

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

May 10, 2021
Date of Report (Date of earliest event reported)

Essential Properties Realty Trust, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction of incorporation)

001-38530
(Commission File Number)

82-4005693
(IRS Employer Identification No.)

902 Carnegie Center Blvd., Suite 520
Princeton, New Jersey
(Address of principal executive offices)

08540
(Zip Code)

Registrant's telephone number, including area code: **(609) 436-0619**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

<u>Title of Each Class</u>	<u>Trading Symbol(s)</u>	<u>Name of Each Exchange on Which Registered</u>
Common stock, \$0.01 par value	EPRT	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act

Item 7.01 — Regulation FD Disclosure.

Investor Presentation

On May 10, 2021, Essential Properties Realty Trust, Inc. (the "Company") released a presentation that it intends to use from time to time in meetings with investors. A copy of the presentation is attached hereto as Exhibit 99.1.

The information set forth in this item 7.01 and in the attached Exhibit 99.1 is being "furnished" and shall not be deemed "filed" for the purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or otherwise subject to the liabilities of Section 18, nor shall it be deemed incorporated by reference into any filing of the Company under the Securities Act of 1933, as amended, or the Exchange Act, whether made before or after the date hereof, regardless of any general incorporation language in any such filing.

Item 9.01 — Financial Statements and Exhibits.

(d) Exhibits. The following exhibit is being filed herewith:

Exhibit No.	Description
99.1	Investor Presentation
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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 hereunto duly authorized.

Date: May 10, 2021

ESSENTIAL PROPERTIES REALTY TRUST, INC.

By:

/s/ Mark E. Patten

Mark E. Patten

Executive Vice President, Treasurer and Chief Financial Officer



ESSENTIAL  PROPERTIES



May 2021 Presentation

Disclaimer

This presentation contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 and other federal securities laws. These forward-looking statements can be identified by the use of words such as “expect,” “plan,” “will,” “estimate,” “project,” “intend,” “believe,” “guidance,” and other similar expressions that do not relate to historical matters. These forward-looking statements are subject to known and unknown risks and uncertainties that can cause actual results to differ materially from those currently anticipated due to a number of factors, which include, but are not limited to, our continued ability to source new investments, risks associated with using debt and equity financing to fund our business activities (including refinancing and interest rate risks, changes in interest rates and/or credit spreads, changes in the price of our common shares, and conditions of the equity and debt capital markets, generally), unknown liabilities acquired in connection with acquired properties or interests in real-estate related entities, general risks affecting the real estate industry and local real estate markets (including, without limitation, the market value of our properties, the inability to enter into or renew leases at favorable rates, portfolio occupancy varying from our expectations, dependence on tenants’ financial condition and operating performance, and competition from other developers, owners and operators of real estate), the financial performance of our retail tenants and the demand for retail space, particularly with respect to challenges being experienced by general merchandise retailers, potential fluctuations in the consumer price index, risks associated with our failure to maintain our status as a REIT under the Internal Revenue Code of 1986, as amended, and other additional risks discussed in our filings with the Securities and Exchange Commission. We expressly disclaim any responsibility to update or revise forward-looking statements, whether as a result of new information, future events or otherwise, except as required by law.

Essential Properties Realty Trust, Inc. and the Essential Properties Realty Trust REIT are not affiliated with or sponsored by Griffin Capital Essential Asset Operating Partnership, L.P. or the Griffin Capital Essential Asset REIT, information about which can be obtained at (<https://www.gcear.com>).

Investment Highlights

New Vintage Net Lease Portfolio with Strong External Growth Potential Creates a Compelling Investment Opportunity

Newly Assembled Portfolio of Single-Tenant Net Lease Properties with Long Duration Leases and Solid Unit-Level Rent Coverage

14.3 Years
of Weighted Average Lease Term (WALT)¹

3.0x
Unit-Level Rent Coverage¹

Experienced Senior Management Team with Track Record of Growing and Managing Public Net Lease Companies to Significant Scale

60+ Years
of Collective Net Lease Experience

\$3.0B
of Undepreciated Total Gross Assets⁵

Small-Scale, Single-Tenant Properties Leased to Service-Oriented and Experienced-Based Businesses

95%
Service and Experiential Cash ABR²

\$2.2mm
Average Investment Per Property

Disciplined and Proven Investment Strategy Targeting Growth via Sale-Leaseback Transactions with Middle-Market Companies

84.4%
Internally-Originated Sale-Leasebacks^{2,3}

~\$171mm
Average Quarterly Investment Activity⁴

Balance Sheet Positioned to Fund External Growth Opportunities While Maintaining Conservative Long-Term Leverage Profile

4.1x
Pro Forma Net Debt-to-Adjusted Annualized EBITDA⁵

31%
Pro Forma Debt-to-Undepreciated Gross Assets

1. As of March 31, 2021.

2. Based on cash ABR as of March 31, 2021.

3. Exclusive of Initial Portfolio.

4. Average quarterly investment activity represents the trailing eight quarter average as of March 31, 2021.

5. Pro forma adjustments have been made to our March 31, 2021 balance sheet to reflect the impact of our April 2021 follow-on offering, which raised \$185.5 million of net proceeds.

Executive Summary

With a Stabilized Portfolio and Well Positioned Balance Sheet, We Continue to Execute Our External Growth Strategy

Consistent & Disciplined External Growth	<ul style="list-style-type: none">• 2Q'21 and Probable Investment Activity: Completed ~\$49mm¹ of QTD investments at a 6.9% cash yield with another ~\$110mm under PSA and ~\$155mm under LOI, with a solid pipeline of additional opportunities• Differentiated Investment Approach: Our closed and probable² investments are 70% sale-leaseback, 83% master leased and 98% prior relationship-based
Well Positioned Balance Sheet with Ample Liquidity	<ul style="list-style-type: none">• Low Leverage: Pro forma³ 1Q'21 Net Debt / Annualized Adjusted EBITDA⁴ was 4.1x• Strong Liquidity: Our pro forma³ liquidity is \$492mm, which includes \$400mm of capacity on our unsecured credit facility and \$92 million of available cash
Stable Net Lease Portfolio	<ul style="list-style-type: none">• Collection Update:<ul style="list-style-type: none">• April 2021: Collected 98% of ABR⁴ with another 1% of recognized deferrals• 1Q'21: Collected 96% of ABR⁴ with another 2% of recognized deferrals• Occupancy Update: Our portfolio was 99.5% leased with only six vacant properties¹• De-Minimis Near-Term Expirations: <1% and <5% of ABR expires through 2023 and 2025, respectively• Fungible & Diversified: Average asset size is \$2.2mm; Top 10 tenants represent just 20.2% of ABR

1. As of May 7, 2021.

2. Probable references investments that are under PSA (including investments subject to sign and close agreements) and under LOI.

3. Pro forma adjustments have been made to reflect the impact of our April 2021 follow-on offering, which raised \$185.5 million of net proceeds.

