



# **Fourth Quarter 2022**

*Supplemental Financial Information*

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# Forward-Looking Statements

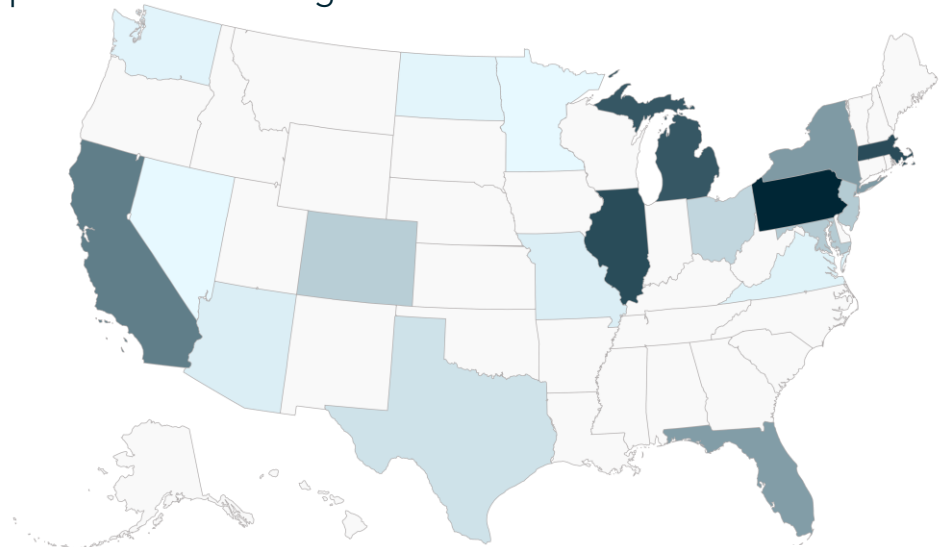
This Supplemental Financial Information Package include "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) that are subject to risks and uncertainties. In particular, statements pertaining to our capital resources, portfolio performance and results of operations contain forward-looking statements. Likewise, our statements regarding anticipated growth in our funds from operations and anticipated market and regulatory conditions, our strategic direction, our dividend rate and policy, demographics, results of operations, plans and objectives are forward-looking statements. Forward-looking statements involve numerous risks and uncertainties, and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise, and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described (or that they will happen at all). You can identify forward-looking statements by the use of forward-looking terminology such as "believes", "expects", "may", "will", "should", "seeks", "approximately", "intends", "plans", "estimates" or "anticipates" or the negative of these words and phrases or similar words or phrases. You can also identify forward-looking statements by discussions of strategy, plans or intentions. The following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: rates of default on leases for our assets; concentration of our portfolio of assets and limited number of tenants; the estimated growth in and evolving market dynamics of the regulated cannabis market; the demand for regulated cannabis facilities; inflation dynamics; our ability to improve our internal control over financial reporting, including our inability to remediate an identified material weakness, and the costs and the time associated with such efforts; the impact of pandemics on us, our business, our tenants, or the economy generally; war and other hostilities, including the conflict in Ukraine; our business and investment strategy; our projected operating results; actions and initiatives of the U.S. or state governments and changes to government policies and the execution and impact of these actions, initiatives and policies, including the fact that cannabis remains illegal under federal law; availability of suitable investment opportunities in the regulated cannabis industry; our understanding of our competition and our potential tenants' alternative financing sources; the expected medical-use or adult-use cannabis legalization in certain states; shifts in public opinion regarding regulated cannabis; the potential impact on us from litigation matters, including rising liability and insurance costs; the additional risks that may be associated with certain of our tenants cultivating, processing and/or dispensing adult-use cannabis in our facilities; the state of the U.S. economy generally or in specific geographic areas; economic trends and economic recoveries; our ability to access equity or debt capital; financing rates for our target assets; our level of indebtedness, which could reduce funds available for other business purposes and reduce our operational flexibility; covenants in our debt instruments, which may limit our flexibility and adversely affect our financial condition; our ability to maintain our investment grade credit rating; changes in the values of our assets; our expected portfolio of assets; our expected investments; interest rate mismatches between our assets and our borrowings used to fund such investments; changes in interest rates and the market value of our assets; the degree to which any interest rate or other hedging strategies may or may not protect us from interest rate volatility; the impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters; our ability to maintain our qualification as a real estate investment trust for U.S. federal income tax purposes; our ability to maintain our exemption from registration under the Investment Company Act of 1940; availability of qualified personnel; and market trends in our industry, interest rates, real estate values, the securities markets or the general economy.

The risks included here are not exhaustive, and additional factors could adversely affect our business and financial performance. In addition, we discussed a number of material risks in our most recent Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. Those risks continue to be relevant to our performance and financial condition. Moreover, we operate in a very competitive and rapidly changing environment. New risk factors emerge from time to time and it is not possible for management to predict all such risk factors, nor can it assess the impact of all such risk factors on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those contained in any forward-looking statements. Any forward-looking statement made by us speaks only of the date on which we make it. We undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required by law. Stockholders and investors are cautioned not to unduly rely on such forward-looking statements when evaluating the information presented in our filings and reports.

Market and industry data are included in this presentation. We have obtained substantially all of this information from internal studies, public filings, other independent published industry sources and market studies prepared by third parties. We believe these internal studies, public filings, other independent published industry sources and market studies prepared by third parties are reliable. However, this information may prove to be inaccurate. No representation or warranty is made as to the accuracy of such information. All amounts shown in this report are unaudited. This Supplemental Financial Information Package is not an offer to sell or solicitation to buy securities of Innovative Industrial Properties, Inc. Any offers to sell or solicitations to buy securities of Innovative Industrial Properties, Inc. shall be made only by means of a prospectus approved for that purpose.

# Company Overview

Innovative Industrial Properties, Inc. (NYSE "IIPR") is an internally managed real estate investment trust (REIT) focused on the acquisition, ownership and management of specialized properties leased to experienced, state-licensed operators for their regulated cannabis facilities.



Pennsylvania	15.9%
Massachusetts	13.1%
Illinois	13.1%
Michigan	12.3%
California	9.4%
New York	7.3%
Florida	7.1%
New Jersey	3.8%
Maryland	3.8%
Colorado	3.6%
Other	10.6%
<b>Total</b>	<b>100%</b>

## Company Snapshot

Market Capitalization <sup>(2)</sup>	\$2,835,046	Operating Portfolio (108 Properties) <sup>(4)</sup>	
Current Annualized Dividend (\$) <sup>(3)</sup>	\$7.20 / share	Total Rentable Square Feet <sup>(5)</sup>	8,320
Total Portfolio <sup>(4)</sup>		Total Committed Invested Capital per Square Foot	\$272
Total Committed / Invested Capital <sup>(1)</sup>	\$2,334,421	% Leased	100%
Total Properties	110	Weighted Average Lease Term	15.3 Years

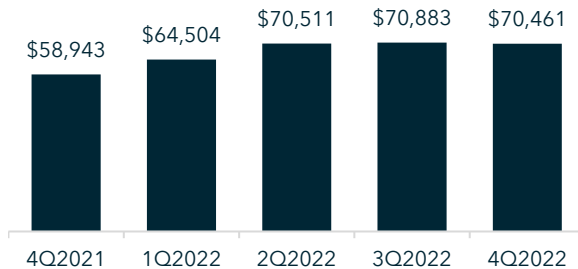
Note: As of December 31, 2022, values in thousands except for share count, \$/PSF, or otherwise noted.

