Finding Value in a Tight Fixed Income Marketplace

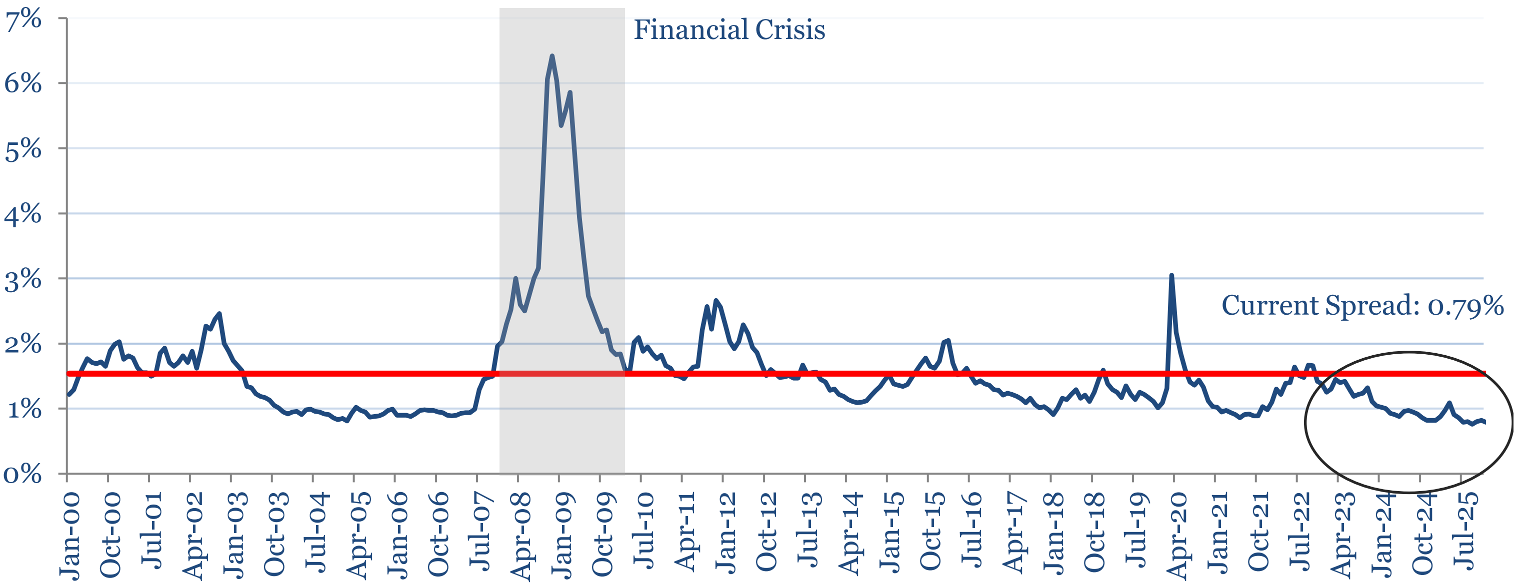
With traditional fixed income markets offering historically limited compensation over US Treasuries, REIT preferreds offer interesting value to investors.

Investment Grade Corporate Credit Spreads Are Tight by Historical Standards…

Investment-grade (IG) corporate credit spreads are now close to the tightest they have been in the past 25 years.

- IG corporate spreads now stand at 0.75-0.80% (75-80bps) over comparable term Treasuries.
- As such, at these levels, investors are receiving relatively limited compensation above risk-free rates as compared with long-term historical levels.

IG Credit Spreads Close to Lowest Level in 25 Years



Index: ICE BofA US Corporate Index
Source: Federal Reserve Bank of St. Louis economic database as of 1/22/26

