

**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM 10-K**

- ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**For the fiscal year ended December 31, 2025**
- TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**  
**Commission file number 1-13610**

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION**

(Exact Name of Registrant as Specified in Its Charter)

**Maryland**  
(State or Other Jurisdiction of Incorporation or Organization)

**4700 Wilshire Boulevard Los Angeles, California**  
(Address of Principal Executive Offices)

**75-6446078**  
(I.R.S. Employer Identification No.)

**90010**  
(Zip Code)

**(866) 242-1266**  
(Registrant's telephone number, including area code)

**Securities Registered Pursuant to Section 12(b) of the Act:**

Common Stock, \$0.001 Par Value (Title of each class)	CMCT (Trading symbol)	The Nasdaq Stock Market LLC (Name of each exchange on which registered)
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Securities registered pursuant to Section 12(g) of the Act: **None**

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. Yes  No

Indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Act. Yes  No

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 and posted 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 and post 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 <input type="checkbox"/>	Accelerated filer <input type="checkbox"/>	Non-accelerated filer <input checked="" type="checkbox"/>
Smaller reporting company <input checked="" type="checkbox"/>	Emerging growth company <input type="checkbox"/>	

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 has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report.

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements.

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b).

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

As of June 30, 2025, the aggregate market value of the voting common stock held by non-affiliates of the registrant, computed by reference to the average high and low sales prices on the Nasdaq Capital Market as of the close of business on June 30, 2025, was approximately \$5.6 million. The registrant does not have any nonvoting common equities.

As of March 2, 2026, the registrant had outstanding 2,699,686 shares of common stock, par value \$0.001 per share.

**Documents Incorporated by Reference**

Part III of this Annual Report on Form 10-K incorporates by reference specified portions of an amendment to this Annual Report on Form 10-K or Creative Media & Community Trust Corporation's Proxy Statement for its 2026 Annual Meeting of Stockholders, which the registrant anticipates will be filed with the Securities and Exchange Commission no later than April 30, 2026.

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION**  
**2025 ANNUAL REPORT ON FORM 10-K**

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## Forward-Looking Statements

This Annual Report on Form 10-K contains certain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended (the “Securities Act”) and Section 21E of the Securities Exchange Act of 1934, as amended (the “Exchange Act”), which are intended to be covered by the safe harbors created thereby. These statements include the plans and objectives of management for future operations, including plans and objectives relating to future growth of our business and availability of funds. Such forward-looking statements can be identified by the use of forward-looking terminology such as “may,” “will,” “project,” “target,” “expect,” “intend,” “might,” “believe,” “anticipate,” “estimate,” “could,” “would” “continue,” “pursue,” “potential,” “forecast,” “seek,” “plan,” “should” or “goal” or the negative thereof or other variations or similar words or phrases. Such forward-looking statements also include, among others, statements about our plans and objectives relating to future growth and outlook. Such forward-looking statements are based on particular assumptions that our management has made in light of its experience, as well as its perception of expected future developments and other factors that it believes are appropriate under the circumstances. Forward-looking statements are necessarily estimates reflecting the judgment of our management and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statements. These risks and uncertainties include those associated with (i) the timing, form, and operational effects of our development activities, (ii) our ability to raise in place rents to existing market rents and to maintain or increase occupancy levels, (iii) fluctuations in market rents, (iv) the effects of inflation and continuing higher interest rates on our operations and profitability and (v) general economic, market and other conditions, including the effects of high unemployment rates, continued or renewed inflation and any recession or slowdown in economic growth. Additional important factors that could cause our actual results to differ materially from our expectations are discussed in “Item 1A—Risk Factors” of this Annual Report on Form 10-K. The forward-looking statements included herein are based on current expectations and there can be no assurance that these expectations will be attained. Assumptions relating to the foregoing involve judgments with respect to, among other things, future economic, competitive and market conditions and future business decisions, all of which are difficult or impossible to predict accurately and many of which are beyond our control. Although we believe that the assumptions underlying the forward-looking statements are reasonable, any of the assumptions could be inaccurate and, therefore, there can be no assurance that the forward-looking statements expressed or implied in this Annual Report on Form 10-K will prove to be accurate. In light of the significant uncertainties inherent in the forward-looking statements expressed or implied herein, the inclusion of such information should not be regarded as a representation by us or any other person that our objectives and plans will be achieved. Readers are cautioned not to place undue reliance on forward-looking statements. Forward-looking statements speak only as of the date they are made. We do not undertake to update them to reflect changes that occur after the date they are made, except as may be required by applicable securities laws.

## Important Note

On January 6, 2025, we effected a 1-for-10 reverse stock split (the “January Reverse Stock Split”) on our common stock, par value \$0.001 per share (“Common Stock”) and on April 15, 2025, we effected a 1-for-25 reverse stock split on our Common Stock (together with the January Reverse Stock Split, the “Reverse Stock Splits”). Unless otherwise specified, all Common Stock and per share of Common Stock amounts set forth in this Annual Report on Form 10-K have been adjusted to give retroactive effect to the Reverse Stock Splits.

## Definitions

We use certain defined terms throughout this Annual Report on Form 10-K that have the following meanings:

The phrase “ADR” represents average daily rate. It is calculated as trailing 12-month room revenue divided by the number of rooms occupied.

The phrase “annualized rent” represents gross monthly base rent, or gross monthly contractual rent under parking and retail leases, multiplied by 12. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

The phrase “RevPAR” represents revenue per available room. It is calculated as trailing 12-month room revenue divided by the number of available rooms.

## PART I

### Item 1. Business

#### Business Overview

Creative Media & Community Trust Corporation and its subsidiaries (which may be referred to in this Annual Report on Form 10-K as “we,” “us,” “our,” “our company” or the “Company”) are operated by affiliates of CIM Group Management, LLC (collectively, “CIM Group” or “CIM”). CIM is a vertically-integrated community-focused real estate and infrastructure owner, operator, lender and developer. CIM Group is headquartered in Los Angeles, California and has offices in Atlanta, Georgia, Chicago, Illinois, Dallas, Texas, New York, New York, Orlando, Florida, Phoenix, Arizona, London, U.K. and Tokyo, Japan. CIM also maintains additional offices with distribution staff and JV partnerships. See the sections “Overview and History of CIM Group”, “CIM Urban Partnership Agreement” and “Investment Management Agreement” in “Item 1—Business” of this Annual Report on Form 10-K.

Creative Media & Community Trust Corporation is a Maryland corporation and REIT. We primarily acquire, develop, own and operate both premier multifamily properties situated in vibrant communities throughout the United States and Class A and creative office real assets in markets with similar business and employment characteristics to our multifamily investments. We seek to apply the expertise of CIM Group to the acquisition, development and operation of premier multifamily properties and creative office assets that cater to rapidly growing industries such as technology, media and entertainment. All of our real estate assets are and will generally be located in communities qualified by CIM Group as described further below. These communities are located in areas that include traditional downtown areas and suburban main streets, which have high barriers to entry, high population density, positive population trends and a propensity for growth. We believe that the critical mass of redevelopment in such areas creates positive externalities, which enhance the value of real estate assets in the area. We believe that these assets will provide greater returns than similar assets in other markets, as a result of the population growth, public commitment and significant private investment that characterize these areas.

Our current reportable segments during the years ended December 31, 2025 and 2024 consist of three types of commercial real estate properties, namely office, hotel and multifamily, as well as a segment for our lending business. As previously disclosed, we completed the sale of our lending business on January 21, 2026, and, as a result, our lending business will cease to be one of our reportable segments in future periods. As of December 31, 2025, our real estate portfolio consisted of 27 assets, all of which were fee-simple properties, and five of which we own through investments in Unconsolidated Joint Ventures. Our Unconsolidated Joint Ventures contain one office property, three multifamily properties (one of which has been partially converted from office into multifamily units and is now classified as a multifamily property) and one commercial development site. As of December 31, 2025, our 12 office properties, totaling approximately 1.3 million rentable square feet, were 74.8% occupied; our one hotel with an ancillary parking garage, which has a total of 505 rooms, had RevPAR of \$152.70 for the year ended December 31, 2025 and our five multifamily properties were 85.3% occupied. Additionally, as of December 31, 2025, we had eight development sites (two of which were being used as parking lots). For the year ended December 31, 2025, our office portfolio contributed approximately 43.1% of revenue from our four segments on a combined basis, our hotel segment contributed approximately 35.6%, our multifamily segment contributed approximately 13.6% and our lending segment contributed approximately 7.7%.

#### Strategy

We are a Maryland corporation and REIT. Our portfolio of investments currently consists of premier multifamily, Class A and creative office real assets in vibrant and improving metropolitan communities throughout the United States. We also own one hotel in northern California. Additionally, prior to the sale of our lending business in January 2026, we owned a lending platform that originated loans under the Small Business Administration (“SBA”) 7(a) loan program. We seek to apply the expertise of CIM Group to the acquisition, development and operation of premier multifamily properties situated in vibrant communities throughout the United States. While we may acquire, develop and operate creative office assets that cater to rapidly growing industries such as technology, media and entertainment in markets with similar business and employment characteristics to our multifamily investments, we intend to increase our focus towards premier multifamily properties. All of our multifamily and creative office assets are and will generally be located in communities qualified by CIM Group as described further below. These communities are located in areas that include traditional downtown areas and suburban main streets, which have high barriers to entry, high population density, positive population trends and a propensity for growth. We believe that the critical mass of redevelopment in such areas creates positive externalities, which enhance the value of real estate assets in the area. We believe that these assets will provide greater returns than similar assets in other markets, as a result of the population growth, public commitment and significant private investment that characterize these areas.

Our investments in multifamily and creative office assets may take different forms, including direct equity or preferred investments, real estate development activities, side-by-side investments or co-investments with vehicles managed or owned by CIM Group and/or originating loans that are secured directly or indirectly by properties primarily located in qualified communities (“Qualified Communities”) that meet our strategy. Further, we leverage the investor relationships of CIM Group to execute on our investment pipeline using an asset-light approach for certain of our investments. Under this approach, we co-invest with one or more third parties on an asset-level basis by raising capital from such third parties, maintain an economic interest in the asset and, in some cases, earn a management fee and a percentage of the profits. We believe this is a compelling model that is expected to contribute to strong returns on invested capital while reducing risk by reducing our capital outlay.

We intend to dispose of assets that do not fit into our strategy over time and opportunistically (i.e., we do not have any specific time frame with respect to such dispositions). Further, as a matter of prudent management, we regularly evaluate each asset within our portfolio as well as our strategy. Such review may result in dispositions when, among other things, we believe the proceeds generated from the sale of an asset can be redeployed in one or more assets that will generate better returns, or the market value of such asset is equal to or exceeds our view of its intrinsic value.

## **CIM Overview**

Established in 1994, CIM Group Management, LLC (“CIM”) is a vertically integrated, community-focused real estate and infrastructure owner, operator, lender, and developer of real assets. Through CIM’s vertically integrated structure, CIM is able to leverage in-house expertise across the full life cycle of assets to drive value creation across the process. CIM has dedicated teams for sourcing/acquisition, credit analysis, development, financing, commercial leasing, onsite property management and distribution. These functions bring alignment of interests and deep expertise, allowing for disciplined business plan underwriting and effective risk management. CIM also seeks to maximize synergies across its vertically integrated platform. The three investment platforms, real estate, infrastructure, and credit leverage in-house expertise to create value within each investment.

## **Financing Strategy**

We will seek to satisfy our long-term liquidity needs through one or more of the following methods: (i) offerings of shares of Common Stock, Preferred Stock or other equity and/or debt securities of the Company; (ii) issuances of interests in our operating partnership in exchange for properties; (iii) credit facilities and term loans; (iv) the addition of senior recourse or non-recourse debt using target acquisitions as well as existing assets as collateral; (v) the sale of existing assets; and/or (vi) cash flows from operations.

## **Regulatory Matters**

### ***Environmental Matters***

Environmental laws regulate, and impose liability for, the release of hazardous or toxic substances into the environment. Under some of these laws, an owner or operator of real estate may be liable for costs related to soil or groundwater contamination on or migrating to or from its property. In addition, persons who arrange for the disposal or treatment of hazardous or toxic substances may be liable for the costs of cleaning up contamination at the disposal site.

These laws often impose liability regardless of whether the person knew of, or was responsible for, the presence of the hazardous or toxic substances that caused the contamination. The presence of, or contamination resulting from, any of these substances, or the failure to properly remediate them, may adversely affect our ability to sell or rent our property, to borrow using the property as collateral. In addition, third parties exposed to hazardous or toxic substances may sue for personal injury damages and/or property damages. For example, some laws impose liability for release of or exposure to asbestos-containing materials. As a result, in connection with our former, current or future ownership, operation, and development of real properties, we may be potentially liable for investigation and cleanup costs, penalties and damages under environmental laws.

Although many of our properties have been subjected to preliminary environmental assessments, known as Phase I assessments, by independent environmental consultants that identify certain liabilities, Phase I assessments are limited in scope, and may not include or identify all potential environmental liabilities or risks associated with a property. Unless required by applicable law, we may decide not to further investigate, remedy or ameliorate the liabilities disclosed in the Phase I assessments.

Further, these or other environmental studies may not identify all potential environmental liabilities or accurately assess whether we will incur material environmental liabilities in the future. If we do incur material environmental liabilities in the future, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock (as defined in “Item 1A—Risk Factors”) could be materially adversely affected.

## ***Americans with Disabilities Act of 1990***

Under the Americans with Disabilities Act of 1990, as amended (the “ADA”), all public accommodations must meet federal requirements related to access and use by disabled persons. Although we believe that our properties, to the extent such properties are “public accommodations” as defined under the ADA, substantially comply with present requirements of the ADA, we have not conducted an audit or investigation of all of our properties to determine our compliance. If one or more of our properties or future properties are not in compliance with the ADA, we may be required to take remedial action which would require us to incur additional costs to bring the property into compliance. We cannot predict the ultimate amount, if any, of the cost of compliance with the ADA or the cost of any damages or attorney’s fees to private litigants or any fines imposed by the federal government in respect of any failure to comply with the ADA.

## **Competition**

We compete with others engaged in the acquisition, origination, development, and operation of real estate and real estate-related assets. Our competitors include REITs, insurance companies, pension funds, private equity funds, sovereign wealth funds, hedge funds, mortgage banks, investment banks, commercial banks, savings and loan associations, specialty finance companies, and private and institutional investors and financial companies that pursue strategies similar to ours. Many of our competitors may be larger than us with greater access to capital and other resources and may have other advantages over us. In addition, some of our competitors may have higher risk tolerances or lower profitability targets than us, which could allow them to pursue new business more aggressively than us. We believe that our relationship with CIM Group gives us a competitive advantage that allows us to operate more effectively in the markets in which we conduct our business.

## **CIM Urban Partnership Agreement**

Our subsidiary, CIM Urban Partners, L.P. (“CIM Urban”), is governed by CIM Urban’s partnership agreement (as amended and restated, the “CIM Urban Partnership Agreement”). The general partner of CIM Urban, Urban Partners GP, LLC (“CIM Urban GP”), is an affiliate of CIM Group and has the full, exclusive and complete right, power, authority, discretion and responsibility vested in or assumed by a general partner of a limited partnership under the Delaware Revised Uniform Limited Partnership Act and as otherwise provided by law and is vested with the full, exclusive and complete right, power and discretion to operate, manage and control the affairs of CIM Urban, subject to the terms of the CIM Urban Partnership Agreement.

None of CIM Urban GP or any of its affiliates, members, stockholders, partners, managers, officers, directors, employees, agents and representatives will have any liability in damages or otherwise to any limited partner, any investors in CIM REIT or CIM Urban, and CIM Urban will indemnify such persons from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, lawsuits, proceedings, costs, expenses and disbursements of any kind which may be imposed on, incurred by or asserted against such persons in any way relating to or arising out of any action or inaction on the part of such persons when acting on behalf of CIM Urban or any of its investments, except for those liabilities that result from such persons’ fraud, gross negligence, willful misconduct or breach of the terms of the CIM Urban Partnership Agreement or any other agreement between such person and CIM Urban or its affiliates.

## **Investment Management Agreement**

CIM Urban and CIM Capital, LLC, an affiliate of CIM Group (“the Operator”), are parties to an investment management agreement pursuant to which CIM Urban engaged the Operator to provide certain services to CIM Urban (the “Investment Management Agreement”). The Operator has assigned its duties under the Investment Management Agreement to its four wholly owned subsidiaries: CIM Capital Securities Management, LLC, a securities manager, CIM Capital RE Debt Management, LLC, a debt manager, CIM Capital Controlled Company Management, LLC, a controlled company manager, and CIM Capital Real Property Management, LLC, a real property manager. The “Operator” refers to CIM Capital, LLC and its four wholly owned subsidiaries.

CIM Urban pays asset management fees to the Operator on a quarterly basis in arrears. Prior to 2022, the fee was calculated as a percentage of the daily average adjusted fair value of CIM Urban’s assets as described in Note 14 to our consolidated financial statements included in this Annual Report on Form 10-K. Please see “—Fee Waiver” below for a description of the calculation of the asset management fees to the Operator since the beginning of 2022. The Operator is responsible for the payment of all costs and expenses relating to the general operation of its management business, including administrative expenses, employment expenses and office expenses. All costs and expenses incurred by the Operator on behalf of CIM Urban are borne by CIM Urban. In addition, CIM Urban agreed to indemnify the Operator against losses, claims, damages or liabilities, and reimburse the Operator for its legal and other expenses, in each case incurred in connection with any action, proceeding or investigation arising out of or in connection with CIM Urban’s business or affairs, except to the extent

such losses or expenses result from fraud, gross negligence or willful misconduct of, or a breach of the terms of the Investment Management Agreement by the Operator.

Nothing in the Investment Management Agreement limits or restricts the right of any partner, officer or employee of the Operator to engage in any other business or to devote his time and attention in part to any other business. Nothing in the Investment Management Agreement limits or restricts the right of the Operator to engage in any other business or to render services of any kind to any other person.

The Investment Management Agreement will remain in effect until CIM Urban is dissolved or CIM Urban and the Operator otherwise mutually agree.

### **Master Services Agreement**

CIM Service Provider, LLC, an affiliate of CIM Group (the “Administrator”) provides, or arranges for other service providers to provide, management and administration services (the “Base Services”) to us under the terms of a master services agreement, dated as of March 11, 2014, as amended on May 11, 2020 (the “Master Services Agreement”). Pursuant to the Master Services Agreement, we appointed an affiliate of CIM Group as the Administrator of CIM Urban GP (“Urban GP Administrator”). For fiscal quarters prior to April 1, 2020, we paid to the Administrator, on a quarterly basis, a base service fee (the “Base Service Fee”) of approximately \$1.0 million per year (which, for each year after 2014, was subject to an annual escalation by a specified inflation factor beginning on January 1 of each year). On May 11, 2020, the Master Services Agreement was amended to replace the Base Service Fee with an incentive fee (the “Prior Incentive Fee”) pursuant to which the Administrator was entitled to receive, on a quarterly basis, 15.00% of our quarterly core funds from operations in excess of a quarterly threshold equal to 1.75% (i.e., 7.00% on an annualized basis) of our average adjusted common stockholders’ equity (i.e., common stockholders’ equity plus accumulated depreciation and amortization) for such quarter. The amendment was effective as of April 1, 2020. No Prior Incentive fee was paid in 2020 or 2021. Please see “—Fee Waiver” below for a description of the calculation of the fees to the Administrator since the beginning of 2022.

In addition, pursuant to the terms of the Master Services Agreement, the Administrator may receive compensation and/or reimbursement for performing certain services (other than the Base Services) for us and our subsidiaries. Such services performed by the Administrator and its affiliates may include accounting, tax, reporting, internal audit, legal, compliance, risk management, IT, human resources, corporate communications, operational and ongoing support in connection with our prior registered public offerings of our Series A Preferred Stock, par value \$0.001 per share (“Series A Preferred Stock”) and Series D Preferred Stock, par value \$0.001 per share (“Series D Preferred Stock” and, together with the Series A Preferred Stock, “Preferred Stock”). The Administrator’s compensation for such services is based on the salaries and benefits of the employees of the Administrator and/or its affiliates who performed such services (allocated based on the percentage of time spent on the affairs of us and our subsidiaries).

### **Fee Waiver**

On January 5, 2022, the Company and certain of its subsidiaries entered into a Fee Waiver (the “Fee Waiver”) with the Operator and the Administrator with respect to fees that are payable to them. The Fee Waiver is effective retroactively to January 1, 2022 (the “Effective Date”). Pursuant to the Fee Waiver, the Administrator agreed to voluntarily waive any fees in excess of those set forth in the Fee Waiver, to the extent it would otherwise have been entitled to such additional compensation under the Master Service Agreement, and the Operator agreed to voluntarily waive any fees in excess of those set forth in the Fee Waiver, to the extent it would otherwise have been entitled to such additional compensation under the Investment Management Agreement. Following the end of each quarter, the Administrator will deliver to the Company (i) a calculation of the cumulative fees earned by the Operator and the Administrator under the methodology prescribed by the Fee Waiver from the Effective Date through the end of such quarter and (ii) a calculation of the cumulative fees that would have been earned by the Operator and the Administrator during such period under the Master Services Agreement and the Investment Management Agreement without giving effect to the Fee Waiver. If, in respect of any quarter, the aggregate fees that are payable under the methodology prescribed by the Fee Waiver exceed the aggregate fees that would have been payable under the Master Services Agreement and the Investment Management Agreement, without giving effect to the Fee Waiver, such quarter will be deemed an “Excess Quarter”. For any quarter following an Excess Quarter, the Company (upon the direction of the independent members of the Board of Directors) may, at its option and upon written notice to Administrator, elect to calculate all fees due to the Administrator and the Operator in accordance with the Master Services Agreement and the Investment Management Agreement, without giving effect to the Fee Waiver, from and after such Excess Quarter. Any such election by the Company will be irrevocable, and all fees due to the Administrator and the Operator from and after such election will be calculated in accordance with the Master Services Agreement and the Investment Management Agreement, without giving effect to the Fee Waiver.

The fees payable to the Operator and the Administrator are determined as follows under the Fee Waiver.

1. **Base Fee:** A base asset management fee (the “Base Fee”) is payable quarterly in arrears to the Operator in an amount equal to an annual rate of 1% (or 0.25% per quarter) of the average of the “Net Asset Value Attributable to Common Stockholders” as of the first and last day of the applicable quarter. Net Asset Value Attributable to Common stockholders is defined as (a) the sum of the Company’s (1) investments in real estate at fair value, (2) cash, (3) loans receivable at fair value and (4) the book value of the other assets of the Company, excluding deferred costs and net of other liabilities at book value, less (b) the Company’s (i) debt at face value, (ii) outstanding preferred stock at stated value, and (iii) non-controlling interests at book value; provided, that, non-controlling interests in any UPREIT operating partnership relating to the Company shall not be excluded.
2. **Incentive Fee:** An incentive fee (the “Revised Incentive Fee”) is payable quarterly in arrears to the Administrator with respect to the quarterly core funds from operations in excess of a quarterly threshold equal to 1.75% (i.e., 7.00% on an annualized basis) of the Company’s “Adjusted Common Equity” (as defined below) for such quarter (“Excess Core FFO”) as follows: (i) no Revised Incentive Fee in any quarter in which the Excess Core FFO is \$0; (ii) 100% of any Excess Core FFO up to an amount equal to the product of (x) the average of the Adjusted Common Equity as of the first and last day of the applicable quarter and (y) 0.4375%; and (iii) 20% of any Excess Core FFO thereafter. Revised Incentive Fees payable for any partial quarter will be appropriately prorated.

“Adjusted Common Equity” means Common Equity plus Excluded Depreciation and Amortization. “Common Equity” means Total Stockholders’ Equity minus Excluded Equity. “Total Stockholders’ Equity” means the amount reflected as total stockholders’ equity in accordance with GAAP on the consolidated balance sheet of the Company and its subsidiaries as of the last day of a given quarter. “Excluded Equity” means the sum of all preferred securities of the Company and its subsidiaries classified as permanent equity in accordance with GAAP on the consolidated balance sheet of the Company and its subsidiaries as of the last day of a given quarter. “Excluded Depreciation and Amortization” means, for a given quarter, the amount of all accumulated depreciation and amortization of (i) the Company and its subsidiaries and (ii) to the extent allocable to the Company and its subsidiaries, the unconsolidated affiliates, in each case as of the last day of such quarter that corresponds to the periodic depreciation and amortization expense calculated in each case in accordance with GAAP that is a permitted add back to net income calculated in accordance with GAAP when calculating funds from operations.

3. **Capital Gains Fee:** A capital gains fee (the “Capital Gains Fee”) is payable quarterly in arrears to the Administrator in an amount equal to (i) 15% of the cumulative aggregate realized capital gains minus the cumulative aggregate realized capital losses (in each case since the Effective Date), minus (ii) the aggregate capital gains fees paid since the Effective Date. Realized capital gains and realized capital losses are calculated by subtracting from the sales price of a property: (a) any costs incurred to sell such property, and (b) the current gross value of the property (meaning the property’s original acquisition price plus any subsequent, non-reimbursed capital improvements thereon paid for by the Company).

#### **Other Services**

From time to time, CIM Management, Inc. and certain of its affiliates (collectively, the “CIM Management Entities”), all affiliates of CIM REIT and CIM Group, provide property management, leasing, development and other services to CIM Urban pursuant to various other agreements.

CCO Capital, LLC, a registered broker dealer and under common control with the Operator and the Administrator (“CCO Capital”), became the exclusive dealer manager for the Company’s public offering of the Series A Preferred Stock effective as of May 31, 2019, subsequent to which the Company entered into the Second Amended and Restated Dealer Manager Agreement, pursuant to which CCO Capital acted as the exclusive dealer manager for the Company’s public offering of its Series A Preferred Stock and Series D Preferred Stock.

On June 16, 2022, the Company entered into the Third Amended and Restated Dealer Manager Agreement, pursuant to which CCO Capital acted as the exclusive dealer manager for the Company’s prior public offering of its Series A1 Preferred Stock.

#### **Lending Segment**

Prior to the divestiture described in this paragraph, we were a national lender that primarily originated loans to small businesses. As previously announced on November 12, 2025, the Company and First Western SBLC, LLC, a Florida limited liability company (formerly known as First Western SBLC, Inc.) and an indirect wholly owned subsidiary of the Company (“First Western”), entered into a membership interest purchase agreement, dated as of November 6, 2025 (the “Membership

Interest Purchase Agreement”), with PG FR Holding, LLC, a Delaware limited liability company (the “Buyer”). The closing (the “Closing”) of the transactions contemplated by the Membership Interest Purchase Agreement (the “Transactions”) occurred on January 21, 2026. At the Closing, pursuant to the Membership Interest Purchase Agreement, and upon the terms and subject to the conditions therein, Buyer purchased from the Company all of the issued and outstanding equity interests of First Western SBLC, LLC for a purchase price of approximately \$44.9 million (which is net of the outstanding balance of debt related to the 2023 securitization of certain loan receivables), subject to adjustment. At the Closing and upon giving effect to the payment of other debt, transaction expenses and other matters, the Transactions yielded net cash proceeds to the Company of approximately \$31.2 million. Following the signing of the Membership Interest Purchase Agreement, the Company classified First Western as held for sale.

### **Seasonality**

Our revenues and expenses for our hotel property are subject to seasonality during the year. Generally, our hotel revenues are greater in the first and second quarters than the third and fourth quarters. This seasonality can be expected to cause quarterly fluctuations in revenues, segment net operating income, net income and cash provided by operating activities. In addition, the hotel industry is cyclical and demand generally follows, on a lagged basis, key macroeconomic factors.

### **Property Concentration**

Kaiser Foundation Health Plan, Incorporated, which occupied space in one of our Oakland, California properties, accounted for 23.4% of our annualized rental income for the year ended December 31, 2025. No other tenant accounted for greater than 10.0% of our annualized rental income for the year ended December 31, 2025.

### **Human Capital**

We are operated by affiliates of CIM Group and, as of December 31, 2025, only had five employees. Four of such employees were in our lending segment while one employee spent a substantial portion of the time that he devoted to us on matters relating to the lending segment. As of the date of this Annual Report on Form 10-K, we have no employees. We have entered into the Master Services Agreement with the Administrator, an affiliate of CIM Group, pursuant to which the Administrator has agreed to provide, or arrange for other service providers to provide, management and administration services to us and our subsidiaries.

### **Offices**

We are headquartered in Los Angeles, California.

### **Available Information**

The public can access free of charge through the “Investors—Financials—SEC Filings” section of our corporate website, [www.creativemediacommunity.com](http://www.creativemediacommunity.com), our Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K, and amendments to those reports filed with or furnished to the Securities and Exchange Commission (the “SEC”) as soon as reasonably practicable after such material is filed with or furnished to the SEC. The information on our corporate website is not part of this Annual Report on Form 10-K. The SEC also maintains a website at [www.sec.gov](http://www.sec.gov) that contains reports, proxy and information statements and other information regarding our filings.

We have adopted a written code of ethics that applies to all of our directors, officers and employees, the Operator and the Administrator, including our principal executive officer and senior financial officer, in accordance with Section 406 of the Sarbanes-Oxley Act of 2002 and the rules of the SEC promulgated thereunder. The code of ethics, which we call our Code of Business Conduct and Ethics, is available on our corporate website, [www.creativemediacommunity.com](http://www.creativemediacommunity.com), in the section entitled “Investors—Overview—Corporate Governance.” In the event that we make changes in, or provide waivers from, the provisions of such code of ethics that the SEC requires us to disclose, we intend to disclose these events on our corporate website in such section. In the Corporate Governance section of our corporate website, we have also posted our Audit Committee Charter, as well as our Governance Principles.

## Item 1A. Risk Factors

*This section sets forth certain factors that make an investment in our Company speculative or risky, including the following:*

### *Risks Related to Our Business*

- Uninsured losses or losses in excess of our insurance coverage could materially adversely affect our financial condition and cash flows, and there can be no assurance as to future costs and the scope of coverage that may be available under insurance policies.
- Cybersecurity risks and cybersecurity incidents may adversely affect our business by causing a disruption to our operations, a compromise or corruption of our confidential information, and/or damage to our business relationships, all of which could negatively impact our financial results.

### *Risks Related to Conflicts of Interest*

- Neither the Master Services Agreement nor the Investment Management Agreement may be terminated by us (except in limited circumstances for cause in the case of the Master Services Agreement) and the Master Services Agreement may be assigned by the Administrator in certain circumstances without our consent, either or both of which may have a material adverse effect on us.
- The Administrator and Operator are entitled to receive fees for the services they provide regardless of our performance, which may reduce their incentive to devote time and resources to our portfolio.
- The Operator may undertake transactions that are motivated, in whole or in part, by a desire to increase its compensation.
- Each of the Administrator and Operator provides services to us under broad mandates, and our Board of Directors may not necessarily be involved in each acquisition, disposition or financing decision made by the Administrator or Operator.
- Certain of our directors and executive officers may face conflicts of interest related to positions they hold with the Operator, the Administrator, CIM Group and their affiliates, which could result in decisions that are not in the best interest of our stockholders.
- The business of CIM Urban is managed by Urban GP Administrator and we agreed in the Master Services Agreement to appoint an affiliate of CIM Group as the manager of the general partner of CIM Urban, and the general partner of CIM Urban may only be removed from such position under limited circumstances as provided in the CIM Urban Partnership Agreement.

### *Risks Related to Our Organizational Structure*

- Provisions of our charter and bylaws and the MGCL may deter takeover attempts, which may limit the opportunity of our stockholders to sell their shares at a favorable price.
- The power of the Board of Directors to revoke our REIT election without stockholder approval may cause adverse consequences to our stockholders.
- The MGCL or our charter may limit the ability of our stockholders or us to recover on a claim against a director or officer who negligently causes us to incur losses.
- The liability of the Administrator and the Operator to us under the Master Services Agreement and the Investment Management Agreement, respectively, is limited and we and CIM Urban have agreed to indemnify the Administrator and the Operator, respectively, against certain liabilities. As a result, we could experience poor performance or losses for which neither the Administrator nor the Operator would be liable.

### *Risks Related to Real Estate Assets*

- Our operating performance is subject to risks associated with the real estate industry.
- A significant portion of our properties, by aggregate net operating income and square feet, are located in California. We are dependent on the California real estate market and economy, and are therefore susceptible to risks of events in

the California market that could adversely affect our business, such as adverse market conditions, changes in local laws or regulations and natural disasters.

- Tenant concentration increases the risk that cash flow could be interrupted.
- If a major tenant declares bankruptcy, we may be unable to collect balances due under relevant leases, which could have a material adverse effect on our financial condition and ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock.
- We may be unable to renew leases or lease vacant office space.
- A significant portion of our net operating income is expected to come from our hotel and, as a result, our operating performance is subject to the cyclical nature of the lodging industry.
- The outbreak of a highly infectious, contagious or widespread disease, such as COVID-19, can result (and has resulted) in reductions in travel and adversely affect demand for our hotel.
- We may be unable to renew leases or release apartment units as leases expire, or the terms of renewals or new leases may be less favorable than current leases.
- Income from our long-term leases at our office properties is an important source of our cash flow from operations and is subject to risks related to increases in expenses and inflation.
- Real estate-related taxes may increase, and if these increases are not passed on to tenants, our income will be reduced.
- We face risks associated with development, redevelopment, repositioning or construction of real estate projects.
- Inflation may adversely affect our real estate operations.
- Supply chain disruption and increased costs in labor and materials may adversely affect our real estate operations.
- Our real estate business is subject to risks from climate change.

#### *Risks Related to Debt Financing*

- We have incurred significant indebtedness and may incur significant additional indebtedness on a consolidated basis.
- We intend to rely in part on external sources of capital to fund future capital needs and, if we encounter difficulty in obtaining such capital, we may not be able to meet maturing obligations or make additional acquisitions.
- Increases in interest rates could increase the amount of our debt payments and adversely affect our ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock.
- We may not be able to generate sufficient cash flow to meet our debt service obligations.
- Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to make distributions on our Preferred Stock or any renewed distributions on our Common Stock.

#### *U.S. Federal Income and Other Tax Risks*

- REIT annual distribution requirements may force us to forgo otherwise attractive opportunities or borrow funds during unfavorable market conditions. This could delay or hinder our ability to meet our objectives and reduce our stockholders' overall return.
- Our property taxes could increase due to property tax rate changes or reassessment, which would impact our cash flows.

#### *Risks Related to Our Common Stock and Preferred Stock*

- We may issue shares of our Common Stock at prices below the then-current NAV per share of our Common Stock, which could materially reduce our NAV per share of our Common Stock.
- Our NAV is an estimate of the fair value of our assets and may not necessarily reflect realizable value.
- We may not be able to maintain a listing of our Common Stock on Nasdaq.

*Stockholders should carefully consider the risks described in this section and the other information included in this Annual Report on Form 10-K in evaluating the Company and our business. The information in this section should be read in conjunction with Part II, "Item 7—Management's Discussion and Analysis of Financial Condition and Results of Operations" and the consolidated financial statements and related notes in Part II, "Item 8—Financial Statements and Supplementary*

*Data” of this Annual Report on Form 10-K. If any of the risks described in this section actually occur, our business, financial condition and results of operations could be materially and adversely affected, actual results could differ materially from those reflected in forward-looking statements or from our historical results and stockholders may lose all or part of their investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial also may impair our business operations. This discussion of risk factors includes many forward-looking statements. For cautions about relying on forward-looking statements, please refer to the section entitled “Forward-Looking Statements” immediately prior to “Item 1—Business” of this Annual Report on Form 10-K.*

### **Risks Related to Our Business**

***Our future success depends on the performance of the Administrator and the Operator, their respective key personnel and their access to the investment professionals of CIM Group. We may not find suitable replacements if such key personnel or investment professionals leave the employment of the Administrator, the Operator or other applicable affiliates of CIM Group or if such key personnel or investment professionals otherwise become unavailable to us.***

We rely on the Administrator to provide management and administration services to us, and CIM Urban relies completely on the Operator to provide CIM Urban with certain services.

Our executive officers also serve as officers or employees of the Administrator and/or the Operator or other applicable affiliates of CIM Group. The Administrator and the Operator have significant discretion as to the implementation of acquisitions and operating policies and strategies on behalf of us and CIM Urban. Accordingly, we believe that our success depends to a significant extent upon the efforts, experience, diligence, skill and network of business contacts of the officers and key personnel of the Administrator, the Operator and the other applicable affiliates of CIM Group. The departure of any of these officers or key personnel could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

We also depend on access to, and the diligence, skill and network of, business contacts of the professionals within CIM Group and the information and deal flow generated by its investment professionals in the course of their acquisitions and onsite property management and leasing activities. The departure of any of these individuals, or of a significant number of the investment professionals or principals of CIM Group, could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock. We cannot guarantee that we will continue to have access to CIM Group’s investment professionals or its information and deal flow.

***If we seek to internalize the management functions provided pursuant to the Master Services Agreement and the Investment Management Agreement, we could incur substantial costs and lose certain key personnel.***

The Board of Directors may determine that it is in our best interest to become self-managed by internalizing the functions performed by the Administrator and/or the Operator and to terminate the Master Services Agreement and/or the Investment Management Agreement, respectively. However, we do not have the unilateral right to terminate the Master Services Agreement and CIM Urban does not have the unilateral right to terminate the Investment Management Agreement, and neither the Administrator nor the Operator would be obligated to enter into an internalization transaction with us. There is no assurance that a mutually acceptable agreement with these entities as to the terms of the internalization could be reached.

The costs that would be incurred by us in any such internalization transaction are uncertain and could be substantial. Inadequate management of an internalization transaction could cause us to incur excess costs or suffer deficiencies in our disclosure controls and procedures or our internal control over financial reporting. An internalization transaction may divert management’s attention from effectively managing our assets. Further, following any internalization of our management functions, certain key employees may remain employees of the Administrator and the Operator or their respective affiliates instead of becoming our employees, especially if the Administrator and the Operator are not acquired by us.

***Uninsured losses or losses in excess of our insurance coverage could materially adversely affect our financial condition and cash flows, and there can be no assurance as to future costs and the scope of coverage that may be available under insurance policies.***

We carry commercial liability, special form/all risk and business interruption insurance on all of the properties in our portfolio. In addition, we carry directors’ and officers’ insurance. While we select policy specifications and insured limits that we believe are appropriate and adequate given the relative risk of loss, the cost of the coverage, and industry practice, there can be no assurance that we will not experience a loss that is uninsured or that exceeds policy limits.

Our business operations in California and Texas are susceptible to, and could be significantly affected by, adverse weather conditions and natural disasters such as earthquakes, tsunamis, hurricanes, wind, blizzards, floods, landslides, drought and fires. These adverse weather conditions and natural disasters could cause significant damage to the properties in our portfolio, the risk of which is enhanced by the concentration of our properties, by aggregate net operating income and square feet, in California. Our insurance may not be adequate to cover business interruption or losses resulting from adverse weather or natural disasters. We carry earthquake insurance on our properties in California in an amount and with deductibles and limitations that we deem to be appropriate. However, the amount of our earthquake insurance coverage may not be sufficient to cover losses from earthquakes in California. Furthermore, we may not carry insurance for certain losses, such as those caused by war or certain environmental conditions, such as mold or asbestos.

As a result of the factors described above, we may not have sufficient coverage against all losses that we may experience for any reason.

If we experience a loss that is uninsured or that exceeds policy limits, we could incur significant costs and lose the capital deployed in the damaged properties as well as the anticipated future cash flows from those properties. Further, if the damaged properties are subject to recourse indebtedness, we would continue to be liable for the indebtedness, even if the properties were irreparable. In addition, our properties may not be able to be rebuilt to their existing height or size at their existing location under current land-use laws and policies. In the event that we experience a substantial or comprehensive loss of one of our properties, we may not be able to rebuild such property to its existing specifications and otherwise may have to upgrade such property to meet current code requirements. Any of the factors described above could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Cybersecurity risks and cybersecurity incidents may adversely affect our business by causing a disruption to our operations, a compromise or corruption of our confidential information, and/or damage to our business relationships, all of which could negatively impact our financial results.***

We face cybersecurity risks and risks associated with security breaches or disruptions, such as cyberattacks or cyber intrusions over the Internet, malware, computer viruses, attachments to emails, social engineering and phishing schemes or persons inside our organization, the Operator and/or Administrator. The risk of a security breach or disruption, particularly through cyberattacks or cyber intrusions, has generally increased as the number, intensity and sophistication of attempted attacks and intrusions from around the world have increased. The occurrence of a cybersecurity incident may result in disrupted operations, misstated or unreliable financial data, misappropriation of assets, compromise or corruption of confidential information collected in the course of conducting our business, liability for stolen assets or information, increased cybersecurity protection and insurance costs, litigation, regulatory enforcement, damage to our tenant and stockholder relationships, material harm to our financial condition, cash flows and the market price of our securities or other adverse effects. Our Operator's and Administrator's IT networks and related systems are essential to the operations of our business and our ability to perform day-to-day operations (including managing our building systems). Our Operator and Administrator have implemented processes, procedures and internal controls to help mitigate cybersecurity incidents, but these measures do not guarantee that a cybersecurity incident involving our Operator or Administrator will not occur or that attempted security breaches or disruptions would not be successful or damaging. A cybersecurity incident involving our Operator's or Administrator's IT networks and related systems could materially adversely impact our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

Our Operator, Administrator and their respective affiliates, in the course of providing onsite property management, leasing, accounting and/or services to us, collect and retain certain personal information provided by our tenants and vendors. Our Operator, Administrator and their respective affiliates rely on computer systems to process transactions and manage our business. We can provide no assurance that the data security measures designed to protect confidential information on such systems established by our Operator, Administrator and their respective affiliates will be able to prevent unauthorized access to such personal information. There can be no assurance that their efforts to maintain the security and integrity of the information collected and their computer systems will be effective or that attempted security breaches or disruptions will not be successful or damaging. Even the most well protected information, networks, systems and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target, and, in some cases, are designed not to be detected and, in fact, may not be detected. Accordingly, our Operator, Administrator and their respective affiliates may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, and thus it is impossible for us to entirely mitigate this risk.

***If we fail to maintain an effective system of internal control over financial reporting, we may not be able to accurately report our financial results.***

An effective system of internal control over financial reporting is necessary for us to provide reliable financial reports, prevent fraud and operate successfully as a public company. As part of our ongoing monitoring of internal controls, we may discover material weaknesses or significant deficiencies in our internal controls that we believe require remediation. If we discover such weaknesses, we will make efforts to improve our internal controls in a timely manner. Any system of internal controls, however well designed and operated, is based in part on certain assumptions and can only provide reasonable, not absolute, assurance that the objectives of the system are met. Any failure to maintain effective internal controls, or implement any necessary improvements in a timely manner, could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock, or cause us to not meet our reporting obligations, which could affect our ability to maintain our listing of Common Stock on Nasdaq. Ineffective internal controls could also cause holders of our securities to lose confidence in our reported financial information, which would likely have a negative effect on the trading price of our securities.

***The outbreak of a pandemic could negatively affect and will likely continue to negatively affect our business, financial condition, results of operations and cash flows.***

Pandemics could have material and adverse effects on our ability to successfully operate and on our financial condition, results of operations and cash flows due to, among other factors:

- a complete or partial closure of, or other operational issues at, one or more of our properties resulting from government or tenant action;
- reduced economic activity severely impacting our tenants' businesses, financial condition and liquidity or causing one or more of our tenants to be unable to meet their obligations to us in full, or at all, or to otherwise seek modifications of such obligations;
- difficulty accessing debt and equity capital on attractive terms, or at all, and a severe disruption and instability in the global financial markets or deteriorations in credit and financing conditions, which may affect our access to capital necessary to fund business operations or address maturing liabilities on a timely basis or our tenants' ability to fund their business operations and meet their obligations to us;
- any impairment in value of our tangible or intangible assets that could be recorded as a result of weaker economic conditions;
- a general decline in business activity and demand for real estate transactions, which could adversely affect our ability or desire to grow our portfolio of properties; and
- negative impacts to the credit quality of our tenants and any related impact to tenant rent collections.

***The COVID-19 pandemic has had, and may continue to have, significant impacts on workplace practices and those changes, or other office space utilization trends, could impact our business.***

We believe closures of businesses and stay in place orders and the resulting remote working arrangements for non-essential personnel in response to the COVID-19 pandemic has resulted in long-term changed work practices that could negatively impact us and our business. For example, the increased adoption of and familiarity with remote work practices, and the recent increase in tenants seeking to sublease their leased space, has resulted in decreased demand for office space. Further, prior to the onset of the COVID-19 pandemic, telecommuting, flexible work schedules, open workspaces and teleconferencing had become increasingly common and there was an increasing trend among some businesses to utilize shared office space and co-working spaces. As a result, there has been a general trend in office real estate for tenants to decrease the space they occupy per employee. Our tenants may elect to not renew their leases, or to renew them for less space than they currently occupy, which could increase vacancy, place downward pressure on occupancy, rental rates and income and property valuation. The need to reconfigure leased office space, either in response to the COVID-19 pandemic, to new tenants' needs, to modify utilization or for other reasons, may impact space requirements and also may require us to spend increased amounts for tenant improvements. If substantial reconfiguration of the tenant's space is required, the tenant may find it more advantageous to relocate than to renew its lease and renovate the existing space. All of these factors could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

## Risks Related to Conflicts of Interest

***Neither the Master Services Agreement nor the Investment Management Agreement may be terminated by us (except in limited circumstances for cause in the case of the Master Services Agreement) and the Master Services Agreement may be assigned by the Administrator in certain circumstances without our consent, either or both of which may have a material adverse effect on us.***

We are party to the Master Services Agreement pursuant to which the Administrator provides, or arranges for other service providers to provide, management and administrative services to us and all of our direct and indirect subsidiaries. We are obligated to pay the Administrator the Revised Incentive Fee (see “Item 1—Business—Master Services Agreement”) and market rate transaction fees for transactional and other services that the Administrator elects to provide to us. Pursuant to the terms of the Master Services Agreement, the Administrator has the right to provide any transactional services to us that we would otherwise engage a third party to provide.

The Master Services Agreement renews automatically each year. The Administrator may assign the Master Services Agreement without our consent to one of its affiliates or an entity that is a successor through merger or acquisition of the business of the Administrator. We generally may terminate the Master Services Agreement only in the event of a material breach, fraud, gross negligence or willful misconduct by or, in certain limited circumstances, a change of control of the Administrator that our independent directors determine to be materially detrimental to us and our subsidiaries as a whole. We do not have the right to terminate the Master Services Agreement solely for the poor performance of our operations. In addition, CIM Urban does not have the right to terminate the Investment Management Agreement under any circumstances.

Moreover, any removal of Urban GP Administrator as manager of CIM Urban GP pursuant to the Master Services Agreement or the CIM Urban Partnership Agreement would not affect the rights of the Administrator under the Master Services Agreement or the Operator under the Investment Management Agreement. Accordingly, the Administrator would continue to provide the Base Services and receive any Revised Incentive Fee, and the Administrator or the applicable service provider would continue to provide the transactional services and receive related transaction fees, under the Master Services Agreement, and the Operator would continue to receive the management fee under the Investment Management Agreement.

***The Administrator and Operator are entitled to receive fees for the services they provide regardless of our performance, which may reduce their incentive to devote time and resources to our portfolio.***

Pursuant to the Master Services Agreement, the Administrator is entitled to receive additional fees for the provision of certain transactional and other services at fair market rates approved by our independent directors. Additionally, the Operator is entitled to receive an asset management fee based upon our net asset value attributable to common stockholders. See “Item 1—Business—Investment Management Agreement.” The Administrator’s and the Operator’s entitlement to substantial non-performance based compensation might reduce their incentive to devote time and effort to seeking profitable opportunities for our portfolio.

***The Fee payable to the Operator depends in large part on annual appraisals of our real estate properties.***

The Operator is entitled to receive a fee quarterly based on our net asset value attributable to common stockholders. See “Item 1—Business—Fee Waiver.” Our net asset value attributable to common stockholders is calculated in large part based on the fair value of our real estate investments, which in turn is determined based on annual appraisals of our real estate properties. If there are any changes to the fair value of our real estate properties during the course of a year, such changes will generally not be taken into consideration in calculating our net asset value attributable to common stockholders until the next annual appraisal process. Accordingly, in a period of declining real estate value, we could end up paying more fees to the Operator than if appraisals were conducted quarterly (and thus adjusting downwards the fair value of our real estate properties on a quarterly basis). Conversely, in a period of rising real estate value, we could end up paying less fees to the Operator (because quarterly appraisals would lead to increases in the fair value of our estate properties, which in turn would lead to higher fees payable to the Operator).

