NETSTREIT

Second Quarter 2023
Supplemental Financial Information

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Corporate Overview

Corporate Profile

NETSTREIT Corp. (NYSE: NTST) is an internally managed real estate investment trust (REIT) based in Dallas, Texas that specializes in acquiring single-tenant net lease retail properties nationwide. The growing portfolio consists of high-quality properties leased to e-commerce resistant tenants with healthy balance sheets. Led by a management team of seasoned commercial real estate executives, NETSTREIT's strategy is to create the highest quality net lease retail portfolio in the country in order to generate consistent cash flows and dividends for its investors.

Management Team

Mark Manheimer, Chief Executive Officer and President
Daniel Donlan, Chief Financial Officer and Treasurer
Jeff Fuge, Senior Vice President of Acquisitions
Randy Haugh, Senior Vice President of Finance
Kirk Klatt, Senior Vice President of Real Estate
Trish McBratney-Gibbs, SVP, Chief Accounting Officer
Chad Shafer, Senior Vice President of Underwriting

Board of Directors

Todd Minnis – Chair
Matthew Troxell
Michael Christodolou
Heidi Everett
Mark Manheimer
Lori Wittman
Robin Zeigler

Corporate Headquarters

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Phone: (972) 597 – 4825
Website: www.netstreit.com

Transfer Agent

Computershare
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Louisville, Kentucky 40233
Phone: (866) 637 – 9460
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Quarterly Highlights

(unaudited, dollars in thousands, except per share data and square feet)

	Three Months Ended				
Financial Results	**June 30, 2023**	**March 31, 2023**	**December 31, 2022**	**September 30, 2022**	**June 30, 2022**
Net (loss) income	$ (792)	$ 1,481	$ 2,811	$ 1,419	$ 2,010
Net (loss) income per common share outstanding - diluted	$ (0.01)	$ 0.03	$ 0.05	$ 0.03	$ 0.04
Funds from Operations (FFO)	$ 17,198	$ 16,684	$ 14,621	$ 14,517	$ 12,864
FFO per common share outstanding - diluted	$ 0.28	$ 0.28	$ 0.26	$ 0.28	$ 0.26
Core Funds from Operations (Core FFO)	$ 17,587	$ 16,685	$ 15,379	$ 14,517	$ 12,828
Core FFO per common share outstanding - diluted	$ 0.29	$ 0.28	$ 0.28	$ 0.28	$ 0.26
Adjusted Funds from Operations (AFFO)	$ 18,747	$ 17,419	$ 16,251	$ 15,386	$ 13,738
AFFO per common share outstanding - diluted	$ 0.30	$ 0.30	$ 0.29	$ 0.30	$ 0.28
Dividends per share	$ 0.20	$ 0.20	$ 0.20	$ 0.20	$ 0.20
Weighted average common shares outstanding - diluted	61,043,531	58,883,386	55,715,025	51,384,758	48,951,833

Portfolio Metrics					
Number of investments(1)	531	488	430	409	384
Square feet	9,509,179	8,769,431	8,644,376	8,164,727	7,593,433
Occupancy(2)	100.0 %	100.0 %	100.0 %	100.0 %	100.0 %
Weighted average lease term remaining (years)(3)	9.4	9.4	9.5	9.6	9.5
Investment grade (rated) - % of ABR(4)	67.7 %	67.1 %	64.4 %	66.3 %	66.0 %
Investment grade profile (unrated) - % of ABR(5)	14.1 %	14.9 %	15.8 %	12.6 %	15.5 %
Combined Investment grade (rated) & Investment grade profile (unrated) - % of ABR	81.8 %	82.0 %	80.2 %	78.9 %	81.6 %

(1) 62 properties that secure mortgage loans receivable are denoted as individual investments.
(2) Excludes 62 investments that secure mortgage loans receivable.
(3) Weighted by ABR; excludes lease extension options and 62 investments that secure mortgage loans receivable.
(4) Investments, or investments that are subsidiaries of a parent entity, with a credit rating of BBB- (S&P/Fitch), Baa3 (Moody's) or NAIC2 (National Association of Insurance Commissioners) or higher.
(5) Investments with investment grade credit metrics (more than $1.0 billion in annual sales and a debt to adjusted EBITDA ratio of less than 2.0x), but do not carry a published rating from S&P, Fitch, Moody's, or NAIC.

Consolidated Statements of Operations

(unaudited, dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
REVENUES				
Rental revenue (including reimbursable)	$ 29,707	$ 22,048	$ 58,180	$ 42,970
Interest income on loans receivable	1,923	586	2,901	997
Total revenues	31,630	22,634	61,081	43,967
OPERATING EXPENSES				
Property	3,530	2,685	7,467	5,617
General and administrative	5,260	4,865	10,168	9,057
Depreciation and amortization	15,847	11,751	30,795	22,730
Provisions for impairment	2,836	1,114	2,836	1,114
Transaction costs	15	488	124	653
Total operating expenses	27,488	20,903	51,390	39,171
OTHER INCOME (EXPENSE)				
Interest expense, net	(5,521)	(1,522)	(9,465)	(2,691)
Gain on sales of real estate, net	615	1,858	296	2,019
Loss on debt extinguishment	(128)	—	(128)	—
Other income	68	36	220	36
Total other (expense) income, net	(4,966)	372	(9,077)	(636)
Net (loss) income before income taxes	(824)	2,103	614	4,160
Income tax benefit (expense)	32	(93)	75	(184)
Net (loss) income	(792)	2,010	689	3,976
Net (loss) income attributable to noncontrolling interests	(1)	23	8	47
Net (loss) income attributable to common stockholders	$ (791)	$ 1,987	$ 681	$ 3,929
Amounts available to common stockholders per common share:				
Basic	$ (0.01)	$ 0.04	$ 0.01	$ 0.08
Diluted	$ (0.01)	$ 0.04	$ 0.01	$ 0.08
Weighted average common shares:				
Basic	61,043,531	48,140,041	59,600,630	46,279,122
Diluted	61,043,531	48,951,833	60,294,734	47,277,468

