REFINITIV

DELTA REPORT

10-Q

FCPT - FOUR CORNERS PROPERTY TRU

10-Q - JUNE 30, 2024 COMPARED TO 10-Q - MARCH 31, 2024

The following comparison report has been automatically generated

TOTAL DELTAS	1302
CHANGES	172
DELETIONS	409
ADDITIONS	721

UNITED STATES

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 10-Q

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

For the quarterly period ended March 31, 2024 June 30, 2024

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 Number 1-37538

Four Corners Property Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland	**47-4456296**

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

591 R **Suite 3215,** **M0 94941 iA l l**

edwood Highway,

Valley,

(Address of principal executive offices)

(415)

(415) 965-8030

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	**Trading Symbol**	**Name of Exchange on Which Registered**

Common Stock, $0.0001 par value per share	FCPT	New York Stock Exchange

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. ☒ xYes Yes ¨☐ No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). ☒ xYes Yes ¨☐ No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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.

L☒ a r g e a c	AN ☐ con c- eac l ce eler r at aed

celerated filer

t fil eer d 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 ☐Yes ☒ No

Number of shares of common stock outstanding as of May 2, 2024 August 1, 2024: 91,986,471

92,664,568

FOUR CORNERS PROPERTY TRUST, INC.

FORM 10 - Q

THREE AND SIX MONTHS ENDED MARCH 31, JUNE 30, 2024

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PART I. FINANCIAL INFORMATION

Item 1. Financial Statements

FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

	March 31, 2024 (Unaudited)	December 31, 2023
ASSETS		
Real estate investments:		
Land	$ 1,244,659	$ 1,240,865
Buildings, equipment and improvements	1,719,745	1,708,556
Total real estate investments	2,964,404	2,949,421
Less: Accumulated depreciation	(747,958)	(738,946)
Total real estate investments, net	2,216,446	2,210,475
Intangible lease assets, net	115,812	118,027
Total real estate investments and intangible lease assets, net	2,332,258	2,328,502
Cash and cash equivalents	26,079	16,322
Straight-line rent adjustment	65,926	64,752
Derivative assets	24,414	20,952
Deferred tax assets	1,320	1,248
Other assets	12,613	19,858
Total Assets	$ 2,462,610	$ 2,451,634
LIABILITIES AND EQUITY		
Liabilities:		
Term loan and revolving credit facility, net of deferred financing costs	$ 509,780	$ 441,745
Senior unsecured notes, net of deferred financing costs	621,150	670,944
Dividends payable	31,656	31,539
Rent received in advance	12,300	14,309
Derivative liabilities	607	2,968
Other liabilities	22,887	30,266
Total liabilities	1,198,380	1,191,771
Equity:		

Preferred stock, par value 0.0001 per share; 25,000,000 authorized, zero shares issued and outstanding	—	—
Common stock, par value 0.0001 per share; 500,000,000 shares authorized, 91,989,203 and 91,617,477 shares issued and outstanding, respectively	9	9
Additional paid-in capital	1,268,361	1,261,940
Accumulated deficit	(33,888)	(26,276)
Accumulated other comprehensive income	27,538	21,977
Noncontrolling interest	2,210	2,213
Total equity	1,264,230	1,259,863
Total Liabilities and Equity	$ 2,462,610	$ 2,451,634

	June 30, 2024 (Unaudited)	December 31, 2023
ASSETS		
Real estate investments:		
Land	$ 1,264,216	$ 1,240,865
Buildings, equipment and improvements	1,744,544	1,708,556
Total real estate investments	3,008,760	2,949,421
Less: Accumulated depreciation	(757,054)	(738,946)
Total real estate investments, net	2,251,706	2,210,475
Intangible lease assets, net	114,087	118,027
Total real estate investments and intangible lease assets, net	2,365,793	2,328,502
Cash and cash equivalents	17,167	16,322
Straight-line rent adjustment	67,041	64,752
Derivative assets	24,293	20,952
Deferred tax assets	1,340	1,248
Other assets	10,280	19,858
Total Assets	$ 2,485,914	$ 2,451,634
LIABILITIES AND EQUITY		
Liabilities:		
Term loan and revolving credit facility, net of deferred financing costs	$ 537,270	$ 441,745
Senior unsecured notes, net of deferred financing costs	621,313	670,944
Dividends payable	31,695	31,539
Rent received in advance	12,394	14,309
Derivative liabilities	348	2,968
Other liabilities	21,482	30,266
Total liabilities	1,224,502	1,191,771
Equity:		
Preferred stock, par value 0.0001 per share; 25,000,000 authorized, zero shares issued and outstanding	—	—
Common stock, par value 0.0001 per share; 500,000,000 shares authorized, 92,102,202 and 91,617,477 shares issued and outstanding, respectively	9	9
Additional paid-in capital	1,272,477	1,261,940
Accumulated deficit	(40,911)	(26,276)
Accumulated other comprehensive income	27,636	21,977
Noncontrolling interest	2,201	2,213
Total equity	1,261,412	1,259,863
Total Liabilities and Equity	$ 2,485,914	$ 2,451,634

The accompanying notes are an integral part of this financial statement.

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FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED STATEMENTS OF INCOME

(In thousands, except share and per share data)

(Unaudited)

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Revenues:		
Rental revenue	$ 58,573	$ 52,197
Restaurant revenue	7,894	7,755
Total revenues	66,467	59,952
Operating expenses:		
General and administrative	6,213	6,055
Depreciation and amortization	13,467	12,176
Property expenses	3,081	3,167
Restaurant expenses	7,564	7,295
Total operating expenses	30,325	28,693
Interest expense	(12,281)	(9,918)
Other income	240	300
Realized gain on sale, net	—	1,562
Income tax expense	(27)	(48)
Net income	24,074	23,155
Net income attributable to noncontrolling interest	(30)	(31)
Net Income Available to Common Shareholders	$ 24,044	$ 23,124
Basic net income per share:	$ 0.26	$ 0.27
Diluted net income per share:	$ 0.26	$ 0.27
Weighted average number of common shares outstanding:		
Basic	91,719,475	85,833,602
Diluted	91,929,760	86,095,554
Dividends declared per common share	$ 0.3450	$ 0.3400

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
Revenues:				
Rental revenue	$ 58,539	$ 52,843	$ 117,112	$ 105,040
Restaurant revenue	7,940	7,845	15,834	15,600
Total revenues	66,479	60,688	132,946	120,640
Operating expenses:				
General and administrative	6,004	5,600	12,217	11,655
Depreciation and amortization	13,345	11,817	26,812	23,993
Property expenses	2,836	2,676	5,917	5,843

Restaurant expenses	7,332	7,197	14,896	14,492
Total operating expenses	29,517	27,290	59,842	55,983
Interest expense	(12,324)	(10,051)	(24,605)	(19,969)
Other income	150	226	390	526
Realized gain on sale, net	—	173	—	1,735
Income tax expense	(86)	(91)	(113)	(139)
Net income	24,702	23,655	48,776	46,810
Net income attributable to noncontrolling interest	(30)	(30)	(60)	(61)
Net Income Available to Common Shareholders	$ 24,672	$ 23,625	$ 48,716	$ 46,749
Basic net income per share:	$ 0.27	$ 0.27	$ 0.53	$ 0.54
Diluted net income per share:	$ 0.27	$ 0.27	$ 0.53	$ 0.54
Weighted average number of common shares outstanding:				
Basic	91,807,764	87,366,335	91,763,619	86,604,202
Diluted	91,994,062	87,556,011	91,976,282	86,825,150
Dividends declared per common share	$ 0.3450	$ 0.3400	$ 0.6900	$ 0.6800

The accompanying notes are an integral part of this financial statement.

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FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

(In thousands, except for share and per share data)

(Unaudited)

	Three Months Ended March 31,	
	2024	**2023**
Net income	$ 24,074	$ 23,155
Other comprehensive income:		
Effective portion of change in fair value of derivative instruments	8,670	(5,592)
Reclassification adjustment of derivative instruments included in net income	(3,102)	(2,078)
Other comprehensive income	5,568	(7,670)
Comprehensive income	29,642	15,485
Less: comprehensive income attributable to noncontrolling interest		
Net income attributable to noncontrolling interest	30	31
Other comprehensive income (loss) attributable to noncontrolling interest	7	(11)
Comprehensive income attributable to noncontrolling interest	37	20
Comprehensive Income Attributable to Common Shareholders	$ 29,605	$ 15,465

	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2024	**2023**	**2024**	**2023**
Net income	$ 24,702	$ 23,655	$ 48,776	$ 46,810
Other comprehensive income:				

Effective portion of change in fair value of derivative instruments	3,486	11,005	12,156	5,412
Reclassification adjustment of derivative instruments included in net income	(3,388)	(2,562)	(6,490)	(4,639)
Other comprehensive income	98	8,443	5,666	773
Comprehensive income	24,800	32,098	54,442	47,583
Less: comprehensive income attributable to noncontrolling interest				
Net income attributable to noncontrolling interest	30	30	60	61
Other comprehensive income attributable to noncontrolling interest	—	(29)	7	(40)
Comprehensive income attributable to noncontrolling interest	30	1	67	21
Comprehensive Income Attributable to Common Shareholders	$ 24,770	$ 32,097	$ 54,375	$ 47,562

The accompanying notes are an integral part of this financial statement.

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FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

(In thousands, except share data)

(Unaudited)

For the Three Months Ended March 31, 2024

	Common Stock		Additional Paid-in Capital	Retained Earnings (Accumulated Deficit)	Accumulated Other Comprehensive Income (Loss)	Noncontrolling Interest	Total
	Shares	Par Value					
Balance at December 31, 2023	91,617,477	$ 9	$ 1,261,940	$ (26,276)	$ 21,977	$ 2,213	$ 1,259,863
Net income	—	—	—	24,044	—	30	24,074
Other comprehensive income	—	—	—	—	5,561	7	5,568
ATM proceeds, net of issuance costs	280,914	—	6,898	—	—	—	6,898
Dividends and distributions to equity holders	—	—	—	(31,656)	—	(40)	(31,696)
Stock-based compensation, net	90,812	—	(477)	—	—	—	(477)
Balance at March 31, 2024	91,989,203	$ 9	$ 1,268,361	$ (33,888)	$ 27,538	$ 2,210	$ 1,264,230

June 30, 2024

	Common Stock		*Additional Paid-in Capital*	*Retained Earnings (Accumulated Deficit)*	*Accumulated Other Comprehensive Income (Loss)*	*Noncontrolling Interest*	*Total*
	Shares	*Par Value*					
Balance at March 31, 2024	***91,989,203***	***$ 9***	***$ 1,268,361***	***$ (33,888)***	***$ 27,538***	***$ 2,210***	***$ 1,264,230***
Net income	***—***	***—***	***—***	***24,672***	***—***	***30***	***24,702***
Other comprehensive income	***—***	***—***	***—***	***—***	***98***	***—***	***98***

ATM proceeds, net of issuance costs	***99,656***	***—***	***2,385***	***—***	***—***	***—***	***2,385***
Dividends and distributions to equity holders	***—***	***—***	***—***	***(31,695)***	***—***	***(39)***	***(31,734)***
Stock-based compensation, net	***13,343***	***—***	***1,731***	***—***	***—***	***—***	***1,731***
Balance at June 30, 2024	***92,102,202***	***$ 9***	***$ 1,272,477***	***$ (40,911)***	***$ 27,636***	***$ 2,201***	***$ 1,261,412***

For the Three Six Months Ended March 31, 2023

	Common Stock			**Retained Earnings**	**Accumulated Other**		
			Additional Paid-	**(Accumulated**	**Comprehensive**	**Noncontrolling**	
	Shares	**Par Value**	**in Capital**	**Deficit)**	**Income (Loss)**	**Interest**	**Total**
Balance at December 31, 2022	85,637,293	$ 9	$ 1,104,522	$ 576	$ 30,944	$ 2,259	$ 1,138,310
Net income	—	—	—	23,124	—	31	23,155
Other comprehensive income	—	—	—	—	(7,659)	(11)	(7,670)
ATM proceeds, net of issuance costs	324,182	—	8,905	—	—	—	8,905
Dividends and distributions to equity holders	—	—	—	(29,203)	—	(39)	(29,242)
Stock-based compensation, net	127,425	—	(491)	—	—	—	(491)
Balance at March 31, 2023	86,088,900	$ 9	$ 1,112,936	$ (5,503)	$ 23,285	$ 2,240	$ 1,132,967

June 30, 2024

	Common Stock		**Additional**	**Retained Earnings**	**Accumulated Other Comprehensive**		
		Par	**Paid-in**	**(Accumulated**	**Income**	**Noncontrolling**	
	Shares	**Value**	**Capital**	**Deficit)**	**(Loss)**	**Interest**	**Total**
Balance at December 31, 2023	91,617,477	$ 9	$ 1,261,940	$ (26,276)	$ 21,977	$ 2,213	$ 1,259,863
Net income	—	—	—	48,716	—	60	48,776
Other comprehensive income	—	—	—	—	5,659	7	5,666
ATM proceeds, net of issuance costs	380,570	—	9,283	—	—	—	9,283
Dividends and distributions to equity holders	—	—	—	(63,351)	—	(79)	(63,430)
Stock-based compensation, net	104,155	—	1,254	—	—	—	1,254
Balance at June 30, 2024	92,102,202	$ 9	$ 1,272,477	$ (40,911)	$ 27,636	$ 2,201	$ 1,261,412

The accompanying notes are an integral part of this financial statement.

FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)
(Unaudited)

	Three Months Ended March 31,	
	2024	**2023**
Cash flows - operating activities		
Net income	$ 24,074	$ 23,155
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	13,467	12,176

Realized gain on sale, net	—	(1,562)
Non-cash revenue adjustments	555	494
Amortization of financing costs	638	564
Stock-based compensation expense	1,640	1,767
Deferred income taxes	(72)	(44)
Changes in assets and liabilities:		
Derivative assets and liabilities	(255)	367
Straight-line rent adjustment	(1,174)	(1,304)
Rent received in advance	(2,009)	1,166
Intangible assets (lease incentive payments)	(1,119)	—
Other assets and liabilities	(8,120)	1,152
Net cash provided by operating activities	27,625	37,931
Cash flows - investing activities		
Purchases of real estate investments	(16,674)	(20,860)
Proceeds from sale of real estate investments	—	11,463
Change in advance deposits used in acquisition of real estate investments	225	(975)
Net cash used in investing activities	(16,449)	(10,372)
Cash flows - financing activities		
Net proceeds from ATM equity issuance	6,898	8,905
Payment of deferred financing costs	(1,397)	—
Repayment of senior notes	(50,000)	—
Proceeds from term loan borrowing	85,000	—
Proceeds from revolving credit facility	34,000	—
Repayment of revolving credit facility	(50,000)	—
Payment of dividends to shareholders	(31,539)	(29,064)
Distributions to non-controlling interests	(40)	(39)
Employee shares withheld for taxes	(2,117)	(2,258)
Net cash used in financing activities	(9,195)	(22,456)
Net increase in cash and cash equivalents, including restricted cash	1,981	5,103
Cash and cash equivalents, including restricted cash, at beginning of period	24,783	26,296
Cash and cash equivalents, including restricted cash, at end of period	$ 26,764	$ 31,399
Supplemental disclosures:		
Interest paid	$ 13,277	$ 7,856
Income taxes paid	$ —	$ 2
Operating lease payments received (lessor)	$ 54,298	$ 48,617
Operating lease payments remitted (lessee)	$ 227	$ 237
Non-cash activities:		
Dividends declared but not paid	$ 31,656	$ 29,203
Change in fair value of derivative instruments	$ 5,823	$ (8,037)

For the Three Months Ended June 30, 2023

	Common Stock		Additional	Retained Earnings	Accumulated Other Comprehensive		
	Shares	Par Value	Paid-in Capital	(Accumulated Deficit)	Income (Loss)	Noncontrolling Interest	Total
Balance at March 31, 2023	86,088,900	$ 9	$ 1,112,936	$ (5,503)	$ 23,285	$ 2,240	$ 1,132,967
Net income	—	—	—	23,625	—	30	23,655
Other comprehensive income	—	—	—	—	8,472	(29)	8,443

ATM proceeds, net of issuance costs	4,463,788	—	119,279	—	—	—	119,279
Dividends and distributions to equity holders	—	—	—	(30,724)	—	(39)	(30,763)
Stock-based compensation, net	13,158	—	1,560	—	—	—	1,560
Balance at June 30, 2023	90,565,846	$ 9	$ 1,233,775	$ (12,602)	$ 31,757	$ 2,202	$ 1,255,141

For the Six Months Ended June 30, 2023

	Common Stock		Additional	Retained Earnings	Accumulated Other Comprehensive		
	Shares	Par Value	Paid-in Capital	(Accumulated Deficit)	Income (Loss)	Noncontrolling Interest	Total
Balance at December 31, 2022	85,637,293	$ 9	$ 1,104,522	$ 576	$ 30,944	$ 2,259	$ 1,138,310
Net income	—	—	—	46,749	—	61	46,810
Other comprehensive income	—	—	—	—	813	(40)	773
ATM proceeds, net of issuance costs	4,787,970	—	128,184	—	—	—	128,184
Dividends and distributions to equity holders	—	—	—	(59,927)	—	(78)	(60,005)
Stock-based compensation, net	140,583	—	1,069	—	—	—	1,069
Balance at June 30, 2023	90,565,846	$ 9	$ 1,233,775	$ (12,602)	$ 31,757	$ 2,202	$ 1,255,141

The accompanying notes are an integral part of this financial statement.

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FOUR CORNERS PROPERTY TRUST, INC.

CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Six Months Ended June 30,	
	2024	**2023**
Cash flows - operating activities		
Net income	$ 48,776	$ 46,810
Adjustments to reconcile net income to cash provided by operating activities:		
Depreciation and amortization	26,812	23,993
Realized gain on sale, net	—	(1,735)
Non-cash revenue adjustments	1,052	984
Amortization of financing costs	1,291	1,128
Stock-based compensation expense	3,371	3,326
Deferred income taxes	(92)	(48)
Changes in assets and liabilities:		
Derivative assets and liabilities	(295)	8,372
Straight-line rent adjustment	(2,287)	(2,639)
Rent received in advance	(1,915)	1,530
Intangible assets (lease incentive payments)	(1,119)	—
Other assets and liabilities	(8,295)	3,853
Net cash provided by operating activities	67,299	85,574
Cash flows - investing activities		
Purchases of real estate investments	(63,810)	(194,970)

Proceeds from sale of real estate investments	—	13,464
Change in advance deposits in acquisition of real estate investments	400	(1,750)
Net cash used in investing activities	(63,410)	(183,256)
Cash flows - financing activities		
Net proceeds from ATM equity issuance	9,283	128,184
Payment of deferred financing costs	(1,397)	—
Repayment of senior notes	(50,000)	—
Proceeds from term loan borrowing	85,000	—
Proceeds from revolving credit facility	73,000	15,000
Repayment of revolving credit facility	(62,000)	—
Payment of dividends to shareholders	(63,195)	(58,266)
Distributions to non-controlling interests	(79)	(78)
Employee shares withheld for taxes	(2,117)	(2,257)
Net cash (used in) provided by financing activities	(11,505)	82,583
Net decrease in cash and cash equivalents, including restricted cash	(7,616)	(15,099)
Cash and cash equivalents, including restricted cash, at beginning of period	24,783	26,296
Cash and cash equivalents, including restricted cash, at end of period	$ 17,167	$ 11,197
Supplemental disclosures:		
Interest paid	$ 29,509	$ 23,261
Income taxes paid	$ 375	$ 343
Operating lease payments received (lessor)	$ 110,433	$ 98,764
Operating lease payments remitted (lessee)	$ 460	$ 452
Non-cash activities:		
Dividends declared but not paid	$ 31,695	$ 30,724
Change in fair value of derivative instruments	$ 5,961	$ (7,599)

The accompanying notes are an integral part of this financial statement.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

(Unaudited)

(Unaudited)

NOTE 1 – ORGANIZATION

Four Corners Property Trust, Inc. (together with its consolidated subsidiaries, “FCPT”) is an independent, publicly traded, self-administered company, primarily engaged in the ownership, acquisition and leasing of restaurant and retail properties. Substantially all of our business is conducted through Four Corners Operating Partnership, LP (“FCPT OP”), a Delaware limited partnership of which we are the initial and substantial limited partner. Our wholly owned subsidiary, Four Corners GP, LLC (“FCPT GP”), is its sole general partner.

Any references to “the Company,” “we,” “us,” or “our” refer to FCPT as an independent, publicly traded, self-administered company.

FCPT was incorporated as a Maryland corporation on July 2, 2015 as a wholly owned indirect subsidiary of Darden Restaurants, Inc., (together with its consolidated subsidiaries “Darden”), for the purpose of owning, acquiring and leasing properties on a triple-net basis, for use in the restaurant and other retail industries. On November 9, 2015, Darden completed a spin-off of FCPT whereby Darden contributed to us 100%100% of the equity interest in entities that owned 418 properties in which Darden operates restaurants, representing five of their brands, and six LongHorn Steakhouse restaurants located in the San Antonio, Texas area (the “Kerrow Restaurant Operating Business”) along with the underlying properties or interests therein associated with the Kerrow Restaurant Operating Business. In exchange, we issued to Darden all of our common stock and paid to Darden $315.0 million $315.0 million in cash. Subsequently, Darden distributed all of our outstanding shares of common stock pro rata to holders of Darden common stock whereby each Darden shareholder received one share of our common stock for every three shares of Darden common stock held at the close of business on the record date, which was November 2, 2015, as well as cash in lieu of any fractional shares of our common stock which they would have otherwise received.

We believe that we have been organized and have operated in conformity with the requirements for qualification and taxation as a real estate investment trust (a “REIT”) for federal income tax purposes commencing with our taxable year ended December 31, 2016, and we intend to continue to operate in a manner that will enable us to maintain our qualification as a REIT. To qualify as a REIT, we must meet a number of organizational and operational requirements, including a requirement that we distribute at least 90% of our

REIT taxable income to our shareholders, subject to certain adjustments and excluding any net capital gain. As a REIT, we will not be subject to federal corporate income tax on that portion of net income that is distributed to our shareholders. However, FCPT's taxable REIT subsidiaries ("TRS") will generally be subject to federal, state, and local income taxes. We made our REIT election upon the filing of our 2016 tax return.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation and Basis of Presentation

The accompanying consolidated financial statements (the "Consolidated Financial Statements") include the accounts of Four Corners Property Trust, Inc. and its consolidated subsidiaries. All intercompany accounts and transactions have been eliminated in consolidation.

The Consolidated Financial Statements reflect all adjustments which are, in the opinion of management, necessary to a fair presentation of the results for the interim periods presented. These adjustments are considered to be of a normal, recurring nature.

Use of Estimates

The preparation of these Consolidated Financial Statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. The estimates and assumptions used in the accompanying Consolidated Financial Statements are based on management's evaluation of the relevant facts and circumstances. Actual results may differ from the estimates and assumptions used in preparing the accompanying Consolidated Financial Statements, and such differences could be material.

Real Estate Investments, Net

Real estate investments, net are recorded at cost less accumulated depreciation. Building components are depreciated over estimated useful lives ranging fromseven sevento fifty-five years using the straight-line method. Leasehold improvements, which are reflected on our Consolidated Balance Sheets as a component of buildings, equipment, and improvements, net are amortized over the lesser of the non-cancelable lease term or the estimated useful lives of the related assets using the straight-line method. Equipment is depreciated over estimated useful lives ranging fromtwo twoto fifteen years also using the straight-line method. Real estate development and construction costs for newly constructed restaurant and retail locations are capitalized in the period in which they are incurred. Gains and losses on the disposal of land, buildings, and equipment are included in realized gain on sale, net, in our accompanying Consolidated Statements of Income ("Income Statements").

Our accounting policies regarding land, buildings, equipment, and improvements, include our judgments regarding the estimated useful lives of these assets, the residual values to which the assets are depreciated or amortized, the determination of what constitutes a reasonably assured lease term, and the determination as to what constitutes enhancing the value of or increasing the life of existing assets. These judgments and estimates may produce materially different amounts of reported depreciation and amortization expense if

different assumptions were used. As discussed further below, these judgments may also impact our need to recognize an impairment charge on the carrying amount of these assets as the cash flows associated with the assets are realized, or as our expectations of estimated future cash flows change.

Acquisition of Real Estate

The Company evaluates acquisitions to determine whether transactions should be accounted for as asset acquisitions or business combinations in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Update ("ASU") 2017-01. The Company has determined the land, building, site improvements, and in-places leases (if any) of assets acquired were each single assets as the building and property improvements are attached to the land and cannot be physically removed and used separately from the land without incurring significant costs or reducing their fair value. Additionally, the Company has not historically acquired a substantive process used to generate outputs. As substantially all of the fair value of the gross assets acquired are concentrated in a single identifiable asset and there were no processes acquired, the acquisitions do not qualify as a business and are accounted for as asset acquisitions. Related transaction costs are generally capitalized and amortized over the useful life of the acquired assets.

The Company allocates the purchase price (including acquisition and closing costs) of real estate acquisitions to land, building, and improvements based on their relative fair values. The determination of the building fair value is on an 'as-if-vacant' basis. Value is allocated to acquired lease intangibles (if any) based on the costs avoided and revenue recognized by acquiring the property subject to lease and avoiding an otherwise 'dark period'. In making estimates of fair values for this purpose, the Company uses a third-party specialist that obtains various information about each property, as well as the pre-acquisition due diligence of the Company and prior leasing activities at the site.

Lease Intangibles

Lease intangibles, if any, acquired in conjunction with the purchase of real estate represent the value of in-place leases and above- or below-market leases. For real estate acquired subject to existing lease agreements, acquired lease intangibles are valued based on the Company's estimates of costs related to tenant acquisition and the asset carrying costs, including lost revenue, that would be incurred during the time it would take to locate a tenant if the property were vacant, considering current market conditions and costs to execute similar leases at the time of the acquisition. Above-market and below-market lease intangibles are recorded based on the present value of the difference between the contractual amounts to be paid pursuant to the leases at the time of acquisition of the real estate and the Company's estimate of current market lease rates for the property, measured over a period equal to the remaining initial term of the lease.

In-place lease intangibles are amortized on a straight-line basis over the remaining initial term of the related lease and included in depreciation and amortization expense. Above-market lease intangibles are amortized over the remaining initial terms of the respective leases as a decrease in rental revenue. Below-market lease intangibles are generally amortized as an increase to rental revenue over the remaining initial term of the respective leases, but may be amortized over the renewal periods if the Company believes it is likely the tenant will exercise the renewal option. Should a lease terminate early, the

unamortized portion of any related lease intangible is immediately recognized as an impairment loss included in depreciation and amortization expense. To date, the Company has not had significant early terminations.

Finance ground lease assets are also included in lease intangible assets, net on the Consolidated Balance Sheets. See *Leases* below for additional information.

Impairment of Long-Lived Assets

Land, buildings and equipment and certain other assets, including definite-lived intangible assets, are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. Such events and changes may include macroeconomic conditions, including those caused by global pandemics, which may result in property operational disruption and indicate that the carrying amount may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to the future undiscounted net cash flows expected to be generated by the assets. Identifiable cash flows are measured at the lowest level for which they are largely independent of the cash flows of other groups of assets and liabilities, generally at the restaurant and retail level. If these assets are determined to be impaired, the amount of impairment recognized is measured by the amount by which the carrying amount of the assets exceeds their fair value. Fair value is generally determined by appraisals or sales prices of comparable assets.

The judgments we make related to the expected useful lives of long-lived assets and our ability to realize undiscounted cash flows in excess of the carrying amounts of these assets are affected by factors such as the ongoing maintenance and improvements of the assets, changes in economic conditions, changes in usage or operating performance, desirability of the restaurant and retail sites and other factors, such as our ability to sell our assets held for sale. As we assess the ongoing expected cash flows and carrying amounts of our long-lived assets, significant adverse changes in these factors could cause us to realize a material impairment loss.

Exit or disposal activities include the cost of disposing of the assets and are generally expensed as incurred. Upon disposal of the assets, any gain or loss is recorded in the same caption within our Income Statements as the original impairment. Provisions for

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impairment are included in depreciation and amortization expense in the accompanying Income Statements. We did notnot record impairment expense during the three six months ended March 31, 2024 June 30, 2024 or 2023.

Real Estate Held for Sale

Real estate is classified as held for sale when the sale is probable, will be completed within one year, purchase agreements are executed, the buyer has a significant deposit at risk, and no financing contingencies exist which could prevent the transaction from being completed in a timely manner. Restaurant and retail sites and certain other assets to be disposed of are included in assets held for sale when the likelihood of disposing of these assets within one year is probable. Assets whose disposal is not probable within one year remain in land, buildings, equipment and improvements until their disposal within one year is probable. Disposals of assets that have a major effect on our operations and financial results or that represent a strategic shift in our operating businesses meet the requirements to be reported as discontinued operations. Real estate held for sale is reported at the lower of carrying amount or fair value, less estimated costs to sell. No properties were held for sale at March 31, 2024 June 30, 2024 or December 31, 2023.

Cash, Cash Equivalents, and Restricted Cash

We consider all highly liquid investments with a maturity of three months or less when purchased to be cash equivalents. Cash and cash equivalents can consist of cash and money market accounts. Restricted cash consists of 1031 tax deferred real estate exchange proceeds and is included in Other assets in our Consolidated Balance Sheets.

