



# **Second Quarter 2023**

*Supplemental Financial Information*

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# Forward-Looking Statements

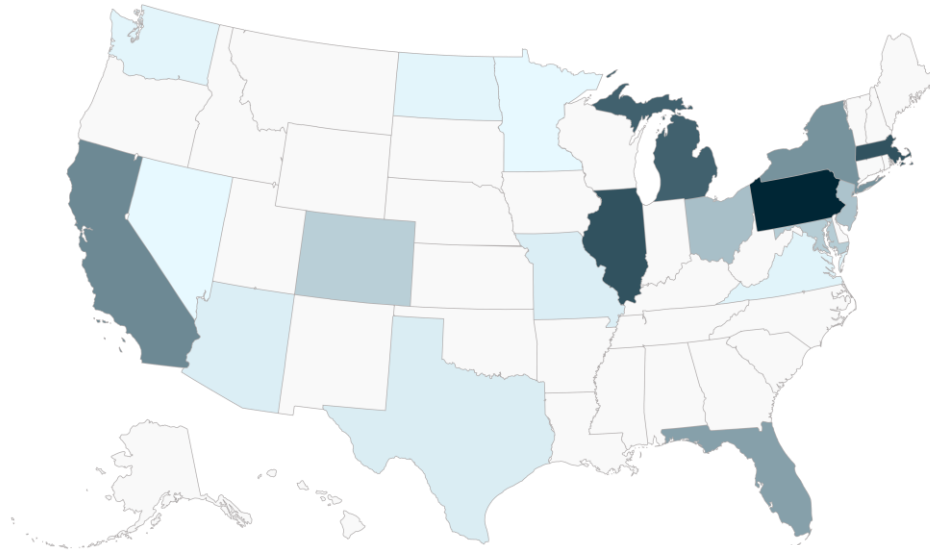
This Supplemental Financial Information Package include "forward-looking statements" (within the meaning of the Private Securities Litigation Reform Act of 1995, Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended) that are subject 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.



## State Diversification <sup>(1)</sup>

Pennsylvania	16.1%
Massachusetts	12.8%
Illinois	12.8%
Michigan	11.7%
California	8.7%
New York	8.0%
Florida	7.0%
Ohio	4.7%
New Jersey	4.4%
Maryland	3.7%
Other	10.1%
<b>Total</b>	<b>100%</b>

## Company Snapshot

Market Capitalization <sup>(2)</sup>	\$2,047,204	Operating Portfolio (103 Properties) <sup>(4)</sup>	
Current Annualized Dividend (\$) <sup>(3)</sup>	\$7.20 / share	Total Rentable Square Feet <sup>(5)</sup>	8,136
Total Portfolio <sup>(4)</sup>		Total Committed Invested Capital per Square Foot	\$275
Total Committed / Invested Capital <sup>(1)</sup>	\$2,387,511	% Leased <sup>(5)</sup>	99.9%
Total Properties	108	Weighted Average Lease Length	14.9 Years

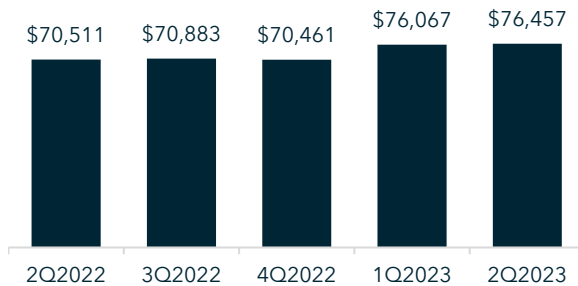
Note: As of June 30, 2023, values in thousands except for share count, \$/PSF, or otherwise noted.

- 1) Based on "Total Committed / Invested Capital". Refer to "Definitions" for additional details.
- 2) Refer to "Capital and Debt Summary" and "Definitions" for additional details.
- 3) Reflects annualized common stock dividend paid on July 14, 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 1.0 million square feet under development or redevelopment and 6,000 square feet related to 2 retail assets that are vacant.

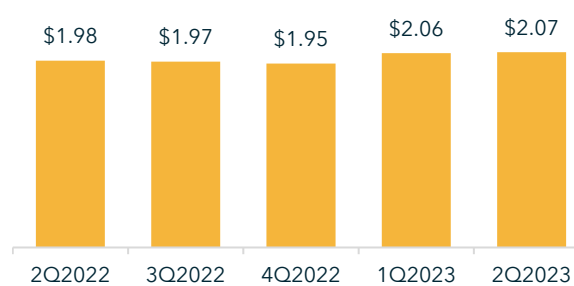
# Quarterly Performance Summary

	2023		2022		
	2Q2023	1Q2023	4Q2022	3Q2022	2Q2022
Total Revenues	\$76,457	\$76,067	\$70,461	\$70,883	\$70,511
General and administrative expense	\$10,570	\$10,373	\$10,232	\$10,804	\$8,707
General and administrative expense / total revenues	14%	14%	15%	15%	12%
Net income attributable to common stockholders	\$40,931	\$40,754	\$41,168	\$37,278	\$39,876
Net income attributable to common stockholders - diluted ("EPS")	\$1.44	\$1.43	\$1.46	\$1.32	\$1.42
Funds from operations attributable to common stockholders - diluted ("FFO") <sup>(1)</sup>	\$57,685	\$57,537	\$53,941	\$53,250	\$55,177
FFO per common share - diluted <sup>(1)</sup>	\$2.04	\$2.04	\$1.92	\$1.89	\$1.97
Normalized FFO attributable to common stockholders - diluted ("Normalized FFO") <sup>(1)</sup>	\$58,355	\$58,061	\$54,969	\$55,376	\$55,407
Normalized FFO per common share - diluted <sup>(1)</sup>	\$2.07	\$2.06	\$1.95	\$1.97	\$1.98
Adjusted funds from operations attributable to common stockholders - diluted ("AFFO") <sup>(1)</sup>	\$63,996	\$63,373	\$59,625	\$60,094	\$60,178
AFFO per common share - diluted <sup>(1)</sup>	\$2.26	\$2.25	\$2.12	\$2.13	\$2.15
Common stock dividend per share <sup>(2)</sup>	\$1.80	\$1.80	\$1.80	\$1.80	\$1.75
AFFO Payout Ratio <sup>(3)</sup>	80%	80%	85%	85%	81%
Total Committed / Invested Capital <sup>(4)</sup>	\$2.4B	\$2.4B	\$2.3B	\$2.3B	\$2.4B
% Leased - Operating Portfolio <sup>(5)</sup>	99.9%	100.0%	100.0%	100.0%	100.0%
Rent Collection % / Quarter - Operating Portfolio <sup>(5)</sup>	97%	98%	94%	96%	99%

