



Supplemental 2024 Financial Information

Year Ending December 31, 2024

Nasdaq: MDRR
medalistreit.com

Medalist Diversified REIT Announces 2024 Annual Financial Results

Richmond, VA – March 14, 2025 – Medalist Diversified REIT, Inc. (NASDAQ: MDRR), a Virginia-based real estate investment trust specializing in acquiring, owning, and managing value-add properties in the Southeast, announced its financial and operational results for the year ended December 31, 2024.

Annual 2024 Highlights

Net Income: Net income per diluted share was \$0.024.

Funds from Operations (FFO): FFO per diluted share was \$1.52, reflecting the company's strong focus on operational efficiency and portfolio stability.

Adjusted Funds from Operations (AFFO): AFFO per diluted share was \$1.09, providing a solid foundation for dividends and continued portfolio performance.

Same-Store Net Operating Income (SS NOI) Growth:

- **Total Portfolio:** SS NOI posted an increase of 4.6% year-over-year, reflecting the stability of the company's assets.
- **Retail Properties:** SS NOI increased 0.9% year-over-year, supported by high tenant retention in key locations.
- **Flex Industrial Properties:** SS NOI rose significantly by 14.6% year-over-year, highlighting strong demand for the company's industrial assets.

Portfolio Composition: As of December 31, 2024, Medalist owned 10 assets across 4 states, comprising a diversified mix of retail, flex industrial, and net lease properties.

External Growth: During 2024, the company completed the acquisition of one property for a total purchase price of \$2.4 million and successfully divested one asset for \$3.1 million, further optimizing its portfolio composition.

“Our 2024 financial results reflect the continued strength of our portfolio and disciplined approach to capital allocation. The year-over-year growth in Same-Store Net Operating Income, particularly in our flex industrial assets, underscores the resilience of our investment strategy. We remain focused on driving operational efficiency and delivering long-term value for our shareholders.” said Chief Financial Officer Brent Winn.

2024 Overview

Key Highlights and Portfolio Data

Key Highlights

\$0.02 Net Income per Share	\$1.52 FFO per Share	\$1.09 AFFO per Share
4.6% Portfolio Cash SS NOI Growth	0.9% Retail Cash SS NOI Growth	14.6% Flex Cash SS NOI Growth
\$2.4M Acquisitions	\$3.1M Dispositions	
\$5.0M EBITDAre	\$7.2M GAAP NOI	

Portfolio Data

10 Owned Assets	112 Unique Tenants	4 States
93.6% Portfolio Occupancy	4.0 yrs Portfolio WALTR	
6.7K Average Lease SQF	\$7.7M Annualized Base Rent	
49.1% Retail Top 10 Tenants	51.1% Flex / Industrial Top 10 Tenants	

Medalist Diversified REIT (NASDAQ: MDRR) is a real estate investment trust that specializes in acquiring, owning, and managing value-add commercial real estate. As of December 31, 2024, our portfolio consists of 9 assets in the Southeast and 1 asset in Illinois totaling approximately 782 thousand square feet.



MEDALIST
DIVERSIFIED REIT, INC.

Current Portfolio Composition

Single Tenant Net Lease (STNL) Portfolio Highlights

Our strategic review led us to the decision to increase our exposure to **STNL** assets.

STNL assets offer **stability** and **predictable income streams**, making them attractive investments.



On March 28, 2024, the Company completed its acquisition of the **Citibank Property**, a 4,350 square foot single tenant building on 0.45 acres located in Chicago, Illinois, through a wholly-owned subsidiary.

