REFINITIV

DELTA REPORT

10-Q

CHCT - COMMUNITY HEALTHCARE TRUS

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

The following comparison report has been automatically generated

TOTAL DELTAS	1623
CHANGES	204
DELETIONS	283
ADDITIONS	1136

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934 FOR THE QUARTERLY PERIOD ENDED MARCH 31, 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: 001-37401

Community Healthcare Trust Incorporated

(Exact Name of Registrant as Specified in Its Charter)

Maryland	**46-5212033**
(State or Other Jurisdiction of Incorporation or Organization)	(I.R.S. Employer Identification No.)

3326 Aspen Grove Drive
Suite 150
Franklin, Tennessee 37067
(Address of Principal Executive Offices) (Zip Code)

(615) 771-3052
(Registrant's Telephone Number, Including Area Code)

Not Applicable
(Former Name, Former Address and Former Fiscal Year, if Changed Since Last Report)

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

Title of each Class	Trading Symbol	Name of each exchange on which registered
Common stock, $0.01 par value per share	CHCT	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. Yes ☒ No ☐

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

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

Large accelerated filer	☒	Accelerated filer	☐	Emerging-growth company	☐	Non-accelerated filer	☐	Smaller reporting 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 Section13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

The Registrant had 27,701,196 28,057,217 shares of Common Stock, $0.01 par value per share, outstanding as of April 24, 2024 July 24, 2024.

COMMUNITY HEALTHCARE TRUST INCORPORATED
FORM 10-Q
MARCH 31, JUNE 30, 2024
TABLE OF CONTENTS

		Page
PART I.—FINANCIAL INFORMATION		
Item 1.	Financial Statements (Unaudited)	3
	Condensed Consolidated Balance Sheets	3
	Condensed Consolidated Statements Ofof Operations	4
	Condensed Consolidated Statements of Comprehensive(Loss)Income (Loss)	5
	Condensed Consolidated Statements of Stockholders' Equity	6
	Condensed Consolidated Statements of Cash Flows	8
	Notes to Condensed Consolidated Financial Statements	9
Item 2.	Management’s Discussion and Analysis of Financial Condition and Results of Operations	24 26
Item 3.	Quantitative and Qualitative Disclosures about Market Risk	34 40
Item 4.	Controls and Procedures	34 40
PART II.—OTHER INFORMATION		35 41
Item 1.	Legal Proceedings	35 41
Item 1A.	Risk Factors	35 41
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds	35 41
Item 3.	Defaults Upon Senior Securities	35 41
Item 4.	Mine Safety Disclosures	35 41
Item 5.	Other Information	35 41
Item 6.	Exhibits	35 41
SIGNATURES		38 44

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

COMMUNITY HEALTHCARE TRUST INCORPORATED
CONDENSED CONSOLIDATED BALANCE SHEETS
(Dollars and shares in thousands, except per share amounts)

	(Unaudited)	
	March 31, 2024	
	March 31, 2024	
	March 31, 2024	**December 31, 2023**
	June 30, 2024	
	June 30, 2024	
	June 30, 2024	**December 31, 2023**
ASSETS		
Real estate properties		
Real estate properties		
Real estate properties		
Land and land improvements		
Land and land improvements		
Land and land improvements		
Buildings, improvements, and lease intangibles		

Personal property
Total real estate properties
Less accumulated depreciation
Total real estate properties, net
Cash and cash equivalents
Restricted cash
Real estate properties held for sale
Real estate properties held for sale
Real estate properties held for sale
Other assets, net
Total assets
LIABILITIES AND STOCKHOLDERS' EQUITY
LIABILITIES AND STOCKHOLDERS' EQUITY
LIABILITIES AND STOCKHOLDERS' EQUITY
Liabilities
Liabilities
Liabilities
Debt, net
Debt, net
Debt, net
Accounts payable and accrued liabilities
Other liabilities, net
Other liabilities, net
Other liabilities, net
Total liabilities
Commitments and contingencies
Commitments and contingencies
Commitments and contingencies
Stockholders' Equity
Stockholders' Equity
Stockholders' Equity
Preferred stock, $0.01 par value; 50,000 shares authorized; none issued and outstanding
Preferred stock, $0.01 par value; 50,000 shares authorized; none issued and outstanding
Preferred stock, $0.01 par value; 50,000 shares authorized; none issued and outstanding
Common stock, $0.01 par value; 450,000 shares authorized; 27,701 and 27,613 shares issued and outstanding at March 31, 2024 and December 31, 2023, respectively
Common stock, $0.01 par value; 450,000 shares authorized; 28,049 and 27,613 shares issued and outstanding at June 30, 2024 and December 31, 2023, respectively
Additional paid-in capital
Cumulative net income
Accumulated other comprehensive income
Cumulative dividends
Total stockholders' equity
Total liabilities and stockholders' equity

See accompanying notes to the condensed consolidated financial statements.

COMMUNITY HEALTHCARE TRUST INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, JUNE 30, 2024 AND 2023
(Unaudited; Dollars and shares in thousands, except per share amounts)

	Three Months Ended March 31,
	Three Months Ended March 31,

	Three Months Ended March 31,				
		Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2024	2023	2024	2023
	2024				
	2024				
REVENUES					
REVENUES					
REVENUES					
Rental income					
Rental income					
Rental income					
Other operating interest					
Other operating interest, net					
Other operating interest, net					
Other operating interest					
Other operating interest					
	29,333				
	29,333				
	29,333				
Other operating interest, net					
27,516					
EXPENSES					
EXPENSES					
EXPENSES					
Property operating					
Property operating					
Property operating					
General and administrative (1)					
General and administrative (1)					
General and administrative (1)					
Depreciation and amortization					
Depreciation and amortization					
Depreciation and amortization					
	20,607				
	20,607				
	20,607				
	21,124				
	21,124				
	21,124				
OTHER INCOME (EXPENSE)					
OTHER INCOME (EXPENSE)					
OTHER INCOME (EXPENSE)					
Impairment of real estate asset					
Impairment of real estate asset					
Impairment of real estate asset					
Interest expense					
Interest expense					
Interest expense					
Credit loss reserve					

Deferred income tax expense
Deferred income tax expense
Deferred income tax expense
Interest and other income
Interest and other income
Interest and other income

NET (LOSS) INCOME
NET (LOSS) INCOME
NET (LOSS) INCOME

NET INCOME (LOSS)
NET INCOME (LOSS)
NET INCOME (LOSS)
NET INCOME (LOSS) PER COMMON SHARE
NET INCOME (LOSS) PER COMMON SHARE
NET INCOME (LOSS) PER COMMON SHARE
Net income (loss) per common share - Basic
Net income (loss) per common share - Basic
Net income (loss) per common share - Basic
Net income (loss) per common share - Diluted
Net income (loss) per common share - Diluted
Net income (loss) per common share - Diluted
NET (LOSS) INCOME PER COMMON SHARE
NET (LOSS) INCOME PER COMMON SHARE
NET (LOSS) INCOME PER COMMON SHARE
Net (loss) income per common share - Basic
Net (loss) income per common share - Basic
Net (loss) income per common share - Basic
Net (loss) income per common share -Diluted
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING-BASIC
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING-BASIC
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING-BASIC
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING-DILUTED
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING-DILUTED
WEIGHTED AVERAGE COMMON SHARES OUTSTANDING-DILUTED

____

____

____

(1) General and administrative expenses for the six months ended June 30, 2024 included stock-based compensation expense totaling approximately $4.9 million. General and administrative expenses for the six months ended June 30, 2023 included stock-based compensation expense totaling approximately $16.0 million, including the accelerated amortization of stock-based compensation totaling approximately $11.8 million recognized upon the passing of our former CEO and President in the first quarter of 2023. See Note 9 – Stock Incentive Plan.

(1) General and administrative expenses for the six months ended June 30, 2024 included stock-based compensation expense totaling approximately $4.9 million. General and administrative expenses for the six months ended June 30, 2023 included stock-based compensation expense totaling approximately $16.0 million, including the accelerated amortization of stock-based compensation totaling approximately $11.8 million recognized upon the passing of our former CEO and President in the first quarter of 2023. See Note 9 – Stock Incentive Plan.

(1) General and administrative expenses for the six months ended June 30, 2024 included stock-based compensation expense totaling approximately $4.9 million. General and administrative expenses for the six months ended June 30, 2023 included stock-based compensation expense totaling approximately $16.0 million, including the accelerated amortization of stock-based compensation totaling approximately $11.8 million recognized upon the passing of our former CEO and President in the first quarter of 2023. See Note 9 – Stock Incentive Plan.

____

____

(1) General and administrative expenses for the three months ended March 31, 2024 included stock-based compensation expense totaling approximately $2.4 million. General and administrative expenses for the three months ended March 31, 2023 included stock-based compensation expense totaling approximately $14.3 million, including the accelerated amortization of stock-based compensation totaling approximately $11.8 million recognized upon the passing of our former CEO and President in the first quarter of 2023. See Note 9 – Stock Incentive Plan.

(1) General and administrative expenses for the three months ended March 31, 2024 included stock-based compensation expense totaling approximately $2.4 million. General and administrative expenses for the three months ended March 31, 2023 included stock-based compensation expense totaling approximately $14.3 million, including the accelerated amortization of stock-based compensation totaling approximately $11.8 million recognized upon the passing of our former CEO and President in the first quarter of 2023. See Note 9 – Stock Incentive Plan.

(1) General and administrative expenses for the three months ended March 31, 2024 included stock-based compensation expense totaling approximately $2.4 million. General and administrative expenses for the three months ended March 31, 2023 included stock-based compensation expense totaling approximately $14.3 million, including the accelerated amortization of stock-based compensation totaling approximately $11.8 million recognized upon the passing of our former CEO and President in the first quarter of 2023. See Note 9 – Stock Incentive Plan.

See accompanying notes to the condensed consolidated financial statements.

COMMUNITY HEALTHCARE TRUST INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME (LOSS)
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, JUNE 30, 2024 AND 2023
(Unaudited; Dollars in thousands)

	Three Months Ended March 31,	
	2024	2023
NET INCOME (LOSS)	$ 3,665	$ (6,922)
Other comprehensive income (loss):		
Increase (decrease) in fair value of cash flow hedges	7,870	(4,973)
Reclassification for amounts recognized as interest expense	(2,797)	(2,010)
Total other comprehensive income (loss)	5,073	(6,983)
COMPREHENSIVE INCOME (LOSS)	$ 8,738	$ (13,905)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2024	2023	2024	2023
NET (LOSS) INCOME	$ (10,427)	$ 6,577	$ (6,762)	$ (345)
Other comprehensive income:				
Increase in fair value of cash flow hedges	2,703	9,875	10,573	4,902
Reclassification for amounts recognized as interest expense	(2,703)	(2,474)	(5,500)	(4,484)
Total other comprehensive income	—	7,401	5,073	418
COMPREHENSIVE (LOSS) INCOME	$ (10,427)	$ 13,978	$ (1,689)	$ 73

See accompanying notes to the condensed consolidated financial statements.

COMMUNITY HEALTHCARE TRUST INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, JUNE 30, 2024
(Unaudited; Dollars and shares in thousands, except per share amounts)

	Preferred Stock Shares	Preferred Stock	Common Stock	Additional Paid in Capital	Cumulative Net Income	Accumulated Other Comprehensive Income	Cumulative Dividends	Total Stockholders' Equity	Preferred Stock	Common Stock	Additional Paid in Capital	Cumulative Net Income	Accumulated Other Comprehensive Income	Cumulative Dividends
Balance at March 31, 2024														
Balance at March 31, 2024														
Balance at March 31, 2024														

Issuance of common stock, net of issuance costs
Stock-based compensation, net of forfeitures
Increase in fair value of cash flow hedges
Increase in fair value of cash flow hedges
Increase in fair value of cash flow hedges
Reclassification for amounts recognized as interest expense
Net loss
Dividends to common stockholders ($0.4600 per share)
Balance at June 30, 2024
Balance at December 31, 2023
Balance at December 31, 2023
Balance at December 31, 2023
Issuance of common stock, net of issuance costs
Stock-based compensation, net of forfeitures
Shares withheld on vesting of stock-based compensation
Increase in fair value of cash flow hedges
Reclassification for amounts recognized as interest expense
Net income

Dividends to common stockholders ($0.4575 per share)
Balance at March 31, 2024
Net loss
Dividends to common stockholders ($0.9175 per share)
Balance at June 30, 2024

See accompanying notes to the condensed consolidated financial statements.

COMMUNITY HEALTHCARE TRUST INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE THREE AND SIX MONTHS ENDED MARCH 31, JUNE 30, 2023
(Unaudited; Dollars and shares in thousands, except per share amounts)

	Preferred Stock	Preferred Stock	Common Stock	Additional Paid in Capital	Cumulative Net Income	Accumulated Other Comprehensive Income	Cumulative Dividends	Total Stockholders' Equity	Preferred Stock	Common Stock	Additional Paid in Capital	Cumulative Net Income	Accumulated Other Comprehensive Income	Cumulative Dividends
	Shares													
Balance at March 31, 2023														
Balance at March 31, 2023														
Balance at March 31, 2023														
Issuance of common stock, net of issuance costs														
Stock-based compensation, net of forfeitures														
Shares withheld on vesting of stock-based compensation														
Increase in fair value of cash flow hedges														
Reclassification for amounts recognized as interest expense														
Net income														
Dividends to common stockholders ($0.4500 per share)														
Balance at June 30, 2023														

Balance at December 31, 2022
Balance at December 31, 2022
Balance at December 31, 2022
Issuance of common stock, net of issuance costs
Issuance of common stock
Stock-based compensation, net of forfeitures
Decrease in fair value of cash flow hedges
Shares withheld on vesting of stock-based compensation
Increase in fair value of cash flow hedges
Reclassification for amounts recognized as interest expense
Net loss
Dividends to common stockholders ($0.4475 per share)
Balance at March 31, 2023
Dividends to common stockholders ($0.8975 per share)
Balance at June 30, 2023

See accompanying notes to the condensed consolidated financial statements.

COMMUNITY HEALTHCARE TRUST INCORPORATED
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited; Dollars in thousands)

	Three Months Ended March 31,	
	2024	**2023**
OPERATING ACTIVITIES		
Net income (loss)	$ 3,665	$ (6,922)

Adjustments to reconcile net income (loss) to net cash provided by operating activities:				
Depreciation and amortization		10,262		9,018
Other amortization		217		265
Stock-based compensation		2,424		2,547
Accelerated amortization of stock-based compensation		—		11,799
Straight-line rent receivable		(755)		(917)
Deferred income tax expense		—		35
Changes in operating assets and liabilities:				
Other assets		(2,056)		(2,390)
Accounts payable and accrued liabilities		(1,079)		133
Other liabilities		(35)		(870)
Net cash provided by operating activities		12,643		12,698
INVESTING ACTIVITIES				
Acquisitions of real estate		(34,297)		(23,895)
Funding of notes receivable		—		(1,295)
Proceeds from the repayment of notes receivable		870		750
Capital expenditures on existing real estate properties		(5,113)		(4,138)
Net cash used in investing activities		(38,540)		(28,578)
FINANCING ACTIVITIES				
Net borrowings on revolving credit facility		39,000		12,000
Mortgage note repayments		(32)		(32)
Dividends paid		(12,684)		(11,646)
Proceeds from issuance of common stock		540		8,215
Taxes paid on behalf of employees and shares withheld upon shares vesting		(551)		—
Equity issuance costs		(63)		(100)
Net cash provided by financing activities		26,210		8,437
Increase (decrease) in cash, cash equivalents and restricted cash		313		(7,443)
Cash, cash equivalents and restricted cash, beginning of period		4,633		12,068
Cash, cash equivalents and restricted cash, end of period	$	4,946	$	4,625
Supplemental Cash Flow Information:				
Interest paid (net of capitalized interest)	$	4,790	$	3,866
Invoices accrued for construction, tenant improvement and other capitalized costs	$	4,591	$	3,274
Reclassification of registration statement costs incurred in prior years to equity issuance costs	$	72	$	52
Increase (decrease) in fair value of cash flow hedges	$	7,870	$	(4,973)
Income taxes paid	$	26	$	60
Capitalized interest	$	28	$	192
Net proceeds accrued for common stock issued in March with cash settlement in April	$	—	$	732

	Six Months Ended June 30,			
		2024		2023
OPERATING ACTIVITIES				
Net loss	$	(6,762)	$	(345)
Adjustments to reconcile net loss to net cash provided by operating activities:				
Depreciation and amortization		21,054		18,237
Other amortization		384		508
Stock-based compensation		4,893		4,239
Accelerated amortization of stock-based compensation		—		11,799
Straight-line rent receivable		(551)		(1,737)
Net gain from insurance recovery on casualty loss		—		(706)

Impairment of real estate asset	140	—
Credit loss reserve	11,000	—
Deferred income tax expense	—	85
Changes in operating assets and liabilities:		
Other assets	(37)	(1,853)
Accounts payable and accrued liabilities	189	(233)
Other liabilities	(938)	(620)
Net cash provided by operating activities	29,372	29,374
INVESTING ACTIVITIES		
Acquisitions of real estate	(57,844)	(39,712)
Funding of notes receivable	(275)	(1,985)
Proceeds from the repayment of notes receivable	1,620	2,255
Insurance proceeds from casualty loss	—	2,273
Capital expenditures on existing real estate properties	(12,298)	(7,884)
Net cash used in investing activities	(68,797)	(45,053)
FINANCING ACTIVITIES		
Net borrowings on revolving credit facility	59,000	15,000
Mortgage note repayments	(4,820)	(63)
Dividends paid	(25,477)	(23,489)
Proceeds from issuance of common stock	7,492	16,944
Taxes paid on behalf of employees and shares withheld upon shares vesting	(551)	(964)
Equity issuance costs	(118)	(141)
Net cash provided by financing activities	35,526	7,287
Decrease in cash, cash equivalents and restricted cash	(3,899)	(8,392)
Cash, cash equivalents and restricted cash, beginning of period	4,633	12,068
Cash, cash equivalents and restricted cash, end of period	$ 734	$ 3,676
Supplemental Cash Flow Information:		
Interest paid (net of capitalized interest)	$ 10,703	$ 7,868
Invoices accrued for construction, tenant improvement and other capitalized costs	$ 3,619	$ 3,776
Reclassification of registration statement costs incurred in prior years to equity issuance costs	$ 188	$ 91
Increase in fair value of cash flow hedges	$ 10,573	$ 4,902
Income taxes paid	$ 28	$ 69
Capitalized interest	$ 77	$ 349

See accompanying notes to the condensed consolidated financial statements.

COMMUNITY HEALTHCARE TRUST INCORPORATED
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
March 31, June 30, 2024
(Unaudited)

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Business Overview

Community Healthcare Trust Incorporated (the ‘‘Company’’, ‘‘we’’, ‘‘our’’) was organized in the State of Maryland on March 28, 2014. The Company is a fully-integrated healthcare real estate company that owns and acquires real estate properties that are leased to hospitals, doctors, healthcare systems or other healthcare service providers. As of March 31, 2024 June 30, 2024, the Company had gross investments of approximately $1.1 billion in 197 198 real estate properties (including a portion of one property accounted for as a sales-type lease with a gross amount totaling approximately $3.0 million and two properties classified as an asset held for sale with an aggregate amount net investment totaling approximately $7.5 million $7.3 million. See Note 10 – Other Assets, net and Note 4 – Real Estate Acquisitions and Dispositions, Assets Held for Sale, respectively). The properties are located in 35 states, totaling approximately 4.4 million 4.5 million square feet in the aggregate and were approximately 92.3% 92.6% leased, excluding real estate assets held for sale, at March 31, 2024 June 30, 2024 with a weighted average remaining lease term of approximately 6.9 7.1 years. Any references to square footage, property count, or occupancy percentages, and any amounts derived from these values in these notes to the Condensed Consolidated Financial Statements, are outside the scope of our independent registered public accounting firm's review.

Basis of Presentation

The Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and with the instructions to Form 10-Q and Article 10 of Regulation S-X. They do not include all of the information and footnotes required by GAAP for complete financial statements. This interim financial information should be read in conjunction with the consolidated financial statements included in the Company's Annual Report on Form 10-K for the year ended December 31, 2023. Management believes that all adjustments of a normal, recurring nature considered necessary for a fair presentation have been included. This interim financial information does not necessarily represent or indicate what the operating results will be for the year ending December 31, 2024. All intercompany accounts and transactions have been eliminated.

Use of Estimates in the Condensed Consolidated Financial Statements

Preparation of the Condensed Consolidated Financial Statements in accordance with GAAP requires management to make estimates and assumptions that affect amounts reported in the Condensed Consolidated Financial Statements and accompanying notes, including among others, estimates related to impairment assessments, purchase price allocations, valuation of properties held for sale, allowances for accounts and interest receivables, and valuation of financial instruments. Actual results may materially differ from those estimates.

Cash and Cash Equivalents and Restricted Cash

Cash and cash equivalents includes short-term investments with original maturities of three months or less when purchased. Restricted cash consists consisted of amounts held by the lender of our mortgage note payable to provide for future real estate tax, insurance expenditures and tenant improvements related to one property. The carrying amounts approximate fair value due to the short term maturity of these investments. The following table provides a reconciliation of cash and cash equivalents and restricted cash reported within the Company's Condensed Consolidated Balance Sheets and Condensed Consolidated Statements of Cash Flows:

	Balance as of March 31,	
(Dollars in thousands)	**2024**	**2023**
Cash and cash equivalents	$ 3,805	$ 3,666
Restricted cash	1,141	959
Cash, cash equivalents and restricted cash	$ 4,946	$ 4,625

Notes to Condensed Consolidated Financial Statements - Continued

Revenue RecognitionConsolidated Balance Sheets and Condensed Consolidated Statements of Cash Flows:

	Balance as of June 30,	
(Dollars in thousands)	**2024**	**2023**
Cash and cash equivalents	$ 734	$ 2,627
Restricted cash	—	1,049
Cash, cash equivalents and restricted cash	$ 734	$ 3,676

Rental Income

The primary source of revenue for the Company is generated through its leasing arrangements with its tenants which is accounted for under ASC Topic 842, or through notes with its borrowers which is covered under ASC 310. 842. The Company's rental income and interest income are recognized is based on contractual arrangements with its tenants and borrowers. tenants. From the inception of a lease, if collection of substantially all of the lease payments is probable for a tenant, then rental income is recognized as earned over the life of the lease agreement on a straight-line basis. Recognizing rental revenue on a straight-line basis for leases may result in recognizing revenue in amounts more or less than amounts currently due from tenants.

Interest Income

The Company's interest income is recognized based on contractual arrangements with its tenants. The Company recognizes interest income on an accrual basis unless the Company determines that collectability of contractual amounts is not reasonably assured, at which point the note is placed on non-accrual status and interest income is recognized on a cash basis.

Credit Losses

Losses from Operating Lease Receivables

We assess the probability of collecting substantially all rents under our leases, on a tenant-by-tenant basis, based on several factors, including, payment and default history, financial strength of the tenant and/or guarantors, historical and operating trends of the property, and the value of the underlying collateral, if any. If management determines that collection of substantially all of a lease's tenant's lease payments is not probable, it we will revert to recognizing such lease payments at the lesser of cash collected, lease income reflected on a straight-line basis, or another systematic basis plus variable rent when it becomes accruable and will reverse any recorded receivables related to that lease. In the event that management subsequently determines collection of substantially all of that lease's receivable tenant's lease payments is probable, management will reinstate and record all such receivables for the lease in accordance with the lease terms. The Company also maintains a general allowance for its lease receivables that the Company management has determined are probable of collection. Accounts receivable, straight-line rent and related allowances are included in Other assets on the Company's Condensed Consolidated Balance Sheets and any offsetting reduction in income is included in rental income on the Company's Condensed Statements of Operations.

Credit Losses on Loans and Interest Receivables

Historically, the Company has at times entered into loans with certain of its tenants for working capital or other needs. We consider our loans to be incidental to our main business of acquiring and leasing healthcare real estate. Credit losses on financial instruments are measured using an expected credit loss ("CECL") model in evaluating the collectability of notes receivable and other financial instruments. The CECL impairment model requires an estimate of expected credit losses, measured over the contractual life of an instrument, that considers forecasts of future economic conditions in addition to information about past events and current conditions. Under the CECL model, the Company estimates credit losses over the entire contractual term of the instrument from the date of initial recognition of that instrument and is required to record a credit loss expense (or reversal) in each reporting period. The Company evaluates factors such as its historical credit loss experience with the borrower or similar financial assets, current economic conditions, current and expected future financial condition of the borrower, as well as payment history of the borrower, along with other relevant factors for each borrower or similar instruments. If a sale of the borrower's collateral, such as the underlying business or real estate, is expected to repay amounts due to the Company, the Company will also evaluate the underlying collateral in measuring any expected credit loss. The Company's financial instruments included in the scope of the CECL guidance are the principal balances of its tenant

notes receivable and its net investment in a sales-type lease which are included in Other assets on the Company's Condensed Consolidated Balance Sheets.

We made an accounting policy election to exclude interest receivables from the credit loss reserve model. The Company recognizes interest income on an accrual basis unless the Company determines has determined that collectability of contractual amounts is not reasonably assured, at which point the note is placed on non-accrual status and interest income is recognized on a cash basis. Subsequently, when collectability of contractual amounts is reasonably assured, management will resume the accrual basis.