Funds From Operations and Adjusted Funds From Operations

(unaudited, dollars in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
GAAP Reconciliation:				
Net (loss) income	$ (792)	$ 2,010	$ 689	$ 3,976
Depreciation and amortization of real estate	15,769	11,598	30,653	22,460
Provisions for impairment	2,836	1,114	2,836	1,114
Gain on sales of real estate, net	(615)	(1,858)	(296)	(2,019)
Funds from Operations (FFO)	$ 17,198	$ 12,864	$ 33,882	$ 25,531
Non-recurring executive transition costs, severance and related charges	201	—	214	—
Loss on debt extinguishment and other related costs	223	—	223	—
Gain on insurance proceeds	(35)	(36)	(47)	(36)
Core Funds from Operations (Core FFO)	$ 17,587	$ 12,828	$ 34,272	$ 25,495
Straight-line rent adjustments	(151)	(346)	(462)	(872)
Amortization of deferred financing costs	336	157	615	314
Amortization of above/below-market assumed debt	29	—	57	—
Amortization of loan origination costs	28	13	56	31
Amortization of lease-related intangibles	(184)	(166)	(397)	(331)
Capitalized interest expense	(150)	(46)	(284)	(103)
Non-cash compensation expense	1,252	1,298	2,279	2,343
Adjusted Funds from Operations (AFFO)	$ 18,747	$ 13,738	$ 36,136	$ 26,877
FFO per common share, diluted	**$ 0.28**	**$ 0.26**	**$ 0.56**	**$ 0.54**
Core FFO per common share, diluted	**$ 0.29**	**$ 0.26**	**$ 0.57**	**$ 0.54**
AFFO per common share, diluted	**$ 0.30**	**$ 0.28**	**$ 0.60**	**$ 0.57**
Dividends per share	$ 0.20	$ 0.20	$ 0.40	$ 0.40
Dividends per share as a percent of AFFO	67 %	71 %	67 %	70 %
Weighted average common shares outstanding, basic	61,043,531	48,140,041	59,600,630	46,279,122
Operating partnership units outstanding	507,773	527,539	509,588	539,054
Unvested restricted stock units	152,785	235,295	164,322	264,784
Unsettled shares under open forward equity contracts	—	48,958	20,194	194,508
Weighted average common shares outstanding, diluted	61,704,089	48,951,833	60,294,734	47,277,468

EBITDAre and Adjusted EBITDAre

(unaudited, dollars in thousands)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022
GAAP Reconciliation:		
Net (loss) income	$ (792)	$ 2,010
Depreciation and amortization of real estate	15,769	11,598
Amortization of lease-related intangibles	(184)	(166)
Non-real estate depreciation and amortization	78	153
Interest expense, net	5,521	1,522
Income tax expense (benefit)	(32)	93
Loss on debt extinguishment	128	—
Amortization of loan origination costs	28	13
EBITDA	20,516	15,223
Provision for impairments	2,836	1,114
Gain on sales of real estate, net	(615)	(1,858)
EBITDAre	22,737	14,479
Straight-line rent adjustments	(151)	(346)
Loss on debt extinguishment and other related costs	223	—
Non-recurring executive transition costs, severance and related charges	201	—
Gain on insurance proceeds	(35)	(36)
Other non-recurring expenses	242	—
Non-cash compensation expense	1,252	1,298
Adjustment for construction in process(1)	334	189
Adjustment for intraquarter investment activities(2)	817	1,701
Adjusted EBITDAre	$ 25,620	$ 17,285

Annualized Adjusted EBITDAre(3)	$ 102,480
Net Debt / Annualized Adjusted EBITDAre	4.6x

	As of June 30, 2023
Total Debt	$ 489,435
Cash, cash equivalents and restricted cash	(13,140)
Value of outstanding forward equity(4)	—
Net Debt	$ 476,295

(1) Adjustment reflects the estimated cash yield at completion on non-interest earning construction in process balances as of period end.
(2) The adjustment assumes all re-leasing activity, investments in and dispositions of real estate, including interest earning developments and interest earning loan activity completed during the three months ended June 30, 2023, and June 30, 2022 had occurred on April 1, 2023, and April 1, 2022, respectively.
(3) We calculate Annualized Adjusted EBITDAre by multiplying Adjusted EBITDAre by four.
(4) There were no unsettled shares under forward equity contracts as of June 30, 2023.

Net Operating Income

(unaudited, dollars in thousands)

	Three Months Ended June 30, 2023	Three Months Ended June 30, 2022	Six Months Ended June 30, 2023	Six Months Ended June 30, 2022
GAAP Reconciliation:				
Net (loss) income	$ (792)	$ 2,010	$ 689	$ 3,976
General and administrative	5,260	4,865	10,168	9,057
Depreciation and amortization	15,847	11,751	30,795	22,730
Provisions for impairment	2,836	1,114	2,836	1,114
Transaction costs	15	488	124	653
Interest expense, net	5,521	1,522	9,465	2,691
Gain on sales of real estate, net	(615)	(1,858)	(296)	(2,019)
Income tax (benefit) expense	(32)	93	(75)	184
Loss on debt extinguishment	128	—	128	—
Interest income on mortgage loans receivable	(1,923)	(586)	(2,901)	(997)
Other expense, net	(68)	(36)	(220)	(36)
Property-Level NOI	26,177	19,363	50,713	37,353
Straight-line rent adjustments	(151)	(346)	(462)	(872)
Amortization of lease-related intangibles	(184)	(166)	(397)	(331)
Property-Level Cash NOI	$ 25,842	$ 18,851	$ 49,854	$ 36,150
Adjustments for intraquarter acquisitions, dispositions and interest earning development(1)	687			
Property-Level Cash NOI Estimated Run Rate	$ 26,529			
Interest income on mortgage loans receivable	1,923			
Adjustments for intraquarter mortgage loan activity(2)	130			
Total Cash NOI - Estimated Run Rate	$ 28,582			
Property Operating Expense Coverage				
Property operating expenses	$ (3,530)	$ (2,685)	$ (7,467)	$ (5,617)
Property operating expense reimbursement	3,051	2,309	6,592	4,943
Property operating expenses, net	$ (479)	$ (376)	$ (875)	$ (674)