Industry Composition

Tenant Industry	Number of Leases	Rent (\$)	% of Rent
Financial Services	1	11,043	40.6%
Electronics	1	8,750	32.2%
Casual Dining	1	7,417	27.3%
Total	3	27,210	100.0%

Tenants

Tenant Concept	Number of Leases	Rent (\$)	% of Rent
Citibank	1	11,043	40.6%
T-Mobile	1	8,750	32.2%
East Coast Wings	1	7,417	27.3%
Total	3	27,210	100.0%

5.3 yrs

Average WALTR

\$26.44

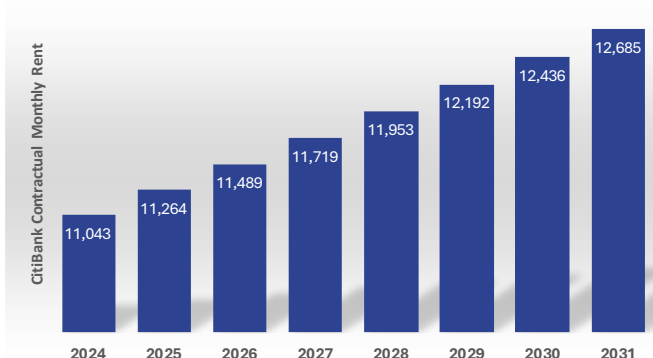
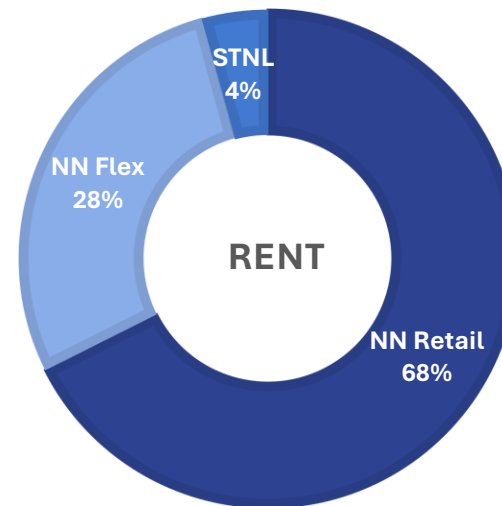
Average Rent PSF

3

Unique Tenants

4.1K

Average Lease SQF



Current Portfolio Composition

Retail Portfolio Highlights

Our retail portfolio's tenant brands speak for themselves.

Our properties attract tenants that have proven to be **resilient in challenging economic conditions** and market downturns.

13.2% of our retail portfolio's rent is derived from Amazon resistant **experiential** tenants.

Top 10 Retail Tenants

Tenant Concept		Number of Leases	Rent (\$)	% of Rent
Ashley Furniture Home Store		2	37,233	8.6%
Food Lion		1	27,008	6.3%
Citi Trends		3	25,835	6.0%
Altitude Trampoline Park		1	25,000	5.8%
Hobby Lobby		1	21,875	5.1%
Harbor Freight Tools		2	21,195	4.9%
Planet Fitness		1	15,098	3.5%
Monster Mini Golf		1	14,211	3.3%
Big Lots		1	12,951	3.0%
KJ's Market		1	11,720	2.7%
Total Top 10		14	212,127	49.1%

4.8 yrs Average WALTR	\$10.18 Average Rent PSF	66 Unique Tenants	7.7K Average Lease SQF
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Industry Composition

Tenant Industry	Number of Leases	Rent (\$)	% of Rent
Specialty	13	75,834	17.6%
Experiential	4	57,079	13.2%
Professional Services	10	50,529	11.7%
Health & Fitness	8	42,338	9.8%
Home Furnishings	3	40,733	9.4%
Grocery	2	38,728	9.0%
Apparel	6	38,258	8.9%
Sporting Goods	3	15,498	3.6%
Quick Service Restaurants	3	15,229	3.5%
Supercenters & Clubs	1	12,951	3.0%
Financial Services	5	12,100	2.8%
Casual Dining	3	11,583	2.7%
Electronics	4	10,105	2.3%
Dollar Stores	1	7,411	1.7%
Automotive Services	1	2,868	0.7%
Other	4	550	0.1%
Total	71	431,794	100.0%

