articles Supplementary reclassifying unissued stock (included as exhibit 3.1.3 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-42129) filed on August 7, 2024, and incorporated herein by reference).</u></a>                                                                                                                                                                       |
| 3.1.4                  | <a href="#"><u>Articles of Amendment renaming Class A Stock to Common Stock (included as exhibit 3.1.4 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-42129) filed on August 7, 2024, and incorporated herein by reference).</u></a>                                                                                                                                                              |
| 3.2                    | <a href="#"><u>Sila Realty Trust, Inc. Amended and Restated Bylaws, as amended November 18, 2024 (included as Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-42129) filed on November 19, 2024, and incorporated here by reference).</u></a>                                                                                                                                             |
| 10.1                   | <a href="#"><u>Amended and Restated Restricted Share Plan, dated April 2, 2025 (included as Exhibit 10.1 to the Registrants Current Report on Form 8-K (File No. 001-42129) filed on May 21, 2025, and incorporated here by reference).</u></a>                                                                                                                                                                    |
| 10.2*                  | <a href="#"><u>Form of Director and Officer Indemnification Agreement.</u></a>                                                                                                                                                                                                                                                                                                                                     |
| 31.1*                  | <a href="#"><u>Certification of Chief Executive Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>                                                                                                                                                                                                                                                                                        |
| 31.2*                  | <a href="#"><u>Certification of Chief Financial Officer, pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.</u></a>                                                                                                                                                                                                                                                                                        |
| 32.1**                 | <a href="#"><u>Certification of Chief Executive Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>                                                                                                                                                                                                                          |
| 32.2**                 | <a href="#"><u>Certification of Chief Financial Officer of the Company, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.</u></a>                                                                                                                                                                                                                          |
| 101.INS*               | XBRL Instance Document.                                                                                                                                                                                                                                                                                                                                                                                            |
| 101.SCH*               | Inline XBRL Taxonomy Extension Schema Document.                                                                                                                                                                                                                                                                                                                                                                    |
| 101.CAL*               | Inline XBRL Taxonomy Extension Calculation Linkbase Document.                                                                                                                                                                                                                                                                                                                                                      |
| 101.DEF*               | Inline XBRL Taxonomy Extension Definition Linkbase Document.                                                                                                                                                                                                                                                                                                                                                       |
| 101.LAB*               | Inline XBRL Taxonomy Extension Label Linkbase Document.                                                                                                                                                                                                                                                                                                                                                            |
| 101.PRE*               | Inline XBRL Taxonomy Extension Presentation Linkbase Document.                                                                                                                                                                                                                                                                                                                                                     |
| 104*                   | Cover Page Interactive Data File (embedded within the Inline XBRL document and contained in Exhibit 101).                                                                                                                                                                                                                                                                                                          |
| *                      | Filed herewith.                                                                                                                                                                                                                                                                                                                                                                                                    |
| **                     | Furnished herewith in accordance with Item 601(b)(32) of Regulation S-K, this Exhibit is not deemed “filed” for purposes of Section 18 of the Exchange Act or otherwise subject to the liabilities of that section. Such certifications will not be deemed incorporated by reference into any filing under the Securities Act, except to the extent that the registrant specifically incorporates it by reference. |

## SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) 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.

**SILA REALTY TRUST, INC.**  
(Registrant)

Date: August 7, 2025

By:

/s/ MICHAEL A. SETON

\_\_\_\_\_  
**Michael A. Seton**  
**Chief Executive Officer**  
**(Principal Executive Officer)**

Date: August 7, 2025

By:

/s/ KAY C. NEELY

\_\_\_\_\_  
**Kay C. Neely**  
**Chief Financial Officer**  
**(Principal Financial Officer and Principal Accounting Officer)**

**INDEMNIFICATION AGREEMENT**

THIS INDEMNIFICATION AGREEMENT ("Agreement") is made and entered into as of the [●] day of [●], 20[●], by and between Sila Realty Trust, Inc., a Maryland corporation (the "Company"), and [●] ("Indemnitee").

WHEREAS, at the request of the Company, Indemnitee currently serves as an officer of the Company and may, therefore, be subjected to claims, suits or proceedings arising as a result of such service either now or in the future; and

WHEREAS, as an inducement to Indemnitee to serve or continue to serve in such capacity, the Company has agreed to indemnify Indemnitee and to advance expenses and costs incurred by Indemnitee in connection with any such claims, suits or proceedings, to the maximum extent permitted by law; and

WHEREAS, the parties to this Agreement desire to set forth their agreement regarding indemnification and advancement of expenses.

NOW, THEREFORE, in consideration of the premises and the covenants contained herein, the Company and Indemnitee do hereby covenant and agree as follows:

Section 1. Definitions. For purposes of this Agreement:

(a) "Applicable Legal Rate" means a fixed rate of interest equal to the applicable federal rate for mid-term debt instruments as of the day that it is determined that Indemnitee must repay any advanced expenses.