Income Taxes

The Company has elected to be taxed as a real estate investment trust ("REIT"), as defined under the Internal Revenue Code of 1986, as amended (the "Code"). The Company and two subsidiaries have also elected for those subsidiaries to be treated as taxable REIT subsidiaries ("TRSs"), which are subject to federal and state income taxes. No provision has been made for federal income taxes for the REIT; however, the Company has recorded income tax expense or benefit for the TRSs to the extent applicable. The Company intends at all times to qualify as a REIT under the Code. The Company must distribute at least 90% per annum of its REIT taxable income to its stockholders (which is computed without regard to the dividends paid deduction or net capital gain and which does not necessarily equal net income as calculated in accordance with GAAP) and meet other requirements to continue to qualify as a REIT.

Recent Accounting Pronouncements

The Financial Accounting Standards Board ("FASB") issued ASU 2023-07, Segment Reporting (Topic 280) on November 27, 2023. The provisions of this update generally include; (i) a requirement to disclose significant segment expenses, on an annual and interim basis, that are regularly provided to the chief operating decision maker ("CODM") and included within each reported measure of segment profit or loss; (ii) a requirement to disclose the title and position of the CODM and an explanation of how the CODM uses the reported measures of segment profit and loss in assessing segment performance and deciding how to allocate resources, and (iii) a requirement that entity's with a single reportable segment provide all of the disclosures required by the amendments in this update. This update is effective for annual reporting periods beginning after December 31, 2023, and interim period beginning after December 15, 2024. The Company does not expect that the adoption of this ASU will have a material impact on its consolidated financial statements other than the new disclosure requirements, as we operate under a single reportable segment. Compliance with these new disclosure requirements will begin with the Company's Annual Report on Form 10-K for the year ended December 31, 2024.

NOTE 2. REAL ESTATE INVESTMENTS

As of March 31, 2024 June 30, 2024, we had gross investments of approximately $1.1 billion in 197 198 real estate properties (including a portion of one property accounted for as a sales-type lease with a gross amount totaling approximately $3.0 million and two properties classified as held for sale with an aggregate amount totaling approximately $7.5 million $7.3 million). The Company's investments are diversified by property type, geographic location, and tenant as shown in the following tables:

Property Type	Property Type	# of Properties	Gross Investment (in thousands)	Property Type	# of Properties	Gross Investment (in thousands)
Medical Office Building						
Inpatient Rehabilitation Hospitals						
Acute Inpatient Behavioral						
Specialty Centers						
Physician Clinics						
Surgical Centers and Hospitals						
Behavioral Specialty Facilities						
Long-term Acute Care Hospitals						
Total						

State	State	# of Properties	Gross Investment (in thousands)	State	# of Properties	Gross Investment (in thousands)
Texas						
Illinois						
Ohio						
Florida						
Pennsylvania						
All Others						
Total						

Primary Tenant	Primary Tenant	# of Properties	Gross Investment (in thousands)	Primary Tenant	# of Properties	Gross Investment (in thousands)
Lifepoint Health						
US HealthVest						
All Others (less than 4%)						
Total						

GenesisCare Bankruptcy

Effective February 16, 2024, one of the Company's tenants, GenesisCare and certain of its affiliates ("GenesisCare"), emerged from Chapter 11 bankruptcy protection, and GenesisCare U.S. is now an independent business delivering oncology and specialty care services in Florida and North Carolina. Of the Company's seven leases with GenesisCare, five were assumed or assigned to buyers as part of the bankruptcy process and two remain with the GenesisCare U.S. entity.

NOTE 3. REAL ESTATE LEASES

Lessor Accounting

The Company's properties are generally leased pursuant to non-cancelable, fixed-term operating leases with expiration dates through 2039. 2044. The Company's leases generally require the lessee to pay minimum rent, with fixed rent renewal terms or increases based on a Consumer Price Index and may also include additional rent, which may include the reimbursement of taxes (including property taxes), insurance, maintenance and other operating costs associated with the leased property.

Some leases provide the lessee, during the term of the lease, with an option or right of first refusal to purchase the leased property. Some leases also allow the lessee to renew or extend their lease term or in some cases terminate their lease, based on conditions provided in the lease.

Future minimum lease payments under the non-cancelable operating leases due to the Company for the years ending December 31, as of March 31, 2024 June 30, 2024, are as follows (in thousands):

2024 (nine months ended December 31)	
2024 (six months ended December 31)	
2025	
2026	
2027	
2028	
2029 and thereafter	
	$

Rental income is recognized as earned over the life of the lease agreement on a straight-line basis when collection of rental payments over the term of the lease is probable. Straight-line rent included in reduced rental income was by approximately $0.8 million and $0.9 million, respectively, $0.2 million for the three months ended March 31, 2024 June 30, 2024 and increased rental income by approximately $0.8 million, for the three months ended June 30, 2023, and increased rental income by approximately $0.6 million and $1.7 million, respectively, for the six months ended June 30, 2024 and 2023.

Loss on operating lease receivable

During the three months ended June 30, 2024, the Company determined that the collectability of substantially all of the lease payments on six leases with a geriatric inpatient behavioral hospital tenant was not reasonably assured and

placed the tenant on cash basis, resulting in a reversal of rental income related to $1.9 million of lease receivables, including $0.9 million of straight-line rent.

Purchase Option Provisions

Certain of the Company's leases provide the lessee with a purchase option or a right of first refusal to purchase the leased property. The purchase option provisions generally allow the lessee to purchase the leased property at fair value or at an amount greater than the Company's gross investment in the leased property at the time of the purchase. At March 31, 2024 June 30, 2024, the Company had an aggregate gross investment of approximately $37.2 million $38.5 million in 10 11 real estate properties with purchase options exercisable at March 31, 2024 June 30, 2024 that had not been exercised.

Sales-type Lease

The Company has a portion of one property accounted for as a sales-type lease with a gross amount totaling approximately $3.0 million included in other assets, net on the Company's Condensed Consolidated Balance Sheets. Future lease payments due to the Company under this lease for the years ending December 31, as of March 31, 2024 June 30, 2024, are as follows (in thousands):

2024 (nine months ended December 31)	
2024 (six months ended December 31)	
2025	
2026	
2027	
2028	
2029 and thereafter	
Total undiscounted lease receivable	
Discount	
Lease receivable	

The Company recognized interest income of approximately $0.1 million during each of the three months ended March 31, 2024 June 30, 2024 and 2023 and approximately $0.2 million during each of the six months ended June 30, 2024 and 2023 related to this lease, which is included in other operating interest on the Company's Condensed Consolidated Statements of Income. Operations.

Lessee Accounting

At March 31, 2024 June 30, 2024, the Company was obligated, as the lessee, under four non-prepaid ground leases accounted for as operating leases with expiration dates, including renewal options, through 2076, and two non-prepaid ground leases accounted for as financing leases with expiration dates through 2109, including renewal options. Any rental increases related to the Company's ground leases are generally either stated or based on the Consumer Price Index. The Company's future lease payments under these non-prepaid ground leases were as follows (in thousands):

	Operating	Operating	Financing	Operating	Financing
2024 (nine months ended December 31)					
2024 (six months ended December 31)					
2025					
2026					
2027					
2028					
2029 and thereafter					
Total undiscounted lease payments					
Discount					
Lease liabilities					

Notes to Condensed Consolidated Financial Statements - Continued

The following table discloses other information regarding the ground leases.

			Three Months Ended March 31,		Three Months Ended June 30,	
	2024		2024	2023	2024	2023
Operating leases:						
Weighted-average remaining lease term in years (including renewal options)						
Weighted-average remaining lease term in years (including renewal options)						
Weighted-average remaining lease term in years (including renewal options)	34.8	36.0	34.5	35.7		

Weighted-average discount rate	Weighted-average discount rate	4.0 %	4.0 %	Weighted-average discount rate	4.0 %	4.0 %	
Financing leases:							
Financing leases:							
Financing leases:							
Weighted-average remaining lease term in years (including renewal options)							
Weighted-average remaining lease term in years (including renewal options)							
Weighted-average remaining lease term in years (including renewal options)		39.6	40.6		39.3	40.3	
Weighted-average discount rate	Weighted-average discount rate	4.2 %	4.2 %	Weighted-average discount rate	4.2 %	4.2 %	

NOTE 4. REAL ESTATE ACQUISITIONS AND DISPOSITIONS ASSETS HELD FOR SALE

Acquisitions

During the second quarter of 2024, the Company acquired one inpatient rehabilitation facility. The property was 100.0% leased to a tenant with a lease expiration in 2039. Amounts reflected in revenues and net income for this property for the three months ended June 30, 2024 was approximately $0.5 million and $0.4 million, respectively, and transaction costs totaling approximately $47,000 were capitalized relating to this property acquisition.

During the first quarter of 2024, the Company acquired four real estate properties in three four transactions. Upon acquisition, the properties were 98.6% leased in the aggregate with lease expirations through 2039. Amounts reflected in revenues and net income for these properties for the three six months ended March 31, 2024 June 30, 2024 were approximately $0.2 million $1.1 million and $0.1 million $0.5 million, respectively, and transaction costs totaling approximately $0.3 million were capitalized relating to these property acquisitions.

The following table summarizes our property acquisitions for the three six months ended March 31, 2024 June 30, 2024:

Location	Location	Property Type (1)	Number of Properties	Date Acquired	Purchase Price	Cash Consideration	Real Estate	Other (2)	Square Footage	Location	Property Type (1)	Number of Properties	Date Acquired	Purchase Price	Cash Consideration	Real Estate	Other (2)	Square Footage
					(000's)													
New Bedford, MA																		
New Bedford, MA																		
New Bedford, MA																		
Elkton, MD																		
Bemidji, MN																		
San Antonio, TX																		
					$													
					$													
					$													

(1) LTACH - Long-term Acute Care Hospital; MOB - Medical Office Building

(1) LTACH - Long-term Acute Care Hospital; MOB - Medical Office Building

(1) LTACH - Long-term Acute Care Hospital; MOB - Medical Office Building

(1) LTACH - Long-term Acute Care Hospital; MOB - Medical Office Building; IRF - Inpatient Rehabilitation Facility

(1) LTACH - Long-term Acute Care Hospital; MOB - Medical Office Building; IRF - Inpatient Rehabilitation Facility

(1) LTACH - Long-term Acute Care Hospital; MOB - Medical Office Building; IRF - Inpatient Rehabilitation Facility

(2) Includes other assets acquired, liabilities assumed, and above and below-market intangibles recognized at acquisition

The following table summarizes the relative fair values of the assets acquired and liabilities assumed in the property acquisitions for the three six months ended March 31, 2024 June 30, 2024:

Relative Fair Value		Relative Fair Value	Estimated Useful Life		Relative Fair Value	Estimated Useful Life

		(in thousands)				(in thousands)	(in years)	
						(in thousands)	(in years)	
Land and land improvements	Land and land improvements $	4,597	5.1	5.1	Land and land improvements	$ 6,277	9.1	9.1
Building and building improvements	Building and building improvements	27,538	26.7	26.7	Building and building improvements	49,405	34.8	34.8
Intangibles:								
	At-market lease intangibles							
	At-market lease intangibles							
	At-market lease intangibles	2,544		3.6				
	In-place lease intangibles							
	In-place lease intangibles							
	In-place lease intangibles	2,544		3.6				
	Above-market lease intangibles	Above-market lease intangibles	121	5.0	5.0	Above-market lease intangibles	121	5.0 5.0
	Below-market lease intangibles	Below-market lease intangibles	(275)	2.0	2.0	Below-market lease intangibles	(275)	2.0 2.0
	Total intangibles							
Accounts payable, accrued liabilities and other liabilities assumed								
Accounts payable, accrued liabilities and other liabilities assumed								
Accounts payable, accrued liabilities and other liabilities assumed								
Accounts receivable and other assets acquired								
Accounts receivable and other assets acquired								
Accounts receivable and other assets acquired								
Prorated rent, interest and operating expense reimbursement amounts collected								
Prorated rent, interest and operating expense reimbursement amounts collected								
Prorated rent, interest and operating expense reimbursement amounts collected								
	Total cash consideration							
	Total cash consideration							
	Total cash consideration							

Notes to Condensed Consolidated Financial Statements - Continued

Assets Held for Sale

The Company had two properties classified as held for sale as of March 31, 2024 June 30, 2024. The table below reflects the real estate assets and liabilities classified as held for sale as of March 31, 2024 June 30, 2024 and December 31, 2023. The Company recorded an additional impairment on one of the buildings totaling approximately $140,000 based on a sales contract entered into during the three months ended June 30, 2024.

(Dollars in thousands)	*(Dollars in thousands)*	**March 31, 2024**	**December 31, 2023**	*(Dollars in thousands)*	**June 30, 2024**	**December 31, 2023**
Balance Sheet data:						
Land						
Land						
Land						
Building, improvements, and lease intangibles						
	11,632					
	11,492					

Accumulated depreciation

Real estate assets held for sale, net

NOTE 5. DEBT, NET

The table below details the Company's debt as of March 31, 2024 June 30, 2024 and December 31, 2023.

		Balance as of										
(Dollars in thousands)												
(Dollars in thousands)												
(Dollars in thousands)		March 31, 2024	December 31, 2023		Maturity Dates		June 30, 2024		December 31, 2023		Maturity Dates	
Credit Facility:												
Credit Facility:												
Credit Facility:												
Revolving Credit Facility												
Revolving Credit Facility												
Revolving Credit Facility		$ 89,000	$	50,000	3/26	3/26	$	109,000	$ 50,000		3/26	3/26
A-3 Term Loan, net	A-3 Term Loan, net	74,761	74,730	74,730	3/26	3/26	A-3 Term Loan, net	74,791	74,730	74,730	3/26	3/26
A-4 Term Loan, net	A-4 Term Loan, net	124,550	124,522	124,522	3/28	3/28	A-4 Term Loan, net	124,579	124,522	124,522	3/28	3/28
A-5 Term Loan, net	A-5 Term Loan, net	149,222	149,189	149,189	3/30	3/30	A-5 Term Loan, net	149,255	149,189	149,189	3/30	3/30
Mortgage Note Payable, net	Mortgage Note Payable, net	4,787	4,815	4,815	5/24	5/24	Mortgage Note Payable, net	—	4,815	4,815	5/24	5/24
	$											

Notes to Condensed Consolidated Financial Statements - Continued

Credit Facility

The Company's third amended and restated credit agreement, as amended (the "Credit Facility") is by and among Community Healthcare Trust Incorporated, as borrower, the several banks and financial institutions party thereto as lenders, and Truist Bank, as administrative agent.

The Credit Facility provides for a $150.0 million revolving credit facility (the "Revolving Credit Facility") and $350.0 million in term loans (the "Term Loans"). The Revolving Credit Facility matures on March 19, 2026 and includes one 12-month option to extend the maturity date, subject to the satisfaction of certain conditions. The Term Loans include a seven-year term loan facility in the aggregate principal amount of $75.0 million (the "A-3 Term Loan"), which matures on March 29, 2026, a seven-year term loan facility in the aggregate principal amount of $125.0 million (the "A-4 Term Loan"), which matures on March 19, 2028, and a seven-year and three-month term loan facility in the aggregate principal amount of $150.0 million (the "A-5 Term Loan") which matures on March 14, 2030. Loans under the Credit Facility are interest only with principal amounts due as of each facility's applicable maturity date. The Credit Facility allows the Company to borrow, through the accordion feature, up to $700.0 million, including the ability to add and fund incremental term loans. The Company's material subsidiaries are guarantors of the obligations under the Credit Facility.

Amounts outstanding under the Revolving Credit Facility will bear interest at a floating rate based on the Company's option, on either: (i) adjusted term SOFR or adjusted daily simple SOFR plus 1.25% to 1.90% or (ii) a base rate plus 0.25% to 0.90% in each case, depending upon the Company’s leverage ratio. In addition, the Company is obligated to pay an annual fee equal to 0.20% of the amount of the unused portion of the Revolving Credit Facility if amounts borrowed are greater than 33.3% of the borrowing capacity under the Revolving Credit Facility and 0.25% of the unused portion of the Revolving Credit Facility if amounts borrowed are less than or equal to 33.3% of the borrowing capacity under the Revolving Credit Facility. The Company had $89.0 million $109.0 million outstanding under the

Notes to Condensed Consolidated Financial Statements - Continued

Revolving Credit Facility with a weighted average interest rate of 7.06% and a borrowing capacity remaining of $61.0 million $41.0 million at March 31, 2024 June 30, 2024.

Amounts outstanding under the Term Loans will bear interest at a floating rate that is based, at the Company's option, on either (i) adjusted term SOFR or adjusted daily SOFR plus 1.65% to 2.30%, plus a simple SOFR adjustment equal to 0.10% per annum, or (ii) a base rate plus 0.65% to 1.30%, in each case, depending upon the Company’s leverage ratio. The Company has entered into interest rate swaps to fix the interest rates on the Term Loans. See Note 6 – Derivative Financial Instruments for more details on the interest rate swaps. At March 31, 2024 June 30, 2024, the Company had $350.0 million outstanding under the Term Loans which had a fixed weighted average interest rate under the swaps of approximately 4.4%.

The Company’s ability to borrow under the Credit Facility is subject to its ongoing compliance with a number of customary affirmative and negative covenants, including limitations with respect to liens, indebtedness, distributions, mergers, consolidations, investments, restricted payments and asset sales, as well as financial maintenance covenants. The

Company was in compliance with its financial covenants under its Credit Facility as of March 31, 2024 June 30, 2024.

Mortgage Note Payable

The Company's During the three months ended June 30, 2024 the Company repaid its mortgage note payable is secured by a building which had a $7.1 million carrying balance at March 31, 2024. The mortgage note amortizes monthly at a fixed interest rate of 4.98% with a balloon payment of totaling approximately $4.8 million due upon maturity on May 1, 2024. million.

NOTE 6. DERIVATIVE FINANCIAL INSTRUMENTS

Risk Management Objective of Using Derivatives

The Company may use derivative financial instruments, including interest rate swaps, caps, options, floors and other interest rate derivative contracts, to hedge all or a portion of the interest rate risk associated with its borrowings. The principal objective of such arrangements is to minimize the risks and/or costs associated with the Company's operating and financial structure as well as to hedge specific anticipated transactions. The Company does not intend to utilize derivatives for speculative or other purposes other than interest rate risk management. The use of derivative

financial instruments carries certain risks, including the risk that the counterparties to these contractual arrangements are not able to perform under the agreements. To mitigate this risk, the Company only enters into derivative financial instruments with counterparties with high credit ratings and with major financial institutions with which the Company and its affiliates may also have other financial relationships. The Company does not anticipate that any of the counterparties will fail to meet their obligations.

Cash Flow Hedges of Interest Rate Risk

The Company's objectives in using interest rate derivatives are to add stability to interest expense and to manage its exposure to interest rate movements. To accomplish these objectives, the Company primarily uses interest rate swaps as part of its interest rate risk management strategy. Interest rate swaps designated as cash flow hedges involve the receipt of variable-rate amounts from a counterparty in exchange for the Company making fixed-rate payments over the life of the agreements without exchange of the underlying notional amount.

On March 29, 2024, two interest rate swaps matured and were replaced with two forward-starting interest rate swaps for notional amounts totaling $50.0 million. As of March 31, 2024 June 30, 2024, the Company had fifteen outstanding interest rate derivatives that were designated as cash flow hedges of interest rate risk for notional amounts totaling $350.0 million, which mature between 2026 and 2030, at the maturity dates of the associated term loans (see Note 5 – Debt, net).

Notes to Condensed Consolidated Financial Statements - Continued

Tabular Disclosure of Fair Value of Derivative Instruments on the Balance Sheet

The table below presents the fair value of the Company's derivative financial instruments as well as their classification on the Condensed Consolidated Balance Sheets as of March 31, 2024 June 30, 2024 and December 31, 2023.

		Asset Derivatives Fair Value at				Asset Derivatives Fair Value at					Liability Derivatives Fair Value at				Asset Derivatives Fair Value at			Liability Derivatives Fair Value at
(Dollars in thousands)	*(Dollars in thousands)*	**March 31, 2024**	**December 31, 2023**	**Balance Sheet Classification**		**March 31, 2024**	**December 31, 2023**	**Balance Sheet Classification**		*(Dollars in thousands)*	**June 30, 2024**	**December 31, 2023**	**Balance Sheet Classification**		**June 30, 2024**	**December 31, 2023**	**Balance Sheet Classification**	
Interest rate swaps	Interest rate swaps	$ 21,490	$ 16,417	Other assets, net	Other assets, net	$ —	$ —	Other liabilities, net	Other liabilities, net	Interest rate swaps	$21,490	$ 16,417	Other assets, net	Other assets, net	$ —	$ —	Other liabilities, net	Other liabilities, net

The changes in the fair value of derivatives designated and that qualify as cash flow hedges are recorded in accumulated other comprehensive income ("AOCI") and are subsequently reclassified to interest expense in the period that the hedged forecasted transaction affects earnings.

Amounts reported in AOCI related to derivatives will be reclassified to interest expense as interest payments are made on the Company's Term Loans. During the next twelve months, the Company estimates that an additional $9.2 million will be reclassified from AOCI as a decrease to interest expense.

Tabular Disclosure of the Effect of Cash Flow Hedge Accounting on Accumulated Other Comprehensive Income

The table below details the location in the financial statements of the gain or loss recognized on interest rate derivatives designated as cash flow hedges for the three and six months ended March 31, 2024 June 30, 2024 and 2023.

	Three Months Ended March 31,

(Dollars in thousands)		2024	2023
Amount of unrealized gain (loss) recognized in OCI on derivative	$	7,870 $	(4,973)
Amount of gain reclassified from AOCI into interest expense	$	(2,797) $	(2,010)
Total interest expense presented in the Condensed Consolidated Statements of Income in which the effects of the cash flow hedges are recorded	$	5,062 $	3,992

	Three Months Ended June 30,			Six Months Ended June 30,	
(Dollars in thousands)		2024	2023		2024	2023
Amount of unrealized gain recognized in OCI on derivative	$	2,703 $	9,875	$	10,573 $	4,902
Amount of gain reclassified from AOCI into interest expense	$	(2,703) $	(2,474)	$	(5,500) $	(4,484)
Total interest expense presented in the Condensed Consolidated Statements of Operations in which the effects of the cash flow hedges are recorded	$	5,986 $	4,140	$	11,048 $	8,132

Tabular Disclosures of Offsetting Derivatives

The tables below present a gross presentation, the effects of offsetting, and a net presentation of the Company's derivatives as of March 31, 2024 June 30, 2024 and December 31, 2023. The net amounts of derivative assets or can be reconciled to

the tabular disclosure of fair value. As of June 30, 2024 and December 31, 2023 the Company did not have any derivatives in a liability position, therefore we do not present offsetting of derivative liabilities can to 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 Condensed Consolidated Balance Sheets.

Offsetting of Derivative Assets (as of March 31, 2024)

				Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets		
(In thousands)	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts of Assets in the Condensed Consolidated Balance Sheets	Financial Instruments	Cash Collateral Received	Net Amount
Derivatives	$ 21,490	$ —	$ 21,490	$ —	$ —	$ 21,490

Offsetting of Derivative Liabilities (as of March 31, 2024)

				Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets		
(In thousands)	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts of Liabilities in the Condensed Consolidated Balance Sheets	Financial Instruments	Cash Collateral Received	Net Amount
Derivatives	$ —	$ —	$ —	$ —	$ —	$ —

Notes to Condensed Consolidated Financial Statements - Continued

Offsetting of Derivative Assets (as of June 30, 2024)

				Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets		
(In thousands)	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts of Assets in the Condensed Consolidated Balance Sheets	Financial Instruments	Cash Collateral Received	Net Amount
Derivatives	$ 21,490	$ —	$ 21,490	$ —	$ —	$ 21,490

Offsetting of Derivative Assets (as of December 31, 2023)

(In thousands)	Gross Amounts of Recognized Assets	Gross Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts of Assets in the Condensed Consolidated Balance Sheets	Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets: Financial Instruments	Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets: Cash Collateral Received	Net Amount
Derivatives	$ 16,417	$ —	$ 16,417	$ —	$ —	$ 16,417

Offsetting of Derivative Liabilities (as of December 31, 2023)

(In thousands)	Gross Amounts of Recognized Liabilities	Gross Amounts Offset in the Condensed Consolidated Balance Sheet	Net Amounts of Liabilities in the Condensed Consolidated Balance Sheets	Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets: Financial Instruments	Gross Amounts Not Offset in the Condensed Consolidated Balance Sheets: Cash Collateral Received	Net Amount
Derivatives	$ —	$ —	$ —	$ —	$ —	$ —

Credit-risk-related Contingent Features

As of March 31, 2024 June 30, 2024, the Company did not have any derivatives in a net liability position. As of March 31, 2024 June 30, 2024, the Company had not posted any collateral related to these agreements and was not in breach of any agreement provisions. If the Company terminated these interest rate swaps or breached any of these provisions, it could have been required to settle its obligations under the agreements at their aggregate termination value.

NOTE 7. STOCKHOLDERS' EQUITY

Common Stock

The following table provides a reconciliation of the beginning and ending common stock balances for the three six months ended March 31, 2024 June 30, 2024 and for the year ended December 31, 2023:

(In thousands)	*(In thousands)*	Three Months Ended March 31, 2024	Year Ended December 31, 2023	*(In thousands)*	Six Months Ended June 30, 2024	Year Ended December 31, 2023
Balance, beginning of period	Balance, beginning of period	27,613	25,897	Balance, beginning of period	27,613	25,897
Issuance of common stock	Issuance of common stock	19	1,385	Issuance of common stock	313	1,385
Restricted stock issued	Restricted stock issued	90	361	Restricted stock issued	144	361
Restricted stock withheld and forfeited	Restricted stock withheld and forfeited	(21)	(30)	Restricted stock withheld and forfeited	(21)	(30)
Balance, end of period	Balance, end of period	27,701	27,613	Balance, end of period	28,049	27,613

ATM Program

The Company has an at-the-market offering program ("ATM Program"), with Piper Sandler & Co., Evercore Group L.L.C., Truist Securities, Inc., Regions Securities LLC, Robert W. Baird & Co. Incorporated, Fifth Third Securities, Inc. and Janney Montgomery Scott LLC, as sales agents (collectively, the “Agents”). Under the ATM Program, the Company may issue and sell shares of its common stock, having an aggregate gross sales price of up to $500.0 million. The shares of common stock may be sold from time to time through or to one or more of the Agents, as may be determined by the Company in its sole discretion, subject to the terms and conditions of the agreement and applicable law.

