

# NEXPOINT

## RESIDENTIAL TRUST

### FOR IMMEDIATE RELEASE

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### NEXPOINT RESIDENTIAL TRUST, INC. REPORTS SECOND QUARTER 2022 RESULTS

#### NXRT Continues to Experience Strong Revenue Growth; Accelerates Rehab Pace for the Quarter

Dallas, TX, July 26, 2022 – NexPoint Residential Trust, Inc. (NYSE:NXRT) reported financial results for the second quarter ended June 30, 2022.

#### Highlights

- NXRT<sup>1</sup> reported Net Loss, FFO<sup>2</sup>, Core FFO<sup>2</sup> and AFFO<sup>2</sup> of \$(7.8)M, \$17.6M, \$20.3M and \$22.7M, respectively, attributable to common stockholders for the quarter ended June 30, 2022, compared to Net Loss, FFO, Core FFO, and AFFO of \$(3.4)M, \$16.5M, \$14.2M and \$16.3M, respectively, attributable to common stockholders for the quarter ended June 30, 2021.
- NXRT reported Net Loss, FFO, Core FFO and AFFO of \$(12.5)M, \$36.6M, \$40.4M and \$45.1M, respectively, attributable to common stockholders for the six months ended June 30, 2022, compared to Net Loss, FFO, Core FFO, and AFFO of \$(10.3)M, \$30.3M, \$28.3M and \$32.4M, respectively, attributable to common stockholders for the six months ended June 30, 2021.
- For the three months ended June 30, 2022, Q2 Same Store properties<sup>3</sup> average effective rent, total revenue and NOI<sup>2</sup> increased 19.2%, 14.2% and 16.4%, respectively, and occupancy decreased 150 bps over the prior year period.
- For the six months ended June 30, 2022, YTD Same Store properties<sup>3</sup> average effective rent, total revenue and NOI<sup>2</sup> increased 19.2%, 12.7% and 16.4%, respectively, and occupancy decreased 150 bps over the prior year period.
- The weighted average effective monthly rent per unit across all 41 properties held as of June 30, 2022 (the “Portfolio”), consisting of 15,387<sup>4</sup> units, was \$1,387, while physical occupancy was 94.5%.
- On April 1, 2022, NXRT acquired The Adair located in Sandy Springs, Georgia, and Estates on Maryland located in Phoenix, Arizona for a combined purchase price of \$143.4 million.
- NXRT paid a second quarter dividend of \$0.38 per share of common stock on June 30, 2022.
- During the six months ended June 30, 2022, through its at-the-market offering (“ATM program”), NXRT issued 52,091 shares for approximately \$4.3 million in gross proceeds.
- During the three months ended June 30, 2022, NXRT repurchased and retired 69,567 shares at a weighted average price of \$73.82 per share. Since inception, NXRT has repurchased 2,451,722 shares at a weighted average price of \$27.07 per share.
- During the second quarter, for the properties in our Portfolio, we completed 650 full and partial upgrades and leased 609 upgraded units, achieving an average monthly rent premium of \$138 and a 24.9% ROI<sup>5</sup>.
- Since inception, for the properties currently in our Portfolio, we have completed 6,834 full and partial upgrades, 4,724 kitchen and laundry appliances, and 9,624 technology packages, resulting in a \$142, \$48, and \$43 average monthly rental increase per unit and a 21.8%, 69.7%, and 33.5% ROI, respectively.

- 1) In this release, “we,” “us,” “our,” the “Company,” “NexPoint Residential Trust,” and “NXRT” each refer to NexPoint Residential Trust, Inc., a Maryland corporation.
- 2) FFO, Core FFO, AFFO and NOI are non-GAAP measures. For a discussion of why we consider these non-GAAP measures useful and reconciliations of FFO, Core FFO, AFFO and NOI to net loss, see the “Definitions and Reconciliations of Non-GAAP Measures”, “FFO, Core FFO and AFFO” and “NOI and Same Store NOI” sections of this release.
- 3) We define “Same Store” properties as properties that were in our Portfolio for the entirety of the periods being compared. There are 34 properties encompassing 13,433 units of apartment space in our Same Store pool for the three months ended June 30, 2022 (our “Q2 Same Store” properties) and 34 properties encompassing 13,433 units of apartment space in our Same Store pool for the six months ended June 30, 2022 (our “YTD Same Store” properties). The same store unit count excludes 67 units that are currently down due to casualty events (Silverbrook: 16 units, Arbors of Brentwood: 16 units, Timber Creek: 15 units, Venue at 8651: 8 units, Hollister Place: 6 units, The Preserve at Terrell Mill: 3 units, Parc500: 2 units, and Bloom: 1 unit).

