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

FORM 10-Q

(Mark One)

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

For the quarterly period ended June 30, 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 001-40771

GENERATION INCOME PROPERTIES, INC.

(Exact name of Registrant as specified in its charter)

Maryland (State or other jurisdiction of incorporation or organization)	**47-4427295** (I.R.S. employer identification no.)
401 E. Jackson Street **Suite 3300** **Tampa, FL** (Address of principal executive offices)	**33602** (Zip code)

Registrant's telephone number, including area code: 813-448-1234

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

Title of each class:	Trading symbol	Name of each exchange on which registered
Common Stock par value $0.01 per share	GIPR	The Nasdaq Stock Market LLC
Warrants to purchase Common Stock	GIPRW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports) and (2) has been subject to such filing requirements for the past 90 days. Yes ☑ No ☐

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

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

Large accelerated filer	☐	Accelerated filer	☐
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 ☑

The registrant had 1,861,303 shares of Common Stock, par value $0.01 per share, outstanding as of August 14, 2026.

GENERATION INCOME PROPERTIES, INC.

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PART I. FINANCIAL INFORMATION

ITEM 1. Financial Statements

Generation Income Properties, Inc
Consolidated Balance Sheets

		As of June 30, 2026		As of December 31, 2025
Assets				
Investments in real estate				
Land	$	14,939,843	$	20,055,577
Building and site improvements		56,268,441		67,133,859
Acquired tenant improvements		1,682,482		2,434,465
Acquired lease intangible assets		7,538,241		9,444,402
Less: accumulated depreciation and amortization		(13,606,012)		(15,307,333)
Net real estate investments	$	66,822,995	$	83,760,970
Cash and cash equivalents		2,029,661		6,164,316
Restricted cash		34,500		34,500
Deferred rent asset		365,368		398,040
Prepaid expenses		504,883		184,397
Accounts receivable		289,254		-
Escrow deposits and other assets		519,919		733,326
Held for sale assets		10,432,121		-
Right-of-use asset, net		5,950,608		5,989,132
Total Assets	**$**	**86,949,309**	**$**	**97,264,681**
Liabilities and Equity				
Liabilities				
Accounts payable	$	1,451,780	$	1,597,045
Accrued expenses		1,263,147		1,165,981
Accrued expense - related party		1,138,757		1,016,642
Acquired lease intangible liabilities, net		879,545		1,398,038
Insurance payable		278,078		32,538
Deferred rent liability		150,235		306,921
Lease liability, net		6,542,455		6,516,011
Other loans payable		6,148,651		7,724,452
Mortgage loans, net of unamortized debt discount and debt issuance costs of $972,636 and $1,020,818 at June 30, 2026 and December 31, 2025, respectively		46,781,677		48,690,776
Derivative liabilities		92,893		435,523
Total liabilities	$	64,727,218	$	68,883,927
Redeemable Non-Controlling Interests		24,127,496		32,187,864
Stockholders' (Deficit) Equity				
Common stock, $0.01 par value, 100,000,000 shares authorized; 1,165,085 and 544,818 shares issued; 1,030,402 and 544,818 shares outstanding at June 30, 2026 and December 31, 2025, respectively.		10,304		5,443
Additional paid-in capital		34,521,913		29,413,035
Accumulated deficit		(36,830,483)		(33,618,449)
Total Generation Income Properties, Inc. Stockholders' (Deficit) Equity	$	(2,298,266)	$	(4,199,971)
Non-Controlling Interest	$	392,861	$	392,861
Total equity	$	(1,905,405)	$	(3,807,110)
Total Liabilities and Equity	**$**	**86,949,309**	**$**	**97,264,681**

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

Generation Income Properties, Inc
Consolidated Statements of Operations

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Revenue				
Rental income	$ 2,105,917	$ 2,421,905	$ 4,279,653	$ 4,793,202
Other income	4,737	10,365	15,205	20,663
Total revenue	$ 2,110,654	$ 2,432,270	$ 4,294,858	$ 4,813,865
Expenses				
General and administrative expense	659,780	552,893	1,066,223	1,058,271
Building expenses	644,871	703,118	1,154,609	1,339,343
Depreciation and amortization	1,058,290	1,264,581	2,192,718	2,557,342
Interest expense, net	1,019,618	2,084,751	2,001,216	3,267,018
Compensation costs	302,146	199,942	690,835	440,687
Total expenses	$ 3,684,705	$ 4,805,285	$ 7,105,601	$ 8,662,661
Operating loss	(1,574,051)	(2,373,015)	(2,810,743)	(3,848,796)
Other expense	-	-	(237)	(286)
Gain (loss) on derivative valuation	195,952	(122,326)	351,803	(415,825)
Dead deal expense	-	-	-	(27,894)
Loss on held for sale asset valuation	(668,649)	-	(668,649)	-
Loss on extinguishment of debt	(26,634)	(926,398)	(26,634)	(926,398)
Gain (loss) on sale of property	1,089,754	(44,782)	1,089,754	(44,782)
Loss on transfer of LLC interests in satisfaction of debt	-	-	(185,069)	-
Net loss	$ (983,628)	$ (3,466,521)	$ (2,249,775)	$ (5,263,981)
Less: Net income attributable to non-controlling interests	97,271	956,107	962,259	1,890,506
Net loss attributable to Generation Income Properties, Inc.	$ (1,080,899)	$ (4,422,628)	$ (3,212,034)	$ (7,154,487)
Total Weighted Average Shares of Common Stock Outstanding – Basic & Diluted	1,411,907	544,319	984,029	544,319
Basic & Diluted Loss Per Share Attributable to Common Stockholders	$ (0.77)	$ (8.13)	$ (3.26)	$ (13.14)

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

Generation Income Properties Inc
Consolidated Statements of Changes in Equity (Deficit), Redeemable Preferred Stock, and Redeemable Non-Controlling Interests

	Common Stock							
	Shares	Amount	Additional Paid-In Capital	Accumulated Deficit	Stockholders' Equity	Non-Controlling Interests	Total Equity	Redeemable Non-Controlling Interests
Balance, December 31, 2024	**544,319**	**$ 5,443**	**$ 29,068,035**	**$ (23,277,545)**	**$ 5,795,933**	**$ 392,861**	**$ 6,188,794**	**$ 26,664,545**
Issuance of Redeemable Non-Controlling Interests	-	-	-	-	-	-	-	4,209,154
Distribution on Non-Controlling Interests	-	-	-	-	-	-	-	(405,648)
Net (loss) income for the period	-	-	-	(2,731,859)	(2,731,859)	-	(2,731,859)	934,399
Balance, March 31, 2025	**544,319**	**$ 5,443**	**$ 29,068,035**	**$ (26,009,404)**	**$ 3,064,074**	**$ 392,861**	**$ 3,456,935**	**$ 31,402,450**
Distribution on Non-Controlling Interests	-	-	-	-	-	-	-	(427,358)
Net (loss) income for the period	-	-	-	(4,422,628)	(4,422,628)	-	(4,422,628)	956,108
Balance, June 30, 2025	**544,319**	**$ 5,443**	**$ 29,068,035**	**$ (30,432,032)**	**$ (1,358,554)**	**$ 392,861**	**$ (965,693)**	**$ 31,931,200**
Balance, December 31, 2025	**544,818**	**$ 5,443**	**$ 29,413,035**	**$ (33,618,449)**	**$ (4,199,971)**	**$ 392,861**	**$ (3,807,110)**	**$ 32,187,864**
Cashless exercise of warrants	3,455	-	-	-	-	-	-	-
Restricted stock compensation	-	-	165,000	-	165,000	-	165,000	-
Conversion of debt to common shares	49,693	497	550,940	-	551,437	-	551,437	-
Distribution on Non-Controlling Interests	-	-	-	-	-	-	-	(6,086,679)
Net (loss) income for the period	-	-	-	(2,131,135)	(2,131,135)	-	(2,131,135)	864,988
Balance, March 31, 2026	**597,966**	**$ 5,940**	**$ 30,128,975**	**$ (35,749,584)**	**$ (5,614,669)**	**$ 392,861**	**$ (5,221,808)**	**$ 26,966,173**
Issuance of common stock, warrants, and pre-funded warrants in public offering, net of issuance costs	177,500	1,775	4,305,343		4,307,118	-	4,307,118	-
Exercise of pre-funded warrants	199,100	1,991	(1,807)		184	-	184	-
Cashless exercise of warrants	135	41	(41)	-	-	-	-	-
Restricted stock compensation	-	-	90,000	-	90,000	-	90,000	-
Conversion of debt to common shares	55,700	557	(557)					
Distribution on Non-Controlling Interests	-	-	-	-	-	-	-	(2,935,948)
Net (loss) income for the period	-	-	-	(1,080,899)	(1,080,899)	-	(1,080,899)	97,271
Balance, June 30, 2026	**1,030,402**	**$ 10,304**	**$ 34,521,913**	**(36,830,483)**	**$ (2,298,266)**	**$ 392,861**	**$ (1,905,405)**	**$ 24,127,496**

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

Generation Income Properties, Inc
Consolidated Statements of Cash Flows

	Six Months Ended June 30, 2026	2025
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	**$ (2,249,775)**	**$ (5,263,981)**
Adjustments to reconcile net loss to cash used in operating activities		
Depreciation of building and site improvements	1,476,059	1,630,737
Amortization of acquired tenant improvements	154,193	191,423
Amortization of in-place leases	562,466	735,182
Amortization of above-market leases	89,538	203,541
Amortization of below-market leases	(85,752)	(87,780)
Amortization of above-market ground lease	(366)	(366)
Amortization of debt issuance costs	47,285	88,637
Amortization of debt discount	73,653	58,685
Restricted stock unit compensation	255,000	-
Non-cash ground lease expense	38,524	39,705
Dead deal expense	-	27,894
(Gain) loss on derivative valuation	(351,803)	415,825
Loss on held for sale asset valuation	668,649	-
Loss on extinguishment of debt	26,634	926,398
(Gain) loss on sale of property	(1,089,754)	44,782
Loss on transfer of LLC interests in satisfaction of debt	185,069	-
Changes in operating assets and liabilities		
Accounts receivable	(289,254)	(16,614)
Escrow and other assets	178,275	485,195
Deferred rent asset	32,672	(29,370)
Prepaid expenses	(341,106)	(750,253)
Accounts payable	(145,265)	244,835
Accrued expenses	84,479	283,500
Accrued expenses - related party	122,115	223,993
Deferred rent liability	(144,394)	2,936
Lease liability	26,444	25,263
Other loans payable	32,280	-
Net cash used in operating activities	**(644,134)**	**(519,833)**
CASH FLOWS FROM INVESTING ACTIVITIES:		
Cash transferred in disposition of LLC interests	(7,491)	-
Purchase of land, buildings, other tangible and intangible assets	(598,198)	-
Proceeds from sale of land, buildings, other tangible and intangible assets	4,170,255	10,333,595
Addition of deferred leasing costs	(50,000)	-
Net cash provided by investing activities	**3,514,566**	**10,333,595**
CASH FLOWS FROM FINANCING ACTIVITIES:		
Proceeds from issuance of equity securities, net	4,565,833	-
Proceeds from exercise of pre-funded warrants	184	-
Repayment of other loans payable	(456,644)	-
Proceeds of issuance on loan payable - related party	125,000	1,610,000
Repayment of loan payable - related party	(125,000)	-
Mortgage loan borrowings	3,800,000	750,000
Mortgage loan repayments	(5,757,284)	(11,150,060)
Debt extinguishment costs	-	(640,180)
Equity issuance costs	(258,715)	-
Debt issuance costs	(121,374)	(72,900)
Insurance financing borrowings	345,360	380,315
Insurance financing repayments	(99,820)	(114,741)
Distribution on non-controlling interests	(9,022,627)	(833,005)
Net cash used in financing activities	**(7,005,087)**	**(10,070,571)**

Net decrease in cash and cash equivalents		(4,134,655)		(256,809)
Cash and cash equivalents and restricted cash - beginning of period		6,198,816		647,439
Cash and cash equivalents and restricted cash - end of period	**$**	**2,064,161**	**$**	**390,630**
CASH TRANSACTIONS				
Interest paid	$	1,902,170	$	3,378,842
NON-CASH TRANSACTIONS				
Assumption of loans in connection with property acquisitions	$	-	$	7,023,895
Issuance of Series B-2 Preferred Units in connection with property acquisitions	$	-	$	4,209,153
Stock issued for cashless exercise of Investor Warrants		3,591		-
Transfer of LLC interests in satisfaction of debt:				
Building and improvements derecognized	$	2,432,570	$	-
Tenant improvements derecognized	$	146,765	$	-
Lease intangible assets derecognized	$	121,017	$	-
Accumulated depreciation derecognized	$	(800,298)	$	-
Other assets derecognized	$	36,532	$	-
Accounts payable derecognized	$	(25,863)	$	-
Accrued expenses derecognized	$	(42,840)	$	-
Lease liability derecognized	$	(12,292)	$	-
Mortgage debt extinguished	$	(1,078,013)	$	-
Related-party note payable forgiven	$	(600,000)	$	-
Mortgage debt	$	(1,100,000)		

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

GENERATION INCOME PROPERTIES, INC.

NOTES TO UNAUDITED CONSOLIDATED FINANCIAL STATEMENTS

Note 1 – Nature of Operations

Generation Income Properties, Inc. (the "Company") was formed as a Maryland corporation on September 19, 2015. The Company is an internally managed real estate investment company focused on acquiring and managing income-producing retail, office and industrial properties net leased to high quality tenants in major markets throughout the United States.

The Company formed Generation Income Properties L.P. (the "Operating Partnership") in October 2015. Substantially all of the Company's assets are held by, and operations are conducted through, the Operating Partnership or its direct or indirect subsidiaries. The Company is the general partner of the Operating Partnership and as of June 30, 2026 owned 99.6% of the outstanding common units of the Operating Partnership. The Company formed a Maryland entity GIP REIT OP Limited LLC in 2018 that owns 0.001% of the Operating Partnership.

The Company places each property in a separate entity which may have a Redeemable Non-Controlling interest as a member.

As of June 30, 2026, the Company, the Operating Partnership, and their controlled subsidiaries on a consolidated basis owned 23 properties.

On July 9, 2026, the Company effected a reverse stock split of its common stock at a ratio of 1-for-10. All share and per share amounts disclosed in this report have been adjusted to reflect the reverse split unless otherwise indicated.

Management's Liquidity Plans and Going Concern

In accordance with FASB Accounting Standards Codification ("ASC") 205, Presentation of Financial Statements, management is required to assess a company's ability to continue as going concern within one year from financial statement issuance and to provide related footnote disclosures in certain circumstances. The accompanying Consolidated Financial Statements are prepared assuming the Company will continue as a going concern. This presentation contemplates the realization of assets and the satisfaction of liabilities in the normal course of business and does not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of the uncertainties described below.

For the six months ended June 30, 2026, the Company generated negative operating cash flows of $644,132 and had cash on hand of $2,064,161 as of June 30, 2026. As a result of our recurring losses, our projected cash requirement to cover operating needs, and our current liquidity, management's plans have comprised refinancing and extending terms for preferred equity and loans, optimizing portfolio assets, and potentially divesting where property performance has not met management objectives or where market conditions provide favorable opportunities. Management has concluded that substantial doubt exists with respect to the Company's ability to continue as a going concern within one year after the date these consolidated financial statements were issued. Management continues to address short-term liquidity concerns with refinancing and disposition opportunities.

Note 2 – Summary of Significant Accounting Policies

Basis of Presentation

The information furnished reflects all adjustments, consisting only of normal recurring items which are, in the opinion of management, necessary in order to make the financial statements not misleading. Certain information and footnote disclosures normally present in annual financial statements prepared in accordance with accounting principles generally accepted in the United States of America (“U.S. GAAP”) were omitted pursuant to such rules and regulations. These financial statements should be read in conjunction with the audited financial statements and footnotes included in the Company’s Annual Report on Form 10-K filed with the SEC on April 1, 2026 and subsequently amended by Form 10-K/A on April 3, 2026 and April 20, 2026. The results for the three and six months ended June 30, 2026 are not necessarily indicative of the results to be expected for the year ending December 31, 2026.

The preparation of the consolidated financial statements is in conformity with U.S. GAAP. The Company adopted the calendar year as its basis of reporting. Certain immaterial prior year amounts have been reclassified for consistency with the current period presentation.

Consolidation

The accompanying consolidated financial statements include the accounts of Generation Income Properties, Inc. and the Operating Partnership and all of the direct and indirect wholly owned subsidiaries of the Operating Partnership and the Company’s subsidiaries. All significant inter-company balances and transactions have been eliminated in the consolidated financial statements.

The consolidated financial statements include the accounts of all entities in which the Company has a controlling interest. The ownership interests of other investors in these entities are recorded as non-controlling interests or redeemable non-controlling interest. Non-controlling interests are adjusted each period for additional contributions, distributions, and the allocation of net income or loss attributable to the non-controlling interests. Investments in entities for which the Company has the ability to exercise significant influence over, but does not have financial or operating control, are accounted for using the equity method of accounting. Accordingly, the Company’s share of the earnings (or losses) of these entities are included in consolidated net income or loss.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires the Company’s management to make estimates and assumptions that affect the reported amounts of assets and liabilities, and disclosure of commitments and contingent assets and liabilities, at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates. It is possible that the estimates and assumptions that have been utilized in the preparation of the consolidated financial statements could change significantly if economic conditions were to weaken.

Cash

The Company considers all demand deposits, cashier’s checks and money market accounts to be cash equivalents. Amounts included in restricted cash represent funds owned by the Company related to tenant escrow reimbursements and immediate capital repair reserve. The following table provides a reconciliation of the Company’s cash and cash equivalents and restricted cash that sums to the total of those amounts at the end of the periods presented on the Company’s accompanying Consolidated Statements of Cash Flows:

	As of June 30, 2026	As of December 31, 2025
Cash and cash equivalents	$ 2,029,661	$ 6,164,316
Restricted cash	34,500	34,500
Cash and cash equivalents and restricted cash	$ 2,064,161	$ 6,198,816

Revenue Recognition

The Company leases real estate to its tenants under long-term net leases which the Company accounts for as operating leases. Those leases that have fixed and determinable rent increases are recognized on a straight-line basis over the lease term. Deferred rent liability includes $170,660 and $327,346 of prepaid rent as of June 30, 2026 and December 31, 2025, respectively.

The Company reviews the collectability of charges under its tenant operating leases on a regular basis, taking into consideration changes in factors such as the tenant’s payment history, the financial condition of the tenant, business conditions in the industry in which the tenant operates, and economic conditions in the area where the property is located. In the event that uncollectibility exists with respect to any tenant changes, the Company would record an allowance with a corresponding reduction to Rental income. The Company’s review of collectability of charges under its operating leases includes any accrued rental revenues related to the straight-line rents. There were no allowances for receivables recorded during the six months ended June 30, 2026 or 2025.

The Company’s leases provide for reimbursement from tenants for common area maintenance (“CAM”), insurance, real estate taxes and other operating expenses (“recoverable costs”). A portion of our operating cost reimbursement revenue is estimated each period and is recognized as rental income in the period the recoverable costs are incurred and accrued.

The Company often recognizes above- and below-market lease intangibles in connection with acquisitions of real estate. The capitalized above- and below-market lease intangibles are amortized to rental income over the remaining term of the related leases.

Stock-Based Compensation

The Company records all equity-based incentive grants to employees and non-employee members of the Company’s Board of Directors in compensation costs based on their fair values on the date of grant. Stock-based compensation expense, net of forfeitures, is recognized on a straight-line basis over the requisite service period of the award, which is generally the vesting term of the outstanding equity awards.

Investments in Real Estate

Acquisitions of real estate are recorded at cost. The Company assigns the purchase price of real estate to tangible and intangible assets and liabilities based on fair value. Tangible assets consist of land, buildings, site improvements, and tenant improvements. Intangible assets and liabilities consist of the value of in-place leases and above- or below-market leases assumed with the acquisition. At the time of acquisition, the Company assesses whether the purchase of the real estate falls within the definition of a business under Accounting Standards Codification (“ASC”) 805,"Business Combinations," and to date has concluded that all asset transactions have been asset acquisitions. Therefore, each acquisition has been recorded at the purchase price whereas assets and liabilities, inclusive of closing costs, are allocated to land, building, site improvements, tenant improvements, and intangible assets and liabilities based upon their relative fair values at the date of acquisition.

The fair value of the in-place leases are estimated as the cost to replace the leases including loss of rent, commissions and legal fees. The in-place leases are amortized over the remaining term of the leases as amortization expense. The fair value of an above- or below-market lease is estimated as the present value of the difference between the contractual amount to be paid pursuant to the in-place lease and the estimated market lease rate expected over the remaining non-cancelable life of the lease at the date of acquisition. The capitalized above- or below-market lease values are amortized as a decrease or increase to rental income over the remaining term of the lease inclusive of the renewal option periods that are considered probable at acquisition.

The Company classifies real estate assets as held for sale when all of the following criteria are met: management has committed to a plan to sell the asset; the asset is available for immediate sale in its present condition; an active program to locate a buyer has been initiated; the sale of the asset is probable within twelve months of the classification date; the asset is being actively marketed at a price that is reasonable in relation to its current fair value; and it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Upon classification as held for sale, the Company ceases depreciation and amortization on the asset as of the classification date. Real estate assets held for sale are measured at the lower of their carrying amount or estimated fair value less costs to sell. Any excess of carrying amount over estimated fair value less costs to sell is recognized as an impairment loss in the period in which the held for sale criteria are met. Subsequent increases in fair value less costs to sell are recognized as a gain, but not in excess of the cumulative impairment loss previously recognized. Real estate assets held for sale are presented separately on the Company's consolidated balance sheet.

Depreciation Expense

Real estate and related assets are stated net of accumulated depreciation. Renovations, replacements and other expenditures that improve or extend the life of assets are capitalized and depreciated over their estimated useful lives. Expenditures for ordinary maintenance and repairs are charged to expense as incurred. Depreciation is computed using the straight-line method over the estimated useful life of the buildings, which are generally between 15 and 50 years, and site improvements, which are generally 5 to 10 years. Tenant improvements are amortized over the lease terms of the tenants, which is generally between 2 and 10 years, with four tenant improvements amortized over 27 years.

