UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 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, 2026

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: 333-288565

J.P. Morgan Real Estate Income Trust, Inc.

(Exact Name of Registrant as Specified in its Charter)

Maryland	**87-3439916**
(State or other jurisdiction of incorporation or organization)	(I.R.S. Employer Identification No.)
390 Madison Avenue New York, NY	**10017**
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code: (212) 270-6000

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
None	N/A	N/A

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, 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	☐
Non-accelerated filer	☒	Smaller reporting company	☒
Emerging growth company	☒		

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

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of May 15, 2026, the registrant had outstanding 1,027,295 shares of Class D common stock, 22,698,059 shares of Class I common stock, 63,380,105 shares of Class E common stock and 11,353,567 shares of Class Y common stock. There were no outstanding shares of Class S, Class T or Class X common stock.

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Item 1. Financial Statements.

J.P. Morgan Real Estate Income Trust, Inc.
Condensed Consolidated Balance Sheets (Unaudited)
(in thousands, except per-share data)

	March 31, 2026	December 31, 2025
ASSETS		
Investments in real estate, net	$ 1,155,338	$ 1,159,632
Investments in real estate debt	304,573	224,600
Investments in real estate-related and other securities	15,095	15,323
Intangible assets, net	53,199	58,548
Cash and cash equivalents	15,285	18,416
Restricted cash	4,676	4,689
Deposits on real estate	1,000	—
Other assets, net	24,429	22,310
Total assets	$ 1,573,595	$ 1,503,518
LIABILITIES AND EQUITY		
Mortgage notes, net	$ 363,841	$ 359,445
Repurchase facility, net	227,808	167,863
Unsecured revolving credit facility	73,000	73,000
Intangible liabilities, net	7,603	8,435
Mandatorily redeemable instruments	22,512	54,794
Due to affiliates	31,060	28,969
Accounts payable, accrued expenses and other liabilities	31,905	26,856
Total liabilities	757,729	719,362
Commitments and contingencies (Note 17)		
Redeemable non-controlling interest	257	864
Equity		
Common stock – Class D shares, $0.01 par value per share, 600,000 shares authorized, and 1,013 and 1,009 issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	10	10
Common stock – Class I shares, $0.01 par value per share, 1,500,000 shares authorized, and 14,542 and 13,949 issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	145	139
Common stock – Class E shares, $0.01 par value per share, 600,000 shares authorized, and 58,083 and 55,790 issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	581	558
Common stock – Class Y shares, $0.01 par value per share, 600,000 shares authorized, and 9,846 and 8,579 issued and outstanding as of March 31, 2026 and December 31, 2025, respectively	99	86
Additional paid-in capital	889,548	844,236
Accumulated deficit	(87,071)	(74,128)
Total stockholders' equity	803,312	770,901
Non-controlling interests in consolidated joint ventures	12,297	12,391
Total equity	815,609	783,292
Total liabilities and equity	$ 1,573,595	$ 1,503,518

The accompanying notes are an integral part of these condensed consolidated financial statements.

J.P. Morgan Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Operations (Unaudited)
(in thousands, except per-share data)

	For the Three Months Ended March 31,	
	2026	**2025**
Revenues		
Rental revenue	$ 29,672	$ 8,270
Total revenues	29,672	8,270
Expenses		
Rental property operating	11,292	3,033
General and administrative	1,845	1,647
Depreciation and amortization	14,948	3,558
Total expenses	28,085	8,238
Other income (expense), net		
Income from investments in real estate debt	5,182	1,478
Income from investments in real estate-related and other securities	23	1,081
Mandatorily redeemable instruments interest costs	(573)	(1,186)
Interest expense	(9,310)	(2,488)
Other income, net	114	2,743
Total other (expense) income, net	(4,564)	1,628
Net (loss) income	$ (2,977)	$ 1,660
Net loss attributable to non-controlling interests in consolidated joint ventures	(199)	(21)
Net (loss) income attributable to JPMREIT stockholders	$ (2,778)	$ 1,681
Net (loss) income per share of common stock – basic	$ (0.03)	$ 0.03
Net (loss) income per share of common stock – diluted	$ (0.03)	$ 0.03
Weighted-average shares of common stock outstanding – basic	82,216	50,719
Weighted-average shares of common stock outstanding – diluted	82,216	50,724

The accompanying notes are an integral part of these condensed consolidated financial statements.

J.P. Morgan Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Changes in Equity (Unaudited)
(in thousands, except per-share data)

	Par Value									
	Common Stock Class D	Common Stock Class I	Common Stock Class S	Common Stock Class E	Common Stock Class Y	Additional Paid-In Capital	Accumulated Deficit	Total Stockholder's Equity	Non-Controlling Interests	Total Equity
Balance at December 31, 2025	$ 10	$ 139	$ —	$ 558	$ 86	$ 844,236	$ (74,128)	$ 770,901	$ 12,391	$ 783,292
Common stock issued, net of offering costs	—	9	—	21	12	45,724	—	45,766	—	45,766
Common stock repurchased	—	(4)	—	(1)	—	(5,871)	—	(5,876)	—	(5,876)
Distributions declared on common stock	—	—	—	—	—	—	(10,165)	(10,165)	—	(10,165)
Distribution reinvestments	—	1	—	3	1	5,439	—	5,444	—	5,444
Net loss ($1 loss allocated to redeemable non-controlling interest)	—	—	—	—	—	—	(2,778)	(2,778)	(198)	(2,976)
Contributions from non-controlling interests	—	—	—	—	—	—	—	—	383	383
Distributions to non-controlling interests	—	—	—	—	—	—	—	—	(279)	(279)
Amortization of restricted stock grants	—	—	—	—	—	26	—	26	—	26
Allocation to redeemable non-controlling interest	—	—	—	—	—	(6)	—	(6)	—	(6)
Balance at March 31, 2026	$ 10	$ 145	$ —	$ 581	$ 99	$ 889,548	$ (87,071)	$ 803,312	$ 12,297	$ 815,609

	Par Value									
	Common Stock Class D	Common Stock Class I	Common Stock Class S	Common Stock Class E	Common Stock Class Y	Additional Paid-In Capital	Accumulated Deficit	Total Stockholder's Equity	Non-Controlling Interests	Total Equity
Balance at December 31, 2024	$ 10	$ 101	$ 1	$ 186	$ 21	$ 329,600	$ (33,780)	$ 296,139	$ 4,430	$ 300,569
Common stock issued, net of offering costs	—	16	—	240	15	296,664	—	296,935	—	296,935
Common stock repurchased	—	(1)	(1)	—	—	(1,861)	—	(1,863)	—	(1,863)
Distributions declared on common stock	—	—	—	—	—	—	(5,727)	(5,727)	—	(5,727)
Distribution reinvestments	—	1	—	1	—	2,117	—	2,119	—	2,119
Net income (loss)	—	—	—	—	—	—	1,681	1,681	(21)	1,660
Contributions from non-controlling interests	—	—	—	—	—	—	—	—	3,269	3,269
Distributions to non-controlling interests	—	—	—	—	—	—	—	—	(41)	(41)
Amortization of restricted stock grants	—	—	—	—	—	25	—	25	—	25
Balance at March 31, 2025	$ 10	$ 117	$ —	$ 427	$ 36	$ 626,545	$ (37,826)	$ 589,309	$ 7,637	$ 596,946

The accompanying notes are an integral part of these condensed consolidated financial statements.

J.P. Morgan Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited) (in thousands)

	For the Three Months Ended March 31,	
	2026	2025
Cash flows from operating activities:		
Net (loss) income	$ (2,977)	$ 1,660
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	14,948	3,558
Amortization of above- and below-market lease intangibles, net	(697)	(15)
Straight-line rent amortization	(1,161)	(216)
Amortization of deferred financing costs	785	84
Amortization of restricted stock grants	26	25
Realized gain on financial instruments	—	(52)
Unrealized loss (gain) on financial instruments	267	(636)
Redemption value adjustment on mandatorily redeemable instruments	208	111
Change in assets and liabilities:		
Increase in other assets	(1,204)	(2,473)
Increase in due to affiliates	1,593	1,032
(Decrease) increase in accounts payable, accrued expenses and other liabilities	(50)	2,428
Net cash provided by operating activities	11,738	5,506
Cash flows from investing activities:		
Acquisitions of real estate	—	(51,410)
Capital improvements on real estate	(4,897)	(353)
Origination of investments in real estate debt	(80,000)	—
Deposits on real estate acquisitions	(1,000)	(4,000)
Variation margin proceeds (payments)	—	188
Proceeds from real estate-related and other securities	—	20
Purchases of real-estate related and other securities	—	(63,064)
Net cash used in investing activities	(85,897)	(118,619)
Cash flows from financing activities:		
Proceeds from issuance of common stock	46,198	297,518
Repurchase of common stock	(5,669)	(1,704)
Repurchase of mandatorily redeemable instruments	(28,300)	—
Borrowings under unsecured revolving credit facility	78,000	—
Repayments under unsecured revolving credit facility	(78,000)	—
Contributions from non-controlling interests	383	3,268
Distributions paid on common stock	(4,508)	(2,601)
Distributions to non-controlling interests	(279)	(38)
Repurchase of redeemable non-controlling interest	(612)	—
Proceeds from mortgage notes and debt secured by real estate	4,201	—
Proceeds from repurchase facility	60,000	—
Principal repayments of mortgage notes and debt secured by real estate	(237)	(136)
Payment of deferred financing costs	(162)	(339)
Net cash provided by financing activities	71,015	295,968
Net change in cash, cash equivalents and restricted cash:	(3,144)	182,855
Cash, cash equivalents and restricted cash, at the beginning of the period	23,105	128,392
Cash, cash equivalents and restricted cash, at the end of the period	$ 19,961	$ 311,247

J.P. Morgan Real Estate Income Trust, Inc.
Condensed Consolidated Statements of Cash Flows (Unaudited) (in thousands)

	For the Three Months Ended March 31,	
	2026	2025
Reconciliation of cash, cash equivalents and restricted cash to the Consolidated Balance Sheets:		
Cash and cash equivalents	$ 15,285	$ 310,316
Restricted cash	4,676	931
Total cash, cash equivalents and restricted cash	$ 19,961	$ 311,247
Supplemental disclosure of cash flow information:		
Cash paid for interest	$ 8,108	$ 2,328
Supplemental disclosure of non-cash investing and financing activities:		
Assumption of mortgage note, net, in conjunction with acquisition of real estate	$ —	$ 14,913
Accrued distributions	$ 213	$ 1,010
Distribution reinvestments	$ 5,444	$ 2,119
Reclassification of deposits to investments in real estate, net	$ —	$ 1,005
Accrued stockholder servicing fee due to affiliate	$ 835	$ 1,044
Accrued redemptions	$ 4,397	$ 159
Redeemable non-controlling interest issued as settlement for performance participation allocation	$ —	$ 810

The accompanying notes are an integral part of these condensed consolidated financial statements.

1. Organization and Business Purpose

J.P. Morgan Real Estate Income Trust, Inc. (the “Company” or “JPMREIT”) was formed on November 5, 2021 as a Maryland corporation and qualifies as a real estate investment trust (“REIT”) for U.S. federal income tax purposes. The Company invests primarily in stabilized, income-generating real estate properties, and to a lesser extent, real estate debt, real estate-related securities and other securities. The Company is the sole general partner of J.P. Morgan REIT Operating Partnership, L.P., a Delaware limited partnership (“Operating Partnership”). J.P. Morgan REIT OP Special Limited Partner, L.P. (the “Special Limited Partner”), an affiliate of J.P. Morgan Investment Management Inc. (the “Adviser” or “JPMIM” and together with its affiliates “J.P. Morgan”), owns a special limited partner interest in the Operating Partnership. Substantially all of the Company’s business is conducted through the Operating Partnership. The Company and the Operating Partnership are externally managed by JPMIM.

As of March 31, 2026, the Company owned 60 real estate properties consisting of 40 industrial properties, 16 multifamily properties, three retail properties and 126 single-family townhomes that are included as a single property. The Company also has three commercial mortgage-backed securities (“CMBS”) investments and four real estate debt investments. The Company currently operates in five reportable segments: multifamily, industrial, single-family rental, retail, and investments in real estate debt, real estate-related and other securities. See Note 15 for a description of the Company's segment reporting.

The Company depends on the Adviser and its affiliates for certain services that are essential to it, including acquisition and disposition decisions, and certain other responsibilities. If the Adviser and its affiliates were unable or unwilling to provide such services, the Company would be required to find alternative service providers.

2. Capitalization

On November 15, 2021, the Company was capitalized with a $0.2 million investment by the Adviser in exchange for 20,000 shares of the Company’s Class E common stock. The Adviser has agreed to not sell, transfer or dispose of the shares to any party other than an affiliate of the Adviser for so long as the Adviser or its affiliate performs an advisory function for the Company.

On July 22, 2022, the Company commenced its initial public offering of up to $5.0 billion in shares of common stock pursuant to a Registration Statement on Form S-11 filed with the Securities and Exchange Commission (the “SEC”), consisting of up to $4.0 billion in shares in its primary offering and up to $1.0 billion in shares pursuant to its distribution reinvestment plan. On July 8, 2025, the Company filed a Registration Statement on Form S-11 with the SEC for its second public offering of up to $4.8 billion in shares of common stock, consisting of up to $3.8 billion in shares of common stock in the primary offering and up to $1.0 billion in shares of common stock pursuant to the distribution reinvestment plan. On February 4, 2026, the initial public offering terminated and the Company commenced its second public offering, pursuant to which the Company is selling any combination of four classes of shares of its common stock, Class D shares, Class I shares, Class S shares and Class T shares, with a dollar value up to the maximum offering amount (the Company’s public offerings and together with the Company’s private offerings described below, the “Offerings”). The share classes have different upfront selling commissions and ongoing stockholder servicing fees. The purchase price per share for each class of the Company’s common stock will vary and will generally equal the prior month’s net asset value (“NAV”) per share for such class, as determined monthly, plus any applicable upfront selling commissions and dealer manager fees, provided that until the Company has any Class S or Class T shares outstanding, the per-share purchase price for the Company’s Class S and Class T shares will equal the most recently determined NAV per share for the Class E shares, plus applicable upfront selling commissions and dealer manager fees.

Pursuant to a separate private offering whose commitments have been fully called, as of March 31, 2026, the Company had sold $67.9 million in Class E shares and $94.2 million in Class E units of the Operating Partnership (“Class E units”), including $5.8 million in Class E shares and $94.2 million in Class E units purchased by JPMIM (the “JPM Initial Capitalization” and together with other Class E shares sold pursuant to such private offering, the “Initial Capitalization”). See Note 13 for further details.

3. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements include the accounts of the Company, and in the opinion of management, include all necessary adjustments, consisting of only normal and recurring items, necessary for a fair statement of the Company’s financial position and results of operations for the interim period. These financial statements have been prepared by the Company in accordance with accounting principles generally accepted in the United States of America (“GAAP”) for interim financial information and the applicable rules and regulations of the SEC. The accompanying unaudited condensed consolidated interim financial statements should be read in conjunction with the Company’s Annual Report on Form 10-K for the year ended December 31, 2025 filed with the SEC on March 16, 2026.

Certain amounts on the Company’s Condensed Consolidated Statements of Cash Flows for the three months ended March 31, 2025 have been reclassified to conform to the current period presentation. Such reclassification has no effect on previously reported totals or subtotals on the Condensed Consolidated Statements of Cash Flows.

All intercompany balances and transactions have been eliminated in consolidation. The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the balance sheet. Actual results could differ from those estimates.

There is no other comprehensive income (loss) for the three months ended March 31, 2026 and 2025, resulting in comprehensive income (loss) equaling net income (loss). Accordingly, the statement of other comprehensive income (loss) is not presented.

Principles of Consolidation

The accompanying condensed consolidated financial statements include the accounts of the Company and the Company’s subsidiaries in which the Company has a controlling interest. For consolidated joint ventures, the non-controlling partner’s share of the assets, liabilities and operations of the joint ventures is included in non-controlling interests on the Company's Condensed Consolidated Balance Sheets and Condensed Consolidated Statements of Operations. The non-controlling partner’s interest is generally computed as the joint venture partner’s ownership percentage.

In determining whether the Company has a controlling financial interest in a partially owned entity and the requirement to consolidate the accounts of that entity, the Company considers whether the entity is a variable interest entity (“VIE”) and whether it is the primary beneficiary. The Company is the primary beneficiary of a VIE when it has (i) the power to direct the most significant activities impacting the economic performance of the VIE and (ii) the obligation to absorb losses or receive benefits significant to the VIE. Entities that do not qualify as VIEs are generally considered voting interest entities (“VOEs”) and are evaluated for consolidation under the voting interest model. VOEs are consolidated when the Company controls the entity through a majority voting interest or other means. When the requirements for consolidation are not met and the Company has significant influence over the operations of the entity, the investment is accounted for under the equity method of accounting. Equity method investments for which the Company has not elected a fair value option (“FVO”) are initially recorded at cost and subsequently adjusted for the Company’s pro rata share of net income, contributions and distributions. When the Company elects the FVO, the Company records its share of net asset value of the entity and any related unrealized gains and losses.

The Operating Partnership is considered to be a VIE. The Company consolidates the Operating Partnership because it has the ability to direct the most significant activities of the entities such as purchases, dispositions, financings, budgets, and overall operating plans.