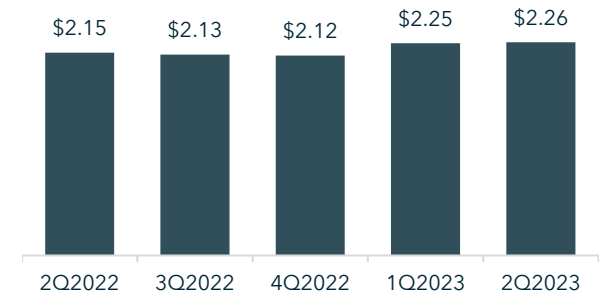
## Total Revenues



## 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.

# Balance Sheet

(In thousands, except share and per share amounts)

	June 30, 2023	December 31, 2022
<b>Assets</b>		
Real estate, at cost:		
Land	\$142,524	\$139,953
Buildings and improvements	2,081,731	2,010,628
Construction in progress	117,413	54,106
Total real estate, at cost	<u>2,341,668</u>	<u>2,204,687</u>
Less accumulated depreciation	(169,658)	(138,405)
Net real estate held for investment	<u>2,172,010</u>	<u>2,066,282</u>
Construction loan receivable	20,917	18,021
Cash and cash equivalents	92,602	87,122
Restricted cash	1,450	1,450
Investments	72,726	200,935
Right of use office lease asset	1,550	1,739
In-place lease intangible assets, net	8,675	9,105
Other assets, net	<u>26,325</u>	<u>30,182</u>
Total assets	<u>\$2,396,255</u>	<u>\$2,414,836</u>
<b>Liabilities and stockholders' equity</b>		
Exchangeable Senior Notes, net	\$4,414	\$6,380
Notes due 2026, net	295,772	295,115
Building improvements and construction funding payable	21,479	29,376
Accounts payable and accrued expenses	8,440	10,615
Dividends payable	51,080	50,840
Rent received in advance and tenant security deposits	58,482	58,716
Other liabilities	<u>3,368</u>	<u>1,901</u>
Total liabilities	<u>443,035</u>	<u>452,943</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 June 30, 2023 and December 31, 2022	14,009	14,009
Common stock, par value \$0.001 per share, 50,000,000 shares authorized: 28,040,054 and 27,972,830 shares issued and outstanding at June 30, 2023 and December 31, 2022, respectively	28	28
Additional paid-in capital	2,076,357	2,065,248
Dividends in excess of earnings	<u>(137,174)</u>	<u>(117,392)</u>
Total stockholders' equity	<u>1,953,220</u>	<u>1,961,893</u>
Total liabilities and stockholders' equity	<u>\$2,396,255</u>	<u>\$2,414,836</u>

# Net Income

(In thousands, except share and per share amounts)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
<b>Revenues:</b>				
Rental (including tenant reimbursements)	\$75,919	\$69,995	\$151,448	\$134,109
Other	538	516	1,076	906
Total revenues	76,457	70,511	152,524	135,015
<b>Expenses:</b>				
Property expenses	5,759	2,427	11,382	4,409
General and administrative expense	10,570	8,707	20,943	17,484
Depreciation and amortization expense	16,704	15,233	33,418	29,101
Total expenses	33,033	26,367	65,743	50,994
Income from operations	43,424	44,144	86,781	84,021
Interest and other income	2,317	581	4,550	638
Interest expense	(4,472)	(4,504)	(8,992)	(9,270)
(Loss) gain on exchange of Exchangeable Senior Notes	-	(7)	22	(125)
Net income	41,269	40,214	82,361	75,264
Preferred stock dividends	(338)	(338)	(676)	(676)
Net income attributable to common stockholders	\$40,931	\$39,876	\$81,685	\$74,588
Net income attributable to common stockholders per share:				
Basic	\$1.45	\$1.42	\$2.89	\$2.77
Diluted	\$1.44	\$1.42	\$2.87	\$2.75
Weighted-average shares outstanding:				
Basic	27,981,517	27,850,561	27,965,720	26,741,568
Diluted	28,257,239	28,036,690	28,239,841	27,159,774

# FFO, Normalized FFO, and AFFO Reconciliation

(In thousands, except share and per share amounts)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2023	2022	2023	2022
Net income attributable to common stockholders	\$40,931	\$39,876	\$81,685	\$74,588
Real estate depreciation and amortization	16,704	15,233	33,418	29,101
FFO attributable to common stockholders (basic)	57,635	55,109	115,103	103,689
Cash and non-cash interest expense on Exchangeable Senior Notes	50	68	119	402
FFO attributable to common stockholders (diluted)	57,685	55,177	115,222	104,091
Financing expense	-	104	-	104
Litigation-related expense	670	119	1,216	119
Loss (gain) on exchange of Exchangeable Senior Notes	-	7	(22)	125
Normalized FFO attributable to common stockholders (diluted)	58,355	55,407	116,416	104,439
Interest income on seller-financed note <sup>(1)</sup>	403	-	537	-
Stock-based compensation	4,884	4,437	9,713	8,816
Non-cash interest expense	331	311	657	618
Above-market lease amortization	23	23	46	46
AFFO attributable to common stockholders (diluted)	\$63,996	\$60,178	\$127,369	\$113,919
FFO per common share - diluted	\$2.04	\$1.97	\$4.08	\$3.83
Normalized FFO per common share - diluted	\$2.07	\$1.98	\$4.12	\$3.85
AFFO per common share - diluted	\$2.26	\$2.15	\$4.51	\$4.19
Weighted average common shares outstanding - basic	27,981,517	27,850,561	27,965,720	26,741,568
Restricted stock and restricted stock units ("RSUs")	201,462	82,387	186,684	113,858
Dilutive effect of Exchangeable Senior Notes	74,260	103,742	87,437	304,348
Weighted average common shares outstanding - diluted	28,257,239	28,036,690	28,239,841	27,159,774

1) Amount reflects the non-refundable interest paid on the seller-financed note issued to us by the buyer in connection with our disposition of a portfolio of four properties in southern California previously leased to affiliates of Medical Investor Holdings LLC (Vertical), which is recognized as a deposit liability and is included in other liabilities in our condensed consolidated balance sheet as of June 30, 2023, as the transaction did not qualify for recognition as a completed sale.