(b) "Change in Control" means a change in control of the Company occurring after the Effective Date of a nature that would be required to be reported in response to Item 6(e) of Schedule 14A of Regulation 14A (or in response to any similar item on any similar schedule or form) promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), whether or not the Company is then subject to such reporting requirement; provided, however, that, without limitation, such a Change in Control also shall be deemed to have occurred if, after the Effective Date: (i) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) is or becomes the "beneficial owner" (as defined in Rule 13d-3 under the Exchange Act), directly or indirectly, of securities of the Company representing 15% or more of the combined voting power of all of the Company's then-outstanding securities entitled to vote generally in the election of directors without the prior approval of at least two-thirds of the members of the Company's board of directors (the "Board of Directors") in office immediately prior to such person's attaining such percentage interest; (ii) the Company is a party to a merger, consolidation, sale of assets, plan of liquidation, reorganization or other similar transaction or event that is not approved by at least two-thirds of the members of the Continuity Directors (as defined below) and, as a consequence of such transaction or event, the Continuity Directors will constitute less than a majority of the Board of Directors thereafter; or (iii) at any time, a majority of the members of the Board of Directors are not individuals: (A) who were directors as of the Effective Date (the "Current Directors") or (B) whose election by the Board of Directors or nomination for election by the Company's stockholders was approved by the affirmative vote of at least two-thirds of the Current Directors (the "Approved Directors") or whose election or nomination for election was previously so approved by the Current Directors and the Approved Directors under this clause (B) (the Current Directors and the Approved Directors are referred collectively to as the "Continuity Directors").

(c) "Corporate Status" means the status of a person as: (a) a present or former director, officer, employee or agent of the Company or (b) as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company ("Requested Position"). As a clarification and without limiting the circumstances in which Indemnitee may be serving in a Requested

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Position, service by Indemnitee shall be deemed to be at the request of the Company: (i) if Indemnitee serves or served as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any corporation, partnership, limited liability company, joint venture, trust or other enterprise (1) of which a majority of the voting power or equity interest is or was owned directly or indirectly by the Company or (2) the management of which is controlled directly or indirectly by the Company; and (ii) if, as a result of Indemnitee's service to the Company or any of its affiliated entities, Indemnitee is subject to duties by, or required to perform services for, an employee benefit plan or its participants or beneficiaries, including as a deemed fiduciary thereof.

(d) "Disinterested Director" means a director of the Company who is not and was not a party to the Proceeding in respect of which indemnification and/or advance of Expenses is sought by Indemnitee.

(e) "Effective Date" means the date set forth in the first paragraph of this Agreement.

(f) "Expenses" shall be broadly construed and shall include, without limitation, all direct and indirect costs actually and reasonably incurred, paid or accrued, any and all reasonable and out-of-pocket attorneys' fees and costs, retainers, court costs, arbitration and mediation costs, transcript costs, fees of experts, witness fees, travel expenses, duplicating costs, printing and binding costs, telephone charges, postage, delivery service fees, federal, state, local or foreign taxes imposed on Indemnitee as a result of the actual or deemed receipt of any payments under this Agreement, ERISA excise taxes and penalties and any other disbursements or expenses incurred in connection with prosecuting, defending, preparing to prosecute or defend, investigating, being or preparing to be a witness in or otherwise participating in a Proceeding. Expenses shall also include Expenses incurred in connection with any appeal resulting from any Proceeding including, without limitation, the premium for, security for and other costs relating to any cost bond, supersedeas bond or other appeal bond or its equivalent.

(g) "Independent Counsel" means a law firm, or a member of a law firm, that is experienced in matters of corporation law and neither is, nor in the past five years has been, retained to represent: (i) the Company or any of its subsidiaries or affiliates, or Indemnitee in any matter material to either such party (other than with respect to matters concerning Indemnitee under this Agreement or of other indemnitees under similar indemnification agreements), or (ii) any other party to or participant or witness in the Proceeding giving rise to a claim for indemnification or advance of Expenses hereunder. Notwithstanding the foregoing, the term "Independent Counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(h) "Proceeding" means any actual, threatened, pending or completed action, claim, hearing (including administrative hearings), suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, or any other actual, threatened or completed proceeding, whether brought by or in the right of the Company or otherwise and whether of a civil (including intentional or unintentional tort claims), criminal, administrative, legislative, or investigative (formal or informal) nature, including any appeal therefrom, except one pending or completed on or before the Effective Date, unless otherwise specifically agreed in writing by the Company and Indemnitee. If Indemnitee reasonably believes that a given situation may lead to or culminate in the institution of a Proceeding, such situation shall also be considered a Proceeding.