The Company's activity under the ATM Program during the three six months ended March 31, 2024 June 30, 2024 is detailed in the table below. As of March 31, 2024 June 30, 2024, the Company had approximately $433.3 million $426.3 million remaining that may be issued under the ATM Program.

	Three Months Ended March 31, 2024
Shares issued (*in thousands*)	19
Net proceeds received (*in millions*)	$0.5
Average gross sales price per share	$27.51

	Three Months Ended June 30, 2024	Six Months Ended June 30, 2024

Shares issued (*in thousands*)	294	313
Net proceeds received (*in millions)*	$7.0	$7.5
Average gross sales price per share	$24.17	$24.38

NOTE 8. NET (LOSS) INCOME (LOSS) PER COMMON SHARE

The following table sets forth the computation of basic and diluted net (loss) income (loss) per common share for the three and six months ended March 31, 2024 June 30, 2024 and 2023, respectively.

		Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands, except per share data)	*(In thousands, except per share data)*	**2024**	**2023**	**2024**	**2023**
(In thousands, except per share data)					
(In thousands, except per share data)					
Net income (loss)					
Net income (loss)					
Net income (loss)					
Net (loss) income					
Participating securities' share in earnings					
Participating securities' share in earnings					
Participating securities' share in earnings					
Net income (loss), less participating securities' share in earnings					
Net income (loss), less participating securities' share in earnings					
Net income (loss), less participating securities' share in earnings					
Weighted average Common Shares outstanding					
Weighted average Common Shares outstanding					
Net (loss) income, less participating securities' share in earnings					
Weighted average Common Shares outstanding					
Weighted average Common Shares outstanding					
Weighted average Common Shares outstanding					
Weighted average Common Shares outstanding					
Unvested restricted shares					
Unvested restricted shares					
Weighted average Common Shares outstanding					
Weighted average Common Shares outstanding					
Unvested restricted shares					
Weighted average Common Shares outstanding–Basic					
Weighted average Common Shares outstanding–Basic					
Weighted average Common Shares outstanding–Basic					
Dilutive potential common shares					
Dilutive potential common shares					
Dilutive potential common shares					
Weighted average Common Shares outstanding –Diluted					
Weighted average Common Shares outstanding –Diluted					
Weighted average Common Shares outstanding –Diluted					
Basic Net Income (Loss) per Common Share					
Basic Net (Loss) Income Per Common Share					
Basic Net (Loss) Income Per Common Share					
Basic Net (Loss) Income Per Common Share					
Basic Net Income (Loss) per Common Share					
Basic Net Income (Loss) per Common Share					
Diluted Net Income (Loss) per Common Share					
Diluted Net Income (Loss) per Common Share					

Diluted Net Income (Loss) per Common Share

Diluted Net (Loss) Income Per Common Share

Diluted Net (Loss) Income Per Common Share

Diluted Net (Loss) Income Per Common Share

NOTE 9. STOCK INCENTIVE PLAN

A summary Adoption of the restricted stock activity under the Company's 2024 Incentive Plan

The 2024 Incentive Plan, as amended, (the "Plan") was approved by our stockholders at our annual meeting on May 2, 2024. The Plan replaced our 2014 Incentive Plan, as amended, (the "2014 Plan") which had expired on March 31, 2024. The Plan, which will expire on March 4, 2034, implements several changes from the previous 2014 Plan:

- Freezes all awards under the 2014 Plan as of its expiration date;
- Removes the "evergreen provision" which allowed for the incremental automatic increase in the number of shares of common stock reserved for issuance under the Plan;
- Increases the number of shares of common stock authorized for issuance under the Plan to 1,150,000; and
- Expands the types of awards that may be awarded under the Plan.

Notes to Condensed Consolidated Financial Statements - Continued

A summary of restricted stock activity for the three and six months ended March 31, 2024 June 30, 2024 and 2023 is included in the table below, as well as compensation expense recognized from the amortization of the value of shares over the applicable vesting periods.

	Three Months Ended March 31,
	Three Months Ended March 31,
	Three Months Ended March 31,
(Dollars and shares in thousands)	
(Dollars and shares in thousands)	

		Three Months Ended June 30,		Six Months Ended June 30,	
(Dollars and shares in thousands)	*(Dollars and shares in thousands)*	2024	2023	2024	2023
Stock-based awards, beginning of period					
Stock-based awards, beginning of period					
Stock-based awards, beginning of period					
Stock in lieu of compensation					
Stock in lieu of compensation					
Stock in lieu of compensation					
Stock awards					
Stock awards					
Stock awards					
Total stock granted					
Total stock granted					
Total stock granted					
Vested shares (1)					
Vested shares (1)					
Vested shares (1)					
Forfeited shares					
Forfeited shares					
Forfeited shares					
Stock-based awards, end of period					
Stock-based awards, end of period					
Stock-based awards, end of period					

Amortization expense (1)

Amortization expense (1)

Amortization expense (1)

____

____

____

(1) Amortization expense for the three months ended March 31, 2023 included accelerated amortization totaling approximately $11.8 million upon the passing of our former CEO and President.

(1) Amortization expense for the three months ended March 31, 2023 included accelerated amortization totaling approximately $11.8 million upon the passing of our former CEO and President.

(1) Amortization expense for the three months ended March 31, 2023 included accelerated amortization totaling approximately $11.8 million upon the passing of our former CEO and President.

(1) Amortization expense for the three months ended March 31, 2023 included accelerated amortization totaling approximately $11.8 million upon the passing of our former CEO and President.

(1) Amortization expense for the three months ended March 31, 2023 included accelerated amortization totaling approximately $11.8 million upon the passing of our former CEO and President.

(1) Amortization expense for the three months ended March 31, 2023 included accelerated amortization totaling approximately $11.8 million upon the passing of our former CEO and President.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

(1) Amortization expense for the six months ended June 30, 2023 included accelerated amortization totaling approximately $11.8 million recognized during the three months ended March 31, 2023, upon the passing of our former CEO and President. These shares vested during the three months ended June 30, 2023.

Restricted Stock Issuances

On January 12, 2024, pursuant to the 2014 Incentive Plan and the Third Amended and Restated Alignment of Interest Program, the Company granted 79,533 shares of restricted stock to its employees, in lieu of salary, that will cliff vest between three and eight years. Of the shares granted, 43,292 shares of restricted stock were granted in lieu of compensation from the program pool and 36,241 shares of restricted stock were awarded based on the restriction period elected from the plan pool. Also, on January 12, 2024, pursuant to the 2014 Incentive Plan and the Non-Executive Officer Incentive Program, the Company granted 10,159 shares of restricted stock to certain employees that will cliff vest in five years.

Notes On May 2, 2024, pursuant to Condensed Consolidated Financial Statements - Continued the 2024 Incentive Plan, the Company granted an aggregate of 22,070 shares of restricted stock to its Board of Directors, which will cliff vest in three years. On May 16, 2024, pursuant to the 2024 Incentive Plan and the Fourth Amended and Restated Alignment of Interest Program, the Company granted an aggregate of 24,887 shares of restricted stock to its Board of Directors, in lieu of fees, that will cliff vest in three years. Of the shares granted, 15,553 shares of restricted stock were granted in lieu of compensation from the program pool and 9,334 shares of restricted stock were awarded based on the restriction period elected from the plan pool. Also, on June 3, 2024, pursuant to the 2024 Incentive Plan, the Company granted 7,000 shares of restricted stock to an employee that will cliff vest in five years.

Accelerated Amortization of Restricted Stock in 2023

The Company's former CEO and President, Timothy Wallace, passed away in March 2023. At the time of his passing, Mr. Wallace had 624,725 shares of restricted stock that had not been fully amortized. In accordance with the terms of his employment agreement, the Company accelerated the unamortized remaining balance of deferred compensation related to his unvested shares and recognized an additional $11.8 million $11.8 million of amortization expense in the first quarter of 2023.

Amendment to Compensation Programs under the 2014 2024 Incentive Plan

The Company's various programs under the 2024 Incentive Plan Updates to Compensation Programs, and Issuance of RSUs
On January 2, 2024, the Company's Board approved and adopted a fourth amendment to the 2014 Incentive Plan that provided have been amended during 2024 for various items, including: (i) allowing for the award grant of RSUs and other types of awards other than restricted stock units ("RSUs").

The Board also approved and adopted stock; (ii) limiting the Third Amended and Restated Alignment of Interest Program (the "Third Alignment of Interest Program"), which superseded the Second Amended and Restated Alignment of Interest Program. The Third Alignment of Interest Program implemented (i) a maximum elective deferral percentage amount of salary and bonus to 50% to the acquisition of restricted stock for certain participants in the program (previously 100%), and (ii) limited (iii) limiting the duration of the restriction period election depending on the retirement eligibility date per their those participant's employment agreements. These changes agreement. The deferral and restriction period limitations were effective beginning January 1, 2024 for salary and other compensation deferrals and will be effective for performance periods commencing on and after July 1, 2024 for cash bonus deferrals.

Further, the Board approved
Notes to Condensed Consolidated Financial Statements - Continued

Restricted Stock Units

The Plan, and adopted the Third Amended and Restated Executive Officer Incentive Program (the "Third Executive Officer Incentive Program"), which superseded the Second Amended and Restated Executive Officer Program, other than with respect to the individual and company performance awards previous 2014 Plan, provide for the performance period running from July 1, 2023 to June 30, 2024 award of restricted stock units ("RSUs"). The Third Executive Officer Incentive Program allows for the grant of RSUs.

The Company historically granted long-term incentive awards to its executive officers which was comprised of restricted stock that vested in 8 years, based on backward-looking performance metrics. On January 2, 2024, the Board approved and adopted a new incentive compensation structure for its executive officers, including the issuance of time-based and performance-based RSUs with three-year forward-looking performance targets beginning with an initial performance period beginning July 1, 2023.

On January 2, 2024, the Company granted performance-based and time-based RSUs to its executive officers under the 2014 Incentive Plan and the Third Amended and Restated Executive Officer Incentive Program. These RSUs with a grant date value totaling $2.6 million are forward-looking with a three-year performance period beginning July 1, 2023. The performance-based RSUs were valued by independent specialists utilizing a Monte Carlo simulation to calculate the weighted average grant date fair values of $13.67 per share for the Absolute TSR units and $20.77 per share for the Relative TSR units. The grant date fair value of the Time-based TSR units was based on the Company's stock price on the grant date of $26.62. The combined weighted average grant date fair value of the RSUs granted was $19.24 per share. The following assumptions were used in valuing the performance-based RSUs:

Volatility		25.0 %
Dividend assumption		5.4 %
Expected term		3 years
Risk-free rate		4.3 %
Stock price (per share)	$	26.62

Notes to Condensed Consolidated Financial Statements - Continued

A summary of the Company's RSU activity during the three and six months ended March 31, 2024 June 30, 2024 and 2023, respectively, is included in the table below, as well as compensation expense recognized from the amortization of the value of RSUs over the applicable vesting periods.

		Three Months Ended March 31,					
		Three Months Ended June 30,			Six Months Ended June 30,		
(Dollars and RSUs in thousands)	*(Dollars and RSUs in thousands)*	2024 2023	*(Dollars and RSUs in thousands)*	2024	2023	2024	2023
Restricted Stock Units, beginning of period							

	Absolute TSR Performance-based RSUs granted (1)
	Relative TSR Performance-based RSUs granted (1)
	Time-based RSUs granted (2)
	Total RSUs granted
	Vested RSUs
	Forfeited RSUs
Restricted Stock Units, end of period	
Restricted Stock Units, end of period	
Restricted Stock Units, end of period	
Amortization expense	
Grant Date Value Remaining at period end to be Amortized During the Performance Period	

(1) The number of Performance-based RSUs granted were based on target levels. Actual number of shares granted will be based on performance at the end of the performance period which is June 30, 2026. The Performance-based RSUs, if earned, will vest at the end of the performance period.

(2) The number of Time-based RSUs granted were based on target levels. One-third of these RSUs will vest on each of June 30, 2024, 2025, 2026.

____

(1) The number of Performance-based RSUs granted were based on target levels. Actual number of shares granted will be based on performance at the end of the performance period which is June 30, 2026. The Performance-based RSUs, if earned, will vest at the end of the performance period.

(1) The number of Performance-based RSUs granted were based on target levels. Actual number of shares granted will be based on performance at the end of the performance period which is June 30, 2026. The Performance-based RSUs, if earned, will vest at the end of the performance period.

(2) The number of Time-based RSUs granted were based on target levels. One-third of these RSUs will vest on each of June 30, 2025 and 2026. The first tranche of the 11,206 Time-Based RSUs was fully amortized as of June 30, 2024 and vested on July 1, 2024, the next business day after June 30, 2024.

Restricted Stock Issuances

On January 12, 2024, pursuant to the 2014 Incentive Plan and the Third Alignment of Interest Program, the Company granted 79,533 shares of restricted stock to its employees, in lieu of salary, that will cliff vest between three and eight years. Of the shares granted, 43,292 shares of restricted stock were granted in lieu of compensation from the program pool and 36,241 shares of restricted stock were awarded based on the restriction period elected from the plan pool. Also, on January 12, 2024, pursuant to the 2014 Incentive Plan and the Non-Executive Officer Incentive Program, the Company granted 10,159 shares of restricted stock to certain employees that will cliff vest in five years.

Adoption of the 2024 Incentive Plan

On March 4, 2024, the Company's Compensation Committee and Board of Directors adopted and approved the 2024 Incentive Plan (the "Plan"). On April 17, 2024, the Company's Board of Directors adopted and approved an amendment to the Plan to remove a sentence related to reload options. The Plan, as amended, is subject to approval by our stockholders at the annual meeting. The 2024 Incentive Plan, if approved, will replace our 2014 Incentive Plan which expired on March 31, 2024. The Plan, which will expire on March 4, 2034, implements several changes including, among others, the following:

- Freezes all awards under the 2014 Incentive Plan as of its expiration date;
- Removes the "evergreen provision" which allowed for the incremental automatic increase in the number of shares of common stock reserved for issuance under the Plan;
- Increases the number of shares of common stock authorize for issuance under the Plan to 1,150,000; and
- Expands the types of awards that may be awarded under the Plan.

NOTE 10. OTHER ASSETS, NET

Other assets, net on the Company's Condensed Consolidated Balance Sheets as of March 31, 2024 June 30, 2024 and December 31, 2023 are detailed in the table below.

					Balance as of	
(Dollars in thousands)	*(Dollars in thousands)*	**March 31, 2024**	**December 31, 2023**	*(Dollars in thousands)*	**June 30, 2024**	**December 31, 2023**
Notes receivable						
Fair value of interest rate swaps						

Straight-line rent receivables	
Accounts receivable	
Notes receivable, net of credit loss reserve	
Sales-type lessor receivable	
Above-market intangible assets, net	
Accounts receivable, net	
Leasing commissions, net	
Financing lease right-of-use assets	
Above-market intangible assets, net	
Interest receivable, net	
Prepaid assets	
Operating lease right of use assets	
Other	
Deferred financing costs, net	
	$
	$
	$

The Company's notes receivable mainly included:

- At March 31, 2024 June 30, 2024 and December 31, 2023, notes receivable included a $5.3 million term loan totaling $4.5 million and $6.0 million, respectively, term loan, secured by all assets and ownership interests in seven long-term acute care hospitals and one inpatient rehabilitation hospital owned by the borrower. The term loan will be repaid in equal monthly installments of $250,000 through the maturity date of December 31, 2025 and bears interest at 9% per annum.

- At March 31, 2024 June 30, 2024 and December 31, 2023, notes receivable included a fully-funded term loan totaling $17.0 million , and a revolving credit facility with $5.7 million and $5.4 million drawn, respectively, secured by assets and ownership interests of six geriatric behavioral hospitals and affiliated companies all of which are co-borrowers on the loans. At March 31, 2024 June 30, 2024, the Company had an unfunded commitment of $3.1 million $2.8 million on the revolving credit facility and an unfunded commitment of up to $2.0 million on an advancing term loan facility. The term loan bears interest at 9% per annum, with interest only payments due initially and then equal monthly installments of principal payments due beginning March 31, 2025. The term loan facility matures on December 31, 2032. The revolving credit facility bears interest at 9% per annum and matures on December 31, 2025. The advancing term loan may be funded at the Company's discretion, and bears interest at 9% per annum on any amount funded, that may be used by the borrower to pay existing liabilities of co-borrowers. The term loan, the revolving credit facility and the additional commitment all include a 3% per annum non-cash interest charge that is due and payable upon the earlier of the repayment or maturity of each note. In the second quarter of 2024, the Company placed the 9% interest on both the term loan and revolving credit facility on non-accrual and reversed the outstanding interest amounts due totaling approximately $1.2 million and placed the 3% non-cash interest due at the maturity of the notes on non-accrual, resulting in a reduction in interest for the three months ended June 30, 2024 of approximately $0.2 million. The Company also recorded a credit loss reserve on the term loan and revolver totaling $11.0 million at June 30, 2024.

- At March 31, 2024 June 30, 2024 and December 31, 2023, notes receivable also included a $2.2 million and $2.3 million, respectively, revolving credit facility. Commencing on October 1, 2023, the revolving credit facility facility. The remaining balance of this note will be repaid in equal monthly installments of $40,000 beginning on November 1, 2024, through the maturity date of April 1, 2027. The

revolving credit facility bears interest at 9% per annum, as well as a 3% per annum non-cash interest charge that is due and payable upon the earlier of the repayment or maturity of the note.

The Company identified the borrowers of these notes as variable interest entities ("VIEs"), but management determined that the Company was not the primary beneficiary of the VIEs because we lack either directly or through related parties any material decision-making rights or control of the entities that impact the borrowers' economic performance. We are not obligated to provide support beyond our stated commitment to the borrowers, and accordingly our maximum exposure to loss as a result of this relationship is limited to the amount of our outstanding notes receivable.

Notes to Condensed Consolidated Financial Statements - Continued

The VIEs that we have identified at March 31, 2024 June 30, 2024 are summarized in the table below.

Classification	Classification	Carrying Amount *(in thousands)*	Maximum Exposure to Loss *(in thousands)*	Classification	Carrying Amount *(in thousands)*	Maximum Exposure to Loss *(in thousands)*
Note receivable (term loan)						
Note receivable (revolving credit facility)						
Note receivable (term loan)						
Note receivable (revolving credit facility)						
Notes receivable (revolving credit facility and term loan), net of credit loss						

Credit Losses on Loans and Interest Receivables

During the three months ended June 30, 2024, the Company determined that the collectability of the term loan and revolver loan with the geriatric inpatient behavioral hospital tenant noted above was not reasonably assured. The tenant has experienced challenges with patient census and employee staffing, which has impacted cash flows from operations and the consistency of rent and interest payments to the Company. The Company expects that the borrower will sell the collateral on these notes and will use those proceeds in part to repay the Company. As such, the Company valued the notes based on its estimated value of the underlying collateral. As a result, the Company recorded an $11.0 million credit loss reserve on its notes receivable with the tenant and reversed approximately $1.4 million of interest and placed the notes on non-accrual status. No other credit loss reserves have been recorded by the Company at June 30, 2024 or December 31, 2023.

NOTE 11. OTHER LIABILITIES, NET

Other liabilities, net on the Company's Condensed Consolidated Balance Sheets as of March 31, 2024 June 30, 2024 and December 31, 2023 are detailed in the table below.

					Balance as of	
(Dollars in thousands)	*(Dollars in thousands)*	March 31, 2024	December 31, 2023	*(Dollars in thousands)*	June 30, 2024	December 31, 2023
Prepaid rent						
Security deposits						
Below-market lease intangibles, net						
Financing lease liability						
Financing lease liability						
Financing lease liability						
Operating lease liability						
Other						
Other						
Other						
	$					

NOTE 12. FAIR VALUE OF FINANCIAL INSTRUMENTS

The following methods and assumptions were used to estimate the fair value of each class of financial instruments for which it is practical to estimate the fair value.

Cash and cash equivalents and restricted cash - The carrying amount approximates approximated the fair value. The fair value estimates were determined using level 1 inputs.

Notes receivable - The fair value is was estimated using cash flow analyses, based on an assumed market rate of interest or at a rate consistent with the rates on notes carried by the Company and are were classified as level 2 inputs in

Notes to Condensed Consolidated Financial Statements - Continued

the hierarchy. The fair value of notes receivable with one tenant was determined utilizing the fair value of the receivables' collateral, as the receivables are collateral-dependent, and were classified as level 3 inputs in the hierarchy.

Borrowings under our Credit Facility - The carrying amount approximates approximated the fair value because the borrowings are were based on variable market interest rates. The fair value estimates were determined using level 2 inputs.

Derivative financial instruments (Interest rate swaps) - The fair value is was estimated using discounted cash flow techniques. These techniques incorporate primarily level 2 inputs. The market inputs are were utilized in the discounted cash flow calculation considering the instrument's term, notional amount, discount rate and credit risk. Significant inputs to the derivative valuation model for interest rate swaps are were observable in active markets and are were classified as level 2 inputs in the hierarchy.

Mortgage note payable - The fair value is was estimated using cash flow analyses which are were based on an assumed market rate of interest or at a rate consistent with the rates on mortgage notes assumed by the Company and are were classified as level 2 inputs in the hierarchy.

The table below details the fair values and carrying values for our notes receivable, interest rate swaps, and mortgage note payable at March 31, 2024 June 30, 2024 and December 31, 2023, using level 2 and level 3 inputs.

		March 31, 2024		**December 31, 2023**						
		June 30, 2024		**December 31, 2023**						
(Dollars in thousands)	*(Dollars in thousands)*	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**	*(Dollars in thousands)*	**Carrying Value**	**Fair Value**	**Carrying Value**	**Fair Value**
Notes receivable										
Notes receivable										
Notes receivable										
Notes receivable (Level 2)										
Notes receivable (Level 2)										
Notes receivable (Level 2)										
Notes receivable, net of credit loss (1)										
Interest rate swap asset										
Mortgage note payable (principal amount)										
Mortgage note payable (principal amount)										
Mortgage note payable (principal amount)										

____

(1) Calculated utilizing Level 3 inputs at June 30, 2024 and Level 2 inputs at December 31, 2023.

(1) Calculated utilizing Level 3 inputs at June 30, 2024 and Level 2 inputs at December 31, 2023.

(1) Calculated utilizing Level 3 inputs at June 30, 2024 and Level 2 inputs at December 31, 2023.

NOTE 13. COMMITMENTS AND CONTINGENCIES

Tenant Improvements

The Company may provide tenant improvement allowances in new or renewal leases for the purpose of refurbishing or renovating tenant space. The Company may also assume tenant improvement obligations included in leases acquired in its real estate acquisitions. As of March 31, 2024 June 30, 2024, the Company had approximately $22.5 million $18.6 million in commitments for tenant improvements. Seven Six of these projects totaling $15.8 million $13.5 million, represent redevelopment projects of the buildings into different healthcare uses backed by long term leases.

Capital Improvements

The Company has entered into contracts with various vendors for various capital improvement projects related to its portfolio. As of March 31, 2024 June 30, 2024, the Company had commitments of approximately $5.6 million $4.5 million in commitments for capital improvement projects.

Legal Proceedings

The Company is not aware of any pending or threatened litigation that, if resolved against the Company, would have a material adverse effect on the Company's Consolidated Financial Statements.

NOTE 14. SUBSEQUENT EVENTS

Dividend Declared

On April 25, 2024 July 25, 2024, the Company's Board of Directors declared a quarterly common stock dividend in the amount of $0.46 $0.4625 per share. The dividend is payable on May 24, 2024 August 23, 2024 to stockholders of record on May 10, 2024 August 9, 2024.

Subsequent Acquisitions

Subsequent to March 31, 2024 June 30, 2024, the Company acquired one inpatient rehabilitation facility medical office building for a purchase price of approximately $6.2 million and cash consideration of approximately $23.5 million $6.3 million. Upon acquisition, the property was 100.0% leased with a lease expiration in 2039. 2027.

