

Merchants' National Properties, Inc.

10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017

Tel. 212 554-1400

www.merchantsnationalproperties.com

investor-relations@marxrealty.com

Annual Report

For the period ending March 31, 2025 (the "Reporting Period")

Outstanding Shares

The number of shares outstanding of our Common Stock was:

90,882 as of March 31, 2025 *(Current Reporting Period Date or More Recent Date)*

90,975 as of December 31, 2024_ *(Most Recent Completed Fiscal Year End)*

Shell Status

Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control

Indicate by check mark whether a Change in Control⁴ of the company has occurred during this reporting period:

Yes: ☐ No: ☒

⁴ "Change in Control" shall mean any events resulting in:

- (i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
- (ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
- (iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
- (iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Merchants' National Properties, Inc.

Current State and Date of Incorporation or Registration: Delaware; December 3, 1928

Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:

None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017

Address of the issuer's principal place of business:

☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Merchants' National Properties, Inc.

Phone: 212-557-1400

Email: John.S@marxrealty.com

Address: 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

| | | |
|--|--------------|----------------------------|
| Trading symbol: | MNPP | |
| Exact title and class of securities outstanding: | Common Stock | |
| CUSIP: | 589161108 | |
| Par or stated value: | \$1.00 | |
| Total shares authorized: | 187,000 | as of date: March 31, 2025 |
| Total shares outstanding: | 90,882 | as of date: March 31, 2025 |
| Total number of shareholders of record: | 68 | as of date: March 31, 2025 |

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

| | |
|---|-------------------------|
| Exact title and class of the security: | _____ |
| Par or stated value: | _____ |
| Total shares authorized: | _____ as of date: _____ |
| Total shares outstanding: | _____ as of date: _____ |
| Total number of shareholders of record: | _____ as of date: _____ |

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. For common equity, describe any dividend, voting and preemption rights.

The Board of Directors may determine whether any, and if any, what part, of the surplus or the net profit of the Company shall be declared in dividends and paid to the stockholders, and whether any such dividends shall be declared and paid in cash or capital stock of the Company or in other property, and generally to determine and direct the use and disposition of any such surplus or any such net profits; and to fix the times for the declaration and payment of dividend.

The stockholder of each share of Common Stock is entitled to one vote per share of Common Stock held by the stockholder, multiplied by the number of directors to be elected, and may cast all votes for a single director, or may distribute them among the number to be voted for, or any more of them as the stockholder chooses.

The holders of Common Stock shall have preemptive rights to subscribe to any additional issuances of stock of the Company of any or all class or series thereof, or to any securities of the Company convertible into such stock unless the issuance is made to (i) an employee of the Company (ii) an officer of the Company, or (iii) a director of the Company who is not an officer of the Company and is not affiliated with a stockholder of the Company as of August 18, 2008, the date of the filing of the Amended and Restated Certificate of Incorporation of the Company.

2. For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.

The company has no preferred series of shares.

3. Describe any other material rights of common or preferred stockholders.

None, other than those required by the laws of the State of Delaware

4. Describe any material modifications to rights of holders of the company’s securities that have occurred over the reporting period covered by this report.

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer’s securities in the past two completed fiscal years and any subsequent interim period.

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:

No: ☐ Yes: ☒ (If yes, you must complete the table below)

| Shares Outstanding <u>Opening Balance:</u> Date 01/01/2023 Common: <u>90,874</u> Preferred: <u>0</u> | | | *Right-click the rows below and select "Insert" to add rows as needed. | | | | | | |
|--|--|--|--|---|--|---|---|---|----------------------------------|
| Date of Transaction | Transaction type (e.g., new issuance, cancellation, shares returned to treasury) | Number of Shares Issued (or cancelled) | Class of Securities | Value of shares issued (\$/per share) at Issuance | Were the shares issued at a discount to market price at the time | Individual/ Entity Shares were issued to. ***You must disclose the control person(s) | Reason for share issuance (e.g., for cash or debt conversion) - OR- Nature of | Restricted or Unrestricted as of this filing. | Exemption or Registrati on Type. |

| | | | | | of issuance? (Yes/No) | for any entities listed. | Services Provided | | |
|----------------|--|--------------------|---------------|------------|-----------------------------|--|---|--|-------------------------|
| <u>5/19/23</u> | <u>New Issuance</u> | 100 ⁽¹⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Craig M. Deitzelzweig</u> | <u>Grant of Restricted Stock for CEO services</u> | <u>Unrestricted</u> | <u>4(a)(2)</u> |
| <u>6/9/23</u> | <u>Purchase of Shares by the Company .</u> | 51 ⁽²⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>12/8/23</u> | <u>New Issuance</u> | 100 ⁽³⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Craig M. Deitzelzweig</u> | <u>Grant of Restricted Stock for CEO services</u> | <u>Unrestricted</u> | <u>4(a)(2)</u> |
| <u>2/28/24</u> | <u>Purchase of Shares by the Company</u> | 1 ⁽⁴⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>3/21/24</u> | <u>Purchase of Shares by the Company</u> | 20 ⁽⁵⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>4/18/24</u> | <u>Purchase of Shares by the Company</u> | 4 ⁽⁶⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>6/13/24</u> | <u>Purchase of Shares by the Company</u> | 2 ⁽⁷⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>6/14/24</u> | <u>Purchase of Shares by the Company</u> | 4 ⁽⁸⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>7/29/24</u> | <u>Purchase of Shares by the Company</u> | 3 ⁽⁹⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>8/26/24</u> | <u>Purchase of Shares by the Company</u> | 3 ⁽¹⁰⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>8/27/24</u> | <u>Purchase of Shares by the Company</u> | 4 ⁽¹¹⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |
| <u>9/16/24</u> | <u>Purchase of Shares by the Company</u> | 2 ⁽¹²⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1- 1/2)</u> |

| | | | | | | | | | |
|---|--|--------------------|---------------|------------|------------|--|------------|--|--------------------|
| <u>10/2/24</u> | <u>Purchase of Shares by the Company</u> | 5 ⁽¹³⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1-1/2)</u> |
| <u>03/26/25</u> | <u>Purchase of Shares by the Company</u> | 48 ⁽¹⁵⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1-1/2)</u> |
| <u>03/28/25</u> | <u>Purchase of Shares by the Company</u> | 30 ⁽¹⁶⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1-1/2)</u> |
| <u>03/31/25</u> | <u>Purchase of Shares by the Company</u> | 15 ⁽¹⁷⁾ | <u>Common</u> | <u>N/A</u> | <u>N/A</u> | <u>Purchase of Free Trading Shares</u> | <u>N/A</u> | <u>Unrestricted / Returned to Treasury</u> | <u>4(a)(1-1/2)</u> |
| | | | | | | | | | |
| Shares Outstanding on Date of This Report: | | | | | | | | | |
| <u>Ending Balance:</u> | | | | | | | | | |
| Date <u>3/31/2025</u> Common: <u>90,882</u> | | | | | | | | | |
| Preferred: 0 | | | | | | | | | |

Example: A company with a fiscal year end of December 31st 2024, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2023 through December 31, 2024 pursuant to the tabular format above.

Any additional material details, including footnotes to the table are below:

1. The Company granted these shares on May 19, 2023 (the "Shares"). The Shares vested on August 10, 2024.
2. On June 9, 2023, the Company purchased 51 shares for cash listed through the OTC Market at a market price of \$1,377 per share.
3. The Company granted these shares on December 8, 2023 (the "Shares"). The Shares vested on August 10, 2024.
4. On February 28, 2024, the Company purchased 1 share for cash listed through the OTC Market at a market price of \$1,425 per share.
5. On March 21, 2024, the Company purchased 20 shares for cash listed through the OTC Market at a market price of \$1,430 per share.
6. On April 18, 2024, the Company purchased 4 shares for cash listed through the OTC Market at a market price of \$1,500 per share.
7. On June 13, 2024, the Company purchased 2 shares for cash listed through the OTC Market at a market price of \$1,700 per share.
8. On June 14, 2024, the Company purchased 4 shares for cash listed through the OTC Market at a market price of \$1,700 per share.
9. On July 29, 2024, the Company purchased 3 shares for cash listed through the OTC Market at a market price of \$1,725 per share.
10. On August 26, 2024, the Company purchased 3 shares for cash listed through the OTC Market at a market price of \$1,725 per share.
11. On August 27, 2024, the Company purchased 4 shares for cash listed through the OTC Market at a market price of \$1,725 per share.
12. On September 16, 2024, the Company purchased 2 shares for cash listed through the OTC Market at a market price of \$1,700 per share.
13. On October 2, 2024, the Company purchased 5 shares for cash listed through the OTC Market at a market price of \$1,700 per share.
14. In August 2024, the previously issued Restricted 400 shares to Craig M Deitelzweig, Chief Executive Officer, vested became fully vested pursuant to his employment agreement.
15. On March 26, 2025, the Company purchased 48 shares for cash listed through the OTC Market at a market price of \$1,720 per share.
16. On March 28, 2025, the Company purchased 30 shares for cash listed through the OTC Market at a market price of \$1,710 per share.

17. On March 31, 2025, the Company purchased 15 shares for cash listed through the OTC Market at a market price of \$1,710 per share.
18. On April 9, 2025, the Company purchased 15 shares for cash listed through the OTC Market at a market price of \$1,710 per share.

B. Convertible Debt

The following is a complete list of the Company's Convertible Debt which includes all promissory notes, convertible notes, convertible debentures, or any other debt instruments convertible into a class of the issuer's equity securities. The table includes all issued or outstanding convertible debt at any time during the last complete fiscal year and any interim period between the last fiscal year end and the date of this Certification.

☒ Check this box to confirm the Company had no Convertible Debt issued or outstanding at any point during this period.

| Date of Note Issuance | Principal Amount at Issuance (\$) | Outstanding Balance (\$) (include accrued interest) | Maturity Date | Conversion Terms (e.g., pricing mechanism for determining conversion of instrument to shares) | # Shares Converted to Date | # of Potential Shares to be Issued Upon Conversion ⁵ | Name of Noteholder (entities must have individual with voting / investment control disclosed). | Reason for Issuance (e.g., Loan, Services, etc.) |
|-----------------------|-----------------------------------|--|---------------|--|----------------------------|---|---|---|
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |

Total Outstanding Balance:

Total Shares:

Any additional material details, including footnotes to the table are below:

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations. Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Company was incorporated under the laws of the State of Delaware on December 3, 1928, and has engaged in the business of commercial real estate acquisition, management, development, and rental in the United States for almost a century. The Company's headquarters are located in New York, NY. The Company's current real estate portfolio consists

⁵ The total number of shares that can be issued upon full conversion of the Outstanding Balance. The number should not factor any "blockers" or limitations on the percentage of outstanding shares that can be owned by the Noteholder at a particular time. For purposes of this calculation, please use the current market pricing (e.g. most recent closing price, bid, etc.) of the security if conversion is based on a variable market rate.

of 42 properties spanning over eight U.S. states as well as the District of Columbia, primarily comprised of office and retail space.

B. List any subsidiaries, parent company, or affiliated companies.

Marx Realty & Improvement Co., Inc., a New York corporation (“Marx”), is a wholly owned subsidiary of the Company. The Company’s commercial real estate management, development, and rental operations are primarily conducted through Marx. The mailing address for Marx is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Marx:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President & CEO</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer & CFO</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary & General Counsel</u> | 212-557-1400 |
| <u>James Better</u> | <u>Director</u> | 212-557-1400 |
| <u>James Magowan</u> | <u>Director</u> | 212-557-1400 |
| <u>James Stern</u> | <u>Director</u> | 212-557-1400 |

The Company owns a 23.333% equity interest in Joseph E. Marx Co., Inc., a New York corporation (“Marx Co”). Marx Co’s operations consist of full and fractional ownership of rental real estate in several states in the U.S. The mailing address for Marx Co is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Marx Co:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President & CEO</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer & CFO</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary & General Counsel</u> | 212-557-1400 |
| <u>James Better</u> | <u>Director</u> | 212-557-1400 |
| <u>Jennifer Gruenberg</u> | <u>Director</u> | 212-557-1400 |
| <u>Leonard S Gruenberg</u> | <u>Director</u> | 212-557-1400 |
| <u>Jon Gruenberg</u> | <u>Director</u> | 212-557-1400 |
| <u>Wendy Gruenberg Wray</u> | <u>Director</u> | 212-557-1400 |
| <u>Mary Lynn Bianco</u> | <u>Director</u> | 212-557-1400 |
| <u>James Stern</u> | <u>Director</u> | 212-557-1400 |

The Company owns a 95.7% equity interest in The M&B Building Owners II, LLC., a Delaware limited liability company (“Bethpage”). Bethpage’s operations consist of real estate ownership and rental in New York. The mailing address for Bethpage is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Bethpage:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants’ National Properties, Inc. (Manager of Bethpage)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants’ National Properties, Inc. (Manager of Bethpage)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants’ National Properties, Inc. (Manager of Bethpage)</u> | 212-557-1400 |

The Company owns a 59.4% equity interest in Brahmin Realty Associates, LLC, a Delaware limited liability company (“Brahmin”). Brahmin’s operations consist of real estate ownership and rental in Massachusetts. The mailing address

for Brahmin is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Brahmin:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Brahmin)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Brahmin)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Brahmin)</u> | 212-557-1400 |

The Company owns a 100% equity interest in Guest Realty Company, a Delaware corporation ("Guest"). Guest's operations consist of fractional ownership of rental real estate in several states in the U.S. The mailing address for Guest is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Guest:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President & CEO</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer & CFO</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary & General Counsel</u> | 212-557-1400 |
| <u>James Better</u> | <u>Director</u> | 212-557-1400 |
| <u>James Magowan</u> | <u>Director</u> | 212-557-1400 |
| <u>James Stern</u> | <u>Director</u> | 212-557-1400 |

