
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 10-Q

(Mark One)

QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

FOR THE QUARTERLY PERIOD ENDED SEPTEMBER 30, 2025 OR

TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934

For the transition period from _____ to _____
Commission File No. 333-269416

Cohen & Steers Income Opportunities REIT, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of
incorporation or organization)

88-3609651
(I.R.S. Employer
Identification No.)

1166 Avenue of the Americas
New York, NY 10036
(Address of Principal Executive Offices, including zip code)
(212) 832-3232
(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act: None

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
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Indicate by check mark whether the Registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act): Yes No

As of November 12, 2025, the registrant had the following shares outstanding: 17,550,079 shares of Class P common stock, 131,661 shares of Class I common stock and 1,327,709 shares of Class F-I common stock.

TABLE OF CONTENTS

	<u>Page</u>	
PART 1.	<u>FINANCIAL INFORMATION</u>	
ITEM 1.	<u>FINANCIAL STATEMENTS</u>	
	<u>Consolidated Financial Statements (Unaudited):</u>	
	<u>Consolidated Balance Sheets</u>	1
	<u>Consolidated Statements of Operations</u>	2
	<u>Consolidated Statements of Changes in Equity</u>	3
	<u>Consolidated Statements of Cash Flows</u>	5
	<u>Notes to Consolidated Financial Statements</u>	7
ITEM 2.	<u>MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS</u>	32
ITEM 3.	<u>QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK</u>	43
ITEM 4.	<u>CONTROLS AND PROCEDURES</u>	44
PART II.	<u>OTHER INFORMATION</u>	45
ITEM 1.	<u>LEGAL PROCEEDINGS</u>	45
ITEM 1A.	<u>RISK FACTORS</u>	45
ITEM 2.	<u>UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS</u>	45
ITEM 3.	<u>DEFAULTS UPON SENIOR SECURITIES</u>	46
ITEM 4.	<u>MINE SAFETY DISCLOSURES</u>	46
ITEM 5.	<u>OTHER INFORMATION</u>	46
ITEM 6.	<u>EXHIBITS</u>	47
SIGNATURES		48

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

Cohen & Steers Income Opportunities REIT, Inc.
Consolidated Balance Sheets (Unaudited)
(in thousands - except share and per share data)

	September 30, 2025	December 31, 2024
ASSETS		
Investments in real estate, net	\$ 300,119	\$ 231,416
Investments in real estate-related securities, at fair value	36,813	22,810
Lease intangible assets, net	39,163	34,275
Cash and cash equivalents	9,269	6,542
Restricted cash	8,965	1,962
Due from affiliate	22	195
Other assets	5,669	3,903
Total assets	\$ 400,020	\$ 301,103
LIABILITIES AND EQUITY		
Mortgage notes, net	\$ 158,986	\$ 134,896
Lease intangible liabilities, net	33,532	24,959
Due to affiliate	10,573	8,420
Accounts payable, accrued expenses and other liabilities	15,378	4,477
Total liabilities	\$ 218,469	\$ 172,752
Commitments and Contingencies (see Note 14)		
Equity		
Preferred Stock, \$0.01 par value per share, 100,000,000 shares authorized; and none issued and outstanding as of September 30, 2025 and December 31, 2024, respectively	\$ —	\$ —
Common Stock- Class P shares, \$0.01 par value per share, 800,000,000 shares authorized; and 16,939,571 and 12,729,019 shares issued and outstanding as of September 30, 2025 and December 31, 2024, respectively	169	127
Common Stock- Class I shares, \$0.01 par value per share, 600,000,000 shares authorized; and 83,239 and 60,906 shares issued and outstanding as of September 30, 2025 and December 31, 2024, respectively	1	1
Common Stock- Class F-I shares, \$0.01 par value per share, 100,000,000 shares authorized; and 1,127,169 and 22,394 issued and outstanding as of September 30, 2025 and December 31, 2024, respectively	11	—
Common Stock- Classes T, S, D, F-T, F-S, F-D, B, M-I, M-S, R-I, and R-S, \$0.01 par value per share, no shares issued and outstanding as of September 30, 2025 and December 31, 2024 (see Note 11 for shares authorized)	—	—
Additional paid-in capital	186,477	129,435
Accumulated deficit	(12,638)	(5,705)
Total stockholders' equity	174,020	123,858
Non-controlling interests	7,531	4,493
Total equity	181,551	128,351
Total liabilities and equity	\$ 400,020	\$ 301,103

The accompanying notes are an integral part of the consolidated financial statements.

Cohen & Steers Income Opportunities REIT, Inc.
Consolidated Statements of Operations (Unaudited)
(in thousands - except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenues				
Rental revenue	\$ 8,376	\$ 2,366	\$ 23,597	\$ 4,788
Total revenues	<u>8,376</u>	<u>2,366</u>	<u>23,597</u>	<u>4,788</u>
Expenses				
Property operating	2,820	775	7,939	1,652
General and administrative	300	129	823	284
Organization expenses	—	—	—	1,852
Management fees	473	—	1,171	—
Performance participation allocation	14	2	39	4
Depreciation and amortization	4,177	1,429	11,453	3,109
Total expenses	<u>7,784</u>	<u>2,335</u>	<u>21,425</u>	<u>6,901</u>
Other income (expense), net				
Realized and unrealized gains from real estate-related securities, net	1,479	674	4,233	989
Interest expense	(2,430)	(414)	(7,227)	(414)
Other income	196	80	754	187
Total other income (expense), net	<u>(755)</u>	<u>340</u>	<u>(2,240)</u>	<u>762</u>
Net income (loss)	<u>\$ (163)</u>	<u>\$ 371</u>	<u>\$ (68)</u>	<u>\$ (1,351)</u>
Net income (loss) attributable to non-controlling interests	74	(20)	285	36
Net income (loss) attributable to common stockholders	<u>\$ (237)</u>	<u>\$ 391</u>	<u>\$ (353)</u>	<u>\$ (1,387)</u>
Net income (loss) per share of common stock - basic	<u>\$ (0.01)</u>	<u>\$ 0.06</u>	<u>\$ (0.02)</u>	<u>\$ (0.27)</u>
Net income (loss) per share of common stock - diluted	<u>\$ (0.01)</u>	<u>\$ 0.06</u>	<u>\$ (0.02)</u>	<u>\$ (0.27)</u>
Weighted-average shares of common stock outstanding				
Basic	<u>17,964</u>	<u>6,100</u>	<u>16,679</u>	<u>5,048</u>
Diluted	<u>17,964</u>	<u>6,103</u>	<u>16,679</u>	<u>5,048</u>

The accompanying notes are an integral part of the consolidated financial statements.

Cohen & Steers Income Opportunities REIT, Inc.
Consolidated Statements of Changes in Equity (Unaudited)
(in thousands - except per share data)

	Par Value			Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Non- Controlling Interests	Total Equity
	Common Stock Class I	Common Stock Class F-I	Common Stock Class P					
Balance at June 30, 2025	\$ 1	\$ 9	\$ 167	\$ 182,562	\$ (10,051)	\$ 172,688	\$ 7,268	\$ 179,956
Common stock issued	—	2	1	3,737	—	3,740	—	3,740
Distributions declared on common stock (\$0.1305 gross per share)	—	—	—	—	(2,350)	(2,350)	—	(2,350)
Distribution reinvestments	—	—	1	1,348	—	1,349	—	1,349
Offering costs	—	—	—	(977)	—	(977)	—	(977)
Amortization of restricted stock grants	—	—	—	47	—	47	—	47
Net income (loss)	—	—	—	—	(237)	(237)	74	(163)
Repurchase of common stock	—	—	—	(240)	—	(240)	—	(240)
Contributions from non-controlling interests	—	—	—	—	—	—	340	340
Distributions to non-controlling interests	—	—	—	—	—	—	(151)	(151)
Balance at September 30, 2025	<u>\$ 1</u>	<u>\$ 11</u>	<u>\$ 169</u>	<u>\$ 186,477</u>	<u>\$ (12,638)</u>	<u>\$ 174,020</u>	<u>\$ 7,531</u>	<u>\$ 181,551</u>

	Par Value			Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Non- Controlling Interests	Total Equity
	Common Stock Class I	Common Stock Class F-I	Common Stock Class P					
Balance at June 30, 2024	\$ 1	\$ —	\$ 47	\$ 41,803	\$ (2,156)	\$ 39,695	\$ 463	\$ 40,158
Common stock issued	—	—	16	16,979	—	16,995	—	16,995
Distributions declared on common stock (\$0.1305 gross per share)	—	—	—	—	(840)	(840)	—	(840)
Distribution reinvestments	—	—	1	387	—	388	—	388
Offering costs	—	—	—	(224)	—	(224)	—	(224)
Amortization of restricted stock grants	—	—	—	47	—	47	—	47
Net income (loss)	—	—	—	—	391	391	(20)	371
Repurchase of common stock	—	—	—	—	—	—	—	—
Contributions from non-controlling interests	—	—	—	—	—	—	3,238	3,238
Distributions to non-controlling interests	—	—	—	—	—	—	(60)	(60)
Balance at September 30, 2024	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ 64</u>	<u>\$ 58,992</u>	<u>\$ (2,605)</u>	<u>\$ 56,452</u>	<u>\$ 3,621</u>	<u>\$ 60,073</u>

The accompanying notes are an integral part of the consolidated financial statements.

Cohen & Steers Income Opportunities REIT, Inc.
Consolidated Statements of Changes in Equity (Unaudited)
(Continued)
(in thousands - except per share data)

	Par Value			Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Non- Controlling Interests	Total Equity
	Common Stock Class I	Common Stock Class F-I	Common Stock Class P					
Balance at December 31, 2024	\$ 1	\$ —	\$ 127	\$ 129,435	\$ (5,705)	\$ 123,858	\$ 4,493	\$ 128,351
Common stock issued	—	11	39	56,103	—	56,153	—	56,153
Distributions declared on common stock (\$0.3915 gross per share)	—	—	—	—	(6,580)	(6,580)	—	(6,580)
Distribution reinvestments	—	—	3	3,489	—	3,492	—	3,492
Offering costs	—	—	—	(1,965)	—	(1,965)	—	(1,965)
Amortization of restricted stock grants	—	—	—	126	—	126	—	126
Net income (loss)	—	—	—	—	(353)	(353)	285	(68)
Repurchase of common stock	—	—	—	(711)	—	(711)	—	(711)
Contributions from non-controlling interests	—	—	—	—	—	—	3,319	3,319
Distributions to non-controlling interests	—	—	—	—	—	—	(566)	(566)
Balance at September 30, 2025	<u>\$ 1</u>	<u>\$ 11</u>	<u>\$ 169</u>	<u>\$ 186,477</u>	<u>\$ (12,638)</u>	<u>\$ 174,020</u>	<u>\$ 7,531</u>	<u>\$ 181,551</u>

	Par Value			Additional Paid-In Capital	Accumulated Deficit	Total Stockholders' Equity	Non- Controlling Interests	Total Equity
	Common Stock Class I	Common Stock Class F-I	Common Stock Class P					
Balance at December 31, 2023	\$ —	\$ —	\$ —	\$ 369	\$ (169)	\$ 200	\$ —	\$ 200
Common stock issued	1	—	63	64,409	—	64,473	—	64,473
Distributions declared on common stock (\$0.3915 gross per share)	—	—	—	—	(1,049)	(1,049)	—	(1,049)
Distribution reinvestments	—	—	1	387	—	388	—	388
Offering costs	—	—	—	(6,268)	—	(6,268)	—	(6,268)
Amortization of restricted stock grants	—	—	—	95	—	95	—	95
Net income (loss)	—	—	—	—	(1,387)	(1,387)	36	(1,351)
Contributions from non-controlling interests	—	—	—	—	—	—	3,663	3,663
Distributions to non-controlling interests	—	—	—	—	—	—	(78)	(78)
Balance at September 30, 2024	<u>\$ 1</u>	<u>\$ —</u>	<u>\$ 64</u>	<u>\$ 58,992</u>	<u>\$ (2,605)</u>	<u>\$ 56,452</u>	<u>\$ 3,621</u>	<u>\$ 60,073</u>

The accompanying notes are an integral part of the consolidated financial statements.

Cohen & Steers Income Opportunities REIT, Inc.
Consolidated Statements of Cash Flows (Unaudited)
(in thousands)

	Nine Months Ended	
	September 30,	
	2025	2024
Cash flows from operating activities:		
Net loss	\$ (68)	\$ (1,351)
Adjustments to net loss:		
Depreciation and amortization	11,453	3,109
Unrealized gains on changes in fair value of real estate-related securities, net	(2,351)	(422)
Realized gains on sale of real estate-related securities, net	(491)	(411)
Amortization of above- and below-market lease intangibles, net	(1,283)	(476)
Straight-line rent adjustments	(668)	(47)
Amortization of deferred financing costs	178	10
Amortization of restricted share grants	126	95
Changes in assets and liabilities:		
Other assets	(2,233)	(702)
Due from affiliate	173	(256)
Due to affiliate	188	1,856
Accounts payable, accrued expenses and other liabilities	3,273	2,412
Net cash provided by operating activities	8,297	3,817
Cash flows from investing activities:		
Acquisition of real estate	(72,448)	(117,960)
Capital improvements on real estate	(565)	(111)
Purchases of real estate-related securities	(32,578)	(12,003)
Proceeds from sale of real estate-related securities	20,906	7,345
Net cash used in investing activities	(84,685)	(122,729)
Cash flows from financing activities:		
Proceeds from issuance of common stock	56,041	64,473
Repurchase of common stock	(606)	—
Contributions from non-controlling interests	3,319	3,663
Distributions paid on common stock	(2,855)	(380)
Distributions to non-controlling interests	(566)	(78)
Proceeds from subscriptions received in advance	7,475	88
Proceeds from mortgage notes	24,300	66,715
Payment of financing costs on mortgage notes	(990)	(1,223)
Net cash provided by financing activities	86,118	133,258
Net change in cash, cash equivalents and restricted cash	9,730	14,346
Cash, cash equivalents and restricted cash, at the beginning of the period	8,504	200
Cash, cash equivalents and restricted cash, at the end of the period	\$ 18,234	\$ 14,546

Cohen & Steers Income Opportunities REIT, Inc.
Consolidated Statements of Cash Flows (Unaudited)
(Continued)
(in thousands)

	Nine Months Ended	
	September 30,	
	2025	2024
Reconciliation of cash and cash equivalents and restricted cash to the Consolidated Balance Sheets, end of period:		
Cash and cash equivalents	\$ 9,269	\$ 12,648
Restricted cash	8,965	1,898
Total cash and cash equivalents and restricted cash	<u>\$ 18,234</u>	<u>\$ 14,546</u>
Supplemental disclosure of cash flow information:		
Cash paid for interest	<u>\$ 6,598</u>	<u>\$ 289</u>
Supplemental disclosure of non-cash investing and financing activities:		
Accrued offering costs due to affiliate	<u>\$ 1,965</u>	<u>\$ 6,268</u>
Accrued distributions	<u>\$ 790</u>	<u>\$ 281</u>
Distribution reinvestments	<u>\$ 3,492</u>	<u>\$ 388</u>
Repurchase of common stock	<u>\$ 105</u>	<u>\$ —</u>
Accrued proceeds from sale of real estate-related securities	<u>\$ —</u>	<u>\$ 69</u>

The accompanying notes are an integral part of the consolidated financial statements.