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

Disclosure Regarding Forward-Looking Statements

This report and other materials that Community Healthcare Trust Incorporated (the "Company") has filed or may file with the Securities and Exchange Commission, as well as information included in oral statements or other written statements made, or to be made, by management of the Company, contain, or will contain, statements that are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, pursuant to the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Forward-looking statements are generally identifiable by use of forward-looking terminology such as "believes", "expects", "may", "will', "should", "seeks", "approximately", "intends", "plans", "estimates", "anticipates" or other similar words or expressions, including the negative thereof. Forward-looking statements are based on certain assumptions and can include future expectations, future plans and strategies, financial and operating projections or other forward-looking information. Such forward-looking statements reflect management's current beliefs and are based on information currently available to management. Because forward-looking statements relate to future events, they are subject to inherent uncertainties, risks and changes in circumstances that are difficult to predict and many of which are outside of the Company's control. Thus, the Company's actual results and financial condition may differ materially from those indicated in such forward-looking statements. Some factors that might cause such a difference include the following: general volatility of the capital markets and the market price of the Company's common stock, changes in the Company's business strategy, availability, terms and deployment of capital, the Company's ability to refinance existing indebtedness at or prior to maturity on favorable terms, or at all, changes in the real estate industry in general, interest rates or the general economy, adverse developments related to the healthcare industry, changes in governmental regulations, the degree and nature of the Company's competition, the ability to consummate acquisitions under contract, catastrophic or extreme weather and other natural events and the physical effects of climate change, the occurrence of cyber incidents, effects on global and national markets as well as businesses resulting from increased inflation, rising interest rates, supply chain disruptions, labor conditions, the conflict between Russia and Ukraine, and/or new and ongoing hostilities between Israel and Hamas, and/or uncertainties related to the 2024 U.S. presidential election, and the other factors described in the section entitled "Risk Factors" in the Company's Annual Report on Form 10-K for the year ended December 31, 2023, and the Company's other filings with the Securities and Exchange Commission from time to time. Readers are therefore cautioned not to place undue reliance on the forward-looking statements contained herein which speak only as of the date hereof. The Company intends these forward-looking statements to speak only as of the time of this report and the Company undertakes no obligation to update forward-looking statements, whether as a result of new information, future developments, or otherwise, except as may be required by law.

The purpose of this Management's Discussion and Analysis ("MD&A") is to provide an understanding of the Company's consolidated financial condition, results of operations and cash. MD&A is provided as a supplement to, and should be read in conjunction with, the Company's Condensed Consolidated Financial Statements and accompanying notes.

Overview

References such as "we," "us," "our," and "the Company" mean Community Healthcare Trust Incorporated, a Maryland corporation, and its consolidated subsidiaries.

We were organized in the State of Maryland on March 28, 2014. We are a self-administered, self-managed healthcare real estate investment trust, or REIT, that acquires and owns properties that are leased to hospitals, doctors, healthcare systems or other healthcare service providers.

Trends and Matters Impacting Operating Results

Management monitors factors and trends that it believes are important to the Company and the REIT industry in order to gauge their potential impact on the operations of the Company. Certain of the factors and trends that management believes may impact the operations of the Company are discussed below.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Real Estate Acquisitions

During the three first six months ended March 31, 2024, of 2024, the Company acquired four five real estate properties totaling approximately 165,000 203,000 square feet for an aggregate purchase price of approximately $34.2 million $57.7 million and cash consideration of approximately $34.3 million $57.8 million. Upon acquisition, the properties were 98.6% 99.2% leased in the aggregate with lease expirations through 2039. These acquisitions were funded through the Company's free cash flow, with net proceeds from equity sales through the ATM program and the Company's Revolving Credit Facility. See Note 4 – Real Estate Acquisitions and Dispositions Assets Held for Sale to the Condensed Consolidated Financial Statements for more details on these acquisitions.

Subsequent Acquisitions

Subsequent to March 31, 2024 June 30, 2024, the Company acquired one inpatient rehabilitation facility medical office building for a purchase price of approximately $6.2 million and cash consideration of approximately $23.5 million $6.3 million. Upon acquisition, the property was 100.0% leased with a lease expiration in 2039. 2027.

Acquisition Pipeline

The Company has seven properties under definitive purchase agreements, to be acquired after completion and occupancy, for an aggregate expected purchase price of approximately $169.5 million. The Company's expected return on these investments will approximate 9.1% to 9.75%. The Company anticipates closing on one of these properties in the fourth quarter of 2024 with the remainder throughout 2025, 2026 and 2027; 2027; however, the Company cannot provide assurance as to the timing of when, or whether, these transactions will actually close.

Leased Square Footage

As of March 31, 2024 June 30, 2024, our real estate portfolio was approximately 92.3% leased. 92.6% leased, excluding real estate assets held for sale. During the first three six months of 2024, we had expiring or terminated leases related to approximately 143,000 269,000 square feet, and we leased or renewed leases relating to approximately 184,000 324,000 square feet.

Purchase Option Provisions

Certain of the Company's leases provide the lessee with a purchase option or a right of first refusal to purchase the leased property. The purchase option provisions generally allow the lessee to purchase the leased property at fair value or at an amount greater than the Company's gross investment in the leased property at the time of the purchase.

At March 31, 2024 June 30, 2024, the Company had an aggregate gross investment of approximately $37.2 million $38.5 million in 10 11 real estate properties with purchase options exercisable at March 31, 2024 June 30, 2024 that had not been exercised.

Loss on operating lease receivable

During the three months ended June 30, 2024, the Company determined that the collectability of lease payments on 6 leases with a geriatric inpatient behavioral hospital tenant was not reasonably assured and placed the tenant on cash basis, resulting in a reduction of rental income related to $1.9 million of lease receivables, including $0.9 million of straight-line rent.

Credit Losses on Loans and Interest Receivables

During the three months ended June 30, 2024, the Company determined that the collectability of the term loan and revolver loan with a geriatric inpatient behavioral hospital tenant and interest payments due were not reasonably assured. The tenant has experienced challenges with patient census and employee staffing, which has impacted cash flows from operations and the consistency of rent and interest payments to the Company. During the second quarter of 2024, the Company reversed approximately $1.4 million of interest and placed the tenant on non-accrual status and also recorded an $11.0 million credit loss reserve on notes receivable with the tenant. (See Note 10 – Other Assets, net for more details).

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Inflation

Periods of high and persistent inflation could cause an increase in our expenses, capital expenditures, and cost of our variable-rate borrowings which could have a material impact on our financial position or results of operations. Many of our lease agreements contain provisions designed to mitigate the adverse impact of inflation, including annual rent increases based on stated increases or CPI increases. In response to inflationary pressures, the Federal Reserve began raising interest rates in 2022. Higher interest rates imposed by the Federal Reserve to address inflation may adversely impact real estate asset values and increase our interest expense on our variable-rate borrowings under our revolving credit facility.

Executive Compensation

During the first quarter of 2024, the Company's Board approved and adopted certain changes to executive compensation. Through the adoption of the Third Amended and Restated Alignment of Interest Program, the Board established a maximum elective deferral percentage amount of 50% (previously 100%) of compensation allowed to be deferred and applied to the acquisition of restricted stock for certain participants in the program, and limited the duration of the restriction period election depending on each individual's retirement eligibility date. These changes were effective beginning January 1, 2024 for salary and other compensation deferrals and will be effective for performance periods commencing on and after July 1, 2024 for cash bonus deferrals.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Further, the Board approved and adopted a new long-term incentive compensation structure for its executive officers, which includes the issuance of time-based RSUs and performance-based RSUs with three-year forward-looking performance targets. Historically, the Company had granted long-term incentive awards to its executive officers comprised of restricted stock that vested in eight years, based on backward-looking performance metrics. See Note 9 – Stock Incentive Plan for more details.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Results of Operations

The Company's results of operations for the three and six months ended March 31, 2024 June 30, 2024 compared to the same period in 2023 were impacted by real estate acquisitions, lease receivable, interest and loan loss reserves related to a tenant in the second quarter of 2024, the amortization of non-cash compensation, including the accelerated amortization of unvested restricted shares upon the passing of the Company's former CEO and President in the first quarter of 2023, the new executive compensation program implemented in the first quarter of 2024, as well as other items discussed in more detail below.

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

The table below shows our results of operations for the three months ended March 31, 2024 June 30, 2024 compared to the same period in 2023 and the effect of changes in those results from period to period on our net income (loss). income.

	Three Months Ended March 31,	Increase (Decrease) to Net income
	Three Months Ended June 30,	Increase (Decrease) to Net income

(Dollars in thousands)	*(Dollars in thousands)*	**2024**		**2023**		**$**	**%**	*(Dollars in thousands)*	**2024**		
REVENUES											
Rental income											
Rental income											
Rental income		$ 28,342	$	$ 26,128	$	$ 2,214	8.5 8.5 %	$ 27,905	$	$	26,764
Other operating interest											
Other operating interest, net											
Other operating interest											
Other operating interest, net											
Other operating interest		991		1,048		(57)	(5.4) %				
			29,333		27,176		2,157	7.9	%		
Other operating interest, net		(389)		1,046		(1,435)	n/m				
			27,516		27,810		(294)	(1.1)	%		
EXPENSES											
Property operating											
Property operating											
Property operating		5,791	4,873	4,873	(918)	(918)	(18.8) (18.8) %		5,572	4,786	
General and administrative	General and administrative	4,554	16,205	16,205	11,651	11,651	71.9 71.9 %	General and administrative	4,760	3,787	
Depreciation and amortization	Depreciation and amortization	10,262	9,018	9,018	(1,244)	(1,244)	(13.8) (13.8) %	Depreciation and amortization	10,792	9,219	
		20,607									
		20,607									
		20,607		30,096		9,489	31.5 %				
		21,124									
		21,124									
		21,124		17,792		(3,332)	(18.7) %				
OTHER INCOME (EXPENSE)											
Impairment of real estate asset											
Impairment of real estate asset											
Impairment of real estate asset		(140)		—		(140)	n/m				
Interest expense		Interest expense (5,986)	(4,140)	(4,140)	(1,846)		(1,846)	(44.6)	(44.6) %		
Interest expense											
Interest expense		(5,062)		(3,992)		(1,070)	(26.8) %				
Deferred income tax expense											
Deferred income tax expense											
Credit loss reserve		(11,000)		—		(11,000)	n/m				
Deferred income tax expense		—	(35)	(35)	35	35	100.0 100.0 %	Deferred income tax expense	—	(50)	
Interest and other income, net	Interest and other income, net	1	25	25	(24)	(24)	96.0 96.0 %	Interest and other income, net	307	749	
			(5,061)		(4,002)		(1,059)	26.5	%		
			(16,819)		(3,441)		(13,378)	388.8	%		
NET INCOME (LOSS)											
NET INCOME (LOSS)											
NET INCOME (LOSS)		$ 3,665		$ (6,922)		$ 10,587	n/m				
NET (LOSS) INCOME											
NET (LOSS) INCOME											

NET (LOSS) INCOME	$ (10,427)	$ 6,577	$ (17,004)	n/m

n/m-not meaningful

Revenues

Rental income increased approximately $2.2 million $1.1 million, or 8.5% 4.3%, for the three months ended March 31, 2024 June 30, 2024 compared to the same period in 2023 due mainly to rental income on properties acquired during 2023 and 2024 resulting in additional rental income of approximately $2.9 million $3.6 million, with offset partially by the impact of moving a $0.7 million decrease tenant to cash basis totaling approximately $1.9 million (including $0.9 million of straight-line rent) and approximately $0.6 million resulting substantially from lease expirations and terminations, including the two Genesis Care leases with the Company that were they rejected in 2023 by Genesis Care as part of their bankruptcy.

Other operating interest decreased approximately $1.4 million for the three months ended June 30, 2024 compared to the same period in 2023 due to placing the tenant on cash basis and reversing the interest receivable due from tenant.

Expenses

Property operating expenses increased approximately $0.9 million $0.8 million, or 18.8% 16.4%, for the three months ended March 31, 2024 June 30, 2024 compared to the same period in 2023 due mainly to the following:

- Expenses on properties acquired during 2023 and 2024 increased property operating expenses by approximately $0.6 million;

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

- An increase in Expenses on properties acquired during 2023 and 2024 increased property operating expenses related to snow removal by approximately $0.5 million;
- Property taxes resulted in an increase of approximately $0.2 million; and
- Property insurance premiums resulted in an increase of approximately $0.1 million.

General and administrative expenses decreased increased approximately $11.7 million $1.0 million, or 71.9% 25.7%, for the three months ended March 31, 2024 June 30, 2024 compared to the same period in 2023 due mainly to the following:

- Non-cash stock-based The non-cash amortization of deferred compensation amortization expense decreased increased approximately $12.0 million $0.8 million for the three months ended March 31, 2024 compared to the same period in 2023;
  - In the first quarter of 2023, the Company accelerated the unamortized remaining balance of deferred compensation for unvested shares totaling $11.8 million upon the passing of the Company's former CEO and President, in accordance with the terms of his employment agreement.
  - Related to the new executive compensation program and the issuance of restricted stock units, the Company recognized non-cash amortization expense of approximately $0.3 million in the three months ended March 31, 2024.
  - The non-cash amortization of the restricted shares, other than the accelerated amortization discussed above, decreased approximately $0.4 million for the three months ended March 31, 2024 June 30, 2024 compared to the same period in 2023 due to the maximum deferral percentage change discussed in the next paragraph, the reduction of shares to the vesting of shares, including the shares held by our former CEO and President, offset by the issuance of additional restricted shares.

- Payroll-related expenses increased approximately $0.4 million for shares and the three months ended March 31, 2024 compared to impact from the same period in 2023. Approximately $0.3 million adoption of this increase was related to the new executive compensation program which limited included the maximum elective deferral percentage amount to 50% grant of salary allowed to be deferred. Also, 3-year forward-looking restricted stock units in the first quarter of 2024, the Company paid 2024; and
- An increase in professional fees of approximately $0.1 million in payroll taxes related to the vesting of employee shares; $0.2 million.

Depreciation and amortization expense increased approximately $1.2 million $1.6 million, or 13.8% 17.1%, for the three months ended March 31, 2024 June 30, 2024 compared to the same period in 2023. This increase was comprised mainly of the following:

- Depreciation and amortization on real estate acquired during 2023 and 2024 resulted in an increase of approximately $1.6 million.

Impairment of real estate asset

During thethree months ended June 30, 2024, the Company entered into a contract on an asset held for sale and recorded an impairment of approximately $0.1 million. See Note 4 – Real Estate Acquisitions and Assets Held for Sale for more detail.

Interest expense

Interest expense increased approximately $1.8 million, or 44.6%, for the three months ended June 30, 2024 compared to the same period in 2023 due mainly to increases in the weighted average balance and interest rates on the revolving credit facility.

Credit loss reserve

Credit loss reserve totaling $11.0 million was recorded during the three months ended June 30, 2024 related to notes receivable with a geriatric inpatient behavioral hospital tenant. See Note 10 – Other Assets, net for more details on the credit loss reserve.

Interest and other income, net

Interest and other income, net decreased approximately $0.4 million, or 59.0%, for the three months ended June 30, 2024 compared to the same period in 2023. During the three months ended June 30, 2023, the Company recognized a net casualty gain relating to a property totaling $0.7 million. During the three months ended June 30, 2024, the Company recorded into income an undistributed allowance for tenant improvements totaling $0.3 million for a lease that expired on June 30, 2024.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

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

The table below shows our results of operations for the six months ended June 30, 2024 compared to the same period in 2023 and the effect of changes in those results from period to period on our net loss.

	Six Months Ended June 30,		Increase (Decrease) to Net income	
(Dollars in thousands)	**2024**	**2023**	**$**	**%**
REVENUES				
Rental income	$ 56,247	$ 52,892	$ 3,355	6.3 %
Other operating interest, net	602	2,094	(1,492)	(71.3)%
	56,849	54,986	1,863	3.4 %
EXPENSES				
Property operating	11,363	9,659	(1,704)	(17.6)%
General and administrative	9,314	19,992	10,678	53.4 %
Depreciation and amortization	21,054	18,237	(2,817)	(15.4)%
	41,731	47,888	6,157	12.9 %
OTHER INCOME (EXPENSE)				
Impairment of real estate asset	(140)	—	(140)	n/m
Interest expense	(11,048)	(8,132)	(2,916)	(35.9)%
Credit loss reserve	(11,000)	—	(11,000)	n/m
Deferred income tax expense	—	(85)	85	n/m
Interest and other income	308	774	(466)	(60.2)%
	(21,880)	(7,443)	(14,437)	194.0 %
NET LOSS	$ (6,762)	$ (345)	$ (6,417)	n/m

n/m - not meaningful

Revenues

Rental income increased approximately $3.4 million, or 6.3%, for the six months ended June 30, 2024 compared to the same period in 2023 due mainly to rental income on properties acquired during 2023 and 2024 resulting in additional rental income of approximately $6.4 million, offset partially by the impact of moving a tenant to cash basis in the second quarter of 2024 totaling approximately $1.9 million (including $0.9 million of straight-line rent) and approximately $1.0 million resulting substantially from lease terminations, including two Genesis Care leases with the Company that they rejected in 2023 as part of their bankruptcy.

Other operating interest decreased $1.5 million, or 71.3%, for the six months ended June 30, 2024 compared to the same period in 2023 due to placing the tenant on cash basis and reversing the interest receivable due from a tenant totaling $1.4 million in the second quarter of 2024.

Expenses

Property operating expenses increased approximately $1.7 million, or 17.6%, for the six months ended June 30, 2024 compared to the same period in 2023 due mainly to the following:

- Expenses on properties acquired during 2023 and 2024 increased property operating expenses by approximately $1.1 million;
- Property insurance resulted in an increase of approximately $0.2 million;
- Snow plow and landscaping services resulted in an increase of approximately $0.2 million;
- Repairs and maintenance expenses resulted in an increase of approximately $0.1 million; and

- Amortization of leasing commissions resulted in an increase of approximately $0.1 million.

General and administrative expenses decreased approximately $10.7 million, or 53.4% for the six months ended June 30, 2024 compared to the same period in 2023 mainly due to the following:

- Non-cash accelerated amortization of deferred compensation in the first quarter of 2023 for non-vested restricted common shares held by former CEO and President Timothy Wallace at the time of his passing in March 2023 accounted for a decrease of approximately $11.8 million; offset partially by
- An increase in the non-cash amortization of other deferred compensation of approximately $0.7 million for the six months ended June 30, 2024 compared to the same period in 2023 due to the issuance of restricted shares and the impact from the adoption of the new executive compensation program which included the grant of 3-year forward-looking restricted stock units in the first quarter of 2024; and
- An increase in payroll-related expenses of approximately $0.4 million for the six months ended June 30, 2024 compared to the same period in 2023 related mainly to new employees and salary increases.

Depreciation and amortization expense increased approximately $2.8 million, or 15.4%, for the six months ended June 30, 2024 compared to the same period in 2023. This increase was comprised mainly of the following:

- Acquisitions of real estate in 2023 and 2024 resulted in an increase of approximately $3.0 million;
- Tenant improvements and other capital expenditures resulted in an increase of approximately $0.5 million; and
- Fully amortized real estate lease intangibles which generally have a shorter depreciable life than a building resulted in a decrease of approximately $0.4 million; and $0.7 million.

Impairment of real estate asset

• During the *Tenant improvements* six months ended June 30, 2024, the Company entered into a contract on an asset held for sale and other capital expenditures resulted in recorded an increase impairment of approximately $0.3 million $0.1 million. See Note 4 – Real Estate Acquisitions and Assets Held for Sale to the Condensed Consolidated Financial Statements for more detail.

Interest expense

Interest expense increased approximately $1.1 million $2.9 million, or 26.8% 35.9%, for the three six months ended March 31, 2024June 30, 2024 compared to the same period in 2023. Interest expense recognized on due under the Credit Facility increased approximately $2.7 million mainly due to an increase in the revolving credit facility balance and a rise in interest rates (See Note 5 – Debt, net to the Condensed Consolidated Financial Statements), and the maturity of two interest rate swaps, which were replaced with two forward-starting interest swaps (See Note 6 – Derivative Financial Instruments to the Condensed Consolidated Financial Statements). Also, capitalized interest on redevelopment projects increased approximately $0.3 million for the three six months ended March 31, 2024June 30, 2024 compared to the same period in 2023.

Credit loss reserve

Credit loss reserve totaling $11.0 million was recorded during the 2023 was higher due mainly six months ended June 30, 2024 related to increases in the weighted average balance and interest rates notes receivable with a geriatric inpatient behavioral hospital tenant. See Note 10 – Other Assets, net for more details on the revolving credit facility. loss reserve.

Interest and other income, net

Interest and other income, net decreased approximately $0.5 million, or 60.2%, for the six months ended June 30, 2024 compared to the same period in 2023. During the six months ended June 30, 2023, the Company recognized a net casualty gain relating to a property totaling $0.7 million. During the six months ended June 30, 2024, the Company recorded into income an undistributed allowance for tenant improvements totaling $0.3 million for a lease that expired on June 30, 2024.

Non-GAAP Financial Measures and Key Performance Indicators

Management considers certain non-GAAP financial measures and key performance indicators to be useful supplemental measures of the Company's operating performance. A non-GAAP financial measure is generally defined as one that purports to measure financial performance, financial position or cash flows, but excludes or includes amounts that would not be so adjusted in the most comparable measure determined in accordance with GAAP. The Company reports non-GAAP financial measures because these measures are observed by management to also be among the most predominant measures used by the REIT industry and by industry analysts to evaluate REITs. For these reasons, management deems it appropriate to disclose and discuss these non-GAAP financial

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

measures. Set forth below are descriptions of the non-GAAP financial measures management considers relevant to the Company's business and useful to investors, as well as reconciliations of those measures to the most directly comparable GAAP financial measure.

The non-GAAP financial measures and key performance indicators presented herein are not necessarily identical to those presented by other real estate companies due to the fact that not all real estate companies use the same definitions. These measures should not be considered as alternatives to net income, as indicators of the Company's financial performance, or as alternatives to cash flow from operating activities as measures of the Company's liquidity, nor are these measures necessarily indicative of sufficient cash flow to fund all of the Company's needs. Management believes that in order to facilitate a clear understanding of the Company's historical consolidated operating results, these measures should be examined in conjunction with net income and cash flows from operations as presented in the Condensed Consolidated Financial Statements and other financial data included elsewhere in this Quarterly Report on Form 10-Q.

Funds from Operations ("FFO") and Adjusted Funds from Operations ("AFFO")

FFO is an operating performance measure adopted by the National Association of Real Estate Investment Trusts, Inc. (“NAREIT”). NAREIT defines FFO as the most commonly accepted and reported measure of a REIT’s operating performance equal to net income (calculated in accordance with GAAP), excluding gains or losses from the sale of certain real estate assets, gains and losses from change in control, impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity, plus depreciation and amortization related to real estate properties, and after adjustments for unconsolidated partnerships and joint ventures. NAREIT also provides REITs with an option to exclude gains, losses and impairments of assets that are incidental to the main business of the REIT from the calculation of FFO.

In addition to FFO, the Company presents AFFO and AFFO per share. The Company defines AFFO as FFO, excluding certain expenses related to closing costs of properties acquired accounted for as business combinations and mortgages funded, excluding straight-line rent and the amortization of stock-based compensation, and including or excluding other non-cash items from time to time. AFFO presented herein may not be comparable to similar measures presented by other real estate companies due to the fact that not all real estate companies use the same definition.

Management believes that net income, as defined by GAAP, is the most appropriate earnings measurement. However, management believes FFO, AFFO, FFO per share and AFFO per share provide an understanding of the operating performance of the Company’s properties without giving effect to certain significant non-cash items, primarily depreciation and amortization expense. Historical cost accounting for real estate assets in accordance with GAAP assumes that the value of real estate assets diminishes predictably over time. However, real estate values instead have historically risen or fallen with market conditions. The Company believes that by excluding the effect of depreciation, amortization, impairments and gains or losses from sales of real estate, losses and impairment of incidental assets, all of which are based on historical costs and which may be of limited relevance in evaluating current performance, FFO, AFFO, FFO per share and AFFO per share can facilitate comparisons of operating performance between periods.

The table below reconciles net (loss) income (loss) to FFO and AFFO for the three and six months ended March 31, 2024 June 30, 2024 compared to the same period periods in 2023.

(In thousands, except per share amounts)	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023
Net income (loss)	$ 3,665	$ (6,922)
Real estate depreciation and amortization	10,378	9,088
FFO	14,043	2,166
Straight-line rent	(755)	(917)
Stock-based compensation	2,424	2,547
Accelerated amortization of stock-based compensation (1)	—	11,799
AFFO	$ 15,712	$ 15,595
FFO per diluted common share (1)	$ 0.53	$ 0.09
AFFO per diluted common share	$ 0.59	$ 0.62
Weighted average common shares outstanding - diluted (2)	26,707	25,298

(In thousands, except per share amounts)	Three Months Ended June 30, 2024	Three Months Ended June 30, 2023	Six Months Ended June 30, 2024	Six Months Ended June 30, 2023
Net (loss) income (1) (2) (3)	$ (10,427)	$ 6,577	$ (6,762)	$ (345)
Real estate depreciation and amortization	10,895	9,293	21,273	18,381
Impairment of real estate asset	140	—	140	—

Credit loss reserve (4)		11,000		—		11,000		—
FFO (1) (2)		11,608		15,870		25,651		18,036
Straight-line rent (1)		204		(819)		(551)		(1,736)
Stock-based compensation		2,469		1,692		4,893		4,239
Accelerated amortization of stock-based compensation (3)		—		—		—		11,799
Net gain from insurance recovery on casualty loss (2)		—		(706)		—		(706)
AFFO (1)	$	14,281	$	16,037	$	29,993	$	31,632
FFO per diluted common share (1) (2) (3)	$	0.43	$	0.62	$	0.96	$	0.71
AFFO per diluted common share (1)	$	0.53	$	0.63	$	1.12	$	1.24
Weighted average common shares outstanding - diluted (5)		26,791		25,650		26,756		25,410

(1) Net loss and FFO for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million, resulting in a reduction of FFO per diluted share of approximately $0.12 in each period. AFFO, which adds back straight-line rent, was reduced by approximately $0.09 per diluted share for the three and six month periods ended June 30, 2024.
(1) In (2) Net income (loss) and FFO for the first quarter of 2023, three and six months ended June 30, 2023 included a $0.7 million net casualty gain from insurance proceeds received related to one property that was vandalized. The net gain increased FFO by $0.03 per diluted share for the Company three and six months ended June 30, 2023.
(3) Net loss and FFO for the six months ended June 30, 2023 included accelerated the amortization of stock-based compensation totaling $11.8 million upon the passing of our former CEO and President, impacting FFO per diluted share by $0.47. President.
(2) (4) During the three months ended June 30, 2024, the Company recorded an $11.0 million credit loss reserve related to notes receivable that are incidental to the Company's main business with a geriatric inpatient behavioral hospital tenant.
(5) Diluted weighted average common shares outstanding for FFO and AFFO are calculated based on the treasury method, rather than the 2-class method used to calculate earnings per share.