The following table provides a reconciliation of cash, cash equivalents, and restricted cash in our Consolidated Balance Sheets to the total amount shown in our Consolidated Statements of Cash Flows:

(In thousands)	June 30, 2024	December 31, 2023
Cash and cash equivalents	$ 17,167	$ 16,322
Restricted cash (included in Other assets)	—	8,461
Total Cash, Cash Equivalents, and Restricted Cash	$ 17,167	$ 24,783

(In thousands)	March 31, 2024	December 31, 2023
Cash and cash equivalents	$ 26,079	$ 16,322
Restricted cash (included in Other assets)	685	8,461
Total Cash, Cash Equivalents, and Restricted Cash	$ 26,764	$ 24,783

Debt

The Company's debt consists of non-amortizing term loans, a revolving credit facility and senior, unsecured, fixed rate notes (collectively referred to as "Debt"). Debt is carried at unpaid principal balance, net of deferred financing costs. All of our debt is currently unsecured and interest is paid monthly on our non-amortizing term loans and revolving credit facility and semi-annually on our senior fixed rate notes.

Deferred Financing Costs

Financing costs related to debt are deferred and amortized over the remaining life of the debt using the effective interest method. These costs are presented as a direct deduction from their related liabilities in the Consolidated Balance Sheets.

See Note 6 - Debt, Net of Deferred Financing Costs for additional information.

Derivative Instruments and Hedging Activities

We enter into derivative instruments for risk management purposes only, including derivatives designated as hedging instruments as required by FASB ASC Topic 815, Derivatives and Hedging, and those utilized as economic hedges. Our use of derivative instruments is currently limited to interest rate hedges. These instruments are generally structured as hedges of the variability of cash flows related to forecasted transactions (cash flow hedges). We do not enter into derivative instruments for trading or speculative purposes, where changes in the cash flows of the derivative are not expected to offset changes in cash flows of the hedged item. All derivatives are recognized on the balance sheet at fair value. For those derivative instruments for which we intend to elect hedge accounting, at the time the derivative contract is entered into, we document all relationships between hedging instruments and hedged items, as well as our risk-management objective and strategy for undertaking the various hedge transactions. This process includes linking all derivatives designated as cash flow hedges to specific assets and liabilities on the consolidated balance sheet or to specific forecasted transactions. We also formally assess, both at the hedge's inception and on an ongoing basis, whether the derivatives used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

To the extent our derivatives are effective in offsetting the variability of the hedged cash flows, and otherwise meet the cash flow hedge accounting criteria in accordance with United States generally accepted accounting principles ("U.S. GAAP"), changes in the derivatives' fair value are not included in current earnings but are included in accumulated other comprehensive income, net of tax. These changes in fair value will be reclassified into earnings at the time of the forecasted transaction. Ineffectiveness measured in the hedging relationship is recorded in earnings in the period in which it occurs.

See Note 7 - Derivative Financial Instruments for additional information.

Other Assets and Liabilities

Other assets primarily consist of right of use operating lease assets, pre-acquisition costs, restricted cash, prepaid assets, food and beverage inventories for use by our Kerrow operating subsidiary, escrow deposits, and accounts receivable. Other liabilities primarily consist of accrued compensation, accrued interest expense, accrued operating expenses, intangible lease liabilities, and operating lease liabilities.

See Note 8 - Supplemental Detail for Certain Components of Consolidated Balance Sheets for additional information.

Leases

Effective January 1, 2019, the Company adopted FASB Accounting Standards Codification 842, Leases, including effective amendments ("ASC 842"). All significant lease arrangements are generally recognized at lease commencement. For leases where the Company is the lessee upon adoption of ASC 842, operating or finance lease right-of-use ("ROU") assets and lease liabilities are recognized at commencement based on the present value of lease payments over the lease term. ROU assets represent our right to use an underlying asset during the reasonably certain lease term and lease liabilities represent our obligation to make lease payments arising from the lease. Our lease terms may include options to extend or terminate the lease when it is reasonably certain that we will exercise that option. Lease expense is recognized on a straight-line basis over the lease term.

As part of certain real estate investment transactions, the Company may enter into long-term ground leases as a lessee. The Company recognizes a ground lease (or right-of-use) asset and related lease liability for each of these ground leases. Ground lease assets and lease liabilities are recognized based on the present value of the lease payments. The Company uses its estimated incremental borrowing rate, which is the estimated rate at which the Company could borrow on a collateralized basis with similar payments over a similar term, in determining the present value of the lease payments.

For leases where the Company is the lessor, we determine the classification upon commencement. At March 31, 2024 June 30, 2024, all such leases are classified as operating leases. These operating leases may contain both lease and non-lease components. The Company accounts for lease and non-lease components as a single component.

See Note 5 - Leases for additional information.

Revenue Recognition

Rental Revenue

For those net leases that provide for periodic and determinable increases in base rent, base rental revenue is recognized on a straight-line basis over the applicable lease term when collectability is probable. Recognizing rental revenue on a straight-line basis generally results in recognized revenues during the first half of a lease term exceeding the cash amounts contractually due from our tenants, creating a deferred rent receivable.

In certain circumstances, the Company may offer tenant allowance funds in exchange for increasing rent, extending the term, and including annual sales reporting among other items. These tenant allowance funds are classified as lease incentives upon payment and are amortized as a reduction to revenue over the lease term. Lease incentives are included in intangible lease assets, net, on our Consolidated Balance Sheets. The Company paid lease incentives of $1.1 million to tenants during During the three months ended March 31, 2024. June 30, 2024, the Company did not pay lease incentives to tenants. During the year six months ended December 31, 2023 June 30, 2024, the Company paid lease incentives of $1.2 million $1.1 million. The Company did not pay lease incentives to tenants.

tenants during the six months ended June 30, 2023.

We assess the collectability of our lease receivables, including deferred rents receivable, on several factors, including payment history, the financial strength of the tenant and any guarantors, historical operations and operating trends of the property, and current economic conditions. If our evaluation of these factors indicates it is not probable that we will be able to recover substantially all of the receivable, we derecognize the deferred rent receivable asset and record that revenue as a reduction in rental revenue. If we determine the lease receivable will not be collected due to a credit concern, we reduce the recorded revenue for the period and related accounts receivable.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

For those leases that provide for periodic increases in base rent only if certain revenue parameters or other substantive contingencies are met, the increased rental revenue is recognized as the related parameters or contingencies are met, rather than on a straight-line basis over the applicable lease term. Costs paid by the lessor and reimbursed by the lessees are included in variable lease payments and presented on a gross basis within rental revenue. Sales taxes collected from lessees and remitted to governmental authorities are presented on a net basis within rental revenue.

Restaurant Revenue

Restaurant revenue represents food, beverage, and other products sold and is presented net of the following discounts: coupons, employee meals, complimentary meals and gift cards. Revenue from restaurant sales, whether received in cash or by credit card, is recognized when food and beverage products are sold. At March 31, 2024 June 30, 2024 and December 31, 2023, credit card receivables, included in other assets, totaled $234 $257 thousand and $293 $293 thousand, respectively. We recognize sales from our gift cards when the gift card is redeemed by the customer. Sales taxes collected from customers and remitted to governmental authorities are presented on a net basis within restaurant revenue on our Consolidated Income Statements.

Restaurant Expenses

Restaurant expenses include restaurant labor, general and administrative expenses, rent expense, and food and beverage costs. Food and beverage costs include inventory, warehousing, related purchasing and distribution costs. Vendor allowances received in connection with the purchase of a vendor's products are recognized as a reduction of the related food and beverage costs as earned.

Realized Gain on Sale, Net

The Company recognizes gain on sale of real estate in accordance with FASB ASU No. 2017-05, "Clarifying the Scope of Asset Derecognition Guidance and Accounting for Partial Sales of Nonfinancial Assets." The Company evaluates each transaction to determine if control of the asset, as well as other specified criteria, has been transferred to the buyer to determine proper timing of revenue recognition, as well as transaction price allocation. During the six months ended June 30, 2024, the Company did not sell any properties. During the three months ended March 31, 2023 June 30, 2023, the Company sold threeone property, which resulted in a realized gain of $173 thousand. During the six months ended June 30, 2023, the Company sold four properties, which resulted in a realized gain of $1.6 $1.7 million.

Income Taxes

We believe that we have been organized and have operated in conformity with the requirements for qualification and taxation as a REIT commencing with our taxable year ended December 31, 2016, and we intend to continue to operate in a manner that will enable us to maintain our qualification as a REIT. So long as we qualify as a REIT, we generally will not be subject to federal income tax on our net income that we distribute currently to our shareholders. To maintain our qualification as a REIT, we are required under the Code to distribute at least 90% of our REIT taxable income (without regard to the deduction for dividends paid and excluding net capital gains) to our shareholders and meet certain other requirements. If we fail to qualify as a REIT in any taxable year, we will be subject to federal income tax on our taxable income at regular corporate rates. Even if we qualify as a REIT, we may also be subject to certain state, local and franchise taxes. Under certain circumstances, federal income and excise taxes may be due on our undistributed taxable income.

The Kerrow Restaurant Operating Business operates throughis a TRS and is taxed as a C corporation.

See Note 9 - Income Taxes for additional information.

Earnings Per Share

Basic earnings per share ("EPS") are computed by dividing net income allocated to common shareholders by the weighted-average number of common shares outstanding for the reporting period. Diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into common stock. No effect is shown for any securities that are anti-dilutive. Net income allocated to common shareholders represents net income less income allocated to participating securities and non-controlling interests. None of the Company's equity awards are participating securities.

See Note 10 - Equity for additional information.

Noncontrolling Interest

Noncontrolling interest represents the aggregate limited partnership interests in FCPT OP held by third parties. In accordance with GAAP, the noncontrolling interest of FCPT OP is shown as a component of equity on our Consolidated Balance Sheets, and the portion of income allocable to third parties is shown as net income attributable to noncontrolling interests in our Income Statements and Consolidated Statements of Comprehensive Income (Loss) ("Comprehensive Income Statement"). The Company follows the guidance issued by the FASB regarding the classification and measurement of redeemable securities. At FCPT OP's option, it may satisfy this redemption with cash or by exchanging non-registered shares of FCPT common stock on a one-for-oneone-for-one basis. Accordingly, the Company

has determined that the common OP units meet the requirements to be classified as permanent equity. A reconciliation of equity attributable to noncontrolling interest is disclosed in our Consolidated Statements of Changes in Equity.

See Note 10 - Equity for additional information.

Stock-Based Compensation

The Company’s stock-based compensation plan provides for the grant of restricted stock awards (“RSAs”), deferred stock units (“DSUs”), performance-based awards, including performance stock units (“PSUs”), dividend equivalents (“DEUs”), restricted stock units (“RSUs”), and other types of awards to eligible participants. DEUs are earned during the vesting period and received upon vesting of award. Upon forfeiture of an award, DEUs earned during the vesting period are also forfeited. We classify stock-based payment awards either as equity awards or liability awards based upon cash settlement options. Equity classified awards are measured based on the fair value on the date of grant. Liability classified awards are remeasured to fair

value each reporting period. We recognize costs resulting from the Company’s stock-based compensation awards on a straight-line basis over their vesting periods, which range between one and five years. years. No compensation cost is recognized for awards for which employees do not render the requisite services.

See Note 11 - Stock-Based Compensation for additional information.

Fair Value of Financial Instruments

We use a fair value approach to value certain assets and liabilities. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. As such, fair value is a market-based measurement that should be determined based on assumptions that market participants would use in pricing an asset or liability. We use a fair value hierarchy, which distinguishes between assumptions based on market data (observable inputs) and an entity's own assumptions (unobservable inputs). The hierarchy consists of three levels:

- Level 1 - Quoted market prices in active markets for identical assets or liabilities;
- Level 2 - Inputs other than level one inputs that are either directly or indirectly observable; and
- Level 3 - Unobservable inputs developed using estimates and assumptions, which are developed by the reporting entity and reflect those assumptions that a market participant would use.

Application of New Accounting Standards

We consider the applicability and impact of all ASUs issued by the FASB. ASUs not yet adopted were assessed and determined to be either not applicable or are expected to have minimal impact to our consolidated result of operations, financial position and cash flows.

In November 2023, the FASB issued ASU 2023-07, “Segment Reporting (Topic 280): Improvements to Reportable Segment Disclosures”, which expands reportable segment disclosure requirements, primarily through enhanced disclosures about significant segment expenses. The amendments in the ASU require, among other things, disclosure of significant segment expenses that are regularly provided to an entity's chief operating decision maker (“CODM”) and a description of other segment items (the difference between segment revenue less the segment expenses disclosed under the significant expense principle and each reported measure of segment profit or loss) by reportable segment, as well as disclosure of the title and position of the CODM, and an explanation of how the CODM uses the reported measure(s) of segment profit or loss in assessing segment performance and deciding how to allocate resources. Annual disclosures are required for fiscal years beginning after December 15, 2023 and interim disclosures are required for periods within fiscal years beginning after December 15, 2024. Retrospective application is required, and early adoption is permitted. We are currently evaluating the potential impact of adopting this new guidance on our consolidated financial statements and related disclosures.

In December 2023, the FASB issued ASU 2023-09, “Income Taxes (Topic 740): Improvements to Income Tax Disclosures”, which modifies the rules on income tax disclosures to require entities to disclose (1) specific categories in the rate reconciliation, (2) the income or loss from continuing operations before income tax expense or benefit (separated between domestic and foreign) and (3) income tax expense or benefit from continuing operations (separated by federal, state and foreign) among other changes. The guidance is effective for annual periods beginning after December 15, 2024. Early adoption is permitted for annual financial statements that have not yet been issued or made available for issuance. ASU 2023-09 should be applied on a prospective basis, but retrospective application is permitted. We are currently evaluating the potential impact of adopting this new guidance on our consolidated financial statements and related disclosures.

NOTE 3 – CONCENTRATION OF CREDIT RISK

Our tenant base and the restaurant and retail brands operating our properties are highly concentrated. With respect to our tenant base, Darden leases represent approximately50.651.4%% of the scheduled base rents from the properties we own. As our revenues predominately consist of rental payments, we are dependent on Darden for a significant portion of our leasing revenues. The audited and unaudited financial statements for Darden are included in its filings with the SEC, which can be found on the SEC’s internet website at www.sec.gov. Reference to Darden’s filings with the SEC is solely for the information of investors. We do not intend this website to be an active link or to otherwise incorporate the information contained on such website (including Darden's filings with the SEC) into this report or our other filings with the SEC.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

We also are subject to concentration risk in terms of the restaurant and retail brands that operate our properties. As of March 31, 2024June 30, 2024, we had 314 Olive Garden branded locations in our portfolio, which comprise approximately 28.2%27.7% of our leased properties and approximately 36.8%36.2% of the revenues received under leases. Longhorn Steakhouse branded restaurants comprise approximately 10.3%10.2% of our leased properties and approximately 10.4%10.2% of the revenues received under leases as of March 31, 2024June 30, 2024. Our properties, including the Kerrow Restaurant Operating Business, are located in 47 states, with states. There are no concentrations of 10% or greater of total rental revenue in any one state: Texas (approximately 10.0%).

state.