- 1) Based on "Total Committed / Invested Capital". Refer to "Definitions" for additional details.
- 2) Refer to "Capitalization" and "Definitions" for additional details.
- 3) Reflects annualized common stock dividend paid on January 13, 2023 of \$1.80 per share. The decision to declare or pay dividends is in the sole discretion of our board of directors in light of conditions then existing, and there can be no assurance that a dividend will be declared or paid for any time period in any amount.
- 4) Refer to "Definitions" for additional details.
- 5) Includes approximately 1.2 million square feet under development or redevelopment.

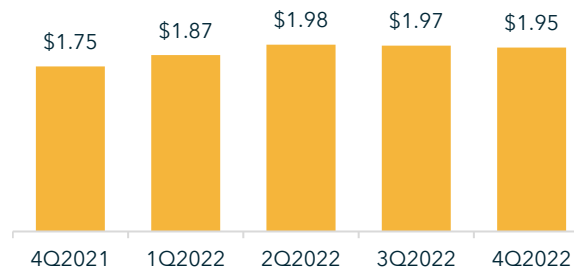
# Quarterly Performance Summary

	2022				2021
	4Q2022	3Q2022	2Q2022	1Q2022	4Q2021
Total Revenues	\$70,461	\$70,883	\$70,511	\$64,504	\$58,943
General and administrative expense	\$10,232	\$10,804	\$8,707	\$8,777	\$6,450
General and administrative expense / total revenues	15%	15%	12%	14%	11%
Net income attributable to common stockholders	\$41,168	\$37,278	\$39,876	\$34,712	\$28,292
Net income attributable to common stockholders - diluted ("EPS")	\$1.46	\$1.32	\$1.42	\$1.32	\$1.14
Funds from operations attributable to common stockholders - diluted ("FFO") <sup>(1)</sup>	\$53,941	\$53,250	\$55,177	\$48,914	\$42,377
FFO per common share - diluted <sup>(1)</sup>	\$1.92	\$1.89	\$1.97	\$1.86	\$1.61
Normalized FFO attributable to common stockholders - diluted ("Normalized FFO") <sup>(1)</sup>	\$54,969	\$55,391	\$55,407	\$49,127	\$46,076
Normalized FFO per common share - diluted <sup>(1)</sup>	\$1.95	\$1.97	\$1.98	\$1.87	\$1.75
Adjusted funds from operations attributable to common stockholders - diluted ("AFFO") <sup>(1)</sup>	\$59,625	\$60,109	\$60,178	\$53,836	\$48,570
AFFO per common share - diluted <sup>(1)</sup>	\$2.12	\$2.13	\$2.15	\$2.04	\$1.85
Common stock dividend per share <sup>(2)</sup>	\$1.80	\$1.80	\$1.75	\$1.75	\$1.50
AFFO Payout Ratio <sup>(3)</sup>	85%	85%	81%	86%	81%
Total Committed / Invested Capital <sup>(4)</sup>	\$2.3B	\$2.3B	\$2.4B	\$2.1B	\$2.0B
% Leased - Operating Portfolio <sup>(5)</sup>	100%	100%	100%	100%	100%
Rent Collection % / Quarter - Operating Portfolio <sup>(6)</sup>	94%	96%	99%	99%	99%

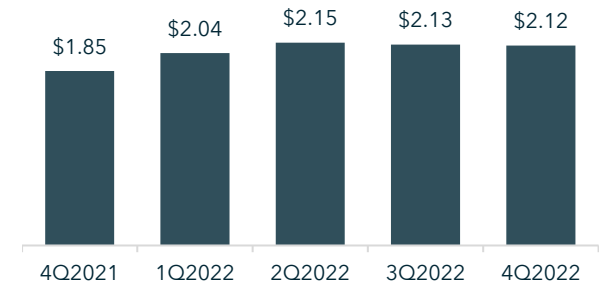
## Total Revenues



## Normalized FFO<sup>(1)</sup>



## AFFO<sup>(1)</sup>



Note: Dollars in thousands except for \$/share or otherwise noted.

- 1) Refer to "FFO, Normalized FFO, and AFFO Reconciliation" and "Definitions" for additional details.
- 2) Reflects quarterly common stock dividend declared in the quarter.
- 3) Calculated by dividing the common stock dividend declared per share by AFFO per common share - diluted.
- 4) Dollars in billions, refer to "Definitions" for additional details.
- 5) Refer to "Definitions" for additional details.
- 6) Rent collection for Q3 2022 includes approximately \$2.2 million of security deposits applied in connection with Kings Garden Inc.'s lease defaults for nonpayment of rent, and rent collection for Q4 2022 includes approximately \$541,000 of security deposits applied for payment of rent for the company's lease with Sozo Health, Inc. Refer to "Definitions" for additional details.

# Balance Sheet

(In thousands, except share and per share amounts)

## Assets

Real estate, at cost:

	December 31, 2022	December 31, 2021
Land	\$139,953	\$122,386
Buildings and improvements	1,305,306	979,417
Tenant improvements	705,322	620,301
Construction in progress	54,106	-
Total real estate, at cost	<u>2,204,687</u>	<u>1,722,104</u>
Less accumulated depreciation	(138,405)	(81,938)
Net real estate held for investment	<u>2,066,282</u>	<u>1,640,166</u>
Construction loan receivable	18,021	12,916
Cash and cash equivalents	87,122	81,096
Restricted cash	1,450	5,323
Investments	200,935	324,889
Right of use office lease asset	1,739	1,068
In-place lease intangible assets, net	9,105	9,148
Other assets, net	<u>30,182</u>	<u>9,996</u>
Total assets	<u>\$2,414,836</u>	<u>\$2,084,602</u>

## Liabilities and stockholders' equity

Exchangeable Senior Notes, net	\$6,380	\$32,232
Notes due 2026, net	295,115	293,860
Tenant improvements and construction funding payable	29,376	46,274
Accounts payable and accrued expenses	10,615	7,718
Dividends payable	50,840	38,847
Rent received in advance and tenant security deposits	58,716	52,805
Other liabilities	1,901	1,167
Total liabilities	<u>452,943</u>	<u>472,903</u>
Stockholders' equity:		
Preferred stock, par value \$0.001 per share, 50,000,000 shares authorized: 9.00% Series A cumulative redeemable preferred stock, \$15,000 liquidation preference (\$25.00 per share), 600,000 shares issued and outstanding at December 31, 2022 and December 31, 2021	14,009	14,009
Common stock, par value \$0.001 per share, 50,000,000 shares authorized: 27,972,830 and 25,612,541 shares issued and outstanding at December 31, 2022 and December 31, 2021, respectively	28	26
Additional paid-in capital	2,065,248	1,672,882
Dividends in excess of earnings	(117,392)	(75,218)
Total stockholders' equity	<u>1,961,893</u>	<u>1,611,699</u>
Total liabilities and stockholders' equity	<u>\$2,414,836</u>	<u>\$2,084,602</u>

# Net Income

(In thousands, except share and per share amounts)	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2022	2021	2022	2021
<b>Revenues:</b>				
Rental (including tenant reimbursements)	\$69,923	\$58,943	\$274,377	\$204,551
Other	538	-	1,982	-
Total revenues	70,461	58,943	276,359	204,551
<b>Expenses:</b>				
Property expenses	3,288	1,826	10,520	4,443
General and administrative expense	10,232	6,450	38,520	22,961
Depreciation and amortization expense	16,302	12,205	61,303	41,776
Total expenses	29,822	20,481	110,343	69,180
Gain on sale of real estate	3,601	-	3,601	-
Income from operations	44,240	38,462	169,617	135,371
Interest and other income	1,784	72	3,195	397
Interest expense	(4,518)	(6,212)	(18,301)	(18,086)
Loss on exchange of Exchangeable Senior Notes	-	(3,692)	(125)	(3,692)
Net income	41,506	28,630	154,386	113,990
Preferred stock dividends	(338)	(338)	(1,352)	(1,352)
Net income attributable to common stockholders	\$41,168	\$28,292	\$153,034	\$112,638
Net income attributable to common stockholders per share:				
Basic	\$1.47	\$1.18	\$5.57	\$4.69
Diluted	\$1.46	\$1.14	\$5.52	\$4.55
Weighted-average shares outstanding:				
Basic	27,938,804	23,941,930	27,345,047	23,903,017
Diluted	28,160,261	26,263,585	27,663,169	26,261,155