Net Operating Income ("NOI")

NOI is a key performance indicator. NOI is defined as net income or loss, computed in accordance with GAAP, generated from our total portfolio of properties and other investments before general and administrative expenses, depreciation and amortization expense, gains or loss on the sale of real estate properties or other investments, interest expense, and income tax expense. We believe that NOI provides an accurate measure of operating performance of our operating assets because NOI excludes certain items that are not associated with management of the properties. The Company's use of the term NOI may not be comparable to that of other real estate companies as they may have different methodologies for computing NOI.

The table below reconciles net (loss) income (loss) to NOI for the three and six months ended March 31, 2024 June 30, 2024 compared to the same period periods in 2023.

Three Months Ended March 31, Three Months Ended March 31, Three Months Ended March 31,					
		Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	(In thousands)	2024	2023	2024	2023
(In thousands)					
(In thousands)					
Net income (loss)					
Net income (loss)					
Net income (loss)					
General and administrative (1) (3)					
General and administrative (1) (3)					

Net (loss) income [1] [2]

General and administrative [1] [3]

Accelerated amortization of stock-based compensation

Accelerated amortization of stock-based compensation

Accelerated amortization of stock-based compensation

Depreciation and amortization

Depreciation and amortization

Depreciation and amortization

Interest expense

Interest expense

Impairment of real estate asset

Impairment of real estate asset

Impairment of real estate asset

Credit loss reserve [4]

Interest expense

Deferred income tax expense

Deferred income tax expense

Deferred income tax expense

Interest and other income

Interest and other income

Interest and other income

NOI

NOI

NOI

____

(1) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation.

(1) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation.

(1) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation.

(1) Net loss for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million.

(1) Net loss for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million.

(1) Net loss for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million.

(2) Net income (loss) for the three and six months ended June 30, 2023 included a $0.7 million net casualty gain from insurance proceeds received related to one property that was vandalized.

(3) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation for the six months ended June 30, 2023.

(4) During the three months ended June 30, 2024, the Company recorded an $11.0 million credit loss reserve related to notes receivable that are incidental to the Company's main business with a geriatric inpatient behavioral hospital tenant.

EBITDA*re* and Adjusted EBITDA*re*

The Company uses the NAREIT definition of EBITDA*re* which is net income or loss plus interest expense, income tax expense, and depreciation and amortization, plus losses or minus gains on the disposition of depreciable property, including losses/gains on change of control, plus impairment write-downs of depreciable property and of investments in unconsolidated affiliates caused by a decrease in value of depreciable property in the affiliate, plus or minus adjustments to reflect the entity's share of EBITDA*re* of unconsolidated affiliates and consolidated affiliates with non-controlling interest. The Company also presents Adjusted EBITDA*re* which is EBITDA*re* before non-cash stock-based compensation expense.

We consider EBITDA*re* and Adjusted EBITDA*re* important measures because they provide additional information to allow management, investors, and our current and potential creditors to evaluate and compare our core operating results and our ability to service debt.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

The table below reconciles net (loss) income (loss) to EBITDA*re* and Adjusted EBITDA*re* for the three and six months ended March 31, 2024 June 30, 2024 compared to the same period periods in 2023.

Three Months Ended March 31,
Three Months Ended March 31,
Three Months Ended March 31,

		Three Months Ended June 30,		Six Months Ended June 30,	
(In thousands)	*(In thousands)*	**2024**	**2023**	**2024**	**2023**
(In thousands)					
(In thousands)					
Net income (loss)					
Net income (loss)					
Net income (loss)					
Interest expense					
Interest expense					
Net (loss) income (1) (2)					
Interest expense					
Depreciation and amortization					
Depreciation and amortization					
Depreciation and amortization					
Deferred income tax expense					
Deferred income tax expense					
Deferred income tax expense					
Impairment of real estate asset					
EBITDA*re*					
EBITDA*re*					
EBITDA*re*					
Non-cash stock-based compensation expense (1)					

Non-cash stock-based compensation expense (1)

Non-cash stock-based compensation expense (1)

Non-cash stock-based compensation expense (3)

Accelerated amortization of stock-based compensation

Accelerated amortization of stock-based compensation

Accelerated amortization of stock-based compensation

Adjusted EBITDA*re*

Adjusted EBITDA*re*

Net gain from insurance recovery on casualty loss

Credit loss reserve (4)

Adjusted EBITDA*re*

____

____

____

(1) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation.

(1) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation.

(1) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation.

(1) Net loss for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million.

(1) Net loss for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million.

(1) Net loss for the three and six months ended June 30, 2024 included the reversal of rent and interest related to a tenant totaling approximately $3.2 million, including straight-line rent of approximately $0.9 million.

(2) Net income (loss) for the three and six months ended June 30, 2023 included a $0.7 million net casualty gain from insurance proceeds received related to one property that was vandalized.

(3) Excludes accelerated amortization of stock-based compensation shown separately in the reconciliation for the six months ended June 30, 2023.

(4) During the three months ended June 30, 2024, the Company recorded an $11.0 million credit loss reserve related to notes receivable that are incidental to the Company's main business with a geriatric inpatient behavioral hospital tenant.

Liquidity and Capital Resources

The Company monitors its liquidity and capital resources and relies on several key indicators in its assessment of capital markets for financing acquisitions and other operating activities as needed, including the following:

- Leverage ratios and financial covenants included in our Credit Facility;
- Dividend payout percentage; and
- Interest rates, underlying treasury rates, debt market spreads and equity markets.

The Company uses these indicators and others to compare its operations to its peers and to help identify areas in which the Company may need to focus its attention.

Financing Policy

The Company's current financing policy prohibits aggregate debt (secured or unsecured) in excess of 40% of the Company's total capitalization, except for short-term, transitory periods. At March 31, 2024 June 30, 2024, our debt to total capitalization ratio (debt plus stockholders' equity plus accumulated depreciation) was approximately 38.0% 38.9%.

Sources and Uses of Cash

The Company derives most of its revenues from its real estate properties. Our rental income represents our primary source of liquidity to fund our dividends, general and administrative expenses, property operating expenses, capital improvements on our properties, interest expense on our Credit Facility, and other expenses incurred related to managing our existing portfolio. To the extent additional resources are needed, the Company will fund its investment activity generally through equity or debt issuances either in the public or private markets or through proceeds from our Credit Facility.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

The Company expects to meet its liquidity needs through cash on hand, cash flows from operations and cash flows from sources discussed above. The Company believes that its liquidity and sources of capital are adequate to satisfy its cash requirements. The Company cannot, however, be certain that these sources of funds will be available at a time and upon terms acceptable to the Company in sufficient amounts to meet its liquidity needs.

Credit Facility

The Company's Credit Facility provides for a $150.0 million Revolving Credit Facility that matures on March 19, 2026 and includes one 12-month option to extend the maturity date, and $350.0 million in Term Loans, as well as an accordion feature which allows borrowings up to a total of $700.0 million, including the ability to add and fund additional term loans. Note 5 – Debt, net to the Condensed Consolidated Financial Statements provides more details on the Company's Credit Facility. At March 31, 2024 June 30, 2024, the Company had borrowing capacity remaining under the Revolving Credit Facility of approximately $61.0 million $41.0 million.

The Company's ability to borrow under the Credit Facility is subject to its ongoing compliance with a number of customary affirmative and negative covenants, including limitations with respect to liens, indebtedness, distributions, mergers, consolidations, investments, restricted payments and asset sales, as well as financial maintenance covenants. The Company was in compliance with its financial covenants under its Credit Facility as of March 31, 2024 June 30, 2024.

Mortgage Note Payable

The Company also had outstanding at March 31, 2024, a $4.8 million mortgage note payable, secured by one of its properties. The mortgage note amortizes monthly at a fixed interest rate of 4.98% with a balloon payment of approximately $4.8 million due upon maturity on May 1, 2024. The Company expects to fund the balloon payment with the Company's free cash flow or proceeds from the Company's Revolving Credit Facility.

Ground Leases

At March 31, 2024 June 30, 2024, the Company was obligated, as the lessee, under four non-prepaid ground leases accounted for as operating leases with expiration dates, including renewal options, through 2076, and two non-prepaid ground leases accounted for as financing leases with expiration dates through 2109, including renewal options. Any rental increases related to the Company's ground leases are generally either stated or based on the Consumer Price Index. At March 31, 2024 June 30, 2024, the Company's aggregate obligation under these ground leases was approximately $8.8 million. See Note 3 – Real Estate Leases to the Condensed Consolidated Financial Statements.

Subsequent Acquisitions

Subsequent to March 31, 2024 June 30, 2024, the Company acquired one inpatient rehabilitation facility medical office building for a purchase price of approximately $6.2 million and cash consideration of approximately $23.5 million $6.3 million. Upon acquisition, the property was 100.0% leased with a lease expiration in 2039. 2027. The acquisition was funded with proceeds from the Company's Revolving Credit Facility.

Acquisition Pipeline

The Company has seven properties under definitive purchase agreements, to be acquired after completion and occupancy, for an aggregate expected purchase price of approximately $169.5 million. The Company anticipates closing on one of these properties in the fourth quarter of 2024 with the remainder throughout 2025, 2026 and 2027; however, the Company cannot provide assurance as to the timing of when, or whether, these transactions will actually close. The Company expects to fund these acquisitions through the Company's free cash flow, net proceeds from equity sales through the ATM program and the Company's Revolving Credit Facility.

Tenant Improvements and Capital Improvements

Subject to Company approval, we may fund or reimburse tenants for tenant improvements, which are allowed for in certain leases, of up to approximately $22.5 million $18.6 million as of March 31, 2024 June 30, 2024. At March 31, 2024 June 30, 2024, seven six of these projects, totaling $15.8 million $13.5 million, represented redevelopment projects on buildings with tenants backed by long term leases.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

The Company has also entered into contracts regarding certain capital expenditures with remaining commitments totaling approximately $5.6 million $4.5 million as of March 31, 2024 June 30, 2024. Reimbursement of these expenditures by our tenants will be determined by each tenant's lease.

The Company expects to fund these expenditures through the Company's free cash flow, proceeds from equity sales through the ATM program, and the Company's Revolving Credit Facility.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Notes Receivable

The Company has two notes with a tenant with unfunded commitments remaining totaling $5.1 million $4.8 million at March 31, 2024 June 30, 2024. See Note 10 – Other Assets, net to the Condensed Consolidated Financial Statements.

Automatic Shelf Registration Statement

On November 2, 2022, the Company filed an automatic shelf registration statement on Form S-3 with the Securities and Exchange Commission. The registration statement is for an indeterminate number of securities and is effective for three years. Under this registration statement, the Company has the capacity to offer and sell from time to time various types of securities, including common stock, preferred stock, depository shares, rights, debt securities, warrants and units.

Operating Activities

Cash flows provided by operating activities for the three six months ended March 31, 2024 June 30, 2024 and 2023 were approximately $12.6 million $29.4 million and $12.7 million $29.4 million, respectively. Cash flows provided by operating activities were generally provided by contractual rents and interest on our notes receivable, net of property operating expenses not reimbursed by the tenants and general and administrative expenses.

Investing Activities

Cash flows used in investing activities for the three six months ended March 31, 2024 June 30, 2024 and 2023 were approximately $38.5 million $68.8 million and $28.6 million $45.1 million, respectively. During the three six months ended March 31, 2024 June 30, 2024, the Company invested in four five properties for an aggregate cash consideration of approximately $34.3 million $57.8 million. Also, during the three six months ended March 31, 2024 June 30, 2024, the Company funded notes totaling $0.3 million, received payments on its notes totaling $0.9 million $1.6 million and funded capital expenditures on its existing portfolio totaling approximately $5.1 million $12.3 million.

During the three six months ended March 31, 2023 June 30, 2023, the Company invested in seven 10 properties and one land parcel for an aggregate cash consideration of approximately $23.9 million $39.7 million and funded notes receivable totaling approximately $1.3 million $2.0 million. Also, during the three six months ended March 31, 2023 June 30, 2023, the Company received payments on its notes receivable totaling $0.8 million $2.3 million, received insurance proceeds from a casualty loss totaling $2.3 million, and funded capital expenditures on its existing portfolio totaling approximately $4.1 million $7.9 million.

Financing Activities

Cash flows provided by financing activities for the three six months ended March 31, 2024 June 30, 2024 and 2023 were approximately $26.2 million $35.5 million and $8.4 million $7.3 million, respectively. During the three six months ended March 31, 2024 June 30, 2024, the Company (i) borrowed $39.0 million $59.0 million under its Revolving Credit Facility, (ii) repaid a mortgage note totaling approximately $4.8 million, (iii) paid dividends totaling approximately $25.5 million, (iv) completed equity offerings under its at-the-market program, resulting in net proceeds, net of underwriters' discount and offering costs, of approximately $7.4 million, and (v) upon the vesting of stock-based awards for certain employees, withheld shares and paid taxes totaling approximately $0.6 million on behalf of the employees.

During the six months ended June 30, 2023, the Company (i) borrowed $15.0 million under its Revolving Credit Facility, (ii) completed equity offerings under its at-the-market program, resulting in net proceeds, net of underwriters' discount and offering costs, of approximately $0.5 million, $16.8 million, (iii) upon the vesting of stock-based awards for certain employees, withheld shares and paid taxes totaling approximately $0.6 million $1.0 million on behalf of the employees, and (iv) paid dividends totaling approximately $12.7 million $23.5 million.

During the three months ended March 31, 2023, the Company (i) borrowed $12.0 million under its Revolving Credit Facility, (ii) completed equity offerings under its at-the-market program, resulting in net proceeds, net of underwriters' discount and offering costs, of approximately $8.1 million, and (iii) paid dividends totaling approximately $11.6 million.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Security Deposits

As of March 31, 2024 June 30, 2024, the Company held approximately $3.7 million $3.1 million in security deposits for the benefit of the Company in the event the obligated tenant fails to perform under the terms of its respective lease. Generally, the Company may, at its discretion and upon notification to the tenant, draw upon the security deposits if there are any defaults under the leases.

Management's Discussion and Analysis of Financial Condition and Results of Operations - Continued

Dividends

The Company is required to pay dividends to its stockholders at least equal to 90% of its taxable income in order to maintain its qualification as a REIT.

On April 25, 2024 July 25, 2024, the Company's Board of Directors declared a quarterly common stock dividend in the amount of $0.46 $0.4625 per share. The dividend is payable on May 24, 2024 August 23, 2024 to stockholders of record on May 10, 2024 August 9, 2024. This rate equates to an annualized dividend of $1.84 $1.85 per share.

The ability of the Company to pay dividends is dependent upon its ability to generate cash flows and to make accretive new investments.

Corporate Responsibility

The Company is committed to conducting its business according to the highest ethical standards and upholding its corporate responsibilities as a public company operating for the benefit of its stockholders. To that end, the Company modified its Governance Committee to be the Environmental, Social, and Governance ("ESG") Committee with a revised charter included on the Company's website at www.chct.reit. Among other duties, the ESG Committee meets at least annually to review and recommend to the Board the general strategy and initiatives regarding ESG matters, including the Company's internal and external communications and disclosures.

The Company's Board of Directors has adopted a revised Code of Ethics and Business Conduct that not only applies to its directors, officers, and other employees but also extends the Company's expectations that its vendors, service providers, contractors, and consultants will embrace the Company's commitment to integrity and personal responsibility by complying with this Code at all times. The Code of Ethics and Business Conduct includes the Company's commitment to promote high standards of integrity by conducting its affairs honestly and ethically and to include in its periodic reports or other publicly available documents information and metrics related to internal monitoring, whistleblower, or reporting systems.

The Company's whistleblower policy prohibits the Company and its affiliates and their officers, employees and agents from discharging, demoting, suspending, threatening, harassing or in any other manner discriminating against any employee for raising a concern. If an employee desires to raise a concern in a confidential or anonymous manner, the concern may be directed to the whistleblower officer at the Company's whistleblower hotline. During the quarter ended March 31, 2024 June 30, 2024, the whistleblower officer received no whistleblower complaints.

The Company's Information Technology infrastructure is cloud-based, utilizing Software as a Service ("SaaS") applications for substantially all of its software requirements. Management has formed an IT Committee consisting of the Chief Executive Officer, Chief Financial Officer, and the Vice President of Information Technology to review and discuss information security matters and cyber security risks. The committee meets at least twice a year and reports to the Board of Directors as needed. The Company has adopted the Center of Internet Security (CIS) v8 IG1 cyber security controls including adopting an annual information security training program for its employees. The Company has partnered with a global cyber security leader to continuously and proactively manage and mitigate the ever growing list of cyber threats. As part of the managed monitoring and remediation platform, the Company benefits from a $100,000 breach prevention warranty. Since the Company's its inception, the Company has not had a security breach, and has not incurred any resulting in expenses, penalties or settlements.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Our future income, cash flows and fair values relevant to financial instruments are dependent upon prevailing market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates. We may use certain derivative financial instruments to manage, or hedge, interest rate risks related to our borrowings. We will not use derivatives for trading or speculative purposes and only enter into contracts with major financial institutions based upon their credit rating and other factors. An interest rate swap is a contractual agreement entered into by two counterparties under which each agrees to make periodic payments to the other for an agreed period of time based on a notional amount of principal. Under the most common form of interest rate swap, known from our perspective as a floating-to-fixed interest rate swap, a series of floating, or variable, rate payments on a notional amount of principal is exchanged for a series of fixed interest rate payments on such notional amount. During the three six months ended March 31, 2024 June 30, 2024, there were no material changes in the quantitative and qualitative disclosures about market risks presented in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

The Company's management, with the participation of the Company's Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of the Company's disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) of the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this report. Based on this evaluation, the Company's Chief Executive Officer and Chief Financial Officer has concluded that, as of the end of such period, the Company's disclosure controls and procedures were effective.

Changes In Internal Control Over Financial Reporting

There were no changes in our system of internal control over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the quarter ended March 31, 2024 June 30, 2024 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

The Company may, from time to time, be involved in litigation arising in the ordinary course of business or which may be expected to be covered by insurance. The Company is not aware of any pending or threatened litigation that, if resolved against the Company, would have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

ITEM 1A. RISK FACTORS

In addition to the other information set forth in this Quarterly Report on Form 10-Q, an investor should consider the risk factors included in its Annual Report on Form 10-K for the year ended December 31, 2023 and other reports that may be filed by the Company. There were no material changes in the risk factors presented in the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

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

During the three months ended March 31, 2024, the Company canceled shares of the Company's common stock to satisfy employee tax withholding obligation payable upon the vesting of stock-based awards, as follows:

Period	Total Number of Shares Purchased		Average Price Paid per share	Total Number of Shares purchased as part of publicly announced plans or programs	Maximum Number of Shares that may yet be purchased under the plans or programs
January 1 - January 31	21,261	$	25.94	—	—
February 1 - February 29	—	$	—	—	—
March 1 - March 31	—	$	—	—	—
Total	21,261				

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

None.

ITEM 5. OTHER INFORMATION

During the quarter ended March 31, 2024June 30, 2024, none of our directors or officers (as defined in Rule 16a-1(f) of the Exchange Act) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

ITEM 6. EXHIBITS

The exhibits required by Item 601 of Regulation S-K which are filed with this report are listed in the Exhibit Index and are hereby incorporated in by reference.

EXHIBIT INDEX

Exhibit No.	Description
3.1	Corporate Charter of Community Healthcare Trust Incorporated, as amended (1)
3.2	Amended and Restated Bylaws of Community Healthcare Trust Incorporated (2)
10.1 †	Third Amended and Restated 2024 Incentive Plan of Community Healthcare Trust Incorporated Alignment of Interest Program (3)
10.2 †	Third Amended and Restated Amendment No. 1 to the 2024 Incentive Plan of Community Healthcare Trust Incorporated Executive Officer Incentive Program (4)
10.3 †	Amendment No. 4 to the 2014 Incentive Plan Fourth Amended and Restated Alignment of Interest Program of Community Healthcare Trust Incorporated (5)
10.4 †	Form of Performance-Based Restricted Stock Unit Agreement Fourth Amended and Restated Executive Officer Incentive Program of Community Healthcare Trust Incorporated (6)
10.5 †	Form of Time-Based Restricted Stock Unit Agreement Second Amended and Restated Non-Executive Officer Incentive Program of Community Healthcare Trust Incorporated (7)
10.6 † *†	First Amendment to Amended and Restated Employment Form of Performance-Based RSU Agreement between Community Healthcare Trust Incorporated and David H. Dupuy (8) under the 2024 Incentive Plan
10.7 † *†	First Amendment to Employment Form of Time-Based RSU Agreement between Community Healthcare Trust Incorporated and William G. Monroe (9) under the 2024 Incentive Plan
10.8 † *†	Fifth Amendment to Amended and Restated Employment Form of Restricted Stock Award Agreement between Community Healthcare Trust Incorporated and Leigh Ann Stach (10) under the 2024 Incentive Plan (Directors)
10.9 † *†	Third Amendment to Employment Form of Restricted Stock Award Agreement between Community Healthcare Trust Incorporated under the 2024 Incentive Plan (Executive Officers)
10.10 *†	Form of Restricted Stock Award Agreement under the Fourth Amended and Timothy L. Meyer (11) Restated Alignment of Interest Program (Executive Officers and Directors)
31.1 *	Certification of the Chief Executive Officer of Community Healthcare Trust Incorporated pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Rule 302 of the Sarbanes-Oxley Act of 2002
31.2 *	Certification of the Chief Financial Officer of Community Healthcare Trust Incorporated pursuant to Rule 13a-14 of the Securities Exchange Act of 1934, as amended, as adopted pursuant to Rule 302 of the Sarbanes-Oxley Act of 2002
32.1 **	Certification pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002
101.INS	Inline XBRL Instance Document
101.SCH	Inline XBRL Taxonomy Extension Schema Document
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.LAB	Inline XBRL Taxonomy Extension Labels Linkbase Document
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

(1) Filed as Exhibit 3.1 to Amendment No. 2 to the Registration Statement on Form S-11 of the Company filed with the Securities and Exchange Commission on May 6, 2015 (Registration No. 333-203210) and incorporated herein by reference.

(2) Filed as Exhibit 3.2 to the Quarterly Report on Form 10-Q of the Company filed with the Securities and Exchange Commission on November 3, 2020 (File No. 001-37401) and incorporated herein by reference.

(3) Filed as Exhibit 10.1 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 4, 2024 May 2, 2024 (File No. 001-37401) and incorporated herein by reference.

(4) Filed as Exhibit 10.2 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 4, 2024 May 2, 2024 (File No. 001-37401) and incorporated herein by reference.

(5) Filed as Exhibit 10.3 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 4, 2024 May 2, 2024 (File No. 001-37401) and incorporated herein by reference.

(6) Filed as Exhibit 10.4 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 4, 2024 May 2, 2024 (File No. 001-37401) and incorporated herein by reference.

(7) Filed as Exhibit 10.5 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 4, 2024 (File No. 001-37401) and incorporated herein by reference.

(8) Filed as Exhibit 10.1 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 3, 2024 (File No. 001-37401) and incorporated herein by reference.

(9) Filed as Exhibit 10.2 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 3, 2024 (File No. 001-37401) and incorporated herein by reference.

(10) Filed as Exhibit 10.3 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 3, 2024 (File No. 001-37401) and incorporated herein by reference.

(11)Filed as Exhibit 10.4 to the Form 8-K of the Company filed with the Securities and Exchange Commission on January 3, 2024 May 2, 2024 (File No. 001-37401) and incorporated herein by reference.

* Filed herewith.
** Furnished herewith.
† Denotes executive compensation plan or arrangement.

SIGNATURES

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

Date: April 30, 2024 July 30, 2024

COMMUNITY HEALTHCARE TRUST INCORPORATED

By: /s/ David H. Dupuy
David H. Dupuy
Chief Executive Officer and President

By: /s/ William G. Monroe IV
William G. Monroe IV
Executive Vice President and Chief Financial Officer

38 44

PERFORMANCE-BASED RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this ***"Agreement"***), dated as of ________, 20__ (the ***"Grant Date"***), is made by and between Community Healthcare Trust Incorporated, a Maryland corporation (the ***"Company"***), and __________ (the ***"Participant"***).