Each of the Company’s joint ventures is considered to be a VIE. The Company consolidated these entities because it has the ability to direct the most significant activities of the joint venture. The total assets and liabilities of the Company’s consolidated VIEs were $421.3 million and $248.5 million and $423.3 million and $244.9 million as of March 31, 2026 and December 31, 2025, respectively. Such amounts are included on the Company’s Condensed Consolidated Balance Sheets.

Investments in Real Estate

The Company determines whether the acquisition of a property qualifies as a business combination, which requires that the assets acquired and liabilities assumed constitute a business. If the property acquired is not a business, the Company accounts for the transaction as an asset acquisition. All property acquisitions to date have been accounted for as asset acquisitions.

Whether the acquisition of a property is considered a business combination or asset acquisition, the Company recognizes the identifiable tangible and intangible assets acquired, the liabilities assumed, and any non-controlling interest in the acquired entity. In addition, for transactions that are business combinations, the Company evaluates the existence of goodwill or a gain from a bargain purchase. The Company expenses acquisition-related costs associated with business combinations as they are incurred and capitalizes acquisition-related costs associated with asset acquisitions.

Upon the acquisition of a property deemed to be an asset acquisition, the Company assesses the fair value of acquired tangible and intangible assets (including land, buildings, tenant improvements, above-market and below-market leases, acquired in-place leases, other identified intangible assets and assumed liabilities) and allocates the purchase price to the acquired assets and assumed liabilities. The Company assesses and considers fair value based on estimated cash flow projections that utilize discount and/or capitalization rates that it deems appropriate, as well as other available market information. Estimates of future cash flows are based on a number of factors including the historical operating results, known and anticipated trends and market and economic conditions.

The fair value of the tangible assets of an acquired property considers the value of the property as if it were vacant. The Company also considers an allocation of purchase price of other acquired intangibles, including acquired in-place leases that may have a customer relationship intangible value, including, but not limited to, the nature and extent of the existing relationship with the tenants, the tenants’ credit quality and expectations of lease renewals.

The cost of buildings and improvements includes the purchase price of the Company’s properties and any acquisition-related costs, along with any subsequent capitalized improvements to such properties.

The Company’s investments in real estate are stated at cost and are generally depreciated on a straight-line basis over the estimated useful lives of the assets as follows:

Description	**Depreciable Life**
Buildings	15-40 years
Site improvements - buildings and land	2-20 years
Furniture, fixtures and equipment	5-15 years
Lease intangibles	Over lease term

Repairs and maintenance are expensed to operations as incurred and are included in property operating expenses on the Company’s Condensed Consolidated Statements of Operations. Significant improvements to properties are capitalized. When assets are sold or retired, their costs and related accumulated depreciation are removed from the accounts with the resulting gains or losses reflected in net income or loss for the period.

The Company records acquired above-market and below-market leases at their fair values (using a discount rate which reflects the risks associated with the leases acquired). In the case of an above-market lease, the excess payment (the difference between (1) the contractual amounts to be received pursuant to the lease and (2) management’s estimate of fair-market lease rates for the lease, measured over a period equal to the remaining term of the lease) is recorded as an asset on the Company’s Condensed Consolidated Balance Sheets. In the case of a below-market lease, the difference between (1) the contractual amounts to be received pursuant to the lease and (2) management’s estimate of fair-market lease rates for the lease, measured over a period equal to the initial term plus the term of any below-market fixed-rate renewal options is recorded as a liability on the Company’s Condensed Consolidated Balance Sheets. Other intangible assets acquired include amounts for in-place lease values that are based on the Company’s evaluation of the specific characteristics of each tenant’s lease. Factors to be considered include estimates of carrying costs during hypothetical expected lease-up periods considering current market conditions, and costs to execute similar leases. In estimating carrying costs, the Company includes real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, depending on local market conditions.

In estimating costs to execute similar leases, the Company considers leasing commissions, legal and other related expenses. The amortization of acquired above-market and below-market leases is recorded as an adjustment to rental revenue on the Company’s Condensed Consolidated Statements of Operations. The amortization of in-place leases is recorded as an adjustment to depreciation and amortization expense on the Company’s Condensed Consolidated Statements of Operations.

The Company’s management reviews the Company’s real estate properties for impairment each quarter or when there is an event or change in circumstances that indicates an impaired value. Since cash flows on real estate properties considered to be “long-lived assets to be held and used” are considered on an undiscounted basis to determine whether an asset has been impaired, the Company’s strategy of holding properties over the long term decreases the likelihood of recording an impairment loss. If the Company’s strategy changes or market conditions otherwise dictate an earlier sale date, an impairment loss may be recognized and such loss could be material to the Company’s results. If the Company determines that an impairment has occurred, the affected assets must be reduced to their estimated fair value. During the three months ended March 31, 2026 and 2025, no such impairments occurred.

Fair Value Measurements

Under normal market conditions, the fair value of an investment is the amount that would be received to sell an asset or transfer a liability in an orderly transaction between market participants at the measurement date (i.e., the exit price). Additionally, there is a hierarchical framework that prioritizes and ranks the level of market price observability used in measuring investments at fair value. Market price observability is impacted by a number of factors, including the type of investment and the characteristics specific to the investment and the state of the marketplace, including the existence and transparency of transactions between market participants. Investments with readily available active quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value. Investments measured and reported at fair value are classified and disclosed in one of the following levels within the fair value hierarchy:

- Level 1 — quoted prices are available in active markets for identical investments as of the measurement date. The Company does not adjust the quoted price for these investments.
- Level 2 — quoted prices are available in markets that are not active, or model inputs are based on inputs that are either directly or indirectly observable as of the measurement date.
- Level 3 — pricing inputs are unobservable and include instances where there is minimal, if any, market activity for the investment.

These inputs require significant judgment or estimation by management or third parties when determining fair value and generally represent anything that does not meet the criteria of Levels 1 and 2. Due to the inherent uncertainty of these estimates, these values may differ materially from the values that would have been used had a ready market for these investments existed.

Valuation of assets and liabilities measured at fair value

The Company's investments in real estate debt, real estate-related and other securities and derivatives are recorded at fair value. The Company generally determines the fair value of its investments by utilizing third-party pricing service providers. In determining the value of a particular real estate-related security, the pricing service providers may use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models to determine the reported price. The pricing service providers' internal models for real estate-related securities usually consider the attributes applicable to a particular class of security (e.g., credit rating, seniority), current market data, and estimated cash flows for each class and incorporate deal collateral performance such as prepayment speeds and default rates, as available.

Certain of the Company's investments in real estate debt that consist of loans secured by real estate, such as commercial mortgage loans, are unlikely to have readily available market quotations. In such cases, the Company will generally determine the initial value based on the origination amount or acquisition price of the investment if acquired by the Company or the par value of the investment if originated by the Company. Following the initial measurement, the Company will determine fair value by utilizing or reviewing certain of the following inputs: (i) market yield data, (ii) discounted cash flow modeling, (iii) collateral asset performance, (iv) local or macro real estate performance, (v) capital market conditions, (vi) debt yield or loan-to-value ratios and (vii) borrower financial condition and performance.

The Company's derivative financial instruments consist of interest rate swaps. The fair value of the Company's interest rate swaps are estimated using information provided by a third-party valuation service provider based on contractual cash flows and interest calculations using the appropriate discount rate.

Class E units held by the Adviser that are mandatorily redeemable and only subject to delays to the continuous obligation to ultimately redeem such units once sufficient availability exists under the share repurchase agreements (the "Mandatorily Redeemable Instruments") are carried at their cash redemption value as if the units were repurchased or redeemable at the reporting date, which equals Class E NAV per unit at the reporting date.

The carrying amounts of financial instruments such as other assets, accounts payable, accrued expenses and other liabilities approximate their fair values due to the short-term maturities and market rates of interest of these instruments.

The following table details the Company's assets and liabilities measured at fair value on a recurring basis ($ in thousands):

	March 31, 2026				December 31, 2025			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Investments in real estate debt	$ —	$ —	$ 304,573	$ 304,573	$ —	$ —	$ 224,600	$ 224,600
Investments in real estate-related and other securities	—	15,095	—	15,095	—	15,323	—	15,323
Total	$ —	$ 15,095	$ 304,573	$ 319,668	$ —	$ 15,323	$ 224,600	$ 239,923
Liabilities:								
Mandatorily Redeemable Instruments	$ —	$ —	$ 22,512	$ 22,512	$ —	$ —	$ 54,794	$ 54,794
Interest rate swaps(1)	—	366	—	366	—	354	—	354
Total	$ —	$ 366	$ 22,512	$ 22,878	$ —	$ 354	$ 54,794	$ 55,148

(1) Included in accounts payable, accrued expenses and other liabilities on the Company's Condensed Consolidated Balance Sheets.

The following table details the Company's assets and liabilities measured at fair value on a recurring basis using Level 3 inputs ($ in thousands):

	Investments in Real Estate Debt (asset)	Mandatorily Redeemable Instruments (liability)
Balance at December 31, 2025	$ 224,600	$ 54,794
Additions	80,000	—
Repurchases	—	(32,490)
Distributions declared	—	364
Reclassify to distributions payable/paid	—	(364)
Redemption value adjustment	—	208
Fair value adjustment	(27)	—
Balance at March 31, 2026	$ 304,573	$ 22,512

The following table contains the quantitative inputs and assumptions used for items categorized in Level 3 of the fair value hierarchy ($ in thousands):

	March 31, 2026				
	Fair Value	Valuation Technique	Unobservable Inputs	Weighted - Average Rate	Impact to Valuation from an Increase in Input
Assets:					
Investments in real estate debt	$ 304,573	Discounted cash flow	Market credit spread	SOFR(1) + 2.54%	Decrease
Liabilities:					
Mandatorily Redeemable Instruments(2)	$ 22,512	Discounted cash flow	Discount rate/ Exit capitalization rate/ Market yield	7.55%/ 6.13%/ 5.26%	Decrease

	December 31, 2025				
	Fair Value	**Valuation Technique**	**Unobservable Inputs**	**Weighted - Average Rate**	**Impact to Valuation from an Increase in Input**
Assets:					
Investments in real estate debt	$ 224,600	Discounted cash flow	Market credit spread	SOFR[1] + 2.69%	Decrease
Liabilities:					
Mandatorily Redeemable Instruments[2]	$ 54,794	Discounted cash flow	Discount rate/ Exit capitalization rate/ Market yield	7.52%/ 6.07%/ 5.44%	Decrease

[1] "SOFR" refers to the Secured Overnight Financing Rate at March 31, 2026.
[2] Mandatorily Redeemable Instruments are carried at the NAV of the Class E units, which is determined monthly in accordance with the Company's valuation guidelines.

Valuation of assets and liabilities not measured at fair value

The fair value of the Company's financial instruments (other than mortgage notes, repurchase facility and the unsecured revolving credit facility), including cash and cash equivalents and other financial instruments, approximate their carrying or contract value. The fair value of the Company's indebtedness is estimated by modeling the cash flows required by the Company's debt agreements and discounting them back to the present value using an appropriate discount rate. Additionally, the Company considers current market rates and conditions by evaluating similar borrowing agreements with comparable loan-to-value ratios and credit profiles. The inputs used in determining the fair value of the Company's indebtedness are considered Level 3.

The following table presents the carrying value and fair value of financial instruments that are not carried at fair value on the Condensed Consolidated Balance Sheets ($ in thousands):

	March 31, 2026		December 31, 2025	
	Carrying Value[1]	**Fair Value**	**Carrying Value[1]**	**Fair Value**
Mortgage notes	$ 369,604	$ 370,635	$ 365,641	$ 366,381
Repurchase facility	228,450	228,450	168,450	168,450
Unsecured revolving credit facility	73,000	73,000	73,000	73,000
Total	$ 671,054	$ 672,085	$ 607,091	$ 607,831

[1] Excludes deferred financing costs and discounts.

Recent Accounting Pronouncements

In November 2024, the Financial Accounting Standards Board ("FASB") issued ASU 2024-03, *Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures* (Subtopic 220-40): *Disaggregation of Income Statement Expenses* ("ASU 2024-03"), requiring public entities to disclose additional information about specific expense categories in the notes to the financial statements on an interim and annual basis. ASU 2024-03 is effective for fiscal years beginning after December 15, 2026, and for interim periods beginning after December 15, 2027, with early adoption permitted. The Company is currently evaluating the impact of adopting ASU 2024-03.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act (the "OBBBA"). The OBBBA permanently extended certain provisions that were enacted in the Tax Cuts and Jobs Act of 2017. Such extensions included the permanent extension of the 20% deduction for "qualified REIT dividends" for individuals and other non-corporate taxpayers. The OBBBA also increased the percentage limit under the REIT asset test applicable to taxable REIT subsidiaries ("TRSs") (the permissible value of TRS securities that a REIT may hold) from 20% to 25% of the value of the REIT's total assets for taxable years beginning after December 31, 2025. The OBBBA did not have a material impact on the Company's condensed consolidated financial statements and related disclosures.

In December 2025, FASB issued ASU 2025-09, *Derivatives and Hedging* (Topic 815): *Hedge Accounting Improvements*, which amends the guidance in ASC 815, *Derivatives and Hedging*. The update refines certain hedge accounting requirements, including clarifications to the designation and documentation criteria for hedge relationships, improvements to the assessment of hedge effectiveness, and enhanced disclosures intended to provide greater transparency into an entity's risk management activities involving derivatives. ASU 2025-09 is effective for annual periods beginning after December 15, 2026, including interim periods within those annual periods, and early adoption is permitted. The Company is currently evaluating the potential impact of the guidance and potential additional disclosures required.

In December 2025, FASB issued ASU 2025-11, *Interim Reporting* (Topic 270): *Narrow-Scope Improvements* ("ASU 2025-11"). ASU 2025-11 is intended to clarify and improve certain aspects of interim financial reporting, including the requirements for interim disclosures and the application of recognition and measurement guidance in interim periods. ASU 2025-11 is effective for interim reporting periods within annual reporting periods beginning after December 15, 2026. The Company is currently evaluating the potential impact of the guidance and potential additional disclosures required.

4. Investments in Real Estate

Investments in real estate, net consisted of the following ($ in thousands):

	March 31, 2026	December 31, 2025
Building and building improvements	$ 849,647	$ 844,419
Land and land improvements	345,290	345,103
Furniture, fixtures and equipment	8,380	8,355
Total	1,203,317	1,197,877
Accumulated depreciation	(47,979)	(38,245)
Investments in real estate, net	$ 1,155,338	$ 1,159,632

Acquisitions

There were no acquisitions during the three months ended March 31, 2026.

5. Investments in Real Estate Debt

The following table details the Company's investments in real estate debt ($ in thousands):

					March 31, 2026		December 31, 2025	
Real Estate Debt	Number of Positions	Credit Rating	Weighted-Average Coupon	Weighted-Average Maturity Date	Cost Basis	Fair Value	Cost Basis	Fair Value
Commercial Mortgage Loan	4	Not Rated	SOFR + 2.52%	December 15, 2027	$ 304,600	$ 304,573	$ 224,600	$ 224,600

Originations

On January 14, 2026, the Company originated an $84.0 million whole loan, of which $80.0 million has been funded, for the acquisition and renovation of a 198-unit, 1986-vintage, townhome style multifamily property in the San Diego, California Metropolitan Statistical Area.

The following table details the amounts recognized for the Company's investments in real estate debt ($ in thousands):

	For the Three Months Ended March 31,	
	2026	2025
Interest income	$ 5,209	$ 1,481
Unrealized loss	(27)	(3)
Total	$ 5,182	$ 1,478

6. Investments in Real Estate-Related and Other Securities

The following table details the Company's investments in real estate-related and other securities ($ in thousands):

			March 31, 2026			December 31, 2025		
Real Estate-Related and Other Securities	Weighted-Average Coupon	Weighted-Average Maturity Date	Face Amount	Cost Basis	Fair Value	Face Amount	Cost Basis	Fair Value
CMBS	6.7%	August 28, 2039	$ 15,000	$ 15,107	$ 15,095	$ 15,000	$ 15,107	$ 15,323

The following table details the amounts recognized for the Company's investments in real estate-related and other securities ($ in thousands):

	For the Three Months Ended March 31,	
	2026	2025
Interest income	$ 251	$ 552
Unrealized (loss) gain	(228)	529
Total	$ 23	$ 1,081

7. Intangibles

The gross carrying amount and accumulated amortization of the Company's intangible assets and liabilities consisted of the following ($ in thousands):

	March 31, 2026	December 31, 2025
Intangible assets:		
In-place lease intangibles	$ 77,750	$ 77,750
Above-market lease intangibles	3,124	3,124
Total intangible assets	80,874	80,874
Accumulated amortization:		
In-place lease amortization	(26,663)	(21,448)
Above-market lease amortization	(1,012)	(878)
Total accumulated amortization	(27,675)	(22,326)
Intangible assets, net	$ 53,199	$ 58,548
Intangible liabilities:		
Below-market lease intangibles	$ (11,522)	$ (11,522)
Accumulated amortization:		
Below-market lease amortization	3,919	3,087
Intangible liabilities, net	$ (7,603)	$ (8,435)

The estimated future amortization on the Company's intangibles for each of the next five years and thereafter as of March 31, 2026 is as follows ($ in thousands):

	In-place Lease Intangibles	Above-market Lease Intangibles	Below-market Lease Intangibles
2026 (remaining)	$ 7,730	$ 397	$ (1,492)
2027	8,685	520	(1,595)
2028	7,250	485	(1,331)
2029	5,730	388	(789)
2030	4,706	244	(671)
Thereafter	16,986	78	(1,725)
Total	$ 51,087	$ 2,112	$ (7,603)

The in-place lease intangible amortization is recorded in depreciation and amortization while the above-market and below-market intangible amortization is recorded in rental revenue on the Company's Condensed Consolidated Statements of Operations.