# FFO, Normalized FFO, and AFFO Reconciliation

(In thousands, except share and per share amounts)	For the Three Months Ended December 31,		For the Years Ended December 31,	
	2022	2021	2022	2021
Net income attributable to common stockholders	\$41,168	\$28,292	\$153,034	\$112,638
Real estate depreciation and amortization	16,302	12,205	61,303	41,776
Gain on sale of real estate	(3,601)	-	(3,601)	-
FFO attributable to common stockholders (basic)	53,869	40,497	210,736	154,414
Cash and non-cash interest expense on Exchangeable Senior Notes	72	1,880	546	7,517
FFO attributable to common stockholders (diluted)	53,941	42,377	211,282	161,931
Acquisition-related expense	-	7	110	26
Financing expense	249	-	367	-
Litigation-related expense	779	-	3,010	-
Loss on exchange of Exchangeable Senior Notes	-	3,692	125	3,692
Normalized FFO attributable to common stockholders (diluted)	54,969	46,076	214,894	165,649
Stock-based compensation	4,312	2,192	17,507	8,616
Non-cash interest expense	321	298	1,255	715
Above-market lease amortization	23	4	92	4
AFFO attributable to common stockholders (diluted)	\$59,625	\$48,570	\$233,748	\$174,984
FFO per common share - diluted	\$1.92	\$1.61	\$7.64	\$6.17
Normalized FFO per common share - diluted	\$1.95	\$1.75	\$7.77	\$6.31
AFFO per common share - diluted	\$2.12	\$1.85	\$8.45	\$6.66
Weighted average common shares outstanding - basic	27,938,804	23,941,930	27,345,047	23,903,017
Restricted stock and restricted stock units ("RSUs")	117,831	98,093	116,046	96,174
Performance share units ("PSUs")	-	81,414	-	81,414
Dilutive effect of Exchangeable Senior Notes	103,626	2,142,148	202,076	2,180,550
Weighted average common shares outstanding - diluted	28,160,261	26,263,585	27,663,169	26,261,155



# Historical Net Income

(In thousands, except share and per share amounts)	2022				2021
	4Q2022	3Q2022	2Q2022	1Q2022	4Q2021
<b>Revenues:</b>					
Rental (including tenant reimbursements)	\$69,923	\$70,345	\$69,995	\$64,114	\$58,943
Other	538	538	516	390	-
Total revenues	70,461	70,883	70,511	64,504	58,943
<b>Expenses:</b>					
Property expenses	3,288	2,823	2,427	1,982	1,826
General and administrative expense	10,232	10,804	8,707	8,777	6,450
Depreciation and amortization expense	16,302	15,900	15,233	13,868	12,205
Total expenses	29,822	29,527	26,367	24,627	20,481
Gain on sale of real estate	3,601	-	-	-	-
Income from operations	44,240	41,356	44,144	39,877	38,462
Interest and other income	1,784	773	581	57	72
Interest expense	(4,518)	(4,513)	(4,504)	(4,766)	(6,212)
Loss on exchange of Exchangeable Senior Notes	-	-	(7)	(118)	(3,692)
Net income	41,506	37,616	40,214	35,050	28,630
Preferred stock dividends	(338)	(338)	(338)	(338)	(338)
Net income attributable to common stockholders	\$41,168	\$37,278	\$39,876	\$34,712	\$28,292
Net income attributable to common stockholders per share:					
Basic	\$1.47	\$1.33	\$1.42	\$1.35	\$1.18
Diluted	\$1.46	\$1.32	\$1.42	\$1.32	\$1.14
Weighted-average shares outstanding:					
Basic	27,938,804	27,938,568	27,850,561	25,620,253	23,941,930
Diluted	28,160,261	28,157,934	28,036,690	26,340,224	26,263,585

# Historical FFO, Normalized FFO, and AFFO Reconciliation

(In thousands, except share and per share amounts)	2022				2021
	4Q2022	3Q2022	2Q2022	1Q2022	4Q2021
Net income attributable to common stockholders	\$41,168	\$37,278	\$39,876	\$34,712	\$28,292
Real estate depreciation and amortization	16,302	15,900	15,233	13,868	12,205
Gain on sale of real estate	(3,601)	-	-	-	-
FFO attributable to common stockholders (basic)	53,869	53,178	55,109	48,580	40,497
Cash and non-cash interest expense on Exchangeable Senior Notes	72	72	68	334	1,880
FFO attributable to common stockholders (diluted)	53,941	53,250	55,177	48,914	42,377
Acquisition-related expense	-	15	-	95	7
Financing expense	249	14	104	-	-
Litigation-related expense	779	2,112	119	-	-
Loss on exchange of Exchangeable Senior Notes	-	-	7	118	3,692
Normalized FFO attributable to common stockholders (diluted)	54,969	55,391	55,407	49,127	46,076
Stock-based compensation	4,312	4,379	4,437	4,379	2,192
Non-cash interest expense	321	316	311	307	298
Above-market lease amortization	23	23	23	23	4
AFFO attributable to common stockholders (diluted)	\$59,625	\$60,109	\$60,178	\$53,836	\$48,570
FFO per common share - diluted	\$1.92	\$1.89	\$1.97	\$1.86	\$1.61
Normalized FFO per common share - diluted	\$1.95	\$1.97	\$1.98	\$1.87	\$1.75
AFFO per common share - diluted	\$2.12	\$2.13	\$2.15	\$2.04	\$1.85
Weighted average common shares outstanding - basic	27,938,804	27,938,568	27,850,561	25,620,253	23,941,930
Restricted stock and RSUs	117,831	118,567	82,387	110,457	98,093
PSUs	-	-	-	102,333	81,414
Dilutive effect of Exchangeable Senior Notes	103,626	100,799	103,742	507,181	2,142,148
Weighted average common shares outstanding - diluted	28,160,261	28,157,934	28,036,690	26,340,224	26,263,585

