QUARTERLY
REPORT

# REVESCO PROPERTIES TRUST

# Q2 2025

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# Quarterly Insights from our Trustees

Dear Revesco Properties Trust Investors,

We are pleased to share our Q2 2025 performance and outlook as we continue to build on our solid foundation and seize compelling opportunities to grow the portfolio.

Economic Resilience Driving Opportunity

The U.S. economy remained resilient through the second quarter of 2025. While inflation has cooled from its peak, the year-over-year rate ticked up slightly in June and remains above the Federal Reserve's 2% target. As a result, the Fed opted to hold interest rates steady for now. At the same time, the labor market remains historically resilient with unemployment between 4.0-4.2% since early 2024 and consumer spending showing continued strength.

While market uncertainty remains a theme, particularly around trade and interest rate policy, we see stability in retail real estate.

Strategic Growth in Lifestyle Retail

Our next acquisition, Sundance Plaza in Steamboat Springs, CO is scheduled to close in Q3 2025. Steamboat Springs is a dynamic mountain town with a high average household income and a strong trade area anchored by year-round mountain activities. Sundance Plaza is an everyday needs retail center of 66,196 square feet and is currently 94% leased. Consistent with our investment strategy, we will bring below-market rents to market and increase the Weighted Average Lease Term (WALT). Further, we will look to acquire the neighboring Safeway to increase net operating income and enhance value over our anticipated 5-year hold period.

Strong Leasing Momentum

Our leasing efforts continue to enhance our portfolio and attract top-tier tenants. In Q2, we signed leases with Free People, a premium lifestyle brand, and Hello Neighbor, a sophisticated casual restaurant concept, to Aspen Place in Flagstaff, AZ. We are proud to see our properties remain highly attractive to both national and local tenants, a testament to our strategic locations and curated merchandising.

Stable and Flexible Capital Position

We remain committed to maintaining a conservative and flexible capital structure reflected in our loan-to-value ratio of 62% using only fixed-rate debt with an average mortgage rate of 6.1% and no mortgage renewals until 2027. Overall portfolio occupancy stands at 90% on the portfolio of 607,151 square feet. This level of occupancy is strategic, not accidental. Select vacancies are being used to reposition space, upgrade tenancy, and re-lease at stronger market rents, creating meaningful opportunities to drive long-term value.

Looking Ahead

The second half of 2025 presents a promising runway. Our acquisition pipeline is robust, and we see a steady stream of high-quality retail assets that align with our strategy. We continue to see leasing momentum across our portfolio and are encouraged by the positive economic trends in the markets where our assets are located. At Revesco Properties Trust, our mission remains clear: to deliver stable income and upside potential to deliver long-term value to our investors.

We thank you for your partnership and look forward to continuing this exciting journey together.

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Christopher A. Wood
Trustee
Revesco Properties Trust

Scott R. Lee
Trustee
Revesco Properties Trust

# Market Highlights

## Retail Holds Its Ground

Despite broader economic and political uncertainty across the U.S., the retail sector remained a standout in Q2 2025—steady, resilient, and in demand. While overall momentum may be slow, retail continues to outperform other asset classes in consistency and adaptability. Consumers may be spending more cautiously, and store closures may still outpace openings—but demand for well-located space remains fierce, especially among value-oriented and expanding retailers. Omnichannel strategies are further reinforcing the essential role of brick-and-mortar in today's retail ecosystem. Even with a slower start to the year, retail has proven to be a constant—demonstrating strength where others are seeing setbacks.

### 01 Riding the Retail Wave

Despite ongoing economic uncertainty fueled by U.S. tariffs and shifting trade policies, the retail sector remained strong in Q2. Retailers continue to show solid demand for physical storefronts, often stepping in to fill spaces vacated by bankrupt chains. According to Colliers, the national retail vacancy rate dropped to 4.3%, a clear sign that available space is being quickly reabsorbed. Consumers are still showing up in force, reinforcing the value of brick-and-mortar in an evolving retail landscape.

### 02 Shopping Centers Take the Spotlight

Shopping center investment activity remained robust in Q2, fueled by limited supply and strong tenant demand that has propelled performance to new heights. The scarcity of new retail construction is driving competition among retailers for well-located storefronts, especially within established shopping centers, which remain the top target. According to GlobeSt., brands like TJ Maxx, Ross, and Burlington are among the key players driving retail leasing demand, further underscoring the value of prime, high-traffic retail assets.