8. Mortgage Notes, Repurchase Facility and Unsecured Revolving Credit Facility

Mortgage notes

The following is a summary of the mortgage notes secured by the Company's properties ($ in thousands):

Indebtedness	Interest Rate	Maturity Date	Principal Balance Outstanding March 31, 2026	Principal Balance Outstanding December 31, 2025
Fixed rate debt secured by our properties				
Caroline West Gray	5.44%	December 1, 2029	$ 45,911	$ 45,911
Caroline Post Oak	5.44%	December 1, 2029	40,528	40,528
Coda on Centre	4.28%	May 1, 2029	27,718	27,860
The Elmstead[1]	4.30%	April 1, 2031	21,245	21,245
Bass Lofts	3.95%	September 5, 2027	14,806	14,902
One Brooklyn	4.35%	July 1, 2028	6,600	6,600
Charleston	5.08%	September 1, 2030	59,728	59,728
Baker Chocolate	3.91%	January 1, 2028	23,500	23,500
Total fixed rate			240,036	240,274
Variable rate debt secured by our properties				
6200 Bristol[2]	SOFR + 2.05%	April 1, 2029	10,000	10,000
Norfolk Industrial Portfolio[3]	SOFR + 1.75%	June 19, 2030	43,700	43,700
Preserve at Pine Valley[4]	SOFR + 1.50%	December 10, 2030	21,200	21,200
Vineyard Commons[5]	SOFR + 1.40%	January 1, 2030	45,175	45,175
Stablewood[6]	SOFR + 3.75%	August 8, 2028	9,493	5,292
Total variable rate			129,568	125,367
Total loans secured by real estate			369,604	365,641
Deferred financing costs, net			(4,047)	(4,327)
Mortgage discount, net			(1,716)	(1,869)
Total debt secured by our properties			$ 363,841	$ 359,445

[1] This loan is comprised of a senior and a mezzanine loan. The interest rate and maturity date presented are the weighted average.
[2] The Company entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 6.26%.
[3] The Company entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 5.41%.
[4] The Company entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 4.90%.
[5] The Company entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 4.88%.
[6] Represents a line of credit secured by real estate with a maximum facility size of $50 million.

The following table details the future principal payments due under the Company's mortgage notes as of March 31, 2026 ($ in thousands):

Year	Mortgage Notes
2026 (remaining)	$ 938
2027	15,458
2028	41,780
2029	125,273
2030	166,662
Thereafter	19,493
Total future principal payments	$ 369,604

Repurchase Facility

On August 22, 2024, the Company entered into a Master Repurchase Agreement (the "Repurchase Facility"). The Repurchase Facility initially provided for a maximum aggregate purchase price of $150 million and has a three-year term plus two, one-year extension options. Subject to the terms and conditions thereof, the Repurchase Facility provides for the purchase, sale and repurchase of senior mortgage loans and participation interests in performing senior mortgage loans satisfying certain conditions set forth in the Repurchase Facility. On November 14, 2025, the Repurchase Facility was amended to increase maximum aggregate purchase price from $150 million to $250 million.

Advances under the Repurchase Facility accrue interest at a per annum rate equal to the Term SOFR Base Rate (as defined in the Repurchase Facility) for a one-month period plus a margin as agreed upon for each transaction. The Repurchase Facility contains affirmative and negative covenants and provisions regarding events of default. The Operating Partnership has agreed to provide a limited guarantee of the obligations of the Company under the Repurchase Facility.

Borrowings from the Repurchase Facility were used to originate the commercial mortgage loans (see Note 5).

The Company's borrowings from the Repurchase Facility as of March 31, 2026 and December 31, 2025 are detailed in the following table ($ in thousands):

				Borrowings Outstanding	
	Maximum Facility Size	**Weighted-Average Interest Rate**	**Weighted-Average Maturity Date**	**March 31, 2026**	**December 31, 2025**
Repurchase Facility	$ 250,000	SOFR + 1.52%	August 22, 2027	$ 228,450	$ 168,450
Less: Unamortized deferred financing costs				(642)	(587)
	$ 250,000			$ 227,808	$ 167,863

The Company is subject to various financial and operational covenants under certain of its mortgage notes and the Repurchase Facility. These covenants require the Company to maintain certain financial ratios, which may include leverage, debt yield, and debt service coverage, among others. As of March 31, 2026, the Company was in compliance with its loan covenants.

Unsecured revolving credit facility

On July 15, 2025, the Operating Partnership, as a borrower and certain subsidiaries of the Operating Partnership party thereto from time to time, as designated borrowers, entered into a credit agreement (the "Credit Agreement") with Truist Bank ("Truist"), as the administrative agent and a letter of credit issuer, and each lender party thereto from time to time (the "Lenders"). The Credit Agreement provides for unsecured revolving credit commitments in an aggregate amount of up to $325.0 million for revolving loans and letter of credit issuances, with an accordion feature pursuant to which the borrowers may request to increase the revolving commitments and create new term loan tranches in an additional aggregate amount of up to $675.0 million, subject to the satisfaction of certain conditions (the "Credit Facility"). The proceeds of the Credit Facility will be used for general business purposes, including, debt refinancing, property acquisitions, new construction, renovations, capital expenditures, expansions, tenant improvements, leasing commissions, refinancing of existing lines, financing acquisition of permitted investments, dividends, redemptions, closing costs and equity investments primarily associated with commercial real estate property acquisitions or refinancings. The Credit Facility is guaranteed by the Company and certain subsidiaries of the Operating Partnership.

At the Operating Partnership's election, revolving loans advanced under the Credit Agreement shall bear interest at a rate per annum equal to (a) a forward-looking term rate based on the secured overnight financing rate for the applicable interest period ("Term SOFR"), as selected by the Operating Partnership, plus an applicable margin ranging between 1.30% and 1.80% per annum ("Term SOFR Margin"), or (b) the highest of (i) the federal funds rate plus 0.50%, (ii) Truist's prime rate, (iii) Term SOFR for a one month tenor in effect on such day plus 1.00%, and (iv) 1.00% ("Base Rate"), plus an applicable margin ranging between 0.30% and 0.80% per annum ("Base Rate Margin"). Letters of credit issued under the Credit Facility will accrue a letter of credit fee equal to the applicable Term SOFR Margin times the daily amount available to be drawn under such letter of credit.

Revolving loans and letters of credit under the Credit Facility will mature on July 15, 2028, subject to any earlier termination in accordance with the terms of the Credit Agreement and to certain extension options detailed therein.

The Company’s borrowings from the Credit Facility as of March 31, 2026 and December 31, 2025 are detailed in the following table ($ in thousands):

	Maximum Facility Size	Weighted-Average Interest Rate	Maturity Date	Borrowings Outstanding March 31, 2026	Borrowings Outstanding December 31, 2025
Credit Facility	$ 325,000	SOFR + 1.30%	July 15, 2028	$ 73,000	$ 73,000

Pursuant to the Credit Agreement, the Company has made certain representations and warranties and must comply with various covenants and reporting requirements. The Credit Agreement contains events of default for financings of this type. Upon the occurrence of certain events of default, Truist, as administrative agent, may, and at the instruction of the Lenders will, among other remedies, suspend the commitments of the Lenders and any obligation of the letter of credit issuers to make letter of credit extensions, terminate the commitments of the Lenders and any obligation of the letter of credit issuer to make letter of credit extensions, demand that existing letters of credit be cash collateralized, and declare the outstanding loans and other obligations under the Credit Facility immediately due and payable. As of March 31, 2026, the Company was in compliance with its loan covenants.

9. Related Party Transactions

Due to Affiliates

The following table details the components of due to affiliates ($ in thousands):

	March 31, 2026	December 31, 2025
Operating expenses	$ 14,873	$ 14,254
Organization and offering costs	4,990	5,366
Stockholder servicing fees	7,135	6,301
Management fee	2,282	1,683
Accrued performance participation allocation	1,780	1,365
Total	$ 31,060	$ 28,969

Operating expenses

The Adviser has advanced $14.9 million and $14.3 million of operating expenses on the Company’s behalf as of March 31, 2026 and December 31, 2025, respectively. Pursuant to the Advisory Agreement, the Company will reimburse the Adviser for all advanced operating expenses ratably over the 60 months starting the earlier of (i) the first date that the Company’s NAV reaches $1 billion and (ii) December 31, 2026.

Organization and offering costs

Pursuant to the Advisory Agreement, the Adviser advanced amounts totaling $7.5 million of organization and offering costs (including legal, accounting, and other expenses attributable to the Company’s organization, but excluding upfront selling commissions, dealer manager fees and stockholder servicing fees) on behalf of the Company through July 22, 2024. Commencing on July 22, 2024, the Company began reimbursing the Adviser for all such advanced costs ratably over a 60-month period. During the three months ended March 31, 2026, the Company reimbursed $0.4 million to the Adviser.

The outstanding organization and offering expenses due to the Adviser were $5.0 million and $5.4 million as of March 31, 2026 and December 31, 2025, respectively.

Stockholder servicing fees

J.P. Morgan Institutional Investments Inc., a registered broker-dealer affiliated with the Adviser (the "Dealer Manager"), receives a stockholder servicing fee of 0.25%, 0.85%, 0.85% and 0.85% per annum of the aggregate NAV of the Company's outstanding Class D shares, Class S shares, Class T shares and Class Y shares, respectively. The Company will cease paying the stockholder servicing fee with respect to any Class D share, Class S share, Class T share, and Class Y share sold in the primary offering (in the case of the Class D shares, Class S shares and Class T shares) and in the primary portion of the Class Y private offering (in the case of the Class Y shares) at the end of the month in which the total selling commissions, dealer manager fees and stockholder servicing fees paid with respect to such share would exceed 8.75% (or, in the case of Class T shares sold through certain participating broker-dealers, a lower limit as set forth in any applicable agreement between the Dealer Manager and a participating broker-dealer) of the gross proceeds from the sale of such share (including the gross proceeds of any shares issued under the distribution reinvestment plan with respect thereto). At the end of such month, such Class D share, Class S share, Class T share or Class Y share (and any shares issued under the distribution reinvestment plan with respect thereto) will convert into a number of Class I shares (including any fractional shares) with an equivalent aggregate NAV of such share. The Company will accrue the cost of the lifetime stockholder servicing fee as an offering cost at the time each Class D, Class S and Class T share is sold during the primary offering, and, in the case of Class Y shares, at the time each Class Y share is sold during the private offering of Class Y shares. The Company's obligations to pay stockholder servicing fees with respect to the Class D, Class S, Class T, and Class Y shares distributed in the Offerings will survive until such shares are no longer outstanding (including because such shares converted into Class I shares). As of March 31, 2026, the Company had accrued stockholder servicing fees of $7.1 million. Stockholder servicing fees are recorded as a component of due to affiliates on the Company's Condensed Consolidated Balance Sheets.

There is no stockholder servicing fee with respect to Class E, Class I or Class X shares.

Management fee

The Company and the Operating Partnership entered into an advisory agreement with the Adviser on May 31, 2022, which was last amended on March 11, 2026 (the "Advisory Agreement"). Pursuant to the Advisory Agreement, the Adviser is responsible for sourcing, evaluating and monitoring the Company's investment opportunities and making decisions related to the acquisition, management, financing and disposition of the Company's assets, in accordance with the Company's investment objectives, guidelines, policies and limitations, subject to oversight by the Company's board of directors.

The Adviser and certain of its Affiliates receive fees and compensation in connection with the ongoing management of the assets of the Company. The Adviser is paid a management fee equal to 1.00% of NAV per annum for Class D, Class I, Class S and Class T shares and 0.75% of NAV per annum for Class X and Class Y shares, payable monthly. The management fee is paid, at the Adviser's election, in cash, Class E shares, or Class E units. The Class E shares are not subject to the management fee. The Adviser waived its management fee through December 31, 2022. For the three months ended March 31, 2026 and 2025, the Company incurred management fees of $0.6 million and $0.4 million, respectively. Management fees are recorded as a component of general and administrative expenses on the Company's Condensed Consolidated Statements of Operations. As of March 31, 2026, the Company had accrued management fees of $2.3 million. Management fees are recorded as a component of due to affiliates on the Company's Condensed Consolidated Balance Sheets.

Accrued performance participation allocation

The Company, as general partner, and the Special Limited Partner entered into the Limited Partnership Agreement of the Operating Partnership on June 3, 2022, which was amended and restated on September 20, 2022, November 13, 2023 and April 17, 2026.

The Special Limited Partner holds a performance participation interest in the Operating Partnership that entitles it to receive an allocation from the Operating Partnership equal to (i) 12.5% of the annual Total Return, subject to a 5% annual Hurdle Amount and a High-Water Mark, with a Catch-Up (each term as defined in the Operating Partnership limited partnership agreement) with respect to Class D, I, S, and T units of the Operating Partnership and (ii) 10.0% of the annual Class X and Y Total Return, subject to a 7% Class X and Y Hurdle Amount and a Class X and Y High-Water Mark, with a 50% Class X and Y Catch-Up (each term as defined in the Operating Partnership's limited partnership agreement) with respect to Class X units of the Operating Partnership and Class Y units of the Operating Partnership, respectively. Such allocation is measured on a calendar year basis, settled quarterly and accrued monthly. The performance participation interest is not paid on the Class E shares and Class E units. For the three months ended March 31, 2026, the Company incurred $0.4 million of performance participation allocation. For the three months ended March 31, 2025, the Company did not incur any performance participation allocation. The performance participation allocation is recorded as a component of general and administrative expenses on the Company's Condensed Consolidated Statements of Operations. As of March 31, 2026, the Company had accrued performance participation allocation of $1.8 million. The performance participation allocation is recorded as a component of due to affiliates on the Company's Condensed Consolidated Balance Sheets.

The Company may retain certain of the Adviser's affiliates for necessary services relating to the Company's investments or its operations, including any administrative services, construction, special servicing, leasing, development, property oversight and other property management services, as well as services related to mortgage servicing, group purchasing, healthcare, consulting/brokerage, capital markets/credit origination, loan servicing, property, title or other types of insurance, management consulting and other similar operational matters.

JPMIM Investment

Pursuant to a subscription agreement dated February 23, 2022, JPMIM agreed to purchase an aggregate of $100 million in Class E shares or Class E units, provided that, if the Company receives capital commitments from investors in the private placement of Class E shares exceeding $100 million ("Other Seed Investor Commitments"), JPMIM's commitment may, in JPMIM's discretion, be reduced by an amount equal to (i) the aggregate amount of Other Seed Investor Commitments, minus (ii) $100 million, provided that such reduction amount will not exceed $75 million.

On May 26, 2022, JPMIM's Subscription Agreement dated February 23, 2022 for Class E shares or Class E units was amended to provide that the expiration of the JPMIM commitment was August 23, 2023; provided, that following such date JPMIM may, in its discretion, elect to purchase additional Class E shares or Class E units until July 22, 2025.

On July 14, 2025, the Company entered into a Second Amendment to the Subscription Agreement (the "Amendment") by and among the Company, the Operating Partnership and the Adviser to amend the repurchase terms for shares of the Company and units of the Operating Partnership purchased by the Adviser. Pursuant to the Amendment, following the end of each month after the earlier of (i) the first date that the Company's net asset value reaches $1.5 billion and (ii) July 22, 2025, the Company and/or the Operating Partnership will automatically, and without any further action by the Company, the Adviser or any affiliate thereof, repurchase or redeem, as applicable, from the Adviser a number of securities in an amount equal to 80% of the net monthly proceeds from the Offerings, but not to exceed 80% of any remaining availability of repurchases under the Company's share repurchase plan, after fulfilling any third-party stockholder repurchase requests with respect to such month pursuant thereto. See Note 13 for further details.

10. Other Assets and Liabilities

The following table summarizes the components of other assets ($ in thousands):

	March 31, 2026	December 31, 2025
Lease inducement asset	$ 10,686	$ 10,874
Straight-line rent receivable	4,457	3,275
Deferred financing costs, net	2,316	2,565
Tenant receivables	1,779	2,400
Prepaid expenses	2,440	1,244
Interest receivable	1,578	1,226
Pre-acquisition costs	320	352
Other	853	374
Total	$ 24,429	$ 22,310

The following table summarizes the components of accounts payable, accrued expenses and other liabilities ($ in thousands):

	March 31, 2026	December 31, 2025
Redemptions payable(1)	$ 11,351	$ 6,955
Accrued expenses	5,925	5,947
Distributions payable(2)	2,672	3,433
Deferred rental income	3,527	3,180
Tenant security deposits	2,851	2,786
Accounts payable	2,908	2,194
Real estate taxes payable	2,240	1,582
Other	431	779
Total	$ 31,905	$ 26,856

(1) Includes $10.3 million and $6.1 million relating to Mandatorily Redeemable Instruments held by the Adviser as of March 31, 2026 and December 31, 2025, respectively.