# Statements of Cash Flows

(In thousands)	For the Years Ended December 31,	
	2022	2021
<b>Cash flows from operating activities</b>		
Net income	\$154,386	\$113,990
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	61,303	41,776
Loss on exchange of Exchangeable Senior Notes	125	3,692
Gain on sale of real estate	(3,601)	-
Other non-cash adjustments	185	95
Stock-based compensation	17,507	8,616
Amortization of discounts on short-term investments	(2,246)	(340)
Amortization of debt discount and issuance costs	1,349	2,851
Changes in assets and liabilities		
Other assets, net	(3,506)	(3,687)
Accounts payable, accrued expenses and other liabilities	2,717	3,102
Rent received in advance and tenant security deposits	5,911	18,652
Net cash provided by operating activities	234,130	188,747
<b>Cash flows from investing activities</b>		
Purchases of investments in real estate	(150,090)	(287,585)
Proceeds from sale of real estate	23,500	-
Funding of draws for tenant improvements and construction	(373,878)	(374,541)
Funding of construction loan and other investments	(21,683)	(16,068)
Deposits in escrow for acquisitions	(250)	(625)
Purchases of short-term investments	(388,800)	(569,772)
Maturities of short-term investments	515,000	864,498
Net cash used in investing activities	(396,201)	(384,093)
<b>Cash flows from financing activities</b>		
Issuance of common stock, net of offering costs	351,960	-
Gross proceeds from issuance of Notes due 2026	-	300,000
Payment of deferred financing costs from issuance of Notes due 2026	-	(6,855)
Payment of inducement and transaction costs relating to inducement of the Exchangeable Senior Notes	-	(1,696)
Dividends paid to common stockholders	(183,943)	(130,954)
Dividends paid to preferred stockholders	(1,352)	(1,352)
Taxes paid related to net share settlement of equity awards	(2,441)	(3,384)
Net cash provided by financing activities	164,224	155,759
Net increase (decrease) in cash, cash equivalents and restricted cash	2,153	(39,587)
Cash, cash equivalents and restricted cash, beginning of year	86,419	126,006
Cash, cash equivalents and restricted cash, end of year	\$88,572	\$86,419
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the period for interest	\$17,247	\$14,381
Supplemental disclosure of non-cash investing and financing activities:		
Accrual for draws for tenant improvements and construction funding	\$29,376	\$46,274
Deposits applied for acquisitions	25	200
Accrual for common and preferred stock dividends declared	50,840	38,847
Exchange of Exchangeable Senior Notes for common stock	26,682	109,040
Operating lease liability for obtaining right of use asset	1,017	192

# Capital Commitments and Dispositions

## Fourth Quarter Capital Commitments and Dispositions

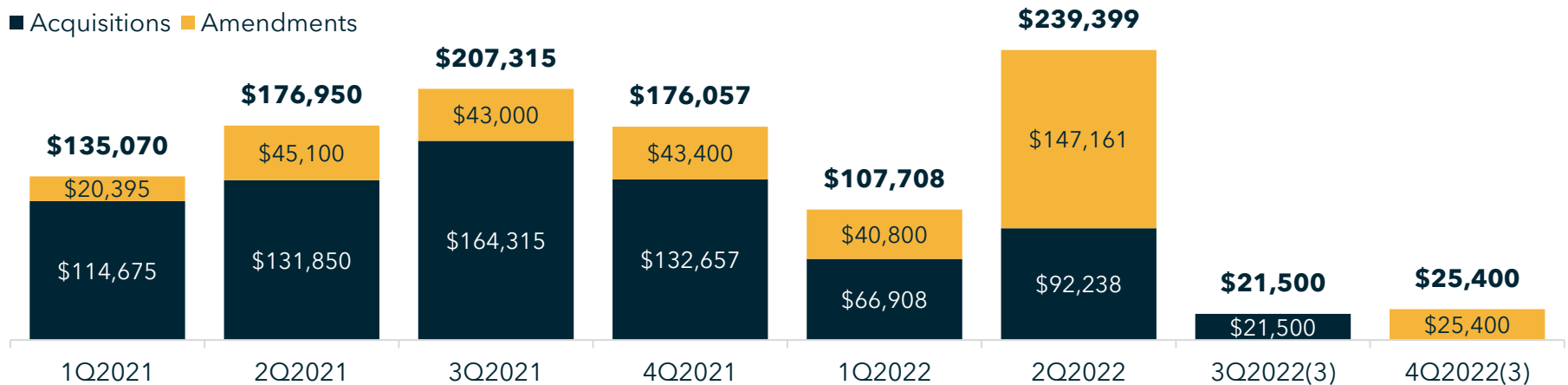
State	Closing / Execution	Rentable Square Feet	Current Quarter		Existing Investment <sup>(1)</sup>	Total Investment	Total Investment / PSF <sup>(2)</sup>
			Purchase Price <sup>(1)</sup>	Additional Commitment			
<b>Amendments</b>							
Massachusetts	Oct-22	55	-	\$2,000	\$17,750	\$19,750	\$359
Illinois	Nov-22	250	-	19,900	50,250	70,150	281
California	Nov-22	201	-	3,500	60,000	63,500	316
<b>Total / Wtd. Avg.</b>		<b>506</b>	<b>-</b>	<b>\$25,400</b>	<b>\$128,000</b>	<b>\$153,400</b>	<b>\$303</b>

State	Closing / Execution	Rentable Square Feet	Sale Price <sup>(1)</sup>	Total Sale / PSF
<b>Dispositions</b>				
Pennsylvania	Nov-22	51	\$23,500	\$461
<b>Total / Wtd. Avg.</b>		<b>51</b>	<b>\$23,500</b>	<b>\$461</b>

## Two Year Capital Commitment History

■ Acquisitions ■ Amendments



Note: Values in thousands except for \$/PSF.

- 1) Excludes transaction costs.
- 2) Calculated as IIP's total investment divided by the rentable square feet.
- 3) Excludes changes in future commitments to fund improvements for Construction in Progress properties.

# Leasing Summary

## Lease Expiration Schedule as of December 31, 2022<sup>(1)</sup>

**No Expiring Leases Until 2029**



Year	# of Leases	Rentable Square Feet		Annualized Base Rent	
		#	%	\$	%
2023	-	-	-	-	-
2024	-	-	-	-	-
2025	-	-	-	-	-
2026	-	-	-	-	-
2027	-	-	-	-	-
2028	-	-	-	-	-
2029	1	120	1%	\$2,043	1%
2030	2	153	2%	\$5,494	2%
2031	6	183	2%	\$5,374	2%
2032	1	3	0%	\$106	0%
Thereafter	94	7,689	95%	\$244,754	95%
<b>Total</b>	<b>104</b>	<b>8,148</b>	<b>100%</b>	<b>\$257,771</b>	<b>100%</b>

Note: Square footage and dollars in thousands.

1) As a % of annualized base rent for Operating Portfolio. See "Definitions" for additional details. Excludes properties that Kings Garden continues to occupy pursuant to confidential, conditional settlement agreement reported by IIP on its current report on Form 8-K filed with the SEC on September 16, 2022.

# Top Tenants Overview

# Tenant	IIP Portfolio			Total			3rd Quarter 2022 <sup>(3)</sup>		Tenant Information	
	Invested Capital <sup>(1)</sup>		Square Feet <sup>(2)</sup>	/ Square Feet	# of Leases	Revenue	Adjusted EBITDA <sup>(4)</sup>	Market Capitalization <sup>(5)</sup>	MSO / SSO <sup>(6)</sup>	
	\$	%								
1 PharmaCann	\$306,172	13.1%	688	\$445	11	Private Co.	Private Co.	Private Co.	MSO	
2 Parallel	203,050	8.7%	895	227	4	Private Co.	Private Co.	Private Co.	MSO	
3 Ascend Wellness (AWH)	199,050	8.5%	624	319	4	\$111	\$28	\$217	MSO	
4 Green Thumb Industries	176,800	7.6%	664	266	3	261	84	2,094	MSO	
5 Curaleaf	175,047	7.5%	578	303	8	340	84	3,090	MSO	
6 Columbia Care	147,834	6.3%	588	251	21	133	21	299	MSO	
7 Trulieve	146,503	6.3%	740	198	6	301	99	1,410	MSO	
8 Holistic Industries	121,900	5.2%	333	366	5	Private Co.	Private Co.	Private Co.	MSO	
9 Cresco Labs	120,845	5.2%	379	319	5	210	42	546	MSO	
10 4Front Ventures <sup>(7)</sup>	119,150	5.1%	488	244	4	32	9	147	MSO	
<b>Top 10 Tenants Total</b>	<b>\$1,716,351</b>	<b>73.5%</b>	<b>5,977</b>	<b>\$287</b>	<b>71</b>					



- 1) Total Portfolio representation. Dollars in thousands, see "Definitions" for additional details.
- 2) Square feet in thousands.
- 3) Dollars in millions, based on each company's public securities filings and earnings release, available at [www.sec.gov](http://www.sec.gov), [www.sedar.com](http://www.sedar.com), or each company's respective website, for the quarter ended September 30, 2022.
- 4) Adjusted EBITDA is a non-GAAP financial measure utilized in the industry. For definitions and reconciliations of Adjusted EBITDA to net income, see each company's public securities filings, available at [www.sec.gov](http://www.sec.gov) or [www.sedar.com](http://www.sedar.com).
- 5) Dollars in millions, per S&P Capital IQ Pro as of 12/31/2022.
- 6) "MSO" means the tenant (or guarantor) conducts cannabis operations in more than one state. "SSO" means the tenant (or guarantor) conducts cannabis operations in a single state.
- 7) Includes one property acquired in January 2022 for \$16.0 million which did not satisfy the requirements for sale-leaseback accounting and therefore, the transaction is recognized as a note receivable and is included in other assets, net on our consolidated balance sheet.