Cohen & Steers Income Opportunities REIT, Inc.

Notes to Consolidated Financial Statements (Unaudited)

Note 1: Organization

Cohen & Steers Income Opportunities REIT, Inc. (the “Company”) was formed on July 18, 2022, as a Maryland corporation and qualifies as a real estate investment trust (“REIT”) for U.S. federal income tax purposes, commencing with the taxable year ended December 31, 2024. The Company was organized to invest primarily in high-quality, stabilized real estate assets within the United States (“U.S.”) and, to a lesser extent, in real estate-related securities (including listed REITs), preferred equity and debt instruments to provide current income, additional appreciation potential and a source of liquidity for the Company’s share repurchase plan, cash management and other purposes. The Company is the sole general partner of Cohen & Steers Income Opportunities REIT Operating Partnership, L.P., a Delaware limited partnership (“CNSREIT OP” or the “Operating Partnership”), which was formed on July 22, 2022. Cohen & Steers Income Opportunities REIT Special Limited Partner, LLC, an affiliate of Cohen & Steers, Inc., was formed on July 22, 2022, as a Delaware limited liability company (the “Special Limited Partner”), and owns a special limited partner interest in CNSREIT OP. Substantially all of the Company’s business is conducted through CNSREIT OP. The Company and CNSREIT OP are externally managed by Cohen & Steers Capital Management, Inc., a New York corporation (the “Advisor”). The Advisor is a subsidiary of Cohen & Steers, Inc. (together with its subsidiaries, “Cohen & Steers”).

The Company has registered with the Securities and Exchange Commission (the “SEC”) an offering of up to \$3.0 billion in shares of common stock, consisting of up to \$2.4 billion in shares in its primary offering and up to \$0.6 billion in shares pursuant to its distribution reinvestment plan (the “Offering”). As part of the Offering, the Company intends to sell any combination of eight classes of shares of its common stock – Class T shares, Class S shares, Class D shares, Class I shares, Class F-T shares, Class F-S shares, Class F-D shares and Class F-I shares, with a dollar value up to the maximum offering amount. Class F-T shares, Class F-S shares and Class F-D shares will be offered to all investors in the Offering until January 2026, subject to the minimum investment requirement for each share class. Class F-I shares will be offered to all investors in the Offering until June 2026, subject to the minimum investment requirement for this share class. Thereafter, the Class F-I shares will be offered only to investors that held, or clients of a financial intermediary that in the aggregate held, at least \$10 million in Class F-I shares as of such time, unless such minimum requirement is waived by the dealer manager, Cohen & Steers Securities, LLC (the “Dealer Manager”). As of September 30, 2025, the Company has issued and sold Class I and Class F-I shares for gross proceeds of \$12.6 million, including shares issued pursuant to its distribution reinvestment plan.

The Company is also conducting a private offering of its Class P, Class B, Class R-I, Class R-S, Class M-I and Class M-S shares (the “Private Placement Shares”) to Cohen & Steers and its affiliates (for Class P shares only) and certain persons that are accredited investors, as that term is defined under the Securities Act of 1933, as amended (the “Securities Act”), and Regulation D promulgated thereunder. Certain of the Private Placement Shares are not subject to upfront selling commissions, dealer manager fees, stockholder servicing fees and/or performance participation. The Private Placement Shares sold in the Company’s private offering are not being offered to the public. In addition to its \$0.2 million investment in Class I shares, Cohen & Steers has committed to invest \$124.8 million through the Advisor in Class P shares for an aggregate investment of \$125.0 million. As of September 30, 2025, the Company has issued and sold Class P shares for gross proceeds of \$182.7 million, which includes shares issued to the Advisor for gross proceeds of \$75.1 million. The Company can call the remaining \$49.7 million of the Advisor’s \$124.8 million commitment to purchase Class P shares at any time. As of September 30, 2025, the Company has not received any gross proceeds from the sale of Class B, Class R-I, Class R-S, Class M-I or Class M-S shares.

As of September 30, 2025, the Company owned six properties and held a portfolio of real estate-related securities. The Company currently operates in two reportable segments: real estate and real estate-related securities. See [Note 12](#) for additional information.

Note 2: Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited consolidated financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and the instructions to Quarterly Report on Form 10-Q and the applicable rules and regulations of the SEC. All intercompany balances and transactions have been eliminated in consolidation. The consolidated financial statements, including the notes thereto, are unaudited and exclude some of the disclosures required in audited financial statements. Management believes it has made all necessary adjustments, consisting of only normal recurring items, so that the consolidated financial statements are presented fairly and that estimates made in preparing its consolidated financial statements are reasonable and prudent. The accompanying unaudited consolidated interim financial statements should be read in conjunction with the audited consolidated financial statements included in the Company’s Annual Report on Form 10-K for the fiscal year ended December 31, 2024 filed with the SEC.

The preparation of the unaudited consolidated financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the dates of the consolidated financial statements and the reported amounts of the revenues and expenses during the reporting period. Actual results could differ from those estimates.

There is no other comprehensive income (loss) for the three and nine months ended September 30, 2025 and 2024, resulting in comprehensive loss equaling net loss. Accordingly, the statement of other comprehensive income (loss) is not presented.

Principles of Consolidation and Variable Interest Entities

The Company consolidates all entities that it controls through either majority ownership or voting rights. In addition, the Company will consolidate all variable interest entities (“VIEs”) of which it is considered the primary beneficiary. The entity that consolidates a VIE is known as its primary beneficiary and is generally the entity with (i) the power to direct the activities that most significantly affect the VIE’s economic performance and (ii) the right to receive benefits from the VIE or the obligation to absorb losses of the VIE that could be significant to the VIE. Entities that do not qualify as VIEs are generally considered voting interest entities (“VOEs”) and are evaluated for consolidation under the voting interest model. VOEs are consolidated when the Company controls the entity through a majority voting interest or other means. Where the Company does not have the power to direct the activities of the VIE that most significantly impact its economic performance, the Company’s interest for those partially owned entities are accounted for using the equity method of accounting.

The accompanying consolidated financial statements include the accounts of the Company, the Company’s subsidiaries and joint ventures in which the Company has a controlling interest. For consolidated joint ventures, the non-controlling partner’s share of the assets, liabilities and operations of the joint ventures is included in non-controlling interests as equity of the Company. The non-controlling partner’s interest is generally computed as the joint venture partner’s ownership percentage. Certain of the joint ventures formed by the Company provide the other partner a promote interest based on certain return hurdles being achieved. Any promote interest due to the other partner is reported with non-controlling interests.

As of September 30, 2025 and December 31, 2024, the Company held interests in two joint ventures that it consolidates.

Non-Controlling Interests

Non-controlling interests represent the equity interests held by unrelated third parties in the Company's consolidated joint ventures. Net income or losses for joint ventures are calculated using the hypothetical liquidation at book value ("HLBV") method to attribute the earnings or losses between the controlling and non-controlling interests. Under the HLBV method, the amounts reported as non-controlling interests in the consolidated balance sheets represent the amounts the non-controlling interests would hypothetically receive at each balance sheet reporting date under the liquidation provisions of the governing agreements assuming the net assets of the consolidated joint ventures were liquidated at recorded amounts and distributed between the controlling and non-controlling interests in accordance with the governing documents. The net income attributable to non-controlling interests in the consolidated statements of operations is associated with the increase or decrease in the non-controlling interest holders' contractual claims on the respective entities' balance sheets assuming a hypothetical liquidation at the end of that reporting period when compared with their claims on the respective entities' balance sheets assuming a hypothetical liquidation at the beginning of that reporting period, after removing the impact of any contributions or distributions. This would include the accrual of promote interests as defined in the joint venture agreements.

Cash and Cash Equivalents

Cash and cash equivalents represent cash held in banks, cash on hand and liquid investments with original maturities of three months or less. The Company may have bank balances in excess of federally insured amounts; however, the Company deposits its cash and cash equivalents with high credit-quality institutions to minimize credit risk exposure. As of September 30, 2025 and December 31, 2024, the Company held \$9.3 million and \$6.5 million in cash and cash equivalents, respectively.

Restricted Cash

Restricted cash primarily consists of amounts in escrow related to real estate taxes, insurance and other lender restrictions in connection with mortgages at the Company's properties. Restricted cash also includes funds received by the Company's transfer agent for subscriptions prior to their effective date. The Company held \$9.0 million and \$2.0 million in restricted cash as of September 30, 2025 and December 31, 2024, respectively.

Investments in Real Estate

The Company determines whether the acquisition of a property qualifies as a business combination, which requires that the assets acquired and liabilities assumed constitute a business. If the property acquired is not a business, the Company accounts for the transaction as an asset acquisition. All property acquisitions to date have been accounted for as asset acquisitions.

Upon the acquisition of a property deemed to be an asset acquisition, the Company assesses the fair value of acquired tangible and intangible assets (including land, buildings, tenant improvements, above-market and below-market leases, acquired in-place leases, other identified intangible assets and assumed liabilities) and allocates the purchase price to the acquired assets and assumed liabilities. The Company assesses and considers fair value based on estimated cash flow projections that utilize discount and/or capitalization rates that it deems appropriate, as well as other available market information. Estimates of future cash flows are based on a number of factors, including the historical operating results, known and anticipated trends, and market and economic conditions.

Whether the acquisition of a property acquired is considered a business combination or an asset acquisition, the Company recognizes the identifiable tangible and intangible assets acquired, the liabilities assumed and any non-controlling interest in the acquired entity. In addition, for transactions that are business combinations, the Company evaluates the existence of goodwill or a gain from a bargain purchase. The Company expenses acquisition-related costs associated with business combinations as they are incurred and capitalizes acquisition-related costs associated with asset acquisitions. The fair value of the tangible assets of an acquired property considers the value of the property as if it were vacant. The Company also considers an allocation of purchase price of other acquired intangibles, including acquired in-place leases that may have a customer relationship intangible value, such as the nature and extent of the existing relationship with the tenants, the tenants' credit quality and expectations of lease renewals. The estimated fair value of acquired in-place leases is the costs the Company would have incurred to lease the properties to the occupancy level of the properties at the date of acquisition. Such estimates include the fair value of leasing commissions, legal costs and other direct costs that would be incurred to lease the properties to such occupancy levels. Additionally, the Company evaluates the time period over which such occupancy levels would be achieved. Such evaluation includes an estimate of the net market-based rental revenues and net operating costs (primarily consisting of real estate taxes, insurance costs and utilities) that would be incurred during the lease-up period. Acquired in-place leases as of the date of acquisition are amortized over the remaining lease terms. The amortization of in-place lease intangibles is recorded in depreciation and amortization expense on the Company's consolidated statements of operations. Acquired above- and below-market lease values are recorded based on the present value of the difference between the contractual amounts to be paid pursuant to the in-place leases and the Company's estimate of fair market value lease rates for the corresponding in-place leases. The capitalized above- and below market lease values are amortized as adjustments to rental revenue over the remaining terms of the respective leases, which include periods covered by bargain renewal options, if applicable. Should a tenant terminate its lease, the unamortized portion of the in-place lease value will be charged to amortization expense and the unamortized portion of above- and below-market lease value will be charged to rental revenue.

The Company's investments in real estate are stated at cost and are generally depreciated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	Depreciable Life
Buildings	40 years
Buildings and site improvements	5 - 20 years
Lease intangibles and leasehold improvements	Over lease term

Significant improvements to properties are capitalized, whereas repairs and maintenance expenses at the Company's properties are expensed as incurred and included in property operating expense on the Company's consolidated statements of operations. When an asset is sold, the cost and related accumulated depreciation are removed from the accounts with the resulting gain or loss reflected in the Company's results of operations.

Real estate assets will be evaluated for impairment on a quarterly basis or when there is an event or change in circumstances that indicates the carrying amount of an asset may not be recoverable. The Company will consider the following factors when performing its impairment analysis: (i) management, having the authority to approve the action, commits to a plan to sell the asset; (ii) significant negative industry and economic outlook or trends; (iii) expected material costs necessary to extend the life of or operate the real estate asset; (iv) the Company's ability to hold and dispose of the real estate asset in the ordinary course of business; and (v) property-specific factors, including but not limited to, physical condition, needed repairs or improvements and any operating impediments that may affect the real estate asset's performance or value. A real estate asset is considered impaired when the sum of estimated future undiscounted cash flows to be generated by the real estate asset over the estimated remaining holding period is less than the carrying value of such real estate asset. An impairment charge is recorded equal to the excess of the carrying value of the real estate asset over the fair value. When determining the fair value of a real estate asset, the Company makes certain assumptions, including consideration of projected operating cash flows, comparable selling prices and projected cash flows from the eventual disposition of the real estate asset based upon its estimate of a capitalization rate and discount rate. During the three and nine months ended September 30, 2025 and 2024, the Company did not incur any impairment charges.

Investments in Real Estate-Related Securities

The Company reports its investments in common stock of publicly listed REITs and real estate-related preferred securities at fair value and any changes in fair value are recorded in current period earnings. Dividend income is recorded when declared and the resulting dividend income, along with gains and losses are recorded as a component of realized and unrealized gains (losses) from real estate-related securities, net on the Company's consolidated statements of operations.

The Company classifies its investments in real estate-related debt securities as trading securities and records such investments at fair value and any changes in fair value are recorded in current period earnings. Interest income from real estate-related debt investments is recorded on the accrual basis on the Company's consolidated statements of operations. The resulting unrealized gains and losses and interest income are recorded as a component of realized and unrealized gains (losses) from real estate-related securities, net on the Company's consolidated statements of operations.