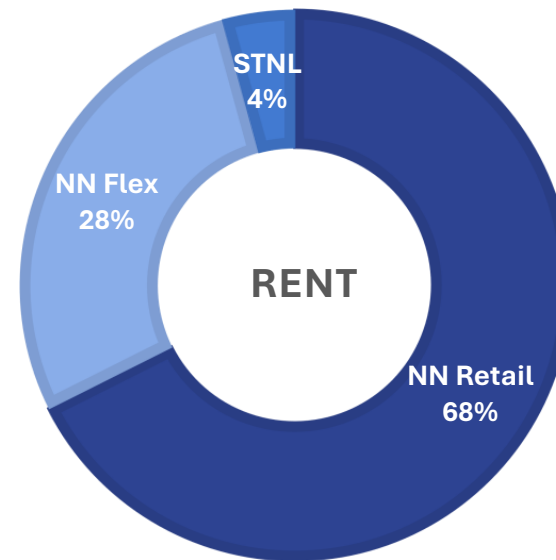
Current Portfolio Composition

Flex / Industrial Portfolio Highlights

28% of our rent is derived from non-retail “workforce” real estate.

We invest in “workforce” or “necessity” real estate because we believe it is more stable with lower turnover and less volatile economic swings.

Top 10 Tenants			
Tenant Concept	Number of Leases	Rent (\$)	% of Rent
Gravitopia	1	24,264	13.5%
GBRS Group	1	13,532	7.5%
S&ME	1	9,655	5.4%
Turning Point Greenville Church	1	8,884	4.9%
Bridge Church	1	6,956	3.9%
First Onsite Property Restoration	1	6,328	3.5%
Walder Foundation Products	1	6,104	3.4%
Make it Happen Media	1	5,948	3.3%
Science Applications International Corporation (SAIC)	1	5,259	2.9%
TK Elevator	1	4,895	2.7%
Total Top 10	10	91,825	51.1%



2.0 yrs Average WALTR	\$10.10 Average Rent PSF	44 Unique Tenants	4.9K Average Lease SQF
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Portfolio Diversification

Our Portfolio is Concentrated in High Growth Sunbelt Markets

Secondary and **Tertiary** market focus generates a more attractive return profile due to less competition from institutional investors.

Sunbelt state focus provides growing markets where jobs and economic development are abundant.

Real Estate Assets

Property	Type	Location	Sq. Ft.	Occupancy
Lancer Center	Retail	Lancaster, SC	181,590	80.2%
Ashley Plaza	Retail	Goldsboro, NC	156,012	100.0%
Franklin Square	Retail	Gastonia, NC	134,239	100.0%
Salisbury Marketplace	Retail	Salisbury, NC	79,732	88.3%
Greenbrier Business Center	Flex	Chesapeake, VA	89,280	94.8%
Brookfield Center	Flex	Greenville, SC	64,880	100.0%
Parkway	Flex	Virginia Beach, VA	64,109	100.0%
STNL Portfolio	STNL	Various	12,350	100.0%
Total			782,192	93.6%