Section 2. Services by Indemnitee. Indemnitee agrees to serve or continue to serve as a director or officer of the Company or in a Requested Position. However, this Agreement shall not impose any independent obligation on Indemnitee or the Company to continue Indemnitee's service to the Company. This Agreement shall not be deemed an employment contract between the Company (or any other entity) and Indemnitee.

Section 3. General. The Company shall indemnify, and advance Expenses to, Indemnitee (a) as provided in this Agreement and (b) as otherwise to the maximum extent permitted by Maryland law in effect on the Effective Date and as amended from time to time; provided, however, that no change in

Maryland law shall have the effect of reducing the benefits available to Indemnatee hereunder based on Maryland law as in effect on the Effective Date. The rights of Indemnatee provided in this Section 3 shall include, without limitation, the rights set forth in the other sections of this Agreement, including any additional indemnification permitted by the Maryland General Corporation Law (the "MGCL"), including, without limitation, Section 2-418 of the MGCL.

Section 4. Standard for Indemnification. If, by reason of Indemnatee's Corporate Status, Indemnatee is, or is threatened to be, made a party to any Proceeding, the Company shall indemnify Indemnatee against all judgments, penalties, fines and amounts paid in settlement and all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection with any such Proceeding unless it is established by clear and convincing evidence that (a) the act or omission of Indemnatee was material to the matter giving rise to the Proceeding and (i) was committed in bad faith or (ii) was the result of active and deliberate dishonesty, (b) Indemnatee actually received an improper personal benefit in money, property or services or (c) in the case of any criminal Proceeding, Indemnatee had reasonable cause to believe that his or her conduct was unlawful.

Section 5. Certain Limits on Indemnification. Notwithstanding any other provision of this Agreement (other than Section 6), Indemnatee shall not be entitled hereunder to:

(a) indemnification if the Proceeding was one by or in the right of the Company and Indemnatee is adjudged, in a final adjudication of the Proceeding not subject to further appeal, to be liable to the Company;

(b) indemnification if Indemnatee is adjudged, in a final adjudication of the Proceeding not subject to further appeal, to be liable on the basis that personal benefit was improperly received in any Proceeding charging improper personal benefit to Indemnatee, whether or not involving action in Indemnatee's Corporate Status; or

(c) indemnification or advancement of Expenses if the Proceeding was brought by Indemnatee against the Company, unless: (i) the Proceeding was brought to enforce indemnification under this Agreement, and then only to the extent in accordance with and as authorized by Section 12 of this Agreement; or (ii) the Company's charter or Bylaws, a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors or an agreement approved by the Board of Directors to which the Company is a party expressly provide otherwise.

Section 6. Court-Ordered Indemnification. Notwithstanding any other provision of this Agreement, a court of appropriate jurisdiction, upon application of Indemnatee and such notice as the court shall require, may order indemnification of Indemnatee by the Company in the following circumstances:

(a) if such court determines that Indemnatee is entitled to reimbursement under Section 2-418(d)(1) of the MGCL, the court shall order indemnification, in which case Indemnatee shall be entitled to recover the Expenses of securing such reimbursement; or

(b) if such court determines that Indemnatee is fairly and reasonably entitled to indemnification in view of all the relevant circumstances, whether or not Indemnatee (i) has met the standards of conduct set forth in Section 2-418(b) of the MGCL or (ii) has been adjudged liable for receipt of an improper personal benefit under Section 2-418(c) of the MGCL, the court may order such indemnification as the court shall deem proper without regard to any limitation on such court-ordered indemnification contemplated by Section 2-418(d)(2)(ii) of the MGCL.

Section 7. Reimbursement for Expenses of an Indemnatee Who is Wholly or Partially Successful. To the extent that Indemnatee was or is, by reason of his or her Corporate Status, made a party to (or otherwise becomes a participant in) any Proceeding and is successful, on the merits or otherwise, in the defense of such Proceeding, the Company shall indemnify Indemnatee for all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith. If Indemnatee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnatee under

this Section 7 for all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection with each such claim, issue or matter, allocated on a reasonable and proportionate basis. For purposes of this Section 7, and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