# Historical Net Income

(In thousands, except share and per share amounts)

	2023		2022		
	2Q2023	1Q2023	4Q2022	3Q2022	2Q2022
<b>Revenues:</b>					
Rental (including tenant reimbursements)	\$75,919	\$75,529	\$69,923	\$70,345	\$69,995
Other	538	538	538	538	516
Total revenues	76,457	76,067	70,461	70,883	70,511
<b>Expenses:</b>					
Property expenses	5,759	5,623	3,288	2,823	2,427
General and administrative expense	10,570	10,373	10,232	10,804	8,707
Depreciation and amortization expense	16,704	16,714	16,302	15,900	15,233
Total expenses	33,033	32,710	29,822	29,527	26,367
Gain on sale of real estate	-	-	3,601	-	-
Income from operations	43,424	43,357	44,240	41,356	44,144
Interest and other income	2,317	2,233	1,784	773	581
Interest expense	(4,472)	(4,520)	(4,518)	(4,513)	(4,504)
Gain (loss) on exchange of Exchangeable Senior Notes	-	22	-	-	(7)
Net income	41,269	41,092	41,506	37,616	40,214
Preferred stock dividends	(338)	(338)	(338)	(338)	(338)
Net income attributable to common stockholders	\$40,931	\$40,754	\$41,168	\$37,278	\$39,876
Net income attributable to common stockholders per share:					
Basic	\$1.45	\$1.45	\$1.47	\$1.33	\$1.42
Diluted	\$1.44	\$1.43	\$1.46	\$1.32	\$1.42
Weighted-average shares outstanding:					
Basic	27,981,517	27,949,747	27,938,804	27,938,568	27,850,561
Diluted	28,257,239	28,223,698	28,160,261	28,157,934	28,036,690

# Historical FFO, Normalized FFO, and AFFO Reconciliation

(In thousands, except share and per share amounts)	2023		2022		
	2Q2023	1Q2023	4Q2022	3Q2022	2Q2022
Net income attributable to common stockholders	\$40,931	\$40,754	\$41,168	\$37,278	\$39,876
Real estate depreciation and amortization	16,704	16,714	16,302	15,900	15,233
Gain on sale of real estate	-	-	(3,601)	-	-
FFO attributable to common stockholders (basic)	57,635	57,468	53,869	53,178	55,109
Cash and non-cash interest expense on Exchangeable Senior Notes	50	69	72	72	68
FFO attributable to common stockholders (diluted)	57,685	57,537	53,941	53,250	55,177
Financing expense	-	-	249	14	104
Litigation-related expense	670	546	779	2,112	119
(Gain) loss on exchange of Exchangeable Senior Notes	-	(22)	-	-	7
Normalized FFO attributable to common stockholders (diluted)	58,355	58,061	54,969	55,376	55,407
Interest income on seller-financed note <sup>(1)</sup>	403	134	-	-	-
Stock-based compensation	4,884	4,829	4,312	4,379	4,437
Non-cash interest expense	331	326	321	316	311
Above-market lease amortization	23	23	23	23	23
AFFO attributable to common stockholders (diluted)	\$63,996	\$63,373	\$59,625	\$60,094	\$60,178
FFO per common share - diluted	\$2.04	\$2.04	\$1.92	\$1.89	\$1.97
Normalized FFO per common share - diluted	\$2.07	\$2.06	\$1.95	\$1.97	\$1.98
AFFO per common share - diluted	\$2.26	\$2.25	\$2.12	\$2.13	\$2.15
Weighted average common shares outstanding - basic	27,981,517	27,949,747	27,938,804	27,938,568	27,850,561
Restricted stock and RSUs	201,462	171,741	117,831	118,567	82,387
Dilutive effect of Exchangeable Senior Notes	74,260	102,210	103,626	100,799	103,742
Weighted average common shares outstanding - diluted	28,257,239	28,223,698	28,160,261	28,157,934	28,036,690

1) Amount reflects the non-refundable interest paid on the seller-financed note issued to us by the buyer in connection with our disposition of a portfolio of four properties in southern California previously leased to affiliates of Vertical, which is recognized as a deposit liability and is included in other liabilities in our condensed consolidated balance sheet as of June 30, 2023, as the transaction did not qualify for recognition as a completed sale.

# Statements of Cash Flows

(In thousands)	For the Six Months Ended June 30,	
	2023	2022
<b>Cash flows from operating activities</b>		
Net income	\$82,361	\$75,264
Adjustments to reconcile net income to net cash provided by operating activities		
Depreciation and amortization	33,418	29,101
(Gain) loss on exchange of Exchangeable Senior Notes	(22)	125
Other non-cash adjustments	53	127
Stock-based compensation	9,713	8,816
Amortization of discounts on short-term investments	(2,621)	(513)
Amortization of debt discount and issuance costs	677	689
Changes in assets and liabilities		
Other assets, net	3,549	2,568
Accounts payable, accrued expenses and other liabilities	(514)	(1,290)
Rent received in advance and tenant security deposits	(234)	7,094
Net cash provided by operating activities	126,380	121,981
<b>Cash flows from investing activities</b>		
Purchases of investments in real estate	(34,906)	(129,562)
Funding of draws for improvements and construction	(111,457)	(291,408)
Funding of construction loan and other investments	(2,896)	(21,360)
Deposits in escrow for acquisitions	-	(600)
Purchases of short-term investments	(71,772)	(219,040)
Maturities of short-term investments	202,602	235,000
Net cash used in investing activities	(18,429)	(426,970)
<b>Cash flows from financing activities</b>		
Issuance of common stock, net of offering costs	-	351,988
Dividends paid to common stockholders	(101,227)	(84,339)
Dividends paid to preferred stockholders	(676)	(676)
Taxes paid related to net share settlement of equity awards	(568)	(2,441)
Net cash (used in) provided by financing activities	(102,471)	264,532
Net increase (decrease) in cash, cash equivalents and restricted cash	5,480	(40,457)
Cash, cash equivalents and restricted cash, beginning of period	88,572	86,419
Cash, cash equivalents and restricted cash, end of period	\$94,052	\$45,962
<b>Supplemental disclosure of cash flow information:</b>		
Cash paid during the period for interest	\$8,337	\$8,876
Supplemental disclosure of non-cash investing and financing activities:		
Accrual for current-period additions to real estate	\$17,021	\$31,210
Deposits applied for acquisitions	250	25
Accrual for common and preferred stock dividends declared	51,080	49,439
Exchange of Exchangeable Senior Notes for common stock	1,964	26,665
Operating lease liability for obtaining right of use asset	-	1,017