Lease Liabilities

The Company has a certain property within its portfolio that is on land subject to a ground lease with a third party, which is classified as an operating lease. Accordingly, the Company owns only a long-term leasehold in this property. The building and improvements constructed on the leased land are capitalized as investment in real estate and are depreciated over the shorter of the useful life of the improvements or the lease term.

Under ASC 842, "Leases," the Company recognizes a lease liability for its ground lease and corresponding right-of-use asset related to this same ground lease which is classified as an operating lease. A key input in estimating the lease liability and resulting right-of-use asset is establishing the discount rate in the lease, which since the rate implicit in the contract is not readily determinable, requires additional inputs for the longer-term ground lease, including mortgage market-based interest rates that correspond with the remaining term of the lease, the Company's credit spread, and the payment terms present in the lease. This discount rate is applied to the remaining unpaid minimum rental payments for the lease to measure the lease liability.

Impairments

The Company reviews investments in real estate and related lease intangibles for possible impairment when certain events or changes in circumstances indicate that the carrying amount of the asset may not be recoverable though operations plus estimated disposition proceeds. Events or changes in circumstances that may occur include, but are not limited to, significant changes in real estate market conditions, estimated residual values, and an expectation to sell assets before the end of the previously estimated life. Impairments are measured to the extent the current book value exceeds the estimated fair value of the asset less disposition costs for any assets classified as held for sale. The Company recognized an impairment loss of approximately $669,000 during the six months ended June 30, 2026. There were no impairments during the six months ended June 30, 2025.

The valuation of impaired assets is determined using valuation techniques including discounted cash flow analysis, analysis of recent comparable sales transactions, and purchase offers received from third parties, which are Level 3 inputs. The Company may consider a single valuation technique or multiple valuation techniques, as appropriate, when estimating the fair value of its real estate. Estimating future cash flows is highly subjective and estimates can differ materially from actual results.

Income Taxes

The Company elected to be taxed as a REIT under Section 856 through 860 of the Internal Revenue Code (the “Code”) commencing with our taxable year ending December 31, 2021. To continue to qualify as a REIT, the Company must meet certain organizational and operational requirements, including a requirement to distribute at least 90% of its taxable income to its stockholders. As a REIT, the Company generally will not be subject to federal corporate income tax on that portion of its taxable income that is currently distributed to stockholders. Accordingly, the only provision for federal income taxes in the accompanying consolidated financial statements relates to the Company's consolidated taxable REIT subsidiary of which no taxable income was generated during the six months ended June 30, 2026 and 2025.

The Company also recognizes liabilities for unrecognized tax benefits which are recognized if the weight of available evidence indicates that it is not more-likely-than-not that the positions will be sustained on examination, including resolution of the related processes, if any. As of each balance sheet date, unrecognized benefits are reassessed and adjusted if the Company’s judgment changes as a result of new information. No liability for unrecognized tax benefits was recorded as of June 30, 2026 or 2025. At June 30, 2026, the Company's tax returns for the years 2023 forward remain subject to examination by the major tax jurisdictions under the statute of limitations.

Earnings per Share

In accordance with ASC 260, "Earnings Per Share," basic earnings (loss) per share (“EPS”) is computed by dividing net loss attributable to the Company that is available to common stockholders by the weighted average number of common shares outstanding during the period, excluding the effects of any potentially dilutive securities. Diluted EPS gives effect to all dilutive potential of shares of common stock outstanding during the period including stock warrants, using the treasury stock method, and convertible debt, using the if-converted method. Diluted EPS excludes all potentially dilutive securities such as warrants and convertible membership units of the Operating Partnership (“GIP LP Units”) if their effect is anti-dilutive. For the six months ended June 30, 2026 and 2025, all potentially dilutive securities were excluded because the effect was anti-dilutive. All share and per share amounts reflect the Company’s reverse stock split on July 9, 2026.

Derivative Financial Instruments

Derivatives are recorded at fair value on the balance sheet as assets or liabilities. The valuation of derivative instruments requires us to make estimates and judgments that affect the fair value of the instruments. Fair values of our derivatives are estimated by pricing models that consider the forward yield curves and discount rates. Such amounts and the recognition of such amounts are subject to estimates that may change in the future.

Fair Value Measurements

Fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement is determined based on the assumptions that market participants would use in pricing the asset or liability. As a basis for considering market participant assumptions in fair value measurements, the Company uses a fair value hierarchy that distinguishes between market participant assumptions based on market data obtained from independent sources (observable inputs that are classified within Levels 1 and 2 of the hierarchy) and the Company's own assumptions about market participant assumptions (unobservable inputs classified within Level 3 of the hierarchy). The three levels of inputs used to measure fair value are as follows:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities that the Company has the ability to access.
- Level 2 - Inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3 - Unobservable inputs for the asset or liability, which are typically based on the Company's own assumptions, as there is little, if any, related market activity. The Company also re-measures nonfinancial assets and nonfinancial liabilities, initially measured at fair value in a business combination or other new basis event, at fair value in subsequent periods if a re-measurement event occurs. See Derivative Financial Instruments in Note 11 for additional information on the Company's fair value measurements.

Note 3 - Real Estate Assets

Depreciation and amortization expense related to real estate assets was $1,630,252 and $1,822,160 for the six months ended June 30, 2026 and 2025, respectively.

Reacquisition of GIPDC 3707 14th St. LLC: 7-Eleven, Washington, D.C.

On March 3, 2026, the Company transferred one hundred percent (100%) of the limited liability company interests of GIPDC 3707 14th St. LLC (the "DC Entity"), the entity owning the net lease retail property located at 3707-3711 14th Street NW, Washington, D.C. (the "DC Property"), to Brown Family Enterprises, LLC ("Brown"), a related party, pursuant to an Assignment of Limited Liability Company Interests and Satisfaction Agreement (the "Original Agreement"). As a result, the Company deconsolidated the DC Entity effective March 3, 2026 in accordance with ASC 810, *Consolidation*, and recognized a loss on transfer of LLC interests of $185,069 in satisfaction of debt in its consolidated statement of operations for the three months ended March 31, 2026. As additional consideration, the Company retained a contingent right (the "Participation Right") to receive fifty percent (50%) of net sale proceeds from any future sale of the DC Property in excess of a $600,000 return-of-capital threshold to Brown.

On June 16, 2026, the Company, Generation Income Properties, LP ("GIP LP"), and Brown entered into an Assignment of Limited Liability Company Interests and Termination Agreement (the "Termination Agreement"), pursuant to which (i) Brown assigned, transferred, and conveyed 100% of the limited liability company interests in the DC Entity back to GIP LP, (ii) the Company paid Brown $600,000 in cash, and (iii) the Original Agreement, including the Participation Right and all other rights and obligations thereunder, was terminated in its entirety, with mutual releases exchanged by the parties.

The Company accounted for the reacquisition of the DC Entity as an asset acquisition in accordance with ASC 805-50, *Business Combinations - Related Issues*, given that the transaction represents the reacquisition of a single tenant-occupied real estate asset rather than a business. The DC Entity's assets and liabilities were recorded at their historical carrying values as of the reacquisition date. Because the carrying value of the net assets reacquired exceeded the $600,000 purchase price, and no gain may be recognized in connection with an asset acquisition, the excess was recorded as a reduction to the carrying basis of the DC Property. Effective June 16, 2026, the Company reconsolidated the DC Entity and the DC Property in its condensed consolidated financial statements and resumed recognition of the DC Property's rental revenue, operating expenses, and depreciation and amortization. The DC Property continues to be encumbered by the mortgage loan and related security documents held by Valley National Bank, which remained the obligation of the DC Entity throughout and was unaffected by the Termination Agreement. The Company continues to serve as property manager of the DC Property.

Sales of Real Estate Assets

2383 Lake Harbin Road, Morrow, Georgia (Dollar Tree)

On March 23, 2026, the Company's indirect wholly owned subsidiary, GIPGA 2383 Lake Harbin Road, LLC, entered into an agreement to sell its Dollar Tree-occupied net lease retail property located in Morrow, Georgia for $1,458,000. The sale closed on April 17, 2026 resulting in net proceeds to the Company of approximately $639,000. The Company recognized a gain on sale of $265,041 in its consolidated statement of operations for the six months ended June 30, 2026.

10002 N. Dale Mabry Highway, Tampa, Florida (Starbucks)

On April 10, 2026, the Company's indirect wholly owned subsidiary, GIPFL 10002 N Dale Mabry, LLC, entered into an agreement to sell its Starbucks-occupied net lease retail property located in Tampa, Florida. The sale closed on May 22, 2026 for a gross purchase price of $2,964,000, resulting in net proceeds to the Company of approximately $1,959,000. The Company recognized a gain on sale of $824,713 in its consolidated statement of operations for the six months ended June 30, 2026.

Assets Held for Sale

991 Nut Tree Road, Vacaville, California (GSA)

On April 30, 2026, the Company's indirect wholly owned subsidiary, GIPCA 991 Nut Tree Road, LLC, entered into a Purchase and Sale Agreement to sell its property located in Vacaville, California (the "Vacaville Property"), net leased to the United States of America acting through the General Services Administration, for a purchase price of $2,475,000. Upon execution of the agreement, the Company determined that all held-for-sale criteria were met and reclassified the Vacaville Property as held for sale effective April 30, 2026, with depreciation and amortization ceasing as of that date. The property's carrying amount did not exceed its estimated fair value less costs to sell; accordingly, no impairment loss was recognized.

Portfolio of Six Dollar General Properties (Maine, Ohio, Pennsylvania, and Texas)

On June 19, 2026, the Company, through indirect wholly owned subsidiaries, entered into an agreement to sell a portfolio of net lease retail properties located in Big Spring, Texas; Mount Gilead, Ohio; East Wilton, Maine; Litchfield, Maine; Thompsontown, Pennsylvania; Castalia, Ohio; and Lakeside, Ohio (collectively, the "DG Properties"), each occupied by Dollar General, for an aggregate purchase price of $7,320,000. On July 22, 2026, the parties entered into a First Amendment to the Purchase and Sale Agreement, which removed the Litchfield, Maine property from the transaction and reduced the aggregate purchase price for the remaining six properties to $6,246,221. Upon execution of the original agreement, the Company determined that all held-for-sale criteria were met with respect to the six DG Properties remaining in the transaction as amended, and reclassified those properties as held for sale effective June 19, 2026, with depreciation and amortization ceasing as of that date. Based on estimated sales proceeds of approximately $5,871,000, net of transaction costs, the Company recognized an impairment loss of $668,649 in its consolidated statement of operations for the six months ended June 30, 2026, representing the excess of the properties' aggregate carrying amount over their estimated fair value less costs to sell.

3134 West 76th Street, Chicago, Illinois (Fresenius)

On June 22, 2026, the Company's indirect wholly owned subsidiary, GIPIL 3134 W 76th Street, LLC, entered into an agreement to sell its Fresenius-occupied net lease medical property located in Chicago, Illinois (the "Fresenius Property") for a purchase price of $2,800,000. Upon execution of the agreement, the Company determined that all held-for-sale criteria were met and reclassified the Fresenius Property as held for sale effective June 22, 2026, with depreciation and amortization ceasing as of that date. The property's carrying amount did not exceed its estimated fair value less costs to sell; accordingly, no impairment loss was recognized.

Note 4 – Acquired Lease Intangible Assets, net

In-place leases, net is comprised of the following:

	As of June 30, 2026	As of December 31, 2025
In-place leases	$ 6,785,804	$ 8,518,021
Accumulated amortization	(3,248,464)	(3,774,057)
In-place leases, net	$ 3,537,340	$ 4,743,964

The amortization for in-place leases for the three and six months ended June 30, 2026 and 2025 was $270,707 and $562,465, and $370,998 and $735,182, respectively. The future amortization for in-place leases, net for subsequent years ending December 31, is listed below:

	As of June 30, 2026
2026 (6 months remaining)	446,993
2027	845,008
2028	660,755
2029	483,594
2030	134,552
Thereafter	966,438
	$ 3,537,340

Above-market leases, net is comprised of the following:

	As of June 30, 2026	As of December 31, 2025
Above-market leases	$ 752,437	$ 926,381
Accumulated amortization	(432,507)	(454,037)
Above-market leases, net	$ 319,930	$ 472,344

The amortization for above-market leases for the three and six months ended June 30, 2026 and 2025 was $42,577 and $89,538, and $101,771 and $203,542, respectively. The future amortization for above-market leases, net for subsequent years ending December 31, is listed below:

	As of June 30, 2026
2026 (6 months remaining)	74,144
2027	148,288
2028	91,083
2029	6,415
2030	-
Thereafter	-
	$ 319,930

Note 5 – Acquired lease intangible liabilities, net

Acquired lease intangible liabilities, net is comprised of the following:

	As of June 30, 2026	As of December 31, 2025
Acquired lessor lease intangible liabilities	$ 1,315,175	$ 2,011,964
Accumulated accretion to rental income	(477,685)	(656,347)
Acquired lessor lease intangible liabilities, net	$ 837,490	$ 1,355,617
Acquired lessee lease intangible liabilities	$ 45,207	$ 45,207
Accumulated amortization to offset building expenses	(3,152)	(2,786)
Acquired lessee lease intangible liabilities, net	$ 42,055	$ 42,421

The amortization for acquired lessor lease intangible liabilities for the three and six months ended June 30, 2026 and 2025 was $41,000 and $85,752, and $46,155 and $87,781, respectively. The future amortization for acquired lessor lease intangible liabilities, net for subsequent years ending December 31 is listed below:

	As of June 30, 2026
2026 (6 months remaining)	$ 61,978
2027	123,956
2028	123,956
2029	71,538
2030	19,987
Thereafter	436,075
	$ 837,490

The amortization for acquired lessee lease intangible liabilities for both the three and six months ended June 30, 2026 and 2025 was $183 and $366, respectively. The future amortization for acquired lessee lease intangible liabilities, net for subsequent years ending December 31 is listed below:

	As of June 30, 2026
2026 (6 months remaining)	$ 366
2027	731
2028	731
2029	731
2030	731
Thereafter	38,765
	$ 42,055

Note 6 – Leases

Lessor Accounting

All of the Company's leases are classified as operating leases. The Company's rental income is comprised of both fixed and variable income. Fixed and in-substance fixed lease income includes stated amounts per the lease contract, which are primarily related to base rent. Income for these amounts is recognized on a straight-line basis. The Company’s leases also provide for reimbursement of recoverable costs. A portion of our operating cost reimbursement revenue is estimated each period and is recognized as rental income in the period the recoverable costs are incurred. Variable lease income includes the tenants' contractual obligations to reimburse the Company for their portion of recoverable costs incurred and index-based rent adjustments. The following table provides a disaggregation of lease income recognized as either fixed or variable lease income for the six months ended June 30, 2026 and 2025:

	2026	2025
Rental income		
Fixed and in-substance fixed lease income	3,727,461	4,440,824
Variable lease income	588,649	438,768
Other related lease income, net:		
Amortization of above- and below-market leases, net	(3,786)	(115,760)
Straight line rent, net	(32,671)	29,370
Total Rental income	4,279,653	4,793,202

For the six months ended June 30, 2026 and 2025, the following tenants each accounted for more than 10% of our rental revenue as indicated below:

	2026	2025
General Services Administration - Norfolk, VA, Manteo, NC & Vacaville, CA	20%	16%
Dollar General - multiple locations	15%	13%
Pre-K - San Antonio, TX	13%	10%
Kohl's - Tucson, AZ	12%	10%
exp U.S. Services - Maitland, FL	N/A	10%
PRA Holdings, Inc. - Norfolk, VA	11%	N/A

The following table presents future minimum rental cash payments due to the Company over the next five calendar years and thereafter as of June 30:

		As of June 30, 2026
2026 (6 months remaining)	$	3,525,302
2027		6,764,716
2028		5,564,013
2029		4,371,829
2030		2,541,260
Thereafter		19,289,919
	$	42,057,039

Lessee Accounting

The Company acquired one property on March 9, 2022 that is subject to a non-cancelable, long-term ground lease where a third party owns the underlying land and has leased the land to the Company. Accordingly, the Company owns only a long-term leasehold in this property. This ground lease expires in 2084 including those options the Company deems probable of exercising. The ground lease expense is recognized on a straight-line basis over the term of the lease, including management's estimate of expected option renewal periods. Operating lease expense for both the three and six months ended June 30, 2026 and 2025 was approximately $93,762 and $187,524, respectively. There are no variable lease expenses required to be paid by the Company as lessee per the lease terms. Cash paid for amounts included in the measurement of the lease liability, net was $61,278 and $122,556 for both the three and six months ended June 30, 2026 and 2025, respectively.

The following table summarizes the undiscounted future cash flows for subsequent years ending December 31 attributable to the lease liability as of June 30, 2026 and provides a reconciliation to the lease liability included in the accompanying Consolidated Balance Sheets as of June 30, 2026.

		As of June 30, 2026
2026 (6 months remaining)		122,556
2027		245,111
2028		245,111
2029		257,839
2030		258,996
Thereafter		21,058,698
Total undiscounted liability	$	22,188,311
Present value discount		(15,645,856)
Lease liability	$	6,542,455
Discount rate		4.58%
Term Remaining		58 years

Note 7 – Non-Controlling Interests

Redeemable Non-Controlling Interests (Temporary Equity)

Operating Unit Holders

LMB Owenton I LLC

As part of the Company’s acquisition of one property on January 14, 2022 for approximately $2,264,000 in Tampa, FL, the Operating Partnership entered into a contribution agreement with LMB Owenton I LLC that resulted in the issuance of 110,957 GIP LP Units at $10.00 per share for a total value of $1,109,570. After 24 months, the contribution agreement allows for the investor to require the Operating Partnership to redeem, all or a portion of its units for either (i) the Redemption Amount (within the meaning of the Partnership Agreement), or (ii) until forty-nine (49) months from date of closing, cash in an agreed-upon Value (within the meaning of the Partnership Agreement) of $10.00 per share. As such, the Company has determined this equity should be classified as temporary equity at redemption value.

On February 7, 2023, the Operating Partnership entered into a Unit Issuance Agreement and Amendment to Contribution and Subscription Agreement with LMB Owenton I LLC in which the Operating Partnership and LMB Owenton I LLC agreed to delay the Contributor's right to require the redemption of the Contributor's GIP LP Units and to issue an additional 44,228 GIP LP Units, resulting in Contributor owning an aggregate of 155,185 GIP LP Units at a reduced redemption price of $7.15 per unit.

On July 24, 2024, pursuant to the Fifth Amendment to the Amended and Restated Limited Partnership Agreement, the 155,185 GIP LP Units held by LMB Owenton I LLC were exchanged for 155,185 Series B-1 Redeemable Preferred Units of the Operating Partnership. The Series B-1 Preferred Units carry a quarterly distribution of $0.117 per unit and, beginning on July 24, 2026, entitle the holder to require the Operating Partnership to redeem all or a portion of such units for either (i) a cash amount of $7.15 per unit plus accrued and unpaid distributions, or (ii) an equivalent number of REIT shares on a 1:1 basis plus accrued and unpaid distributions. The Company has determined this equity should continue to be classified as temporary equity at redemption value of $1,109,570 as of June 30, 2026.

On July 16, 2026, the Operating Partnership, the Company and LMB Owenton I LLC entered into an Eighth Amendment to the Amended and Restated Limited Partnership Agreement and Series B-1 Standstill and Omnibus Consent (the "Eighth Amendment"), which amended and restated the terms of the Series B-1 Preferred Units, including waiving the holder's cash redemption right in favor of an exchange right into common stock. Based on this change, the Company has determined that, subsequent to the Amendment Effective Date, the Series B-1 Preferred Units will no longer be redeemable for cash at the holder's option and will be reclassified from temporary equity to permanent equity. See Note 8 - Equity for further discussion.

Norfolk, VA Partnership

In connection with the redemption of this obligation in 2023, the Company accrued approximately $506,000 relating to the potential reimbursement of federal, state and local income taxes incurred by a remaining partner in one of our partnerships pursuant to tax protection agreement. The liability is included in Accrued Expense - Related Party on the balance sheet as of June 30, 2026.

JCWC Funding, LLC

Series A Redeemable Preferred Units. On June 27, 2024, the Operating Partnership and an accredited investor entered into a Unit Purchase Agreement pursuant to which the Operating Partnership issued and sold to the investor 500,000 Series A Preferred Units at a price of $5.00 per unit for an aggregate purchase price of two million five hundred thousand dollars ($2,500,000) in cash. Under the terms of the Series A Preferred Units, the investor will be paid cumulative cash distributions in the amount of $0.325 per Series A Preferred Unit per year, payable monthly in arrears, on or about the 15th day of each month. Each of the investor and the Operating Partnership will have the right to cause the Operating Partnership to redeem the Series A Preferred Units after two (2) years for cash in an amount equal to $5.15 per Series A Preferred Unit plus any accrued but unpaid Series A Preferred Return, provided that the Operating Partnership may (with the prior written consent of the investor) cause the redemption price to be satisfied by the issuance of a number of shares of common stock of the Company equal to the number of Series A Preferred Units being redeemed multiplied by 1.03 plus any accrued but unpaid Series A Preferred Return. If the Operating Partnership fails to declare and pay the Series A Preferred Return for a period of three consecutive months, the investor may exercise the foregoing redemption right within the 30-day period following such failure. Because of the redemption right, the non-controlling interest is presented as temporary equity.

On April 16, 2026, the Operating Partnership entered into an amendment to modify the redemption terms and update the protective provisions. Pursuant to the amendment, beginning on June 27, 2026, the redemption price will equal $5.00 plus $0.075 multiplied by the number of full years elapsed since the original issuance date of June 27, 2024 (the "Applicable Redemption Price"), plus any accrued but unpaid distributions. The Operating Partnership may, with the prior written consent of JCWC, satisfy the redemption price through the issuance of a number of shares of common stock of the Company equal to the number of Series A Preferred Units being redeemed multiplied by 1.03, plus any accrued but unpaid distributions. If the Operating Partnership fails to declare and pay distributions on the Series A Preferred Units for a period of three consecutive months, JCWC may exercise its redemption right within the thirty-day period following such failure at the then-applicable Applicable Redemption Price, without regard to the 180-day notice requirement.

Following expiration of the initial term on June 27, 2026, the Series A Preferred Unit designation will automatically extend for up to three successive one-year extension periods ending no later than June 27, 2029, unless JCWC has timely delivered a notice of redemption no later than 180 days prior to the expiration of the then-current term or extension period. Prior to June 27, 2029, the Operating Partnership may not issue any Senior Preferred Units without the written consent or affirmative vote of the requisite holders of the Series A Preferred Units.