- 4) Total units owned in our Portfolio is 15,387, however 73 units are currently down due to casualty events (Silverbrook: 16 units, Arbors of Brentwood: 16 units, Timber Creek: 15 units, Venue at 8651: 8 units, Hollister Place: 6 units, Six Forks: 6 units, The Preserve at Terrell Mill: 3 units, Parc500: 2 units, and Bloom: 1 unit).
- 5) We define Return on Investment ("ROI") as the sum of the actual rent premium divided by the sum of the total cost.

## **Second Quarter 2022 Financial Results**

- Total revenues were \$65.8 million for the second quarter of 2022, compared to \$52.6 million for the second quarter of 2021.
- Net loss for the second quarter of 2022 totaled \$(7.8) million, or loss of \$(0.30) per diluted share, which included \$25.5 million of depreciation and amortization expense. This compared to a net loss of \$(3.4) million, or earnings of \$(0.14) per diluted share, for the second quarter of 2021, which included \$20.0 million of depreciation and amortization expense.
- The change in our net loss of \$(7.8) million for the three months ended June 30, 2022 as compared to our net loss of \$(3.4) million for the three months ended June 30, 2021 primarily relates to a decrease in casualty gains and an increase in depreciation expense, partially offset by an increase in total revenues.
- For the second quarter of 2022, NOI was \$38.8 million on 41 properties, compared to \$30.2 million for the second quarter of 2021 on 39 properties.
- For the second quarter of 2022, Q2 Same Store NOI increased 16.4% to \$33.7 million, compared to \$28.9 million for the second quarter of 2021.
- For the second quarter of 2022, FFO totaled \$17.6 million, or \$0.69 per diluted share, compared to \$16.5 million, or \$0.66 per diluted share, for the second quarter of 2021.
- For the second quarter of 2022, Core FFO totaled \$20.3 million, or \$0.79 per diluted share, compared to \$14.2 million, or \$0.56 per diluted share, for the second quarter of 2021.
- For the second quarter of 2022, AFFO totaled \$22.7 million, or \$0.89 per diluted share, compared to \$16.3 million, or \$0.65 per diluted share, for the second quarter of 2021.

## **2022 Year to Date Financial Results**

- Total revenues were \$126.6 million for the six months ended June 30, 2022, compared to \$104.4 million for the six months ended June 30, 2021.
- Net loss for the six months ended June 30, 2022 totaled \$(12.5) million, or loss of \$(0.49) per diluted share, which included \$49.3 million of depreciation and amortization expense. This compared to net loss of \$(10.3) million, or earnings of \$(0.41) per diluted share, for the six months ended June 30, 2021, which included \$40.7 million of depreciation and amortization expense.
- The change in our net loss of \$(12.5) million for the six months ended June 30, 2022 as compared to our net loss of \$(10.3) million for the six months ended June 30, 2021 primarily relates to a decrease in casualty gains and an increase in depreciation expense, partially offset by an increase in total revenues.
- For the six months ended June 30, 2022, NOI was \$75.4 million on 41 properties, compared to \$60.0 million for the six months ended June 30, 2021 on 39 properties.
- For the six months ended June 30, 2022, Same Store NOI increased 16.4% to \$66.9 million, compared to \$57.4 million for the six months ended June 30, 2021.
- For the six months ended June 30, 2022, FFO totaled \$36.6 million, or \$1.43 per diluted share, compared to \$30.3 million, or \$1.21 per diluted share, for the six months ended June 30, 2021.
- For the six months ended June 30, 2022, Core FFO totaled \$40.4 million, or \$1.58 per diluted share, compared to \$28.3 million, or \$1.13 per diluted share, for the six months ended June 30, 2021.
- For the six months ended June 30, 2022, AFFO totaled \$45.1 million, or \$1.76 per diluted share, compared to \$32.4 million, or \$1.29 per diluted share, for the six months ended June 30, 2021.

## **Second Quarter Earnings Conference Call**

NXRT will host a conference call on Tuesday, July 26, 2022 at 11:00 a.m. ET (10:00 am CT), to discuss second quarter financial results. The conference call can be accessed live over the phone by dialing 888-220-8474 or, for international callers, + 1 646-828-8193 and using passcode Conference ID: 4498068. A live audio webcast of the call will be available online at the Company's website, <https://nxrt.nexpoint.com> (under "Resources"). An online replay will be available shortly after the call on the Company's website and continue to be available for 60 days.