Section 8. Advancement of Expenses for Indemnatee. If, by reason of Indemnatee's Corporate Status, Indemnatee is, or is threatened to be, made a party to any Proceeding, the Company shall, without requiring a preliminary determination of Indemnatee's ultimate entitlement to indemnification hereunder, advance all Expenses incurred by or on behalf of Indemnatee in connection with such Proceeding. The Company shall make such advancement within ten days after the receipt by the Company of a statement or statements requesting such advancement from time to time, whether prior to or after final disposition of such Proceeding and may be in the form of, in the reasonable discretion of Indemnatee (but without duplication), (a) payment of such Expenses directly to third parties on behalf of Indemnatee, (b) advancement of funds to Indemnatee in an amount sufficient to pay such Expenses or (c) reimbursement to Indemnatee for Indemnatee's payment of such Expenses. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnatee and shall, solely to the extent required by law, include or be preceded or accompanied by a written affirmation by Indemnatee and a written undertaking by or on behalf of Indemnatee, in substantially the form attached hereto as Exhibit A or in such form as may be required under applicable law as in effect at the time of the execution thereof. The undertaking required by this Section 8 shall be an unlimited general obligation by or on behalf of Indemnatee and shall be accepted without reference to Indemnatee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 9. Indemnification and Advancement of Expenses as a Witness or Other Participant. Notwithstanding any other provision of this Agreement, to the extent that Indemnatee is or may be, by reason of Indemnatee's Corporate Status, made a witness or otherwise asked to participate in any Proceeding, whether instituted by the Company or any other person, and to which Indemnatee is not a party, Indemnatee shall, without a preliminary determination of Indemnatee's ultimate entitlement to indemnification hereunder, be advanced and indemnified against all Expenses actually and reasonably incurred by Indemnatee or on Indemnatee's behalf in connection therewith within ten days after the receipt by the Company of a statement or statements requesting any such advance or indemnification from time to time, whether prior to or after final disposition of such Proceeding. Such statement or statements shall reasonably evidence the Expenses incurred by Indemnatee. In connection with any such advance of Expenses, the Company may, solely to the extent required by law, require Indemnatee to provide an affirmation and undertaking substantially in the form attached hereto as Exhibit A, such undertaking shall be an unlimited general obligation by or on behalf of Indemnatee and shall be accepted without reference to Indemnatee's financial ability to repay such advanced Expenses and without any requirement to post security therefor.

Section 10. Procedure for Determination of Entitlement to Indemnification.

(a) To obtain indemnification under this Agreement, Indemnatee shall, submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnatee and is reasonably necessary to determine whether and to what extent Indemnatee is entitled to indemnification. Indemnatee may submit one or more such requests from time to time and at such time(s) as Indemnatee deems appropriate in Indemnatee's sole discretion. The officer of the Company receiving any such request from Indemnatee shall, promptly upon receipt of such a request for indemnification, advise the Board of Directors in writing that Indemnatee has requested indemnification.

(b) Upon written request by Indemnatee for indemnification pursuant to Section 10(a) above, a determination, if required by applicable law, with respect to Indemnatee's entitlement thereto shall promptly be made in the specific case: (i) if a Change in Control has occurred, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnatee, which Independent Counsel shall be selected by Indemnatee and approved by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL, which approval shall not be unreasonably withheld; or (ii) if a Change in Control has not occurred, (A) by a majority vote of the

Disinterested Directors or by the majority vote of a group of Disinterested Directors designated by the Disinterested Directors to make the determination, (B) if Independent Counsel has been selected by the Board of Directors in accordance with Section 2-418(e)(2)(ii) of the MGCL and approved by Indemnitee, which approval shall not be unreasonably withheld or delayed, by Independent Counsel, in a written opinion to the Board of Directors, a copy of which shall be delivered to Indemnitee or (C) if so directed by the Board of Directors, by the stockholders of the Company, other than directors or officers who are parties to the Proceeding. If it is so determined that Indemnitee is entitled to indemnification, the Company shall make payment to Indemnitee within ten days after such determination. Indemnitee shall cooperate with the person, persons or entity making such determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information which is not privileged or otherwise protected from disclosure and which is reasonably available to Indemnitee and reasonably necessary or appropriate to such determination in the discretion of the Board of Directors or Independent Counsel if retained pursuant to clause (ii)(B) of this Section 10(b). Any Expenses incurred by Indemnitee in so cooperating with the person, persons or entity making such determination shall be borne by the Company (irrespective of the determination as to Indemnitee's entitlement to indemnification) and the Company shall indemnify and hold Indemnitee harmless therefrom.

- (c) The Company shall pay the reasonable fees and expenses of Independent Counsel, if one is appointed.

Section 11. Presumptions and Effect of Certain Proceedings.

(a) In making any determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement if Indemnitee has submitted a request for indemnification in accordance with Section 10(a) of this Agreement, and the Company shall have the burden of overcoming that presumption in connection with the making of any determination contrary to that presumption.

(b) The termination of any Proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, upon a plea of nolo contendere or its equivalent, or entry of an order of probation prior to judgment, does not create a presumption that Indemnitee did not meet the requisite standard of conduct described herein for indemnification.

(c) The knowledge and/or actions, or failure to act, of any other director, officer, employee or agent of the Company or any other director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise shall not be imputed to Indemnitee for purposes of determining any other right to indemnification under this Agreement.

Section 12. Remedies of Indemnitee.