GIPIA 1220 S. Duff Avenue, LLC - Ames, Iowa (Best Buy). In connection with the acquisition of a 30,465 square-foot, single-tenant net lease retail property located in Ames, Iowa (the "Ames Property") that is 100% leased to Best Buy Stores, L.P., the Company issued $3,080,000 of preferred equity investment to JCWC (the "Class A Preferred Units"). Under the terms of the Class A Preferred Units as originally issued, JCWC's distribution preference consisted of an 8.0% annual cumulative preferred return comprised of a 6.5% per annum current cash component payable monthly and a 1.5% per annum accrued component. The initial term of the operating agreement was to expire on August 23, 2026.

On April 13, 2026, the Operating Partnership entered into an agreement which modified the economic terms of JCWC's Class A Preferred Units by eliminating the 1.5% per annum accrued component and providing for a simplified preferred return of 6.5% per annum, payable monthly in cash. The agreement also provides for up to three automatic one-year extension periods following the expiration of the initial two-year term on August 23, 2026, with escalating IRR hurdles of 9.5%, 11.0%, and 12.5% applicable to each respective extension period.

Lloyd M. Bernstein

On February 6, 2025, the Operating Partnership entered into a Contribution and Subscription Agreement with LMB Lewiston, LLC, LMB Ft. Kent, LLC, and LMB Auburn Hills I, LLC (collectively, the "Contributed Entities") and their members. Pursuant to the agreement, the members of the Contributed Entities contributed 100% of their membership interests to the Operating Partnership in exchange for 698,465 newly issued Series B-2 Preferred Units at a price of $6.00 per unit, valued in aggregate at approximately $4.2 million. The Contributed Entities collectively own three single-tenant net lease retail properties leased to Zaxby's (Sanford, FL), Dollar General (Cleveland, TN), and Tractor Supply Co. (Kernersville, NC), with a combined gross asset value of $11.2 million. In connection with the contribution, the Operating Partnership assumed outstanding debt totaling approximately $7.0 million secured by the properties. The Preferred Units issued in the transaction carry a cumulative annual distribution of $0.33 per unit, payable monthly in arrears. Beginning on the second anniversary of closing, the holders may elect to redeem their units for a "Redemption Amount" as defined in the Amended and Restated Agreement of Limited Partnership. Because of the redemption right, the non-controlling interest is presented as temporary equity.

On July 16, 2026, the Company through the Operating Partnership and Bernstein entered into a Ninth Amendment to the Amended and Restated Limited Partnership Agreement and Series B-2 Omnibus and Amendment to Related Agreements (the "Ninth Amendment"), which amended and restated the terms of the Series B-2 Preferred Units, including waiving the holder's cash redemption rights in favor of an exchange right into common stock, and increasing the Series B-2 Preferred Return from $0.33 to $0.39 per unit per year. Based on this change, the Company has determined that, subsequent to the Amendment

Effective Date, the Series B-2 Preferred Units will no longer be redeemable for cash at the holder's option and will be reclassified from temporary equity to permanent equity. See Note 8 - Equity for further discussion.

Preferred Equity Partners

Brown Family Trust and Brown Family Enterprises, LLC

On February 8, 2023, the Operating Partnership entered into new Amended and Restated Limited Liability Company Agreements for the Norfolk, Virginia properties, GIPVA 2510 Walmer Ave, LLC ("GIPVA 2510") and GIPVA 130 Corporate Blvd, LLC ("GIPVA 130"), in which the Operating Partnership, as the sole member of GIPVA 2510 and GIPVA 130, admitted a new preferred member, Brown Family Enterprises, LLC, through the issuance of preferred membership interests in the form of Class A Preferred Units of GIPVA 2510 and GIPVA 130. GIPVA 2510 and GIPVA 130 (the "Virginia SPEs") hold the Company's Norfolk, Virginia properties. In addition, both of the Virginia SPEs and Brown Family Enterprises, LLC entered into Unit Purchase Agreements in which GIPVA 2510 issued and sold 180,000 Class A Preferred Units at a price of $10.00 per unit for an aggregate price of $1,800,000, and GIPVA 130 issued and sold 120,000 Class A Preferred Units at a price of $10.00 per unit for an aggregate price of $1,200,000. The Operating Partnership is the general manager of the subsidiary while Brown Family Enterprises, LLC is a preferred equity member. Pursuant to the agreement, the Company is required to pay the preferred equity member a 7% IRR paid on a monthly basis and will share in 16% of the equity in each of the Virginia SPEs upon a capital transaction resulting in distributable proceeds. Brown Family Enterprises, LLC has the right to redeem the preferred equity at redemption value. On July 25, 2024, we entered into First Amendments to the Second Amended and Restated Limited Liability Company Agreements, dated as of February 8, 2023, for each of these entities revising the redemption date from February 8, 2025 to February 8, 2027. Because of the redemption right, the non-controlling interest is presented as temporary equity at an aggregated redemption value of $3,000,000 as of June 30, 2026.

LC2-NNN Pref, LLC

In connection with the acquisition of the Modiv Portfolio, the Operating Partnership and LC2 entered into an Amended and Restated Limited Liability Company Agreement for GIP SPE (the "GIP SPE Operating Agreement") pursuant to which LC2 made a $12.0 million initial capital contribution to GIP SPE, together with a commitment to make an additional $2.1 million contribution upon the satisfactory completion of the acquisition of a tenant-in-common interest held by a third party in the Company's Rockford, Illinois property (the "LC2 Investment"). The Company completed the acquisition of such tenant-in-common interest on September 7, 2023, for a purchase price of $1.3 million and LC2 made the additional $2.1 million capital contribution on September 11, 2023. LC2 made the LC2 Investment in exchange for a preferred equity interest in GIP SPE (the "Preferred Interest"). The Preferred Interest has a cumulative accruing distribution preference of 15.5% per year, compounded monthly, a portion of which in the amount of 5% per annum (compounded monthly) is deemed to be the "current preferred return," and the remainder of which in the amount of 10.5% per annum (compounded monthly) is deemed to be the "accrued preferred return." The GIP SPE operating agreement provides that operating distributions by GIP SPE will be made first to LC2 to satisfy any accrued but unpaid current preferred return, with the balance being paid to the Operating Partnership, unless the "annualized debt yield" of GIP SPE is less than 10%, in which case the balance will be paid to LC2. For this purpose, "annualized debt yield" is calculated as the sum of senior debt and LC2 Investment divided by the trailing three-month annualized adjusted net operating income (as defined in the GIP SPE Operating Agreement) of GIP SPE. The GIP SPE Operating Agreement also provides that distributions from capital transactions will be paid first to LC2 to satisfy any accrued but unpaid preferred return, then to LC2 until the "Make-Whole Amount" (defined as the amount equal to 1.3 times the LC2 Investment) is reduced to zero, and then to the Operating Partnership.

The Preferred Interest is required to be redeemed in full by the Company on or before August 10, 2025 (the "Mandatory Redemption Date") for a redemption amount equal to the greater of (i) the amount of the LC2 Investment plus the accrued preferred return, and (ii) the Make-Whole Amount. Upon a failure to timely redeem the Preferred Interest, the preferred return will accrue at an increased rate of 18% per annum, compounded monthly. The Company has the right to extend the Mandatory Redemption Date for two consecutive 12-month extension periods, provided that (i) LC2 is paid an extension fee of 0.01% of the outstanding amount of the LC2 Investment for each such extension, (ii) the preferred return is increased from 15.5% to 18% of which the accrued preferred return is increased from 10.5% to 13%, (iii) the trailing 6-month annualized adjusted net operating income (as defined in the GIP SPE Operating Agreement) is in excess of $5.0 million, (iv) GIP SPE and its subsidiaries' senior debt is extended through the end of the extension period, and there are no defaults under the GIP SPE Operating Agreement.

On August 7, 2025, the Company exercised its first 12-month extension option under the GIP SPE Operating Agreement, extending the Mandatory Redemption Date from August 10, 2025 to August 10, 2026. In connection with the extension, the Company paid LC2 an extension fee of $141,000 (equal to 100 basis points of the outstanding LC2 Investment), increased the "Preferred Equity Return" under the GIP SPE Operating Agreement from 15.5% to 18% per annum, and increased the "Accrued Preferred Return" under the agreement from 10.5% to 13% per annum, while the "Current Preferred Return" under the agreement remained at 5% per annum. The Company also confirmed that the trailing nine-month annualized adjusted net operating income exceeded $5.0 million, the senior loans had been extended through the end of the extension period, and there were no material breaches or defaults under the GIP SPE Operating Agreement.

On August 10, 2026, the Company entered into an amendment to the GIP SPE Operating Agreement extending the Mandatory Redemption Date from August 10, 2026 to August 31, 2026. The amendment does not itself constitute an exercise of the Company's second 12-month extension option under the GIP SPE Operating Agreement, and the parties expressly acknowledged that the Company had not yet satisfied the conditions required to exercise that option as of the amendment date. If those conditions are satisfied prior to August 31, 2026, the Company will have the right to further extend the Mandatory Redemption Date to August 10, 2027 (which, if exercised, would carry the same extension fee, preferred return rate increase, and other conditions described above). If the conditions are not satisfied prior to August 31, 2026, the Mandatory Redemption Date will remain August 31, 2026.

Under the GIP SPE Operating Agreement, GIP SPE is also required to pay to Loci Capital, an affiliate of LC2, an equity fee of 1.5% of the LC2 Investment, with 1% having been paid upon the execution and delivery of the GIP SPE Operating Agreement and the 0.5% payable upon redemption of the LC2 Investment.

During the six months ended, the Company repaid all accrued interest and reduced principal redemption by approximately $8,584,000, leaving an outstanding redemption value of $10,228,772 at June 30, 2026.

Non-Controlling Interest (Permanent Equity)

GIP LP (Former GIP Fund 1 Members)

As part of the Company’s acquisition of one property on November 30, 2020 for $1,847,700 in Tampa, FL, the Operating Partnership entered into a contribution agreement with GIP Fund 1, LLC that resulted in the issuance of 24,309 GIP LP Units in the Operating Partnership at $20.00 per share for a total value of $486,180. At the time of the acquisition, the Company’s President owned 11% of GIP Fund 1. GIP Fund 1 has since been dissolved and the GIP Units are now directly owned by the former members of GIP Fund 1. After 12 months, the contribution agreement allows for the former members of GIP Fund 1 to require the Operating Partnership to redeem, all or a portion of its GIP LP Units for common stock of the Company. As such, the Company has determined their equity should be classified as a Non-controlling interest.

Following these transactions as of June 30, 2026, the Company owned 99.6% of the common units in the Operating Partnership and outside investors owned 0.4%. The following table reflects the Company's redeemable non-controlling interests and non-controlling interest during the three and six months ended June 30, 2026 and 2025:

	Brown Family Trust and Brown Family Enterprises, LLC	LMB Owenton I LLC	JCWC Funding, LLC	Lloyd M. Bernstein	LC2-NNN Pref, LLC	Total Redeemable Non-Controlling Interests	Non-Controlling Interests - Former GIP Fund 1 Members
Balance, December 31, 2024	**$ 3,000,000**	**$ 1,109,570**	**$ 5,580,000**	**$ -**	**$ 16,974,975**	**$ 26,664,545**	**$ 392,861**
Issuance of Redeemable Non-Controlling Interests	-	-	-	4,209,154	-	4,209,154	-
Distribution on Non-Controlling Interests	(52,500)	(24,209)	(90,675)	(33,934)	(204,331)	(405,648)	-
Net income (loss) for the quarter	52,500	24,209	90,675	33,934	733,081	934,399	-
Balance, March 31, 2025	**$ 3,000,000**	**$ 1,109,570**	**$ 5,580,000**	**$ 4,209,154**	**$ 17,503,725**	**$ 31,402,450**	**$ 392,861**
Distribution on Non-Controlling Interests	(52,500)	(12,104)	(90,675)	$ (57,623)	$ (214,455)	(427,358)	-
Net income (loss) for the quarter	52,500	12,104	90,675	$ 57,623	743,205	956,108	-
Balance, June 30, 2025	**$ 3,000,000**	**$ 1,109,570**	**$ 5,580,000**	**$ 4,209,154**	**$ 18,032,475**	**$ 31,931,200**	**$ 392,861**
Balance, December 31, 2025	**$ 3,000,000**	**$ 1,109,570**	**$ 5,580,000**	**$ 4,209,154**	**$ 18,289,140**	**$ 32,187,864**	**$ 392,861**
Distribution on Non-Controlling Interests	(52,500)	(18,157)	(90,675)	$ (57,623)	$ (5,867,724)	(6,086,679)	-
Net income (loss) for the quarter	52,500	18,157	90,675	57,623	646,033	864,988	-
Balance, March 31, 2026	**$ 3,000,000**	**$ 1,109,570**	**$ 5,580,000**	**$ 4,209,154**	**$ 13,067,449**	**$ 26,966,173**	**$ 392,861**
Distribution on Non-Controlling Interests	(52,500)	(18,157)	(90,675)	$ (57,623)	$ (2,716,993)	(2,935,948)	-
Net income (loss) for the quarter	52,500	18,157	90,675	57,623	(121,684)	97,271	-
Balance, June 30, 2026	**$ 3,000,000**	**$ 1,109,570**	**$ 5,580,000**	**$ 4,209,154**	**$ 10,228,772**	**$ 24,127,496**	**$ 392,861**

Note 8 – Equity

Authorized Equity

The Company is authorized to issue up to 100,000,000 shares of common stock and 10,000,000 shares of preferred stock of which 240,000 were designated as Series A Preferred Stock. Holders of the Company's common stock are entitled to receive dividends when authorized by the Company's Board of Directors.

In January 2024, the Company redeemed all 240,000 shares of its Series A Preferred Stock from its preferred shareholders, Modiv and their affiliates, and exchanged them for 279,460 shares of common stock.

Issuance of Equity Securities

On November 13, 2020, the Company raised $1,000,000 by issuing 50,000 Units with each Unit being comprised of one share of its Common Stock, and one warrant to purchase one share of its Common Stock. Each Unit was sold for a price of $20.00 per Unit. The shares of the Company's Common Stock and warrants included in the Units, were offered together, but the securities included in the Units are issued separately. The warrants are exercisable at a price of $20.00 per share of Common Stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

In January 2024, the Company declared and paid final preferred stock dividends of $95,000 to holders of its Series A Preferred Stock shares. In January 2024, the Company also paid another $95,000 dividend on the Series A Preferred Stock declared in December 2023 and accrued as of December 31, 2023. On June 27, 2024, the Operating Partnership and an accredited investor entered into a Unit Purchase Agreement (the "June 2024 Unit Purchase Agreement") pursuant to which the Operating Partnership issued and sold to the investor 50,000 Series A Preferred Units at a price of $5.00 per unit for an aggregate purchase price of $2,500,000 in cash. Under the terms of the Series A Preferred Units, the investor will be paid cumulative cash distributions in the amount of $0.325 per Series A Preferred Unit per year, payable monthly in arrears, on or about the 15th day of each month. Each of the investor and the Operating Partnership will have the right to cause the Operating Partnership to redeem the Series A Preferred Units after two (2) years for cash in an amount equal to $5.15 per Series A Preferred Unit plus any accrued but unpaid Series A Preferred Return, provided that the Operating Partnership may (with the prior written consent of the investor) cause the redemption price to be satisfied by the issuance of a number of shares of common stock of the Company equal to the number of Series A Preferred Units being redeemed multiplied by 1.03 plus any accrued but unpaid Series A Preferred Return. If the Operating Partnership fails to declare and pay the Series A Preferred Return for a period of three consecutive months, the investor may exercise the foregoing redemption right within the 30-day period following such failure.

On July 24, 2024, the Operating Partnership of Generation Income Properties, Inc. (the "Company"), entered into a Fifth Amendment to the Amended and Restated Limited Partnership Agreement of the Operating Partnership (the "LPA Amendment"), pursuant to which the Company, as the general partner of the Operating Partnership, issued partnership interests to LMB Owenton I LLC ("Contributor") in the form of Series B-1 Preferred Units (the "Series B-1 Preferred Units"). Also on July 24, 2024, the Operating Partnership and the Contributor entered into a Contribution and Exchange Agreement (the "Contribution Agreement") pursuant to which the Contributor contributed 15,519 Common Units in exchange for 15,519 Series B-1 Preferred Units. If and when determined by the Company, as general partner of the Operating Partnership, in its sole discretion, holders of the Series B-1 Preferred Units will be paid cash distributions in the amount of $0.117 per Series B-1 Preferred Unit per quarter, subject to prior payment of any preferred return on senior preferred units of the Operating Partnership. The Contributor will have the right to cause the Operating Partnership to redeem the Series B-1 Preferred Units after two (2) years for either (i) cash in an amount equal to $7.15 per Series B-1 Preferred Unit or (ii) a number of shares of common stock of the Company equal to the number of Series B-1 Preferred Units being redeemed multiplied by 1.00, plus, in each case, an amount equal to all dividends accrued and unpaid thereon.

On February 6, 2025, the Operating Partnership entered into a Sixth Amendment to the Amended and Restated Limited Partnership Agreement of the Operating Partnership (the "Sixth Amendment"), pursuant to which the General Partner designated a new class of 69,847 Series B-2 Preferred Units and authorized their issuance and sale at a purchase price of $6.00 per unit. The Series B-2 Preferred Units were issued to Lloyd M. Bernstein ("Bernstein") in connection with a Contribution and Subscription Agreement, dated February 6, 2025, pursuant to which the Operating Partnership acquired all of the issued and outstanding membership interests in LMB Lewiston, LLC, LMB Ft. Kent, LLC and LMB Auburn Hills I, LLC. Holders of the Series B-2 Preferred Units are entitled to cumulative cash distributions of $0.33 per unit per year, payable monthly in arrears on or before the 12th day of each month, commencing February 6, 2025. Beginning on the second anniversary of issuance, a holder may require the Operating Partnership to redeem all or a portion of its Series B-2 Preferred Units for REIT Shares at a 1.0x multiplier plus accrued and unpaid distributions in cash; beginning on the fifth anniversary of issuance, a holder may instead require redemption for cash at $4.00 per unit plus accrued and unpaid distributions. The Series B-2 Preferred Units rank senior to Common Units and LTIP Units as to distributions, on parity with the Series A Preferred Units and Series B-1 Preferred Units as to distributions, and on parity with Common Units and LTIP Units as to liquidation.

On February 10, 2026, the Company entered into an Amended and Restated Convertible Note (the "First Amended Note") in the principal amount of $551,437 with Silverback Capital Corporation (the "Noteholder"). The First Amended Note amends and restates that certain Secured Promissory Note, dated April 25, 2025, in the original principal amount of $1,000,000 originally issued to Brown Family Enterprises LLC in exchange for a loan to the Company. The Original Note was sold and assigned to the Noteholder on February 10, 2026 and amended by the Company and the Noteholder on such date. The First Amended Note amended and restated the Original Note by changing the maturity date to February 10, 2027 and changing the interest rate to 9% per annum simple interest. The First Amended Note was convertible into shares of Company common stock ("Conversion Shares"), subject to customary beneficial ownership limitations, at a conversion price of 80% of the "Market Price" (as defined in the First Amended Note) of the Company's common stock at the time of conversion. On February 24, 2026, the First Amended Note was further amended and restated by a second Amended and Restated Convertible Note (the "Second Amended Note"), which amended the First Amended Note by (i) changing the maturity date to February 24, 2027, (ii) providing that the conversion price shall not be less than a floor of $0.10 per share, and (iii) providing that the Second Amended Note may not be converted into a number of shares of Company common stock that exceeds 19.9% of the outstanding shares of Company common stock on the date of the Second Amended Note unless the Company obtains stockholder approval in accordance with the applicable rules of the Nasdaq Stock Market. The Company has determined that the Second Amended Note will be settled entirely through the issuance of shares of common stock, which have been reserved for conversion and are considered issued but not yet outstanding until delivered to the Noteholder. During the six months ended June 30, 2026, the Noteholder converted an aggregate of $256,397 of principal and accrued interest into 105,393 Conversion Shares, of which 49,693 shares were delivered during the three months ended March 31, 2026 and 55,700 shares were delivered during the three months ended June 30, 2026, reducing the outstanding balance of the Second Amended Note to $295,039 as of June 30, 2026. As the Second Amended Note is classified as an equity instrument, no interest expense has been recognized in connection with the Second Amended Note during the six months ended June 30, 2026, and no liability has been recorded on the Company's consolidated balance sheet in connection with the note.

On June 1, 2026, the Company completed a public offering (the "Offering") of common stock and Common Warrants to purchase shares of common stock (the "Common Warrants"), at a public offering price of $0.21 per share. The Company also offered to each purchaser whose purchase would otherwise result in beneficial ownership exceeding 4.99% (or, at the purchaser's election, 9.99%) of outstanding common stock the option to receive, in lieu of shares, Pre-Funded Warrants (the "Pre-Funded Warrants") exercisable for the same number of shares at a nominal exercise price of $0.0001 per share, with the public offering price per Pre-Funded Warrant equal to the public offering price per share and accompanying Common Warrant, less $0.0001. The Common Warrants have an exercise price of $0.21 per share, are exercisable immediately upon issuance, and expire five years from the date of issuance (June 1, 2031). The Pre-Funded Warrants are exercisable immediately and do not expire until exercised in full. The number of Common Warrants sold did not vary based on the mix of shares and Pre-Funded Warrants purchased; each share or Pre-Funded Warrant sold in the Offering carried one accompanying Common Warrant. If the Company effects a share split, share dividend, reverse stock split or similar event within the two-year period following issuance of the Common Warrants, the exercise price will be reduced to the lowest volume-weighted average price during the five trading days before and after the event, subject to a floor exercise price of $0.0562 per share, with the number of shares issuable proportionately increased to preserve the aggregate exercise price payable.

Pursuant to the Offering, purchasers acquired 2,205,000 Pre-Funded Warrants and 177,500 shares of common stock, together with an aggregate of 23,825,000 accompanying Common Warrants, of which 177,500 accompanied the shares of common stock and 2,205,000 accompanied the Pre-Funded Warrants, for aggregate gross proceeds of $5,001,060. In connection with the offering, the Company paid the placement agent 7.0% of gross proceeds plus reimbursement of the placement agent's out-of-pocket costs and expenses of $85,000. The Company's directors and executive officers entered into lock-up agreements restricting the sale of common stock for 90 days following closing, subject to certain exceptions.