# Property List

# Tenant	State	City	Date Acquired	% Leased	Square Feet			Invested / Committed Capital \$			Total \$ / Square Feet
					In Place <sup>(1)</sup>	Under Dev. / Redev. <sup>(2)</sup>	Total	Invested	Committed	Total \$	
<b>Industrial</b>											
1 PharmaCann	New York	Hamptonburgh	12/19/2016	100%	74	151	225	\$80,562	\$27,938	\$108,500	\$482
2 PharmaCann	Michigan	Warren	10/9/2019	100%	205	-	205	83,045	550	83,595	408
3 PharmaCann	Massachusetts	Holliston	5/31/2018	100%	58	-	58	30,500	-	30,500	526
4 PharmaCann	Illinois	Dwight	10/30/2019	100%	66	-	66	28,000	-	28,000	424
5 PharmaCann	Pennsylvania	Scott Township	8/7/2019	100%	56	-	56	28,000	-	28,000	500
6 PharmaCann	Ohio	Buckeye Lake Village	3/13/2019	100%	58	-	58	20,000	-	20,000	345
7 Parallel	Pennsylvania	Pittsburgh	5/13/2021	100%	239	-	239	67,750	-	67,750	283
8 Parallel	Florida	Lakeland	9/18/2020	100%	220	-	220	56,400	-	56,400	256
9 Parallel	Florida	Wimauma	3/11/2020	100%	373	-	373	51,500	-	51,500	138
10 Ascend Wellness (AWH)	Illinois	Barry	12/21/2018	100%	166	-	166	71,000	-	71,000	428
11 Ascend Wellness (AWH)	Massachusetts	Athol	4/2/2020	100%	199	-	199	63,900	-	63,900	321
12 Ascend Wellness (AWH)	New Jersey	Franklin	2/10/2022	100%	80	34	114	39,500	500	40,000	351
13 Ascend Wellness (AWH)	Michigan	Lansing	7/2/2019	100%	145	-	145	24,150	-	24,150	167
14 Green Thumb Industries	Pennsylvania	Danville	11/12/2019	100%	300	-	300	94,600	-	94,600	315
15 Green Thumb Industries	Illinois	Oglesby	3/6/2020	100%	266	-	266	50,000	-	50,000	188
16 Green Thumb Industries	Ohio	Toledo	1/31/2020	100%	98	-	98	32,200	-	32,200	329
17 Curaleaf	Pennsylvania	Chambersburg	12/20/2019	100%	74	105	179	49,800	11,840	61,640	344
18 Curaleaf	Illinois	Litchfield	10/30/2019	100%	127	-	127	40,000	-	40,000	315
19 Curaleaf	New Jersey	Blue Anchor	7/13/2020	100%	123	-	123	35,000	-	35,000	285
20 Curaleaf	Massachusetts	Webster	9/1/2022	100%	104	-	104	21,500	-	21,500	207
21 Curaleaf	North Dakota	Fargo	12/20/2019	100%	33	-	33	12,190	-	12,190	369
22 Columbia Care	Pennsylvania	Saxton	5/20/2019	100%	270	-	270	42,891	109	43,000	159
23 Columbia Care	Virginia	Richmond	1/15/2020	100%	82	-	82	19,750	-	19,750	241
24 Columbia Care	New Jersey	Vineland	7/16/2020	100%	50	-	50	11,820	-	11,820	236
25 Columbia Care	Colorado	Denver	10/30/2018	100%	58	-	58	11,250	-	11,250	194
26 Columbia Care	Colorado	Denver	12/14/2021	100%	18	-	18	9,917	-	9,917	551
27 Columbia Care	Colorado	Denver	12/14/2021	100%	12	-	12	3,276	-	3,276	273
28 Trulieve	Massachusetts	Holyoke	7/26/2019	100%	150	-	150	43,500	-	43,500	290
29 Trulieve	Florida	Alachua	1/22/2021	100%	295	-	295	41,650	-	41,650	141
30 Trulieve	Maryland	Hancock	8/13/2021	100%	115	-	115	28,901	614	29,515	257
31 Trulieve	Florida	Quincy	10/23/2019	100%	120	-	120	17,000	-	17,000	142
32 Trulieve*	Nevada	Las Vegas	7/12/2019	100%	43	-	43	9,600	-	9,600	223
33 Trulieve	Arizona	Cottonwood	4/27/2022	100%	17	-	17	5,238	-	5,238	308
34 Holistic Industries	Maryland	Capitol Heights	5/26/2017	100%	72	-	72	33,719	31	33,750	469
35 Holistic Industries	Pennsylvania	New Castle	6/10/2020	100%	108	-	108	23,629	2,021	25,650	238
36 Holistic Industries	Massachusetts	Monson	7/12/2018	100%	55	-	55	19,234	516	19,750	359
37 Cresco Labs	Michigan	Marshall	4/22/2020	100%	115	-	115	32,000	-	32,000	278
38 Cresco Labs	Illinois	Kankakee	10/22/2019	100%	51	-	51	25,496	104	25,600	502
39 Cresco Labs	Illinois	Joliet	10/22/2019	100%	39	-	39	20,950	-	20,950	537
40 Cresco Labs	Ohio	Yellow Springs	1/24/2020	100%	50	-	50	12,927	618	13,545	271
41 4Front Ventures	Illinois	Matteson	8/3/2021	100%	-	250	250	47,326	22,824	70,150	281
42 4Front Ventures	Washington	Olympia	12/17/2020	100%	114	-	114	17,500	-	17,500	154
43 4Front Ventures**	Massachusetts	Holliston	1/28/2022	100%	57	-	57	16,000	-	16,000	281
44 4Front Ventures	Massachusetts	Georgetown	12/17/2020	100%	67	-	67	15,500	-	15,500	231
45 Green Peak (Skymint)	Michigan	Windsor	4/16/2021	100%	97	104	201	50,894	12,106	63,000	313
46 Green Peak (Skymint)	Michigan	Dimondale	8/2/2018	100%	56	-	56	15,799	-	15,799	282
47 Goodness Growth (f/k/a Vireo Health)	New York	Perth	10/23/2017	100%	40	324	364	52,766	10,294	63,060	173
48 Goodness Growth (f/k/a Vireo Health)	Minnesota	Otsego	11/8/2017	100%	89	-	89	9,710	-	9,710	109

Note: Subtotals and Totals include fractional amounts. Square footage and dollars in thousands except for \$/PSF. "Industrial" reflects facilities utilized or expected to be utilized for regulated cannabis cultivation, processing and/or distribution activities, which can consist of industrial and/or greenhouse space. Data as of December 31, 2022.

\*Harvest Health & Recreation Inc., which is a subsidiary of Trulieve Inc., executed a lease guaranty in favor of IIP for tenant's obligations at the property.