(a) If (i) a determination is made pursuant to Section 10(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement, (ii) advancement of Expenses is not timely made pursuant to Section 8 or 9 of this Agreement, (iii) no determination of entitlement to indemnification shall have been made pursuant to Section 10(b) of this Agreement within 60 days after receipt by the Company of the request for indemnification, (iv) payment of indemnification is not made pursuant to Section 7 or 9 of this Agreement within ten days after receipt by the Company of a written request therefor, or (v) payment of indemnification pursuant to any other section of this Agreement or the charter or Bylaws of the Company is not made within ten days after a determination has been made that Indemnitee is entitled to indemnification, Indemnitee shall be entitled to an adjudication in an appropriate court located in the State of Maryland, or in any other court of competent jurisdiction, or in an arbitration conducted by a single arbitrator pursuant to the Commercial Arbitration Rules of the American Arbitration Association, of Indemnitee's entitlement to indemnification or advance of Expenses. Indemnitee shall commence a proceeding seeking an adjudication or an award in arbitration within 180 days following the date on which Indemnitee first has the right to commence such proceeding pursuant to this Section 12(a); provided, however, that the foregoing clause shall not apply to a proceeding brought

by Indemnatee to enforce his or her rights under Section 7 of this Agreement. Except as set forth herein, the provisions of Maryland law (without regard to its conflicts of laws rules) shall apply to any such arbitration. The Company shall not oppose Indemnatee's right to seek any such adjudication or award in arbitration.

(b) In any judicial proceeding or arbitration commenced pursuant to this Section 12, Indemnatee shall be presumed to be entitled to indemnification or advance of Expenses, as the case may be, under this Agreement and the Company shall have the burden of proving that Indemnatee is not entitled to indemnification or advance of Expenses, as the case may be. If Indemnatee commences a judicial proceeding or arbitration pursuant to this Section 12, Indemnatee shall not be required to reimburse the Company for any advances pursuant to Section 8 of this Agreement until a final determination is made with respect to Indemnatee's entitlement to indemnification (as to which all rights of appeal have been exhausted or lapsed). The Company shall, to the fullest extent not prohibited by law, be precluded from asserting in any judicial proceeding or arbitration commenced pursuant to this Section 12 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court or before any such arbitrator that the Company is bound by all of the provisions of this Agreement.

(c) If a determination shall have been made pursuant to Section 10(b) of this Agreement that Indemnatee is entitled to indemnification, the Company shall be bound by such determination in any judicial proceeding or arbitration commenced pursuant to this Section 12, absent a misstatement by Indemnatee of a material fact, or an omission of a material fact necessary to make Indemnatee's statement not materially misleading, in connection with the request for indemnification that was not disclosed in connection with the determination.

(d) In the event that Indemnatee is successful in seeking, pursuant to this Section 12, a judicial adjudication of or an award in arbitration to enforce Indemnatee's rights under, or to recover damages for breach of, this Agreement, Indemnatee shall be entitled to recover from the Company, and shall be indemnified by the Company for, any and all Expenses actually and reasonably incurred by him or her in such judicial adjudication or arbitration. If it shall be determined in such judicial adjudication or arbitration that Indemnatee is entitled to receive part but not all of the indemnification or advance of Expenses sought, the Expenses incurred by Indemnatee in connection with such judicial adjudication or arbitration shall be appropriately prorated.

(e) Interest shall be paid by the Company to Indemnatee at the maximum rate allowed to be charged for judgments under the Courts and Judicial Proceedings Article of the Annotated Code of Maryland for amounts which the Company pays or is obligated to pay for the period (i) commencing with either the tenth day after the date on which the Company was requested to advance Expenses in accordance with Section 8 or 9 of this Agreement or the 60<sup>th</sup> day after the date on which the Company was requested to make the determination of entitlement to indemnification under Section 10(b) of this Agreement, as applicable, and (ii) ending on the date such payment is made to Indemnatee by the Company.

### Section 13. Defense of the Underlying Proceeding.

(a) Indemnatee shall notify the Company promptly in writing upon being served with any summons, citation, subpoena, complaint, indictment, request or other document relating to any Proceeding which may result in the right to indemnification or the advance of Expenses hereunder and shall include with such notice a description of the nature of the Proceeding and a summary of the facts underlying the Proceeding. The failure to give any such notice shall not disqualify Indemnatee from the right, or otherwise affect in any manner any right of Indemnatee, to indemnification or the advance of Expenses under this Agreement unless the Company's ability to defend in such Proceeding or to obtain proceeds under any insurance policy is materially and adversely prejudiced thereby, and then only to the extent the Company is thereby actually so prejudiced.