The Company owns an 80% equity interest in Maryland Stores Corporation, a Maryland corporation ("Maryland"). Maryland's operations consist of fractional ownership of rental real estate in New York. The mailing address for Maryland is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Maryland:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President & CEO</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer & CFO</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary & General Counsel</u> | 212-557-1400 |
| <u>James Better</u> | <u>Director</u> | 212-557-1400 |
| <u>James Magowan</u> | <u>Director</u> | 212-557-1400 |
| <u>James Stern</u> | <u>Director</u> | 212-557-1400 |

The Company owns a 94.6353% equity interest in Rier Realty Co., Inc., a New York corporation ("Rier"). Rier's operations consist of full and fractional ownership of rental real estate in several states in the U.S. The mailing address for Rier is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Rier:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President & CEO</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer & CFO</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary & General Counsel</u> | 212-557-1400 |
| <u>James Better</u> | <u>Director</u> | 212-557-1400 |
| <u>Leonard S Gruenberg</u> | <u>Director</u> | 212-557-1400 |
| <u>James Magowan</u> | <u>Director</u> | 212-557-1400 |

The Company owns a 57.88% equity interest in University Plaza Joint Venture LLC, a Delaware limited liability company ("University"). University's operations consist of real estate ownership and rental in Connecticut. The mailing address

for University is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of University:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of University)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of University)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of University)</u> | 212-557-1400 |

The Company owns a 52.93% equity interest in Madison Syndicate, a New York partnership ("Madison"). Madison's operations consist of real estate ownership and rental in Alabama. The mailing address for Madison is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, or control persons of Madison:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Madison)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Madison)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Madison)</u> | 212-557-1400 |

The Company owns a 35.7135% equity interest in 708 Third Avenue Holdings, LLC, a Delaware limited liability company ("Third Ave Holdings"). Third Ave Holdings' operations consist of real estate ownership and rental in New York. The mailing address for Third Ave Holdings is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Third Ave Holdings:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Third Ave Holdings)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Third Ave Holdings)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Third Ave Holdings)</u> | 212-557-1400 |

The Company owns a 37.6214% equity interest in Dollar Land Associates LLC, a Delaware limited liability company ("Dollar"). Dollar's operations consist of real estate ownership and rental in New York. The mailing address for Dollar is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Dollar:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|--------------------|---------------------|-----------------------------------|
|--------------------|---------------------|-----------------------------------|

| | | |
|-----------------------------|--|--------------|
| <u>Craig M. Deitelzweig</u> | <u>Member, Board of Managers of Dollar</u> | 212-557-1400 |
| <u>James Better</u> | <u>Member, Board of Managers of Dollar</u> | 212-557-1400 |
| <u>James Stern</u> | <u>Member, Board of Managers of Dollar</u> | 212-557-1400 |
| <u>Richard Kessler</u> | <u>Member, Board of Managers of Dollar</u> | 212-557-1400 |
| <u>John Usdan</u> | <u>Member, Board of Managers of Dollar</u> | 212-557-1400 |

The Company owns a 90.667% equity interest in Athens Joint Venture, LLC, a Delaware limited liability company ("Athens"). Athens' operations consist of real estate ownership and rental in Washington, D.C. The mailing address for Athens is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Athens:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|----------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Athens)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Athens)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Athens)</u> | 212-557-1400 |

The Company owns a 66.5% equity interest in Bell Blvd. Partners, a New York partnership ("Bell Blvd."). Bell Blvd.'s operations consist of real estate ownership and rental in Washington, D.C. The mailing address for Bell Blvd. is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Bell Blvd.:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|----------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Bell Blvd.)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Bell Blvd.)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Bell Blvd.)</u> | 212-557-1400 |

The Company owns a 26.7644% equity interest in Peters Land Syndicate, a New York partnership ("Peters"). Peters' operations consist of real estate ownership and rental in Georgia. The mailing address for Peters is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Peters:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|----------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Guest Realty Company (General Partner of Peters)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Guest Realty Company (General Partner of Peters)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Guest Realty Company (General Partner of Peters)</u> | 212-557-1400 |

The Company owns a 62.87865% equity interest in Boston Syndicate LLC, a Delaware limited liability company ("Boston"). Boston's operations consist of a 50% beneficial ownership interest in rental real estate located in Massachusetts. The mailing address for Boston is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Boston:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Boston)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Boston)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Boston)</u> | 212-557-1400 |

The Company owns a 34.9167% equity interest in Marlton Joint Venture, a New York partnership ("Marlton"). Marlton's operations consist of real estate ownership and rental in New Jersey. The mailing address for Marlton is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Marlton:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Marlton)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Marlton)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Marlton)</u> | 212-557-1400 |

The Company owns a 22.5953% equity interest in Pequannock Joint Venture LLC, a Delaware limited liability company ("Pequannock"). Pequannock's operations consist of real estate ownership and rental in New Jersey. The mailing address for Pequannock is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Pequannock:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Pequannock)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Pequannock)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Pequannock)</u> | 212-557-1400 |

The Company owns a 60% equity interest in Fort Lee Joint Venture, a New York partnership ("Fort Lee"). Fort Lee's operations consist of a 50% beneficial ownership interest in rental real estate in New Jersey. The mailing address for Fort Lee is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Fort Lee:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Fort Lee)</u> | 212-557-1400 |

| | | |
|------------------------|--|--------------|
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Fort Lee)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Fort Lee)</u> | 212-557-1400 |

The Company owns a 21.0% equity interest in Ithaca Joint Venture, a New York partnership ("Ithaca"). Ithaca's operations consist of real estate ownership and rental in New York. The mailing address for Ithaca is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Ithaca:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Ithaca)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Ithaca)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Ithaca)</u> | 212-557-1400 |

The Company owns a 22.6781% equity interest in Seaford Joint Venture, a New York partnership ("Seaford"). Seaford's operations consist of real estate ownership and rental in New York. The mailing address for Seaford is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Seaford:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Seaford)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Seaford)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Seaford)</u> | 212-557-1400 |

The Company owns an 81.1876% equity interest in Avon Joint Venture, LLC, a Delaware limited liability company ("Avon"). Avon's operations consist of a 50% beneficial ownership interest in rental real estate in New York. The mailing address for Avon is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Avon:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Avon)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Avon)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Avon)</u> | 212-557-1400 |

The Company owns a 42.57% equity interest in Belle Haven Realty, LLC, a Delaware limited liability company ("Belle Haven"). Belle Haven's operations consist of real estate ownership and rental in Virginia. The mailing address for Belle

Haven is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Belle Haven:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Belle Haven)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Belle Haven)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Belle Haven)</u> | 212-557-1400 |

The Company owns a 30.0981% equity interest in Ocean County Venturers, a New York partnership ("Ocean"). Ocean's operations consist of real estate ownership and rental in New Jersey. The mailing address for Ocean is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Ocean:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Ocean)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Ocean)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Ocean)</u> | 212-557-1400 |

The Company owns a 49.3097% equity interest in Louisville Syndicate, LLC, a Delaware limited liability company ("Louisville"). Louisville's operations consist of a 76% equity ownership interest in rental real estate in New York. The mailing address for Louisville is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Louisville:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Louisville)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Louisville)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Louisville)</u> | 212-557-1400 |

The Company owns a 72.48% equity interest in Orange Syndicate, a New York partnership ("Orange"). Orange's operations consist of real estate ownership and rental in Washington, DC. The mailing address for Orange is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Orange:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Orange)</u> | 212-557-1400 |

| | | |
|------------------------|--|--------------|
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Orange)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Orange)</u> | 212-557-1400 |

The Company owns a 48.8289% equity interest in Hastings Drive I, LLC, a Delaware limited liability company, ("Hastings"). Hastings's operations consist of real estate ownership and rental in Virginia. The mailing address for Hastings is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Orange:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Orange)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Orange)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Orange)</u> | 212-557-1400 |

The Company owns a 38.4167% equity interest in Newbury Street Partners, a New York Partnership ("Newbury"). Newbury's operations consist of a 50% equity ownership interest in rental real estate in New York. The mailing address for Newbury is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Newbury:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Newbury)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Newbury)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Newbury)</u> | 212-557-1400 |

The Company owns a 35.25% equity interest in 430 Park Avenue Syndicate, a New York Partnership ("430 Park"). 430 Park's operations consist of a 20.1% equity ownership interest in a leasehold rental real estate in New York. The mailing address for 430 Park is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of 430 Park:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of 430 Park)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of 430 Park)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of 430 Park)</u> | 212-557-1400 |

The Company owns a 28.503% equity interest in The Herald Owners LLC, a Delaware limited liability company ("Herald"). Herald's operations consist of real estate ownership and rental in Washington, D.C. The mailing address for Herald is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Herald:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Herald)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Herald)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Herald)</u> | 212-557-1400 |
| <u>Invesco, Inc.</u> | <u>Majority Investor's Representative</u> | 212-557-1400 |

The Company owns a 17.4167% equity interest in Bellflower Joint Venture, a New York partnership ("Bellflower"). Bellflower's operations consist of real estate ownership and rental in California. The mailing address for Bellflower is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Bellflower:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (General Partner of Bellflower)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (General Partner of Bellflower)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (General Partner of Bellflower)</u> | 212-557-1400 |

The Company owns a 12.6867% equity interest in Queens Joint Venture LLC, a Delaware limited liability company ("Queens"). Queens's operations consist of real estate ownership and rental in New York. The mailing address for Queens is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Queens:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Guest Realty Company (Manager of Queens)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Guest Realty Company (Manager of Queens)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Guest Realty Company (Manager of Queens)</u> | 212-557-1400 |

The Company owns a 10.4099% equity interest in 532 Madison Syndicate, a New York partnership ("532"). 532's operations consist of real estate ownership and rental in New York. The mailing address for 532 is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of 532:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|-----------------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Guest Realty Company (General Partner of 532)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Guest Realty Company (General Partner of 532)</u> | 212-557-1400 |

| | | |
|---------------------|---|--------------|
| <u>Amy Jedlicka</u> | <u>Secretary, Guest Realty Company (General Partner of 532)</u> | 212-557-1400 |
|---------------------|---|--------------|

The Company owns a 11.4% equity interest in Knights Road Shopping Center LP, a Pennsylvania limited partnership ("Knights"). Knight's operations consist of real estate ownership and rental in New York. The mailing address for Knights is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Knights:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|----------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, KRSC, Inc. (General Partner of Knights)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, KRSC, Inc. (General Partner of Knights)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, KRSC, Inc. (General Partner of Knights)</u> | 212-557-1400 |

The Company owns a 21.2447% equity interest in Farmingville Associates LLC, a Delaware limited liability company ("Farmingville"). Farmingville's operations consist of a 50% equity ownership interest in rental real estate in New York. The mailing address for Farmingville is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Farmingville:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|--|----------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Guest Realty Company (Manager of Farmingville)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Guest Realty Company (Manager of Farmingville)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Guest Realty Company (Manager of Farmingville)</u> | 212-557-1400 |

The Company owns a 52.25% equity interest in MNP 2121 Wisconsin Avenue LLC, a Delaware limited liability company ("Wisconsin"). Wisconsin's operations consist of an 18% equity ownership interest in rental real estate in D.C. The mailing address for Wisconsin is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Wisconsin:

| <u>Name</u> | <u>Title</u> | <u>Contact Information</u> |
|-----------------------------|---|----------------------------|
| <u>Craig M. Deitelzweig</u> | <u>President, Merchants' National Properties, Inc. (Manager of Wisconsin)</u> | 212-557-1400 |
| <u>Jagdish K. Shah</u> | <u>Treasurer, Merchants' National Properties, Inc. (Manager of Wisconsin)</u> | 212-557-1400 |
| <u>Amy Jedlicka</u> | <u>Secretary, Merchants' National Properties, Inc. (Manager of Wisconsin)</u> | 212-557-1400 |

C. Describe the issuers' principal products or services.

The Company has engaged in the business of commercial real estate acquisition, management, development, and rental in the United States for almost a century. The Company's headquarters are located in New York, NY. The Company's current real estate portfolio consists of 42 properties spanning over nine U.S. states as well as the District of Columbia, primarily comprised of office and retail space. The target markets for the Company's current commercial real estate operations are Alabama, California, Connecticut, District of Columbia, Georgia, Massachusetts, New Jersey, New York

and Virginia. Specifically, the Company focuses on office and retail space in the aforementioned markets, with a primary presence in the New York, NY, Washington, DC and Atlanta, GA markets.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

See attached addendum "B" for the aforementioned information. The Company's principal offices are located at 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. In addition, Marx, a wholly owned subsidiary of the Company as described above, leases 8,428 square feet of office space at 155 East 44th Street, New York, NY 10017 from Third Ave Holdings for \$17,062 per month.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.