A replay of the conference call will also be available through Tuesday, August 2, 2022 by dialing 888-203-1112 or, for international callers, +1 719-457-0820 and entering passcode 4498068.

## **About NXRT**

NexPoint Residential Trust is a publicly traded REIT, with its shares listed on the New York Stock Exchange under the symbol "NXRT," primarily focused on acquiring, owning and operating well-located, middle-income multifamily properties with "value-add" potential in large cities and suburban submarkets of large cities, primarily in the Southeastern and Southwestern United States. NXRT is externally advised by NexPoint Real Estate Advisors, L.P., an affiliate of NexPoint Advisors, L.P., an SEC-registered investment advisor, which has extensive real estate experience. Our filings with the Securities and Exchange Commission (the "SEC") are available on our website, [nxrt.nexpoint.com](https://nxrt.nexpoint.com), under the "Financials" tab.

## **Cautionary Statement Regarding Forward-Looking Statements**

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are based on management's current expectations, assumptions and beliefs. Forward-looking statements can often be identified by words such as "expect," "anticipate," "estimate," "may," "should," "plan" and similar expressions and variations or negatives of these words. These forward-looking statements include, but are not limited to, statements regarding NXRT's business and industry in general, room for future rent growth, NXRT's guidance for financial results for the full year 2022, including earnings per diluted share, Core FFO per diluted share, same store rental income, same store total revenue and same store NOI, and the related assumptions, including expected acquisitions and dispositions, shares outstanding and same store growth projections, NXRT's net asset value and the related components and assumptions, including anticipated full year and third quarter 2022 net income, acquisitions and dispositions, pro forma adjustments for acquisitions and dispositions, the NOI related to the acquired or disposed of properties, the Cornerstone loan refinancing, estimated value-add expenditures, debt payments, outstanding debt and shares outstanding, NOI guidance for the third quarter 2022 and the related assumptions, planned value-add programs, including projected average rent, rent change and return on investment, expected settlement of interest rate swaps and the effect on the debt maturity schedule, rehab budgets and expected acquisitions and dispositions. They are not guarantees of future results and are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those expressed in any forward-looking statement, including the ultimate duration and severity of the COVID-19 pandemic and the effectiveness of actions taken, or actions that may be taken, by governmental authorities to contain the outbreak or treat its impact, as well as those described in greater detail in our filings with the Securities and Exchange Commission, particularly those described in our Annual Report on Form 10-K. Readers should not place undue reliance on any forward-looking statements and are encouraged to review the Company's most recent Annual Report on Form 10-K and other filings with the SEC for a more complete discussion of the risks and other factors that could affect any forward-looking statements. The statements made herein speak only as of the date of this release and except as required by law, NXRT does not undertake any obligation to publicly update or revise any forward-looking statements.

## FFO, Core FFO and AFFO

The following table reconciles our calculations of FFO, Core FFO and AFFO to net loss, the most directly comparable GAAP financial measure, for the three and six months ended June 30, 2022 and 2021 (in thousands, except per share amounts):