We are exposed to credit risk with respect to cash held at various financial institutions, access to our credit facility, and amounts due or payable under our derivative contracts. At March 31, 2024June 30, 2024, our exposure to risk related to amounts due to us on our derivative instruments totaled $23.8$23.9 million, and the counterparty to such instruments are investment grade financial institutions. Our credit risk exposure with regard to our cash and the $250.0 million$223.0 million available capacity under the revolver portion of our credit facility is spread among a diversified group of investment grade financial institutions.

NOTE 4 – REAL ESTATE INVESTMENTS, NET AND INTANGIBLE ASSETS AND LIABILITIES, NET

Real Estate Investments, Net

Real estate investments, net, which consist of land, buildings and improvements leased to others subject to net operating leases and those utilized in the operations of Kerrow Restaurant Operating Business are summarized as follows:

(In thousands)	June 30, 2024	December 31, 2023
Land	$ 1,264,216	$ 1,240,865
Buildings and improvements	1,608,505	1,572,590
Equipment	136,039	135,966
Total gross real estate investments	3,008,760	2,949,421
Less: Accumulated depreciation	(757,054)	(738,946)
Total real estate investments, net	2,251,706	2,210,475
Intangible lease assets, net	114,087	118,027
Total Real Estate Investments and Intangible Lease Assets, Net	$ 2,365,793	$ 2,328,502

(In thousands)	March 31, 2024	December 31, 2023
Land	$ 1,244,659	$ 1,240,865
Buildings and improvements	1,583,758	1,572,590
Equipment	135,987	135,966
Total gross real estate investments	2,964,404	2,949,421
Less: Accumulated depreciation	(747,958)	(738,946)
Total real estate investments, net	2,216,446	2,210,475
Intangible lease assets, net	115,812	118,027
Total Real Estate Investments and Intangible Lease Assets, Net	$ 2,332,258	$ 2,328,502

During the threesix months ended March 31, 2024June 30, 2024, the Company invested $16.7$63.8 million, including transaction costs, in four21 properties located in fourthirteen states, and allocated the investment as follows: $3.8$23.4 million to land, $11.2$35.9 million to buildings and improvements, and $1.7$4.5 million to intangible assets. There was no contingent consideration associated with these acquisitions. These properties are 100%100% occupied under net leases, with a weighted average remaining lease term of 9.9 years12.2 years as of March 31, 2024June 30, 2024. During the threesix months ended March 31, 2024June 30, 2024, no properties were soldsold.

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During the threesix months ended March 31, 2023June 30, 2023, the Company invested $20.9$195.0 million, including transaction costs, in 1059 properties located in sixtwenty-four states, and allocated the investment as follows: $7.3$70.7 million to land, $11.1$105.1 million to buildings and improvements and $2.5$19.2 million to intangible assets. There was no contingent consideration associated with these acquisitions. These properties were 100%100% occupied under net leases, with a weighted average remaining lease term of 6.512.1 years as of March 31, 2023June 30, 2023. During the threesix months ended March 31, 2023June 30, 2023, the Company sold threefour properties with a combined net book value of $9.3$11.0 million for a realized gain of $1.6$1.7 million.

During the six months ended June 30, 2023, the Company exercised its option to purchase one of the properties where the Company was the lessee under the ground lease. This lease was previously accounted for as a finance lease. This purchase resulted in an increase in land and corresponding decrease in finance lease right-of-use assets of $2.3 million.

Intangible Lease Assets and Liabilities, Net

Acquired in-place lease intangibles are amortized over the remaining lease term as depreciation and amortization expense. Above-market and below-market leases are amortized over the initial term of the respective leases as an adjustment to rental revenue. Lease incentives are amortized over the initial term of the respective leases as an adjustment to rental revenue. Intangible lease liabilities are included in Other liabilities in our Consolidated Balance Sheets.

The following tables detail intangible lease assets and liabilities.

(In thousands)	June 30, 2024	December 31, 2023
Acquired in-place lease intangibles	$ 141,225	$ 136,940
Above-market leases	13,821	13,821
Finance leases - right of use asset (1)	14,040	14,040
Lease incentives	9,603	8,224
Tenant improvements intangibles	3,605	3,605
Direct lease costs	547	360
Total	182,841	176,990
Less: Accumulated amortization	(68,754)	(58,963)
Intangible Lease Assets, Net	$ 114,087	$ 118,027

(In thousands)	March 31, 2024	December 31, 2023
Acquired in-place lease intangibles	$ 138,548	$ 136,940
Above-market leases	13,821	13,821
Finance leases - right of use asset (1)	14,040	14,040
Lease incentives	9,343	8,224
Tenant improvements intangibles	3,605	3,605
Direct lease costs	445	360
Total	179,802	176,990
Less: Accumulated amortization	(63,990)	(58,963)
Intangible Lease Assets, Net	$ 115,812	$ 118,027

(1) (1) See Note 5 - Leases for additional information on finance leases - right of use assets.

(In thousands)	March 31, 2024	December 31, 2023
Below-market leases	$ 2,610	$ 2,610
Less: Accumulated amortization	(1,468)	(1,414)
Intangible Lease Liabilities, Net	$ 1,142	$ 1,196

(In thousands)	June 30, 2024	December 31, 2023

Below-market leases	$ 2,610	$ 2,610
Less: Accumulated amortization	(1,518)	(1,414)
Intangible Lease Liabilities, Net	$ 1,092	$ 1,196

The value of acquired in-place leases amortized and included in depreciation and amortization expense was $4.4$4.2 million and $3.9$4.0 million for the three months ended March 31, 2024June 30, 2024 and 2023, respectively, and $8.6 million and $7.9 million for the six months ended June 30, 2024 and 2023, respectively. The value of above-market and below-market leases amortized as an adjustment to revenue was $308$292 thousand and $354$338 thousand for the three months ended March 31, 2024June 30, 2024 and 2023, respectively, and $599 thousand and $692 thousand for the six months ended June 30, 2024 and 2023, respectively. For the three months ended March 31, 2024June 30, 2024 and 2023, lease incentive amortization was $236$195 thousand and $135$146 thousand, respectively.

respectively, and $At 431 March 31, 2024thousand and $281 thousand for the six months ended June 30, 2024 and 2023, respectively.

At June 30, 2024, the total weighted average amortization period remaining for our intangible lease assets and liabilities was 8.68.5 years, and the individual weighted average amortization period remaining for acquired in-place lease intangibles, above-market leases, below-market leases, lease incentives, and tenant improvement intangible was 8.28.1 years, 6.56.4 years, 10.1 years, 11.611.3 years, and 14.914.7 years, respectively.

Amortization of Lease Intangibles

The following table presents the estimated impact during the next five years and thereafter related to the amortization of in-place lease intangibles, and above-market and below-market lease intangibles for properties held for investment.

(In thousands)	June 30,
2024 (Six Months)	$ 8,714
2025	15,528
2026	13,753
2027	11,372
2028	8,957
Thereafter	32,953
Total Future Amortization	$ 91,277

(In thousands)	March 31,
2024 (nine months)	$ 12,973
2025	15,146
2026	13,372
2027	10,990
2028	8,592
Thereafter	32,038
Total Future Amortization	$ 93,111

NOTE 5 – LEASES

Operating Leases as Lessee

As a lessee we record ROU assets and lease liabilities for the two ground leases at our Kerrow Restaurant Operating Business and a corporate office space, allboth of which qualified as operating leases. In calculating the lease obligations under both the

ground leases and office lease, we used discount rates estimated to be equal to what the Company would have to pay to borrow on a collateralized basis over a similar term, for an amount equal to the lease payments, in a similar economic environment.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Operating Lease Liability

Maturities

Maturities of operating lease liabilities were as follows:

(In thousands)		June 30,
2024 (Six Months)	$	361
2025		470
2026		310
2027		319
2028		319
Thereafter		4,433
Total Payments		6,212
Less: Interest		(1,830)
Operating Lease Liability	$	4,382

(In thousands)		March 31,
2024 (nine months)	$	540
2025		470
2026		310
2027		319
2028		319
Thereafter		4,435
Total Payments		6,393
Less: Interest		(1,880)
Operating Lease Liability	$	4,513

The weighted-average discount rate for operating leases at March 31, 2024 June 30, 2024 was 4.36%4.39%. The weighted-average remaining lease term was 15.8 years.

Rental expense was $227 $232 thousand a and $nd $240 217 thousand for the three months ended March 31, 2024 June 30, 2024 and 2023, respectively. Rental expense was $459 thousand and $457 thousand for the six months ended June 30, 2024 and 2023, respectively.

Operating Leases as Lessor

Our leases consist primarily of single-tenant, net leases, in which the tenants are responsible for making payments to third parties for operating expenses such as property taxes, insurance, and other costs associated with the properties leased to them. In leases where costs are paid by the Company and reimbursed by lessees, such payments are considered variable lease payments and recognized in rental revenue.

The following table shows the components of rental revenue for the three months ended March 31, 2024 and 2023. revenue.

	Three Months Ended June 30,				Six Months Ended June 30,			
(In thousands)	2024		2023		2024		2023	
Lease revenue - operating leases	$	56,223	$	50,593	$	112,111	$	100,267
Variable lease revenue (tenant reimbursements)		2,316		2,250		5,001		4,773
Total Rental Revenue	$	58,539	$	52,843	$	117,112	$	105,040

	Three Months Ended March 31,			
(In thousands)	2024		2023	
Lease revenue - operating leases	$	55,888	$	49,674
Variable lease revenue (tenant reimbursements)		2,685		2,523
Total Rental Revenue	$	58,573	$	52,197

Future Minimum Lease Payments to be Received

The following table presents the scheduled minimum future contractual rent to be received under the remaining non-cancelable term of the operating leases. The table presents future minimum lease payments due during the initial lease term only as lease renewal periods are exercisable at the option of the lessee.

(In thousands)		June 30,
2024 (Six Months)	$	112,003
2025		223,500
2026		222,070
2027		214,014

2028		187,835
Thereafter		852,160
Total Future Minimum Lease Payments	$	1,811,582

(In thousands)		**March 31,**
2024 (nine months)	$	165,233
2025		219,450
2026		217,890
2027		209,856
2028		183,627
Thereafter		816,766
Total Future Minimum Lease Payments	$	1,812,822

Ground Leases as Lessee

As of March 31, 2024 June 30, 2024 and December 31, 2023, the Company had finance ground lease assets aggregating $13.9 million $13.9 million and $14.0 $14.0 million, respectively. respectively. These assets are included in intangible lease assets, net in the Consolidated Balance Sheets. The Company did not recognize a lease liability as no payments are due in the future under the leases. The Company's ground lease assets have remaining lease terms ranging from 6059 years to 95 years, with options to extend certain of the lease terms for additional ninety-nine year terms, and the option to purchase the assets. The weighted average remaining non-cancelable lease term for the ground leases was 89.8 years 90 years at March 31, 2024 June 30, 2024.

NOTE 6 – DEBT, NET OF DEFERRED FINANCING COSTS

At March 31, 2024 June 30, 2024, our debt consisted of (1) $515 million $515 million of non-amortizing term loans and (2) $625 million $625 million of senior, unsecured, fixed rate notes. At December 31, 2023, our debt consisted of (1) $430 $430 million of non-amortizing term loans and (2) $675 $675 million of

senior, unsecured, fixed rate notes. At March 31, 2024 June 30, 2024 and December 31, 2023, we had outstanding borrowings of $0 million $27 million and $16 million, $16 million, respectively, under the revolving credit facility, and there were no outstanding letters of credit. At March 31, 2024 June 30, 2024, we had $250 million $223 million of borrowing capacity under the revolving credit facility. The revolving credit facility will mature on November 9, 2025November 9, 2025 with a six month extension option. The weighted average interest rate on the term loans before consideration of the interest rate hedge described in *Note 7 - Derivative Financial Instruments* was 6.38%6.39% and 6.40%6.40% at March 31, 2024 June 30, 2024 and December 31, 2023, respectively. The weighted average interest rate on the revolving credit facility was

6.46% at June 30, 2024.

Revolving Credit and Term Loan Agreement

On March 14, 2024, FCPT entered into an Incremental Amendment to the Third Amended and Restated Revolving Credit and Term Loan Agreement with a group of existing lenders (the "Credit Agreement"). The Company utilized the accordion feature of the Third Amended and Restated Revolving Credit and Term Loan Agreement to enter into a new $85 $85 million term loan (the "Term Loan"). , the proceeds from which were used to repay the $50 million of senior unsecured notes payable due in June 2024. The Term Loan matures in March 2027 with onetwelve month extension exercisable at the Company's option, subject to certain conditions.

The following table presents the Term Loan balances as balances.

(Dollars in thousands)	Maturity Date	Interest Rate		Outstanding Balance June 30, 2024	Outstanding Balance December 31, 2023
Term Loans:					
Term loan due 2025	Nov 2025	6.42 %	(a)	150,000	150,000
Term loan due 2026	Nov 2026	6.42 %	(a)	100,000	100,000
Term loan due 2027	Jan 2027	6.37 %	(a)	90,000	90,000

Term loan due 2027	Mar 2027	6.37 % (a)(b)	85,000	—
Term loan due 2028	Jan 2028	6.37 % (a)	90,000	90,000
Total Term Loans			$ 515,000	$ 430,000

(a) Loan is a variable-rate loan which resets at Daily Simple SOFR + the applicable credit spread of March 31, 2024 and December 31, 20230.95% to 1.00% at June 30, 2024.

(b) Loan has a 12 month extension exercisable at the Company's option, subject to certain conditions.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

(Dollars in thousands)	Maturity Date	Interest Rate		Outstanding Balance March 31, 2024	December 31, 2023
Term Loans:					
Term loan due 2025	Nov 2025	6.41%	(a)	$150,000	$ 150,000
Term loan due 2026	Nov 2026	6.41%	(a)	100,000	100,000
Term loan due 2027	Jan 2027	6.36%	(a)	90,000	90,000
Term loan due 2027	Mar 2027	6.36%	(a) (b)	85,000	—
Term loan due 2028	Jan 2028	6.36%	(a)	90,000	90,000
Total Term Loans				$515,000	$ 430,000

(a) Loan is a variable-rate loan which resets at Daily Simple SOFR + the applicable credit spread of 0.95% to 1.00% at March 31, 2024.

(b) Loan has a 12 month extension exercisable at the Company's option, subject to certain conditions.

Note Purchase Agreements

Agreement

The following table presents the senior unsecured fixed rate notes balance as of March 31, 2024 and December 31, 2023. balance.