4. ABR as of March 31, 2021.

COVID-19: Virtually No Remaining Impact on Portfolio

Rent Collection and Deferral Information

- **~99% of April ABR in Good Standing:** With 98% of ABR collected and 1% subject to recognized deferrals, we have just 1% of our ABR unresolved

Reported Period	1Q'21	April 2021
Rent Collection ¹		
Paid	96%	98%
Deferred	2%	1%
-- Recognized ²	2%	1%
-- Non-Recognized ²	0%	0%
Other	2%	1%
-- Unresolved Rent ³	<1%	1%
-- Lost / Abated ⁴	1%	0%

Note: Ratios are based on percentage of Cash ABR as of March 31, 2021.

1. Percentages may not add up due to rounding.

2. Recognized rent deferrals are included in revenue on our income statement while non-recognized rent deferrals are accounted for on a non-accrual basis and are not included in revenue unless collected in cash.

3. Uncollected contractual cash rents from non-accrual tenants that were not subject to a lease deferral in the period.

4. Rent that has either been lost due to lease termination or abated temporarily.

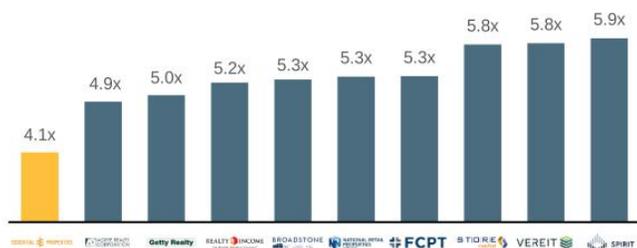
Low Leverage and Ample Liquidity to Drive Robust AFFO/sh Growth

Ample Liquidity and Balance Sheet Capacity to Support External Growth

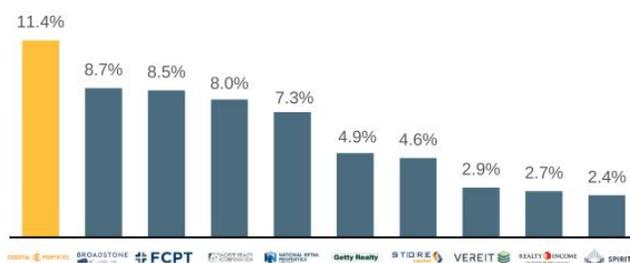
- **Strong Liquidity:** We have \$492mm in total immediate liquidity as our pro forma¹ 1Q'21 balance sheet has \$92mm in cash and full availability of our \$400mm unsecured revolving credit facility
- **Flexible Debt Structure:** We have no debt maturities until 2024²
- **Low Leverage:** Pro forma¹ 1Q'21 Net Debt / Annualized Adjusted EBITDAre was 4.1x; as of 1Q'21, fixed charge coverage was 4.9x and debt as a percentage of undepreciated gross assets was 34%
- **Accordions:** We have \$270mm of aggregate accordions through the \$200mm accordion feature on our \$400mm unsecured credit facility and the \$70mm accordion feature on our term loan expiring in 2026

Net Debt + Preferred / EBITDAre

(Net Debt plus Preferred-to-Adjusted Annualized EBITDAre³)



2021E AFFO per Share Growth⁴



Source: Public filings, Factset, and SNL.

Note: Market data as of May 7, 2021. Financial data as of March 31, 2021.

1. Pro forma adjustments have been made to reflect the impact of our April 2021 follow-on offering, which raised \$185.5 million of net proceeds.

2. Our unsecured credit facility expires in 2023, but has a one-year extension option at the Company's election.

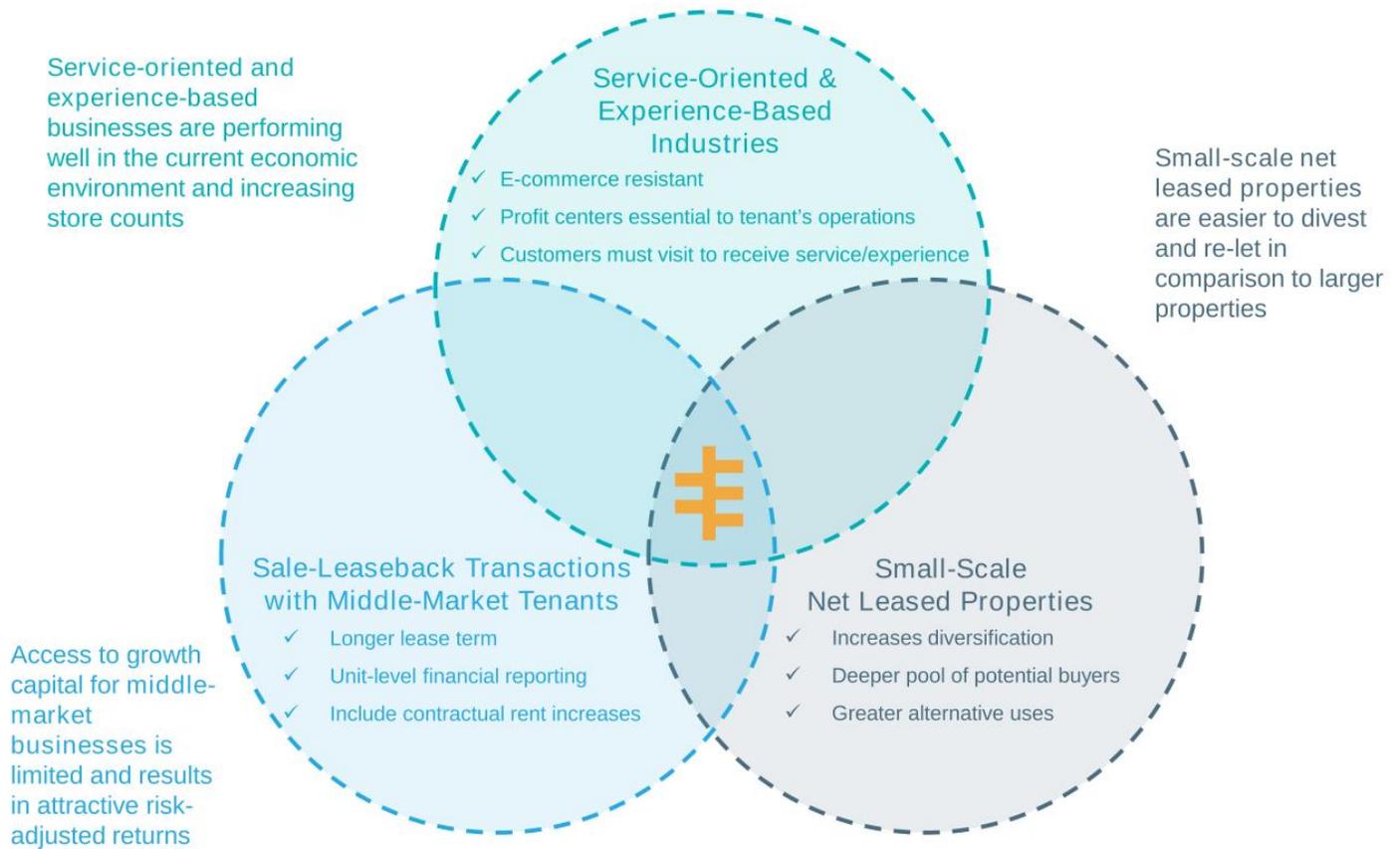
3. Companies may calculate Adjusted Annualized EBITDAre differently; accordingly, such data for EPRT and these companies may not be comparable.