	For the Three Months Ended June 30,		For the Six Months Ended June 30,			
	2022	2021	2022	2021	% Change (1)	
Net loss	\$ (7,827)	\$ (3,418)	\$ (12,494)	\$ (10,318)	21.1%	
Depreciation and amortization	25,548	19,986	49,266	40,744	20.9%	
Adjustment for noncontrolling interests	(72)	(50)	(129)	(91)	41.8%	
<b>FFO attributable to common stockholders</b>	<u>17,649</u>	<u>16,518</u>	<u>36,643</u>	<u>30,335</u>	<u>20.8%</u>	
<b>FFO per share - basic</b>	<u>\$ 0.69</u>	<u>\$ 0.66</u>	<u>\$ 1.43</u>	<u>\$ 1.21</u>	<u>18.2%</u>	
<b>FFO per share - diluted</b>	<u>\$ 0.69</u>	<u>\$ 0.66</u>	<u>\$ 1.43</u>	<u>\$ 1.21</u>	<u>18.2%</u>	
Loss on extinguishment of debt and modification costs	—	328	—	328	N/M	
Casualty-related expenses/(recoveries)	2,592	(435)	3,642	(392)	N/M	
Casualty gains	(229)	(2,379)	(357)	(2,379)	N/M	
Pandemic expense	—	12	—	35	N/M	
Amortization of deferred financing costs - acquisition term notes	326	140	505	349	44.7%	
Adjustment for noncontrolling interests	(10)	7	(14)	6	N/M	
<b>Core FFO attributable to common stockholders</b>	<u>20,328</u>	<u>14,191</u>	<u>40,419</u>	<u>28,282</u>	<u>42.9%</u>	
<b>Core FFO per share - basic</b>	<u>\$ 0.79</u>	<u>\$ 0.56</u>	<u>\$ 1.58</u>	<u>\$ 1.13</u>	<u>39.8%</u>	
<b>Core FFO per share - diluted</b>	<u>\$ 0.79</u>	<u>\$ 0.56</u>	<u>\$ 1.58</u>	<u>\$ 1.13</u>	<u>39.8%</u>	
Amortization of deferred financing costs - long term debt	408	355	794	707	12.3%	
Equity-based compensation expense	2,005	1,796	3,881	3,404	14.0%	
Adjustment for noncontrolling interests	(11)	(6)	(17)	(12)	41.7%	
<b>AFFO attributable to common stockholders</b>	<u>22,730</u>	<u>16,336</u>	<u>45,077</u>	<u>32,381</u>	<u>39.2%</u>	
<b>AFFO per share - basic</b>	<u>\$ 0.89</u>	<u>\$ 0.65</u>	<u>\$ 1.76</u>	<u>\$ 1.29</u>	<u>36.4%</u>	
<b>AFFO per share - diluted</b>	<u>\$ 0.89</u>	<u>\$ 0.65</u>	<u>\$ 1.76</u>	<u>\$ 1.29</u>	<u>36.4%</u>	
<b>Weighted average common stock outstanding - basic</b>	<u>25,672</u>	<u>25,140</u>	<u>25,646</u>	<u>25,104</u>	<u>2.2%</u>	
<b>Weighted average common stock outstanding - diluted</b>	<u>25,672</u>	<u>25,140</u>	<u>25,646</u>	<u>25,104</u>	<u>2.2%</u>	
<b>Dividends declared per common share</b>	\$ 0.38	\$ 0.34	\$ 0.76	\$ 0.68	11.4%	
<b>FFO Coverage - diluted</b>	(2)	1.81x	1.93x	1.88x	1.77x	6.13%
<b>Core FFO Coverage - diluted</b>	(2)	2.08x	1.65x	2.08x	1.66x	25.56%
<b>AFFO Coverage - diluted</b>	(2)	2.33x	1.90x	2.32x	1.89x	22.52%

(1) Represents the percentage change for the six months ended June 30, 2022 compared to the six months ended June 30, 2021.

(2) Indicates coverage ratio of FFO/Core FFO/AFFO per common share (diluted) over dividends declared per common share during the period.

## Definitions and Reconciliations of Non-GAAP Measures

### Definitions

This presentation contains non-GAAP financial measures. A “non-GAAP financial measure” is defined as a numerical measure of a company’s financial performance that excludes or includes amounts so as to be different than the most directly comparable measure calculated and presented in accordance with GAAP in the statements of income, balance sheets or statements of cash flows of the Company. The non-GAAP financial measures used within this presentation are net operating income (“NOI”), funds from operations attributable to common stockholders (“FFO”), FFO per diluted share, Core FFO, Core FFO per diluted share, adjusted FFO (“AFFO”), AFFO per diluted share and net debt.

NOI is used by investors and our management to evaluate and compare the performance of our properties to other comparable properties, to determine trends in earnings and to compute the fair value of our properties. NOI is calculated by adjusting net income (loss) to add back (1) interest expense (2) advisory and administrative fees, (3) the impact of depreciation and amortization expenses as well as gains or losses from the sale of operating real estate assets that are included in net income computed in accordance with GAAP, if applicable, (4) corporate general and administrative expenses, (5) other gains and losses that are specific to us including loss on extinguishment of debt and modification costs, if applicable, (6) casualty-related expenses/recoveries and casualty gains (losses), (7) pandemic expenses that are not reflective of continuing operations of the properties and (8) property general and administrative expenses that are not reflective of the continuing operations of the properties or are incurred on behalf of the Company at the property for expenses such as legal, professional, centralized leasing service and franchise tax fees. We define “Same Store NOI” as NOI for our properties that are comparable between periods. We view Same Store NOI as an important measure of the operating performance of our properties because it allows us to compare operating results of properties owned for the entirety of the current and comparable periods and therefore eliminates variations caused by acquisitions or dispositions during the periods.