The Offering closed on June 1, 2026. After deducting the placement agent fee and offering expenses, the Company received net proceeds of $4,565,833.

On July 24, 2026, the Operating Partnership, the Company and the David E. Sobelman Revocable Trust, of which the Company's Chief Executive Officer is trustee, entered into a Debt Conversion Agreement pursuant to which $120,000 of outstanding debt owed by the Operating Partnership to the Sobelman Trust was converted into 16,216 shares of the Company's common stock, at a conversion price of $0.74 per share, the Nasdaq Official Closing Price of the common stock on July 23, 2026. The converted portion of the debt was deemed paid in full and extinguished upon conversion. See Note 10 -

Related Party Transactions and Note 12 - Subsequent Events for further discussion.

Amendments to Preferred Units

On April 16, 2026, the Operating Partnership entered into the Seventh Amendment to the Amended and Restated Limited Partnership Agreement (the "Seventh Amendment") to modify the redemption terms and update the protective provisions applicable to the Series A Preferred Units. Pursuant to the Seventh Amendment, beginning on June 27, 2026, the redemption price ("Applicable Redemption Price") equals $5.00 plus $0.075 multiplied by the number of full years elapsed since the original issuance date of June 27, 2024, plus any accrued but unpaid distributions, equal to $5.150 per unit on or after June 27, 2026 but prior to June 27, 2027; $5.225 per unit on or after June 27, 2027 but prior to June 27, 2028; $5.300 per unit on or after June 27, 2028 but prior to June 27, 2029; and $5.375 per unit on or after June 27, 2029. The Operating Partnership may, with the prior written consent of the investor, satisfy the redemption price through the issuance of a number of shares of common stock of the Company equal to the number of Series A Preferred Units being redeemed multiplied by 1.03, plus any accrued but unpaid distributions. If the Operating Partnership fails to declare and pay distributions on the Series A Preferred Units for a period of three consecutive months, the investor may exercise its redemption right within the 30-day period following such failure at the then-applicable Applicable Redemption Price, without regard to the 180-day notice requirement otherwise applicable to a voluntary redemption. Following expiration of the initial term on June 27, 2026, the Series A Preferred Unit designation will automatically extend for up to three successive one-year extension periods ending no later than June 27, 2029, unless the investor has timely delivered a notice of redemption no later than 180 days prior to the expiration of the then-current term or extension period. Prior to June 27, 2029, the Operating Partnership may not issue any Senior Preferred Units without the written consent or affirmative vote of the requisite holders of the Series A Preferred Units.

On July 16, 2026, the Operating Partnership, the Company and LMB Owenton I LLC entered into the Eighth Amendment, which amended and restated in its entirety the terms of the Series B-1 Preferred Units. Pursuant to the amendment, LMB Owenton I LLC irrevocably waived its right to redeem the Series B-1 Preferred Units for cash. After July 24, 2026, the holder may tender its Series B-1 Preferred Units for exchange into shares of the Company's common stock on a one-for-one basis (as adjusted for the Company's 1-for-10 reverse stock split effected July 9, 2026), unless the Company or the Operating Partnership elects, in its sole discretion, to settle in cash or a combination of cash and common stock. Based on this change, the Company has determined that, subsequent to the Amendment Effective Date, the Series B-1 Preferred Units will no longer be redeemable for cash at the holder's option and will be reclassified from temporary equity to permanent equity.

Also on July 16, 2026, the Operating Partnership, the Company and Bernstein entered into the Ninth Amendment, which amended and restated in its entirety the terms of the Series B-2 Preferred Units. Pursuant to the amendment, Bernstein irrevocably waived, his rights to redeem the Series B-2 Preferred Units for cash or other assets, including both the second-anniversary REIT Shares/cash redemption right and the fifth-anniversary $4.00 per unit cash redemption right described above. In their place, on and after February 6, 2027, Bernstein may tender his Series B-2 Preferred Units for exchange into shares of the Company's common stock on a one-for-one basis (as adjusted for the Company's 1-for-10 reverse stock split effected July 9, 2026), unless the Company or the Operating Partnership elects, in its sole discretion, to settle in cash or a combination of cash and common stock. The amendment also increased the Series B-2 Preferred Return from $0.33 to $0.39 per unit per year. Based on this change, the Company has determined that, subsequent to the Amendment Effective Date, the Series B-2 Preferred Units will no longer be redeemable for cash at the holder's option and will be reclassified from temporary equity to permanent equity.

Warrants

Private Placement Warrants

On April 25, 2019, the Company raised $100,000 by issuing 50,000 Units with each Unit being comprised of one share of its Common Stock and one warrant to purchase one share of its common stock. Each Unit was sold for a price of $20.00 per Unit. The shares of the Company’s common stock and warrants included in the Units, were offered together, but the securities included in the Units are issued separately. The warrants are exercisable at a price of $20.00 per share of common stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

On November 13, 2020, the Company raised $100,000 by issuing 50,000 Units with each Unit being comprised of one share of its Common Stock and one warrant to purchase one share of its common stock. Each Unit was sold for a price of $20.00 per Unit. The shares of the Company’s common stock and warrants included in the Units, were offered together, but the securities included in the Units are issued separately. The warrants are exercisable at a price of $20.00 per share of common stock, subject to adjustment in certain circumstances, and will expire seven years from the date of issuance.

On September 8, 2021, the Company issued and sold, in an underwritten public offering (the “Public Offering”), 150,000 Units, with each unit consisting of one share of common stock, and one warrant to purchase one share of common stock (the “Investor Warrants”). On September 30, 2021, the Company issued and sold an additional 16,500 Investor Warrants as part of the underwriter’s Over-Allotment Option. The Investor Warrants issued in the offering entitle the holder to purchase one share of common stock at a price equal to $10.00 for a period of five years.

Investor Warrants

The Investor Warrants may be exercised on a cashless basis if there is no effective registration statement available for the resale of the shares of common stock underlying such warrants. In addition, after 120 days after the Investor Warrants are issued, any Investor Warrant may be exercised on a cashless basis for 10% of the shares of Common Stock underlying the Investor Warrant if the volume-weighted average trading price of the Company’s shares of Common Stock on Nasdaq is below the then effective exercise price of the Investor Warrant for 10 consecutive trading days.

Representative Warrants

In addition, the Company issued to Maxim Group LLC (or its designee) warrants to purchase an aggregate of 14,985 shares of common stock, which is equal to an aggregate of 9% of the number of shares of common stock sold in the Public Offering (the “Representative’s Warrants”). The Representative’s Warrants have an exercise price equal to $12.50, may be exercised on a cashless basis and became exercisable six months following the closing date and until September 2, 2026.

Pre-Funded Warrants and Common Warrants — June 2026 Offering

In connection with the Offering that closed on June 1, 2026 (see "Issuance of Equity Securities" above), the Company issued 2,205,000 Pre-Funded Warrants and 2,382,500 Common Warrants. The Pre-Funded Warrants have an exercise price of $0.0001 per share and do not expire until exercised in full. The Common Warrants have an exercise price of $0.21 per share, became exercisable immediately upon issuance, and expire five years from the issuance date (June 1, 2031). The Common Warrants may be exercised on a cashless basis if no effective registration statement is available for the resale of the underlying shares. If the Company effects a share split, share dividend, reverse stock split or similar event within the two-year period following issuance, the exercise price of the Common Warrants will be reduced to the lowest volume-weighted average price during the five trading days before and after the event, subject to a floor exercise price of $0.0562 per share, with the number of shares issuable proportionately increased to preserve the aggregate exercise price payable.

The Company has 4,475,130 and 81,936 warrants outstanding and exercisable as of June 30, 2026 and 2025, respectively, as summarized below.

Issue Date	**As of June 30, 2026**
April 25, 2019 at an exercise price of $20.00	5,000
November 13, 2020 at an exercise price of $20.00	5,000
September 8, 2021 at an exercise price of $10.00	31,870
September 8, 2021 at an exercise price of $12.50	13,500
September 30, 2021 at an exercise price of $10.00	16,500
September 30, 2021 at an exercise price of $12.50	14,860
June 1, 2026 Pre-Funded Warrants at an exercise price of $0.0001	2,005,900
June 1, 2026 Common Warrants at an exercise price of $0.21	2,382,500
	4,475,130

	Warrants	Weighted Average Price	Weighted Average Remaining Life
As of December 31, 2025	76,946	$ 9.97	2.8
Issued	4,600,875	-	-
Exercised	(202,691)	-	-
As of June 30, 2026	4,475,130	$ 11.25	3.3
Warrants exercisable	4,475,130	$ 11.25	3.3

	Warrants	Weighted Average Price	Weighted Average Remaining Life
As of December 31, 2024	81,936	$ 11.61	2.5
Exercised	-	-	-
As of June 30, 2025	81,936	$ 11.61	2.5
Warrants exercisable	81,936	$ 11.61	2.5

There was no intrinsic value for the warrants as of June 30, 2026 or 2025.

Stock Compensation

Generation Income Properties, Inc. 2020 Omnibus Incentive Plan

In connection with the Public Offering, the Company's Board of Directors adopted and stockholders approved, the Generation Income Properties, Inc. 2020 Omnibus Incentive Plan (the "Omnibus Incentive Plan"), which became effective upon the completion of the Public Offering. The Omnibus Incentive Plan reserves 2.0 million shares of common stock for stock options, stock appreciation rights, performance shares, performance units, shares of common stock, restricted stock, restricted stock units, cash incentive awards, dividend equivalent units, or any other type of award permitted under the Omnibus Incentive Plan. As of June 30, 2026 and 2025, 220,162 shares had been granted under the Omnibus Incentive Plan.

Restricted Common Shares issued to the Board and Employees

In March 2024, the board approved grants of restricted stock to directors effective June 15, 2024, allowing an elective deferral of up to three years. All board members elected to defer restricted stock and dividend equivalents for the full three year period.

The following is a summary of restricted shares for the six months ended June 30, 2026 and 2025:

	2026	2025
Number of Shares Outstanding at beginning of period	18,732	6,132
Restricted Shares Issued	165	-
Restricted Shares Vested	(2,171)	-
Number of Shares Outstanding at end of period	16,726	6,132

The Company recorded stock based compensation expense of $90,000 and $255,000 and $0 and $0, during the three and six months ended June 30, 2026 and 2025, respectively.

Cash Distributions

The Company announced that its Board of Directors determined to suspend the Company's regular dividend, commencing with the monthly dividends that would have been paid in July 2024.

The issuance of future distributions will be determined by the Company's board of directors based on the Company's financial condition and such other factors as the Company's board of directors deems relevant. The Company has not established a minimum distribution, and the Company's charter does not require that the Company issue distributions to its stockholders other than as necessary to meet REIT qualification standards.

Note 9 – Debt

Mortgage Loans

The Company had the following mortgage loans outstanding as of June 30, 2026 and December 31, 2025, respectively:

Occupying Tenant	Property Location	Original Loan Amount		Interest Rate at 12/31/2025		Maturity Date	Balance at 06/30/2026	Balance at 12/31/2025	Debt Service Coverage Ratios ("DSCR") Required
7-Eleven Corporation	Washington, D.C.	$ 750,000		6.50%		6/13/2030	$ 1,100,000	$ 1,100,000	1.50
General Services Administration-Navy & AYMCA	Norfolk, VA	8,260,000		6.15%		8/30/2029	6,825,292	6,926,665	1.25
PRA Holdings, Inc.	Norfolk, VA	5,216,749		6.15%		8/23/2029	4,229,570	4,291,659	1.25
Sherwin Williams Company	Tampa, FL	1,286,664		3.72%	(a)	8/10/2028	1,205,324	1,222,259	1.20
General Services Administration-FBI	Manteo, NC	928,728	(b)	3.85%	(c)	3/31/2032	895,122	866,868	1.50
La-Z-Boy Inc.	Rockford, IL	2,100,000		3.85%	(c)	3/31/2032	1,932,892	1,960,814	1.50
Fresenius Medical Care Holdings, Inc.	Chicago, IL	1,727,108	(b)	3.85%	(c)	3/31/2032	1,664,551	1,612,010	1.50
Starbucks Corporation	Tampa, FL	1,298,047	(b)	3.85%	(c)	3/31/2032	-	1,211,508	1.50
Kohl's Corporation	Tucson, AZ	3,964,745	(b)	3.85%	(c)	3/31/2032	3,821,105	3,700,494	1.50
City of San Antonio (PreK)	San Antonio, TX	6,444,000	(d)	7.47%	(a)	8/10/2028	6,162,006	6,223,604	1.50
Dollar General Market	Bakersfield, CA	2,428,000	(d)	7.47%	(a)	8/10/2028	2,321,749	2,344,958	1.50
Dollar General	Big Spring, TX	635,000	(d)	7.47%	(a)	8/10/2028	607,212	613,282	1.50
Dollar General	Castalia, OH	556,000	(d)	7.47%	(a)	8/10/2028	531,669	536,984	1.50
Dollar General	East Wilton, ME	726,000	(d)	7.47%	(a)	8/10/2028	694,230	701,170	1.50
Dollar General	Lakeside, OH	567,000	(d)	7.47%	(a)	8/10/2028	542,188	547,608	1.50
Dollar General	Litchfield, ME	624,000	(d)	7.47%	(a)	8/10/2028	596,693	602,658	1.50
Dollar General	Mount Gilead, OH	533,000	(d)	7.47%	(a)	8/10/2028	509,676	514,770	1.50
Dollar General	Thompsontown, PA	556,000	(d)	7.47%	(a)	8/10/2028	531,669	536,984	1.50
Dollar Tree Stores, Inc.	Morrow, GA	647,000	(d)	7.47%	(a)	8/10/2028	-	624,871	1.50
General Services Administration	Vacaville, CA	1,293,000	(d)	7.47%	(a)	8/10/2028	1,236,417	1,248,777	1.50
Walgreens	Santa Maria, CA	3,041,000	(d)	7.47%	(a)	8/10/2028	2,907,924	2,936,993	1.50
Best Buy Co., Inc.	Ames, IA	2,495,000		6.29%	(a)	8/23/2029	2,495,000	2,495,000	1.50
Zaxby's	Sanford, FL	2,947,000		6.29%	(e)	5/14/2026	2,645,822	2,482,944	1.30
Dollar General	Cleveland, TN	1,350,000		3.50%	(e)	5/14/2026	1,148,844	1,224,544	1.25
Tractor Supply	Kernersville, NC	3,507,000		2.90%		10/22/2031	3,149,358	3,184,170	1.20
		$ 53,881,041					$ 47,754,313	$ 49,711,594	
						Less Debt Discount, net	(627,836)	(701,489)	
						Less Debt Issuance Costs, net	(344,800)	(319,329)	
							$ 46,781,677	$ 48,690,776	

[a] Fixed via interest rate swap

[b] One loan in the amount of $7.92 million secured by four properties and allocated to each property based on each property's appraised value.

[c] Adjustment effective April 1, 2027 equal to 5-year Treasury plus 2.5% and subject to a floor of 3.85%

[d] One loan in the amount of $18.05 million secured by twelve properties and allocated to each property at the date of acquisition based on each property's appraised value.

[e] Refinanced on May 1, 2026 extending the maturity date to May 1, 2031 with interest accruing at a fixed rate of 5.70%.

The Company amortized debt issuance costs and debt discount during the three and six months ended June 30, 2026 and 2025 to interest expense of approximately $71,752 and $120,938, and $93,824 and $147,322, respectively. The Company incurred debt issuance costs of $121,374 and $72,290 during the six months ended June 30, 2026 and 2025.

Each mortgage loan requires the Company to maintain certain debt service coverage ratios as noted above. In addition, two mortgage loans, one encumbered by four properties and requiring a 1.50 DSCR, and another standalone mortgage loan requiring a 1.50 DSCR, require the Company to maintain a 54% loan to fair market stabilized value ratio. Fair market stabilized value shall be determined by the lender by reference to acceptable guides and indices or appraisals from time to time at its discretion. As of June 30, 2026, the Company was in compliance with all covenants.

On April 1, 2022, the Company entered into two mortgage loan agreements with an aggregate balance of $13.5 million to refinance seven of the Company's properties. The loan agreements consist of one loan in the amount of $11.4 million secured by six properties and allocated to each property based on each property's appraised value, and one loan in the amount of $2.1 million on the property previously held in the tenancy-in-common investment at an interest rate of 3.85% from April 1, 2022 through and until March 31, 2027. In conjunction with the LC2 Investment to purchase the remaining interest in the tenancy-in-common interest discussed above, the Company assumed the original $2.1 million loan on the property with a remaining balance of $2,079,178 and recognized a discount of $383,767. Effective April 1, 2027 and through the maturity date of March 31, 2032, the interest rate adjusts to the 5-year Treasury plus 2.5% and is subject to a floor of 3.85%. The Company's CEO entered into a guarantee agreement pursuant to which he guaranteed the payment obligations under the promissory notes if they become due as a result of certain "bad-boy" provisions, individually and on behalf of the Operating Partnership.

On August 10, 2023, GIP13, LLC, a Delaware limited liability company and wholly owned subsidiary of GIP SPE ("GIP Borrower"), entered into a Loan Agreement with Valley Bank pursuant to which Valley Bank made a loan to the Company in the amount of $21.0 million to finance the acquisition of the Modiv Portfolio. The outstanding principal amount of the loan bears interest at an annual rate for each 30-day interest period equal to the compounded average of the secured overnight financing rate published by Federal Reserve Bank of New York for the thirty-day period prior to the last day of each 30-day interest rate for the applicable interest rate period plus 3.25%, with interest payable monthly after each 30-day interest period. However, the Company entered into an interest rate swap to fix the interest rate at 7.47% per annum. Payments of interest and principal in the amount of approximately $156,000 are due and payable monthly, with all remaining principal and accrued but unpaid interest due and payable on a maturity date of August 10, 2028. The loan may generally be prepaid at any time without penalty in whole or in part, provided that there is no return of loan fees and prepaid financing fees. The loan is secured by first mortgages and assignments of rents in the properties comprising the Modiv Portfolio and eight other properties held by subsidiaries of GIP SPE that had outstanding loans with Valley. All of the mortgaged properties cross collateralize the loan, and the loan is guaranteed by the Operating Partnership and the subsidiaries of the Company that hold the properties that comprise the Modiv Portfolio. The loan agreement also provides for customary events of default and other customary affirmative and negative covenants that are applicable to GIP Borrower and its subsidiaries, including reporting covenants and restrictions on investments, additional indebtedness, liens, sales of properties, certain mergers, and certain management changes.

The Company's President and CEO entered into a personal, full recourse guarantee with a $7,500,000 cap and has also personally guaranteed the repayment of the $1.2 million loan secured by the Company's Sherwin-Williams - Tampa, FL property. In addition, the Company's President and CEO has provided a guaranty of the Company's nonrecourse carveout liabilities and obligations in favor of the lender for the GSA and PRA Holdings, Inc. - Norfolk, VA mortgage loans ("Bayport loans") with an aggregate principal amount of $11.3 million. During the three and six months ended June 30, 2026 and 2025, the Company incurred a guaranty fee expense to the Company's CEO of $60,250 and $122,115, and $79,935 and $177,626, respectively, recorded to interest expense. As of June 30, 2026 the Company recorded $632,757 for guaranty fees payable which is included in accrued expenses.

On October 14, 2022, the Company entered into a loan transaction that is evidenced by a secured non-convertible promissory note to Brown Family Enterprises, LLC, a preferred equity partner and therefore a related party, for $1,500,000 with a maturity of October 14, 2024, and bearing a fixed interest rate of 9% with simple interest payable monthly. The loan may be repaid without penalty at any time. The loan is secured by the Operating Partnership's equity interest in its current direct subsidiaries that hold real estate assets pursuant to the terms of a security agreement between the Operating Partnership and Brown Family Enterprises, LLC. On July 21, 2023, the Company amended and restated the promissory note to reflect an increase in the loan to $5.5 million and extend the maturity date thereof from October 14, 2024 to October 14, 2026. Except for the increase in the amount of the Loan and Note and the extension of the maturity date thereof, no changes were made to the original note.

On June 13, 2025, the Company, through its subsidiary GIPDC 3707 14TH ST, LLC, entered into a loan agreement with Valley National Bank in the principal amount of $1,100,000, secured by the Company's 7-Eleven store located at 3707-3711 14th Street NW, Washington, D.C. The loan bears interest at a fixed rate of 6.50% per annum. An initial disbursement of $750,000 was made at closing, with the remaining $350,000 in proceeds available upon renewal of the tenant's lease, which currently expires March 31, 2026. In the event of a lease renewal for an additional five-year term, the maturity date will automatically extend from March 31, 2026 to June 13, 2030, and beginning July 13, 2026, principal and interest will amortize over a 25-year schedule. The loan is supported by a Guaranty of Nonrecourse Carve-out Obligations executed by David Sobelman, the Company's Chief Executive Officer, in favor of Valley National Bank. During October 2025, the Company satisfied the required conditions for the release of the $350,000 renewal funds, and the proceeds were disbursed and received on November 10, 2025, in accordance with the terms of the Loan Agreement.

As previously discussed in Note 3, on March 3, 2026, the Company transferred one hundred percent (100%) of the limited liability company interests of the DC Entity to Brown Family Enterprises, LLC, a related party, which includes the Valley National Bank mortgage loan in the principal amount of $1,100,000 secured by the property located in Washington, D.C., Accordingly, this debt is no longer reflected on the Company's consolidated balance sheet.

As further discussed in Note 3, on June 16, 2026, the Company reacquired 100% of the limited liability company interests in the DC Entity from Brown, and the Company reconsolidated the DC Entity effective that date. The mortgage loan and related security documents held by Valley National Bank remained the obligation of the DC Entity throughout and were unaffected by the reacquisition. Accordingly, this debt, in the principal amount of $1,100,000, is again reflected on the Company's consolidated balance sheet as of June 30, 2026.