\*\*The acquisition of the property did not satisfy the requirements for sale-leaseback accounting and therefore, the transaction is recognized as a note receivable and is included in other assets, net on our consolidated balance sheet.

1) Existing square footage for properties where there is no active development or redevelopment.

2) Estimated square footage upon completion of development or redevelopment.

# Property List (Continued)

# Tenant	State	City	Date Acquired	% Leased	Square Feet			Invested / Committed Capital \$			Total \$ / Square Feet
					In Place <sup>(1)</sup>	Under Dev. / Redev. <sup>(2)</sup>	Total	Invested	Committed	Total \$	
49 Gold Flora	California	Desert Hot Springs	10/15/2021	100%	131	70	201	\$61,984	\$1,516	\$63,500	\$316
50 Jushi	Pennsylvania	Scranton	4/6/2018	100%	145	-	145	45,800	-	45,800	316
51 Kings Garden	California	North Palm Springs	5/12/2020	100%	70	-	70	17,500	-	17,500	250
52 Kings Garden	California	Palm Springs	4/16/2019	100%	56	-	56	15,000	-	15,000	268
53 Kings Garden	California	Palm Springs	4/16/2019	100%	24	-	24	6,309	-	6,309	263
54 Kings Garden	California	Palm Springs	4/16/2019	100%	22	-	22	5,788	-	5,788	263
55 Calyx Peak	Missouri	Smithville	9/17/2021	100%	83	-	83	27,721	529	28,250	340
56 Temescal Wellness	Massachusetts	North Adams	5/26/2021	100%	71	-	71	26,181	619	26,800	377
57 Maryland Cultivation Processing (MCP)	Maryland	Hagerstown	4/13/2022	100%	84	-	84	25,000	-	25,000	298
58 The Pharm	Arizona	Willcox	12/15/2017	100%	358	-	358	20,000	-	20,000	56
59 Texas Original	Texas	Bastrop	6/14/2022	100%	-	85	85	13,586	8,414	22,000	259
60 Medical Investor Holdings (Vertical)	California	Needles	9/11/2019	100%	46	-	46	10,100	-	10,100	220
61 Medical Investor Holdings (Vertical)	California	Needles	8/29/2019	100%	20	-	20	4,841	-	4,841	242
62 Medical Investor Holdings (Vertical)	California	Needles	8/29/2019	100%	7	-	7	1,471	-	1,471	210
63 Medical Investor Holdings (Vertical)	California	Needles	8/29/2019	100%	6	-	6	888	-	888	148
64 Sacramento CA (Undisclosed Tenant)	California	Sacramento	2/8/2019	100%	43	-	43	12,710	-	12,710	296
65 Emerald Growth	Michigan	Harrison Township	6/7/2019	100%	45	-	45	10,000	-	10,000	222
66 AYR Wellness	Ohio	Akron	5/14/2019	100%	11	-	11	3,550	-	3,550	323
<b>Industrial Subtotal / Wtd. Avg.</b>				<b>100%</b>	<b>6,526</b>	<b>1,123</b>	<b>7,649</b>	<b>\$1,926,271</b>	<b>\$101,141</b>	<b>\$2,027,412</b>	<b>\$265</b>
<b>Retail</b>											
67 PharmaCann	Colorado	Commerce City	2/21/2020	100%	5	-	5	\$2,300	-	\$2,300	\$460
68 PharmaCann	Colorado	Aurora	12/14/2021	100%	2	-	2	1,558	116	1,674	837
69 PharmaCann	Colorado	Berthoud	12/14/2021	100%	6	-	6	1,307	99	1,406	234
70 PharmaCann	Colorado	Mancos	12/14/2021	100%	4	-	4	1,148	-	1,148	287
71 PharmaCann	Colorado	Pueblo	2/19/2020	100%	3	-	3	1,049	-	1,049	350
72 Curaleaf	North Dakota	Dickinson	12/14/2021	100%	5	-	5	2,045	-	2,045	409
73 Curaleaf	North Dakota	Devils Lake	12/14/2021	100%	4	-	4	1,614	-	1,614	404
74 Curaleaf	Pennsylvania	Bradford	12/14/2021	100%	3	-	3	1,058	-	1,058	353
75 Columbia Care	Colorado	Denver	12/14/2021	100%	4	-	4	7,338	-	7,338	1,834
76 Columbia Care	Colorado	Pueblo	12/14/2021	100%	6	-	6	4,878	-	4,878	813
77 Columbia Care	Colorado	Aurora	12/14/2021	100%	5	-	5	4,229	-	4,229	846
78 Columbia Care	Colorado	Glenwood Springs	12/14/2021	100%	4	-	4	4,187	-	4,187	1,047
79 Columbia Care	Colorado	Fort Collins	12/14/2021	100%	5	-	5	3,977	-	3,977	795
80 Columbia Care	Colorado	Aurora	12/14/2021	100%	4	-	4	3,601	-	3,601	900
81 Columbia Care	New Jersey	Vineland	7/16/2020	100%	4	-	4	2,165	-	2,165	541
82 Columbia Care	Colorado	Aurora	12/14/2021	100%	5	-	5	1,991	-	1,991	398
83 Columbia Care	Colorado	Englewood	12/14/2021	100%	4	-	4	1,778	-	1,778	445
84 Columbia Care	Colorado	Trinidad	12/14/2021	100%	9	-	9	1,728	-	1,728	192
85 Columbia Care	Colorado	Silver Plume	12/14/2021	100%	4	-	4	1,444	-	1,444	361
86 Columbia Care	Colorado	Black Hawk	12/14/2021	100%	4	-	4	1,321	-	1,321	330
87 Columbia Care	Colorado	Edgewater	12/14/2021	100%	5	-	5	1,089	-	1,089	218
88 Columbia Care	Colorado	Sheridan	12/14/2021	100%	2	-	2	890	-	890	445
89 Green Peak (Skymint)	Michigan	East Lansing	10/25/2019	100%	3	-	3	3,372	28	3,400	1,133
90 Green Peak (Skymint)	Michigan	Lansing	11/4/2019	100%	14	-	14	2,225	-	2,225	159
91 Green Peak (Skymint)	Michigan	Flint	11/4/2019	100%	6	-	6	2,180	-	2,180	363
92 Green Peak (Skymint)	Michigan	Bay City	11/4/2019	100%	4	-	4	1,740	-	1,740	435
93 Green Peak (Skymint)	Michigan	Traverse City	11/25/2019	100%	2	-	2	1,272	-	1,272	636
94 Green Peak (Skymint)	Michigan	Newaygo	11/8/2019	100%	2	-	2	995	-	995	498
95 The Pharm	Arizona	Phoenix	9/19/2019	100%	2	-	2	2,500	-	2,500	1,250

Note: Subtotals and Totals include fractional amounts. Square footage and dollars in thousands except for \$/PSF. "Industrial" reflects facilities utilized or expected to be utilized for regulated cannabis cultivation, processing and/or distribution activities, which can consist of industrial and/or greenhouse space. Data as of December 31, 2022.

- 1) Existing square footage for properties where there is no active development or redevelopment.
- 2) Estimated square footage upon completion of development or redevelopment.