If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

| Individual Name (First, Last) or Entity Name (Include names of control person(s) if a corporate entity) | Position/Company Affiliation (ex: CEO, 5% Control person) | City and State (Include Country if outside U.S.) | Number of Shares Owned (List common, preferred, warrants and options separately) | Class of Shares Owned | Percentage of Class of Shares Owned (undiluted) |
|--|--|--|---|-----------------------------|---|
| <u>Craig M. Deitzelzweig</u> | <u>CEO/President/Director</u> | <u>Bedford, NY</u> | <u>400</u> | <u>N/A</u> | <u>0.44%</u> |
| <u>Jagdish K. Shah</u> | <u>CFO</u> | <u>Ardsley, NY</u> | <u>11</u> | <u>Common</u> | <u>0.01%</u> |
| <u>Eric Hatch</u> | <u>Co-CFO</u> | <u>New York, NY</u> | <u>0</u> | <u>Common</u> | <u>0%</u> |
| <u>Amy Jedlicka</u> | <u>Corporate Secretary</u> | <u>New York, NY</u> | <u>0</u> | <u>N/A</u> | <u>0%</u> |
| <u>Mustafa Haque</u> | <u>Vice-President</u> | <u>New York, NY</u> | <u>0</u> | <u>N/A</u> | <u>0%</u> |
| <u>James Better</u> | <u>Chairman/Director</u> | <u>Greenwich, CT</u> | <u>119</u> | <u>Common</u> | <u>0.13%</u> |
| <u>Leonard S. Gruenberg</u> | <u>Director</u> | <u>Scarsdale, NY</u> | <u>300</u> | <u>Common</u> | <u>0.33%</u> |
| <u>James Magowan</u> | <u>Director</u> | <u>New York, NY</u> | <u>20</u> | <u>Common</u> | <u>0.02%</u> |

| | | | | | |
|--|--------------------|------------------------|---------------|---------------|---------------|
| <u>Mark Magowan</u> | <u>Director</u> | <u>New York, NY</u> | <u>2,158</u> | <u>Common</u> | <u>2.37%</u> |
| <u>Matthew K. Maquire</u> | <u>Director</u> | <u>New York, NY</u> | <u>0</u> | <u>N/A</u> | <u>0%</u> |
| <u>Richard Schosberg</u> | <u>Director</u> | <u>Muttontown, NY</u> | <u>461</u> | <u>Common</u> | <u>0.51%</u> |
| <u>James Stern</u> | <u>Director</u> | <u>Harrison, NY</u> | <u>1,195</u> | <u>Common</u> | <u>1.31%</u> |
| <u>John Usdan</u> | <u>Director</u> | <u>New York, NY</u> | <u>6</u> | <u>Common</u> | <u>0.007%</u> |
| <u>Mary L. Bianco, Trustee</u> | <u>Shareholder</u> | <u>Paso Robles, CA</u> | <u>9,275</u> | <u>Common</u> | <u>10.21%</u> |
| <u>Jennifer Gruenberg</u> | <u>Shareholder</u> | <u>Scarsdale, NY</u> | <u>7,534</u> | <u>Common</u> | <u>8.29%</u> |
| <u>Estate of Sylvia Marx</u> | <u>Shareholder</u> | <u>Greenwich, CT</u> | <u>5,537</u> | <u>Common</u> | <u>6.09%</u> |
| <u>MNP Voting Trust, Olivia Magowan and Paul Merrill, Trustees</u> | <u>Shareholder</u> | <u>Mount Kisco, NY</u> | <u>14,756</u> | <u>Common</u> | <u>16.24%</u> |

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

Craig M. Deitelzweig
Chief Executive Officer, President, and Director

Craig M. Deitelzweig has served our Company and its primary management and development arm, Marx, since August of 2017 as Chief Executive Officer, President, and Director. Mr. Deitelzweig brings over 25 years of diverse real estate experience to the Company and Marx. He previously served as a managing director and head of asset management at Building and Land Technology, whereby he oversaw a diverse portfolio of office, multifamily, and hotel assets across the United States. Prior to joining Building and Land Technology, Mr. Deitelzweig managed the office division of Rockrose Development Corp., and previously led the leasing and asset management activities of the Ruben Company's 4,000,000 square feet of retail and office space in New York, Washington, DC, and Boston. Mr. Deitelzweig is also an attorney and worked in the real estate group at Skadden, Arps, Slate, Meagher & Flom LLP. Mr. Deitelzweig graduated cum laude from Tulane University's A.B. Freeman School of Business and received his law degree from Fordham Law School.

Eric A Hatch
Chief Financial Officer

Eric A Hatch was hired by Marx Realty & Improvement Co., Inc. ("Marx") in November 2024. During the previous 6 years, Mr. Hatch worked for the Related Companies as Vice President of Commercial Accounting, overseeing the accounting and reporting of both office and retail assets, with notable inclusion of 10 Hudson Yards, 50 Hudson Yards, 55 Hudson Yards, Deutsche Bank Center and The Shops at Columbus Circle. Prior to joining The Related Companies, Mr. Hatch spent 11 years at Deloitte, working in the investment banking and investment management sectors of their audit and assurance practice. Mr. Hatch is a member of the AICPA and has been a Certified Public Accountant since 2009. He earned a Master of Accounting from Brigham Young University.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, in the past 10 years:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

None

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

None

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

None

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

None

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

None

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

None

- B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

None

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.

Securities Counsel

| | |
|------------|--|
| Name: | Jessica Haggard, Esq. |
| Firm: | Anthony, Linder & Cacomanolis, PLLC |
| Address 1: | 1700 Palm Beach Lakes Blvd., Suite 820 |
| Address 2: | West Palm Beach, FL 33401 |

Phone: 561 514-0936 ext. 101
Email: JHaggard@ALClaw.com

Accountant or Auditor

Name: Ronald Frimmer
Firm: CBIZ CPAs PC
Address 1: 730 Third Avenue,
Address 2: New York, NY 10017
Phone: 212 842-7677
Email: Ronald.Frimmer@cbiz.com

Investor Relations

Name: John Sano
Firm: Merchants' National Properties, Inc.
Address 1: 10 Grand Central, 155 East 44th Street, 7th Floor
Address 2: New York, NY 10017
Phone: 212 557-1400
Email: John.S@marxrealty.com

All other means of Investor Communication:

X (Twitter): _____
Discord: _____
LinkedIn: [Marx Realty: https://www.linkedin.com/company/marx-realty-improvement-co-inc/](https://www.linkedin.com/company/marx-realty-improvement-co-inc/)
Facebook: _____
Website: www.marxrealty.com

Other Service Providers

Provide the name of any other service provider(s) that **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

Name: _____
Firm: _____
Nature of Services: _____
Address 1: _____
Address 2: _____
Phone: _____
Email: _____

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name: Eric A Hatch
Title: Chief Financial Officer
Relationship to Issuer: Employee

B. The following financial statements were prepared in accordance with:

☐ IFRS

☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Eric A Hatch

Title: Chief Financial Officer

Relationship to Issuer: Employee

Describe the qualifications of the person or persons who prepared the financial statements:⁵ **CPA**

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:

- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Craig M. Deitelzweig certify that:

1. I have reviewed this Disclosure Statement for Merchants' National Properties, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under

⁵ The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

which such statements were made, not misleading with respect to the period covered by this disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 20, 2025

/s/ Craig M. Deitelzweig

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Eric A Hatch, certify that:

1. I have reviewed this Disclosure Statement for Merchants' National Properties, Inc.;
2. Based on my knowledge, this disclosure statement does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this disclosure statement; and
3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

May 20, 2025

/s/ Eric A Hatch

(Digital Signatures should appear as "/s/ [OFFICER NAME]")



MERCHANTS' NATIONAL PROPERTIES, INC.
10 Grand Central, 155 East 44th Street, New York, NY 10017

ISSUER INFORMATION

| | |
|--|--|
| Title and class of security: | Common Shares (\$1 par value) |
| Transfer Agent: | Merchants' National Properties, Inc. 10 Grand Central 155 East 44 th Street New York, NY 10017 |
| President and Chief Executive Officer: | Craig M. Deitelzweig (Director) |
| Board of Directors: | James M. Better (Chairman) Leonard S. Gruenberg Mark Magowan James Magowan Matthew Maguire Richard Schosberg James Stern John Usdan |
| Issuer's telephone number: | (212) 557-1400 |

Number of shares outstanding of common stock as of May 20, 2025: 90,885



MERCHANTS' NATIONAL PROPERTIES, INC.
10 Grand Central, 155 East 44th Street, New York, NY 10017

FINANCIAL INFORMATION

The information furnished in the accompanying consolidated balance sheets and related consolidated statements of operations, changes in stockholders' equity and cash flows reflect all adjustments, consisting solely of normal and recurring adjustments that are, in management's opinion, necessary for a fair and consistent presentation of the aforementioned consolidated financial statements.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements contained in this letter and the attached report of Merchants' National Properties, Inc., and Subsidiaries ("MNP") may be considered forward-looking statements. Additionally, MNP or the executive officers on MNP's behalf, may from time to time make forward-looking statements in reports and other documents or in connection with written or oral statements made to the press, potential investors, or others.

Forward-looking statements can generally be identified by our use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "continue," "anticipate" or other similar words. However, the absence of these or similar words or expressions do not mean that a statement is not forward-looking. Forward-looking statements are not guarantees of performance and are based on certain assumptions. Forward-looking statements may include the discussion of future expectations or description of plans and strategies and may contain projections of results of operations or of financial condition or other forward-looking information. Expected future net income (loss) depends on many factors including, among others, expected uses of cash generated from operations, expected sources and adequacy of capital resources and liquidity. Any deviation from these assumptions may lead to fluctuations in future net income (loss).

Any such forward-looking statements are based on various assumptions involving judgment and are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from our historical experience and our present expectations. Accordingly, readers are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this report. MNP makes no representations or warranties (express or implied) about the accuracy of any such forward-looking statements contained in this report, and MNP does not intend to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.



MERCHANTS' NATIONAL PROPERTIES, INC.
10 Grand Central, 155 East 44th Street, New York, NY 10017

May 20, 2025

To our Stockholders:

Attached are Merchants' National Properties, Inc.'s ("MNP" or the "Company") consolidated financial statements for the three months ended March 31, 2025 and 2024. These statements have been filed with OTC Markets.

Financial Highlights:

For the three months ended March 31, 2025, the Company reported grossed-up rental and other income of \$15.6 million, vs. \$14.7 million for the three months ended March 31, 2024. For the three months ended March 31, 2025, the Company reported grossed-up operating income of \$6.8 million, vs. \$6.8 million for the three months ended March 31, 2024. Grossed-up operating income for the three months ended March 31, 2025 was impacted by one time expenses relating to personnel changes including hiring costs relating to our new CFO. For the three months ended March 31, 2025, the Company reported grossed-up earnings before interest, taxes, depreciation and amortization ("EBITDA") of \$6.3 million, vs. \$14.7 million for the three months ended March 31, 2024. EBITDA includes a decrease in the value of marketable securities of \$1.6 million for the three months ended March 31, 2025 vs. an increase of \$8.5 million for the three months ended March 31, 2024. Finally, for the three months ended March 31, 2025, the Company reported a net income attributable to Merchant's National Properties, Inc. of \$355 thousand, as compared to a net income of \$7.3 million for the three months ended March 31, 2024, largely attributable to the variance in marketable securities.

Including non-recurring gains and losses, net of taxes, the reportable earnings per share for the three months ended March 31, 2025 was \$3.91, vs. \$80.81 for the three months ended March 31, 2024. Excluding non-recurring gains and losses, the grossed-up earnings per share from operations for the three months ended March 31, 2025 was \$74.50 vs. \$75.19 for the three months ended March 31, 2024.

For the three months ended March 31, 2025, stockholders' equity decreased by \$196 thousand with a corresponding decrease in book value per share to \$2,319 at March 31, 2025 from \$2,369 at March 31, 2024. The Company paid \$80.00 per share in dividends in both 2024 and 2023. The Board approved an interim 2025 dividend of \$25.00 per share, which was paid on May 7, 2025.

MNP purchased 93 of its shares during the three months ended March 31, 2025 at an average cost of \$1,715 per share. As of March 31, 2025 and 2024, 90,882 and 90,602 shares of common stock were outstanding, respectively.

Accounting principles generally accepted in the United States of America ("GAAP") require unrealized gains and losses of marketable securities to be included in net income. This standard has driven substantial swings in earnings during the reporting periods. As a result of these influences, we believe the most useful metric for assessing our performance is "Operating Income As Grossed-Up."

The following table provides a side-by-side comparison of MNP's March 31, 2025 vs. March 31, 2024 consolidated statements of operations in accordance with GAAP and "As Grossed-Up", a non-GAAP measure, which provides more transparency to MNP's share of the underlying assets' revenues and expenses which flow up to MNP from various real estate investments.

INCOME STATEMENT OVERVIEW

GAAP vs. As Grossed-Up

| | Three Months Ended March 31, 2025 | | Three Months Ended March 31, 2024 | |
|---|--------------------------------------|-------------------|--------------------------------------|---------------------|
| | As Unaudited | As Grossed-Up | As Unaudited | As Grossed-Up |
| Rental and other income | \$ 5,056,422 | \$ 15,592,250 | \$ 4,359,808 | \$ 14,747,446 |
| Equity in earnings of real estate ventures | 1,593,404 | - | 1,831,042 | - |
| Operating expenses | (4,145,221) | (8,831,202) | (3,510,870) | (7,933,746) |
| Operating income | 2,504,605 | 6,761,048 | 2,679,980 | 6,813,700 |
| Investment income | 904,334 | 1,092,194 | 507,417 | 686,553 |
| Unrealized gain/(loss) on marketable securities | (1,616,956) | (1,605,705) | 8,506,815 | 8,530,494 (A) |
| Unrealized gain/(loss) on swap contracts | 40,403 | 34,306 | (1,270,907) | (1,323,986) (B) |
| EBITDA | 1,832,386 | 6,281,843 | 10,423,305 | 14,706,761 |
| Financing expense | (361,495) | (2,020,444) | (456,297) | (2,106,802) |
| Depreciation and amortization expense | (897,092) | (3,520,154) | (844,349) | (3,386,818) |
| Income taxes | (881,418) | (1,048,955) | (886,587) | (977,069) |
| Income taxes - deferred | 608,439 | 608,439 | (1,262,575) | (1,262,575) |
| Net income/(loss) | 300,820 | 300,729 | 6,973,497 | 6,973,497 |
| Noncontrolling interests in income of consolidated subsidiaries | 54,195 | 54,286 | 349,787 | 349,787 |
| Net income/(loss) attributable to Merchants' National Properties, Inc. | \$ 355,015 | \$ 355,015 | \$ 7,323,284 | \$ 7,323,284 |

The following is a description of some of the factors which impacted the As Audited and As Grossed-Up net income for the year ended March 31, 2025 and 2024, respectively.

(A) Including the unrealized gains in marketable securities, as required under GAAP, the grossed-up income before taxes, depreciation and amortization was \$6.3 million for the three months ended March 31, 2025, as compared to \$14.7 million for the three months ended March 31, 2024.