***We may be obligated to pay the Operator quarterly incentive compensation even if we incur a net loss during a particular quarter.***

The Operator is entitled to incentive compensation based on our FFO, which rewards our Operator if our quarterly pre-incentive fee FFO exceeds 1.75% (7.0% annualized) of the Adjusted Common Equity. Our pre-incentive fee FFO for a particular quarter for incentive compensation purposes excludes the effect of any unrealized gains, losses, or other items during that quarter that do not affect realized net income, even if these adjustments result in a net loss on our statement of operations for that quarter. Thus, we may be required to pay the Operator incentive compensation for a fiscal quarter even if we incur a net loss for that quarter as determined in accordance with GAAP.

***The Operator may undertake transactions that are motivated, in whole or in part, by a desire to increase its compensation.***

The Operator is entitled to receive an asset management fee based upon our net asset value attributable to common stockholders, which may provide an incentive for the Operator to deploy our capital to assets that are riskier than we would otherwise acquire, regardless of the anticipated long-term performance of such assets. The Operator may also recommend the disposition of assets that are beneficial to CIM Urban's operations in order to fund such acquisitions. For a discussion of the broad discretion that may be exercised by the Operator in our business, see "—Each of the Administrator and Operator provides services to us under broad mandates, and our Board of Directors may not necessarily be involved in each acquisition, disposition or financing decision made by the Administrator or Operator" below.

***Each of the Administrator and Operator provides services to us under broad mandates, and our Board of Directors may not necessarily be involved in each acquisition, disposition or financing decision made by the Administrator or Operator.***

Each of the Administrator, under the Master Services Agreement, and the Operator, under the Investment Management Agreement, has broad discretion and authority over our day-to-day operations and deployment of our capital in assets. While our Board of Directors periodically reviews the performance of our businesses, our Board of Directors does not review all activities conducted by the Administrator and the Operator, and may not review certain proposed acquisitions, dispositions or the implementation of other strategic initiatives before they occur. In addition, in reviewing our business operations, our directors may rely on information provided to them by the Administrator or the Operator, as the case may be. The Administrator or the Operator may cause us to enter into significant transactions or undertake significant activities that may be difficult or impossible to unwind, exit or otherwise remediate. Each of the Administrator and the Operator has great latitude in the implementation of our strategies, including determining the types of assets that are appropriate for us. The decisions of the Administrator and the Operator could therefore result in losses or returns that are substantially below our expectations, which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***The Operator, the Administrator and their respective affiliates engage in real estate activities that could compete with us and our subsidiaries, which could result in decisions that are not in the best interests of our stockholders.***

The Investment Management Agreement with the Operator and the Master Services Agreement with the Administrator do not prevent the Operator or the Administrator, as applicable, and their respective affiliates from operating additional real estate assets or participating in other real estate opportunities, some of which could compete with us and our subsidiaries. The Operator, the Administrator and their respective affiliates operate real estate assets and participate in additional real estate activities having objectives that overlap with our own, and may thus face conflicts in the operation and allocation of real estate opportunities between us, on the one hand, and such other real estate operations and activities, on the other hand. Allocation of real estate opportunities is at the discretion of the Operator and/or the Administrator and there is no guarantee that this allocation will be made in the best interest of our stockholders.

There may be conflicts of interest in allocating real estate opportunities to CIM Urban and other funds, vehicles and ventures operated by the Operator. For example, the Operator serves as the operator of private funds formed to deploy capital in real estate and real estate-related assets located in metropolitan areas that CIM Group has already qualified. There may be a significant overlap in the assets and strategies between us and such funds, and many of the same investment personnel will provide services to both entities. Further, the Operator and its affiliates may in the future operate funds, vehicles and ventures that have overlapping objectives with CIM Urban and therefore may compete with CIM Urban for opportunities. The ability of the Operator, the Administrator and their officers and employees to engage in other business activities, including the operation of other vehicles operated by CIM Group or its affiliates, may reduce the time the Operator and the Administrator spend managing our activities.

***Certain of our directors and executive officers may face conflicts of interest related to positions they hold with the Operator, the Administrator, CIM Group and their affiliates, which could result in decisions that are not in the best interest of our stockholders.***

Some of our directors and executive officers are also part-owners, officers and/or directors of the Operator, the Administrator, CIM Group and/or their respective affiliates. As a result, such directors and executive officers may owe fiduciary duties to these various other entities and their equity owners that may from time to time conflict with the duties such persons owe to us. Further, these multiple responsibilities may create conflicts of interest for these individuals if they are presented with opportunities that may benefit us and our other affiliates. These individuals may be incentivized to allocate opportunities to other entities rather than to us. Their loyalties to other affiliated entities could result in actions or inactions that are detrimental to our business, strategy and opportunities.

***The business of CIM Urban is managed by Urban GP Administrator and we agreed in the Master Services Agreement to appoint an affiliate of CIM Group as the manager of the general partner of CIM Urban, and the general partner of CIM Urban may only be removed from such position under limited circumstances as provided in the CIM Urban Partnership Agreement.***

Pursuant to the Master Services Agreement, we agreed to appoint an affiliate of CIM Group as the manager of the general partner of CIM Urban. While currently that designated entity, Urban GP Administrator, is an affiliate of CIM Group, there can be no assurances that a different entity would not be appointed the manager of the general partner of CIM Urban in the future. Moreover, we may only remove the Urban GP Administrator as the manager of CIM Urban GP for “cause” (as defined in the Master Services Agreement). Removal for “cause” also requires the approval of the holders of at least 66 2/3% of our outstanding shares of Common Stock. Upon removal, a replacement manager will be appointed by the independent directors.

Subject to the limitations set forth in the governing documents of CIM Urban and CIM Urban GP, Urban GP Administrator is given the power and authority under the Master Services Agreement to manage, to direct the management, business and affairs of and to make all decisions to be made by or on behalf of (1) CIM Urban GP and (2) CIM Urban. Subject to the other terms of the CIM Urban Partnership Agreement, CIM Urban GP has broad discretion over the operations of CIM Urban. Accordingly, while we own indirectly all of the partnership interests in CIM Urban, except as set forth in the Master Services Agreement and the rights specifically reserved to limited partners by the CIM Urban Partnership Agreement and applicable law, we will have no part in the management and control of CIM Urban.

### **Risks Related to Our Organizational Structure**

***Provisions of our charter and bylaws and the MGCL may deter takeover attempts, which may limit the opportunity of our stockholders to sell their shares at a favorable price.***

Certain provisions of the MGCL, if applied to us, and our charter and bylaws could have the effect of inhibiting a third party from making a proposal to acquire us or impeding a change of control under circumstances that otherwise could provide our stockholders with the opportunity to realize a premium over the then-prevailing market price of our Common Stock.

*Maryland Statutes.* The Maryland Business Combination Act could restrict the power of third parties who acquire, or seek to acquire, control of us without the approval of our Board of Directors to complete mergers and other business combinations even if such transaction would be beneficial to stockholders. “Business combinations” between an “interested stockholder” or an affiliate of an “interested stockholder” and us are prohibited for five years after the most recent date on which the “interested stockholder” becomes an “interested stockholder.” An “interested stockholder” is defined as any person who beneficially owns 10% or more of the voting power of our outstanding voting stock or an affiliate or associate of ours who, at any time within the two-year period immediately prior to the date in question, was the beneficial owner of 10% or more of the voting power of our then-outstanding stock. If our Board of Directors approved in advance the transaction that would otherwise give rise to the acquirer attaining such status of an “interested stockholder,” the acquirer would not become an interested stockholder and, as a result, it could enter into a business combination with us. Our Board of Directors may, however, provide that its approval is subject to compliance, at or after the time of approval, with any terms and conditions determined by it. Even after the lapse of the five-year prohibition period, any business combination between us and an interested stockholder must be recommended by our Board of Directors and approved by the affirmative vote of at least:

- 80% of the votes entitled to be cast by holders of outstanding shares of voting stock of the corporation; and
- two-thirds of the votes entitled to be cast by holders of voting stock of the corporation other than the interested stockholder with whom or with whose affiliate the business combination is to be effected or held by affiliates and associates thereof.

The super-majority vote requirements do not apply if, among other considerations, the transaction complies with a minimum price and form of consideration requirements prescribed by the statute. The statute permits various exemptions from its provisions, including business combinations that are exempted by the Board of Directors prior to the time that an interested stockholder becomes an interested stockholder. Our Board of Directors has, by resolution, elected to opt out of this provision of the MGCL. However, our Board of Directors may by resolution elect to repeal the foregoing opt out from the business combination provision of the MGCL.

The Maryland Control Share Acquisition Act provides that a holder of control shares of a Maryland corporation acquired in a control share acquisition has no voting rights with respect to the control shares except to the extent approved by a vote of stockholders entitled to cast two-thirds of the votes entitled to be cast on the matter. Shares owned by the acquiror, by officers or by employees who are directors of the corporation are excluded from shares entitled to vote on the matter. Control shares are voting shares of stock that, if aggregated with all other shares of stock owned by the acquiror or in respect of which

the acquiror is able to exercise or direct the exercise of voting power (except solely by virtue of a revocable proxy), would entitle the acquiror to exercise voting power in electing directors within one of the following ranges of voting power:

- one-tenth or more but less than one-third;
- one-third or more but less than a majority; or
- a majority or more of all voting power.

Control shares do not include shares the acquiror is then entitled to vote as a result of having previously obtained stockholder approval or shares acquired directly from the corporation. A control share acquisition means the acquisition of issued and outstanding control shares, subject to certain exceptions.

A person who has made or proposes to make a control share acquisition may compel the Board of Directors of the corporation to call a special meeting of stockholders to be held within 50 days of demand to consider the voting rights of the shares. The right to compel the calling of a special meeting is subject to the satisfaction of certain conditions, including an undertaking to pay the expenses of the meeting. If no request for a meeting is made, the corporation may itself present the question at any stockholders' meeting.

If voting rights are not approved at the meeting or if the acquiror does not deliver an acquiring person statement as required by the statute, then the corporation may, subject to certain limitations and conditions, redeem for fair value any or all of the control shares, except those for which voting rights have previously been approved. Fair value is determined, without regard to the absence of voting rights for the control shares, as of the date of any meeting of stockholders at which the voting rights of the shares are considered and not approved or, if no meeting is held, as of the date of the last control share acquisition by the acquiror. If voting rights for control shares are approved at a stockholders' meeting and the acquiror becomes entitled to exercise or direct the exercise of a majority of the voting power, all other stockholders may exercise appraisal rights. The fair value of the shares as determined for purposes of appraisal rights may not be less than the highest price per share paid by the acquiror in the control share acquisition.

The control share acquisition statute does not apply to (a) shares acquired in a merger, consolidation or share exchange if the corporation is a party to the transaction or (b) acquisitions approved or exempted by the charter or bylaws of the corporation. We have elected to opt out of this provision of the MGCL, pursuant to a provision in our bylaws. However, our Board of Directors may, by amendment to our bylaws, opt in to the control share provisions of the MGCL in the future.

Title 3, Subtitle 8, of the MGCL permits the Board of Directors of a Maryland corporation with at least three independent directors and a class of stock registered under the Exchange Act (such as the Company), without stockholder approval and notwithstanding any contrary provision in its charter or bylaws, to implement certain takeover defenses, including: (i) a classified board; (ii) a two-thirds vote requirement to remove a director; (iii) limiting the filling of any vacancy on the Board of Directors to only a majority of the remaining directors in office, even if the remaining directors do not constitute a quorum; (iv) providing the board with the sole power to fix the number of directors; and (v) requiring the holders of up to a majority of voting stock to call a special meeting of stockholders. Our charter provides that, except as may be provided by our Board of Directors in setting the terms of any class or series of stock, we elect to be subject to the provisions of Subtitle 8 relating to the filling of vacancies on our Board of Directors. Through provisions in our charter and bylaws unrelated to Subtitle 8, we already (1) require a two-thirds vote for the removal of any director from the Board of Directors, (2) vest in the Board of Directors the exclusive power to fix the number of directorships, subject to limitations set forth in our charter and bylaws, and (3) require, unless called by the chairman of our Board of Directors, our president, our chief executive officer or our Board of Directors, the request of stockholders entitled to cast not less than a majority of all votes entitled to be cast on a matter at such meeting to call a special meeting. We have not elected to classify our Board of Directors.

*Advance notice bylaw.* Our bylaws contain advance notice procedures for the introduction by a stockholder of new business and the nomination of directors by a stockholder. These provisions could, in certain circumstances, discourage proxy contests and make it more difficult for you and other stockholders to elect stockholder-nominated directors and to propose and, consequently, approve stockholder proposals opposed by management.

*Restrictions on transfer and ownership of our stock.* To assist in maintaining our qualification as a REIT for federal income tax purposes, our charter prohibits any person, unless exempted by our Board of Directors, from acquiring or holding, directly or indirectly, applying attribution rules under the Code, shares of our capital stock in excess of 6.25% in number of shares or value, whichever is more restrictive, of the aggregate of the outstanding shares of our stock or 6.25% of the number of shares or value, whichever is more restrictive, of the outstanding shares of our Common Stock. Together, these limitations are referred to as the "ownership limit." Stock acquired or held in violation of the ownership limit will be transferred automatically to a trust for the benefit of a designated charitable beneficiary, and the intended acquirer of the stock in violation of the ownership limit will not be entitled to vote those shares of stock or to receive the economic benefits of owning shares of our

stock in excess of the ownership limit. A transfer of shares of our stock to a person who, as a result of the transfer, violates the ownership limit also may be void under certain circumstances.

Our charter, bylaws, the partnership agreement for CIM Urban and Maryland law also contain other provisions that may delay, defer or prevent a transaction or a change of control that might involve a premium price for our Common Stock or otherwise be in the best interest of our stockholders.

***The Operator may change its acquisition process, or elect not to follow it, without stockholder consent at any time, which may adversely affect returns on our assets.***

While we are principally focused on both premier multifamily properties situated in vibrant communities throughout the United States and Class A and creative office real assets in markets with similar business and employment characteristics to our multifamily investments (including improving and developing such assets), we may also participate more actively in other CIM Group real estate strategies and product types, including, but not limited to, real estate debt, in order to broaden our participation in CIM Group's platform and capabilities for the benefit of all classes of stockholders. This may include, without limitation, engaging in real estate development activities as well as investing in other product types directly, side-by-side with one or more funds of CIM Group, through direct deployment of capital in a CIM Group real estate or debt fund. Stockholders will not have any approval rights with respect to any expansion or change in strategies or future composition of our assets. Our Operator determines our policies regarding deployment of capital into real estate assets, financing, growth and debt capitalization. Our Operator may change these and other policies without a vote of our stockholders. In addition, there can be no assurance that the Operator will follow its acquisition process in relation to the identification and acquisition or origination of prospective assets. As a result, the nature of the composition of our assets could change without the consent of our stockholders. Changes in the Operator's acquisition process and/or philosophy may result in, among other things, inferior due diligence and transaction standards, which may adversely affect the performance of our assets. If we are unsuccessful in expanding into new real estate activities or our changes in strategies or future deployment of our capital turn out to be unsuccessful, it could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***The power of the Board of Directors to revoke our REIT election without stockholder approval may cause adverse consequences to our stockholders.***

Our organizational documents permit our Board of Directors to revoke or otherwise terminate our REIT election, without the approval of our stockholders, if the Board of Directors determines that it is no longer in our best interest to continue to qualify as a REIT. In such a case, we would become subject to U.S. federal, state and local income tax on our net taxable income and we would no longer be required to distribute most of our net taxable income to our stockholders, which could have adverse consequences on the total return to our holders of Common Stock.

***The MGCL or our charter may limit the ability of our stockholders or us to recover on a claim against a director or officer who negligently causes us to incur losses.***

The MGCL provides that a director has no liability in such capacity if he or she performs his or her duties in good faith, in a manner he or she reasonably believes to be in our best interests and with the care that an ordinarily prudent person in a like position would use under similar circumstances. A director who performs his or her duties in accordance with the foregoing standards should not be liable to us or any other person for failure to discharge his or her obligations as a director.

In addition, our charter provides that our directors and officers will not be liable to us or our stockholders for monetary damages unless the director or officer actually received an improper benefit or profit in money, property or services, or is adjudged to be liable to us or our stockholders based on a finding that his or her action, or failure to act, was the result of active and deliberate dishonesty and was material to the cause of action adjudicated in the proceeding. Our charter and bylaws also require us, to the maximum extent permitted by Maryland law, to indemnify and, without requiring a preliminary determination of the ultimate entitlement to indemnification, pay or reimburse reasonable expenses in advance of final disposition of a proceeding to any individual who is a present or former director or officer and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity or any individual who, while a director or officer and at our request, serves or has served as a director, officer, partner, trustee, member or manager of another corporation, real estate investment trust, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise and who is made or threatened to be made a party to, or witness in, the proceeding by reason of his or her service in that capacity. With the approval of our Board of Directors, we may provide such indemnification and advance for expenses to any individual who served a predecessor of the Company in any of the capacities described above and any employee or agent of the Company or a predecessor of the Company.

We also are permitted to purchase and we currently maintain insurance or provide similar protection on behalf of any directors, officers, employees and agents, including our Administrator and its affiliates, against any liability asserted which was incurred in any such capacity with us or arising out of such status. This may result in us having to expend significant funds, which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***The liability of the Administrator and the Operator to us under the Master Services Agreement and the Investment Management Agreement, respectively, is limited and we and CIM Urban have agreed to indemnify the Administrator and the Operator, respectively, against certain liabilities. As a result, we could experience poor performance or losses for which neither the Administrator nor the Operator would be liable.***

Pursuant to the Master Services Agreement, the Administrator has no responsibility other than to provide its services in good faith and will not be responsible for any action of our Board of Directors that follows or declines to follow the Administrator's advice or recommendations. Under the terms of the Master Services Agreement, none of the Administrator or any of its affiliates providing services under the Master Services Agreement will be liable to us, any subsidiary of ours party to the Master Services Agreement, any governing body (including any director or officer), stockholder or partner of any such entity for acts or omissions made pursuant to or in accordance with the Master Services Agreement, other than acts or omissions constituting fraud, willful misconduct, gross negligence or violation of certain laws or any other intentional or criminal wrongdoing or breach of the Master Services Agreement. Moreover, the aggregate liability of any such entities and persons pursuant to the Master Services Agreement is capped at the aggregate amount of the Base Service Fee and any transaction fees previously paid to the Administrator in the two most recent calendar years. In addition, we have agreed to indemnify the Administrator and any of its affiliates providing services under the Master Services Agreement, any affiliates of the Administrator and any directors, officers, stockholders, agents, subcontractors, contractors, delegates, members, partners, shareholders, employees and other representatives of each of them from and against all actions, lawsuits, investigations, proceedings or claims except to the extent resulting from such person's fraud, willful misconduct, gross negligence or violation of certain laws or any other intentional or criminal wrongdoing or breach of the Master Services Agreement.

Pursuant to the Investment Management Agreement, the Operator is not liable to CIM Urban, CIM Urban GP or any manager or director of CIM Urban GP for, and CIM Urban has agreed to indemnify the Operator against any losses, claims, damages or liabilities to which it may become subject in connection with, among other things, (1) any act or omission performed or omitted by it or for any costs, damages or liabilities arising therefrom, in the absence of fraud, gross negligence, willful misconduct or a breach of the Investment Management Agreement or (2) any losses due to the negligence of any employees, brokers, or other agents of CIM Urban.

#### **Risks Related to Real Estate Assets**

***Our operating performance is subject to risks associated with the real estate industry.***

Real estate assets are subject to various risks and fluctuations and cycles in value and demand, many of which are beyond our control. Certain events may decrease cash available for distributions, as well as the value of our properties. These events include, but are not limited to:

- adverse changes in economic and socioeconomic conditions (including as a result of the emergence of any pandemic);
- vacancies or our inability to rent space on favorable terms;
- adverse changes in financial conditions of buyers, sellers and tenants of properties;
- inability to collect rent from tenants;
- competition from real estate investors with significant capital, including but not limited to real estate operating companies, publicly-traded REITs and institutional investment funds;
- reductions in the level of demand for office and hotel space and changes in the relative popularity of properties;
- increases in the supply of office and hotel space;
- fluctuations in interest rates and the availability of credit, which could adversely affect our ability, or the ability of buyers and tenants of properties, to obtain financing on favorable terms or at all;
- dependence on third parties to provide leasing, brokerage, onsite property management and other services with respect to certain of our assets;
- increases in expenses, including insurance costs, labor costs, utility prices, real estate assessments and other taxes and costs of compliance with laws, regulations and governmental policies, and our inability to pass on some or all of these increases to our tenants; and

- changes in, and changes in enforcement of, laws, regulations and governmental policies, including, without limitation, health, safety, environmental, zoning, real estate tax, federal and state laws, governmental fiscal policies and the ADA.

During periods of economic slowdown or recession, rising interest rates or declining demand for real estate, or the public perception that any of these events may occur, could result in a general decline in rents or an increased incidence of defaults under existing leases. If we cannot operate our properties so as to meet our financial expectations, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock may be negatively impacted.

***A significant portion of our properties, by aggregate net operating income and square feet, are located in California. We are dependent on the California real estate market and economy, and are therefore susceptible to risks of events in the California market that could adversely affect our business, such as adverse market conditions, changes in local laws or regulations and natural disasters.***

Because our properties in California represent a significant portion of our portfolio by aggregate net operating income and square feet, we are exposed to greater economic risks than if we owned a more geographically diverse portfolio. We are susceptible to adverse developments in the California economic and regulatory environments (such as business layoffs or downsizing, industry slowdowns, relocations of businesses, increases in real estate and other taxes, costs of complying with governmental regulations or increased regulation and other factors) as well as natural disasters that occur in these areas (such as earthquakes, floods, fires and other events). In addition, the State of California is regarded as more litigious and more highly regulated and taxed than many states, which may reduce demand for office and hotel space in California. Any adverse developments in the economy or real estate markets in California, any decrease in demand for office and hotel space resulting from the California regulatory or business environments or any reduced need for apartment units resulting from increased relocation out of California could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Capital and credit market conditions may adversely affect demand for our properties and the overall availability and cost of credit.***

In periods when the capital and credit markets experience significant volatility, demand for our properties and the overall availability and cost of credit may be adversely affected. No assurances can be given that the capital and credit market conditions will not have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

In addition, we could be adversely affected by significant volatility in the capital and credit markets as follows:

- the tenants in our office properties may experience a deterioration in their sales or other revenue, or experience a constraint on the availability of credit necessary to fund operations, which in turn may adversely impact those tenants' ability to pay contractual base rents and tenant recoveries. Some tenants may terminate their occupancy due to an inability to operate profitably for an extended period of time, impacting our ability to maintain occupancy levels; and
- constraints on the availability of credit to tenants, necessary to purchase and install improvements, fixtures and equipment and to fund business expenses, could impact our ability to procure new tenants for spaces currently vacant in existing office properties or properties under development.

Adverse developments in the banking industry, such as the 2023 bank failures in the United States and acquisitions of distressed financial institutions in the United States and internationally, can result in uncertainty and turmoil in credit markets globally, which may cause financial institutions to reduce their lending, which in turn could adversely affect our ability to access capital markets for our liquidity needs and/or cause our cost of capital to increase.

We will endeavor to limit uninsured deposits that we have with banks. Nevertheless, if a bank in which we hold funds fails or is subject to significant adverse conditions in the financial or credit markets, we could be subject to a risk of loss of all or a portion of such funds or be subject to a delay in accessing all or a portion of such uninsured funds. In addition, we have undrawn capacities under certain of our mortgages. Any such loss of funds on deposit, lack of access to funds held at banks or inability to borrow from any of our lenders could adversely impact our short-term liquidity and ability to meet our operating expenses or working capital needs.

***Tenant concentration increases the risk that cash flow could be interrupted.***

We are, and expect that we will continue to be, subject to a degree of tenant concentration at certain of our properties and/or across multiple properties. Kaiser, which occupies space in one of our Oakland, California properties, accounted for 23.4% of our annualized rental income for the year ended December 31, 2025. In the event that a tenant occupying a significant portion of one or more of our properties or whose rental income represents a significant portion of the rental revenue at such property or properties were to experience financial weakness or file bankruptcy, it could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***If a major tenant declares bankruptcy, we may be unable to collect balances due under relevant leases, which could have a material adverse effect on our financial condition and ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock.***

The bankruptcy or insolvency of our tenants may adversely affect the income produced by our properties. Under bankruptcy law, a tenant cannot be evicted solely because of its bankruptcy and has the option to assume or reject any unexpired lease. If the tenant rejects the lease, any resulting claim we have for breach of the lease (other than to the extent of any collateral securing the claim) will be treated as a general unsecured claim. Our claim against the bankrupt tenant for unpaid and future rent will be subject to a statutory cap that might be substantially less than the remaining rent actually owed under the lease, and it is unlikely that a bankrupt tenant that rejects its lease would pay in full amounts it owes us under the lease. Even if a lease is assumed and brought current, we still run the risk that a tenant could condition lease assumption on a restructuring of certain terms, including rent, that would have an adverse impact on us. Any shortfall resulting from the bankruptcy of one or more of our tenants could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

In addition, the financial failure of, or other default by, one or more of the tenants to whom we have exposure could have an adverse effect on the results of our operations. While we evaluate the creditworthiness of our tenants by reviewing available financial and other pertinent information, there can be no assurance that any tenant will be able to make timely rental payments or avoid defaulting under its lease. If any of our tenants' businesses experience significant adverse changes, they may fail to make rental payments when due, exercise early termination rights (to the extent such rights are available to the tenant) or declare bankruptcy. A default by a significant tenant or multiple tenants could cause a material reduction in our revenues and operating cash flows. In addition, if a tenant defaults, we may incur substantial costs in protecting our asset.

***We have assumed, and in the future may assume, liabilities in connection with our property acquisitions, including unknown liabilities.***

In connection with the acquisition of properties, we may assume existing liabilities, some of which may have been unknown or unquantifiable at the time of the acquisition of assets. Unknown liabilities might include liabilities for cleanup or remediation of undisclosed environmental conditions, claims of tenants or other persons dealing with the sellers prior to our acquisition of the properties, tax liabilities, and accrued but unpaid liabilities whether incurred in the ordinary course of business or otherwise. If the magnitude of such unknown liabilities is high, either singly or in the aggregate, it could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***We may be adversely affected by trends in the office real estate industry.***

Telecommuting, flexible work schedules, open workspaces and teleconferencing continue to become more common. These practices enable businesses to reduce their space requirements. There is also an increasing trend among some businesses to utilize shared office space and co-working spaces. A continuation of the movement towards these practices could over time erode the overall demand for office space and, in turn, place downward pressure on occupancy, rental rates and property valuations.

***We may be unable to renew leases or lease vacant office space.***

As of December 31, 2025, 25.2% of the rentable square footage of our office portfolio was available for lease, and 11.1% of the occupied square footage of such office properties was scheduled to expire in 2026. The local economic environment may make the renewal of these leases more difficult, or renewal may occur at rental rates equal to or below existing rental rates. As a result, portions of our office properties may remain vacant for extended periods of time. In addition, we may have to offer substantial rent abatements, tenant improvements, concessions, early termination rights or below-market renewal options to attract new tenants or retain existing tenants. The factors described above could have a material adverse

effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***A significant portion of our net operating income is expected to come from our hotel and, as a result, our operating performance is subject to the cyclical nature of the lodging industry.***

The performance of the lodging industry has historically been closely linked to the performance of the general economy and, specifically, growth in U.S. gross domestic product. Fluctuations in lodging demand and, therefore, hotel operating performance, are caused largely by general economic and local market conditions, which subsequently affect levels of business and leisure travel. For instance, increased fuel costs, natural disasters or disruptive global political events, including terrorist activity and war, are a few factors that could affect an individual's willingness to travel.

In addition to general economic conditions, lodging supply is an important factor that can affect the lodging industry's performance. Industry overbuilding and the introduction of new concepts and products have the potential to further exacerbate the negative impact of an economic recession. Room rates and occupancy, and thus RevPAR, tend to increase when demand growth exceeds supply growth. Further, the success of our hotel property depends largely on the property operator's ability to adapt to dominant trends, competitive pressures and consolidation, as well as disruptions such as consumer spending patterns, changing demographics and the availability of labor.

An adverse change in lodging fundamentals could result in returns that are substantially below our expectations or result in losses, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***The outbreak of a highly infectious, contagious or widespread disease, such as COVID-19, can result (and has resulted) in reductions in travel and adversely affect demand for our hotel.***

Our hotel operations are sensitive to the willingness and ability of our guests to travel. The outbreak of highly infectious, contagious or widespread diseases or global health emergencies will likely cause decreases in both discretionary and business travel and reduce the number of guests that visit our hotel. The degree of any decrease in travel will likely be worsened in the event such a disease causes a disruption in air or other forms of travel used by guests of our hotel. In the event a person having such a disease visits or works at our hotel, the operations at our hotel will likely be disrupted. For example, the spread of COVID-19 in the United States and the resulting restrictions on and cancellations of travel, meetings and social gatherings negatively impacted the operations of our hotel in Sacramento, California in 2020, 2021 and part of 2022.

***The seasonality of the lodging industry may cause quarterly fluctuations in our revenues.***

The lodging industry is seasonal in nature, which may cause quarterly fluctuations in our revenues, occupancy levels, room rates, operating expenses and cash flows. Our quarterly earnings may be adversely affected by factors outside our control, including timing of holidays, weather conditions, poor economic factors and competition in the area of our hotel. We can provide no assurances that our cash flows will be sufficient to offset any shortfalls that occur as a result of these fluctuations. As a result, we may have to enter into short-term borrowings in certain quarters in order to make distributions on our Preferred Stock or any renewed distributions on our Common Stock, and we can provide no assurances that such borrowings will be available on favorable terms, if at all. Consequently, volatility in our financial performance resulting from the seasonality of the lodging industry could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***The increasing use of online travel intermediaries by consumers may adversely affect our profitability.***

Some of our hotel rooms are booked through online travel intermediaries, including, but not limited to, Travelocity.com, Expedia.com and Priceline.com. As online bookings increase, these intermediaries may demand higher commissions, reduced room rates or other significant contract concessions. Moreover, some of these online travel intermediaries are attempting to offer hotel rooms as a commodity, by increasing the importance of price and general indicators of quality (such as "three-star downtown hotel") at the expense of brand identification. These intermediaries hope that consumers will develop brand loyalties to their reservations systems rather than to particular hotels. Although most of the business for our hotel is expected to be derived from consumer direct and traditional hotel channels, such as travel agencies, corporate accounts, meeting planners and recognized wholesale operators, if the amount of sales made through online intermediaries increases significantly, room revenues may be lower than expected, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Increased use of technology may reduce the need for business-related travel.***

The increased use of teleconference and video-conference technology by businesses could result in decreased business travel as companies increase the use of technologies that allow multiple parties from different locations to participate at meetings without traveling to a centralized meeting location. To the extent that such technologies play an increased role in day-to-day business and the necessity for business-related travel decreases, hotel room demand may decrease, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***We are subject to risks associated with the employment of hotel personnel, particularly with respect to unionized labor.***

Our third-party manager is responsible for hiring and maintaining the labor force at our hotel. As owner of our hotel, we are responsible for and subject to many of the costs and risks generally associated with the hotel labor force, particularly with respect to unionized labor. From time to time, hotel operations may be disrupted as a result of strikes, lockouts, public demonstrations or other negative actions and publicity. We also may incur increased legal costs and indirect labor costs as a result of contract disputes or other events. The resolution of labor disputes or re-negotiated labor contracts could lead to increased labor costs, either by increases in wages or benefits or by changes in work rules that raise hotel operating costs. We do not have the ability to affect the outcome of these negotiations.

***We may be unable to renew leases or release apartment units as leases expire, or the terms of renewals or new leases may be less favorable than current leases.***

When residents decide to leave our apartments, whether because their leases are not renewed or they leave prior to their lease expiration date, we may not be able to release their apartment units. Even if leases are renewed or we can release the apartment units, the terms of renewal or reletting may be less favorable than current lease terms. Furthermore, because our apartment leases generally have initial terms of 12 months or less, our rental revenues at our multifamily properties are impacted by declines in market rents more quickly than if our leases were for longer terms. If we are unable to promptly renew the leases or release apartment units, or if the rental rates upon renewal or re-leasing are lower than expected rates, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock could be adversely affected.

***We may be unable to deploy capital in a way that grows our business and, even if consummated, we may fail to successfully integrate and operate acquired properties.***

We plan to deploy capital in additional real estate assets as opportunities arise. Our ability to do so on favorable terms and/or successfully integrate and operate them is subject to the following significant risks:

- we may be unable to deploy capital in additional real estate assets because of competition from real estate investors with better access to less expensive capital, including real estate operating companies, publicly-traded REITs and investment funds;
- we may acquire properties that are not accretive to our results upon acquisition, and we may not successfully manage and lease those properties to meet our expectations;
- competition from other potential acquirers may significantly increase purchase prices;
- acquired properties may be located in new markets where we may face risks associated with a lack of market knowledge or understanding of the local economy, lack of business relationships in the area and unfamiliarity with local governmental and permitting procedures;
- we may be unable to generate sufficient cash from operations or obtain the necessary debt or equity financing to consummate a transaction on favorable terms or at all;
- we may need to spend more money than anticipated to make necessary improvements or renovations to acquired properties;
- we may spend significant time and money on potential transactions that we do not consummate;
- we may be unable to quickly and efficiently integrate new acquisitions into our existing operations;
- we may suffer higher than expected vacancy rates and/or lower than expected rental rates; and
- we may acquire properties without any recourse, or with only limited recourse, for liabilities against the former owners of the properties.

If we cannot complete real estate transactions on favorable terms, or operate acquired assets to meet our goals or expectations, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service

obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock could be materially adversely affected.

***We may be unable to successfully expand our operations into new markets.***

The risks described in the immediately preceding risk factor that are applicable to our ability to acquire and successfully integrate and operate properties in the markets in which our properties are located are also applicable to our ability to acquire and successfully integrate and operate properties in new markets. In addition to these risks, we may not possess the same level of familiarity with the dynamics and market conditions of certain new markets that we may enter, which could adversely affect our ability to expand into those markets. We may be unable to build a significant market share or achieve a desired return on our assets in new markets. If we are unsuccessful in expanding into new markets, it could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***We have experienced in the past, and may in the future, impairment charges to our properties.***

We have in the past, and may in the future, take impairment charges with respect to certain of our properties. We routinely evaluate our assets for impairment indicators (we recorded \$3.7 million in impairments of long-lived assets for the year ended December 31, 2025 and no impairment of long-lived assets for the year ended December 31, 2024). The judgment regarding the existence and magnitude of impairment indicators is based on factors such as market conditions, tenant performance and lease structure. For example, the early termination of, or default under, a lease by a tenant may lead to an impairment charge. If we determine that an impairment has occurred, we will be required to make a downward adjustment to the net carrying value of the property, which could have a material adverse effect on our results of operations in the period in which the impairment charge is recorded. Negative developments in the real estate market may cause management to reevaluate the business and macro-economic assumptions used in its impairment analysis. Changes in management's assumptions based on actual results may have a material impact on the Company's financial statements.

***We may obtain only limited warranties when we purchase a property and typically have only limited recourse in the event our due diligence did not identify any issues that lower the value of our property.***

The seller of a property often sells such property in "as is" condition on a "where is" basis and "with all faults," without any warranties of merchantability or fitness for a particular use or purpose. In addition, purchase agreements may contain only limited warranties, representations and indemnifications that survive for only a limited period after the closing and with a cap on recoverable damages. In the event we purchase a property with a limited warranty, there will be an increased risk that we will lose some or all of our capital in the property.

***We may be unable to sell a property if or when we decide to do so, including as a result of uncertain market conditions or high inflation.***

Real estate assets are, in general, relatively illiquid and may become even more illiquid during periods of economic downturn. As a result, we may not be able to sell our properties quickly or on favorable terms in response to changes in the economy or other conditions when it otherwise may be prudent to do so. In addition, certain significant expenditures generally do not change in response to economic or other conditions, including debt service obligations, real estate taxes, and operating and maintenance costs. This combination of variable revenue and relatively fixed expenditures may result, under certain market conditions, in reduced earnings. In addition, historically, during periods of increasing interest rates, real estate valuations have generally decreased as a result of rising capitalization rates, which tend to be positively correlated with interest rates. Consequently, prolonged periods of higher interest rates may negatively impact the valuation of our portfolio as well as lower sales proceeds from future dispositions. Accordingly, we may be unable to adjust our portfolio promptly in response to economic, market or other conditions, which could adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

Some of our leases may not include periodic rental increases, or the rental increases may be less than the fair market rate at a future point in time. In either case, the value of the leased property to a potential purchaser may not increase over time, which may restrict our ability to sell that property, or if we are able to sell that property, may result in a sale price less than the price that we paid to purchase the property or the price that could be obtained if the rental income was at the then-current market rate.

We expect to hold our various real properties until such time as we decide that a sale or other disposition is appropriate given our business objectives. Our ability to dispose of properties on advantageous terms or at all depends on certain factors beyond our control, including competition from other sellers and the availability of attractive financing for potential buyers of

our properties. We cannot predict the various market conditions affecting real estate assets which will exist at any particular time in the future. Due to the uncertainty of market conditions which may affect the disposition of our properties, we cannot assure our stockholders that we will be able to sell such properties at a profit or at all in the future. Accordingly, the extent to which our stockholders will receive cash distributions and realize potential appreciation on our real estate assets will depend upon fluctuating market conditions. Furthermore, we may be required to expend funds to correct defects or to make improvements before a property can be sold. We cannot assure our stockholders that we will have funds available to correct such defects or to make such improvements.

***We may be unable to secure funds for our future long-term liquidity needs.***

Our long-term liquidity needs will consist primarily of funds necessary for acquisitions of assets, development or repositioning of properties, capital expenditures, refinancing of indebtedness, paying distributions on our Preferred Stock or any other preferred stock we may issue, any future repurchase and/or redemption of our Preferred Stock (if we choose, or are required, to pay the redemption price in cash instead of in shares of our Common Stock), and, if we determine to renew distributions on our Common Stock, any renewed distributions on our Common Stock. We may not have sufficient funds on hand or may not be able to obtain additional financing to cover all of these long-term cash requirements. The nature of our business, and the requirements imposed by REIT rules that we distribute a substantial majority of our REIT taxable income on an annual basis in the form of dividends, may cause us to have substantial liquidity needs over the long-term. We will seek to satisfy our long-term liquidity needs through one or more of the following methods: (i) offerings of shares of Common Stock, Preferred Stock or other equity and/or debt securities of the Company; (ii) issuances of interests in our operating partnership in exchange for properties; (iii) credit facilities and term loans; (iv) the addition of senior recourse or non-recourse debt using target acquisitions as well as existing assets as collateral; (v) the sale of existing assets; and/or (vi) cash flows from operations. These sources of funding may not be available on attractive terms or at all. If we cannot obtain additional funding for our long-term liquidity needs, our assets may generate lower cash flow or decline in value, or both, which may cause us to sell assets at a time when we would not otherwise do so and could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Income from our long-term leases at our office properties is an important source of our cash flow from operations and is subject to risks related to increases in expenses and inflation.***

We are exposed to risks related to increases in market lease rates and inflation, as income from long-term leases at our office properties is an important source of our cash flow from operations. Leases of long-term duration or which include renewal options that specify a maximum rate increase may result in below-market lease rates over time if we do not accurately estimate inflation or market lease rates. Provisions of our leases designed to mitigate the risk of inflation and unexpected increases in market lease rates, such as periodic rental increases, may not adequately protect us from the impact of inflation or unexpected increases in market lease rates. If we are subject to below-market lease rates on a significant number of our properties pursuant to long-term leases and our operating and other expenses are increasing faster than anticipated, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock could be materially adversely affected.

***We may finance properties with lock-out provisions, which may prohibit us from selling a property or may require us to maintain specified debt levels for a period of years on some properties.***

A lock-out provision is a provision that prohibits the prepayment of a loan during a specified period of time. Lock-out provisions may include terms that provide strong financial disincentives for borrowers to prepay their outstanding loan balance. If a property is subject to a lock-out provision, we may be materially restricted from or delayed in selling or otherwise disposing of or refinancing such property. Lock-out provisions may prohibit us from reducing the outstanding indebtedness with respect to any properties, refinancing such indebtedness at maturity, or increasing the amount of indebtedness with respect to such properties. Lock-out provisions could impair our ability to take other actions during the lock-out period that could be in the best interests of our stockholders and, therefore, may have an adverse impact on the value of our securities relative to the value that would result if the lock-out provisions did not exist. In particular, lock-out provisions could preclude us from participating in major transactions that could result in a disposition of our assets or a change of control even though that disposition or change of control might be in the best interests of our stockholders.

***Increased operating expenses could reduce cash flow from operations and funds available to deploy capital or make distributions.***

Our properties are subject to operating risks common to real estate in general, any or all of which may negatively affect us. If any property is not fully occupied or if rents are payable (or are being paid) in an amount that is insufficient to

cover operating expenses that are our responsibility under the lease, we could be required to expend funds in excess of such rents with respect to that property for operating expenses. Our properties are subject to increases in tax rates, utility costs, insurance costs, repairs and maintenance costs, administrative costs and other operating and ownership expenses. Our property leases may not require the tenants to pay all or a portion of these expenses, in which event we may be responsible for these costs. If we are unable to lease properties on terms that require the tenants to pay all or some of the properties' operating expenses, if our tenants fail to pay these expenses as required or if expenses we are required to pay exceed our expectations, we could have less funds available for future acquisitions or cash available for distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***The market environment may adversely affect our operating results, financial condition and ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock.***

Continued deterioration of domestic or international financial markets could impact the availability of credit or contribute to rising costs of obtaining credit and therefore, could have the potential to adversely affect the value of our assets, the availability or the terms of financing, our ability to make principal and interest payments on, or refinance, any indebtedness and/or, for our leased properties, the ability of our tenants to enter into new leasing transactions or satisfy their obligations, including the payment of rent, under existing leases. The market environment also could affect our operating results and financial condition as follows:

- ***Debt Markets***—The debt market is sensitive to the macro environment, such as Federal Reserve policy, market sentiment, or regulatory factors affecting the banking and commercial mortgage backed securities industries. Should overall borrowing costs increase, due to either increases in index rates or increases in lender spreads, our operations may generate lower returns.
- ***Real Estate Markets***—While incremental demand growth has helped to reduce vacancy rates and support modest rental growth in recent years, and while improving fundamentals have resulted in gains in property values, in many markets property values, occupancy and rental rates continue to be below those previously experienced before the most recent economic downturn. If recent improvements in the economy reverse course, the properties we acquire could substantially decrease in value after we purchase them. Consequently, we may not be able to recover the carrying amount of our properties, which may require us to recognize an impairment charge or record a loss on sale in our earnings.

***Real estate-related taxes may increase, and if these increases are not passed on to tenants, our income will be reduced.***

We are required to pay property taxes for our properties, which can increase as property tax rates increase or as properties are assessed or reassessed by taxing authorities. In California, pursuant to an existing state law commonly referred to as Proposition 13, all or portions of a property are reassessed to market value only at the time of “change in ownership” or completion of “new construction,” and thereafter, annual property tax increases are limited to 2% of previously assessed values. As a result, Proposition 13 generally results in significant below-market assessed values over time. From time to time, lawmakers and political coalitions have initiated efforts to repeal or amend Proposition 13, including by introducing Proposition 15 on the California ballot in November 2020, which measure was not approved by voters. If successful in the future, these proposals could substantially increase the assessed values and property taxes for our properties in California. Although some tenant leases may permit us to pass through such tax increases to the tenants for payment, renewal leases or future leases may not be negotiated on the same basis. Tax increases not passed through to tenants could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Proposition ULA may reduce the proceeds that we will receive when we sell our Los Angeles properties.***

In the November 8, 2022 general election, voters approved City of Los Angeles Proposition ULA. Effective April 1, 2023, the measure increases transfer tax rates in the City of Los Angeles on real estate sales valued at \$5.2 million or more. Specifically, the new rate is 4% for properties valued at \$5.2 million or more and 5.5% for properties valued at more than \$10.3 million. As many of our properties are located in the City of Los Angeles, Proposition ULA may reduce the amount of proceeds that we will receive when we sell our Los Angeles properties. This in turn may reduce our profitability, make our properties located in the City of Los Angeles less attractive than properties located elsewhere, and make us less competitive than REITs that do not have properties in the City of Los Angeles.

***We face risks associated with development, redevelopment, repositioning or construction of real estate projects.***

We expect to engage in development, redevelopment, repositioning or construction of real estate projects, including, without limitation, deploying capital in unimproved real properties, and will therefore face significant risks relating to such activities. We must rely on rental income and expense projections and estimates of the fair market value of property upon

completion of construction when agreeing upon a price at the time we acquire the property. If our projections are inaccurate or we pay too much for a property, our return on our assets could suffer. We may abandon any of these activities after we begin to explore them and as a result we may lose deposits or fail to recover expenses already incurred. We may be unable to proceed with these activities because we cannot obtain financing on favorable terms or at all. We may be unable to obtain, or face delays in obtaining, required zoning, land-use, building, occupancy, and other governmental permits and authorizations, which could result in increased costs and could require us to abandon or substantially alter our plan for a project. We may incur construction costs for a development project that exceed our original estimates due to increased materials, labor, leasing or other costs, material shortages or supply chain delays, all of which are more likely in the current inflationary environment, or unanticipated technical difficulties, which could make completion of the project less profitable because market rents may not increase sufficiently to compensate for the increase in construction costs. We may even suspend development projects after construction has begun due to changes in economic conditions or other factors, and this may result in the write-off of costs, payment of additional costs or increases in overall costs when the development project is restarted. In addition, we will be subject to normal lease-up risks relating to newly constructed projects.

***We face significant competition.***

Our office portfolio competes with a number of developers, owners and operators of office real estate, many of which own properties similar to ours in the same markets in which our properties are located. If our competitors offer space at rental rates below current market rates, or below the rental rates we currently charge our tenants, we may lose existing or potential tenants and may not be able to replace them, and we may be pressured to reduce our rental rates below those we currently charge or to offer more substantial rent abatements, tenant improvements, early termination rights or below-market renewal options in order to retain tenants when our tenants' leases expire. As a result of any of the foregoing factors, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock may be materially adversely affected.

Our hotel property competes for guests primarily with other hotels in the immediate vicinity of our hotel and secondarily with other hotels in the geographic market of our hotel. An increase in the number of competitive hotels in these areas could have a material adverse effect on the occupancy, ADR and RevPAR of our hotel.

Our multifamily portfolio competes with numerous housing alternatives in attracting residents. These alternatives include other multifamily properties, condominiums, single-family homes, third-party providers of short-term rentals and serviced apartments that are available for rent or purchase.

***War and terrorism could harm our operating results.***

The strength and profitability of our business depends on demand for and the value of our properties. The conflict between Russia and Ukraine, and the resulting economic sanctions imposed by many countries on Russia, and conflicts in the Middle East have led to disruption, instability and volatility in global markets and industries and are expected to have a negative impact on the global economy. Disruption, instability, volatility and decline in global economic activity, whether caused by acts of war, other acts of aggression or terrorism, in each case regardless where it occurs, could in turn harm the demand for and the value of our properties.

In addition, the public perception that certain locations are at greater risk for attack, such as major airports, ports, and rail facilities, may decrease the demand for and the value of our properties near these sites. A decrease in demand could make it difficult for us to renew or re-lease our properties at these sites at lease rates equal to or above historical rates. Terrorist attacks could have an adverse impact on our business even if they are not directed at our properties.

Previous terrorist attacks and subsequent terrorist alerts have adversely affected the U.S. travel and hospitality industries since 2001, often disproportionately compared to the effect on the overall economy. The extent of the impact that actual or threatened terrorist attacks in the United States or elsewhere could have on domestic and international travel and our business in particular cannot be determined, but any such attacks or the threat of such attacks could have a material adverse effect on travel and hotel demand and our ability to finance our hospitality business.

In addition, the terrorist attacks of September 11, 2001 have substantially affected the availability and price of insurance coverage for certain types of damages or occurrences, and our insurance policies for terrorism include large deductibles and co-payments. Although we maintain terrorism insurance coverage on our portfolio, the amount of our terrorism insurance coverage may not be sufficient to cover losses inflicted by terrorism and therefore could expose us to significant losses and have a negative impact on our operations.