4. 2021E AFFO per share growth is calculated using FactSet mean 2021E AFFO per share estimates and 2020A AFFO per share. BNL 2020A AFFO calculated using 4Q'20 AFFO, annualized, to adjust for timing of IPO.

NNN 2020A AFFO of \$2.68 excludes the net straight-line accrued rent impact of the rent deferrals (repayments) from the COVID-19 rent deferral lease amendment of \$30mm for the year ended December 31, 2020.

Targeted Investment Strategy Based on Decades of Experience

Management's Investment Discipline Has Been Refined Over Multiple Decades of Managing Assets Through Various Credit Cycles



Seek to be the Capital Provider of Choice

Maintain Direct Relationships with Our Tenants and Actively Seek to Leverage Our Relationships to Identify New Investment Opportunities

Relationship-Based Sourcing

85.3%

Repeat Business Through Existing Senior Management Relationships¹

84.4%

Internally Originated Sale-Leaseback Transactions²



42.4%

Tenant Relationships

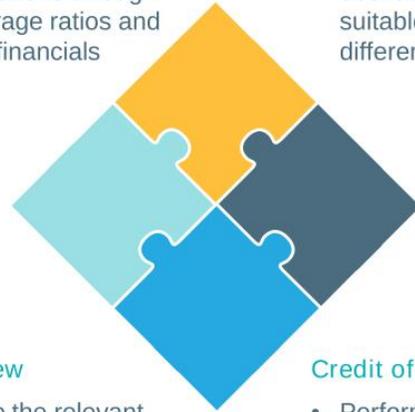
Underwriting Methodology

Unit-Level Profitability

- Evaluate the profitability of the business operated at our real estate locations through rent coverage ratios and historical financials

Real Estate Valuation

- Identify whether the underlying real estate is commercially desirable and suitable for use by different tenants



Industry View

- Determine the relevant competitive factors and long-term viability of the industry, avoiding industries subject to long-term functional obsolescence

Credit of the Tenant

- Perform detailed credit reviews of the financial condition of all proposed tenants to determine their financial strength and flexibility

1. Percentage of portfolio cash ABR as of March 31, 2021 that was acquired from parties who previously engaged in one or more transaction with a senior management team member. Exclusive of Initial Portfolio.
2. Percentage of portfolio cash ABR as of March 31, 2021 that was attributable to internally originated sale-leaseback transactions. Exclusive of Initial Portfolio.

New Vintage Portfolio is Focused on Targeted Industries

Our Portfolio is the Result of a Disciplined Adherence to Investing in Properties Leased to Service-Oriented and Experience-Based Businesses with Unit-Level Reporting

- **E-Commerce Resistant:** 95% of cash ABR comes from service-oriented and experience-based tenants
- **Focus on 17 Industries:** Results in greater sector expertise and more efficient underwriting and asset management
- **Long WALT Limits Near-Term Cash Flow Erosion:** <1% and <5% of our ABR expires through 2023 and 2025, respectively
- **Highly Transparent with No Legacy Issues:** 98.2% unit-level reporting; investment program started in June 2016

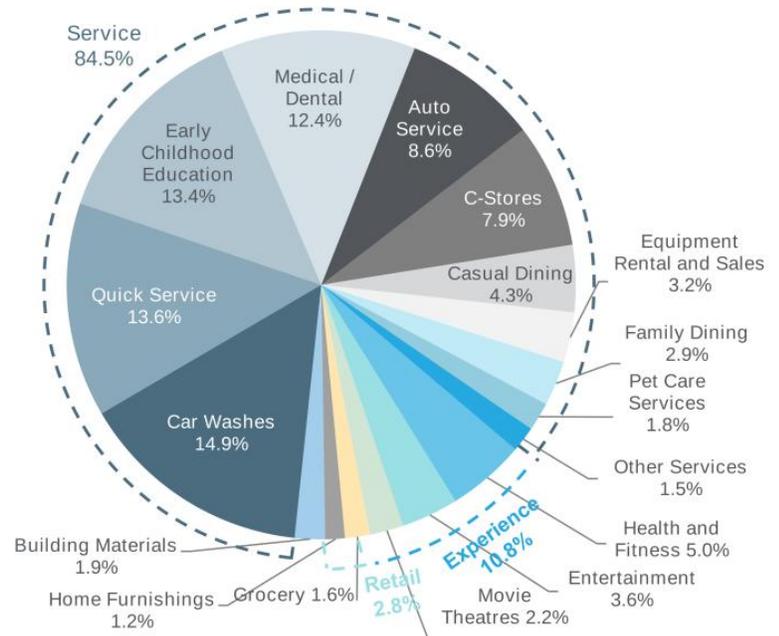
Portfolio Highlights

March 31, 2021

Investment Properties (#) ¹	1,240
Square Footage (mm)	10.8
Tenants (#)	259
Industries (#)	17
States (#)	43
Weighted Average Remaining Lease Term (Years)	14.3
Master Leases (% of Cash ABR)	59.9%
Sale-Leaseback (% of Cash ABR) ^{2,3}	84.4%
Unit-Level Rent Coverage	3.0x
Unit-Level Financial Reporting (% of Cash ABR)	98.2%
Leased (%)	99.1%
Top 10 Tenants (% of Cash ABR)	20.2%
Average Investment Per Property (\$mm)	\$2.2

1. Includes two undeveloped land parcels and 127 properties that secure mortgage loans receivable.
2. Exclusive of Initial Portfolio.
3. Includes investments in mortgage loans receivable made in support of sale-leaseback transactions.

Tenant Industry Diversification



Portfolio Summary

Our Top 10 Tenants Operate 230 Properties and Represent 20.2% of Cash ABR

Top 10 Tenants

Top 10 Tenants ^{1,2}	Properties	% of Cash ABR
	74	2.6%
	23	2.5%
	16	2.4%
	13	2.3%
	34	2.0%
	5	1.8%
	19	1.8%
	13	1.7%
	20	1.6%
	13	1.5%
Top 10 Tenants	230	20.2%
Total	1,240	100.0%

Diversification by Industry

Tenant Industry	Type of Business	Cash ABR (\$'000s)	% of Cash ABR	# of Properties ³	Building SqFt	Rent Per SqFt ⁴
Car Washes	Service	\$ 28,827	14.9%	119	558,339	\$ 50.75
Quick Service	Service	26,356	13.6%	333	896,960	29.34
Early Childhood Education	Service	25,937	13.4%	113	1,176,431	21.69
Medical / Dental	Service	23,977	12.4%	141	1,036,054	23.06
Automotive Service	Service	16,599	8.6%	115	799,574	20.76
Convenience Stores	Service	15,296	7.9%	138	551,526	27.73
Casual Dining	Service	8,227	4.3%	56	345,028	24.24
Equipment Rental and Sales	Service	6,147	3.2%	26	500,710	12.27
Family Dining	Service	5,516	2.9%	38	222,737	25.33
Pet Care Services	Service	3,528	1.8%	35	258,280	17.24
Other Services	Service	3,114	1.5%	19	207,883	15.72
Service Subtotal		\$ 163,524	84.5%	1,133	6,553,522	\$ 25.07
Health and Fitness	Experience	9,648	5.0%	25	1,004,189	9.61
Entertainment	Experience	6,966	3.6%	18	647,483	10.76
Movie Theatres	Experience	4,167	2.2%	6	293,206	14.21
Experience Subtotal		\$ 20,781	10.8%	49	1,944,878	\$ 10.68
Grocery	Retail	3,017	1.6%	17	648,374	4.65
Home Furnishings	Retail	2,399	1.2%	5	267,729	8.96
Retail Subtotal		\$ 5,416	2.8%	22	916,103	\$ 5.91
Building Materials	Other	3,748	1.9%	23	1,257,017	2.98
Total/Weighted Average		\$ 193,469	100.0%	1,227	10,671,520	\$ 18.15

1. Represents tenant, guarantor or parent company.

2. Our Zaxby's concentration is with multiple franchises under the same ownership. Our Driver's Edge concentration is with GB Auto Service, Inc., which operates Driver's Edge and other auto service brands.