(B) In accordance with GAAP, the Company recognizes derivatives as either assets or liabilities in the consolidated balance sheets and measures those instruments at fair value. Changes in fair value will affect either accumulated other comprehensive income or loss, which is a component of equity, if the derivative qualifies as a hedge and is effective, or net income or loss, if the derivative does not qualify as a hedge or if the hedge is ineffective. For the three months ended March 31, 2025, this change in fair value has resulted in increasing grossed-up income before taxes by \$34 thousand, compared to a decrease of \$1.3 million for the three months ended March 31, 2024.

Respectfully submitted,

Craig M. Deitelzweig
President, Chief Executive Officer and Director

James M. Better
Chairman of the Board of Directors

**MERCHANTS' NATIONAL PROPERTIES, INC.
AND SUBSIDIARIES**

CONSOLIDATED FINANCIAL STATEMENTS

THREE MONTHS ENDED MARCH 31, 2025 AND 2024

TABLE OF CONTENTS

| | <u>Page</u> |
|---|-------------|
| Consolidated Financial Statements | |
| Balance Sheets | 1 |
| Statements of Operations | 2 |
| Statements of Changes in Stockholders' Equity | 3 |
| Statements of Cash Flows | 4 |
| Notes to Consolidated Financial Statements | 6 |

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

| | March 31, 2025 (unaudited) | December 31, 2024 (audited) |
|---|---|--|
| ASSETS | | |
| Rental properties, net | \$ 71,574,162 | \$ 72,228,185 |
| Marketable securities | 69,953,199 | 71,570,155 |
| Investments in real estate ventures | 115,386,851 | 115,886,585 |
| Cash and cash equivalents | 9,755,253 | 7,296,897 |
| Restricted cash | 496,454 | 546,126 |
| Tenant security deposits in escrow | 544,598 | 544,598 |
| Receivables: | | |
| Loans, real estate ventures | 20,184,250 | 18,855,853 |
| Affiliated real estate ventures | 645,595 | 969,812 |
| Employees | 3,008,396 | 2,962,933 |
| Related parties | 3,389,825 | 2,858,404 |
| Tax refund | 34,651 | 129,594 |
| Deferred rent | 3,005,410 | 2,958,221 |
| Tenants | 215,969 | 212,865 |
| Other | 2,122,006 | 1,292,355 |
| Interest rate swaps | 645,905 | 605,502 |
| Prepaid expenses and other assets, net of accumulated amortization of \$1,388,085 and \$1,308,116 in 2025 and 2024, respectively | 1,457,286 | 1,496,071 |
| In-place leases, net of accumulated amortization of \$2,315,895 and \$2,180,441 in 2025 and 2024, respectively | 4,407,635 | 4,543,089 |
| Operating lease right-of-use asset | 816,670 | 866,103 |
| Prepaid income taxes | (50,071) | 816,508 |
| Deferred tax assets | 4,818,054 | 4,429,851 |
| Total assets | \$ 312,412,098 | \$ 311,069,707 |
| LIABILITIES AND STOCKHOLDERS' EQUITY | | |
| Liabilities | | |
| Accounts payable, accrued expenses and other liabilities | \$ 3,576,542 | \$ 2,335,243 |
| Below-market leases, net of accumulated amortization of \$559,649 and \$522,794 in 2025 and 2024, respectively | 1,773,254 | 1,810,109 |
| Operating lease liability | 832,333 | 882,787 |
| Income taxes payable | 146,424 | 65,575 |
| Security deposits | 631,844 | 641,622 |
| Due to affiliate | 507,998 | 2,242 |
| Mortgages payable, less unamortized debt issuance costs of \$211,827 and \$226,079 in 2025 and 2024, respectively | 36,585,499 | 36,838,851 |
| Line of credit | 6,943,552 | 6,999,417 |
| Deferred tax liabilities | 38,414,967 | 38,635,203 |
| Total liabilities | 89,412,413 | 88,211,049 |
| Stockholders' Equity | | |
| Common stock, \$1 par value; 187,000 shares authorized, 105,199 shares issued (shares outstanding, 90,882 and 90,975 in 2025 and 2024, respectively) | 105,199 | 105,199 |
| Additional paid-in capital | 1,320,017 | 1,320,017 |
| Retained earnings | 226,075,403 | 225,720,388 |
| Treasury stock, at cost (14,317 and 14,224 shares in 2025 and 2024, respectively) | (16,717,860) | (16,558,350) |
| Total stockholders' equity | 210,782,759 | 210,587,254 |
| Noncontrolling interests | 12,216,926 | 12,271,404 |
| | 222,999,685 | 222,858,658 |
| Total liabilities and stockholders' equity | \$ 312,412,098 | \$ 311,069,707 |

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

| | Three Months Ended March 31, | |
|---|-------------------------------------|---------------------|
| | 2025 | 2024 |
| | (unaudited) | (unaudited) |
| Revenues | | |
| Rental revenues | \$ 1,953,424 | \$ 1,982,749 |
| Management fees | 1,007,982 | 923,544 |
| Leasing commissions | 1,079,707 | 385,313 |
| Development and buildout fees | 149,307 | 250,004 |
| Property personnel fees | 568,493 | 492,374 |
| Other revenues | 297,509 | 325,824 |
| Total revenues | 5,056,422 | 4,359,808 |
| Operating Expenses | | |
| Real estate taxes | 291,405 | 339,430 |
| Depreciation and amortization | 897,092 | 844,349 |
| Other operating expenses | 637,517 | 468,501 |
| Financing expenses | 361,495 | 456,297 |
| Total operating expenses | 2,187,509 | 2,108,577 |
| Net revenues from rentals and other income | 2,868,913 | 2,251,231 |
| Equity in earnings from real estate ventures, net | 1,593,404 | 1,831,042 |
| Investment income | 904,334 | 507,417 |
| Unrealized gain/(loss) on marketable securities | (1,616,956) | 8,506,815 |
| Unrealized gain/(loss) on interest rate swaps | 40,403 | (1,270,907) |
| Net income before general and administrative expenses and other costs and income tax expense | 3,790,098 | 11,825,598 |
| General and administrative expenses and other costs | | |
| Professional fees | 254,566 | 96,435 |
| Salaries and other general expenses | 2,961,733 | 2,606,504 |
| Total general and administrative expenses and other costs | 3,216,299 | 2,702,939 |
| Net income before income tax expense | 573,799 | 9,122,659 |
| Income tax expense | 272,979 | 2,149,162 |
| Net income | 300,820 | 6,973,497 |
| Noncontrolling interests in net loss of consolidated subsidiaries | 54,195 | 349,787 |
| Net income attributable to Merchants' National Properties, Inc. | \$ 355,015 | \$ 7,323,284 |
| Basic and diluted earnings per share | \$ 3.91 | \$ 80.81 |
| Weighted average number of common shares outstanding | | |
| Basic and diluted | 90,751 | 90,621 |

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
THREE MONTHS ENDED MARCH 31, 2025 AND 2024

| | <u>Common Stock</u> | | <u>Additional</u> | <u>Retained</u> | <u>Treasury Stock</u> | | <u>Non-</u> | <u>Total</u> |
|--|---------------------|-------------------|---------------------|-----------------------|-----------------------|------------------------|----------------------|-----------------------|
| | <u>Shares</u> | <u>Amount</u> | <u>Paid-In</u> | <u>Earnings</u> | <u>Shares</u> | <u>Amount</u> | <u>Controlling</u> | <u>Equity</u> |
| | | | <u>Capital</u> | | | | <u>Interests</u> | |
| Balance, January 1, 2024 | 105,199 | \$ 105,199 | \$ 1,146,317 | \$ 223,055,781 | (14,576) | \$ (16,900,975) | \$ 12,780,952 | \$ 220,187,274 |
| Acquisition of treasury stock | - | - | - | - | (21) | (30,189) | - | (30,189) |
| Net income | - | - | - | 7,323,284 | - | - | (349,787) | 6,973,497 |
| Capital distributions | - | - | - | - | - | - | (163,387) | (163,387) |
| Balance, March 31, 2024 (unaudited) | 105,199 | \$ 105,199 | \$ 1,146,317 | \$ 230,379,065 | (14,597) | \$ (16,931,164) | \$ 12,267,778 | \$ 226,967,195 |
| Balance, January 1, 2025 | 105,199 | \$ 105,199 | \$ 1,320,017 | \$ 225,720,388 | (14,224) | \$ (16,558,350) | \$ 12,271,404 | \$ 222,858,658 |
| Acquisition of treasury stock | - | - | - | - | (93) | (159,510) | - | (159,510) |
| Stock compensation | - | - | - | - | - | - | - | - |
| Net income | - | - | - | 355,015 | - | - | (54,195) | 300,820 |
| Capital contributions | - | - | - | - | - | - | 18,750 | 18,750 |
| Capital distributions | - | - | - | - | - | - | (19,033) | (19,033) |
| Balance, March 31, 2025 (unaudited) | 105,199 | \$ 105,199 | \$ 1,320,017 | \$ 226,075,403 | (14,317) | (16,717,860) | \$ 12,216,926 | \$ 222,999,685 |

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Three Months Ended March 31, | |
|--|-------------------------------------|----------------------|
| | 2025 | 2024 |
| | (unaudited) | (unaudited) |
| Cash flows from operating activities | | |
| Net income | \$ 300,820 | \$ 6,973,497 |
| Adjustments to reconcile net income to net cash (used in) provided by operating activities | | |
| Depreciation and amortization | 681,669 | 626,296 |
| Amortization of deferred leasing costs | 79,969 | 82,598 |
| Amortization of debt issuance costs included in financing expenses | 14,252 | 14,268 |
| Amortization of below-market leases | (36,855) | (36,855) |
| Amortization of in-place leases | 135,454 | 135,454 |
| Amortization of operating leases | 49,433 | 47,686 |
| Provision for deferred taxes/(benefit) | (608,439) | 1,262,575 |
| Accrued interest on loans receivable, real estate ventures | (498,976) | (42,654) |
| Equity in earnings of investments in real estate ventures, net | (1,593,404) | (1,831,042) |
| Unrealized (gain)/loss on interest rate swaps | (40,403) | 1,270,907 |
| Unrealized gain/(loss) on marketable securities | 1,616,956 | (8,506,815) |
| Changes in assets and liabilities | | |
| Receivables - affiliated real estate ventures | 324,217 | 476,734 |
| Receivables - employees | (45,463) | (63,014) |
| Receivables - related parties | (531,421) | (1,629,459) |
| Receivables - tax refund | 94,943 | (98,740) |
| Receivables - deferred rent | (47,189) | (92,910) |
| Receivables - tenants | (3,104) | 74,645 |
| Receivables - other | (829,651) | 61,090 |
| Prepaid expenses and other assets | (41,184) | 49,379 |
| Prepaid income taxes | 866,579 | 654,485 |
| Accounts payable and accrued expenses | 1,241,299 | 439,006 |
| Income taxes payable | 80,849 | - |
| Operating lease liability | (50,454) | (46,481) |
| Security deposits | (9,778) | - |
| Due to affiliate | 505,756 | (29,388) |
| Net cash (used in) provided by operating activities | 1,655,875 | (208,738) |
| Cash flows from investing activities | | |
| Distributions from investments in real estate ventures | 2,093,138 | 1,966,072 |
| Loans - affiliated real estate ventures, net | (829,421) | (125,002) |
| Additions to buildings and improvements | (27,646) | (300,175) |
| Net cash provided by investing activities | 1,236,071 | 1,540,895 |
| Cash flows from financing activities | | |
| Purchase of treasury stock | (159,510) | (30,189) |
| Principal payments of mortgages payable | (267,604) | (191,587) |
| Payments of line of credit | (55,865) | - |
| Capital contributions from noncontrolling interests | 18,750 | - |
| Capital distributions to noncontrolling interests | (19,033) | (163,387) |
| Net cash used in financing activities | (483,262) | (385,163) |
| Net increase in cash and cash equivalents, restricted cash and tenant security deposits in escrow | 2,408,684 | 946,994 |
| Cash and cash equivalents, restricted cash and tenant security deposits in escrow, beginning of period | 8,387,621 | 20,989,393 |
| Cash and cash equivalents, restricted cash and tenant security deposits in escrow, end of period | \$ 10,796,305 | \$ 21,936,387 |

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Three Months Ended March 31, | |
|---|-------------------------------------|----------------------|
| | 2025 | 2024 |
| | (unaudited) | (unaudited) |
| Reconciliation of cash and cash equivalents, restricted cash and tenant security deposits in escrow, beginning of period | | |
| Cash and cash equivalents | \$ 7,296,897 | \$ 19,982,366 |
| Restricted cash | 546,126 | 498,854 |
| Tenant security deposits in escrow | 544,598 | 508,173 |
| Cash and cash equivalents, restricted cash and tenant security deposits in escrow, beginning of period | \$ 8,387,621 | \$ 20,989,393 |
| Reconciliation of cash and cash equivalents, restricted cash and tenant security deposits in escrow, end of period | | |
| Cash and cash equivalents | \$ 9,755,253 | \$ 21,223,992 |
| Restricted cash | 496,454 | 204,222 |
| Tenant security deposits in escrow | 544,598 | 508,173 |
| Cash and cash equivalents, restricted cash and tenant security deposits in escrow, end of period | \$ 10,796,305 | \$ 21,936,387 |
| Supplemental cash flow disclosures | | |
| Interest paid | \$ 345,402 | \$ 440,936 |
| Income taxes paid - net of refunds of \$94,943 and \$3,460, respectively | 807,603 | 326,831 |
| Supplemental non-cash investing and financing activities | | |
| Write-off of fully amortized deferred lease costs | - | 138,992 |
| Write-off of fully amortized debt issuance costs | 219,585 | 42,578 |

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 – ORGANIZATION

Merchants' National Properties, Inc. ("Merchants"), a Delaware corporation, was formed in December 1928 for the purpose of acquiring, managing, developing, operating and leasing real estate. Merchants, together with its wholly owned and controlled subsidiaries, is referred to as the Company.