***In connection with the ownership and operation of real estate assets, we may be liable for costs and damages related to environmental matters.***

Environmental laws regulate, and impose liability for, releases of hazardous or toxic substances into the environment. Under some of these laws, an owner or operator of real estate may be liable for costs related to soil or groundwater contamination on or migrating to or from its property. In addition, persons who arrange for the disposal or treatment of hazardous or toxic substances may be liable for the costs of cleaning up contamination at the disposal site.

These laws often impose liability regardless of whether the person knew of, or was responsible for, the presence of the hazardous or toxic substances that caused the contamination. The presence of, or contamination resulting from, any of these substances, or the failure to properly remediate them, may adversely affect our ability to sell or rent our property or to borrow using the property as collateral. In addition, third parties exposed to hazardous or toxic substances may sue for personal injury damages and/or property damages. For example, some laws impose liability for release of or exposure to asbestos-containing materials. As a result, in connection with our former, current or future ownership, operation, and development of real estate assets we may be potentially liable for investigation and cleanup costs, penalties and damages under environmental laws.

Although many of our properties have been subjected to preliminary environmental assessments, known as Phase I assessments, by independent environmental consultants that identify certain liabilities, Phase I assessments are limited in scope, and may not include or identify all potential environmental liabilities or risks associated with a property. Unless required by applicable law, we may decide not to further investigate, remedy or ameliorate the liabilities disclosed in the Phase I assessments.

Further, these or other environmental studies may not identify all potential environmental liabilities or accurately assess whether we will incur material environmental liabilities in the future. If we do incur material environmental liabilities in the future, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock could be materially adversely affected.

***Our real estate business is subject to risks from climate change.***

Our real estate business is subject to risks associated with climate change. Climate change could trigger extreme weather and changes in precipitation, temperature, and air quality, all of which may result in physical damage to, or a decrease in demand for, our properties located in the areas affected by these conditions. Further, the assessment of the potential impact of climate change has impacted the activities of government authorities, the pattern of consumer behavior, and other areas that impact the business environment in the United States, including, but not limited to, energy-efficiency measures, water-use measures, and land-use practices. The promulgation of policies, laws or regulations relating to climate change by governmental authorities in the U.S. and the markets in which the Company owns real estate may require the Company to invest additional capital in our properties.

Most of our properties are located in California. To the extent that climate change impacts changes in weather patterns, our markets could experience increases in extreme weather. For example, many of our properties are located in areas that have been impacted by drought and, as such, face the risk of increased water costs and potential fines and/or penalties for high consumption. There can be no assurances that we will successfully mitigate the risk of increased water costs and potential fines and/or penalties for high consumption.

Climate change may also have indirect effects on our business by increasing the cost of, or decreasing the availability of, property insurance on terms we find acceptable or at all, or by increasing the cost of energy (or water, as described above). There can be no assurance that climate change will not have a material adverse effect on our financial condition or results of operations. In addition, due to divergent stakeholder views regarding climate change, we are at increased risk that any actual or perceived action, or lack thereof, by us in connection with the transition to a less carbon-dependent economy will be perceived negatively by some stakeholders and adversely affect our business and reputation.

***Compliance with the ADA and fire, safety and other regulations may require us to make unanticipated expenditures and/or increase our operating costs that could significantly reduce the cash available for distributions on our Preferred Stock or any renewed distributions on our Common Stock.***

Our properties are subject to regulation under federal laws, such as the ADA, pursuant to which all public accommodations must meet federal requirements related to access and use by disabled persons. Although we believe that our properties substantially comply with present requirements of the ADA, we have not conducted an audit or investigation of all of our properties to determine our compliance. If one or more of our properties or future properties are not in compliance with the

ADA, we might be required to take remedial action, which would require us to incur additional costs to bring the property into compliance. Noncompliance with the ADA could also result in imposition of fines or an award of damages to private litigants.

Additional federal, state and local laws also may require modifications to our properties or restrict our ability to renovate our properties. We cannot predict the ultimate amount of the cost of compliance with the ADA or other legislation.

In addition, our properties are subject to various federal, state and local regulatory requirements, such as state and local earthquake, fire and life safety requirements. Local regulations, including municipal or local ordinances, zoning restrictions and restrictive covenants imposed by community developers may restrict our use of our properties and may require us to obtain approval from local officials or community standards organizations at any time with respect to our properties, including prior to acquiring a property or when undertaking renovations of any of our existing properties. If we were to fail to comply with these various requirements, we might incur governmental fines or private damage awards. If we incur substantial costs to comply with the ADA or any other regulatory requirements, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock could be materially adversely affected.

Further, existing and future rent control or rent stabilization laws and regulations, along with similar laws and regulations that expand tenants' rights or impose additional costs on landlords, may reduce rental revenues or increase operating costs on our multifamily portfolio. Such laws and regulations limit our ability to charge market rents, increase rents, evict tenants or recover increases in our operating expenses and could reduce the value of our multifamily portfolio or make it more difficult for us to dispose of properties in certain circumstances. Expenses associated with our investment in our multifamily portfolio, such as debt service, real estate taxes, insurance and maintenance costs, are generally not reduced when circumstances cause a reduction in rental income from our multifamily portfolio. As a result, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock could be materially adversely affected.

***Inflation may adversely affect our real estate operations.***

Inflation may remain elevated in 2026 relative to historical levels. Inflation has caused and will likely continue to cause our construction costs, maintenances costs, operating and general and administrative expenses and interest expenses to rise, which in turn could materially adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock. See “We may be unable to sell a property if or when we decide to do so, including as a result of uncertain market conditions or high inflation,” “—Income from our long-term leases at our office properties is an important source of our cash flow from operations and is subject to risks related to increases in expenses and inflation,” “—We face risks associated with development, redevelopment, repositioning or construction of real estate projects,” “—High interest rates may make it difficult for us to finance or refinance assets, which could reduce the number of properties we can acquire and the amount of cash distributions we can make” and “—Supply chain disruption and increased costs in labor and materials may adversely affect our real estate operations.”

***Supply chain disruption and increased costs in labor and materials may adversely affect our real estate operations.***

The construction and building industry, similar to many other industries, has been experiencing worldwide supply chain disruptions due to a multitude of factors that are beyond our control, including, without limitation, the conflict between Russia and Ukraine and conflicts in the Middle East. Materials, parts and labor have also increased in cost over the past year or more, sometimes significantly and over a short period of time. This could impact our ability to timely deliver spaces to tenants or complete tenant buildout or complete redevelopment or development projects. In addition, we may incur costs in the process that exceeds our original estimates due to increased costs for materials or labor or other costs that are unexpected. All of these occurrences could affect our ability to achieve the expected value of a lease, redevelopment or development, thereby adversely affecting our profitability.

***Our participation in co-investments may subject us to risks that otherwise may not be present in other real estate assets.***

We have entered into, and expect to continue to enter into, co-investments with respect to a portion of the properties we acquire. Co-investments involve risks generally not otherwise present with an investment in other real estate assets, such as the following:

- the risk that a co-owner may at any time have economic or business interests or goals that are or become inconsistent with our business interests or goals;
- the risk that a co-owner may be in a position to take action contrary to our instructions or requests or contrary to our policies, objectives or status as a REIT;

- the possibility that an individual co-owner might become insolvent or bankrupt, or otherwise default under the applicable mortgage loan financing documents, which may constitute an event of default under all of the applicable mortgage loan financing documents, result in a foreclosure and the loss of all or a substantial portion of the investment made by the co-owner, or allow the bankruptcy court to reject the agreements entered into by the co-owners owning interests in the property;
- the possibility that a co-owner might not have adequate liquid assets to make cash advances that may be required in order to fund operations, maintenance and other expenses related to the property, which could result in the loss of current or prospective tenants and may otherwise adversely affect the operation and maintenance of the property, and could cause a default under the applicable mortgage loan financing documents and may result in late charges, penalties and interest, and may lead to the exercise of foreclosure and other remedies by the lender;
- the risk that a co-owner could breach agreements related to the property, which may cause a default under, and possibly result in personal liability in connection with, any mortgage loan financing documents applicable to the property or result in a foreclosure or otherwise adversely affect the property and the co-investment;
- the risk that we could have limited control and rights, with management decisions made entirely by a third party; and
- the possibility that we will not have the right to sell the property at a time that otherwise could result in the property being sold for its maximum value.

In the event that our interests become adverse to those of the other co-owners, we may not have the contractual right to purchase the co-investment interests from the other co-owners. Even if we are given the opportunity to purchase such co-investment interests in the future, we cannot guarantee that we will have sufficient funds available at the time to purchase co-investment interests from the co-owners.

We might want to sell our co-investment interests in a given property or other investment at a time when the other co-owners in such property or investment do not desire to sell their interests. Therefore, because we anticipate that it will be much more difficult to find a willing buyer for our co-investment interests in an investment than it would be to find a buyer for a property we owned outright, we may not be able to sell our co-investment interest in a property at the time we would like to sell.

***Our manager faces conflicts of interest relating to joint ventures or other co-investment arrangements that we may enter into with CIM or its affiliates, which could result in a disproportionate benefit to CIM or its affiliates.***

We have entered and expect to continue to enter into joint ventures or co-investments (including co-investment transactions) with CIM, its affiliates or vehicles managed or operated by CIM for the acquisition, development or redevelopment of real estate-related assets. Since personnel of CIM involved in managing and operating our business are also involved in the business and operations of CIM, its affiliates and other vehicles managed or operated by CIM, CIM may face conflicts of interest in determining which real estate program should enter into any particular joint venture or co-investment. These persons also may have a conflict in structuring the terms of the relationship between us and any affiliated co-venturer or co-owner, as well as conflicts of interest in managing the joint venture, which may result in the co-venturer or co-owner receiving benefits greater than the benefits that we receive.

In the event we enter into joint ventures or other co-investments with CIM, its affiliates or vehicles managed or operated by CIM, the Administrator may have a conflict of interest when determining when and whether to buy or sell a particular property, or to make or dispose of another real estate-related asset. In the event we enter into a joint venture or other co-investments with CIM, its affiliates or vehicles managed or operated by CIM that has a term shorter than ours, the joint venture may be required to sell its properties earlier than we may desire to sell the properties. Even if the terms of any joint venture or other co-investments between us and CIM, its affiliates or vehicles operated or managed by CIM grant us the right of first refusal to buy such properties, we may not have sufficient funds or borrowing capacity to exercise our right of first refusal under these circumstances.

#### **Risks Related to Debt Financing**

***We have incurred significant indebtedness and may incur significant additional indebtedness on a consolidated basis.***

We have incurred significant indebtedness and may incur significant additional indebtedness to fund future acquisitions, development activities and operational needs. The degree of leverage could make us more vulnerable to a downturn in business or the economy generally.

Payments of principal and interest on our borrowings may leave us with insufficient cash resources to operate our properties and/or pay distributions on our Preferred Stock or any renewed distributions on our Common Stock. The incurrence

of substantial outstanding indebtedness, and the limitations imposed by our debt agreements, could have significant other adverse consequences, including the following:

- our cash flows may be insufficient to meet our required principal and interest payments;
- we may be unable to borrow additional funds as needed or on favorable terms, which could, among other things, adversely affect our liquidity for acquisitions or operations;
- we may be unable to refinance our indebtedness at maturity or the refinancing terms may be less favorable than the terms of our existing indebtedness;
- we may be forced to dispose of one or more of our properties, possibly on disadvantageous terms;
- we may violate restrictive covenants in our debt documents, which would entitle the lenders to accelerate our debt obligations;
- we may default on our obligations and the lenders or mortgagees may foreclose on our properties and take possession of any collateral that secures their loans; and
- our default under any of our indebtedness with cross-default provisions could result in a default on other indebtedness.

If any one of these events occurs, our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock may be materially adversely affected. In addition, any foreclosure on our properties could create taxable income without the accompanying cash proceeds, which could adversely affect our ability to meet the REIT distribution requirements imposed by the Internal Revenue Code of 1986, as amended (the “Code”).

***We intend to rely in part on external sources of capital to fund future capital needs and, if we encounter difficulty in obtaining such capital, we may not be able to meet maturing obligations or make additional acquisitions.***

In order to qualify and maintain our qualification as a REIT under the Code, we are required, among other things, to distribute annually to our stockholders at least 90% of our REIT taxable income (which does not equal net income as calculated in accordance with GAAP), determined without regard to the deduction for dividends paid and excluding any net capital gain. Because of this dividend requirement, we may not be able to fund from cash retained from operations all of our future capital needs, including capital needed to refinance maturing obligations or make new acquisitions.

The capital and credit markets have experienced volatility and disruption as a result of the sharp rise in interest rates as a result of the Federal Reserve’s attempt to combat inflation. We believe that such volatility and disruption are likely to continue into the foreseeable future. Market volatility and disruption could hinder our ability to obtain new debt financing or refinance our maturing debt on favorable terms or at all or to raise debt and equity capital. Our access to capital will depend upon a number of factors, including:

- general market conditions;
- government action or regulation, including changes in tax law;
- the market’s perception of our future growth potential;
- the extent of stockholder interest;
- analyst reports about us and the REIT industry;
- the general reputation of REITs and the attractiveness of their equity securities in comparison to other equity securities, including securities issued by other real estate-based companies;
- our financial performance and that of our tenants;
- our current debt levels;
- our current and expected future earnings; and
- our cash flow and cash distributions, including our ability to satisfy the dividend requirements applicable to REITs.

If we are unable to obtain needed capital on satisfactory terms or at all, we may not be able to meet our obligations and commitments as they mature or make any new acquisitions.

***High interest rates may make it difficult for us to finance or refinance assets, which could reduce the number of properties we can acquire and the amount of cash distributions we can make.***

Interest rates may remain elevated in 2026 relative to historical levels. If interest rates remain elevated, we run the risk of being unable to finance or refinance our assets on favorable terms or at all. If interest rates are high when we desire to

mortgage our assets or when existing loans come due and the assets need to be refinanced, we may not be able to, or may choose not to, finance the assets and we would be required to use cash to purchase or repay outstanding obligations. Our inability to use debt to finance or refinance our assets could reduce the number of assets we can acquire, which could reduce our operating cash flow and the amount of cash distributions we can make on our Common Stock or Preferred Stock. Higher costs of capital also could negatively impact our operating cash flow and returns on our assets.

***Increases in interest rates could increase the amount of our debt payments and adversely affect our ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock.***

We have incurred indebtedness, and in the future may incur additional indebtedness, that bears interest at a variable rate. A continued high interest rate environment, which is the economic environment that the Company expects to face in 2026, will result in increases in the variable rate component of our indebtedness. As of December 31, 2025, \$27.1 million was outstanding under our junior subordinated notes and \$36.6 million in aggregate was outstanding on two mortgage loans, all of which bears interest at a variable rate. We have not hedged our interest rate with respect to this variable rate indebtedness. As a result, increases in interest rates will increase the amounts payable under such indebtedness, which will reduce our operating cash flows and could materially adversely affect our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock. In addition, if our existing indebtedness matures or otherwise becomes payable during a period of rising interest rates, we could be required to liquidate one or more of our assets at times that may prevent realization of the maximum return on such assets.

***We may not be able to generate sufficient cash flow to meet our debt service obligations.***

Our ability to make payments on and to refinance our indebtedness, and to fund our operations, working capital and capital expenditures, depends on our ability to generate cash. To a certain extent, our cash flow is subject to general economic, industry, financial, competitive, operating, legislative, regulatory and other factors, many of which are beyond our control.

We cannot assure our stockholders that our business will generate sufficient cash flow from operations or that future sources of cash will be available to us in an amount sufficient to enable us to pay amounts due on our indebtedness or to fund our other liquidity needs.

Additionally, if we incur additional indebtedness in connection with any future deployment of capital or development projects or for any other purpose, our debt service obligations could increase. We may need to refinance all or a portion of our indebtedness before maturity. Our ability to refinance our indebtedness or obtain additional financing will depend on, among other things:

- our financial condition and market conditions at the time;
- restrictions in the agreements governing our indebtedness;
- general economic and capital market conditions;
- the availability of credit from banks or other lenders; and
- our results of operations.

As a result, we may not be able to refinance our indebtedness on commercially reasonable terms, or at all. If we do not generate sufficient cash flow from operations, and additional borrowings or refinancing or proceeds of asset sales or other sources of cash are not available to us, we may not have sufficient cash to enable us to meet all of our obligations. Accordingly, if we cannot service our indebtedness, we may have to take actions such as seeking additional equity, or delaying any strategic acquisitions and alliances or capital expenditures, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Lenders may require us to enter into restrictive covenants relating to our operations, which could limit our ability to make distributions on our Preferred Stock or any renewed distributions on our Common Stock.***

In connection with providing us financing, a lender could impose restrictions on us that affect our distribution and operating policies and our ability to incur additional debt. Loan documents we enter into may contain covenants that limit our ability to further mortgage the property or discontinue insurance coverage. These or other limitations imposed by a lender may adversely affect our flexibility and limit our ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***Interest-only indebtedness may increase our risk of default and ultimately may reduce our funds available for distribution on our Preferred Stock or any renewed distributions on our Common Stock.***

We may finance some of our property acquisitions using interest-only mortgage indebtedness. During the interest-only period, the amount of each scheduled payment will be less than that of a traditional amortizing mortgage loan. The principal balance of the mortgage loan will not be reduced (except in the case of prepayments) because there are no scheduled monthly payments of principal during this period. After the interest-only period, we will be required either to make scheduled payments of amortized principal and interest or to make a lump-sum or “balloon” payment at maturity. These required payments will increase the amount of our scheduled payments and may increase our risk of default under the related mortgage loan. If the mortgage loan has an adjustable interest rate, the amount of our scheduled payments also may increase at a time of rising interest rates. Increased payments and substantial principal or balloon payments will reduce the funds available for distributions on our Preferred Stock or any renewed distributions on our Common Stock because cash otherwise available for distribution will be required to pay principal and interest associated with these mortgage loans.

Our ability to make a balloon payment at maturity is uncertain and may depend upon our ability to obtain additional financing or our ability to sell the property. At the time the balloon payment is due, we may or may not be able to refinance the loan on terms as favorable as the original loan or sell the property at a price sufficient to make the balloon payment. The effect of a refinancing or sale could affect the rate of return to stockholders and the projected time of disposition of our assets. In addition, payments of principal and interest made to service our debts may leave us with insufficient cash to pay the distributions that we are required to pay to maintain our qualification as a REIT. Any of these results would have a significant, negative impact on the value of our securities.

***We may in the future enter into hedging transactions that could expose us to contingent liabilities in the future and materially adversely impact our financial condition and results of operations.***

Subject to maintaining our qualification as a REIT, we may in the future enter into hedging transactions that could require us to fund cash payments in certain circumstances (e.g., the early termination of the hedging instrument caused by an event of default or other early termination event, or the decision by a counterparty to request margin securities it is contractually owed under the terms of the hedging instrument), which could in turn result in economic losses to us.

In addition, certain of the hedging instruments that we may enter into could involve additional risks if they are not traded on regulated exchanges, guaranteed by an exchange or our clearing house, or regulated by any U.S. or foreign governmental authorities. It cannot be assured that a liquid secondary market will exist for hedging instruments that we may enter into in the future, and we may be required to maintain a position until exercise or expiration, which could result in significant losses.

We intend to record any derivative and hedging transactions we enter into in accordance with GAAP. However, we may choose not to pursue, or fail to qualify for, hedge accounting treatment relating to such derivative instruments. As a result, our operating results may suffer because losses, if any, on these derivative instruments may not be offset by a change in the fair value of the related hedged transaction or item. Any losses sustained as a result of our hedging transactions would be reflected in our results of operations, and our ability to fund these obligations will depend on the liquidity of our assets and access to capital at the time, and the need to fund these obligations could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

#### **U.S. Federal Income and Other Tax Risks**

***Failure to qualify and maintain our qualification as a REIT would have significant adverse consequences to us and the value of our securities.***

We believe that we are organized and qualify as a REIT and intend to operate in a manner that will allow us to continue to qualify as a REIT. However, we cannot guarantee that we are qualified as such, or that we will remain qualified as such in the future. This is because qualification as a REIT involves the application of highly technical and complex provisions of the Code as to which there are only limited judicial and administrative interpretations and involves the determination of facts and circumstances not entirely within our control. Future legislation, new regulations, administrative interpretations or court decisions may significantly change the tax laws or the application of the tax laws with respect to qualification as a REIT for federal income tax purposes or the federal income tax consequences of such qualification.

If we fail to qualify as a REIT, we could face serious tax consequences that could substantially reduce our funds available for payment of distributions on our Preferred Stock or any renewed distributions on our Common Stock for each of the years involved because:

- we would not be allowed a deduction for dividends paid to stockholders in computing our taxable income and would be subject to federal income tax at regular corporate rates;
- we also could be subject to increased state and local taxes; and
- unless we are entitled to relief under statutory provisions, we could not elect to be subject to be taxed as a REIT for four taxable years following the year during which we are disqualified.

Any such corporate tax liability could be substantial and would reduce our cash available for, among other things, our operations and distributions on our Preferred Stock or any renewed distributions on our Common Stock. As a result of these factors, our failure to qualify as a REIT could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock. If we fail to qualify as a REIT for federal income tax purposes and are able to avail ourselves of one or more of the relief provisions under the Code in order to maintain our REIT status, we might nevertheless be required to pay certain penalty taxes for each such failure.

***Dividends payable by REITs do not qualify for the reduced tax rates available for some dividends.***

Income from “qualified dividends” payable to U.S. stockholders that are individuals, trusts and estates are generally subject to tax at preferential rates. Dividends payable by REITs, however, generally are not eligible for the preferential tax rates applicable to qualified dividend income. Although these rules do not adversely affect the taxation of REITs or dividends payable by REITs, to the extent that the preferential rates continue to apply to regular corporate qualified dividends, investors that are individuals, trusts and estates may perceive investments in REITs to be relatively less attractive than investments in the stocks of non-REIT corporations that pay dividends, which could materially and adversely affect the value of the shares of REITs, including the per share trading price of our securities. However, for taxable years beginning before January 1, 2026, non-corporate U.S. stockholders of REITs may deduct up to 20% of any “qualified REIT dividends.” A qualified REIT dividend is defined as any dividend from a REIT that is not a capital gain dividend or a dividend attributable to dividend income from U.S. corporations or certain non-U.S. corporations. A non-corporate U.S. stockholder’s ability to claim a deduction equal to 20% of qualified REIT dividends received may be limited by the stockholder’s particular circumstances.

***Our ownership of and relationship with our taxable REIT subsidiaries will be limited, and a failure to comply with the limits would jeopardize our REIT status and may result in the application of a 100% excise tax.***

Subject to certain restrictions, a REIT may own up to 100% of the stock of one or more taxable REIT subsidiaries (“TRSs”). A TRS may hold assets and earn income that would not be qualifying assets or income if held or earned directly by the REIT. Both the subsidiary and the REIT must jointly elect to treat the subsidiary as a TRS. A corporation of which a TRS directly or indirectly owns more than 35% of the voting power or value of the stock will automatically be treated as a TRS. Overall, no more than 20% of the value of a REIT’s assets may consist of stock or securities of one or more TRSs. A TRS generally will pay income tax at regular corporate rates on any taxable income that it earns. In addition, the TRS rules limit the deductibility of interest paid or accrued by a TRS to its parent REIT to assure that the TRS is subject to an appropriate level of corporate taxation. The rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm’s-length basis.

Our TRSs are subject to normal corporate income taxes. We continuously monitor the value of our investments in TRSs for the purpose of ensuring compliance with the rule that no more than 20% of the value of our assets may consist of TRS stock and securities (which is applied at the end of each calendar quarter). The aggregate value of our TRS stock and securities was less than 20% of the value of our total assets (including our TRS stock and securities) as of December 31, 2025. In addition, we scrutinize all of our transactions with our TRSs for the purpose of ensuring that they are entered into on arm’s-length terms in order to avoid incurring the 100% excise tax described above. There are no distribution requirements applicable to the TRSs and after-tax earnings may be retained. There can be no assurance, however, that we will be able to comply with the 20% limitation on ownership of TRS stock and securities on an ongoing basis so as to maintain REIT status or to avoid application of the 100% excise tax imposed on certain non-arm’s-length transactions.

***We may be subject to adverse legislative or regulatory tax changes that could increase our tax liability or reduce our operating flexibility.***

In recent years, numerous legislative, judicial and administrative changes have been made in the provisions of U.S. federal income tax laws applicable to investments similar to an investment in shares of our capital stock. Additional changes to the tax laws are likely to continue to occur, and we cannot assure our stockholders that any such changes will not adversely affect our taxation and our ability to continue to qualify as a REIT or the taxation of a stockholder. Any such changes could have an adverse effect on an investment in our shares or on the market value or the resale potential of our assets. Our stockholders are urged to consult with their tax advisors with respect to the impact of recent legislation on their investment in

our shares and the status of legislative, regulatory or administrative developments and proposals and their potential effect on an investment in our shares or on our ability to continue to qualify as a REIT. Even changes that do not impose greater taxes on us could potentially result in adverse consequences to our stockholders. Although REITs generally receive better tax treatment than entities taxed as regular corporations, it is possible that future legislation (such as a decrease in corporate tax rates) would result in a REIT having fewer tax advantages, and it could decrease the attractiveness of the REIT structure relative to companies that are not organized as REITs. As a result, our charter provides our Board of Directors with the power, under certain circumstances, to revoke or otherwise terminate our REIT election and cause us to be taxed as a regular corporation, without the vote of our stockholders. Our Board of Directors has fiduciary duties to us and our stockholders and could only cause such changes in our tax treatment if it determines in good faith that such changes are in the best interests of our stockholders.

***In certain circumstances, we may be subject to certain federal, state and local taxes as a REIT, which would reduce our cash available for distribution on our Preferred Stock or any renewed distributions on our Common Stock.***

Even if we qualify and maintain our status as a REIT, we may be subject to certain federal, state and local taxes. For example, net income from the sale of properties that are “dealer” properties sold by a REIT (a “prohibited transaction” under the Code) will be subject to a 100% excise tax, and some state and local jurisdictions may tax some or all of our income because not all states and localities treat REITs the same as they are treated for federal income tax purposes. Any federal, state or local taxes we pay will reduce our cash available for distribution on our Preferred Stock or any renewed distributions on our Common Stock. Moreover, as discussed above, our TRSs are generally subject to corporate income taxes and excise taxes in certain cases. Additionally, if we are not able to make sufficient distributions to eliminate our REIT taxable income, we may be subject to tax as a corporation on our undistributed REIT taxable income. We may also decide to retain income we earn from the sale or other dispositions of our properties and pay income tax directly on such income. In that event, our stockholders would be treated as if they earned that income and paid the tax on it directly. However, stockholders that are tax-exempt, such as charities or qualified pension plans, would have no benefit from their deemed payment of such tax liability.

***REIT annual distribution requirements may force us to forgo otherwise attractive opportunities or borrow funds during unfavorable market conditions. This could delay or hinder our ability to meet our objectives and reduce our stockholders’ overall return.***

In order to qualify as a REIT, we must distribute annually to our stockholders at least 90% of our REIT taxable income (which does not equal net income as calculated in accordance with GAAP), determined without regard to the deduction for dividends paid and excluding any net capital gain. We will be subject to U.S. federal income tax on our undistributed taxable income and net capital gain and to a 4% nondeductible excise tax on any amount by which dividends we pay with respect to any calendar year are less than the sum of (i) 85% of our ordinary income, (ii) 95% of our capital gain net income and (iii) 100% of our undistributed income from prior years.

Further, to maintain our qualification as a REIT, we must ensure that we meet the REIT gross income tests annually and that at the end of each calendar quarter, at least 75% of the value of our assets consists of cash, cash items, government securities and qualified REIT real estate assets, including certain mortgage loans and certain kinds of mortgage-related securities. The remainder of our investment in securities (other than government securities, qualified real estate assets and stock of a TRS) generally cannot include more than 10% of the outstanding voting securities of any one issuer or more than 10% of the total value of the outstanding securities of any one issuer. In addition, in general, no more than 5% of the value of our assets (other than government securities, qualified real estate assets and stock of a TRS) can consist of the securities of any one issuer, no more than 20% of the value of our total assets can be represented by securities of one or more TRSs and no more than 25% of the value of our total assets can be represented by certain debt securities of publicly offered REITs. If we fail to comply with these requirements at the end of any calendar quarter, we must correct the failure within 30 days after the end of the calendar quarter or qualify for certain statutory relief provisions to avoid losing our REIT qualification and suffering adverse tax consequences.

The foregoing requirements could cause us to distribute amounts that otherwise would be spent on deploying capital in real estate assets and it is possible that we might be required to borrow funds, possibly at unfavorable rates, or sell assets to fund these dividends or make taxable stock dividends. Although we intend to make distributions sufficient to meet the annual distribution requirements and to avoid U.S. federal income and excise taxes on our earnings, it is possible that we might not always be able to do so.

***Non-U.S. stockholders may be subject to U.S. federal withholding tax and may be subject to U.S. federal income tax upon the disposition of our shares.***

Gain recognized by a non-U.S. stockholder upon the sale or exchange of shares of our capital stock generally will not be subject to U.S. federal income taxation unless such stock constitutes a “U.S. real property interest” (“USRPI”) under the

Foreign Investment in Real Property Tax Act of 1980 (“FIRPTA”). Shares of our capital stock will not constitute a USRPI so long as we are a “domestically-controlled qualified investment entity.” A domestically-controlled qualified investment entity includes a REIT if at all times during a specified testing period, less than 50% in value of such REIT’s stock is held directly or indirectly by non-U.S. stockholders. We believe that we are a domestically-controlled qualified investment entity. However, because our capital stock is and will be freely transferable (other than restrictions on ownership and transfer that are intended to, among other purposes, assist us in maintaining our qualification as a REIT for federal income tax purposes as described in the risk factor “The share transfer and ownership restrictions applicable to REITs and contained in our charter may inhibit market activity in our shares of stock and restrict our business combination opportunities”), no assurance can be given that we are or will be a domestically-controlled qualified investment entity.

Even if we do not qualify as a domestically-controlled qualified investment entity at the time a non-U.S. stockholder sells or exchanges shares of our capital stock, gain arising from such a sale or exchange would not be subject to U.S. taxation under FIRPTA as a sale of a USRPI if: (i) the class of shares of capital stock sold or exchanged is “regularly traded,” as defined by applicable U.S. Treasury regulations, on an established securities market, and (ii) such non-U.S. stockholder owned, actually or constructively, 10% or less of the outstanding shares of such class of capital stock at all times during the shorter of the five-year period ending on the date of the sale and the period that such non-U.S. stockholder owned such shares. If the class of shares of capital stock sold or exchanged is not “regularly traded,” gain arising from such sale or exchange would not be subject to U.S. taxation under FIRPTA as a sale of a USRPI if: (A) on the date the shares were acquired by the non-U.S. stockholder, such shares did not have a fair market value greater than the fair market value on that date of 5% of the “regularly traded” class of our outstanding shares of capital stock with the lowest fair market value, and (B) the test in clause (A) is also satisfied as of the date of any subsequent acquisition by such non-U.S. stockholder of additional shares of the same non-“regularly traded” class of our capital stock, including all such shares owned as of such date by such non-U.S. stockholder. Complex constructive ownership rules apply for purposes of determining the amount of shares held by a non-U.S. stockholder for these purposes.

***Complying with REIT requirements may limit our ability to hedge our liabilities effectively and may cause us to incur tax liabilities.***

The REIT provisions of the Code may limit our ability to hedge our liabilities. Any income from a hedging transaction we enter into to manage risk of interest rate changes, price changes or currency fluctuations with respect to borrowings made or to be made to acquire or carry real estate assets or to offset certain other positions, if properly identified under applicable U.S. Treasury regulations, does not constitute “gross income” for purposes of the 75% or 95% gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions will likely be treated as non-qualifying income for purposes of one or both of the gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through a TRS. This could increase the cost of our hedging activities because our TRSs would be subject to tax on gains or expose us to greater risks associated with changes in interest rates than we would otherwise want to bear. In addition, losses in a TRS generally will not provide any tax benefit, except for being carried forward against future taxable income of such TRS.

***Our property taxes could increase due to property tax rate changes or reassessment, which would impact our cash flows.***

We will be required to pay some state and local taxes on our properties. The real property taxes on our properties may increase as property tax rates change or as our properties are assessed or reassessed by taxing authorities. Therefore, the amount of property taxes we pay in the future may increase substantially. If the property taxes we pay increase and if any such increase is not reimbursable under the terms of our lease, then our cash flows will be impacted, which in turn could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

***REIT stockholders can receive taxable income without cash distributions.***

Under certain circumstances, REITs are permitted to pay required dividends in shares of their stock rather than in cash. If we were to avail ourselves of that option, our stockholders could be required to pay taxes on such stock distributions without the benefit of cash distributions to pay the resulting taxes.

***The share transfer and ownership restrictions applicable to REITs and contained in our charter may inhibit market activity in our shares of stock and restrict our business combination opportunities.***

In order to continue to qualify as a REIT, five or fewer individuals, as defined in the Code, may not own, actually or constructively, more than 50% in value of our issued and outstanding shares of stock at any time during the last half of each taxable year, other than the first year for which a REIT election is made. Attribution rules in the Code determine if any individual or entity actually or constructively owns our shares of stock under this requirement. Additionally, at least 100 persons must beneficially own our shares of stock during at least 335 days of a taxable year for each taxable year, other than the

first year for which a REIT election is made. To help ensure that we meet these tests, among other purposes, our charter restricts the acquisition and ownership of our shares of stock.

Our charter, with certain exceptions, authorizes our directors to take such actions as are necessary and advisable to preserve our qualification as a REIT. Unless exempted by the Board of Directors, for as long as we continue to qualify as a REIT, our charter prohibits, among other limitations on ownership and transfer of shares of our stock, any person from beneficially or constructively owning (applying certain attribution rules under the Code) more than 6.25% (in value or in number of shares, whichever is more restrictive) of the aggregate of our outstanding shares of capital stock and more than 6.25% (in value or in number of shares, whichever is more restrictive) of our Common Stock. The Board of Directors, in its sole discretion and upon receipt of certain representations and undertakings, may exempt a person (prospectively or retrospectively) from the ownership limits. However, the Board of Directors may not, among other limitations, grant an exemption from these ownership restrictions to any proposed transferee whose ownership, direct or indirect, in excess of the 6.25% ownership limit would result in the termination of our qualification as a REIT. These restrictions on transfer and ownership will not apply, however, if the Board of Directors determines that it is no longer in our best interest to continue to qualify as a REIT or that compliance with the restrictions is no longer required in order for us to continue to so qualify as a REIT.

These ownership limits could delay or prevent a transaction or a change in control that might involve a premium price for our capital stock or otherwise be in the best interest of our stockholders.

### **Risks Related to Our Common Stock and Preferred Stock**

***There is no public market for our Preferred Stock, and we do not expect any such market to develop.***

There is no public market for our Preferred Stock, and we currently have no plan to list any of these securities on a securities exchange or to include any of these shares for quotation on any national securities market. Additionally, our charter contains restrictions on the ownership and transfer of our securities, and these restrictions may inhibit your ability to sell our Preferred Stock promptly or at all. If you are able to sell shares of our Preferred Stock, you may only be able to sell them at a substantial discount from the price you paid. Therefore, you should purchase our Preferred Stock only as a long term investment.

***None of our Preferred Stock has been rated.***

We have not obtained, and currently do not intend to obtain, a rating for the Series A1 Preferred Stock, Series A Preferred Stock or Series D Preferred Stock, and it is likely that none of such Preferred Stock will ever be rated. No assurance can be given, however, that one or more rating agencies will not independently determine to issue such a rating or that we will not elect in the future to obtain such a rating. Such a rating, if issued, may adversely affect the market price and/or liquidity of our Preferred Stock. Ratings only reflect the views of the rating agency or agencies issuing the ratings and such ratings could be revised downward, placed on negative outlook or withdrawn entirely at the discretion of the issuing rating agency if, in its judgment, circumstances so warrant. While ratings do not reflect market prices or the suitability of a security for a particular investor, such downward revision or withdrawal of a rating could have an adverse effect on the market price and/or liquidity of our Preferred Stock.

***We may issue shares of our Common Stock at prices below the then-current NAV per share of our Common Stock, which could materially reduce our NAV per share of our Common Stock.***

Any sale or other issuance of shares of our Common Stock by us at a price below the then-current NAV per share will result in an immediate reduction of our NAV per share. This reduction would occur as a result of a proportionately greater decrease in a stockholder's interest in our earnings and assets than the increase in our assets resulting from such issuance. For example, if we issue a number of shares of Common Stock equal to 5% of our then-outstanding shares at a 2% discount from NAV, a holder of our Common Stock who does not participate in that offering to the extent of its proportionate interest in the Company will suffer NAV dilution of up to 0.1%, or \$1 per \$1,000 of NAV. Currently, the trading price of our Common Stock is substantially below our NAV.

***Changes in market conditions could adversely affect the market prices of our Common Stock.***

The market value of our Common Stock, as with other publicly traded equity securities, will depend on various market conditions, which may change from time to time. In addition to the economic environment and future volatility in the securities and credit markets in general, the market conditions described in the risk factor "We intend to rely in part on external sources of capital to fund future capital needs and, if we encounter difficulty in obtaining such capital, we may not be able to meet maturing obligations or make additional acquisitions" may affect the value of our Common Stock.

The market value of our Common Stock is based, among other things, upon the market's perception of our growth potential and our current and potential future earnings and cash dividends and our capital structure. Consequently, our Common Stock may trade at prices that are higher or lower than our NAV per share of Common Stock. If our future earnings or cash distributions are less than expected, the market prices of our Common Stock could decline.

Interest rates may remain elevated in 2026 relative to historical levels, which may result in a decline in the market price of our Common Stock. We believe that one of the factors that will influence the market price of our Common Stock will be the distribution yield on the Common Stock (as a percentage of the market price of our Common Stock) relative to market interest rates. We have not paid dividends on our Common Stock since 2024, and we cannot predict with certainty if or when we may be able to resume paying such dividends on our Common Stock.

A high interest rate environment may lead potential purchasers of our Common Stock to seek a higher annual dividend rate from other investments. Potential purchasers of our Common Stock may expect a higher distribution rate on their investment. Higher market interest rates would not, however, result in more funds for us to pay distributions and, to the contrary, would likely increase our borrowing costs and potentially decrease funds available for distributions. Thus, higher market interest rates could cause the market price of our Common Stock to decline.

***Our Common Stock ranks, with respect to dividends, junior to our Preferred Stock.***

The rights of the holders of shares of our Common Stock to receive dividends rank junior to those of the holders of shares of our Preferred Stock.

Unless full cumulative dividends on shares of our Preferred Stock for all past dividend periods have been declared and paid (or set apart for payment), we will not declare or pay dividends with respect to any shares of our Common Stock for any period.

***Our Common Stock ranks, with respect to rights upon liquidation, dissolution or winding-up of the Company, junior to our Preferred Stock.***

Upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company, the holders of shares of Preferred Stock are entitled to receive a liquidation preference equal to the applicable stated values of such shares, plus all accrued but unpaid dividends on such shares, prior and in preference to any distribution on our Common Stock. The stated value of the Series A Preferred Stock is \$25.00 per share, subject to adjustment (the "Series A Preferred Stock Stated Value"), the stated value of the Series A1 Preferred Stock is \$25.00 per share, subject to adjustment (the "Series A1 Preferred Stock Stated Value") and the stated value of the Series D Preferred Stock is \$25.00 per share, subject to adjustment (the "Series D Preferred Stock Stated Value").

***The redemption price of shares of Preferred Stock may be paid, in our sole discretion in cash or in shares of Common Stock, which ranks junior to our Preferred Stock.***

We have the right, at our option and in our sole discretion, to pay the redemption price of shares of Preferred Stock, whether redeemed at our option or at the option of a holder, in cash or in shares of Common Stock. The redemption price of shares of our Preferred Stock may be paid, in our sole discretion, in cash in U.S. dollars ("USD") or in equal value through the issuance of shares of Common Stock, based on the volume-weighted average price of our Common Stock for the 20 trading days prior to the redemption. On or about March 16, 2026, the Company expects to redeem approximately 1,957,023 shares of Series A Preferred Stock, approximately 7,767,609 shares of Series A1 Preferred Stock and approximately 21,760 shares of Series D Preferred Stock (collectively "Preferred Stock") in shares of Common Stock (the "March 2026 Redemption"). Other than the March 2026 Redemption, the company does not currently intend to redeem, at the Company's election, additional Preferred Stock in shares of Common Stock. However, the Company will evaluate redemption requests submitted by holders of its shares of Preferred Stock at the time it receives them and may elect to redeem those Preferred Shares in Common Stock or cash, at the Company's discretion.

The rights of the holders of shares of our Common Stock as to distributions rank junior to the rights of the holders of shares of our Preferred Stock. Unless full cumulative dividends on shares of our Preferred Stock for all past dividend periods have been declared and paid (or set apart for payment), we will not declare or pay dividends with respect to any shares of our Common Stock for any period.

The rights of the holders of shares of our Common Stock upon any voluntary or involuntary liquidation, dissolution or winding-up of the Company also rank junior to the rights of the holders of our Preferred Stock.

***We have the option to redeem shares of Preferred Stock under certain circumstances without the consent of their holders.***

From and after the fifth anniversary of the date of original issuance of any share of our Series A Preferred Stock and Series D Preferred Stock and from and after the second anniversary of the date of original issuance of any share of our Series A1 Preferred Stock, we have the right (but not the obligation) to redeem such share at a redemption price equal to 100% of the stated value of such share, plus any accrued but unpaid dividends in respect of such share as of the effective date of the redemption.

***We may suffer from delays in deploying capital, which could adversely affect our ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock and the value of our securities.***

We could suffer from delays in deploying capital, particularly if the capital we raise (including in our current equity offering described in “Item 7—Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital Resources—Sources and Uses of Funds”) outpaces our Operator’s ability to identify acquisitions and/or close on them. Such delays, which may be caused by a number of factors, including competition in the market for the same real estate opportunities, may adversely affect our ability to pay distributions on our Preferred Stock or any renewed distributions on our Common Stock and/or the value of their overall returns on investment in our securities.

***The cash distributions received by holders of our Preferred Stock and Common Stock may be less frequent or lower in amount than expected by such holders or not occur at all.***

Our Board of Directors will determine the amount and timing of distributions on our Preferred Stock and Common Stock. In making this determination, our Board of Directors will consider all relevant factors, including the amount of cash resources available for distributions, capital spending plans, cash flow, financial position, applicable requirements of the MGCL and any applicable contractual restrictions. We cannot assure you that we will be able to consistently generate sufficient available cash flow to fund distributions on our Preferred Stock and Common Stock, nor can we assure you that sufficient cash will be available to make distributions on our Preferred Stock or any renewed distributions on our Common Stock. While holders of Preferred Stock are entitled to receive, if, as and when authorized by our Board of Directors and declared by us out of legally available funds, cumulative cash dividends on each share of Preferred Stock at a specified rate, we cannot predict with certainty the timing of the payment of such distributions and we may be unable to pay or maintain such distributions over time. In addition, we have not paid dividends on our Common Stock since 2024, and we cannot predict with certainty if or when we may be able to resume paying such dividends on our Common Stock.

***Our ability to redeem shares of our Preferred Stock, or to pay distributions on our Preferred Stock and Common Stock, may be limited by Maryland law.***

Under applicable Maryland law, a corporation may redeem, or pay distributions on, stock as long as, after giving effect to the redemption or distribution, the corporation is able to pay its debts as they become due in the usual course (the equity solvency test) and its total assets exceed the sum of its total liabilities plus, unless its charter permits otherwise, the amount that would be needed, if the corporation were to be dissolved at the time of the redemption or distribution, to satisfy the preferential rights upon dissolution of stockholders when preferential rights on dissolution are superior to those whose stock is being redeemed or on which the distributions are being paid (the balance sheet solvency test). If the Company is insolvent at any time we are required to redeem any shares of our Preferred Stock, or at any time we are required to make a distribution on our Preferred Stock or Common Stock, the Company may not be able to effect such redemption or distribution.

***Holders of our securities are subject to inflation risk.***

Inflation is the reduction in the purchasing power of money resulting from the increase in the price of goods and services. Inflation risk is the risk that the inflation-adjusted, or “real,” value of an investment in our Common Stock and Preferred Stock, or the income from that investment, will be worth less in the future. As discussed under “Inflation may adversely affect our Real Estate Operations,” the United States is currently experiencing an elevated level of inflation. As inflation occurs, the real value of our Common Stock and Preferred Stock and distributions payable on such shares may decline because the rate of distribution will remain the same (with respect to our Preferred Stock) or, in the event we were to renew dividends on our Common Stock, may not rise with the pace of inflation (with respect to our Common Stock).

***The transfer and ownership restrictions applicable to our securities may impair the ability of stockholders to receive shares of our Common Stock if the Company continues to elect to pay the redemption price in shares of Common Stock, upon redemption of the Preferred Stock.***

Our charter contains restrictions on ownership and transfer of the Preferred Stock and Common Stock that are intended to assist us in maintaining our qualification as a REIT for federal income tax purposes as described in the risk factor “The share

transfer and ownership restrictions applicable to REITs and contained in our charter may inhibit market activity in our shares of stock and restrict our business combination opportunities.”

***The terms of our Preferred Stock do not contain any financial covenants.***

The terms of our Preferred Stock do not limit our ability to incur indebtedness or make distributions or contain any other restrictive financial covenants. The Preferred Stock ranks subordinate to all of our existing and future debt and liabilities. Our future debt agreements may restrict our ability to pay distributions on our Preferred Stock or to redeem shares of preferred stock in the event of a default under such debt agreements or in other circumstances. In addition, while our Preferred Stock ranks senior to our Common Stock with respect to payment of dividends and distributions upon liquidation, dissolution or winding-up, we are allowed to pay dividends on our Common Stock so long as we are current in the payment of dividends on shares of our Preferred Stock. Further, the terms of our Preferred Stock do not restrict our ability to repurchase shares of our Common Stock so long as we are current in the payment of dividends on shares of our Preferred Stock. Such dividends on or repurchases of our Common Stock may reduce the amount of cash on hand to pay the redemption price of our Preferred Stock in cash (if we so choose).

***Holders of our Preferred Stock have no voting rights with respect to such shares.***

The terms of our Preferred Stock do not entitle holders to voting rights. Our Common Stock is currently the only class of our capital stock that carries any voting rights. Unless and until a holder of our Preferred Stock acquires shares of Common Stock upon the redemption of such shares, such holder will have no rights with respect to the shares of our Common Stock issuable upon redemption of our Preferred Stock. If, at our discretion, a holder of our Preferred Stock is issued shares of our Common Stock upon redemption, such holder will be entitled to exercise the rights of holders of our Common Stock only as to matters for which the record date occurs after the effective date of redemption.

***A stockholder’s ownership percentage in the Company may become diluted if we issue new shares of Common Stock or other securities, and issuances of additional preferred stock or other securities by us may further subordinate the rights of the holders of our Preferred Stock or Common Stock (which holders of Preferred Stock may become upon receipt of redemption payments in shares of Common Stock). Additionally, future issuances of Common Stock, including shares issued in exchange for consideration, upon redemption of Preferred Stock, may cause the market price of our Common Stock to drop significantly, even if our business is doing well.***

Our Board of Directors is authorized, without stockholder approval, to cause us to issue additional shares of Common Stock or to raise capital through the issuance of shares of preferred stock and equity or debt securities convertible into Common Stock, preferred stock, options, warrants and other rights, on such terms and for such consideration as our Board of Directors in its sole discretion may determine. Any such issuance could result in dilution of the equity of our stockholders. In addition, our Board of Directors may, in its sole discretion, authorize us to issue Common Stock or other equity or debt securities to persons from whom we purchase properties, as part or all of the purchase price of the property, or from whom we receive services (including the Operator or the Administrator), as part or all of the payment for such services. Our Board of Directors, in its sole discretion, may determine the price of any Common Stock or other equity or debt securities issued in consideration of such properties or services provided, or to be provided, to us.