3. Property count includes 127 properties that secure mortgage loans receivable, but excludes two undeveloped land parcels and 11 vacant properties.

4. Calculation excludes properties with no annualized base rent and properties under construction.

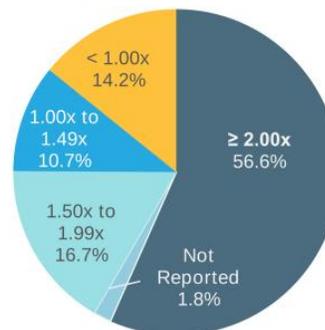
Disciplined Underwriting Leading to Healthy Portfolio Metrics

98.2% of Unit-Level Reporting Provides (Near) Real-Time Tenant Visibility

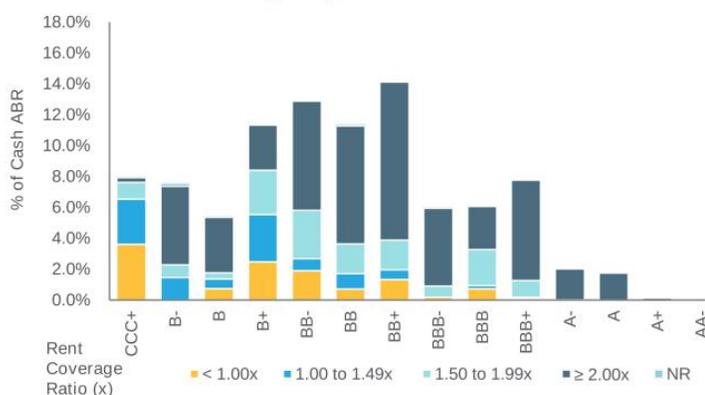
Tenant Financial Reporting Requirements

Reporting Requirements	% of Cash ABR
Unit-Level Financial Information	98.2%
Corporate-Level Financial Reporting	98.3%
Both Unit-Level and Corporate-Level Financial Information	98.0%
No Financial Information	1.6%

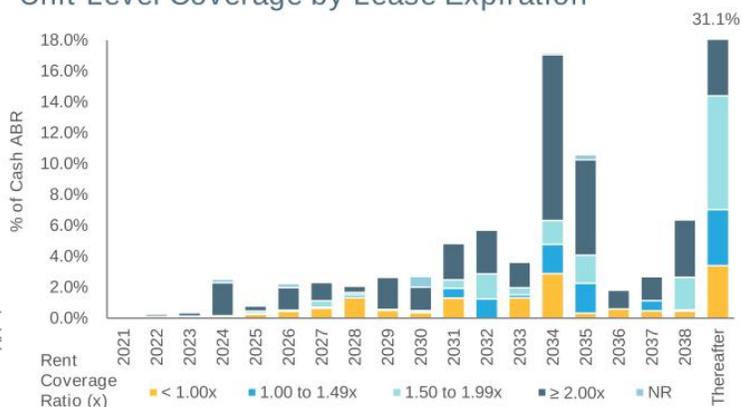
% of Cash ABR by Unit-Level Coverage Tranche¹



Unit-Level Coverage by Tenant Credit²



Unit-Level Coverage by Lease Expiration



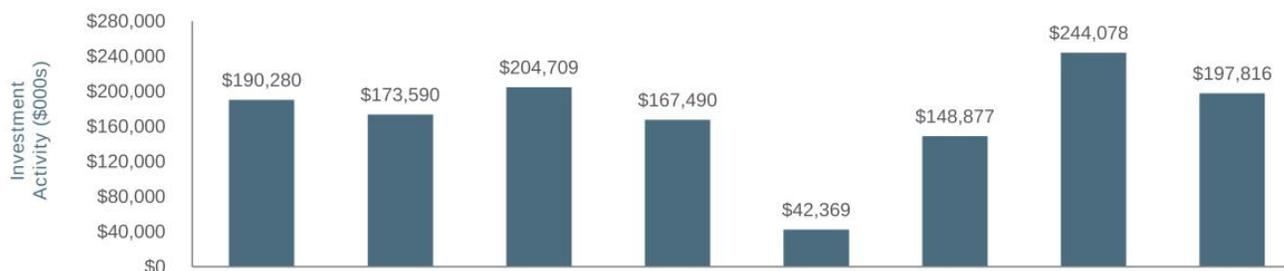
Note: 'NR' means not reported.

1. Certain tenants, whose leases do not require unit-level financial reporting, provide the Company with unit-level financial information. The data shown includes unit-level coverage for these leases.

2. The chart illustrates the portions of annualized base rent as of March 31, 2021 attributable to leases with tenants having specified implied credit ratings based on their Moody's RiskCalc scores. Moody's equates the EDF scores generated using RiskCalc with a corresponding credit rating.

Established and Proven Investment Infrastructure

Scalable Platform Allows for Consistent Sourcing of Investment Activity at Attractive Yields without Sacrificing Underwriting Standards and Investment Focus



Investments ¹	2Q'19	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21
Number of Transactions	32	28	41	32	11	19	33	22
Property Count	91	139	94	63	13	50	108	74
Avg. Investment per Unit (in 000s)	\$2,015	\$1,174	\$2,049	\$2,551	\$2,870	\$2,866	\$2,218	\$2,650
Cash Cap Rates ²	7.3%	7.5%	7.3%	7.1%	7.4%	7.1%	7.1%	7.0%
GAAP Cap Rates ³	8.1%	8.3%	8.0%	8.0%	8.1%	7.9%	7.7%	7.9%
Master Lease % ^{4,5}	67%	73%	41%	54%	68%	79%	89%	79%
Sale-Leaseback % ^{4,6}	65%	93%	81%	88%	100%	92%	88%	85%
% of Financial Reporting ⁴	100%	100%	99%	100%	100%	100%	100%	100%
Rent Coverage Ratio	3.2x	3.2x	3.1x	2.7x	4.3x	2.8x	3.6x	3.0x
Lease Term Years	15.3	16.6	16.3	16.1	16.7	17.6	16.3	16.1

1. Includes investments in mortgage loans receivable.

2. Cash ABR for the first full month after the investment divided by the gross purchase price for the property plus transaction costs.