(2) Includes $0.1 million and $0.2 million as of March 31, 2026 and December 31, 2025, respectively, relating to distributions declared on Class E units held by the Adviser.

11. Leases

Lessor

The Company's rental revenue primarily consists of rent earned from operating leases at the Company's multifamily, single-family rental, retail and net lease industrial properties. Leases at the Company's retail and industrial properties include a fixed base rent, and a variable rent component that consists of the reimbursement of operating expenses such as real estate taxes, insurance, and common area maintenance costs. Rental revenue earned from leases at the Company's multifamily and single-family properties primarily consist of a fixed base rent, and certain leases contain a variable component that allows for the pass-through of certain operating expenses such as utilities.

The leases at the Company's net lease retail and industrial properties are longer-term and contain extension and termination options at the lessee's election. The leases do not have material variable payments, material residual value guarantees or material restrictive covenants. Leases at the Company's multifamily and single-family rental properties are short-term in nature, generally not greater than 12 months in length.

The following table details the components of operating lease income ($ in thousands):

	For the Three Months Ended March 31,	
	2026	2025
Fixed lease payments	$ 25,005	$ 7,055
Variable lease payments	4,667	1,215
Rental revenue	$ 29,672	$ 8,270

The following table presents the future minimum rents the Company expects to receive from its retail and industrial properties as of March 31, 2026 ($ in thousands):

Year	Amount
2026 (remaining)	$ 25,410
2027	33,917
2028	32,762
2029	29,668
2030	25,910
Thereafter	135,331
Total	$ 282,998

12. Equity and Redeemable Non-Controlling Interest

Authorized capital

The Company is authorized to issue preferred stock and seven classes of common stock consisting of Class D shares, Class I shares, Class S shares, Class T shares, Class E shares, Class X shares and Class Y shares. The differences among the common share classes relate to upfront selling commissions, dealer manager fees and ongoing stockholder servicing fees. See Note 2 for additional detail on each share class.

As of March 31, 2026, in accordance with the Charter, the Company had authority to issue 5.5 billion shares, consisting of the following (shares in thousands):

Classification	Number of Shares	Par Value
Class D Shares	600,000	$ 0.01
Class I Shares	1,500,000	0.01
Class S Shares	1,000,000	0.01
Class T Shares	600,000	0.01
Class E Shares	600,000	0.01
Class X Shares	500,000	0.01
Class Y Shares	600,000	0.01
Preferred Stock	100,000	0.01
Total	5,500,000	

Common Stock

The following table details the movement in the Company's outstanding shares of common stock (in thousands). There were no outstanding Class S, Class T or Class X shares as of March 31, 2026:

	For The Three Months Ended March 31, 2026							
	Class D	**Class I**	**Class S**	**Class T**	**Class E**	**Class X**	**Class Y**	**Total**
Beginning balance	1,009	13,949	—	—	55,790	—	8,579	79,327
Common stock issued	5	865	—	—	2,106	—	1,239	4,215
Distribution reinvestment	10	82	—	—	334	—	58	484
Common stock repurchased	(11)	(354)	—	—	(147)	—	(30)	(542)
Ending balance	1,013	14,542	—	—	58,083	—	9,846	83,484

The following table details the movement in the Company's outstanding shares of common stock (in thousands). There were no outstanding Class S, Class T or Class X shares as of March 31, 2025:

	For The Three Months Ended March 31, 2025							
	Class D	**Class I**	**Class S**	**Class T**	**Class E**	**Class X**	**Class Y**	**Total**
Beginning balance	993	10,146	56	—	18,566	—	2,131	31,892
Common stock issued	60	1,662	—	—	24,171	—	1,426	27,319
Distribution reinvestment	—	—	—	—	—	—	—	—
Common stock repurchased	(3)	(113)	(56)	—	(3)	—	—	(175)
Ending balance	1,050	11,695	—	—	42,734	—	3,557	59,036

There was no outstanding preferred stock as of March 31, 2026 and December 31, 2025, respectively.

Share repurchases

The Company repurchased shares of its common stock for $5.9 million during the three months ended March 31, 2026. The Company had no unfulfilled repurchase requests during the three months ended March 31, 2026. See Note 13 for further details on repurchases of Mandatorily Redeemable Instruments.

Distribution reinvestment plan

The Company has adopted a distribution reinvestment plan whereby holders of shares of common stock will have the cash distributions attributable to the shares they own reinvested in additional shares; provided, however, that clients of certain participating broker-dealers that do not permit automatic enrollment in the distribution reinvestment plan and stockholders that are residents of certain states that do not permit automatic enrollment in the distribution reinvestment plan will automatically receive their distributions in cash unless they elect to participate in the distribution reinvestment plan.

The purchase price for shares of the Company's common stock purchased pursuant to the distribution reinvestment plan will be equal to the transaction price for the applicable class of shares at the time the distribution is payable (which will generally be equal to the Company's prior month's NAV per share). Stockholders will not pay upfront selling commissions or dealer manager fees when purchasing shares of common stock pursuant to the distribution reinvestment plan. The stockholder servicing fees with respect to Class D shares, Class S shares, Class T shares and Class Y shares are calculated based on the Company's NAV for those shares and may reduce the NAV or, alternatively, the distributions payable with respect to shares of each such class, including shares issued in respect of distributions on such shares under the distribution reinvestment plan. Shares acquired under the distribution reinvestment plan will entitle the participant to the same rights and be treated in the same manner as shares purchased in the Offerings.

Distributions

The Company generally intends to distribute substantially all of its taxable income, which does not necessarily equal net income as calculated in accordance with GAAP, to its stockholders each year to comply with the REIT provisions of the Internal Revenue Code of 1986, as amended (the "Code"). Shares of each class of common stock receive the same gross distribution per share. The net distribution varies for shares of each class based on the applicable stockholder servicing fee, which is deducted from the monthly distribution per share and paid directly to the applicable distributor.

The following tables detail the distributions declared for shares of each applicable class of common stock:

	For The Three Months Ended March 31, 2026						
	Class D	Class I	Class S[2]	Class T	Class E	Class X	Class Y
Aggregate gross distributions declared per share of common stock	$ 0.1264	$ 0.1264	$ —	$ —	$ 0.1264	$ —	$ 0.1264
Stockholder servicing fee per share of common stock[1]	—	—	—	—	—	—	(0.0235)
Net distributions declared per share of common stock	$ 0.1264	$ 0.1264	$ —	$ —	$ 0.1264	$ —	$ 0.1029

	For The Three Months Ended March 31, 2025						
	Class D	Class I	Class S[2]	Class T	Class E	Class X	Class Y
Aggregate gross distributions declared per share of common stock	$ 0.1125	$ 0.1125	$ 0.0375	$ —	$ 0.1125	$ —	$ 0.1125
Stockholder servicing fee per share of common stock[1]	—	—	(0.0078)	—	—	—	(0.0229)
Net distributions declared per share of common stock	$ 0.1125	$ 0.1125	$ 0.0297	$ —	$ 0.1125	$ —	$ 0.0896

[1] Stockholder servicing fees only apply to Class D, Class S, Class T and Class Y shares. For purposes of NAV, the Company recognizes the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is incurred. Under GAAP, the Company accrues the full cost of the stockholder servicing fee as an offering cost at the time the Company sells Class D, Class S, Class T and Class Y shares. The stockholder servicing fee on Class D shares was waived as of March 31, 2026, and the NAV attributable to current holders of Class D shares will not be included in the computation of stockholder servicing fees charged on Class D shares in perpetuity. The Company accrued stockholder servicing fees of $7.1 million and $6.3 million as of March 31, 2026 and December 31, 2025, respectively.

[2] All Class S shares were repurchased prior to the February 28, 2025 record date for distributions.

Redeemable Non-Controlling Interest

In connection with its performance participation interest, the Special Limited Partner holds Class E units. See Note 9 for further details of the Special Limited Partner’s performance participation interest. Because the Special Limited Partner has the ability to redeem its Class E units for cash, at its election, the Company has classified these Class E units as redeemable non-controlling interest in mezzanine equity on the Company’s Condensed Consolidated Balance Sheets. The redeemable non-controlling interest is recorded at the greater of the carrying amount, adjusted for its share of the allocation of income or loss and distributions, or the redemption value, which is equivalent to fair value, of such units at the end of each measurement period which was $0.3 million and $0.9 million as of March 31, 2026 and December 31, 2025, respectively.

13. Mandatorily Redeemable Instruments

The Class E units held by JPMIM and purchased pursuant to the Initial Capitalization are mandatorily redeemable, and only subject to delays to the continuous obligation to ultimately redeem the instruments once sufficient availability exists under share repurchase agreements. Therefore, the Mandatorily Redeemable Instruments held by JPMIM are classified as a liability pursuant to Topic 480 — *Distinguishing Liabilities from Equity* and are presented as Mandatorily Redeemable Instruments at the initial funding amount received, which is equivalent to fair value at the issuance dates. Subsequently, the Mandatorily Redeemable Instruments are carried at their cash redemption value as if the Class E units were repurchased or redeemable at the reporting date, which equals NAV per Class E unit. The change in carrying value (changes in NAV per Class E unit) is classified as Mandatorily redeemable instruments interest costs along with any cash distributions declared in the Condensed Consolidated Statements of Operations. During the three months ended March 31, 2026, the Company recorded $0.6 million of Mandatorily redeemable instruments interest costs in the Condensed Consolidated Statements of Operations, which consisted of redemption value adjustments of $0.2 million and distribution expenses of $0.4 million, respectively. During the three months ended March 31, 2025, the Company recorded $1.2 million of mandatorily redeemable instruments interest costs in the Condensed Consolidated Statements of Operations, which consisted of a redemption value adjustment of $0.1 million and distribution expenses of $1.1 million, respectively.

As an investor in Class E units, JPMIM's interest does not have any voting rights but is entitled to receive distributions at the same rate applicable to other classes of units.

Operating Partnership units also carry a protective exchange feature whereby in a liquidation, dilution or winding up, each unit will convert into a number of Class I units (or fraction thereof) having an equivalent NAV. Such feature is designed to carry over NAV into a new form of security immediately prior to liquidation and is not deemed a substantive conversion feature as it is only applicable upon liquidation or upon a listing event which is not the intent of this public, non-listed REIT structure.

As of December 31, 2025, the Company had sold 9.0 million Class E units and 0.5 million Class E shares to the Adviser for an aggregate purchase price of $94.2 million and $5.8 million, respectively. During the three months ended March 31, 2026, the Company did not sell any Class E units or Class E shares to the Adviser that are subject to mandatory repurchase requirements (see Note 2). During the three months ended March 31, 2026, the Company repurchased 2.8 million Class E units amounting to $32.5 million. As of March 31, 2026, there are no outstanding Class E shares held by the Adviser that are subject to mandatory repurchase requirements.

The following table details the Mandatorily Redeemable Instruments activity for the three months ended March 31, 2026 ($ in thousands):

	Amount
Balance at the beginning of the year	$ 54,794
(Repurchase) Issuance	(32,490)
Distributions declared	364
Reclassification to distributions payable/paid	(364)
Redemption value adjustment	208
Ending balance	$ 22,512

The following table details the future payments due under the Mandatorily Redeemable Instruments as of March 31, 2026 ($ in thousands):

Year	Total[1]
2026 (remaining)	$ 22,512
2027	—
2028	—
2029	—
2030	—
Thereafter	—
Total future payments	$ 22,512

[1] See below for the redemption terms.

Redemption features

JPMIM had agreed to hold all the Class E shares and Class E units it purchased pursuant to the JPM Initial Capitalization until July 22, 2025. Following such date, each month the Company has been repurchasing, without further action by JPMIM, a number of Class E shares or Class E units from JPMIM in an amount equal to 80% of the net monthly proceeds from the Offerings, but not to exceed 80% of any remaining availability of repurchases under the Company's share repurchase plan, after fulfilling any third-party stockholder repurchase requests with respect to such month pursuant thereto until such time as the JPM Initial Capitalization has been fully repurchased; provided, that the number of shares subject to each JPM Mandatory Repurchase may be reduced where other holders of Class E shares that were issued pursuant to the Initial Capitalization and are not subject to repurchase under the share repurchase plan request repurchase of their shares, in which case the Class E shares and Class E units held by JPMIM and such other investors will be repurchased on a pro rata basis based on their respective percentage ownership in the Company immediately prior to such repurchase (not to exceed an aggregate number of shares equal to the amount available under the share repurchase plan's 2% monthly and 5% quarterly caps). Notwithstanding the foregoing, the Company will not effect any JPM Mandatory Repurchase during any month in which the full amount of all shares requested to be repurchased by stockholders other than JPMIM under the share repurchase plan is not repurchased or when the share repurchase plan has been suspended.

In addition, subject to certain exceptions, where the shares of the Company's common stock and Operating Partnership units owned by the Adviser, together with any such shares and units owned by the Adviser and its affiliates, including any shares or units issued in lieu of cash management fees payable to the Adviser or the performance participation payable to the Special Limited Partner (such aggregate ownership, the "JPM Interest"), represent a 24.99% or lesser interest in the Company, the Company will, or will cause the Operating Partnership to, automatically and without further action by the Adviser, repurchase or redeem, as applicable, an amount of shares or units from the Adviser as may be necessary to cause the JPM Interest to remain equal to or less than 24.99% (each such repurchase or redemption, a "JPM Regulatory Repurchase"). To the extent the Adviser elects to receive its management fee in shares of the Company's common stock or Operating Partnership units, the Company may repurchase those shares or units without regard to the limitations described above or the early repurchase deduction.

Distributions

The Company generally intends to distribute substantially all of its taxable income, which does not necessarily equal net income as calculated in accordance with GAAP, to its stockholders each year to comply with the REIT provisions of the Code. The Mandatorily Redeemable Instruments receive the same gross distribution per share as the Class E common stock. For the three months ended March 31, 2026 and 2025, distributions declared on the Mandatorily Redeemable Instruments totaled $0.4 million and $1.1 million, respectively. When a distribution is declared, the Company records a distribution expense as a component of Mandatorily redeemable instruments interest cost in the Condensed Consolidated Statements of Operations. A distribution payable is also recorded within accounts payable, accrued expenses and other liabilities on the Company's Condensed Consolidated Balance Sheets until the distribution is paid. The distribution payable for Mandatorily Redeemable Instruments was $0.1 million and $0.2 million as of March 31, 2026 and December 31, 2025, respectively.

14. Earnings Per Share

The Company's net (loss) income and weighted-average number of shares outstanding for the three months ended March 31, 2026 and 2025 consist of the following ($ and shares in thousands):

	For the Three Months Ended March 31,	
	2026	**2025**
Net (loss) income attributable to JPMREIT stockholders	$ (2,778)	$ 1,681
Weighted-average shares of common stock outstanding, basic	82,216	50,719
Weighted-average shares of common stock outstanding, diluted	82,216	50,724

The calculation of basic and diluted net (loss) income per share amounts for the three months ended March 31, 2026 and 2025 consists of the following ($ and shares in thousands except per-share numbers):

	For the Three Months Ended March 31,	
	2026	**2025**
Basic Net (Loss) Income per Share Attributable to JPMREIT Stockholders		
Numerator:		
Net (loss) income attributable to JPMREIT stockholders	$ (2,778)	$ 1,681
Denominator:		
Weighted-average shares of common stock outstanding	82,216	50,719
Basic net (loss) income per share of common stock	$ (0.03)	$ 0.03
Diluted Net (Loss) Income per Share Attributable to JPMREIT Stockholders		
Numerator:		
Net (loss) income attributable to JPMREIT stockholders	$ (2,778)	$ 1,681
Denominator:		
Weighted-average shares of common stock outstanding	82,216	50,724
Diluted net (loss) income per share of common stock	$ (0.03)	$ 0.03

For the three months ended March 31, 2026, unvested Class E shares awarded to the Company's independent directors as compensation for their service are excluded from the calculation of diluted earnings per share as the inclusion of such potential common shares in the calculations would be anti-dilutive for the period. There were no other potentially dilutive, unvested common shares for the three months ended March 31, 2026 and 2025.

15. Segment Reporting

The Chief Executive Officer, as the chief operating decision maker (the "CODM"), allocates resources and evaluates results based on the performance of each of the Company's five reportable segments: multifamily, industrial, single-family rental, retail, and investments in real estate debt, real estate-related and other securities. The Company and the CODM believe that segment net operating income is the key performance metric that captures the unique operating characteristics of each segment. The significant expense categories and amounts presented below align with the segment-level information that is regularly provided to the CODM.