(1) Adjustments assumes all re-leasing activity, investments in and dispositions of real estate, including interest earning developments, completed during the three months ended June 30, 2023, had occurred on April 1, 2023.
(2) Adjustment assumes all loan activity completed during the three months ended June 30, 2023, had occurred on April 1, 2023.

Consolidated Balance Sheets

(unaudited, dollars in thousands, except per share data)

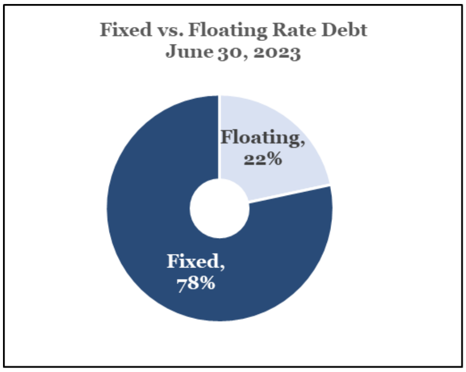
	June 30, 2023	December 31, 2022
ASSETS		
Real estate, at cost:		
Land	$ 424,821	$ 401,146
Buildings and improvements	1,005,884	907,084
Total real estate, at cost	1,430,705	1,308,230
Less accumulated depreciation	(80,527)	(62,526)
Property under development	24,192	16,796
Real estate held for investment, net	1,374,370	1,262,500
Assets held for sale	37,915	23,208
Mortgage loans receivables, net	107,758	46,378
Cash, cash equivalents and restricted cash	13,140	70,543
Lease intangible assets, net	158,067	151,006
Other assets, net	56,508	52,057
Total assets	$ 1,747,758	$ 1,605,692
LIABILITIES AND EQUITY		
Liabilities:		
Term loans, net	$ 372,686	$ 373,296
Revolving credit facility	106,000	113,000
Mortgage note payable, net	7,896	7,896
Lease intangible liabilities, net	27,434	30,131
Liabilities related to assets held for sale	83	406
Accounts payable, accrued expenses and other liabilities	29,064	22,540
Total liabilities	$ 543,163	$ 547,269
Equity:		
Stockholders' equity		
Common stock, $0.01 par value, 400,000,000 shares authorized; 66,991,597 and 58,031,879 shares issued and outstanding as of June 30, 2023 and December 31, 2022, respectively	$ 670	$ 580
Additional paid-in capital	1,260,879	1,091,514
Distributions in excess of retained earnings	(90,329)	(66,937)
Accumulated other comprehensive income	24,082	23,673
Total stockholders' equity	1,195,302	1,048,830
Noncontrolling interests	9,293	9,593
Total equity	1,204,595	1,058,423
Total liabilities and equity	$ 1,747,758	$ 1,605,692

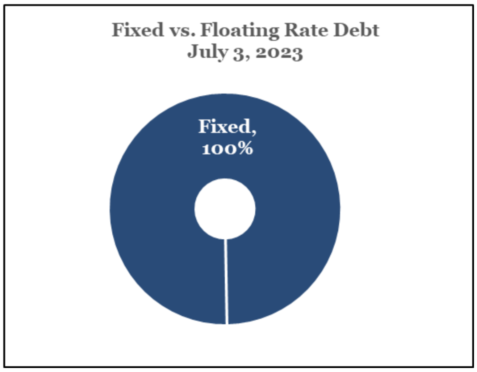
Debt, Capitalization, and Financial Ratios

(unaudited, dollars in thousands)

	As of June 30, 2023				
Debt Summary	**Fully Extended Maturity**	**Principal Balance**	**Interest Rate**[1]	**Remaining Capacity**	**Available Term (years)**
Unsecured revolver[2]	August 11, 2027	$ 106,000	6.15%	$ 294,000	4.1
Unsecured term loan[3]	January 15, 2027	175,000	1.37%	—	3.5
Unsecured term loan[4]	February 11, 2028	200,000	3.88%	—	4.6
Mortgage note[5]	November 1, 2027	8,472	4.53%	—	4.3
Total / Weighted Average		$ 489,472	3.49%	$ 294,000	4.1

	As of July 3, 2023				
Debt Summary	**Fully Extended Maturity**	**Principal Balance**	**Interest Rate**[1]	**Remaining Capacity**	**Available Term (years)**
Unsecured revolver[2]	August 11, 2027	$ —	—%	$ 400,000	4.1
Unsecured term loan[3]	January 15, 2027	175,000	1.37%	—	3.5
Unsecured term loan[4]	February 11, 2028	200,000	3.88%	—	4.6
Unsecured term loan[6]	January 3, 2029	150,000	4.89%	100,000	5.5
Mortgage note[5]	November 1, 2027	8,472	4.53%	—	4.3
Total / Weighted Average		$ 533,472	3.35%	$ 500,000	4.5