Consolidated Statements of Operations

Year Ending December 31,	2024	2023	\$ Change	% Change
Consolidated Statements of Operations				
REVENUE				
Retail center property revenues	\$ 6,624,734	\$ 7,541,914	\$ (917,180)	(12.2%)
Flex center property revenues	2,750,499	2,504,652	245,847	9.8%
Single tenant net lease property revenues	359,894	226,260	133,634	59.1%
Total Revenue	9,735,127	10,272,826	(537,699)	(5.2%)
OPERATING EXPENSES				
Retail center property operating expenses	1,621,898	1,882,524	(260,626)	(13.8%)
Flex center property operating expenses	697,864	686,818	11,046	1.6%
Single tenant net lease property operating expenses	31,977	31,175	802	2.6%
Bad debt expense	39,910	63,282	(23,372)	(36.9%)
Share based compensation expenses	277,500	-	277,500	- %
Legal, accounting and other professional fees	1,170,270	1,390,941	(220,671)	(15.9%)
Corporate general and administrative expenses	968,435	484,345	484,090	99.9%
Management restructuring expenses	-	2,066,521	(2,066,521)	- %
Loss on impairment	182	90,221	(90,039)	(99.8%)
Depreciation and amortization	3,915,483	4,574,163	(658,680)	(14.4%)
Total Operating Expenses	8,723,519	11,269,990	(2,546,471)	(22.6%)
Gain on disposal of investment property	2,819,502	-	2,819,502	- %
Loss on extinguishment of debt	(51,837)	-	(51,837)	- %
Loss on redemption of mandatorily redeemable preferred stock	(47,680)	-	(47,680)	- %
Operating Income (Loss)	3,731,593	(997,164)	4,728,757	(474.2%)
Interest expense	3,019,799	3,540,900	(521,101)	(14.7%)
Net Income (Loss) from Operations	711,794	(4,538,064)	5,249,858	(115.7%)
Other income	88,856	49,274	39,582	80.3%
Other expense	(56,325)	(84,564)	28,239	(33.4%)
Net Income (Loss)	744,325	(4,573,354)	5,317,679	(116.3%)
Less: Net income attributable to Hanover Square Property noncontrolling interests	453,928	7,714	446,214	5,784.5%
Less: Net loss attributable to Parkway Property noncontrolling interests	(3,234)	(8,482)	5,248	(61.9%)
Less: Net income (loss) attributable to Operating Partnership noncontrolling interests	266,107	(1,307)	267,414	(20,460.1%)
Net Income (Loss) Attributable to Medalist Common Shareholders	\$ 27,524	\$ (4,571,279)	\$ 4,598,803	(100.6%)
Earnings (loss) per common share - basic	\$ 0.024	\$ (4.12)	\$ 4.14	(100.6%)
Weighted-average number of shares - basic	1,127,768	1,109,574	18,194	1.6%
Earnings (loss) per common share - diluted	\$ 0.024	\$ (4.12)	\$ 4.14	(100.6%)
Weighted-average number of shares - diluted	1,132,588	1,109,574	23,014	2.1%
Dividends paid per common share	\$ 0.17	\$ 0.32	\$ (0.15)	(46.9%)

Funds From Operations and Adj. Funds From Operations

Year Ending December 31,	2024	2023	\$ Change	% Change
Funds From Operations and Core Funds From Operations				
Net Income (Loss)	\$ 744,325	\$ (4,573,354)	\$ 5,317,679	(116.3%)
Depreciation of tangible real property assets	2,342,416	2,695,058	(352,642)	(13.1%)
Depreciation of tenant improvements	757,318	836,096	(78,778)	(9.4%)
Amortization of tenant improvement lease incentives	2,964	-	2,964	- %
Amortization of leasing commissions	199,465	152,661	46,804	30.7%
Amortization of intangible assets	616,284	890,348	(274,064)	(30.8%)
Gain on disposal of investment property	(2,819,502)	-	(2,819,502)	- %
Loss on impairment	182	90,221	(90,039)	(99.8%)
Gain on extinguishment of lease liability	(34,792)	-	(34,792)	- %
Loss on extinguishment of debt	51,837	-	51,837	- %
Loss on redemption of mandatorily redeemable preferred stock	47,680	-	47,680	- %
Funds From Operations (FFO) Attributable to Medalist Common Shareholders	\$ 1,908,177	\$ 91,030	\$ 1,817,147	1,996.2%
Decrease in fair value of interest rate cap	56,325	84,564	(28,239)	(33.4%)
Management restructuring expenses	-	2,066,521	(2,066,521)	- %
Core Funds From Operations (FFO) Attributable to Medalist Common Shareholders	\$ 1,964,502	\$ 2,242,115	\$ (277,613)	(12.4%)
FFO per common share equivalent - basic	\$ 1.52	\$ 0.08	\$ 1.44	1,778.5%
FFO per common share equivalent - diluted	\$ 1.52	\$ 0.08	\$ 1.44	1,771.3%
Core FFO per common share equivalent - basic	\$ 1.57	\$ 2.00	\$ (0.43)	(21.5%)
Core FFO per common share equivalent - diluted	\$ 1.56	\$ 2.00	\$ (0.43)	(21.8%)
Weighted-average number of common shares and equivalents – basic ¹	1,253,081	1,122,920	130,161	11.6%
Weighted-average number of common shares and equivalents – diluted ¹	1,257,901	1,122,920	134,981	12.0%