Deferred Charges

The Company's deferred charges include financing and leasing costs. Deferred financing costs include legal, structuring and other loan costs incurred by the Company for its financing agreements. Deferred financing costs related to the mortgage notes at the Company's properties are recorded as an offset to the related liability and are amortized over the term of the applicable financing instrument as interest expense. Deferred leasing costs incurred in connection with leases, consisting primarily of leasing commissions, are recorded as a component of other assets on the Company's consolidated balance sheets and are amortized over the term of the related lease.

Revenue Recognition

Rental revenue primarily consists of base rent and tenant reimbursement income arising from tenant leases at the Company's real estate properties. Base rent is recognized on a straight-line basis over the life of the lease, including any rent step-ups or abatement provisions. Differences between recognized operating lease income and contractually due amounts are recorded as straight-line rent receivable or liability, as applicable. Leases are classified as operating leases unless they meet specific criteria that would require sales-type or financing lease treatment under Accounting Standards Codification ("ASC") 842, *Leases*. All of the Company's leases have been evaluated and classified as operating leases.

The Company begins to recognize revenue upon the acquisition of the related property or when a tenant takes possession of the leased space. Certain of the Company's contracts contain non-lease components (such as common area maintenance, reimbursement of third-party maintenance expenses, real estate taxes and insurance costs) in addition to lease components (i.e., monthly rental charges). Services related to non-lease components are provided over the same period of time as, and billed in the same manner as, monthly rental charges. Tenant reimbursements are accounted for as variable lease payments within rental revenue on the Company's consolidated statements of operations. The Company elected to apply the practical expedient available under ASC 842, for all classes of assets, not to segregate the lease components from the non-lease components when accounting for operating leases. Since the lease component is the predominant component under each of these leases, combined revenues from both the lease and non-lease components are accounted for in accordance with ASC 842 and reported as rental revenues in the Company's consolidated statements of operations.

The Company evaluates the collectibility of receivables related to rental revenue on an individual lease basis. In making this determination, the Company considers the length of time a receivable has been outstanding, tenant creditworthiness, payment history, available information about the financial condition of the tenant and current economic trends, among other factors. Tenant receivables that are deemed uncollectible are recognized as a reduction to rental revenue. If subsequently recovered, such amounts are recognized as rental revenue when collected.

Income Taxes

The Company has elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code of 1986, as amended (the "Code") commencing with its taxable year ended December 31, 2024. REITs are subject to a number of organizational and operational requirements. Even though the Company qualifies for taxation as a REIT, it may be subject to certain state and local taxes on its income and property, and federal income and excise taxes on its undistributed income.

Organization and Offering Expenses

The Advisor has agreed to advance all organization and offering expenses (including legal, accounting and other expenses attributable to the Company's organization, but excluding upfront selling commissions, dealer manager fees and stockholder servicing fees) on behalf of the Company through the earlier of (i) December 31, 2026, or (ii) the month that the Company's aggregate net asset value ("NAV") is at least \$750 million. The Company will reimburse the Advisor for all such advanced expenses ratably over a 60-month period following such date.

As of September 30, 2025 and December 31, 2024, the Advisor and its affiliates had incurred organization and offering expenses of approximately \$10.4 million and \$8.4 million, respectively, on the Company's behalf. Such costs became the Company's liability on January 11, 2024, the date that the Company issued Class P shares and commenced principal operations. Organizational expenses are expensed as incurred and offering expenses are charged to stockholders' equity, as such amounts will be reimbursed to the Advisor or its affiliates from the gross proceeds of the Offering and any private placement offering.

Earnings per Share

Basic earnings per share is computed by dividing net income (loss) for the period by the weighted average number of shares of common stock outstanding during the period. Diluted earnings per share is computed by dividing net income (loss) for the period by the weighted average number of common stock and common stock equivalents outstanding (unless their effect is antidilutive) for the period. For the three and nine months ended September 30, 2025, the Company was in a net loss position and thus, the inclusion of the restricted independent director grants would be anti-dilutive. For the three months ended September 30, 2024, the Company had 3,398 potentially dilutive securities (restricted independent director grants - see [Note 10](#)) that were included in the computation of diluted earnings per share. For the nine months ended September 30, 2024, the Company was in a net loss position and thus, the inclusion of the restricted independent director grants would be anti-dilutive. All classes of common stock are allocated net income (loss) at the same rate per share and receive the same gross distribution per share.

Fair Value Measurements

Under normal market conditions, the fair value of an investment is the amount that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). The Company uses a hierarchical framework that prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment, and the state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available actively quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Investments in real estate-related securities that are listed on the New York Stock Exchange ("NYSE") are valued, except as indicated below, at the last sale price reflected at the close of the NYSE on the business day as of which such value is being determined. If there has been no sale on such day, the securities are valued at the mean of the closing bid and ask price on such day. If no ask price is available, the securities are then valued at the bid price.

Real estate-related securities not listed on the NYSE but listed on other domestic or foreign securities exchanges (including NASDAQ) are valued in a similar manner. Real estate-related securities traded on more than one securities exchange are valued at the last sale price reflected at the close of the exchange representing the principal market for such securities on the business day as of which such value is being determined. Readily marketable securities traded in the over-the-counter market are valued on the basis of prices provided by a third-party pricing service or third-party broker-dealer. Real estate-related debt securities are valued on the basis of prices provided by a third-party pricing service or third-party broker-dealer.

[Table of Contents](#)

The pricing services or broker-dealers use multiple valuation techniques to determine fair value. In instances where sufficient market activity exists, the pricing services or broker-dealers may utilize a market-based approach through which quotes from market makers are used to determine fair value. In instances where sufficient market activity may not exist or is limited, the pricing services or broker-dealers may also utilize proprietary valuation models that may consider market transactions in comparable securities and the various relationships between securities in determining fair value or characteristics such as benchmark yield curves, option-adjusted spreads, credit spreads, estimated default rates, coupon rates, anticipated timing of principal repayments, underlying collateral and other unique security features, which are then used to calculate the fair values.

Securities or assets for which market prices are unavailable, or for which the Advisor determines that bid or ask price or a counterparty valuation does not reflect market value, will be valued at fair value pursuant to procedures approved by the Company's board of directors (the "Board"). The Advisor has established a valuation committee to administer, implement and oversee the fair valuation process according to the policies and procedures approved annually by the Board. Among other things, these policies and procedures allow us to utilize independent pricing services, quotations from securities and financial instrument dealers and other market sources to determine fair value. Circumstances in which market prices may be unavailable include when trading in a security or asset is suspended, the exchange on which the security or asset is traded is subject to an unscheduled close or disruption or material events occur after the close of the exchange on which the security or asset is principally traded. In these circumstances, the Company will determine fair value in a manner that fairly reflects the market value of the security or asset on the valuation date based on consideration of any information or factors the Company deems appropriate. These may include recent transactions in comparable securities or assets, information relating to the specific security or asset and developments in the markets.

Investments measured and reported at fair value are classified and disclosed in one of the following levels within the fair value hierarchy:

Level 1 — quoted prices are available in active markets for identical investments as of the measurement date. The Company does not adjust the quoted price for these investments.

Level 2 — quoted prices are available in markets that are not active or model inputs are based on inputs that are either directly or indirectly observable as of the measurement date.

Level 3 — pricing inputs are unobservable and include instances where there is minimal, if any, market activity for the investment. These inputs require significant judgment or estimation by management or third parties when determining fair value and generally represent anything that does not meet the criteria of Levels 1 and 2. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

As of September 30, 2025, the Company's security investments, which are primarily in common stock of publicly listed REITs and real estate-related preferred securities, are recorded at fair value based on the closing price as reported by the applicable national securities exchange and have been classified as Level 1.

The Company's investments classified as Level 2 consisted of real estate-related debt securities. Fair values were generally determined using third-party pricing services. The pricing services may utilize pricing models that vary by asset class and incorporate available trade, bid and other market information.

The following tables detail the Company's assets measured at fair value on a recurring basis (\$ in thousands):

	September 30, 2025			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stock of publicly listed REITs	\$ 22,666	\$ —	\$ —	\$ 22,666
Real estate-related preferred securities	962	—	—	962
Real estate-related debt securities	—	13,185	—	13,185
Total	\$ 23,628	\$ 13,185	\$ —	\$ 36,813

	December 31, 2024			
	Level 1	Level 2	Level 3	Total
Assets:				
Common stock of publicly listed REITs	\$ 11,040	\$ —	\$ —	\$ 11,040
Real estate-related preferred securities	862	—	—	862
Real estate-related debt securities	—	10,908	—	10,908
Total	\$ 11,902	\$ 10,908	\$ —	\$ 22,810

The following table presents the carrying value and fair value of financial instruments that are not carried at fair value on the consolidated balance sheets (\$ in thousands):

	September 30, 2025		December 31, 2024	
	Carrying Value	Fair Value	Carrying Value	Fair Value
Mortgage notes ⁽¹⁾	\$ 161,015	\$ 161,119	\$ 136,715	\$ 135,584
Total	\$ 161,015	\$ 161,119	\$ 136,715	\$ 135,584

- (1) The Company determined the estimated fair value of its properties' mortgage notes using a discounted cash flow model that estimates the present value of the future loan payments by discounting such payments at current estimated market interest rates. The estimated market interest rates consider interest rate risk and the value of the underlying collateral, which includes quality of the collateral, the credit quality of the tenant/obligor and the time until maturity. Additionally, the Company considers current market rates and conditions by evaluating similar borrowing agreements with comparable loan-to-value ratios and credit profiles. The inputs used in determining the fair value of the Company's indebtedness are considered Level 3. As of September 30, 2025 and December 31, 2024, the carrying value of the properties' mortgage notes disclosed above excludes unamortized deferred financing costs of \$2.0 million and \$1.8 million, respectively.

Recent Accounting Pronouncements

There were no recently issued or adopted accounting pronouncements during the nine months ended September 30, 2025 that are expected to materially impact the Company.

Note 3: Investments in Real Estate

Investments in real estate, net consisted of the following (\$ in thousands):

	September 30, 2025	December 31, 2024
Buildings and improvements	\$ 221,306	\$ 158,570
Land	84,666	74,268
Total	305,972	232,838
Accumulated depreciation	(5,853)	(1,422)
Investment in real estate, net	\$ 300,119	\$ 231,416

The Company acquired the following properties during the nine months ended September 30, 2025 (\$ in thousands):

Property Name	Ownership Interest	Number of Properties	Location	Property Type	Acquisition Date	Purchase Price⁽¹⁾
Oak Grove Shoppes	80%	1	Orlando, FL	Grocery-anchored shopping center	January 17, 2025	\$ 40,181
Deer Valley Towne Center	99%	1	Phoenix, AZ	Community shopping center	August 1, 2025	34,033
		2				\$ 74,214

⁽¹⁾ Purchase price includes transaction costs and other acquisition-related adjustments.

The following table summarizes the purchase price allocation for the properties acquired during the nine months ended September 30, 2025 (\$ in thousands):

	Amount
Buildings and improvements	\$ 61,798
Land	10,399
In-place lease intangibles	11,912
Below-market lease intangibles	(10,045)
Above-market lease intangibles	150
Total purchase price	\$ 74,214

The weighted-average amortization periods for lease intangible assets and liabilities acquired in connection with the Company's acquisitions during the nine months ended September 30, 2025 were as follows:

	In-place lease intangibles	Above-market lease intangibles	Below-market lease intangibles⁽¹⁾
Weighted-average amortization periods (in years)	8.9	4.1	26.7

⁽¹⁾ Amortization period assumes the exercise of any below-market lease options.

Note 4. Investments in Real Estate-Related Securities

As of September 30, 2025 and December 31, 2024, the Company's investments primarily consist of real estate-related securities, including shares of common stock of publicly listed REITs, real estate-related preferred securities and real estate-related debt securities. As described in [Note 2](#), the Company records its investments in real estate-related securities at fair value on its consolidated balance sheets.

[Table of Contents](#)

The following table summarizes the Company's investments in real estate-related securities (\$ in thousands):

	Equity Securities ⁽¹⁾	Debt Securities ⁽¹⁾	Total
Balance as of December, 31, 2024	\$ 11,902	\$ 10,908	\$ 22,810
Additions	26,511	5,556	32,067
Disposals	(17,151)	(3,755)	(20,906)
Unrealized gains on changes in fair value of real estate-related securities, net	1,933	418	2,351
Realized gains on sale of real estate-related securities, net	433	58	491
Balance as of September 30, 2025	<u>\$ 23,628</u>	<u>\$ 13,185</u>	<u>\$ 36,813</u>

- ⁽¹⁾ Equity securities represent common stock of publicly traded REITs and real estate-related preferred securities. Debt securities represent real estate-related debt securities.

The following tables summarize the components of realized and unrealized gains from real estate-related securities, net during the three and nine months ended September 30, 2025 and 2024 (\$ in thousands):

	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2025
Unrealized gains, net	\$ 541	\$ 2,351
Realized gains, net	342	491
Dividend and interest income ⁽¹⁾	596	1,391
Total	<u>\$ 1,479</u>	<u>\$ 4,233</u>

	Three Months Ended September 30, 2024	Nine Months Ended September 30, 2024
Unrealized gains, net	\$ 265	\$ 422
Realized gains, net	343	411
Dividend and interest income ⁽¹⁾	66	156
Total	<u>\$ 674</u>	<u>\$ 989</u>

- ⁽¹⁾ Dividend and interest income earned on real estate-related securities are recorded as a component of realized and unrealized gains from real estate-related securities, net on the Company's consolidated statements of operations.