(Dollars in thousands)	Maturity Date	Interest Rate	Outstanding Balance June 30, 2024	December 31, 2023
Notes Payable:				
Senior unsecured fixed rate note, issued June 2017	Jun 2024	4.68 %	$ —	$ 50,000
Senior unsecured fixed rate note, issued December 2018	Dec 2026	4.63 %	50,000	50,000
Senior unsecured fixed rate note, issued June 2017	Jun 2027	4.93 %	75,000	75,000
Senior unsecured fixed rate note, issued December 2018	Dec 2028	4.76 %	50,000	50,000
Senior unsecured fixed rate note, issued April 2021	Apr 2029	2.74 %	50,000	50,000
Senior unsecured fixed rate note, issued March 2020	Jun 2029	3.15 %	50,000	50,000
Senior unsecured fixed rate note, issued March 2020	Apr 2030	3.20 %	75,000	75,000
Senior unsecured fixed rate note, issued March 2022	Mar 2031	3.09 %	50,000	50,000
Senior unsecured fixed rate note, issued April 2021	Apr 2031	2.99 %	50,000	50,000
Senior unsecured fixed rate note, issued March 2022	Mar 2032	3.11 %	75,000	75,000
Senior unsecured fixed rate note, issued July 2023	Jul 2033	6.44 %	100,000	100,000
Total Notes			$ 625,000	$ 675,000

(Dollars in thousands)	Maturity Date	Interest Rate	Outstanding Balance March 31, 2024	December 31, 2023
Notes Payable:				

Senior unsecured fixed rate note, issued June 2017	Jun 2024	4.68 %	$ —	$ 50,000
Senior unsecured fixed rate note, issued December 2018	Dec 2026	4.63 %	50,000	50,000
Senior unsecured fixed rate note, issued June 2017	Jun 2027	4.93 %	75,000	75,000
Senior unsecured fixed rate note, issued December 2018	Dec 2028	4.76 %	50,000	50,000
Senior unsecured fixed rate note, issued April 2021	Apr 2029	2.74 %	50,000	50,000
Senior unsecured fixed rate note, issued March 2020	Jun 2029	3.15 %	50,000	50,000
Senior unsecured fixed rate note, issued March 2020	Apr 2030	3.20 %	75,000	75,000
Senior unsecured fixed rate note, issued March 2022	Mar 2031	3.09 %	50,000	50,000
Senior unsecured fixed rate note, issued April 2021	Apr 2031	2.99 %	50,000	50,000
Senior unsecured fixed rate note, issued March 2022	Mar 2032	3.11 %	75,000	75,000
Senior unsecured fixed rate note, issued July 2023	Jul 2033	6.44 %	100,000	100,000
Total Notes			$ 625,000	$ 675,000

Debt Maturities

The following presents scheduled principal payments related to the Company's debt.

(In thousands)	June 30,
Remainder of 2024	$ —
2025	177,000
2026	150,000
2027	250,000
2028	140,000
Thereafter	450,000
Total Scheduled Principal Payments	$ 1,167,000

(In thousands)	March 31,
Remainder of 2024	$ —
2025	150,000
2026	150,000
2027	250,000
2028	140,000
Thereafter	450,000
Total Scheduled Principal Payments	$ 1,140,000

Deferred Financing Costs

At March 31, 2024 June 30, 2024 and December 31, 2023, term loan and revolving credit facility net unamortized deferred financing costs were approximately $5.2 million $4.7 million and $4.3 million, $4.3 million, respectively. During the three months ended March 31, 2024 June 30, 2024 and 2023, amortization of deferred financing costs was $432 $490 thousand and $403 $403 thousand, respectively.

During the six months ended June 30, 2024 and 2023, amortization of deferred financing costs was $922 thousand and $805 thousand, respectively.

At March 31, 2024 June 30, 2024 and December 31, 2023, senior unsecured notes net unamortized deferred financing costs were approximately $3.9 million $3.7 million and $4.1 million, $4.1 million, respectively. During the three months ended March 31, 2024 June 30, 2024 and 2023, amortization of deferred financing costs was $206 $163 thousand and $161 $161 thousand, respectively.

During the six months ended June 30, 2024 and 2023, amortization of deferred financing costs was $369 thousand and $323 thousand, respectively.

The Company was in compliance with all debt covenants at March 31, 2024 June 30, 2024 and December 31, 2023.

NOTE 7 – DERIVATIVE FINANCIAL INSTRUMENTS

Risk Management Objective of Using Derivatives

We are exposed to certain risks arising from both our business operations and economic conditions. We principally manage our exposures to a wide variety of business and operational risks through management of our core business activities. We manage economic risks, including interest rate, liquidity, and credit risk primarily by managing the amount, sources, and duration of our debt funding and the use of derivative financial instruments. Specifically, we enter into derivative financial

instruments to manage exposures that arise from business activities that result in our receipt or payment of future cash amounts, the value of which are determined by interest rates. Our derivative financial instruments are used to manage differences in the amount, timing, and duration of our known or expected cash payments principally related to our borrowings.

Cash Flow Hedges of Interest Rate Risk

Our objectives in using interest rate derivatives are to add stability to interest expense and to manage our exposure to interest rate movements. To accomplish these objectives, we primarily use interest rate swaps as part of our interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable amounts from a counterparty in exchange for us making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount. The change in the fair value of derivatives designated and that qualify as cash flow hedges is recorded on our consolidated balance sheet in accumulated other comprehensive income and is subsequently reclassified into earnings in the period that the hedged forecasted transaction affects earnings. During the three six months ended March 31, 2024 June 30, 2024 and 2023, such derivatives were used to hedge the variable cash flows associated with existing variable-rate debt.

As of March 31, 2024 June 30, 2024, $375 $460 million of our variable-rate debt is hedged by swaps with notional values totaling $375 $460 million. As of December 31, 2023, $375 million $375 million of our variable-rate debt was hedged by swaps with notional values totaling $375 million.

$375 million.

During the three six months ended March 31, 2024 June 30, 2024, we entered into threefour interest rate swaps to hedge the interest rate variability associated with the term loan portion of our credit facility.

Product	Fixed Rate	Notional Amount ($ in thousands)	Index	Effective Date	Maturity Date
Swap	1.88 %	$ 150,000	Daily Simple SOFR + 10 bps	11/09/2022	11/09/2024
Swap	0.44 %	50,000	Daily Simple SOFR + 10 bps	10/25/2022	11/09/2025
Swap	2.70 %	25,000	Daily Simple SOFR + 10 bps	11/09/2022	11/09/2025
Swap	4.12 %	25,000	Daily Simple SOFR + 10 bps	03/09/2023	11/09/2026
Swap (1)	0.82 %	50,000	Daily Simple SOFR + 10 bps	11/09/2023	11/09/2025
Swap	3.65 %	25,000	Daily Simple SOFR + 10 bps	11/09/2023	11/09/2026
Swap	4.25 %	25,000	Daily Simple SOFR + 10 bps	11/09/2023	11/09/2028
Swap	4.42 %	25,000	Daily Simple SOFR + 10 bps	11/13/2023	11/09/2028
Swap	4.04 %	25,000	Daily Simple SOFR + 10 bps	04/09/2024	04/09/2029
Swap	3.91 %	30,000	Daily Simple SOFR + 10 bps	04/09/2024	04/09/2029
Swap	3.88 %	30,000	Daily Simple SOFR + 10 bps	04/09/2024	04/09/2029
Swap	3.97 %	25,000	Daily Simple SOFR + 10 bps	11/09/2024	11/09/2029
Swap	1.48 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2027
Swap	1.54 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2027
Swap	2.25 %	25,000	1 month Term SOFR	11/10/2025	11/09/2028
Swap	1.49 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2028
Swap	2.02 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2028

(1) In November 2024, the notional amount of the swap will increase to $150 million

Product	Fixed Rate	Notional Amount (in thousands)	Index	Effective Date	Maturity Date

The Company enters into forward-starting interest rate swap agreements to hedge against changes in future cash flows resulting from changes in interest

17. **NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued) (Unaudited)**

2024, the Company terminated one cash flow hedge in connection with the $85 $85 million Term Loan that was entered into on March 11, 2024 and funded on March 14, 2024. This cash flow hedge had a total notional value of $25 $25 million and was entered into in August 2023 to hedge the interest rate on

Swap	1.88 %	$ 150,000	Daily Simple SOFR + 10 bps	11/09/2022	11/09/2024
Swap	0.44 %	50,000	Daily Simple SOFR + 10 bps	10/25/2022	11/09/2025
Swap	2.70 %	25,000	Daily Simple SOFR + 10 bps	11/09/2022	11/09/2025
Swap	4.12 %	25,000	Daily Simple SOFR + 10 bps	03/09/2023	11/09/2026
Swap (1)	0.82 %	50,000	Daily Simple SOFR + 10 bps	11/09/2023	11/09/2025
Swap	3.65 %	25,000	Daily Simple SOFR + 10 bps	11/09/2023	11/09/2026
Swap	4.25 %	25,000	Daily Simple SOFR + 10 bps	11/09/2023	11/09/2028
Swap	4.42 %	25,000	Daily Simple SOFR + 10 bps	11/13/2023	11/09/2028
Swap	4.04 %	25,000	Daily Simple SOFR + 10 bps	04/09/2024	04/09/2029
Swap	3.91 %	30,000	Daily Simple SOFR + 10 bps	04/09/2024	04/09/2029
Swap	3.88 %	30,000	Daily Simple SOFR + 10 bps	04/09/2024	04/09/2029
Swap	1.48 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2027
Swap	1.54 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2027

rates from the trade date through the forecasted issuance date of debt. During the three six months ended March 31, 2024, June 30,

a future offering or term loan. The swap was terminated on February 28, 2024, with the corresponding asset of $211 $211 thousand which will be amortized over the next 10 years as an increase to interest expense.

Swap	2.25 %	25,000	1m Term SOFR	11/10/2025	11/09/2028
Swap	1.49 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2028
Swap	2.02 %	50,000	Daily Simple SOFR + 10 bps	11/10/2025	11/09/2028

(1) In November 2024, the notional amount of the swap will increase to $150 million

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Amounts reported in accumulated other comprehensive income related to derivatives will be reclassified to interest expense as interest payments are made on our variable-rate debt. We estimate that over the next twelve months an additional $11.4 million $11.4 million will be reclassified to earnings as a reduction to interest expense.

Non-designated Hedges

We do not use derivatives for trading or speculative purposes. During the three six months ended March 31, 2024 June 30, 2024 and 2023, we did not have any derivatives that were not designated as cash flow hedges for accounting purposes.

Tabular Disclosure of Fair Values of Derivative Instruments on the Consolidated Balance Sheets

The table below presents the fair value of our derivative financial instruments as well as their classification on the consolidated balance sheet as of March 31, 2024 and December 31, 2023. sheet.

	Derivative Assets			Derivative Liabilities		
	Balance Sheet	Fair Value at		Balance Sheet	Fair Value at	
(Dollars in thousands)	Location	June 30, 2024	December 31, 2023	Location	June 30, 2024	December 31, 2023
Derivatives designated as hedging instruments:						
Interest rate swaps	Derivative assets	$ 24,293	$ 20,952	Derivative liabilities	$ 348	$ 2,968
Total		$ 24,293	$ 20,952		$ 348	$ 2,968

	Derivative Assets			Derivative Liabilities		
	Balance Sheet	Fair Value at		Balance Sheet	Fair Value at	
(Dollars in thousands)	Location	March 31, 2024	December 31, 2023	Location	March 31, 2024	December 31, 2023
Derivatives designated as hedging instruments:						
Interest rate swaps	Derivative assets	$ 24,414	$ 20,952	Derivative liabilities	$ 607	$ 2,968
Total		$ 24,414	$ 20,952		$ 607	$ 2,968

Tabular Disclosure of the Effect of Derivative Instruments on the Consolidated Statements of Comprehensive Income (Loss)

The table below presents the effect of our interest rate swaps on comprehensive income for the three months ended March 31, 2024 and 2023. income.

(Dollars in thousands)	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)	Location of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Total Amount of Interest Expense Presented in the Consolidated Statements of Income

Three months ended June 30, 2024	$	3,486	Interest expense	$	(3,388)	$	(12,324)
Three months ended June 30, 2023		11,005	Interest expense		(2,562)		(10,051)
Six months ended June 30, 2024		12,156	Interest expense		(6,490)		(24,605)
Six months ended June 30, 2023		5,412	Interest expense		(4,639)		(19,969)

(Dollars in thousands)	Amount of Gain or (Loss) Recognized in OCI on Derivative (Effective Portion)		Location of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)	Amount of Gain or (Loss) Reclassified from Accumulated OCI into Income (Effective Portion)		Total Amount of Interest Expense Presented in the Consolidated Statements of Income	
Three months ended March 31, 2024	$	8,670	Interest expense	$	(3,102)	$	(12,281)
Three months ended March 31, 2023		(5,592)	Interest expense		(2,078)		(9,918)

Tabular Disclosure Offsetting Derivatives

The table below presents a gross presentation, the effects of offsetting, and a net presentation of our derivatives at March 31, 2024 June 30, 2024 and December 31, 2023. The net amounts of derivative assets or liabilities can be reconciled to the tabular disclosure of fair value. The tabular disclosure of fair value provides the location that derivative assets and liabilities are presented on the consolidated balance sheets.

Offsetting of Derivative Assets

							Gross Amounts Not Offset in the Consolidated Balance Sheet					
(In thousands)	Gross Amounts of Recognized Assets		Gross Amounts Offset in the Consolidated Balance Sheet		Net Amounts of Assets Presented in the Consolidated Balance Sheet		Financial Instruments		Cash Collateral Received		Net Amount	
March 31, 2024	$	24,414	$	—	$	24,414	$	(352)	$	—	$	24,062
December 31, 2023		20,952		—		20,952		(920)		—		20,032

Offsetting of Derivative Assets

							Gross Amounts Not Offset in the Consolidated Balance Sheet					
(In thousands)	Gross Amounts of Recognized Assets		Gross Amounts Offset in the Consolidated Balance Sheet		Net Amounts of Assets Presented in the Consolidated Balance Sheet		Financial Instruments		Cash Collateral Received		Net Amount	
June 30, 2024	$	24,293	$	—	$	24,293	$	(348)	$	—	$	23,945
December 31, 2023		20,952		—		20,952		(920)		—		20,032

(Unaudited)

Offsetting of Derivative Liabilities

							Gross Amounts Not Offset in the Consolidated Balance Sheet					
(In thousands)	Gross Amounts of Recognized Liabilities		Gross Amounts Offset in the Consolidated Balance Sheet		Net Amounts of Liabilities Presented in the Consolidated Balance Sheet		Financial Instruments		Cash Collateral Posted		Net Amount	
June 30, 2024	**$**	**348**	**$**	**—**	**$**	**348**	**$**	**(348)**	**$**	**—**	**$**	**—**
December 31, 2023		**2,968**		**—**		**2,968**		**(920)**		**—**		**2,048**

Offsetting of Derivative Liabilities

(In thousands)	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Consolidated Balance Sheet	Net Amounts of Liabilities Presented in the Consolidated Balance Sheet	Gross Amounts Not Offset in the Consolidated Balance Sheet		Net Amount
				Financial Instruments	Cash Collateral Posted	
March 31, 2024	$ 607	$ —	$ 607	$ (352)	$ —	$ 255
December 31, 2023	2,968	—	2,968	(920)	—	2,048

Credit-risk-related Contingent Features

The agreement with our derivative counterparty provides that if we default on any of our indebtedness, including default for which repayment of the indebtedness has not been accelerated by the lender, then we could also be declared in default on our derivative obligations.