Year Ending December 31,	2024	2023	\$ Change	% Change
Adjusted Funds From Operations				
Funds From Operations (FFO) Attributable to Medalist Common Shareholders	\$ 1,908,177	\$ 91,030	\$ 1,817,147	1,996.2%
Amortization of above market leases	40,850	93,696	(52,846)	(56.4%)
Amortization of below market leases	(296,211)	(368,803)	72,592	(19.7%)
Straight line rent	(99,106)	(100,010)	904	(0.9%)
Capital expenditures	(902,397)	(1,483,117)	580,720	(39.2%)
Decrease in fair value of interest rate cap	56,325	84,564	(28,239)	(33.4%)
Amortization of loan issuance costs	100,479	106,882	(6,403)	(6.0%)
Amortization of preferred stock discount and offering costs	246,966	243,054	3,912	1.6%
Share-based compensation	277,500	-	277,500	- %
Bad debt expense	39,910	63,282	(23,372)	(36.9%)
Adjusted Funds From Operations (AFFO) Attributable to Medalist Common Shareholders	\$ 1,372,493	\$ (1,269,422)	\$ 2,641,915	(208.1%)
AFFO per common share equivalent - basic	\$ 1.10	\$ (1.13)	\$ 2.23	(196.9%)
AFFO per common share equivalent - diluted	\$ 1.09	\$ (1.13)	\$ 2.22	(196.5%)
Weighted-average number of common shares and equivalents – basic ¹	1,253,081	1,122,920	130,161	11.6%
Weighted-average number of common shares and equivalents – diluted ¹	1,257,901	1,122,920	134,981	12.0%

EBITDAre and GAAP Net Operating Income (NOI)

Year Ending December 31,	2024	2023	\$ Change	% Change
EBITDAre				
Net Income (Loss)	\$ 744,325	\$ (4,573,354)	\$ 5,317,679	(116.3%)
Plus: Amortization of loan issuance costs	100,479	106,882	(6,403)	(6.0%)
Plus: Amortization of preferred stock discount and offering costs	246,966	243,054	3,912	1.6%
Plus: Interest expense	3,019,799	3,540,900	(521,101)	(14.7%)
Plus: Depreciation and amortization	3,915,483	4,574,163	(658,680)	(14.4%)
Less: Net amortization of above and below market leases	(255,361)	(275,107)	19,746	(7.2%)
Less: Gain on sale of investment properties	(2,819,502)	-	(2,819,502)	- %
Plus: Loss on impairment	182	90,221	(90,039)	(99.8%)
EBITDAre	\$ 4,952,371	\$ 3,706,759	\$ 1,245,612	33.6%

Year Ending December 31,	2024	2023	\$ Change	% Change
GAAP Net Operating Income (NOI)				
Net Income (Loss)	\$ 744,325	\$ (4,573,354)	\$ 5,317,679	(116.3%)
Plus: Share based compensation expenses	277,500	-	277,500	- %
Plus: Legal, accounting and other professional fees	1,170,270	1,390,941	(220,671)	(15.9%)
Plus: Corporate general and administrative expenses	968,435	484,345	484,090	99.9%
Plus: Loss on impairment	182	90,221	(90,039)	(99.8%)
Plus: Depreciation and amortization	3,915,483	4,574,163	(658,680)	(14.4%)
Less: Gain on disposal of investment property	(2,819,502)	-	(2,819,502)	- %
Plus: Loss on extinguishment of debt	51,837	-	51,837	- %
Plus: Loss on redemption of mandatorily redeemable preferred stock	47,680	-	47,680	- %
Plus: Interest expense	3,019,799	3,540,900	(521,101)	(14.7%)
Plus: Other expense	56,325	84,564	(28,239)	(33.4%)
Less: Other income	(88,856)	(49,274)	(39,582)	80.3%
Plus: Management restructuring expense	-	2,066,521	(2,066,521)	- %
GAAP Net Operating Income (NOI)	\$ 7,343,478	\$ 7,609,027	\$ (265,549)	(3.5%)

Cash and Same-Store Cash Net Operating Income (NOI)