Note 5: Intangibles

Lease intangibles are amortized over the remaining lease terms from which they were derived. As a result, the Company's lease intangibles are being amortized from less than one year to fifty-nine years. The gross carrying amount and accumulated amortization of the Company's intangible assets and liabilities consisted of the following (\$ in thousands):

	September 30, 2025		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Lease intangible assets			
In-place lease	\$ 48,798	\$ (10,288)	\$ 38,510
Above-market lease	914	(261)	653
Total intangible assets	<u>\$ 49,712</u>	<u>\$ (10,549)</u>	<u>\$ 39,163</u>
Lease intangible liabilities			
Below-market lease	(35,375)	1,843	(33,532)
Total intangible liabilities	<u>\$ (35,375)</u>	<u>\$ 1,843</u>	<u>\$ (33,532)</u>
	December 31, 2024		
	Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Lease intangible assets			
In-place lease	\$ 37,352	\$ (3,769)	\$ 33,583
Above-market lease	839	(147)	692
Total intangible assets	<u>\$ 38,191</u>	<u>\$ (3,916)</u>	<u>\$ 34,275</u>
Lease intangible liabilities			
Below-market lease	(25,365)	406	(24,959)
Total intangible liabilities	<u>\$ (25,365)</u>	<u>\$ 406</u>	<u>\$ (24,959)</u>

The estimated future amortization on the Company's lease intangibles for each of the next five years and thereafter as of September 30, 2025 is as follows (\$ in thousands):

	In-Place Lease Intangibles	Above-Market Lease Intangibles	Below-Market Lease Intangibles
2025 (remaining)	\$ 2,480	\$ 48	\$ (551)
2026	8,862	187	(2,165)
2027	7,493	149	(2,147)
2028	5,610	121	(2,081)
2029	3,876	64	(2,032)
Thereafter	10,189	84	(24,556)
	<u>\$ 38,510</u>	<u>\$ 653</u>	<u>\$ (33,532)</u>

Note 6: Other Assets and Liabilities

The following table summarizes the components of other assets (\$ in thousands):

	September 30, 2025	December 31, 2024
Receivables - property	\$ 2,558	\$ 1,266
Leasing costs, net	881	—
Prepaid financing costs ⁽¹⁾	869	267
Straight-line rent receivable	784	115
Prepaid expenses	297	34
Receivables - real estate-related securities	202	244
Deposits and other pending acquisition costs	64	1,764
Other	14	213
Total	\$ 5,669	\$ 3,903

- ⁽¹⁾ Costs paid in advance relate to future property-related financing. Such costs are not amortized until the related borrowing is made.

The following table summarizes the components of accounts payable, accrued expenses and other liabilities (\$ in thousands):

	September 30, 2025	December 31, 2024
Subscriptions received in advance	\$ 7,475	\$ 113
Accounts payable and accrued expenses	2,939	2,038
Real estate taxes payable	2,000	719
Accrued interest expense	790	275
Distribution payable ⁽¹⁾	790	558
Prepaid rent	732	482
Security deposits - property	547	292
Repurchase of common stock	105	—
Total	\$ 15,378	\$ 4,477

- ⁽¹⁾ Included in distributions payable as of September 30, 2025 and December 31, 2024 are \$0.3 million, representing distributions declared on shares held by the Advisor.

Note 7: Mortgage Notes

The following is a summary of the non-recourse mortgage notes secured by the Company's properties (\$ in thousands):

Indebtedness	Interest Rate - Fixed	Maturity Date	Outstanding balance as of	
			September 30, 2025	December 31, 2024
Marketplace at Highland Village	6.13%	October 1, 2034	\$ 23,155	\$ 23,155
Des Peres Corners	6.02%	August 1, 2034	23,160	23,160
Village on Pooler Parkway	6.14%	October 1, 2034	20,400	20,400
Bridgepointe Shopping Center	5.69%	January 1, 2035	70,000	70,000
Oak Grove Shoppes	5.88%	February 1, 2032	24,300	—
Total loans secured by real estate			161,015	136,715
Deferred financing costs, net			(2,029)	(1,819)
Mortgage notes, net			<u>\$ 158,986</u>	<u>\$ 134,896</u>

The Company's mortgage notes disclosed above are interest-only throughout their respective term, with balloon payments owed at maturity. The following table details the future principal payments due under the mortgage notes as of September 30, 2025 (\$ in thousands):

Year	Mortgage Notes
2025 (remaining)	\$ —
2026	—
2027	—
2028	—
2029	—
Thereafter	161,015
Total future principal payments	<u>\$ 161,015</u>

The Company is subject to various financial and operational covenants under certain of its mortgage notes. The Company was in compliance with all of its loan covenants as of September 30, 2025.

Note 8: Leases

Lessor

Income from fixed lease payments for operating leases is recognized on a straight-line basis over the non-cancelable term of the lease and is considered to be the fixed component of the operating leases. The variable components primarily consist of the reimbursement of operating expenses such as real estate taxes, insurance and common area maintenance costs.

Lease income related to operating leases recognized and included in the consolidated statements of operations is as follows (\$ in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Lease income — fixed	\$ 5,949	\$ 1,569	\$ 16,675	\$ 3,165
Lease income — variable	2,008	546	5,637	1,147
Total operating lease income ⁽¹⁾	<u>\$ 7,957</u>	<u>\$ 2,115</u>	<u>\$ 22,312</u>	<u>\$ 4,312</u>

⁽¹⁾ The table above does not include above- and below-market intangible lease amortization of \$0.4 million and \$1.3 million for the three and nine months ended September 30, 2025, and \$0.3 million and \$0.5 million for the three and nine months ended September 30, 2024, respectively (see [Note 5](#)).

To the extent the Company has a significant concentration of revenues from any single tenant, the inability of that tenant to make its payment could have an adverse effect on the Company. There were no tenants that made up over 10% of the Company's aggregate Annualized Base Rent ("ABR") of September 30, 2025 or September 30, 2024.

The following table presents the undiscounted future minimum rents the Company expects to receive for its properties as of September 30, 2025 (\$ in thousands):

Year	Future Minimum Rents
2025 (remaining)	\$ 5,985
2026	23,877
2027	22,759
2028	19,959
2029	16,262
Thereafter	57,883
Total	\$ 146,725

Note 9: Related Party Transactions

The Company and CNSREIT OP are party to an advisory agreement (the "Advisory Agreement") with the Advisor pursuant to which the Advisor is responsible for sourcing, evaluating and monitoring the Company's investment opportunities and making decisions related to the acquisition, management, financing and disposition of the Company's assets, in accordance with the Company's investment objectives, guidelines, policies and limitations, subject to oversight by the Board.

Pursuant to an Amended and Restated Expense Limitation and Reimbursement Agreement, by and between the Company and the Advisor (the "Expense Limitation and Reimbursement Agreement"), until the earlier of (1) December 31, 2026 or (2) the month that the Company's aggregate net asset value is at least \$750.0 million (the "Limitation Period"), the Advisor has contractually agreed to waive its fees and/or reimburse expenses on the Company's behalf so that the Specified Expenses (as defined below) will not exceed 0.50% of net assets (annualized or, if a lower expense limit is then in effect, such lower limit). The Company has agreed to repay these amounts, when and if requested by the Advisor, but only if and to the extent that Specified Expenses are less than 0.50% of net assets (annualized) within three years after the date the Advisor waived or reimbursed such fees or expenses. Any Excess Expense (as defined in the Expense Limitation and Reimbursement Agreement) will not be recognized as an expense until it is probable that the Company will reimburse the Advisor for such cost. This arrangement cannot be terminated prior to the Limitation Period without the consent of the Board, including a majority of independent directors. "Specified Expenses" includes all expenses attributable to the Company's operations, excluding organizational and offering costs, and the following exceptions: (i) the management fee, (ii) the performance participation interest, (iii) the stockholder servicing fees, (iv) property level expenses, (v) brokerage costs or other investment-related out-of-pocket expenses, including with respect to unconsummated investments, (vi) dividend/interest payments (including any dividend payments, interest expenses, commitment fees, or other expenses related to any leverage incurred by the Company), (vii) taxes and (viii) extraordinary expenses (as determined in the sole discretion of the Advisor). During the three and nine months ended September 30, 2025, the Company incurred general and administrative expenses (other than stock compensation expense) of approximately \$0.4 million and \$1.7 million, respectively. Pursuant to the Expense Limitation and Reimbursement Agreement, \$0.1 million and \$1.0 million of these expenses for the three and nine months ended September 30, 2025 were reimbursable by the Advisor as they were considered Specified Expenses that exceeded 0.50% of net assets (annualized) and are thus not recognized on the Company's consolidated statements of operations. As of September 30, 2025, the Due from affiliate amount of \$22 thousand represents amounts yet to be reimbursed by the Advisor to the Company. The Company recorded stock compensation expense of \$47 thousand and \$126 thousand during the three and nine months ended September 30, 2025, respectively, which reflects the amortization of the restricted share awards granted to the independent directors.

[Table of Contents](#)

The Company incurred general and administrative expenses (other than stock compensation expense) of approximately \$4.9 million from February 21, 2023 (the date the registration statement for the Offering was declared effective by the SEC) through September 30, 2025. Pursuant to the Expense Limitation and Reimbursement Agreement, approximately \$3.9 million of these expenses are reimbursable by the Advisor and are thus not reflected as general and administrative expenses in the Company's consolidated statements of operations since it is not probable (as of September 30, 2025) that the Company's Specified Expenses will be less than 0.50% of net assets (annualized) within three years after the month in which the Specified Expenses were incurred and deemed reimbursable.

The Dealer Manager serves as the dealer manager for the Offering. The Dealer Manager is a registered broker-dealer affiliated with the Advisor. The Company has entered into an agreement (the "Dealer Manager Agreement") with the Dealer Manager in connection with the Offering. The Company's obligations under the Dealer Manager Agreement to pay stockholder servicing fees with respect to Class T, Class S, Class D, Class F-T, Class F-S, Class F-D, Class R-S, and Class M-S shares distributed in the Offering shall survive until such shares are no longer outstanding (including if such shares are converted into Class I and Class F-I shares).

The following table details the upfront selling commissions, dealer manager fees, investment professional stockholder servicing fees and dealer stockholder servicing fees for each applicable share class sold in the Offering and the Private Placement Shares sold in the Company's private offering. No upfront selling commissions or dealer manager fees will be paid with respect to purchases of Class P shares, Class B shares, Class M-I shares, Class R-I shares, Class I shares or Class F-I shares or shares of any class sold pursuant to the Company's distribution reinvestment plan.

	Selling commissions and dealer manager fees (% of transaction price)	Stockholder servicing fee (% of NAV)⁽¹⁾
Class T Shares	up to 3.5%	0.85%
Class S Shares	up to 3.5%	0.85%
Class D Shares	up to 1.5%	0.25%
Class I Shares	—	—
Class F-T Shares	up to 3.5%	0.85%
Class F-S Shares	up to 3.5%	0.85%
Class F-D Shares	up to 1.5%	0.25%
Class F-I Shares	—	—
Class P Shares	—	—
Class M-I Shares	—	—
Class M-S Shares	up to 3.5%	0.85%
Class R-I Shares	—	—
Class R-S Shares	up to 1.5%	0.85%
Class B Shares	—	—

⁽¹⁾ Class T share percentage consists of an investment professional stockholder servicing fee of 0.65% per annum and a dealer stockholder servicing fee of 0.20% per annum.

The Company will cease paying the stockholder servicing fee with respect to any Class S share, Class F-S share, Class T share, Class F-T share, Class D share or Class F-D share sold in the primary Offering at the end of the month in which the total selling commissions, dealer manager fees and stockholder servicing fees paid with respect to such share would exceed 8.75% of the gross proceeds from the sale of such share. The Company will accrue the cost of the stockholder servicing fee as an offering cost at the time each Class T, Class F-T, Class S, Class F-S, Class D, Class F-D, Class R-S and Class M-S shares are sold during the primary Offering. There will not be a stockholder servicing fee with respect to Class P, Class B, Class R-I, Class M-I, Class I or Class F-I shares.

Due to Affiliate

The following table details the Company's expenses that are due to its Advisor or its affiliates (\$ in thousands):

	September 30, 2025	December 31, 2024
Organization and offering costs	\$ 10,378	\$ 8,413
Management fees	156	—
Accrued performance participation allocation	39	7
Total	<u>\$ 10,573</u>	<u>\$ 8,420</u>

Organization and Offering Costs

The Advisor has agreed to advance all organization and offering expenses (including legal, accounting and other expenses attributable to the Company's organization, but excluding upfront selling commissions, dealer manager fees and stockholder servicing fees) on behalf of the Company through the earlier of (i) December 31, 2026 or (ii) the month that the Company's aggregate NAV is at least \$750.0 million. The Company will reimburse the Advisor for all such advanced expenses ratably over a 60-month period following such date.

The Advisor and its affiliates had incurred organization and offering expenses as of September 30, 2025 and December 31, 2024 of approximately \$10.4 million and \$8.4 million, respectively, on the Company's behalf.

Management Fees

Certain affiliates of the Company, including the Advisor, receive fees and compensation in connection with the ongoing management of the assets of the Company. The Advisor is paid a management fee equal to 1.25% of NAV per annum, payable monthly, on Class T shares, Class S shares, Class D shares, Class I shares, Class R-I shares, Class R-S shares, Class M-I shares and Class M-S shares, 1.10% of NAV per annum, payable monthly, on Class B shares, 1.00% of NAV per annum, payable monthly, on Class F-T shares, Class F-S shares, Class F-D shares and Class F-I shares, and is paid a management fee equal to 0.90% of NAV per annum, payable monthly, on Class P shares (lower management fees will apply if amounts invested in Class P shares exceed certain thresholds, calculated excluding the amounts invested by Cohen & Steers). The management fee waiver period for Class P shares ended on January 31, 2025, and for Class T shares, Class S shares, Class D shares, Class I shares, Class F-T shares, Class F-S shares, Class F-D shares and Class F-I shares ended on April 30, 2025. The management fee will be paid, at the Advisor's election, in cash, Class P shares or Class I shares or Class P units or Class I units of CNSREIT OP.

During the three and nine months ended September 30, 2025, the Company incurred management fees of \$0.5 million and \$1.2 million, respectively, which the Advisor has elected to receive in cash. The Company incurred no management fee expense during the three and nine months ended September 30, 2024.

Accrued Performance Participation Allocation

The Special Limited Partner holds a performance participation interest in CNSREIT OP that entitles it to receive an allocation from CNSREIT OP equal to 10% of the annual Total Return, subject to a 6% annual Hurdle Amount and a High Water Mark, with a Catch-Up (each term as is defined in the prospectus). Such allocation will be measured on a calendar year basis, accrued monthly and paid annually. The performance participation interest will not be paid on Class P, Class B, Class R-I and Class R-S shares. The performance participation interest will be paid, at the Special Limited Partner's election, in cash or CNSREIT OP units.

During the three and nine months ended September 30, 2025, the Company accrued \$14 thousand and \$39 thousand of performance participation allocation, respectively. During the three and nine months ended September 30, 2024, the Company accrued \$2 thousand and \$4 thousand of performance participation allocation, respectively.