On November 21, 2006, Merchants acquired certain shares of stock and partnership interests in Guest Realty Company ("Guest"), Marx Realty & Improvement Co. Inc. ("Marx"), Maryland Stores Corporation ("Maryland"), Rier Realty Co., Inc. ("Rier") and other joint venture interests from the estate of a former Merchants stockholder.

On July 16, 2013, The M&B Building Owners II, LLC ("Bethpage") was formed to acquire land for the purpose of net leasing or developing it into a commercial project. Merchants owns 95.70% of Bethpage.

In October 2014, Brahmin Realty Associates, LLC ("Brahmin") was formed to acquire a 50% tenancy-in-common interest in three real properties. Merchants owns 59.40% of Brahmin.

On September 11, 2015, Merchants acquired an additional 8.05% interest in the members' equity of University Plaza Joint Venture LLC ("University"), which resulted in a 57.88% interest in the members' equity of University.

During 2020, Merchants consolidated its investment in Athens Joint Venture LLC ("Athens") pursuant to a Plan of Redemption and Partition whereby Merchants' ownership interest increased from 45.3332% to 90.6667%, when Athens took full ownership of the retail condominium unit at 819 7th Street NW, Washington, D.C. in exchange for its ownership interest in a commercial property in Pittsburgh, PA.

During 2020, Merchants consolidated its investment in Bell Blvd. Partners ("Bell") to reflect the increase in its ownership interest in Bell from 33.25% to 66.5% after the acquisition of the fifth-floor commercial condominium unit at 819 7th Street NW, Washington, D.C.

On February 2, 2022, Merchants acquired a 4-story office building, located at 2121 Wisconsin Avenue NW in Washington, D.C. ("Wisconsin"), for approximately \$27.7 million. This property was acquired through a newly formed tenancy-in-common ("TIC") between Lenox Avenue I, LLC owned by Orange Syndicate ("Orange") with an 82% TIC interest and MNP 2121 Wisconsin Ave LLC ("MNP 2121") with an 18% TIC interest. In 2022, Merchants' ownership interest in Orange increased from 48.5607% to 72.48%. Merchants' ownership interest in MNP 2121 is 52.25%. As a result, Merchants collectively owns 68.84% of Wisconsin (59.43% through Orange and 9.41% through MNP 2121).

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation

The consolidated financial statements include the accounts of Merchants and its wholly owned and controlled subsidiaries; Guest, a wholly owned subsidiary; Maryland, an 80% owned subsidiary; Marx, a wholly owned subsidiary; Rier, a 94.64% owned subsidiary; Madison Syndicate ("Madison"), a 52.93% owned partnership; Bethpage, a 95.70% owned limited liability company; Brahmin, a 59.40% owned limited liability company; University, a 57.88% owned limited liability company, Athens, a 90.67% owned limited liability company, Bell, a 66.5% owned partnership, Orange, a 72.48% owned LLC and MNP 2121, a 52.25% owned LLC. All significant intercompany balances and transactions have been eliminated.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Noncontrolling Interests

Accounting principles generally accepted in the United States of America ("GAAP") require that noncontrolling interests in subsidiaries and affiliates be reported in the equity section of a company's balance sheet. In addition, the amounts attributable to the net income (loss) of these subsidiaries and affiliates are reported separately in the consolidated statements of operations and changes in stockholders' equity for all periods presented.

Use of Estimates

The Company uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. The most significant estimates and assumptions relate to asset acquisition allocation, depreciable lives, impairment of long-lived assets and investments in real estate ventures and the recovery of receivables. Actual results could differ from those estimates.

Real Estate Properties, Net

Real estate is presented at cost, net of accumulated depreciation. Costs related to the development or redevelopment of properties are capitalized. Ordinary repairs and maintenance are expensed as incurred; whereas, major replacements and betterments, which improve or extend the life of the asset, are capitalized and depreciated over their estimated useful lives. Upon the sale or other disposition of real estate, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations.

Properties are depreciated using the straight-line method over the estimated useful lives of the assets as follows:

| | |
|---------------------------|--------------|
| Building and improvements | 7 – 39 years |
| Equipment and furnishings | 5 years |

Tenant improvements are depreciated over the shorter of the estimated useful life of the assets or the terms of the respective leases.

Purchase Accounting

The Company allocates the purchase price of asset acquisitions to the various components of the acquisition based upon the relative fair value of each component, which may be derived from various observable or unobservable inputs and assumptions.

In allocating the fair value of the identified intangible assets and liabilities of the acquired properties, below-market lease values were recorded based on the discounted difference between the current in-place rent and the Company's estimate of current market rents. Other intangible assets acquired include amounts for in-place lease values that were based on the Company's evaluation of specific characteristics of the tenants' leases. Factors considered included estimates of carrying costs during hypothetical expected lease-up periods, taking into account current market conditions, and costs to execute similar leases. In estimating carrying costs, the Company included real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, based on local market conditions.

In estimating costs to execute similar leases, the Company considered tenant improvement allowances, leasing commissions, legal and other related expenses. The below-market leases are amortized as a charge to rental revenues over the term of the leases. Amortization of the in-place lease values is included in amortization.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Marketable Securities

Marketable securities, which consist of equity securities, are carried at fair value in the consolidated financial statements. Realized gains and losses are included in net income based on the specific identification method; unrealized holding gains and losses are included in the accompanying consolidated statements of operations.

In-Place Leases

Amortization of acquired in-place leases for the three months ended March 31, 2025 and 2024 was \$135,454, and is included as a component of depreciation and amortization on the accompanying consolidated statements of operations. As of March 31, 2025, future amortization expense is as follows:

| Year Ending December 31, | |
|--------------------------|---------------------|
| 2025 | \$ 406,363 |
| 2026 | 496,686 |
| 2027 | 476,107 |
| 2028 | 449,243 |
| 2029 | 313,533 |
| Thereafter | 2,265,703 |
| | <u>\$ 4,407,635</u> |

Below-Market Leases

Amortization of acquired below-market leases for the three months ended March 31, 2025 and 2024 was \$36,855, and is included as a component of rental revenues in the accompanying consolidated statements of operations. As of March 31, 2025, future amortization of below-market leases is as follows:

| Year Ending December 31, | |
|--------------------------|---------------------|
| 2025 | \$ 110,561 |
| 2026 | 132,269 |
| 2027 | 130,892 |
| 2028 | 129,272 |
| 2029 | 123,460 |
| Thereafter | 1,146,800 |
| | <u>\$ 1,773,254</u> |

The weighted average amortization period for below market leases and in-place lease costs were 9.20 years and 7.99 years, respectively.

Investments in Real Estate Ventures

Investments in unconsolidated affiliated companies, in which the Company has a less than 50% interest and significant influence, but not control, are accounted for using the equity method. Distributions declared but not paid are recorded as receivables from affiliated real estate ventures. On a periodic basis, management assesses whether there are any indicators that the carrying value of the Company's investments in real estate ventures may be impaired. An investment is impaired only if management's estimate of the fair value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in Real Estate Ventures (continued)

amount of the investment over the fair value of the investment. The Company's estimates of fair value for each investment are based on various assumptions that are subject to economic and market uncertainties, including, among others, demand for space, competition for tenants, changes in market rental rates, and operating costs. As these factors are difficult to predict and are subject to future events that may alter management's assumptions, the fair values estimated by management in its impairment analyses may not be realized. No impairment of the recoverability of the carrying amount of the Company's investments has occurred as of March 31, 2025 or March 31, 2024.

Long-Lived Assets

The Company reviews the carrying values of its long-lived assets, such as rental properties, whenever events or changes in circumstances indicate that the carrying values may no longer be appropriate. Recoverability of carrying values is assessed by estimating future net cash flows from the assets. Impairment assessment inherently involves judgment as to assumptions about expected future cash flows and the impact of market conditions on those assumptions. Future events and changing market conditions may impact management's assumptions relating to rental rates, costs, holding periods or other factors that may result in changes in the Company's estimates of future cash flows. Although management believes the assumptions used in testing for impairment are reasonable, changes in any one of the assumptions could produce a significantly different result. No impairment was noted at March 31, 2025 or March 31, 2024.

Cash and Cash Equivalents

The Company considers cash and cash equivalents to include cash on hand, cash in banks, and short-term investments in institutional money market funds with initial maturities of three months or less. Cash balances in banks in the United States of America are insured by the Federal Deposit Insurance Corporation subject to certain limitations. Cash balances in institutional money market funds are insured by the Securities Investor Protection Corporation subject to certain limitations. At times, the balances may exceed federally insured limits; however, no losses have been incurred.

Restricted Cash

Restricted cash represents tenant security deposits and funds held in escrow for tenant and capital improvements and leasing commissions as required by the lenders.

Debt Issuance Costs

Debt issuance costs represent amounts incurred in connection with obtaining debt financing and are recorded as a direct reduction of the related debt obligation. These costs are amortized on a straight-line basis over the term of the related loans, which approximates the effective interest method. For the three months ended March 31, 2025 and 2024, amortization of deferred financing costs was \$14,252 and \$14,268, respectively. These amounts are included in financing expenses on the consolidated statements of operations.

Derivative Instruments

In accordance with GAAP, the Company recognizes derivatives as either assets or liabilities in the consolidated balance sheets and measures those instruments at fair value. Changes in fair value will affect either accumulated other comprehensive income or loss, which is a component of equity, if the derivative qualifies as a hedge and is effective, or net income or loss, if the derivative does not qualify as a hedge or if the hedge is ineffective. The Company has not designated the interest rate derivatives as hedges, based on its assessment of market conditions. Therefore, changes in the fair value have been recorded in the results of operations for the three months ended March 31, 2025 and 2024.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Derivative Instruments (continued)

For the three months ended March 31, 2025, the Company recorded a loss of \$40,404 on the fair value of the interest rate swap agreements, compared to a gain of \$1,270,907 for the three months ended March 31, 2024.

Income Taxes

The Company applies the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740: Income Taxes ("ASC Topic 740"). The Company files income tax returns in the U.S. federal jurisdiction and in various states.

Merchants and Marx file a consolidated federal income tax return and separate income tax returns for all states except New York. Guest, Maryland and Rier file separate federal income tax returns and for all states except New York. Putnam, Bethpage, Brahmin, Madison, University, Athens, Bell, Orange, and MNP 2121 file separate federal and state income tax returns. The Company files combined income tax returns for New Jersey, New York State and New York City except for Bethpage, Brahmin, Madison, University, Athens, Bell, Orange and MNP 2121.

The Company does not have any uncertain tax positions. As a result, there are no unrecognized tax benefits in the consolidated balance sheets.

Deferred Income Taxes

The Company uses the asset and liability method of accounting for income taxes in accordance with ASC Topic 740. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities.

Revenue Recognition

The Company recognizes base rental revenue on a straight-line basis over the terms of the respective leases which are accounted for under Accounting Standards Codification 842, Leases ("ASC 842"). Unbilled rents receivable represents the amount by which straight-line rental revenue exceeds rents currently billed in accordance with lease agreements. Revenue recognition commences from lease agreements at the date the leased premise is ready for its intended use by the tenant and the tenant takes possession or controls the physical use of the leased premise. In addition to base rents, tenants are also charged for their pro rata share of increases in real estate taxes and certain operating expenses for the Property over a base year.

The Company provides its tenants with certain customary services for lease contracts such as common area maintenance and general security. The Company has utilized the practical expedient in ASC 842 and has elected to combine the non-lease components with the lease components of operating lease agreements and account for them as a single lease component in accordance with ASC 842. Receivables from tenants are stated at the amount management expects to collect. Account balances are written off after all means of collection have been exhausted and the potential for recovery is considered remote. Accounts are considered past due or delinquent based on contractual terms and how recently payments have been received. No allowance was considered necessary at March 31, 2025 or 2024.

In accordance with ASC 606, Revenue from Contracts with Customers, management fees, accounting fees and development fees are recognized ratably over the period that the services are performed. Leasing commissions are recognized when the leases are executed. Asset acquisition/dispositions fees and mortgage financing fees are recognized when the transactions are entered into.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Credit Losses on Financial Instruments

The Company evaluates and determines credit losses based on historical losses, the aging of receivables, the quality and liquidity of collateral that secures receivables and the cash flow generated by the entities that owe receivables.

Sales of Real Estate

Gains on sales of real estate are recognized pursuant to the provisions included in ASC 610-20. Under ASC 610-20, the Company must first determine whether the transaction is a sale to a customer or non-customer. The Company typically sells real estate on a selective basis and not within the ordinary course of its business and therefore expects that its sale transactions will not be contracts with customers. The Company next determines whether it has a controlling financial interest in the property after the sale, consistent with the consolidation model in ASC 810 "Consolidation" ("ASC 810"). If the Company determines that it does not have a controlling financial interest in the real estate, it evaluates whether a contract exists under ASC 606 and whether the buyer has obtained control of the asset that was sold. The Company recognizes a full gain on sale of real estate when the derecognition criteria under ASC 610-20 have been met.

Earnings Per Share

The Company computes basic earnings per share by dividing the net income attributable to Merchants by the weighted average number of shares outstanding for the year. Diluted earnings per share are calculated utilizing the weighted average number of common shares outstanding adjusted for the effect of any common stock equivalents.

Risk and Uncertainties

The Company is subject to risks incidental to the ownership, development and management of real estate. These include the risks normally associated with the changes in the general economic climate, trends in the real estate industry, availability of land for development, changes in tax laws and interest rates, availability of financing, and the potential liability under environmental and other laws.

The Company's investments include marketable equity securities. Due to the risks associated with equity securities, it is at least reasonably possible that changes in market conditions in the near term could materially affect the value of investments reported in the consolidated financial statements.

3 – FAIR VALUE MEASUREMENTS

The Company follows the provisions of ASC Topic 820, "Fair Value Measurements and Disclosures", which establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date.

The three levels are defined as follows:

- Level 1: Quoted prices in active markets for identical assets or liabilities.
- Level 2: Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and model-derived valuations whose inputs or significant value drivers are observable.
- Level 3: Unobservable inputs are used when little or no market data is available.