Year Ending December 31,	2024	2023	\$ Change	% Change
Cash Net Operating Income (NOI)				
GAAP Net Operating Income (NOI)	\$ 7,343,478	\$ 7,609,027	\$ (265,549)	(3.5%)
Plus: Bad debt expense	39,910	63,282	(23,372)	(36.9%)
Plus: Amortization of above market leases	40,850	93,696	(52,846)	(56.4%)
Less: Amortization of below market leases	(296,211)	(368,803)	72,592	(19.7%)
Less: Straight line rent	(99,106)	(100,010)	904	(0.9%)
Plus: Amortization of tenant improvement lease incentives	2,964	-	2,964	- %
Cash Net Operating Income (NOI)	\$ 7,031,885	\$ 7,297,192	\$ (265,307)	(3.6%)

Year Ending December 31,	2024	2023	\$ Change	% Change
Same-Store Cash Net Operating Income (NOI)				
Cash Net Operating Income (NOI)	\$ 7,031,885	\$ 7,297,192	\$ (265,307)	(3.6%)
Less: NOI from Assets Purchased or Sold During Period	(282,078)	(844,434)	562,356	(66.6%)
Same-Store Cash Net Operating Income (NOI)	\$ 6,749,807	\$ 6,452,758	\$ 297,049	4.6%

Same-Store Cash Net Operating Income (NOI) by Sector

Year Ending December 31,	2024	2023	\$ Change	% Change
Same-Store Cash Net Operating Income (NOI) - Retail				
Property revenues	\$ 5,233,455	\$ 5,103,964	\$ 129,491	2.5%
Percentage rent	-	9,787	(9,787)	- %
Tenant reimbursements	1,070,399	1,021,226	49,173	4.8%
Property operating expenses	(1,370,344)	(1,247,560)	(122,784)	9.8%
Property management fees	(190,522)	(185,330)	(5,192)	2.8%
Same-Store Cash Net Operating Income (NOI) - Retail	\$ 4,742,988	\$ 4,702,087	\$ 40,901	0.9%

Year Ending December 31,	2024	2023	\$ Change	% Change
Same-Store Cash Net Operating Income (NOI) - Flex				
Property revenues	\$ 2,053,425	\$ 1,855,319	\$ 198,106	10.7%
Tenant reimbursements	651,258	517,595	133,663	25.8%
Property operating expenses	(611,578)	(548,053)	(63,525)	11.6%
Property management fees	(86,286)	(74,190)	(12,096)	16.3%
Same-Store Cash Net Operating Income (NOI) - Flex	\$ 2,006,819	\$ 1,750,671	\$ 256,148	14.6%

Non-GAAP Definitions and Explanations

Investors and analysts following the real estate industry utilize certain financial measures as supplemental performance measures, including net operating income ("NOI"), EBITDA for real estate ("EBITDAre"), Funds from operations ("FFO") and Adjusted FFO ("AFFO").

While we believe net income available to common stockholders, as defined by accounting principles generally accepted in the United States of America ("U.S. GAAP"), is the most appropriate measure, we consider NOI, EBITDAre, and FFO and AFFO, given their wide use by and relevance to investors and analysts, appropriate supplemental performance measures. NOI provides a measure of rental operations, and does not include depreciation and amortization, interest expense and non-property specific expenses such as corporate-wide interest expense and general and administrative expenses. As used herein, we calculate the following non-U.S. GAAP measures as follows:

NOI from property operations is calculated as net loss, as defined by U.S. GAAP, plus legal, accounting and other professional fees, corporate general and administrative expenses, depreciation, amortization of intangible assets and liabilities, interest expense, including amortization of financing costs, share based compensation expense, loss on impairment, gain on disposition of investment properties, loss on extinguishment of debt, loss on redemption of mandatorily redeemable preferred stock, management restructuring expense, other income and other expenses. The components of NOI consist of recurring rental and reimbursement revenue, less real estate taxes and operating expenses, such as insurance, utilities, and repairs and maintenance. Management believes NOI is a useful measure for investors as it highlights the operating performance of the company's real estate assets, excluding the impact of corporate-level expenses and non-cash accounting items, allowing for a clearer comparison of property-level profitability across periods and with industry peers.