# Property List (Continued)

# Tenant	State	City	Date Acquired	% Leased	Square Feet			Invested / Committed Capital \$				Total \$ / Square Feet
					In Place <sup>(1)</sup>	Under Dev. / Redev. <sup>(2)</sup>	Total	Invested	Committed	Total \$		
96 Schwazze	Colorado	Ordway	12/14/2021	100%	2	-	2	\$400	-	\$400	\$200	
97 Schwazze	Colorado	Rocky Ford	12/14/2021	100%	13	-	13	400	-	400	31	
98 Schwazze	Colorado	Las Animas	12/14/2021	100%	2	-	2	400	-	400	200	
99 Verano	Pennsylvania	Harrisburg	3/23/2022	100%	3	-	3	2,750	-	2,750	917	
<b>Retail Subtotal / Wtd. Avg.</b>				<b>100%</b>	<b>150</b>	<b>-</b>	<b>150</b>	<b>\$70,927</b>	<b>\$242</b>	<b>\$71,170</b>	<b>\$474</b>	
<b>Industrial / Retail</b>												
100 Parallel	Texas	San Marcos	3/10/2021	100%	-	63	63	\$8,231	\$19,169	\$27,400	\$435	
101 Columbia Care	Colorado	Denver	12/14/2021	100%	33	-	33	8,206	-	8,206	249	
102 Holistic Industries	Michigan	Madison Heights	9/1/2020	100%	63	-	63	27,934	566	28,500	452	
103 Holistic Industries	California	Los Angeles	7/23/2019	100%	35	-	35	13,977	273	14,250	407	
104 Cresco Labs	Massachusetts	Fall River	6/30/2020	100%	124	-	124	24,806	3,944	28,750	232	
105 TILT Holdings	Massachusetts	Taunton	5/16/2022	100%	104	-	104	40,000	-	40,000	385	
106 Sozo	Michigan	Warren	5/14/2021	100%	85	-	85	17,071	159	17,230	203	
107 Schwazze	Colorado	Pueblo	12/14/2021	100%	8	-	8	2,165	-	2,165	271	
108 Kaya Cannabis	Colorado	Denver	12/14/2021	100%	6	-	6	1,299	-	1,299	217	
<b>Industrial / Retail Subtotal / Wtd. Avg.</b>				<b>100%</b>	<b>458</b>	<b>63</b>	<b>521</b>	<b>\$143,688</b>	<b>\$24,111</b>	<b>\$167,800</b>	<b>\$322</b>	
<b>Operating Portfolio Total / Wtd. Avg.</b>				<b>100%</b>	<b>7,134</b>	<b>1,186</b>	<b>8,320</b>	<b>\$2,140,887</b>	<b>\$125,495</b>	<b>\$2,266,382</b>	<b>\$272</b>	
<b>Construction In Progress<sup>(3)</sup></b>												
109 Under Development	California	San Bernardino	11/16/2020	-	-	192	192	\$35,729	-	\$35,729	\$186	
110 Under Development	California	Cathedral City	3/25/2022	-	-	23	23	8,158	-	8,158	355	
<sup>(4)</sup> Under Development	California	Palm Springs	2/5/2021	-	-	180	180	24,152	-	24,152	134	
<b>Construction In Progress Subtotal / Wtd. Avg.</b>				<b>-</b>	<b>-</b>	<b>395</b>	<b>395</b>	<b>\$68,039</b>	<b>-</b>	<b>\$68,039</b>	<b>\$172</b>	
<b>Total Portfolio / Wtd. Avg.</b>				<b>97%</b>	<b>7,134</b>	<b>1,581</b>	<b>8,715</b>	<b>\$2,208,926</b>	<b>\$125,495</b>	<b>\$2,334,421</b>	<b>\$268</b>	
<b>State Subtotal / Wtd. Avg.</b>												
1	Pennsylvania			100%	1,198	105	1,303	\$356,277	\$13,970	\$370,247	\$284	
2	Massachusetts			100%	989	-	989	\$301,121	\$5,079	\$306,200	\$310	
3	Illinois			100%	715	250	965	\$282,773	\$22,927	\$305,700	\$317	
4	Michigan			100%	842	104	946	\$272,677	\$13,409	\$286,086	\$302	
5	California			69%	460	465	925	\$218,607	\$1,789	\$220,396	\$238	
6	New York			100%	114	475	589	\$133,328	\$38,232	\$171,560	\$291	
7	Florida			100%	1,008	-	1,008	\$166,550	-	\$166,550	\$165	
8	New Jersey			100%	257	34	291	\$88,485	\$500	\$88,985	\$306	
9	Maryland			100%	271	-	271	\$87,620	\$645	\$88,265	\$326	
10	Colorado			100%	233	-	233	\$83,125	\$215	\$83,340	\$358	
11	Ohio			100%	217	-	217	\$68,677	\$618	\$69,295	\$319	
12	Texas			100%	-	148	148	\$21,817	\$27,583	\$49,400	\$334	
13	Missouri			100%	83	-	83	\$27,721	\$529	\$28,250	\$340	
14	Arizona			100%	377	-	377	\$27,737	-	\$27,737	\$74	
15	Virginia			100%	82	-	82	\$19,750	-	\$19,750	\$241	
16	Washington			100%	114	-	114	\$17,500	-	\$17,500	\$154	
17	North Dakota			100%	42	-	42	\$15,849	-	\$15,849	\$377	
18	Minnesota			100%	89	-	89	\$9,710	-	\$9,710	\$109	
19	Nevada			100%	43	-	43	\$9,600	-	\$9,600	\$223	

Note: Subtotals and Totals include fractional amounts. Square footage and dollars in thousands except for \$/PSF. "Industrial" reflects facilities utilized or expected to be utilized for regulated cannabis cultivation, processing and/or distribution activities, which can consist of industrial and/or greenhouse space. Data as of December 31, 2022.

- 1) Existing square footage for properties where there is no active development or redevelopment.
- 2) Estimated square footage upon completion of development or redevelopment.
- 3) Refer to "Definitions" for additional details.
- 4) Represents parcel under development that is part of the lease with Kings Garden (#52, Kings Garden - Palm Springs).

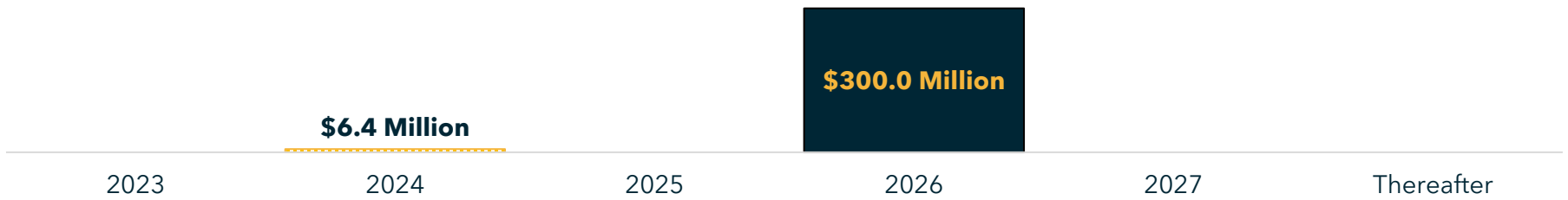
# Senior Capital and Debt Summary

## Senior Capital Overview

(In thousands, except share and per share amounts)	Quarter End December 31, 2022	Interest Rate / Preferred Rate / Wtd. Avg. Rate	Maturity / Wtd. Avg. Maturity
Unsecured debt:			
Exchangeable Senior Notes	\$6,436	3.75%	1.1 Years
Notes due 2026	300,000	5.50%	3.4 Years
<b>Total Unsecured Debt</b>	<b>\$306,436</b>	<b>5.46%</b>	<b>3.4 Years</b>
<b>Gross Debt</b>	<b>\$306,436</b>	<b>5.46%</b>	<b>3.4 Years</b>
Series A Preferred Stock:			
Redemption price per share	\$25.00		
Shares outstanding	600,000		
<b>Total Preferred Equity</b>	<b>\$15,000</b>	<b>9.00%</b>	
<b>Total Senior Capital</b>	<b>\$321,436</b>	<b>5.63%</b>	