The following table details the total assets by segment ($ in thousands):

	March 31, 2026	December 31, 2025
Multifamily	$ 646,208	$ 649,339
Industrial	434,226	438,750
Single-family rental	43,692	43,671
Retail	122,124	122,873
Investments in real estate debt, real estate-related and other securities	321,246	241,220
Other (corporate)	6,099	7,665
Total assets	$ 1,573,595	$ 1,503,518

The following table details the financial results by segment for the three months ended March 31, 2026 ($ in thousands):

	Multifamily	Industrial	Single-family rental	Retail	Investments in real estate debt, real estate-related and other securities	Total
Revenues						
Rental revenue	$ 15,808	$ 9,607	$ 1,019	$ 3,238	$ —	$ 29,672
Total revenues	15,808	9,607	1,019	3,238	—	29,672
Expenses						
Rental property operating	7,463	2,052	489	1,288	—	11,292
Total expenses	7,463	2,052	489	1,288	—	11,292
Income from investments in real estate debt	—	—	—	—	5,182	5,182
Income from investments in real estate-related and other securities	—	—	—	—	23	23
Segment net operating income	$ 8,345	$ 7,555	$ 530	$ 1,950	$ 5,205	$ 23,585
Depreciation and amortization	$ (7,166)	$ (5,854)	$ (384)	$ (1,544)	$ —	$ (14,948)
General and administrative						(1,845)
Mandatorily redeemable instruments interest costs						(573)
Interest expense						(9,310)
Other income, net						114
Net loss						$ (2,977)
Net loss attributable to non-controlling interests in consolidated joint ventures						(199)
Net loss attributable to JPMREIT stockholders						$ (2,778)

The following table details the financial results by segment for the three months ended March 31, 2025 ($ in thousands):

	Multifamily	Industrial	Single-family rental	Retail	Investments in real estate debt, real estate-related and other securities	Total
Revenues						
Rental revenue	$ 4,195	$ 1,963	$ 603	$ 1,509	$ —	$ 8,270
Total revenues	4,195	1,963	603	1,509	—	8,270
Expenses						
Rental property operating	1,579	300	484	664	6	3,033
Total expenses	1,579	300	484	664	6	3,033
Income from investments in real estate debt	—	—	—	—	1,478	1,478
Income from investments in real estate-related and other securities	—	—	—	—	1,081	1,081
Segment net operating income (loss)	$ 2,616	$ 1,663	$ 119	$ 845	$ 2,553	$ 7,796
Depreciation and amortization	$ (1,635)	$ (949)	$ (385)	$ (589)	$ —	$ (3,558)
General and administrative						(1,647)
Mandatorily redeemable instruments interest costs						(1,186)
Interest expense						(2,488)
Other income, net						2,743
Net income						$ 1,660
Net loss attributable to non-controlling interests in consolidated joint ventures						(21)
Net income attributable to JPMREIT stockholders						$ 1,681

16. Derivatives

The Company uses derivative financial instruments to minimize the risks and costs associated with the Company's investments and financing transactions. The Company has not designated any of its derivative financial instruments as hedges as defined under GAAP.

Derivatives not designated as hedges are not speculative and are used to manage the Company's exposure to interest rate movements and other identified risks.

The use of derivative financial instruments involves certain risks, including the risk that counterparties do not perform as agreed. To mitigate this risk, the Company enters into derivative financial instruments with counterparties it believes to have appropriate credit ratings and that are major financial institutions with which the Company and its affiliates may also have other financial relationships.

Interest rate contracts

Certain of the Company's transactions expose the Company to interest rate risk on loans secured by the Company's real estate. The Company uses derivative financial instruments which includes interest rate swaps to limit the Company's exposure to interest rate fluctuations.

The following table details the Company’s outstanding interest rate swaps that were non-designated hedges of interest rate risk (notional amount in thousands):

	March 31, 2026						
Interest rate swap	**Number of Instruments**	**Notional Amount**	**Weighted-Average Strike Rate**	**Index**	**Weighted-Average Maturity (Years)**	**Weighted-Average Commencement Date**	**Weighted-Average Maturity Date**
Interest rate swaps – mortgage notes	4	$ 120,100	3.59%	SOFR	2.6	August 17, 2025	October 19, 2028

	December 31, 2025						
Interest rate swap	**Number of Instruments**	**Notional Amount**	**Weighted-Average Strike Rate**	**Index**	**Weighted-Average Maturity (Years)**	**Weighted-Average Commencement Date**	**Weighted-Average Maturity Date**
Interest rate swaps – mortgage notes	4	$ 120,100	3.59%	SOFR	2.8	August 17, 2025	October 19, 2028

The following table details the fair value of the Company's derivative financial instruments ($ in thousands):

	Fair Value of Derivatives[1]	
	March 31, 2026	**December 31, 2025**
Interest rate swaps	$ (366)	$ (354)

[1] The derivative liability balances as of March 31, 2026 and December 31, 2025 are included in accounts payable, accrued expenses and other liabilities.

17. Commitments and Contingencies

Litigation

From time to time, the Company may be involved in various claims and legal actions arising in the ordinary course of business. As of March 31, 2026, the Company was not involved in any material legal proceedings.

18. Subsequent Events

The Company evaluated subsequent events through the issuance date of the financial statements, and determined that except as otherwise disclosed herein there were no additional material subsequent events requiring disclosure.

On April 24, 2026, the Company acquired a 114-unit, 55+ active adult mid-rise rental community located in the Philadelphia Metropolitan Statistical Area for $28.7 million, excluding closing costs.

Subsequent to March 31, 2026 through May 15, 2026, the Company repurchased 1.3 million Class E units from the Adviser for an aggregate amount of $14.5 million.

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

References herein to the "Company," "we," "us," or "our" refer to J.P. Morgan Real Estate Income Trust, Inc. together with its consolidated subsidiaries, including J.P. Morgan REIT Operating Partnership, L.P. (the "Operating Partnership"), a Delaware limited partnership of which we are the general partner, unless the context specifically requires otherwise.

The following discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto appearing elsewhere in this Quarterly Report on Form 10-Q.

Forward-Looking Statements

This Quarterly Report on Form 10-Q contains forward-looking statements about our business, including, in particular, statements about our plans, strategies and objectives. You can generally identify forward-looking statements by our use of forward-looking terminology such as "may," "will," "expect," "intend," "anticipate," "estimate," "believe," "continue," or other similar words. These statements include our plans and objectives for future operations, including plans and objectives relating to future growth and availability of funds, and are based on current expectations that involve numerous risks and uncertainties. Assumptions relating to these statements involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to accurately predict and many of which are beyond our control. Such forward-looking statements are inherently uncertain and there are or may be important factors that could cause actual outcomes or results to differ materially from those indicated in such statements. We believe these factors also include those described under the section entitled "Item 1A. Risk Factors" in our Annual Report on Form 10-K for the year ended December 31, 2025, which is accessible on the SEC's website at www.sec.gov. These factors should not be construed as exhaustive and should be read in conjunction with the other cautionary statements that are included in this document (or our prospectus and other filings). Except as otherwise required by federal securities laws, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise.

Overview

We are a Maryland corporation formed on November 5, 2021. We were formed to invest primarily in stabilized, income-generating real properties. We are an externally advised, perpetual-life REIT formed to pursue the following investment objectives:

- provide attractive current income in the form of regular, stable cash distributions;
- preserve and protect invested capital;
- realize appreciation in NAV from proactive investment management and asset management; and
- provide an investment alternative for stockholders seeking to allocate a portion of their long-term investment portfolios to real estate.

We cannot assure you that we will achieve our investment objectives. In particular, we note that our NAV may be subject to volatility related to changes in the values of our assets.

We currently qualify, and intend to continue to qualify, as a REIT for federal income tax purposes. We own all or substantially all of our assets through the Operating Partnership, of which we are the sole general partner.

Our board of directors at all times has ultimate oversight and policymaking authority over us, including responsibility for governance, financial controls, compliance and disclosure. Pursuant to the Advisory Agreement, however, we have delegated to the Adviser the authority to source, evaluate and monitor our investment opportunities and make decisions related to the acquisition, management, financing and disposition of our assets, in accordance with our investment objectives, guidelines, policies and limitations, subject to oversight by our board of directors.

Our initial public offering of our common stock commenced on July 22, 2022. We acquired our first investment on September 2, 2022.

On July 8, 2025, we filed a Registration Statement on Form S-11 (File No. 333-288565) for our second public offering to register up to $4.8 billion of shares of common stock, consisting of up to $3.8 billion in shares in its primary offering and up to $1.0 billion in shares pursuant to our distribution reinvestment plan. On February 4, 2026, we commenced our second public offering and our initial public offering automatically terminated. In addition to our public offerings, we are conducting several private offerings.

We intend to contribute the net proceeds from the Offerings which are not used or retained to pay the fees and expenses attributable to our operations to the Operating Partnership. The Operating Partnership will use the net proceeds received from us to make investments in accordance with our investment strategy and policies.

The number and type of properties or real estate-related and other investments that we acquire will depend upon real estate market conditions, the amount of proceeds we raise in the Offerings and other circumstances existing at the time we are acquiring such assets.

We are not aware of any material trends or uncertainties, favorable or unfavorable, other than national economic conditions affecting real estate generally, that may be reasonably anticipated to have a material impact on either capital resources or the revenue or income to be derived from acquiring properties, real estate debt and real estate-related or other securities.

Q1 2026 Highlights

Capital raising and distributions

- Raised net proceeds of $52.6 million from the sale of shares of our common stock, including shares issued under our distribution reinvestment plan, during the three months ended March 31, 2026.
- Declared distributions totaling $10.5 million for the three months ended March 31, 2026, including $0.4 million related to Class E units owned by the Adviser.

The details of the average annualized distribution rates and total returns as of March 31, 2026 are shown in the following table:

	Class D	Class I	Class E	Class Y
Average annualized distribution rate[1]	4.80%	4.77%	4.43%	3.64%
Year-to-date total return, without upfront selling commissions[2]	1.57%	1.57%	2.04%	1.59%
Year-to-date total return, assuming maximum upfront selling commissions[2]	0.07%	1.57%	2.04%	-1.84%
Inception-to-date total return, without upfront selling commissions[2] [3]	6.14%	6.19%	8.12%	6.01%
Inception-to-date total return, assuming maximum upfront selling commissions[2] [3]	5.65%	6.19%	8.12%	4.40%

(1) Average annualized distribution rate is calculated as the current month's distribution annualized and divided by the prior month's NAV, which is inclusive of all fees and expenses.

(2) Total return is calculated as the change in NAV per share during the respective period plus any distributions per share declared in the period and assumes any distributions are reinvested in accordance with our distribution reinvestment plan. Inception-to-date total return is annualized.

(3) The inception date was January 3, 2023 for Class D shares, November 1, 2023 for Class I shares, August 1, 2022 for Class E shares and January 1, 2024 for Class Y shares.

Investing

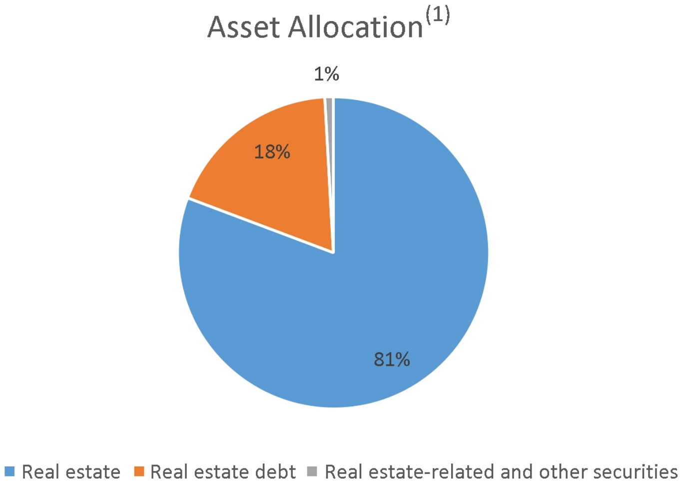
- Originated an $84.0 million real estate debt investment, of which $80.0 million was funded at origination.

Financing

- Borrowed $60.0 million from the Repurchase Facility to finance the investment in real estate debt.

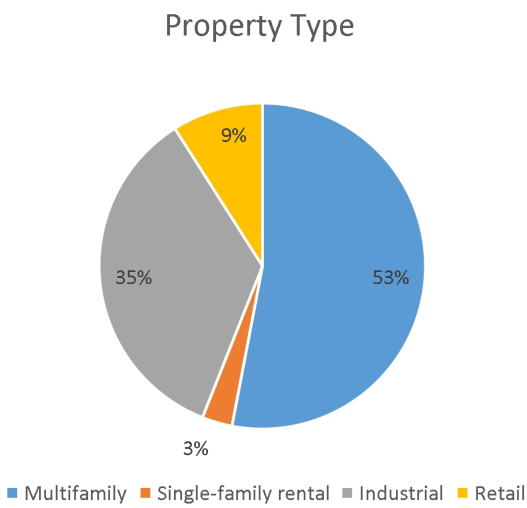
Portfolio

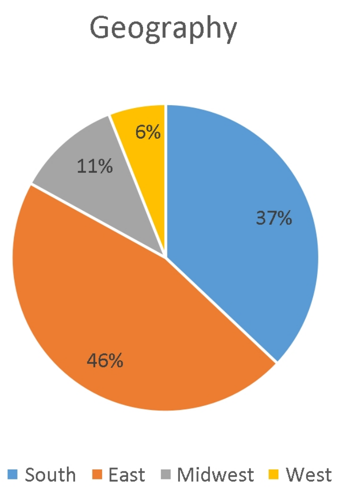
The following chart outlines the percentage of our assets across investments in real estate, real estate debt and real estate-related and other securities based on fair value by category as of March 31, 2026:



[(1)] Real estate includes our direct property investments; real estate debt includes commercial mortgage loans; and real estate-related and other securities consists of our CMBS investments.

The following charts further describe the composition of our investments in real estate based on estimated fair value as of March 31, 2026:





Investments in real estate

As of March 31, 2026, we owned 60 real estate properties which are summarized in the following table ($ in thousands):

Property type	**Number of Properties**	**Sq. Ft. (in thousands)/ Number of Units**[1]	**Occupancy Rate**[1][2]	**Gross Asset Value**[3]	**Revenue**[4]	**% of Revenue**
Multifamily	16	2,973 units	90%	$ 705,091	$ 15,808	53%
Single-family rental[5]	1	126 units	86%	46,802	1,019	4%
Industrial[6]	40	5,664 sq. ft.	99%	467,017	9,607	32%
Retail[7]	3	236 sq. ft.	95%	122,623	3,238	11%
Total	60			$ 1,341,533	$ 29,672	100%

(1) Excludes properties under development related to one of our retail investments.

(2) Reflects real estate operating property investments only. Occupancy for our multifamily and single-family rental properties is measured monthly by dividing property market rent for occupied units by the gross market rent potential of all units. Gross market rent potential is the average monthly market rent of all units at the property. For our retail and industrial properties, occupancy represents the percentage of all leased square footage divided by the total available square footage as indicated. An operating property is an existing property that was purchased, regardless of current occupancy. For a newly developed property, operating is defined as reaching 60% occupancy or having been available for occupancy for a year from its certificate of occupancy.

(3) Based on fair value as of March 31, 2026.

(4) Revenue includes tenant recoveries, straight-line rent, above-market lease amortization and below-market lease amortization.

(5) Represents 126 Fiore townhomes that are included as a single property in the number of properties.

(6) Includes 3.7 million square feet of land related to industrial outdoor storage and 2.0 million square feet of buildings related to other industrial properties.

(7) Includes four retail developments that are represented as a single property in the number of properties.

The following table provides information regarding our real estate properties as of March 31, 2026:

Property Type and Investment	Number of Properties	Location(1)	Acquisition Date	Ownership Interest(2)	Sq. ft. (in thousands)/Number of Units(3)	Occupancy(4)
Multifamily:						
Caroline West Gray	1	Houston, TX	November 2022	95%	275 units	91%
Caroline Post Oak	1	Houston, TX	November 2022	95%	238 units	89%
Coda on Centre	1	Pittsburgh, PA	December 2022	100%	175 units	88%
Preserve at Pine Valley	1	Wilmington, NC	February 2025	90%	219 units	87%
Bass Lofts	1	Atlanta, GA	March 2025	100%	133 units	92%
The Elmstead	1	Providence, RI	June 2025	100%	100 units	91%
The Kensley	1	Jacksonville, FL	June 2025	100%	300 units	80%
Echelon Oswego	1	Chicago, IL	June 2025	100%	312 units	91%
Reflections at Red Mountain	1	Mesa, AZ	June 2025	100%	256 units	92%
Charleston Darby Portfolio	5	Charleston, SC	August 2025	90%	647 units	94%
Vineyard Commons	1	Kingston, NY	August 2025	100%	185 units	95%
Baker Chocolate Factory	1	Boston, MA	October 2025	95%	133 units	86%
Total multifamily	16				2,973 units	
Single-family rental:						
Fiore(5)	1	Sarasota, FL	December 2023 - September 2024	100%	126 units	86%
Total single-family rental	1				126 units	
Industrial:						
Industrial outdoor storage						
6200 Bristol	1	Philadelphia, PA	October 2022	100%	424 sq. ft.	100%
Industrial outdoor storage portfolio	17	Various(6)	June and September 2025	100%	3,284 sq. ft.	100%
Total industrial outdoor storage	18				3,708 sq. ft.	
Other industrial						
Savannah Truck Terminal	1	Savannah, GA	July 2023	100%	136 sq. ft.	100%
PODS	2	Various(7)	November 2024	100%	154 sq. ft.	100%
Norfolk Industrial Portfolio	7	Various(8)	April 2025	88%	581 sq. ft.	89%
Dallas Infill Portfolio	9	Dallas, TX	May and July 2025	100%	553 sq. ft.	100%
One Brooklyn	1	New York, NY	July 2025	100%	76 sq. ft.	100%
11801 Industry	1	Jacksonville, FL	July 2025	100%	257 sq. ft.	100%
125 Fisher Street	1	Worcester, MA	December 2025	100%	199 sq. ft.	90%
Total other industrial	22				1,956 sq. ft.	
Total industrial	40					
Retail:						
Shops at Grand Avenue	1	New York, NY	May 2024	95%	100 sq. ft.	88%
Stablewood	1	Various(9)	Various	98%	—	—
Shoppes at Heron Lakes	1	Miami, FL	November 2025	100%	136 sq. ft.	100%
Total retail	3				236 sq. ft.	