(b) In any Proceeding involving Indemnatee and also involving one or more other director(s) of the Company for whom or on whose behalf the Company is actually paying Expenses in the Proceeding, Indemnatee shall have the right and obligation to control Indemnatee's defense of the

Proceeding, or at the sole election of the Indemnitee, to tender control of the defense to the Company; *provided, however*, that if Indemnitee does not tender control of the defense to the Company, Indemnitee shall reasonably cooperate with such other director(s) to retain a single law firm (and, if appropriate, one local law firm) to represent Indemnitee and such other director(s), unless (i) Indemnitee or such law firm reasonably concludes the use of such law firm to represent the Indemnitee and such other director or officer would present such counsel with an actual or potential conflict of interest or other significant divergence of interest, (ii) the Indemnitee or such law firm reasonably concludes that there may be one or more legal defenses available to Indemnitee that are different from or in addition to those available to such other director(s), or (iii) any such representation by such counsel would be precluded under the applicable standards of professional conduct then prevailing, in which case the Indemnitee shall be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel) at the Company's expense. In any Proceeding involving Indemnitee but not also involving any other director(s) of the Company for whom or on whose behalf the Company is actually paying Expenses in the Proceeding, Indemnitee shall have the right and obligation to control Indemnitee's defense of the Proceeding, Indemnitee shall be entitled to retain separate counsel (but not more than one law firm plus, if applicable, local counsel) at the Company's expense, *provided, however*, that Indemnitee may, at the sole election of the Indemnitee, tender control of the defense to the Company.

Section 14. Non-Exclusivity; Survival of Rights; Subrogation.

(a) The rights of indemnification and advance of Expenses as provided by this Agreement shall not be deemed exclusive of any other rights to which Indemnitee may at any time be entitled under applicable law, the charter or Bylaws of the Company, any agreement or a resolution of the stockholders entitled to vote generally in the election of directors or of the Board of Directors, or otherwise. Unless consented to in writing by Indemnitee, no amendment, alteration or repeal of the charter or Bylaws of the Company, this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her Corporate Status prior to such amendment, alteration or repeal, regardless of whether a claim with respect to such action or inaction is raised prior or subsequent to such amendment, alteration or repeal. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right or remedy shall be cumulative and in addition to every other right or remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion of any right or remedy hereunder, or otherwise, shall not prohibit the concurrent assertion or employment of any other right or remedy.

(b) In the event of any payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who shall execute all papers required and take all action necessary to secure such rights, including execution of such documents as are necessary to enable the Company to bring suit to enforce such rights.

Section 15. Insurance.

(a) The Company will use its reasonable best efforts to acquire directors and officers liability insurance, on terms and conditions deemed appropriate by the Board of Directors, with the advice of counsel, covering Indemnitee or any claim made against Indemnitee by reason of his or her Corporate Status and covering the Company for any indemnification or advance of Expenses made by the Company to Indemnitee for any claims made against Indemnitee by reason of his or her Corporate Status. In the event of a Change in Control or if the stockholders of the Company shall approve a plan of liquidation or an agreement to sell all or substantially all of the assets of the Company (an "Asset Transaction"), the Company shall maintain in force any and all directors and officers liability insurance policies that were maintained by the Company immediately prior to the Change in Control or such Asset Transaction for a period of six years with the insurance carrier or carriers and through the insurance broker in place at the time of the Change in Control or such Asset Transaction; provided, however, (i) if the carriers will not offer the same policy and an expiring policy needs to be replaced, a policy substantially comparable in scope and amount shall be obtained and (ii) if any replacement insurance carrier is necessary to obtain a policy substantially comparable in scope and amount, such insurance carrier shall have an AM Best rating that is the same or better than the AM Best rating of the existing insurance carrier; provided, further, however, in no event shall the Company be required to expend in the aggregate in excess of 250% of the

annual premium or premiums paid by the Company for directors and officers liability insurance in effect on the date of the Change in Control or such Asset Transaction. In the event that 250% of the annual premium paid by the Company for such existing directors and officers liability insurance is insufficient for such coverage, the Company shall spend up to that amount to purchase such lesser coverage as may be obtained with such amount.

(b) Without in any way limiting any other obligation under this Agreement, the Company shall indemnify Indemnitee for any payment by Indemnitee which would otherwise be indemnifiable arising out of the amount of any deductible or retention and the amount of any excess of the aggregate of all judgments, penalties, fines, settlements and Expenses incurred by Indemnitee in connection with a Proceeding over the coverage of any insurance referred to in Section 15(a). The purchase, establishment and maintenance of any such insurance shall not in any way limit or affect the rights or obligations of the Company or Indemnitee under this Agreement except as expressly provided herein, and the execution and delivery of this Agreement by the Company and Indemnitee shall not in any way limit or affect the rights or obligations of the Company under any such insurance policies. If, at the time the Company receives notice from any source of a Proceeding to which Indemnitee is a party or a participant (as a witness or otherwise), the Company has director and officer liability insurance in effect, the Company shall give prompt notice of such Proceeding to the insurers in accordance with the procedures set forth in the respective policies.

(c) Indemnitee shall cooperate with the Company or any insurance carrier of the Company with respect to any Proceeding.

