

June 4, 2025

Dear Shareholder,

Thank you to everyone who was able to join us for the Annual Shareholder Meeting presentation a few weeks ago. If you were not able to attend, you can find a video recording of the meeting and presentation on the shareholder website.

As a follow-up to the presentation, a few shareholders have reached out with questions that we thought would be beneficial to pass along to all shareholders. The Q&A below is a summary of these questions and some other questions we have recently received related to the 2024 Annual Report and the 2024 Audited Financial Statements. The 2024 Annual Report and the 2024 Audited Financial Statements were mailed out to all shareholders earlier this year, but they are also available on the shareholder website.

Annual Report Q&A:

1. During the financial presentation portion of the meeting a comment was made that operating expenses increased due to increased insurance and real estate taxes. How has this impacted operating expense reimbursement revenue from tenants?

The Rental Revenue line item on the Audited Financial Statements includes operating expense reimbursement revenue and a detail of this is broken out in the footnotes on page 15 under the heading *Rental Revenue Recognition*. Operating expense reimbursement revenue increased from the prior year, but not at the same pace as operating expenses due to the decrease in occupancy (91% for 2024 compared to 95% for 2023). We also have a few tenant leases in our portfolio with caps on expenses, which reduces our ability to recover 100% of the associated operating expenses.

2. Congratulations on the new \$142M loan closing in January of 2025, who is the lender?

Several large insurance companies were interested in the deal, but we ultimately chose Prudential (PGIM), which is an exciting new relationship for Bixby.

3. In your financial presentation of the Consolidated Cash Flow report, the G&A line item was \$16M but on the Consolidated Statement of Operations in the Audited Financial Statements the G&A line item is \$12M, why is there a difference and what are the major components of G&A?

The major driver for this difference is that the Audited Financial Statements are based on GAAP accounting, which requires us to book a non-cash compensation charge each year related to the estimated future payments outstanding pursuant to the Company's Long term Growth Compensation Plan (the "Plan"). This compensation charge for 2024 was approximately \$2M, but on the Consolidation Cash Flow report we just include the current year's cash payment due under the Plan, which was \$6.5, a difference of \$4.5M. For more information, please see footnote 9 on page 27 of the Audited Financial Statements. Additionally, expenses associated with the payment of wages and benefits to and for employees represents the most significant component of the Company's G&A expense.

4. Can you share some details on what is included in the line item "Other expense, net" on the Company's Consolidated Operating Statement in the Audited Financial Statements?

Most of this account represents expenditures associated with the University Station entitlement project that Matt Ela (Chief Operating Officer) discussed during his presentation portion of the Shareholder Meeting.

5. Relating to the University Station residential entitlement work that is ongoing, are we going to be involved with the actual construction of the residential properties? If so, will we hold these assets in the REIT or sell them upon completion?

Our current strategy regarding the University Station residential entitlement work is to sell the re-entitled land (with the existing structures) to developers/homebuilders who will execute the build-out of the final approved plan.

6. On page 8, 9 and 10 of the Annual Report, do these amounts and calculations included the JV and Fund assets?

Yes. The figures include all wholly owned, JV and Fund assets, which represent our total Assets Under Management.

7. On page 13 of the Annual Report there is a footnote which references the "public equivalent of operating equity," what is this?

The public equivalent of operating equity is the value quantified by Stout that estimates the market value of operating assets less liabilities.

8. Why does the *Land, Building and Improvements, Net* line item on Consolidated Balance Sheet for the Audited Financial Statements reflect a value of \$644M but the gross value of Real Estate for the Bixby Portfolio in the Annual Report on page 11 reflect 1.3B?

The \$1.3B number in the Annual Report reflects the approximate current market value of the wholly owned assets in the Bixby portfolio. The \$644M line in the Audited Financial Statements represents the same composition of assets but equates to the historical cost of the assets (what we purchased the assets for), less accumulated depreciation.

9. Who do I contact if I am interested in the Amasa Cohort?

Debbie Heinze at Bixby will be coordinating this and we are going to have a zoom meeting for those interested on 7/9/25 at 4 pm pacific. Please stay tuned for more information.

Hopefully you find this information helpful and thank you for your time!

Sincerely,

A handwritten signature in black ink, appearing to read 'Regina', written in a cursive style.

Regina Schafnitz
Chief Financial Officer