3. GAAP rent for the first twelve months after the investment divided by the gross purchase price for the property plus transaction costs.

4. As a percentage of cash ABR for the quarter.

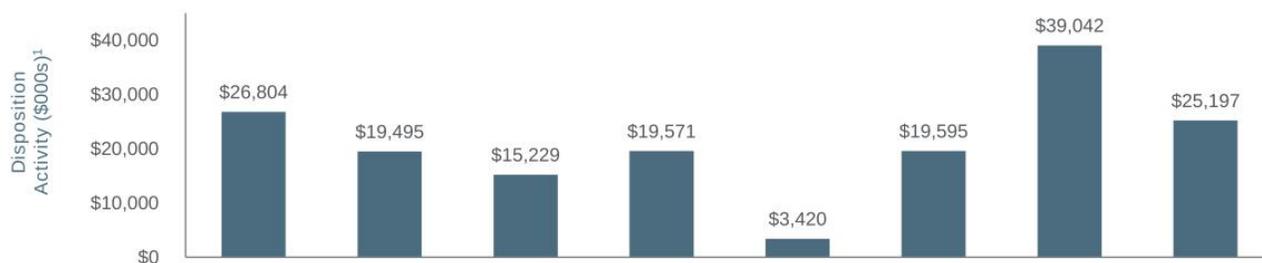
5. Includes investments in mortgage loan receivables collateralized by more than one property.

6. Includes investments in mortgage loans receivable made in support of sale-leaseback transactions.

Active Asset Management

Proactive Asset Management Mitigates Risk and Maximizes Risk-Adjusted Returns

- **Dispositions Have Traded at Attractive Cap Rates:** Since inception in 2016 through 1Q'21, we have sold 211 properties for \$309mm in net proceeds and achieved a weighted average cash cap rate of 6.8% on the sale of 167 leased properties that had a weighted average ratio of 1.8x



Dispositions	2Q'19 ⁵	3Q'19	4Q'19	1Q'20	2Q'20	3Q'20	4Q'20	1Q'21
Realized Gain/(Loss) ^{1,2}	1.3%	17.8%	8.5%	3.2% ⁶	29.5%	(4.5%)	(10.2%)	4.5%
Cash Cap Rate on Leased Assets ³	7.0%	6.7%	6.9%	7.1% ⁶	6.8%	7.0%	7.4%	7.1%
Leased Properties Sold ⁴	10	9	7	10	3	11	21	15
Vacant Properties Sold ⁴	1	1	1	--	--	3	2	1
Rent Coverage Ratio	1.5x	1.1x	1.7x	0.7x	1.3x	2.2x	2.3x	1.8x

1. Includes transaction costs.

2. Gains/(losses) based on our initial purchase price.

3. Cash ABR at time of sale divided by gross sale price (excluding transaction costs) for the property.

4. Property count excludes dispositions in which only a portion of the owned parcel is sold.

5. Excludes the prepayment of two mortgage loans receivable for \$4.6 million.

6. Excludes one property sold pursuant to an existing tenant purchase option.

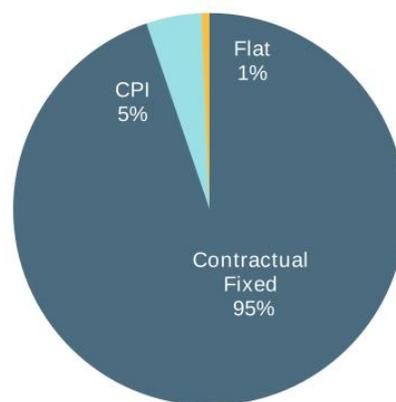
Leasing Summary

Lease Escalations

Lease Escalation Frequency

Lease Escalation Frequency	% of Cash ABR	Weighted Average
		Annual Escalation Rate ^{1,2}
Annually	80.2%	1.6%
Every 2 years	2.0	1.5
Every 3 years	0.6	0.0
Every 4 years	0.4	1.0
Every 5 years	10.8	1.7
Other escalation frequencies	5.3	1.1
Flat	0.6	0.0
Total / Weighted Average	100.0%	1.5%

Lease Escalation Type



1. Based on cash ABR as of March 31, 2021.

2. Represents the weighted average annual escalation rate of the entire portfolio as if all escalations occur annually. For leases in which rent escalates by the greater of a stated fixed percentage or CPI, we have assumed an escalation equal to the stated fixed percentage in the lease. As any future increase in CPI is reasonably not determinable at this time, we have not included an increase in the rent pursuant to these leases in the weighted average annual escalation rate presented.

Debt Structure Allows for Capital Flexibility

No Significant Debt Maturities Until 2024

- **The Series 2017-1 Secured ABS notes:** Anticipated repayment date is June 2024, but the notes can be prepaid without penalty starting on November 26, 2021. The weighted average interest rate on the notes is 4.2%.

Debt Maturity Schedule^{1,2,3}



1. Pro forma adjustments have been made to our March 31, 2021, balance sheet to reflect the impact of our April 2021 follow-on offering, which raised \$185.5 million of net proceeds. As of May 7, 2021, our unsecured revolving line of credit had no outstanding balance.

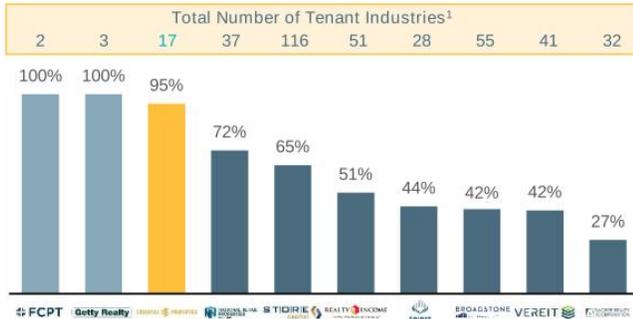
2. Maturity figures for our secured debt are based off our anticipated repayment schedule.

3. The Series 2017-1 notes mature in June 2047 but have an anticipated repayment date of June 2024. The Series 2017-1 notes can be prepaid without penalty starting on November 26, 2021.

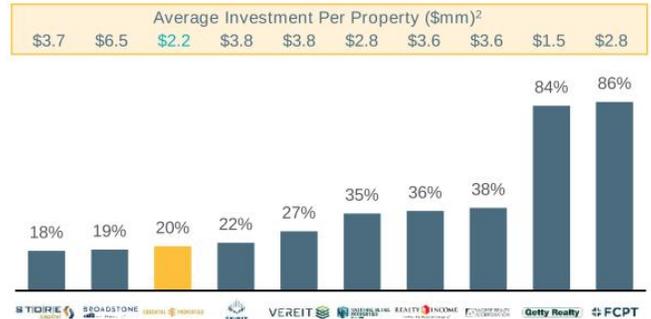
Differentiated Net Lease Portfolio

Portfolio Mix and Underlying Fundamentals are Favorable Relative to Peers

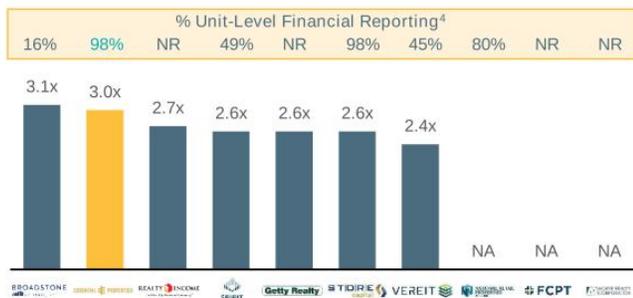
Service-Oriented & Experience-Based Industries (% of ABR)



Less Reliance on Top 10 Tenancy with Smaller Scale Properties (% of ABR)



Strong Unit-Level Coverage³ & Transparency



Limited Intermediate-Term Lease Maturities (% of Rent Expiring through 2025)



Source: Public filings and press releases.