We may make, and have in the past made, redemption payments under the terms of our Preferred Stock in shares of our Common Stock, and the number of shares of our Common Stock to be issued in connection with such payments may fluctuate based on the price of our Common Stock. Any sales or perceived sales in the public market of shares of our Common Stock issuable upon such redemption payments could adversely affect, and has in the past adversely affected, prevailing market prices of shares of our Common Stock. The existence of our Preferred Stock may encourage short selling by market participants because the possibility that redemption payments will be made in shares of our Common Stock could depress, and has in the past depressed, the market price of shares of our Common Stock. Further, any such issuance could result, and has in the past resulted in, dilution of the equity of our stockholders.

Our charter also authorizes our Board of Directors, without stockholder approval, to classify or reclassify any unissued shares of Common Stock and preferred stock into other classes or series of stock and to amend our charter to increase or decrease the aggregate number of shares of stock or the number of shares of stock of any class or series that the Company has authority to issue. Our Board of Directors may, without stockholder approval, designate and issue one or more classes or series of preferred stock in addition to our Preferred Stock and equity or debt securities convertible into preferred stock and to set the voting powers, conversion or other rights, preferences, restrictions, limitations as to dividends or other distributions and qualifications or terms or conditions of redemption of each class or series of shares so issued. If any additional preferred stock is publicly offered, the terms and conditions of such preferred stock (or other equity or debt securities convertible into preferred stock) will be set forth in a registration statement registering the issuance of such preferred stock or equity or debt securities convertible into preferred stock. Because our Board of Directors has the power to establish the preferences and rights of each

class or series of preferred stock, it may afford the holders of any class or series of preferred stock preferences, powers, and rights senior to the rights of holders of our Preferred Stock or Common Stock. If we ever create and issue additional preferred stock or equity or debt securities convertible into preferred stock with a distribution preference over our Preferred Stock or Common Stock, payment of any distribution preferences of such new outstanding preferred stock would reduce the amount of funds available for the payment of distributions on our Preferred Stock and Common Stock, as applicable. Further, holders of preferred stock are normally entitled to receive a preference payment if we liquidate, dissolve, or wind up before any payment is made to the holders of our Common Stock, likely reducing the amount the holders of our Common Stock would otherwise receive upon such an occurrence. In addition, under certain circumstances, the issuance of additional preferred stock may delay, prevent, render more difficult or tend to discourage, a merger, tender offer, or proxy contest, the assumption of control by a holder of a large block of our securities, or the removal of incumbent management.

No stockholders have rights to buy additional shares of stock or other securities if we issue new shares of stock or other securities. We may issue Common Stock, convertible debt or preferred stock pursuant to subsequent public offerings or private placements. Investors in our Common Stock who do not participate in any future stock issuances will experience dilution in the percentage of the issued and outstanding stock they own. In addition, depending on the terms and pricing of any future offerings and the value of our assets, such investors may experience dilution in the book value and fair market value of, and the amount of distributions paid on, their shares of Common Stock, if any.

The Common Stock bid price has come under significant downward pressure since August 2024 when the Company announced its intention to redeem, and has redeemed, shares of its Series A Preferred Stock and Series A1 Preferred Stock and paid the redemption price in shares of Common Stock. Holders of the Preferred Stock have the right, at each such holder's option, to require the Company to redeem any or all of such holder's shares of Preferred Stock at a redemption price of \$25.00 per share, plus an amount equal to all accrued but unpaid dividends, if any, to and including the redemption date, subject to the terms of such Preferred Stock set forth in our charter. This holder redemption price may be paid in cash or in shares of Common Stock (based on the VWAP of the Common Stock for the 20 Trading Days immediately preceding the applicable redemption date, with each such term as defined in our charter), at the Company's option. Recently, the Company has chosen to pay such redemptions in shares of Common Stock in order to increase its common equity as a percentage of assets and improve its liquidity.

On or about March 16, 2026, the Company expects to redeem approximately 1,957,023 shares of Series A Preferred Stock, approximately 7,767,609 shares of Series A1 Preferred Stock and approximately 21,760 shares of Series D Preferred Stock (collectively "Preferred Stock") in shares of Common Stock (the "March 2026 Redemption"). Other than the March 2026 Redemption, the company does not currently intend to redeem, at the Company's election, additional Preferred Stock in shares of Common Stock. However, the Company will evaluate redemption requests submitted by holders of its shares of Preferred Stock at the time it receives them and may elect to redeem those Preferred Shares in Common Stock or cash, at the Company's discretion.

***Our NAV is an estimate of the fair value of our assets and may not necessarily reflect realizable value.***

The determination of estimated NAV involves a number of subjective assumptions, estimates and judgments that may not be accurate or complete. Neither the Financial Industry Regulatory Authority nor the SEC provides rules on the methodology we must use to determine our estimated NAV per share. We believe there is no established practice among public REITs for calculating estimated NAV. Different firms using different property-specific, general real estate, capital markets, economic and other assumptions, estimates and judgments could derive an estimated NAV that is significantly different from our estimated NAV.

Our estimated NAV, as determined by us from time to time, is calculated by relying in part on appraisals of our real estate assets. However, valuations of these assets do not necessarily represent the price at which a willing buyer would purchase such assets; therefore, there can be no assurance that we would realize the values underlying our estimated NAVs if we were to sell our assets and distribute the net proceeds to our stockholders. The values of our assets and liabilities, and therefore our NAV, are likely to fluctuate over time based on changes in value, investment activities, capital activities, indebtedness levels, and other various activities.

#### **General Risk Factors**

***We may be unable to pay or maintain cash distributions or increase distributions to stockholders over time.***

Several factors may affect the availability and timing of cash distributions on our Common Stock or Preferred Stock. During 2025, we did not pay any dividends on our Common Stock. Distributions are based primarily on anticipated cash flow from operations over time. The amount of cash available for distributions is affected by many factors, including the performance of our existing assets, including the selection of tenants and the amount of rental income, our operating expense

levels, opportunities for acquisition identified by our Operator, the availability of financing arrangements as well as many other variables. We may not always be in a position to pay, and in 2025 were not in a position to pay, distributions on our Common Stock, and any renewed distributions we do make in the future may not increase over time. In addition, our actual results may differ significantly from the assumptions made by our Board of Directors in establishing our distribution policy. There also is a risk that we may not have sufficient cash flow from operations to fund distributions required to qualify as a REIT or maintain our REIT status.

***We have paid, and may in the future pay, some or all of our distributions on our Common Stock or Preferred Stock from sources other than cash flow from operations, including borrowings, proceeds from asset sales or the sale of our securities, which may reduce the amount of capital we ultimately deploy in our real estate operations and may negatively impact the value of our Common Stock.***

To the extent that cash flow from operations has been or is insufficient to fully cover our distributions on our Common Stock or Preferred Stock, we have paid, and may in the future pay, some or all of our distributions from sources other than cash flow from operations. Such sources may include borrowings, proceeds from asset sales or the sale of our securities. We have no limits on the amounts we may use to pay distributions from sources other than cash flow from operations. The payment of distributions from sources other than cash provided by operating activities may reduce the amount of proceeds available for acquisitions and operations or cause us to incur additional interest expense as a result of borrowed funds. This may negatively impact the market price of our Common Stock.

***Distributions at any point in time may not reflect the current performance of our properties or our current operating cash flow.***

We may make distributions from any source, including the sources described in the risk factor above. Because the amount we pay in distributions may exceed our earnings and our cash flow from operations, distributions may not reflect the current performance of our properties or our current operating cash flow.

***Changes in accounting standards may adversely impact our financial condition and/or results of operations.***

We are subject to the rules and regulations of the U.S. Financial Accounting Standards Board (the “FASB”) related to generally accepted accounting principles in the United States (“GAAP”). Various changes to GAAP are constantly being considered, some of which could materially impact our reported financial condition and/or results of operations. Also, to the extent publicly traded companies in the United States would be required in the future to prepare financial statements in accordance with International Financial Reporting Standards instead of the current GAAP, this change in accounting standards could materially affect our financial condition or results of operations.

***We may not be able to maintain a listing of our Common Stock on Nasdaq.***

We must meet certain financial and liquidity criteria to maintain the listing of our Common Stock on Nasdaq. If we violate Nasdaq’s listing requirements or fail to meet its listing standards, our Common Stock may be delisted. In addition, our board of directors may determine that the cost of maintaining our listing on a national securities exchange outweighs the benefits of such listing. A delisting of our Common Stock from Nasdaq may materially impair our stockholders’ ability to buy and sell our Common Stock and could have an adverse effect on the market price of, and the efficiency of the trading market for, our Common Stock. The delisting of our Common Stock could significantly impair our ability to raise capital and the value of your investment.

On November 7, 2024, we received a written notice from the Listing Qualifications Department of Nasdaq indicating that, because the closing bid price for our Common Stock had fallen below \$1.00 per share for 30 consecutive business days (September 25, 2024 through November 6, 2024), we had fallen out of compliance with the \$1.00 Minimum Bid Price requirement set forth in Nasdaq Listing Rule 5450(a)(1) for continued listing on Nasdaq (the “Bid Price Requirement”). To regain compliance, the closing bid price of our Common Stock had to be a minimum of \$1.00 per share for a minimum of ten consecutive business days prior to May 6, 2025. On May 1, 2025, we received a letter from the Nasdaq Listing Qualification Department informing the Company that it had regained compliance with the Bid Price Requirement as of April 30, 2025 due to the price of our Common Stock maintaining a minimum bid price in excess of \$1.00 for ten consecutive business days. However, our ability to maintain compliance with the Nasdaq’s listing standards requirements in the future, including the Bid Price Requirement, is not guaranteed. We believe that delisting our Common Stock from Nasdaq could have significant adverse consequences, including a decreased ability to issue additional shares of Common Stock to raise additional financing in the future due to the increased lack of liquidity that would result in our Common Stock due to the factors described below. In addition, delisting may result in the inability to redeem Preferred Stock when all other criteria for redemption have been met if registration under applicable state securities or “blue sky” laws is not able to be accomplished in a particular state and the cash required for such redemption is not available.

We believe that delisting our Common Stock from Nasdaq may adversely affect our ability to raise additional financing through the public or private sale of equity securities, may significantly affect the ability of investors to trade our securities and may negatively affect the value and liquidity of our Common Stock. Delisting could have other negative results, including the potential loss of employee confidence, the loss of institutional investors and/or interest in significant business development opportunities.

If we are delisted from Nasdaq and we are not able to list our Common Stock on another exchange, our Common Stock may be quoted on the OTC Markets or on the “pink sheets.” As a result, we could face significant adverse consequences including, among others:

- a limited availability of market quotations for our securities;
- 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 little or no analyst coverage of our Company;
- we would no longer qualify for exemptions from state securities registration requirements, which may require us to comply with applicable state securities laws;
- a decreased ability to issue additional securities or obtain additional financing in the future; and
- limit our ability to redeem shares of our Preferred Stock in Common Stock

#### **Item 1B. Unresolved Staff Comments**

None.

#### **Item 1C. Cybersecurity**

##### *The Company's Cybersecurity Risk Management Approach*

The Company utilizes and relies on CIM Group for its IT and IT administration. CIM Group's cybersecurity strategy prioritizes detection, analysis and response to known, anticipated or unexpected threats, effective management of security risks and resiliency against incidents. CIM Group's cybersecurity risk management policies and procedures include, among other things: enterprise-wide hardware and software management and security controls; employee training; security assessments; penetration testing; security audits and ongoing risk assessments; due diligence on, and monitoring and oversight of, key third-party providers; vulnerability management; and management oversight to assess, identify and manage material risks from cybersecurity threats. CIM Group's controls leverage the National Institute of Standards and Technology Cybersecurity Framework. CIM Group also utilizes industry and government associations, the results from regular internal and third-party audits and other similar resources to inform its cybersecurity processes and to allocate resources.

In addition, all employees of the Company and CIM Group receive mandatory training on cybersecurity matters upon hiring and annually thereafter, periodic training and information updates that address new cybersecurity threats and trends, and quarterly “phishing” and social engineering testing to evaluate the effectiveness of the cybersecurity training program and raise employee awareness of cybersecurity threats.

In 2025, we did not identify any cybersecurity threats that have materially affected or are reasonably likely to materially affect our business strategy, results of operations, or financial condition. However, despite our efforts, we cannot eliminate all risks from cybersecurity threats, or provide assurances that we have not experienced undetected cybersecurity incidents.

For further discussion of cybersecurity risks, see ***“Item 1A. Risk Factors—Cybersecurity risks and cybersecurity incidents may adversely affect our business by causing a disruption to our operations, a compromise or corruption of our confidential information, and/or damage to our business relationships, all of which could negatively impact our financial results.”***

##### *Management Oversight of Cybersecurity Risk Management*

CIM Group's internal processes require escalation of material cybersecurity risks to its management and its Cybersecurity Committee (the “Committee”) for evaluation. The Committee consists of CIM Group's Head of Enterprise Technology, CIM Group's Chief Compliance Officer (the “CCO”), CIM Group's Head of Transformation and representatives from CIM Group's operations, technology, and compliance departments as needed. The Committee is responsible for CIM Group's cybersecurity policy and overseeing the activities of CIM Group's cybersecurity practices, including assessing CIM Group's risks and controls. The Committee is chaired by CIM's Head of Enterprise Technology and collectively the group has

more than 30 years of experience in the fields of information technology, cybersecurity and adjacent roles, including serving on cybersecurity advisory councils. In addition, members of the Committee have relevant industry experience in enterprise risk management and compliance. The Cybersecurity Committee is tasked with assisting CIM Group-managed public companies (that are subject to the SEC's cybersecurity rules adopted in 2023), including us, in complying with such cybersecurity rules.

The Committee conducts both regular quarterly and as-needed meetings throughout the year during which members of the CIM Group's IT Department provide updates and report on meaningful cybersecurity risks, threats, incidents and vulnerabilities in accordance with the Committee's respective reporting frameworks, as well as related priorities, mitigation and remediation activities, financial and employee resource levels, regulatory compliance, technology trends and third-party provider risks. To help inform this reporting framework, CIM Group maintains incident response plans and other policies and procedures designed to respond to, mitigate and remediate cybersecurity incidents based on the potential impact to CIM Group's business, IT systems, network or data, including data held by third parties, or to the IT or other critical services provided by third-party vendors and service providers.

CIM Group's personnel responsible for cybersecurity policy comprises of individuals with either formal education and degrees in IT or cybersecurity, or with experience working in IT and cybersecurity, including relevant industry experience in security related industries.

We believe that the processes, policies and procedures established by the Committee provide guidance for consistent and effective incident handling and response and set standards for internal notifications and escalations, as well as external notification considerations with respect to a cybersecurity event or incident requiring disclosure or notification in accordance with applicable laws.

#### *Board of Directors Oversight of Cybersecurity Risk Management*

The Audit Committee of our Board of Directors has oversight of our cybersecurity risks. The Audit Committee receives quarterly updates from CIM Group with respect to the effectiveness of its cyber readiness and cybersecurity program. This oversight includes briefing and a report by CIM Group's Head of Transformation or CIM Head of Enterprise Technology, as well as a discussion of any cybersecurity breaches detected by CIM Group and a summary of, among other things, the current cybersecurity threat landscape, defensibility measures implemented by CIM Group, the health of CIM Group's information security system, effectiveness of CIM Group's cybersecurity controls and recoverability and business continuity testing. Pursuant to the Company's cybersecurity policy, the Audit Committee will be promptly notified of any material cybersecurity incident required to be disclosed under Item 1.05 on a Current Report on Form 8-K and shall oversee the Company's response to such matter.

## Item 2. Properties

As of December 31, 2025, our real estate portfolio consisted of 27 assets, all of which were fee-simple properties and five of which we own through investments in Unconsolidated Joint Ventures. Our Unconsolidated Joint Ventures contain one office property, three multifamily properties (one of which has been partially converted from office into multifamily units and is now classified as a multifamily property) and one commercial development site. As of December 31, 2025, our 12 office properties, totaling approximately 1.3 million rentable square feet, were 74.8% occupied, and our one hotel with an ancillary parking garage, which has a total of 505 rooms, had RevPAR of \$152.70 for the year ended December 31, 2025, and our five multifamily properties were 85.3% occupied. Additionally, as of December 31, 2025, we had eight development sites (two of which were being used as parking lots).

### Office Portfolio Detail by Classification, Address, Market, and Submarket as of December 31, 2025

Classification / Market / Address	Sub-Market	Rentable Square Feet	% Occupied	% Leased <sup>(1)</sup>	Annualized Rent (in thousands)	Annualized Rent Per Occupied Square Foot <sup>(9)</sup>
<b>Consolidated Office Portfolio</b>						
<b>Oakland, CA</b>						
1 Kaiser Plaza	Lake Merritt	537,929	55.2 %	55.2 %	\$ 16,791	\$ 56.50
<b>San Francisco, CA</b>						
1130 Howard Street	South of Market	21,194	100.0 %	100.0 %	549	25.90
<b>Los Angeles, CA</b>						
11620 Wilshire Boulevard	West Los Angeles	197,054	90.0 %	90.0 %	8,862	49.95
11600 Wilshire Boulevard	West Los Angeles	56,881	79.0 %	79.0 %	2,822	62.80
9460 Wilshire Boulevard	Beverly Hills	97,655	94.5 %	94.5 %	11,554	125.21
8944 Lindblade Street <sup>(2)</sup>	West Los Angeles	7,980	100.0 %	100.0 %	630	78.95
8960 & 8966 Washington Boulevard <sup>(2)</sup>	West Los Angeles	24,448	— %	— %	—	—
1037 N Sycamore Avenue	Hollywood	5,031	100.0 %	100.0 %	351	69.77
<b>Austin, TX</b>						
3601 S Congress Avenue <sup>(3)</sup>	South	233,579	92.4 %	92.4 %	9,888	45.81
1021 E 7th Street <sup>(4)</sup>	East	11,180	100.0 %	100.0 %	689	61.63
1007 E 7th Street <sup>(5)</sup>	East	1,352	100.0 %	100.0 %	50	36.98
<b>Total Consolidated Office Portfolio</b>		<b>1,194,283</b>	<b>73.2 %</b>	<b>73.2 %</b>	<b>52,186</b>	<b>59.69</b>
<b>Unconsolidated Office Portfolio</b>						
<b>Los Angeles, CA</b>						
1910 Sunset Boulevard - 44.2% <sup>(6)</sup>	Echo Park	107,824	91.8 %	91.8 %	5,030	50.84
<b>Total Unconsolidated Office Portfolio</b>		<b>107,824</b>	<b>91.8 %</b>	<b>91.8 %</b>	<b>5,030</b>	<b>50.84</b>
<b>Total Office Portfolio</b>		<b>1,302,107</b>	<b>74.8 %</b>	<b>74.8 %</b>	<b>57,216</b>	<b>58.78</b>
<b>Total Office Portfolio - CMCT Share of Annualized Rent</b>					<b>\$ 54,407</b>	
<b>Development Pipeline Properties</b>						
<b>Oakland, CA</b>						
2 Kaiser Plaza <sup>(7)</sup>	Lake Merritt	N/A	N/A	N/A	N/A	N/A
<b>Los Angeles, CA</b>						
1015 Mansfield - 29% <sup>(8)</sup>	Hollywood	N/A	N/A	N/A	N/A	N/A
<b>Total Development Pipeline Properties</b>		<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>Total Office and Development Portfolio</b>		<b>1,302,107</b>	<b>74.8 %</b>	<b>74.8 %</b>	<b>\$ 57,216</b>	<b>\$ 58.78</b>

(1) Based on leases signed as of December 31, 2025.

- (2) The three buildings making up 8960 & 8966 Washington Boulevard and 8944 Lindblade Street were formerly known as Lindblade Media Center.
- (3) 3601 S Congress Avenue consists of twelve buildings. The Company is evaluating different development options including multifamily development.
- (4) The Company is evaluating different development options including multifamily development.
- (5) The property is located on a land site of approximately 7,450 square feet.
- (6) CMCT and a CIM-managed separate account purchased the property in February 2022 through a joint venture (the "1910 Sunset JV"). CMCT owns 44.2% of the property. The amounts shown in the table represent 100% of the property.
- (7) 2 Kaiser Plaza Parking Lot is a 44,642 square foot parcel of land currently being used as a surface parking lot. We are entitled to develop an office building with a maximum of 800,000 rentable square feet. Alternatively, we are also evaluating a multifamily development.
- (8) The Company owns approximately 29% of the property through an Unconsolidated Joint Venture. The amounts shown in the table represent 100% of the property. The property has a site area of approximately 44,141 square feet and currently contains a parking garage which is being leased to a third party. The site is being evaluated for different development options, including creative office space or other commercial space.
- (9) Giving effect to abatements, net annualized rent per occupied square foot for the total portfolio was \$54.90.

#### Multifamily Portfolio Detail by Classification, Address, Market, and Submarket as of December 31, 2025

Classification / Market / Address	Sub-Market	Units	% Occupied	Annualized Rent (in thousands)	Monthly Rent Per Occupied Unit <sup>(1)(10)</sup>
<b>Consolidated Multifamily Portfolio</b>					
<b>Oakland, CA</b>					
Channel House	Jack London District	333	89.5 %	\$ 9,145	\$ 2,557
1150 Clay	Downtown	288	87.2 %	\$ 7,190	\$ 2,387
<b>Total Consolidated Multifamily Portfolio</b>		<b>621</b>	<b>88.4 %</b>	<b>\$ 16,335</b>	<b>\$ 2,480</b>
<b>Unconsolidated Multifamily Portfolio</b>					
<b>Los Angeles, CA</b>					
1902 Park Avenue - 25.5% <sup>(2)</sup>	Echo Park	76	93.4 %	\$ 1,680	\$ 1,972
701 S Hudson - 20% <sup>(3)</sup>	Mid-Wilshire	68	83.8 %	\$ 2,349	\$ 3,434
1915 Park Avenue - 44.2% <sup>(4)</sup>	Echo Park	36	16.7 %	\$ 97	\$ 1,352
<b>Total Unconsolidated Multifamily Portfolio</b>		<b>180</b>	<b>74.4 %</b>	<b>\$ 4,126</b>	<b>\$ 2,480</b>
<b>Total Multifamily Portfolio</b>		<b>801</b>	<b>85.3 %</b>	<b>\$ 20,461</b>	<b>\$ 2,497</b>
<b>Total Multifamily Portfolio - CMCT Share of Annualized Rent</b>				<b>\$ 17,276</b>	
<b>Development Pipeline Properties</b>					
<b>Los Angeles, CA</b>					
3101 S. Western Avenue <sup>(5)</sup>	Jefferson Park	N/A	N/A	N/A	N/A
3022 S. Western Avenue <sup>(6)</sup>	Jefferson Park	N/A	N/A	N/A	N/A
3109 S. Western Avenue <sup>(6)</sup>	Jefferson Park	N/A	N/A	N/A	N/A
4750 Wilshire Boulevard (Backlot) <sup>(7)</sup>	Mid-Wilshire	N/A	N/A	N/A	N/A
<b>Oakland, CA</b>					
F3 Land Site <sup>(8)</sup>	Jack London District	N/A	N/A	N/A	N/A
466 Water Street Land Site <sup>(9)</sup>	Jack London District	N/A	N/A	N/A	N/A
<b>Total Multifamily and Development Portfolio</b>		<b>801</b>	<b>85.3 %</b>	<b>\$ 20,461</b>	<b>\$ 2,497</b>

(1) Represents gross monthly base rent under leases commenced as of December 31, 2025, divided by occupied units.

- (2) The Company owns 25.5% of the property through an Unconsolidated Joint Venture. The amounts shown in the table represent 100% of the property.
- (3) We sold 80% of our interest in 4750 Wilshire Boulevard to three co-investors (the “4750 Wilshire JV Partners”) in February 2023, with our remaining 20% interest now invested in a newly-formed joint venture with the JV Partners (the “4750 Wilshire JV”). By September 2024, the 4750 Wilshire JV had substantially completed its conversion of two of the three floors of 4750 Wilshire Boulevard from office-use into 68 for-lease multifamily units (the “4750 Wilshire Project”), with the first floor of 4750 Wilshire continuing to function as 30,335 square feet of office space. Following the substantial completion of the 4750 Wilshire Project, the Company has reclassified its investment in the 4750 Wilshire JV as a multifamily investment. The 4750 Wilshire JV refers to the multifamily portion of the building as “701 S Hudson”.
- (4) The Company owns 44.2% of the property through the 1910 Sunset JV. The amounts shown in the table represent 100% of the property. The property is a 36-unit multifamily apartment building which was completed and began leasing during the fourth quarter of 2025.
- (5) The Company intends to develop a total of approximately 160 residential units across both properties. There is no planned start date for such development.
- (6) The Company intends to redevelop approximately seven commercial units totaling 5,635 rentable square feet and six parking stalls. There is no planned start date for such redevelopment.
- (7) The Company owns 100% of the 4750 Wilshire Boulevard backlot land parcel. The site is being evaluated for potential multifamily development.
- (8) Currently being utilized as a parking lot. The Company is evaluating future development options, including hotel development.
- (9) The Company is evaluating the property for potential future multifamily development.
- (10) Net of rent concessions granted in the specified period, monthly rent per occupied unit for the total portfolio was \$2,127.

#### Hotel Portfolio Summary as of December 31, 2025

Property	Market	Rooms	% Occupied <sup>(1)</sup>	Revenue Per Available Room
Sheraton Grand Hotel <sup>(2)</sup>	Sacramento, CA	505	72.5 %	\$ 152.70
<b>Total Hotel (1 Property)</b>		<b>505</b>	<b>72.5 %</b>	<b>\$ 152.70</b>

#### Other Ancillary Property within Hotel Portfolio

Property	Market	Rentable Square Feet (Retail)	% Occupied (Retail)	% Leased (Retail) <sup>(3)</sup>	Annualized Rent (Parking and Retail) (in thousands)
Sheraton Grand Hotel Parking Garage & Retail <sup>(4)</sup>	Sacramento, CA	8,928	79.8 %	79.8 %	\$ 1,202
<b>Total Ancillary Property (1 Property)</b>		<b>8,928</b>	<b>79.8 %</b>	<b>79.8 %</b>	<b>\$ 1,202</b>

- (1) Represents trailing 12-month occupancy as of December 31, 2025, calculated as the number of occupied rooms divided by the number of available rooms.
- (2) The Sheraton Grand Hotel is part of the Sheraton franchise and is managed by Sheraton Operating Corporation, a subsidiary of Marriott International, Inc. The renovation of the Sheraton Grand Hotel’s guest rooms and corridors is substantially completed (the “Rooms Renovation Project”) with a total cost of approximately \$21.2 million. The Company is currently working on designs for the renovation of Sheraton Grand Hotel’s lobbies and common areas (the “Lobby Renovation Project”). The Company has not approved a budget for the Lobby Renovation Project but intends to complete the project in 2025.
- (3) Based on leases commenced as of December 31, 2025.
- (4) The Company is evaluating the property for potential future development options including multifamily development over the existing parking garage.

**Office Portfolio—Top 5 Tenants by Annualized Rental Revenue as of December 31, 2025**

Tenant	Property	Credit Rating (S&P / Moody's / Fitch)	Lease Expiration	Annualized Rent (in thousands)	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet
Kaiser Foundation Health Plan, Inc.	1 Kaiser Plaza	AA- / - / -	2028	\$ 13,405	23.4 %	236,692	18.2 %
U.S. Bank, N.A.	9460 Wilshire Boulevard	A+ / Aa3 / A+	2029	4,324	7.6 %	27,569	2.1 %
3 Arts Entertainment, Inc.	9460 Wilshire Boulevard	- / - / -	2027	3,161	5.5 %	27,112	2.1 %
O'Gara Coach Company, L.L.C.	9460 Wilshire Boulevard	- / - / -	2043	2,512	4.4 %	18,157	1.4 %
F45 Training Holdings, Inc.	3601 S Congress Avenue	- / - / -	2030	2,485	4.3 %	44,171	3.4 %
<b>Total for Top Five Tenants</b>				<b>25,887</b>	<b>45.2 %</b>	<b>353,701</b>	<b>27.2 %</b>
All Other Tenants				31,329	54.8 %	619,645	47.6 %
Vacant				—	— %	328,761	25.2 %
<b>Total Office Portfolio</b>				<b>\$ 57,216</b>	<b>100.0 %</b>	<b>1,302,107</b>	<b>100.0 %</b>

**Note:** Represents 100% of the consolidated and unconsolidated office portfolios, regardless of our ownership percentage.

**Office Portfolio—Diversification by Industry as of December 31, 2025**

Industry	Annualized Rent (in thousands)	% of Annualized Rent	Rentable Square Feet	% of Rentable Square Feet
Health Care and Social Assistance	\$ 21,101	36.9 %	362,352	27.9 %
Professional, Scientific, and Technical Services	7,109	12.4 %	135,183	10.5 %
Finance and Insurance	6,522	11.4 %	62,445	4.8 %
Arts, Entertainment, and Recreation	6,512	11.4 %	88,457	6.8 %
Other Services (except Public Administration)	4,201	7.3 %	55,336	4.2 %
Public Administration	2,173	3.8 %	43,524	3.3 %
Real Estate and Rental and Leasing	1,829	3.2 %	41,667	3.2 %
Retail Trade	1,684	2.9 %	38,184	2.9 %
Information	1,668	2.9 %	30,784	2.4 %
Other	4,417	7.8 %	115,414	8.8 %
Vacant	—	— %	328,761	25.2 %
<b>Total Office</b>	<b>\$ 57,216</b>	<b>100.0 %</b>	<b>1,302,107</b>	<b>100.0 %</b>

**Note:** Represents 100% of the consolidated and unconsolidated office portfolios, regardless of our ownership percentage.

**Office Portfolio—Lease Expiration as of December 31, 2025**

<b>Year of Lease Expiration</b>	<b>Square Feet of Expiring Leases</b>	<b>% of Square Feet Expiring</b>	<b>Annualized Rent (in thousands)</b>	<b>% of Annualized Rent Expiring</b>	<b>Annualized Rent Per Occupied Square Foot</b>
2026 <sup>(1)</sup>	107,814	11.1 %	\$ 5,606	9.8 %	52.00
2027 <sup>(2)</sup>	133,710	13.7 %	8,814	15.4 %	65.92
2028	336,509	34.6 %	18,632	32.6 %	55.37
2029 <sup>(3)</sup>	78,428	8.1 %	7,215	12.6 %	92.00
2030 <sup>(4)</sup>	129,744	13.3 %	6,285	11.0 %	48.44
2031 <sup>(5)</sup>	69,689	7.2 %	3,182	5.6 %	45.66
2032 <sup>(6)</sup>	31,993	3.3 %	1,681	2.9 %	52.54
2033	2,907	0.3 %	181	0.3 %	62.26
2034	12,383	1.3 %	741	1.3 %	59.84
Thereafter <sup>(7)</sup>	70,169	7.1 %	4,879	8.5 %	69.53
<b>Total Occupied</b>	<b>973,346</b>	<b>100.0 %</b>	<b>\$ 57,216</b>	<b>100.0 %</b>	<b>\$ 58.78</b>
Vacant	328,761				
<b>Total Office</b>	<b>1,302,107</b>				

**Note:** Represents 100% of the consolidated and unconsolidated office portfolios, regardless of our ownership percentage.

- (1) Includes 4,193 square feet of month-to-month leases as of December 31, 2025. Includes 178 square feet (less than 0.1% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2026.
- (2) Includes 924 square feet (approximately 0.1% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2027.
- (3) Includes 5,864 square feet (approximately 0.6% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2029.
- (4) Includes 5,154 square feet (approximately 0.5% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2030.
- (5) Includes 4,654 square feet (approximately 0.5% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2031.
- (6) Includes 25,845 square feet (approximately 2.7% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2032.
- (7) Includes 38,801 square feet (approximately 4.0% of total portfolio occupied square footage) of leases with tenant-controlled early termination options to terminate prior to 2037.

**Property Indebtedness as of December 31, 2025**

<b>Property</b>	<b>Outstanding Principal Balance (in thousands)</b>	<b>Interest Rate</b>	<b>Maturity Date</b>	<b>Balance Due At Maturity Date (in thousands)</b>
1 Kaiser Plaza (1)	\$ 97,100	4.14%	7/1/2026	\$ 97,100
Channel House	81,000	SOFR + 3.36%	1/31/2027	81,000
1150 Clay	66,304	6.25%	6/7/2026	66,304
Sheraton Grand Hotel (2)	90,955	SOFR + 4.35%	1/1/2027	90,955
9460 Wilshire Boulevard, 11620 Wilshire Boulevard, 11600 Wilshire Boulevard	105,000	7.41%	1/11/2030	105,000
1910 Sunset Boulevard (3)	23,925	SOFR + 2.95%	3/13/2026	23,925
1915 Park Avenue (3)	6,819	SOFR + 3.11%	12/21/2026	6,819
4750 Wilshire Boulevard (4)	37,901	SOFR + 3.11%	4/1/2026	37,901
3601 S Congress Avenue	31,600	SOFR + 2.95%	4/3/2028	31,600
8944 Lindblade Street	5,000	SOFR + 3.00%	2/14/2027	5,000
<b>Total</b>	<b>\$ 545,604</b>			<b>\$ 545,604</b>

- (1) Loan is generally not prepayable prior to April 1, 2026.
- (2) Includes three one-year extension options.
- (3) CMCT owns 44.2% of these properties through its investment the 1910 Sunset JV. The outstanding principal balance shown here represents 100% of the 1910 Sunset JV's balance.
- (4) CMCT owns 20.0% of the property through its investment in the 4750 Wilshire JV. The outstanding principal balance shown here represents 100% of the 4750 Wilshire JV's balance.

**Item 3. Legal Proceedings**

We are not currently involved in any material pending or threatened legal proceedings nor, to our knowledge, are any material legal proceedings currently threatened against us, other than routine litigation arising in the ordinary course of business. In the normal course of business, we are periodically party to certain legal actions and proceedings involving matters that are generally incidental to our business. While the outcome of these legal actions and proceedings cannot be predicted with certainty, in management's opinion, the resolution of these legal proceedings and actions will not have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

**Item 4. Mine Safety Disclosures**

Not applicable.

## PART II

### Item 5. Market For Registrant’s Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities

#### Marketplace Designation, Sales Price Information and Holders

Shares of our Common Stock trade on Nasdaq, under the ticker symbol “CMCT.”

On March 2, 2026, there were approximately 128 holders of record of our Common Stock, excluding stockholders whose shares were held by brokerage firms, depositories and other institutional firms in “street name” for their customers. The closing price of our Common Stock on March 2, 2026 was \$2.33 as reported on Nasdaq.

Approximately 96.8% of our Common Stock as of March 2, 2026 was held by stockholders that are not our affiliates.

Holders of our Common Stock are entitled to receive dividends, if, as and when authorized by the Board of Directors and declared by us out of legally available funds. In determining our dividend policy, the Board of Directors considers many factors including the amount of cash resources available for dividend distributions, capital spending plans, cash flow, our financial position, applicable requirements of the MGCL, any applicable contractual restrictions, and future growth in NAV and cash flow per share prospects. Consequently, the dividend rate on a quarterly basis does not necessarily correlate directly to any individual factor. There can be no assurance as to the future level of dividends declared by our Board of Directors on our Common Stock, if any. Risks inherent in our ability to pay dividends are further described in “Item 1A—Risk Factors” of this Annual Report on Form 10-K.

#### Securities Authorized for Issuance Under Equity Compensation Plans

The following table provides information as of December 31, 2025 with respect to shares of our Common Stock, either under options or in respect of restricted stock awards that may be issued under existing equity compensation plans, all of which have been approved by our stockholders.

Plan Category	Number of shares of Common Stock to be issued upon exercise of outstanding options	Weighted average exercise price of outstanding options	Number of shares of Common Stock remaining available for future issuances under equity compensation plans (all in restricted shares of Common Stock)
Equity incentive plan	—	N/A	227,414

#### Recent Sales of Unregistered Securities and Use of Proceeds

During the years ended December 31, 2025 and 2024, we redeemed, at our option, 0 and 2,589,606 shares of Series A1 Preferred Stock, respectively, all of which were paid in shares of Common Stock, including all accrued and unpaid dividends as of the applicable redemption date and, in addition, we redeemed 536,737 and 181,912 shares of Series A1 Preferred Stock at the option of the holders during the years ended December 31, 2025 and 2024, respectively, that were paid in shares of Common Stock, including all accrued and unpaid dividends as of the applicable redemption date (collectively, the “Series A1 In-Kind Redemptions”). The Series A1 In-Kind Redemptions resulted in the aggregate issuance of 1,010,063 and 192,698 shares of Common Stock during the years ended December 31, 2025 and 2024, respectively. During the years ended December 31, 2025 and 2024, we redeemed, at our option, 0 and 2,150,076 shares of Series A Preferred Stock, all of which were paid in shares of Common Stock, including all accrued and unpaid dividends as of the applicable redemption date and, in addition, we redeemed 456,345 and 214,713 shares at the option of the holders during the years ended December 31, 2025 and 2024, respectively, that were paid in shares of Common Stock, including all accrued and unpaid dividends as of the applicable redemption date (collectively, the “Series A In-Kind Redemptions”). The Series A In-Kind Redemptions resulted in the aggregate issuance of 1,177,243 and 175,167 shares of Common Stock, respectively. During the year ended December 31, 2025, we redeemed 4,122 shares of Series D Preferred Stock that were paid in shares of Common Stock, including all accrued and unpaid dividends as of the applicable redemption date (collectively, the “Series D In-Kind Redemptions”). All such redemptions were redeemed at the option of the holders. The Series D In-Kind Redemptions resulted in the aggregate issuance of 11,556 shares of Common Stock.

For each of these issuances, the number of shares of Common Stock issued was based on volume-weighted average price (calculated in accordance with our charter) of the Common Stock as of each applicable redemption date. Shares of Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock may be redeemed at our option or at the option of

the holder for a redemption price payable in cash or shares of Common Stock, at our election, as described in Note 11 to the consolidated financial statements included in this Annual Report on Form 10-K.

## **Item 6. Reserved**

## **Item 7. Management’s Discussion and Analysis of Financial Condition and Results of Operations**

*This section includes many forward-looking statements. For cautions about relying on such forward-looking statements, please see “Forward-Looking Statements” at the beginning of this report immediately prior to “Item 1—Business” in this Annual Report on Form 10-K.*

### **Overview**

The following discussion focuses on recent developments expected to have material current and future impacts on the results of our business, trends and uncertainties within our industry and business model that may impact our financial results, our recent results of operations, and our liquidity and capital resources.

### **Executive Summary**

#### ***Business Overview***

Creative Media & Community Trust Corporation is a Maryland corporation and REIT. We primarily acquire, develop, own and operate both premier multifamily properties situated in vibrant communities throughout the United States and Class A and creative office real assets in markets with similar business and employment characteristics to our multifamily investments. We seek to apply the expertise of CIM Group to the acquisition, development and operation of premier multifamily properties and creative office assets that cater to rapidly growing industries such as technology, media and entertainment. All of our real estate assets are and will generally be located in communities qualified by CIM Group as described further below. These communities are located in areas that include traditional downtown areas and suburban main streets, which have high barriers to entry, high population density, positive population trends and a propensity for growth. We believe that the critical mass of redevelopment in such areas creates positive externalities, which enhance the value of real estate assets in the area. We believe that these assets will provide greater returns than similar assets in other markets, as a result of the population growth, public commitment and significant private investment that characterize these areas.

CIM Group is headquartered in Los Angeles, California and has offices in Atlanta, Georgia, Chicago, Illinois, Dallas, Texas, New York, New York, Orlando, Florida, Phoenix, Arizona, London, U.K. and Tokyo, Japan. CIM also maintains additional offices with distribution staff and JV partnerships.

#### ***Properties***

As of December 31, 2025, our real estate portfolio consisted of 27 assets, all of which were fee-simple properties and five of which we own through investments in Unconsolidated Joint Ventures. Our Unconsolidated Joint Ventures contain one office property, three multifamily properties (one of which has been partially converted from office into multifamily units and is now being classified as a multifamily property) and one commercial development site. As of December 31, 2025, our 12 office properties, totaling approximately 1.3 million rentable square feet, were 74.8% occupied and our one 505-room hotel with an ancillary parking garage, had RevPAR of \$152.70 for the year ended December 31, 2025 and our five multifamily properties were 85.3% occupied. Additionally, as of December 31, 2025, we had eight development sites (two of which were being used as parking lots).

## Rental Rate Trends

**Office Statistics:** The following table sets forth occupancy rates and annualized rent per occupied square foot across our office portfolio as of the specified periods (includes 100% of our properties partially owned through Unconsolidated Joint Ventures):

	As of December 31,	
	2025	2024
Occupancy <sup>(1)</sup>	74.8 %	70.6 %
Annualized rent per occupied square foot <sup>(1)(2)</sup>	\$ 58.78	\$ 60.48

- (1) The information presented in this table represents historical information as of the date indicated without giving effect to any property sales occurring thereafter.
- (2) Represents gross monthly base rent under leases commenced as of the specified periods, multiplied by 12. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent. Annualized rent for certain office properties includes rent attributable to retail. Total abatements, representing lease incentives in the form of free rent, for the twelve months ended December 31, 2025 and 2024 were approximately \$1.6 million and \$1.1 million, respectively. Giving effect to abatements, net annualized rent per occupied square foot was \$54.90 and \$59.93 as of December 31, 2025 and 2024, respectively (See Definitions for more detail).

Over the next four quarters, we expect to see expiring cash rents as set forth in the table below (includes 100% of our properties partially owned through Unconsolidated Joint Ventures):

	For the Three Months Ended			
	March 31, 2026	June 30, 2026	September 30, 2026	December 31, 2026
<b>Expiring Cash Rents:</b>				
Expiring square feet <sup>(1)</sup>	20,003	35,226	30,978	21,607
Expiring rent per square foot <sup>(2)</sup>	\$ 44.49	\$ 56.38	\$ 49.26	\$ 55.77

- (1) Month-to-month tenants occupying a total of 4,193 square feet are included in the expiring leases in the first quarter listed.
- (2) Represents gross monthly base rent, as of December 31, 2025, under leases expiring during the periods above, multiplied by 12. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

During the year ended December 31, 2025, we executed leases with terms longer than 12 months totaling 182,120 square feet. The table below sets forth information on certain of our executed leases during the year ended December 31, 2025, excluding space that was vacant for more than one year, month-to-month leases, leases with an original term of less than 12 months, related party leases, and space where the previous tenant was a related party:

	Number of Leases <sup>(1)</sup>	Rentable Square Feet	New Cash Rents per Square Foot <sup>(2)</sup>	Expiring Cash Rents per Square Foot <sup>(2)</sup>
Year Ended December 31, 2025	26	93,931	\$ 45.04	\$ 60.51

- (1) Based on the number of tenants that signed leases.
- (2) Cash rents represent gross monthly base rent, multiplied by 12. This amount reflects total cash rent before abatements. Where applicable, annualized rent has been grossed up by adding annualized expense reimbursements to base rent.

Fluctuations in submarkets, buildings and terms of leases cause large variations in these numbers and make predicting the changes in rent in any specific period difficult. Our rental and occupancy rates are impacted by general economic conditions, including the pace of regional and economic growth, and access to capital. Therefore, we cannot give any assurance that leases will be renewed or that available space will be re-leased at rental rates equal to or above the current market rates. Additionally, decreased demand and other negative trends or unforeseeable events that impair our ability to timely renew or re

lease space could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or renew dividends on our Common Stock.

**Multifamily Statistics:** The following table sets forth occupancy rates and the monthly rent per occupied unit across our multifamily portfolio for the specified periods (includes 100% of our properties partially owned through an Unconsolidated Joint Venture):

	<b>As of December 31,</b>	
	<b>2025</b>	<b>2024</b>
Occupancy	85.3 %	81.7 %
Monthly rent per occupied unit (1)	\$ 2,497	\$ 2,468

(1) Represents gross monthly base rent under leases commenced as of the specified period, divided by occupied units. This amount reflects total cash rent before concessions. Net of rent concessions granted in the specified period, monthly rent per occupied unit was \$2,127 and \$2,319 as of December 31, 2025 and 2024, respectively.

**Hotel Statistics:** The following table sets forth the occupancy, ADR and RevPAR for our hotel in Sacramento, California for the specified periods:

	<b>For the Year Ended</b>	
	<b>December 31,</b>	
	<b>2025</b>	<b>2024</b>
Occupancy	72.5 %	67.2 %
ADR	\$ 210.54	\$ 202.26
RevPAR	\$ 152.70	\$ 135.90

#### **Seasonality**

Our revenues and expenses for our hotel property are subject to seasonality during the year. Generally, our hotel revenues are greater in the first and second quarters than the third and fourth quarters. This seasonality can be expected to cause quarterly fluctuations in revenues, segment net operating income, net income and cash provided by operating activities. In addition, the hotel industry is cyclical and demand generally follows, on a lagged basis, key macroeconomic factors.

#### **Lending Segment**

Prior to the divestiture described in this paragraph, we were a national lender that primarily originated loans to small businesses. As previously announced on November 12, 2025, the Company and First Western entered into the Membership Interest Purchase Agreement with the Buyer. The Closing occurred on January 21, 2026. At the Closing, pursuant to the Membership Interest Purchase Agreement, and upon the terms and subject to the conditions therein, Buyer purchased from the Company all of the issued and outstanding equity interests of First Western SBLC, LLC for a purchase price of approximately \$44.9 million (which is net of the outstanding balance of debt related to the 2023 securitization of certain loan receivables), subject to adjustment. At the Closing and upon giving effect to the payment of other debt, transaction expenses and other matters, the Transactions yielded net cash proceeds to the Company of approximately \$31.2 million.

## 2025 Results of Operations

### Net Loss and FFO

	Year Ended December 31,		Change	
	2025	2024	\$	%
	(dollars in thousands)			
Total revenues	\$ 116,669	\$ 124,512	\$ (7,843)	(6.3)%
Total expenses	\$ 152,666	\$ 148,658	\$ 4,008	2.7 %
Gain on sale of real estate	\$ 679	\$ —	\$ 679	N/A
Net loss	\$ (39,575)	\$ (25,750)	\$ (13,825)	53.7 %

The Company had a net loss of \$39.6 million for the year ended December 31, 2025, representing an increase of \$13.8 million compared to a net loss of \$25.8 million for the year ended December 31, 2024. The increase was primarily due to a decrease of \$7.2 million in segment net operating income (discussed in more detail below in “Summary Segment Results”), an increase in interest expense not allocated to our operating segments of \$4.1 million, an increase in impairment of real estate of \$3.7 million, and an increase in expense reimbursements to related parties - corporate of \$1.2 million. These were partially offset by a decrease in loss on early extinguishment of debt of \$1.3 million and a gain on sale of real estate of \$679,000 recognized in the current year.

### Funds from Operations

We believe that funds from operations (“FFO”), a non-GAAP measure, is a widely recognized and appropriate measure of the performance of a REIT and that it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO represents net income (loss) attributable to common stockholders, computed in accordance with GAAP, which reflects the deduction of redeemable preferred stock dividends accumulated, excluding gains (or losses) from sales of real estate, impairment of real estate, and real estate depreciation and amortization. We calculate FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts (the “NAREIT”).

Like any metric, FFO should not be used as the only measure of our performance because it excludes depreciation and amortization and captures neither the changes in the value of our real estate properties that result from use or market conditions nor the level of capital expenditures and leasing commissions necessary to maintain the operating performance of our properties, all of which have real economic effect and could materially impact our operating results. Other REITs may not calculate FFO in accordance with the standards established by the NAREIT; accordingly, our FFO may not be comparable to the FFOs of other REITs. Therefore, FFO should be considered only as a supplement to net income (loss) as a measure of our performance and should not be used as a supplement to or substitute measure for cash flows from operating activities computed in accordance with GAAP. FFO should not be used as a measure of our liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to pay dividends.

The following table sets forth a historical reconciliation of net (loss) attributable to common stockholders to FFO attributable to holders of common stockholders:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Net loss attributable to common stockholders <sup>(1)</sup>	\$ (61,648)	\$ (73,343)
Depreciation and amortization	27,081	27,373
Noncontrolling interests’ proportionate share of depreciation and amortization	(233)	(306)
Impairment of real estate	3,692	—
Loss on assets held for sale	298	—
Gain on sale of real estate	(679)	—
FFO attributable to common stockholders <sup>(1)</sup>	\$ (31,489)	\$ (46,276)

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- (1) During the years ended December 31, 2025 and 2024, we recognized \$1.4 million and \$17.7 million, respectively, of redeemable preferred stock redemptions. Such amounts are included in, and have the effect of increasing, net loss attributable to common stockholders and decreasing FFO attributable to common stockholders because redeemable preferred stock redemptions are not an adjustment prescribed by NAREIT.