Note 10: Share Based Payments

The following table summarizes the grants, vesting and forfeitures of restricted common stock during the nine months ended September 30, 2025 (\$ in thousands):

Restricted Shares	Shares	Grant Date Fair Value
Outstanding as of December 31, 2024	18,132	\$ 187
Granted	16,776	187
Vested	(18,132)	(187)
Forfeiture	—	—
Outstanding as of September 30, 2025	<u>16,776</u>	<u>\$ 187</u>

Restricted Share Awards

The Company grants restricted Class I shares to its independent directors in accordance with its independent director compensation policy. On June 3, 2024, the Company granted 6,044 restricted Class I shares to each of its three independent directors. The shares, including any unvested shares granted under the distribution reinvestment plan, vested and became non-forfeitable on the one-year anniversary of the grant date. On July 1, 2025 the Company granted 5,592 restricted Class I shares to each of its three independent directors. Such shares, including any unvested shares issued under the distribution reinvestment plan, will vest and become non-forfeitable on the one-year anniversary of the grant date.

The Company recorded stock compensation expense of \$47 thousand during both the three months ended September 30, 2025 and 2024, and \$126 thousand and \$95 thousand during the nine months ended September 30, 2025 and 2024, respectively, which reflected the amortization of the restricted share awards granted to the independent directors and was included in general and administrative expense in the consolidated statements of operations.

Note 11: Equity
Authorized Capital

As of September 30, 2025 and December 31, 2024, the Company was authorized to issue up to 3.4 billion shares and 2.9 billion shares, respectively, consisting of the following:

Classification	Par Value per Share	September 30, 2025		December 31, 2024	
		Shares Authorized	Shares Issued and Outstanding	Shares Authorized	Shares Issued and Outstanding
Preferred Stock	\$0.01	100,000,000	—	100,000,000	—
Class P Shares	\$0.01	800,000,000	16,939,571	800,000,000	12,729,019
Class T Shares	\$0.01	80,000,000	—	80,000,000	—
Class S Shares	\$0.01	800,000,000	—	800,000,000	—
Class D Shares	\$0.01	160,000,000	—	160,000,000	—
Class I Shares	\$0.01	600,000,000	83,239	600,000,000	60,906
Class F-T Shares	\$0.01	20,000,000	—	20,000,000	—
Class F-S Shares	\$0.01	200,000,000	—	200,000,000	—
Class F-D Shares	\$0.01	40,000,000	—	40,000,000	—
Class F-I Shares	\$0.01	100,000,000	1,127,169	100,000,000	22,394
Class B Shares	\$0.01	38,000,000	—	—	—
Class R-I Shares	\$0.01	45,000,000	—	—	—
Class R-S Shares	\$0.01	45,000,000	—	—	—
Class M-I Shares	\$0.01	180,000,000	—	—	—
Class M-S Shares	\$0.01	240,000,000	—	—	—
Total		<u>3,448,000,000</u>	<u>18,149,979</u>	<u>2,900,000,000</u>	<u>12,812,319</u>

Common Stock

The following table details the movement in the Company's outstanding shares of common stock:

	Class I	Class F-I	Class P	Total
Beginning balance, December 31, 2024	60,906	22,394	12,729,019	12,812,319
Common stock issued	—	61,734	3,618,080	3,679,814
Distribution reinvestment	423	395	79,315	80,133
Ending balance, March 31, 2025	61,329	84,523	16,426,414	16,572,266
Common stock issued	19,043	809,523	247,511	1,076,077
Distribution reinvestment	1,319	3,601	105,955	110,875
Repurchase of common stock	—	—	(41,474)	(41,474)
Ending balance, June 30, 2025	81,691	897,647	16,738,406	17,717,744
Common stock issued	891	218,851	115,518	335,260
Distribution reinvestment	657	10,671	106,529	117,857
Repurchase of common stock	—	—	(20,882)	(20,882)
Ending balance, September 30, 2025	83,239	1,127,169	16,939,571	18,149,979

Distribution Reinvestment Plan

The Company has adopted a distribution reinvestment plan whereby stockholders in certain states or clients of certain participating broker-dealers will have their cash distributions automatically reinvested in additional shares of common stock unless they elect to receive their distributions in cash. Stockholders in certain states and clients of certain participating broker-dealers that do not permit automatic enrollment in the distribution reinvestment plan will automatically receive their distributions in cash unless they elect to have their cash distributions reinvested in additional shares of common stock. The per-share purchase price for shares purchased pursuant to the distribution reinvestment plan will be equal to the transaction price at the time the distribution is payable (which will generally be equal to the Company's prior month's NAV per share). Stockholders will not pay upfront selling commissions or dealer manager fees when purchasing shares pursuant to the distribution reinvestment plan. The stockholder servicing fees with respect to shares of the Company's Class T shares, Class S shares, Class D shares, Class F-T shares, Class F-S shares, Class F-D shares, Class R-S shares and Class M-S shares are calculated based on the NAV for those shares and may reduce the NAV or, alternatively, the distributions payable with respect to shares of each such class, including shares issued in respect of distributions on such shares under the distribution reinvestment plan. Shares acquired under the distribution reinvestment plan will entitle the participant to the same rights and be treated in the same manner as shares purchased in the Offering.

Distributions

The Company generally intends to distribute substantially all of its taxable income, which does not necessarily equal net income as calculated in accordance with GAAP, to its stockholders each year to comply with the REIT provisions of the Code. Each class of common stock receives the same gross distribution rate per share. The net distribution varies for each class based on the applicable stockholder servicing fee, which is deducted from the monthly distribution per share and paid directly to the applicable distributor.

The following tables present the aggregate distributions per share declared for each applicable class of common stock:

Three Months Ended September 30, 2025				
	Gross Distributions	Stockholder Servicing Fee		Net Distribution
		⁽¹⁾		
Class I Common Stock	\$ 0.1305	\$ —		\$ 0.1305
Class F-I Common Stock	\$ 0.1305	\$ —		\$ 0.1305
Class P Common Stock	\$ 0.1305	\$ —		\$ 0.1305

Nine Months Ended September 30, 2025				
	Gross Distributions	Stockholder Servicing Fee		Net Distribution
		⁽¹⁾		
Class I Common Stock	\$ 0.3915	\$ —		\$ 0.3915
Class F-I Common Stock	\$ 0.3915	\$ —		\$ 0.3915
Class P Common Stock	\$ 0.3915	\$ —		\$ 0.3915

- ⁽¹⁾ Stockholder servicing fees only apply to Class F-T, Class F-S, Class F-D, Class T, Class S, Class D, Class R-S, and Class M-S shares. For purposes of NAV, the Company recognizes the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is paid. Under GAAP, the Company accrues the full cost of the stockholder servicing fee as an offering cost at the time Class F-T, Class F-S, Class F-D, Class T, Class S, Class D, Class R-S, and Class M-S shares are sold. As of September 30, 2025, the Company had not sold any Class F-T, Class F-S, Class F-D, Class T, Class S, Class D, Class R-S, and Class M-S shares and therefore, had not incurred any stockholder servicing fees.

For the three and nine months ended September 30, 2025 the Company declared distributions of \$2.4 million and \$6.6 million, respectively. For the three and nine months ended September 30, 2024, the Company declared distributions of \$0.8 million and \$1.0 million, respectively.

Share Repurchases

The Company has adopted a share repurchase plan whereby, on a monthly basis, stockholders may request that the Company repurchase all or any portion of their shares. The Company may choose to repurchase all, some or none of the shares that have been requested to be repurchased at the end of any particular month, in its discretion, subject to any limitations in the share repurchase plan. The total amount of aggregate repurchases of all share classes will be limited to 2% of the aggregate NAV per month and 5% of the aggregate NAV per calendar quarter. Shares will be repurchased at a price equal to the transaction price on the applicable repurchase date, except for shares that have not been outstanding for at least one year (or for certain Private Placement Shares, two years) would be repurchased at 95% of the transaction price (subject to certain exceptions). If the Company determines to repurchase some but not all of the shares submitted for repurchase during any month, shares repurchased at the end of the month will be repurchased on a pro rata basis after the Company has repurchased all shares for which repurchase has been requested due to death, disability or divorce and other limited exceptions. All unsatisfied repurchase requests must be resubmitted after the start of the next month or quarter, or upon the recommencement of the share repurchase plan, as applicable.

Due to the illiquid nature of investments in real estate, the Company may not have sufficient liquid resources to fund repurchase requests and has established limitations on the amount of funds the Company may use for repurchases during any calendar month and quarter. Should repurchase requests, in the Company's judgment, place an undue burden on the Company's liquidity, adversely affect the Company's operations or risk having an adverse impact on the Company as a whole, or should the Company otherwise determine that investing the Company's liquid assets in real properties or other illiquid investments rather than repurchasing the Company's shares is in the best interests of the Company as a whole, then the Company may choose to repurchase fewer shares than have been requested to be repurchased, or none at all. Further, the Board may modify, suspend or terminate the Company's share repurchase plan if it deems such action to be in the Company's best interest and the best interest of the Company's stockholders.

During the three and nine months ended September 30, 2025, the Company repurchased a total of 20,882 and 62,356 of Class P shares for a total of \$0.2 million and \$0.7 million, respectively. As of September 30, 2025, \$0.1 million of the repurchase amount remained payable. The Company had no unfulfilled repurchase requests as of September 30, 2025. There were no repurchase requests during the three and nine months ended September 30, 2024 and, accordingly the Company did not repurchase any shares of common stock pursuant to its share repurchase plan.

Note 12: Segment Reporting

The Company operates in two operating and reportable segments: Real Estate and Real Estate-Related Securities. The chief operating decision makers allocate resources and evaluate results based off the performance of each segment individually. These are operating segments that are defined as components of an enterprise about which separate financial information is available that is evaluated regularly by the chief operating decision makers in deciding how to allocate resources and in assessing performance. The Company's chief executive officer and chief financial officer have been identified as the chief operating decision makers. The Company's chief operating decision makers direct the allocation of resources to operating segments based on the segment net operating income. The chief operating decision makers also use segment net operating income (a measure of segment profit and loss) and its components to monitor budget versus actual results, perform variance analysis of current results to prior period results and forecast future performance.

The following table sets forth the total assets by segment as of September 30, 2025 (\$ in thousands):

Segment	September 30, 2025	December 31, 2024
Real estate	\$ 351,268	\$ 274,817
Real estate-related securities	37,464	23,953
Total reportable segment assets	\$ 388,732	\$ 298,770
Reconciliation to consolidated total assets:		
Other (corporate)	11,288	2,333
Total assets	\$ 400,020	\$ 301,103

[Table of Contents](#)

The following table provides the total financial results by segment for the three months ended September 30, 2025 (\$ in thousands):

	Three Months Ended September 30, 2025		
	Real Estate	Real Estate- Related Securities	Total
Revenues			
Rental revenue	\$ 8,376	\$ —	\$ 8,376
Total revenues	8,376	—	8,376
Property operating ⁽¹⁾	(2,820)	—	(2,820)
Realized and unrealized gains from real estate-related securities, net	—	1,479	1,479
Other income	54	72	126
Segment net operating income	\$ 5,610	\$ 1,551	\$ 7,161
Depreciation and amortization			\$ (4,177)
Other income			70
General and administrative			(300)
Management fees			(473)
Interest expense			(2,430)
Performance participation allocation			(14)
Organization expenses			—
Net income (loss)			\$ (163)
Net income (loss) attributable to non-controlling interests			74
Net income (loss) attributable to common stockholders			\$ (237)

- ⁽¹⁾ Property operating expenses include real estate taxes, routine repairs and maintenance expenses, property management fees, insurance expenses and other property-level expenses. Such expenses are not provided regularly to the Company's chief operating decision makers.

[Table of Contents](#)

The following table provides the total financial results by segment for the three months ended September 30, 2024 (\$ in thousands):

	Three Months Ended September 30, 2024		
	Real Estate	Real Estate- Related Securities	Total
Revenues			
Rental revenue	\$ 2,366	\$ —	\$ 2,366
Total revenues	2,366	—	2,366
Property operating ⁽¹⁾	(775)	—	(775)
Realized and unrealized gains from real estate-related securities, net	—	674	674
Other income	26	1	27
Segment net operating income	\$ 1,617	\$ 675	\$ 2,292
Depreciation and amortization			\$ (1,429)
Other income			53
General and administrative			(129)
Management fees			—
Interest expense			(414)
Performance participation allocation			(2)
Organization expenses			—
Net income (loss)			\$ 371
Net income (loss) attributable to non-controlling interests			(20)
Net income (loss) attributable to common stockholders			\$ 391

- (1) Property operating expenses include real estate taxes, routine repairs and maintenance expenses, property management fees, insurance expenses and other property-level expenses. Such expenses are not provided regularly to the Company's chief operating decision makers.

[Table of Contents](#)

The following table provides the total financial results by segment for the nine months ended September 30, 2025 (\$ in thousands):

	Nine Months Ended September 30, 2025		
	Real Estate	Real Estate- Related Securities	Total
Revenues			
Rental revenue	\$ 23,597	\$ —	\$ 23,597
Total revenues	<u>23,597</u>	<u>—</u>	<u>23,597</u>
Property operating ⁽¹⁾	(7,939)	—	(7,939)
Realized and unrealized gains from real estate-related securities, net	—	4,233	4,233
Other income	166	79	245
Segment net operating income	<u>\$ 15,824</u>	<u>\$ 4,312</u>	<u>\$ 20,136</u>
Depreciation and amortization			\$ (11,453)
Other income			509
General and administrative			(823)
Management fees			(1,171)
Interest expense			(7,227)
Performance participation allocation			(39)
Organization expenses			—
Net income (loss)			<u>\$ (68)</u>
Net income (loss) attributable to non-controlling interests			<u>285</u>
Net income (loss) attributable to common stockholders			<u>\$ (353)</u>

- ⁽¹⁾ Property operating expenses include real estate taxes, routine repairs and maintenance expenses, property management fees, insurance expenses and other property-level expenses. Such expenses are not provided regularly to the Company's chief operating decision makers.