Non-GAAP Definitions and Explanations (continued)

EBITDAre is a non-GAAP financial measure, defined for the most recent period as earnings (net income) before (i) interest expense, (ii) income taxes, (iii) depreciation and amortization, (iv) provisions for impairment, and (v) gain on sales of real estate. The National Association of Real Estate Investment Trusts (“NAREIT”) established an EBITDA metric for real estate companies (i.e., EBITDA for real estate, or EBITDAre) it believed would provide investors with a consistent measure to help make investment decisions among certain REITs.

NOI and EBITDAre, do not represent cash generated from operating activities in accordance with U.S. GAAP and are not necessarily indicative of cash available to fund cash needs, including the repayment of principal on debt, capital expenditures and payment of dividends and distributions. NOI and EBITDAre should not be considered as substitutes for net income applicable to common stockholders (calculated in accordance with U.S. GAAP) as a measure of results of operations or cash flows (calculated in accordance with U.S. GAAP) as a measure of liquidity. NOI and EBITDAre, as currently calculated by us, may not be comparable to similarly titled, but variously calculated, measures of other REITs.

FFO and AFFO, non-GAAP measures, are alternative measures of operating performance, specifically as it relates to results of operations and liquidity. FFO is computed in accordance with standards established by the Board of Governors of the National Association of Real Estate Investment Trusts (“NAREIT”) in its March 1995 White Paper (as amended in November 1999, April 2002 and December 2018). As defined by NAREIT, FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus real estate related depreciation and amortization (excluding amortization of loan origination costs and above and below market leases) and after adjustments for unconsolidated partnerships and joint ventures. In addition to FFO, AFFO, excludes non-cash items such as amortization of loans and above and below market leases, unbilled rent arising from applying straight line rent revenue recognition and share-based compensation expenses. Additionally, the impact of capital expenditures, including tenant improvement and leasing commissions, net of reimbursements of such expenditures by property escrow funds, is included in the calculation of AFFO.



Non-GAAP Definitions and Explanations (continued)

Most industry analysts and equity REITs, including us, consider FFO to be an appropriate supplemental measure of operating performance because, by excluding gains or losses on dispositions and excluding depreciation, FFO is a helpful tool that can assist in the comparison of the operating performance of a company's real estate between periods, or as compared to different companies. Management uses FFO as a supplemental measure to conduct and evaluate our business because there are certain limitations associated with using GAAP net income alone as the primary measure of our operating performance. Historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time, while historically real estate values have risen or fallen with market conditions. Accordingly, we believe FFO provides a valuable alternative measurement tool to GAAP when presenting our operating results.

The NAREIT White Paper states, "FFO of a REIT includes the FFO of all consolidated properties, including consolidated, partially owned affiliates". Additionally, since the adjustments to GAAP net income, such as depreciation and amortization, used in the reconciliation of net income (loss) to determine FFO are not allocated between common stockholders and noncontrolling interests (i.e. 100% of depreciation and amortization are "added back" without reduction to reflect the noncontrolling owners' interest in such items), our company believes that the appropriate starting point for the calculation is the net income (loss) before allocation to noncontrolling interests. This allows our company to use FFO as a tool to measure the overall performance of its investment properties, as a whole, not just the portion of the investment properties controlled by our company's common stockholders.



Non-GAAP Definitions and Explanations (continued)

We compute **Core and Adjusted Earnings Metrics** by adjusting the metric to exclude certain GAAP income and expense amounts that we believe are infrequent and unusual in nature and/or not related to our core real estate operations. Exclusion of these items is common within the equity REIT industry, and management believes that presentation of Core and Adjusted Earnings Metrics provides investors with a metric to assist in their evaluation of our operating performance across multiple periods and in comparison to the operating performance of our peers, because it removes the effect of unusual items that are not expected to impact our operating performance on an ongoing basis. Core and Adjusted Earnings Metrics are used by management in evaluating the performance of our core business operations. Items included in calculating earnings metrics that may be excluded in calculating Core and Adjusted Earnings Metrics include items like certain transaction related gains, losses, income or expense or other non-core amounts as they occur.