At March 31, 2024 June 30, 2024 and December 31, 2023, the fair value of derivatives in a net asset position related to these agreements was $23.8 million $23.9 million and $18.0 million, $18.0 million, respectively. As of March 31, 2024 June 30, 2024, we have not posted any collateral related to these agreements. If we or our counterparty had breached any of these provisions at March 31, 2024 June 30, 2024, we would have been entitled to the termination value of approximately $23.8 million. $23.9 million.

NOTE 8 – SUPPLEMENTAL DETAIL FOR CERTAIN COMPONENTS OF CONSOLIDATED BALANCE SHEETS

Other Assets

The components of other assets were as follows:

(In thousands)	June 30, 2024	December 31, 2023
Operating lease right-of-use asset	$ 3,664	$ 3,923
Restricted cash	—	8,461
Prepaid acquisition costs and deposits	919	1,364
Accounts receivable, net	2,521	2,985
Prepaid assets	1,295	1,176
Food and beverage inventories	198	238
Other	1,683	1,711
Total Other Assets	$ 10,280	$ 19,858

(In thousands)	March 31, 2024	December 31, 2023
Operating lease right-of-use asset	$ 3,794	$ 3,923
Restricted cash	685	8,461
Prepaid acquisition costs and deposits	1,100	1,364
Accounts receivable, net	3,169	2,985
Prepaid assets	1,953	1,176
Food and beverage inventories	266	238
Other	1,646	1,711
Total Other Assets	$ 12,613	$ 19,858

Other Liabilities

The components of other liabilities were as follows:

(In thousands)	March 31, 2024	December 31, 2023
Accrued interest expense	$ 8,892	$ 7,424
Tenant improvements payable and deposits	1,203	7,835
Operating lease liability	4,513	4,642
Accrued tenant property tax	2,303	2,518
Intangible lease liabilities, net	1,143	1,196
Accrued compensation	1,329	3,020
Accrued operating expenses	327	262
Accounts payable	955	1,263

Other	2,222	2,106
Total Other Liabilities	$ 22,887	$ 30,266

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

(In thousands)	**June 30, 2024**	**December 31, 2023**
Accrued interest expense	**$ 7,719**	**$ 7,424**
Tenant improvements payable and deposits	**1,034**	**7,835**
Operating lease liability	**4,382**	**4,642**
Accrued tenant property tax	**2,915**	**2,518**
Intangible lease liabilities, net	**1,092**	**1,196**
Accrued compensation	**1,815**	**3,020**
Accrued operating expenses	**313**	**262**
Accounts payable	**373**	**1,263**
Other	**1,839**	**2,106**
Total Other Liabilities	**$ 21,482**	**$ 30,266**

NOTE 9 – INCOME TAXES

We believe that we have been organized and have operated in conformity with the requirements for qualification and taxation as a REIT commencing with our taxable year ended December 31, 2016, and we intend to continue to operate in a manner that will enable us to maintain our qualification as a REIT. So long as we qualify as a REIT, we generally will not be subject to federal income tax on our net income that we distribute currently to our stockholders. Accordingly, no provision for federal income taxes has been included in the accompanying consolidated financial statements for the three six months ended March 31, 2024 June 30, 2024 related to the REIT.

Income tax expense consists of federal, state, and local income taxes incurred by FCPT's TRS, and state and local income taxes incurred by FCPT on its lease portfolio. During the three months ended March 31, 2024 June 30, 2024 and 2023, we recorded income tax expense of $27 $86 thousand and $48 $91 thousand, respectively.

During the six months ended June 30, 2024 and 2023, we recorded income tax expense of $113 thousand and $139 thousand, respectively.

Deferred income taxes reflect the net tax effects of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts for income tax purposes, as well as operating loss and tax credit carryforwards. The Company evaluates the realizability of its deferred tax assets and recognizes a valuation allowance if, based on the available evidence, both positive and negative, it is more likely than not that some portion or all of its deferred tax assets will not be realized. When evaluating the realizability of its deferred tax assets, the Company considers, among other matters, estimates of expected future taxable income, nature of current and cumulative losses, existing and projected book/tax differences, tax planning strategies available, and the general and industry specific economic outlook. This realizability analysis is inherently subjective, as it requires the Company to forecast its business and general economic environment in future periods. During the three and six months ended March 31, 2024 June 30, 2024, $72 $20 thousand and $92 thousand, respectively, was recorded as a deferred tax benefit related to net operating losses and routine book-tax differences within income tax expense in the Consolidated Statements of Income. During the three and six months ended March 31, 2023 June 30, 2023, $44 $4 thousand and $48 thousand, respectively, was recorded as a deferred tax benefit within income tax expense in the Consolidated Statements of Income.

NOTE 10 – EQUITY

Preferred Stock

At March 31, 2024 June 30, 2024 and December 31, 2023, the Company was authorized to issue 25,000,000 shares, $0.0001 $0.0001 par value per share of preferred stock. There were no shares issued and outstanding at March 31, 2024 June 30, 2024 and December 31, 2023.

Common Stock

At March 31, 2024 June 30, 2024 and December 31, 2023, the Company was authorized to issue 500,000,000 shares, $0.0001 $0.0001 par value per share of common stock. At March 31, 2024 June 30, 2024, there were 91,989,20392,102,202 shares of the Company's common stock issued and outstanding.

On March 11, 2024March 11, 2024, we declared a dividend of $0.3450$0.3450 per share, which was paid in April 2024 to common stockholders of record as of March 28, 2024March 28, 2024.

On June 11, 2024, we declared a dividend of $0.3450 per share, which was paid in July 2024 to common stockholders of record as of June 28, 2024.

Common Stock Issuance Under the At-The-Market Program

In November 2022, the Company entered into its ATM program (the “current ATM program”), pursuant to which shares of the Company’s common stock having an aggregate gross sales price of up to $450.0$450.0 million may be offered and sold (1) by the Company to, or through, a consortium of banks acting as its sales agents or (2) by a consortium of banks acting as forward sellers on behalf of any forward purchasers contemplated thereunder, in each case by means of ordinary brokers’ transactions on the NYSE or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, by privately negotiated transactions (including block sales) or by any other methods permitted by applicable law. In connection with the Company’s current ATM program, the Company may enter into forward sale agreements with certain financial institutions acting as forward purchasers whereby, at the Company's discretion, the forward purchasers may borrow and sell shares of common stock. The use of forward sale agreements allows the Company to lock in a share price on the sale of shares of common stock at the time the respective forward sale agreements are executed but defer settling the forward sale agreements and receiving the proceeds from the sale of shares until a later date.

The Company did not execute or settle forward sale agreements during the threesix months ended March 31, 2024June 30, 2024.

During the three months ended March 31, 2024June 30, 2024, the Company issued 280,91499,656 shares under the current ATM program at a weighted average share price of $24.56$23.93 for net proceeds of $6.9$2.4 million.

During the threesix months ended March 31, 2023June 30, 2024, the Company issued 380,570 shares under the current ATM program at a weighted average share price of $24.39 for net proceeds of $9.3 million.

During the six months ended June 30, 2023, the Company executed forward sale agreements with financial institutions acting as forward purchasers under the current ATM program to sell 1,907,946 shares of common stock at a weighted average sales price of $27.73$27.73 per share before sales commissions and offering expenses. During the three months ended March 31, 2023June 30, 2023, the Company physically settled a portion of theseits forward sale agreements and issued 324,1824,113,788 shares under the current ATM program at a weighted average share price of $27.76$26.81 for net proceeds of $8.9$110.3 million. During the six months ended June 30, 2023, the Company physically settled its forward sale agreements and issued 4,437,970 shares at a weighted average share price of $26.88 for net proceeds of $119.3 million.

During the three months ended June 30, 2023, the Company issued 4,463,788 shares under the current ATM program, including physically settled forward sale agreements, at a weighted average share price of $26.72 for net proceeds of $119.3 million. During the six months ended June 30, 2023, the Company issued 4,787,970 shares under the current ATM program, including physically settled forward sale agreements, at a weighted average share price of $26.79 for net proceeds of $128.3 million.

At March 31, 2024June 30, 2024, there was $237.7 million$235.8 million available for issuance under the current ATM program.

Noncontrolling Interest

At March 31, 2024June 30, 2024, there were 114,559 FCPT Operating Partnership Units (“OP units”) outstanding held by third parties. During the threesix months ended March 31, 2024June 30, 2024, FCPT OP did not issue any OP units for consideration in real estate transactions. Generally, OP units participate in net income allocations and distributions and entitle their holder the right, subject to the terms set forth in the partnership agreement, to require FCPT OP to redeem all or a portion of the OP units held by such limited partner. At FCPT OP’s option, it may satisfy this redemption with cash or by exchanging non-registered shares of FCPT common stock on a one-for-oneone-for-one basis. Prior to the redemption of OP units, the limited partners participate in net income allocations and distributions in a manner equivalent to the common stockholders. The redemption value of outstanding non-controlling interest OP units was $2.8 million$2.8 million and $2.9 million$2.9 million as of March 31, 2024June 30, 2024 and December 31, 2023, respectively.

At March 31, 2024June 30, 2024, FCPT was the owner of approximately 99.88%99.88% of FCPT’s OP units. The remaining 0.12%0.12%, or 114,559 of FCPT’s OP units were held by unaffiliated limited partners. During the three and six months ended March 31, 2024June 30, 2024, FCPT OP distributed $40$39 thousand and $79 thousand, respectively, to its unaffiliated limited partners.

Earnings Per Share

The following table presents the computation of basic and diluted net earnings per common share for the three months ended March 31, 2024 and 2023. share.

	Three Months Ended	Six Months Ended

(In thousands except for shares and per share data)	Three Months Ended June 30, 2024	2023	Six Months Ended June 30, 2024	2023
Average common shares outstanding – basic	91,807,764	87,366,335	91,763,619	86,604,202
Net effect of dilutive equity awards	186,298	189,676	212,663	220,948
Average common shares outstanding – diluted	91,994,062	87,556,011	91,976,282	86,825,150
Net income available to common shareholders	$ 24,672	$ 23,625	$ 48,716	$ 46,749
Basic net earnings per share	$ 0.27	$ 0.27	$ 0.53	$ 0.54
Diluted net earnings per share	$ 0.27	$ 0.27	$ 0.53	$ 0.54

(In thousands except for shares and per share data)	Three Months Ended March 31, 2024	2023
Average common shares outstanding – basic	91,719,475	85,833,602
Net effect of dilutive ATM forward sale agreements	—	27,922
Net effect of dilutive equity awards	210,285	234,030
Average common shares outstanding – diluted	91,929,760	86,095,554
Net income available to common shareholders	$ 24,044	$ 23,124
Basic net earnings per share	$ 0.26	$ 0.27
Diluted net earnings per share	$ 0.26	$ 0.27

For the three months ended March 31, 2024June 30, 2024 and 2023, the number of outstanding equity awards that were anti-dilutive totaled 402,825462,388 and 357,798,385,728, respectively.

For the six months ended June 30, 2024 and 2023, the number of outstanding equity awards that were anti-dilutive totaled 436,023 and 354,456, respectively.

Exchangeable OP units have been omitted from the denominator for the purpose of computing diluted earnings per share since FCPT OP, at its option, may satisfy a redemption with cash or by exchanging non-registered shares of FCPT common stock. The weighted average exchangeable OP units outstanding for the three and six months ended March 31, 2024 June 30, 2024 and 2023 was 114,559 and 114,559, respectively.

NOTE 11 – STOCK-BASED COMPENSATION

On June 10, 2022, the Board of Directors of FCPT adopted, and FCPT's stockholders approved, the Amended and Restated Four Corners Property Trust, Inc. 2015 Omnibus Incentive Plan (the "Amended Plan") to, among other things, increase the

maximum number of shares of our common stock reserved for issuance under the 2015 Plan by 1,500,000 shares to 3,600,000 shares.

At March 31, 2024 June 30, 2024, 1,511,3741,445,751 shares of common stock were available for award under the Plan. The unamortized compensation cost of awards issued under the Plan totaled approximately $12.3$11.9 million at March 31, 2024 June 30, 2024 as shown in the following table.

(In thousands)	Restricted Stock Units	Restricted Stock Awards	Performance Stock Awards	Total
Unrecognized compensation cost at January 1, 2024	$ 1,672	$ 3,142	$ 2,648	$ 7,462
Equity grants	1,974	3,339	3,064	8,377
Equity grant forfeitures	(322)	(144)	(100)	(566)
Equity compensation expense	(608)	(1,595)	(1,168)	(3,371)
Unrecognized Compensation Cost at June 30, 2024	$ 2,716	$ 4,742	$ 4,444	$ 11,902

(In thousands)	Restricted Stock Units	Restricted Stock Awards	Performance Stock Awards	Total
Unrecognized compensation cost at January 1, 2024	$ 1,672	$ 3,142	$ 2,648	$ 7,462
Equity grants	736	3,208	2,939	6,883
Equity grant forfeitures	(297)	(38)	(73)	(408)
Equity compensation expense	(209)	(884)	(547)	(1,640)
Unrecognized Compensation Cost at March 31, 2024	$ 1,902	$ 5,428	$ 4,967	$ 12,297

At March 31, 2024 June 30, 2024, the weighted average amortization period remaining for all of our equity awards was 2.32.1 years.

Restricted Stock Units

RSUs have been granted at a value equal to the five-day average or day of closing market price of our common stock on the date of grant, and will be settled in stock at the end of their vesting periods, which range between one and five years. years.

At March 31, 2024 June 30, 2024 and December 31, 2023, there were 205,482243,685 and 191,081 RSUs outstanding, respectively. During the three months ended March 31, 2024 June 30, 2024, 30,52550,472 RSUs were granted, 10,885887 RSUs were forfeited, and 5,23911,382 RSUs vested. During the six months ended June 30, 2024, 80,997 RSUs were granted, 11,772 RSUs were forfeited, and 16,621 RSUs vested. Restrictions on these RSUs lapse through 2029.

2028.