$175 million Term Loan - Interest Rate Schedule

Start Date	End Date	Applicable Balance	Fixed Rate[1]
Current	November 27, 2023	$ 175,000	1.37 %
November 27, 2023	December 23, 2024	$ 175,000	3.12 %
December 23, 2024	January 15, 2027	$ 175,000	3.65 %

(1) Rates presented exclude the impact of capitalized loan fee amortization.
(2) The facility matures on August 11, 2026 and includes one-year extension option. Interest rate reflects the all-in borrowing rate on the last day of the quarter presented. Facility fees are charged at an annual rate of 0.15% of the total facility size of $400 million, and are not included in the interest rate presented.
(3) The term loan matures on January 15, 2026 and includes a one-year extension option. Interest rate consists of the fixed rate SOFR swap of 0.12%, plus a credit spread adjustment of 0.10% and a borrowing spread of 1.15%. See the $175 million Term Loan - Interest Rate Schedule table for additional detail on the fixed interest rate changes through the fully extended maturity.
(4) Interest rate consists of the fixed rate SOFR swap of 2.63%, plus a credit spread adjustment of 0.10% and a borrowing spread of 1.15%. The swap terminates of February 11, 2028.
(5) The secured term loan was assumed as part of an asset acquisition during the third quarter of 2022.
(6) The term loan matures on July 3, 2026 and includes two one-year extension options and one six-month extension option. Interest rate consists of the fixed rate SOFR swap of 3.64%, plus a credit spread adjustment of 0.10% and a borrowing spread of 1.15%.

Debt, Capitalization, and Financial Ratios

(unaudited, dollars in thousands, except per share data)

Net Debt		June 30, 2023
Principal amount of total debt	$	489,472
Less: Cash, cash equivalents and restricted cash		(13,140)
Net debt	$	476,332
Net debt / Annualized Adjusted EBITDAre		4.6x

Key Debt Covenant Information	Required	Actual
Consolidated total leverage ratio	≤ 60.0%	28.0%
Fixed charge coverage ratio	≥ 1.50x	5.18x
Maximum secured indebtedness	≤ 40.0%	0.5%
Maximum recourse indebtedness	≤ 10.0%	—%
Unencumbered leverage ratio	≤ 60.0%	30.2%
Unencumbered interest coverage ratio	≥ 1.75x	6.00x

Liquidity		As of June 30, 2023
Unused unsecured revolver capacity	$	294,000
Cash, cash equivalents and restricted cash		13,140
Total Liquidity	$	307,140
Total Proforma Liquidity(1)	$	557,140

Equity	Ending Shares/ Units as of June 30, 2023		Equity Market Capitalization	% of Total
Common shares(2)	66,991,597	$	1,197,140	99.2 %
OP units(2)	507,773		9,074	0.8 %
Total	67,499,370	$	1,206,214	100.0 %

Enterprise Value		As of June 30, 2023	% of Total
Principal amount of total debt	$	489,472	28.9 %
Equity market capitalization(2)		1,206,214	71.1 %
Total enterprise value	$	1,695,686	100.0 %

(1) Total proforma liquidity includes the addition of the $250.0 million senior unsecured term loan that closed on July 3, 2023.
(2) Value is based on the June 30, 2023 closing share price of $17.87 per share.

Investment Activity

(unaudited, dollars in thousands)

	Three Months Ended				
	June 30, 2023	March 31, 2023	December 31, 2022	September 30, 2022	June 30, 2022
Investments[1]					
Number of Investments	45	71	24	26	27
Gross Investment	$ 119,017	$ 128,615	$ 104,069	$ 131,301	$ 133,065
Cash Yield	6.8 %	7.7 %	6.9 %	6.6 %	6.6 %
Weighted Average Lease Term (years)[2]	11.6	9.8	11.1	11.8	11.0
Investment Grade and Investment Grade Profile %	81.3 %	94.9 %	97.7 %	83.3 %	88.1 %
Dispositions:					
Number of Occupied Properties	2	8	3	1	1
Number of Vacant Properties	—	—	—	—	1
Net Book Value[3]	$ 3,221	$ 15,782	$ 9,690	$ 1,517	$ 8,027
Gross Proceeds	$ 4,060	$ 15,907	$ 12,294	$ 1,685	$ 10,328
Cash Yield (on leased properties)	6.7 %	6.8 %	6.7 %	5.5 %	6.0 %
Weighted Average Lease Term (years)	4.2	5.6	10.8	0.4	9.8

Developments

Industry	Location	Lease Term (years)	Amount Funded to Date	Anticipated Rent Commencement
Arts & Craft	D'Iberville, MS	15	$ 7,405	Commenced 1Q'23
Arts & Craft	Winder, GA	15	$ 7,422	Commenced 1Q'23
Arts & Craft	Sheboygan, WI	10	$ 3,599	Commenced 2Q'23
Home Improvement	Bossier City, LA	12	$ 4,086	3Q'23
Discount Retail	Alpena, MI	10	$ 3,804	4Q'23
Dollar Stores (multiple programs)	Various (13 in progress)	10 to 15	$ 9,851	3Q'23 to 2Q'24
Farm Supplies	Malakoff, TX	20	$ 1,224	1Q'24
TBD	Sumter, SC	TBD	$ 1,146	TBD

(1) Includes acquisitions, mortgage loans receivable, completed developments, and amounts funded for interest earning developments.
(2) Weighted by ABR; excludes lease extension options and 62 investments that secure mortgage loans receivable.
(3) Represents all capitalized costs associated with the property, less impairment charges and net of accumulated depreciation.