### 03 Retail's Winning Formula: Clicks + Bricks

Despite economic headwinds, consumer spending remains steady—proving once again that brick-and-mortar retail is not just surviving, but thriving. Rather than competing with online channels, physical stores are a critical part of omnichannel strategies, serving as last-mile fulfillment hubs, brand experience centers, and customer service touchpoints. At this spring's ICSC conference, a key takeaway was clear: digital and physical retail aren't rivals—they're partners. For retailers and investors alike, success lies in blending both channels to create seamless, scalable consumer experiences.

# RPT by the Numbers

**AUM**
$154 M

**WALT**
3.6 Years

**SQFT**
607K

**OCCUPANCY**
90%

**LTV**
62%*

**Q2 NOI**
$2.6M

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*LTV includes financial investments

# 5 West

## Bozeman, MT

SQFT
37,668

PURCHASE DATE
2021

Regus
clearwater CREDIT UNION
FICO

| | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 |
|---|---|---|---|---|---|
| Occupancy | 100% | 100% | 100% | 100% | 100% |
| Avg. In-Place Rents ($/SF) | $26.58 | $26.77 | $27.12 | $27.12 | $27.16 |
| WALT (Years) | 3.63 | 3.38 | 3.00 | 2.88 | 2.63 |
| NOI | $289,754 | $287,140 | $327,233 | $279,691 | $305,255 |

### QOQ | YOY Change

5 West remains a consistently high-performing and strategic asset. With stable in-place rents and full occupancy, tenants continue to support its long-term success and value. We saw an increase in NOI as we have begun collecting increased rents for the parking and storage areas.


### Q2 Updates

The property remains stable with consistent performance, positioning it well for continued success.

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# Harmony School Shops

## Fort Collins, CO

SQFT
88,144

PURCHASE DATE
2021

|  | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 |
|---|---|---|---|---|---|
| Occupancy | 100% | 100% | 100% | 100% | 76.31% |
| Avg. In-Place Rents ($/SF) | $18.73 | $18.73 | $18.73 | $18.76 | $20.75 |
| WALT (Years) | 3.08 | 2.89 | 2.50 | 2.44 | 2.94 |
| NOI | $320,627 | $424,055 | $324,341 | $368,644 | $345,257 |

### QOQ | YOY Change

Performance at Harmony School Shops remains in line with expectations. NOI decreased as Office Depot's lease ended mid-way through the quarter.


### Q2 Updates

Occupancy dipped this quarter following Office Depot's departure in April. In the interim, we are negotiating a short-term lease with a seasonal retailer, helping to offset vacancy and maintain cash flow. Leasing efforts for the space are actively progressing, with two prospective tenants already expressing strong interest. The next phase is underway, including scheduled site tours and the solicitation of Letters of Intent (LOIs), positioning us well for a long-term backfill.

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# Aspen Place at the Sawmill

## Flagstaff, AZ

SQFT
124,340

PURCHASE DATE
2021/2024

| | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 |
|---|---|---|---|---|---|
| Occupancy | 99% | 98.57% | 94% | 95.18% | 92.24% |
| Avg. In-Place Rents ($/SF) | $25.31 | $25.74 | $27.54 | $27.75 | $27.33 |
| WALT (Years) | 3.95 | 3.83 | 5.20 | 5.36 | 5.24 |
| NOI | $734,536 | $746,486 | $774,030 | $903,382 | $833,492 |

### QOQ | YOY Change

The current decrease in both occupancy and NOI at Aspen Place is in-line with the overall strategy of re-tenanting the property.


### Q2 Updates

Leasing momentum remains strong at Aspen Place. Free People has executed a lease, with rent commencement slated for Q1 2026. Additionally, Arizona-based restaurant group Hello Neighbor has taken possession of its space and begun build-out, with rent expected to commence in Q2 2026. At this time, we expect Occupancy to increase to 97.5%, with the potential to fill another vacancy by then. We continue to see encouraging tenant interest, with active discussions underway with two national apparel brands and an industry leader in the health and beauty sector. All of which would further enhance the property's tenant mix and increase foot traffic.