FFO attributable to common stockholders, which is a non-GAAP measure, was \$(31.5) million for the year ended December 31, 2025, an increase of \$14.8 million compared to \$(46.3) million for the year ended December 31, 2024. The increase in FFO was primarily attributable to a decrease in redeemable preferred stock redemptions of \$16.3 million, a decrease in redeemable preferred stock dividends of \$8.5 million and a decrease in loss on early extinguishment of debt of \$1.3 million. These were partially offset by a decrease of \$7.2 million in segment net operating income (discussed in more detail below in “Summary Segment Results”) and an increase in interest expense not allocated to our operating segments of \$4.1 million.

### Summary Segment Results

During the years ended December 31, 2025 and 2024, we operated in four segments: office, hotel and multifamily properties and lending. Set forth and described below are summary segment results for our operating segments.

	Year Ended December 31,		Change	
	2025	2024	\$	%
(dollars in thousands)				
<b>Revenues:</b>				
Office	\$ 50,140	\$ 54,283	\$ (4,143)	(7.6)%
Hotel	\$ 41,341	\$ 39,407	\$ 1,934	4.9 %
Multifamily	\$ 15,783	\$ 19,515	\$ (3,732)	(19.1)%
Lending	\$ 8,960	\$ 10,756	\$ (1,796)	(16.7)%
<b>Expenses:</b>				
Office	\$ 25,804	\$ 27,327	\$ (1,523)	(5.6)%
Hotel	\$ 29,598	\$ 27,955	\$ 1,643	5.9 %
Multifamily	\$ 12,786	\$ 13,715	\$ (929)	(6.8)%
Lending	\$ 4,838	\$ 7,556	\$ (2,718)	(36.0)%
<b>Income (Loss) From Unconsolidated Entities</b>				
Office	\$ (254)	\$ 462	\$ (716)	NM*
Multifamily	\$ (3,506)	\$ (1,268)	\$ (2,238)	NM*
<b>Non-Segment Revenue and Expenses:</b>				
Interest and other income	\$ 445	\$ 551	\$ (106)	(19.2)%
Asset management and other fees to related parties	\$ (1,356)	\$ (1,797)	\$ 441	(24.5)%
Expense reimbursements to related parties—corporate	\$ (3,496)	\$ (2,281)	\$ (1,215)	53.3 %
Interest expense	\$ (37,720)	\$ (33,589)	\$ (4,131)	12.3 %
General and administrative	\$ (4,434)	\$ (4,267)	\$ (167)	3.9 %
Transaction-related costs	\$ (1,475)	\$ (1,382)	\$ (93)	6.7 %
Depreciation and amortization	\$ (27,081)	\$ (27,373)	\$ 292	(1.1)%
Loss on early extinguishment of debt	\$ (88)	\$ (1,416)	\$ 1,328	(93.8)%
Impairment of real estate	\$ (3,692)	\$ —	\$ (3,692)	N/A
Loss on assets held for sale	\$ (298)	\$ —	\$ (298)	N/A
Gain on sale of real estate	\$ 679	\$ —	\$ 679	N/A
Provision for income taxes	\$ (497)	\$ (798)	\$ 301	(37.7)%

(\*) Percentage changes in excess of 100% are deemed to be not meaningful (“NM”)

### **Revenues**

**Office Revenue:** Office revenue includes rental revenue, expense reimbursements and lease termination income from office properties. Office revenue decreased to \$50.1 million for the year ended December 31, 2025 from \$54.3 million for the year ended December 31, 2024. The decrease was primarily due to a decrease in rental revenues at office properties in Oakland, California, Los Angeles, California, and San Francisco, California as a result of lower occupancies, partially offset by an increase in rental revenues at office properties in Beverly Hills, California and Austin, Texas as a result of increased occupancy and rental rates.

**Hotel Revenue:** Hotel revenue increased to \$41.3 million for the year ended December 31, 2025, compared to \$39.4 million for the year ended December 31, 2024. The increase was primarily due to an increase in occupancy and average daily rate during the year ended December 31, 2025 as compared to year ended December 31, 2024.

**Multifamily Revenue:** Multifamily revenue decreased to \$15.8 million for the year ended December 31, 2025, compared to \$19.5 million for the year ended December 31, 2024. The decrease was primarily attributed to lower occupancy and decreased monthly rent per occupied unit, net of rent concessions during the year ended December 31, 2025 as compared to year ended December 31, 2024.

**Lending Revenue:** Lending revenue represents revenue from our lending subsidiaries, including interest income on loans and other loan related fee income. Lending revenue decreased to \$9.0 million for the year ended December 31, 2025, compared to \$10.8 million for the year ended December 31, 2024. The decrease was primarily due to a decrease in interest income due to loan payoffs and a decrease in interest rates as well as loans funded.

**Income (Loss) From Unconsolidated Office Entities:** Income from our office Unconsolidated Joint Ventures included in office segment net operating income decreased to a loss of \$254,000 for the year ended December 31, 2025, compared to income of \$462,000 for the year ended December 31, 2024. The decrease is due to changes in the valuation of investments in real estate at our unconsolidated office entities, which recognized a net unrealized loss during the year ended December 31, 2025, compared to a net unrealized gain during the year ended December 31, 2024.

**(Loss) Income From Unconsolidated Multifamily Entity:** The loss from our Unconsolidated Joint Venture included in multifamily segment net operating income increased to a loss of \$3.5 million for the year ended December 31, 2025, compared to a loss of \$1.3 million for the year ended December 31, 2024. The increase is due to changes in the valuation of investments in real estate at our unconsolidated multifamily entities, which recognized a larger unrealized loss during the year ended December 31, 2025, compared to the year ended December 31, 2024.

**Interest and Other Income:** Interest and other income, which has not been allocated to our operating segments, decreased to \$445,000 for the year ended December 31, 2025, compared to \$551,000 for the year ended December 31, 2024. The decrease was primarily related to a decrease in interest earned on money market accounts during the year ended December 31, 2025.

## **Expenses**

**Office Expenses:** Office expenses decreased to \$25.8 million for the year ended December 31, 2025, compared to \$27.3 million for the year ended December 31, 2024. The decrease was primarily due to lower operating expenses at an office property in Oakland, California resulting from lower occupancy, as well as lower operating expenses at an office property in Beverly Hills, California as result of property tax refunds received during the year ended December 31, 2025, partially offset by increased property taxes at an office property in Austin, Texas and at an office property in San Francisco, California during the year ended December 31, 2025.

**Hotel Expenses:** Hotel expenses were \$29.6 million for the year ended December 31, 2025, compared with \$28.0 million for the year ended December 31, 2024. The increase is due to increased occupancy during the year ended December 31, 2025 compared to the prior year period.

**Multifamily Expenses:** Multifamily expenses decreased to \$12.8 million for the year ended December 31, 2025, compared to \$13.7 million for the year ended December 31, 2024. The decrease was primarily due to a decrease in real estate tax expense as well as decreases in repairs and maintenance expenses at our multifamily properties during the year ended December 31, 2025 compared to the prior year period.

**Lending Expenses:** Lending expenses represent expenses from our lending subsidiaries, including interest expense, general and administrative expenses and fees to related parties. Lending expenses were \$4.8 million for the year ended December 31, 2025, compared with \$7.6 million for the year ended December 31, 2024. The decrease was primarily due to the reversal of the CECL balance during the year ended December 31, 2025 as a result of the loans receivable portfolio being reclassified as held for sale as of December 31, 2025 in connection with the sale of First Western in January 2026.

**Asset Management and Other Fees to Related Parties:** Asset management fees and other fees to related parties, which have not been allocated to our operating segments decreased to \$1.4 million for the year ended December 31, 2025, compared to \$1.8 million for the year ended December 31, 2024. The decrease was a result of a reduction in asset management fees related to a decrease in our net asset value, primarily resulting from a reduction in the fair value of our investments in real estate as of the end of both 2024 and 2025.

**Expense Reimbursements to Related Parties—Corporate:** The Administrator receives compensation and/or reimbursement for performing certain services for the Company and its subsidiaries. Expense reimbursements to related parties—corporate were \$3.5 million for the year ended December 31, 2025, an increase from \$2.3 million for the year ended

December 31, 2024. The increase was primarily due to an increase in expense allocation related to activities at our lending division as well as an increase in legal services.

**Interest Expense:** Interest expense, which has not been allocated to our operating segments, increased to \$37.7 million for the year ended December 31, 2025, compared to \$33.6 million for the year ended December 31, 2024. The increase was primarily attributable to a higher average outstanding principal balance on our debt as a result of new mortgage loans closed during the fourth quarter of 2024 and first and second quarters of 2025, partially offset by paydowns on our 2022 Credit Facility as well as one of our mortgage loans.

**General and Administrative Expenses:** General and administrative expenses, which have not been allocated to our operating segments, were \$4.4 million for the year ended December 31, 2025, generally consistent with \$4.3 million for the year ended December 31, 2024.

**Transaction-Related Costs:** Transaction-related costs were \$1.5 million for the year ended December 31, 2025, generally consistent with \$1.4 million for the year ended December 31, 2024.

**Depreciation and Amortization Expense:** Depreciation and amortization expense decreased to \$27.1 million for the year ended December 31, 2025, compared to \$27.4 million for the year ended December 31, 2024. The decrease was due to a decrease in leasing cost amortization at an office property in Oakland, California as a result of a large lease termination during the third quarter of 2024, partially offset by incremental increases to the depreciable asset base at our hotel property.

**Loss on Early Extinguishment of Debt:** Loss on early extinguishment of debt decreased to \$88,000 for the year ended December 31, 2025, compared to \$1.4 million for the year ended December 31, 2024. The decrease was due to larger amounts that were recognized related to the payoff of the 2022 Credit Facility during year ended December 31, 2024.

**Impairment of Real Estate:** Impairment of real estate was \$3.7 million for the year ended December 31, 2025 due to an impairment charge recognized in connection with an office property in Austin, Texas and a multifamily development site in Oakland, California. No such amounts were incurred during the prior year period.

**Gain on Sale of Real Estate:** The Company recognized a gain on sale of real estate of \$679,000 for the year ended December 31, 2025, resulting from the sale of a land parcel in Oakland, California. There were no dispositions during the year ended December 31, 2024.

**Loss on Assets Held For Sale:** The Loss on assets held for sale of \$298,000 during the year ended December 31, 2025, was related to the reclassification of First Western to held for sale as of December 31, 2025, after which the carrying value of the assets held for sale were written down to be recorded at fair value, less costs to sell, subsequent to the reversal of CECL discussed in Lending Expenses above. There were no assets reclassified as held for sale during the year ended December 31, 2024.

**Provision for Income Taxes:** Provision for income taxes decreased to \$497,000 for the year ended December 31, 2025, compared to \$798,000 for the year ended December 31, 2024. The decrease is primarily due to lower taxable income at our taxable REIT subsidiaries during the year ended December 31, 2025 as compared to the year ended December 31, 2024.

#### **Cash Flow Analysis**

Our cash flows from operating activities are primarily dependent upon the real estate assets owned, occupancy level of our real estate assets, the rental rates achieved through our leases, the occupancy and ADR of our hotel, the collectability of rent and recoveries from our tenants, and loan related activity. Our cash flows from operating activities are also impacted by fluctuations in operating expenses and other general and administrative costs. Net cash provided by operating activities was \$5.8 million for the year ended December 31, 2025 as compared to \$17.0 million during the same period in 2024. The decrease is primarily due to an increase in net loss adjusted for depreciation and amortization expense and other non-cash items of \$11.9 million.

Our cash flows from investing activities are primarily related to property acquisitions and dispositions, expenditures for the development or repositioning of properties, capital expenditures and cash flows associated with loans originated at our lending segment. Net cash used in investing activities was \$12.0 million for the year ended December 31, 2025, compared to \$22.3 million for the year ended December 31, 2024. The decrease in cash used in investing activities was primarily due to a \$2.5 million decrease in capital expenditures, an increase in the receipt of key money of \$4.7 million, and a decrease in cash used to fund loans of \$3.3 million during the year ended December 31, 2025.

Our cash flows from financing activities are generally impacted by borrowings and capital activities. Net cash used in financing activities for the year ended December 31, 2025 was \$4.6 million, compared to cash provided by financing activities

of \$13.9 million for the year ended December 31, 2024. The decrease of \$18.5 million was primarily due to a decrease in net proceeds from debt of \$17.5 million during year ended December 31, 2025 and a \$40.6 million decrease in net proceeds from the issuance of redeemable preferred stock. These were partially offset by a decrease in cash redemptions of redeemable preferred stock of \$25.4 million, a decrease in common stock dividends of \$5.8 million, a decrease in redeemable preferred stock dividends of \$3.6 million, and a decrease in the payment of deferred costs of \$1.9 million.

## **Liquidity and Capital Resources**

### ***General***

On a short-term basis, our principal demands for funds will be for the acquisition of assets, development or repositioning of properties (as further described below) (including pre-construction costs such as obtaining entitlements and permits and architectural work), or re-leasing of space in existing properties, capital expenditures, paying interest and principal on current and any future debt financings, and paying distributions on our Preferred Stock. We may finance our future activities through one or more of the following methods: (i) offerings of shares of Common Stock, Preferred Stock or other equity and/or debt securities of the Company; (ii) issuances of interests in our operating partnership in exchange for properties; (iii) credit facilities and term loans; (iv) the addition of senior recourse or non-recourse debt using target acquisitions as well as existing assets as collateral; (v) the sale of existing assets; and/or (vi) cash flows from operations.

Our long-term liquidity needs will consist primarily of funds necessary for acquisitions of assets, development or repositioning of properties, or re-leasing of space in existing properties, capital expenditures, paying interest and principal on debt financings, refinancing of indebtedness, paying distributions on our Preferred Stock or any other preferred stock we may issue, any future repurchase of Common Stock and/or redemption of our Preferred Stock (if we choose, or are required, to pay the redemption price in cash instead of in shares of our Common Stock) and any renewed distributions on our Common Stock. To the extent we decide to proceed with development work on any of our development sites (in addition to those discussed below), we will have increased liquidity needs.

Construction has been substantially completed on the Rooms Renovation Project at our Sheraton Grand Hotel in Sacramento, California, with total costs incurred of \$21.2 million as of December 31, 2025. We also started our renovation of Sheraton Grand Hotel's lobbies and common areas (the "Lobby Renovation Project") during the third quarter of 2025. The estimated cost for the Lobby Renovation Project is approximately \$11.6 million, of which \$7.4 million had been incurred as of December 31, 2025. Both the Rooms Renovation Project and Lobby Renovation Project are being funded by a combination of draws on the mortgage loan at the property and key money from the Sheraton Grand Hotel's franchisor.

From and after September 2024, at our option, we redeemed 2,589,606 and 2,150,076 shares of Series A1 Preferred Stock and Series A Preferred Stock, respectively, in shares of Common Stock and we have paid holder-requested redemptions of 718,649, 671,058, and 4,122 shares of Series A1 Preferred Stock, Series A Preferred Stock, and Series D Preferred Stock respectively, in shares of Common Stock. On or about March 16, 2026, the Company expects to redeem approximately 1,957,023 shares of Series A Preferred Stock, approximately 7,767,609 shares of Series A1 Preferred Stock and approximately 21,760 shares of Series D Preferred Stock in shares of Common Stock (the "March 2026 Redemption"). Other than the March 2026 Redemption, the company does not currently intend to redeem, at the Company's election, additional Preferred Stock in shares of Common Stock. However, the Company will evaluate redemption requests submitted by holders of its shares of Preferred Stock at the time it receives them and may elect to redeem those Preferred Shares in Common Stock or cash, at the Company's discretion.

The measures noted above, taken together, are expected to strengthen our balance sheet and improve liquidity. These actions are also intended to better position the Company to take advantage of opportunities that are expected to arise in a recovering real estate market.

We may not have sufficient funds on hand or may not be able to obtain additional financing to cover all of our long-term cash requirements. The nature of our business, and the requirements imposed by REIT rules that we distribute a substantial majority of our REIT taxable income on an annual basis in the form of dividends, may cause us to have substantial liquidity needs over the long-term. While we will seek to satisfy such needs through one or more of the methods described in this Annual Report on Form 10-K, our ability to take such actions is highly uncertain and cannot be predicted, and could be affected by various risks and uncertainties, including, but not limited to, the risks detailed in "Item 1A—Risk Factors" of this Annual Report on Form 10-K. If we cannot obtain funding for our long-term liquidity needs, our assets may generate lower cash flows or decline in value, or both, which may cause us to sell assets at a time when we would not otherwise do so which could have a material adverse effect on our business, financial condition, results of operations, cash flow or our ability to satisfy our debt service obligations or to maintain our level of distributions on our Preferred Stock or any renewed distributions on our Common Stock.

We must meet certain financial and liquidity criteria to maintain the listing of our Common Stock on Nasdaq. If we violate Nasdaq's listing requirements or fail to meet its listing standards, our Common Stock may be delisted. On November 7, 2024, we received written notice from the Listing Qualifications Department of Nasdaq indicating that we had fallen out of compliance with the Bid Price Requirement. To regain compliance, the closing bid price of our Common Stock had to be a minimum of \$1.00 per share for a minimum of ten consecutive business days prior to May 6, 2025. On May 1, 2025, we received a letter from the Nasdaq Listing Qualification Department informing the Company that it had regained compliance with the Bid Price Requirement as of April 30, 2025 due to the price of our Common Stock maintaining a minimum bid price in excess of \$1.00 for ten consecutive business days. However, our ability to maintain compliance with the Nasdaq's listing standards requirements in the future, including the Bid Price Requirement, is not guaranteed. We believe that delisting our Common Stock from Nasdaq could have significant adverse consequences, including a decreased ability to issue additional shares of Common Stock to raise additional financing in the future due to the increased lack of liquidity that would result in our Common Stock due to the factors described in "We may not be able to maintain a listing of our Common Stock on Nasdaq" in "Item 1A—Risk Factors." In addition, delisting may result in the inability to redeem Preferred Stock when all other criteria for redemption have been met if registration under applicable state securities or "blue sky" laws is not able to be accomplished in a particular state and the cash required for such redemption is not available.

### ***Sources and Uses of Funds***

#### ***Mortgages***

We have mortgage loan agreements with outstanding balances of \$477.0 million as of December 31, 2025. Our mortgage loans mature on various dates from June 7, 2026 through January 11, 2030.

In regards to the mortgage payable with a balance of \$66.3 million as of December 31, 2025 maturing on June 7, 2026 (the "1150 Clay Mortgage"), the Company executed the final one-year extension option under the mortgage in June 2025. The Company intends to work with the lender in order to refinance the 1150 Clay Mortgage beyond its stated maturity date of June 7, 2026. Although the Company believes it is likely it will be able to refinance the 1150 Clay Mortgage prior to June 7, 2026, there can be no assurance that such refinancing will occur. If the Company and the lender under the 1150 Clay Mortgage cannot agree on an extension of the mortgage and the Company fails to repay the loan in full upon its contractual maturity date, such failure would constitute an event of default under the mortgage and would allow the lender to, among other remedies, take possession of the property.

With regards to the mortgage payable with a balance of \$81.0 million as of December 31, 2025 secured by a multifamily property in Oakland, California (the "Channel House Mortgage"), on August 4, 2025 the Company reached an agreement with the lender to extend the maturity date through January 31, 2027 (the "Channel House Mortgage Extension"). In connection with the Channel House Mortgage Extension, the Company made a repayment of \$6.0 million under the Channel House Mortgage, reducing it from its previous balance of \$87.0 million. Although the Company believes it is likely it will be able to refinance the Channel House Mortgage prior to January 31, 2027, there can be no assurance that such refinancing will occur. If the Company and the lender under the Channel House Mortgage cannot agree on an extension of the mortgage and the Company fails to repay the loan in full upon its contractual maturity date, such failure would constitute an event of default under the mortgage and would allow the lender to, among other remedies, take possession of the property.

In regards to the mortgage payable with a balance of \$97.1 million as of December 31, 2025 maturing on July 1, 2026 (the "1 Kaiser Mortgage"), the Company intends to work with the lender in order to refinance the 1 Kaiser Mortgage beyond its stated maturity date of July 1, 2026. Although the Company believes it is likely it will be able to refinance the 1 Kaiser Mortgage prior to July 1, 2026, there can be no assurance that such refinancing will occur. If the Company and the lender under the 1 Kaiser Mortgage cannot agree on an extension of the mortgage and the Company fails to repay the loan in full upon its contractual maturity date, such failure would constitute an event of default under the mortgage and would allow the lender to, among other remedies, take possession of the property.

#### ***Revolving Credit Facilities***

On April 3, 2025, the Company completed the refinancing of an office property in Austin, Texas and used a portion of the proceeds from such refinancing to repay its then outstanding credit facility (the "2022 Credit Facility") in full and, in connection with such repayment, the 2022 Credit Facility was terminated.

In June 2025, a subsidiary of the Company, as borrower, entered into an agreement (the "Lending Division Revolving Credit Facility") with a bank that included a \$20.0 million revolving credit facility secured by the unguaranteed portion of certain of such subsidiary's SBA 7(a) loans receivable and other assets of such subsidiary, subject to a borrowing base calculation, and fully guaranteed by the Company. As previously announced on November 12, 2025, the Company and First Western entered into the Membership Interest Purchase Agreement with the Buyer. The Closing contemplated by the

Membership Interest Purchase Agreement occurred on January 21, 2026. At the Closing, Buyer purchased from the Company all of the issued and outstanding equity interests of First Western SBLC, LLC, and the remaining balance of \$10.5 million under the Lending Division Revolving Credit Facility was paid in full, resulting in the termination of the Lending Division Revolving Credit Facility.

#### ***Other Financing Activity***

We have junior subordinated notes with a variable interest rate that resets quarterly based on the three-month SOFR plus 3.51%, with quarterly interest-only payments. The junior subordinated balance is due at maturity on March 30, 2035. The junior subordinated notes may be redeemed at par at our option. The aggregate principal balance of the junior subordinated notes was \$27.1 million as of December 31, 2025.

#### ***Securities Offerings***

We conducted a continuous public offering of Series A Preferred Stock from October 2016 through January 2020, where one Series A Preferred Warrant was issued along with each issued share of Series A Preferred Stock. During the tenure of the offering, we issued 4,603,287 Series A Preferred Stock and Series A Preferred Warrants and received aggregate net proceeds of \$105.2 million after commissions, fees and allocated costs. As of December 31, 2025, all of the Series A Preferred Warrants had expired.

From February 2020 through June 2022, we conducted a continuous public offering of our Series A Preferred Stock and Series D Preferred Stock. From June 2022 through September 2024, we conducted a public offering with respect to shares of its Series A1 Preferred Stock. We used the net proceeds from the offerings for general corporate purposes. We have suspended our offering of Series A1 Preferred Stock.

As of December 31, 2025, we had issued 12,040,878 shares of Series A1 Preferred Stock, 8,251,657 shares of Series A Preferred Stock and 56,857 shares of Series D Preferred Stock and received aggregate net proceeds of \$459.1 million after commissions, fees and allocated costs.

#### ***Dividends on and Redemptions of Preferred Stock***

Holders of Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock are entitled to receive, if, as and when authorized by our Board of Directors, and declared by us out of legally available funds, cumulative cash dividends on each share as follows: (1) at the of greater of (i) an annual rate of 6.0% of the Series A1 Preferred Stock Stated Value (i.e., the equivalent of \$0.3750 per share per quarter) and (ii) the Federal Funds (Effective) Rate for such quarter and plus 2.5% of the Series A1 Preferred Stock Stated Value divided by four, up to a maximum of 2.5% of the Series A1 Preferred Stock Stated Value per quarter, (2) 5.50% of the Series A Preferred Stock Stated Value (i.e., the equivalent of \$0.34375 per share per quarter), and (3) 5.65% of the Series D Preferred Stock Stated Value (i.e., the equivalent of \$0.35313 per share per quarter), respectively.

We expect to pay dividends on the Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock in arrears on a monthly basis, unless our results of operations, our general financing conditions, general economic conditions, applicable requirements of the MGCL or other factors make it imprudent to do so. The timing and amount of dividends declared and paid on our Preferred Stock will be determined by our Board of Directors, in its sole discretion, and may vary from time to time.

From the date of issuance until the fifth anniversary of the date of issuance, holders of Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock may require us to redeem such shares at a discount to the Series A1 Preferred Stock, Series A Preferred Stated Value and Series D Preferred Stated Value, respectively. From and after the fifth anniversary of the date of original issuance of any share of our Preferred Stock, we generally (subject to certain conditions) have the right (but not the obligation) to redeem, and the holder of such share may require us to redeem, such share at a redemption price equal to 100% of the stated value of such share, plus any accrued but unpaid dividends in respect of such share as of the effective date of the redemption. The redemption price in respect of any share of Preferred Stock, whether redeemed at our option or at the option of a holder, may be paid in cash or in shares of Common Stock in our sole discretion. Through December 31, 2025, we had redeemed 5,151,320 shares of Series A Preferred Stock, 3,491,336 shares of Series A1 Preferred Stock, and 12,532 of Series D Preferred Stock. On or about March 16, 2026, the Company expects to redeem approximately 1,957,023 shares of Series A Preferred Stock, approximately 7,767,609 shares of Series A1 Preferred Stock and approximately 21,760 shares of Series D Preferred Stock (collectively "Preferred Stock") in shares of Common Stock (the "March 2026 Redemption"). Other than the March 2026 Redemption, the company does not currently intend to redeem, at the Company's election, additional Preferred Stock in shares of Common Stock. However, the Company will evaluate redemption

requests submitted by holders of its shares of Preferred Stock at the time it receives them and may elect to redeem those Preferred Shares in Common Stock or cash, at the Company's discretion.

Of the 5,151,320 shares of Series A Preferred Stock that have been redeemed, the redemption of 2,330,186 shares of Series A Preferred Stock were paid in cash, 2,313,106 of which were redeemed at the option of the holders and 17,080 of which were redeemed at the option of the Company. As of December 31, 2025, the Company, at its option, redeemed 2,150,076 shares of Series A Preferred Stock, all of which were paid in shares of Common Stock, including all accrued and unpaid dividends as of each redemption date, and in addition, as of 671,058 shares redeemed at the option of the holders were paid in shares of Common Stock, including all accrued and unpaid dividends as of the redemption date (collectively, the "Series A In-Kind Redemptions"). The Series A In-Kind Redemptions resulted in the aggregate issuance of 1,352,410 shares of Common Stock.

Of the 3,491,336 shares of Series A1 Preferred Stock that have been redeemed, the redemption of 183,081 shares of Series A1 Preferred Stock were paid in cash (all of which were redeemed at the option of the holders). As of December 31, 2025, the Company, at its option, redeemed 2,589,606 shares of Series A1 Preferred Stock, all of which were paid in shares of Common Stock, including all accrued and unpaid dividends as of each redemption date, and in addition, as of December 31, 2025, 718,649 shares redeemed at the option of the holders were paid in shares of Common Stock, including all accrued and unpaid dividends as of the redemption date (collectively, the "Series A1 In-Kind Redemptions"). The Series A1 In-Kind Redemptions resulted in the aggregate issuance of 1,202,761 shares of Common Stock.

Of the 12,532 shares of Series D Preferred Stock that have been redeemed, the redemption of 8,410 shares of Series D Preferred Stock were paid in cash and 4,122 shares of Series D Preferred Stock were paid in shares of Common Stock, including all accrued and unpaid dividends as of the redemption date (collectively, the "Series D In-Kind Redemptions"). All such redemptions were redeemed at the option of the holders. The Series D In-Kind Redemptions resulted in the aggregate issuance of 11,556 shares of Common Stock.

#### ***Dividends on Common Stock***

Holders of our Common Stock are entitled to receive dividends, if, as and when authorized by the Board of Directors and declared by us out of legally available funds. In determining our dividend policy, the Board of Directors considers many factors including the amount of cash resources available for dividend distributions, capital spending plans, cash flow, our financial position, applicable requirements of the MGCL, any applicable contractual restrictions, and future growth in NAV and cash flow per share prospects. Consequently, the dividend rate on a quarterly basis does not necessarily correlate directly to any individual factor. We have not paid dividends on our Common Stock since 2024, and we cannot predict with certainty if or when we may be able to resume paying such dividends on our Common Stock.

#### **Off Balance Sheet Arrangements**

As of December 31, 2025, we did not have any off-balance sheet arrangements.

#### **Critical Accounting Policies and Estimates and Recently Issued Accounting Pronouncements**

The discussion and analysis of our historical financial condition and results of operations is based upon our consolidated financial statements, which have been prepared in accordance with GAAP. The preparation of financial statements in accordance with GAAP requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. While we believe that our estimates are based on reasonable assumptions and judgments at the time they are made, some of our assumptions, estimates and judgments will inevitably prove to be incorrect. As a result, actual results could differ from our estimates, and those differences could be material.

We believe the following critical accounting policy, among others, affects our more significant estimates and assumptions used in preparing our consolidated financial statements. For a discussion of recently issued accounting literature, see Note 2 to our consolidated financial statements included in this Annual Report on Form 10-K.

#### ***Recoverability of Investments in Real Estate***

As described in Note 2 to the consolidated financial statements included in this Annual Report on Form 10-K, investments in real estate are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If, and when, such events or changes in circumstances are present, the recoverability of assets to be held and used is measured by a comparison of the carrying amount to the future undiscounted cash flows expected to be generated by the assets and its eventual disposition. If the undiscounted cash flows are less than the carrying amount of the assets, an impairment is recognized to the extent the carrying amount of the assets exceeds the estimated

fair value of the assets. Assets held for sale are reported at the lower of the asset's carrying amount or fair value, less cost to sell.

Our process for evaluating real estate impairment requires management to make significant assumptions related to certain inputs, including rental rates, lease-up period, occupancy, estimated holding periods, capital expenditures, growth rates, market discount rates and terminal capitalization rates. These inputs require a subjective evaluation based on the specific property and market. Changes in the assumptions could have a significant impact on either the fair value, the amount of impairment charge, if any, or both.

#### **FINRA Estimated Per Share Value**

We have prepared an estimate of the per share value of each of our Series A Preferred Stock, Series A1 Preferred Stock and Series D Preferred Stock as of December 31, 2025 in order to assist broker-dealers that are participating in our public offering of Series A1 Preferred Stock and broker-dealers that participated in our public offering of Series A Preferred Stock and Series D Preferred Stock in meeting their obligations under applicable FINRA rules. This estimate utilizes the fair values of our investments in real estate and certain lending assets as well as the carrying amounts of our other assets and liabilities, in each case as of December 31, 2025 (the "Calculated Assets and Liabilities"). Specifically, we divided (i) the fair values of our investments in real estate and certain lending assets and the carrying amounts of our other assets less the carrying amounts of our liabilities, in each case as of December 31, 2025, by (ii) the number of shares of Series A Preferred Stock, Series A1 Preferred Stock and Series D Preferred Stock outstanding as of that date. The fair values of our investments in real estate and certain lending assets were determined with material assistance from third-party appraisal firms engaged to value our investments in real estate and certain lending assets, in each case in accordance with standards set forth by the American Institute of Certified Public Accountants. We believe our methodology of determining the Calculated Assets and Liabilities conforms to standard industry practices and is reasonably designed to ensure it is reliable.

The terms of the Series A Preferred Stock, Series A1 Preferred Stock and Series D Preferred Stock expressly provide that the amount that a holder of Series A Preferred Stock, Series A1 Preferred Stock or Series D Preferred Stock, as the case may be, would be entitled to receive upon the redemption of the Series A Preferred Stock, Series A1 Preferred Stock or Series D Preferred Stock, as the case may be, or our liquidation would be equal to the Series A Preferred Stock Stated Value, Series A1 Preferred Stated Value or Series D Preferred Stock Stated Value, as the case may be, plus, in each case, all accumulated, accrued and unpaid dividends thereon (the "Maximum Value"), subject to any applicable redemption fee in the case of a redemption by such holder. As a result, in no event would a holder of Series A Preferred Stock, Series A1 Preferred Stock or Series D Preferred Stock, as the case may be, be entitled to receive an amount greater than the Maximum Value upon the redemption of such shares or our liquidation. Accordingly, although the estimated value of the Series A Preferred Stock, Series A1 Preferred Stock and Series D Preferred Stock, calculated based on the Calculated Assets and Liabilities as described above, exceeded the Maximum Value, we determined that the estimated value of each of the Series A Preferred Stock, the Series A1 Preferred Stock and Series D Preferred Stock, as of December 31, 2025, was equal to \$25.00 per share, plus accrued and unpaid dividends.

#### **Dividends**

As of December 31, 2025, there were 12,240,878 and 8,749,542 shares of Series A1 Preferred Stock issued and outstanding, respectively, 8,820,338 and 3,669,018 shares of Series A Preferred Stock issued and outstanding, respectively, 56,857 and 44,325 shares of Series D Preferred Stock issued and outstanding, respectively, and 2,699,686 shares of Common Stock issued and outstanding.

Holders of Preferred Stock are entitled to receive, if, as and when authorized by our Board of Directors, and declared by us out of legally available funds, cumulative cash dividends as follows:

	<b>Annual Rate of Dividend (as a % of stated value)</b>
Series A1 Preferred Stock <sup>(1)</sup>	6.00%
Series A Preferred Stock	5.50%
Series D Preferred Stock	5.65%

- (1) The terms of the Series A1 Preferred Stock provide for cumulative cash dividends (if, as and when authorized by the Board of Directors) on each share of Series A1 Preferred Stock at a quarterly rate of the greater of (i) an annual rate of 6.00% of the Series A1 Stated Value, divided by four (4) and (ii) the Federal Funds (Effective) Rate on the dividend determination date, plus 2.50%, of the Series A1 Stated Value, divided by four (4), up to a maximum of 2.50% of the

Series A1 Stated Value per quarter. The annual rate of dividend of the Series A1 Preferred Stock during the first quarter of 2026 is 6.39%.

Dividends on each share of Preferred Stock begin accruing on, and are cumulative from, the date of issuance. We expect to timely pay dividends on the Preferred Stock in arrears on a monthly basis, unless our results of operations, our general financing conditions, general economic conditions, applicable requirements of the MGCL or other factors make it imprudent to do so. The timing and amount of dividends declared and paid on our Preferred Stock will be determined by our Board of Directors, in its sole discretion, and may vary from time to time.

Holders of the Company's Common Stock are entitled to receive dividends, if, as and when authorized by the Board of Directors and declared by the Company out of legally available funds. In determining the Company's dividend policy, the Board of Directors considers many factors including the amount of cash resources available for dividend distributions, capital spending plans, cash flow, the Company's financial position, applicable requirements of the MGCL, any applicable contractual restrictions, and future growth in NAV and cash flow per share prospects. Consequently, the dividend rate on a quarterly basis does not necessarily correlate directly to any individual factor. We have not paid dividends on our Common Stock since 2024, and we cannot predict with certainty if or when we may be able to resume paying such dividends on our Common Stock.

#### **Item 7A. Quantitative and Qualitative Disclosures About Market Risk**

Our future income, cash flow and fair values relevant to financial instruments are dependent upon prevalent market interest rates. Market risk refers to the risk of loss from adverse changes in market prices and interest rates. We are exposed to market risk in the form of changes in interest rates and the potential impact such changes may have on the cash flows from our floating rate debt or the fair values of our fixed rate debt. As of December 31, 2025 and 2024 (including our variable rate mortgages payable subject to interest rate cap agreements and excluding premiums, discounts, and deferred loan costs), \$440.4 million (or 85.6%) and \$440.4 million (or 86.1%) of our debt, respectively, was fixed rate borrowings. As of December 31, 2025 and 2024 (excluding debt reclassified as held for sale and excluding our variable rate mortgages payable subject to interest rate cap agreements as well as premiums, discounts and deferred loan costs), \$74.1 million (or 14.4%) and \$71.3 million (or 13.9%), respectively, was floating rate borrowings. Based on the level of floating rate debt outstanding as of December 31, 2025 and 2024, a 50 basis point change in SOFR would result in an annual impact to our earnings of approximately \$371,000 and \$356,000, respectively. We calculate interest rate sensitivity by multiplying the amount of floating rate debt by the respective change in rate.

As of December 31, 2025, we had two interest rate cap agreements outstanding with an aggregate notional amount of \$172.0 million and an aggregate fair value of the net derivative assets of \$3,000. As of December 31, 2025, an increase or decrease of 50 basis points in interest rates would not result in a significant change to the fair value of the derivative asset.

#### **Item 8. Financial Statements and Supplementary Data**

The information required by this Item is incorporated herein by reference to the Financial Statements and Auditors' Report beginning on page F-1.

#### **Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure**

None.

#### **Item 9A. Controls and Procedures**

##### **Evaluation of Disclosure Controls and Procedures**

As of December 31, 2025, we carried out an evaluation, under the supervision and with the participation of our management, including our Chief Executive Officer and Chief Financial Officer, regarding the effectiveness of the design and operation of our disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) at the end of the period covered by this report. Based on that evaluation, the Chief Executive Officer and Chief Financial Officer concluded, as of that time, that our disclosure controls and procedures were effective in ensuring that information required to be disclosed by us in the reports that we file or submit to the SEC under the Exchange Act is recorded, processed, summarized and reported within the time periods specified by the SEC's rules and forms and include controls and procedures designed to ensure the information required to be disclosed by us in such reports is accumulated and communicated to management, including our Chief Executive Officer and our Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

## Management's Report on Internal Control Over Financial Reporting

Management is responsible for establishing and maintaining adequate internal control over financial reporting as defined in Rule 13a-15(f) under the Exchange Act. Our internal control over financial reporting is designed 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. We reviewed the results of management's assessment with the Audit Committee of the Board of Directors.

Management assessed the effectiveness of our internal control over financial reporting as of December 31, 2025. In making this assessment, management used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission in *Internal Control—Integrated Framework (2013)*. Based on their assessment, management determined that as of December 31, 2025, our internal control over financial reporting was effective based on those criteria.

The effectiveness of our internal control over financial reporting as of December 31, 2025 has been audited by Deloitte & Touche, LLP, an independent registered public accounting firm as stated in their report which appears herein.

## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Creative Media & Community Trust Corporation

### Opinion on Internal Control over Financial Reporting

We have audited the internal control over financial reporting of Creative Media & Community Trust Corporation (the “Company”) as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by COSO.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the consolidated financial statements as of and for the year ended December 31, 2025, of the Company and our report dated March 9, 2026, expressed an unqualified opinion on those financial statements.

### Basis for Opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

### Definition and Limitations of Internal Control over Financial Reporting

A company’s internal control over financial reporting is a process designed 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. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ Deloitte & Touche LLP

Tempe, Arizona  
March 9, 2026

### **Limitations on the Effectiveness of Controls**

Our management, including our Chief Executive Officer and Chief Financial Officer, does not expect that our disclosure controls or our internal controls will prevent all errors and fraud. A control system, no matter how well designed and operated, can provide only reasonable, not absolute, assurance that the control system's objectives will be met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of simple error or mistake. Controls can also be circumvented by the individual acts of some persons, by collusion of two or more people, or by management override of the controls. The design of any system of controls is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions. Over time, controls may become inadequate because of changes in conditions or deterioration in the degree of compliance with associated policies or procedures. Because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

### **Changes in Internal Control Over Financial Reporting**

There have been no changes in our internal control over financial reporting that occurred during the quarter ended December 31, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

### **Item 9B. Other Information**

We have adopted an Insider Trading Policy governing the trading of our securities by the Company's officers, directors, employees and certain employees of CIM Group, as well as the Company itself, that we believe is reasonably designed to promote compliance with insider trading laws, rules and regulations and the Nasdaq listing standards. A copy of our Insider Trading Policy is filed as Exhibit 19.1 to this Annual Report on Form 10-K.

None of our officers or directors had any contract, instruction, or written plan for the purchase or sale of our securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement," as defined in Item 408 of Regulation S-K, in effect at any time during the three months ended December 31, 2025.

### **Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections**

Not applicable.

## PART III

### **Item 10. Directors, Executive Officers and Corporate Governance**

Information required by this Item regarding our directors and executive officers, and corporate governance, including information with respect to beneficial ownership reporting compliance, will appear in an amendment to this Annual Report on Form 10-K or the Company's Proxy Statement, which will be filed or delivered to our stockholders in connection with our 2026 Annual Meeting of Stockholders not later than 120 days after the end of the fiscal year covered by this Annual Report. Such information is incorporated herein by reference. Information relating to the registrant's Code of Business Conduct and Ethics that applies to its employees, including its senior financial officers, is included in Part I of this Annual Report on Form 10-K under "Item 1—Business—Available Information."

### **Item 11. Executive Compensation**

The information required by this Item will appear in an amendment to this Annual Report on Form 10-K or the Company's Proxy Statement, which will be filed or delivered to our stockholders in connection with our 2026 Annual Meeting of Stockholders not later than 120 days after the end of the fiscal year covered by this Annual Report. Such information is incorporated herein by reference.

### **Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters**

The information required by this Item regarding security ownership of certain beneficial owners and management will appear in an amendment to this Annual Report on Form 10-K or the Company's Proxy Statement, which will be filed or delivered to our stockholders in connection with our 2026 Annual Meeting of Stockholders not later than 120 days after the end of the fiscal year covered by this Annual Report. Such information is incorporated herein by reference. Information relating to securities authorized for issuance under our equity compensation plans is included in Part II of this Annual Report on Form 10-K under "Item 5—Market For Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities."

### **Item 13. Certain Relationships and Related Transactions, and Director Independence**

The information required by this Item will appear in an amendment to this Annual Report on Form 10-K or the Company's Proxy Statement, which will be filed or delivered to our stockholders in connection with our 2026 Annual Meeting of Stockholders not later than 120 days after the end of the fiscal year covered by this Annual Report. Such information is incorporated herein by reference.

### **Item 14. Principal Accountant Fees and Services**

The information required by this Item will appear in an amendment to this Annual Report on Form 10-K or the Company's Proxy Statement, which will be filed or delivered to our stockholders in connection with our 2026 Annual Meeting of Stockholders not later than 120 days after the end of the fiscal year covered by this Annual Report. Such information is incorporated herein by reference.

## PART IV

### Item 15. Exhibits and Financial Statement Schedules

#### (a) 1. Financial Statements

The list of the financial statements filed as part of this Annual Report on Form 10-K is set forth on page F-1 herein.

#### 2. Financial Statement Schedules

The list of the financial statement schedules filed as part of this Annual Report on Form 10-K is set forth on page F-1 herein.

Note: Other schedules are omitted because of the absence of conditions under which they are required or because the required information is given in the financial statements or notes thereto.