WHEREAS, the Company maintains the 2024 Incentive Plan (as amended from time to time, the ***"Plan"***);

WHEREAS, the Company wishes to carry out the Plan (the terms of which are hereby incorporated by reference and made a part of this Agreement);

WHEREAS, Section 10 of the Plan provides for the issuance of Restricted Stock Units **("*RSUs*")**; and

WHEREAS, the Committee has determined that it would be to the advantage and in the best interest of the Company to issue RSUs to the Participant as an inducement to enter into or remain in the service of the Company or any Subsidiary, and as an additional incentive during such service, and has advised the Company thereof.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Issuance of Award of RSUs. Pursuant to the Plan, in consideration of the Participant's agreement to provide services to the Company or any Subsidiary (as applicable), the Company hereby issues to the Participant an award of ____ RSUs (at target level). Each RSU that vests (and ceases to be subject to the Restrictions) shall represent the right to receive payment, in accordance with this Agreement, of one share of the Company's common stock, par value $0.01 per share (the ***"Common Stock"***). Unless and until an RSU vests, the Participant will have no right to payment in respect of any such RSU. Prior to actual payment in respect of any vested RSU, such RSU will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2. Dividend Equivalents. Each RSU granted hereunder that becomes a Performance Vested RSU is hereby granted in tandem with a corresponding Dividend Equivalent, which Dividend Equivalent shall remain outstanding from the Grant Date until the earlier of the payment or

forfeiture of the RSU to which it corresponds. Pursuant to each outstanding Dividend Equivalent, with respect to each dividend paid by the Company with respect to the Performance Period, the Participant shall be entitled to receive payment equal to the amount of such dividend, if any, on the Shares underlying the Performance Vested RSU to which such Dividend Equivalent relates, payable in the same form and amounts as dividends paid to each holder of a Share. Each such payment shall be made no later than thirty (30) days following the applicable dividend payment date, provided that no such payments shall be made prior to the date on which the RSU becomes a Performance Vested RSU, and any Dividend Equivalent payments that would have been made prior to such date had the RSU been a Performance Vested RSU shall be

---

paid in a single lump sum no later than forty-five (45) days following the date on which the RSU becomes a Performance Vested RSU. Dividend Equivalents shall not entitle the Participant to any payments relating to dividends for which the record date occurs after the payment of the Performance Vested RSU underlying such Dividend Equivalent, and the Participant shall not be entitled to any Dividend Equivalent payments with respect to any RSU that does not become a Performance Vested RSU. Dividend Equivalents and any amounts that may become distributable in respect thereof shall be treated separately from the RSUs and the rights arising in connection therewith for purposes of the designation of time and form of payments required by Section 409A of the Code.

3. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

(a) ***"Absolute TSR Performance Vesting Percentage"*** means the percentage determined as set forth on Exhibit A attached hereto, which is a function of the Company TSR Percentage during the Performance Period.

(b) ***"Absolute TSR RSUs"*** means the number of RSUs designated as Absolute TSR RSUs on Exhibit A attached hereto.

(c) ***"Absolute TSR Vested RSUs"*** means the product of (i) the total number of Absolute TSR RSUs, and (iii) the applicable Absolute TSR Performance Vesting Percentage.

(d) ***"Cause"*** shall have the same meaning as the same or similar terms in any written employment agreement between the Participant and CHCT or Subsidiary. In the absence of such a written agreement, "Cause" shall mean involuntary termination of employment due to: (i) conviction of a crime of moral turpitude that adversely affects the reasonable business interests of CHCT, (ii) commission of an act of fraud, embezzlement, or material dishonesty against CHCT or any Subsidiary, or (iii) intentional neglect of the responsibilities of employment, and such neglect remains uncorrected for more than 30 days following written notice from CHCT detailing the acts of neglect.

(e) ***"Company TSR Percentage"*** means the compounded annual growth rate, expressed as a percentage (rounded to the nearest tenth of a percent (0.1%)), in the value per Share during the Performance Period due to the appreciation in the price per Share plus dividends declared during the Performance Period. The Company TSR Percentage shall be calculated in accordance with the total shareholder return calculation methodology used in the MSCI REIT Index (but, for the avoidance of doubt, not assuming the reinvestment of all dividends paid on Common Stock); provided, however, that for purposes of calculating total shareholder return for any Performance Period, the initial share price shall be equal to the Share Value on the first trading day occurring within the Performance Period, and the final share price as of any given date shall be equal to the Share Value.

(f) ***"Dividend Equivalent"*** means a right to receive the equivalent value (in cash or Shares) of dividends paid on Shares, awarded under Section 2 hereof.

(g) ***"Good Reason"*** shall have the same meaning as the same or similar terms (such as Constructive Termination) in any written employment agreement between the Participant and CHCT or Subsidiary. In the absence of such a written agreement, "Good Reason" shall mean voluntary termination of employment by the Participant because the terms of employment are modified so that the position is not substantially equivalent to the position held immediately prior to the time of the Change in Control. A position is "substantially equivalent" if it is the same or better than the position to which it is being compared. A position is not substantially equivalent unless (i) the cash compensation offered is the same or higher than that earned immediately prior to the Change in Control, (ii) deferred compensation, incentive and equity compensation, and health and welfare benefits are, in the aggregate, similar to those provided immediately prior to the Change in Control, (iii) the duties are similar to the duties performed prior to the Change in Control; and (iv) the position does not require the Participant to relocate or to commute more than 35 miles each way to the place of employment. The Participant's right to voluntarily terminate employment for "Good Reason" expires 180 days after beginning employment in the position that is not "substantially equivalent" to the Participant's prior position.

(h) ***"MSCI REIT Index"*** means the total return version of the MSCI US REIT Index (currently known as the "RMS"), or, in the event such index is discontinued or its methodology is significantly changed, a comparable index selected by the Committee in good faith.

(i) ***"Peer Group Companies"*** means the entities listed as the Peer Group Companies in the Compensation Committee resolutions approving the RSUs awarded under this Agreement. If (i) the common stock of any of such entities ceases to be listed on a nationally recognized stock exchange at any time during the Performance Period, or (ii) on the last day of the Performance Period any of such entities is under a definitive agreement to be acquired or merged out of existence during the next 12 months, then such entity shall be excluded from the Peer Group Companies for purposes of this Agreement and the remaining Peer Group Companies shall remain unchanged; provided, however, that the Committee shall have the discretion in good faith to substitute another publicly traded REIT in similar business as the Company and other Peer Group Companies, in lieu of the entity that has been excluded from the Peer Group Companies.

(j) ***"Peer Group Relative Performance"*** means the Company TSR Percentage compared to the Peer Group TSR Percentages, expressed as a continuous percentile ranking against the Peer Group Companies.

(k) ***"Peer Group TSR Percentage"*** means the compounded annual growth rate, expressed as a percentage (rounded to the nearest tenth of a percent (0.1%)), of each of the Peer Group Companies during the Performance Period, calculated in a manner consistent with Section 3(e) above from publicly available information.

(l) ***"Performance Period"*** means the period set forth on Exhibit A attached hereto.

(m) ***"Performance Vested RSUs"*** means (i) the Absolute TSR Vested RSUs, plus (ii) the Relative TSR Vested RSUs.

(n) ***"Qualifying Termination"*** means a Termination of Service by reason of (i) the Participant's death, (ii) a termination by the Company or any Subsidiary due to the Participant's Disability, (iii) a termination by the Company or any Subsidiary other than for Cause, (iv) a termination by the Participant for Good Reason, or (v) a termination by the Participant following attainment of his or her Retirement Eligibility.

(o) ***"Relative TSR Performance Vesting Percentage"*** means the percentage determined as set forth on Exhibit A attached hereto, which is a function of the Peer Group Relative Performance during the Performance Period.

(p) ***"Relative TSR RSUs"*** means the number of RSUs designated as Relative TSR RSUs on Exhibit A attached hereto.

(q) ***"Relative TSR Vested RSUs"*** means the product of (i) the total number of Relative TSR RSUs and (ii) the applicable Relative TSR Performance Vesting Percentage.

(r) ***"Restrictions"*** means the exposure to forfeiture set forth in Sections 5(a) and 6(a).

(s) ***"Retirement Eligibility"*** shall have the meaning set forth in Participant's written employment agreement with the Company.

(t) ***"Service Provider"*** means an Employee of the Company or any of its Subsidiaries.

(u) ***"Share Value,"*** as of any given date, means the average of the closing trading prices of a Share on the principal exchange on which such shares are then traded for each trading day during the ten (10) consecutive trading days prior to such date; provided, however, that if a Change in Control occurs prior to the completion of the Performance Period, Share Value shall mean the price per Share paid by the acquiror in the Change in Control transaction or, to the extent that the consideration in the Change in Control transaction is paid in stock of the acquiror or its affiliates, then, unless otherwise determined by the Committee, Share Value shall mean the value of the consideration paid per Share based on the average of the high and low trading prices of a share of such acquiror stock on the principal exchange on which such shares are then traded on the date on which a Change in Control occurs.

(v) ***"Shares"*** means shares of Common Stock.

(w) ***"Termination of Service"*** means, unless otherwise determined by the Committee, the time when the employee-employer relationship between a Participant and the Company and its affiliates is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement.

(x) ***"Unvested RSU"*** means any RSU that has not become fully vested pursuant to Section 5 hereof and remains subject to the Restrictions.

4. <u>RSUs and Dividend Equivalents Subject to the Plan; Ownership and Transfer Restrictions</u>.

(a) The RSUs and Dividend Equivalents are subject to the terms, definitions and provisions of the Plan, which is incorporated herein by reference, including, without limitation, the restrictions on transfer set forth in Section 10.2 of the Plan.

(b) Without limiting the foregoing, the RSUs and Common Stock issuable with respect thereto shall be subject to the restrictions on ownership and transfer set forth in the charter of the Company, as amended and supplemented from time to time.

5. <u>Vesting</u>.

(a) <u>Performance Vesting</u>. As soon as reasonably practicable (but in no event more than 45 days) following the completion of the Performance Period, the Committee shall determine the Company TSR Percentage, the Peer Group TSR Percentages, the Peer Group Relative Performance, the Absolute TSR Performance Vesting Percentage, the Relative TSR Performance Vesting Percentage and the number of RSUs granted hereby that have become Absolute TSR Vested RSUs, Relative TSR Vested RSUs and Performance Vested RSUs, in each case as of the completion of the Performance Period. Subject to Sections 5(b) and 6(b) below, upon such determination by the Committee, the Restrictions set forth in Section 6(a) below applicable to any outstanding Performance Vested RSUs (if any) shall lapse and such Performance Vested RSUs shall become fully vested, subject to Participant's continued status as a Service Provider through such vesting date. Any RSUs granted hereby which do not satisfy the requirements to become Performance Vested RSUs as of the completion of the Performance Period will automatically be cancelled and forfeited without payment of any consideration therefor, and the Participant shall have no further right to or interest in such RSUs.

(b) <u>Change in Control</u>. Notwithstanding the foregoing, in the event that (i) a Change in Control occurs prior to the completion of the Performance Period, (ii) the Participant has not incurred a Termination of Service prior to such Change in Control and (iii) this award of RSUs is not continued, converted, assumed or replaced by the surviving or successor entity in an equitable manner as approved by the Committee in good faith, the Restrictions shall lapse with respect to a number of RSUs equal to the greater of (A) the number of RSUs which would be Performance Vested RSUs (if any) assuming the completion of the Performance Period as of the date of the Change in Control and (B) the number of RSUs which would be Performance Vested RSUs assuming that the Company TSR Percentage and the Peer Group Relative Performance were each achieved at "Target Level" (as set forth on <u>Exhibit A</u> attached hereto) (such greater number of RSUs, the ***"CIC RSUs"***), and such RSUs shall, immediately prior to such Change in Control, become fully vested and shall be deemed to be Performance Vested RSUs. Any RSUs that do not become fully vested in accordance with the preceding sentence (other than RSUs that are continued, converted, assumed or replaced by the surviving or successor entity in an equitable manner as approved by the Committee in good faith) will automatically be cancelled and forfeited as of the date of the Change in Control without payment of any consideration therefor, and the Participant shall have no further right to or interest in such RSUs. In the event that (i) a Change in Control occurs prior to the completion of the Performance Period, (ii) the Participant has not incurred a Termination of Service prior to such Change in Control and (iii) this award of RSUs is continued, converted, assumed or replaced by the surviving or successor entity in an equitable manner as approved by the Committee in good faith, then the vesting provisions in Section 23 of the Plan shall govern.

6. Effect of Termination of Service.

(a) Termination of Service. Subject to Section 6(b) below, in the event of the Participant's Termination of Service for any reason, any and all Unvested RSUs as of the date of such Termination of Service (after taking into account any accelerated vesting that occurs in connection with such termination) will automatically and without further action be cancelled and forfeited without payment of any consideration therefor, and the Participant shall have no further right to or interest in such Unvested RSUs. No RSUs which have not vested as of the date of the Participant's Termination of Service shall thereafter become vested.

(b) Qualifying Termination. In the event that the Participant incurs a Qualifying Termination prior to the completion of the Performance Period, the Restrictions shall lapse with respect to a number of RSUs equal to the greater of (A) the product of (x) the number of RSUs which would be Performance Vested RSUs (if any) assuming the completion of the Performance Period as of the date of the Participant's Qualifying Termination, and (y) a fraction, the numerator of which is the number of days elapsed from the first day of the Performance Period through and including the date of the Participant's Qualifying Termination, and the denominator of which is 1095, and (B) the number of RSUs which would be Performance Vested RSUs (if any) assuming that the Company TSR Percentage and the Peer Group Relative Performance were each achieved at "Target Level" (as set forth on Exhibit A attached hereto) (such greater number of RSUs, the ***"Qualifying Termination RSUs"***), and such RSUs shall become fully vested and shall be deemed to be Performance Vested RSUs upon the Committee's determination, within 45 days following the date of the Participant's Qualifying Termination, of the number of Qualifying Termination RSUs. Any RSUs that do not become fully vested in accordance with the preceding sentence will automatically be cancelled and forfeited as of the date of the Committee's determination of the number of Qualifying Termination RSUs without payment of any consideration therefor, and the Participant shall have no further right to or interest in such RSUs.

7. Payment. Payments in respect of any RSUs that vest in accordance herewith shall be made to the Participant (or in the event of the Participant's death, to his or her estate) in whole Shares, and any fractional Share will be rounded as determined by the Company. The Company shall make such payments as soon as practicable after the applicable vesting date, but in any event within twenty (20) days after such vesting date, provided that, in the event of vesting upon a Change in Control under Section 5(b) above, such payment shall be made or deemed made immediately preceding and effective upon the occurrence of such Change in Control.

8. Determinations by Committee. Notwithstanding anything contained herein, all determinations, interpretations and assumptions relating to the vesting of the RSUs (including, without limitation, determinations, interpretations and assumptions with respect to Company TSR Percentage and Peer Group TSR Percentages) shall be made by the Committee and shall be applied consistently and uniformly to all similar Awards granted under the Plan. In making such determinations, the Committee may employ attorneys, consultants, accountants, appraisers, brokers, or other persons, and the Committee, the Board, the Company and their officers and directors shall be entitled to rely upon the advice, opinions or valuations of any such persons. All actions taken and all interpretations and determinations made by the Committee in good faith and absent manifest error shall be final and binding upon the Participant, the Company and all other interested persons. In addition, the Committee, in its discretion, may adjust or modify the methodology for calculations relating to the vesting of the RSUs (including, without limitation, the methodology for calculating Company TSR Percentage and Peer Group TSR Percentages), other than the Absolute TSR Performance Vesting Percentage and Relative TSR Performance Vesting Percentage, as necessary or desirable to account for events affecting the value of the Common Stock which, in the discretion of the

Committee, are not considered indicative of Company performance, which may include events such as the issuance of new Common Stock, stock repurchases, stock splits, issuances and/or exercises of stock grants or stock options, and similar events, all in order to properly reflect the Company's intent with respect to the performance objectives underlying the RSUs or to prevent dilution or enlargement of the benefits or potential benefits intended to be made available with respect to the RSUs. The Committee has the discretion to make equitable adjustments to the Peer Group TSR Percentage to take into account any extraordinary, unusual or non-recurring corporate events such as those described in Section 16 of the Plan affecting such Peer Companies, including but not limited to stock splits, reverse stock splits, stock dividends, recapitalizations, reclassifications and similar events. The Committee has discretion in how the required adjustments are determined as long as they are done equitably.

9. Restrictions on New RSUs or Shares. In the event that the RSUs or the Shares underlying the RSUs are changed into or exchanged for a different number or kind of securities of the Company or of another corporation or other entity by reason of merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, such new or additional or different securities which are issued upon conversion of or in exchange or substitution for RSUs or the Shares underlying the RSUs which are then subject to vesting shall be subject to the same vesting conditions as such RSUs or Shares, as applicable, unless the Committee provides for the vesting of the RSUs or the Shares underlying the RSUs, as applicable.

10. Conditions to Issuance of Shares. Shares issued as payment for the RSUs will be issued out of the Company's authorized but unissued Shares. Upon issuance, such Shares shall be fully paid and nonassessable. The Shares issued pursuant to this Agreement shall be held in book-entry form and no certificates shall be issued therefor. In addition to the other requirements set forth herein, the Shares issued as payment for the RSUs shall be issued only upon the fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which such class of stock is then listed;

(b) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Committee shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable;

(d) The lapse of such reasonable period of time as the Committee may from time to time establish for reasons of administrative convenience; and

(e) The receipt by the Company of full payment for any applicable withholding or other employment tax or required payments with respect to any such Shares to the Company with respect to the issuance or vesting of such Shares.

In the event that the Company delays a distribution or payment in settlement of RSUs because it reasonably determines that the issuance of Shares in settlement of RSUs will violate federal securities laws or other applicable law, such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii). The Company shall not delay any payment if such delay will result in a violation of Section 409A of the Code.

11. Rights as Stockholder. Neither the Participant nor any person claiming under or through the Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Participant or any person claiming under or through the Participant.

12. Tax Withholding. The Company or any Subsidiary shall have the authority and the right to deduct or withhold, or require the Participant to remit to such entity, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Participant's FICA obligation) required by law to be withheld with respect to the issuance, vesting or payment of the RSUs and the Dividend Equivalents. In satisfaction of the foregoing requirement or in satisfaction of any additional tax withholding, the Company or any Subsidiary may, or the Committee may in its discretion allow the Participant to elect to have the Company or any Subsidiary (as applicable), withhold Shares otherwise issuable under such award (or allow the return of Shares)

having a fair market value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan or this Agreement, the number of Shares which may be withheld with respect to the issuance, vesting or payment of the RSUs and the Dividend Equivalents in order to satisfy the Participant's income and payroll tax liabilities with respect thereto shall be limited to the number of shares which have a fair market value on the date of

withholding no greater than the aggregate amount of such liabilities based on the maximum individual statutory withholding rates in the applicable jurisdiction.

13. Remedies. The Participant shall be liable to the Company for all costs and damages, including incidental and consequential damages, resulting from a disposition of the RSUs which is in violation of the provisions of this Agreement. Without limiting the generality of the foregoing, the Participant agrees that the Company shall be entitled to obtain specific performance of the obligations of the Participant under this Agreement and immediate injunctive relief in the event any action or proceeding is brought in equity to enforce the same. The Participant will not urge as a defense that there is an adequate remedy at law.

14. Restrictions on Public Sale by the Participant. To the extent not inconsistent with applicable law, the Participant agrees not to effect any sale or distribution of the RSUs or the Shares underlying the RSUs or any similar security of the Company, or any securities convertible into or exchangeable or exercisable for such securities, including a sale pursuant to Rule 144 under the Securities Act of 1933, as amended (the "Securities Act"), during the fourteen (14) days prior to, and during the up to 90 day period beginning on, the date of the pricing of any public or private debt or equity securities offering by the Company (except as part of such offering), if and to the extent requested in writing by the Company in the case of a non-underwritten public or private offering or if and to the extent requested in writing by the managing underwriter or underwriters (or initial purchaser or initial purchasers, as the case may be) and consented to by the Company, which consent may be given or withheld in the Company's sole and absolute discretion, in the case of an underwritten public or private offering (such agreement to be in the form of a lock-up agreement provided by the Company, managing underwriter or underwriters, or initial purchaser or initial purchasers, as the case may be).

15. Conformity to Securities Laws. The Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of all applicable federal and state laws, rules and regulations (including, but not limited to the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, including without limitation the applicable exemptive conditions of Rule 16b-3 of the Exchange Act) and to such approvals by any listing, regulatory or other governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the RSUs shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

16. Code Section 409A. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the effective date of this Agreement. Notwithstanding any provision of this Agreement to the contrary, in the event that following the effective date of this Agreement, the Company determines that the RSUs may be subject to Section 409A of the

Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the effective date of this Agreement), the Company may adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Company determines are necessary or appropriate to (a) exempt the RSUs from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the RSUs, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance; provided, however, that this Section 16 shall not create any obligation on the part of the Company or any Subsidiary to adopt any such amendment, policy or procedure or take any such other action. For purposes of Section 409A of the Code, any right to a series of payments pursuant to this Agreement shall be treated as a right to a series of separate payments. Notwithstanding anything to the contrary in this Agreement, no amounts shall be paid to the Participant under this Agreement during the six-month period following the Participant's "separation from service" to the extent that the Committee determines that the Participant is a "specified employee" (each within the meaning of Section 409A of the Code) at the time of such separation from service and that paying such amounts at the time or times indicated in this Agreement would be a prohibited distribution under Code Section 409A(a)(2)(b)(i). If the payment of any such amounts is delayed as a result of the previous sentence, then on the first business day following the end of such six-month period (or such earlier date upon which such amount can be paid under Section 409A of the Code without being subject to such additional taxes), the Company shall pay to the Participant in a lump-sum all amounts that would have otherwise been payable to the Participant during such six-month period under this Agreement.

17. No Right to Continued Service. Nothing in this Agreement shall confer upon the Participant any right to continue as a Service Provider of the Company or any Subsidiary, or shall interfere with or restrict in any way the rights of the Company or any Subsidiary, which rights are hereby expressly reserved, to discharge the Participant at any time for any reason whatsoever, with or without cause.

18. Miscellaneous.

(a) Incorporation of the Plan. This Agreement is made under and subject to and governed by all of the terms and conditions of the Plan. In the event of any discrepancy or inconsistency between this Agreement and the Plan, the terms and conditions of the Plan shall control. By signing this Agreement, the Participant confirms that he or she has received access to a copy of the Plan and has had an opportunity to review the contents thereof.

(b) Clawback. This award, the RSUs and the Shares issuable with respect to the RSUs shall be subject to any clawback or recoupment policy currently in effect or as may be adopted by the Company, as may be amended from time to time.

(c) Successors and Assigns. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors and assigns of the parties hereto, including, without limitation, any business entity that succeeds to the business of the Company.

(d) Entire Agreement; Amendments and Waivers. This Agreement, together with the Plan, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties. In the event that the provisions of such other agreement or letter conflict or are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall control. Except as set forth in Section 16 above, this Agreement may not be amended except in an instrument in writing signed on behalf of each of the parties hereto and approved by the Committee. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

(e) Severability. If for any reason one or more of the provisions contained in this Agreement or in any other instrument referred to herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

(f) Titles. The titles, captions or headings of the Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

(g) Counterparts. This Agreement may be executed in any number of counterparts, any of which may be executed and transmitted by facsimile (including, without limitation, transfer by .pdf), and each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

(h) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts entered into and wholly to be performed within the State of Maryland by Maryland residents, without regard to any otherwise governing principles of conflicts of law that would choose the law of any state other than the State of Maryland.

(i) Notices. Any notice to be given by the Participant under the terms of this Agreement shall be addressed to the Secretary of the Company at the Company's address set forth in Exhibit A attached hereto. Any notice to be given to the Participant shall be addressed to him or her at the Participant's then current address on the books and records of the Company. By a notice given pursuant to this Section 18(i), either party may hereafter designate a different address for notices to be given to him or her. Any notice which is required to be given to the Participant shall, if the Participant is then deceased, be given to the Participant's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 18(i) (and the Company shall be entitled to rely on any such notice provided to it that it in good faith believes to be true and correct, with no duty of inquiry). Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by

---

certified mail, with postage and fees prepaid, addressed as set forth above or upon confirmation of delivery by a nationally recognized overnight delivery service.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COMMUNITY HEALTHCARE TRUST INCORPORATED,
a Maryland corporation

By: ________________________________
Name:
Title:

The Participant hereby accepts and agrees to be bound by all of the terms and conditions of this Agreement.

____
Name:

Exhibit A

Definitions and Notice Address

Definitions

Capitalized terms not defined herein shall have the meanings set forth in the Performance-Based Restricted Stock Unit Agreement to which this Exhibit is attached.

"Absolute TSR RSUs" means _______ RSUs.

"Absolute TSR Performance Vesting Percentage" means a function of the Company TSR Percentage during the Performance Period, and shall be determined as set forth below:

	Company TSR Percentage	Absolute TSR Performance Vesting Percentage
"Threshold Level"	< 4.0%	0%
"Target Level"	4.0%	50%
"Maximum Level"	8.0%	100%
	≥ 12.0%	200%

In the event that the Company TSR Percentage falls between the Threshold Level and the Target Level, the Absolute TSR Performance Vesting Percentage shall be determined using straight line linear interpolation between the Threshold Level and Target Level Absolute TSR Performance Vesting Percentage specified above; and in the event that the Company TSR Percentage falls between the Target Level and the Maximum Level, the Absolute TSR Performance Vesting Percentage shall be determined using straight line linear interpolation between the Target Level and Maximum Level Absolute TSR Performance Vesting Percentage specified above.

"Performance Period" means the period commencing on July 1, 20__ (the "Performance Commencement Date") and ending on the day prior to the third anniversary of the Performance Commencement Date.

"Relative TSR RSUs" means ________ RSUs.

"Relative TSR Performance Vesting Percentage" means a function of the Peer Group Relative Performance during the Performance Period, and shall be determined as set forth below:

	Peer Group Relative Performance	Relative TSR Performance Vesting Percentage
	< 25th Percentile	0%
"Threshold Level"	25th Percentile	50%
"Target Level"	55th Percentile	100%
"Maximum Level"	≥ 80th Percentile	200%

In the event that the Peer Group Relative Performance falls between the Threshold Level and the Target Level, the Relative TSR Performance Vesting Percentage shall be determined using straight line linear interpolation between the Threshold Level and Target Level Relative TSR Performance Vesting Percentages specified above; and in the event that the Peer Group Relative Performance falls between the Target Level and the Maximum Level, the Relative TSR Performance Vesting Percentage shall be determined using straight line linear interpolation between the Target Level and Maximum Level Relative TSR Performance Vesting Percentages specified above.