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# Preston Place

## Louisville, KY


| SQFT | PURCHASE DATE | |
|---|---|---|
| 134,019 | 2022 | FLOOR & DECOR / VCF VALUE CITY FURNITURE |

| | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 |
|---|---|---|---|---|---|
| Occupancy | 100% | 100% | 100% | 100% | 100% |
| Avg. In-Place Rents ($/SF) | $7.81 | $7.81 | $7.81 | $7.81 | $7.81 |
| WALT (Years) | 4.00 | 3.75 | 3.40 | 3.25 | 3.00 |
| NOI | $270,748 | $297,933 | $249,002 | $212,182 | $233,323 |

### QOQ | YOY Change

Preston Place continues to deliver stable performance and consistent cash flow. Net Operating Income (NOI) increased this quarter due to a one-time prior-year CAM adjustment, while in-place rents remain steady, supported by full occupancy. Variability in NOI throughout the year reflects increased property repairs and maintenance.


### Q2 Updates

We are evaluating leasing versus disposition strategies to maximize long-term value.

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# Park Lee

## Phoenix, AZ

SQFT
75,559

PURCHASE DATE
2022

goodwill
planet fitness
WaveMAX LAUNDRY

| | Q2 2024 | Q3 2024 | Q4 2024 | Q1 2025 | Q2 2025 |
|---|---|---|---|---|---|
| Occupancy | 81.40% | 81.40% | 81.40% | 82.48% | 82.48% |
| Avg. In-Place Rents ($/SF) | $15.43 | $15.46 | $15.46 | $15.85 | $14.77 |
| WALT (Years) | 1.71 | 1.86 | 1.70 | 1.50 | 1.29 |
| NOI | $167,972 | $203,100 | $189,567 | $177,409 | $262,993 |

## QOQ | YOY Change

Net Operating Income (NOI) at Park Lee increased this quarter following the completion of the 2024 CAM reconciliation, which resulted in an additional $61,464 in recoveries.


## Q2 Updates

A five-year lease renewal with Goodwill is currently in progress, supporting long-term occupancy stability at the center. Leasing momentum is building, with a health services group expressing interest in the former water store space. We have also received Letters of Intent from several local retailers. In addition, an existing retailer has expressed interest in expanding its footprint at the property, and we are actively evaluating that opportunity. Our leasing strategy remains focused on attracting and securing higher-quality tenants to elevate the overall tenant mix. Additionally, pad site development opportunities are being explored as part of the long-term vision for value creation at Park Lee.

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# Roswell Village

## Roswell, GA


SQFT
150,211

PURCHASE DATE
2024

ROSS DRESS FOR LESS · Marshalls · CRUNCH

| | Q4 2024 | Q1 2025 | Q2 2025 |
|---|---|---|---|
| Occupancy | 89.61% | 89.61% | 89.61% |
| Avg. In-Place Rents ($/SF) | $19.37 | $19.93 | $19.93 |
| WALT (Years) | 5.20 | 4.99 | 4.74 |
| NOI | $414,902 | 614,588 | $661,405 |

### QOQ Change

Net Operating Income (NOI) increased in Q2 primarily due to the recognition of income from the escrow collection related to Buena Carne.


### Q2 Updates

Revesco is in the final stages of lease negotiations with a local auto glass repair shop and a martial arts studio to backfill the former LL Flooring and Famous Footwear spaces. Both proposals have been submitted for various internal and external approvals. In parallel, we are reviewing upcoming lease expirations and evaluating each tenant to identify potential opportunities to introduce stronger operators that better align with the long-term vision for the center.

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# Financial Assets

| Name | Address | Asset Type | Size | Purchase Price | Purchase Date |
|---|---|---|---|---|---|
| Santa Barbara Loan | 111 E Victoria St. Santa Barbara, CA | Loan | 21,970 SF | $4 Million | August 2023 |
| Debenture Investment | 4 Sites in Denver, CO | Convertible Debenture for Mixed-Use Development | 308 Units | $1.525 Million | December 2021 |

# Key Takeaways

The broader U.S. economic outlook continues to influence retail real estate, with factors like tariffs, consumer spending, and employment trends shaping shopper behavior as we approach the back-to-school season. While the first half of 2025 has been marked by caution, performance has remained stable and consistent. Retailers are approaching expansion more deliberately, but they are not retreating. In fact, the limited new development and recent wave of store closures have opened up valuable opportunities for well-positioned retailers to backfill quality space and capitalize on favorable leasing conditions.