Minimum required principal payments on the Company's debt for subsequent years as of June 30, 2026 are as follows:

	Mortgage Loans	Loan Payable - Related Party	Total
2026 (6 months remaining)	$ 1,796,194	$ 6,148,651	$ 7,944,845
2027	1,445,276	-	1,445,276
2028	18,479,733	-	18,479,733
2029	13,315,723	-	13,315,723
2030	790,409	-	790,409
Thereafter	11,926,978	-	11,926,978
	$ 47,754,313	$ 6,148,651	$ 53,902,964

Other loans payable

Brown Family Enterprises - 2022 & 2023 Loans

On October 14, 2022, the Company entered into a loan transaction that is evidenced by a secured non-convertible promissory note to Brown Family Enterprises, LLC, a preferred equity partner and therefore a related party, for $1,500,000 with a maturity of October 14, 2024, and bearing a fixed interest rate of 9% with simple interest payable monthly. The loan may be repaid without penalty at any time. The loan is secured by the Operating Partnership's equity interest in its current direct subsidiaries that hold real estate assets pursuant to the terms of a security agreement between the Operating Partnership and Brown Family Enterprises, LLC. On July 21, 2023, the Company amended and restated the promissory note to reflect an increase in the loan to $5.5 million and extend the maturity date thereof from October 14, 2024 to October 14, 2026. Except for the increase in the amount of the Loan and Note and the extension of the maturity date thereof, no changes were made to the original note.

Brown Family Enterprises - 2025 Loan

On April 25, 2025, the Company entered into a secured promissory note with Brown Family Enterprises, LLC, a related party, in the original principal amount of $1,000,000, bearing simple interest at an initial rate of 16% per annum for the first ninety days, after which the interest rate reverted to 9% per annum. The maturity date was subsequently extended to December 15, 2025 pursuant to a First Amendment entered into on October 27, 2025, which also provided for a $20,000 extension fee, and further extended to January 30, 2026 pursuant to a Second Amendment entered into on December 15, 2025, which provided for an additional extension fee of $42,000. The Company also received additional advances of $20,000 in October 2025 and $42,000 in December 2025. As of January 31, 2026, the total outstanding balance under the note, including principal, capitalized interest, and accrued but unpaid interest, was $1,151,437.

On February 10, 2026, Brown Family Enterprises, LLC sold and assigned the note to Silverback Capital Corporation, an unrelated third party, at which time the total outstanding balance was $1,151,437. Concurrent with the assignment, the Company issued to Brown Family Enterprises, LLC a Retained Balance Promissory Note dated March 3, 2026 in the principal amount of $600,000 (the "Retained Balance Note"), bearing interest at 0% per annum, representing the remaining balance of the original note not assigned to Silverback Capital Corporation.

On March 3, 2026, the Retained Balance Note was satisfied in full through the transfer of one hundred percent (100%) of the limited liability company interests of GIPDC 3707 14th St. LLC to Brown Family Enterprises, LLC pursuant to an Assignment of Limited Liability Company Interests and Satisfaction Agreement. As a result, the Company recognized a gain on extinguishment of debt of $600,000 during the six months ended June 30, 2026, which is included in loss on transfer of LLC interests in satisfaction of debt in the Company's consolidated statements of operations.

Silverback Capital Corporation - Convertible Note

On February 10, 2026, the Company entered into an Amended and Restated Convertible Note (the "First Amended Note") in the principal amount of $551,437 with Silverback Capital Corporation (the "Noteholder"). The First Amended Note amends and restates that certain Secured Promissory Note, dated April 25, 2025, in the original principal amount of $1,000,000 originally issued to Brown Family Enterprises LLC in exchange for a loan to the Company. The Original Note was sold and assigned to the Noteholder on February 10, 2026 and amended by the Company and the Noteholder on such date. The First Amended Note amended and restated the Original Note by changing the maturity date to February 10, 2027 and changing the interest rate to 9% per annum simple interest. The First Amended Note was convertible into shares of Company common stock ("Conversion Shares"), subject to customary beneficial ownership limitations, at a conversion price of 80% of the "Market Price" (as defined in the First Amended Note) of the Company's common stock at the time of conversion.

On February 24, 2026, the First Amended Note was further amended and restated by a second Amended and Restated Convertible Note (the "Second Amended Note"), which amended the First Amended Note by (i) changing the maturity date to February 24, 2027, (ii) providing that the conversion price shall not be less than a floor of $0.10 per share, and (iii) providing that the Second Amended Note may not be converted into a number of shares of Company common stock that exceeds 19.9% of the outstanding shares of Company common stock on the date of the Second Amended Note unless the Company obtains stockholder approval in accordance with the applicable rules of the Nasdaq Stock Market.

The Company has determined that the Second Amended Note will be settled entirely through the issuance of shares of common stock, which have been reserved for conversion and are considered issued but not yet outstanding until delivered to the Noteholder. During the six months ended June 30, 2026, the Noteholder converted an aggregate of $256,397 of principal and accrued interest into 1,053,930 Conversion Shares, of which 496,930 shares were delivered during the three months ended March 31, 2026 and 557,000 shares were delivered during the three months ended June 30, 2026, reducing the outstanding balance of the Second Amended Note to $295,040 as of June 30, 2026. As the Second Amended Note is classified as an equity instrument, no interest expense has been recognized in connection with the Second Amended Note during the six months ended June 30, 2026, and no liability has been recorded on the Company's consolidated balance sheet in connection with the note.

2025 Broker Loans

On May 29, 2025, the Company, through the Operating Partnership, entered into a loan agreement for $332,000 relating to broker's fees payable by the Company in connection with the sale of an industrial building located in Huntsville, Alabama. The loan provided for interest at an interest rate of 7.5% per annum. During the three months ended June 30, 2026, the Company repaid the loan in full, together with all accrued and unpaid interest.

On May 29, 2025, GIPFL 1300 S Dale Mabry, LLC ("GIPFL"), an indirect wholly owned subsidiary of the Company, entered into a non-interest bearing loan for $103,500 related to broker's fees payable in connection with the sale of a retail building located in Tampa, Florida. During the six months ended June 30, 2026, the Company repaid the note in full.

Executive Loan

On May 29, 2025, the Company, through the Operating Partnership, entered into a loan transaction with the Company's Chief Executive Officer, for $610,000 to fund closing costs relating to the sale of the Company's Auburn University-occupied industrial building located in Huntsville, Alabama and Starbucks-occupied retail building located in Tampa, Florida. The loan provides that an amount equal to the aggregate unpaid principal amount of the loan, together with accrued but unpaid interest at an interest rate of 5.75% per annum, previous due on August 31, 2025, has been extended to December 31, 2025. As of June 30, 2026, the loan remained unpaid and the aggregate outstanding principal balance of $610,000, together with accrued and unpaid interest of $29,784, remains payable. The loan has not been further amended or extended as of the date of these financial statements.

On July 24, 2026, the Operating Partnership, the Company and the David E. Sobelman Revocable Trust (the "Sobelman Trust"), of which the Company's Chief Executive Officer is trustee and the holder of the note evidencing the loan described above, entered into an agreement pursuant to which $120,000 of the outstanding debt owed by the Operating Partnership to the Sobelman Trust was converted into shares of the Company's common stock. The conversion was completed on July 24, 2026 at a price per share of $0.74, the Nasdaq Official Closing Price of the common stock on July 23, 2026, resulting in the issuance of 162,163 shares of common stock to the Sobelman Trust. Upon the conversion, the converted portion of the debt was deemed paid and the outstanding balance under the note was reduced by $120,000.

Board of Director Loan

On February 12, 2026, GIPVA 2510 Walmer Ave., LLC, an indirect subsidiary of the Company, entered into a $125,000 promissory note with QCCR Investments, LLC, an entity controlled by a member of the Company's board of directors, bearing interest at 12% per annum and including a 3% origination fee. The note was guaranteed by Generation Income Properties, LP and secured by the guarantor's equity interest in the borrowing entity. The loan was repaid in full subsequent to June 30, 2026.

Note 10 – Related Party Transactions

David Sobelman - Chief Executive Officer

Guaranty Fees. During the three and six months ended June 30, 2026, the Company incurred guaranty fee expense of $60,250 and $122,115, respectively, payable to the Company's Chief Executive Officer, recorded to interest expense. As of June 30, 2026, $632,757 of guaranty fees remained payable, included in accrued expenses - related party on the consolidated balance sheet.

Executive Loan. On May 29, 2025, the Company, through the Operating Partnership, entered into a loan transaction with the Company's Chief Executive Officer, for $610,000 to fund closing costs relating to the sale of the Company's Auburn University-occupied industrial building located in Huntsville, Alabama and Starbucks-occupied retail building located in Tampa, Florida. The loan provides that an amount equal to the aggregate unpaid principal amount of the loan, together with accrued but unpaid interest at an interest rate of 5.75% per annum, previously due on August 31, 2025, has been extended to December 31, 2025. As of June 30, 2026, the loan remained unpaid and the aggregate outstanding principal balance of $610,000, together with accrued and unpaid interest, remained payable. The loan has not been further amended or extended as of the date of these financial statements.

As discussed in Note 9, on July 24, 2026, $120,000 of the outstanding debt owed under the note was converted into 162,163 shares of the Company's common stock, and the outstanding principal balance under the note was reduced to $490,000. See Note 12 - Subsequent Events for further discussion.

QCCR Investments, LLC - Board of Director Affiliate

See Note 9 - Debt for discussion of the $125,000 promissory note entered into on February 12, 2026 between GIPVA 2510 Walmer Ave., LLC and QCCR Investments, LLC, an affiliate of a member of the Company's board of directors, which was repaid in full, together with accrued interest, during the three months ended June 30, 2026.

Note 11 – Derivative Financial Instruments and Fair Value Measurements

On August 10, 2023, as previously disclosed, the Company entered into a variable loan agreement for $21.0 million and corresponding swap agreement with the same notional amount to finance the acquisition of the Modiv Portfolio. The outstanding principal amount of the loan bears interest at an annual rate for each 30-day interest period equal to the compounded average of the secured overnight financing rate published by Federal Reserve Bank of New York for the thirty-day period prior to the last day of each 30-day interest rate for the applicable interest rate period plus 3.25%, with interest payable monthly after each 30-day interest period. On the same date, the Company entered into corresponding swap agreement, fixing the interest rate at 7.47% per annum through the contract's termination in August 2028.

In November 2020, the Company entered into a $1.3 million loan agreement and corresponding swap agreement with the same notional amount to support project financing. The outstanding principal amount of the loan bears interest at an annual rate for each 30-day interest period equal to the compounded average of the secured overnight financing rate published by Federal Reserve Bank of New York for the thirty-day period prior to the last day of each 30-day interest rate for the applicable interest rate period plus 2.75%, with interest payable monthly after each 30-day interest period through the contract's termination in August 2028. The interest swap fixed the interest rate at 3.72% per annum.

The Company has not elected hedge accounting and has reported periodic changes in derivative valuations in gain (loss) on derivative valuation, net the three and six months ended June 30, 2026 and 2025 of $195,952 and $351,803, and ($122,326) and ($415,825), respectively. As of June 30, 2026, the Company recognized a derivative liability of $92,893 and derivative asset of $80,143, which was included in Escrow Deposits and Other assets on the face of the balance sheet.

The fair value of the Company's interest rate derivatives is determined using widely accepted valuation techniques including discounted cash flow analysis on the expected cash flows of each derivative. This analysis reflects the contractual terms of the derivatives, including the period to maturity, and uses observable market-based inputs, including interest rate curves and implied volatilities. The Company incorporates credit valuation adjustments to appropriately reflect both its own nonperformance risk and the respective counterparty's nonperformance risk in the fair value measurements. Certain inputs, which are material to the value, are considered Level 3 inputs. Level 3 inputs are unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The carrying amount of cash and cash equivalents and restricted cash reported in our consolidated balance sheets approximates fair value due to the short-term nature of these instruments.

The carrying amounts and estimated fair values of our financial instruments are as follows:

	June 30, 2026		December 31, 2025	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets:				
Cash and cash equivalents	$ 2,029,661	$ 2,029,661	$ 6,164,316	$ 6,164,316
Restricted cash	34,500	34,500	34,500	34,500
Interest rate swaps	80,143	80,143	70,970	70,970
Financial liabilities:				
Interest rate swaps	92,893	92,893	435,523	435,523

Note 12 – Subsequent Events

The Company has evaluated subsequent events through the date these financial statements were issued and has identified the following event requiring disclosure:

Reverse Stock Split

On July 9, 2026, the Company completed a 1-for-10 reverse stock split of the Company's common stock, par value $0.01 per share (the "Reverse Stock Split"). The Company's common stock began trading on a split-adjusted basis on The Nasdaq Capital Market at market open on July 10, 2026.

The reverse split has been retroactively reflected for all historical periods presented. The total number of authorized shares of common stock was not changed by the Reverse Stock Split.

Proportional adjustments were made to all outstanding warrants, restricted stock, restricted stock units, and similar securities. Specifically, each of the Company's publicly traded warrants became exercisable for 0.10 shares of common stock, and the exercise price of the warrants was adjusted on a 10:1 basis, increasing from $10.00 per share to $100.00 per share. The exchange ratios applicable to the Operating Partnership's Series A Redeemable Preferred Units, Series B-1 Preferred Units and Series B-2 Preferred Units were similarly adjusted for the Reverse Stock Split. All share and per-share amounts in these condensed consolidated financial statements have been retroactively adjusted to reflect the Reverse Stock Split for all periods presented.

Sale of 991 Nut Tree Road, Vacaville, California (GSA)

On July 15, 2026, the Company completed the sale of the Vacaville Property, an unaffiliated third party, for a gross sales price of $2,475,000. After closing costs, broker commissions, and prorations, the Company received net cash proceeds of $2,356,757, were utilized to further reduce the *LC2-NNN Pref, LLC* preferred interest. The Company recognized a gain on sale of approximately $300,742.

Amendments to Series B-1 and Series B-2 Preferred Units

On July 16, 2026, the Operating Partnership, the Company, LMB Owenton I LLC and Lloyd M. Bernstein entered into an Eighth Amendment and a Ninth Amendment, respectively, to the Amended and Restated Limited Partnership Agreement, amending and restating the terms of the Series B-1 Preferred Units and Series B-2 Preferred Units. Pursuant to these amendments, the holders irrevocably waived their existing cash redemption rights in exchange for a right to tender their units for common stock (subject to the Company's election to settle in cash or a combination of cash and stock), and the Series B-2 Preferred Return was increased from $0.33 to $0.39 per unit per year. See Note 8 - Equity for further discussion.

Debt Conversion – Related Party

On July 24, 2026, the Operating Partnership, the Company and the Sobelman Trust (the trustee of which is the Company's Chief Executive Officer) entered into a Debt Conversion Agreement, pursuant to which $120,000 of outstanding debt owed by the Operating Partnership to the Sobelman Trust was converted into 162,163 shares of the Company's common stock. See Note 10 - Related Party Transactions for further discussion.

Nasdaq Stockholders' Equity Compliance

On August 10, 2026, the Company received formal notification from Nasdaq confirming that the Company has regained compliance with Nasdaq Listing Rule 5550(b)(1), which require issuers listed on The Nasdaq Capital Market to maintain a minimum of $2,500,000 in stockholders' equity (the "Equity Rule"). As stated in Nasdaq's notification, the Company will be subject to a mandatory panel monitor for a period of one year from August 10, 2026. If, within that one-year monitoring period, the Nasdaq Listing Qualifications staff (the "Staff") finds the Company is again out of compliance with the Equity Rule, then the Staff will issue a delist determination letter, and the Company will have an opportunity to request a new hearing with the initial Panel or a newly convened hearing panel if the initial Panel is unavailable. Notwithstanding Nasdaq Listing Rule 5810(c)(2), the Company will not be permitted to provide the Staff with a plan of compliance with respect to a deficiency under the Equity Rule that arises during the one-year monitoring period, and the Staff will not be permitted to grant additional time for the Company to regain compliance with respect to such deficiency.

Nasdaq Minimum Bid Requirement Compliance

On August 6, 2026, we received written notice from Nasdaq staff that we are not eligible for a second 180-day compliance period to regain compliance with the $1.00 minimum bid price requirement under Nasdaq Listing Rule 5550(a)(2) (the "Minimum Bid Requirement") because we do not satisfy the $1,000,000 minimum market value of publicly held shares requirement under Listing Rule 5550(b)(1)(A). The notice stated that this additional deficiency is a further basis for delisting our securities and will be considered by the Panel together with the pending matter regarding the Equity Requirement described above. On August 13, 2026, we submitted our written views on this additional deficiency to the Panel.

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

Cautionary Note Regarding Forward-Looking Statements

This report contains "forward-looking statements" within the meaning of the safe harbor provisions of the U.S. Private Securities Litigation Reform Act of 1995. The forward-looking statements involve risks and uncertainties that could cause actual results to differ materially from the forward-looking statements contained herein. When used in this report, the words "anticipate," "believe," "estimate," "expect" and similar expressions as they relate to the Company or its management are intended to identify such forward-looking statements. Actual results, performance or achievements could differ materially from the results expressed in, or implied by these forward-looking statements. Readers should be aware of important factors that, in some cases, have affected, and in the future could affect, actual results to differ materially from those expressed in any forward-looking statements made by or on behalf of the Company. Factors that could have a material adverse effect on our forward-looking statements and upon our business, results of operations, financial condition, funds derived from operations, cash available for distribution, cash flows, liquidity and prospects include, but are not limited to, the risk factors listed from time to time in our reports with the Securities and Exchange Commission, including, in particular, those set forth in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as amended.

In this Quarterly Report on Form 10-Q, references to the "Company," "we," "us," "our" or similar terms refer to Generation Income Properties, Inc., a Maryland corporation, together with its consolidated subsidiaries, including Generation Income Properties, L.P., a Delaware limited partnership, which we refer to as our operating partnership (the "Operating Partnership"). As used in this Quarterly Report, an affiliate, or person affiliated with a specified person, is a person that directly or indirectly, through one or more intermediaries, controls or is controlled by, or is under common control with, the person specified.

On July 9, 2026, the Company effected a reverse stock split of its common stock at a ratio of 1-for-10. All share and per share amounts disclosed in this Form 10-Q have been adjusted to reflect the reverse split unless otherwise indicated.

Overview

We are an internally managed, Maryland corporation focused on acquiring retail, office and industrial real estate located in major U.S. markets. We elected to be taxed as a REIT for federal income tax purposes. Substantially all of the Company's assets are held by, and operations are conducted through, the Operating Partnership and the Operating Partnership's direct and indirect subsidiaries. The Company is the general partner of the Operating Partnership and as of June 30, 2026 owned

99.6% of the outstanding common units of the Operating Partnership. The Company formed a Maryland entity GIP REIT OP Limited LLC in 2018 that owns 0.001% of the Operating Partnership.

Public Offering and Nasdaq Listing

In September 2021, the Company closed an underwritten public offering of 1,665,000 units at a price to the public of $10 per unit generating net proceeds of $13.8 million. Each unit consisted of one share of common stock and one warrant to purchase one share of common stock at an exercise price equal to $10 per share. The common stock and warrants included in the units (which were separated into one share of common stock and one warrant) currently trade on the Nasdaq Capital Market ("Nasdaq") under the symbols "GIPR" and "GIPRW," respectively.

On June 1, 2026, the Company completed a public offering (the "Offering") of common stock and Common Warrants to purchase shares of common stock (the "Common Warrants"), at a public offering price of $0.21 per share. The Company also offered to each purchaser whose purchase would otherwise result in beneficial ownership exceeding 4.99% (or, at the purchaser's election, 9.99%) of outstanding common stock the option to receive, in lieu of shares, Pre-Funded Warrants (the "Pre-Funded Warrants") exercisable for the same number of shares at a nominal exercise price of $0.0001 per share, with the public offering price per Pre-Funded Warrant equal to the public offering price per share and accompanying Common Warrant, less $0.0001. The Common Warrants have an exercise price of $0.21 per share, are exercisable immediately upon issuance, and expire five years from the date of issuance (June 1, 2031). The Pre-Funded Warrants are exercisable immediately and do not expire until exercised in full. The number of Common Warrants sold did not vary based on the mix of shares and Pre-Funded Warrants purchased; each share or Pre-Funded Warrant sold in the Offering carried one accompanying Common Warrant. If the Company effects a share split, share dividend, reverse stock split or similar event within the two-year period following issuance of the Common Warrants, the exercise price will be reduced to the lowest volume-weighted average price during the five trading days before and after the event, subject to a floor exercise price of $0.0562 per share, with the number of shares issuable proportionately increased to preserve the aggregate exercise price payable.

Pursuant to the Offering, purchasers acquired 22,050,000 Pre-Funded Warrants and 1,775,000 shares of common stock, together with an aggregate of 23,825,000 accompanying Common Warrants, of which 1,775,000 accompanied the shares of common stock and 22,050,000 accompanied the Pre-Funded Warrants, for aggregate gross proceeds of $5,001,060. In connection with the offering, the Company paid the placement agent 7.0% of gross proceeds plus reimbursement of the placement agent's out-of-pocket costs and expenses of $85,000. The Company's directors and executive officers entered into lock-up agreements restricting the sale of common stock for 90 days following closing, subject to certain exceptions.

The Offering closed on June 1, 2026. After deducting the placement agent fee and offering expenses, the Company received net proceeds of $4,565,833.

On July 9, 2026, the Company effected a 1-for-10 reverse stock split of its common stock. The share, per-share and exercise-price amounts discussed above have been adjusted for the reverse stock split.

On July 24, 2026, the Operating Partnership, the Company and the David E. Sobelman Revocable Trust, of which the Company's Chief Executive Officer is trustee, entered into a Debt Conversion Agreement pursuant to which $120,000 of outstanding debt owed by the Operating Partnership to the Sobelman Trust was converted into 162,163 shares of the Company's common stock, at a conversion price of $0.74 per share, the Nasdaq Official Closing Price of the common stock on July 23, 2026.

Our Investments

The following are characteristics of our properties as of June 30, 2026:

- *Creditworthy Tenants*. Approximately 58% of our portfolio's annualized base rent ("ABR") as of June 30, 2026 was derived from tenants that have (or whose parent company has) an investment grade credit rating from a recognized credit rating agency of "BBB-" or better. Our largest tenants are the General Service Administration, Dollar General, and Kohl's Corporation, PRA Holdings, and City of San Antonio contributed approximately 64% of our portfolio's annualized base rent.
- *Percentage Leased*. Our portfolio is 100% leased and occupied.
- *Contractual Rent Growth*. Approximately 92% of the leases in our current portfolio (based on ABR as of June 30, 2026) provide for increases in contractual base rent during future years of the current term or during the lease extension periods.