Company Address

3326 Aspen Grove Drive
Suite 150
Franklin, Tennessee 37067

TIME-BASED RESTRICTED STOCK UNIT AGREEMENT

This Restricted Stock Unit Agreement (this ***"Agreement"***), dated as of _____, 20__ (the ***"Grant Date"***), is made by and between Community Healthcare Trust Incorporated, a Maryland corporation (the ***"Company"***), and __________ (the ***"Participant"***).

WHEREAS, the Company maintains the 2024 Incentive Award Plan (as amended from time to time, the ***"Plan"***);

WHEREAS, the Company wishes to carry out the Plan (the terms of which are hereby incorporated by reference and made a part of this Agreement);

WHEREAS, Section 10 of the Plan provides for the issuance of Restricted Stock Units (***"RSUs"***); and

WHEREAS, the Committee has determined that it would be to the advantage and in the best interest of the Company to issue RSUs to the Participant as an inducement to enter into or remain in the service of the Company or any Subsidiary, and as an additional incentive during such service, and has advised the Company thereof.

NOW, THEREFORE, in consideration of the mutual covenants herein contained and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto do hereby agree as follows:

1. Issuance of Award of RSUs. Pursuant to the Plan, in consideration of the Participant's agreement to provide services to the Company or any Subsidiary (as applicable), the Company hereby issues to the Participant an award of ____ RSUs. Each RSU that vests shall represent the right to receive payment, in accordance with this Agreement, of one share of the Company's common stock, par value $0.01 per share (the ***"Common Stock"***). Unless and until an RSU vests, the Participant will have no right to payment in respect of any such RSU. Prior to actual payment in respect of any vested RSU, such RSU will represent an unsecured obligation of the Company, payable (if at all) only from the general assets of the Company.

2. Dividend Equivalents. Each RSU granted hereunder is hereby granted in tandem with a corresponding Dividend Equivalent, which Dividend Equivalent shall remain outstanding from the Grant Date until the earlier of the payment or forfeiture of the RSU to which it corresponds. Pursuant to each outstanding Dividend Equivalent, the Participant shall be entitled to receive payments equal to dividends paid, if any, on the Shares underlying the RSU to which such Dividend Equivalent relates, payable in the same form and amounts as dividends paid to each holder of a Share. Each such payment shall be made no later than thirty (30) days following the applicable dividend payment date. Dividend Equivalents shall not entitle the Participant to any payments relating to dividends for which the record date occurs after the earlier to occur of the payment or forfeiture of the RSU underlying such Dividend Equivalent. In addition, notwithstanding the foregoing, in the event of a Termination of Service (other than a Qualifying Termination), the Participant shall not be entitled to any Dividend Equivalent payments with respect to dividends declared but not paid prior to the date of such termination on Shares underlying RSUs which are unvested as of

---

the date of such termination (after taking into account any accelerated vesting that occurs in connection with such termination). Dividend Equivalents and any amounts that may become distributable in respect thereof shall be treated separately from the RSUs and the rights arising in connection therewith for purposes of the designation of time and form of payments required by Section 409A of the Code.

3. Definitions. For purposes of this Agreement, the following terms shall have the meanings set forth below. All capitalized terms used but not otherwise defined herein shall have the meanings ascribed to such terms in the Plan.

(a) ***"Cause"*** shall have the same meaning as the same or similar terms in any written employment agreement between the Participant and CHCT or Subsidiary. In the absence of such a written agreement, "Cause" shall mean involuntary termination of employment due to: (i) conviction of a crime of moral turpitude that adversely affects the reasonable business interests of CHCT, (ii) commission of an act of fraud, embezzlement, or material dishonesty against CHCT or any Subsidiary, or (iii) intentional neglect of the responsibilities of employment, and such neglect remains uncorrected for more than 30 days following written notice from CHCT detailing the acts of neglect.

(b) ***"Dividend Equivalent"*** means a right to receive the equivalent value (in cash or Shares) of dividends paid on Shares, awarded under Section 2 hereof.

(c) ***"Good Reason"*** shall have the same meaning as the same or similar terms (such as Constructive Termination) in any written employment agreement between the Participant and CHCT or Subsidiary. In the absence of such a written agreement, "Good Reason" shall mean voluntary termination of employment by the Participant because the terms of employment are modified so that the position is not substantially equivalent to the position held immediately prior to the time of the Change in Control. A position is "substantially equivalent" if it is the same or better than the position to which it is being compared. A position is not substantially equivalent unless (i) the cash compensation offered is the same or higher than that earned immediately prior to the Change in Control, (ii) deferred compensation, incentive and equity compensation, and health and welfare benefits are, in the aggregate, similar to those provided immediately prior to the Change in Control, (iii) the duties are similar to the duties performed prior to the Change in Control; and (iv) the position does not require the Participant to relocate or to commute more than 35 miles each way to the place of employment. The Participant's right to voluntarily terminate employment for "Good Reason" expires 180 days after beginning employment in the position that is not "substantially equivalent" to the Participant's prior position.

(d) ***"Qualifying Termination"*** means a Termination of Service by reason of (i) the Participant's death, (ii) a termination by the Company or any Subsidiary due to the Participant's Disability, (iii) a termination by the Company or any Subsidiary other than for Cause, (iv) a termination by the Participant for Good Reason, or (v) a termination by the Participant following attainment of his or her Retirement Eligibility.

(e) ***"Retirement Eligibility"*** shall have the meaning set forth in Participant's written employment agreement with the Company.

(f) ***"Service Provider"*** means an Employee of the Company or any of its Subsidiaries.

(g) ***"Shares"*** means shares of Common Stock.

(h) ***"Termination of Service"*** means, unless otherwise determined by the Committee, the time when the employee-employer relationship between a Participant and the Company and its affiliates is terminated for any reason, including, without limitation, a termination by resignation, discharge, death, disability or retirement.

4. RSUs and Dividend Equivalents Subject to the Plan; Ownership and Transfer Restrictions.

(a) The RSUs and Dividend Equivalents are subject to the terms, definitions and provisions of the Plan, which is incorporated herein by reference, including, without limitation, the restrictions on transfer set forth in Section 10.2 of the Plan.

(b) Without limiting the foregoing, the RSUs and Common Stock issuable with respect thereto shall be subject to the restrictions on ownership and transfer set forth in the charter of the Company, as amended and supplemented from time to time.

5. Vesting Period.

(a) Time Vesting. Subject to Sections 5(b) and 6 below, the RSUs will vest and become nonforfeitable in accordance with and subject to the time vesting schedule set forth on Exhibit A attached hereto, subject to the Participant's continued status as a Service Provider through each applicable vesting date.

(b) Change in Control. Notwithstanding the foregoing, in the event that a Change in Control occurs and the Participant has not incurred a Termination of Service prior to such Change in Control, Section 23 of the Plan shall govern the vesting of the RSUs awarded under this Agreement.

6. Effect of Termination of Service.

(a) Termination of Service. Subject to Section 6(b) below, in the event of the Participant's Termination of Service for any reason, any and all RSUs that have not vested as of the date of such Termination of Service (after taking into account any accelerated vesting that occurs in connection with such termination) will automatically and without further action be cancelled and forfeited without payment of any consideration therefor, and the Participant shall have no further right to or interest in such RSUs. No RSUs which have not vested as of the date of the Participant's Termination of Service shall thereafter become vested.

(b) Qualifying Termination. In the event that the Participant incurs a Qualifying Termination, the RSUs will vest in full and become nonforfeitable upon such Qualifying Termination.

7. Payment. Payments in respect of any RSUs that vest in accordance herewith shall be made to the Participant (or in the event of the Participant's death, to his or her estate) in whole Shares, and any fractional Share will be rounded as determined by the Company; *provided, however*, that in no event shall the aggregate number of RSUs that vest or become payable hereunder exceed the total number of RSUs set forth in Section 1 of this Agreement (as adjusted, if applicable, by Section 8 of this Agreement). The Company shall make such payments as soon as practicable after the applicable vesting date, but in any event within twenty (20) days after such vesting date, provided that, in the event of vesting upon a Change in Control under Section 5(b) above, such payment shall be made or deemed made immediately preceding and effective upon the occurrence of such Change in Control.

8. Restrictions on New RSUs or Shares. In the event that the RSUs or the Shares underlying the RSUs are changed into or exchanged for a different number or kind of securities of the Company or of another corporation or other entity by reason of merger, consolidation, recapitalization, reclassification, stock split, stock dividend or combination of shares, such new or additional or different securities which are issued upon conversion of or in exchange or substitution for RSUs or the Shares underlying the RSUs which are then subject to vesting shall be subject to the same vesting conditions as such RSUs or Shares, as applicable, unless the Committee provides for the vesting of the RSUs or the Shares underlying the RSUs, as applicable.

9. Conditions to Issuance of Shares. Shares issued as payment for the RSUs will be issued out of the Company's authorized but unissued Shares. Upon issuance, such Shares shall be fully paid and nonassessable. The Shares issued pursuant to this Agreement shall be held in book-entry form and no certificates shall be issued therefor. In addition to the other requirements set forth herein, the Shares issued as payment for the RSUs shall be issued only upon the fulfillment of all of the following conditions:

(a) The admission of such Shares to listing on all stock exchanges on which such class of stock is then listed;

(b) The completion of any registration or other qualification of such shares under any state or federal law or under rulings or regulations of the Securities and Exchange Commission or of any other governmental regulatory body, which the Committee shall, in its absolute discretion, deem necessary or advisable;

(c) The obtaining of any approval or other clearance from any state or federal governmental agency which the Committee shall, in its absolute discretion, determine to be necessary or advisable;

(d) The lapse of such reasonable period of time as the Committee may from time to time establish for reasons of administrative convenience; and

(e) The receipt by the Company of full payment for any applicable withholding or other employment tax or required payments with respect to any such Shares to the Company with respect to the issuance or vesting of such Shares.

In the event that the Company delays a distribution or payment in settlement of RSUs because it reasonably determines that the issuance of Shares in settlement of RSUs will violate federal securities laws or other applicable law, such distribution or payment shall be made at the earliest date at which the Company reasonably determines that the making of such distribution or payment will not cause such violation, as required by Treasury Regulation Section 1.409A-2(b)(7)(ii). The Company shall not delay any payment if such delay will result in a violation of Section 409A of the Code.

10. Rights as Stockholder. Neither the Participant nor any person claiming under or through the Participant will have any of the rights or privileges of a stockholder of the Company in respect of any Shares deliverable hereunder unless and until such Shares will have been issued, recorded on the records of the Company or its transfer agents or registrars, and delivered to the Participant or any person claiming under or through the Participant.

11. Tax Withholding. The Company or any Subsidiary shall have the authority and the right to deduct or withhold, or require the Participant to remit to such entity, an amount sufficient to satisfy federal, state, local and foreign taxes (including the Participant's FICA obligation) required by law to be withheld with respect to the issuance, vesting or payment of the RSUs and the Dividend Equivalents. In satisfaction of the foregoing requirement or in satisfaction of any additional tax withholding, the Company or any Subsidiary may, or the Committee may in its discretion allow the Participant to elect to have the Company or any Subsidiary (as applicable), withhold Shares otherwise issuable under such award (or allow the return of Shares) having a fair market value equal to the sums required to be withheld. Notwithstanding any other provision of the Plan or this Agreement, the number of Shares which may be withheld with respect to the issuance, vesting or payment of the RSUs and the Dividend Equivalents in order to satisfy the Participant's income and payroll tax liabilities with respect thereto shall be limited to the number of shares which have a fair market value on the date of withholding no greater than the aggregate amount of such liabilities based on the maximum individual statutory withholding rates in the applicable jurisdiction.

12. Remedies. The Participant shall be liable to the Company for all costs and damages, including incidental and consequential damages, resulting from a disposition of the RSUs which is in violation of the provisions of this Agreement. Without limiting the generality of the foregoing, the Participant agrees that the Company shall be entitled to obtain specific performance of the obligations of the Participant under this Agreement and immediate injunctive relief in the event any action or proceeding is brought in equity to enforce the same. The Participant will not urge as a defense that there is an adequate remedy at law.

13. Restrictions on Public Sale by the Participant. To the extent not inconsistent with applicable law, the Participant agrees not to effect any sale or distribution of the RSUs or the Shares underlying the RSUs or any similar security of the Company, or any securities convertible into or exchangeable or exercisable for such securities, including a sale pursuant to Rule 144

under the Securities Act of 1933, as amended (the "Securities Act"), during the fourteen (14) days prior to, and during the up to 90-day period beginning on, the date of the pricing of any public or private debt or equity securities offering by the Company (except as part of such offering), if and to the extent requested in writing by the Company in the case of a non-underwritten public or private offering or if and to the extent requested in writing by the managing underwriter or underwriters (or initial purchaser or initial purchasers, as the case may be) and consented to by the Company, which consent may be given or withheld in the Company's sole and absolute discretion, in the case of an underwritten public or private offering (such agreement to be in the form of a lock-up agreement provided by the Company, managing underwriter or underwriters, or initial purchaser or initial purchasers, as the case may be).

14. Conformity to Securities Laws. The Participant acknowledges that the Plan and this Agreement are intended to conform to the extent necessary with all provisions of all applicable federal and state laws, rules and regulations (including, but not limited to the Securities Act and the Securities Exchange Act of 1934, as amended (the "Exchange Act") and any and all regulations and rules promulgated by the Securities and Exchange Commission thereunder, including without limitation the applicable exemptive conditions of Rule 16b-3 of the Exchange Act) and to such approvals by any listing, regulatory or other governmental authority as may, in the opinion of counsel for the Company, be necessary or advisable in connection therewith. Notwithstanding anything herein to the contrary, the Plan shall be administered, and the RSUs are granted, only in such a

manner as to conform to such laws, rules and regulations. To the extent permitted by applicable law, the Plan, this Agreement and the RSUs shall be deemed amended to the extent necessary to conform to such laws, rules and regulations.

15. Code Section 409A. To the extent applicable, this Agreement shall be interpreted in accordance with Section 409A of the Code and Department of Treasury regulations and other interpretive guidance issued thereunder, including without limitation any such regulations or other guidance that may be issued after the effective date of this Agreement. Notwithstanding any provision of this Agreement to the contrary, in the event that following the effective date of this Agreement, the Company determines that the RSUs may be subject to Section 409A of the Code and related Department of Treasury guidance (including such Department of Treasury guidance as may be issued after the effective date of this Agreement), the Company may adopt such amendments to this Agreement or adopt other policies and procedures (including amendments, policies and procedures with retroactive effect), or take any other actions, that the Company determines are necessary or appropriate to (a) exempt the RSUs from Section 409A of the Code and/or preserve the intended tax treatment of the benefits provided with respect to the RSUs, or (b) comply with the requirements of Section 409A of the Code and related Department of Treasury guidance; *provided, however*, that this Section 15 shall not create any obligation on the part of the Company or any Subsidiary to adopt any such amendment, policy or procedure or take any such other action. For purposes of Section 409A of the Code, any right to a series of payments pursuant to this Agreement shall be treated as a right to a series of separate payments.

16. No Right to Continued Service. Nothing in this Agreement shall confer upon the Participant any right to continue as a Service Provider of the Company or any Subsidiary, or shall interfere with or restrict in any way the rights of the Company or any Subsidiary, which

---

rights are hereby expressly reserved, to discharge the Participant at any time for any reason whatsoever, with or without cause.

17. Miscellaneous.

(a) Incorporation of the Plan. This Agreement is made under and subject to and governed by all of the terms and conditions of the Plan. In the event of any discrepancy or inconsistency between this Agreement and the Plan, the terms and conditions of the Plan shall control. By signing this Agreement, the Participant confirms that he or she has received access to a copy of the Plan and has had an opportunity to review the contents thereof.

(b) Clawback. This award, the RSUs and the Shares issuable with respect to the RSUs shall be subject to any clawback or recoupment policy currently in effect or as may be adopted by the Company, as may be amended from time to time.

(c) Successors and Assigns. Subject to the limitations set forth in this Agreement, this Agreement shall be binding upon, and inure to the benefit of, the executors, administrators, heirs, legal representatives, successors and assigns of the parties hereto, including, without limitation, any business entity that succeeds to the business of the Company.

(d) Entire Agreement; Amendments and Waivers. This Agreement, together with the Plan, constitutes the entire agreement among the parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, of the parties. In the event that the provisions of such other agreement or letter conflict or are inconsistent with the provisions of this Agreement, the provisions of this Agreement shall control. Except as set forth in Section 15 above, this Agreement may not be amended except in an instrument in writing signed on behalf of each of the parties hereto and approved by the Committee. No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by the party to be bound thereby. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar), nor shall such waiver constitute a continuing waiver unless otherwise expressly provided.

(e) Severability. If for any reason one or more of the provisions contained in this Agreement or in any other instrument referred to herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, then to the maximum extent permitted by law, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement or any other such instrument.

(f) Titles. The titles, captions or headings of the Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Agreement.

(g) Counterparts. This Agreement may be executed in any number of counterparts, any of which may be executed and transmitted by facsimile (including, without limitation, transfer by .pdf), and each of which shall be deemed to be an original, but all of which together shall be deemed to be one and the same instrument.

(h) Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland applicable to contracts entered into and wholly to be performed within the State of Maryland by Maryland residents, without regard to any otherwise governing principles of conflicts of law that would choose the law of any state other than the State of Maryland.

(i) Notices. Any notice to be given by the Participant under the terms of this Agreement shall be addressed to the Secretary of the Company at the Company's address set forth in Exhibit A attached hereto. Any notice to be given to the Participant shall be addressed to him or her at the Participant's then current address on the books and records of the Company. By a notice given pursuant to this Section 17(i), either party may hereafter designate a different address for notices to be given to him or her. Any notice which is required to be given to the Participant shall, if the Participant is then deceased, be given to the Participant's personal representative if such representative has previously informed the Company of his or her status and address by written notice under this Section 17(i) (and the Company shall be entitled to rely on any such notice provided to it that it in good faith believes to be true and correct, with no duty of inquiry). Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery or upon deposit in the United States mail by certified mail, with postage and fees prepaid, addressed as set forth above or upon confirmation of delivery by a nationally recognized overnight delivery service.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the day and year first above written.

COMMUNITY HEALTHCARE TRUST INCORPORATED,
a Maryland corporation

By: ___________________________________
Name:
Title:

The Participant hereby accepts and agrees to be bound by all of the terms and conditions of this Agreement.

____
Name:

Exhibit A

Vesting Schedule and Notice Address

Vesting Commencement Date: July 1, 20__

Vesting Schedule

Vesting Dates	Percentage of Total Award Vesting
Day Prior to the First Anniversary of the Vesting Commencement Date	33.33%
Day Prior to the Second Anniversary of the Vesting Commencement Date	33.33%
Day Prior to the Third Anniversary of the Vesting Commencement Date	33.34%

Company Address

3326 Aspen Grove Drive
Suite 150
Franklin, Tennessee 37067

COMMUNITY HEALTHCARE TRUST INCORPORATED
RESTRICTED STOCK AGREEMENT

This RESTRICTED STOCK AGREEMENT (the "Agreement") is made and is effective as of the day of , 20__, (the "Grant Date") by and between Community Healthcare Trust Incorporated ("CHCT"), a Maryland corporation, and (the "Participant").

Upon and subject to the terms of the Community Healthcare Trust Incorporated 2024 Incentive Plan, as amended (the "Plan"), and the Additional Terms and Conditions attached hereto and incorporated herein by reference as part of this Agreement, CHCT hereby acknowledges providing to the Participant the Restricted Stock described below in consideration of the Participant's services to CHCT as a director on the Board of Directors of CHCT (the "Board") pursuant to the Plan. Capitalized terms contained herein that are not otherwise defined herein shall have the meanings set forth in the Plan.

A. Vesting Period/Forfeiture: The Restricted Stock (as defined below) shall become 100% vested upon the earlier to occur of a Change in Control or upon the ________ anniversary of this Agreement (such period, the "Vesting Period").

B. Restricted Stock: CHCT hereby awards Participant _______________ shares of CHCT Common Stock, par value $0.01 per share (the "Restricted Stock"), as an award for services rendered by Participant to CHCT as a director on the Board.

C. Plan: This Agreement is entered into pursuant to the Plan. The Restricted Stock which becomes vested pursuant to the Vesting Period is herein referred to as the "Vested Shares." Any portion of the Restricted Stock which has not become Vested Shares in accordance with the Vesting Period before or at the time of a Participant ceasing to be a director with CHCT, other than due to death or Disability, shall be forfeited.

D. Status as Shareholder. Participant will be paid all dividends on all Restricted Stock in the same manner as other shareholders and shall have voting rights for all Restricted Stock.

IN WITNESS WHEREOF, CHCT and Participant have signed this Agreement as of the date set forth above.

COMMUNITY HEALTHCARE TRUST INCORPORATED **PARTICIPANT**

By: ______________________ ______________________

Name: ______________________

Title: ______________________

COMMUNITY HEALTHCARE TRUST INCORPORATED

ADDITIONAL TERMS AND CONDITIONS OF RESTRICTED STOCK AGREEMENT

1. Issuance of Restricted Stock.

(a) CHCT shall issue the Restricted Stock by documenting the issuance in book entry form on CHCT's stock records. Evidence of the Restricted Stock in book entry shall be held by CHCT until the Restricted Stock becomes Vested Shares in accordance with the Agreement.

(b) In the event that the Participant forfeits any of the Restricted Stock, CHCT shall cancel the issuance on its stock records.

(c) Participant hereby irrevocably appoints CHCT as the true and lawful attorney-in-fact of Participant with full power and authority to execute any stock transfer power or other instrument necessary to transfer any Restricted Stock in accordance with this Agreement, in the name, place, and stead of the Participant, by completing an irrevocable stock power in favor of CHCT in the form attached hereto as Exhibit A. The term of such appointment shall commence on Grant Date and shall continue until the last shares of the Restricted Stock are delivered to the Participant as Vested Shares or are returned to CHCT as forfeited Restricted Stock.

(d) In the event the number of shares of Common Stock is increased or reduced as a result of a subdivision or combination of shares of Common Stock or the payment of a stock dividend or any other increase or decrease in the number of shares of Common Stock or other transaction such as a merger, reorganization or other change in the capital structure of CHCT, the Participant agrees that any shares of Common Stock or other securities of CHCT issued as a result of any of the foregoing shall be recorded in book entry form and shall be subject to all of the provisions of this Agreement as if initially provided for hereunder.

2. Restrictions on Transfer of Restricted Stock.

(a) The Participant shall not have the right to make or permit to exist any transfer or hypothecation, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title, or interest in or to any Restricted Stock prior to the date the Participant becomes fully vested in such Restricted Stock as provided pursuant to this Agreement. After all Restricted Stock has become fully vested pursuant to this Agreement there shall be no restrictions on the transfer of the Vested Shares other than those restrictions imposed by any applicable laws.

(b) The restrictions contained herein will not apply with respect to transfers of Restricted Stock pursuant to the laws of descent and distribution governing the state in which the Participant is domiciled at the time of the Participant's death; *provided* that the restrictions contained herein will continue to be applicable to the Restricted Stock after any such transfer; and *provided further* that the transferee(s) of such Restricted Stock must agree in writing to be bound by the provisions of this Agreement.

3. Compliance With Laws. The Plan, the provision and vesting of Restricted Stock under the Plan, the issuance and delivery of the Restricted Stock, and the payment of money or other consideration allowable under the Plan are subject to compliance with all applicable federal and state laws, rules and regulations (including, but not limited to, state and federal securities laws and federal margin requirements) and to such approvals by any listing, regulatory or

governmental authority as may, in the opinion of counsel for the Committee, the Board or CHCT, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by CHCT, provide such assurances and representations to CHCT as the Committee, the Board or CHCT may deem necessary or desirable to assure compliance with all applicable legal requirements.

To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations. Nothing in the Plan or in this Agreement shall require CHCT to issue any Stock with respect to the Agreement if, in the opinion of counsel for CHCT, that issuance could constitute a violation of any applicable laws. To the extent that CHCT determines it cannot provide the Restricted Stock pursuant to the Agreement, then CHCT must take all other measures required to ensure that the Participant is not harmed due to CHCT's inability to provide the Restricted Stock.

As a condition to the provision of the Restricted Stock, CHCT may require the Participant (or, in the event of the Participant's death, the Participant's legal representatives, heirs, legatees or distributees) to provide written representations concerning the Participant's (or such other person's) intentions with regard to the retention or disposition of the Restricted Stock and written covenants as to the manner of disposal of such Restricted Stock as may be necessary or useful to ensure that the provision of or disposition thereof will not violate the Securities Act of 1933, as amended (the "Securities Act"), any other law or any rule of any applicable securities exchange or securities association then in effect. CHCT shall not be required to register any Restricted Stock under the Securities Act or register or qualify any Restricted Stock under any state or other securities laws.

4. Section 83(b) Election. The Participant may make an election under Code Section 83(b) (a "Section 83(b) Election") with respect to the Restricted Stock. Any such election must be made within thirty (30) days after the Grant Date. If the Participant elects to make a Section 83(b) Election, the Participant shall provide the CHCT with a copy of an executed version and satisfactory evidence of the filing of the executed Section 83(b) Election with the US Internal Revenue Service. The Participant agrees to assume full responsibility for ensuring that the Section 83(b) Election is actually and timely filed with the US Internal Revenue Service and for all tax consequences resulting from the Section 83(b) Election.