#### 3. Exhibits

The following documents are included or incorporated by reference in this Annual Report on Form 10-K:

Exhibit No.	Document
2.1	<a href="#"><u>Membership Interest Purchase Agreement, dated as of November 6, 2025, by and among PG FR Holding LLC, Creative Media &amp; Trust Corporation and First Western SBLC, Inc. (incorporated by reference to Exhibit 2.1 of the Registrant's Current Report on Form 8-K as filed with the SEC on January 22, 2026).</u></a>
3.1	<a href="#"><u>Articles of Amendment and Restatement (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).</u></a>
3.1(a)	<a href="#"><u>Articles of Amendment (Name Change) (incorporated by reference to Exhibit 3.4 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).</u></a>
3.1(b)	<a href="#"><u>Articles of Amendment (Reverse Stock Split) (incorporated by reference to Exhibit 3.5 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).</u></a>
3.1(c)	<a href="#"><u>Articles of Amendment (Par Value Decrease) (incorporated by reference to Exhibit 3.6 to the Registrant's Current Report on Form 8-K filed with the SEC on May 2, 2014).</u></a>
3.1(d)	<a href="#"><u>Articles of Amendment (Reverse Stock Split) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 6, 2019).</u></a>
3.1(e)	<a href="#"><u>Articles of Amendment (Par Value Decrease) (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on September 6, 2019).</u></a>
3.1(f)	<a href="#"><u>Articles of Amendment (Name Change) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 10, 2022).</u></a>
3.1(g)	<a href="#"><u>Articles of Amendment (Reverse Stock Split) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 13, 2025).</u></a>
3.1(h)	<a href="#"><u>Articles of Amendment (Par Value Decrease) (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on January 13, 2025).</u></a>
3.1(i)	<a href="#"><u>Articles of Amendment (Reverse Stock Split) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on April 17, 2025).</u></a>
3.1(j)	<a href="#"><u>Articles of Amendment (Par Value Decrease) (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on April 17, 2025).</u></a>
3.2	<a href="#"><u>Articles Supplementary, designating the Series A Preferred Stock (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 27, 2016).</u></a>
3.3	<a href="#"><u>Amendment No. 1 to the Articles Supplementary, designating the Series A Preferred Stock (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on January 31, 2020).</u></a>
3.4	<a href="#"><u>Articles Supplementary, designating the Series D Preferred Stock (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K filed with the SEC on January 31, 2020).</u></a>
3.5	<a href="#"><u>Articles Supplementary, designating the Series L Preferred Stock (incorporated by reference to Exhibit 4.1 to the Registrant's Pre-Effective Amendment No. 4 to the Form S-11 Registration Statement (333-218019) filed with the SEC on November 15, 2017).</u></a>
3.6	<a href="#"><u>Articles Supplementary, designating the Series A1 Preferred Stock (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 16, 2022).</u></a>
3.7	<a href="#"><u>Bylaws of Creative Media &amp; Community Trust Corporation (incorporated by reference to Exhibit 3.6 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2022).</u></a>

- 4.1 [Description of Securities of Creative Media & Community Trust Corporation \(incorporated by reference to Exhibit 4.1 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 7, 2025\).](#)
- 4.2 [Purchase Agreement among PMC Commercial Trust, PMC Preferred Capital Trust-A and Taberna Preferred Funding I, Ltd. dated March 15, 2005 \(incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005\).](#)
- 4.3 [Junior Subordinated Indenture between PMC Commercial Trust and JPMorgan Chase Bank, National Association as Trustee dated March 15, 2005 \(incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005\).](#)
- 4.4 [Amended and Restated Trust Agreement among PMC Commercial Trust, JPMorgan Chase Bank, National Association, Chase Bank USA, National Association and The Administrative Trustees Named Herein dated March 15, 2005 \(incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005\).](#)
- 4.5 [Floating Rate Junior Subordinated Note due 2035 \(incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 10, 2005\).](#)
- 4.6 [Warrant Agreement, dated June 28, 2016, between CIM Commercial Trust Corporation and American Stock Transfer & Trust Company, LLC \(incorporated by reference to Exhibit 4.2 to the Registrant's Registration Statement on Form S-11/A filed with the SEC on June 29, 2016\).](#)
- 4.7 [First Amendment to Warrant Agreement, dated November 6, 2019, between CIM Commercial Trust Corporation and American Stock Transfer & Trust Company, LLC \(incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 8, 2019\).](#)
- 4.8 [Form of Warrant Certificate \(incorporated by reference to Exhibit 4.4 to the Registrant's Registration Statement on Form S-11 filed with the SEC on June 29, 2016\).](#)
- +10.1 [2015 Equity Incentive Plan \(incorporated by reference to Exhibit A to the Registrant's Definitive Proxy Statement related to its 2015 annual meeting of stockholders, as filed with the SEC on April 17, 2015\).](#)
- +10.2 [Amended and Restated Executive Employment Contract with Barry N. Berlin dated August 30, 2013 \(incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on August 30, 2013\).](#)
- 10.3 [Master Services Agreement dated March 11, 2014 by and among PMC Commercial Trust, certain of its subsidiaries, and CIM Service Provider, LLC \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 11, 2014\).](#)
- 10.4 [Service Agreement, dated as of August 7, 2014, by and among CIM Commercial Trust Corporation and CIM Service Provider, LLC, under the Master Services Agreement dated March 11, 2014, by and among PMC Commercial Trust, certain of its subsidiaries, and CIM Service Provider, LLC \(incorporated by reference to Exhibit 10.8 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 11, 2014\).](#)
- 10.5 [Form of Indemnification Agreement for directors and officers of CIM Commercial Trust Corporation \(incorporated by reference to Exhibit 10.9 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 11, 2014\).](#)
- 10.6 [Staffing and Reimbursement Agreement, dated as of January 1, 2015, by and among CIM SBA Staffing, LLC, PMC Commercial Lending, LLC and CIM Commercial Trust Corporation \(incorporated by reference to Exhibit 10.15 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2015\).](#)
- 10.7 [Investment Management Agreement, dated as of December 10, 2015, between CIM Urban Partners, L.P. and CIM Investment Advisors, LLC \(incorporated by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 15, 2016\).](#)
- 10.8 [Assignment Agreement, dated as of January 1, 2019, by and among CIM Capital, LLC \(formerly known as CIM Investment Advisors, LLC\), CIM Capital Controlled Company Management, LLC, CIM Capital RE Debt Management, LLC, CIM Capital Real Property Management, LLC and CIM Capital Securities Management, LLC \(incorporated by reference to Exhibit 10.12 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 18, 2019\).](#)
- 10.9 [Third Amended and Restated Dealer Manager Agreement, dated as of June 16, 2022, by and among Creative Media & Community Trust Corporation, CIM Service Provider, LLC and CCO Capital, LLC \(incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 16, 2022\).](#)
- 10.10 [Third Amended and Restated Dealer Manager Guaranty, dated as of June 16, 2022, by and among Creative Media & Community Trust Corporation, CIM Service Provider, LLC and CCO Capital, LLC \(incorporated by reference to Exhibit 1.2 to the Registrant's Current Report on Form 8-K filed with the SEC on June 16, 2022\).](#)
- 10.11 [Credit Agreement, dated as of December 16, 2022, by and among certain subsidiary borrowers of Creative Media & Community Trust Corporation, JPMorgan Chase Bank, N.A., as administrative agent, and the other lenders party thereto \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on December 20, 2022\).](#)
- 10.12 [Credit Guaranty, dated as of December 16, 2022, by and among certain subsidiary borrowers of Creative Media & Community Trust Corporation, JPMorgan Chase Bank, N.A., as administrative agent, and the other lenders party thereto \(incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on December 16, 2022\).](#)

- 10.13 [Modification Agreement, dated as of September 2, 2020, among certain subsidiary borrowers of CIM Commercial Trust Corporation, each Lender party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on September 3, 2020\).](#)
- 10.14 [Lease Agreement, dated as of June 29, 2009, by and among CIM/Oakland 1 Kaiser Plaza, LP and Kaiser Foundation Health Plan, Inc, as amended by the First Amendment to Lease, dated as of June 15, 2012, as further amended by the Second Amendment to Lease, dated as of December 16, 2013, as further amended by the Third Amendment to Lease, dated as of July 8, 2015, and as further amended by the Fourth Amendment to Lease, dated as of November 18, 2015 \(incorporated by reference to Exhibit 10.16 to the Registrant's Annual Report on Form 10-K filed with the SEC on March 16, 2020\).](#)
- 10.15 [Equity Distribution Agreement, dated as of March 16, 2020, by and among CIM Commercial Trust Corporation, CIM Capital, LLC, CIM Service Provider, LLC and Ladenburg Thalmann & Co. Inc. \(incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 16, 2020\).](#)
- 10.16 [Amendment No. 2, dated as of September 22, 2021, to Second Amended and Restated Dealer Manager Agreement, dated as of January 28, 2020, by and among CIM Commercial Trust Corporation, CIM Service Provider, LLC and CCO Capital, LLC \(incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on 8-K filed with the SEC on September 24, 2021\).](#)
- 10.17 [Fee Waiver, dated January 5, 2022, by and among CIM Commercial Trust Corporation, CIM Service Provider, LLC, CIM Capital, LLC, CIM Capital Securities Management, LLC, CIM Capital Controlled Company Management, LLC, CIM Capital RE Debt Management, LLC, CIM Capital Real Property Management, LLC, CIM Urban Partners, L.P., PMC Funding Corp. and PMC Properties, Inc. \(incorporated by reference to Exhibit 10.17 to the Registrant's Current Report on Form 10-K filed with the SEC on March 16, 2022\).](#)
- 10.18 [Equity Interest Purchase and Sale Agreement, dated as of January 31, 2023, by and between Jack London Square Development \(Oakland\) Holdings, LLC and Channel House \(Oakland\) Owner, LLC \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 3, 2023\).](#)
- 10.19 [Equity Interest Purchase and Sale Agreement, dated as of January 31, 2023, by and between 466 Water Street \(Oakland\) Holdings, LLC, and Parcel D 466 Water Street \(Oakland\) Owner, LLC \(incorporated by reference to Exhibit 10.2 to the Registrant's Current Report on Form 8-K filed with the SEC on February 3, 2023\).](#)
- 10.20 [Equity Interest Purchase and Sale Agreement, dated as of January 31, 2023, by and between JLS F-3 \(Oakland\) Holdings, LLC, and Parcel F-3 \(Oakland\) Owner, LLC \(incorporated by reference to Exhibit 10.3 to the Registrant's Current Report on Form 8-K filed with the SEC on February 3, 2023\).](#)
- 10.21 [Equity Interest Purchase and Sale Agreement, dated as of January 31, 2023, by and between 1100 Clay Venture Holdings, LLC and CMCT 1100 Clay \(Oakland\) Owner, LLC \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on March 29, 2023\).](#)
- 10.22 [Amended and Restated Limited Liability Company Operating Agreement of 4750 Co-Investor, LLC \(incorporated by reference to Exhibit 10.23 to the Registrant's Form 10-K filed with the SEC on March 31, 2023\).](#)
- 10.23 [Amended and Restated Agreement of Limited Partnership of CIM Urban Partners, L.P. \(incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on November 8, 2024\).](#)
- 10.24 [Exchange Agreement, dated as of March 28, 2024, by and among Creative Media & Community Trust Corporation, CMCT NAV REIT and CIM Urban Partners, L.P. \(incorporated by reference to Exhibit 10.24 to the Registrant's Form 10-K filed with the SEC on March 29, 2024\).](#)
- 10.25 [Amendment to 2015 Equity Compensation Plan \(incorporated by reference to Appendix A to the Registrant's Definitive Proxy Statement related to its 2023 annual meeting of stockholders, as filed with the SEC on June 21, 2023\).](#)
- 10.26 [Modification Agreement, dated as of May 14, 2024, by and among certain wholly owned subsidiaries of Creative Media & Community Trust Corporation, each Lender party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent \(incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on May 15, 2024\).](#)
- 10.27 [Fifth Amended and Restated Dealer Manager Agreement, dated as of June 20, 2024, by and among Creative Media & Community Trust Corporation, CIM Service Provider, LLC and CCO Capital, LLC \(incorporated by reference to Exhibit 1.1 to the Registrant's Current Report on Form 8-K filed with the SEC on June 24, 2024\).](#)
- 10.28 [Modification Agreement, dated as of August 7, 2024, by and among certain wholly owned subsidiaries of Creative Media & Community Trust Corporation, each Lender party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent \(incorporated by reference to Exhibit 10.3 to the Registrant's Quarterly Report on Form 10-Q filed with the SEC on August 8, 2024\).](#)
- 10.29 [Third Modification Agreement, dated as of October 24, 2024, by and among certain wholly owned subsidiaries of Creative Media & Community Trust Corporation, each Lender party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on October 29, 2024\).](#)
- 10.30 [Loan Agreement, dated as of December 6, 2024, by and among certain subsidiary borrowers of Creative Media & Community Trust Corporation and Deutsche Bank AG, New York Branch \(incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K as filed with the SEC on December 10, 2024\).](#)

- 10.31 [Guaranty of Non-Recourse Exceptions, dated as of December 6, 2024, by Creative Media & Community Trust Corporation for the benefit of Deutsche Bank AG, New York Branch \(incorporated by reference to Exhibit 10.2 of the Registrant's Current Report on Form 8-K as filed with the SEC on December 10, 2024\).](#)
- 10.32 [Environmental Indemnity Agreement, dated as of December 6, 2024, by and among certain subsidiary borrowers of Creative Media & Community Trust Corporation and Creative Media & Community Trust Corporation for the benefit of Deutsche Bank AG, New York Branch \(incorporated by reference to Exhibit 10.3 of the Registrant's](#)
- 10.33 [Completion Guaranty, dated as of December 6, 2024, by Creative Media & Community Trust Corporation for the benefit of Deutsche Bank AG, New York Branch \(incorporated by reference to Exhibit 10.4 of the Registrant's Current Report on Form 8-K as filed with the SEC on December 10, 2024\).](#)
- 10.34 [Guaranty of Payment, dated as of December 6, 2024, by Creative Media & Community Trust Corporation for the benefit of Deutsche Bank AG, New York Branch \(incorporated by reference to Exhibit 10.5 of the Registrant's Current Report on Form 8-K as filed with the SEC on December 10, 2024\).](#)
- 10.35 [Loan Agreement, dated as of December 27, 2024, by and among certain subsidiary borrowers of Creative Media & Community Trust Corporation and Wells Fargo Bank, National Association, Bank of America, N.A. and JPMorgan Chase Bank, National Association \(incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K as filed with the SEC on January 2, 2025\).](#)
- 10.36 [Guaranty of Recourse Obligations, dated as of December 27, 2024, by and between Creative Media & Community Trust Corporation and CIM Group Investments, LLC for the benefit of Wells Fargo Bank, National Association, Bank of America, N.A. and JPMorgan Chase Bank, National Association \(incorporated by reference to Exhibit 10.2 of the Registrant's Current Report on Form 8-K as filed with the SEC on January 2, 2025\).](#)
- 10.37 [Environmental Indemnity Agreement, dated as of December 27, 2024, by certain subsidiary borrowers of Creative Media & Community Trust Corporation and Creative Media & Community Trust Corporation for the benefit of Wells Fargo Bank, National Association, Bank of America, N.A. and JPMorgan Chase Bank, National Association \(incorporated by reference to Exhibit 10.3 of the Registrant's Current Report on Form 8-K as filed with the SEC on January 2, 2025\).](#)
- 10.38 [Fourth Modification Agreement, dated as of January 31, 2024, by and among certain wholly owned subsidiaries of Creative Media & Community Trust Corporation, each Lender party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K filed with the SEC on February 12, 2025\).](#)
- 10.39 [Fifth Modification Agreement, dated as of March 25, 2025, by and among certain wholly owned subsidiaries of Creative Media & Community Trust Corporation, each Lender party thereto and JPMorgan Chase Bank, N.A., as Administrative Agent \(incorporated by reference to Exhibit 10.1 to the Registrant's Current Report on Form 8-K as filed with the SEC on April 2, 2025\).](#)
- 10.40 [Loan Agreement, dated as of April 3, 2025, by and among certain subsidiary borrowers of Creative Media & Community Trust Corporation and Comerica Bank \(incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K as filed with the SEC on April 9, 2025\).](#)
- 10.41 [Guaranty Agreement, dated as of April 3, 2025, by and between Creative Media & Community Trust Corporation for the benefit of Comerica Bank \(incorporated by reference to Exhibit 10.2 of the Registrant's Current Report on Form 8-K as filed with the SEC on April 9, 2025\).](#)
- 10.42 [Environmental Indemnity Agreement, dated as of April 3, 2025, by certain subsidiary borrowers of Creative Media & Community Trust Corporation and Creative Media & Community Trust Corporation for the benefit of Comerica Bank \(incorporated by reference to Exhibit 10.3 of the Registrant's Current Report on Form 8-K as filed with the SEC on April 9, 2025\).](#)
- 10.43 [Sixth Amendment to Lease Agreement, dated as of March 1, 2025, by and between CIM/Oakland 1 Kaiser Plaza, LP and Kaiser Foundation Health Plan, Inc \(incorporated by reference to Exhibit 10.5 to the Registrant's Quarterly Report on Form 10-Q as filed with the SEC on May 9, 2025\).](#)
- 10.44 [Confidential Separation Agreement and General Mutual Release of All Claims, dated as of November 6, 2025, by and among CIM SBA Staffing, LLC, Creative Media & Community Trust Corporation \(f/k/a PMC Commercial Trust and CIM Commercial Trust\), CIM Group, L.P. and Barry N. Berlin \(incorporated by reference to Exhibit 10.1 of the Registrant's Current Report on Form 8-K as filed with the SEC on November 12, 2025\).](#)
- 19.1 [Insider Trading Policy, dated December 17, 2024 \(incorporated by reference to Exhibit 19.1 to the Registrant's Annual Report on Form 10-K as filed with the SEC on March 7, 2025\).](#)
- \*21.1 [Subsidiaries of the Registrant.](#)
- \*23.1 [Consent of Deloitte & Touche, LLP.](#)
- \*24.1 [Powers of Attorney \(included on signature page\).](#)
- \*31.1 [Section 302 Officer Certification-Chief Executive Officer.](#)
- \*31.2 [Section 302 Officer Certification-Chief Financial Officer.](#)
- \*32.1 [Section 906 Officer Certification-Chief Executive Officer.](#)
- \*32.2 [Section 906 Officer Certification-Chief Financial Officer.](#)
- 97.1 [Creative Media & Community Trust Corporation Clawback Policy dated October 31, 2023 \(incorporated by reference to Exhibit 97.1 to the Registrant's Form 10-K filed with the SEC on March 29, 2024\).](#)

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\* Filed herewith.

+ Management contract or compensatory plan

**(b) Exhibits**

The exhibits listed in Item 15(a) are incorporated by reference or attached hereto.

**(c) Excluded Financial Statements**

None.

**Item 16. Form 10-K Summary**

None.



**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES  
CONSOLIDATED FINANCIAL STATEMENTS**

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## REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the stockholders and the Board of Directors of Creative Media & Community Trust Corporation

### Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Creative Media & Community Trust Corporation (the “Company”) as of December 31, 2025 and 2024, the related consolidated statements of operations, equity, and cash flows, for each of the two years in the period ended December 31, 2025, and the related notes and the schedules listed in the Index at Item 8 (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2025 and 2024, and the results of its operations and its cash flows for each of the two years in the period ended December 31, 2025, in conformity with accounting principles generally accepted in the United States of America.

We have also audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (PCAOB), the Company’s internal control over financial reporting as of December 31, 2025, based on criteria established in *Internal Control — Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission and our report dated March 9, 2026 expressed an unqualified opinion on the Company’s internal control over financial reporting.

### Basis for Opinion

These financial statements are the responsibility of the Company’s management. Our responsibility is to express an opinion on the Company’s financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

### Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current-period audit of the financial statements that was communicated or required to be communicated to the audit committee and that (1) relates to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of critical audit matters does not alter in any way our opinion on the financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

### Investments in Real Estate – Evaluation of Impairment and Undiscounted Cash Flows – Refer to Note 2 to the consolidated financial statements

#### *Critical Audit Matter Description*

The Company monitors events and changes in circumstances that could indicate that the carrying amounts of its real estate assets may not be recoverable. When events or changes in circumstances are present, the Company evaluates its real estate assets for impairment by comparing the undiscounted cash flows expected to be generated by the assets to the respective carrying amount. If the undiscounted cash flows are less than the carrying amount of the assets, an impairment is recognized to the extent the carrying amount of the assets exceeds the estimated fair value of the assets.

For those real estate assets where indications of impairment have been identified, the Company makes significant assumptions to determine whether the undiscounted cash flows exceed the carrying amount of the assets. Assumptions used for the undiscounted cash flows include rental rates, growth rates, estimated holding periods, and terminal capitalization rates.

We identified the process for evaluating real estate impairment and certain assumptions used for the undiscounted cash flows of the real estate assets as a critical audit matter because (1) management makes significant assumptions when determining whether events or changes in circumstances have occurred indicating that the carrying amounts of real estate assets may not be recoverable and (2) for those real estate assets where indications of impairment have been identified, management makes significant assumptions related to certain inputs in the undiscounted cash flow models, including rental rates, growth rates, estimated holding periods, and terminal capitalization rates. This required a high degree of auditor judgment and an increased extent of effort, including the need to involve fair value specialists, when performing audit procedures to evaluate (1) whether management appropriately identified indications of impairment and (2) the reasonableness of management's assumptions used within the undiscounted cash flow models.

*How the Critical Audit Matter Was Addressed in the Audit*

- We tested the effectiveness of controls over (1) management's identification of circumstances that could indicate that the carrying amounts of its real estate assets may not be recoverable and (2) the undiscounted cash flow models, including review of significant assumptions.
- We evaluated the accuracy, relevance, and completeness of changes in circumstances that could indicate the carrying amounts of real estate assets may not be recoverable.
- We performed corroborating inquiries with management, including property accounting, leasing and portfolio oversight to determine whether factors were identified in the current period that may be an indication of impairment, and corroborated these inquiries through review of third-party market reports and inspection of meeting minutes of the Board of Directors. In addition, we evaluated whether factors were identified in the current period that may result in a change to assumptions used in the undiscounted cash flow models.
- We selected certain properties to evaluate whether the assumptions used in the Company's undiscounted cash flow models relating to rental rates, growth rates, estimated holding periods, and terminal capitalization rates were consistent with evidence obtained in other areas of the audit, including actual historical results and external market information.
- With the assistance of fair value specialists, we evaluated certain assumptions included in the undiscounted cash flow models for selected properties, by (1) evaluating the source of information and assumptions used by management (2) comparing the assumptions included in the undiscounted cash flow models to market data and (3) testing the mathematical accuracy of the undiscounted cash flow models.

/s/ Deloitte & Touche LLP

Tempe, Arizona  
March 9, 2026

We have served as the Company's auditor since 2020.

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**

**Consolidated Balance Sheets**

(In thousands, except share and per share amounts)

	December 31,	
	2025	2024
<b>ASSETS</b>		
Investments in real estate, net	\$ 698,087	\$ 709,194
Investments in unconsolidated entities	31,095	33,677
Cash and cash equivalents	15,439	20,262
Restricted cash	22,246	32,606
Loans receivable, net (Note 5)	—	56,210
Accounts receivable, net	2,598	4,345
Deferred rent receivable and charges, net	18,692	19,896
Other intangible assets, net	439	3,568
Other assets	4,732	9,797
Assets held for sale, net (Note 5)	65,859	—
<b>TOTAL ASSETS</b>	<b>\$ 859,187</b>	<b>\$ 889,555</b>
<b>LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY</b>		
<b>LIABILITIES:</b>		
Debt, net	\$ 509,768	\$ 505,732
Accounts payable and accrued expenses	26,979	32,204
Due to related parties	22,819	14,068
Other liabilities	11,406	10,488
Liabilities associated with assets held for sale, net (Note 5)	21,966	—
Total liabilities	592,938	562,492
<b>COMMITMENTS AND CONTINGENCIES (Note 15)</b>		
REDEEMABLE PREFERRED STOCK: Series A1 cumulative redeemable preferred stock, \$0.001 par value; 24,508,664 and 25,045,401 shares authorized as of December 31, 2025 and December 31, 2024, respectively; no shares issued and outstanding as of December 31, 2025, respectively and 913,630 and 913,590 shares issued and outstanding as of December 31, 2024; liquidation preference of \$25.00 per share, subject to adjustment	—	20,799
<b>EQUITY:</b>		
Series A cumulative redeemable preferred stock, \$0.001 par value; 30,848,680 and 31,305,025 shares authorized as of December 31, 2025 and December 31, 2024, respectively; 8,820,338 and 3,669,018 shares issued and outstanding, respectively, as of December 31, 2025 and 8,820,338 and 4,125,363 shares issued and outstanding, respectively, as of December 31, 2024; liquidation preference of \$25.00 per share, subject to adjustment	91,906	103,326
Series A1 cumulative redeemable preferred stock, \$0.001 par value; 24,508,664 and 25,045,401 shares authorized as of December 31, 2025 and December 31, 2024, respectively; 12,240,878 and 8,749,542 shares issued and outstanding, respectively, as of December 31, 2025 and 11,327,248 and 8,372,689 shares issued and outstanding, respectively, as of December 31, 2024; liquidation preference of \$25.00 per share, subject to adjustment	217,451	207,387
Series D cumulative redeemable preferred stock, \$0.001 par value; 26,987,468 and 26,991,590 shares authorized as of December 31, 2025 and December 31, 2024, respectively; 56,857 and 44,325 shares issued and outstanding, respectively, as of December 31, 2025 and 56,857 and 48,447 shares issued and outstanding, respectively, as of December 31, 2024; liquidation preference of \$25.00 per share, subject to adjustment	1,089	1,190
Common stock, \$0.001 par value; 900,000,000 shares authorized; 2,699,686 shares issued and outstanding as of December 31, 2025 and 466,180 shares issued and outstanding as of December 31, 2024	3	119
Additional paid-in capital	1,019,044	994,973
Distributions in excess of earnings	(1,064,132)	(1,002,479)
Total stockholders' equity	265,361	304,516
Noncontrolling interests	888	1,748
Total equity	266,249	306,264
<b>TOTAL LIABILITIES, REDEEMABLE PREFERRED STOCK, AND EQUITY</b>	<b>\$ 859,187</b>	<b>\$ 889,555</b>

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

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Operations**  
(In thousands, except per share amounts)

	Year Ended December 31,	
	2025	2024
<b>REVENUES:</b>		
Rental and other property income	\$ 65,431	\$ 72,266
Hotel income	39,642	37,679
Interest and other income	11,596	14,567
<b>Total Revenues</b>	<b>116,669</b>	<b>124,512</b>
<b>EXPENSES:</b>		
Rental and other property operating	67,043	67,962
Asset management and other fees to related parties	1,356	1,797
Expense reimbursements to related parties—corporate	3,496	2,281
Expense reimbursements to related parties—lending segment	2,591	2,571
Interest	40,191	36,872
General and administrative	5,355	7,004
Transaction-related costs	1,475	1,382
Depreciation and amortization	27,081	27,373
Loss on early extinguishment of debt (Note 7)	88	1,416
Impairment of real estate (Note 3)	3,692	—
Loss on assets held for sale (Note 5)	298	—
<b>Total Expenses</b>	<b>152,666</b>	<b>148,658</b>
Loss from unconsolidated entities	(3,760)	(806)
Gain on sale of real estate (Note 3)	679	—
<b>LOSS BEFORE PROVISION FOR INCOME TAXES</b>	<b>(39,078)</b>	<b>(24,952)</b>
Provision for income taxes	497	798
<b>NET LOSS</b>	<b>(39,575)</b>	<b>(25,750)</b>
Net loss attributable to noncontrolling interests	573	575
<b>NET LOSS ATTRIBUTABLE TO THE COMPANY</b>	<b>(39,002)</b>	<b>(25,175)</b>
Redeemable preferred stock dividends declared or accumulated (Note 11)	(21,207)	(29,686)
Redeemable preferred stock deemed dividends (Note 11)	—	(755)
Redeemable preferred stock redemptions (Note 11)	(1,439)	(17,727)
<b>NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS</b>	<b>\$ (61,648)</b>	<b>\$ (73,343)</b>
<b>NET LOSS ATTRIBUTABLE TO COMMON STOCKHOLDERS PER SHARE:</b>		
Basic	\$ (67.08)	\$ (431.43)
Diluted	\$ (67.08)	\$ (431.43)
<b>WEIGHTED AVERAGE SHARES OF COMMON STOCK OUTSTANDING:</b>		
Basic	919	170
Diluted	919	170

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

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Equity**  
**(In thousands, except share and per share amounts)**

Years Ended December 31, 2025 and 2024

	Common Stock		Preferred Stock		Additional Paid - in Capital	Distributions in Excess of Earnings	Total Stockholders' Equity	Non-controlling Interests	Total Equity
	Shares	Par Value	Shares	Par Value					
<b>Balances, December 31, 2023</b>	91,146	\$ 23	17,858,629	\$ 443,829	\$ 852,476	\$ (921,925)	\$ 374,403	\$ 2,366	\$ 376,769
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(43)	(43)
Stock based compensation expense	431	—	—	—	220	—	220	—	220
Common dividends (\$1.70 per share)	—	—	—	—	—	(3,874)	(3,874)	—	(3,874)
Common dividends - stock dividend	6,738	3	—	—	3,336	(3,339)	—	—	—
Issuance of Series A1 Preferred Stock	—	—	853,879	21,246	(2,180)	—	19,066	—	19,066
Redemption of Series A1 Preferred Stock paid in cash	—	—	(88,015)	(2,177)	191	(57)	(2,043)	—	(2,043)
Redemption of Series A1 Preferred Stock paid in Common Stock	192,698	48	(2,771,518)	(68,617)	74,793	(8,372)	(2,148)	—	(2,148)
Dividends to holders of A1 Preferred Stock (\$1.958 per share)	—	—	—	—	—	(21,059)	(21,059)	—	(21,059)
Dividends to holders of Series D Preferred Stock (\$1.413 per share)	—	—	—	—	—	(68)	(68)	—	(68)
Redeemable preferred stock accretion	—	—	—	—	—	(755)	(755)	—	(755)
Redemption of Series A Preferred Stock paid in cash	—	—	(941,687)	(23,501)	2,015	(1,793)	(23,279)	—	(23,279)
Redemption of Series A Preferred Stock paid in Common Stock	175,167	45	(2,364,789)	(58,877)	64,122	(7,503)	(2,213)	—	(2,213)
Dividends to holders of Series A Preferred Stock (\$1.375 per share)	—	—	—	—	—	(8,559)	(8,559)	—	(8,559)
Net loss	—	—	—	—	—	(25,175)	(25,175)	(575)	(25,750)
<b>Balances, December 31, 2024</b>	<u>466,180</u>	<u>\$ 119</u>	<u>12,546,499</u>	<u>\$ 311,903</u>	<u>\$ 994,973</u>	<u>\$ (1,002,479)</u>	<u>\$ 304,516</u>	<u>\$ 1,748</u>	<u>\$ 306,264</u>

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**

**Consolidated Statements of Equity (Continued)**  
(In thousands, except share and per share amounts)

Years Ended December 31, 2025 and 2024

	Common Stock		Preferred Stock		Additional Paid - in Capital	Distributions in Excess of Earnings	Total Stockholders' Equity	Non-controlling Interests	Total Equity
	Shares	Par Value	Shares	Par Value					
<b>Balances, December 31, 2024</b>	466,180	\$ 119	12,546,499	\$ 311,903	\$ 994,973	\$ (1,002,479)	\$ 304,516	\$ 1,748	\$ 306,264
Contributions to noncontrolling interests	—	—	—	—	—	—	—	8	8
Distributions to noncontrolling interests	—	—	—	—	—	—	—	(295)	(295)
Stock based compensation expense	34,644	2	—	—	220	—	222	—	222
Par value adjustment	—	(126)	—	—	126	—	—	—	—
Reclassification of Series A1 Preferred Stock to Permanent Equity	—	—	913,590	23,385	(2,588)	—	20,797	—	20,797
Redemption of Series A1 Preferred Stock paid in Common Stock	1,010,063	5	(536,737)	(13,321)	13,768	(620)	(168)	—	(168)
Dividends to holders of A1 Preferred Stock (\$1.723 per share)	—	—	—	—	—	(15,650)	(15,650)	—	(15,650)
Redemption of Series D Preferred Stock	11,556	—	(4,122)	(101)	3	(4)	(102)	—	(102)
Dividends to holders of Series D Preferred Stock (\$1.413 per share)	—	—	—	—	—	(68)	(68)	—	(68)
Redemption of Series A Preferred Stock paid in Common Stock	1,177,243	3	(456,345)	(11,420)	12,542	(817)	308	—	308
Dividends to holders of Series A Preferred Stock (\$1.375 per share)	—	—	—	—	—	(5,492)	(5,492)	—	(5,492)
Net loss	—	—	—	—	—	(39,002)	(39,002)	(573)	(39,575)
<b>Balances, December 31, 2025</b>	<u>2,699,686</u>	<u>\$ 3</u>	<u>12,462,885</u>	<u>\$ 310,446</u>	<u>\$ 1,019,044</u>	<u>\$ (1,064,132)</u>	<u>\$ 265,361</u>	<u>\$ 888</u>	<u>\$ 266,249</u>

(Continued)

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**  
**Consolidated Statements of Cash Flows**  
**(In thousands)**

	Year Ended December 31,	
	2025	2024
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>		
Net loss	\$ (39,575)	\$ (25,750)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization, net	27,199	27,732
Loss (gain) on interest rate caps	149	(463)
Gain on sale of real estate	(679)	—
Impairment of real estate	3,692	—
Loss on early extinguishment of debt	88	1,416
Loss on assets held for sale	298	—
Amortization of deferred debt origination costs	2,845	2,134
Amortization of premiums and discounts on debt	103	24
Unrealized premium adjustment	557	1,019
Amortization of deferred costs and accretion of fees on loans receivable, net	(344)	(249)
(Recoveries) write-offs of uncollectible receivables	(1,515)	1,263
Write-off of other deferred costs	—	491
Deferred income taxes	(137)	(36)
Stock-based compensation	220	220
Loss from unconsolidated entities	3,760	806
Loans funded, held for sale to secondary market	(18,655)	(30,191)
Proceeds from sale of guaranteed loans	19,133	28,760
Principal collected on loans subject to secured borrowings	51	1,646
Commitment fees remitted and other operating activity	(421)	(806)
Changes in operating assets and liabilities:		
Accounts receivable	597	91
Other assets	2,607	4,670
Accounts payable and accrued expenses	1,482	(2,023)
Deferred leasing costs	(2,799)	(1,840)
Other liabilities	(1,619)	(2,493)
Due to related parties	8,751	10,605
Net cash provided by operating activities	5,788	17,026
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>		
Capital expenditures	(20,786)	(23,262)
Receipt of deferred key money	4,713	—
Investment in unconsolidated entity	(1,208)	(2,263)
Return of investment from unconsolidated entity	30	1,285
Proceeds from sale of real estate, net	1,161	1,096
Loans funded	(6,218)	(10,064)
Principal collected on loans	10,328	10,838
Other investing activity	—	82
Net cash used in investing activities	(11,980)	(22,288)
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>		
Payment of revolving credit facilities, mortgages payable, term notes and principal on SBA 7(a) loan-backed notes	(34,995)	(171,767)
Proceeds from revolving credit facilities, term notes and mortgages	55,504	209,746
Payment of principal on secured borrowings	(52)	(1,646)
Payment of deferred preferred stock offering costs	—	(1,586)
Payment of deferred costs	(2,614)	(4,489)
Payment of common dividends	—	(5,811)
Net proceeds from issuance of Preferred Stock	(165)	40,445
Payment of preferred stock dividends	(21,959)	(25,574)
Redemption of Preferred Stock	—	(25,373)
Noncontrolling interests' distributions	(295)	(43)
Noncontrolling interests' contributions	8	—
Net cash (used in) provided by financing activities	(4,568)	13,902
Decrease in cash balances included in assets held for sale	(4,423)	—
<b>NET (DECREASE) INCREASE IN CASH AND CASH EQUIVALENTS AND RESTRICTED CASH</b>	<b>(15,183)</b>	<b>8,640</b>
<b>CASH AND CASH EQUIVALENTS AND RESTRICTED CASH:</b>		
Beginning of period	52,868	44,228
End of period	\$ 37,685	\$ 52,868
<b>RECONCILIATION OF CASH AND CASH EQUIVALENTS AND RESTRICTED CASH TO THE CONSOLIDATED BALANCE SHEETS:</b>		
Cash and cash equivalents	\$ 15,439	\$ 20,262
Restricted cash	22,246	32,606
Total cash and cash equivalents and restricted cash	\$ 37,685	\$ 52,868
<b>SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION:</b>		
Cash paid during the period for interest	\$ 36,407	\$ 34,874
Federal income taxes paid	\$ 384	\$ 845
<b>SUPPLEMENTAL DISCLOSURES OF NONCASH INVESTING AND FINANCING ACTIVITIES:</b>		
Accrued capital expenditures, tenant improvements and real estate developments	\$ 4,747	\$ 7,569
Other amounts due from Unconsolidated Joint Venture partners included in other assets	\$ 396	\$ 396
Accrued deferred debt origination costs	\$ 362	\$ 425
Accrual of dividends payable to preferred stockholders	\$ 5,012	\$ 5,976
Preferred stock offering costs offset against redeemable preferred stock	\$ —	\$ 1,420
Reclassification of Series A Preferred Stock from temporary equity to permanent equity	\$ 20,799	\$ —
Write-off of preferred stock deferred offering costs	\$ —	\$ 4,966
Redeemable preferred stock deemed dividends	\$ —	\$ 755
Accrued Redeemable Preferred Stock fees	\$ 203	\$ 186



**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024**

## 1. ORGANIZATION AND OPERATIONS

Creative Media & Community Trust Corporation (the “Company”) is a Maryland corporation and real estate investment trust (“REIT”). The Company primarily acquires, develops, owns and operates both premier multifamily properties situated in vibrant communities throughout the United States and Class A and creative office real assets in markets with similar business and employment characteristics to its multifamily investments. The Company also owns one hotel in northern California. The Company seeks to apply the expertise of CIM Group Management, LLC (“CIM Group”) and its affiliates to the acquisition, development and operation of premier multifamily properties and creative office assets that cater to rapidly growing industries such as technology, media and entertainment in vibrant and emerging communities throughout the United States.

The Company’s common stock, \$0.001 par value per share (“Common Stock”), is currently traded on the Nasdaq Capital Market (“Nasdaq”) under the ticker symbol “CMCT.” On August 15, 2025, the Company voluntarily delisted its Common Stock from the Tel Aviv Stock Exchange, where it had previously been listed under the ticker symbol “CMCT.”

On January 6, 2025, the Company effected a 1-for-10 reverse stock split on its Common Stock, and on April 15, 2025, the Company effected a 1-for-25 reverse stock split on its Common Stock (collectively, the “Reverse Stock Splits”). Unless otherwise specified, all Common Stock and per share of Common Stock amounts set forth in this Annual Report on Form 10-K have been adjusted to give retroactive effect to the Reverse Stock Splits.

On April 14, 2025, the Company received approval from the Listing Qualifications Department of The Nasdaq Stock Market, LLC to transfer the listing of the Company’s Common Stock from the Nasdaq Global Market to the Nasdaq Capital Market. The transfer of listing became effective on April 17, 2025. The Nasdaq Capital Market is a continuous trading market that operates in substantially the same manner as the Nasdaq Global Market. All companies whose securities are listed on the Nasdaq Capital Market must meet certain financial requirements and adhere to Nasdaq’s corporate governance standards.

Any references to building square footage or number of multifamily units set forth in the financial statements are unaudited.

## 2. BASIS OF PRESENTATION AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

**Basis of Presentation**—The accompanying consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the United States (“GAAP”).

**Principles of Consolidation**—The consolidated financial statements include the accounts of the Company and its subsidiaries. All intercompany transactions and balances have been eliminated in consolidation. In determining whether the Company has controlling interests in an entity and the requirement to consolidate the accounts in that entity, the Company analyzes its investments in real estate in accordance with standards set forth in GAAP to determine whether they are variable interest entities (“VIEs”), and if so, whether the Company is the primary beneficiary. The Company’s judgment with respect to its level of influence or control over an entity and whether the Company is the primary beneficiary of a VIE involves consideration of various factors, including the form of the Company’s ownership interest, the Company’s voting interest, the size of the Company’s investment (including loans), and the Company’s ability to participate in major policy-making decisions. The Company’s ability to correctly assess its influence or control over an entity affects the presentation of these investments in real estate on the Company’s consolidated financial statements. As of December 31, 2025, the Company has determined that the trust formed for the benefit of the note holders (the “Trust”) for the securitization of the unguaranteed portion of certain of the Company’s SBA 7(a) loans receivable is considered a VIE. Applying the consolidation requirements for VIEs, the Company determined that it is the primary beneficiary based on its power to direct activities through its role as servicer and its obligations to absorb losses and right to receive benefits. In addition, as of December 31, 2025, the Company has determined that its Unconsolidated Joint Ventures (as defined below) are considered VIEs. Applying the consolidation requirements for VIEs, the Company determined that it is not the primary beneficiary based on its lack of power to direct activities and its obligations to

Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)

absorb losses and right to receive benefits. Therefore, the Unconsolidated Joint Ventures do not qualify for consolidation. The Company accounts for its investments in Unconsolidated Joint Ventures as equity method investments.

**Investments in Real Estate**—Investments in real estate are stated at depreciated cost. Depreciation and amortization are recorded on a straight-line basis over the estimated useful lives as follows:

Buildings and improvements	15 - 40 years
Furniture, fixtures, and equipment	3 - 5 years
Tenant improvements	Lesser of useful life or lease term

The purchase consideration of the real estate, which includes the transaction costs incurred in connection with such acquisitions, is recorded at fair value to the acquired tangible assets, consisting primarily of land, land improvements, building and improvements, tenant improvements, furniture, fixtures, and equipment, and identified intangible assets and liabilities, consisting of the value of acquired above-market and below-market leases, in-place leases and ground leases, if any, based in each case on their respective relative fair values. Loan premiums, in the case of above-market rate loans, or loan discounts, in the case of below-market rate loans, are recorded based on the fair value of any loans assumed in connection with acquiring the real estate.

*Capitalized Project Costs*

The Company capitalizes project costs, including pre-construction costs, interest expense, property taxes, insurance, and other costs directly related and essential to the development, redevelopment, or construction of a project, while activities are ongoing to prepare an asset for its intended use. Costs incurred after a project is substantially complete and ready for its intended use are expensed as incurred. Improvements and replacements are capitalized when they extend the useful life, increase capacity, or improve the efficiency of the asset. Ordinary repairs and maintenance are expensed as incurred.

**Recoverability of Investments in Real Estate**—The Company continually monitors events and changes in circumstances that could indicate that the carrying amounts of its real estate assets may not be recoverable. Investments in real estate are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. If, and when, such events or changes in circumstances are present, the recoverability of assets to be held and used requires significant judgment and estimates and is measured by a comparison of the carrying amount to the future undiscounted cash flows expected to be generated by the assets and their eventual disposition. If the undiscounted cash flows are less than the carrying amount of the assets, an impairment is recognized to the extent the carrying amount of the assets exceeds the estimated fair value of the assets. The process for evaluating real estate impairment requires management to make significant assumptions related to certain inputs, including rental rates, lease-up period, occupancy, estimated holding periods, capital expenditures, growth rates, market discount rates and terminal capitalization rates. These inputs require a subjective evaluation based on the specific property and market. Changes in the assumptions could have a significant impact on either the fair value, the amount of impairment charge, if any, or both. Any asset held for sale is reported at the lower of the asset's carrying amount or fair value, less costs to sell. When an asset is identified by the Company as held for sale, the Company will cease recording depreciation and amortization of the asset. The Company recognized impairments of long-lived assets of \$3.7 million during the year ended December 31, 2025. No impairment of long-lived assets was recognized during the year ended December 31, 2024 (Note 3).

**Investments in Unconsolidated Entities**—The Company accounts for its investments in the unconsolidated joint ventures (the “Unconsolidated Joint Ventures”) under the equity method, as the Company has the ability to exercise significant influence over the investments. The Unconsolidated Joint Ventures record their assets and liabilities at fair value. As such, the Company records its share of the Unconsolidated Joint Ventures’ unrealized gains or losses as well as its share of the revenues and expenses on a quarterly basis as an adjustment to the carrying value of the investment on the Company’s consolidated balance sheet and such share is recognized within the Company’s income from unconsolidated entities on the consolidated statements of operations.

**Cash and Cash Equivalents**—Cash and cash equivalents include short-term liquid investments with initial maturities of three months or less.

**Restricted Cash**—The Company’s mortgage loan and hotel management agreements provide for depositing cash into restricted accounts reserved for capital expenditures, free rent, tenant improvement and leasing commission obligations. Restricted cash at the lending division, which had been reclassified as held for sale as of December 31, 2025 in connection with

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)**

sale of the lending division (“First Western”) in January 2026, also included cash required to be segregated in connection with certain of the Company’s loans receivable and with its SBA 7(a) loan-backed notes.

**Key Money**—Key money received in connection with the hotel management agreement which the Company has entered into with the franchisor of its hotel property in Sacramento, California (the “Sheraton Management Agreement”) following the completion of specific capital projects is deferred and amortized over the 30-year term of the agreement. Deferred key money is classified as deferred income and recorded in other liabilities in the Company’s accompanying consolidated balance sheet and amortized as an offset to management fees paid to the franchisor under the Sheraton Management Agreement. As of December 31, 2025, deferred key money of \$4.7 million was presented net of accumulated amortization of \$48,000. No deferred key money had been recorded as of December 31, 2024.

**Loans Receivable**—The Company’s loans receivable were carried at their unamortized principal balance less unamortized acquisition discounts and premiums, retained loan discounts and reserves for expected credit losses. Acquisition discounts or premiums, origination fees and retained loan discounts were amortized as a component of interest and other income using the effective interest method over the expected life of the respective loans, or on a straight-line basis when it approximates the effective interest method. All loans were originated pursuant to programs sponsored by the Small Business Administration (the “SBA”) under the SBA 7(a) Small Business Loan Program (the “SBA 7(a) Program”).

Pursuant to the SBA 7(a) Program, prior to the sale of our lending business in January 2026, the Company sold the portion of the loan that is guaranteed by the SBA. Upon sale of the SBA guaranteed portion of the loans, which were accounted for as sales, the unguaranteed portion of the loan retained by the Company was recorded at fair value and a discount is recorded as a reduction in basis of the retained portion of the loan. Unamortized retained loan discounts were \$6.9 million and \$7.9 million as of December 31, 2025 and 2024, respectively.

A loan receivable was generally classified as non-accrual (a “Non-Accrual Loan”) if (i) it is past due as to payment of principal or interest for a period of 60 days or more, (ii) any portion of the loan is classified as doubtful or is charged-off or (iii) the repayment in full of the principal and/or interest is in doubt. Generally, loans were charged-off when management determines that the Company will be unable to collect any remaining amounts due under the loan agreement, either through liquidation of collateral or other means. Interest income, included in interest and other income, on a Non-Accrual Loan were recognized on the cost recovery basis.

All loans receivable were reclassified as held for sale as of December 31, 2025.

**Current Expected Credit Losses**—The current expected credit losses (“CECL”) required under Accounting Standards Update (“ASU”) No. 2016-13, Financial Instruments Credit Losses, and subsequent amendments (“ASU 2016-13”) reflects the Company’s estimate of potential credit losses related to the Company’s loans receivable included in the consolidated balance sheets. While ASU 2016-13 does not require any particular method for determining CECL, it does specify the allowance should be based on relevant information about past events, including historical loss experience, current portfolio and market conditions, and reasonable and supportable forecasts for the duration of each respective loan. In addition, other than a few narrow exceptions, ASU 2016-13 requires that all financial instruments subject to the credit loss model have some amount of loss reserve to reflect the GAAP principal underlying the credit loss model that all loans, debt securities, and similar assets have some inherent risk of loss, regardless of credit quality, subordinate capital, or other mitigating factors.

As of December 31, 2025, the Company had a no remaining CECL balance, following the reversal of \$2.6 million of CECL related to the Company’s loans being reclassified as held for sale during the year ended December 31, 2025 in connection with the sale of First Western. As of December 31, 2024, the Company had a total CECL of \$2.0 million.

The Company estimates CECL for its loans primarily using its historical experience with loan write-offs, historical charge-offs from third-party firms, and the weighted average remaining maturity method, which has been identified as an acceptable method for estimating CECL reserves in the Financial Accounting Standards Board (“FASB”) Staff Q&A Topic 326, No. 1. This method requires the Company to reference historical loan loss data across a comparable data set and apply such loss rate to each loan investment over its expected remaining term, taking into consideration expected economic conditions over the relevant timeframe. The Company considers loans that are both (i) expected to be substantially repaid through the operation or sale of the underlying collateral and (ii) for which the borrower is experiencing financial difficulty, to be “collateral-dependent” loans. For loans that the Company determines that foreclosure of the collateral is probable, the Company measures the expected losses based on the difference between the fair value of the collateral less costs to sell and the amortized cost basis of the loan as of the measurement date. For collateral-dependent loans with respect to which the Company determines

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)**

foreclosure is not probable, the Company applies a practical expedient to estimate expected losses using the difference between the collateral's fair value (less costs to sell the asset if repayment is expected through the sale of the collateral) and the amortized cost basis of the loan.

Quarterly, the Company evaluates the risk of all loans receivable and assigns a risk rating based on a variety of factors, which are grouped as follows: (i) loan and credit structure, including the as-is loan-to-value ("LTV") ratio and structural features; (ii) quality and stability of real estate value and operating cash flow, including debt yield, dynamics of the geography, local market, physical condition and stability of cash flow; and (iii) quality, experience and financial condition of the borrower.

Based on a 5-point scale, the Company's loans receivable are rated "1" through "5," from least risk to greatest risk, respectively, which ratings are defined as follows:

- 1- Acceptable — These are assets of high quality;
- 2- Other Assets Especially Mentioned ("OAEM") — These are assets that are generally profitable but exhibit potential weakness or weaknesses, including, but not limited to, no significant pay history as detailed below for loans originated generally within the last year. Such weaknesses could result in deterioration if not corrected;
- 3- Substandard — These assets generally have a well-defined weakness or weaknesses which could hinder collection efforts;
- 4- Doubtful — These assets have weakness or weaknesses similar to substandard loans; however, the weakness or weaknesses are so extreme that significant loss potential exists in all cases; and
- 5- Loss — Assets assigned this classification have no value and thus have been or are in the process of being charged off.

The Company generally assigns a risk rating of "1" to all newly originated loans (generally within one year of origination) due to lack of management experience and/or lack of adequate historical debt coverage at the origination date.

**Deferred Rent Receivable and Charges**—Deferred rent receivable and charges consist of deferred rent, deferred leasing costs, deferred offering costs (Note 11), deferred financing costs and other deferred costs.

Deferred leasing costs, which represent lease commissions and other direct costs associated with the acquisition of tenants, are capitalized and amortized on a straight-line basis over the terms of the related leases.

Deferred offering costs represented direct costs incurred in connection with the Company's offerings of Series A1 Preferred Stock (as defined below), Series A Preferred Stock (as defined below), and Series D Preferred Stock (as defined below), excluding costs specifically identifiable to a closing, such as commissions, dealer-manager fees, and other offering fees and expenses. Generally, for a specific issuance of securities, issuance-specific offering costs are recorded as a reduction of proceeds raised on the issuance date and offering costs incurred but not directly related to a specifically identifiable closing of a security are deferred. Deferred offering costs were first allocated to each issuance of a security on a pro-rata basis equal to the ratio of the number of securities issued in a given issuance to the maximum number of securities that were expected to be issued in the related offering. With respect to shares of Series A1 Preferred Stock issued from June 2024 through September 2024, in the event a holder of Series A1 Preferred Stock requests redemption of such shares and such redemption takes place prior to the first anniversary of the date of original issuance, the Company is required to pay such redemption in cash. As a result, from June 2024 through September 2024, deferred offering costs allocated to each issuance were recorded as reductions to temporary equity and will subsequently be reclassified to permanent equity on the first anniversary of each issuance. In the case of the Series A Preferred Stock issued prior to February 2020, the issuance-specific offering costs and the deferred offering costs allocated to such issuance were further allocated to the Series A Preferred Stock and Series A Preferred Warrants issued in such issuance based on the relative fair value of the instruments on the date of issuance. The deferred offering costs allocated to the Series A Preferred Stock and Series A Preferred Warrants were reductions to temporary equity and permanent equity, respectively, with the deferred offering costs allocated to Series A Preferred Stock being reclassified from temporary equity to permanent equity on the first anniversary of each issuance.

In September 2024, the Company, at its option, redeemed 2,589,606 and 2,150,076 shares of its Series A1 Preferred Stock and Series A Preferred Stock, respectively, in shares of Common Stock and suspended its offering of Series A1

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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Preferred Stock. Following the suspension of its Series A1 Preferred Stock's offering, the Company no longer deemed it probable that future proceeds would be raised from the sale of these securities and, as a result, the Company recognized \$5.1 million of redeemable preferred stock redemptions in its consolidated statement of operations for the year ended December 31, 2024 related to amounts that had been recorded as deferred offering costs.

Deferred financing costs related to the securing of a revolving line of credit are presented as an asset and amortized ratably over the term of the line of credit arrangement. As such, the Company's current and corresponding prior period total deferred costs, net in the accompanying consolidated balance sheets relate only to the revolving loan portion of the credit facilities.

As of December 31, 2025 and 2024, deferred rent receivable and charges, net consist of the following (in thousands):

	December 31, 2025	December 31, 2024
Deferred rent receivable	\$ 10,850	\$ 12,931
Deferred leasing costs, net of accumulated amortization of \$5,749 and \$11,870, respectively	7,137	6,351
Deferred financing costs, net of accumulated amortization of \$112 and \$2,654, respectively	705	614
Deferred rent receivable and charges, net	<u>\$ 18,692</u>	<u>\$ 19,896</u>

**Noncontrolling Interests**—Noncontrolling interests represent the interests in various properties owned by third parties.