Financial assets measured at fair value on a recurring basis are summarized below:

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

3 – FAIR VALUE MEASUREMENTS (Continued)

| March 31, 2025 (unaudited) | | | | |
|-------------------------------------|-------------------------------|---------|---------|---------------|
| | Fair Value Measurements Using | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets | | | | |
| Marketable securities | \$ 69,953,199 | \$ - | \$ - | \$ 69,953,199 |
| Interest rate swaps | - | 645,905 | - | 645,905 |
| Total assets measured at fair value | 69,953,199 | 645,905 | - | 70,599,104 |

| December 31, 2024 (audited) | | | | |
|-------------------------------------|-------------------------------|---------|---------|---------------|
| | Fair Value Measurements Using | | | |
| | Level 1 | Level 2 | Level 3 | Total |
| Assets | | | | |
| Marketable securities | \$ 71,570,155 | \$ - | \$ - | \$ 71,570,155 |
| Interest rate swaps | - | 605,502 | - | 605,502 |
| Total assets measured at fair value | 71,570,155 | 605,502 | - | 72,175,657 |

The Company values investments in marketable securities that are freely tradable and are listed on a national securities exchange at their last quoted sales price as of the valuation date.

The interest rate swap agreements are valued at fair value using a swap valuation model that utilizes an income approach using observable market inputs including interest rates London Interbank Offered Rate (“LIBOR”), Secured Overnight Financing Rate (“SOFR”) and credit default swap rates.

The carrying values of cash and cash equivalents, restricted cash, receivables, loans payable and accounts payable and accrued expenses approximate their fair values due to their short-term nature. It was not practicable to reasonably estimate the fair value of the loans receivable from real estate ventures, the line of credit and mortgages payable as there are no quoted market prices of similar products and management has not developed a valuation model necessary to make such estimates.

4 – REAL ESTATE PROPERTIES, NET

Real estate properties consist of the following:

| | March 31, 2025 (unaudited) | December 31, 2024 (audited) |
|--------------------------------|----------------------------------|-----------------------------------|
| Land | \$ 25,128,115 | \$ 25,128,115 |
| Buildings and improvements | 57,947,070 | 57,916,224 |
| Furniture and fixtures | 764,529 | 764,529 |
| Equipment | 3,003,446 | 3,003,446 |
| Total real estate properties | 86,843,160 | 86,812,314 |
| Less: accumulated depreciation | 15,268,998 | 14,584,129 |
| Real estate property, net | \$ 71,574,162 | \$ 72,228,185 |

Depreciation expense for the three months ended March 31, 2025 and 2024 was \$681,669 and \$626,296, respectively, and is included in depreciation and amortization on the consolidated statements of operations.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

5 – MARKETABLE SECURITIES

Cost and fair value information for common stock securities are as follows:

| | March 31, 2025 (unaudited) | December 31, 2024 (audited) |
|---------------------|----------------------------------|-----------------------------------|
| Cost | \$ 819,453 | \$ 819,453 |
| Fair value | 69,953,199 | 71,570,155 |
| Net unrealized gain | \$ 69,133,746 | \$ 70,750,702 |

There were no sales of marketable securities during the three months ended March 31, 2025 and 2024.

6 – INVESTMENTS IN REAL ESTATE VENTURES

The Company holds investments in various real estate ventures. Changes in the Company's investments in real estate ventures for the three months ended March 31, 2025 and the year ended December 31, 2024, respectively, are as follows:

| | March 31, 2025 (unaudited) | December 31, 2024 (audited) |
|--------------------------------|----------------------------------|-----------------------------------|
| Balance, beginning of period | \$ 115,886,585 | \$ 114,972,990 |
| Contributions | - | 1,164,505 |
| Distributions | (2,093,138) | (10,552,715) |
| Equity in earnings, net | 1,593,404 | 10,301,805 |
| Net investments, end of period | \$ 115,386,851 | \$ 115,886,585 |

The following information summarizes the total assets, liabilities, revenues and expenses of the investees in the aggregate prior to allocating the Company's share indicated by the percentages listed on the following page:

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6 – INVESTMENTS IN REAL ESTATE VENTURES (Continued)

| | March 31, 2025 (unaudited) | December 31, 2024 (unaudited) |
|---|----------------------------------|-------------------------------------|
| Assets, net of accumulated depreciation and amortization of \$314,031,687 and \$313,073,869 | \$ 610,490,471 | \$ 619,500,373 |
| Liabilities | 363,290,491 | 377,152,827 |
| Equity | \$ 247,199,980 | \$ 242,347,546 |

| | Three Months Ended March 31, 2025 (unaudited) | 2024 (unaudited) |
|--|---|---------------------|
| Rental and other revenues | \$ 33,627,078 | \$ 37,140,304 |
| Unrealized gain on marketable securities | 47,087 | 101,480 |
| Total income | 33,674,165 | 37,241,784 |
| Direct operating expenses | 15,158,592 | 16,751,054 |
| Financing expenses | 4,883,335 | 5,432,511 |
| Depreciation and amortization expense | 7,638,070 | 8,573,246 |
| Income taxes | 819,674 | 462,681 |
| Total expenses | 28,499,671 | 31,219,492 |
| Net income | \$ 5,174,494 | \$ 6,022,292 |

The investments in real estate ventures on the accompanying consolidated balance sheets are accounted for by the Company using the equity method. The above amounts are maintained on the historical cost basis and represent 100% of the assets (net of accumulated amortization and depreciation where applicable), liabilities, equity, revenues and expenses of the real estate joint ventures, have not been audited.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

6 – INVESTMENTS IN REAL ESTATE VENTURES (Continued)

Investments in real estate ventures consist of the following:

| Investee | % Of Ownership (a) | |
|--------------------------------------|--------------------|----------------------|
| | March 31, 2025 | December 31, 2024 |
| 135 Bowery (b) | 9.0000% | 9.0000% |
| 430 Park Avenue Syndicate (c) | 7.0828 | 7.0828 |
| 532 Madison Syndicate | 10.4099 | 10.4099 |
| 708 Third Avenue Holdings, LLC | 35.7135 | 35.7135 |
| Avon Joint Venture LLC | 40.5938 | 40.5938 |
| BSC Empire LLC | 37.6214 | 37.6214 |
| Belle Haven Realty LLC | 42.5700 | 42.5700 |
| Bellflower Joint Venture | 17.4167 | 17.4167 |
| Boston Syndicate LLC | 31.4393 | 31.4393 |
| Dollar Land Associates, LLC | 37.6214 | 37.6214 |
| Farmingville Associates LLC (c) | 10.6223 | 10.6223 |
| Fort Lee Joint Venture | 30.0000 | 30.0000 |
| Hastings Drive I, LLC | 48.8289 | 48.8289 |
| Herald Owners, LLC | 28.5030 | 28.5030 |
| Ithaca Joint Venture | 21.0000 | 21.0000 |
| Joseph E. Marx Company, Inc. ("JEM") | 23.3330 | 23.3330 |
| Knights Road Shopping Center LP (c) | 11.4044 | 11.4044 |
| Louisville Syndicate LLC | 49.3097 | 49.3097 |
| Marlton Joint Venture | 34.9167 | 34.9167 |
| Newbury Street Partners (c) | 19.2084 | 19.2084 |
| Ocean County Venturers (c) | 30.0981 | 30.0981 |
| Pequannock Joint Venture LLC | 22.5953 | 22.5953 |
| Peters Land Realty, LLC | 26.7644 | 26.7644 |
| Queens Boulevard Joint Venture LLC | 12.6867 | 12.6867 |
| Seaford Joint Venture | 22.6781 | 22.6781 |

(a) % of Company's beneficial interest in the underlying investment.

(b) Excludes indirect interest through Louisville Syndicate LLC.

(c) Excludes indirect interest through JEM.

7 – LOANS RECEIVABLE, REAL ESTATE VENTURE

Loan receivable from one real estate venture affiliate in the amount of \$1,893,750 and \$1,875,000 as of March 31, 2025 and December 31, 2024, respectively, is unsecured, due on demand and bears interest at 5.0%. As of March 31, 2025 and December 31, 2024, accrued interest of \$393,750 and \$375,000, respectively, was included in the loan receivable balance.

As part of the one-year extension of the Herald mortgage in April of 2024 (see Note 14), Merchants loaned Herald Owners Holding, LLC ("Herald Holding"), a wholly owned subsidiary of Herald, \$9,815,461, which consisted of \$3.9M to cover interest, carry costs, and loan extension costs, \$3M for tenant improvement and leasing costs related to future leases and \$2.9M to cover capital expenditures. Additional loans from Merchants to Herald Holding totaling \$2,971,130 were made in 2024 and 2025 to fund leasing costs and reserves. These

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

7 – LOANS RECEIVABLE, REAL ESTATE VENTURE (Continued)

loans are included in loan receivables, real estate ventures on the consolidated balance sheets and cover 30% for Herald DC Ventures, LLC (“Funding Member”), an affiliate of Merchants and 70% for Herald Member, LLC (“Non-Funding Member”), an affiliate of Iowa Public Employee’s Retirement System, managed by Invesco Advisors, Inc. The loans are repayable by Herald Holding prior to distributions to Funding Member and Non-Funding Member and carry an interest rate of 14%, fully payable by Non-Funding Member to Merchants and is due on demand. For the three months ended March 31, 2025, interest income was \$454,228 and is included in investment income on the consolidated statements of operations. As of March 31, 2025 and December 31, 2024, accrued interest of \$1,445,321 and \$991,093, respectively was included in the loan receivable balance. The total loan balance was \$14,231,912 and \$12,977,926 as of March 31, 2025 and December 31, 2024, respectively.

Loans receivable from other real estate venture affiliates totaled \$4,058,588 and \$4,002,891 as of March 31, 2025 and December 31, 2024, respectively. These loans are unsecured, due on demand and bear interest at 6.0%. As of March 31, 2025 and December 31, 2024, accrued interest on these loans was \$187,115 and \$161,118 respectively, was included in the loan receivable balance.

Management believes that these loans are fully collectible, and no allowance for credit loss is required at March 31, 2025 and 2024.

8 – LINE OF CREDIT

In March 2024, Merchants obtained a credit facility from JPMorgan Chase (the “Margin Credit Facility”), under which Merchants can borrow up to 50% of the market value of the publicly traded securities held in its brokerage account. The Margin Credit Facility has no expiration date and carries an interest rate of SOFR plus 1.2% (4.41% at March 31, 2025). The loan balance at March 31, 2025 and December 31, 2024, was \$6,943,552 and \$6,999,417, respectively. For the three months ended March 31, 2025, interest expense was \$81,263.

9 – MORTGAGES PAYABLE

In August 2019, Merchants obtained a \$8,625,000 mortgage loan, secured by a first mortgage lien on the property located at 605-609 West 181st Street, New York, NY. The mortgage requires principal and interest payment based on a 24-year amortization term, beginning October 1, 2020. The mortgage matures on September 1, 2029, at which time the outstanding principal balance and any unpaid interest is due. For the three months ended March 31, 2025 and 2024, interest expense was \$68,464 and \$68,223, respectively. The mortgage payable balance at March 31, 2025 and December 31, 2024 was \$7,493,985 and \$7,561,454, respectively.

The Company has a receive-variable (SOFR), pay-fixed (1.64%) interest rate swap agreement related to its variable rate loan on West 181st Street. The interest rate swap agreement matures on September 4, 2029, and had an original notional amount of \$8,625,000 with a notional amount of \$7,493,985 and \$7,561,454 at March 31, 2025 and December 31, 2024, respectively. The notional amount is reduced based on the terms of the agreement. The interest rate swap agreement is intended to hedge the Company’s exposure to possible increases in interest rates and the resulting increase in cash outflows.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9 – MORTGAGES PAYABLE (Continued)

The company has three mortgages, which collectively are secured by a first mortgage lien on the properties located at 10-14 Bosworth Street, 41 Bromfield Street and 45 Bromfield Street, Boston, MA and allow for borrowings up to \$4,750,000. The mortgages require monthly payments in the aggregate of \$52,342 with 4.35% of interest to adjust every seven years through November 1, 2039. The initial interest rate during the first seven years is fixed at 4.35% and every seven years the interest will adjust to 185 basis points plus the seven-year US Treasury Index not to exceed 4.35%. Merchants is a limited guarantor of this loan. For the three months ended March 31, 2025 and 2024, interest expense was \$55,442 and \$46,419, respectively. The mortgage payable balance at March 31, 2025 and December 31, 2024 was \$4,080,410 and \$4,113,322, respectively. The loan is subject to a debt service coverage ratio ("DSCR") of 1.20, which shall be tested annually. Brahmin is currently not in compliance with the DSCR and in May 2024, as per the terms of the loan agreement, elected to provide Mortgagee with additional cash collateral by Mortgagor's right, title and interest in a non-interest-bearing account in the amount of \$341,000. Brahmin is current in its debt service payments.

On September 11, 2015, University obtained a loan in the amount of \$9,000,000, secured by a first mortgage assignment of leases and rents. The loan requires monthly payments in the aggregate of \$47,291 and has a maturity date of September 11, 2025. The interest rate during the term of the note is 6.24%. Merchants is the guarantor of this loan. The loan can be prepaid in whole or in part from time to time without penalty. The loan is subject to a debt service ratio of 1.30, which is tested annually. If the debt service ratio falls below 1.30, University is required to provide cash collateral or an unconditional standby letter of credit. On March 25, 2025, University applied for a new five-year term loan of \$7,000,000. As of the date the financial statements were approved by management and available for issuance, the new five-year loan has not been secured. However, management believes it has both the ability and the intention to secure this mortgage loan.

For the three months ended March 31, 2025 and 2024, interest expense was \$64,582 and \$68,279, respectively. The mortgage payable balance at March 31, 2024 and December 31, 2024 was \$6,592,779 and \$6,669,856, respectively.