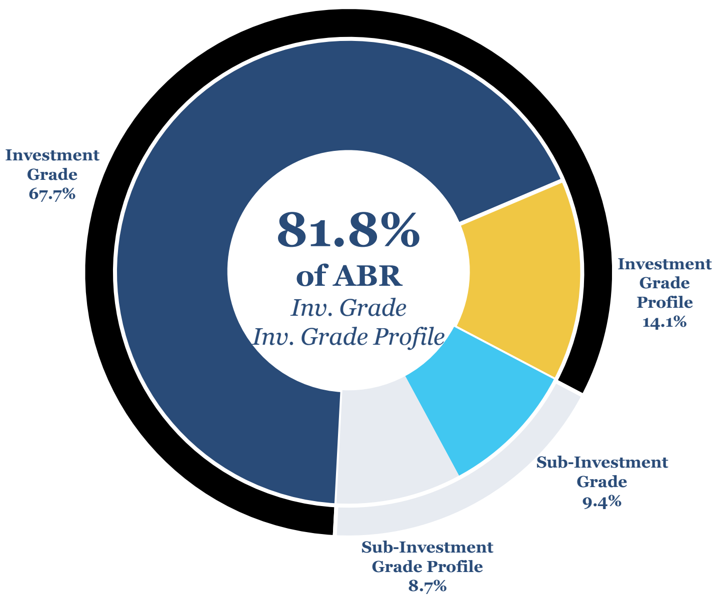
Portfolio Information

(unaudited, dollars in thousands)

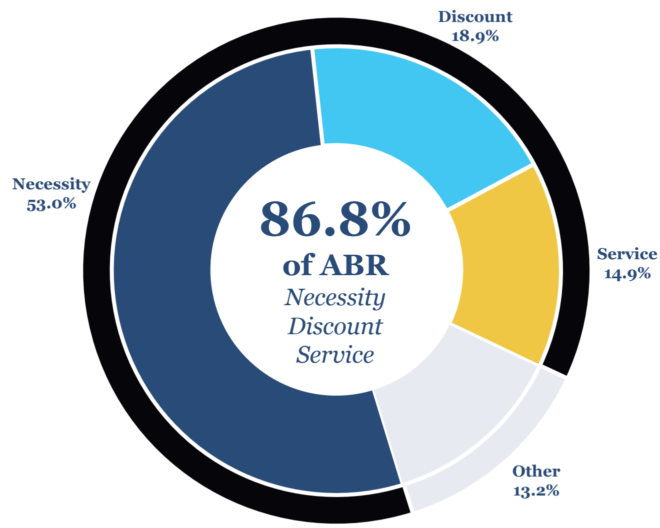
Portfolio Metrics	June 30, 2023
Number of Investments[(1)]	531
Number of states	45
Square feet	9,509,179
Tenants	87
Industries	25
Occupancy[(2)]	100.0 %
Weighted average lease term remaining (years)[(3)]	9.4

Tenant Quality	Number of Investments		ABR	% of ABR
Investment grade (rated)[(4)]	407	$	79,178	67.7%
Investment grade profile (unrated)[(5)]	44		16,477	14.1%
Sub-investment grade (rated)[(6)]	25		11,026	9.4%
Sub-investment grade profile (unrated)	55		10,217	8.7%
Total	531	$	116,898	100.0%

Tenant Quality



Defensive Category



(1) The 62 properties that secure mortgage loans receivable are denoted as individual investments.
(2) Excludes 62 investments that secure mortgage loans receivable.
(3) Weighted by ABR; excludes lease extension options and 62 investments that secure mortgage loans receivable.
(4) Investments, or investments that are subsidiaries of a parent entity (with such subsidiary making up at least 50% of the parent company total revenue), with a credit rating of BBB- (S&P), Baa3 (Moody's) or NAIC2 (National Association of Insurance Commissioners) or higher.
(5) Investments with investment grade credit metrics (more than $1.0 billion in annual sales and a debt to adjusted EBITDA ratio of less than 2.0x), but do not carry a published rating from S&P, Moody's, or NAIC.
(6) Investments, or investments that are subsidiaries of a parent entity (with such subsidiary making up at least 50% of the parent company total revenue), with a credit rating of BB+ (S&P), Ba1 (Moody's) or NAIC3 (National Association of Insurance Commissioners) or lower.

Portfolio Information (cont'd)

(unaudited, dollars in thousands)