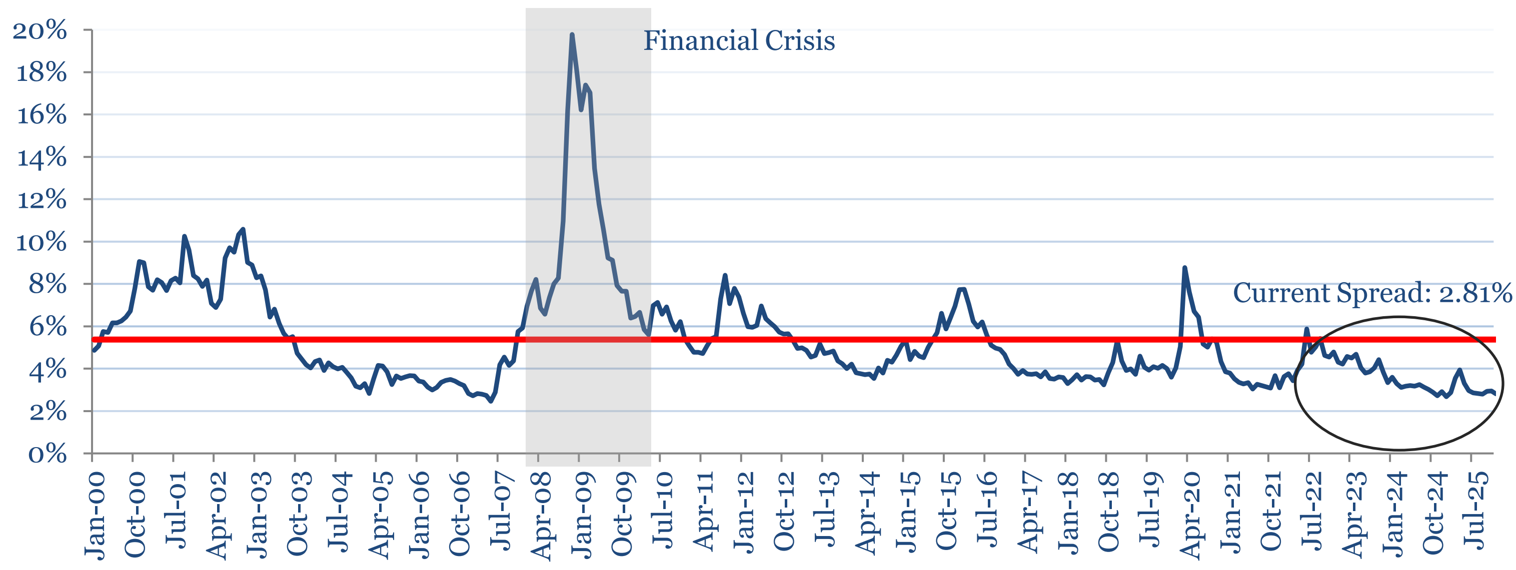
… As Are High Yield Corporate Credit Spreads

High yield (HY) corporate credit spreads also stand close to the tightest they have been in the past 25 years.

- HY spreads are now at 2.8-2.9% (280-290 bps) over US Treasuries.
- As with IG bonds, the compensation investors now receive in the HY market over risk-free US Treasuries is narrow as compared to historical standards.

Finding Value in a Tight Fixed Income Marketplace

HY Credit Spreads Also Close to Lowest Level in 25 Years



Index: ICE BofA US High Yield Index
Source: Federal Reserve Bank of St. Louis economic database as of 1/22/26

A More Attractive Option: REIT Preferreds Continue to Offer Compelling Relative Value

Despite tight credit conditions in traditional fixed income markets, we believe REIT preferred securities continue to offer attractive yields and relative value.

- REIT preferred yields now stand at 8.0%* and are priced with 21% upside to their par value.
- We believe investors are being meaningfully compensated for risk relative to comparable fixed-income alternatives.

In comparison to IG and HY corporate bond spreads, REIT preferred spreads are now at close to 15-year highs (aside from periods of extreme market stress such as during the pandemic and financial crisis).

- REIT preferred spreads now exceed IG corporate bond spreads by ~327 basis points.
- REIT preferred spreads are now 125 basis points higher than HY corporate bond spreads.
- We note this yield pick-up is before taking into account REIT tax advantages relative to taxation of corporate bonds.

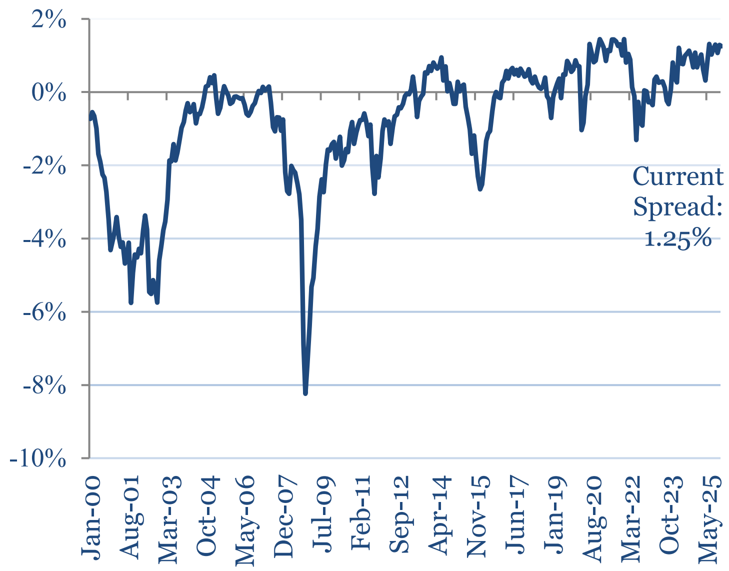
*REIT preferred yield is calculated as the weighted average dividend yield of LDR's proprietary database of REIT preferred universe.