•*Average Effective Annual Rental per Square Foot.* Average effective annual rental per square foot is $16.10.

Given the nature of our leases, our tenants either pay the realty taxes directly or reimburse us for such costs. We believe all of our properties are adequately covered by insurance.

The table below presents an overview of the properties in our portfolio as of June 30, 2026:

Property Type	Location	Rentable Square Feet	Tenant	S&P Credit Rating [1]	IG	Remaining Term (Yrs)	Options (Number x Yrs)	Contractual Rent Escalations [3]	ABR [2]	ABR per Sq. Ft.
Retail	Washington, DC	3,000	7-Eleven Corporation	A-	Y	5.0	2 x 5	Yes	120,000	40.00
Office	Norfolk, VA	49,902	General Services Administration-Navy	AA+	Y	2.5	N/A	Yes	640,742	12.84
Office	Norfolk, VA	22,247	Armed Services YMCA of the U.S.A.	N/A	N/A	8.1	2 x 5	Yes	411,570	18.50
Office	Norfolk, VA	34,847	PRA Holdings, Inc.	BB	N	1.4	1 x 5	Yes	823,909	23.64
Retail	Tampa, FL	3,500	Sherwin Williams Company	BBB	Y	2.3	5 x 5	Yes	126,788	36.23
Office	Manteo, NC	7,543	General Services Administration-FBI	AA+	Y	2.9	1 x 5	Yes	100,682	13.35
Retail	Rockford, IL	15,288	La-Z-Boy Inc.	Not Rated	Not Rated	1.6	4 x 5	Yes	366,600	23.98
Medical-Retail	Chicago, IL	10,947	Fresenius Medical Care Holdings, Inc.	BBB-	Y	7.6	2 x 5	Yes	242,912	22.19
Retail	Tucson, AZ	88,408	Kohl's Corporation	BB-	N	3.8	7 x 5	Yes	864,630	9.78
Retail	San Antonio, TX	50,000	City of San Antonio (PreK)	AAA	Y	3.3	1 x 8	Yes	924,000	18.48
Retail	Bakersfield, CA	18,827	Dollar General Market	BBB	Y	2.3	3 x 5	Yes	361,075	19.18
Retail	Big Spring, TX	9,026	Dollar General	BBB	Y	4.3	3 x 5	Yes	86,041	9.53
Retail	Castalia, OH	9,026	Dollar General	BBB	Y	9.2	3 x 5	Yes	79,320	8.79
Retail	East Wilton, ME	9,100	Dollar General	BBB	Y	4.3	3 x 5	Yes	112,439	12.36
Retail	Lakeside, OH	9,026	Dollar General	BBB	Y	9.2	3 x 5	Yes	81,036	8.98
Retail	Litchfield, ME	9,026	Dollar General	BBB	Y	4.5	3 x 5	Yes	92,961	10.30
Retail	Mount Gilead, OH	9,026	Dollar General	BBB	Y	4.3	3 x 5	Yes	85,924	9.52
Retail	Thompsontown, PA	9,100	Dollar General	BBB	Y	4.6	3 x 5	Yes	85,998	9.45
Office	Vacaville, CA	11,014	General Services Administration	AA+	Y	0.4	N/A	No	257,050	23.34
Retail	Santa Maria, CA	14,490	Walgreens [4]	Not Rated	N	6.0	N/A	No	369,000	25.47
Retail	Ames, IA	30,259	Best Buy Co., Inc.	BBB+	Y	4.0	2 x 5	Yes	452,372	14.95
Retail	Sanford, FL	4,108	Zaxby's	Not Rated	Not Rated	13.7	4 x 5	Yes	243,800	59.35
Retail	Cleveland, TN	10,640	Dollar General	BBB	Y	10.1	5 x 5	Yes	119,728	11.25
Retail	Kernersville, NC	19,097	Tractor Supply	BBB	Y	9.3	4 x 5	Yes	318,150	16.66
Tenants - All Properties		**457,447**							**$ 7,366,727**	**$ 16.10**

(1)Tenant, or tenant parent, rated entity.

(2)Annualized cash base rental income in place as of June 30, 2026. Our leases do not include tenant concessions or abatements.

(3)Includes rent escalations available from lease renewal options.

(4)Tenant has the right to terminate the lease as of March 31, 2032, March 31, 2037, March 31, 2042, March 31, 2047, March 31, 2052, and March 31, 2057.

Distributions

From inception through June 30, 2026, we have distributed $5,031,548 to common stockholders.

Recent Developments

Brown Family Enterprises - Note Restructuring and LLC Interest Transfers

On April 25, 2025, the Company, through its Operating Partnership, entered into a Secured Promissory Note with Brown Family Enterprises, LLC ("Brown"), a related party, in the original principal amount of $1,000,000. The note bore simple interest at an initial rate of 16% per annum for the first ninety days, reverting to 9% per annum thereafter. The maturity date was subsequently extended to December 15, 2025 pursuant to a First Amendment entered into on October 27, 2025, and further extended to January 30, 2026 pursuant to a Second Amendment entered into on December 15, 2025. As of January 31, 2026, the total outstanding balance under the note, including principal, capitalized interest, and accrued but unpaid interest, was $1,151,437.

On February 10, 2026, Brown sold and assigned the note to Silverback Capital Corporation ("Silverback"), an unrelated third party. Concurrent with the assignment, the Company entered into an Amended and Restated Convertible Note with Silverback in the principal amount of $551,437, and issued to Brown a Retained Balance Promissory Note in the principal amount of $600,000, bearing interest at 0% per annum. On March 3, 2026, the Retained Balance Note was satisfied in full through the transfer of one hundred percent (100%) of the limited liability company interests of GIPDC 3707 14th St. LLC (the "DC Entity") to Brown pursuant to an Assignment of Limited Liability Company Interests and Satisfaction Agreement. As a result of the transfer, the Company recognized a loss on transfer of LLC interests in satisfaction of debt of $185,069 during the six months ended June 30, 2026.

On June 16, 2026, the Company, Generation Income Properties, LP ("GIP LP"), and Brown Family Enterprises, LLC ("Brown") entered into an Assignment of Limited Liability Company Interests and Termination Agreement (the "Termination Agreement"), pursuant to which Brown assigned, transferred, and conveyed 100% of the limited liability company interests in the DC Entity back to GIP LP, the Company paid Brown $600,000 in cash, and the Original Agreement described above, including the Participation Right and all other rights and obligations thereunder, was terminated in its entirety, with mutual releases exchanged by the parties. The DC Property continues to be encumbered by the mortgage loan held by Valley National Bank, which remained the obligation of the DC Entity throughout and was unaffected by the Termination Agreement.

Silverback Capital Corporation - Convertible Note

On February 10, 2026, the Company entered into an Amended and Restated Convertible Note with Silverback Capital Corporation (the "Noteholder") in the principal amount of $551,437, bearing interest at 9% per annum and maturing February 24, 2027. The note is convertible into shares of the Company's common stock at a conversion price equal to 80% of the average of the three lowest trading prices of the Company's common stock during the ten trading days preceding conversion, subject to a floor price of $0.10 per share and a 19.99% exchange cap on total shares issuable without stockholder approval. The Company has determined that the note will be settled entirely through the issuance of up to 2,400,000 shares of common stock reserved for conversion. Accordingly, upon issuance, the Company recorded the full principal amount of $551,437 as an increase to stockholders' equity, consisting of $24,000 to common stock at par value of $0.01 per share and $527,437 to additional paid-in capital. No liability has been recorded on the Company's consolidated balance sheet in connection with the note. During the three and six months ended June 30, 2026, 557,000 and 1,053,930 shares, respectively, were delivered to the Noteholder. As of June 30, 2026, the outstanding balance of the convertible note was approximately $295,040 and 1,346,070 shares remain reserved for future delivery under the note. See Note 9 - Debt for additional information.

Seventh Amendment to Operating Partnership Agreement - Series A Redeemable Preferred Units

On April 16, 2026, the Operating Partnership entered into the Seventh Amendment to the Amended and Restated Limited Partnership Agreement of the Operating Partnership, which amended and restated the designation of the Series A Redeemable Preferred Units held by JCWC Funding, LLC. The Seventh Amendment modifies the redemption terms, introduces extension period mechanics through June 27, 2029, and updates the protective provisions applicable to the Series A Redeemable Preferred Units. Beginning June 27, 2026, the redemption price will equal $5.00 plus $0.075 per unit multiplied by the number of full years elapsed since the original issuance date of June 27, 2024.

Amendment to GIPIA 1220 S. Duff Avenue, LLC Operating Agreement - Best Buy, Ames, Iowa

On April 13, 2026, the Operating Partnership entered into a Second Amended and Restated Limited Liability Company Agreement of GIPIA 1220 S. Duff Avenue, LLC, modifying the economic terms of JCWC Funding LLC's preferred equity investment by eliminating the 1.5% per annum accrued component of the preferred return and providing for a simplified preferred return of 6.5% per annum, payable monthly in cash, and introducing extension period mechanics through August 23, 2029.

Sale of Morrow, Georgia Property - Dollar Tree

On April 17, 2026, the Company, completed the sale of its Dollar Tree-occupied net lease retail property located in Morrow, Georgia for a purchase price of $1,458,000, resulting in net proceeds to the Company of $639,152.

Sale of 10002 N. Dale Mabry Highway, Tampa, Florida - Starbucks

On May 22, 2026, the Company completed the sale of its Starbucks-occupied net lease retail property located at 10002 N. Dale Mabry Highway, Tampa, Florida for a gross purchase price of $2,964,000, resulting in net proceeds to the Company of $1,959,170.

Assets Held for Sale

On April 30, 2026, the Company's indirect wholly owned subsidiary, GIPCA 991 Nut Tree Road, LLC, entered into an agreement to sell its property located in Vacaville, California, net leased to the United States of America acting through the General Services Administration, for $2,475,000. The Company reclassified the property as held for sale effective April 30, 2026; its carrying amount did not exceed its estimated fair value less costs to sell, and no impairment loss was recognized. The sale closed on July 15, 2026, resulting in net cash proceeds of approximately $2,356,757 and a gain on sale of approximately $301,000. See Note 12 - Subsequent Events.

On June 19, 2026, seven of the Company's indirect wholly owned subsidiaries entered into an agreement to sell a portfolio of net lease retail properties in Big Spring, Texas; Mount Gilead, Ohio; East Wilton, Maine; Litchfield, Maine; Thompsontown, Pennsylvania; Castalia, Ohio; and Lakeside, Ohio, each occupied by Dollar General, for an aggregate purchase price of $7,320,000. On July 22, 2026, the parties entered into a First Amendment to the Purchase and Sale Agreement, which removed the Litchfield, Maine property and reduced the aggregate purchase price for the remaining six properties to $6,246,221. The Company reclassified the six remaining DG Properties as held for sale effective June 19, 2026, and, based on estimated sales proceeds of $5,871,447, net of transaction costs, recognized an impairment loss of $668,649 in its consolidated statement of operations for the six months ended June 30, 2026.

On June 22, 2026, the Company's indirect wholly owned subsidiary, GIPIL 3134 W 76th Street, LLC, entered into a Purchase and Sale Agreement to sell its Fresenius-occupied net lease medical property located in Chicago, Illinois for a purchase price of $2,800,000. The Company reclassified the property as held for sale effective June 22, 2026; its carrying amount did not exceed its estimated fair value less costs to sell, and no impairment loss was recognized.

Amendments to Series B-1 and Series B-2 Preferred Units

On July 16, 2026, the Operating Partnership, the Company and LMB Owenton I LLC entered into an Eighth Amendment to the Amended and Restated Limited Partnership Agreement and Series B-1 Standstill and Omnibus Consent, pursuant to which LMB Owenton I LLC irrevocably waived its right to require cash redemption of the Series B-1 Preferred Units. In its place, the holder may tender its Series B-1 Preferred Units for exchange into shares of the Company's common stock on a one-for-one basis (as adjusted for the Company's 1-for-10 reverse stock split effected July 9, 2026), unless the Company elects to settle in cash or a combination of cash and stock. The $0.117 per unit quarterly preferred return was unchanged.

Also on July 16, 2026, the Operating Partnership, the Company and Lloyd M. Bernstein entered into a Ninth Amendment to the Amended and Restated Limited Partnership Agreement and Series B-2 Omnibus Consent and Amendment to Related Agreements, pursuant to which Bernstein irrevocably waived his cash redemption rights with respect to the Series B-2 Preferred Units in favor of a right, beginning February 6, 2027, to tender his units for exchange into common stock on a one-for-one basis (as similarly adjusted for the reverse stock split), unless the Company elects to settle in cash or a combination of cash and stock. The Ninth Amendment also increased the Series B-2 Preferred Return from $0.33 to $0.39 per unit per year.

Based on these changes, the Company has determined that, subsequent to the applicable amendment effective date, the Series B-1 and Series B-2 Preferred Units will no longer be redeemable for cash at the holder's option and will be reclassified from temporary equity to permanent equity. The Company entered into these amendments in connection with its strategy to retain continued listing on the NASDAQ exchange, for which the Company had previously been granted an extension through August 4, 2026.

Debt Conversion - Related Party

On July 24, 2026, the Operating Partnership, the Company and the Sobelman Trust, of which the Company's Chief Executive Officer is trustee and the holder of the note evidencing a $610,000 executive loan made to the Company in May 2025, entered into a Debt Conversion Agreement pursuant to which $120,000 of the outstanding debt was converted into 162,163 shares of the Company's common stock at a conversion price of $0.74 per share, the Nasdaq Official Closing Price of the common stock on July 23, 2026. The converted portion of the debt was deemed paid in full and extinguished upon conversion, reducing the outstanding principal balance under the note to $490,000.

Reverse Stock Split

On July 9, 2026, the Company completed a 1-for-10 reverse stock split of the Company's common stock. The Reverse Stock Split took legal effect at 5:00 p.m. Eastern Time on July 9, 2026, and the Company's common stock began trading on a split-adjusted basis at market open on July 10, 2026, under a new CUSIP number (37149D402); the Company's trading symbol, GIPR, did not change.

At the effective time, every ten shares of the Company's common stock issued and outstanding were automatically reclassified and combined into one issued and outstanding share, without any change in par value per share. No fractional shares were issued; any stockholder otherwise entitled to a fractional share instead received a full additional share to round up to the next whole share. Proportional adjustments were made to all outstanding warrants, restricted stock, restricted stock units, and the exchange ratios applicable to the Operating Partnership's Series A Redeemable Preferred Units, Series B-1 Preferred Units and Series B-2 Preferred Units.

Nasdaq Stockholders' Equity Compliance

As a result of the Eighth Amendment, Ninth Amendment and Debt Conversion Agreement described above, the Company believes that, as of the date the condensed consolidated financial statements were issued, it has stockholders' equity in excess of $5 million. Nasdaq will continue to monitor the Company's ongoing compliance with the applicable stockholders' equity requirement and, if at the time of its next periodic report the Company does not evidence compliance, the Company may be subject to delisting.

On August 10, 2026, the Company received formal notification from Nasdaq confirming that the Company has regained compliance with the Equity Requirement. As stated in Nasdaq's notification, the Company will be subject to a mandatory panel monitor for a period of one year from August 10, 2026. If, within that one-year monitoring period, the Nasdaq Listing Qualifications staff (the "Staff") finds the Company is again out of compliance with the Equity Requirement, the Staff will issue a delist determination letter, and the Company will have an opportunity to request a new hearing with the initial Panel or a newly convened hearing panel if the initial Panel is unavailable. Notwithstanding Nasdaq Listing Rule 5810(c)(2), the Company will not be permitted to provide the Staff with a plan of compliance with respect to a deficiency under the Equity Requirement that arises during the one-year monitoring period, and the Staff will not be permitted to grant additional time for the Company to regain compliance with respect to such deficiency.

Nasdaq Minimum Bid Requirement Compliance

On August 6, 2026, we received written notice from Nasdaq staff that we are not eligible for a second 180-day compliance period to regain compliance with the $1.00 minimum bid price requirement under Nasdaq Listing Rule 5550(a)(2) (the "Minimum Bid Requirement") because we do not satisfy the $1,000,000 minimum market value of publicly held shares requirement under Listing Rule 5550(b)(1)(A). Staff stated that this additional deficiency is a further basis for delisting our securities and will be considered by the Panel together with the pending matter regarding the Equity Requirement described above. We were given until August 13, 2026 to submit our written views on this additional deficiency to the Panel. On August 13, 2026, we submitted our written views on this additional deficiency to the Panel.

Results of Operations

Operating results for the three and six months ended June 30, 2026 compared to the three and six months ended June 30, 2025:

Revenue

During the three and six months ended June 30, 2026, total revenue from operations were $2,110,654 and $4,294,858, as compared to $2,432,270 and $4,813,865 for the three and six months ended June 30, 2025. Revenue decreased by $321,616 and $519,007 during the three and six months ended June 30, 2026, respectively, compared with the three and six months ended June 30, 2025, primarily driven by property dispositions.

During the three and six months ended June 30, 2026, we incurred total operating expenses of $3,684,705 and $7,105,601, as compared to $4,805,285 and $8,662,661, for the three and six months ended June 30, 2025. Operating expenses decreased overall by $1,120,580 and $1,557,060, respectively, as follows:

	Three months ended June 30, 2026	2025	Change
General and administrative expense	$ 659,780	$ 552,893	$ 106,887
Building expenses	644,871	703,118	(58,247)
Depreciation and amortization	1,058,290	1,264,581	(206,291)
Interest expense, net	1,019,618	2,084,751	(1,065,133)
Compensation costs	302,146	199,942	102,204
Total expenses	$ 3,684,705	$ 4,805,285	$ (1,120,580)

	Six months ended June 30, 2026	2025	Change
General and administrative expense	$ 1,066,223	$ 1,058,271	$ 7,952
Building expenses	1,154,609	1,339,343	(184,734)
Depreciation and amortization	2,192,718	2,557,342	(364,624)
Interest expense, net	2,001,216	3,267,018	(1,265,802)
Compensation costs	690,835	440,687	250,148
Total expenses	$ 7,105,601	$ 8,662,661	$ (1,557,060)

- General, administrative and organizational costs remained relatively flat, year-over year, with an increase of $106,887 and $7,952, for the three and six months ended June 30, 2026 compared to the same period in 2025, primarily due to legal costs.
- Building expenses decreased by $58,247 and $184,734 for the three and six months ended June 30, 2026 compared to the same periods in 2025, primarily due to the reduction in the portfolio from prior year and current period property dispositions.
- Depreciation and amortization decreased by $206,291 and $364,624 for the three and six months ended June 30, 2026 compared to the same periods in 2025, primarily due to the reduction in the portfolio from prior year and current period property dispositions.
- Interest expense, net decreased by $1,065,133 and $1,265,802 for the three and six months ended June 30, 2026 compared to the same periods in 2025, primarily due to reduced outstanding mortgage and non-controlling interests balances resulting from prior year property dispositions.
- Compensation costs increased by $102,204 and $250,148 for the three and six months ended June 30, 2026 compared to the same periods in 2025, primarily due to restricted stock compensation recognized during 2026.

Net loss

During the three and six months ended June 30, 2026 and 2025, we generated a net losses of $983,628 and $2,249,775, and $3,466,521 and $5,263,981, respectively.

Net income attributable to non-controlling interests

During the three and six months ended June 30, 2026 and 2025, net income attributable to non-controlling interest was $97,271 and $962,259, and $956,107 and $1,890,506, respectively.

Net loss attributable to common shareholders

During the three and six months ended June 30, 2026 and 2025, we generated net losses attributable to our shareholders of $1,080,899 and $3,212,034, and $4,422,628, and $7,154,487, respectively.

Liquidity and Capital Resources

We require capital to fund our investment activities and operating expenses. Our capital sources may include net proceeds from offerings of our equity securities, cash flow from operations, proceeds from property dispositions, and borrowings under credit facilities. As of June 30, 2026, we had total cash (unrestricted and restricted) of $2,064,161, properties with a gross cost basis of $79,068,624 and outstanding mortgage loans with a principal balance of $47,754,313.

As a result of our recurring losses, our projected cash requirement to cover operating needs, and our current liquidity, management has concluded that substantial doubt exists with respect to the Company's ability to continue as a going concern within one year after the date these consolidated financial statements were issued. Management's plans to address this uncertainty include additional equity offerings, refinancing and extending terms for preferred equity and loans, optimizing portfolio assets, and potentially divesting where property performance has not met management objectives or where market conditions provide favorable opportunities.

We currently obtain the capital required to primarily invest in and manage a diversified portfolio of commercial net lease real estate investments and conduct our operations from the proceeds of equity offerings, debt financings, preferred minority interest obtained from third parties, issuance of Operating Partnership units and from any undistributed funds from our operations.

CEO Guaranty Arrangements

Our President and CEO has personally guaranteed repayment of the $1.2 million loan secured by our Sherwin-Williams - Tampa, FL property and has provided a guaranty of the nonrecourse carveout liabilities and obligations for the GSA and PRA Holdings, Inc. - Norfolk, VA mortgage loans with an aggregate principal balance of approximately $11.1 million. During the three and six months ended June 30, 2026 and 2025, the Company incurred guaranty fee expense of $60,250 and $122,115, respectively, payable to our President and CEO, of which $632,757 remained payable as of June 30, 2026.

On May 29, 2025, the Company's President and CEO provided a $610,000 loan to the Company to fund closing costs in connection with two property dispositions, bearing interest at 5.75% per annum. The loan was extended to December 31, 2025 and remained unpaid as of June 30, 2026. Subsequent to quarter end, on July 24, 2026, $120,000 of the outstanding debt was converted into 162,163 shares of the Company's common stock, reducing the outstanding principal balance to $490,000. See Note 10 and Note 12 for additional information.

On February 12, 2026, GIPVA 2510 Walmer Ave, LLC, one of our subsidiaries, entered into a $125,000 loan transaction with QCCR Investments, LLC, an affiliate of a member of the Company's board of directors, bearing interest at 12% per annum and secured by 100% of the Company's equity interest in the subsidiary. The loan was repaid in full, together with accrued interest, during the three months ended June 30, 2026.

We currently obtain the capital required to primarily invest in and manage a diversified portfolio of commercial net lease real estate investments and conduct our operations from the proceeds of equity offerings, debt financings, preferred minority interest obtained from third parties, issuance of Operating Partnership units and from any undistributed funds from our operations.