**Redeemable Preferred Stock**—Beginning on the date of original issuance of any given shares of Series A1 Preferred Stock, par value \$0.001 per share ("Series A1 Preferred Stock"), with an initial stated value of \$25.00 per share, subject to adjustment (the "Series A1 Preferred Stock Stated Value"), Series A Preferred Stock, par value \$0.001 per share ("Series A Preferred Stock") with an initial stated value of \$25.00 per share, subject to adjustment (the "Series A Preferred Stock Stated Value"), or Series D Preferred Stock, par value \$0.001 per share ("Series D Preferred Stock"), with an initial stated value of \$25.00 per share, subject to adjustment (the "Series D Preferred Stock Stated Value"), the holder of such shares has the right to require the Company to redeem such shares, subject to certain limitations as discussed in Note 11. The Company records the activity related to the Series A1 Preferred Stock (for issuances prior to June 2024), Series A Preferred Stock, Series A Preferred Warrants and Series D Preferred Stock in permanent equity. With respect to shares of Series A1 Preferred Stock issued from June 2024 through September 2024, in the event a holder of Series A1 Preferred Stock requests redemption of such shares and such redemption takes place prior to the first anniversary of the date of original issuance, the Company is required to pay such redemption in cash. As a result, beginning from June 2024 through September 2024, the Company recorded issuances of Series A1 Preferred Stock in temporary equity. With respect to shares of Series A1 Preferred Stock issued from June 2024 through September 2024, on the first anniversary of the date of original issuance of each particular share of Series A1 Preferred Stock the Company reclassified such share of Series A1 Preferred Stock from temporary equity to permanent equity as the feature giving rise to temporary equity classification, the requirement to satisfy redemption requests in cash, lapsed on the first anniversary date.

**Purchase Accounting for Acquisition of Investments in Real Estate**—The Company applies the acquisition method to all acquired real estate assets. The purchase consideration of the real estate, which includes the transaction costs incurred in connection with such acquisitions, is recorded at fair value to the acquired tangible assets, consisting primarily of land, land improvements, building and improvements, tenant improvements, and furniture, fixtures, and equipment, and identified intangible assets and liabilities, consisting of the value of acquired above-market and below-market leases, in-place leases and ground leases, if any, based in each case on their relative fair values. Loan premiums, in the case of above-market rate loans, or loan discounts, in the case of below-market rate loans, are recorded based on the fair value of any loans assumed in connection with acquiring the real estate.

The fair value of the tangible assets of an acquired property is determined by valuing the property as if it were vacant, and the "as-if-vacant" value is then allocated to land (or acquired ground lease if the land is subject to a ground lease), land improvements, building and improvements, and tenant improvements based on management's determination of the relative fair values of these assets. Management determines the as-if-vacant fair value of a property using methods similar to those used by independent appraisers. Factors considered by management in performing these analyses include an estimate of carrying costs during the expected lease-up periods considering current market conditions and costs to execute similar leases. In estimating

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)**

carrying costs, management includes real estate taxes, insurance and other operating expenses, and estimates of lost rental revenue during the expected lease-up periods based on current market demand. Management also estimates costs to execute similar leases, including leasing commissions, legal, and other related costs.

In allocating the purchase consideration of the identified intangible assets and liabilities of an acquired property, above-market, below-market, and in-place lease values are recorded based on the present value (using an interest rate that reflects the risks associated with the leases acquired) of the difference between (i) the contractual amounts to be paid pursuant to the in-place leases and (ii) management's estimate of fair market lease rates for the corresponding in-place leases measured over a period equal to the remaining non-cancelable term of the lease, and for below-market leases, over a period equal to the initial term plus any below-market fixed-rate renewal periods. Acquired above-market and below-market leases are amortized and recorded to rental and other property income over the initial terms of the respective leases.

The aggregate value of other acquired intangible assets, consisting of in-place leases and tenant relationships, is measured by the estimated cost of operations during a theoretical lease-up period to replace in-place leases, including lost revenues and any unreimbursed operating expenses, plus an estimate of deferred leasing commissions for in-place leases. The value of in-place leases is amortized to expense over the remaining non-cancelable periods of the respective leases. If a lease is terminated prior to its stated expiration, all unamortized amounts relating to that lease are written-off.

**Revenue Recognition**—At the inception of a revenue-producing contract, the Company determines if a contract qualifies as a lease and if not, then as a customer contract. Based on this determination, the appropriate treatment in accordance with GAAP is applied to the contract, including its revenue recognition.

*Revenue from leasing activities*

The Company operates as a lessor of both office and multifamily real estate assets. When the Company enters into a contract or amends an existing contract, the Company evaluates if the contracts meet the definition of a lease using the following criteria:

- One party (lessor) must hold an identified asset;
- The counterparty (lessee) must have the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of the contract; and
- The counterparty (lessee) must have the right to direct the use of the identified asset throughout the period of the contract.

The Company determined that the Company's contracts with its tenants explicitly identify the premises and that any substitution rights to relocate tenants to other premises within the same building stated in the contract are not substantive. Additionally, so long as payments are made timely under such contracts, the Company's tenants have the right to obtain substantially all the economic benefits from the use of the identified asset and can direct how and for what purpose the premises are used to conduct their operations. Therefore, the contracts with the Company's tenants constitute leases.

All leases are classified as operating leases and minimum rents are recognized on a straight-line basis over the terms of the leases when collectability is probable and the tenant has taken possession or controls the physical use of the leased asset. The excess of rents recognized over amounts contractually due pursuant to the underlying leases is recorded as deferred rent. If the lease provides for tenant improvements, the Company determines whether the tenant improvements, for accounting purposes, are owned by the tenant or the Company. When the Company is the owner of the tenant improvements, the tenant is not considered to have taken physical possession or have control of the physical use of the leased asset until the tenant improvements are substantially completed. When the tenant is considered the owner of the improvements, any tenant improvement allowance that is funded is treated as an incentive. Lease incentives paid to tenants are included in other assets and amortized as a reduction to rental revenue on a straight-line basis over the term of the related lease. As of December 31, 2025 and 2024, lease incentives of \$1.3 million and \$3.9 million, respectively, are presented net of accumulated amortization of \$1.1 million and \$3.6 million, respectively.

Reimbursements from tenants, consisting of amounts due from tenants for common area maintenance, real estate taxes, insurance, and other recoverable costs, are recognized as revenue and are included in rental and other property income in the period the expenses are incurred, with the corresponding expenses included in rental and other property operating expense. Tenant reimbursements are recognized and presented on a gross basis when the Company is primarily responsible for fulfilling the promise to provide the specified good or service and control that specified good or service before it is transferred to the

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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tenant. The Company has elected not to separate lease and non-lease components as the pattern of revenue recognition does not differ for the two components, and the non-lease component is not the primary component in the Company's leases.

In addition to minimum rents, certain leases, including the Company's parking leases with third-party operators, provide for additional rents based upon varying percentages of tenants' sales in excess of annual minimums. Percentage rent is recognized once lessees' specified sales targets have been met.

For the years ended December 31, 2025 and 2024, the Company recognized rental income as follows (in thousands):

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
<b>Rental and other property income</b>		
Fixed lease payments <sup>(1)</sup>	\$ 56,047	\$ 62,322
Variable lease payments <sup>(2)</sup>	9,384	9,944
Rental and other property income	<u>\$ 65,431</u>	<u>\$ 72,266</u>

(1) Fixed lease payments include contractual rents under lease agreements with tenants recognized on a straight-line basis over the lease term, including amortization of acquired above-market leases, below-market leases and lease incentives.

(2) Variable lease payments include expense reimbursements billed to tenants and percentage rent, net of bad debt expense from the Company's operating leases plus cash payments from tenants deemed not probable of collections.

*Collectability of Future Lease Payments*

The Company continually reviews whether collection of future lease payments, including any straight-line rent, and current and future operating expense reimbursements from tenants is probable. The determination of whether collectability is probable takes into consideration 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 in which the property is located. Upon the determination that the collectability of future lease payments is not probable, the Company will record a reduction to rental and other property income and a decrease in the outstanding receivable. Revenue from leases where collection is deemed to be not probable is recorded on a cash basis until collectability becomes probable. Management's estimate of the collectability of future lease payments is based on the best information available at the time of estimate. The Company does not use a general reserve approach. As of December 31, 2025 and 2024, the Company had identified certain tenants where collection was no longer considered probable and decreased outstanding receivables by \$371,000 and \$640,000, respectively.

*Revenue from lending activities*

Interest income included in interest and other income is comprised of interest earned on loans and the Company's short-term investments and the accretion of loan discounts. Interest income on loans is accrued as earned with the accrual of interest suspended when the related loan becomes a Non-Accrual Loan (as defined below).

*Revenue from hotel activities*

The Company recognizes revenue from hotel activities separate from its leasing activities. At contract inception, the Company assesses the goods and services promised in its contracts with customers and identifies a performance obligation for each promise to transfer to the customer a good or service (or bundle of goods or services) that is distinct. To identify the performance obligations, the Company considers all of the goods or services promised in the contract regardless of whether they are explicitly stated or implied by customary business practices. Various performance obligations of hotel revenues can be categorized as follows:

- cancellable and noncancelable room revenues from reservations and
- ancillary services including facility usage and food or beverage.

Cancellable reservations represent a single performance obligation of providing lodging services at the hotel. The Company satisfies its performance obligation and recognizes revenues associated with these reservations over time as services are rendered to the customer. The Company satisfies its performance obligation and recognizes revenues associated with

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

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noncancelable reservations at the earlier of (i) the date on which the customer cancels the reservation or (ii) over time as services are rendered to the customer.

Ancillary services include facilities usage and providing food and beverage. The Company satisfies its performance obligation and recognizes revenues associated with these services at a point in time when the good or service is delivered to the customer.

At inception of a contract with a customer for hotel goods and services, the contractual price is equivalent to the transaction price as there are no elements of variable consideration to estimate.

The Company presents hotel revenues net of sales, occupancy, and other taxes.

Below is a reconciliation of the hotel revenue from contracts with customers to the total hotel segment revenue disclosed in Note 18 (in thousands):

	Year Ended December 31,	
	2025	2024
<b>Hotel properties</b>		
Hotel income	\$ 39,642	\$ 37,679
Rental and other property income	1,622	1,344
Interest and other income	76	384
Hotel revenues	<u>\$ 41,341</u>	<u>\$ 39,407</u>

*Tenant recoveries outside of the lease agreements*

Tenant recoveries outside of the lease agreements are related to construction projects in which the Company's tenants have agreed to fully reimburse the Company for all costs related to construction. These services include architectural, permit expediter and construction services. At inception of the contract with the customer, the contractual price is equivalent to the transaction price as there are no elements of variable consideration to estimate. While these individual services are distinct, in the context of the arrangement with the customer, all of these services are bundled together and represent a single package of construction services requested by the customer. The Company satisfies its performance obligation and recognizes revenues associated with these services over time as the construction is completed. No such amounts were recognized for tenant recoveries outside of the lease agreements for the years ended December 31, 2025 and 2024. As of December 31, 2025, there were no remaining performance obligations associated with tenant recoveries outside of the lease agreements.

**Premiums and Discounts on Debt**— Premiums and discounts on debt are amortized or accreted to interest expense using the effective interest method or on a straight-line basis over the respective term of the debt, which approximates the effective interest method.

**Stock-Based Compensation Plans**—The Company has issued and continues to issue restricted shares under stock-based compensation plans described more fully in Note 9. The Company uses fair value recognition provisions to account for all awards granted, modified or settled.

**Earnings per Share ("EPS")**—Basic EPS is computed by dividing net income attributable to common stockholders by the weighted-average number of shares of Common Stock outstanding for the period. Net income attributable to common stockholders includes a deduction for dividends due to preferred stockholders. Diluted EPS is computed by dividing net income attributable to common stockholders by the weighted average number of shares of Common Stock outstanding adjusted for the dilutive effect, if any, of securities such as stock-based compensation awards, preferred stock, including the Series A1 Preferred Stock, Series A Preferred Stock, and Series D Preferred Stock, whose redemption is payable in shares of Common Stock or cash, at the discretion of the Company. The dilutive effect of stock-based compensation awards is reflected in the weighted average diluted shares calculation by application of the treasury stock method. The dilutive effect of preferred stock, including the Series A1 Preferred Stock, Series A Preferred Stock, and Series D Preferred Stock, whose redemption is payable in shares of Common Stock or cash, at the discretion of the Company, is reflected in the weighted average diluted shares calculation by application of the if-converted method.

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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**Distributions**—Distributions on the Company’s Series A1 Preferred Stock, Series A Preferred Stock, Series D Preferred Stock, and Common Stock are recorded when they are authorized by its Board of Directors and declared by the Company.

**Assets Held for Sale and Discontinued Operations**—In the ordinary course of business, the Company may periodically enter into agreements to dispose of its assets. Some of these agreements are non-binding because either they do not obligate either party to pursue any transactions until the execution of a definitive agreement or they provide the potential buyer with the ability to terminate without penalty or forfeiture of any material deposit, subject to certain specified contingencies, such as completion of due diligence at the discretion of such buyer. The Company does not classify assets that are subject to such non-binding agreements as held for sale.

The Company classifies assets as held for sale, if material, when they meet the necessary criteria, which include: a) management commits to and actively embarks upon a plan to sell the assets, b) the assets to be sold are available for immediate sale in their present condition, c) the sale is expected to be completed within one year under terms usual and customary for such sales and d) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company generally believes that it meets these criteria when the plan for sale has been approved by its management, having the authority to approve the sale, there are no known significant contingencies related to the sale and management believes it is probable that the sale will be completed within one year.

Assets held for sale are recorded at the lower of cost or estimated fair value less cost to sell. In addition, if the Company were to determine that the asset disposal associated with assets held for sale or disposed of represents a strategic shift that has or will have a major effect on the Company’s operations and financial results, the revenues, expenses and net gain (loss) on dispositions would be recorded in discontinued operations for all periods presented through the date of the applicable disposition.

As of December 31, 2025, the Company had reclassified the assets and liabilities of First Western as held for sale.

**Derivative Financial Instruments**—As part of risk management and operational strategies, from time to time, we may enter into derivative contracts with various counterparties. All derivatives are recognized on the balance sheet at their estimated fair value. On the date that we enter into a derivative contract, we designate the derivative as a fair value hedge, a cash flow hedge, a foreign currency fair value or cash flow hedge, a hedge of a net investment in a foreign operation, or a trading or non-hedging instrument.

Accounting for changes in the fair value of a derivative instrument depends on the intended use and designation of the derivative instrument. The Company has interest rate caps that are used to manage exposure to interest rate movements, but do not meet the requirements to be designated as hedging instruments. The change in fair value of the derivative instruments that are not designated as hedges is recorded directly to earnings as interest expense on the accompanying consolidated statements of operations. See Note 8 for further disclosures about our derivative financial instruments and hedging activities.

**Income Taxes**—The Company has elected to be taxed as a REIT under the provisions of the Code. To the extent the Company qualifies for taxation as a REIT, it generally will not be subject to a federal corporate income tax on its taxable income that is distributed to its stockholders. The Company may, however, be subject to certain federal excise taxes and state and local taxes on its income and property. If the Company fails to qualify as a REIT in any taxable year, it will be subject to federal income taxes at regular corporate rates and will not be able to qualify as a REIT for four subsequent taxable years. In order to remain qualified as a REIT under the Code, the Company must satisfy various requirements in each taxable year, including, among others, limitations on share ownership, asset diversification, sources of income, and the distribution of at least 90% of its taxable income within the specified time in accordance with the Code.

The Company has wholly owned taxable REIT subsidiaries (“TRS’s”) which are subject to federal income taxes. The income generated from the taxable REIT subsidiaries is taxed at normal corporate rates. Deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities and their respective tax bases.

The Company has established a policy on classification of penalties and interest related to audits of its federal and state income tax returns. If incurred, the Company’s policy for recording interest and penalties associated with audits will be to record such items as a component of general and administrative expense. Penalties, if incurred, will be recorded in general and

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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administrative expense and interest paid or received will be recorded in interest expense or interest income, respectively, in the Company's consolidated statements of operations.

ASC 740, *Income Taxes*, provides guidance for how uncertain tax positions should be recognized, measured, presented, and disclosed in the financial statements. ASC 740 requires the evaluation of tax positions taken or expected to be taken in the course of preparing the Company's tax returns to determine whether the tax positions are "more likely than not" of being sustained by the applicable tax authority. Tax positions not deemed to meet the more-likely-than-not threshold would be recorded as a tax benefit or expense in the current period. The Company has reviewed all open tax years and concluded that the application of ASC 740 resulted in no material effect to its consolidated financial position or results of operations.

**Use of Estimates**—The preparation of consolidated financial statements in conformity with GAAP requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the consolidated financial statements, and the reported amounts of revenues and expenses during the reporting period. The Company bases such estimates on historical experience, information available at the time, and assumptions the Company believes to be reasonable under the circumstances at such time. Actual results could differ from those estimates.

**Concentration of Credit Risk**—Financial instruments that subject us to credit risk consist primarily of cash and cash equivalents and interest rate swap agreements. The Company has its cash and cash equivalents on deposit with what it believes to be high-quality financial institutions. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Management routinely assesses the financial strength of its tenants and, as a consequence, believes that its accounts receivable credit risk exposure is limited.

The majority of the Company's revenues are earned from properties located in California. The Company is subject to risks incidental to the ownership and operation of commercial real estate. These include, among others, the risks normally associated with changes in the general economic climate in the communities in which the Company operates, trends in the real estate industry, changes in tax laws, interest rate levels, availability of financing, and the potential liability under environmental and other laws.

**Segment Information**—Segment information is prepared on the same basis that the Company's management reviews information for operational decision-making purposes. The Company's reportable segments for the years ended December 31, 2025 and 2024 consist of three types of commercial real estate properties, namely office, hotel and multifamily, as well as a segment for the Company's lending business. As previously disclosed, we completed the sale of our lending business on January 21, 2026, and, as a result, our lending business will cease to be one of our reportable segments in future periods. The products for the Company's office segment primarily include rental of office space and other tenant services, including tenant reimbursements, parking, and storage space rental. The products for the Company's multifamily segment primarily include revenues generated from residential and other lease income. The products for the Company's hotel segment include revenues generated from the operations of hotel properties and rental income generated from a garage located directly across the street from the hotel. The income from the Company's lending segment includes premium income recognized from the sale of the government guaranteed portion of loans receivable, income from the yield on its loans receivable and other related fee income earned on its loans receivable.

**Recently Issued Accounting Pronouncements**—In August 2023, the FASB issued ASU No. 2023-05, Business Combinations-Joint Venture Formations (Subtopic 805-60): Recognition and Initial Measurement ("ASU 2023-05"). ASU 2023-05 applies to the formation of a joint venture and requires a joint venture to initially measure all contributions received upon its formation at fair value. The guidance is intended to reduce diversity in practice and provide users of joint venture financial statements with more decision-useful information. The amendments are effective prospectively for all joint venture formations with a formation date on or after January 1, 2025. The adoption of ASU 2023-05 did not impact the Company's financial statements.

In December 2023, the FASB issued ASU No. 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures, ("ASU 2023-09"). ASU 2023-09 enhances annual income tax disclosures by requiring additional disaggregation of information in the effective tax rate reconciliation and regarding income taxes paid. ASU 2023-09 is effective for annual periods beginning after December 15, 2025, and interim periods within fiscal years beginning after December 15, 2026, and early adoption is permitted. The adoption of ASU No. 2023-09 has not impacted the Company's financial statements but has resulted in incremental disclosures, which are included within Note 16 — Income Taxes.

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In November 2024, the FASB issued ASU No. 2024-03, Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures (Subtopic 220-40) (“ASU 2024-03”). ASU 2024-03 requires that public business entities disclose additional information about specific expense categories in the notes to financial statements at interim and annual reporting periods. ASU 2024-03 is effective on either a prospective basis, with the option for retrospective application, for annual periods beginning after December 15, 2026 and interim periods within fiscal years beginning after December 15, 2027, and early adoption is permitted. The Company is currently evaluating whether the adoption of ASU 2024-03 will have a material impact on its consolidated financial statements and disclosures.

### 3. INVESTMENTS IN REAL ESTATE

Investments in real estate consist of the following:

	December 31,	
	2025	2024
	(in thousands)	
Land	\$ 172,614	\$ 175,682
Land improvements	5,595	5,863
Buildings and improvements	652,102	636,525
Furniture, fixtures, and equipment	19,702	12,844
Tenant improvements	24,832	26,942
Work in progress	18,631	36,929
Investments in real estate	893,476	894,785
Accumulated depreciation	(195,389)	(185,591)
Net investments in real estate	\$ 698,087	\$ 709,194

For the years ended December 31, 2025 and 2024, the Company recorded depreciation expense of \$24.9 million and \$24.9 million, respectively.

**Impairment**—The Company performs quarterly impairment review procedures, primarily through continuous monitoring of events and changes in circumstances that could indicate that the carrying value of certain of its investments in real estate may not be recoverable. See Note 2 for a discussion of the Company’s accounting policies regarding impairment of investments in real estate.

During the year ended December 31, 2025, one office property in Austin, Texas was deemed to be impaired, with its carrying value of \$2.1 million being reduced to an estimated fair value of \$1.9 million, and one multifamily development site, currently being operated as a parking lot, in Oakland, California was deemed to be impaired, with its carrying value of \$14.7 million being reduced to an estimated fair value \$11.2 million, collectively resulting in impairment charges of \$3.7 million during the year ended December 31, 2025. The Company recorded no impairment charges during the year ended December 31, 2024. See Note 2 for a discussion of the Company’s policies regarding impairment of real estate assets.

See Note 13 for a further discussion regarding these impairment charges during the year ended December 31, 2025.

**2025 Transactions**—In July 2025, the Company sold a vacant land parcel adjacent to its multifamily property at 1150 Clay Street in Oakland, California (“1150 Clay”). The Company received proceeds of \$1.2 million, net of transaction costs of \$89,000, and recorded a gain on the sale of \$679,000 during the year ended December 31, 2025. In connection with the sale, the Company used a portion of the proceeds to make a repayment of \$696,000 under the mortgage loan at 1150 Clay.

**2024 Transactions**—There were no acquisitions or dispositions during the year ended December 31, 2024.

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**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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**4. INVESTMENT IN UNCONSOLIDATED ENTITIES**

The following table details the Company's equity method investments in the Unconsolidated Joint Ventures. See Note 2 - Basis of Presentation and Summary of Significant Accounting Policies (dollars in thousands):

Joint Venture	Asset Type	Location	Date of Acquisition	Ownership Interest	Carrying Value	
				December 31, 2025	December 31, 2025	December 31, 2024
1910 Sunset Boulevard <sup>(1)</sup>	Office / Multifamily	Los Angeles, CA	February 11, 2022	44.2%	\$ 12,941	\$ 12,898
4750 Wilshire Boulevard <sup>(2)</sup>	Multifamily / Office	Los Angeles, CA	February 17, 2023	20.0%	5,368	8,622
1902 Park Avenue <sup>(3)</sup>	Multifamily	Los Angeles, CA	February 28, 2023	25.5%	5,866	5,730
1015 N Mansfield Avenue <sup>(4)</sup>	Office (Development)	Los Angeles, CA	October 10, 2023	28.8%	6,920	6,427
Total investments in unconsolidated entities					\$ 31,095	\$ 33,677

- (1) 1910 Sunset Boulevard is an office building with 105,064 square feet of office space and 2,760 square feet of retail space. The 1910 Sunset JV (defined below) has completed construction on its 1915 Park Project (defined below) to build 36 multifamily units on the 1915 Park Avenue land parcel adjacent to the office building.
- (2) 4750 Wilshire Boulevard is a three-story office building with 30,335 square feet of office space located on the first floor. The remainder of the building was substantially converted into 68 for-lease multifamily units in September 2024.
- (3) 1902 Park Avenue is a 76-unit four-story multifamily building.
- (4) 1015 N Mansfield Avenue is an office building with a 44,141 square foot site area and a parking garage. The site is being evaluated for different development options, including creative office or other commercial space. As of December 31, 2025, this property was in pre-development phase and the Company has not finalized the formal development plan for the property.

**1910 Sunset Boulevard**— In February 2022, the Company invested in an Unconsolidated Joint Venture (the “1910 Sunset JV”) with a CIM-managed separate account (the “1910 Sunset JV Partner”) to purchase an office property located at 1910 Sunset Boulevard in Los Angeles, California (the “1910 Sunset Office Building”) along with an adjacent vacant land parcel located at 1915 Park Avenue, for a gross purchase price of approximately \$51.0 million, of which the Company initially contributed approximately \$22.4 million and the 1910 Sunset JV Partner initially contributed the remaining balance. In September 2022, the 1910 Sunset JV obtained financing through a mortgage loan of \$23.9 million secured by the office property (the “1910 Sunset Mortgage Loan”). The Company provided a limited guarantee to the lender under the 1910 Sunset Mortgage Loan.

As of December 31, 2025, the 1910 Sunset JV completed its project to build 36 multifamily units on the 1915 Park Avenue land parcel adjacent to the office building (the “1915 Park Project”) and began leasing during the fourth quarter. The 1910 Sunset JV financed the project through a combination of cash from operations at its office property, additional equity contributions from existing investors, and proceeds from a mortgage loan from a third-party lender (which has a balance of \$6.8 million as of December 31, 2025 and total borrowing availability of \$9.4 million). As of December 31, 2025, the 1910 Sunset JV had incurred total costs of \$12.7 million in connection with the 1915 Park Project.

Beginning on October 1, 2025, in connection with the 1910 Sunset JV's commencement of leasing at the 1915 Park Project, the Company began reporting its share of the income from the operations of the 1915 Park Project in its multifamily segment, while income from the operations of the 1910 Sunset Office Building continue to be reported in its office segment.

**4750 Wilshire Boulevard**— In February 2023, three co-investors (the “4750 Wilshire JV Partners”) acquired an 80% interest in a property owned by a subsidiary of the Company located at 4750 Wilshire Boulevard in Los Angeles, California (“4750 Wilshire”) for a gross sales price of \$34.4 million (excluding transaction costs). The Company retained a 20% interest in 4750 Wilshire through an Unconsolidated Joint Venture arrangement between the Company and the 4750 Wilshire JV Partners (the “4750 Wilshire JV”). The goal of the 4750 Wilshire JV was to convert two of the three floors of 4750 Wilshire from office-

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use into 68 for-lease multifamily units (the “4750 Wilshire Project”), with the first floor of 4750 Wilshire continuing to function as 30,335 square feet of office space. The 4750 Wilshire Project was substantially completed in September 2024. The 4750 Wilshire JV has commenced leasing of the multifamily units. The 4750 Wilshire Project which was financed by a combination of equity contributions from the 4750 Wilshire JV Partners and a third-party construction loan, secured by 4750 Wilshire, which closed in March 2023 and had a balance of \$37.9 million as of December 31, 2025 (with total borrowing availability of \$38.5 million) (the “4750 Wilshire Construction Loan”). The Company provided a limited guarantee to the lender under the 4750 Wilshire Construction Loan. As of December 31, 2025, total costs of \$28.8 million had been incurred by the 4750 Wilshire JV in connection with the 4750 Wilshire Project.

Pursuant to the co-investment agreement, the 4750 Wilshire JV pays an ongoing management fee to the Company. In addition, the Company may earn incentive fees based on the performance of 4750 Wilshire after the conversion.

**1902 Park Avenue**— In February 2023, the Company and a CIM-managed interval fund (the “1902 Park JV Partner”) purchased a multifamily property in the Echo Park neighborhood of Los Angeles, California for a gross purchase price of \$19.1 million (excluding transaction costs) (the “1902 Park JV”), with the Company owning a 50% interest. In connection with the closing of this transaction in February 2023, the 1902 Park JV obtained financing through a mortgage loan of \$9.6 million secured by the multifamily property (the “1902 Park Mortgage Loan”). In October 2024, the 1902 Park JV admitted a new third-party co-investor and used part of the net capital contribution of such third party co-investor to satisfy the 1902 Park Mortgage Loan in full. Subsequent to this contribution, the Company’s ownership share of the 1902 Park JV was 25.5%. Pursuant to the co-investment agreement, the 1902 Park JV pays an ongoing management fee to the Company.

**1015 N Mansfield Avenue**— In October, 2023, the Company and a co-investor affiliated with CIM Group (the “1015 N Mansfield JV Partner”) acquired from an unrelated third party a 100% fee-simple interest in a plot of land located in the Sycamore media district of Los Angeles, California for a gross purchase price of \$18.0 million (excluding transaction costs) (the “1015 N Mansfield JV”). The property has a site area of approximately 44,141 square feet and contains a parking garage that has been leased to a third-party tenant. The site is being evaluated for different creative office or other commercial space development options and was in pre-development phase as the Company has not finalized the formal development plan for the property. The Company owns 28.8% of the 1015 N Mansfield JV.

The Company recorded a loss of \$3.8 million and \$806,000 related to its investment in the Unconsolidated Joint Ventures during the years ended December 31, 2025 and 2024, respectively.

**5. LOANS RECEIVABLE**

Loans receivable consist of the following:

	<b>December 31, 2024</b>
	(in thousands)
SBA 7(a) loans receivable, subject to credit risk	\$ 19,306
SBA 7(a) loans receivable, subject to loan-backed notes	34,930
SBA 7(a) loans receivable, subject to secured borrowings	1,383
SBA 7(a) loans receivable, held for sale	1,494
Loans receivable	57,113
Deferred capitalized costs, net	1,129
Current expected credit losses	(2,032)
Loans receivable, net	<u>\$ 56,210</u>

Note: As of December 31, 2025, all loans receivable balances were reclassified as held for sale. See Assets and Liabilities Held for Sale, included later in this footnote, for more detail.

**SBA 7(a) Loans Receivable, Subject to Credit Risk**—Represents the unguaranteed portions of loans originated under the SBA 7(a) Program which were retained by the Company.

**SBA 7(a) Loans Receivable, Subject to Loan-Backed Notes**—Represents the unguaranteed portions of loans originated under the SBA 7(a) Program which were transferred to a trust and are held as collateral in connection with a

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

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securitization transaction. The proceeds received from the transfer were reflected as loan-backed notes payable (Note 7). These loans were subject to credit risk.

**SBA 7(a) Loans Receivable, Subject to Secured Borrowings**—Represents the government guaranteed portions of loans originated under the SBA 7(a) Program which were sold with the proceeds received from the sale reflected as secured borrowings—government guaranteed loans. There was no credit risk associated with these loans since the SBA has guaranteed payment of the principal.

**SBA 7(a) Loans Receivable, Held for Sale**— Represents the government guaranteed portion of loans held for sale at the end of the period or that had been sold but in respect of which proceeds had not been received as of the end of the period.

**Current Expected Credit Losses**

CECL reflects the Company's current estimate of potential credit losses related to loans receivable included in the Company's consolidated balance sheets as of period end pursuant to ASU 2016-13. Refer to Note 2 for further discussion of CECL.

The following table presents the activity in the Company's CECL for the year ended December 31, 2025 and 2024 (dollar amounts in thousands):

	<b>Loans Receivable</b>	
Allowance for credit losses as of December 31, 2023	\$	1,680
Net adjustment to reserve for expected credit losses		352
Allowance for credit losses as of December 31, 2024		2,032
Net adjustment to reserve for expected credit losses		525
Reversal of CECL balance related to loans reclassified as held for sale		(2,557)
Allowance for credit losses as of December 31, 2025	\$	—

The net adjustments to the reserve for expected credit losses are recognized through net income on the Company's consolidated statements of operations. During the year ended December 31, 2025, the Company recorded an increase of \$525,000 in its CECL related to its loans receivable prior to its CECL balance of \$2.6 million reversed as a result of the Company's loans receivable being reclassified as held for sale at December 31, 2025. Such amounts were recorded in general and administrative expenses in the consolidated statement of operations. During the year ended December 31, 2024, the Company recorded an increase of \$352,000, respectively, in its CECL related to its loans receivable, which was recorded in general and administrative expenses in the consolidated statement of operations.

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)**

**Assets and Liabilities Held for Sale**

As previously announced on November 12, 2025, the Company and First Western SBLC, LLC, a Florida limited liability company (formerly known as First Western SBLC, Inc.) and an indirect wholly owned subsidiary of the Company (“First Western”), entered into a membership interest purchase agreement, dated as of November 6, 2025 (the “Membership Interest Purchase Agreement”), with PG FR Holding, LLC, a Delaware limited liability company (the “Buyer”). The closing (the “Closing”) of the transactions contemplated by the Membership Interest Purchase Agreement (the “Transactions”) occurred on January 21, 2026.

As of December 31, 2025, the Company classified the assets and liabilities of First Western as held for sale. The following is the detail of the carrying amounts of assets and liabilities classified as held for sale on the consolidated balance sheets as of December 31, 2025:

	<b>December 31, 2025</b>
<b>Assets:</b>	
Restricted cash	\$ 4,423
Loans receivable, net (1)	54,213
Accounts receivable, net	633
Other intangible assets (2)	2,957
Other assets	3,633
<b>Total assets held for sale</b>	<b>\$ 65,859</b>
<b>Liabilities:</b>	
Debt, net (3)	\$ 17,330
Accounts payable and accrued expenses	2,508
Other liabilities	2,128
<b>Total liabilities associated with assets held for sale</b>	<b>\$ 21,966</b>

- (1) Loans receivable, net as of December 31, 2025 consisted of total SBA 7(a) loans receivable of \$53.2 million and net deferred capitalized costs of \$1.0 million. Upon the reclassification of First Western to held for sale, the CECL balance related to the loans receivable was reversed. The loans receivable were subsequently written down to their estimated fair value (based on the contractual sales price) less costs to sell, resulting in a loss on assets held for sale of \$298,000 for the year ended December 31, 2025. Following the loss on assets held for sale, as of December 31, 2025, the aggregate net assets and liabilities of First Western were recorded at fair value, less costs to sell.
- (2) Other intangible assets as of December 31, 2025 represented First Western’s trade name and SBA license, with an aggregate carrying value of \$3.0 million.
- (3) Debt, net as of December 31, 2025 consisted of the following: Secured borrowings – government guaranteed loans of \$1.3 million, along with net unamortized premiums of \$19,000, and SBA 7(a) loan-backed notes of \$16.4 million, net of deferred debt origination costs of \$402,000.

There were no assets or liabilities classified as held for sale as of December 31, 2024.

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**
**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)**
**6. OTHER INTANGIBLE ASSETS AND LIABILITIES**

A schedule of the Company's intangible assets and liabilities and related accumulated amortization and accretion as of December 31, 2025 and 2024, is as follows:

	<b>As of December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
<b>Intangible assets:</b>		
Acquired in-place leases, net of accumulated amortization of \$1,874 and \$5,195, respectively, with an average useful life of 2 and 6 years, respectively.	\$ 439	\$ 610
Acquired above-market leases, net of accumulated amortization of \$0 and \$36, respectively, with an average useful life of 0 and 7 years, respectively.	—	1
Trade name and license (1)	—	2,957
<b>Total intangible assets, net</b>	<b>\$ 439</b>	<b>\$ 3,568</b>

(1) The trade name and license was reclassified to held for sale as of December 31, 2025.

Amortization of the acquired above-market leases is recorded as a reduction to rental and other property income, and amortization of the acquired in-place leases is included in depreciation and amortization in the accompanying consolidated statements of operations. Amortization of the acquired below-market leases is recorded as an increase to rental and other property income in the accompanying consolidated statements of operations.

During the years ended December 31, 2025 and 2024, the Company recognized amortization related to its intangible assets and liabilities as follows:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
Acquired above-market lease amortization	\$ 1	\$ 6
Acquired in-place lease amortization	\$ 171	\$ 374

A schedule of future amortization and accretion of acquired intangible assets and liabilities as of December 31, 2025, is as follows:

<b>Years Ending December 31,</b>	<b>Assets Acquired In-Place Leases</b>
	(in thousands)
2026	\$ —
2027	122
2028	123
2029	122
2030	72
Thereafter	—
	<b>\$ 439</b>

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)**
**7. DEBT**

The following table summarizes the debt balances as of December 31, 2025 and 2024, and the debt activity for the year ended December 31, 2025 (in thousands):

	Balances as of December 31, 2024	During the Year Ended December 31,				Balances as of December 31, 2025
		Debt Issuances & Assumptions	Repayments (1)	Accretion & (Amortization)	Reclassified to Held for Sale	
<b>Mortgages Payable:</b>						
Fixed rate mortgages payable	\$ 269,100	\$ —	\$ (697)	\$ —	\$ —	\$ 268,403
Variable rate mortgages payable	171,346	43,609	(6,399)	—	—	208,556
	440,446	43,609	(7,096)	—	—	476,959
Deferred debt issuance costs — Mortgages Payable	(3,995)	(1,971)	—	2,446	—	(3,520)
<b>Total Mortgages Payable</b>	<b>436,451</b>	<b>41,638</b>	<b>(7,096)</b>	<b>2,446</b>	<b>—</b>	<b>473,439</b>
<b>Secured Borrowings – Government Guaranteed Loans:</b>						
Outstanding Balance	1,361	—	(52)	—	(1,309)	—
Unamortized premiums	22	—	—	(3)	(19)	—
<b>Total Secured Borrowings—Government Guaranteed Loans</b>	<b>1,383</b>	<b>—</b>	<b>(52)</b>	<b>(3)</b>	<b>(1,328)</b>	<b>—</b>
<b>Other Debt:</b>						
Lending division credit facility	—	11,895	(1,446)	—	—	10,449
2022 credit facility revolver	1,367	—	(1,367)	—	—	—
2022 credit facility term loan	13,633	—	(13,633)	—	—	—
Junior subordinated notes	27,070	—	—	—	—	27,070
SBA 7(a) loan-backed notes	27,857	—	(11,453)	—	(16,404)	—
Deferred debt issuance costs — other	(733)	—	59	272	402	—
Discount on junior subordinated notes	(1,296)	—	—	106	—	(1,190)
<b>Total Other Debt</b>	<b>67,898</b>	<b>11,895</b>	<b>(27,840)</b>	<b>378</b>	<b>(16,002)</b>	<b>36,329</b>
<b>Total Debt, Net</b>	<b>\$ 505,732</b>	<b>\$ 53,533</b>	<b>\$ (34,988)</b>	<b>\$ 2,821</b>	<b>\$ (17,330)</b>	<b>\$ 509,768</b>

(1) The write-off of \$59,000 of deferred debt issuance costs associated with the 2022 Credit Facility Term Loan (as defined below) resulting from the early extinguishment of debt incurred during the year ended December 31, 2025 is reflected here within deferred debt issuance costs — other. See further discussion under 2022 Credit Facility.

**Fixed Rate Mortgages Payable**—The Company’s fixed rate mortgages payable are non-recourse and are secured by, among other things, first priority deeds of trust, security agreements or other similar security instruments on the fee simple interests in properties underlying such mortgages and assignments of rents receivable. As of December 31, 2025, the Company’s fixed rate mortgages payable had fixed interest rates of 6.25%, 4.14% and 7.41% per annum, with payments of interest only and initial maturity dates of June 7, 2026, July 1, 2026 and January 11, 2030, respectively.

In regards to the mortgage payable with a balance of \$66.3 million as of December 31, 2025 maturing on June 7, 2026 (the “1150 Clay Mortgage”), the Company executed the final one-year extension option under the mortgage in June 2025. The Company intends to work with the lender in order to refinance the 1150 Clay Mortgage beyond its stated maturity date of June 7, 2026. Although the Company believes it is likely it will be able to refinance the 1150 Clay Mortgage prior to June 7, 2026, there can be no assurance that such refinancing will occur. If the Company and the lender under the 1150 Clay Mortgage cannot agree on an extension of the mortgage and the Company fails to repay the loan in full upon its contractual maturity date, such failure would constitute an event of default under the mortgage and would allow the lender to, among other remedies, take possession of the property.

In regards to the mortgage payable with a balance of \$97.1 million as of December 31, 2025 maturing on July 1, 2026 (the “1 Kaiser Mortgage”), the Company intends to work with the lender in order to refinance the 1 Kaiser Mortgage beyond its stated maturity date of July 1, 2026. Although the Company believes it is likely it will be able to refinance the 1 Kaiser Mortgage prior to July 1, 2026, there can be no assurance that such refinancing will occur. If the Company and the lender under the 1 Kaiser Mortgage cannot agree on an extension of the mortgage and the Company fails to repay the loan in full upon its

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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contractual maturity date, such failure would constitute an event of default under the mortgage and would allow the lender to, among other remedies, take possession of the property.

**Variable Rate Mortgages Payable**—The Company’s variable rate mortgages payable are non-recourse and are secured by, among other things, first priority deeds of trust, security agreements or other similar security instruments on the Company’s fee simple and leasehold interests in its hotel asset and adjacent parking garage and by a deed of trust on and assignment of rents receivable from a multifamily property. As of December 31, 2025, the Company’s variable rate mortgages payable had a variable interest rate of SOFR plus 4.35%, SOFR plus 3.36%, SOFR plus 3.00% and SOFR plus 2.95%, with a maturity date of January 1, 2027 (with three one-year extension options), January 31, 2027, February 14, 2027 and April 3, 2028, respectively. The mortgages with maturity dates of January 1, 2027, January 31, 2027, and February 14, 2027 have monthly payments of interest only, while the mortgage with an initial maturity date of April 3, 2028 has monthly payments of interest plus \$50,000 of principal.

With regards to the mortgage payable with a balance of \$81.0 million as of December 31, 2025 secured by a multifamily property in Oakland, California (the “Channel House Mortgage”), on August 4, 2025 the Company reached an agreement with the lender to extend the maturity date through January 31, 2027 (the “Channel House Mortgage Extension”). In connection with the Channel House Mortgage Extension, the Company made a repayment of \$6.0 million under the Channel House Mortgage, reducing it from its previous balance of \$87.0 million. Although the Company believes it is likely it will be able to refinance the Channel House Mortgage prior to January 31, 2027, there can be no assurance that such refinancing will occur. If the Company and the lender under the Channel House Mortgage cannot agree on an extension of the mortgage and the Company fails to repay the loan in full upon its contractual maturity date, such failure would constitute an event of default under the mortgage and would allow the lender to, among other remedies, take possession of the property.

**Secured Borrowings—Government Guaranteed Loans**—Secured borrowings—government guaranteed loans represent sold loans which are treated as secured borrowings because the loan sales did not meet the derecognition criteria provided for in ASC 860-30, *Secured Borrowing and Collateral*. These loans included cash premiums that are amortized as a reduction to interest expense over the life of the loan using the effective interest method and are fully amortized when the underlying loan is repaid in full. As of December 31, 2025, the Company’s secured borrowings-government guaranteed loans included \$337,000 of loans sold for a premium and excess spread, with a variable rate, reset quarterly, based on prime rate with weighted average coupon rate of 7.96% at December 31, 2025, and \$1.0 million of loans sold for an excess spread, with a variable rate, reset quarterly, based on prime rate with weighted average coupon rate of 5.60% at December 31, 2025. Secured borrowings—government guaranteed loans were reclassified as held for sale as of December 31, 2025, and were included in the sale of First Western, which closed in January 2026.

**Lending Division Revolving Credit Facility**—In June 2025, a subsidiary of the Company, as borrower, entered into an agreement (the “Lending Division Revolving Credit Facility”) with a bank that included a \$20.0 million revolving credit facility secured by the unguaranteed portion of certain of such subsidiary’s SBA 7(a) loans receivable and other assets of such subsidiary, subject to a borrowing base calculation, and fully guaranteed by the Company. The Lending Division Revolving Credit Facility bore interest at (i) the base rate plus 2.00% or (ii) SOFR plus 3.00%, at the borrower’s election and, as of December 31, 2025, had an effective interest rate of 6.79%. In connection with the Company’s guaranty of the Lending Division Revolving Credit Facility (the “Parent Guaranty”), the Company is subject to certain financial covenants, including maintenance of (i) a consolidated fixed charge coverage ratio of at least 1.05 to 1.00, (ii) a minimum net worth of \$200.0 million, (iii) a total leverage ratio no greater than 2.50 to 1.00 and (iv) \$10.0 million of liquidity. If the Company fails to comply with the financial covenants set forth in the Parent Guaranty, the lender under the Lending Division Revolving Credit Facility has the right to require the Company to post cash collateral for the benefit of the lender in an amount equal to 105% of the outstanding principal balance under the facility plus all accrued and unpaid interest under such facility. On October 22, 2025, the Company entered into an amendment to the Parent Guaranty to modify the Parent Guaranty’s consolidated fixed charge coverage ratio covenant. Pursuant to the amendment, the Company must maintain a consolidated fixed charge coverage ratio of (x) for the fiscal quarters ending September 30, 2025 and December 31, 2025, not less than 1.00 to 1.00, and (y) for any fiscal quarter ending after December 31, 2025, not less than 1.15 to 1.00. As previously announced on November 12, 2025, the Company and First Western entered into the Membership Interest Purchase Agreement with the Buyer. The Closing contemplated by the Membership Interest Purchase Agreement occurred on January 21, 2026. At the Closing, Buyer purchased from the Company all of the issued and outstanding equity interests of First Western SBLC, LLC, and the remaining balance of \$10.5 million under the Lending Division Revolving Credit Facility was paid in full, resulting in the termination of the Lending Division Revolving Credit Facility.

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**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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**2022 Credit Facility**—In December 2022, the Company refinanced its 2018 credit facility and replaced it with a new 2022 credit facility (the “2022 Credit Facility”), entered into with a bank syndicate, that included a \$56.2 million term loan (the “2022 Credit Facility Term Loan”) as well as a revolver that originally allowed the Company to borrow up to \$150.0 million (the “2022 Credit Facility Revolver”), both of which were collectively subject to a borrowing base calculation. At the time the 2022 Credit Facility was entered into, it was collateralized by six of the Company’s office properties, as well as the Company’s hotel property and adjacent parking garage (the “Hotel Properties”). The 2022 Credit Facility originally had a maturity date in December 2025 and provided for two one-year extension options. In December 2024, using proceeds from the closing of a variable rate mortgage on the Hotel Properties and a fixed rate mortgage on three of the Company’s office properties, the Company repaid \$111.7 million on the 2022 Credit Facility Revolver and \$42.6 million on the 2022 Credit Facility Term Loan. On April 3, 2025, the Company completed the refinancing of an office property in Austin, Texas and used a portion of the proceeds from such refinancing to repay the 2022 Credit Facility in full and, in connection with such repayment, the 2022 Credit Facility was terminated. In connection with termination of the 2022 Credit Facility, the Company recorded a loss on early extinguishment of debt during the year ended December 31, 2025 of \$88,000 related to the write-off of deferred debt origination costs of \$29,000 associated with the 2022 Credit Facility Revolver and \$59,000 associated with the 2022 Credit Facility Term Loan.

**Junior Subordinated Notes**—The Company has junior subordinated notes with a variable interest rate which resets quarterly based on the three-month SOFR plus 3.51%, with quarterly interest only payments. The junior subordinated balance is due at maturity on March 30, 2035. The junior subordinated notes may be redeemed at par at the Company’s option.

**SBA 7(a) Loan-Backed Notes**—On March 9, 2023, the Company completed a securitization of the unguaranteed portion of certain of its SBA 7(a) loans receivable with the issuance of \$54.1 million of unguaranteed SBA 7(a) loan-backed notes (the “SBA 7(a) Loan-Backed Notes”). The SBA 7(a) Loan-Backed Notes were collateralized by the right to receive payments and other recoveries attributable to the unguaranteed portions of certain of the Company’s SBA 7(a) loans receivable. The SBA 7(a) Loan-Backed Notes were reclassified as held for sale as of December 31, 2025, and were included in the sale of First Western, which closed in January 2026.

**Other**—Deferred debt issuance costs, which represent legal and third-party fees incurred in connection with the Company’s borrowing activities, are capitalized and amortized to interest expense on a straight-line or effective interest method over the life of the related loan. Deferred debt issuance costs are presented net of accumulated amortization and are a reduction to total debt.

As of December 31, 2025 and December 31, 2024, accrued interest and unused commitment fees payable of \$1.8 million and \$1.1 million, respectively, are included in accounts payable and accrued expenses.