(1) Refers to the metropolitan statistical area.
(2) Certain of the joint venture agreements entered into by us provide the other partner a profits interest based on certain internal rate of return hurdles being achieved.
(3) Excludes properties under development related to one of our retail investments.
(4) Reflects real estate operating property investments only. Occupancy for our multifamily properties is measured monthly by dividing property market rent for occupied units by the gross market rent potential of all units. Gross market rent potential is the average monthly market rent of all units at the property. For our retail and industrial investments, occupancy represents the percentage of all leased square footage divided by the total available square footage as indicated. An operating property is an existing property that was purchased, regardless of current occupancy. For a newly developed property, operating is defined as reaching 60% occupancy or having been available for occupancy for a year from its certificate of occupancy.
(5) Represents 126 Fiore townhomes that are included as a single property in the number of properties.
(6) Includes five properties located in Illinois, three properties located in New Jersey, two properties in each of Pennsylvania, New York and Wisconsin and one property in each of California, Connecticut and Washington.
(7) Represents one property located in Tampa, Florida and one located in Pinellas Park, Florida.
(8) Represents six properties located in Norfolk, Virginia and one located in Rockledge, Florida.
(9) Represents four retail developments including one in Greenville, South Carolina, one in Denver, Colorado, one in Pensacola, Florida and one in Holland, Michigan.

Lease expirations

The following table details the expiring leases at our retail and industrial properties by annualized base rent as of March 31, 2026 ($ in thousands). The table below excludes our multifamily and single-family rental properties as substantially all leases at such properties expire within 12 months:

Year	Number of Expiring Leases	Annualized Rent[1]	% of Total Annualized Rent Expiring
2026 (remaining)	7	$ 1,184	4%
2027	9	1,979	6%
2028	17	2,959	9%
2029	10	2,796	9%
2030	18	6,087	19%
2031	5	1,521	5%
2032	3	1,229	4%
2033	1	1,784	6%
2034	4	569	2%
2035	3	1,360	4%
Thereafter	21	10,098	32%
Total	98	$ 31,566	100%

(1) Represents annualized base rent as of March 31, 2026 and excludes tenant recoveries.

Investments in real estate debt

The following table summarizes our investments in real estate debt as of March 31, 2026 and December 31, 2025 ($ in thousands):

					March 31, 2026		December 31, 2025	
Real Estate Debt	Number of Positions	Credit Rating	Weighted-Average Coupon	Weighted-Average Maturity Date	Cost Basis	Fair Value	Cost Basis	Fair Value
Commercial Mortgage Loan	4	Not Rated	SOFR[1] + 2.52%	December 15, 2027	$ 304,600	$ 304,573	$ 224,600	$ 224,600

(1) "SOFR" refers to the Secured Overnight Financing Rate.

Investments in real estate-related and other securities

The following table summarizes our investments in real estate-related and other securities as of March 31, 2026 and December 31, 2025 ($ in thousands):

			March 31, 2026			December 31, 2025		
Real Estate-Related and Other Securities	**Weighted-Average Coupon**	**Weighted-Average Maturity Date**	**Face Amount**	**Cost Basis**	**Fair Value**	**Face Amount**	**Cost Basis**	**Fair Value**
CMBS	6.7%	August 28, 2039	$ 15,000	$ 15,107	$ 15,095	$ 15,000	$ 15,107	$ 15,323

Results of Operations

The following tables set forth information regarding our consolidated results of operations ($ in thousands, except per share data):

	For the Three Months Ended March 31,		
	2026	**2025**	**Change**
Revenues			
Rental revenue	$ 29,672	$ 8,270	$ 21,402
Total revenues	29,672	8,270	21,402
Expenses			
Rental property operating	11,292	3,033	8,259
General and administrative	1,845	1,647	198
Depreciation and amortization	14,948	3,558	11,390
Total expenses	28,085	8,238	19,847
Other income (expense), net			
Income from investments in real estate debt	5,182	1,478	3,704
Income from investments in real estate-related and other securities	23	1,081	(1,058)
Mandatorily redeemable instruments interest costs	(573)	(1,186)	613
Interest expense	(9,310)	(2,488)	(6,822)
Other income, net	114	2,743	(2,629)
Total other (expense) income, net	(4,564)	1,628	(6,192)
Net (loss) income	$ (2,977)	$ 1,660	$ (4,637)
Net loss attributable to non-controlling interests in consolidated joint ventures	(199)	(21)	(178)
Net (loss) income attributable to JPMREIT stockholders	$ (2,778)	$ 1,681	$ (4,459)
Net (loss) income per share of common stock – basic	$ (0.03)	$ 0.03	$ (0.07)
Net (loss) income per share of common stock – diluted	$ (0.03)	$ 0.03	$ (0.07)
Weighted-average shares of common stock outstanding – basic	82,216	50,719	31,497
Weighted-average shares of common stock outstanding – diluted	82,216	50,724	31,492

Rental revenue

Due to our acquisitions of real estate since March 31, 2025, our rental revenue for the three months ended March 31, 2026 and March 31, 2025 is not comparable. Rental revenue primarily consists of base rent arising from tenant leases at our multifamily, single-family rental, industrial and retail properties. Rental revenue, aside from short-term leases generally less than one year in term, is recognized on a straight-line basis over the life of the lease, including any fixed and measurable rent escalations and abatements.

Rental property operating expenses

Rental property operating expenses consist of the costs of ownership and operation of our real estate investments. Examples of rental property operating expenses include insurance, utilities, real estate taxes and repair and maintenance expenses. Due to our acquisitions of real estate since March 31, 2025, our rental property operating expenses for the three months ended March 31, 2026 and March 31, 2025 are not comparable.

General and administrative expenses

During the three months ended March 31, 2026, general and administrative expenses increased by $0.2 million, in comparison to the corresponding period in 2025. The increase was primarily due to an increase of $0.3 million in performance participation allocation, and an increase of $0.2 million in asset management fees, partially offset by a decrease of $0.3 million in legal and professional fees.

Depreciation and amortization expenses

Depreciation and amortization expenses are impacted by the fair values assigned to buildings, personal property and in-place lease assets as part of the initial purchase price allocation. During the three months ended March 31, 2026, depreciation and amortization expenses increased by $11.4 million in comparison to the corresponding period in 2025. Depreciation and amortization expense increased as compared to the corresponding periods in 2025 due to our acquisitions of real estate since March 31, 2025.

Income from investments in real estate debt

During the three months ended March 31, 2026, income from investments in real estate debt increased by $3.7 million in comparison to the corresponding period in 2025 primarily due to the $225.3 million of real estate debt originated since March 31, 2025.

Income from investments in real estate-related and other securities

During the three months ended March 31, 2026, income from investments in real estate-related and other securities decreased by $1.1 million in comparison to the corresponding period in 2025. The decrease was primarily due to a decrease in interest income of $0.3 million and a decrease in net unrealized gain of $0.8 million.

Mandatorily redeemable instruments interest costs

During the three months ended March 31, 2026, mandatorily redeemable instruments interest costs decreased by $0.6 million in comparison to the corresponding period in 2025 primarily due to a decrease in distributions declared of $0.7 million, partially offset by an increase in redemption value adjustment of $0.1 million due to repurchases during the year.

Interest expense

During the three months ended March 31, 2026, interest expense increased by $6.8 million, in comparison to the corresponding period in 2025. Interest expense primarily consists of interest expense incurred on our mortgage notes, Repurchase Facility and the Credit Facility. The change in interest expense was primarily attributable to an increase in interest expense relating to our new mortgage notes and an increase in borrowings under the Repurchase Facility and the Credit Facility since March 31, 2025.

Other income, net

During the three months ended March 31, 2026, other income, net decreased by $2.6 million in comparison to the corresponding period in 2025 primarily due to a decrease of $2.6 million in interest income from our investment in a money market fund.

Net loss attributable to non-controlling interests in consolidated joint ventures

During the three months ended March 31, 2026, net loss attributable to non-controlling interests in consolidated joint ventures increased by $0.2 million in comparison to the corresponding period in 2025 primarily due to the non-controlling interest held by our joint venture partners in properties acquired since March 31, 2025.

Funds from Operations and Adjusted Funds from Operations

We believe funds from operations ("FFO") is a meaningful supplemental non-GAAP operating measure, which should be considered along with, but not as an alternative to, net (loss) income as a measure of operating performance. Our condensed consolidated financial statements are presented under historical cost accounting which, among other things, requires depreciation of real estate investments to be calculated on a straight-line basis. As a result, our operating results imply that the value of our real estate investments will decrease evenly over a set time period. However, we believe that the value of real estate investments will change over time based on market conditions and as such, depreciation under historical cost accounting may be less informative. FFO is a standard REIT industry measure defined by the National Association of Real Estate Investment Trusts ("Nareit").

FFO, as defined by Nareit and presented below, is calculated as net income or loss (computed in accordance with GAAP), excluding (i) depreciation and amortization, (ii) impairment of investments in real estate, (iii) net gains or losses from sales of real estate, (iv) net gains or losses from change in control, and (v) similar adjustments for non-controlling interests and unconsolidated entities.

We also believe that adjusted FFO ("AFFO") is a meaningful supplemental non-GAAP disclosure of our operating results. AFFO further adjusts FFO in order for our operating results to reflect the specific characteristics of our business by adjusting for items we believe are not related to our core operations. Our adjustments to FFO to arrive at AFFO include removing the impact of (i) straight-line rental income and expense, (ii) amortization of above- and below-market lease intangibles, net, (iii) unrealized gains or losses in fair value of financial instruments, (iv) non-cash performance participation allocation, (v) organization costs, (vi) amortization of deferred financing costs, (vii) amortization of restricted stock awards, (viii) amortization of mortgage premium/discount, and (ix) similar adjustments for unconsolidated joint ventures. AFFO is not defined by Nareit and our calculation of AFFO may not be comparable to disclosures made by other REITs.

The following table presents a reconciliation of net loss attributable to stockholders to FFO and AFFO ($ in thousands):

	For the Three Months Ended March 31,	
	2026	**2025**
Net loss attributable to JPMREIT stockholders	$ (2,778)	$ 1,681
Adjustments to arrive at FFO:		
Real estate depreciation and amortization	14,948	3,558
Amount attributable to non-controlling interests for above adjustments	(503)	(236)
FFO attributable to stockholders	11,667	5,003
Adjustments to arrive at AFFO:		
Straight-line rental income	(1,161)	(216)
Amortization of above-and below-market lease intangibles	(697)	(15)
Changes in fair value of financial instruments, net	475	(525)
Performance Participation Allocation	415	—
Amortization of deferred financing costs	633	50
Amortization of stock based compensation awards	26	25
Accretion of mortgage discount	152	34
Amount attributable to non-controlling interests for above adjustments	59	1
AFFO attributable to JPMREIT stockholders	$ 11,569	$ 4,357

Liquidity and Capital Resources

Liquidity

Our primary needs for liquidity and capital resources are to fund our investments, to make distributions to our stockholders, to repurchase shares of our common stock pursuant to our share repurchase plan, to pay our offering and operating fees and expenses and to pay interest on any outstanding indebtedness we may incur. Our offering and operating fees and expenses include the management fee we pay to the Adviser, the performance participation allocation that the Operating Partnership pay to the Special Limited Partner, stockholder servicing fees we pay to the Dealer Manager, legal, audit, tax and valuation expenses, federal and state filing fees, printing expenses, administrative fees, transfer agent fees, marketing and distribution expenses and fees related to acquiring, financing, appraising and managing our properties. We do not have any office or personnel expenses as we do not have any employees.

Over time, we generally intend to fund our cash needs for items other than asset acquisitions from operations. Our cash needs for acquisitions will be funded primarily from the sale of shares of our common stock, through the assumption or incurrence of secured or unsecured financings from banks or other lenders and from proceeds from the sales of assets. If necessary, we may use financings or other sources of capital in the event of unforeseen significant capital expenditures.

If we are unable to raise substantial funds, we will make fewer investments, resulting in less diversification in terms of the type, number and size of investments we make and the value of an investment in us will fluctuate with the performance of the specific assets we acquire. Further, we have certain fixed operating expenses, including certain expenses as a publicly offered REIT, regardless of whether we are able to raise substantial funds. Our inability to raise substantial funds would increase our fixed operating expenses as a percentage of gross income, reducing our net income and limiting our ability to make distributions.

Capital resources

The following table is a summary of our indebtedness as of March 31, 2026 and December 31, 2025 ($ in thousands):

				Principal Balance Outstanding	
Indebtedness	**Interest Rate**	**Maturity Date**	**Maximum Facility Size**	**March 31, 2026**	**December 31, 2025**
Fixed rate debt secured by our properties					
Caroline West Gray	5.44%	December 1, 2029	N/A	$ 45,911	$ 45,911
Caroline Post Oak	5.44%	December 1, 2029	N/A	40,528	40,528
Coda on Centre	4.28%	May 1, 2029	N/A	27,718	27,860
The Elmstead[1]	4.30%	April 1, 2031	N/A	21,245	21,245
Bass Lofts	3.95%	September 5, 2027	N/A	14,806	14,902
One Brooklyn	4.35%	July 1, 2028	N/A	6,600	6,600
Charleston	5.08%	September 1, 2030	N/A	59,728	59,728
Baker Chocolate	3.91%	January 1, 2028	N/A	23,500	23,500
Total fixed rate				240,036	240,274
Variable rate debt secured by our properties					
6200 Bristol[2]	SOFR + 2.05%	April 1, 2029	N/A	10,000	10,000
Norfolk Industrial Portfolio[3]	SOFR + 1.75%	June 19, 2030	N/A	43,700	43,700
Preserve at Pine Valley[4]	SOFR + 1.50%	December 10, 2030	N/A	21,200	21,200
Vineyard Commons[5]	SOFR + 1.40%	January 1, 2030	N/A	45,175	45,175
Stablewood	SOFR + 3.75%	August 8, 2028	$ 50,000	9,493	5,292
Total variable rate				129,568	125,367
Total loans secured by real estate				369,604	365,641
Repurchase Facility	SOFR + 1.52%	August 22, 2027	$ 250,000	228,450	168,450
Unsecured revolving credit facility	SOFR + 1.30%	July 15, 2028	$ 325,000	73,000	73,000
Total indebtedness				$ 671,054	$ 607,091

(1) This loan is comprised of a senior and mezzanine loan. The interest rate and maturity date presented are the weighted average.
(2) We entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 6.26%.
(3) We entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 5.41%.
(4) We entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 4.90%.
(5) We entered into an interest rate swap that was not designated as a hedge, which fixed the rate at 4.88%.

Cash Flows

The following table provides a breakdown of the net change in our cash and cash equivalents and restricted cash ($ in thousands):

	For the Three Months Ended		
	March 31, 2026	March 31, 2025	Change
Net cash provided by operating activities	$ 11,738	$ 5,506	$ 6,232
Net cash used in investing activities	(85,897)	(118,619)	32,722
Net cash provided by financing activities	71,015	295,968	(224,953)
Net change in cash, cash equivalents and restricted cash	$ (3,144)	$ 182,855	$ (185,999)

Cash flows provided by operating activities increased by $6.2 million for the three months ended March 31, 2026 compared to the corresponding period in 2025 primarily due to an increase in cash flows from operations from our investments in real estate as a result of growth in the size of our portfolio.

Cash flows used in investing activities decreased by $32.7 million for the three months ended March 31, 2026 compared to the corresponding period in 2025 primarily due to a decrease of $51.4 million in real estate acquisitions and a decrease of $63.1 million in purchase of real-estate related and other securities, partially offset by an increase of $80.0 million in the origination of investments in real estate debt.

Cash flows provided by financing activities decreased by $225.0 million for the three months ended March 31, 2026 compared to the corresponding period in 2025 primarily due to a decrease of net proceeds from the issuance of common stock of $251.3 million and an increase of $32.3 million in repurchases of common stock and mandatorily redeemable instruments, partially offset by an increase of $60.0 million in proceeds from the Repurchase Facility.

Distributions

We generally intend to distribute substantially all of our taxable income, which does not necessarily equal net income as calculated in accordance with GAAP, to our stockholders each year to comply with the REIT provisions of the Code. Each class of common stock receives the same gross distribution per share. The net distribution varies for each class based on the applicable stockholder servicing fee, which is deducted from the monthly distribution per share.