[Table of Contents](#)

The following table provides the total financial results by segment for the nine months ended September 30, 2024 (\$ in thousands):

	Nine Months Ended September 30, 2024		
	Real Estate	Real Estate- Related Securities	Total
Revenues			
Rental revenue	\$ 4,788	\$ —	\$ 4,788
Total revenues	4,788	—	4,788
Property operating ⁽¹⁾	(1,652)	—	(1,652)
Realized and unrealized gains from real estate-related securities, net	—	989	989
Other income	49	6	55
Segment net operating income	<u>\$ 3,185</u>	<u>\$ 995</u>	<u>\$ 4,180</u>
Depreciation and amortization			\$ (3,109)
Other income			132
General and administrative			(284)
Management fees			—
Interest expense			(414)
Performance participation allocation			(4)
Organization expenses			(1,852)
Net income (loss)			<u>\$ (1,351)</u>
Net income (loss) attributable to non-controlling interests			<u>36</u>
Net income (loss) attributable to common stockholders			<u>\$ (1,387)</u>

- (1) Property operating expenses include real estate taxes, routine repairs and maintenance expenses, property management fees, insurance expenses and other property-level expenses. Such expenses are not provided regularly to the Company's chief operating decision makers.

Note 13: Economic Dependency

The Company depends on the Advisor and its affiliates for certain services that are essential to it, including the sale of the Company's shares of common stock, acquisition and disposition decisions, and certain other responsibilities. If the Advisor or its affiliates are unable or unwilling to provide such services, the Company would be required to find alternative service providers.

Note 14: Commitments and Contingencies

The Company was not subject to any material litigation nor was the Company aware of any material litigation threatened against it. There are currently no such matters pending that the Company believes could have a material impact on its consolidated results of operations, cash flows or financial position.

Note 15: Subsequent Events

The Company evaluated subsequent events through the issuance date of the consolidated financial statements and determined that, other than the events disclosed below, there were no material subsequent events requiring disclosure.

Fundraising

As part of the Offering, subsequent to September 30, 2025, and through November 12, 2025, the Company issued and sold shares of our common stock (consisting of Class I shares and Class F-I shares) for gross proceeds of \$2.6 million, including shares issued pursuant to our distribution reinvestment plan.

Subsequent to September 30, 2025, and through November 12, 2025, as part of the private offering of its Class P shares, the Company issued and sold shares for gross proceeds of \$7.0 million, including shares issued pursuant to its distribution reinvestment plan.

Financing

On October 28, 2025, the Company obtained a \$18.9 million loan, secured by the Deer Valley Towne Center, which was acquired in August 2025 through the Company's existing programmatic joint venture with The Sterling Organization, LLC. The loan has a fixed interest rate of 5.31% and is interest-only with a 5-year term.

Investing

On October 30, 2025, the Company and Phillips Edison & Company ("PECO") closed on the acquisition of Rio Hill Shopping Center, a grocery-anchored open-air shopping center in Charlottesville, Virginia. The acquisition was made through a programmatic joint venture with PECO, a venture in which the Company has an 80% interest. The acquisition was made at a \$52.9 million purchase price, subject to closing costs and customary prorations. The acquisition was partially financed with a \$33.3 million, 7-year fixed-rate loan. The loan has a fixed interest rate of 5.38% and is interest-only throughout the term.

ITEM 2. MANAGEMENT’S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

References herein to “Company,” “we,” “us,” or “our” refer to Cohen & Steers Income Opportunities REIT, Inc. and its subsidiaries unless the context specifically requires otherwise.

The following discussion should be read in conjunction with the unaudited consolidated financial statements and notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements about our business, including, in particular, statements about our plans, strategies and objectives. You can generally identify forward-looking statements by our use of forward-looking terminology such as “may,” “will,” “expect,” “intend,” “anticipate,” “estimate,” “believe,” “continue,” “identify” or other similar words or the negatives thereof. These statements include our plans and objectives for future operations, including plans and objectives relating to future growth and availability of funds, and are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to these statements 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 accurately predict and many of which are beyond our control. Although we believe the assumptions underlying the forward-looking statements, and the forward-looking statements themselves, are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that these forward-looking statements will prove to be accurate and our actual results, performance and achievements may be materially different from that expressed or implied by these forward-looking statements due to a number of different factors. We believe these factors include but are not limited to those described under the section entitled “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, and any such updated factors included in our periodic filings with the SEC, which are accessible on the SEC’s website at www.sec.gov. Except as required by law, we do not undertake to update or revise any forward-looking statements contained in this Quarterly Report Form 10-Q. In light of the significant uncertainties inherent in these forward-looking statements, the inclusion of this information should not be regarded as a representation by us or any other person that our objectives and plans, which we consider to be reasonable, will be achieved.

Available Information

Stockholders may obtain copies of our filings with the SEC free of charge from the SEC’s website maintained at www.sec.gov. We also use our website (www.cnsreit.com) as a channel of distribution of our information. The information we post through this channel may be deemed material. Accordingly, investors should monitor this channel in addition to following our press releases and SEC filings. The information we include on our website is not a part of, nor is it incorporated by reference into, this report.

Overview

We are a Maryland corporation formed on July 18, 2022. We were formed to invest primarily in high-quality, stabilized real estate assets within the United States (“U.S.”). We also invest, to a lesser extent, in real estate-related securities (including listed REITs), preferred equity and debt instruments. We are an externally advised, perpetual-life REIT formed to pursue the following investment objectives:

- provide attractive current income in the form of regular, stable cash distributions;
- preserve and protect invested capital;
- realize appreciation in NAV from proactive investment management and asset management; and
- provide an investment alternative for stockholders seeking to allocate a portion of their long-term investment portfolios to commercial and other types of real estate with historically lower volatility than publicly traded real estate companies.

We cannot assure you that we will achieve our investment objectives. In particular, we note that the NAV of non-traded REITs may be subject to volatility related to the values of their underlying assets.

[Table of Contents](#)

We elected to be taxed as a REIT for U.S. federal income tax purposes beginning with our taxable year ended December 31, 2024. We own substantially all of our assets through the Operating Partnership, of which we are the sole general partner.

Our board of directors (the “Board”) will at all times have ultimate oversight and policy-making authority over us, including responsibility for governance, financial controls, compliance and disclosure. Pursuant to the advisory agreement, however, we have delegated to the Advisor the authority to source, evaluate and monitor our investment opportunities and make decisions related to the acquisition, management, financing and disposition of our assets, in accordance with our investment objectives, guidelines, policies and limitations, subject to oversight by our Board.

We have registered with the SEC an offering of up to \$3.0 billion in shares of common stock, consisting of up to \$2.4 billion in shares in our primary offering and up to \$0.6 billion in shares pursuant to the distribution reinvestment plan (the “Offering”).

The Company is also conducting a private offering of its Class P, Class B, Class R-I, Class R-S, Class M-I and Class M-S shares (the “Private Placement Shares”) to Cohen & Steers and its affiliates (for Class P shares only) and certain persons that are accredited investors, as that term is defined under the Securities Act of 1933, as amended (the “Securities Act”), and Regulation D promulgated thereunder. Certain of the Private Placement Shares are not subject to upfront selling commissions, dealer manager fees, stockholder servicing fees and/or performance participation. The Private Placement Shares sold in the Company’s private offering are not being offered to the public. In addition to its \$0.2 million investment in Class I shares, Cohen & Steers has committed to invest \$124.8 million through the Advisor in Class P shares for an aggregate investment of \$125.0 million. As of September 30, 2025, the Company has issued and sold Class P shares for gross proceeds of \$182.7 million, which includes shares issued to the Advisor for gross proceeds of \$75.1 million. The Company can call the remaining \$49.7 million of the Advisor’s \$124.8 million commitment to purchase Class P shares at any time. As of September 30, 2025, the Company has not received any gross proceeds from the sale of Class B, Class R-I, Class R-S, Class M-I or Class M-S shares.

We have contributed and intend to contribute the net proceeds from the Offering and our private offering to the Operating Partnership in respect of a corresponding number of Class T, Class S, Class D, Class I, Class F-T, Class F-S, Class F-D, Class F-I, Class P, Class B, Class M-I, Class M-S, Class R-I and Class R-S units of the Operating Partnership. The Operating Partnership uses the net proceeds received from us to make investments and pay fees and expenses attributable to our operations in accordance with our investment strategy and policies.

We are not aware of any material trends or uncertainties, favorable or unfavorable, other than national economic conditions affecting real estate generally, that may be reasonably anticipated to have a material impact on either capital resources or the revenues or income to be derived from acquiring properties or real estate-related securities, other than those referred to in our prospectus.

Q3 Highlights

Capital Raising

- We raised net proceeds of \$2.5 million from the Offering during the three months ended September 30, 2025, including shares issued through our distribution reinvestment plan.
- We raised net proceeds of \$2.3 million from our private offering of Class P shares during the three months ended September 30, 2025, including shares issued through our distribution reinvestment plan.

Investments

- On August 1, 2025, we completed the purchase of a community shopping center in Phoenix, Arizona, commonly known as Deer Valley Towne Center, through our existing programmatic joint venture with The Sterling Organization, LLC. Through our ownership interest in the joint venture, we indirectly own a 99% interest in the property. The total purchase price was \$34.0 million.

Operating Results

- We declared monthly distributions totaling \$2.4 million during the three months ended September 30, 2025.

Portfolio

Investments in Real Estate

The following table provides information regarding our real estate properties as of September 30, 2025:

Investment	Ownership Interest	Number of Properties	Location	Property Type	Acquisition Date	Sq. Feet (in thousands)	Occupancy
Marketplace at Highland Village	99%	1	Dallas, TX	Community shopping center	January 22, 2024	205	94%
Des Peres Corners	80%	1	St. Louis, MO	Grocery-anchored shopping center	July 25, 2024	121	88%
Village on Pooler Parkway	99%	1	Savannah, GA	Community shopping center	September 18, 2024	142	100%
Bridgepointe Shopping Center	99%	1	San Mateo, CA	Community shopping center	December 20, 2024	227	100%
Oak Grove Shoppes	80%	1	Orlando, FL	Grocery-anchored shopping center	January 17, 2025	142	91%
Deer Valley Towne Center	99%	1	Phoenix, AZ	Community shopping center	August 1, 2025	159	94%
		<u>6</u>				<u>996</u>	

The following table details the expiring leases at our real estate properties by annualized base rent as of September 30, 2025 (\$ in thousands):

Year	Number of Expiring Leases	Annualized Base Rent ⁽¹⁾	% of total Annualized Base Rent Expiring
2025 (remaining)	1	\$ 99	—
2026	8	601	3 %
2027	9	2,113	9 %
2028	13	2,534	11 %
2029	29	5,596	25 %
2030	13	2,512	11 %
2031	6	626	3 %
2032	8	1,855	8 %
2033	14	2,145	9 %
2034	9	2,445	11 %
Thereafter	8	2,202	10 %
Total	<u>118</u>	<u>\$ 22,728</u>	<u>100 %</u>

⁽¹⁾ Annualized base rent (“ABR”) represents the annualized monthly contractual base rent for our properties as of September 30, 2025. ABR is presented on a pro-rata ownership basis.

Investments in Real Estate-Related Securities

The following table details our investments in real estate-related securities as of September 30, 2025 (\$ in thousands):

Type of Real Estate-Related Securities	September 30, 2025	
	Cost Basis	Fair Value
Common stock of publicly listed REITs	\$ 21,321	\$ 22,666
Real estate-related debt securities	12,873	13,185
Real estate-related preferred securities	932	962
Total Investments in real estate-related securities	<u>\$ 35,126</u>	<u>\$ 36,813</u>

Results of Operations

The following table sets forth information regarding our consolidated results of operations for the three and nine months ended September 30, 2025 and 2024 (in thousands, except per share data):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Revenues				
Rental revenue	\$ 8,376	\$ 2,366	\$ 23,597	\$ 4,788
Total revenues	<u>8,376</u>	<u>2,366</u>	<u>23,597</u>	<u>4,788</u>
Expenses				
Property operating	2,820	775	7,939	1,652
General and administrative	300	129	823	284
Organization expenses	—	—	—	1,852
Management fees	473	—	1,171	—
Performance participation allocation	14	2	39	4
Depreciation and amortization	4,177	1,429	11,453	3,109
Total expenses	<u>7,784</u>	<u>2,335</u>	<u>21,425</u>	<u>6,901</u>
Other income (expense), net				
Realized and unrealized gains from real estate-related securities, net	1,479	674	4,233	989
Interest expense	(2,430)	(414)	(7,227)	(414)
Other income	196	80	754	187
Total other income (expense), net	<u>(755)</u>	<u>340</u>	<u>(2,240)</u>	<u>762</u>
Net income (loss)	<u>\$ (163)</u>	<u>\$ 371</u>	<u>\$ (68)</u>	<u>\$ (1,351)</u>
Net income (loss) attributable to non-controlling interests	74	(20)	285	36
Net income (loss) attributable to common stockholders	<u>\$ (237)</u>	<u>\$ 391</u>	<u>\$ (353)</u>	<u>\$ (1,387)</u>
Net income (loss) per share of common stock - basic	<u>\$ (0.01)</u>	<u>\$ 0.06</u>	<u>\$ (0.02)</u>	<u>\$ (0.27)</u>
Net income (loss) per share of common stock - diluted	<u>\$ (0.01)</u>	<u>\$ 0.06</u>	<u>\$ (0.02)</u>	<u>\$ (0.27)</u>
Weighted-average shares of common stock outstanding				
Basic	<u>17,964</u>	<u>6,100</u>	<u>16,679</u>	<u>5,048</u>
Diluted	<u>17,964</u>	<u>6,103</u>	<u>16,679</u>	<u>5,048</u>

Rental Revenue, Property Operating Expenses, Depreciation and Amortization

The increase in rental revenues, property operating expenses and depreciation and amortization for the three and nine months ended September 30, 2025, compared to the three and nine months ended September 30, 2024, was primarily attributable to the expanded portfolio. The current quarter's results include operations from four acquisitions in 2024 and two in the current year, whereas the comparable period in 2024 included operational results from three acquisitions, of which two were acquired during the three months ended September 30, 2024.

General and Administrative Expenses

The increase in general and administrative expenses for the three and nine months ended September 30, 2025, compared to the three and nine months ended September 30, 2024, was primarily attributable to higher professional fees and higher net assets. The increase in net assets led to an increase in the expenses that the Company could absorb under the expense reimbursement agreement with the Advisor.

Other Income (Expense), Net

The decrease in other income (expense), net for the three and nine months ended September 30, 2025, compared to the three and nine months ended September 30, 2024, was primarily attributable to interest expense on property level financing, and is partially offset by gains and losses, interest and dividend income from a larger securities portfolio.