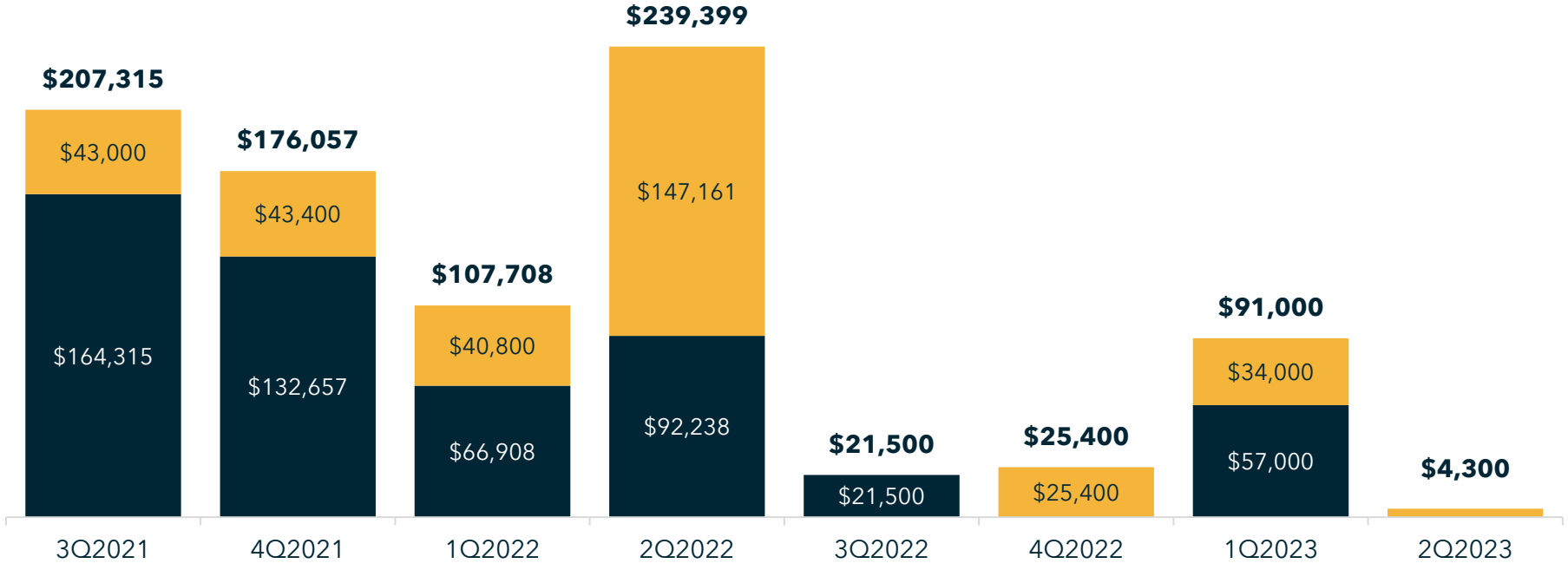
# Capital Commitments

## Second Quarter Capital Commitments

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><u>New Lease</u></b>							
California	Jun-23	23	-	\$4,300	\$8,082	\$12,382	\$538
<b>Total / Wtd. Avg.</b>		<b>23</b>	<b>-</b>	<b>\$4,300</b>	<b>\$8,082</b>	<b>\$12,382</b>	<b>\$538</b>

## Two Year Capital Commitment History<sup>(3)</sup>

■ Acquisitions ■ Amendments

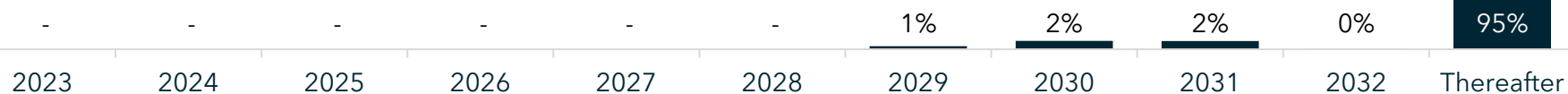


Note: Values in thousands except for \$/PSF. Excludes commitments related to senior secured loans.  
 1) Excludes transaction costs.  
 2) Calculated as IIP's total investment divided by the rentable square feet.  
 3) Excludes changes in future commitments to fund improvements for Development / Redevelopment Properties.

# Leasing Summary

## Lease Expiration Schedule as of June 30, 2023<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%	\$5,438	2%
2032	1	3	0%	\$106	0%
Thereafter	89	7,578	95%	\$262,712	95%
<b>Total</b>	<b>99</b>	<b>8,037</b>	<b>100%</b>	<b>\$275,793</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			First Quarter 2023 <sup>(3)</sup>		Tenant Information	
	Invested Capital <sup>(1)</sup>		Square Feet <sup>(2)</sup>	Investment / Square Feet	# of Leases	Revenue	Adjusted EBITDA <sup>(4)</sup>	Market Capitalization <sup>(5)</sup>	MSO / SSO <sup>(6)</sup>	
	\$	%								
1 PharmaCann	\$321,172	13.5%	688	\$467	11	Private Co.	Private Co.	Private Co.	MSO	
2 Ascend Wellness (AWH)	214,050	9.0%	624	343	4	\$114	\$23	\$127	MSO	
3 Green Thumb Industries	176,800	7.4%	664	266	3	249	76	1,806	MSO	
4 Parallel	175,650	7.4%	832	211	3	Private Co.	Private Co.	Private Co.	MSO	
5 Curaleaf	175,047	7.3%	578	303	8	336	73	2,236	MSO	
6 Columbia Care	147,834	6.2%	588	251	21	125	16	189	MSO	
7 Trulieve	146,503	6.1%	740	198	6	289	78	730	MSO	
8 Holistic Industries	121,900	5.1%	333	366	5	Private Co.	Private Co.	Private Co.	MSO	
9 Cresco Labs	120,845	5.1%	379	319	5	194	29	511	MSO	
10 4Front Ventures <sup>(7)</sup>	119,150	5.0%	488	244	4	30	4	98	MSO	
<b>Top 10 Tenants Total</b>	<b>\$1,718,951</b>	<b>72.0%</b>	<b>5,914</b>	<b>\$291</b>	<b>70</b>					