Note: Company data based on most recent reported filings for period ending December 31, 2020, except EPRT data based on period ending March 31, 2021. 'NR' means not reported. Companies may define service-oriented and experienced-based tenants differently, may calculate weighted average remaining lease term differently, may calculate unit-level coverage differently (including peers on a mean or median basis with EPRT representing a weighted average) and may calculate the percentage of their tenants reporting differently than EPRT. Accordingly, such data for these companies and EPRT may not be comparable.

1. Designations entitled "other" are counted as one industry, even though the "other" segment could represent multiple industries.

2. Investment value includes land and improvements, building and improvements, lease incentives, construction in progress, intangible lease assets, loans and direct financing lease receivables and real estate investments held for sale, all at cost.

3. EPRT, GTY, O, SRC and STOR coverage based on four-wall.

4. VER property level sales data was collected for 90.3% of retail and restaurant properties required to provide unit level sales reports, representing 45.1% of retail and restaurant properties owned.

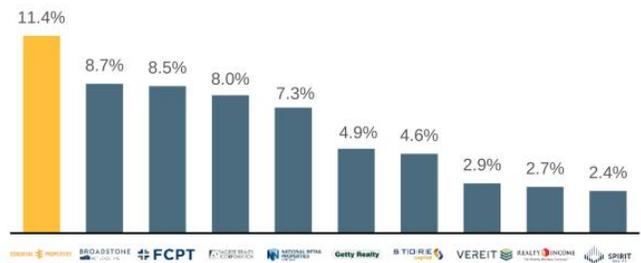
Relative Valuation and Growth

EPRT's Projected AFFO/sh Growth is Sector Leading

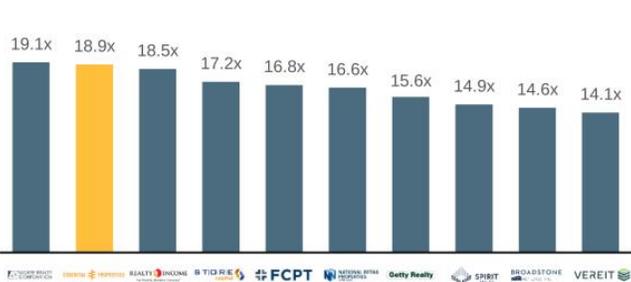
2021E AFFO per Share Multiple¹



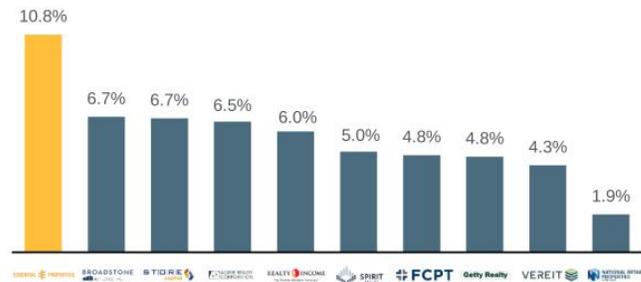
2021E AFFO per Share Growth²



2022E AFFO per Share Multiple³



2022E AFFO per Share Growth⁴



Source: Public filings, FactSet and SNL.

Note: Market data as of May 7, 2021.

- 2021E AFFO per share multiple calculated using current price per share and FactSet mean 2021E AFFO per share estimates.
- 2021E AFFO per share growth is calculated using FactSet mean 2021E AFFO per share estimates and 2020A AFFO per share. BNL 2020A AFFO calculated using 4Q20 AFFO, annualized, to adjust for timing of IPO. NNN 2020A AFFO of \$2.68 excludes the net straight-line accrued rent impact of the rent deferrals (repayments) from the COVID-19 rent deferral lease amendment of \$30mm for the year ended December 31, 2020.
- 2022E AFFO per share multiple calculated using current price per share and FactSet mean 2022E AFFO per share estimates.
- 2022E AFFO per share growth is calculated using FactSet mean 2022E AFFO per share estimates and FactSet mean 2021E AFFO per share estimates.



Appendix



Financial Summary – 1Q'21

Consolidated Statements of Operations

(in thousands, except share and per share data)	Three Months Ended March 31,	
	2021 (Unaudited)	2020 (Unaudited)
Revenues:		
Rental revenue ^{1,2}	\$ 45,432	\$ 39,542
Interest on loans and direct financing leases	3,105	1,938
Other revenue	15	7
Total revenues	48,552	41,487
Expenses:		
General and administrative ³	6,431	7,536
Property expenses ⁴	1,414	373
Depreciation and amortization	15,646	13,012
Provision for impairment of real estate	5,722	373
Provision for loan losses	38	468
Total expenses	29,251	21,762
Other operating income:		
Gain on dispositions of real estate, net	3,788	1,875
Income from operations	23,089	21,600
Other (expense)/income:		
Loss on repayment of secured borrowings ⁵	—	(924)
Interest expense	(7,678)	(6,833)
Interest income	20	231
Income before income tax expense	15,431	14,074
Income tax expense	56	31
Net income	15,375	14,043
Net income attributable to non-controlling interests	(80)	(84)
Net income attributable to stockholders	\$ 15,295	\$ 13,959
Basic weighted-average shares outstanding	106,986,308	90,322,402
Basic net income per share	\$ 0.14	\$ 0.15
Diluted weighted-average shares outstanding	108,055,741	91,332,297
Diluted net income per share	\$ 0.14	\$ 0.15

1. Includes contingent rent (based on a percentage of the tenant's gross sales at the leased property) of \$169 and \$192 for the three months ended March 31, 2021 and 2020, respectively.

2. Includes reimbursable income from the Company's tenants of \$453 and \$165 for the three months ended March 31, 2021 and 2020, respectively.

3. During the three months ended March 31, 2020, includes non-recurring expenses of \$652 for costs and charges incurred in connection with the departure of one of our executive officers.

4. Includes reimbursable expenses from the Company's tenants of \$452 and \$165 for the three months ended March 31, 2021 and 2020, respectively.