The Company has a receive-variable (SOFR plus 1.625%), pay-fixed (3.9%) interest rate swap agreement related to its variable rate loan on University. The interest rate swap agreement was effective as of October 1, 2015, matures on October 1, 2025, and had an original notional amount of \$9,000,000 with a notional amount of \$6,592,779 and \$6,669,856 at March 31, 2025 and December 31, 2024, respectively. The notional amount is reduced based on the terms of the agreement. The interest rate swap agreement is intended to hedge the Company's exposure to possible increases in interest rates and the resulting increase in cash outflows.

In November 2016, Athens obtained a \$5,000,000 mortgage loan, secured by a first mortgage lien on the property located at 819 7th Street NW, Washington DC. Merchants is a limited guarantor of this loan. The mortgage required monthly payments in the aggregate of \$25,199, including principal and interest, based on a 25-year amortization schedule and had a maturity date of December 1, 2023. Athens exercised its option to extend the maturity date to May 27, 2024 and had subsequently received an additional 90 day extension from the lender to extend the maturity date to August 27, 2024, at which time the loan was repaid. The interest rate during the initial term of the note was 3.50%. The interest rate during the extended term was SOFR + 300 bps. For the three months ended March 31, 2024, interest expense related to this mortgage was \$99,858.

In February 2022, Wisconsin obtained a mortgage loan of up to \$20,730,000, secured by a first mortgage lien on the property located at 2121 Wisconsin Avenue, NW, Washington, DC. Merchants has provided a Guaranty for payment and performance of this mortgage. In addition, Merchants has provided an environmental indemnity guaranty (the "Guaranty"). Management believes that there is no liability under the Guaranty at March 31, 2025. The mortgage payable matures in February 2032, requires monthly interest only payments at the rate of 3.4% for the first 24 months and then principal and interest payments thereafter of \$83,012, based

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

9 – MORTGAGES PAYABLE (Continued)

on a 35-year amortization period. For the three months ended March 31, 2025 and 2024, interest expense was \$158,755 and \$159,250, respectively. The mortgage payable balance at March 31, 2025 and December 31, 2023 was \$18,630,152 and \$18,720,290, respectively.

Future minimum payments on all of the aforementioned mortgages payable are as follows:

| Year Ending December 31, | |
|---------------------------------------|----------------------|
| 2025 | \$ 7,166,828 |
| 2026 | 793,743 |
| 2027 | 822,821 |
| 2028 | 852,508 |
| 2029 | 6,981,221 |
| Thereafter | 20,180,204 |
| | <u>36,797,326</u> |
| Less: unamortized debt issuance costs | 211,827 |
| | <u>\$ 36,585,499</u> |

10 – LEASE ARRANGEMENTS (AS LESSOR)

Building space is leased under non-cancelable operating leases. Certain tenant leases provide for minimum annual rent, a percentage of tenant sales in excess of stipulated amounts, real estate taxes, utility costs and other expenses. Certain leases also provide for renewal and termination options.

Minimum rental revenues under existing non-cancelable leases as of March 31, 2025 are approximately as follows:

| Year Ending December 31, | |
|--------------------------|---------------------|
| 2025 | \$ 5,207,000 |
| 2026 | 6,890,000 |
| 2027 | 6,558,000 |
| 2028 | 5,846,000 |
| 2029 | 4,445,000 |
| Thereafter | 30,302,000 |
| | <u>\$59,248,000</u> |

For the three months ended March 31, 2025 and 2024, one tenant represented approximately 17% and 18% of rental revenue, respectively.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

10 – LEASE ARRANGEMENTS (AS LESSOR) (Continued)

The components of rental revenue are as follows:

| | March 31, | |
|-------------------------|---------------------|---------------------|
| | 2025 | 2024 |
| | (unaudited) | (unaudited) |
| Fixed lease payments | \$ 1,820,373 | \$ 1,821,003 |
| Variable lease payments | 133,051 | 161,746 |
| | <u>\$ 1,953,424</u> | <u>\$ 1,982,749</u> |

11 – INCOME TAXES

The Company's effective tax rate differs from the statutory tax rate due to state credits, as discussed below. The Company's income tax provision consists of the following:

| | Three Months Ended March 31, | |
|--|------------------------------|---------------------|
| | 2025 | 2024 |
| | (unaudited) | (audited) |
| Current | | |
| Federal | \$ 402,043 | \$ 588,625 |
| State | 479,375 | 297,962 |
| | <u>881,418</u> | <u>886,587</u> |
| Deferred | | |
| Federal | (504,567) | 1,269,351 |
| State | (103,872) | (6,776) |
| | <u>(608,439)</u> | <u>1,262,575</u> |
| Income tax (benefit) provision per consolidated statements of operations | <u>\$ 272,979</u> | <u>\$ 2,149,162</u> |

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

11 – INCOME TAXES (Continued)

Components of deferred tax assets and liabilities are as follows:

| | March 31, 2025 (unaudited) | | December 31, 2024 (audited) | |
|--|-------------------------------|----------------------|--------------------------------|----------------------|
| | Components | Tax Effect | Components | Tax Effect |
| <u>Deferred tax assets</u> | | | | |
| Bad debt expense | \$ 33,398 | \$ 9,876 | \$ 57,621 | \$ 17,041 |
| Depreciation - federal | 6,058,255 | 1,273,071 | 5,012,257 | 1,052,573 |
| Depreciation - state | 23,114,161 | 2,507,886 | 21,964,729 | 2,383,173 |
| Interest expense deduction limitation | 2,287,039 | 676,312 | 2,287,039 | 676,312 |
| Net operating losses | 171,013 | 35,913 | 171,013 | 35,913 |
| Unrealized loss on interest rate swap | - | - | 6,464 | 1,911 |
| Prepaid rent | 1,065,200 | 314,996 | 889,126 | 262,928 |
| | <u>32,729,066</u> | <u>4,818,054</u> | <u>30,388,249</u> | <u>4,429,851</u> |
| <u>Deferred tax liabilities</u> | | | | |
| Amortization | 1,846,229 | 545,958 | 1,846,229 | 545,958 |
| Bad Debt Expense | 1,220 | 361 | 1,220 | 361 |
| Depreciation - federal | 23,929,311 | 6,761,596 | 24,032,745 | 6,782,479 |
| Deferred gain on disposal of rental property | 32,847,128 | 9,713,389 | 32,847,128 | 9,713,389 |
| Deferred revenue | 11,523,847 | 3,407,775 | 11,229,694 | 3,320,790 |
| Other | 8,564,740 | 2,532,723 | 8,289,376 | 2,451,293 |
| Unrealized gain on interest rate swap | 618,023 | 182,758 | 667,098 | 197,271 |
| Unrealized gain on marketable securities | 69,410,938 | 15,270,407 | 71,016,643 | 15,623,662 |
| | <u>148,741,436</u> | <u>38,414,967</u> | <u>149,930,133</u> | <u>38,635,203</u> |
| Net deferred tax liability | <u>\$ 116,012,370</u> | <u>\$ 33,596,913</u> | <u>\$ 119,541,884</u> | <u>\$ 34,205,352</u> |

The above components of deferred tax assets and liabilities also include GAAP to tax differences from investments in real estate ventures.

12 – RELATED PARTY TRANSACTIONS

The Company manages various properties and several entities through which investments in real estate ventures are held. Management fees, leasing commissions, supervisory fees and other revenues earned from related parties for the three months ended March 31, 2025 and 2024 were \$3,237,315 and \$2,183,668, respectively.

As of March 31, 2025 and December 31, 2024, the amount due from related parties for management fees, leasing commissions, supervisory fees and other charges was \$3,389,825 and \$2,858,404, respectively. These amounts are non-interest bearing and are due on demand.

As of March 31, 2025 and December 31, 2024, the amount due to related parties to cover temporary cash shortfalls was \$507,998 and \$2,192, respectively. These amounts are non-interest bearing and are due on demand.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

12 – RELATED PARTY TRANSACTIONS (Continued)

Loans to employees for the purchase of membership interests in certain real estate ventures totaling \$3,008,396 and \$2,962,933 at March 31, 2025 and December 31, 2024, respectively, are included in receivables from employees on the consolidated balance sheets. The loans bear interest at 6%, and any unpaid balance, including accrued interest, is due within 12 months of termination of employment with the Company. The loans to employees are collateralized by the employees' respective ownership interest in these real estate ventures.

13 – RETIREMENT PLAN

In 2024, the Company made matching contributions to a retirement plan equivalent to 50% of participants' contributions, not to exceed 2% of such employees' base compensation. As of January 1, 2025, the Company adjusted their retirement plan to be equivalent to 100% of participants' contributions, not to exceed 4% of such employees' base compensation. Base compensation amounts used for the purpose of determining the Company's matching contributions are subject to annual maximum limits under the Internal Revenue Code of \$14,000 for 2025 and \$6,900 for 2024. The Company's matching contributions for the three months ended March 31, 2025 and 2024 were \$57,241 and \$39,629, respectively.

14 – COMMITMENTS AND CONTINGENCIES

Guarantees and Indemnification

In April 2020, Herald Owners LLC ("Herald") obtained a mortgage loan of up to \$49,844,000, with a mortgage balance outstanding at March 31, 2025 in the amount of \$45,725,928 secured by a first mortgage lien on the property located at 1307 New York Avenue, NW, Washington, DC. Merchants is a limited guarantor on this loan. In addition, Merchants has provided Deferred Equity and Completion guarantees, an Environmental Indemnity Agreement and an Interest, Carry and Rebalancing Guaranty (the "Guaranty"). Among other requirements, the Guaranty will terminate upon the completion of construction work and achievement of an occupancy rate of 88% of net rentable square footage. In January 2022, the construction was completed. Management believes that there is no liability under the Guaranty at March 31, 2025 and December 31, 2024. The mortgage payable was set to mature in April 2023, requires monthly interest only payments at the rate of 4.5% and contains two 12-month extension options, subject to Merchants meeting certain conditions. Herald exercised its extension options extending the maturity date to April 5, 2025. On April 4, 2025, the loan was modified to extend the maturity date to April 5, 2027 and modify the interest rate to be equal to Term SOFR plus three hundred sixty basis points.

The Company has signed limited suretyship and guarantee agreements with the mortgagees of one and two investees as of March 31, 2025 and December 31, 2024, respectively, which own rental real properties with mortgages outstanding of approximately \$16,000,000 as of March 31, 2025 and December 31, 2024. In addition, the Company has provided indemnification for any environmental issues to the lenders of these investees. Management believes that there is no liability under these guarantees as of March 31, 2025 and December 31, 2024.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

14 – COMMITMENTS AND CONTINGENCIES (Continued)

Employment Agreement

In October 2024, the Company amended and restated its employment agreement with the CEO, extending the expiration date to August 10, 2028 with automatic extensions for successive one year periods, pursuant to which the Company agreed to pay a base annual salary of \$750,000, with an annual increase of the lesser of the increase in the consumer price index or 3% per year. The CEO also became eligible for an annual performance bonus award providing a target bonus opportunity of not less than 75% of the current base salary. The Company also granted the CEO a new long-term cash incentive of \$1,200,000, which shall vest on the fourth anniversary of the August 11, 2024 Award Date, subject to the CEO's continued employment through the vesting date. The Company also granted the CEO a restricted stock award covering 100 shares per year, totaling 400 shares of the Company's common stock (the "LT Stock Incentive"), which shall vest on the fourth anniversary of the August 11, 2024 Award Date, subject to the CEO's continued employment through the vesting date.

For the three months ended March 31, 2025, the CEO's total cash and accrued compensation was \$495,000, which consisted of \$187,500 for base salary, a \$187,500 bonus accrual, a \$45,000 stock grant accrual and a \$75,000 long-term cash incentive accrual. For the three months ended March 31, 2024, the CEO's total compensation was \$421,148, which consisted of \$176,148 for base salary, a \$176,250 bonus accrual and a \$68,750 long-term cash incentive accrual.

Stock compensation is measured based on the fair value of the equity instrument at issuance and is amortized over the vesting period.

In addition, when the Company enters into new investments, as defined in the CEO's employment agreement, the CEO is required to make a personal investment at the level of 5% of the Company's investment. The funds for such personal investments are loaned by the Company on a non-recourse basis, with interest at 6% a year, using the acquired equity as collateral. Any unpaid balance, including accrued interest, is due within 12 months of termination of employment with the Company. At March 31, 2025 and December 31, 2024, the loan balance, including accrued interest, was \$2,422,503 and \$2,352,927, respectively. This loan balance is included in receivables from employees on the accompanying consolidated balance sheets.

Capital Calls and Investment Funding

In the normal course of business, the Company may be requested to make additional capital contributions to its real estate investments. As of the date of this report, the Company has not received any capital calls from its real estate investments that have not been fully funded.

Litigation

In the normal course of business, the Company is a party to various legal claims, actions and complaints relating to its real estate activities. Management does not expect that the results of any of these proceedings will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

Tax Examinations

Merchants, Marx, Guest, Rier and Maryland file combined income tax returns for New York State and are currently undergoing an audit for the years 2020, 2021 and 2022. The outcome of the examination has yet to be determined.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

15 – LEASES (AS LESSEE)

The Company leases office space from 708 Third Avenue Holdings, LLC, in which it has an investment. The lease expires on January 23, 2029. For the three months ended March 31, 2025 and 2024, the operating lease cost was \$53,780 and \$54,801, respectively, and is included in the consolidated statements of operations.