Finding Value in a Tight Fixed Income Marketplace

Yield Spread Differential between REIT Preferreds and IG Corporate Bonds

Spread represents the difference between REIT preferred spread vs. 10-year Treasuries and ICE BofA US Corporate Index option-adjusted spread. REIT preferred spread is based on LDR's proprietary database of the REIT preferred universe.
Source: LDR Capital Management, Bloomberg, Federal Reserve Bank of St. Louis economic database as of 1/22/26

Yield Spread Differential between REIT Preferreds and HY Corporate Bonds



Spread represents the difference between REIT preferred spread vs. 10-year Treasuries and ICE BofA US High Yield Index option-adjusted spread. REIT preferred spread is based on LDR's proprietary database of the REIT preferred universe.
Source: LDR Capital Management, Bloomberg, Federal Reserve Bank of St. Louis economic database as of 1/22/26

DISCLAIMERS AND DISCLOSURES

General
This document has been prepared by LDR Capital Management, LLC ("LDR") for informational purposes only. This document should not be construed as providing any investment, legal, tax or other advice to you and must not be relied upon as such. Further, it does not constitute an offer to sell any securities, the solicitation of an offer to buy any securities or a recommendation or endorsement of any securities or other financial instruments. An investment in REIT preferred securities is suitable only for qualified investors that fully understand the risks of such investment and have no need for liquidity in such investment. You should consult your professional advisors on the suitability and legal, tax and economic consequences of an investment in such instruments.

This document and any opinions contained herein are current only as of the date appearing on the first page unless otherwise noted, are subject to change without notice, and are based upon numerous factors, such as further analyses, economic, market, political and other conditions that may impact the U.S. REIT preferred market. LDR disclaims any obligation to update this document to reflect subsequent developments and expressly disclaims liability for errors or omissions herein to the extent permitted by law. Certain information contained herein has been obtained from sources prepared by other parties, which in some instances has not been updated through the date hereof. While such information is believed to be reliable for the purpose used herein, no representations or warranties, expressed or implied, are made regarding the accuracy, reliability or completeness of the information herein nor its appropriateness for any use which any recipient may choose to make of it. All statements made within this document are opinions of LDR and should not be construed as investment advice or recommendations. There is no assurance that such views are correct or will prove to be correct over time.

This document contains certain forward-looking statements. Such statements are subject to several assumptions, risks and uncertainties which may cause actual results, performance or achievements to be materially different from future results, performance or achievements expressed or implied by these forward-looking statements or projections. You are cautioned not to invest based on these forward-looking statements. Any prospective investment, projection, forecast or return on investment illustrations herein is for illustrative purposes only, and actual investments and returns may vary materially from those illustrated or anticipated.

There are several risks associated with investing in real estate of which investors must be aware, which may include, but are not limited to, fluctuations in the value of underlying properties, defaults by borrowers or tenants, market saturation, changes in general and local operating expenses, and other economic, political or regulatory occurrences affecting companies in the real estate industry. In addition to those in general, investing in REITs involves certain other risks related to their structure and focus, which can include, but are not limited to, dependency upon management skills, limited diversification, the risks of locating and managing financing for projects, heavy cash flow dependency, possible default by borrowers, the costs and potential losses of self-liquidation of one or more holdings, the risk of a possible lack of mortgage funds and associated interest rate risks, overbuilding, property vacancies, increases in property taxes and operating expenses, changes in zoning laws, losses due to environmental damages, changes in neighborhood values and appeal to purchasers, the possibility of failing to maintain exemptions from registration under the Investment Company Act of 1940 and, in many cases, relatively small market capitalization, which may result in less market liquidity and greater price volatility. REITs are also subject to the risk that the real estate market may experience an economic downturn generally, which may have a material effect on the real estate in which the REITs invest and their underlying portfolio securities. Investors should carefully consult all offering and legal documents to ensure suitability before investing.

LDR Database Definitions
LDR's calculations regarding REIT preferreds described herein are derived from its proprietary database, which strives to track the performance and valuation metrics for all currently outstanding publicly-traded REIT preferreds issued in North America (excluding $1000-par preferreds, as they are not exchange-listed). LDR's proprietary database does not include historical data, so references to historical yields and returns prior to 9/30/22 are based on relevant indices, as noted. Overall issuance data, where indicated, includes U.S. and Canada-issued fixed-rate and convertible REIT preferreds. Yield data consists only of U.S.-issued fixed-rate preferreds. All pricing and trading data for the database are derived from Bloomberg.

Use of Indices
The market index information shown herein is for illustrative purposes only and is included to show relative market performance and other metrics for the indicated periods. The indices presented do not represent any LDR account; no such account will seek to replicate an index. Market participants cannot invest directly in an index; indexes are not actively managed, subject to management fees, broker commissions or other expenses, and investors should not rely on them as accurate means of comparison.

Indices
ICE BofA US Corporate Index tracks the performance of US dollar denominated investment grade corporate debt publicly issued in the US domestic market.
ICE BofA US High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt publicly issued in the US domestic market.