Restricted Stock Awards

RSAs have been granted at a value equal to the five-day average closing market price of our common stock on the date of grant and will be settled in stock at the end of their vesting periods, which range between one and three years. years

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At March 31, 2024 June 30, 2024 and December 31, 2023, there were 231,920233,212 and 198,636 RSAs outstanding, respectively. During the three months ended March 31, 2024 June 30, 2024, 132,5665,417 RSAs were granted, 1,3704,125 RSAs were forfeited, and no RSAs vested. During the six months ended June 30, 2024, 137,983 RSAs were granted, 5,495 RSAs were forfeited, and restrictions on 97,912 RSAs lapsed and were distributed, of which 40,896 RSAs were designated for tax withholdings. Restrictions on these RSAs lapse through 2027. The Company expects all RSAs to vest.

Performance-Based Restricted Stock Awards

At March 31, 2024 June 30, 2024 and December 31, 2023, the target number of PSUs that were unvested was 240,726245,004 and 225,654, respectively. During the three months ended March 31, 2024 June 30, 2024, PSUs with a target number of 90,6375,045 shares were granted, no PSUs vested, and 767 PSUs were forfeited. During the six months ended June 30, 2024, PSUs with a target number of 95,682 shares were granted and 2,542 shares3,309 PSUs were forfeited. PSUs with a target number of 73,023 shares vested with a total shareholder return of 0.0%0.0% of target, resulting in the distribution of no shares.

The performance period of the unvested grants run from January 1, 2024 through December 31, 2026, from January 1, 2023 through December 31, 2025, and from January 1, 2022 through December 31, 2024. Pursuant to the PSU award agreement, each participant is eligible to vest in and receive shares of the Company's common stock based on the initial target number of shares granted multiplied by a percentage range between 0%0% and 200%200%. The percentage range is based on the attainment of a combination of relative shareholder return and total shareholder return of the Company compared to certain specified peer groups of companies during the performance period. The grant date fair values of PSUs were determined through Monte-Carlo simulations using the following assumptions: our common stock closing price at the grant date, the average closing price of our common stock price for the 20 trading days prior to the grant date and a range of performance-based vesting based on estimated total stockholder return over a three year performance period. For the 2024 PSU grant, the Company used an implied volatility assumption of 21.9%21.9% (based on historical volatility), risk free rate of 4.09%4.09%, and a 0%0% dividend yield (the mathematical equivalent to reinvesting the dividends over the three-year performance period as is consistent with the terms of the PSUs), which resulted in a grant date fair value of $2.9 $2.9 million.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

Based on the grant date fair value, the Company expects to recognize $2.7 million $4.4 million in compensation expense on a straight-line basis over the remaining requisite service period associated with the unvested PSU awards.

NOTE 12 – FAIR VALUE MEASUREMENTS

The carrying amounts of certain of the Company’s financial instruments including cash equivalents, accounts receivable, accounts payable, and accrued liabilities approximate fair value due either to length of maturity or interest rates that approximate prevailing market rates. The carrying value of derivative financial instruments equal fair value in accordance with U.S. GAAP. Determining which category an asset or liability falls within the hierarchy requires significant judgment. We evaluate hierarchy disclosures each reporting period.

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table presents the assets and liabilities recorded that are reported at fair value on our Consolidated Balance Sheets on a recurring basis.

March 31, 2024				
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Derivative assets	$ —	$ 24,414	$ —	$ 24,414
Liabilities				
Derivative liabilities	$ —	$ 607	$ —	$ 607

June 30, 2024				
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Derivative assets	$ —	$ 24,293	$ —	$ 24,293
Liabilities				
Derivative liabilities	$ —	$ 348	$ —	$ 348

December 31, 2023				
(In thousands)	**Level 1**	**Level 2**	**Level 3**	**Total**
Assets				
Derivative assets	$ —	$ 20,952	$ —	$ 20,952
Liabilities				
Derivative liabilities	$ —	$ 2,968	$ —	$ 2,968

Derivative Financial Instruments

Currently, we use interest rate swaps to manage our interest rate risk associated with our notes payable. The valuation of these instruments is determined using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.

The fair values of interest rate options are determined using the market standard methodology of discounting the future expected cash receipts that would occur if variable interest rates rise above the strike rate of the caps. The variable interest rates used in the calculation of projected receipts on the cap are based on an expectation of future interest rates derived from observable market interest rate curves and volatilities.

To comply with the provisions of ASC 820, we incorporate credit valuation adjustments to appropriately reflect both our own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. In adjusting the fair value of our derivative contracts for the effect of nonperformance risk, we have considered the impact of netting and any applicable credit enhancements, such as collateral postings, thresholds, mutual puts and guarantees.

Although we have determined that the majority of the inputs used to value our derivatives fall within Level 2 of the fair value hierarchy, the credit valuation adjustments associated with our derivatives utilize Level 3 inputs, such as estimates of current credit spreads to evaluate the likelihood of default by ourselves and our counterparties. We have determined that the

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)
(Unaudited)

significance of the impact of the credit valuation adjustments made to our derivative contracts, which determination was based on the fair value of each individual contract, was not significant to the overall valuation. As a result, all of our derivatives held at March 31, 2024 June 30, 2024, and December 31, 2023 were classified as Level 2 of the fair value hierarchy.

Fair Value of Certain Financial Liabilities

The following table presents the carrying value and fair value of certain financial liabilities that are recorded on our Consolidated Balance Sheets. The fair value of the debt (Level 2) is determined using the present value of the contractual cash flows, discounted at the current market cost of debt.

	June 30, 2024	**December 31, 2023**

(In thousands)	Carrying Value(1)	Fair Value	Carrying Value(1)	Fair Value
Term loan due November 2025	$ 150,000	$ 149,806	$ 150,000	$ 149,496
Term loan due November 2026	100,000	100,051	100,000	99,799
Term loan due January 2027	90,000	89,806	90,000	89,524
Term loan due March 2027	85,000	86,176	—	—
Term loan due January 2028	90,000	90,741	90,000	89,208
Senior fixed note due June 2024	—	—	50,000	49,641
Senior fixed note due December 2026	50,000	48,761	50,000	49,227
Senior fixed note due June 2027	75,000	73,392	75,000	74,282
Senior fixed note due December 2028	50,000	48,416	50,000	49,195
Senior fixed note due April 2029	50,000	44,341	50,000	44,742
Senior fixed note due June 2029	50,000	44,990	50,000	45,473
Senior fixed note due April 2030	75,000	66,455	75,000	67,262
Senior fixed note due March 2031	50,000	42,526	50,000	43,313
Senior fixed note due April 2031	50,000	42,825	50,000	43,441
Senior fixed note due March 2032	75,000	63,654	75,000	64,818
Senior fixed note due July 2033	100,000	106,168	100,000	109,521
Revolving credit facility due November 2025	27,000	14,965	16,000	15,946

	March 31, 2024	
(In thousands)	Carrying Value(1)	Fair Value
Term loan due November 2025	$ 150,000	$ 149,798
Term loan due November 2026	100,000	100,085
Term loan due January 2027	90,000	89,814
Term loan due March 2027	85,000	86,293
Term loan due January 2028	90,000	90,827
Senior fixed note due December 2026	50,000	48,869
Senior fixed note due June 2027	75,000	73,632
Senior fixed note due December 2028	50,000	48,676
Senior fixed note due April 2029	50,000	44,437
Senior fixed note due June 2029	50,000	45,121
Senior fixed note due April 2030	75,000	66,699
Senior fixed note due March 2031	50,000	42,837
Senior fixed note due April 2031	50,000	43,035
Senior fixed note due March 2032	75,000	64,107
Senior fixed note due July 2033	100,000	107,670

(1)

	December 31, 2023	
(In thousands)	Carrying Value(1)	Fair Value
Term loan due November 2025	$ 150,000	$ 149,496
Term loan due November 2026	100,000	99,799
Term loan due January 2027	90,000	89,524
Term loan due January 2028	90,000	89,208
Senior fixed note due June 2024	50,000	49,641
Senior fixed note due December 2026	50,000	49,227
Senior fixed note due June 2027	75,000	74,282
Senior fixed note due December 2028	50,000	49,195
Senior fixed note due April 2029	50,000	44,742
Senior fixed note due June 2029	50,000	45,473
Senior fixed note due April 2030	75,000	67,262
Senior fixed note due March 2031	50,000	43,313
Senior fixed note due April 2031	50,000	43,441
Senior fixed note due March 2032	75,000	64,818
Senior fixed note due July 2033	100,000	109,521

Revolving credit facility due November 2025	16,000	15,946

(1) Carrying values exclude deferred financing costs

(Unaudited)

NOTE 13 – COMMITMENTS AND CONTINGENCIES

Litigation

Litigation

We are subject to private lawsuits, administrative proceedings and claims that arise in the ordinary course of our business from time to time. A number of these lawsuits, proceedings and claims may exist at any given time. These matters typically involve claims from guests, employee wage and hour claims and others related to operational issues common to the restaurant industry. We record our best estimate of a loss when the loss is considered probable. When a liability is probable and there is a range of estimated loss with no best estimate in the range, we record the minimum estimated liability related to the lawsuits, proceedings or claims. While the resolution of a lawsuit, proceeding or claim may have an impact on our financial results for the period in which it is resolved, we believe that the maximum liability related to probable lawsuits, proceedings and claims in which we are currently involved, individually and in the aggregate, will not have a material adverse effect on our financial position, results of operations or liquidity.

liquidity.

NOTE 14 – SEGMENTS

During the three and six months ended March 31, 2024 June 30, 2024 and 2023, we operated in two segments: real estate operations and restaurant operations. Our segments are based on our organizational and management structure, which aligns with how our results are monitored and performance is assessed. Expenses incurred at our corporate office are allocated to real estate operations. The accounting policies of the reportable segments are the same as those described in *Note 2 - Summary of Significant Accounting Policies*.

The following tables present financial information by segment for the three months ended March 31, 2024 and 2023.

segment.

Three Months Ended March 31, 2024

(In thousands)	Real Estate Operations	Restaurant Operations	Intercompany	Total
Revenues:				
Rental revenue	$ 58,573	$ —	$ —	$ 58,573
Intercompany rental revenue	217	—	(217)	—
Restaurant revenue	—	7,894	—	7,894
Total revenues	58,790	7,894	(217)	66,467
Operating expenses:				
General and administrative	6,213	—	—	6,213
Depreciation and amortization	13,279	188	—	13,467
Property expenses	3,081	—	—	3,081
Restaurant expenses	—	7,781	(217)	7,564
Total operating expenses	22,573	7,969	(217)	30,325
Interest expense	(12,281)	—	—	(12,281)
Other income	240	—	—	240
Realized gain on sale, net	—	—	—	—
Income tax benefit (expense)	(59)	32	—	(27)
Net Income	$ 24,117	$ (43)	$ —	$ 24,074

June 30, 2024

(In thousands)	Real Estate Operations	Restaurant Operations	Intercompany	Total
Revenues:				
Rental revenue	$ 58,539	$ —	$ —	$ 58,539
Intercompany rental revenue	217	—	(217)	—
Restaurant revenue	—	7,940	—	7,940
Total revenues	58,756	7,940	(217)	66,479
Operating expenses:				
General and administrative	6,004	—	—	6,004
Depreciation and amortization	13,157	188	—	13,345
Property expenses	2,836	—	—	2,836
Restaurant expenses	—	7,549	(217)	7,332
Total operating expenses	21,997	7,737	(217)	29,517
Interest expense	(12,324)	—	—	(12,324)
Other income	150	—	—	150
Realized gain on sale, net	—	—	—	—
Income tax expense	(62)	(24)	—	(86)
Net Income	$ 24,523	$ 179	$ —	$ 24,702

Three Months Ended June 30, 2023

(In thousands)	Real Estate Operations	Restaurant Operations	Intercompany	Total
Revenues:				
Rental revenue	$ 52,843	$ —	$ —	$ 52,843
Intercompany rental revenue	214	—	(214)	—
Restaurant revenue	—	7,845	—	7,845
Total revenues	53,057	7,845	(214)	60,688
Operating expenses:				
General and administrative	5,600	—	—	5,600
Depreciation and amortization	11,636	181	—	11,817
Property expenses	2,676	—	—	2,676
Restaurant expenses	—	7,411	(214)	7,197
Total operating expenses	19,912	7,592	(214)	27,290
Interest expense	(10,051)	—	—	(10,051)
Other income	226	—	—	226
Realized gain on sale, net	173	—	—	173
Income tax expense	(53)	(38)	—	(91)
Net Income	$ 23,440	$ 215	$ —	$ 23,655

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS (continued)

(Unaudited)

(Unaudited)

Three

Six Months Ended March 31, 2023

(In thousands)	Real Estate Operations	Restaurant Operations	Intercompany	Total
Revenues:				
Rental revenue	$52,197	$—	$—	$52,197
Intercompany rental revenue	214	—	(214)	—

Restaurant revenue	—	7,755	—	7,755
Total revenues	52,411	7,755	(214)	59,952
Operating expenses:				
General and administrative	6,055	—	—	6,055
Depreciation and amortization	11,996	180	—	12,176
Property expenses	3,167	—	—	3,167
Restaurant expenses	—	7,509	(214)	7,295
Total operating expenses	21,218	7,689	(214)	28,693
Interest expense	(9,918)	—	—	(9,918)
Other income	300	—	—	300
Realized gain on sale, net	1,562	—	—	1,562
Income tax benefit (expense)	(52)	4	—	(48)
Net Income	$23,085	$70	$—	$23,155

June 30, 2024

(In thousands)	Real Estate Operations	Restaurant Operations	Intercompany	Total
Revenues:				
Rental revenue	$ 117,112	$ —	$ —	$ 117,112
Intercompany rental revenue	433	—	(433)	—
Restaurant revenue	—	15,834	—	15,834
Total revenues	117,545	15,834	(433)	132,946
Operating expenses:				
General and administrative	12,217	—	—	12,217
Depreciation and amortization	26,443	369	—	26,812
Property expenses	5,917	—	—	5,917
Restaurant expenses	—	15,329	(433)	14,896
Total operating expenses	44,577	15,698	(433)	59,842
Interest expense	(24,605)	—	—	(24,605)
Other income	390	—	—	390
Realized gain on sale, net	—	—	—	—
Income tax benefit (expense)	(121)	8	—	(113)
Net Income	$ 48,632	$ 144	$ —	$ 48,776

Six Months Ended June 30, 2023

(In thousands)	Real Estate Operations	Restaurant Operations	Intercompany	Total
Revenues:				
Rental revenue	$ 105,040	$ —	$ —	$ 105,040
Intercompany rental revenue	428	—	(428)	—
Restaurant revenue	—	15,600	—	15,600
Total revenues	105,468	15,600	(428)	120,640
Operating expenses:				
General and administrative	11,655	—	—	11,655
Depreciation and amortization	23,630	363	—	23,993
Property expenses	5,843	—	—	5,843
Restaurant expenses	—	14,920	(428)	14,492
Total operating expenses	41,128	15,283	(428)	55,983
Interest expense	(19,969)	—	—	(19,969)
Other income	526	—	—	526
Realized gain on sale, net	1,735	—	—	1,735
Income tax expense	(105)	(34)	—	(139)

Net Income	$ 46,527	$ 283	$ —	$ 46,810

The following tables present supplemental information by segment at March 31, 2024 and December 31, 2023.

segment.