The following summarizes the line items in the consolidated balance sheets which include amounts for the operating lease:

| | March 31, 2025 (unaudited) | December 31, 2024 (audited) |
|--|----------------------------------|-----------------------------------|
| Operating right-of-use asset | \$ 816,670 | \$ 866,103 |
| Current maturities of operating lease liability | \$ 154,073 | \$ 204,528 |
| Operating lease liability, less current maturities | 678,260 | 678,259 |
| Total operating lease liability | \$ 832,333 | \$ 882,787 |

Additional disclosures regarding the Company's lease as lessee are as follows:

| | Three Months Ended March 31, 2025 (unaudited) | 2024 (unaudited) |
|--|---|---------------------|
| Cash paid for amounts included in the measurement of lease liability | \$ 58,140 | \$ 55,914 |
| Weighted average remaining lease term | 3.8 years | 4.8 years |
| Weighted average discount rate | 3.55% | 3.55% |

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

15 – LEASES (AS LESSEE) (Continued)

The minimum operating lease obligations as of March 31, 2025 were as follows:

| Year Ending December 31, | |
|----------------------------------|-------------------|
| 2025 | \$ 174,420 |
| 2026 | 232,560 |
| 2027 | 232,560 |
| 2028 | 232,560 |
| 2029 | 19,380 |
| Total lease payments | 891,480 |
| Less: interest | 59,147 |
| Present value of lease liability | <u>\$ 832,333</u> |

16 – SUBSEQUENT EVENTS

These consolidated financial statements were approved by management and available for issuance on May 20, 2025. Management has evaluated subsequent events through this date.

Addendum B

| Property | CITY | Building Type | Land (Acres) - Approx. | Building (square ft) - Approx. | MNP Interest ¹ | Occupancy % | % VACANT | SF LEASED | SF VACANT | # of In-place Tenants | Primary Tenants |
|---|----------------|---------------------------------|------------------------|--------------------------------|---------------------------|-------------|----------|-----------|-----------|-----------------------|--|
| ALABAMA | | | | | | | | | | | |
| 1301 N MEMORIAL PKWY, HUNTSVILLE | HUNTSVILLE | RETAIL/BILLBOARD SIGN | 1.4 | 10,832 | 53.4% | 100.00% | 0.00% | 10,832 | - | 2 | Bridgestone, Lamar Advt. |
| CALIFORNIA | | | | | | | | | | | |
| 17220-230 S. LAKEWOOD, BELLFLOWER | BELLFLOWER | SHOPPING CENTER | 11.1 | 130,934 | 17.4% | 98.85% | 1.15% | 129,434 | 1,500 | 6 | Kimco Realty, Denny's, Ellie & Emma, Farnam Ahmadi Moshtaghin Dental, Sunrise Beauty, LA Pro Nail |
| CONNECTICUT | | | | | | | | | | | |
| 98,102, 108 GREENWICH AVENUE | GREENWICH | MIXED-USE | | 19,577 | 57.9% | 100.00% | 0.00% | 19,577 | - | 7 | Sweetgreen, Maman Bakery, KarpReilly, Spencer Trask, Night Owl, Resi Penthouse |
| DISTRICT OF COLUMBIA | | | | | | | | | | | |
| 2200 P STREET NW, DC | WASHINGTON, DC | RETAIL/GAS STATION | 0.4 | 2,100 | 100.0% | 100.00% | 0.00% | 2,100 | - | 1 | Consolidated Petroleum |
| 819 7TH ST., NW, WASHINGTON, DC | WASHINGTON, DC | RETAIL/OFFICE | | 7,857 | 90.7% | 0.00% | 100.00% | - | 7,857 | | |
| 819 7TH ST., NW, WASHINGTON, DC | WASHINGTON, DC | OFFICE | | 6,374 | 66.5% | 100.00% | 0.00% | 6,374 | - | - | |
| 1307 NEW YORK AVE NW, WASH., DC | WASHINGTON, DC | OFFICE | | 120,460 | 28.5% | 68.79% | 31.21% | 82,868 | 37,592 | 9 | CCGN, Barbara Bush Fdn., Scott Circle, EIG, Society of Industrial Realtors, Locust Street Group, Proper Cloth |
| 2121 WISCONSIN AVE, NW, WASH., DC | WASHINGTON, DC | OFFICE | | 106,183 | 72.2% | 78.45% | 21.55% | 83,300 | 22,883 | 8 | Nexstar Media, Perfect Fit, CommuniKids, George Sexton, Liles Parker, Wine Rack, Elite PT, Dispatch Health |
| GEORGIA | | | | | | | | | | | |
| 207-211 PEACHTREE STREET, ATLANTA | ATLANTA | 1-4 STORY+1-1 STORY BLDG | 0.4 | 42,451 | 26.8% | 100.00% | 0.00% | 42,451 | - | 3 | Hooters, Red Phone Booth, Saito Bar |
| MASSACHUSETTS | | | | | | | | | | | |
| 349-365 WASHINGTON STREET, BOSTON ² | BOSTON | 4 BUILDING ASSEMBLAGE MIXED USE | 0.5 | 64,811 | 31.8% | 1.98% | 98.02% | 1,282 | 63,529 | 2 | Cingular, Kung Fu |
| BROMFIELD & BOSWARTH ST, BOSTON ² | BOSTON | 3 BUILDING ASSEMBLAGE MIXED USE | 0.1 | 37,575 | 29.7% | 38.17% | 61.83% | 14,341 | 23,234 | 9 | Drinkmaster, Clothing from Italy, Instatrac, Neurable, Bay State Coin, Cimate, Team Work |
| NEW JERSEY | | | | | | | | | | | |
| 460 WEST ROUTE 70, MARLTON | MARLTON | RETAIL | 1.4 | 9,000 | 34.9% | 100.00% | 0.00% | 9,000 | - | 1 | Enterprise Car Rental |
| 240 WEST PWY, PEQUANNOCK | POMPTON PLAINS | WAREHOUSE | 6.9 | 127,800 | 22.6% | 100.00% | 0.00% | 127,800 | - | 1 | Strong Man Building Products |
| 1218 HOOPER AVE (& BEY AVE) | TOMS RIVER | RETAIL + VACANT LAND | 27.2 | | 30.1% | 100.00% | 0.00% | - | - | 3 | Target, Chilli's, Exxon (All ground-leased) |
| 3607 BERGENLINE, UNION CITY | UNION CITY | RETAIL | 0.3 | 26,647 | 100.0% | 100.00% | 0.00% | 26,647 | - | 1 | ABC Bargain Stores |
| 2125 FLETCHER AVENUE, FORT LEE ² | FORT LEE | RETAIL | 2.1 | 32,725 | 30.0% | 100.00% | 0.00% | 32,725 | - | 1 | Metropolitan Plant Exchange |
| NEW YORK | | | | | | | | | | | |
| KNOLLS COOP SOCIETY, BRONX ⁴ | BRONX | RESIDENTIAL | | | 100.0% | 100.00% | 0.00% | | | 1 | Knolls Cooperative Section No. 1 |
| 3965 HEMPSTEAD BLVD., BETHPAGE ⁴ | BETHPAGE | RETAIL/GAS STATION | 1.3 | 6,929 | 95.7% | 100.00% | 0.00% | 6,929 | - | 1 | QuickChek Corp. |
| 89-17/23 QUEENS BLVD., ELMHURST | ELMHURST | RETAIL | 0.3 | 8,625 | 12.7% | 100.00% | 0.00% | 8,625 | - | 4 | JP Morgan Chase, Rakuzen, Halal Republic, Smoke Shop |
| 222 ELMIRA RD, ITHACA | ITHACA | SHOPPING CENTER | 6.9 | 46,375 | 21.0% | 100.00% | 0.00% | 46,375 | - | 14 | Wild Vines, Five Guys, Taco Bell, DiBellas Sub, Cold Stone |
| 201 EAST 57TH STREET, NYC ¹ | NEW YORK | SHOW ROOM | 0.2 | 29,617 | 23.3% | 100.00% | 0.00% | 29,617 | - | 3 | TD Bank, Design Within Reach, Mansour Rugs, Kiro |
| 532 MADISON AVENUE, NYC | NEW YORK | RETAIL/OFFICE | 0.04 | 15,347 | 10.4% | 57.45% | 42.55% | 8,817 | 6,530 | 3 | Smilers, Less is More, T-Mobile |
| 545 MADISON AVENUE, NYC ¹ | NEW YORK | RETAIL/OFFICE | - | 139,537 | 23.3% | 93.35% | 6.65% | 130,255 | 9,282 | 13 | Wells Fargo, Maman, Orangewood Partners, Ogden CAP Properties, Helix Partners, GTS Group, TruArc Partners, Peter B Cannell & Co., Kohlberg, Galaxy US, Baccarat |
| 605-9 WEST 181st STREET, NYC | NEW YORK | RETAIL | 0.2 | 23,897 | 100.0% | 100.00% | 0.00% | 23,897 | - | 1 | Foot Locker |
| 712 THIRD AVENUE, NYC | NEW YORK | RETAIL/OFFICE BUILDING | 0.1 | 9,869 | 17.9% | 100.00% | 0.00% | 9,869 | - | 3 | Wendy's, Dunkin Donuts, Haufbrau |
| 140 7TH AVE S PARCEL, NYC | NEW YORK | 21sf LAND PARCEL | | | 100.0% | 100.00% | 0.00% | - | - | 1 | Ark Seventh Ave South |
| 135 BOWERY ST., NYC | NEW YORK | RETAIL/OFFICE BUILDING | | 21,308 | 46.5% | 70.97% | 29.03% | 15,123 | 6,185 | 5 | Hiyake Japanese BBQ, Martin Liu, Bad Dog, Easyrent |
| 3639 MERRICK RD. SEAFORD | SEAFORD | FREESTANDING BUILDING | 0.3 | 4,620 | 22.7% | 100.00% | 0.00% | 4,620 | - | 1 | Funstuff |
| 2800 Hylan BLVD., STATEN ISLAND ⁴ | STATEN ISLAND | BANK BLDG/FAST FOOD | 1.3 | 7,147 | 0.7% | 100.00% | 0.00% | 7,147 | - | 2 | Starbucks, Bank of America |
| 79-83 MAMARONECK AVE. W.PLAINS | WHITE PLAINS | RESTAURANT | 0.1 | 4,449 | 94.6% | 100.00% | 0.00% | 4,449 | - | 2 | Salon, US Army |
| 10 GRAND CENTRAL, 155 E 44TH STREET | NEW YORK | 1 STORY + PARTIAL BSMT | 0.4 | 423,960 | 35.7% | 92.92% | 7.08% | 393,946 | 30,014 | 46 | ANA, Benenson, UNOPS, Wheelock, Mass Mutual, Crux, Little Collins, Sweetgreen, Cava, Future US, Maman Bakery, LIV Golf, HLTH, ZEFR, Agence France-Presse, Mission of Panama, Metrowall, Green Street Advisors, LeafFilter, Lewis Baach, Teledoc, FC Opco |
| CROSS COUNTY SHOPPING CTR. | YONKERS | SHOPPING CENTER | 71.3 | 1,173,874 | 37.6% | 95.77% | 4.23% | 1,124,253 | 49,621 | 84 | Macy's, Target, Westchester Comm College, Stop&Shop, Zara, H&M, Hyatt, Victoria's Secret, Gap, Blink, Old Navy, Ulta, Multiplex, Olive Garden, XXI Forever, Savage X Fenty |
| 92 PRINCE STREET, NEW YORK ² | NEW YORK | RETAIL | 0.1 | 6,290 | 20.7% | 100.00% | 0.00% | 6,290 | - | 1 | Ferrari |
| 85 NORTH 3RD ST. WILLIAMSBURG, BKLYN ² | BROOKLYN | RETAIL | | 27,111 | 40.6% | 100.00% | 0.00% | 27,111 | - | 16 | Sola Salon, Ralph Lauren, Crème Design, Kula Yoga, Aesop, Slowear, Hotovelli, Tailgate Clothing |
| 478 W. BROADWAY, NEW YORK ² | NEW YORK | RETAIL | | 2,327 | 19.7% | 100.00% | 0.00% | 2,327 | - | 1 | Lumas/Avenso Photo Art |
| 430 PARK AVENUE, NEW YORK ^{2,3} | NEW YORK | OFFICE BUILDING | 0.3 | 296,147 | 8.2% | 99.36% | 0.64% | 294,258 | 1,889 | 22 | WeWork, TD, Cellini, Wainwright, Withers, Molo, Engel & Volkers, Savanna, TIAA, Midwood, Oestreicher, Joe & Juice, |
| 124 HUDSON STREET, NEW YORK | RETAIL | RETAIL/OFFICE | | 11,892 | 19.4% | 100.00% | 0.00% | 11,892 | - | 3 | Portfolio School, Warburg Realty, Maris Edge |
| 2320 OCEAN AVENUE, FARMINGVILLE ² | FARMINGVILLE | SHOPPING CENTER | 40.6 | 280,482 | 12.3% | 97.57% | 2.43% | 273,680 | 6,802 | 30 | Stop&Shop,LA Fitness,Burlington, American Thrift, Dress for Less,Five Below,Skechers,Sola Salon,Relaxation Spa,City MD,JPM, BK, GNC,Starbucks |
| VIRGINIA | | | | | | | | | | | |
| 7717 RICHMOND HWY, ALEXANDRIA | ALEXANDRIA | VACANT LAND | 0.1 | - | 42.6% | 0.00% | 0.00% | - | - | - | Vacant, available for lease or sale |
| 7704 RICHMOND HWY, ALEXANDRIA | ALEXANDRIA | SHOPPING CENTER | 2.8 | 13,330 | 42.6% | 100.00% | 0.00% | 13,330 | - | 6 | Verizon, Vitamin Shoppe, Pollo Campero, Dunkin Donuts, Monarch Paint, Paisano's |
| 7508 RICHMOND HWY, ALEXANDRIA ⁵ | ALEXANDRIA | RETAIL | 1.1 | 4,503 | 7.9% | 100.00% | 0.00% | 4,503 | - | 2 | Sherwin Williams, Hangry Joe's |
| 5025 WELLINGTON RD, GAINESVILLE | GAINESVILLE | FREESTANDING BUILDING | 0.7 | 2,126 | 49.0% | 100.00% | 0.00% | 2,126 | - | 1 | Chipotle |
| 179.96 3,305,088 91.92% 8.08% 3,038,170 266,918 - | | | | | | | | | | | |

¹ Includes interest owned indirectly through MNP's 23.3333% ownership in Joseph E. Marx Co., Inc.

² Managed by Midwood Management

³ Leasehold Interest

⁴ Ground Leased

⁵ Subject to Potential Taking