Section 16. Coordination of Payments. The Company shall not be liable under this Agreement to make any payment of amounts otherwise indemnifiable or payable or reimbursable as Expenses hereunder if and to the extent that Indemnitee has otherwise actually received such payment under any insurance policy, contract, agreement or otherwise.

Section 17. Contribution. If the indemnification provided in this Agreement is unavailable in whole or in part and may not be paid to Indemnitee for any reason, other than for failure to satisfy the standard of conduct set forth in Section 4 or due to the provisions of Section 5, then, with respect to any Proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such Proceeding), to the fullest extent permissible under applicable law, the Company, in lieu of indemnifying and holding harmless Indemnitee, shall pay, in the first instance, the entire amount incurred by Indemnitee, whether for Expenses, judgments, penalties, and/or amounts paid or to be paid in settlement, in connection with any Proceeding without requiring Indemnitee to contribute to such payment, and the Company hereby waives and relinquishes any right of contribution it may have at any time against Indemnitee.

Section 18. Reports to Stockholders. To the extent required by the MGCL, the Company shall report in writing to its stockholders the payment of any amounts for indemnification of, or advance of Expenses to, Indemnitee under this Agreement arising out of a Proceeding by or in the right of the Company with the notice of the meeting of stockholders of the Company next following the date of the payment of any such indemnification or advance of Expenses or prior to such meeting.

Section 19. Duration of Agreement; Binding Effect.

(a) This Agreement shall continue until and terminate on the later of (i) six years from the date that Indemnitee shall have ceased to serve as a director, officer, employee or agent of the Company or as a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, real estate investment trust, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company and (ii) the date that Indemnitee is no longer subject to any actual or possible Proceeding (including any rights of appeal thereto and any Proceeding commenced by Indemnitee pursuant to Section 12 of this Agreement).

(b) The indemnification and advance of Expenses provided by, or granted pursuant to, this Agreement shall be binding upon and be enforceable by the parties hereto and their respective

successors and assigns (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), shall continue as to an Indemnitee who has ceased to be a director, officer, employee or agent of the Company or a director, trustee, officer, partner, manager, managing member, fiduciary, employee or agent of any other foreign or domestic corporation, partnership, limited liability company, joint venture, trust, employee benefit plan or other enterprise that such person is or was serving in such capacity at the request of the Company, and shall inure to the benefit of Indemnitee and Indemnitee's spouse, assigns, heirs, devisees, executors and administrators and other legal representatives.

(c) The Company shall require and cause any successor (whether direct or indirect by purchase, merger, consolidation or otherwise) to all, substantially all or a substantial part, of the business and/or assets of the Company, by written agreement in form and substance satisfactory to Indemnitee, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

(d) The Company and Indemnitee agree that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee irreparable harm. Accordingly, the parties hereto agree that Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, Indemnitee shall not be precluded from seeking or obtaining any other relief to which Indemnitee may be entitled. Indemnitee shall further be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertakings in connection therewith. The Company acknowledges that, in the absence of a waiver, a bond or undertaking may be required of Indemnitee by a court, and the Company hereby waives any such requirement of such a bond or undertaking.

Section 20. Severability. If any provision or provisions of this Agreement shall be held to be invalid, void, illegal or otherwise unenforceable for any reason whatsoever: (a) the validity, legality and enforceability of the remaining provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable that is not itself invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby and shall remain enforceable to the fullest extent permitted by law; (b) such provision or provisions shall be deemed reformed to the extent necessary to conform to applicable law and to give the maximum effect to the intent of the parties hereto; and (c) to the fullest extent possible, the provisions of this Agreement (including, without limitation, each portion of any Section, paragraph or sentence of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that is not itself invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested thereby.

Section 21. Counterparts. This Agreement may be executed in one or more counterparts (delivery of which may be by facsimile or via e-mail as a portable document format (.pdf) or other electronic format), each of which will be deemed to be an original, and it will not be necessary in making proof of this Agreement or the terms of this Agreement to produce or account for more than one such counterpart. One such counterpart signed by the party against whom enforceability is sought shall be sufficient to evidence the existence of this Agreement.

Section 22. Headings. The headings of the paragraphs of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction thereof.

Section 23. Modification and Waiver. No supplement, modification or amendment of this Agreement shall be binding unless executed in writing by both of the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provisions hereof (whether or not similar) nor, unless otherwise expressly stated, shall such waiver constitute a continuing waiver.

Section 24. Notices. All notices, requests, demands and other communications hereunder shall be in writing and shall be deemed to have been duly given if (i) delivered by hand and receipted for by the party to whom said notice or other communication shall have been directed, on the day of such delivery, or (ii) mailed by certified or registered mail with postage prepaid, on the third business day after the date on which it is so mailed:

- (a) If to Indemnitee, to the address set forth on the signature page hereto.
- (b) If to the Company, to:

Sila Realty Trust, Inc.  
1001 Water Street, Suite 800  
Tampa, FL 33602  
Attn: [●]

or to such other address as may have been furnished in writing to Indemnitee by the Company or to the Company by Indemnitee, as the case may be.