- Total Portfolio representation. Dollars in thousands, see "Definitions" for additional details.
- Square feet in thousands.
- 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 March 31, 2023.
- 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).
- Dollars in millions, per S&P Capital IQ Pro as of 6/30/2023.
- "MSO" stands for Multi-State Operator which means the tenant (or guarantor) conducts cannabis operations in more than one state. "SSO" stands for Single-State Operator which means the tenant (or guarantor) conducts cannabis operations in a single state.
- 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	100.0%	74	151	225	\$123,422	\$78	\$123,500	\$549
2	PharmaCann	Michigan	Warren	10/9/2019	100.0%	205	-	205	83,045	550	83,595	408
3	PharmaCann	Massachusetts	Holliston	5/31/2018	100.0%	58	-	58	30,500	-	30,500	526
4	PharmaCann	Illinois	Dwight	10/30/2019	100.0%	66	-	66	28,000	-	28,000	424
5	PharmaCann	Pennsylvania	Scott Township	8/7/2019	100.0%	56	-	56	28,000	-	28,000	500
6	PharmaCann	Ohio	Buckeye Lake Village	3/13/2019	100.0%	58	-	58	20,000	-	20,000	345
7	Ascend Wellness (AWH)	Illinois	Barry	12/21/2018	100.0%	166	-	166	71,000	-	71,000	428
8	Ascend Wellness (AWH)	Massachusetts	Athol	4/2/2020	100.0%	199	-	199	63,900	-	63,900	321
9	Ascend Wellness (AWH)	New Jersey	Franklin	2/10/2022	100.0%	114	-	114	54,500	500	55,000	482
10	Ascend Wellness (AWH)	Michigan	Lansing	7/2/2019	100.0%	145	-	145	24,150	-	24,150	167
11	Green Thumb Industries	Pennsylvania	Danville	11/12/2019	100.0%	300	-	300	94,600	-	94,600	315
12	Green Thumb Industries	Illinois	Oglesby	3/6/2020	100.0%	266	-	266	50,000	-	50,000	188
13	Green Thumb Industries	Ohio	Toledo	1/31/2020	100.0%	98	-	98	32,200	-	32,200	329
14	Parallel	Pennsylvania	Pittsburgh	5/13/2021	100.0%	239	-	239	67,750	-	67,750	283
15	Parallel	Florida	Lakeland	9/18/2020	100.0%	220	-	220	56,400	-	56,400	256
16	Parallel	Florida	Wimauma	3/11/2020	100.0%	373	-	373	51,500	-	51,500	138
17	Curaleaf	Pennsylvania	Chambersburg	12/20/2019	100.0%	179	-	179	57,818	3,822	61,640	344
18	Curaleaf	Illinois	Litchfield	10/30/2019	100.0%	127	-	127	40,000	-	40,000	315
19	Curaleaf	New Jersey	Blue Anchor	7/13/2020	100.0%	123	-	123	35,000	-	35,000	285
20	Curaleaf	Massachusetts	Webster	9/1/2022	100.0%	104	-	104	21,500	-	21,500	207
21	Curaleaf	North Dakota	Fargo	12/20/2019	100.0%	33	-	33	12,190	-	12,190	369
22	Columbia Care	Pennsylvania	Saxton	5/20/2019	100.0%	270	-	270	42,891	109	43,000	159
23	Columbia Care	Virginia	Richmond	1/15/2020	100.0%	82	-	82	19,750	-	19,750	241
24	Columbia Care	New Jersey	Vineland	7/16/2020	100.0%	50	-	50	11,820	-	11,820	236
25	Columbia Care	Colorado	Denver	10/30/2018	100.0%	58	-	58	11,250	-	11,250	194
26	Columbia Care	Colorado	Denver	12/14/2021	100.0%	18	-	18	9,917	-	9,917	551
27	Columbia Care	Colorado	Denver	12/14/2021	100.0%	12	-	12	3,276	-	3,276	273
28	Trulieve	Massachusetts	Holyoke	7/26/2019	100.0%	150	-	150	43,500	-	43,500	290
29	Trulieve	Florida	Alachua	1/22/2021	100.0%	295	-	295	41,650	-	41,650	141
30	Trulieve	Maryland	Hancock	8/13/2021	100.0%	115	-	115	28,901	614	29,515	257
31	Trulieve	Florida	Quincy	10/23/2019	100.0%	120	-	120	17,000	-	17,000	142
32	Trulieve*	Nevada	Las Vegas	7/12/2019	100.0%	43	-	43	9,600	-	9,600	223
33	Trulieve	Arizona	Cottonwood	4/27/2022	100.0%	17	-	17	5,238	-	5,238	308
34	Holistic Industries	Maryland	Capitol Heights	5/26/2017	100.0%	72	-	72	33,719	31	33,750	469
35	Holistic Industries	Pennsylvania	New Castle	6/10/2020	100.0%	108	-	108	25,071	579	25,650	238
36	Holistic Industries	Massachusetts	Monson	7/12/2018	100.0%	55	-	55	19,750	-	19,750	359
37	Cresco Labs	Michigan	Marshall	4/22/2020	100.0%	115	-	115	32,000	-	32,000	278
38	Cresco Labs	Illinois	Kankakee	10/22/2019	100.0%	51	-	51	25,496	104	25,600	502
39	Cresco Labs	Illinois	Joliet	10/22/2019	100.0%	39	-	39	20,950	-	20,950	537
40	Cresco Labs	Ohio	Yellow Springs	1/24/2020	100.0%	50	-	50	12,927	618	13,545	271
41	4Front Ventures	Illinois	Matteson	8/3/2021	100.0%	-	250	250	61,384	8,766	70,150	281
42	4Front Ventures	Washington	Olympia	12/17/2020	100.0%	114	-	114	17,500	-	17,500	154
43	4Front Ventures**	Massachusetts	Holliston	1/28/2022	100.0%	57	-	57	16,000	-	16,000	281
44	4Front Ventures	Massachusetts	Georgetown	12/17/2020	100.0%	67	-	67	15,500	-	15,500	231
45	Goodness Growth (f/k/a Vireo Health)	New York	Perth	10/23/2017	100.0%	40	324	364	66,560	500	67,060	184
46	Goodness Growth (f/k/a Vireo Health)	Minnesota	Otsego	11/8/2017	100.0%	89	-	89	9,710	-	9,710	109
47	Gold Flora	California	Desert Hot Springs	10/15/2021	100.0%	166	35	201	63,000	500	63,500	316

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 June 30, 2023.