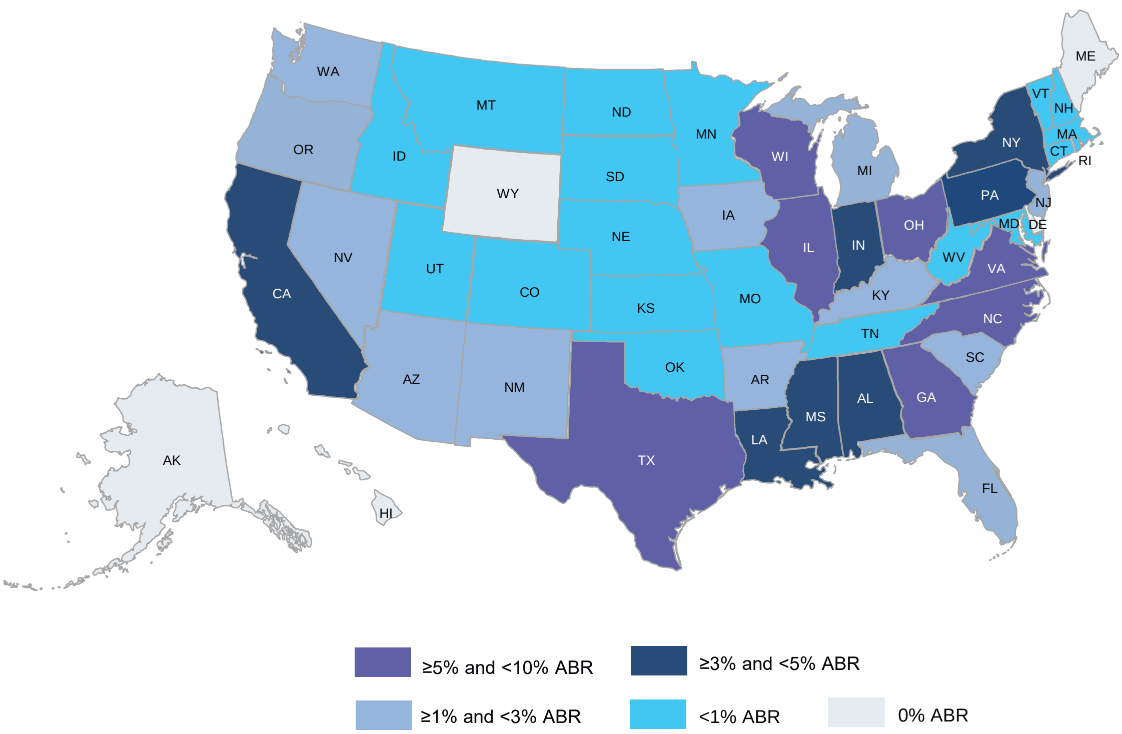
Top 20 Tenants	Number of Investments	ABR	% of ABR	Credit rating[(1)]
CVS Health	33	$ 10,246	8.8%	BBB
Walgreens	30	9,468	8.1%	BBB
Dollar General	94	9,325	8.0%	BBB
Hobby Lobby	14	5,468	4.7%	IG Profile
7-Eleven	20	4,611	3.9%	A
Dollar Tree / Family Dollar	41	4,417	3.8%	BBB
The Home Depot	3	4,363	3.7%	A
Speedway	49	4,288	3.7%	A
Advance Auto Parts	40	3,900	3.3%	Baa2
Walmart	6	3,770	3.2%	AA
Lowe's	4	3,578	3.1%	BBB+
Ahold Delhaize	6	3,532	3.0%	BBB+
Best Buy	6	3,211	2.7%	A3
Big Lots!	11	2,864	2.4%	SIG (unrated)
Festival Foods	2	2,719	2.3%	IG Profile
Floor & Decor	2	2,615	2.2%	BB
Ollie's Good Stuff Cheap	10	2,435	2.1%	IG Profile
Winn-Dixie	4	2,356	2.0%	Ba3
Kroger	5	1,894	1.6%	Baa1
Dick's Sporting Goods	1	1,636	1.4%	BBB
Total	381	$ 86,696	74.2%	

(1) If rated by a credit rating agency, reflects highest rating from S&P, Fitch, Moody's or National Association of Insurance Commissioners.

Portfolio Information (cont'd)

(unaudited, dollars in thousands)

State	Number of Investments		ABR	% of ABR
Illinois	25	$	10,116	8.7%
Texas	37		9,347	8.0%
North Carolina	66		7,225	6.2%
Wisconsin	20		6,709	5.7%
Georgia	30		6,183	5.3%
Ohio	37		6,025	5.2%
Virginia	10		5,801	5.0%
Indiana	21		5,257	4.5%
Pennsylvania	24		5,128	4.4%
Alabama	33		5,121	4.4%
Other	228		49,986	42.8%
Total	531	$	116,898	100.0%



Portfolio Information (cont'd)

(unaudited, dollars in thousands)

Industry	Defensive Category	Number of Investments		ABR	% of ABR
Drug Stores & Pharmacies	Necessity	63	$	19,715	16.9%
Grocery	Necessity	27		15,161	13.0%
Dollar Stores	Discount	135		13,742	11.8%
Home Improvement	Necessity	26		12,946	11.1%
Convenience Stores	Service	73		9,641	8.2%
Discount Retail	Discount	32		8,383	7.2%
Auto Parts	Necessity	61		5,526	4.7%
Arts & Crafts	Other	14		5,468	4.7%
General Retail	Necessity	6		3,753	3.2%
Quick Service Restaurants	Service	24		3,496	3.0%
Sporting Goods	Other	3		3,291	2.8%
Consumer Electronics	Other	6		3,211	2.7%
Healthcare	Necessity	12		2,369	2.0%
Automotive Service	Service	17		1,852	1.6%
Specialty	Other	2		1,719	1.5%
Farm Supplies	Necessity	7		1,596	1.4%
Health and Fitness	Service	1		985	0.8%
Furniture Stores	Other	2		892	0.8%
Casual Dining	Service	5		775	0.7%
Equipment Rental and Leasing	Service	5		679	0.6%
Apparel	Other	4		481	0.4%
Banking	Necessity	3		467	0.4%
Wholesale Warehouse Club	Necessity	1		417	0.4%
Gift, Novelty, and Souvenir Shops	Other	1		200	0.2%
Home Furnishings	Other	1		134	0.1%
Total		531	$	116,898	100.0%

Defensive Category	Number of Investments		ABR	% of ABR
Necessity	206	$	61,950	53.0%
Discount	167		22,125	18.9%
Service	125		17,428	14.9%
Other	33		15,395	13.2%
Total	531	$	116,898	100.0%

Lease Expiration Schedule[1]

(unaudited, dollars in thousands)

Year of Expiration	Number of Investments Expiring	ABR Expiring		Expiring as a % of Portfolio
2023	—	$	—	0.0%
2024	2		293	0.3%
2025	8		2,386	2.2%
2026	12		2,798	2.6%
2027	19		4,792	4.4%
2028	32		7,693	7.1%
2029	47		8,465	7.8%
2030	40		9,989	9.2%
2031	66		12,604	11.6%
2032	34		9,098	8.4%
2033	39		9,330	8.6%
2034	29		9,934	9.1%
2035	21		7,858	7.2%
2036	25		5,606	5.2%
2037	28		7,108	6.5%
2038	43		5,311	4.9%
2039	7		1,110	1.0%
2040	2		425	0.4%
2041	4		1,246	1.1%
2042	1		985	0.9%
2043	2		558	0.5%
2044	8		1,038	1.0%
TOTAL	469	$	108,627	100.0%

(1) Excludes 62 investments that secure mortgage loans receivable.