Net income (loss) attributable to non-controlling interests

The increase in the net income attributable to non-controlling interests for the three and nine months ended September 30, 2025, compared to the three and nine months ended September 30, 2024, was primarily attributable to operating results from the six properties in our portfolio, all of which are held through joint ventures.

Funds From Operations, Adjusted Funds From Operations and Funds Available For Distribution

We believe funds from operations ("FFO") is a meaningful non-GAAP supplemental measure of our operating results. Our consolidated financial statements are presented using historical cost accounting which, among other things, requires depreciation of real estate investments to be calculated on a straight-line basis. As a result, our operating results imply that the value of our real estate investments have decreased evenly over time. However, we believe that the value of our real estate investments will fluctuate over time based on market conditions and, as such, depreciation under historical cost accounting may be less informative as a measure of our performance. FFO is an operating measure defined by the National Association of Real Estate Investment Trusts ("NAREIT") that is broadly used in the REIT industry. FFO, as defined by NAREIT and presented below, is calculated as net income or loss (computed in accordance with GAAP), excluding (i) depreciation and amortization, (ii) impairment of investments in real estate, (iii) net gains or losses from sales of real estate, and (iv) gains or losses from changes in control of interests in real estate. A reconciliation is also presented as a single line item to reflect the amounts to adjust earnings from consolidated partially-owned entities and equity in earnings of unconsolidated affiliates to FFO.

We also believe that adjusted FFO ("AFFO") is a meaningful supplemental non-GAAP disclosure of our operating results. AFFO further adjusts FFO in order for our operating results to reflect the specific characteristics of our business by adjusting for items we believe are not related to our core operations. Our adjustments to FFO to arrive at AFFO include removing the impact of (i) straight-line rental income, (ii) amortization of deferred financing costs (iii) unrealized gains or losses from changes in the fair value of real estate-related securities, (iv) organization costs, (v) amortization of restricted stock awards, (vi) amortization of above- and below-market lease intangibles and (vii) amounts attributable to non-controlling interests related to adjustments.

We also believe that funds available for distribution ("FAD") is an additional meaningful non-GAAP supplemental measure of our operating results. FAD provides useful information for considering our operating results and certain other items relative to the amount of our distributions. Further, FAD is a metric, among others, that is considered by our board of directors and executive officers when determining the amount of our dividend to stockholders, and we believe is therefore meaningful to stockholders. FAD is calculated as AFFO adjusted for (i) recurring tenant improvements, leasing commissions, and other capital expenditures, (ii) stockholder servicing fees paid during the period, and (iii) similar adjustments for non-controlling interests.

[Table of Contents](#)

FAD is not indicative of cash available to fund our cash needs and does not represent cash flows from operating activities in accordance with GAAP, as FAD is adjusted for stockholder servicing fees and recurring tenant improvements, leasing commission, and other capital expenditures, which are not considered when determining cash flows from operations. Furthermore, FAD excludes adjustments for working capital items. Cash flows from operating activities in accordance with GAAP would generally be adjusted for such items.

FFO, AFFO, and FAD should not be considered to be more relevant or accurate than the GAAP methodology in calculating net income (loss) or in evaluating our operating performance. In addition, FFO, AFFO, and FAD should not be considered as alternatives to net income (loss) as indications of our performance or as alternatives to cash flows from operating activities as indications of our liquidity, but rather should be reviewed in conjunction with these and other GAAP measurements. Further, FFO, AFFO, and FAD are not intended to be used as liquidity measures indicative of cash flow available to fund our cash needs, including our ability to make distributions to our stockholders. In addition, our methodology for calculating AFFO and FAD may differ from the methodologies employed by other companies to calculate the same or similar supplemental performance measures, and accordingly, our reported AFFO and FAD may not be comparable to the AFFO and FAD reported by other companies.

The following table presents a reconciliation of net income (loss) attributable to common stockholders under GAAP to FFO, AFFO and FAD (\$ in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2025	2024	2025	2024
Net income (loss) attributable to common stockholders	\$ (237)	\$ 391	\$ (353)	\$ (1,387)
Adjustments to arrive at FFO:				
Depreciation and amortization	4,177	1,429	11,453	3,109
Amount attributable to non-controlling interests for above adjustments	(214)	(91)	(634)	(107)
FFO attributable to common stockholders	\$ 3,726	\$ 1,729	\$ 10,466	\$ 1,615
Adjustments to arrive at AFFO:				
Straight-line rental income	(239)	(22)	(668)	(47)
Amortization of deferred financing costs	60	10	178	10
Unrealized gains from real estate-related securities, net	(541)	(265)	(2,351)	(422)
Organization expenses	—	—	—	1,852
Amortization of restricted share grants	47	47	126	95
Amortization of above and below-market lease intangibles	(417)	(251)	(1,283)	(476)
Performance participation allocation	14	—	39	—
Amount attributable to non-controlling interests for above adjustments	38	13	103	15
AFFO attributable to common stockholders	\$ 2,688	\$ 1,261	\$ 6,610	\$ 2,642
Adjustments to arrive at FAD:				
Recurring tenant improvements and leasing commissions ⁽¹⁾	(720)	(6)	(1,798)	(129)
Amount attributable to non-controlling interests for above adjustments	140	1	294	2
FAD attributable to common stockholders	\$ 2,108	\$ 1,256	\$ 5,106	\$ 2,515

⁽¹⁾ Recurring tenant improvements and leasing commissions are generally related to second-generation leases and other capital expenditures required to maintain our real property investments. Other capital expenditures exclude projects that we believe will enhance the value of our investments.

Net Asset Value

We calculate NAV per share in accordance with the valuation guidelines approved by our Board.

[Table of Contents](#)

Please refer to “Net Asset Value Calculation and Valuation Guidelines” in our prospectus for important information about how our NAV is determined. The Advisor is ultimately responsible for determining our NAV.

The following table provides a breakdown of the major components of our total NAV as of September 30, 2025 (\$ and shares in thousands):

Components of NAV	September 30, 2025	
Investment in real estate	\$	333,036
Investment in real estate-related securities		36,813
Cash and cash equivalents		9,269
Restricted cash		8,965
Other assets		4,027
Dividends payable		(790)
Other liabilities		(7,994)
Subscriptions received in advance		(7,475)
Mortgage notes, net of deferred financing costs		(159,090)
Accrued performance participation allocation		(39)
Management fee payable		(156)
Non-controlling interests in joint ventures		(8,729)
Net asset value	\$	207,837
Number of outstanding shares of common stock		18,150

The following table provides a breakdown of our total NAV and NAV per share of common stock by class as of September 30, 2025 (\$ and shares in thousands, except per share data):

NAV per share	Class I	Class F-I	Class P ⁽¹⁾	Total
Net asset value	\$ 933	\$ 12,396	\$ 194,508	\$ 207,837
Number of outstanding shares	83	1,127	16,940	18,150
NAV Per Share as of September 30, 2025	\$ 11.21	\$ 11.00	\$ 11.48	

⁽¹⁾ Class P shares are not sold as a part of our public offering.

Consistent with our disclosure in the Prospectus regarding our NAV calculation, our investments in real estate are initially valued at cost. Set forth below are the weighted averages of the key assumptions in the discounted cash flow methodology used in the September 30, 2025 valuation of our investments in real estate:

Property Type	Discount Rate	Exit Capitalization Rate
Community shopping center	8.02 %	6.95 %
Grocery-anchored shopping center	8.25 %	6.88 %

These assumptions are determined by our independent valuation advisor and reviewed by the Advisor. A change in these assumptions would impact the calculation of the value of our investments in real estate. For example, assuming all other factors remain unchanged, the changes listed below would result in the following effects on our investments in real estate value:

Input	Hypothetical Change	Community Shopping Center Values	Grocery-Anchored Shopping Center Values
Discount Rate	0.25% decrease	1.62%	1.94%
(weighted average)	0.25% increase	(1.62)%	(1.70)%
Exit Capitalization Rate	0.25% decrease	2.08%	2.19%
(weighted average)	0.25% increase	(2.03)%	(1.94)%

The following table reconciles stockholders' equity per our consolidated balance sheet to our NAV (\$ in thousands):

Reconciliation of Stockholders' Equity to NAV	September 30, 2025	
Stockholders' equity under GAAP	\$	174,020
Adjustments:		
Advanced organization and offering costs ⁽¹⁾		10,378
Unrealized real estate and mortgage debt appreciation, net ⁽²⁾		10,336
Accumulated depreciation and amortization ⁽³⁾		13,844
Straight-line rent adjustment ⁽⁴⁾		(741)
NAV	\$	207,837

The following details the adjustments to reconcile GAAP stockholders' equity to our NAV:

- (1) The Advisor has agreed to advance all of our organization and offering expenses on our behalf (including legal, accounting and other expenses attributable to our organization, but excluding upfront selling commissions, dealer manager fees and stockholder servicing fees) through the earlier of (i) December 31, 2026 or (ii) the month that our aggregate NAV is at least \$750 million. We will reimburse the Advisor for all such advanced expenses ratably over the 60 months following such date. After the earlier of (i) December 31, 2026 or (ii) the month that our aggregate NAV is at least \$750 million, we will reimburse the Advisor for any organization and offering expenses that it incurs on our behalf as and when incurred. Under GAAP, organization costs are expensed as incurred and offering costs are charged to equity as such amounts are incurred. For NAV, such costs will be recognized as a reduction of NAV as they are reimbursed to the Advisor.
- (2) Our investments in real estate are presented at historical cost in our GAAP consolidated financial statements. Additionally, our mortgage notes are presented at their carrying value in our GAAP consolidated financial statements. As such, any changes in the fair market values of our investments in real estate and our mortgage notes are not included in our GAAP results. For purposes of determining our NAV, our investments in real estate and our mortgage note liabilities are recorded at fair value.
- (3) In accordance with GAAP, we depreciate our investments in real estate and amortize certain other lease intangible assets and liabilities. Such depreciation and amortization are not recorded for the purposes of calculating NAV.
- (4) We record straight-line rent in accordance with GAAP. Any resulting straight-line rent receivable or liability is excluded for purposes of determining our NAV.

Liquidity and Capital Resources

Our primary needs for liquidity and capital resources are to fund our investments, make distributions to our stockholders, repurchase shares of our common stock pursuant to our share repurchase plan, pay our offering and operating fees and expenses and pay interest on any outstanding indebtedness we may incur. We anticipate our offering and operating fees and expenses will include, among other things, the management fee we pay to the Advisor, the performance participation allocation that the Operating Partnership will pay to the Special Limited Partner, distribution fees we will pay to the Dealer Manager, legal, audit and valuation expenses, federal and state filing fees, printing expenses, administrative fees, transfer agent fees, marketing and distribution expenses and fees related to acquiring, financing, appraising and managing our properties. We do not have any office or personnel expenses as we do not have any employees.

We will reimburse the Advisor for certain out-of-pocket expenses in connection with our operations. The Advisor has agreed to advance all of our organization and offering expenses on our behalf (including legal, accounting and other expenses attributable to our organization, but excluding upfront selling commissions, dealer manager fees and stockholder servicing fees) through the earlier of (i) December 31, 2026 or (ii) the month that our aggregate NAV is at least \$750 million. We will reimburse the Advisor for all such advanced expenses ratably over the 60 months following such date. As of September 30, 2025, the Advisor had incurred approximately \$10.4 million of organization and offering expenses on our behalf.

Pursuant to an Amended and Restated Expense Limitation and Reimbursement Agreement, by and between the Company and the Advisor (the “Expense Limitation and Reimbursement Agreement”), until the earlier of (1) December 31, 2026 or (2) the month that the Company’s aggregate net asset value is at least \$750.0 million (the “Limitation Period”), the Advisor has contractually agreed to waive its fees and/or reimburse expenses on our behalf so that the Specified Expenses (as defined below) will not exceed 0.50% of net assets (annualized). We agreed to repay these amounts, when and if requested by the Advisor, but only if and to the extent that Specified Expenses are less than 0.50% of net assets (annualized) (or, if a lower expense limit is then in effect, such lower limit) within three years after the date the Advisor waived or reimbursed such fees or expenses. Any Excess Expense (as defined in the Expense Limitation and Reimbursement Agreement) will not be recognized as an expense until it is probable that we will reimburse the Advisor for such cost. This arrangement cannot be terminated prior to the Limitation Period without the consent of our Board, including a majority of independent directors. “Specified Expenses” includes all expenses attributable to our operations, excluding organizational and offering costs, and the following exceptions: (i) the management fee, (ii) the performance participation interest, (iii) the stockholder servicing fees, (iv) property level expenses, (v) brokerage costs or other investment-related out-of-pocket expenses, including with respect to unconsummated investments, (vi) dividend/interest payments (including any dividend payments, interest expenses, commitment fees, or other expenses related to any leverage incurred by us), (vii) taxes and (viii) extraordinary expenses (as determined in the sole discretion of the Advisor).

We elected to be taxed as a REIT under Sections 856 through 860 of the Internal Revenue Code (the “Code”), beginning with our taxable year ended December 31, 2024. In order to maintain our qualification as a REIT, we are required to, among other things, distribute as dividends at least 90% of our REIT taxable income, determined without regard to the dividends-paid deduction and excluding net capital gains, to our stockholders and meet certain tests regarding the nature of our income and assets.

Over time, we generally intend to fund our cash needs for items other than asset acquisitions from operations. Our cash needs for acquisitions will be funded primarily from the sale of shares of our common stock and through the assumption or incurrence of debt.

If we are unable to raise substantial funds we will make fewer investments resulting in less diversification in terms of the type, number, geography and size of investments we make and the value of an investment in us will fluctuate significantly with the performance of the specific assets we acquire. Further, we have certain fixed operating expenses, including certain expenses as a publicly offered REIT, regardless of whether we are able to raise substantial funds. Our inability to raise substantial funds would increase our fixed operating expenses as a percentage of gross income, reducing our net income and limiting our ability to make distributions.

Other potential future sources of capital include secured or unsecured financings from banks or other lenders and proceeds from the sale of assets. If necessary, we may use financings or other sources of capital in the event of unforeseen significant capital expenditures.

[Table of Contents](#)

Although we have not received any commitments from lenders to fund a line of credit to date, we may decide to obtain a line of credit to fund acquisitions, to repurchase shares pursuant to our share repurchase plan and for any other corporate purpose. If we decide to obtain a line of credit, we would expect that it would afford us borrowing availability to fund repurchases. As our assets increase, however, it may not be commercially feasible or we may not be able to secure an adequate line of credit to fund share repurchases. Moreover, actual availability may be reduced at any given time if we use borrowings under the line of credit to fund share repurchases or for other corporate purposes.