5. Includes the write-off of \$924 of deferred financing costs during the three months ended March 31, 2020.

Financial Summary – 1Q'21

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

(unaudited, in thousands except per share amounts)	Three months ended March 31,	
	2021	2020
Net income	\$ 15,375	\$ 14,043
Depreciation and amortization of real estate	15,621	12,988
Provision for impairment of real estate	5,722	373
Gain on dispositions of real estate, net	(3,788)	(1,875)
Funds from Operations	32,930	25,529
Other non-recurring expenses ¹	—	1,576
Core Funds from Operations	32,930	27,105
Adjustments:		
Straight-line rental revenue, net	(3,644)	(3,191)
Non-cash interest expense	479	534
Non-cash compensation expense	1,595	1,291
Other amortization expense	1,105	434
Other non-cash charges	36	468
Capitalized interest expense	(20)	(95)
Transaction costs	—	67
Adjusted Funds from Operations	\$ 32,481	\$ 26,613
Net income per share ² :		
Basic	\$ 0.14	\$ 0.15
Diluted	\$ 0.14	\$ 0.15
FFO per share ² :		
Basic	\$ 0.31	\$ 0.28
Diluted	\$ 0.30	\$ 0.28
Core FFO per share ² :		
Basic	\$ 0.31	\$ 0.30
Diluted	\$ 0.30	\$ 0.30
AFFO per share ² :		
Basic	\$ 0.30	\$ 0.29
Diluted	\$ 0.30	\$ 0.29

1. Includes non-recurring expenses of \$652 for accruals of severance payments and acceleration of non-cash compensation expense in connection with the departure of one of our executive officers and our \$924 loss on repayment of secured borrowings during the three months ended March 31, 2020.

2. Calculations exclude \$119 and \$130 from the numerator for the three months ended March 31, 2021 and 2020, respectively, related to dividends paid on unvested RSAs and RSUs.

Financial Summary – 1Q'21

Consolidated Balance Sheets

(in thousands, except share and per share amounts)

	ASSETS	March 31, 2021 (Unaudited)	December 31, 2020 (Audited)
Investments:			
Real estate investments, at cost:			
Land and improvements		\$ 790,395	\$ 741,254
Building and improvements		1,631,763	1,519,665
Lease incentive		14,192	14,297
Construction in progress		4,029	3,908
Intangible lease assets		83,030	80,271
Total real estate investments, at cost		2,523,409	2,359,395
Less: accumulated depreciation and amortization		(150,835)	(136,097)
Total real estate investments, net		2,372,574	2,223,298
Loans and direct financing lease receivables, net		176,025	152,220
Real estate investments held for sale, net		—	17,058
Net investments		2,548,599	2,392,576
Cash and cash equivalents		42,842	26,602
Restricted cash		1,974	6,388
Straight-line rent receivable, net		41,475	37,830
Rent receivables, prepaid expenses and other assets, net		27,827	25,406
Total assets		\$ 2,662,717	\$ 2,488,802
LIABILITIES AND EQUITY			
Secured borrowings, net of deferred financing costs		\$ 170,161	\$ 171,007
Unsecured term loans, net of deferred financing costs		626,450	626,272
Revolving credit facility		138,000	18,000
Intangible lease liabilities, net		10,046	10,168
Dividend payable		26,398	25,703
Derivative liabilities		20,893	38,912
Accrued liabilities and other payables		16,486	16,792
Total liabilities		1,008,434	906,854
Commitments and contingencies		—	—
Stockholders' equity:			
Preferred stock, \$0.01 par value; 150,000,000 authorized; none issued and outstanding as of March 31, 2021 and December 31, 2020		—	—
Common stock, \$0.01 par value; 500,000,000 authorized; 109,171,639 and 106,361,524 issued and outstanding as of March 31, 2021 and December 31, 2020, respectively		1,092	1,064
Additional paid-in capital		1,753,847	1,688,540
Distributions in excess of cumulative earnings		(88,635)	(77,665)
Accumulated other comprehensive loss		(19,248)	(37,181)
Total stockholders' equity		1,647,056	1,574,758
Non-controlling interests		7,227	7,190
Total equity		1,654,283	1,581,948
Total liabilities and equity		\$ 2,662,717	\$ 2,488,802

Financial Summary – 1Q'21

GAAP Reconciliations to EBITDAre, GAAP NOI, Cash NOI and Estimated Run Rate Metrics

(unaudited, in thousands)	Three Months Ended March 31, 2021
Net income	\$ 15,375
Depreciation and amortization	15,646
Interest expense	7,678
Interest income	(20)
Income tax expense	56
EBITDA	38,735
Provision for impairment of real estate	5,722
Gain on dispositions of real estate, net	(3,788)
EBITDAre	40,669
Adjustment for current quarter re-leasing, acquisition and disposition activity ¹	2,987
Adjustment to exclude other non-recurring activity ²	123
Adjusted EBITDAre - Current Estimated Run Rate	43,779
General and administrative	6,431
Adjusted net operating income ("NOI")	50,210
Straight-line rental revenue, net ¹	(3,374)
Other amortization expense	1,105
Adjusted Cash NOI	\$ 47,941
Annualized EBITDAre	\$ 162,676
Annualized Adjusted EBITDAre	\$ 175,116
Annualized Adjusted NOI	\$ 200,840
Annualized Adjusted Cash NOI	\$ 191,764

1. These adjustments are made to reflect EBITDAre, NOI and Cash NOI as if all re-leasing activity, investments in and dispositions of real estate made during the three months ended March 31, 2021 had occurred on January 1, 2021.

2. Adjustment excludes the \$38 adjustment to our provision for loan loss and an \$85 write-off of receivables from prior periods.

Financial Summary – 1Q'21

Market Capitalization, Debt Summary and Leverage Metrics

(dollars in thousands, except share and per share amounts)	March 31, 2021	Rate ¹	Maturity ²
Secured debt:			
Series 2017-1, Class A	\$ 156,522	4.10%	3.2 years
Series 2017-1, Class B	15,669	5.11%	3.2 years
Total secured debt	172,191	4.19%	3.2 years
Unsecured debt:			
\$200mm term loan	200,000	3.26%	3.0 years
\$430mm term loan	430,000	3.02%	5.7 years
Revolving credit facility ³	138,000	1.36%	2.0 years
Total unsecured debt	768,000	2.79%	4.3 years
Gross debt	940,191	3.04%	4.1 years
Less: cash & cash equivalents	(42,842)		
Less: restricted cash available for future investment	(1,974)		
Net debt	895,375		
Equity:			
Preferred stock	—		
Common stock & OP units (109,725,486 shares @ \$22.83/share as of 3/31/21) ⁴	2,505,033		
Total equity	2,505,033		
Total enterprise value ("TEV")	\$ 3,400,408		
Pro forma adjustments to Net Debt and TEV:⁵			
Net debt	\$ 895,375		
Less: Cash received – April 2021 follow-on offering	(185,500)		
Pro forma net debt	709,875		
Total equity	2,505,033		
Common stock – April 2021 follow-on offering (8,222,500 shares @ \$22.83/share as of 3/31/21)	187,720		
Pro forma TEV	\$ 3,402,628		
Net Debt / TEV	26.3%		
Net Debt / Annualized Adjusted EBITDAre	5.1x		
Pro Forma Net Debt / Pro Forma TEV	20.9%		
Pro Forma Net Debt / Annualized Adjusted EBITDAre	4.1x		

1. Interest rates are presented after giving effect to our interest rate swap agreements, where applicable.

2. Maturity figures for our secured debt are based off of our anticipated repayment schedule. The Series 2017-1 notes mature in June 2047 but have an anticipated repayment date of June 2024.