The following tables detail the aggregate distributions declared for each applicable class of common stock:

	For The Three Months Ended March 31, 2026						
	Class D	Class I	Class S[2]	Class T	Class E	Class X	Class Y
Aggregate gross distributions declared per share of common stock	$ 0.1264	$ 0.1264	$ —	$ —	$ 0.1264	$ —	$ 0.1264
Stockholder servicing fee per share of common stock[1]	—	—	—	—	—	—	(0.0235)
Net distributions declared per share of common stock	$ 0.1264	$ 0.1264	$ —	$ —	$ 0.1264	$ —	$ 0.1029

	For The Three Months Ended March 31, 2025						
	Class D	Class I	Class S[2]	Class T	Class E	Class X	Class Y
Aggregate gross distributions declared per share of common stock	$ 0.1125	$ 0.1125	$ 0.0375	$ —	$ 0.1125	$ —	$ 0.1125
Stockholder servicing fee per share of common stock[1]	—	—	(0.0078)	—	—	—	(0.0229)
Net distributions declared per share of common stock	$ 0.1125	$ 0.1125	$ 0.0297	$ —	$ 0.1125	$ —	$ 0.0896

(1) Stockholder servicing fees only apply to Class D, Class S, Class T and Class Y shares. For purposes of NAV, the Company recognizes the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is incurred. Under GAAP, the Company accrues the full cost of the stockholder servicing fee as an offering cost at the time the Company sells Class D, Class S, Class T and Class Y shares. The stockholder servicing fee on Class D shares was waived as of March 31, 2026, and the NAV attributable to current holders of Class D shares will not be included in the computation of stockholder servicing fees charged on Class D shares in perpetuity. The Company accrued stockholder servicing fees of $7.1 million and $6.3 million as of March 31, 2026 and December 31, 2025, respectively.

(2) All Class S shares were repurchased prior to the February 28, 2025 record date for distributions.

The following tables summarize our distributions paid on our shares of common stock ($ in thousands):

	For The Three Months Ended March 31, 2026		For The Three Months Ended March 31, 2025	
	Amount	Percentage	Amount	Percentage
Distributions				
Paid in cash	$ 4,508	45%	$ 2,601	55%
Reinvested in shares	5,444	55%	2,119	45%
Total distributions	$ 9,952	100%	$ 4,720	100%
Source of Distributions				
Cash flows from operating activities	$ 9,952	100%	$ 4,720	100%
Offering proceeds	—	—	—	—
Total sources of distributions	$ 9,952	100%	$ 4,720	100%
Cash flows from operating activities	$ 11,738		$ 5,506	
Funds from Operations	$ 11,667		$ 5,003	
Adjusted Funds from Operations	$ 11,569		$ 4,357	

In addition to the distributions paid on our common stock, during the three months ended March 31, 2026 and 2025, we paid $0.5 million and $1.1 million, respectively, for Mandatorily Redeemable Instruments. Such amounts are recorded in Mandatorily redeemable instruments interest costs on our Condensed Consolidated Statements of Operations.

Net Asset Value

Our board of directors, including a majority of our independent directors, has adopted valuation guidelines that contain a comprehensive set of methodologies to be used by the Adviser and our independent valuation advisor in connection with estimating the values of our assets and liabilities for purposes of our NAV calculation. The overarching principle of these guidelines is to produce a valuation that represents a fair and accurate estimate of the value of our investments or the price that would be received for our investments in an arm's-length transaction between a willing buyer and a willing seller in possession of all material information about our investments. These valuation guidelines are largely based upon standard industry practices used by private, open-end real estate funds and other public, non-listed REITs, and are administered by the Adviser.

As a public company, we are required to issue financial statements based on historical cost in accordance with GAAP, which are subject to an independent audit. To calculate our NAV for purposes of establishing a purchase and repurchase price for our shares, we have adopted a model, as explained below, that adjusts the value of our assets from historical cost to fair value in accordance with the GAAP principles set forth in FASB Accounting Standards Codification Topic 820, *Fair Value Measurements and Disclosures*. However, our valuation procedures and our NAV are not subject to GAAP and are not subject to independent audit. Our NAV may differ from equity reflected on our audited financial statements, even if we are required to adopt a fair value basis of accounting for GAAP financial statement purposes in the future. Because these fair value calculations involve significant professional judgment in the application of both observable and unobservable attributes, the calculated fair value of our assets may differ from their actual realizable value or future fair value. While we believe our NAV calculation methodologies are consistent with standard industry practices, there is no rule or regulation that requires that we calculate NAV in a certain way. As a result, other public, non-listed REITs may use different methodologies or assumptions to determine NAV.

The following valuation methods are used for purposes of calculating our NAV:

- Investments in real property are valued by our independent valuation advisor and independent third-party appraisal firms using the income approach's discounted cash flow method. The discounted cash flow method takes into consideration contractual rent payments over the life of the lease term offset by any capitalized expenditures. Our independent valuation advisor and independent third-party appraisers may supplement the discounted cash flow analysis with a sales comparison approach and the income approach's direct capitalization method, but typically reconcile exclusively to the discounted cash flow method.
- In general, investments in real estate debt are valued by an independent debt valuation services firm using a variety of methods, including but not limited to, market quotations and/or discounted cash flow method. Our independent debt valuation services firm calculates the fair value of loans in accordance with GAAP and by considering all relevant calculations and scenarios that a market participant would consider in evaluating the financial instrument. Most loans held as an investment are valued by discounting debt service cash flows using a market yield.
- Investments in real estate-related and other securities consists of investments in commercial mortgage-backed securities. We classify real estate-related and other securities as trading securities which the Adviser generally values on the basis of publicly available market quotations or at fair value determined in accordance with GAAP.

- Interest rate swaps are valued using widely accepted valuation techniques, including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The fair values of interest rate swaps are determined using the market standard methodology of netting the discounted future fixed cash receipts (or payments) and the discounted expected variable cash payments (or receipts). The variable cash payments (or receipts) are based on an expectation of future interest rates (forward curves) derived from observable market interest rate curves.
- Treasury note futures contracts are valued based on quoted market prices for identical instruments.
- Liabilities include the fees payable to the Adviser and the Dealer Manager, accounts payable, accrued operating expenses, property-level mortgages, the Repurchase Facility, any portfolio-level credit facilities and other liabilities, where applicable. Other than property-level mortgages and the Repurchase Facility, we include the cost basis of our liabilities as part of NAV, which approximates fair value. These carrying amounts are meant to reasonably approximate fair value due to the liquid and short-term nature of the instruments. We include as part of NAV the fair value of our property-level mortgages and Repurchase Facility, which are valued monthly by an independent valuation services firm. For most loans valued from the borrower's perspective, our independent debt valuation services firm utilizes a discounted cash flow analysis in evaluating its fair value conclusions. Additional inputs or adjustments to fair value conclusions may be applicable based on observations of market participant behavior.

In accordance with the valuation guidelines, our fund administrator calculates our NAV per share for each class of our common stock as of the last calendar day of each month, using a process that reflects several components (each as described above), including the estimated fair value of (1) each of our properties based upon individual appraisal reports provided quarterly by third-party independent valuation firms or our independent valuation advisor, (2) our real estate-related assets for which third-party market quotes are available, (3) our other real estate-related assets, if any, and (4) our other assets and liabilities. The NAV per share for the share classes we are offering to the public may differ because stockholder servicing fees, management fees and the performance participation allocable to a specific class of shares are only included in the NAV calculation for that class.

At the end of each month, before taking into consideration additional issuances of shares of capital stock, share repurchases or class-specific expense accruals for that month, any change in our aggregate NAV (whether an increase or decrease) is allocated among each class of shares based on each class's relative percentage of the previous aggregate NAV plus issuances of shares that were effective on the first calendar day of such month. The NAV calculation is available generally within 15 calendar days after the end of the applicable month. Changes in our monthly NAV include accruals of our net portfolio income, interest expense, the management fee, any accrued performance participation, distributions, unrealized/realized gains and losses on assets, any applicable organization and offering costs and any expense reimbursements. Changes in our monthly NAV also include material non-recurring events, such as capital expenditures and material property acquisitions and dispositions occurring during the month. Notwithstanding anything herein to the contrary, the Adviser may in its discretion consider material market data and other information that becomes available after the end of the applicable month in valuing our assets and liabilities and calculating our NAV for a particular month. On an ongoing basis, the Adviser will adjust the accruals to reflect actual operating results and the outstanding receivable, payable and other account balances resulting from the accumulation of monthly accruals for which financial information is available.

The Adviser advanced our organization and offering expenses on our behalf (other than upfront selling commissions, dealer manager fees and stockholder servicing fees) through July 22, 2024. On such date, we began reimbursing the Adviser for all such advanced costs ratably over a period that will continue until 60 months following such date. For purposes of calculating our NAV, the organization and offering expenses paid by the Adviser through July 22, 2024 will not be recognized as expenses, or as a component of equity and reflected in our NAV, until we reimburse the Adviser for these expenses. In addition, the operating expenses paid by the Adviser through the earlier of (i) the first date that our NAV reaches $1 billion and (ii) December 31, 2026, will not be recognized as expenses and reflected in our NAV, until we reimburse the Adviser for these expenses.

Following the aggregation of the net asset values of our investments, the addition of any other assets (such as cash on hand) and the deduction of any other liabilities, our fund administrator incorporates any class-specific adjustments to our NAV, including additional issuances and repurchases of our common stock and accruals of class-specific stockholder servicing fees, management fees and any accrued performance participation. For each applicable class of shares, each of the stockholder servicing fee and the management fee is calculated as a percentage of the aggregate NAV for such class of shares. At the close of business on the record date for any declared distribution, our NAV for each class will be reduced to reflect the accrual of our liability to pay any distribution to our stockholders of record of such class. NAV per share for each class is calculated by dividing such class's NAV at the end of each month by the number of shares outstanding for that class at the end of such month.

We calculate NAV per share in accordance with the valuation guidelines that have been approved by our board of directors. We believe our NAV is a meaningful supplemental non-GAAP operating metric. The following table provides a breakdown of the major components of our NAV as of March 31, 2026 ($ and shares/units in thousands):

Components of NAV	March 31, 2026
Investments in real estate	$ 1,341,533
Investments in real estate debt	304,573
Investments in real estate-related and other securities	15,095
Cash and cash equivalents	15,285
Restricted cash	4,676
Other assets	9,797
Debt obligations	(669,560)
Other liabilities	(32,334)
Accrued performance participation allocation	(1,780)
Stockholder servicing fees payable the following month[1]	(80)
Non-controlling interests in joint ventures	(17,917)
Mandatorily redeemable instruments[2]	(22,512)
Net Asset Value	$ 946,776
Number of outstanding shares/units	83,507

[1] Stockholder servicing fees only apply to Class T, Class S, Class D and Class Y shares. For purposes of NAV, we recognize the stockholder servicing fee as a reduction of NAV on a monthly basis as such fee is paid. Under accounting principles generally accepted in the United States of America ("GAAP"), we accrue the lifetime cost of the stockholder servicing fee as an offering cost at the time we sell Class T, Class S, Class D and Class Y shares. The stockholder servicing fee on Class D shares was waived as of March 31, 2026, and the NAV attributable to current holders of Class D shares will not be included in the computation of stockholder servicing fees charged on Class D shares in perpetuity. As of March 31, 2026, we had accrued under GAAP stockholder servicing fees of $7.1 million.

[2] Represents Class E units in the Operating Partnership (the "Mandatorily Redeemable Instruments") held by the Adviser that are mandatorily redeemable and only subject to delays to the continuous obligation to ultimately redeem such units once sufficient availability exists under the share repurchase agreements. Therefore, the Mandatorily Redeemable Instruments held by the Adviser are classified as a liability pursuant to Topic 480 — *Distinguishing Liabilities from Equity* and are initially presented at the initial funding amount received, which is equivalent to fair value at the issuance dates. Subsequently, the Mandatorily Redeemable Instruments are carried at their cash redemption value as if the units were repurchased or redeemable at the reporting date, which equals NAV per Class E unit of $11.53. As of March 31, 2026, there were approximately 2.0 million Class E units included in Mandatorily Redeemable Instruments.

The following table provides a breakdown of our total NAV and NAV per share/unit by class as of March 31, 2026 ($ and shares/units in thousands except per-share/unit data):

NAV Per Share/Unit	Class D Shares	Class I Shares	Class S Shares	Class T Shares	Class E Shares	Class X Shares	Class Y Shares	Operating Partnership Units[1]	Total
Net asset value	$ 10,742	$ 154,862	$ —	$ —	$ 669,496	$ —	$ 111,419	$ 257	$ 946,776
Number of outstanding shares/units	1,014	14,542	—	—	58,084	—	9,845	22	83,507
NAV per share/unit	$ 10.60	$ 10.65	$ —	$ —	$ 11.53	$ —	$ 11.32	$ 11.53	

[1] Class E units held by the Special Limited Partner.

Set forth below are the weighted averages of the key assumptions in the discounted cash flow methodology used in the March 31, 2026 valuations, based on property types. Once we own more than one single-family rental, we will include the key assumptions for such property types.

Property Type	Discount Rate	Exit Capitalization Rate
Multifamily	7.31%	5.89%
Industrial	7.94%	6.43%
Retail	7.64%	6.63%

These assumptions are determined by our independent valuation advisor and reviewed by the Adviser. A change in these assumptions would impact the calculation of the values of our property investments. For example, assuming all other factors remain unchanged, the changes listed below would result in the following effects on our investment values:

Input	Hypothetical Change	Multifamily Investment Values	Industrial Investment Values	Retail Investment Values
Discount Rate	0.25% decrease	1.95%	1.94%	1.84%
(weighted average)	0.25% increase	(1.87)%	(1.83)%	(1.84)%
Exit Capitalization Rate	0.25% decrease	2.68%	2.51%	2.30%
(weighted average)	0.25% increase	(2.51)%	(2.19)%	(2.03)%

The following table reconciles stockholders' equity per our Condensed Consolidated Balance Sheets to our NAV as of March 31, 2026 ($ in thousands):

Reconciliation of Stockholders' Equity to NAV	March 31, 2026
Stockholders' equity under GAAP	$ 803,312
Redeemable non-controlling interest	257
Total stockholders' equity and Operating Partnership units	803,569
Adjustments:	
Organization, offering costs and operating expenses[(1)]	9,118
Accrued stockholder servicing fees[(2)]	7,055
Unrealized real estate and borrowings appreciation, net[(3)]	54,532
Accumulated depreciation and amortization[(4)]	76,959
Straight-line rent receivable[(5)]	(4,457)
NAV	$ 946,776

[(1)] The Adviser advanced our organization and offering expenses on our behalf (other than upfront selling commissions and stockholder servicing fees) through July 22, 2024. On such date, we began reimbursing the Adviser for all such advanced costs ratably over a period that will continue until 60 months following such date. During the three months ended March 31, 2026, we reimbursed $0.4 million to the Adviser. In addition, the Adviser has agreed to advance on our behalf certain of our operating expenses through the earlier of (i) the first date that our NAV reaches $1 billion and (ii) December 31, 2026 at which point we will reimburse the Adviser for all such advanced expenses ratably over the 60 months following such date. Under GAAP, organization costs are expensed as incurred and offering costs are charged to equity as such amounts are incurred. For the purposes of calculating NAV, such costs will be recognized as a reduction to NAV as they are reimbursed ratably over the respective 60-month reimbursement periods.

[(2)] Stockholder servicing fees only apply to Class D, Class S, Class T and Class Y shares. For purposes of NAV, we recognize the stockholder servicing fee as a reduction to our NAV on a monthly basis as such fee is paid. Under GAAP, we accrue the lifetime cost of the stockholder servicing fee as an offering cost at the time we sell Class D, Class S, Class T and Class Y shares. The stockholder servicing fee on Class D shares was waived as of March 31, 2026, and the NAV attributable to current holders of Class D shares will not be included in the computation of stockholder servicing fees charged on Class D shares in perpetuity.

[(3)] Our investments in real estate are presented at historical cost in our GAAP condensed consolidated financial statements. Additionally, our mortgage notes, Repurchase Facility and the Credit Facility ("Borrowings") are presented at their carrying values in our condensed consolidated financial statements. As such, any changes in the fair market values of our investments in real estate or our Borrowings are not included in our GAAP results. For purposes of determining our NAV, our investments in real estate and our Borrowings are recorded at fair value.

[(4)] In accordance with GAAP, we depreciate our investments in real estate and amortize certain other assets and liabilities. Such depreciation and amortization is not recorded for purposes of determining our NAV.

[(5)] We record straight-line rent in accordance with GAAP. Any resulting straight-line rent receivable or liability is excluded for purposes of determining our NAV.

Critical Accounting Policies

The preparation of the financial statements in accordance with GAAP involves significant judgments and assumptions and requires estimates about matters that are inherently uncertain. These judgments will affect our reported amounts of assets and liabilities and our disclosure of contingent assets and liabilities at the dates of the financial statements and the reported amounts of revenue and expenses during the reporting periods. With different estimates or assumptions, materially different amounts could be reported in our financial statements.

Purchase price allocation of acquired investments in real estate

Upon the acquisition of a property, we assess the fair value of acquired tangible and intangible assets and liabilities (including land, buildings, tenant improvements, above-market and below-market leases, acquired in-place leases, other identified intangible assets and assumed liabilities) and allocate the purchase price to the acquired assets and assumed liabilities on a relative fair value basis in accordance with ASC 805, *Business Combinations*. All expenses related to asset acquisitions are capitalized and allocated among the identified assets. Generally, the most significant portion of the allocation is to the building and land and requires the use of market-based estimates and assumptions.