FFO is defined by the National Association of Real Estate Investment Trusts (“NAREIT”), as net income (loss) computed in accordance with GAAP, excluding gains or losses from real estate dispositions, if applicable, plus real estate depreciation and amortization. We compute FFO in accordance with NAREIT’s definition. Our presentation differs slightly in that we begin with net income (loss) before adjusting for amounts attributable to redeemable noncontrolling interests in the OP and we show the amount attributable to such noncontrolling interests as an adjustment to arrive at FFO attributable to common stockholders.

Core FFO makes certain adjustments to FFO, which are either not likely to occur on a regular basis or are otherwise not representative of the ongoing operating performance of our Portfolio. Core FFO adjusts FFO to remove items such as losses on extinguishment of debt and modification costs (includes prepayment penalties and defeasance costs incurred on the early payment of debt, the write-off of unamortized deferred financing costs and fair market value adjustments of assumed debt related to the retirement of debt, costs incurred in connection with a debt modification that are not capitalized as deferred financing costs and other costs incurred in a debt extinguishment that are expensed), if applicable, casualty-related expenses/and recoveries and gains (losses), pandemic expenses, the amortization of deferred financing costs incurred in connection with obtaining short-term debt financing, and the noncontrolling interests (as described above) related to these items.

AFFO makes certain adjustments to Core FFO. There is no industry standard definition of AFFO and practice is divergent across the industry. AFFO adjusts Core FFO to remove items such as equity-based compensation expense and the amortization of deferred financing costs incurred in connection with obtaining long-term debt financing, and the noncontrolling interests related to these items.

Net debt is calculated by subtracting cash and cash equivalents and restricted cash held for value-add upgrades and green improvements from total debt outstanding.

We believe that the use of NOI, FFO, Core FFO, AFFO and net debt, combined with the required GAAP presentations, improves the understanding of operating results and debt levels of real estate investment trusts (“REITs”) among investors and makes comparisons of operating results and debt levels among such companies more meaningful. While NOI, FFO, Core FFO, AFFO and net debt are relevant and widely used measures of operating performance and debt levels of REITs, they do not represent cash flows from operations, net income (loss) or total debt as defined by GAAP and should not be considered an alternative to those measures in evaluating our liquidity, operating performance and debt levels. NOI, FFO, Core FFO and AFFO do not purport to be indicative of cash available to fund our future cash requirements. We present net debt because we believe it provides our investors a better understanding of our leverage ratio. Net debt should not be considered an alternative to total debt, as we may not always be able to use our available cash to repay debt. Our computation of NOI, FFO, Core FFO, AFFO and net debt may not be comparable to NOI, FFO, Core FFO, AFFO and net debt reported by other REITs. For a more complete discussion of NOI, FFO, Core FFO and AFFO, see our most recent Annual Report on Form 10-K and our other filings with the SEC.

## Reconciliations

### NOI and Same Store NOI

The following table, which has not been adjusted for the effects of noncontrolling interests, reconciles NOI and our Same Store NOI for the three months ended March 31, 2022 and the year ended December 31, 2021 to net income (loss), the most directly comparable GAAP financial measure (in thousands):

	For the Three Months Ended March 31, 2022	For the Year Ended December 31, 2021
Net income (loss)	\$ (4,667)	\$ 23,106
Adjustments to reconcile net income (loss) to NOI:		
Advisory and administrative fees	1,843	7,631
Corporate general and administrative expenses	3,486	11,966
Casualty-related expenses/(recoveries) (1)	1,047	(200)
Casualty gains	(128)	(2,595)
Pandemic expense	3	50
Property general and administrative expenses (2)	627	2,232
Depreciation and amortization	23,718	86,878
Interest expense	10,636	44,623
Loss on extinguishment of debt and modification costs	—	912
Gain on sales of real estate	—	(46,214)
NOI	<u>\$ 36,565</u>	<u>\$ 128,389</u>
Less Non-Same Store		
Revenues	(5,283)	(19,157)
Operating expenses	1,876	6,971
Operating income	(3)	(871)
Same Store NOI	<u>\$ 33,155</u>	<u>\$ 115,332</u>

(1) Adjustment to net income (loss) to exclude certain property operating expenses that are casualty-related expenses/(recoveries).

(2) Adjustment to net income (loss) to exclude certain property general and administrative expenses that are not reflective of the continuing operations of the properties or are incurred on our behalf at the property for expenses such as legal, professional, centralized leasing service and franchise tax fees.