## Debt Maturity Schedule

■ Exchangeable Senior Notes
 ■ Notes Due 2026



# Capitalization

Quarter End  
December 31, 2022

## Cash and Investments

Cash and cash equivalents	\$87,122
Restricted cash	1,450
Investments	200,935
	<b>\$289,507</b>

## Cash Not Available for Investment:

Short term liabilities <sup>(1)</sup>	\$61,455
Tenant improvements and construction funding payable <sup>(2)</sup>	29,376
Tenant security deposits	50,763
Construction commitments <sup>(1)</sup>	96,567
Construction loan commitments <sup>(1)</sup>	479
	<b>\$238,640</b>

## Cash Available for Investment

**\$50,867**

## Senior Capital:

Gross Debt	\$306,436
Total Preferred Equity	15,000
	<b>\$321,436</b>

## Equity Market Capitalization:

Stock Price as of 12/31/2022	\$101.35
Shares outstanding	27,972,830
	<b>\$2,835,046</b>

Covenant <sup>(4)</sup> December 31, 2022

Debt / Total Gross Assets	<60%	~12%
Secured Debt	<40%	0%
Unencumbered Total Gross Assets / Unsecured Debt	>150%	~834%
Debt Service Coverage Ratio	>1.5x	15.5x
Egan Jones Credit Rating		BBB+

Note: Dollars in thousands, except for \$/share.

1) Refer to "Definitions" for additional details.

2) As reported on the company's quarterly filing for the particular period.

3) See "Senior Capital and Debt Summary" for details.

4) Calculated in accordance with the indenture governing the Notes due 2026, included in the Current Report on Form 8-K filed with the Securities and Exchange Commission on May 25, 2021.

# Definitions

- **Adjusted Funds From Operations (“AFFO”):** Management believes that AFFO and AFFO per share are appropriate supplemental measures of a REIT’s operating performance. We calculate AFFO by adjusting Normalized FFO for certain non-cash items.
- **Annualized Base Rent (“ABR”):** ABR is calculated by multiplying rental payments (defined as the contractually due base rents and property management fees for the last month in the quarter), by twelve.
- **Cash and Investments:** Calculated as cash and cash equivalents, restricted cash, and investments (each as reported on the company’s condensed consolidated balance sheets for the particular period).
- **Construction Commitments:** Calculated as remaining contractual commitments to fund draws to tenants and sellers related to development and redevelopment activities at properties.
- **Construction in Progress (“CIP”):** Defined as non-operating assets under development that are not leased and not ready for their intended use. Note that CIP as defined for purposes of this Supplemental Financial Information Package is different than “construction in progress” as reported on the company’s condensed consolidated balance sheets for the particular period.
- **Construction Loan Commitments:** Calculated as the remaining amount that may be funded pursuant to a construction loan agreement with a developer executed in June 2021, pursuant to which we agreed to lend up to \$18.5 million for the development of a regulated cannabis cultivation and processing facility in California.
- **Exchangeable Senior Notes:** 3.75% Exchangeable Senior Notes due 2024.
- **Funds From Operations (“FFO”):** FFO and FFO per share are operating performance measures adopted by the National Association of Real Estate Investment Trusts, Inc. (“NAREIT”). NAREIT defines FFO as the most commonly accepted and reported measure of a REIT’s operating performance equal to net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, depreciation, amortization and impairment related to real estate properties, and after adjustments for unconsolidated partnerships and joint ventures.

Management believes that net income, as defined by GAAP, is the most appropriate earnings measurement. However, management believes FFO and FFO per share to be supplemental measures of a REIT’s performance because they provide an understanding of the operating performance of our properties without giving effect to certain significant non-cash items, primarily depreciation expense. Historical cost accounting for real estate assets in accordance with GAAP assumes that the value of real estate assets diminishes predictably over time. However, real estate values instead have historically risen or fallen with market conditions. We believe that by excluding the effect of depreciation, FFO and FFO per share can facilitate comparisons of operating performance between periods. We report FFO and FFO per share because these measures are observed by management to also be the predominant measures used by the REIT industry and by industry analysts to evaluate REITs and because FFO per share is consistently reported, discussed, and compared by research analysts in their notes and publications about REITs. For these reasons, management has deemed it appropriate to disclose and discuss FFO and FFO per share.

- **GAAP:** Accounting principles generally accepted in the United States.

# Definitions (Continued)

- **Gross Debt:** Calculated as the sum of the principal amount outstanding of the Notes due 2026 and Exchangeable Senior Notes.
- **Normalized Funds From Operations (“Normalized FFO”):** We compute normalized funds from operations (“Normalized FFO”) by adjusting FFO, as defined by NAREIT, to exclude certain GAAP income and expense amounts that we believe are infrequent and unusual in nature and/or not related to our core real estate operations. Exclusion of these items from similar FFO-type metrics is common within the equity REIT industry, and management believes that presentation of Normalized FFO and Normalized FFO per share provides investors with a metric to assist in their evaluation of our operating performance across multiple periods and in comparison to the operating performance of other companies, because it removes the effect of unusual items that are not expected to impact our operating performance on an ongoing basis. Normalized FFO is used by management in evaluating the performance of our core business operations. Items included in calculating FFO that may be excluded in calculating Normalized FFO include certain transaction-related gains, losses, income or expense or other non-core amounts as they occur.
- **Notes due 2026:** 5.50% Unsecured Senior Notes due 2026.
- **Operating Portfolio:** All properties that (a) are leased or (b) are not leased but ready for their intended use.
- **Rent Collection:** Calculated as actual base rent and property management fees collected over contractual billed base rent and property management fees. Includes security deposits applied for payment of rent.
- **Series A Preferred:** 9.00% Series A Cumulative Redeemable Preferred Stock, \$0.001 par value per share.
- **Short-Term Liabilities:** Calculated as dividends payable, accounts payable and accrued expenses (each as reported on the company’s condensed consolidated balance sheets for the particular period).
- **Total Committed / Invested Capital:** Includes (1) total investments in properties (consisting of purchase price and construction funding and improvements reimbursed to tenants, if any, but excluding transaction costs) and (2) total additional commitments to reimburse certain tenants and sellers for completion of construction and improvements at the properties. Excludes an \$18.5 million commitment from us to a developer for construction of a regulated cannabis cultivation and processing facility in California.
- **Total Portfolio:** All properties, including CIP and operating portfolio, as of quarter end.
- **Total Preferred Equity:** Calculated by multiplying the total Series A Preferred shares outstanding by the \$25 redemption price per share.
- **Total Senior Capital:** Calculated as the sum of Gross Debt and the redemption value of the Series A Preferred Stock.
- **% Leased:** The weighted average percentage of the Operating Portfolio, which excludes CIP, that is leased as of the period ended.

# Analyst Coverage

Analyst	Research Firms	Contact Information
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# Senior Management Team and Board of Directors

Senior Management	
Name	Title
Alan Gold	Executive Chairman
Paul Smithers	President, Chief Executive Officer and Director
Catherine Hastings	Chief Financial Officer and Treasurer
Ben Regin	Chief Investment Officer
Brian Wolfe	Vice President, General Counsel and Secretary
Andy Bui	Vice President, Chief Accounting Officer
Tracie Hager	Vice President, Asset Management
Kelly Spicher	Vice President, Real Estate Counsel
Board of Directors	
Name	Title
Alan Gold	Executive Chairman
Paul Smithers	President, Chief Executive Officer and Director
Gary Kreitzer	Vice Chairman (Independent)
David Stecher	Director (Independent)
Scott Shoemaker, MD	Director (Independent)
Mary Allis Curran	Director (Independent)