We assess and consider fair value based on estimated cash flow projections that utilize appropriate discount and/or capitalization rates, as well as other available market information. Estimates of future cash flows are based on a number of factors, including the historical operating results, known and anticipated trends, and market and economic conditions. The fair value of the tangible assets of an acquired property considers the value of the property as if it were vacant.

Acquired above-market and below-market leases are recorded at their fair values (using a discount rate which reflects the risks associated with the leases acquired) equal to the difference between (1) the contractual amounts to be paid pursuant to each in-place lease and (2) management's estimate of fair market lease rates for each corresponding in-place lease, measured over a period equal to the remaining term of the lease for above-market leases and the initial term plus the term of any below-market fixed-rate renewal options for below-market leases. Other intangible assets acquired include amounts for in place lease values that are based on our evaluation of the specific characteristics of each tenant's lease. Factors to be considered include estimates of carrying costs during hypothetical expected lease-up periods considering current market conditions, and costs to execute similar leases. In estimating carrying costs, we include real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, depending on local market conditions. In estimating costs to execute similar leases, we consider leasing commissions, legal and other related expenses. A change in any of the assumptions above, which are subjective, could have a material impact on our results of operations.

The allocation of the purchase price directly affects the following in our condensed consolidated financial statements:

- the amount of purchase price allocated to the various tangible and intangible assets and liabilities on our Condensed Consolidated Balance Sheets;
- the amounts allocated to above-market and below-market leases are amortized to rental income over the remaining non-cancelable terms of the respective leases. The amounts allocated to all other tangible and intangible assets are amortized to depreciation or amortization expense. Thus, depending on the amounts allocated between land and depreciable assets, changes in the purchase price allocation among our assets could have a material impact on our net income; and
- the period of time over which tangible and intangible assets are depreciated varies greatly, and thus, changes in the amounts allocated to these assets will have a direct impact on our results of operations. Intangible assets are generally amortized over the respective lives of the leases. Also, we depreciate our buildings over a maximum of 40 years, but do not depreciate our land. These differences in timing could have a material impact on our results of operations.

Impairment of long-lived assets

We review real estate properties (including any related amortizable intangible assets or liabilities) for impairment each quarter or when there is an indicator, including, but not limited to, property operating performance, changes in anticipated holding period and general market conditions, that the value of the real estate properties may be impaired. Our estimate of the expected future cash flows in testing for impairment is subjective and based on, among other things, our estimates regarding future market conditions, rental rates, occupancy levels, costs of tenant improvements, assumptions regarding the residual value of our properties at the end of our anticipated holding period, discount rates, exit capitalization rates and the length of our anticipated holding period. In preparing the projection of undiscounted future cash flows, we estimate exit capitalization rates and market rental rates using information that we obtain from market comparability studies and other comparable sources and apply the undiscounted cash flows against our expected holding period. These assumptions could differ materially from actual results. If changes in our strategy or the market conditions result in a reduction in the holding period and an earlier sale date, an impairment loss could be recognized and such loss could be material. If impairment was indicated, the carrying value of the property would be written down to its estimated fair value based on our best estimate of the property's discounted future cash flows using market derived capitalization rates, discount rates and market rental rates applied against our expected hold period.

We evaluated our portfolio, as of March 31, 2026 and December 31, 2025, for impairment indicators. We did not record any impairment losses for the three months ended March 31, 2026 or year ended December 31, 2025.

Mandatorily Redeemable Instruments

We report our Mandatorily Redeemable Instruments as a liability on our Condensed Consolidated Balance Sheets at JPMIM's cash redemption value. JPMIM's cash redemption value is determined based on our NAV per Class E unit as of our balance sheet date. For purposes of determining our NAV, our investments in real estate are recorded at fair value based on independent third-party valuations prepared by licensed appraisers in accordance with standard industry practice or in the case of real estate-related and other securities using readily available actively quoted prices.

These fair value estimates of our investments in real estate are particularly important as they are used for the calculation of NAV, which determines the adjustment to the carrying value of our Mandatorily Redeemable Instruments. Significant differences in the fair value of our Mandatorily Redeemable Instruments may result from changes in market conditions that cause our NAV, and thus JPMIM's redemption value, to increase or decrease during the period which is recorded as a component of Mandatorily redeemable instruments interest costs on our Condensed Consolidated Statements of Operations.

Investments in real estate debt

Our investments in real estate debt consist of investments in commercial mortgage loans. Our investments in real estate debt are carried at fair value as we elected the fair value option. Investments with readily available, actively quoted prices or for which fair value can be measured from actively quoted prices generally will have a higher degree of market price observability and a lesser degree of judgment used in measuring fair value.

Our real estate debt investments are unlikely to have readily available market quotations. As such, we determine fair value by utilizing or reviewing certain of the following (i) market yield data, (ii) discounted cash flow modeling, (iii) collateral asset performance, (iv) local or macro real estate performance, (v) capital market conditions, (vi) debt yield or loan-to-value ratios and (vii) borrower financial condition and performance. We classify these investments as Level 3 within the valuation hierarchy. Judgments used to determine the fair values of Level 3 instruments are more significant than those required when determining the fair value of instruments classified as Level 1 or 2 due to the inherent uncertainty of the estimates and judgments used. These values may differ materially from the values that would have been used had a ready market for these investments existed. External factors may cause those values and the values of those investments for which readily observable inputs exist, to increase or decrease over time, impacting the value of our investment which is recorded in income from investments in real estate debt on the Condensed Consolidated Statements of Operations.

Off-Balance Sheet Arrangements

We have no off-balance sheet arrangements.

Item 3. Quantitative and Qualitative Disclosures About Market Risk.

Interest rate risk

We are exposed to interest rate risk with respect to our variable-rate indebtedness, where an increase in interest rates would directly result in higher interest expense costs. We may seek to manage or mitigate our exposure to interest risk through interest rate protection agreements to fix or cap a portion of our variable rate debt. As of March 31, 2026, the outstanding principal balance of our variable rate indebtedness was $310.9 million.

Certain of our mortgage loans and other indebtedness are variable rate and indexed to SOFR. For the three months ended March 31, 2026, a 10% increase in SOFR would have resulted in an increase in interest expense of $0.3 million. We have executed interest rate swaps with an aggregate notional amount of $120.1 million as of March 31, 2026, to hedge the risk of increasing interest rates.

We have invested a portion of our portfolio in floating-rate investments in real estate debt and intend to invest in both fixed- and floating-rate real estate debt investments in the future. For floating-rate investments in real estate debt, our net income will increase or decrease depending on interest rate movements. For the three months ended March 31, 2026, a 10% decrease in the reference rate would have resulted in a decrease in interest income of $0.2 million. Additionally, interest rate movement can impact the valuation of real estate debt depending on various aspects of the instrument, including the credit rating, duration and structure of the interest rate payments.

Credit risk

We are exposed to credit risk with respect to the tenants that occupy properties we own. To mitigate this risk, we undertake a credit evaluation of major tenants prior to making an investment. This analysis includes extensive due diligence of a potential tenant's creditworthiness and business, as well as an assessment of the strategic importance of the property to the tenant's core business operations.

Additionally, we are exposed to credit risk in the real estate-related debt investments that we make with respect to a borrower's ability to make required interest and principal payments on scheduled due dates. We manage this risk by conducting a credit analysis prior to making an investment and by actively monitoring our portfolio and the underlying credit quality. In addition, we re-evaluate the credit risk inherent in our investments on a regular basis under fundamental considerations such as gross domestic product, unemployment, interest rates, retail sales, store closing/openings, corporate earnings, housing inventory, affordability and regional home price trends.

Finally, we may be exposed to counterparty credit risk under the terms of a derivative contract. If the fair value of a derivative contract is positive, the counterparty will owe us, which creates credit risk for us. If the fair value of a derivative contract is negative, we will owe the counterparty and, therefore, do not have credit risk. We will seek to minimize the credit risk in derivative instruments by entering into transactions with high-quality counterparties.

Real estate market value risk

Real estate property values are subject to volatility and may be adversely affected by a number of factors, including national, regional and local economic conditions (which may be adversely affected by industry slowdowns and other factors); local real estate conditions; changes or continued weakness in specific industry segments; construction quality, age and design; demographic factors; and retroactive changes to building or similar codes.

Item 4. Controls and Procedures.

Evaluation of Disclosure Controls and Procedures

An evaluation of the effectiveness of the design and operation of our "disclosure controls and procedures" (as defined in Rule 13a-15(e) under the Securities Exchange Act of 1934, as amended (the "Exchange Act")), as of the end of the period covered by this Quarterly Report on Form 10-Q was made under the supervision and with the participation of our management, including our Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"). Based upon this evaluation, our CEO and CFO have concluded that our disclosure controls and procedures (a) are effective to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by SEC rules and forms and (b) include controls and procedures designed to ensure that information required to be disclosed by us in reports filed or submitted under the Exchange Act is accumulated and communicated to our management, including our CEO and CFO, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Controls over Financial Reporting

There have been no changes in our "internal control over financial reporting" (as defined in Rule 13a-15(f) of the Exchange Act) that occurred during the period covered by this Quarterly Report on Form 10-Q 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.

We are not currently involved in any material litigation.

Item 1A. Risk Factors.

In addition to the other information set forth in this report, you should carefully consider the risk factors discussed in Part I, Item 1A, "Risk Factors" of our Annual Report on Form 10-K for the year ended December 31, 2025 ("2025 Form 10-K"). The risks described in our 2025 Form 10-K are not the only risks facing us. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition, and operating results. There have been no material changes to the risk factors disclosed in our 2025 Form 10-K.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds.

Unregistered sales of equity securities

All sales of unregistered securities during the three months ended March 31, 2026 were previously disclosed.

Share repurchase plan

We adopted a share repurchase plan, whereby on a monthly basis, stockholders may request that we repurchase all or any portion of their shares. We may choose to repurchase all, some or none of the shares that have been requested to be repurchased at the end of any particular month, in our discretion, subject to any limitations in the share repurchase plan. The total amount of aggregate repurchases of our shares is limited to 2% of the aggregate NAV per month (measured using the aggregate NAV attributable to stockholders as of the end of the immediately preceding month) and 5% of the aggregate NAV per calendar quarter (measured using the average aggregate NAV attributable to stockholders as of the end of the immediately preceding three months). Shares are repurchased at a price equal to the transaction price on the applicable repurchase date, subject to any early repurchase deduction. Shares that have not been outstanding for at least one year are repurchased at 98% of the transaction price. In the event we determine to repurchase some but not all of the shares submitted for repurchase during any month, shares submitted for repurchase during such month will be repurchased on a pro rata basis based on the amount requested after we have repurchased all shares for which repurchase was requested due to death or disability and other limited exceptions. All unsatisfied repurchase requests must be resubmitted after the start of the next month or quarter, or upon the recommencement of the share repurchase plan, as applicable. Due to the illiquid nature of investments in real estate, we may not have sufficient liquid resources to fund repurchase requests and have established limitations on the amount of funds we may use for repurchase during any calendar month and quarter. See Note 3 "— Share Repurchase Plan" to our 2025 Form 10-K for additional detail regarding our share repurchase plan.

During the three months ended March 31, 2026, we repurchased shares of our common stock in the following amounts, which represented all of the share repurchase requests received for the same period.

Period	Total Number of Shares Repurchased	Repurchases as a Percentage of NAV[(1)]	Average Price Paid Per Share	Total Number of Shares Repurchased as Part of Publicly Announced Plans or Programs	Maximum Number (or Approximate Dollar Value) of Shares that May Yet be Repurchased Under the Publicly Announced Plans or Programs
January 2026[(2)]	312,936	0.39%	$ 10.99	295,425	—
February 2026	128,835	0.15%	10.58	128,835	—
March 2026	99,624	0.12%	10.79	99,624	—

[(1)] Represents aggregate NAV of shares repurchased under our share repurchase plan over aggregate NAV of all shares outstanding, in each case, based on the NAV as of the last calendar day of the prior month.

[(2)]The total number of shares repurchased and average price paid per share include 17,511 Class E common shares repurchased outside of the share repurchase plan that were previously issued pursuant to the Initial Capitalization.

Item 3. Defaults Upon Senior Securities.

None.

Item 4. Mine Safety Disclosures.

Not applicable.

Item 5. Other Information.

Trading Arrangements

None of our directors or executive officers adopted or terminated a Rule 10b5-1 trading arrangement or a non-Rule 10b5-1 trading arrangement (as defined in Item 408(c) of Regulation S-K) during the three months ended March 31, 2026.

Item 6. Exhibits.

Furnish the exhibits required by Item 601 of Regulation S-K (§ 229.601 of this chapter).

Exhibit Number	Description
3.1	Articles of Amendment and Restatement of J.P. Morgan Real Estate Income Trust, Inc., dated June 2, 2022 (filed as Exhibit 3.1 to the Registrant’s Registration Statement on Form S-11 filed on June 14, 2022 and incorporated herein by reference).
3.2	Certificate of Correction of Articles of Amendment and Restatement of J.P. Morgan Real Estate Income Trust, Inc., dated June 2, 2022 (filed as Exhibit 3.2 to the Registrant’s Registration Statement on Form S-11 filed on June 14, 2022 and incorporated herein by reference).
3.3	Articles of Amendment, dated November 13, 2023 (filed as Exhibit 3.1 to the Registrant’s Current Report on Form 8-K filed on November 16, 2023 and incorporated herein by reference).
3.4	Articles Supplementary, dated November 13, 2023 (filed as Exhibit 3.2 to the Registrant’s Current Report on Form 8-K filed on November 16, 2023 and incorporated herein by reference).
3.5	Second Articles of Amendment, dated November 13, 2023 (filed as Exhibit 3.3 to the Registrant’s Current Report on Form 8-K filed on November 16, 2023 and incorporated herein by reference).
3.6	Articles Supplementary, dated April 16, 2024 (filed as Exhibit 3.1 to the Registrant’s Current Report on Form 8-K filed on April 22, 2024 and incorporated herein by reference).
3.7	Third Articles of Amendment, dated November 7, 2025 (filed as Exhibit 3.7 to the Registrant’s Quarterly Report on Form 10-Q filed on November 13, 2025 and incorporated herein by reference).
3.8	Bylaws of J.P. Morgan Real Estate Income Trust, Inc. (filed as Exhibit 3.3 to the Registrant’s Registration Statement on Form S-11 filed on June 14, 2022 and incorporated herein by reference).
4.1	Fourth Amended and Restated Distribution Reinvestment Plan (filed as Exhibit 4.1 to Post-Effective Amendment No. 4 to the Registrant’s Registration Statement on Form S-11 filed on April 15, 2026 and incorporated herein by reference).
10.1	Fourth Amended and Restated Advisory Agreement by and among J.P. Morgan Real Estate Income Trust, Inc., J.P. Morgan REIT Operating Partnership, L.P. and J.P. Morgan Investment Management Inc., dated March 11, 2026 (filed as Exhibit 10.1 to the Registrant's Annual Report on Form 10-K filed on March 16, 2026 and incorporated herein by reference).
31.1*	Certification of Principal Executive Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2*	Certification of Principal Financial Officer Pursuant to Rules 13a-14(a) and 15d-14(a) under the Securities Exchange Act of 1934, as Adopted Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1**	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as Adopted Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2**	Certification of Principal Financial Officer 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 – the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document.
101.SCH	Inline XBRL Taxonomy Extension Schema With Embedded Linkbase Documents
104	Cover page formatted as Inline XBRL and contained in Exhibit 101

* Filed herewith.

** Furnished herewith.

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.

	J.P. Morgan Real Estate Income Trust, Inc.
Date: May 15, 2026	By: /s/ Chad Tredway Chad Tredway Chairperson of the Board and Chief Executive Officer (Principal Executive Officer)
Date: May 15, 2026	By: /s/ Lawrence A. Goodfield, Jr. Lawrence A. Goodfield, Jr. Chief Financial Officer and Treasurer (Principal Financial Officer and Principal Accounting Officer)

Exhibit 31.1

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Chad Tredway, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of J.P. Morgan Real Estate Income Trust, Inc.;

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: May 15, 2026

By: /s/ Chad Tredway
Chad Tredway
Chairperson of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 31.2

CERTIFICATION PURSUANT TO
RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934,
AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Lawrence A. Goodfield Jr., certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of J.P. Morgan Real Estate Income Trust, Inc.;

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: May 15, 2026

By: /s/ Lawrence A. Goodfield, Jr.
Lawrence A. Goodfield, Jr.
Chief Financial Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)

Exhibit 32.1

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 of J.P. Morgan Real Estate Income Trust, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 15, 2026

By: /s/ Chad Tredway
Chad Tredway
Chairperson of the Board and Chief Executive Officer
(Principal Executive Officer)

Exhibit 32.2

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 of J.P. Morgan Real Estate Income Trust, Inc. (the "Company") on Form 10-Q for the period ending March 31, 2026 as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 906 of the Sarbanes-Oxley Act of 2002, that:

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

(2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

Date: May 15, 2026

By: /s/ Lawrence A. Goodfield, Jr.
Lawrence A. Goodfield, Jr.
Chief Financial Officer and Treasurer
(Principal Financial Officer and Principal Accounting Officer)