\*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 \$	
48 TILT Holdings	Pennsylvania	White Haven	2/15/2023	100.0%	58	-	58	\$15,000	-	\$15,000	\$259
49 Jushi	Pennsylvania	Scranton	4/6/2018	100.0%	145	-	145	45,800	-	45,800	316
50 Battle Green	Ohio	Columbus	3/3/2023	100.0%	-	157	157	23,781	18,219	42,000	268
51 Kings Garden	California	North Palm Springs	5/12/2020	100.0%	70	-	70	17,500	-	17,500	250
52 Kings Garden	California	Palm Springs	4/16/2019	100.0%	24	-	24	6,309	-	6,309	263
53 Kings Garden	California	Palm Springs	4/16/2019	100.0%	22	-	22	5,788	-	5,788	263
54 Calyx Peak	Missouri	Smithville	9/17/2021	100.0%	83	-	83	27,721	529	28,250	340
55 Green Peak (Skymint)	Michigan	Dimondale	8/2/2018	100.0%	56	-	56	15,799	-	15,799	282
56 Temescal Wellness	Massachusetts	North Adams	5/26/2021	100.0%	71	-	71	26,500	300	26,800	377
57 Maryland Cultivation Processing (MCP)	Maryland	Hagerstown	4/13/2022	100.0%	84	-	84	25,000	-	25,000	298
58 The Pharm	Arizona	Willcox	12/15/2017	100.0%	358	-	358	20,000	-	20,000	56
59 Texas Original	Texas	Bastrop	6/14/2022	100.0%	-	85	85	15,667	6,333	22,000	259
60 Sacramento CA (Undisclosed Tenant)	California	Sacramento	2/8/2019	100.0%	43	-	43	12,710	-	12,710	296
61 Emerald Growth	Michigan	Harrison Township	6/7/2019	100.0%	45	-	45	10,000	-	10,000	222
62 AYR Wellness	Ohio	Akron	5/14/2019	100.0%	11	-	11	3,550	-	3,550	323
<b>Industrial Subtotal / Wtd. Avg.</b>				<b>100.0%</b>	<b>6,526</b>	<b>1,002</b>	<b>7,528</b>	<b>\$1,980,962</b>	<b>\$42,150</b>	<b>\$2,023,112</b>	<b>\$269</b>
<b>Retail</b>											
63 PharmaCann	Colorado	Commerce City	2/21/2020	100.0%	5	-	5	\$2,300	-	\$2,300	\$460
64 PharmaCann	Colorado	Aurora	12/14/2021	100.0%	2	-	2	1,674	-	1,674	837
65 PharmaCann	Colorado	Berthoud	12/14/2021	100.0%	6	-	6	1,406	-	1,406	234
66 PharmaCann	Colorado	Mancos	12/14/2021	100.0%	4	-	4	1,148	-	1,148	287
67 PharmaCann	Colorado	Pueblo	2/19/2020	100.0%	3	-	3	1,049	-	1,049	350
68 Curaleaf	North Dakota	Dickinson	12/14/2021	100.0%	5	-	5	2,045	-	2,045	409
69 Curaleaf	North Dakota	Devils Lake	12/14/2021	100.0%	4	-	4	1,614	-	1,614	404
70 Curaleaf	Pennsylvania	Bradford	12/14/2021	100.0%	3	-	3	1,058	-	1,058	353
71 Columbia Care	Colorado	Denver	12/14/2021	100.0%	4	-	4	7,338	-	7,338	1,834
72 Columbia Care	Colorado	Pueblo	12/14/2021	100.0%	6	-	6	4,878	-	4,878	813
73 Columbia Care	Colorado	Aurora	12/14/2021	100.0%	5	-	5	4,229	-	4,229	846
74 Columbia Care	Colorado	Glenwood Springs	12/14/2021	100.0%	4	-	4	4,187	-	4,187	1,047
75 Columbia Care	Colorado	Fort Collins	12/14/2021	100.0%	5	-	5	3,977	-	3,977	795
76 Columbia Care	Colorado	Aurora	12/14/2021	100.0%	4	-	4	3,601	-	3,601	900
77 Columbia Care	New Jersey	Vineland	7/16/2020	100.0%	4	-	4	2,165	-	2,165	541
78 Columbia Care	Colorado	Aurora	12/14/2021	100.0%	5	-	5	1,991	-	1,991	398
79 Columbia Care	Colorado	Englewood	12/14/2021	100.0%	4	-	4	1,778	-	1,778	445
80 Columbia Care	Colorado	Trinidad	12/14/2021	100.0%	9	-	9	1,728	-	1,728	192
81 Columbia Care	Colorado	Silver Plume	12/14/2021	100.0%	4	-	4	1,444	-	1,444	361
82 Columbia Care	Colorado	Black Hawk	12/14/2021	100.0%	4	-	4	1,321	-	1,321	330
83 Columbia Care	Colorado	Edgewater	12/14/2021	100.0%	5	-	5	1,089	-	1,089	218
84 Columbia Care	Colorado	Sheridan	12/14/2021	100.0%	2	-	2	890	-	890	445
85 Green Peak (Skymint)	Michigan	East Lansing	10/25/2019	100.0%	3	-	3	3,372	28	3,400	1,133
86 Green Peak (Skymint)	Michigan	Lansing	11/4/2019	100.0%	14	-	14	2,225	-	2,225	159
87 Green Peak (Skymint)	Michigan	Flint	11/4/2019	100.0%	6	-	6	2,180	-	2,180	363
88 Green Peak (Skymint)	Michigan	Traverse City	11/25/2019	100.0%	2	-	2	1,272	-	1,272	636
89 The Pharm	Arizona	Phoenix	9/19/2019	100.0%	2	-	2	2,500	-	2,500	1,250
90 Schwazze	Colorado	Ordway	12/14/2021	100.0%	2	-	2	400	-	400	200
91 Schwazze	Colorado	Rocky Ford	12/14/2021	100.0%	13	-	13	400	-	400	31
92 Schwazze	Colorado	Las Animas	12/14/2021	100.0%	2	-	2	400	-	400	200
93 Verano	Pennsylvania	Harrisburg	3/23/2022	100.0%	3	-	3	2,750	-	2,750	917
94 Wilder Road	Michigan	Bay City	11/4/2019	-	4	-	4	1,740	-	1,740	435

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 June 30, 2023.