Forward-Looking Statements and Risk Factors

The information in this presentation should be read in conjunction with the Company's Annual Report on Form 10-K and other information filed with the Securities and Exchange Commission. This presentation is not incorporated into such filings. This document is not an offer to sell or a solicitation to buy securities of Medalist Diversified REIT, Inc. Any offer or solicitation shall be made only by means of a prospectus approved for that purpose.

Forward-Looking and Cautionary Statements

This presentation and statements by our management may constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These forward-looking statements can be identified by the use of words and phrases such as “preliminary,” “expect,” “plan,” “will,” “estimate,” “project,” “intend,” “believe,” “guidance,” “approximately,” “anticipate,” “may,” “should,” “seek,” or the negative of these words and phrases or similar words or phrases that are predictions of or indicate future events or trends or opinions or judgments of Medalist and our management about future events and that do not relate to historical matters. Forward-looking statements are statements that include, without limitation, statements made in Mr. Winn's quotation, our business, financial and operating results, discussions of strategy, plans or intentions of management, and statements that include other projections, predictions, expectations or beliefs about future events or results or otherwise are not statements of historical fact. The forward-looking statements included herein are based upon our current expectations, plans, estimates, assumptions and beliefs that involve numerous risks and uncertainties. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the expectations reflected in such forward-looking statements are based on reasonable assumptions, our actual results and performance could differ materially from those set forth in the forward-looking statements.



Forward-Looking Statements and Risk Factors (continued)

The following risks and uncertainties, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements: industry and global and local economic conditions; volatility and uncertainty in the financial markets, including potential fluctuations in the Consumer Price Index; Medalist's success in implementing its business strategy and its ability to identify, underwrite, finance, consummate, integrate and manage diversified acquisitions or investments; the financial performance of Medalist's retail tenants and the demand for retail space; decreased rental rates or increasing vacancy rates; Medalist's ability to diversify its tenant base; the nature and extent of future competition; increases in Medalist's costs of borrowing as a result of changes in interest rates and other factors; Medalist's ability to access debt and equity capital markets; Medalist's ability to pay down, refinance, restructure and/or extend its indebtedness as it becomes due; Medalist's ability and willingness to renew its leases upon expiration and to reposition its properties on the same or better terms upon expiration in the event such properties are not renewed by tenants or Medalist exercises its rights to replace existing tenants upon default; the impact of any financial, accounting, legal or regulatory issues or litigation that may affect Medalist or its major tenants; potential losses that may not be covered by insurance; information security and data privacy breaches; Medalist's ability to manage its expanded operations; Medalist's ability and willingness to maintain its qualification as a REIT under the Internal Revenue Code of 1986, as amended; the impact on Medalist's business and those of its tenants from epidemics, pandemics or other outbreaks of illness, disease or virus; and other risks inherent in the real estate business, including tenant defaults, potential liability relating to environmental matters, illiquidity of real estate investments and potential damages from natural disasters discussed in Medalist's most recent filings with the Securities and Exchange Commission ("SEC"), including its Annual Report on Form 10-K and subsequent Quarterly Reports on Form 10-Q. You are cautioned not to place undue reliance on forward-looking statements which are based on information that was available, and speak only, as of the date on which they were made. While forward looking statements reflect Medalist's good faith beliefs, they are not guarantees of future performance. Medalist expressly disclaims any responsibility to update or revise forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.



Forward-Looking Statements and Risk Factors (continued)

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In addition to U.S. GAAP financial measures, this presentation contains and may refer to certain non-GAAP financial measures. These non-GAAP financial measures are in addition to, not a substitute for or superior to, measures of financial performance prepared in accordance with GAAP. These non-GAAP financial measures should not be considered replacements for, and should be read together with, the most comparable GAAP financial measures. Reconciliations to the most directly comparable GAAP financial measures and statements of why management believes these measures are useful to investors are at the end of this supplement if the reconciliation is not presented on the page in which the measure is published.