As of June 30, 2026 and December 31, 2025, we had accounts payable, accrued expenses and insurance payable totaling $4,131,764 and $3,812,206, respectively.

Outstanding mortgage loans payable consisted of the following as of June 30, 2026 and December 31, 2025, respectively:

Occupying Tenant	Property Location	Original Loan Amount		Interest Rate at 12/31/2025		Maturity Date	Balance at 06/30/2026	Balance at 12/31/2025	Debt Service Coverage Ratios ("DSCR") Required
7-Eleven Corporation	Washington, D.C.	$ 750,000		6.50%		6/13/2030	$ 1,100,000	$ 1,100,000	1.50
General Services Administration-Navy & AYMCA	Norfolk, VA	8,260,000		6.15%		8/30/2029	6,825,292	6,926,665	1.25
PRA Holdings, Inc.	Norfolk, VA	5,216,749		6.15%		8/23/2029	4,229,570	4,291,659	1.25
Sherwin Williams Company	Tampa, FL	1,286,664		3.72%	(a)	8/10/2028	1,205,324	1,222,259	1.20
General Services Administration-FBI	Manteo, NC	928,728	(b)	3.85%	(c)	3/31/2032	895,122	866,868	1.50
La-Z-Boy Inc.	Rockford, IL	2,100,000		3.85%	(c)	3/31/2032	1,932,892	1,960,814	1.50
Fresenius Medical Care Holdings, Inc.	Chicago, IL	1,727,108	(b)	3.85%	(c)	3/31/2032	1,664,551	1,612,010	1.50
Starbucks Corporation	Tampa, FL	1,298,047	(b)	3.85%	(c)	3/31/2032	-	1,211,508	1.50
Kohl's Corporation	Tucson, AZ	3,964,745	(b)	3.85%	(c)	3/31/2032	3,821,105	3,700,494	1.50
City of San Antonio (PreK)	San Antonio, TX	6,444,000	(d)	7.47%	(a)	8/10/2028	6,162,006	6,223,604	1.50
Dollar General Market	Bakersfield, CA	2,428,000	(d)	7.47%	(a)	8/10/2028	2,321,749	2,344,958	1.50
Dollar General	Big Spring, TX	635,000	(d)	7.47%	(a)	8/10/2028	607,212	613,282	1.50
Dollar General	Castalia, OH	556,000	(d)	7.47%	(a)	8/10/2028	531,669	536,984	1.50
Dollar General	East Wilton, ME	726,000	(d)	7.47%	(a)	8/10/2028	694,230	701,170	1.50
Dollar General	Lakeside, OH	567,000	(d)	7.47%	(a)	8/10/2028	542,188	547,608	1.50
Dollar General	Litchfield, ME	624,000	(d)	7.47%	(a)	8/10/2028	596,693	602,658	1.50
Dollar General	Mount Gilead, OH	533,000	(d)	7.47%	(a)	8/10/2028	509,676	514,770	1.50
Dollar General	Thompsontown, PA	556,000	(d)	7.47%	(a)	8/10/2028	531,669	536,984	1.50
Dollar Tree Stores, Inc.	Morrow, GA	647,000	(d)	7.47%	(a)	8/10/2028	-	624,871	1.50
General Services Administration	Vacaville, CA	1,293,000	(d)	7.47%	(a)	8/10/2028	1,236,417	1,248,777	1.50
Walgreens	Santa Maria, CA	3,041,000	(d)	7.47%	(a)	8/10/2028	2,907,924	2,936,993	1.50
Best Buy Co., Inc.	Ames, IA	2,495,000		6.29%	(a)	8/23/2029	2,495,000	2,495,000	1.50
Zaxby's	Sanford, FL	2,947,000		6.29%	(e)	5/14/2026	2,645,822	2,482,944	1.30
Dollar General	Cleveland, TN	1,350,000		3.50%	(e)	5/14/2026	1,148,844	1,224,544	1.25
Tractor Supply	Kernersville, NC	3,507,000		2.90%		10/22/2031	3,149,358	3,184,170	1.20
		$ 53,881,041					$ 47,754,313	$ 49,711,594	
						Less Debt Discount, net	(627,836)	(701,489)	
						Less Debt Issuance Costs, net	(344,800)	(319,329)	
							$ 46,781,677	$ 48,690,776	

[(a)] Fixed via interest rate swap

[(b)] One loan in the amount of $7.92 million secured by four properties and allocated to each property based on each property's appraised value.

[(c)] Adjustment effective April 1, 2027 equal to 5-year Treasury plus 2.5% and subject to a floor of 3.85%

[(d)] One loan in the amount of $18.05 million secured by twelve properties and allocated to each property at the date of acquisition based on each property's appraised value.

[(e)] Refinanced on May 1, 2026 extending the maturity date to May 1, 2031 with interest accruing at a fixed rate of 5.70%.

The Company amortized debt issuance costs and debt discount during the three and six months ended June 30, 2026 and 2025 to interest expense of approximately $71,752 and $120,938, and $43,104 and $147,322, respectively.. The Company incurred debt issuance costs of $121,374 and $72,290 during the six months ended June 30, 2026 and 2025.

Each mortgage loan requires the Company to maintain certain debt service coverage ratios as noted above. In addition, two mortgage loans, one encumbered by four properties and requiring a 1.50 DSCR, and another standalone mortgage loan requiring a 1.50 DSCR, require the Company to maintain a 54% loan to fair market stabilized value ratio. Fair market stabilized value shall be determined by the lender by reference to acceptable guides and indices or appraisals from time to time at its discretion. As of June 30, 2026, the Company was in compliance with all covenants.

Minimum required principal payments on our debt as of June 30, 2026 are as follows:

	Mortgage Loans	Loan Payable - Related Party	Total
2026 (6 months remaining)	$ 1,796,194	$ 6,148,651	$ 7,944,845
2027	1,445,276	-	1,445,276
2028	18,479,733	-	18,479,733
2029	13,315,723	-	13,315,723
2030	790,409	-	790,409
Thereafter	11,926,978	-	11,926,978
	$ 47,754,313	$ 6,148,651	$ 53,902,964

On February 8, 2023, we entered into new Amended and Restated Limited Liability Company Agreements for the Norfolk, Virginia properties, GIPVA 2510 Walmer Ave, LLC ("GIPVA 2510") and GIPVA 130 Corporate Blvd, LLC ("GIPVA 130"), in which we, as the sole member of GIPVA 2510 and GIPVA 130, admitted a new preferred member, Brown Family Enterprises, LLC, through the issuance of preferred membership interests in the form of Class A Preferred Units of GIPVA 2510 and GIPVA 130. GIPVA 2510 and GIPVA 130 (the "Virginia SPEs") hold our Norfolk, Virginia properties. In addition, both of the Virginia SPEs and Brown Family Enterprises, LLC entered into Unit Purchase Agreements in which GIPVA 2510 issued and sold 180,000 Class A Preferred Units at a price of $10.00 per unit for an aggregate price of $1,800,000, and GIPVA 130 issued and sold 120,000 Class A Preferred Units at a price of $10.00 per unit for an aggregate price of $1,200,000. The Operating Partnership is the general manager of the subsidiary while Brown Family Enterprises, LLC is a preferred equity member. Pursuant to the agreement, we are required to pay the preferred equity member a 7% IRR paid on a monthly basis and will share in 16% of the equity in each of the Virginia SPEs upon a capital transaction resulting in distributable proceeds. After 24 months, Brown Family Enterprises, LLC has the right to redeem the preferred equity at redemption value. On July 25, 2024, we entered into First Amendments to the Second Amended and Restated Limited Liability Company Agreements, dated as of February 8, 2023, for each of these entities revising the redemption date from February 8, 2025 to February 8, 2027. Because of the redemption right, the non-controlling interest is presented as temporary equity at an aggregated redemption value of $3,000,000 as of June 30, 2026.

In connection with the acquisition of the Modiv Portfolio, the Operating Partnership and LC2 entered into an Amended and Restated Limited Liability Company Agreement for GIP SPE (the "GIP SPE Operating Agreement") pursuant to which LC2 made a $12.0 million initial capital contribution to GIP SPE, together with a commitment to make an additional $2.1 million contribution upon the satisfactory completion of the acquisition of a tenant-in-common interest held by a third party in the Company's Rockford, Illinois property (the "LC2 Investment"). The Company completed the acquisition of such tenant-in-common interest on September 7, 2023, for a purchase price of $1.3 million and LC2 made the additional $2.1 million capital contribution on September 11, 2023. LC2 made the LC2 Investment in exchange for a preferred equity interest in GIP SPE (the "Preferred Interest"). The Preferred Interest has a cumulative accruing distribution preference of 15.5% per year, compounded monthly, a portion of which in the amount of 5% per annum (compounded monthly) is deemed to be the "current preferred return," and the remainder of which in the amount of 10.5% per annum (compounded monthly) is deemed to be the "accrued preferred return." The GIP SPE operating agreement provides that operating distributions by GIP SPE will be made first to LC2 to satisfy any accrued but unpaid current preferred return, with the balance being paid to the Operating Partnership, unless the "annualized debt yield" of GIP SPE is less than 10%, in which case the balance will be paid to LC2. For this purpose, "annualized debt yield" is calculated as the sum of senior debt and LC2 Investment divided by the trailing three-month annualized adjusted net operating income (as defined in the GIP SPE Operating Agreement) of GIP SPE. The GIP SPE Operating Agreement also provides that distributions from capital transactions will be paid first to LC2 to satisfy any accrued but unpaid preferred return, then to LC2 until the "Make-Whole Amount" (defined as the amount equal to 1.3 times the LC2 Investment) is reduced to zero, and then to the Operating Partnership.

The Preferred Interest is required to be redeemed in full by the Company on or before August 10, 2025 (the "Mandatory Redemption Date") for a redemption amount equal to the greater of (i) the amount of the LC2 Investment plus the accrued preferred return, and (ii) the Make-Whole Amount. Upon a failure to timely redeem the Preferred Interest, the preferred return will accrue at an increased rate of 18% per annum, compounded monthly. The Company has the right to extend the Mandatory Redemption Date for two consecutive 12-month extension periods, provided that (i) LC2 is paid an extension fee of 0.01% of the outstanding amount of the LC2 Investment for each such extension, (ii) the preferred return is increased from

15.5% to 18% of which the accrued preferred return is increased from 10.5% to 13%, (iii) the trailing 6-month annualized adjusted net operating income (as defined in the GIP SPE Operating Agreement) is in excess of $5.0 million, (iv) GIP SPE and its subsidiaries' senior debt is extended through the end of the extension period, and there are no defaults under the GIP SPE Operating Agreement.

On August 7, 2025, the Company exercised its first 12-month extension option under the GIP SPE Operating Agreement, extending the Mandatory Redemption Date from August 10, 2025 to August 10, 2026. In connection with the extension, the Company paid LC2 an extension fee of $141,000 (equal to 100 basis points of the outstanding LC2 Investment), increased the "Preferred Equity Return" under the GIP SPE Operating Agreement from 15.5% to 18% per annum, and increased the "Accrued Preferred Return" under the agreement from 10.5% to 13% per annum, while the "Current Preferred Return" under the agreement remained at 5% per annum. The Company also confirmed that the trailing nine-month annualized adjusted net operating income exceeded $5.0 million, the senior loans had been extended through the end of the extension period, and there were no material breaches or defaults under the GIP SPE Operating Agreement.

Under the GIP SPE Operating Agreement, GIP SPE is also required to pay to Loci Capital, an affiliate of LC2, an equity fee of 1.5% of the LC2 Investment, with 1% having been paid upon the execution and delivery of the GIP SPE Operating Agreement and the 0.5% payable upon redemption of the LC2 Investment.

Each of the preferred members described above may redeem their interest on or after the Redemption date (second year anniversary of the closing of the acquisition), at the discretion of such preferred member, as applicable, all or a portion thereof, of such preferred member's pro-rata share of the redemption value in the form of the units of the Operating Partnership ("GIP LP Units"). Such GIP LP Units shall be subject to all such restrictions, such as with respect to transferability, as reasonably imposed by the Operating Partnership. The number of GIP LP Units issued to any preferred member shall be determined by dividing the total amount of the redemption value that such preferred member shall receive in GIP LP Units by a 15% discount of the average 30-day market price of Generation Income Properties, Inc. common stock. GIP LP Units shall then be convertible into common stock of Generation Income Properties, Inc. on a 1:1 basis in accordance with the partnership agreement of the Operating Partnership. Additionally, the Operating Partnership has the right to redeem the preferred equity at redemption value with cash after the second year anniversary of the closing of the acquisition.

The primary objective of our financing strategy is to maintain financial flexibility using retained cash flows, long-term debt and common and perpetual preferred stock to finance our growth. We intend to have a lower-leveraged portfolio over the long-term after we have acquired an initial substantial portfolio of diversified investments. During the period when we are acquiring our current portfolio, we will employ greater leverage on individual assets (that will also result in greater leverage of the current portfolio) in order to quickly build a diversified portfolio of assets.

Cash from Operating Activities

Net cash used in operating activities was $644,134 and $519,833 for the six months ended June 30, 2026 and 2025, respectively.

Cash from Investing Activities

Net cash provided by investing activities was $3,514,566 and $10,333,595 for the six months ended June 30, 2026 and 2025, respectively.

Cash from Financing Activities

Net cash used in financing activities was $7,005,087 and $10,070,571 for the six months ended June 30, 2026 and 2025, respectively.

Off-Balance Sheet Arrangements

We do not have any material off-balance sheet arrangements that have or are reasonably likely to have a current or future effect on our financial condition, changes in financial condition, revenues or expenses, results of operations, liquidity, capital expenditures or capital resources that is material to investors.

Non-GAAP Financial Measures

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

FFO and related measures do not represent cash generated from operating activities and are not necessarily indicative of cash available to fund cash requirements; accordingly, they should not be considered alternatives to net income or loss as a performance measure or cash flows from operations as reported on our statement of cash flows as a liquidity measure and should be considered in addition to, and not in lieu of, GAAP financial measures.

We compute FFO in accordance with the definition adopted by the Board of Governors of the National Association of Real Estate Investment Trusts ("NAREIT"). NAREIT defines FFO as GAAP net income or loss adjusted to exclude, net gains from sales of property and adding back real estate depreciation; namely, excluding from net income depreciation and amortization related to real estate, gains and losses from the sale of certain real estate assets, gains and losses from change in control, and impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by an entity. We then adjust FFO for non-cash revenues and expenses such as amortization of deferred financing costs, above and below market lease intangible amortization, straight line rent adjustment where the Company is both the lessor and lessee, and non-cash stock compensation to calculate Core AFFO.

FFO is used by management, investors, and analysts to facilitate meaningful comparisons of operating performance between periods and among our peers primarily because it excludes the effect of real estate depreciation and amortization and net gains on sales, which are based on historical costs and implicitly assume that the value of real estate diminishes predictably over time, rather than fluctuating based on existing market conditions. We believe that AFFO is an additional useful supplemental measure for investors to consider because it will help them to better assess our operating performance without the distortions created by other non-cash revenues or expenses. FFO and AFFO may not be comparable to similarly titled measures employed by other companies. We believe that Core FFO and Core AFFO are useful measures for management and investors because they further remove the effect of non-cash expenses and certain other expenses that are not directly related to real estate operations. We use each as measures of our performance when we formulate corporate goals.

As FFO excludes depreciation and amortization, gains and losses from property dispositions that are available for distribution to stockholders and non-recurring or extraordinary items, it provides a performance measure that, when compared year over year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, general and administrative expenses and interest costs, providing a perspective not immediately apparent from net income or loss. However, FFO should not be viewed as an alternative measure of our operating performance since it does not reflect either depreciation and amortization costs or the level of capital expenditures and leasing costs necessary to maintain the operating performance of our properties which could be significant economic costs and could materially impact our results from operations. Additionally, FFO does not reflect distributions paid to redeemable non-controlling interests.

The following tables reconcile net income (net loss), which we believe is the most comparable GAAP measure, to FFO, Core FFO, AFFO and Core AFFO:

	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	**2025**	**2026**	**2025**
Net loss	**$ (983,628)**	**$ (3,466,521)**	**$ (2,249,775)**	**$ (5,263,981)**
Other expense	-	-	237	286
Loss (gain) on derivative valuation	195,952	122,326	(351,803)	415,825
Depreciation and amortization	1,058,290	1,264,581	2,192,718	2,557,342
(Gain) loss on sale of property	(1,089,754)	-	(1,089,754)	-
(Gain) loss on held for sale asset valuation	668,649	-	668,649	-
Loss on transfer of LLC interests in satisfaction of debt	-	-	185,069	-
Funds From Operations	**$ (150,491)**	**$ (2,079,614)**	**$ (644,659)**	**$ (2,290,528)**
Amortization of debt issuance costs	36,630	46,104	47,285	88,637
Amortization of debt discount	35,122	47,720	73,653	58,685
Non-cash stock compensation	75,000	-	255,000	-
Write-off of deferred financing costs	26,634	286,219	26,634	286,219
Adjustments to Funds From Operations	$ 173,386	$ 380,043	$ 402,572	$ 433,541
Core Funds From Operations	**$ 22,895**	**$ (1,699,571)**	**$ (242,087)**	**$ (1,856,987)**
Net loss	**$ (983,628)**	**$ (3,466,521)**	**$ (2,249,775)**	**$ (5,263,981)**
Other expense	-	-	237	286
Loss (gain) on derivative valuation	195,952	122,326	(351,803)	415,825
Depreciation and amortization	1,058,290	1,264,581	2,192,718	2,557,342
Amortization of debt issuance costs	36,630	46,104	47,285	88,637
Amortization of debt discount	35,122	47,720	73,653	58,685
Above and below-market lease amortization, net	1,394	55,433	3,420	115,395
Straight line rent, net	(14,923)	(12,138)	(32,671)	29,370
Adjustments to net loss	$ 1,312,465	$ 1,524,026	$ 1,932,839	$ 3,265,540
Adjusted Funds From Operations	**$ 328,837**	**$ (1,942,495)**	**$ (316,936)**	**$ (1,998,441)**
Dead deal expense	$ -	$ -	$ -	$ 27,894
(Gain) loss on held for sale asset valuation	668,649	-	668,649	-
(Gain) loss on sale of property	(1,089,754)	-	(1,089,754)	-
Loss on extinguishment of debt	-	926,398	26,634	926,398
Loss on transfer of LLC interests in satisfaction of debt	-	-	185,069	-
Non-cash stock compensation	75,000	-	255,000	-
Write-off of deferred financing costs	26,634	286,219	26,634	286,219
Adjustments to Adjusted Funds From Operations	$ (319,471)	$ 1,212,617	$ 72,232	$ 1,240,511
Core Adjusted Funds From Operations	**$ 9,366**	**$ (729,878)**	**$ (244,704)**	**$ (757,930)**

Critical Accounting Policies

Our financial statements are affected by the accounting policies used and the estimates and assumptions made by management during their preparation. See our audited consolidated financial statements included herein for a summary of our significant accounting policies.

Item 3. Quantitative and Qualitative Disclosures About Market Risk

As a smaller reporting company, we are not required to make disclosures under this item.

Item 4. Controls and Procedures

(a) Evaluation of disclosure controls and procedures.

Our management, with the participation of our Chief Executive Officer and Principal Financial Officer, evaluated the effectiveness of our disclosure controls and procedures pursuant to Rule 13a-15 under the Securities Exchange Act of 1934, as amended, as of the end of the period covered by this Quarterly Report on Form 10-Q. In designing and evaluating the disclosure controls and procedures, management recognizes that any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives. In addition, the design of disclosure controls and procedures must reflect the fact that there are resource constraints and that management is required to apply its judgment in evaluating the benefits of possible controls and procedures relative to their costs.

Management, with the participation of our CEO and Principal Financial Officer, performed an evaluation of the effectiveness of our disclosure controls and procedures as of June 30, 2026. Based on that evaluation, our management, including our CEO and Principal Financial Officer, concluded that our disclosure controls and procedures were effective as of June 30, 2026.

(b) Changes in internal control over financial reporting.

There were changes in our internal control over financial reporting during the quarter ended June 30, 2026, that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting, including the remediation of the previously identified material weakness.

- Management has completed the remediation of the material weakness relating to (1) the correct Independent Registered Public Accounting Firm audit report being filed with the Form 10-K and (2) the going concern disclosures in the consolidated financial statements fully complying with accounting principles generally accepted in the United States of America. This material weakness resulted in an initial filing a Form 10-K with an incorrect audit report and incomplete disclosure regarding the Company’s ability to continue as a going concern. Specifically, during the quarter we adopted a procedure that requires the Vice President of Accounting and Finance to review and compare the final EDGAR proof to the final reviewed copy of the Company's 10-K or such other report to be filed with the SEC; and

- Increased senior management's direction and review of the 10-K or such other report reporting process to ensure compliance with existing Company internal controls;

Based on these actions and the results of testing, management concluded that the material weakness has been remediated as of June 30, 2026.

PART II. OTHER INFORMATION

Item 1. Legal Proceedings

From time to time, we may be party to various lawsuits, claims and other legal proceedings that arise in the ordinary course of our business. We are not currently subject to any lawsuits, claims or other legal proceedings, except as described below.

On or around March 27, 2026, the Company's operating partnership (Generation Income Properties, L.P.) and David Sobelman, the Company's President and CEO, were sued in Alabama Circuit Court by Chase Commercial Realty, Inc. in a collection action under a promissory note issued by the operating partnership and under personal guaranty by Mr. Sobelman relating to an unpaid brokerage commission payable to the plaintiff. On June 8, 2026, the Company paid a total of $390,000 in full satisfaction of the amount due under the promissory note, inclusive of interest, late fees, and attorneys' fees, and the previously accrued liability was relieved.

Item 1A. Risk Factors

There have been no material changes from the risk factors previously disclosed in Item 1A. Risk Factors of the Company’s Annual Report on Form 10-K for the year ended December 31, 2025, as amended, except as disclosed below.

We can provide no assurance that we will be able to regain compliance with the continued listing standards of Nasdaq with respect to our common stock and warrants. If we fail to regain compliance, our securities could be delisted.

Our common stock is currently listed on The Nasdaq Capital Market (“Nasdaq”). In order to maintain that listing, we must maintain compliance with Nasdaq’s continued listing requirements and standards. There can be no assurances that we will be able to comply with the applicable listing requirements and standards of Nasdaq.