- 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)

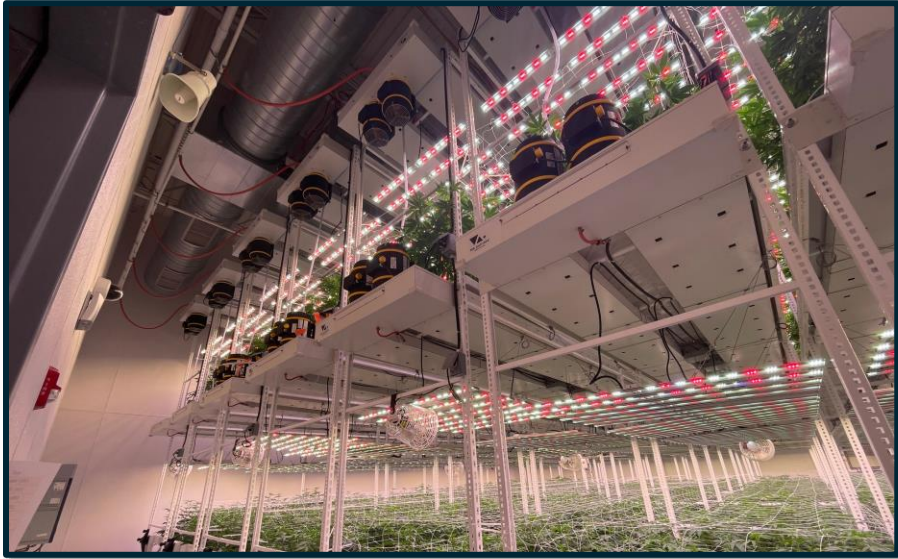
# Tenant	State	City	Date Acquired	% Leased	Square Feet			Invested / Committed Capital \$			Total \$ / Square Feet
					In Place <sup>(1)</sup>	Under Dev. / Redev. <sup>(2)</sup>	Total	Invested	Committed	Total \$	
95 South Mason Drive	Michigan	Newaygo	11/8/2019	-	2	-	2	\$995	-	\$995	\$498
<b>Retail Subtotal / Wtd. Avg.</b>				<b>96.0%</b>	<b>150</b>	<b>-</b>	<b>150</b>	<b>\$71,142</b>	<b>\$28</b>	<b>\$71,170</b>	<b>\$474</b>
<b>Industrial / Retail</b>											
96 Columbia Care	Colorado	Denver	12/14/2021	100.0%	33	-	33	\$8,206	-	\$8,206	\$249
97 Holistic Industries	Michigan	Madison Heights	9/1/2020	100.0%	63	-	63	28,500	-	28,500	452
98 Holistic Industries	California	Los Angeles	7/23/2019	100.0%	35	-	35	13,977	273	14,250	407
99 Cresco Labs	Massachusetts	Fall River	6/30/2020	100.0%	124	-	124	25,426	3,324	28,750	232
100 TILT Holdings	Massachusetts	Taunton	5/16/2022	100.0%	104	-	104	40,000	-	40,000	385
101 Sozo	Michigan	Warren	5/14/2021	100.0%	85	-	85	17,071	159	17,230	203
102 Schwazze	Colorado	Pueblo	12/14/2021	100.0%	8	-	8	2,165	-	2,165	271
103 Kaya Cannabis	Colorado	Denver	12/14/2021	100.0%	6	-	6	1,299	-	1,299	217
<b>Industrial / Retail Subtotal / Wtd. Avg.</b>				<b>100.0%</b>	<b>458</b>	<b>-</b>	<b>458</b>	<b>\$136,643</b>	<b>\$3,757</b>	<b>\$140,400</b>	<b>\$307</b>
<b>Operating Portfolio Total / Wtd. Avg.</b>				<b>99.9%</b>	<b>7,134</b>	<b>1,002</b>	<b>8,136</b>	<b>\$2,188,747</b>	<b>\$45,935</b>	<b>\$2,234,682</b>	<b>\$275</b>
<b>Dev. / Redev. Properties<sup>(3)</sup></b>											
104 Davis Highway	Michigan	Windsor	4/16/2021	-	97	104	201	\$57,401	-	\$57,401	\$286
105 63795 19th Avenue	California	Palm Springs	4/16/2019	100.0%	56	180	236	38,997	-	38,997	165
106 Inland Center Drive	California	San Bernardino	11/16/2020	-	-	192	192	35,819	-	35,819	187
107 Leah Avenue	Texas	San Marcos	3/10/2021	-	-	63	63	8,231	-	8,231	131
<b>Dev. / Redev. Properties / Wtd. Avg.</b>				<b>34.1%</b>	<b>153</b>	<b>539</b>	<b>692</b>	<b>\$140,447</b>	<b>-</b>	<b>\$140,447</b>	<b>\$203</b>
<b>Pre-Leased Dev. Property<sup>(3)</sup></b>											
108 Perez Road	California	Cathedral City	3/25/2022	100.0%	-	23	23	\$8,082	\$4,300	\$12,382	\$538
<b>Pre-Leased Dev. Property / Wtd. Avg.</b>				<b>100.0%</b>	<b>-</b>	<b>23</b>	<b>23</b>	<b>\$8,082</b>	<b>\$4,300</b>	<b>\$12,382</b>	<b>\$538</b>
<b>Total Portfolio / Wtd. Avg.</b>				<b>94.8%</b>	<b>7,287</b>	<b>1,564</b>	<b>8,851</b>	<b>\$2,337,276</b>	<b>\$50,235</b>	<b>\$2,387,511</b>	<b>\$270</b>
<b>State Subtotal / Wtd. Avg.</b>											
1	Pennsylvania			100.0%	1,361	-	1,361	\$380,738	\$4,510	\$385,247	\$283
2	Massachusetts			100.0%	989	-	989	\$302,576	\$3,624	\$306,200	\$310
3	Illinois			100.0%	715	250	965	\$296,831	\$8,869	\$305,700	\$317
4	Michigan			78.1%	842	104	946	\$279,750	\$737	\$280,486	\$296
5	California			77.3%	416	430	846	\$202,181	\$5,073	\$207,254	\$245
6	New York			100.0%	114	475	589	\$189,982	\$578	\$190,560	\$324
7	Florida			100.0%	1,008	-	1,008	\$166,550	-	\$166,550	\$165
8	Ohio			100.0%	217	157	374	\$92,459	\$18,836	\$111,295	\$298
9	New Jersey			100.0%	291	-	291	\$103,485	\$500	\$103,985	\$357
10	Maryland			100.0%	271	-	271	\$87,620	\$645	\$88,265	\$326
11	Colorado			100.0%	233	-	233	\$83,340	-	\$83,340	\$358
12	Texas			57.4%	-	148	148	\$23,898	\$6,333	\$30,231	\$204
13	Missouri			100.0%	83	-	83	\$27,721	\$529	\$28,250	\$340
14	Arizona			100.0%	377	-	377	\$27,737	-	\$27,737	\$74
15	Virginia			100.0%	82	-	82	\$19,750	-	\$19,750	\$241
16	Washington			100.0%	114	-	114	\$17,500	-	\$17,500	\$154
17	North Dakota			100.0%	42	-	42	\$15,849	-	\$15,849	\$377
18	Minnesota			100.0%	89	-	89	\$9,710	-	\$9,710	\$109
19	Nevada			100.0%	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 June 30, 2023.