Supplemental Segment Information at March 31, 2024

(In thousands)	Real Estate Operations	Restaurant Operations	Total
Total real estate investments	$ 2,941,388	$ 23,016	$ 2,964,404
Accumulated depreciation	(740,149)	(7,809)	(747,958)
Total real estate investments, net	2,201,239	15,207	2,216,446
Cash and cash equivalents	24,823	1,256	26,079
Total assets	2,440,357	22,253	2,462,610
Total debt, net of deferred financing costs	1,130,930	—	1,130,930

June 30, 2024

(In thousands)	***Real Estate Operations***	***Restaurant Operations***	***Total***
Total real estate investments	***$ 2,985,691***	***$ 23,069***	***$ 3,008,760***
Accumulated depreciation	***(749,091)***	***(7,963)***	***(757,054)***
Total real estate investments, net	***$ 2,236,600***	***$ 15,106***	***$ 2,251,706***
Cash and cash equivalents	***$ 15,980***	***$ 1,187***	***$ 17,167***
Total assets	***$ 2,463,929***	***$ 21,985***	***$ 2,485,914***
Total debt, net of deferred financing costs	***$ 1,158,583***	***$ —***	***$ 1,158,583***

Supplemental Segment Information at December 31, 2023

(In thousands)	Real Estate Operations	Restaurant Operations	Total
Total real estate investments	$ 2,926,425	$ 22,996	$ 2,949,421
Accumulated depreciation	(731,345)	(7,601)	(738,946)
Total real estate investments, net	2,195,080	15,395	2,210,475
Cash and cash equivalents	14,776	1,546	16,322
Total assets	2,429,136	22,498	2,451,634
Total debt, net of deferred financing costs	1,112,689	—	1,112,689

(In thousands)	Real Estate Operations	Restaurant Operations	Total
Total real estate investments	$ 2,926,425	$ 22,996	$ 2,949,421
Accumulated depreciation	(731,345)	(7,601)	(738,946)
Total real estate investments, net	$ 2,195,080	$ 15,395	$ 2,210,475
Cash and cash equivalents	$ 14,776	$ 1,546	$ 16,322
Total assets	$ 2,429,136	$ 22,498	$ 2,451,634
Total debt, net of deferred financing costs	$ 1,112,689	$ —	$ 1,112,689

NOTE 15 – SUBSEQUENT EVENTS

The Company reviewed its subsequent events and transactions that have occurred after March 31, 2024 June 30, 2024, the date of the Consolidated Balance Sheet, through May 2, 2024 August 1, 2024, and noted the following:

Acquisitions & Disposals

The Company invested $8.9 million $4.2 million in the acquisition of two net lease properties with an investment yield of approximately 7.1%6.8%, and approximately 9.84.6 years of lease term remaining. The Company funded the acquisitions with cash on hand. The Company anticipates accounting for the transactions as asset acquisitions in accordance with U.S. GAAP. There was no contingent liability associated with the transactions at March 31, 2024 June 30, 2024.

Item 2. Management's Discussion and Analysis of Financial Condition and Results of Operations.

Forward-Looking Statements

Statements contained in this Quarterly Report on Form 10-Q, including the documents that are incorporated by reference, that are not historical facts are forward-looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934 (the "Exchange Act"). Also, when Four Corners Property Trust, Inc. (the "Company") uses any of the words "anticipate," "assume," "believe," "estimate," "expect," "intend," or similar expressions, Four Corners Property Trust, Inc. is making forward-looking statements. Although management believes that the expectations reflected in such forward-looking statements are based upon present expectations and reasonable assumptions, actual results could differ materially from those set forth in the forward-looking statements. Certain factors that could cause actual results or events to differ materially from those anticipated or projected are described in the section entitled "Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2023, as such factors may be updated from time to time in our periodic filings with the Securities and Exchange Commission.

Given these uncertainties, readers are cautioned not to place undue reliance on such statements, which speak only as of the date of this Quarterly Report on Form 10-Q or any document incorporated herein by reference. Four Corners Property Trust, Inc. undertakes no obligation to publicly release any revisions to these forward-looking statements that may be made to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q.

The following discussion and analysis should be read in conjunction with the consolidated financial statements and related notes included in the Annual Report on Form 10-K of Four Corners Property Trust, Inc. for the year ended December 31, 2023 and in the Quarterly Report on Form 10-Q of Four Corners Property Trust, Inc. for the quarter ended March 31, 2024. Any references to "FCPT," "the Company," "we," "us," or "our" refer to Four Corners Property Trust, Inc. as an independent, publicly traded, self-administered company.

All filings we make with the Securities and Exchange Commission (the "SEC"), including our Annual Report on Form 10-K, this and other quarterly reports on Form 10-Q, and our current reports on Form 8-K, and any amendments to those reports are available for free on our website, www.fcpt.com, as soon as reasonably practicable after they are filed with, or furnished to, the SEC. We do not intend our website to be an active link or to otherwise incorporate the information contained on our website into this report or other filings with the SEC. However, we use our website as a routine channel of distribution of company information, including press releases, presentations and supplemental information, as a means of disclosing material non-public information and for complying with our disclosure obligations under Regulation FD. Accordingly, investors should monitor our website in addition to following press releases, SEC filings and public conference calls and webcasts. Our filings can also be obtained for free on the SEC's Internet website at www.sec.gov. We are providing our website address solely for the information of investors.

Overview

We are a Maryland corporation and a real estate investment trust ("REIT") which owns, acquires and leases properties for use in the restaurant and retail industries. Substantially all of our business is conducted through Four Corners Operating Partnership, LP ("FCPT OP"), a Delaware limited partnership of which we are a majority limited partner and our wholly owned subsidiary, Four Corners GP, LLC ("FCPT GP"), is its sole general partner. We believe that we have operated in conformity with the requirements for qualification and taxation as a REIT for the taxable year ended December 31, 2023, and we intend to continue to operate in a manner that will enable us to maintain our qualification as a REIT.

Our revenues are primarily generated by leasing properties to tenants through net lease arrangements under which the tenants are primarily responsible for ongoing costs relating to the properties, including utilities, property taxes, insurance, common area maintenance charges, and maintenance and repair costs. We focus on income producing properties leased to high quality tenants in major markets across the United States. We also generate revenues by operating seven LongHorn Steakhouse restaurants located in the San Antonio, Texas area (the "Kerrow Restaurant Operating Business") pursuant to franchise agreements with Darden.

In addition to managing our existing properties, our strategy includes investing in additional restaurant and retail properties to grow and diversify our existing portfolio. We expect this acquisition strategy will decrease our reliance on Darden and help us gain exposure to non-restaurant retail properties over time. We intend to purchase properties that are well located, occupied by durable concepts, with creditworthy tenants whose operating cash flows are expected to meaningfully exceed their lease payments to us. We seek to improve the probability of successful tenant renewal at the end of initial lease terms by acquiring properties that have high levels of operator profitability compared to rent payments and have absolute rent levels that generally reflect market rates.

During the three six months ended March 31, 2024 June 30, 2024, FCPT acquired four 21 properties for a total investment value of $16.7 million of $63.8 million, including including transaction costs. These properties are 100% occupied under net leases with a weighted average remaining lease term of 9.9 12.2 years.

At March 31, 2024 June 30, 2024, our lease portfolio had the following characteristics:

- 1,115 properties 1,132 properties located in 47 states and representing an aggregate leasable area area of 7.5 million square 7.7 million square feet;
- 99.6% occupancy occupancy (based on leasable square footage);
- An average remaining lease term of 7.6 7.4 years (weighted by annualized base rent);
- An average annual rent escalation of of 1.4% through December 31, 2029 (weighted (weighted by annualized base rent);

- 99.7% of 99.8% of the contractual base rent collected for the three months ended March 31, 2024 June 30, 2024; and
- 59.5% 58.7% investment-grade tenancy (weighted by annualized base rent).

Results of Operations

During the three and six months ended March 31, 2024 June 30, 2024 and 2023, we operated in two segments: real estate opera

(In thousands)
Revenues:
Rental revenue
Restaurant revenue
Total revenues
Operating expenses:
General and administrative
Depreciation and amortization
Property expenses
Restaurant expenses
Total operating expenses
Interest expense
Other income
Realized gain on sale, net
Income tax expense
Net income
Net income attributable to noncontrolling interest
Net Income Attributable to Common Shareholders

	Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	*2024*	*2023*	*2024*	*202*
Revenues:				
Rental revenue	$ 58,539	$ 52,843	$ 117,112	$ 1
Restaurant revenue	7,940	7,845	15,834	
Total revenues	66,479	60,688	132,946	1
Operating expenses:				
General and administrative	6,004	5,600	12,217	
Depreciation and amortization	13,345	11,817	26,812	

Property expenses	2,836	2,676	5,917	
Restaurant expenses	7,332	7,197	14,896	
Total operating expenses	29,517	27,290	59,842	
Interest expense	(12,324)	(10,051)	(24,605)	
Other income	150	226	390	
Realized gain on sale, net	—	173	—	
Income tax expense	(86)	(91)	(113)	
Net income	24,702	23,655	48,776	
Net income attributable to noncontrolling interest	(30)	(30)	(60)	
Net Income Attributable to Common Shareholders	$ 24,672	$ 23,625	$ 48,716	$

Three Months Ended March 31, 2024 June 30, 2024 Compared to Three Months Ended March 31, 2023

June 30, 2023

Real Estate Operations

Rental Revenue

Rental revenue increased $6.4 million $5.7 million, or 12.2% 10.8%, during the three months ended March 31, 2024 June 30, 202

recognized in property expenses.

We recognize rental income on a straight-line basis to include the effect of base rent escalators, and free rent periods, if any.

General and Administrative Expenses

General and administrative expense is comprised of costs associated with staff, office rent, legal, accounting, information technol

increased non-cash stock compensation expense.

Depreciation and Amortization Expense

Depreciation and amortization expense represents the depreciation on real estate investments that have estimated lives ranging f

Property Expense

We record all tenant expenses, both reimbursed and non-reimbursed, to property expense. We also record initial direct costs (lea

Interest Expense

We incur interest expense on our $515 million of term loans, any outstanding borrowings on our revolving credit facility, interest ra

Realized Gain on Sale, Net

During the three months ended March 31, 2024 June 30, 2024, the Company did not sell any properties. During the three months

$173 thousand.

Income Taxes

During the three months ended March 31, 2024 June 30, 2024 and 2023, our income tax expense was $27 $86 thousand and $48

March 31, 2024, June 30, 2024, the net deferred tax asset at the Kerrow Restaurant Operating Business increased by $72 $20 thousand. This deferred tax bene

Restaurant Operations

Restaurant revenues increased by $139 $95 thousand, or 1.8% 1.2%, during the three months ended March 31, 2024 June 30, 20

Total restaurant expenses increased by $269 $135 thousand, or 3.7% 1.9%, during the three months ended March 31, 2024 June

Six Months Ended June 30, 2024 Compared to Six Months Ended June 30, 2023

Real Estate Operations

Rental Revenue

Rental revenue increased $12.1 million, or 11.5%, during the six months ended June 30, 2024 compared to the six months ended

We recognize rental income on a straight-line basis to include the effect of base rent escalators, and free rent periods, if any.

General and Administrative Expenses

General and administrative expense is comprised of costs associated with staff, office rent, legal, accounting, information technolo

Depreciation and Amortization Expense

Depreciation and amortization expense represents the depreciation on real estate investments that have estimated lives ranging f

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Property Expense

We record all tenant expenses, both reimbursed and non-reimbursed, to property expense. We also record initial direct c

Interest Expense

We incur interest expense on our $515 million of term loans, any outstanding borrowings on our revolving credit facility,

Realized Gain on Sale, Net

During the six months ended June 30, 2024, the Company did not sell any properties. During the six months ended June

Income Taxes

During the six months ended June 30, 2024 and 2023, our income tax expense was $113 thousand and $139 thousand, re

Restaurant Operations

Restaurant revenues increased by $234 thousand, or 1.5%, during the six months ended June 30, 2024 compared to the

Total restaurant expenses increased by $404 thousand, or 2.8%, during the six months ended June 30, 2024 compared to

Critical Accounting Policies

The preparation of FCPT's consolidated financial statements in conformance with U.S. GAAP requires management to make esti

estimates and assumptions used in the preparation of our consolidated financial statements.

New Accounting Standards

A discussion of new accounting standards and the possible effects of these standards on our consolidated financial statements is

Liquidity and Financial Condition

At March 31, 2024 June 30, 2024, we had $26.1 million $17.2 million of cash and cash equivalents and $250 million $223 million o

On March 14, 2024, FCPT entered into an Incremental Amendment to the Third Amended and Restated Revolving Credit and Ter

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We have entered into the following interest rate swaps to hedge the interest rate variability associated with the term loan portion o

Product	Notional Amount ($ in thousands)		Effective Date	Mat
Swap	$	150,000	11/09/2022	11
Swap		50,000	10/25/2022	11
Swap		25,000	11/09/2022	11

Swap	25,000	03/09/2023	11
Swap (1)	50,000	11/09/2023	11
Swap	25,000	11/09/2023	11
Swap	25,000	11/09/2023	11
Swap	25,000	11/13/2023	11
Swap	25,000	04/09/2024	04
Swap	30,000	04/09/2024	04
Swap	30,000	04/09/2024	04
Swap	25,000	11/09/2024	11
Swap	50,000	11/10/2025	11
Swap	50,000	11/10/2025	11
Swap	25,000	11/10/2025	11
Swap	50,000	11/10/2025	11
Swap	50,000	11/10/2025	11

(1) In November 2024, the notional amount of the swap will increase to $150 million

Product	Notional Amount (in thousands)	Effective Date	Maturity Date
Swap	$ 150,000	11/09/2022	11/09/2024
Swap	50,000	10/25/2022	11/09/2025
Swap	25,000	11/09/2022	11/09/2025
Swap	25,000	03/09/2023	11/09/2026
Swap (1)	50,000	11/09/2023	11/09/2025
Swap	25,000	11/09/2023	11/09/2026
Swap	25,000	11/09/2023	11/09/2028
Swap	25,000	11/13/2023	11/09/2028
Swap	25,000	04/09/2024	04/09/2029
Swap	30,000	04/09/2024	04/09/2029

Swap	30,000	04/09/2024	04/09/2029
Swap	50,000	11/10/2025	11/09/2027
Swap	50,000	11/10/2025	11/09/2027
Swap	25,000	11/10/2025	11/09/2028
Swap	50,000	11/10/2025	11/09/2028
Swap	50,000	11/10/2025	11/09/2028

(1) In November 2024, the notion
swap will increase to $150 million