Section 25. Governing Law. This Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Maryland, without regard to its conflicts of laws rules.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

SILA REALTY TRUST, INC.

By: \_\_\_\_\_  
Name: Michael A. Seton  
Title: Chief Executive Officer and  
President

INDEMNITEE

\_\_\_\_\_  
Name: [●]  
Title: [●]

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## EXHIBIT A

### AFFIRMATION AND UNDERTAKING TO REPAY EXPENSES ADVANCED

To: The Board of Directors of

Re: Affirmation and Undertaking

Ladies and Gentlemen:

This Affirmation and Undertaking is being provided pursuant to that certain Indemnification Agreement, dated the \_\_\_\_\_ day of \_\_\_\_\_, 202\_, by and between \_\_\_\_\_, a Maryland corporation (the “Company”), and the undersigned Indemnitee (the “Indemnification Agreement”), pursuant to which I am entitled to advance of Expenses in connection with **[Description of Proceeding]** (the “Proceeding”).

Terms used herein and not otherwise defined shall have the meanings specified in the Indemnification Agreement.

I am subject to the Proceeding by reason of my Corporate Status or by reason of alleged actions or omissions by me in such capacity. I hereby affirm my good faith belief that at all times, insofar as I was involved as a director or officer of the Company, in any of the facts or events giving rise to the Proceeding, I (1) did not act with bad faith or active or deliberate dishonesty, (2) did not receive any improper personal benefit in money, property or services and (3) in the case of any criminal proceeding, had no reasonable cause to believe that any act or omission by me was unlawful.

In consideration of the advance by the Company for Expenses incurred by me in connection with the Proceeding (the “Advanced Expenses”), I hereby agree that if, in connection with the Proceeding, it is established that (1) an act or omission by me was material to the matter giving rise to the Proceeding and (a) was committed in bad faith or (b) was the result of active and deliberate dishonesty or (2) I actually received an improper personal benefit in money, property or services or (3) in the case of any criminal proceeding, I had reasonable cause to believe that the act or omission was unlawful, then I shall promptly reimburse the portion of the Advanced Expenses, together with the Applicable Legal Rate of interest thereon, relating to the claims, issues or matters in the Proceeding as to which the foregoing findings have been established.

IN WITNESS WHEREOF, I have executed this Affirmation and Undertaking on this day \_\_\_\_ of \_\_\_\_\_, 20 \_\_\_\_.

\_\_\_\_\_  
Name:

**CERTIFICATIONS OF PRINCIPAL EXECUTIVE OFFICER****PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Michael A. Seton, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sila Realty Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Michael A. Seton

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Michael A. Seton  
Chief Executive Officer and President  
(Principal Executive Officer)

**CERTIFICATIONS OF PRINCIPAL FINANCIAL OFFICER****PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Kay C. Neely, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Sila Realty Trust, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
  - a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
  - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
  - c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
  - d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
  - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
  - b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: August 7, 2025

/s/ Kay C. Neely

Kay C. Neely

Chief Financial Officer, Executive Vice President and Treasurer  
(Principal Financial Officer)

**CERTIFICATION OF PRINCIPAL EXECUTIVE OFFICER  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C 1350)**

In connection with the Quarterly Report on Form 10-Q of Sila Realty Trust, Inc., or the Company, for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof, or the Report, Michael A. Seton, as Chief Executive Officer of the Company hereby certifies, to the best of his knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(i) The accompanying Report of the Company fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2025

By: /s/ Michael A. Seton  
Name: Michael A. Seton  
Title: Chief Executive Officer and President  
(Principal Executive Officer)

The foregoing certification is being furnished with the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2025 pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general information language in such filing, except to the extent that the Company specifically incorporates by reference.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

**CERTIFICATION OF PRINCIPAL FINANCIAL OFFICER  
PURSUANT TO SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002  
(18 U.S.C 1350)**

In connection with the Quarterly Report on Form 10-Q of Sila Realty Trust, Inc., or the Company, for the period ended June 30, 2025, as filed with the Securities and Exchange Commission on the date hereof, or the Report, Kay C. Neely, as Chief Financial Officer of the Company hereby certifies, to the best of her knowledge, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

(i) The accompanying Report of the Company fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934, as amended; and

(ii) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: August 7, 2025

By: /s/ Kay C. Neely  
Name: Kay C. Neely  
Title: Chief Financial Officer and Executive Vice President  
(Principal Financial Officer)

The foregoing certification is being furnished with the Company's Quarterly Report on Form 10-Q for the period ended June 30, 2025 pursuant to 18 U.S.C. Section 1350. It is not being filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, and it is not to be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general information language in such filing, except to the extent that the Company specifically incorporates by reference.

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.