Minimum Stockholders’ Equity Requirement

In August 2025, we received notice from the Listing Qualifications staff of Nasdaq (the "Staff") notifying us that we no longer maintained at least $2.5 million in stockholders' equity, as required under Nasdaq Listing Rule 5550(b)(1) (the "Equity Requirement") and that we also did not meet any other alternative standard. On October 6, 2025, we submitted to the Staff a written plan to become compliant with the Equity Requirement and were given until February 5, 2026, to regain compliance. Because we were unable to regain compliance by such date, on February 5, 2026, the Staff provided written notification that the trading of our common stock and warrants would be suspended at the open of business on February 17, 2026 unless the Company appealed the Staff's determination to the Nasdaq Hearings Panel (the "Panel"). We thereafter timely appealed the Staff's determination, and on March 24, 2026, a hearing was held before the Panel, during which time we requested an extension of time and submitted a plan to regain compliance with both the Equity Requirement and Minimum Bid Requirement (as described below) by August 2026, with such plan consisting of a combination of property sales, capital raises, and a reverse stock split. By decision dated April 17, 2026, the Panel granted us an extension through August 4, 2026, to evidence compliance and stated that this extension represents the full extent of the Panel's discretion. On August 10, 2026, the Company received formal notification from Nasdaq confirming that the Company has regained compliance with the Equity Requirement. As stated in Nasdaq’s notification, the Company will be subject to a mandatory panel monitor for a period of one year from August 10, 2026. If, within that one-year monitoring period, the Nasdaq Listing Qualifications staff (the “Staff”) finds the Company is again out of compliance with the Equity Rule, then the Staff will issue a delist determination letter, and the Company will have an opportunity to request a new hearing with the initial Panel or a newly convened hearing panel if the initial Panel is unavailable.

Minimum Bid Requirement

On January 28, 2025, we received notice from Nasdaq that, because the closing bid price for our common stock had fallen below $1.00 per share for 30 consecutive business days, we no longer complied with the minimum bid price requirement pursuant to Nasdaq Listing Rule 5550(a)(2) (the "Minimum Bid Requirement"). We were provided an initial compliance period of 180 calendar days, or until July 27, 2026, to regain compliance with the Minimum Bid Requirement, which required the closing bid price of our common stock to meet or exceed $1.00 per share for a minimum of 10 consecutive business days prior to that date. We did not regain compliance by July 27, 2026.

On August 6, 2026, we received written notice from the Staff that the Company is not eligible for a second 180-calendar-day compliance period with respect to the Minimum Bid Requirement because we do not meet the $1,000,000 minimum market value of publicly held shares requirement for continued listing on the Nasdaq Capital Market under Listing Rule 5550(b)(1)(A). The Staff notified us that this additional deficiency will serve as a further basis for delisting our securities from Nasdaq and will be considered by the Panel together with the pending matter regarding the Equity Requirement described above. We were given until August 13, 2026 to submit our views on this additional deficiency to the Panel in writing. There can be no assurance that the Panel will grant continued listing to our common stock and warrants in light of this additional basis for delisting.

New Nasdaq Rule regarding Market Value of Listed Securities

On January 13, 2026, Nasdaq filed a proposed rule change with the Securities and Exchange Commission, or SEC, to adopt a new continued listing requirement requiring the maintenance of a minimum Market Value of Listed Securities, or MVLS, of at least $5.0 million. Under the proposal, a company that fails to maintain an MVLS of at least $5 million for 30 consecutive business days would be subject to suspension and delisting proceedings with no cure right and limited appeal rights. The rule change applies to companies listed on the Nasdaq Capital Market, including the Company. The proposed rule was approved by the SEC on July 22, 2026, and was subsequently stayed on July 29, 2026, pending review by the SEC. It's not certain whether or when the MVLS rule will retake effect.

As we do not currently maintain a MVLS of at least $5.0 million and, to the extent our MVLS does not exceed $5.0 million within 30 consecutive business days of the MVLS rule retaking effect, we expect to be in violation of the new rule, which could trigger an immediate suspension and delisting from Nasdaq. A delisting under this rule would have adverse consequences on our common stock, including reduced liquidity, limited market quotations, diminished analyst coverage, and impaired ability to raise capital. We can provide no assurance that we will be able to regain compliance with this new MVLS requirement or that any actions we may take to increase our MVLS, such as additional capital raising, will be successful or will not have other adverse effects on our stockholders.

Potential Consequences of Delisting

There is no assurance that we will be able to meet Nasdaq's listing requirements or comply with the requisite Nasdaq requirements to maintain our listing of common stock and warrants on Nasdaq. In the event that our common stock and warrants are delisted from Nasdaq, as a result of our failure to comply with the Equity Requirement or the Minimum Bid Requirement or as a result of our failure to continue to comply with any other requirement for continued listing on Nasdaq, and we are not able to list our securities on Nasdaq or any other national securities exchange, we could face significant material adverse consequences, including:

- a decline of the market price of our common stock;
- a limited availability of market quotations for our common stock;
- reduced liquidity for our common stock;
- a determination that our common stock is a "penny stock," which will require brokers trading in our common stock to adhere to more stringent rules and possibly result in a reduced level of trading activity in the secondary trading market for our securities;
- a limited amount of news and analyst coverage for us;
- a decreased ability to issue additional securities or obtain additional financing in the future; and
- the incurring of additional costs under state blue sky laws in connection with any sales of our securities.

If our common stock is delisted by Nasdaq, our common stock may be eligible to trade on an over-the-counter quotation system where an investor may find it more difficult to sell our stock or obtain accurate quotations as to the market value of our common stock. In the event our common stock is delisted from Nasdaq, we may not be able to list our common stock on another national securities exchange or obtain quotation on an over-the-counter quotation system.

We have significant near-term debt maturities and liquidity needs and may not be able to refinance or repay these obligations on acceptable terms, or at all.

As of June 30, 2026, we had approximately $5.5 million of debt maturing in October 2026 related to loans from Brown Family Enterprises. We are pursuing refinancing and other capital solutions to address these obligations; however, there can be no assurance that we will be able to refinance or repay such indebtedness on acceptable terms, in a timely manner, or at all.

Our ability to meet these obligations depends on, among other things, our ability to execute on our liquidity initiatives, including refinancing or extending existing indebtedness, optimizing portfolio performance and selectively disposing of assets. Over the next twelve months, we expect to prioritize strengthening our balance sheet and liquidity by opportunistically marketing and selling a select group of income-producing properties.

If we are unable to successfully implement these initiatives, we may face liquidity constraints and could be required to pursue alternatives such as asset sales on unfavorable terms, restructuring our indebtedness or curtailing operations, any of which could materially adversely affect our business, financial condition and results of operations.

Our independent registered public accounting firm's report contains an explanatory paragraph that expresses substantial doubt about our ability to continue as a "going concern."

We have incurred recurring losses, have significant projected cash needs and currently have limited liquidity. As a result, substantial doubt exists about our ability to continue as a going concern for one year after the date our financial statements are issued, and our independent registered public accounting firm's report includes an explanatory paragraph expressing substantial doubt about our ability to continue as a going concern.

Our ability to continue as a going concern depends on the successful execution of management's plan to improve our liquidity and profitability, and there can be no assurance that these efforts will be successful. If we are unable to improve our liquidity and operating results, generate sufficient cash flow, repay or refinance our indebtedness when due, or otherwise continue as a going concern, we may be required to curtail operations, sell assets, restructure our indebtedness or pursue other alternatives on unfavorable terms. Any of these events could materially adversely affect our business, financial condition and the value of our securities.

If we are not able to timely redeem the remaining LC2 Preferred Equity in GIP SPE, the redemption amount of the LC2 Preferred Equity may materially increase and LC2 will have the right to take over the management of GIP SPE in a way that may materially adversely affect our equity interest in GIP SPE.

In connection with the Company's purchase in August 2023 of a portfolio of properties from Modiv Inc., the Operating Partnership formed GIP SPE to acquire and hold the properties acquired from Modiv. As partial financing for the property acquisition, GIP SPE received a $12.0 million preferred equity investment from LC2, and the GIP SPE Operating Agreement provided that GIP SPE was required to redeem in full all of the LC2 Preferred Equity, including the preferred return thereon, on or before August 10, 2026. On August 10, 2026, GIP SPE and LC2 entered into an amendment to the GIP SPE Operating Agreement extending this redemption deadline from August 10, 2026 to August 31, 2026. The amendment did not extend the date of the Company's remaining 12-month extension option (which, if exercised, would extend the redemption deadline only to August 10, 2027) and did not constitute a determination that the Company had satisfied the conditions required to exercise that option. If those conditions are satisfied prior to August 31, 2026, the Company will have the right to further extend the redemption deadline to August 10, 2027; if not, the redemption deadline will remain August 31, 2026. Through August 1, 2026, GIP SPE has redeemed an aggregate of $13,629,557, leaving a remaining balance of $7,959,915 to be redeemed as of August 1, 2026. The Company is seeking to fund the remaining redemption amount through a combination of the above-described property sales, the proceeds of this Offering, and a potential bridge loan or refinancing transaction, but there is no assurance that the Company will be able to fund all or a portion of the remaining redemption amount before August 31, 2026. If GIP SPE cannot fully redeem the LC2 Preferred Equity on or before August 31, 2026 (or, if the Company's remaining 12-month extension option is validly exercised, August 10, 2027), then LC2 may enforce its rights under the GIP SPE Operating Agreement, which would include the right of LC2 to replace the manager of GIP SPE (and thereby take control of GIP SPE and the properties held by it), list and sell the properties held by GIP SPE without the approval of the Company, increase the preferred return of the LC2 Preferred Equity to an annual cumulative rate of 18%, compounded monthly, and charge and collect an additional fee of 1% of the total capital contributions made by LC2. Any or all of these actions could materially and adversely affect our rights and the value of our equity interest with respect to GIP SPE. As of August 1, 2026, a total of 8 properties are held through GIP SPE.

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

(a)*Sales of Unregistered Securities.*

None.

(b)*Use of Proceeds.*

None.

(c) None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosures

Not applicable.

Item 5. Other Information

(a) The following matters occurred during or shortly after the quarter ended June 30, 2026, that were not previously disclosed on a Current Report on Form 8-K:

Reacquisition of GIPDC 3707 14th St. LLC (7-Eleven, Washington, D.C.)

On March 3, 2026, the Company transferred one hundred percent (100%) of the limited liability company interests of GIPDC 3707 14th St. LLC (the "DC Entity"), the entity owning the net lease retail property located at 3707-3711 14th Street NW, Washington, D.C. (the "DC Property"), to Brown Family Enterprises, LLC ("Brown"), a related party, pursuant to an Assignment of Limited Liability Company Interests and Satisfaction Agreement (the "Original Agreement"). As additional consideration, the Company retained a contingent right (the "Participation Right") to receive fifty percent (50%) of net sale proceeds from any future sale of the DC Property in excess of a $600,000 return-of-capital threshold to Brown.

On June 16, 2026, the Company, Generation Income Properties, LP ("GIP LP"), and Brown entered into an Assignment of Limited Liability Company Interests and Termination Agreement (the "Termination Agreement"), pursuant to which (i) Brown assigned, transferred, and conveyed 100% of the limited liability company interests in the DC Entity back to GIP LP, (ii) the Company paid Brown $600,000 in cash, and (iii) the Original Agreement, including the Participation Right and all other rights and obligations thereunder, was terminated in its entirety, with mutual releases exchanged by the parties.

Portfolio of Six Dollar General Properties (Maine, Ohio, Pennsylvania, and Texas)

On June 19, 2026, the Company, through indirect wholly owned subsidiaries, entered into an agreement to sell a portfolio of net lease retail properties located in Big Spring, Texas; Mount Gilead, Ohio; East Wilton, Maine; Litchfield, Maine; Thompsontown, Pennsylvania; Castalia, Ohio; and Lakeside, Ohio (collectively, the "DG Properties"), each occupied by Dollar General, for an aggregate purchase price of $7,320,000. On July 22, 2026, the parties entered into a First Amendment to the Purchase and Sale Agreement, which removed the Litchfield, Maine property from the transaction and reduced the aggregate purchase price for the remaining six properties to $6,246,221.

3134 West 76th Street, Chicago, Illinois (Fresenius)

On June 22, 2026, the Company's indirect wholly owned subsidiary, GIPIL 3134 W 76th Street, LLC, entered into an agreement to sell its Fresenius-occupied net lease medical property located in Chicago, Illinois (the "Fresenius Property") for a purchase price of $2,800,000.

Extension of LC2-NNN Pref, LLC Preferred Equity Redemption Deadline

On August 10, 2026, the Company entered into an amendment to the GIP SPE Operating Agreement extending the Mandatory Redemption Date from August 10, 2026 to August 31, 2026. The amendment does not itself constitute an exercise of the Company's second 12-month extension option under the GIP SPE Operating Agreement, and the parties expressly acknowledged that the Company had not yet satisfied the conditions required to exercise that option as of the amendment date. If those conditions are satisfied prior to August 31, 2026, the Company will have the right to further extend the Mandatory Redemption Date to August 10, 2027 (which, if exercised, would carry the same extension fee, preferred return rate increase, and other conditions described above). If the conditions are not satisfied prior to August 31, 2026, the Mandatory Redemption Date will remain August 31, 2026.

(b) None.

(c) During the three months ended June 30, 2026, none of the Company's directors or officers (as defined in Rule 16a-1(f) of the Securities Exchange Act of 1934) adopted, terminated or modified a Rule 10b5-1 trading arrangement or non-Rule 10b5-1 trading arrangement (as such terms are defined in Item 408 of Regulation S-K).

Item 6. Exhibits

The following documents are filed as a part of this report or are incorporated herein by reference.

EXHIBIT NUMBER	DESCRIPTION
3.1	Articles of Amendment and Restatement of Generation Income Properties, Inc. (incorporated by reference to Exhibit 2.1 of the Company's Form 1-A/A filed on January 28, 2016)
3.1.1	Articles of Amendment to Amended and Restated Articles of Incorporation. (incorporated by reference to Exhibit 2.1 to the Company's Form 1-U filed on October 9, 2020.)
3.1.2	Articles of Amendment of Generation Income Properties, Inc., effective July 9, 2026 (incorporated by reference to Exhibit 3.1 to the Company's Form 8-K filed on July 10, 2026).
3.2	Restated Bylaws of Generation Income Properties, Inc.(incorporated by reference to Exhibit 3.2 of the Company's Form 10/A filed on April 30, 2025)
10.1	Promissory Note, dated February 12, 2026, payable to QCCR Investments, LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on February 19, 2026).
10.2	Purchase and Sale Agreement, entered into effective October 23, 2025, by and between GIPCO 585 24 ½ Road, LLC and Realty Income Properties 26, LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on February 23, 2026).
10.3	Purchase and Sale Agreement, dated October 31, 2025, by and between GIPFL 2601 Westhall Lane, LLC and Thompson, Inc. (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on February 23, 2026).
10.4	First Amendment to Purchase and Sale Agreement, dated December 11, 2025, by and between GIPFL 2601 Westhall Lane, LLC and Thompson, Inc. (incorporated by reference to Exhibit 10.3 of the Company's Form 8-K filed on February 23, 2026).
10.5	Amended and Restated Convertible Note, dated February 10, 2026, issued to Silverback Capital Corporation (First Amended Note) (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on February 25, 2026).
10.6	Amended and Restated Convertible Note, dated February 24, 2026, issued to Silverback Capital Corporation (Second Amended Note) (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on February 25, 2026).
10.7	Second Amended and Restated Limited Liability Company Agreement of GIPIA 1220 S. Duff Avenue, LLC, dated as of April 13, 2026, by and among GIPIA 1220 S. Duff Avenue, LLC, Generation Income Properties, L.P., and JCWC Funding LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on April 20, 2026).
10.8	Purchase and Sale Agreement, entered into effective March 23, 2026, by and between GIPGA 2383 Lake Harbin Road, LLC and Vanguard Asset Holdings, LLC, Series 102 (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on April 23, 2026).
10.9	First Amendment to Purchase and Sale Agreement, made and entered into effective April 2, 2026, by and between GIPGA 2383 Lake Harbin Road, LLC and Vanguard Asset Holdings, LLC, Series 102 (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on April 23, 2026).
10.10	Commercial Term Note, dated May 1, 2026, by LMB Auburn Hills I, LLC and LMB Lewiston, LLC in favor of Hancock Whitney Bank (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on May 22, 2026).
10.11	Commercial Business Loan Agreement, dated May 1, 2026, by and among Hancock Whitney Bank, LMB Auburn Hills I, LLC, LMB Lewiston, LLC, Generation Income Properties, Inc., GIPTN 5780 Waterlevel Highway East, LLC, and GIPFL 3815 South Orlando Drive, LLC (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on May 22, 2026).
10.12	Continuing Guaranty, dated May 1, 2026, by Generation Income Properties, Inc. in favor of Hancock Whitney Bank (incorporated by reference to Exhibit 10.3 of the Company's Form 8-K filed on May 22, 2026).
10.13	Continuing Guaranty, dated May 1, 2026, by GIPTN 5780 Waterlevel Highway East, LLC in favor of Hancock Whitney Ban (incorporated by reference to Exhibit 10.4 of the Company's Form 8-K filed on May 22, 2026).
10.14	Continuing Guaranty, dated May 1, 2026, by GIPFL 3815 South Orlando Drive, LLC in favor of Hancock Whitney Ban (incorporated by reference to Exhibit 10.5 of the Company's Form 8-K filed on May 22, 2026).

10.15	Purchase and Sale Agreement, entered into effective April 10, 2026, by and between GIPFL 10002 N Dale Mabry, LLC and Andrew Livingstone (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on May 22, 2026).
10.16	Placement Agency Agreement, dated May 28, 2026, between the Company and Maxim Group LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on June 1, 2026).
10.17	Securities Purchase Agreement, dated May 28, 2026, between the Company and the purchasers party thereto (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on June 1, 2026).
10.18	Form of Lock-up Agreement (incorporated by reference to Exhibit 10.3 of the Company's Form 8-K filed on June 1, 2026).
10.19	Warrant Agency Agreement, dated June 1, 2026, between the Company and Continental Stock Transfer & Trust Company (incorporated by reference to Exhibit 10.4 of the Company's Form 8-K filed on June 1, 2026).
10.20	Eighth Amendment to the Amended and Restated Limited Partnership Agreement of Generation Income Properties, L.P. and Series B-1 Standstill and Omnibus Consent, dated July 16, 2026, by and among Generation Income Properties, Inc., Generation Income Properties, L.P. and LMB Owenton I LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on July 17, 2026).
10.21	Ninth Amendment to the Amended and Restated Limited Partnership Agreement of Generation Income Properties, L.P. and Series B-2 Omnibus Consent and Amendment to Related Agreements, dated July 16, 2026, by and among Generation Income Properties, Inc., Generation Income Properties, L.P. and Lloyd M. Bernstein (incorporated by reference to Exhibit 10.2 of the Company's Form 8-K filed on July 17, 2026).
10.22	Purchase and Sale Agreement, dated as of April 29, 2026, by and between GIPCA 991 Nut Tree Road, LLC and Taricens Medical Estates LLC (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on July 21, 2026).
10.23	Debt Conversion Agreement, dated July 24, 2026, by and among Generation Income Properties, L.P., Generation Income Properties, Inc., and David E. Sobelman Revocable Trust (incorporated by reference to Exhibit 10.1 of the Company's Form 8-K filed on July 27, 2026).
31.1*	Rule 13a – 14(a) Certification of the Principal Executive Officer
31.2*	Rule 13a – 14(a) Certification of the Principal Financial Officer
32.1*	Written Statement of the Principal Executive Officer, Pursuant to 18 U.S.C. § 1350
32.2*	Written Statement of the Principal Financial Officer, Pursuant to 18 U.S.C. § 1350
101.INS	Inline XBRL Instance Document.
101.SCH	Inline XBRL Taxonomy Extension Schema.
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase.
101.DEF	Inline XBRL Taxonomy Extension Definition Linkbase.
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase.
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Filed 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:

GENERATION INCOME PROPERTIES, INC.

Date: August 14, 2026	By: /s/ David Sobelman David Sobelman Chief Executive Officer and Chair of the Board (Principal Executive Officer)
Date: August 14, 2026	By: /s/ Ron Cook Ron Cook VP Accounting and Finance (Principal Financial and Accounting Officer)

Exhibit 31.1

Certification of Chief Executive Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, David Sobelman, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Generation Income Properties, 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 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 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.

August 14, 2026

/s/ David Sobelman
David Sobelman
Chief Executive Officer
(Principal Executive Officer)

A signed original of this document has been provided to Generation Income Properties, Inc. and will be retained by Generation Income Properties, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 31.2

Certification of Principal Financial and Accounting Officer
Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002

I, Ron Cook, certify that:

1.I have reviewed this quarterly report on Form 10-Q of Generation Income Properties, 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 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 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.

August 14, 2026

/s/ Ron Cook
Ron Cook
VP Accounting and Finance
(Principal Financial and Accounting Officer)

A signed original of this document has been provided to Generation Income Properties, Inc. and will be retained by Generation Income Properties, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.1

Written Statement of the Chief Executive Officer
Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. ss.1350, I, the undersigned Chief Executive Officer of Generation Income Properties, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2026 as filed with the Securities and Exchange Commission on August 14, 2026 (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ David Sobelman
David Sobelman
Chief Executive Officer
(Principal Executive Officer)
August 14, 2026

A signed original of this document has been provided to Generation Income Properties, Inc. and will be retained by Generation Income Properties, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Written Statement of the Principal Financial and Accounting Officer
Pursuant to 18 U.S.C. Section 1350

Solely for the purposes of complying with 18 U.S.C. ss.1350, I, the undersigned Principal Financial and Accounting Officer of Generation Income Properties, Inc. (the "Company"), hereby certify, based on my knowledge, that the Quarterly Report on Form 10-Q of the Company for the quarterly period ended June 30, 2026 as filed with the Securities and Exchange Commission on August 14, 2026 (the "Report"), fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and that information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Ron Cook
Ron Cook
VP Accounting and Finance
(Principal Financial and Accounting Officer)
August 14, 2026

A signed original of this document has been provided to Generation Income Properties, Inc. and will be retained by Generation Income Properties, Inc. and furnished to the Securities and Exchange Commission or its staff upon request.