3. Our revolving credit facility provides a maximum aggregate initial original principal amount of up to \$400 million and includes an accordion feature to increase, subject to certain conditions, the maximum availability of the facility by up to \$200 million.

4. Common equity & units as of March 31, 2021, based on 109,171,639 common shares outstanding (including unvested restricted share awards) and 553,847 OP units held by non-controlling interests.

5. Pro forma adjustments have been made to reflect the impact of our April 2021 follow-on offering of common stock. On April 15, 2021, we issued 8,222,500 shares of common stock for net proceeds of \$185.5 million

Glossary

Supplemental Reporting Measures

FFO, Core FFO and AFFO

Our reported results are presented in accordance with U.S. generally accepted accounting principles ("GAAP"). We also disclose funds from operations ("FFO"), core funds from operations ("Core FFO") and adjusted funds from operations ("AFFO"), each of which is a non-GAAP financial measure. We believe these non-GAAP financial measures are industry measures used by analysts and investors to compare the operating performance of REITs.

We compute FFO in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude extraordinary items (as defined by GAAP), net gain or loss from sales of depreciable real estate assets, impairment write-downs associated with depreciable real estate assets and real estate-related depreciation and amortization (excluding amortization of deferred financing costs and depreciation of non-real estate assets), including the pro rata share of such adjustments of unconsolidated subsidiaries. FFO is used by management, and may be useful to investors and analysts, to facilitate meaningful comparisons of operating performance between periods and among our peers primarily because it excludes the effect of real estate depreciation and amortization and net gains and losses on sales (which are dependent on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions).

We compute Core FFO by adjusting FFO, as defined by NAREIT, to exclude certain GAAP income and expense amounts that we believe are infrequent and unusual in nature and/or not related to our core real estate operations. Exclusion of these items from similar FFO-type metrics is common within the equity REIT industry, and management believes that presentation of Core FFO provides investors with a metric to assist in their

evaluation of our operating performance across multiple periods and in comparison to the operating performance of our peers, because it removes the effect of unusual items that are not expected to impact our operating performance on an ongoing basis. Core FFO is used by management in evaluating the performance of our core business operations. Items included in calculating FFO that may be excluded in calculating Core FFO include items like certain transaction related gains, losses, income or expense or other non-core amounts as they occur.

To derive AFFO, we modify the NAREIT computation of FFO to include other adjustments to GAAP net income related to certain items that we believe are not indicative of our operating performance, including straight-line rental revenue, non-cash interest expense, non-cash compensation expense, other amortization and non-cash charges, capitalized interest expense and transaction costs. Such items may cause short-term fluctuations in net income but have no impact on operating cash flows or long-term operating performance. We believe that AFFO is an additional useful supplemental measure for investors to consider to assess our operating performance without the distortions created by non-cash and certain other revenues and expenses.

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

Glossary

Supplemental Reporting Measures

We also present our earnings before interest, taxes and depreciation and amortization for real estate ("EBITDA"), EBITDA further adjusted to exclude gains (or losses) on sales of depreciable property and real estate impairment losses ("EBITDAre"), net debt, net operating income ("NOI") and cash NOI ("Cash NOI"), all of which are non-GAAP financial measures. We believe these non-GAAP financial measures are accepted industry measures used by analysts and investors to compare the operating performance of REITs.

EBITDA and EBITDAre

We compute EBITDA as earnings before interest, income taxes and depreciation and amortization. In 2017, NAREIT issued a white paper recommending that companies that report EBITDA also report EBITDAre. We compute EBITDAre in accordance with the definition adopted by NAREIT. NAREIT defines EBITDAre as EBITDA (as defined above) excluding gains (or losses) from the sales of depreciable property and real estate impairment losses. We present EBITDA and EBITDAre as they are measures commonly used in our industry and we believe that these measures are useful to investors and analysts because they provide important supplemental information concerning our operating performance, exclusive of certain non-cash and other costs. We use EBITDA and EBITDAre as measures of our operating performance and not as measures of liquidity.

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

may not be comparable to similarly titled measures reported by other equity REITs.

Net Debt

We calculate our net debt as our gross debt (defined as total debt plus net deferred financing costs on our secured borrowings) less cash and cash equivalents and restricted cash available for future investment.

We believe excluding cash and cash equivalents and restricted cash deposits held for the benefit of lenders from gross debt, all of which could be used to repay debt, provides an estimate of the net contractual amount of borrowed capital to be repaid, which we believe is a beneficial disclosure to investors and analysts.

NOI and Cash NOI

We compute NOI as total revenues less property expenses. NOI excludes all other items of expense and income included in the financial statements in calculating net income or loss. Cash NOI further excludes non-cash items included in total revenues and property expenses, such as straight-line rental revenue and other amortization and non-cash charges. We believe NOI and Cash NOI provide useful and relevant information because they reflect only those income and expense items that are incurred at the property level and present such items on an unlevered basis.

NOI and Cash NOI are not measurements of financial performance under GAAP. You should not consider our NOI and Cash NOI as alternatives to net income or cash flows from operating activities determined in accordance with GAAP. Additionally, our computation of NOI and Cash NOI may differ from the methodology for calculating these metrics used by other equity REITs and, therefore, may not be comparable to similarly titled measures reported by other equity REITs.

Glossary

Supplemental Reporting Measures

Adjusted EBITDAre / Adjusted NOI / Adjusted Cash NOI

We further adjust EBITDAre, NOI and Cash NOI i) based on an estimate calculated as if all re-leasing, investment and disposition activity that took place during the quarter had been made on the first day of the quarter, ii) to exclude certain GAAP income and expense amounts that we believe are infrequent and unusual in nature and iii) to eliminate the impact of lease termination fees and contingent rental revenue from our tenants which is subject to sales thresholds specified in the lease. We then annualize these estimates for the current quarter by multiplying them by four, which we believe provides a meaningful estimate of our current run rate for all investments as of the end of the current quarter. You should not unduly rely on these measures, as they are based on assumptions and estimates that may prove to be inaccurate. Our actual reported EBITDAre, NOI and Cash NOI for future periods may be significantly less than these estimates of current run rates.

Cash ABR

Cash ABR means annualized contractually specified cash base rent in effect as of the end of the current quarter for all of our leases (including those accounted for as direct financing leases) commenced as of that date and annualized cash interest on our mortgage loans receivable as of that date.

Rent Coverage Ratio

Rent coverage ratio means the ratio of tenant-reported or, when unavailable, management's estimate based on tenant-reported financial information, annual EBITDA and cash rent attributable to the leased property (or properties, in the case of a master lease) to the annualized base rental obligation as of a specified date.

Initial Portfolio

Initial portfolio means our acquisition of a portfolio of 262 net leased properties on June 16, 2016, consisting primarily of restaurants, that were being sold as part of the liquidation of General Electric Capital Corporation for an aggregate purchase price of \$279.8 million (including transaction costs).

GAAP Cap Rate

GAAP Cap Rate means annualized rental income computed in accordance with GAAP for the first full month after investment divided by the purchase price, as applicable, for the property.

Cash Cap Rate

Cash Cap Rate means annualized contractually specified cash base rent for the first full month after investment or disposition divided by the purchase or sale price, as applicable, for the property.