- Existing square footage for properties where there is no active development or redevelopment.
- Estimated square footage upon completion of development or redevelopment.
- Refer to "Definitions" for additional details.

# Secured Loans

#	City	State	Loan Type	Date Executed	Maturity / Wtd. Avg. Maturity	Loan Total \$
1	Coachella <sup>(1)</sup>	California	Senior Secured	6/25/2021	0.5 Years	\$23,000
2	Needles <sup>(2)</sup>	California	Senior Secured	3/3/2023	4.7 Years	16,100
<b>Loan Portfolio Total / Wtd. Avg.</b>					<b>2.2 Years</b>	<b>\$39,100</b>



Note: Loan list maturity does not include available loan extensions.

- 1) As of June 30, 2023, we had funded approximately \$20.9 million of the construction loan.
- 2) Relates to the seller-financed note issued to us by the buyer in connection with our disposition of a portfolio of four properties in southern California previously leased to Vertical. The transaction did not qualify for recognition as a completed sale in accordance with GAAP and therefore, we have not derecognized the assets transferred and have not recognized the seller-financed note on our consolidated balance sheet.

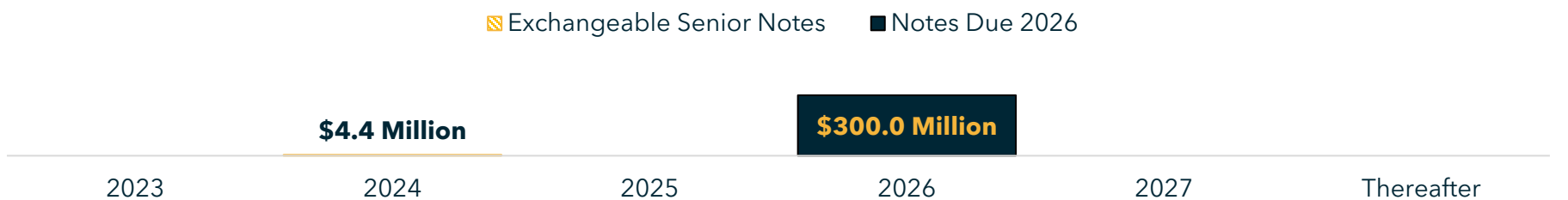
# Capital and Debt Summary

## Capital Overview

(In thousands, except share and per share amounts)	Interest Rate / Preferred Rate / Wtd. Avg. Rate	Maturity / Wtd. Avg. Maturity	Quarter End June 30, 2023
Unsecured debt:			
Exchangeable Senior Notes	3.75%	0.6 Years	\$4,436
Notes due 2026	5.50%	2.9 Years	300,000
<b>Total Unsecured Debt</b>	<b>5.47%</b>	<b>2.9 Years</b>	<b>\$304,436</b>
<b>Gross Debt</b>	<b>5.47%</b>	<b>2.9 Years</b>	<b>\$304,436</b>
Series A Preferred Stock:			
Redemption price per share			\$25.00
Shares outstanding			600,000
<b>Total Preferred Equity</b>	<b>9.00%</b>		<b>\$15,000</b>
<b>Total Senior Capital</b>	<b>5.64%</b>		<b>\$319,436</b>
<b>Equity Market Capitalization:</b>			
Stock Price as of 06/30/2023			\$73.01
Shares outstanding			28,040,054
<b>Equity Market Capitalization</b>			<b>\$2,047,204</b>

	Covenant <sup>(1)</sup>	June 30, 2023
Debt / Total Gross Assets	<60%	~12%
Secured Debt	<40%	0%
Unencumbered Total Gross Assets / Unsecured Debt	>150%	~843%
Debt Service Coverage Ratio	>1.5x	16.0x
Egan Jones Credit Rating		BBB+

## Debt Maturity Schedule



1) 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 cash and 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.
- **Development / Redevelopment (“Dev. / Redev.”) Properties:** Defined as non-operating assets under development that are not leased and not ready for their intended use.
- **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.
- **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.

# Definitions (Continued)

- **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.
- **Pre-Leased Development (“Dev.”) Property:** Defined as non-operating assets under development that are leased but not ready for their intended use.
- **Rent Collection:** Calculated as base rent and property management fees collected over contractual base rent and property management fees due for the period. Includes security deposits applied for the payment of rent. Q3 2022, Q4 2022 and Q1 2023 include approximately \$2.2 million, \$541,000 and \$3.1 million, respectively, of security deposits applied in connection with non-payment of rent. Q1 2023 also includes approximately \$1.1 million of security deposits applied for payment of rent in connection with previously disclosed amendments with Holistic Industries, Inc. (“Holistic”) at a California property and a Michigan property, which are subject to repayment over a future twelve-month period. Q2 2023 includes \$1.5 million of security deposits applied for payment of rent in connection with the Holistic amendments and a previously disclosed amendment with Temescal Wellness of Massachusetts, LLC, all of which are subject to repayment over a future twelve-month period.
- **Series A Preferred:** 9.00% Series A Cumulative Redeemable Preferred Stock, \$0.001 par value per share.
- **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 loans listed in “Secured Loans”.
- **Total Portfolio:** All properties, including development / redevelopment properties, pre-leased redevelopment property, 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 development / redevelopment properties and pre-leased redevelopment property, that is leased as of the period ended.

# Analyst Coverage

Analyst	Research Firms	Contact Information
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<b>Investor Relations</b>		<b>Email: ir@iipreit.com</b> <b>Phone: 858-997-3332</b>

# Senior Management Team and Board of Directors

Senior Management	
Name	Title
Alan Gold	Executive Chairman
Paul Smithers	President, Chief Executive Officer and Director
David Smith	Chief Financial Officer and Treasurer
Catherine Hastings	Chief Operating Officer
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)