Non-GAAP Measures and Definitions

FFO, Core FFO, and AFFO

FFO means funds from operations. It is a non-GAAP measure defined by NAREIT as net income (computed in accordance with GAAP). Our FFO is net income in accordance with GAAP, excluding gains (or losses) resulting from dispositions of properties, plus depreciation and amortization and impairment charges on depreciable real property.

Core FFO means core funds from operations. Core FFO is a non-GAAP financial measure defined as FFO adjusted to remove the effect of unusual and non-recurring items that are not expected to impact our operating performance or operations on an ongoing basis. These have included non-recurring executive transition costs, severance and related charges, gain on insurance proceeds, and loss on debt extinguishments and other related costs.

AFFO means adjusted funds from operations. AFFO is a non-GAAP financial measure defined as Core FFO adjusted for GAAP net income related to non-cash revenues and expenses, such as straight-line rent, amortization of above- and below-market lease related intangibles, amortization of lease incentives, capitalized interest expense, non-cash compensation expense, amortization of deferred financing costs, amortization of above/below-market assumed debt, and amortization of loan origination costs.

Historical cost accounting for real estate assets implicitly assumes that the value of real estate assets diminishes predictably over time. In fact, real estate values historically have risen or fallen with market conditions. FFO is intended to be a standard supplemental measure of operating performance that excludes historical cost depreciation and valuation adjustments from net income. We consider FFO to be useful in evaluating potential property acquisitions and measuring operating performance.

We further consider FFO, Core FFO and AFFO to be useful in determining funds available for payment of distributions. FFO, Core FFO and AFFO do not represent net income or cash flows from operations as defined by GAAP. You should not consider FFO, Core FFO and AFFO to be alternatives to net income as a reliable measure of our operating performance; nor should you consider FFO, Core FFO and AFFO to be alternatives to cash flows from operating, investing or financing activities (as defined by GAAP) as measures of liquidity.

FFO, Core FFO and AFFO do not measure whether cash flow is sufficient to fund our cash needs, including principal amortization, capital improvements and distributions to stockholders. FFO, Core FFO and AFFO do not represent cash flows from operating, investing or financing activities as defined by GAAP. Further, FFO, Core FFO and AFFO as disclosed by other REITs might not be comparable to our calculations of FFO, Core FFO and AFFO.

Non-GAAP Measures and Definitions (cont'd)

EBITDA, EBITDA*re*, Adjusted EBITDA*re*, and Annualized Adjusted EBITDA*re*

EBITDA is defined as earnings before interest expense, income tax expense, and depreciation and amortization.

EBITDA*re* is the NAREIT definition of EBITDA (as defined above), but it is further adjusted to follow the definition included in a white paper issued in 2017 by NAREIT, which recommended that companies that report EBITDA also report EBITDA*re*. We compute EBITDA*re* in accordance with the definition adopted by NAREIT. NAREIT defines EBITDA*re* as EBITDA (as defined above) excluding gains (or losses) from sales of depreciable property and impairment charges on depreciable real property.

Adjusted EBITDA*re* is a non-GAAP financial measure defined as EBITDA*re* adjusted to exclude straight-line rent, non-cash compensation expense, non-recurring executive transition costs, severance and related charges, loss on debt extinguishment and other related costs, gain on insurance proceeds, other non-recurring expenses, adjustment for construction in process, and adjustment for intraquarter activities. Beginning in the quarter ended June 30, 2023, we modified our definition of Adjusted EBITDA*re* to include adjustments for construction in process and intraquarter investment activities. Prior periods have been recast to reflect this new definition.

Annualized Adjusted EBITDA*re* is a non-GAAP financial measure defined as Adjusted EBITDA*re* multiplied by four.

We present EBITDA, EBITDA*re*, Adjusted EBITDA*re*, and Annualized Adjusted EBITDA*re* as they are measures commonly used in our industry. We believe that these measures are useful to investors and analysts because they provide supplemental information concerning our operating performance, exclusive of certain non-cash items and other costs. We use EBITDA, EBITDA*re*, Adjusted EBITDA*re* and Annualized Adjusted EBITDA*re* as measures of our operating performance and not as measures of liquidity.

EBITDA, EBITDA*re*, Adjusted EBITDA*re* and Annualized Adjusted EBITDA*re* do not include all items of revenue and expense included in net income, they do not represent cash generated from operating activities and they are not necessarily indicative of cash available to fund cash requirements; accordingly, they should not be considered alternatives to net income as a performance measure or cash flows from operations as a liquidity measure and should be considered in addition to, and not in lieu of, GAAP financial measures. Additionally, our computation of EBITDA, EBITDA*re*, Adjusted EBITDA*re* and Annualized Adjusted EBITDA*re* may differ from the methodology for calculating these metrics used by other equity REITs and, therefore, may not be comparable to similarly titled measures reported by other equity REITs.