*Source: Cushman & Wakefield*

The surge in e-commerce is no longer a threat to brick-and-mortar retail—instead, it's reinforcing the strength of omnichannel strategies nationwide. Physical stores have evolved into key consumer touchpoints, playing an essential role in how brands connect with their customers. Shopping center occupancy has reached a decade-high peak, underscoring the continued relevance of in-person retail in shaping consumer behavior. By seamlessly integrating digital and physical channels, retailers are creating powerful omnichannel ecosystems that enhance both the customer experience and business performance—ultimately driving long-term value for properties and investors alike.

*Source: Colliers*

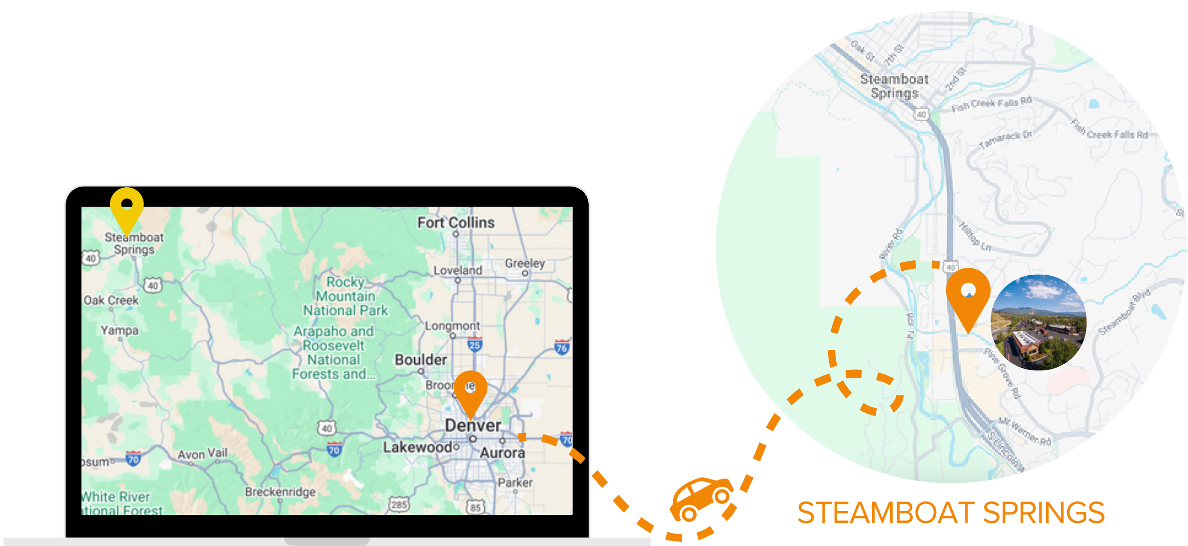
While commercial real estate has faced a slow start in 2025 amid ongoing uncertainty, retail continues to prove its staying power. Though growth may not be as explosive as in previous years, the sector remains steady, offering a rare bright spot for both retailers and investors. Asking rents rose 2.3% year-over-year, and competition for quality space remains strong. With resilient fundamentals and growing tenant demand, retail stands out as the most promising sector in a challenging environment. For now, all eyes are rightly on retail, and it's still the smartest bet to make.

*Source: Cushman & Wakefield*

# Upcoming Acquisition

Sundance Plaza, a 66,196 SF, strategically located retail center in Steamboat Springs, Colorado with significant potential for transformation into a grocery-anchored destination. This property offers an attractive opportunity to acquire a well-positioned retail asset in a thriving mountain resort community with strong year-round tourism and a growing permanent population. The vision includes securing a premier grocery tenant as an anchor, which would significantly enhance foot traffic, stabilize the tenant mix, and position the center for long-term value appreciation, and capitalizing on Steamboat Springs' strong economic fundamentals, limited retail development pipeline, and favorable demographics.

## SUNDANCE PLAZA
### Steamboat Springs, CO




3 Hour Drive
Denver to Steamboat Springs

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# Acknowledgements

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We appreciate the invaluable support and feedback from our investors and stakeholders, whose trust and partnership are fundamental to our achievements. This report reflects our collective efforts and commitment to transparency and success of Revesco Properties Trust.

Thank you.

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