### Reconciliation of Debt to Net Debt

(dollar amounts in thousands)

	Q2 2022	Q2 2021
Total mortgage debt	\$ 1,358,675	\$ 1,234,515
Credit facilities	335,000	250,000
Total debt outstanding	1,693,675	1,484,515
Adjustments to arrive at net debt:		
Cash and cash equivalents	(20,463)	(70,282)
Restricted cash held for value-add upgrades and green improvements	(19,333)	(11,918)
Net Debt	<u>\$ 1,653,879</u>	<u>\$ 1,402,315</u>
Enterprise Value (1)	<u>\$ 3,256,879</u>	<u>\$ 2,785,315</u>
Leverage Ratio	51%	50%

(1) Enterprise Value is calculated as Market Capitalization plus Net Debt.

*Guidance Reconciliations of NOI, Same Store NOI, NOI, FFO, Core FFO and AFFO*

The following table, which has not been adjusted for the effects of noncontrolling interests, reconciles NOI to net income (loss) (the most directly comparable GAAP financial measure) for the periods presented below (in thousands):

		<b>For the Year Ended December 31, 2022 Mid-Point (1)</b>	<b>For the Three Months Ended September 30, 2022 Mid-Point (1)</b>
Net income (loss)		\$ 81,399	\$ (5,403)
Adjustments to reconcile net income (loss) to NOI:			
Advisory and administrative fees		7,652	1,984
Corporate general and administrative expenses		14,240	3,471
Property general and administrative expenses	(2)	6,249	650
Depreciation and amortization		97,367	24,606
Interest expense		53,114	14,629
Casualty-related recoveries		(357)	—
Loss on extinguishment of debt and modification costs		940	—
Gain on sales of real estate		(104,909)	—
NOI	(3)	<u>\$ 155,695</u>	<u>\$ 39,937</u>
Less Non-Same Store			
Revenues	(4)	(46,637)	
Operating expenses	(4)	19,479	
Same Store NOI	(4)	<u>\$ 128,537</u>	

- (1) Mid-Point estimates shown for full year and third quarter 2022 guidance. Assumptions made for full year and third quarter 2022 NOI guidance include the Same Store operating growth projections included in the “2022 Full Year Guidance Summary” section of this release and the effect of the acquisition and dispositions throughout the fiscal year.
- (2) Adjustment to net income (loss) to exclude certain property general and administrative expenses that are not reflective of the continuing operations of the properties or are incurred on our behalf at the property for expenses such as legal, professional, centralized leasing service and franchise tax fees.
- (3) 2022 Pro Forma NOI assumes The Adair, Estates on Maryland, Old Farm, Stone Creek and Hollister Place were owned for the full year 2022.
- (4) Amounts are derived from the results of operations of our pro forma Full Year 2022 Same Store properties and Non-Same Store properties. There are 31 properties in our pro forma Full Year 2022 Same Store pool.
- (1) Adjustment to net income to exclude certain property general and administrative expenses that are not reflective of the continuing operations of the properties or are incurred on our behalf at the property for expenses such as legal, professional, centralized leasing service and franchise tax fees.

The following table reconciles our FFO, Core FFO and AFFO guidance to our net income (the most directly comparable GAAP financial measure) guidance for the year ended December 31, 2022 (in thousands, except per share data):

	<b>For the Year Ended December 31, 2022</b>
	<b>Mid-Point</b>
Net income	\$ 81,399
Depreciation and amortization	97,367
Gain on sales of real estate	(104,909)
Adjustment for noncontrolling interests	(243)
<b>FFO attributable to common stockholders</b>	<b>73,614</b>
<b>FFO per share - diluted (1)</b>	<b>\$ 2.81</b>
Loss on extinguishment of debt and modification costs	940
Casualty-related recoveries	3,281
Amortization of deferred financing costs - acquisition term notes	1,011
Pandemic expense	3
Adjustment for noncontrolling interests	(17)
<b>Core FFO attributable to common stockholders</b>	<b>78,833</b>
<b>Core FFO per share - diluted (1)</b>	<b>\$ 3.01</b>
Amortization of deferred financing costs - long term debt	1,593
Equity-based compensation expense	7,876
Adjustment for noncontrolling interests	(34)
<b>AFFO attributable to common stockholders</b>	<b>88,268</b>
<b>AFFO per share - diluted (1)</b>	<b>\$ 3.37</b>
<b>Weighted average common shares outstanding - diluted</b>	<b>26,189</b>

For purposes of calculating per share data, we assume a weighted average diluted share count of approximately 26.2 million for the full year 2022.