5. Legends. A legend may be placed on any certificate(s) or other document(s) delivered to the Participant indicating restrictions on transferability of the shares of Restricted Stock pursuant to this Agreement or any other restrictions that the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any applicable federal or state securities laws or any stock exchange on which the shares of Common Stock are then listed or quoted.

6. Notices. Any notice required to be delivered to the CHCT under this Agreement shall be in writing and addressed to the Secretary of the CHCT at the CHCT's principal corporate offices. Any notice required to be delivered to the Participant under this Agreement shall be in writing and addressed to the Participant at the Participant's address as shown in the records of the CHCT. Either party may designate another address in writing (or by such other method approved by the CHCT) from time to time.

7. Governing Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Maryland without regard to conflict of law principles.

8. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Participant or the CHCT to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Participant and the CHCT.

9. Restricted Stock Subject to Plan. This Agreement is subject to the Plan as approved by the CHCT's shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

10. Successors and Assigns. The CHCT may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of the CHCT. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the person(s) to whom the Restricted Stock may be transferred by will or the laws of descent or distribution.

11. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

12. Discretionary Nature of Plan. The Plan is discretionary and may be amended, cancelled or terminated by the CHCT at any time, in its discretion. The grant of the Restricted Stock in this Agreement does not create any contractual right or other right to receive any Restricted Stock or other Awards in the future. Future awards, if any, will be at the sole discretion of the CHCT. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's service to CHCT.

13. Amendment. The Committee has the right to amend, alter, suspend, discontinue or cancel the Restricted Stock, prospectively or retroactively; provided, that, no such amendment shall adversely affect the Participant's material rights under this Agreement without the Participant's consent.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

15. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions thereof, and accepts the Restricted Stock subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon the grant or vesting of the Restricted Stock or disposition of the underlying shares and that the Participant has been advised to consult a tax advisor prior to such grant, vesting or disposition.

EXHIBIT A

IRREVOCABLE STOCK POWER

The undersigned hereby assigns and transfers to Community Healthcare Trust Incorporated (“CHCT”), shares of the Common Stock of CHCT registered in the name of the undersigned on the stock transfer records of CHCT; and the undersigned does hereby irrevocably constitute and appoint , his attorney-in-fact, to transfer the aforesaid shares on the books of CHCT, with full power of substitution; and the undersigned does hereby ratify and confirm all that said attorney-in-fact lawfully shall do by virtue hereof.

Date: ______________________ Signed: ______________________

Print Name: ______________________

IN THE PRESENCE OF:

____
(Print Name)

____
(Signature)

COMMUNITY HEALTHCARE TRUST INCORPORATED
RESTRICTED STOCK AGREEMENT

This RESTRICTED STOCK AGREEMENT (the “Agreement”) is made and is effective as of the day of , 20__, (the “Grant Date”) by and between Community Healthcare Trust Incorporated (“CHCT”), a Maryland corporation, and (the “Participant”).

Upon and subject to the terms of the Community Healthcare Trust Incorporated 2024 Incentive Plan, as amended (the “Plan”), Participant’s Employment Agreement, and the Additional Terms and Conditions attached hereto and incorporated herein by reference as part of this Agreement, CHCT hereby acknowledges providing to the Participant the Restricted Stock described below in consideration of the Participant’s services to CHCT pursuant to the Plan. Capitalized terms contained herein that are not otherwise defined herein shall have the meanings set forth in the Plan.

A. Vesting Period/Forfeiture: Unless forfeited pursuant to the terms of Participant’s Employment Agreement, the Restricted Stock (as defined below) shall become 100% vested upon the ________ anniversary of this Agreement (such period, the “Vesting Period”).

B. Restricted Stock: CHCT hereby awards Participant _______________ shares of CHCT common stock, par value $0.01 per share (the “Restricted Stock”), as an award for services rendered by Participant to CHCT.

C. Plan: This Agreement is entered into pursuant to the Plan. The Restricted Stock which becomes vested pursuant to the Vesting Period is herein referred to as the “Vested Shares.” Any portion of the Restricted Stock which has not become Vested Shares in accordance with the Vesting Period before or at the time of a Participant ceasing to be an Employee with CHCT, other than due to death, Disability, Termination Other Than For Cause or Constructive Termination, Termination Upon a Change in Control, or retirement upon attainment of Retirement Eligibility (each as defined in the Participant’s Employment Agreement), shall be forfeited. For the avoidance of doubt, in the event of termination of the Participant’s employment, then the disposition of any unvested shares of Restricted Stock shall be determined in accordance with Participant’s Employment Agreement.

D. Status as Shareholder. Participant will be paid all dividends on all Restricted Stock in the same manner as other shareholders and shall have voting rights for all Restricted Stock.

IN WITNESS WHEREOF, CHCT and Participant have signed this Agreement as of the date set forth above.

COMMUNITY HEALTHCARE TRUST INCORPORATED		PARTICIPANT
By:	______________________	______________________
Name:	______________________	
Title:	______________________	

COMMUNITY HEALTHCARE TRUST INCORPORATED
ADDITIONAL TERMS AND CONDITIONS OF
RESTRICTED STOCK AGREEMENT

1. Issuance of Restricted Stock.

(a) CHCT shall issue the Restricted Stock by documenting the issuance in book entry form on CHCT's stock records. Evidence of the Restricted Stock in book entry shall be held by CHCT until the Restricted Stock becomes Vested Shares in accordance with the Agreement.
(b) In the event that the Participant forfeits any of the Restricted Stock, CHCT shall cancel the issuance on its stock records.
(c) Participant hereby irrevocably appoints CHCT as the true and lawful attorney-in-fact of Participant with full power and authority to execute any stock transfer power or other instrument necessary to transfer any Restricted Stock in accordance with this Agreement, in the name, place, and stead of the Participant, by completing an irrevocable stock power in favor of CHCT in the form attached hereto as Exhibit A. The term of such appointment shall commence on the Grant Date of this Agreement and shall continue until the last shares of the Restricted Stock are delivered to the Participant as Vested Shares or are returned to CHCT as forfeited Restricted Stock.
(d) In the event the number of shares of Common Stock is increased or reduced as a result of a subdivision or combination of shares of Common Stock or the payment of a stock dividend or any other increase or decrease in the number of shares of Common Stock or other transaction such as a merger, reorganization or other change in the capital structure of CHCT, the Participant agrees that any shares of Common Stock or other securities of CHCT issued as a result of any of the foregoing shall be recorded in book entry form and shall be subject to all of the provisions of this Agreement as if initially provided for hereunder.

2. Restrictions on Transfer of Restricted Stock.

(a) The Participant shall not have the right to make or permit to exist any transfer or hypothecation, whether outright or as security, with or without consideration, voluntary or involuntary, of all or any part of any right, title, or interest in or to any Restricted Stock prior to the date the Participant becomes fully vested in such Restricted Stock as provided pursuant to this Agreement. After all Restricted Stock has become fully vested pursuant to this Agreement there shall be no restrictions on the transfer of the Vested Shares other than those restrictions imposed by any applicable laws.
(b) The restrictions contained herein will not apply with respect to transfers of Restricted Stock pursuant to the laws of descent and distribution governing the state in which the Participant is domiciled at the time of the Participant's death; *provided* that the restrictions contained herein will continue to be applicable to the Restricted Stock after any such transfer; and *provided further* that the transferee(s) of such Restricted Stock must agree in writing to be bound by the provisions of this Agreement.

3. Compliance With Laws. The Plan, the provision and vesting of Restricted Stock under the Plan, the issuance and delivery of the Restricted Stock, and the payment of money or other consideration allowable under the Plan are subject to compliance with all applicable federal and

state laws, rules and regulations (including, but not limited to, state and federal securities laws and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Committee, the Board or CHCT, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by CHCT, provide such assurances and representations to CHCT as the Committee, the Board or CHCT may deem necessary or desirable to assure compliance with all applicable legal requirements.

To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations. Nothing in the Plan or in this Agreement shall require CHCT to issue any Stock with respect to the Agreement if, in the opinion of counsel for CHCT, that issuance could constitute a violation of any applicable laws. To the extent that CHCT determines it cannot provide the Restricted Stock pursuant to the Agreement, then CHCT must take all other measures required to ensure that the Participant is not harmed due to CHCT's inability to provide the Restricted Stock.

As a condition to the provision of the Restricted Stock, CHCT may require the Participant (or, in the event of the Participant's death, the Participant's legal representatives, heirs, legatees or distributees) to provide written representations concerning the Participant's (or such other person's) intentions with regard to the retention or disposition of the Restricted Stock and written covenants as to the manner of disposal of such Restricted Stock as may be necessary or useful to ensure that the provision of or disposition thereof will not violate the Securities Act of 1933, as amended (the "Securities Act"), any other law or any rule of any applicable securities exchange or securities association then in effect. CHCT shall not be required to register any Restricted Stock under the Securities Act or register or qualify any Restricted Stock under any state or other securities laws.

4. Section 83(b) Election. The Participant may make an election under Code Section 83(b) (a "Section 83(b) Election") with respect to the Restricted Stock. Any such election must be made within thirty (30) days after the Grant Date. If the Participant elects to make a Section 83(b) Election, the Participant shall provide CHCT with a copy of an executed version and satisfactory evidence of the filing of the executed Section 83(b) Election with the US Internal Revenue Service. The Participant agrees to assume full responsibility for ensuring that the Section 83(b) Election is actually and timely filed with the US Internal Revenue Service and for all tax consequences resulting from the Section 83(b) Election.

5. Legends. A legend may be placed on any certificate(s) or other document(s) delivered to the Participant indicating restrictions on transferability of the shares of Restricted Stock pursuant to this Agreement or any other restrictions that the Committee may deem advisable under the rules, regulations and other requirements of the Securities and Exchange Commission, any applicable federal or state securities laws or any stock exchange on which the shares of Common Stock are then listed or quoted.

6. Notices. Any notice required to be delivered to CHCT under this Agreement shall be in writing and addressed to the Secretary of CHCT at CHCT's principal corporate offices. Any notice required to be delivered to the Participant under this Agreement shall be in writing and addressed to the Participant at the Participant's address as shown in the records of CHCT. Either

party may designate another address in writing (or by such other method approved by CHCT) from time to time.

7. Governing Law. This Agreement will be construed and interpreted in accordance with the laws of the State of Maryland without regard to conflict of law principles.

8. Interpretation. Any dispute regarding the interpretation of this Agreement shall be submitted by the Participant or CHCT to the Committee for review. The resolution of such dispute by the Committee shall be final and binding on the Participant and CHCT.

9. Restricted Stock Subject to Plan. This Agreement is subject to the Plan as approved by CHCT's shareholders. The terms and provisions of the Plan as it may be amended from time to time are hereby incorporated herein by reference. In the event of a conflict between any term or provision contained herein and a term or provision of the Plan, the applicable terms and provisions of the Plan will govern and prevail.

10. Successors and Assigns. CHCT may assign any of its rights under this Agreement. This Agreement will be binding upon and inure to the benefit of the successors and assigns of CHCT. Subject to the restrictions on transfer set forth herein, this Agreement will be binding upon the Participant and the Participant's beneficiaries, executors, administrators and the person(s) to whom the Restricted Stock may be transferred by will or the laws of descent or distribution.

11. Severability. The invalidity or unenforceability of any provision of the Plan or this Agreement shall not affect the validity or enforceability of any other provision of the Plan or this Agreement, and each provision of the Plan and this Agreement shall be severable and enforceable to the extent permitted by law.

12. Discretionary Nature of Plan. The Plan is discretionary and may be amended, cancelled or terminated by CHCT at any time, in its discretion. The grant of the Restricted Stock in this Agreement does not create any contractual right or other right to receive any Restricted Stock or other Awards in the future. Future awards, if any, will be at the sole discretion of CHCT. Any amendment, modification, or termination of the Plan shall not constitute a change or impairment of the terms and conditions of the Participant's employment with CHCT.

13. Amendment. The Committee has the right to amend, alter, suspend, discontinue or cancel the Restricted Stock, prospectively or retroactively; provided, that, no such amendment shall adversely affect the Participant's material rights under this Agreement without the Participant's consent.

14. No Impact on Other Benefits. The value of the Participant's Restricted Stock is not part of his normal or expected compensation for purposes of calculating any severance, retirement, welfare, insurance or similar employee benefit.

15. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but all of which together will constitute one and the same instrument. Counterpart signature pages to this Agreement transmitted by facsimile transmission, by electronic mail in portable document format (.pdf), or by any other electronic means intended to preserve the original graphic and pictorial appearance of a document, will have the same effect as physical delivery of the paper document bearing an original signature.

16. Acceptance. The Participant hereby acknowledges receipt of a copy of the Plan and this Agreement. The Participant has read and understands the terms and provisions thereof, and

accepts the Restricted Stock subject to all of the terms and conditions of the Plan and this Agreement. The Participant acknowledges that there may be adverse tax consequences upon the grant or vesting of the Restricted Stock or disposition of the underlying shares and that the Participant has been advised to consult a tax advisor prior to such grant, vesting or disposition.

EXHIBIT A

IRREVOCABLE STOCK POWER

The undersigned hereby assigns and transfers to Community Healthcare Trust Incorporated ("CHCT"), shares of the Common Stock of CHCT registered in the name of the undersigned on the stock transfer records of CHCT; and the undersigned does hereby irrevocably constitute and appoint, his attorney-in-fact, to transfer the aforesaid shares on the books of CHCT, with full power of substitution; and the undersigned does hereby ratify and confirm all that said attorney-in-fact lawfully shall do by virtue hereof.

Date: ______________________ Signed: ______________________

Print Name: ______________________

IN THE PRESENCE OF:

____

(Print Name)

____

(Signature)

COMMUNITY HEALTHCARE TRUST INCORPORATED
RESTRICTED STOCK AGREEMENT
PURSUANT TO THE
FOURTH AMENDED AND RESTATED ALIGNMENT OF INTEREST PROGRAM

This **RESTRICTED STOCK AGREEMENT** (the "Agreement") is made and is effective as of the ____ day of _______________, 20____, by and between Community Healthcare Trust Incorporated ("CHCT") and (the "Participant").

Upon and subject to the terms of CHCT's Fourth Amended and Restated Alignment of Interest Program (the "Program"), 2024 Incentive Plan, as amended (the "Plan"), Participant's currently effective Compensation Reduction Election Form (the "Election Form") and the Additional Terms and Conditions attached hereto and incorporated herein by reference as part of this Agreement, CHCT hereby acknowledges providing to the Participant the Restricted Stock (as defined below) in consideration of the Participant's services to CHCT and Participant's election to participate in the Program.

A. **Restricted Period/Forfeiture**: Unless forfeited pursuant to the terms hereof, the Restricted Stock shall become 100% unrestricted upon the end of the Restriction Period as elected by the Participant pursuant to the Election Form or as otherwise provided by this Agreement.

B. **Restricted Stock:** Pursuant to the Participant's election to receive $of compensation for calendar year 20____ (the "Election Year") as ______ shares of CHCT's common stock, par value $0.01 per share, ("Acquisition Stock") in accordance with Participant's valid compensation reduction election, CHCT hereby awards Participant _____ shares of CHCT's common stock, par value $0.01 per share ("Award Stock", and, together with the Acquisition Stock, the "Restricted Stock") as an award for Participant's subjecting both the Acquisition Stock and Award Stock to the Restriction Period set forth in the Participant's Election Form.

C. **Program and Plan:** This Agreement is entered into pursuant to the Program under the Plan. The Restricted Stock which becomes unrestricted pursuant to this Agreement is herein referred to as the "Unrestricted Shares." Any portion of the Restricted Stock which does not become Unrestricted Shares in accordance with this Agreement shall be forfeited.

D. **Status as Shareholder.** During the Restriction Period, Participant will be paid all dividends on all Restricted Stock in the same manner as other shareholders and shall have voting rights for all Restricted Stock.

IN WITNESS WHEREOF, CHCT and Participant have signed this Agreement as of the date set forth above.

COMMUNITY HEALTHCARE TRUST INCORPORATED		PARTICIPANT
By:	______________________	______________________
Name:	______________________	
Title:	______________________	

COMMUNITY HEALTHCARE TRUST INCORPORATED
ADDITIONAL TERMS AND CONDITIONS OF
RESTRICTED STOCK AGREEMENT
PURSUANT TO THE
FOURTH AMENDED AND RESTATED ALIGNMENT OF INTEREST PROGRAM

1. Issuance of Restricted Stock.

1.1. CHCT shall issue the Restricted Stock by documenting the issuance in book-entry form on CHCT's stock records. Evidence of the Restricted Stock in book entry shall be held by CHCT until the Restricted Stock becomes Unrestricted Shares in accordance with this Agreement and the Program.

1.2. In the event that the Participant forfeits any of the Restricted Stock, CHCT shall cancel the issuance on its stock records.

1.3. Participant hereby irrevocably appoints CHCT as the true and lawful attorney-in-fact of Participant with full power and authority to execute any stock transfer power or other instrument necessary to transfer any Restricted Stock in accordance with this Agreement, in the name, place, and stead of the Participant, by completing an irrevocable stock power in favor of CHCT in the form attached hereto as Exhibit A. The term of such appointment shall commence on the date of this Agreement and shall continue until the last shares of the Restricted Stock are delivered to the Participant as Unrestricted Shares or are forfeited.

2. Restrictions on Transfer of Restricted Stock.

2.1. The Participant shall not have the right to, directly or indirectly, transfer, offer to sell, sell, dispose, pledge, mortgage, hypothecate or otherwise encumber, whether outright or as security, with or without consideration, voluntarily or involuntarily, all or any part of any right, title, or interest in or to any Restricted Stock prior to the date all Restricted Stock become Unrestricted Shares as provided pursuant to this Agreement. After all Restricted Stock has become Unrestricted Shares pursuant to this Agreement there shall be no restrictions on the transfer of the Unrestricted Shares other than those restrictions imposed by any applicable laws.

2.2. The restrictions contained herein will not apply with respect to transfers of Restricted Stock pursuant to the laws of descent and distribution governing the state in which the Participant is domiciled at the time of the Participant's death; provided that the restrictions contained herein will continue to be applicable to the Restricted Stock after any such transfer; and provided further that the transferee(s) of such Restricted Stock pursuant to such laws of descent and distribution must agree in writing to be bound by the provisions of this Agreement.

3. Effect of Termination Events

3.1. In the event of termination of the Participant's employment and the Participant is not employed pursuant to an Employment Agreement, then the disposition of any unvested Awards will be determined in accordance with Section 5 of the Program. In the event of termination of the Participant's employment and

Participant is employed pursuant to an Employment Agreement, then the disposition of any unvested Awards will be determined in accordance with the Participant's Employment Agreement. The provisions of Section 23 of the Plan will govern in the event of a Change of Control (as defined in the Plan).

3.2. **Accelerated Release –** If Participant is not employed pursuant to an Employment Agreement and requests an accelerated release, then subject to the approval of the Chief Executive Officer of CHCT in his sole discretion, the Participant may have an accelerated release ("Accelerated Release") of shares. Upon election of an Accelerated Release, the total amount of Acquisition Shares shall become Unrestricted Shares, and Award Shares will be forfeited and/or released to reflect an accelerated release For example purposes only, if the Participant elected an 8-year Restriction Period and the departure event relating to the Accelerated Release occurs in year 6, the participant would receive Award Shares as if a 5 year election had been made; if the departure event occurred in year 4, the participant would receive Award Shares as if a 3 year election had been made; and if the departure event occurred in year 3, no Award shares would be released. Any Award Shares that are not released, would be forfeited by the Participant or their estate.

4. Compliance With Laws

4.1. The Plan, the Program, the provision and vesting of Restricted Stock under the Plan, the issuance and delivery of the Restricted Stock, and the payment of money or other consideration allowable under the Plan are subject to compliance with all applicable federal and state laws, rules and regulations (including, but not limited to, state and federal securities laws and federal margin requirements) and to such approvals by any listing, regulatory or governmental authority as may, in the opinion of counsel for the Compensation Committee of the Board (the "Committee"), the Board or CHCT, be necessary or advisable in connection therewith. Any securities delivered under the Plan shall be subject to such restrictions, and the person acquiring such securities shall, if requested by CHCT, provide such assurances and representations to CHCT as the Committee, the Board or CHCT may deem necessary or desirable to assure compliance with all applicable legal requirements.

4.2. To the extent permitted by applicable law, the Plan and this Agreement shall be deemed amended to the extent necessary to conform to such laws, rules and regulations. Nothing in the Plan or in this Agreement shall require CHCT to issue any stock with respect to the Agreement if, in the opinion of counsel for CHCT, that issuance could constitute a violation of any applicable laws. To the extent that CHCT determines it cannot provide the Restricted Stock pursuant to the Agreement, then CHCT must return the Participants compensation it elected to reduce and take all other measures required to ensure that the Participant is not harmed due to CHCT's inability to provide the Restricted Stock.

4.3. As a condition to the provision of the Restricted Stock, CHCT may require the Participant (or, in the event of the Participant's death, the Participant's legal representatives, heirs, legatees or distributees) to provide written representations concerning the Participant's (or such other person's) intentions with regard to the retention or disposition of the Restricted Stock and written covenants as to the manner of disposal of such Restricted Stock as may be necessary or useful to ensure that the provision of or disposition thereof will not violate the Securities Act, any other law or any rule of any applicable securities exchange or securities association then in effect. CHCT shall not be required to register any stock under the Securities Act of 1933, as amended, or register or qualify any stock under any state or other securities laws.

5. Participant Continuing Obligations

5.1. Participant shall not, subject to risk of forfeiture, so long as there is any Restricted Stock pursuant to this Agreement, either directly or indirectly, whether on behalf of Participant or any other person, firm or corporation, contact, solicit, take away, or accept any business from, or attempt to contact, solicit or take away any of the customers or clients of the Company, or any potential customers or clients of the Company with whom Participant interacted on behalf of the Company.

5.2. Participant shall not, subject to risk of forfeiture, so long as there is any Restricted Stock pursuant to this Agreement, disclose or authorize or permit anyone under Participant's direction to disclose any of Company's confidential information. Participant further agrees that Participant will not take or retain any papers, procedural or technical manuals, customer lists, customer account analyses (including, without limitation, accounts receivable aging, customer payment histories and customer account activity reports), price books, file or other documents or copies thereof belonging to the Company or to any affiliate of the Company, or any materials, supplies, equipment or furnishings belonging to the Company or to any affiliate of the Company, or any other confidential information of any kind belonging to the Company or any affiliate of the Company.

5.3. Participant shall, subject to risk of forfeiture, so long as there is any Restricted Stock pursuant to this Agreement, agree to enter into a consulting agreement with the Company, subject to the approval of the Chief Executive Officer of CHCT in his sole discretion, that requires reasonable hours and reasonable pay to provide Company with Participant's expertise.

EXHIBIT A

IRREVOCABLE STOCK POWER

The undersigned hereby assigns and transfers to Community Healthcare Trust Incorporated ("CHCT"), _____ shares of the Common Stock of CHCT registered in the name of the undersigned on the stock transfer records of CHCT; and the undersigned does hereby irrevocably constitute and appoint

______________________, his attorney-in-fact, to transfer the aforesaid shares on the books of CHCT, with full power of substitution; and the undersigned does hereby ratify and confirm all that said attorney-in-fact lawfully shall do by virtue hereof.

Date: ______________________ Signed: ______________________

Print Name: ______________________

IN THE PRESENCE OF:

____

(Print Name)

____

(Signature)

Exhibit 31.1

Community Healthcare Trust Incorporated
Quarterly Certification
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David H. Dupuy, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Community Healthcare Trust Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2024 July 30, 2024

/s/ David H. Dupuy

David H. Dupuy

Chief Executive Officer and President

Exhibit 31.2

Community Healthcare Trust Incorporated
Quarterly Certification
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, William G. Monroe IV, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Community Healthcare Trust Incorporated;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
   a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
   b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: April 30, 2024 July 30, 2024

/s/ William G. Monroe IV

William G. Monroe IV

Executive Vice President and Chief Financial Officer

Exhibit 32.1

Community Healthcare Trust Incorporated
Certification Pursuant to

18 U.S.C. Section 1350,
as Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002

In connection with the Quarterly Report on Form 10-Q of Community Healthcare Trust Incorporated (the "Company") for the period ended March 31, 2024 June 30, 2024, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, David H. Dupuy, Chief Executive Officer and President of the Company, and I, William G. Monroe IV, Executive Vice President and Chief Financial Officer of the Company, hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

i. The Report fully complies with the requirements of Section 13(a) or Section 15(d) of the Securities Exchange Act of 1934; and

ii. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: April 30, 2024 July 30, 2024

/s/ David H. Dupuy
David H. Dupuy
Chief Executive Officer and President

/s/ William G. Monroe IV
William G. Monroe IV
Executive Vice President and
Chief Financial Officer

DISCLAIMER

THE INFORMATION CONTAINED IN THE REFINITIV CORPORATE DISCLOSURES DELTA REPORT™ IS A COMPARISON OF TWO FINANCIALS PERIODIC REPORTS. THERE MAY BE MATERIAL ERRORS, OMISSIONS, OR INACCURACIES IN THE REPORT INCLUDING THE TEXT AND THE COMPARISON DATA AND TABLES. IN NO WAY DOES REFINITIV OR THE APPLICABLE COMPANY ASSUME ANY RESPONSIBILITY FOR ANY INVESTMENT OR OTHER DECISIONS MADE BASED UPON THE INFORMATION PROVIDED IN THIS REPORT. USERS ARE ADVISED TO REVIEW THE APPLICABLE COMPANY'S ACTUAL SEC FILINGS BEFORE MAKING ANY INVESTMENT OR OTHER DECISIONS.