Net Debt

We calculate our Net Debt as our principal amount of total debt outstanding excluding deferred financing costs, net discounts and debt issuance costs less cash, cash equivalents and restricted cash available for future investment. We believe excluding cash, cash equivalents and restricted cash available for future investment from our principal amount, all of which could be used to repay debt, provides an estimate of the net contractual amount of borrowed capital to be repaid, which we believe is a beneficial disclosure to investors and analysts. We further adjust Net Debt by the value of outstanding forward equity as of period end. We believe these adjustments are additional beneficial disclosures to investors and analysis.

Non-GAAP Measures and Definitions (cont'd)

<u>Property-Level NOI, Property-Level Cash NOI, Property-Level Cash NOI - Estimated Run Rate, and Total Cash NOI - Estimated Run Rate</u>

Property-Level NOI, Property-Level Cash NOI, Property-Level Cash NOI - Estimated Run Rate, and Total Cash NOI - Estimated Run Rate are non-GAAP financial measures which we use to assess our operating results. We compute Property-Level NOI as net income (computed in accordance with GAAP), excluding general and administrative expenses, interest expense (or income), income tax expense, transaction costs, depreciation and amortization, gains (or losses) on sales of depreciable property, real estate impairment losses, interest income on mortgage loans receivable, loss on debt extinguishment, and other income (or expense).

We further adjust Property-Level NOI for non-cash revenue components of straight-line rent and amortization of lease-intangibles to derive Property-Level Cash NOI.

We further adjust Property-Level Cash NOI for intraquarter acquisitions, dispositions and interest earning developments to derive Property-Level Cash NOI - Estimated Run Rate.

We further adjust Property-Level Cash NOI - Estimated Run Rate for interest income on mortgage loans receivable and intraquarter mortgage loan activity to derive Total Cash NOI - Estimated Run Rate. We believe Property-Level NOI, Property-Level Cash NOI, Property-Level Cash NOI - Estimated Run Rate, and Total Cash NOI - Estimated Run Rate provide useful and relevant information because they reflect only those income and expense items that are incurred at the property level and present such items on an unlevered basis.

Property-Level NOI, Property-Level Cash NOI, Property-Level Cash NOI - Estimated Run Rate, and Total Cash NOI - Estimated Run Rate are not measurements of financial performance under GAAP, and may not be comparable to similarly titled measures of other companies. You should not consider our measures as alternatives to net income or cash flows from operating activities determined in accordance with GAAP.

<u>Other Definitions</u>

<u>ABR</u> is annualized base rent as of the most recent quarter end for all leases that commenced, annualized cash interest on mortgage loans receivable, and the cash yield on amounts funded to date on interest earning construction in process.

<u>Cash Yield</u> is the annualized base rent contractually due from acquired properties, interest income from mortgage loans receivable, completed developments, and interest earned from construction in process, divided by the gross investment amount, or gross proceeds in the case of dispositions.

<u>Defensive Category</u> is considered by us to represent tenants that focus on necessity goods and essential services in the retail sector, including discount stores, grocers, drug stores and pharmacies, home improvement, automotive service and quick-service restaurants, which we refer to as defensive retail industries.

The defensive sub-categories as we define them are as follows: (1) Necessity, which are retailers that are considered essential by consumers and include sectors such as drug stores, grocers and home improvement, (2) Discount, which are retailers that offer a low price point and consist of off-price and dollar stores, (3) Service, which consist of retailers that provide services rather than goods, including, tire and auto services and quick service restaurants, and (4) Other, which are retailers that are not considered defensive in terms of being considered necessity, discount or service, as defined by us.

Non-GAAP Measures and Definitions (cont'd)

Investments are lease agreements in place at owned properties, properties that have leases associated with mortgage loans receivable, developments where rent commenced, interest earning developments, or in the case of master lease arrangements each property under the master lease is counted as a separate lease.

Occupancy is expressed as a percentage, and it is the number of economically occupied properties divided by the total number of properties owned, excluding mortgage loans receivable and properties under development.

OP units means operating partnership units not held by NETSTREIT.

Weighted Average Lease Term is weighted by the annualized base rent, excluding lease extension options and investments associated with mortgage loans receivable.

Forward Looking and Cautionary Statements

This supplemental report contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such forward-looking statements include, without limitation, statements concerning our business and growth strategies, investment, financing and leasing activities, including estimated development costs, and trends in our business, including trends in the market for single-tenant, retail commercial real estate. Words such as “expects,” “anticipates,” “intends,” “plans,” “likely,” “will,” “believes,” “seeks,” “estimates,” and variations of such words and similar expressions are intended to identify such forward-looking statements. Such statements involve known and unknown risks, uncertainties and other factors that may cause our actual results, performance or achievements to be materially different from the results of operations or plans expressed or implied by such forward-looking statements. Although we believe that the assumptions underlying the forward-looking statements contained herein are reasonable, any of the assumptions could be inaccurate, and therefore such statements included in this supplemental report may not prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements included herein, the inclusion of such information should not be regarded as a representation by us or any other person that the results or conditions described in such statements or our objectives and plans will be achieved. For a further discussion of these and other factors that could impact future results, performance or transactions, see the information under the heading “Risk Factors” in our Annual Report on Form 10-K for the year ended December 31, 2022 filed with the SEC on February 23, 2023 and other reports filed with the SEC from time to time. Forward-looking statements and such risks, uncertainties and other factors speak only as of the date of this supplemental report. New risks and uncertainties may arise over time and it is not possible for us to predict those events or how they may affect us. Many of the risks identified herein and in our periodic reports have been and will continue to be heightened as a result of the ongoing and numerous adverse effects arising from macroeconomic conditions, including inflation, interest rates and instability in the banking system. We expressly disclaim any obligation or undertaking to update or revise any forward-looking statement contained herein, to reflect any change in our expectations with regard thereto, or any other change in events, conditions or circumstances on which any such statement is based, except to the extent otherwise required by law.