As of November 12, 2025, approximately \$49.7 million of the Advisor's \$124.8 million commitment to purchase Class P shares remains outstanding. We may call all or a portion of this commitment at any time.

The Company's mortgage notes disclosed above are interest-only throughout their respective term, with balloon-payments owed at maturity. The following table provides a summary of the fixed-rate mortgage note indebtedness of the Company's properties as of September 30, 2025 and December 31, 2024 (\$ in thousands):

Indebtedness	Interest Rate - Fixed	Maturity Date	Outstanding balance as of	
			September 30, 2025	December 31, 2024
Marketplace at Highland Village	6.13%	10/1/2034	\$ 23,155	\$ 23,155
Des Peres Corners	6.02%	8/1/2034	23,160	23,160
Village on Pooler Parkway	6.14%	10/1/2034	20,400	20,400
Bridgepointe Shopping Center	5.69%	1/1/2035	70,000	70,000
Oak Grove Shoppes	5.88%	2/1/2032	24,300	—
Total loans secured by real estate			161,015	136,715
Deferred financing costs, net			(2,029)	(1,819)
Mortgage notes, net			<u>\$ 158,986</u>	<u>\$ 134,896</u>

Cash Flows

The following table provides a breakdown of the net change in our cash and cash equivalents (\$ in thousands):

	Nine Months Ended September 30, 2025
Cash flows provided by operating activities	\$ 8,297
Cash flows used in investing activities	(84,685)
Cash flows provided by financing activities	86,118
Net increase in cash and cash equivalents	<u>\$ 9,730</u>

Cash flows provided by operating activities were approximately \$8.3 million for the nine months ended September 30, 2025, primarily as a result of income generated from our investments in real estate and real estate-related securities.

Cash flows used in investing activities were \$84.7 million for the nine months ended September 30, 2025, primarily due to our acquisitions of real estate and purchases of real estate-related securities.

Cash flows provided by financing activities were \$86.1 million for the nine months ended September 30, 2025, primarily due to \$56.0 million of proceeds from the issuance of common stock and \$24.3 million of proceeds from property level financing.

Distributions

We generally intend to distribute substantially all of our taxable income, which does not necessarily equal net income as calculated in accordance with GAAP, to our stockholders each year to comply with the REIT provisions of the Code. Each class of common stock receives the same gross distribution per share. The net distribution varies for each class based on the applicable stockholder servicing fee, which is deducted from the monthly distribution per share.

The following tables detail the aggregate distributions declared for each applicable class of common stock:

	Three Months Ended September 30, 2025		
	Gross Distributions	Stockholder Servicing Fee ⁽¹⁾	Net Distribution
Class I Common Stock	\$ 0.1305	\$ —	\$ 0.1305
Class F-I Common Stock	\$ 0.1305	\$ —	\$ 0.1305
Class P Common Stock	\$ 0.1305	\$ —	\$ 0.1305

	Nine Months Ended September 30, 2025		
	Gross Distributions	Stockholder Servicing Fee ⁽¹⁾	Net Distribution
Class I Common Stock	\$ 0.3915	\$ —	\$ 0.3915
Class F-I Common Stock	\$ 0.3915	\$ —	\$ 0.3915
Class P Common Stock	\$ 0.3915	\$ —	\$ 0.3915

- ⁽¹⁾ Stockholder servicing fees only apply to Class F-T, Class F-S, Class F-D, Class T, Class S, Class D, Class R-S, and Class M-S shares. For purposes of NAV, we recognize the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is paid. Under GAAP, we accrue the full cost of the stockholder servicing fee as an offering cost at the time Class F-T, Class F-S, Class F-D, Class T, Class S, Class D, Class R-S, and Class M-S shares are sold. As of September 30, 2025, we had not sold any Class F-T, Class F-S, Class F-D, Class T, Class S, Class D, Class R-S, and Class M-S shares and therefore, had not incurred any stockholder servicing fees.

The following tables summarize our distributions declared and paid on our shares of common stock (\$ in thousands):

	Three Months Ended September 30, 2025		Three Months Ended September 30, 2024	
	Amount	Percentage	Amount	Percentage
Distributions				
Payable in cash ⁽¹⁾	\$ 1,446	62 %	\$ 380	49 %
Reinvested in shares	904	38 %	388	51 %
Total distributions	\$ 2,350	100 %	\$ 768	100 %
Source of Distributions				
Cash flows from operating activities	\$ 2,350	100 %	\$ 768	100 %
Total sources of distributions ⁽²⁾	\$ 2,350	100 %	\$ 768	100 %
AFFO	\$ 2,688		\$ 1,261	
FAD	\$ 2,108		\$ 1,256	

- ⁽¹⁾ Represents \$0.7 million in distributions declared and paid in cash during the three months ended September 30, 2025, and \$0.8 million and \$0.3 million in distributions that were declared but unpaid as of September 30, 2025 and September 30, 2024, respectively.

	Nine Months Ended September 30, 2025		Nine Months Ended September 30, 2024	
	Amount	Percentage	Amount	Percentage
Distributions				
Payable in cash ⁽¹⁾	\$ 3,363	51 %	\$ 380	49 %
Reinvested in shares	3,217	49 %	388	51 %
Total distributions	<u>\$ 6,580</u>	<u>100 %</u>	<u>\$ 768</u>	<u>100 %</u>
Source of Distributions				
Cash flows from operating activities	\$ 6,580	100 %	\$ 768	100 %
Total sources of distributions ⁽²⁾	<u>\$ 6,580</u>	<u>100 %</u>	<u>\$ 768</u>	<u>100 %</u>
AFFO	\$ 6,610		\$ 2,642	
FAD	\$ 5,106		\$ 2,515	

(1) Represents \$2.6 million in distributions declared and paid in cash during the nine months ended September 30, 2025, and \$0.8 million and \$0.3 million in distributions that were declared but unpaid as of September 30, 2025 and September 30, 2024, respectively.

(2) During the nine months ended September 30, 2025 and 2024, we received cash flows from operating activities in the amounts of \$8.3 million and \$3.8 million, respectively.

Critical Accounting Estimates

Our discussion and analysis of our financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of the financial statements in accordance with GAAP involves significant judgments and assumptions and requires estimates about matters that are inherently uncertain. There have been no material changes to our Critical Accounting Policies, including significant accounting policies that we believe are the most affected by our judgment, estimates and assumptions, which are described in our Annual Report on Form 10-K for the year ended December 31, 2024.

Recent Accounting Pronouncements

See [Note 2](#) to our consolidated financial statements in this Quarterly Report on Form 10-Q for a discussion concerning recent accounting pronouncements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

As a smaller reporting company, as defined in Rule 12b-2 under the Securities Exchange Act of 1934, as amended (the “Exchange Act”), we are not required to provide the information required under this item.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures (as that term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in the Company's reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in SEC rules and forms, and that such information is accumulated and communicated to the Company's management, including its Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. An evaluation of the effectiveness of the design and operation of our "disclosure controls and procedures" (as defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Quarterly Report on Form 10-Q was made under the supervision and with the participation of our management, including our CEO and CFO. Based upon this evaluation, our CEO and CFO have concluded that our disclosure controls and procedures (i) are effective to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by SEC rules and forms and (ii) include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting

There have been no changes in our "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this Quarterly Report on Form 10-Q that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

From time to time, we may be involved in various claims and legal actions arising in the ordinary course of business. As of September 30, 2025, we were not involved in any material legal proceedings.

ITEM 1A. RISK FACTORS

For information regarding the potential risks and uncertainties associated with our business, see the risk factors discussed in Part I, Item 1A. “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2024, and under the heading “Risk Factors” in our prospectus dated April 17, 2025, as supplemented.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

Unregistered sales of equity securities

During the three months ended September 30, 2025, the Company issued an aggregate of 115,518 Class P shares of its common stock in private placement transactions to accredited investors. The shares were issued at prices ranging from \$11.46 to \$11.52 per share, resulting in gross proceeds of approximately \$1.3 million. The offer and sale of these shares was exempt from the registration provisions of the Securities Act, pursuant to Section 4(a)(2) and Regulation D promulgated thereunder.

Use of Proceeds

On February 21, 2023, our Registration Statement on Form S-11 (File No. 333-269416) for the Offering was declared effective under the Securities Act. The transaction price for each class of our common stock is determined monthly and is made available on our website, www.cnsreit.com, and in prospectus supplement filings.

The Company raised gross proceeds of \$2.4 million from the Offering during the three months ended September 30, 2025.

As of September 30, 2025, we have primarily used the proceeds from the Offering and the unregistered sales of our Class P shares toward the acquisition of \$319.7 million in real estate and for investments of \$36.8 million in real estate-related securities, net of proceeds from sales of such securities. In addition to the net proceeds from the Offering, we financed our investments with \$161.0 million from mortgage notes.

Share Repurchases

The Company has adopted a share repurchase plan whereby, on a monthly basis, stockholders may request that the Company repurchase all or any portion of their shares. The Company may choose to repurchase all, some or none of the shares that have been requested to be repurchased at the end of any particular month, in its discretion, subject to any limitations in the share repurchase plan. The total amount of aggregate repurchases of all share classes will be limited to 2% of the aggregate NAV per month and 5% of the aggregate NAV per calendar quarter. Shares will be repurchased at a price equal to the transaction price on the applicable repurchase date, except for shares that have not been outstanding for at least one year (or for certain Private Placement Shares, two years) would be repurchased at 95% of the transaction price (subject to certain exceptions). In the event that the Company determines to repurchase some but not all of the shares submitted for repurchase during any month, shares repurchased at the end of the month will be repurchased on a pro rata basis after the Company has repurchased all shares for which repurchase has been requested due to death, disability or divorce and other limited exceptions. All unsatisfied repurchase requests must be resubmitted after the start of the next month or quarter, or upon the recommencement of the share repurchase plan, as applicable.

Due to the illiquid nature of investments in real estate, the Company may not have sufficient liquid resources to fund repurchase requests and has established limitations on the amount of funds the Company may use for repurchases during any calendar month and quarter. Should repurchase requests, in the Company’s judgment, place an undue burden on the Company’s liquidity, adversely affect the Company’s operations or risk having an adverse impact on the Company as a whole, or should the Company otherwise determine that investing the Company’s liquid assets in real properties or other illiquid investments rather than repurchasing the Company’s shares is in the best interests of the Company as a whole, then the Company may choose to repurchase fewer shares than have been requested to be repurchased, or none at all. Further, the Board may modify, suspend or terminate our share repurchase plan if it deems such action to be in the Company’s best interest and the best interest of the Company’s stockholders.

During the three months ended September 30, 2025, we repurchased Class P shares in the following amounts:

Month of	Total Number of Shares Repurchased	Average Price Paid per Share	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	Repurchases as Percentage of NAV⁽¹⁾	Maximum Number of Shares Pending Repurchase Pursuant to Publicly Announced Plans or Programs⁽²⁾
July 2025	11,740	\$ 11.47	11,740	0.07 %	—
September 2025	9,142	\$ 11.52	9,142	0.05 %	—
Total	20,882	\$ 11.49	20,882	N/M	—

(1) Represents aggregate NAV of shares repurchased under our share repurchase plan over aggregate NAV of all shares outstanding in such class, in each case, based on the NAV as of the last calendar day of the prior month.

(2) All repurchase requests under our share repurchase plan were satisfied.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the three months ended September 30, 2025, none of the Company’s directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K of the Securities Act).

ITEM 6. EXHIBITS

Exhibit No.	Description
3.1	Second Articles of Amendment and Restatement of Cohen & Steers Income Opportunities REIT, Inc. (filed as Exhibit 3.1 to the Registrant’s Post-Effective Amendment No. 1 to its Registration Statement on Form S-11 filed on September 21, 2023 and incorporated by reference herein)
3.2	Articles of Amendment, dated September 9, 2025 (filed as Exhibit 3.1 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
3.3	Articles Supplementary, dated September 9, 2025 (filed as Exhibit 3.2 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
3.4	Second Amended and Restated Bylaws of Cohen & Steers Income Opportunities REIT, Inc. (filed as Exhibit 3.2 to the Registrant’s Post-Effective Amendment No. 1 to its Registration Statement on Form S-11 filed on September 21, 2023 and incorporated by reference herein)
4.1	Share Repurchase Plan, effective September 9, 2025 (filed as Exhibit 4.1 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
4.2	Distribution Reinvestment Plan, dated September 9, 2025 (filed as Exhibit 4.2 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
10.1	Amended and Restated Expense Limitation and Reimbursement Agreement, dated September 9, 2025, by and between Cohen & Steers Income Opportunities REIT, Inc. and Cohen & Steers Capital Management, Inc. (filed as Exhibit 10.1 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
10.2	Second Amended and Restated Advisory Agreement, dated September 9, 2025, by and between Cohen & Steers Income Opportunities REIT, Inc., Cohen & Steers Income Opportunities REIT Operating Partnership, L.P., and Cohen & Steers Capital Management, Inc. (filed as Exhibit 10.2 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
10.3	Second Amended and Restated Limited Partnership Agreement, dated September 9, 2025, by and between Cohen & Steers Income Opportunities REIT, Inc., Cohen & Steers Income Opportunities REIT Special Limited Partner, LLC and the limited partners party thereto from time to time (filed as Exhibit 10.3 to the Registrant’s Current Report on Form 8-K filed on September 11, 2025 and incorporated by reference herein)
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 (filed herewith)
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
32.2**	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (furnished herewith)
101	The following financial statements from the Company’s Quarterly Report on Form 10-Q for the quarter ended March 31, 2025 formatted in Inline XBRL (eXtensible Business Reporting Language): (i) the Consolidated Balance Sheets (Unaudited), (ii) the Consolidated Statements of Operations (Unaudited), (iii) the Consolidated Statements of Changes in Equity (Unaudited), (iv) the Consolidated Statements of Cash Flows (Unaudited), and (v) the Notes to Consolidated Financial Statements (Unaudited)
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

Cohen & Steers Income Opportunities REIT, Inc.

November 12, 2025
Date

By: /s/ James S. Corl
James S. Corl
Chief Executive Officer & Chief Investment Officer
(Principal Executive Officer)

November 12, 2025
Date

By: /s/ Arjun Mahalingam
Arjun Mahalingam
Chief Financial Officer & Treasurer
(Principal Financial Officer and Principal
Accounting Officer)