Future principal payments on the Company’s debt (face value) as of December 31, 2025 are as follows:

Years Ending December 31,	Mortgages Payable <sup>(1)</sup>	Lending Division Revolving Credit Facility <sup>(2)</sup>	Junior Subordinated Notes	Total
	(in thousands)			
2026	\$ 164,004	\$ —	\$ —	\$ 164,004
2027	177,555	10,449	—	188,004
2028	30,400	—	—	30,400
2029	—	—	—	—
2030	105,000	—	—	105,000
Thereafter	—	—	27,070	27,070
	\$ 476,959	\$ 10,449	\$ 27,070	\$ 514,478

(1) In regards to the \$66.3 million 1150 Clay Mortgage, which matures on June 7, 2026, see the discussion under Fixed Rate Mortgages Payable. In regards to the \$97.1 million 1 Kaiser Mortgage, which matures on July 1, 2026, see the discussion under Fixed Rate Mortgages Payable. In regards to the \$81.0 million Channel House Mortgage, which matures on January 31, 2027, see the discussion under Variable Rate Mortgages Payable.

**CREATIVE MEDIA & COMMUNITY TRUST CORPORATION AND SUBSIDIARIES**
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(2) The Lending Division Revolving Credit Facility was repaid in full and terminated in January 2026.

**8. DERIVATIVE INSTRUMENTS AND HEDGING ACTIVITIES**

In the ordinary course of business, the Company may use certain types of derivative instruments for the purpose of managing or hedging its interest rate risk.

The following table summarizes the terms of the Company's interest rate cap agreements as of December 31, 2025 (dollar amounts in thousands):

	Balance Sheet Location	Outstanding Notional Amount as of December 31, 2025	Strike Rates <sup>(1)</sup>	Effective Date	Maturity Date	Fair Value of Assets as of December 31, 2025
Interest Rate Caps	Other assets	\$ 171,955	4.5% to 5.75%	12/6/2024 - 8/04/2025	1/1/2027 - 1/31/2027	\$ 3

(1) The index used for the Company's interest rate cap agreement is 1-Month Term SOFR.

Additional disclosures related to the fair value of the Company's derivative instruments are included in Note 13. The notional amount under the derivative instruments are an indication of the extent of the Company's involvement in the instruments, but does not represent exposure to credit, interest rate or market risks.

Accounting for changes in the fair value of a derivative instruments depends on the intended use and designation of the derivative instrument. The Company has an interest rate cap that is used to manage exposure to interest rate movements but does not meet the requirements to be designated as a hedging instrument. The change in fair value of the derivative instrument that is not designated as a hedge is recorded directly to earnings as interest expense on the accompanying consolidated statements of operations. During the year ended December 31, 2025, the Company recorded an unrealized loss of \$149,000, which was included in interest expense on the accompanying consolidated statements of operations related to its interest rate caps. During the year ended December 31, 2024, the Company recorded an unrealized loss of \$463,000, which was included in interest expense on the accompanying consolidated statements of operations related to its interest rate caps.

**9. STOCK-BASED COMPENSATION PLANS**

On April 3, 2015, the Company's board of directors (the "Board of Directors") unanimously approved the Company's Equity Incentive Plan (the "Equity Incentive Plan"), which was approved by the Company's stockholders. On June 27, 2023, the Equity Incentive Plan was amended by the Board of Directors, and subsequently approved by the Company's stockholders, to authorize additional shares of Common Stock for issuance as compensation.

The Company has granted awards of restricted shares of Common Stock to each of the independent members of the Board of Directors under the Equity Incentive Plan as follows:

	Number of Shares <sup>(1)</sup>	Weighted Average Grant Date Fair Value Per Share
Balance, December 31, 2023	196	\$ 1,125.00
Granted	428	\$ 510.00
Vested	(196)	\$ 1,125.00
Balance, December 31, 2024	428	\$ 510.00
Granted	34,644	\$ 6.35
Vested	(428)	\$ 510.00
Balance, December 31, 2025	34,644	\$ 6.35

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

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(1) Compensation expense related to these restricted shares of Common Stock is recognized over the vesting period, and generally vests based on one year of continuous service. The Company recorded compensation expense related to these restricted shares of Common Stock in the amount of \$220,000 for both the years ended December 31, 2025 and 2024.

As of December 31, 2025, there was \$128,000 of total unrecognized compensation expense related to restricted shares of Common Stock which will be recognized ratably over the remaining vesting period.

**10. EARNINGS PER SHARE (“EPS”)**

The computation of basic EPS is based on the Company’s weighted average shares outstanding. No shares of Series D Preferred Stock, Series A Preferred Stock, or Series A1 Preferred Stock outstanding as of December 31, 2025 or 2024 were included in the computation of diluted EPS because they had no dilutive effect. Outstanding Series A Preferred Warrants were not included in the computation of diluted EPS for the years ended December 31, 2025 and 2024 because their impact was either anti-dilutive or such warrants were not exercisable during such periods (Note 12).

EPS for the year-to-date period may differ from the sum of quarterly EPS amounts due to the required method for computing EPS in the respective periods. In addition, EPS is calculated independently for each component and may not be additive due to rounding.

The following table reconciles the numerator and denominator used in computing the Company’s basic and diluted per-share amounts for net loss attributable to common stockholders for the years ended December 31, 2025 and 2024:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands, except per share amounts)	
<b>Numerator:</b>		
Net loss attributable to common stockholders	\$ (61,648)	\$ (73,343)
Redeemable preferred stock dividends declared on dilutive shares	—	—
Diluted net loss attributable to common stockholders	<u>\$ (61,648)</u>	<u>\$ (73,343)</u>
<b>Denominator:</b>		
Basic weighted average shares of Common Stock outstanding	919	170
Effect of dilutive securities—contingently issuable shares	—	—
Diluted weighted average shares and common stock equivalents outstanding	<u>919</u>	<u>170</u>
<b>Net loss attributable to common stockholders per share:</b>		
Basic	<u>\$ (67.08)</u>	<u>\$ (431.43)</u>
Diluted	<u>\$ (67.08)</u>	<u>\$ (431.43)</u>

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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**11. REDEEMABLE PREFERRED STOCK**

The table below provides information regarding the issuances, reclassifications and redemptions of each class of the Company's preferred stock in permanent equity during the years ended December 31, 2025 and 2024 (dollar amounts in thousands):

	Preferred Stock							
	Series A1		Series A		Series D		Total	
	Shares	Amount	Shares	Amount	Shares	Amount	Shares	Amount
<b>Balances, December 31, 2023</b>	10,378,343	\$ 256,935	7,431,839	\$ 185,704	48,447	\$ 1,190	17,858,629	\$ 443,829
Issuance of Series A1 Preferred Stock	853,879	21,246	—	—	—	—	853,879	21,246
Redemption of Series A1 Preferred Stock paid in cash	(88,015)	(2,177)	—	—	—	—	(88,015)	(2,177)
Redemption of Series A1 Preferred Stock paid in Common Stock	(2,771,518)	(68,617)	—	—	—	—	(2,771,518)	(68,617)
Redemption of Series A Preferred Stock paid in cash	—	—	(941,687)	(23,501)	—	—	(941,687)	(23,501)
Redemption of Series A Preferred Stock paid in Common Stock	—	—	(2,364,789)	(58,877)	—	—	(2,364,789)	(58,877)
<b>Balances, December 31, 2024</b>	8,372,689	\$ 207,387	4,125,363	\$ 103,326	48,447	\$ 1,190	12,546,499	\$ 311,903
Redemption of Series A1 Preferred Stock paid in Common Stock	(536,737)	(13,321)	—	—	—	—	(536,737)	(13,321)
Reclassification of Series A1 Preferred Stock to Permanent Equity	913,590	23,385	—	—	—	—	913,590	23,385
Redemption of Series D Preferred Stock paid in common stock	—	—	—	—	(4,122)	(101)	(4,122)	(101)
Redemption of Series A Preferred Stock paid in Common Stock	—	—	(456,345)	(11,420)	—	—	(456,345)	(11,420)
<b>Balances, December 31, 2025</b>	8,749,542	\$ 217,451	3,669,018	\$ 91,906	44,325	\$ 1,089	12,462,885	\$ 310,446

**Series A1 Preferred Stock**—From June 2022 through September 2024, the Company conducted a public offering with respect to shares of its Series A1 Preferred Stock, par value \$0.001 per share with an initial stated value of \$25.00 per share, subject to adjustment. As of September 2024, the Company has suspended its offering of Series A1 Preferred Stock.

Shares of Series A1 Preferred Stock issued from June 2022 through May 2024 were recorded in permanent equity at the time of their issuance. With respect to Series A1 Preferred Stock, for shares issued in June 2024 and thereafter, in the event a holder of Series A1 Preferred Stock requests redemption of such shares and such redemption takes place prior to the first anniversary of the date of original issuance, the Company is required to pay such redemption in cash. As a result, net proceeds from the issuance of shares of Series A1 Preferred Stock from June 2024 and through September 2024 were initially recorded in temporary equity at an amount equal to the gross proceeds allocated to such shares of Series A1 Preferred Stock minus the costs specifically identifiable to the issuance of such shares and the non-issuance specific offering costs allocated to such shares. With respect to shares of Series A1 Preferred Stock issued from June 2024 through September 2024, on the first anniversary of the issuance of a particular share of such Series A1 Preferred Stock, the Company reclassified such share of Series A1 Preferred Stock from temporary equity to permanent equity as the feature giving rise to temporary equity classification, the requirement to satisfy redemption requests in cash, lapsed on the first anniversary date. As of December 31, 2025, the Company had reclassified an aggregate of \$20.8 million in net proceeds from temporary equity to permanent equity.

As of December 31, 2025, the Company had issued in registered public offerings 12,040,878 shares of the Series A1 Preferred Stock and received gross proceeds of \$298.2 million and additionally had issued 200,000 shares of Series A1 Preferred Stock as payment for services to CIM Service Provider, LLC (the "Administrator"), for which no cash proceeds were received. In connection with the issuance of shares of Series A1 Preferred Stock, \$22.0 million of costs specifically identifiable to the offering of Series A1 Preferred Stock was allocated to the Series A1 Preferred Stock. Such costs include commissions, dealer manager fees and other offering fees and expenses but do not include non-issuance-specific costs of \$11.9 million related to the Company's offering of Series A Preferred Stock, Series A Preferred Warrants, Series A1 Preferred Stock and Series D Preferred Stock. As of December 31, 2025, the Company had reclassified and allocated \$5.0 million from deferred charges to Series A1 Preferred Stock as a reduction to the gross proceeds received. Such reclassification was based on the cumulative number of securities issued relative to the maximum number of securities expected to be issued under the offering.

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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If the net proceeds from the issuance of shares of Series A1 Preferred Stock are less than the redemption value of such shares at the time they were issued, or if the redemption value of such shares subsequently becomes greater than the carrying value of such shares, an adjustment is recorded to increase the carrying amount of such shares to their redemption value as of the balance sheet date. Such adjustment is considered a deemed dividend for purposes of calculating basic and diluted EPS. The Company recorded no redeemable preferred stock deemed dividends related to such adjustments during the year ended December 31, 2025 and 755,000 during the year ended December 31, 2024.

As of December 31, 2025, there were 8,749,542 shares of Series A1 Preferred Stock outstanding and 3,491,336 shares of Series A1 Preferred Stock had been redeemed. Of the 3,491,336 shares of Series A1 Preferred Stock that have been redeemed, the redemption of 183,081 shares of Series A1 Preferred Stock were paid in cash (all of which were redeemed at the option of the holders). As of December 31, 2025, the Company, at its option, redeemed 2,589,606 shares of Series A1 Preferred Stock, all of which were paid in shares of Common Stock, including all accrued and unpaid dividends as of each redemption date and, in addition, as of December 31, 2025, 718,649 shares redeemed at the option of the holders were paid in shares of Common Stock, including all accrued and unpaid dividends as of the redemption date (collectively, the “Series A1 In-Kind Redemptions”). The Series A1 In-Kind Redemptions resulted in the aggregate issuance of 1,202,761 shares of Common Stock.

**Series A Preferred Stock**—The Company conducted a continuous public offering of Series A Preferred Stock, with each issued share of Series A Preferred Stock initially accompanied by one warrant (“Series A Preferred Warrant”) to purchase 0.25 of a share of Common Stock, subject to adjustment, from October 2016 through January 2020. Proceeds and expenses from the sale were allocated to the Series A Preferred Stock and Series A Preferred Warrants using their relative fair values on the date of issuance.

From February 2020 through June 2022, the Company conducted a continuous public offering with respect to shares of the Company’s Series A Preferred Stock, which, since February 2020, was no longer being issued as a unit with an accompanying Series A Preferred Warrant. In June 2022, the Company concluded the offering of Series A Preferred Stock.

As of December 31, 2025, the Company had issued in registered public offerings 8,251,657 shares of Series A Preferred Stock and 4,603,287 Series A Preferred Warrants and received gross proceeds of \$205.4 million and \$761,000, respectively, and additionally, had issued 568,681 shares of Series A Preferred Stock as payment for services to the Administrator, for which no cash proceeds were received. In connection with the cumulative issuance of Series A Preferred Stock and Series A Preferred Warrants, \$17.0 million and \$142,000 of costs specifically identifiable to the offering of the Series A Preferred Stock and Series A Preferred Warrants, respectively, were allocated to the Series A Preferred Stock and Series A Preferred Warrants, respectively. Such costs include commissions, dealer manager fees and other offering fees and expenses but do not include non-issuance-specific costs of \$11.9 million related to the Company’s offering of Series A Preferred Stock, Series A Preferred Warrants, Series A1 Preferred Stock and Series D Preferred Stock. As of December 31, 2025, the Company had reclassified and allocated \$1.9 million and \$5,000 from deferred charges to Series A Preferred Stock and Series A Preferred Warrants, respectively, as a reduction to the gross proceeds received. Such reclassification was based on the cumulative number of securities issued relative to the maximum number of securities expected to be issued under the offering.

On the first anniversary of the issuance of a particular share of Series A Preferred Stock, the Company reclassifies such share of Series A Preferred Stock from temporary equity to permanent equity as the feature giving rise to temporary equity classification, the requirement to satisfy redemption requests in cash, lapsed on the first anniversary date. As of December 31, 2025, the Company had reclassified an aggregate of \$199.6 million in net proceeds from temporary equity to permanent equity.

As of December 31, 2025, there were 3,669,018 shares of Series A Preferred Stock outstanding and 5,151,320 shares of Series A Preferred Stock had been redeemed. Of the 5,151,320 shares of Series A Preferred Stock that have been redeemed, the redemption of 2,330,186 shares of Series A Preferred Stock were paid in cash, 2,313,106 of which were redeemed at the option of the holders and 17,080 of which were redeemed at the option of the Company. As of December 31, 2025, the Company, at its option, redeemed 2,150,076 shares of Series A Preferred Stock, all of which were paid in shares of Common Stock, including all accrued and unpaid dividends as of each redemption date and, in addition, as of December 31, 2025, 671,058 shares redeemed at the option of the holders were paid in shares of Common Stock, including all accrued and unpaid dividends as of the redemption date (collectively, the “Series A In-Kind Redemptions”). The Series A In-Kind Redemptions resulted in the aggregate issuance of 1,352,410 shares of Common Stock.

**Series D Preferred Stock**—From February 2020 through June 2022, the Company conducted a continuous public offering with respect to shares of its Series D Preferred Stock, par value \$0.001 per share, subject to adjustment. The selling price of the Series D Preferred Stock was \$25.00 per share for all sales that occurred from the beginning of the offering to and

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including June 28, 2020 and \$24.50 per share thereafter. Shares of Series D Preferred Stock were recorded in permanent equity at the time of their issuance. In June 2022, the Company concluded the offering of its Series D Preferred Stock.

As of December 31, 2025, the Company had issued in registered public offerings 56,857 shares of Series D Preferred Stock and received gross proceeds of \$1.4 million. In connection with such issuance, \$35,000 of costs specifically identifiable to the offering of Series D Preferred Stock were allocated to the Series D Preferred Stock. Such costs include commissions, dealer manager fees and other offering fees and expenses but do not include non-issuance-specific costs of \$11.9 million related to the Company's offering of Series A Preferred Stock, Series A Preferred Warrants, Series A1 Preferred Stock and Series D Preferred Stock. As of December 31, 2025, the Company had reclassified and allocated \$13,000 from deferred charges to Series D Preferred Stock as a reduction to the gross proceeds received. Such reclassification was based on the cumulative number of securities issued relative to the maximum number of securities expected to be issued under the offering.

As of December 31, 2025, there were 44,325 shares of Series D Preferred Stock outstanding and 12,532 shares of Series D Preferred Stock had been redeemed. Of the 12,532 shares of Series D Preferred Stock that have been redeemed, the redemption of 8,410 shares of Series D Preferred Stock were paid in cash and 4,122 shares of Series D Preferred Stock were paid in shares of Common Stock, including all accrued and unpaid dividends as of the redemption date (collectively, the "Series D In-Kind Redemptions"). All such redemptions were redeemed at the option of the holders. The Series D In-Kind Redemptions resulted in the aggregate issuance of 11,556 shares of Common Stock.

**Dividends**—With respect to the payment of dividends or the distribution of amounts upon liquidation, dissolution or winding-up, the Series A1 Preferred Stock, the Series A Preferred Stock and Series D Preferred Stock rank on parity with respect to each other and senior to the Common Stock.

Holders of Series A1 Preferred Stock are entitled to receive, if, as and when authorized by the Company's Board of Directors, and declared by the Company out of legally available funds, cumulative cash dividends (the "Series A1 Dividend") on each share of Series A1 Preferred Stock at the greater of (i) an annual rate of 6.0% of the Series A1 Preferred Stock Stated Value (i.e., the equivalent of \$0.3750 per share per quarter) and (ii) the Federal Funds (Effective) Rate for such quarter and plus 2.5% of the Series A1 Preferred Stock Stated Value divided by four, up to a maximum of 2.5% of the Series A1 Preferred Stock Stated Value per quarter. Holders of Series A Preferred Stock are entitled to receive, if, as and when authorized by the Company's Board of Directors, and declared by the Company out of legally available funds, cumulative cash dividends on each share of Series A Preferred Stock at an annual rate of 5.50% of the Series A Preferred Stock Stated Value (i.e., the equivalent of \$0.34375 per share per quarter) (the "Series A Dividend"). Holders of Series D Preferred Stock are entitled to receive, if, as and when authorized by the Company's Board of Directors, and declared by the Company out of legally available funds, cumulative cash dividends on each share of Series D Preferred Stock at an annual rate of 5.65% of the Series D Preferred Stock Stated Value (i.e., the equivalent of \$0.35313 per share per quarter) (the "Series D Dividend"). Dividends on each share of Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock begin accruing on, and are cumulative from, the date of issuance.

During the year ended December 31, 2025, the Company paid \$16.3 million, \$5.6 million and \$68,000 of cash dividends on the Series A1 Preferred Stock, Series A Preferred Stock, and Series D Preferred Stock, respectively. Additionally, during the year ended December 31, 2025, the Company paid dividends of \$126,000 and \$85,000 on the Series A1 Preferred Stock and Series A Preferred Stock, respectively, in shares of Common Stock due to these dividends being accrued and unpaid at the time that such applicable shares of Preferred Stock were redeemed in shares of Common Stock. During the year ended December 31, 2024, the Company paid \$17.8 million, \$7.8 million and \$57,000 of cash dividends on the Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock, respectively. Additionally, during the year ended December 31, 2024, the Company paid dividends of \$389,000 and \$258,000 on the Series A1 Preferred Stock and Series A Preferred Stock, respectively, in shares of Common Stock due to these dividends being accrued and unpaid at the time that such applicable shares of Preferred Stock were redeemed in shares of Common Stock.

**Redemptions**—The Company's Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock are redeemable at the option of the holder or the Company. The redemption schedule of the Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock allows redemptions at the option of the holder of Series A1 Preferred Stock, Series A Preferred Stock or Series D Preferred Stock from the date of original issuance of any such shares at the Series A1 Preferred Stock Stated Value, Series A Preferred Stock Stated Value or Series D Preferred Stock Stated Value, respectively, less a redemption fee applicable prior to the fifth anniversary of the issuance of such shares, plus accrued and unpaid dividends. The Company has the right to redeem the Series A1 Preferred Stock after the date that is twenty-four months following the original issuance of such shares of Series A1 Preferred Stock at the Series A1 Preferred Stock Stated Value, plus accrued and

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unpaid dividends. The Company has the right to redeem the Series A Preferred Stock or Series D Preferred Stock after the fifth anniversary of the date of original issuance of such shares at the Series A Preferred Stock Stated Value or Series D Preferred Stock Stated Value, respectively, plus accrued and unpaid dividends. With respect to redemptions of the Series A1 Preferred Stock, Series A Preferred Stock or Series D Preferred Stock, at the Company's discretion, the redemption price will be paid in cash and/or in Common Stock based on the volume weighted average price of the Company's Common Stock for the 20 trading days prior to the redemption; provided that the redemption price of any shares of Series A1 Preferred Stock issued in June 2024 and thereafter that are redeemed prior to the first anniversary of the date of original issuance of such shares must be paid in cash. On or about March 16, 2026, the Company expects to redeem approximately 1,957,023 shares of Series A Preferred Stock, approximately 7,767,609 shares of Series A1 Preferred Stock and approximately 21,760 shares of Series D Preferred Stock (collectively "Preferred Stock") in shares of Common Stock (the "March 2026 Redemption"). Other than the March 2026 Redemption, the company does not currently intend to redeem, at the Company's election, additional Preferred Stock in shares of Common Stock. However, the Company will evaluate redemption requests submitted by holders of its shares of Preferred Stock at the time it receives them and may elect to redeem those Preferred Shares in Common Stock or cash, at the Company's discretion.

**12. STOCKHOLDERS' EQUITY****Dividends**

Holders of the Company's Common Stock are entitled to receive dividends, if, as and when authorized by the Board of Directors and declared by the Company out of legally available funds. In determining the Company's dividend policy, the Board of Directors considers many factors including the amount of cash resources available for dividend distributions, capital spending plans, cash flow, the Company's financial position, applicable requirements of the MGCL, any applicable contractual restrictions, and future growth in NAV and cash flow per share prospects. Consequently, the dividend rate on a quarterly basis does not necessarily correlate directly to any individual factor. Cash dividends per share of Common Stock paid in respect of the year ended December 31, 2024 consisted of the following (no cash dividends were declared for the year ended December 31, 2025):

Declaration Date	Payment Date	Type	Dividend Per Common Share
September 16, 2024	October 8, 2024	Regular Quarterly	(a.)
June 25, 2024	July 22, 2024	Regular Quarterly	\$ 21.250
March 27, 2024	April 22, 2024	Regular Quarterly	\$ 21.250

- a. The Company's Board of Directors declared a stock dividend of \$10.00 (or 5.05 shares of Common Stock, as determined on a reverse split-adjusted basis) per share of Common Stock, payable in shares of Common Stock, using a price of \$496.25 per share, resulting in the issuance of 6,739 shares of Common Stock. The stock dividend was retrospectively applied to the periods reflected in the consolidated statements of operations included in this Annual Report on Form 10-K.

**Series A Preferred Warrants**

Prior to February 2020, the Series A Preferred Stock was sold as a unit that included one share of Series A Preferred Stock and one Series A Preferred Warrant that could be exercised to purchase 0.25 of a share of Common Stock. The Series A Preferred Warrants are exercisable beginning on the first anniversary of the date of their original issuance until and including the fifth anniversary of the date of such issuance. Proceeds and expenses from the sale of the Series A Preferred Stock and Series A Preferred Warrants were allocated to the Series A Preferred Stock and Series A Preferred Warrants using their relative fair values on the date of issuance. As of December 31, 2025, all of the Series A Preferred Warrants had expired.

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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In May 2022, the Company's Board of Directors approved a repurchase program of up to \$10.0 million of the Company's Common Stock (the "SRP"). Under the SRP, the Company, in its discretion, may purchase shares of its Common Stock from time to time in the open market or in privately negotiated transactions. The amount and timing of purchases of shares will depend on a number of factors, including, without limitation, the price and availability of shares, trading volume, general market conditions and compliance with applicable securities law. The SRP has no termination date and may be suspended or discontinued at any time.

There were no repurchases during the years ended December 31, 2025 or 2024. As of December 31, 2025, the Company had repurchased 2,650 shares of Common Stock (adjusted for the Reverse Stock Splits) for \$4.7 million.

**13. FAIR VALUE MEASUREMENTS**

The Company determines the estimated fair value of financial assets and liabilities utilizing a hierarchy of valuation techniques based on whether the inputs to a fair value measurement are considered to be observable or unobservable in a marketplace. The hierarchy for inputs used in measuring fair value is as follows:

*Level 1 Inputs*—Quoted prices in active markets for identical assets or liabilities

*Level 2 Inputs*—Observable inputs other than quoted prices in active markets for identical assets and liabilities

*Level 3 Inputs*—Unobservable inputs

In certain cases, the inputs used to measure fair value may fall into different levels of the fair value hierarchy. In such cases, for disclosure purposes, the level within which the fair value measurement is categorized is based on the lowest level input that is significant to the fair value measurement.

Management's estimation of the fair value of the Company's financial instruments is based on a Level 3 valuation in the fair value hierarchy established for disclosure of how a company values its financial instruments. In general, quoted market prices from active markets for the identical financial instrument (Level 1 inputs), if available, should be used to value a financial instrument. If quoted prices are not available for the identical financial instrument, then a determination should be made if Level 2 inputs are available. Level 2 inputs include quoted prices for similar financial instruments in active markets for identical or similar financial instruments in markets that are not active (i.e., markets in which there are few transactions for the financial instruments, the prices are not current, price quotations vary substantially, or in which little information is released publicly). There is limited reliable market information for the Company's financial instruments and the Company utilizes other methodologies based on unobservable inputs for valuation purposes since there are no Level 1 or Level 2 inputs available. Accordingly, Level 3 inputs are used to measure fair value.

In general, estimates of fair value may differ from the carrying amounts of the financial assets and liabilities primarily as a result of the effects of discounting future cash flows. Considerable judgment is required to interpret market data and develop estimates of fair value. Accordingly, the estimates presented are made at a point in time and may not be indicative of the amounts the Company could realize in a current market exchange.

The following describes the methods the Company uses to estimate the fair value of the Company's financial assets and liabilities.

**Debt**—The carrying amounts of the Company's secured borrowings - government guaranteed loans, SBA 7(a) loan-backed notes, Lending Division Revolving Credit Facility and variable rate mortgage payable approximate their fair values, as the interest rates on these securities are variable and approximate current market interest rates. The Company determines the fair value of fixed rate mortgage notes payable and junior subordinated notes by discounting the expected cash flows based on estimated borrowing rates available to the Company as of the measurement date. Current and prior period liabilities' carrying and fair values exclude net deferred financing costs.

**Loans Receivable**—The Company determined the fair value of loans receivable by performing a present value analysis for the anticipated future cash flows using an appropriate market discount rate taking into consideration the credit risk and using an anticipated prepayment rate. The value of the government guaranteed portions of loans held for sale was based

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primarily on the anticipated proceeds to be received upon sale. The following summarizes the ranges of discount rates and prepayment rates used to arrive at the estimated fair values of the Company's loans receivable:

	December 31, 2024	
	Discount Rate	Prepayment Rate
SBA 7(a) loans receivable, subject to credit risk	7.30% - 10.75%	4.07% - 17.50%
SBA 7(a) loans receivable, subject to loan-backed notes	9.00% - 10.75%	4.81% - 17.50%
SBA 7(a) loans receivable, subject to secured borrowings	10.25% - 10.25%	5.00% - 17.50%

As of December 31, 2025, the Company reclassified the assets and liabilities of First Western as held for sale, including the Company's portfolio of loans receivable. See Items Measured at Fair Value on a Non-Recurring Basis (Including Impairment Charges) later in this footnote for further discussion of the fair value measurement of the assets held for sale.

**Derivative Instruments**—The Company's derivative instruments are comprised of two interest rate caps. All derivative instruments are carried at fair value and are valued using Level 2 inputs. The fair value of these instruments is determined using interest rate market pricing models. In addition, credit valuation adjustments are incorporated into the fair values to account for the Company's potential nonperformance risk and the performance risk of the respective counterparties.

**Other Financial Instruments**—The carrying amounts of the Company's cash and cash equivalents, restricted cash, accounts receivable, accounts payable, and accrued expenses approximate their fair values due to their short-term maturities at December 31, 2025 and 2024. Due to the short-term maturities of these instruments, Level 1 inputs are utilized to estimate the fair value of these financial instruments.

The estimated fair values of those financial instruments which are not recorded at fair value on a recurring basis on the Company's consolidated balance sheets are as follows:

	December 31, 2025		December 31, 2024		Level
	Carrying Amount	Estimated Fair Value	Carrying Amount	Estimated Fair Value	
(in thousands)					
<b>Assets:</b>					
SBA 7(a) loans receivable, subject to credit risk <sup>(1)</sup>	\$ —	\$ —	\$ 18,850	\$ 18,994	3
SBA 7(a) loans receivable, subject to loan-backed notes <sup>(1)</sup>	\$ —	\$ —	\$ 34,452	\$ 37,657	3
SBA 7(a) loans receivable, subject to secured borrowings <sup>(1)</sup>	\$ —	\$ —	\$ 1,383	\$ 1,383	3
SBA 7(a) loans receivable, held for sale <sup>(1)</sup>	\$ —	\$ —	\$ 1,525	\$ 1,600	3
<b>Liabilities:</b>					
Mortgages payable <sup>(2)</sup>	\$ 268,403	\$ 251,632	\$ 269,100	\$ 233,364	3
Junior subordinated notes <sup>(2)</sup>	\$ 27,070	\$ 26,176	\$ 27,070	\$ 25,415	3

(1) Reclassified to held for sale as of December 31, 2025. See Items Measured at Fair Value on a Non-Recurring Basis (Including Impairment Charges) for more detail.

(2) The carrying amounts for the mortgages payable and junior subordinated notes represents the principal outstanding amounts, excluding deferred debt issuance costs and discounts.

**Items Measured at Fair Value on a Non-Recurring Basis (Including Impairment Charges)**

Certain financial and nonfinancial assets and liabilities are measured at fair value on a nonrecurring basis and are subject to fair value adjustments in certain circumstances, such as when there is evidence of impairment. The Company's process for identifying and recording impairment related to investments in real estate is discussed in Note 2.

As discussed in Note 3, during the year ended December 31, 2025, one office property was deemed to be impaired due to the Company's undiscounted future cash flow estimate for the property being less than its carrying value as result of a decline in performance. Such impairment resulted in the carrying value being reduced to an estimated fair value of \$1.9 million.

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resulting in an impairment charge of \$221,000. In addition, one multifamily development site, currently being operated as a parking lot, was deemed to be impaired due to the Company's undiscounted future cashflow estimate being less than its carrying value as a result of a decline in market conditions and a lack of immediate plans to develop the property. Such impairment resulted in the carrying value being reduced to an estimated fair value \$11.2 million, resulting in an impairment charge of \$3.5 million. The Company estimated fair values using Level 3 inputs and a market approach, specifically using the sales comparison approach. The sales comparison approach to valuing investments in real estate uses actual sales prices for comparable assets to determine the investment's fair value. The sales prices of the comparable assets are adjusted to reflect their condition relative to the subject property, the time and resources necessary to ready the comparable properties for sale, and the terms of the comparable properties sales. No impairment charges were incurred during the year ended December 31, 2024.

As of December 31, 2025, the Company reclassified the assets and liabilities of First Western as held for sale, including the Company's portfolio of loans receivable. Upon the reclassification of First Western to held for sale, the CECL balance related to the loans receivable was reversed. The loans receivable were subsequently written down to their estimated fair value (based on the contractual sales price) less costs to sell, resulting in a loss on assets held for sale of \$298,000 for the year ended December 31, 2025. Following the loss on assets held for sale, as of December 31, 2025, the aggregate net assets and liabilities of First Western were recorded at fair value, less costs to sell. See note 5 for more detail on the assets and liabilities held for sale.

The following table presents the impairment charges by asset class recorded during the year ended December 31, 2025 (in thousands):

	<b>Year Ended December 31, 2025</b>
Asset class impaired:	
Land	\$ (2,586)
Land improvements	(870)
Work in progress	(236)
<b>Total impairment loss</b>	<b>\$ (3,692)</b>

#### 14. RELATED-PARTY TRANSACTIONS AND ARRANGEMENTS

##### Asset Management and Other Fees to Related Parties

**Asset Management Fees; Administrative Fees and Expenses**—CIM Urban Partners, L.P., a wholly owned subsidiary of the Company, and CIM Capital, LLC, an affiliate of CIM Group ("CIM Capital"), have an investment management agreement, pursuant to which CIM Urban engaged CIM Capital to provide certain services to CIM Urban (the "Investment Management Agreement"). CIM Capital has assigned its duties under the Investment Management Agreement to its four wholly owned subsidiaries: CIM Capital Securities Management, LLC, a securities manager, CIM Capital RE Debt Management, LLC, a debt manager, CIM Capital Controlled Company Management, LLC, a controlled company manager, and CIM Capital Real Property Management, LLC, a real property manager. The "Operator" refers to CIM Capital and its four wholly owned subsidiaries.

The Company and its subsidiaries have a master services agreement (the "Master Services Agreement") with CIM Service Provider, LLC (the "Administrator"), an affiliate of CIM Group, pursuant to which the Administrator provides, or arranges for other service providers to provide, management and administration services to the Company and its subsidiaries.

On January 5, 2022, the Company and certain of its subsidiaries entered into a Fee Waiver (the "Fee Waiver") with the Operator and the Administrator with respect to fees that are payable to them. The Fee Waiver is effective retroactively to January 1, 2022 (the "Effective Date"). Pursuant to the Fee Waiver, the Administrator agreed to voluntarily waive any fees in excess of those set forth in the Fee Waiver, to the extent it would otherwise have been entitled to such additional compensation under the Master Service Agreement, and the Operator agreed to voluntarily waive any fees in excess of those set forth in the Fee Waiver, to the extent it would otherwise have been entitled to such additional compensation under the Investment Management Agreement. Following the end of each quarter, the Administrator will deliver to the Company (i) a calculation of the cumulative fees earned by the Operator and the Administrator under the methodology prescribed by the Fee Waiver from the Effective Date through the end of such quarter and (ii) a calculation of the cumulative fees that would have been earned by the Operator and the Administrator during such period under the Master Services Agreement and the Investment Management Agreement without giving effect to the Fee Waiver. If, in respect of any quarter, the aggregate fees that are payable under the

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methodology prescribed by the Fee Waiver exceed the aggregate fees that would have been payable under the Master Services Agreement and the Investment Management Agreement, without giving effect to the Fee Waiver, such quarter will be deemed an “Excess Quarter”. For any quarter following an Excess Quarter, the Company (upon the direction of the independent members of the Board) may, at its option and upon written notice to Administrator, elect to calculate all fees due to the Administrator and the Operator in accordance with the Master Services Agreement and the Investment Management Agreement, without giving effect to the Fee Waiver, from and after such Excess Quarter. Any such election by the Company will be irrevocable, and all fees due to the Administrator and the Operator from and after such election will be calculated in accordance with the Master Services Agreement and the Investment Management Agreement, without giving effect to the Fee Waiver.

The fees payable to the Operator and the Administrator are determined as follows under the Fee Waiver.

1. **Base Fee:** A base asset management fee (the “Base Fee”) is payable quarterly in arrears to the Operator in an amount equal to an annual rate of 1% (or 0.25% per quarter) of the average of the “Net Asset Value Attributable to Common Stockholders” as of the first and last day of the applicable quarter. Net Asset Value Attributable to Common stockholders is defined as (a) the sum of the Company’s (1) investments in real estate at fair value, (2) cash, (3) loans receivable at fair value and (4) the book value of the other assets of the Company, excluding deferred costs and net of other liabilities at book value, less (b) the Company’s (i) debt at face value, (ii) outstanding preferred stock at stated value, and (iii) non-controlling interests at book value; provided, that, non-controlling interests in any UPREIT operating partnership relating to the Company shall not be excluded.
2. **Incentive Fee:** An incentive fee (the “Revised Incentive Fee”) is payable quarterly in arrears to the Administrator with respect to the quarterly core funds from operations in excess of a quarterly threshold equal to 1.75% (i.e., 7.00% on an annualized basis) of the Company’s “Adjusted Common Equity” (as defined below) for such quarter (“Excess Core FFO”) as follows: (i) no Revised Incentive Fee in any quarter in which the Excess Core FFO is \$0; (ii) 100% of any Excess Core FFO up to an amount equal to the product of (x) the average of the Adjusted Common Equity as of the first and last day of the applicable quarter and (y) 0.4375%; and (iii) 20% of any Excess Core FFO thereafter. Revised Incentive Fees payable for any partial quarter will be appropriately prorated.

“Adjusted Common Equity” means Common Equity plus Excluded Depreciation and Amortization. “Common Equity” means Total Stockholders’ Equity minus Excluded Equity. “Total Stockholders’ Equity” means the amount reflected as total stockholders’ equity in accordance with GAAP on the consolidated balance sheet of the Company and its subsidiaries as of the last day of a given quarter. “Excluded Equity” means the sum of all preferred securities of the Company and its subsidiaries classified as permanent equity in accordance with GAAP on the consolidated balance sheet of the Company and its subsidiaries as of the last day of a given quarter. “Excluded Depreciation and Amortization” means, for a given quarter, the amount of all accumulated depreciation and amortization of (i) the Company and its subsidiaries and (ii) to the extent allocable to the Company and its subsidiaries, the unconsolidated affiliates, in each case as of the last day of such quarter that corresponds to the periodic depreciation and amortization expense calculated in each case in accordance with GAAP that is a permitted add back to net income calculated in accordance with GAAP when calculating funds from operations.

3. **Capital Gains Fee:** A capital gains fee (the “Capital Gains Fee”) is payable quarterly in arrears to the Administrator in an amount equal to (i) 15% of the cumulative aggregate realized capital gains minus the cumulative aggregate realized capital losses (in each case since the Effective Date), minus (ii) the aggregate capital gains fees paid since the Effective Date. Realized capital gains and realized capital losses are calculated by subtracting from the sales price of a property: (a) any costs incurred to sell such property, and (b) the current gross value of the property (meaning the property’s original acquisition price plus any subsequent, non-reimbursed capital improvements thereon paid for by the Company).

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Pursuant to the Investment Management Agreement, the asset management fee prior to January 1, 2022 fee was calculated (without giving effect to the Fee Waiver) as a percentage of the daily average adjusted fair value of CIM Urban's assets as follows:

<b>Daily Average Adjusted Fair Value of CIM Urban's Assets</b>		<b>To and Including</b>	<b>Quarterly Fee Percentage</b>
<b>From Greater of</b>			
(in thousands)			
\$ —	\$	500,000	0.2500%
\$ 500,000	\$	1,000,000	0.2375%
\$ 1,000,000	\$	1,500,000	0.2250%
\$ 1,500,000	\$	4,000,000	0.2125%
\$ 4,000,000	\$	20,000,000	0.1000%

Asset management fees are included in asset management and other fees to related parties in the accompanying consolidated statements of operations.

Under the Master Services Agreement, for fiscal quarters prior to April 1, 2020, the Company paid a base service fee (the "Base Service Fee") to the Administrator initially set at \$1.0 million per year (subject to an annual escalation by a specified inflation factor beginning on January 1, 2015), payable quarterly in arrears. On May 11, 2020, the Master Services Agreement was amended to replace the Base Service Fee with an incentive fee pursuant to which the Administrator was entitled to receive, on a quarterly basis, 15.00% of the Company's quarterly core funds from operations in excess of a quarterly threshold equal to 1.75% (i.e., 7.00% on an annualized basis) of the Company's average Adjusted Common Equity (defined above) for such quarter. The amendment was effective as of April 1, 2020 and was further modified by the Fee Waiver described above. No such incentive fee was paid by the Company.

In addition, pursuant to the terms of the Master Services Agreement, the Administrator may receive compensation and/or reimbursement for performing certain services for the Company and its subsidiaries that are not covered by the Base Fee. During the years ended December 31, 2025 and 2024, such services performed by the Administrator and its affiliates included accounting, tax, reporting, internal audit, legal, compliance, risk management, IT, human resources, corporate communications, operational and ongoing support in connection with the Company's Preferred Stock. The Company will also reimburse the Administrator for the Company's share of broken deal expenses that are incurred by the Administrator and its affiliates (i.e., fees and expenses relating to investments that were contemplated but the Company did not make and/or transactions that could have been executed by the Company but that the Company did not consummate, including fees and expenses associated with performing due diligence review and negotiating the terms of such investments or transactions). The Administrator's compensation is based on the salaries and benefits of the employees of the Administrator and/or its affiliates who performed these services (allocated based on the percentage of time spent on the affairs of the Company and its subsidiaries). The expense for such services is included in expense reimbursements to related parties—corporate in the accompanying consolidated statements of operations.

**Property Management Fees and Reimbursements**—CIM Management, Inc. and certain of its affiliates (collectively, the "CIM Management Entities"), all affiliates of CIM Group, provide property management, leasing, and development services to properties owned by the Company. Property management fees earned by the CIM Management entities and onsite management costs incurred are included in rental and other property operating expenses in the accompanying consolidated statements of operations, with the exception of certain onsite management costs which are capitalized in some cases. Leasing commissions earned are capitalized to deferred charges on the accompanying consolidated balance sheets. Construction management fees and development management reimbursements are capitalized to investments in real estate on the accompanying consolidated balance sheets.

**Lending Segment Expenses**—As of December 31, 2025, the Company had a Staffing and Reimbursement Agreement with CIM SBA Staffing, LLC ("CIM SBA"), an affiliate of CIM Group, and the Company's subsidiary, PMC Commercial Lending, LLC. The agreement provided that CIM SBA would provide personnel and resources to the Company and that the Company would reimburse CIM SBA for the costs and expenses of providing such personnel and resources. The expense for such services is included in expense reimbursements to related parties—lending segment in the accompanying consolidated statements of operations.

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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**Offering-Related Fees**—CCO Capital, LLC (“CCO Capital”) became the exclusive dealer manager for the Company’s prior public offering of the Series A Preferred Stock and Series A Preferred Warrants effective as of May 31, 2019. CCO Capital is a registered broker dealer and is under common control with the Operator and the Administrator. The Company’s offering of the Series A Preferred Warrants ended at the end of January 2020. On January 28, 2020, the Company entered into the Second Amended and Restated Dealer Manager Agreement, pursuant to which CCO Capital acted as the exclusive dealer manager for the Company’s prior public offering of its Series A Preferred Stock and Series D Preferred Stock. The Second Amended and Restated Dealer Manager Agreement was subsequently amended by the Company and CCO Capital to address changes to, among other things, selling commissions and dealer manager fees.

On November 22, 2022, the Company entered into the Fourth Amended and Restated Dealer Manager Agreement, pursuant to which CCO Capital acted as the exclusive dealer manager for the Company’s prior public offering of its Series A1 Preferred Stock.

The Company recorded fees and expense reimbursements as shown in the table below for services provided by related parties related to the services described above during the periods indicated (in thousands):

	Year Ended December 31,	
	2025	2024
<b>Asset Management Fees:</b>		
Asset management fees	\$ 1,356	\$ 1,797
<b>Property Management Fees and Reimbursements:</b>		
Property management fees <sup>(1)</sup>	\$ 2,114	\$ 2,295
Onsite management and other cost reimbursement <sup>(2)</sup>	\$ 6,852	\$ 7,733
Leasing commissions <sup>(3)</sup>	\$ 235	\$ 808
Construction management fees <sup>(4)</sup>	\$ 532	\$ 1,061
Development management reimbursements <sup>(5)</sup>	\$ 1,136	\$ 1,747
<b>Administrative Fees and Expenses:</b>		
Expense reimbursements to related parties - corporate	\$ 3,496	\$ 2,281
<b>Lending Segment Expenses:</b>		
Expense reimbursements to related parties - lending segment <sup>(6)</sup>	\$ 2,591	\$ 2,571
<b>Offering-Related Fees:</b>		
Upfront dealer manager and trailing dealer manager fees <sup>(7)</sup>	\$ —	\$ 546
Non-issuance specific offering costs	\$ —	\$ 606

(1) Does not include the company’s share of the property management fees from the Unconsolidated Joint Ventures of \$96,000 and \$95,000 for the years ended December 31, 2025 and 2024, respectively.

(2) Does not include the Company’s share of the onsite management and other cost reimbursements from the Unconsolidated Joint Ventures of \$450,000 and \$511,000 for the years ended December 31, 2025 and 2024, respectively.

(3) Does not include the Company’s share of the leasing commissions from the Unconsolidated Joint Ventures of \$69,000 and \$48,000 for the years ended December 31, 2025 and 2024, respectively.

(4) Does not include the Company’s share of the construction management fees from the Unconsolidated Joint Ventures of \$147,000 and \$172,000 for the years ended December 31, 2025 and 2024, respectively.

(5) Does not include the Company’s share of the development management reimbursements from the Unconsolidated Joint Ventures of \$382,000 and \$756,000 for the year ended December 31, 2025 and 2024, respectively.

(6) Expense reimbursements to related parties - lending segment do not include personnel costs capitalized to deferred loan origination costs of \$72,000 and \$132,000 for the years ended December 31, 2025 and 2024, respectively.

(7) Represents fees earned by CCO Capital and allocated to Series A1 Preferred Stock, Series A Preferred Stock and Series D Preferred Stock.

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As of December 31, 2025 and December 31, 2024, due to related parties consisted of the following:

	December 31, 2025	December 31, 2024
	(in thousands)	
Asset management fees	\$ 1,303	\$ 1,403
Property management fees and reimbursements	13,574	8,237
Expense reimbursements - corporate	3,968	1,676
Expense reimbursements - lending segment	3,255	1,994
Upfront dealer manager and trailing dealer manager fees	203	186
Non-issuance specific offering costs	—	289
Other amounts due to the CIM Management Entities and certain of its affiliates	516	283
Total due to related parties	<u>\$ 22,819</u>	<u>\$ 14,068</u>

**Investments with Affiliates of CIM Group**

In February 2022, the Company invested with the 1910 Sunset JV Partner, a CIM-managed separate account, in the 1910 Sunset JV which purchased an office property in Los Angeles, California for a gross purchase price of approximately \$51.0 million, of which the Company initially contributed approximately \$22.4 million and the 1910 Sunset JV Partner initially contributed the remaining balance. See Note 2 and Note 4 for more information.

In February 2023, the Company and the 1902 Park JV Partner invested in the 1902 Park JV, which purchased a multifamily property in the Echo Park neighborhood of Los Angeles, California for a gross purchase price of \$19.1 million, with the Company owning a 50% interest. In October 2024, the 1902 Park JV admitted a new third-party co-investor and used part of the net capital contribution of such third party co-investor to satisfy the 1902 Park JV's mortgage loan in full. Subsequent to this contribution, the Company's ownership share of the 1902 Park JV was 25.5%. See Note 2 and Note 4 for more information.

In October 2023, the Company and the 1015 N Mansfield JV Partner acquired from an unrelated third party a 100% fee-simple interest in a plot of land located in the Sycamore media district of Los Angeles, California for a gross purchase price of \$18.0 million (excluding transaction costs). The property has a site area of approximately 44,141 square feet and contains a parking garage that has been leased to a third-party tenant. The Company owns 28.8% of the 1015 N Mansfield JV.

**Other**

On May 15, 2019, an affiliate of CIM Group entered into an approximately 11-year lease that runs through May 2030 for approximately 30,000 rentable square feet with respect to a property owned 4750 Wilshire JV, in which the Company has a 20% interest. For the year ended December 31, 2025, the Company's share of the income from the tenant earned by the 4750 Wilshire JV was \$335,000. For the year ended December 31, 2024, the Company's share of the income from the tenant earned by the 4750 Wilshire JV was \$342,000.

In connection with the loan agreement for one of the Company's fixed rate mortgages payable secured by three of the Company's office properties in Los Angeles, California (the "Wilshire Mortgage Loan"), the Company (in such capacity, the "REIT Guarantor") and CIM Group Investments, LLC, an affiliate of CIM Group (the "CIM Guarantor," and, together with the REIT Guarantor, the "Guarantor"), delivered a customary non-recourse carveout guaranty to the lenders (the "Guaranty Agreement"), under which (i) the Company agreed to indemnify the lenders with respect to certain "non-recourse carveout events" and to be fully liable for the Wilshire Mortgage Loan in certain circumstances (e.g., the voluntary bankruptcy of the Borrowers and other insolvency events (collectively, the "Bankruptcy Events")) and (ii) the CIM Guarantor is jointly and severally fully liable with the Company for the Wilshire Mortgage Loan in the case of Bankruptcy Events (collectively, the "Guaranties"). The Guaranty Agreement requires the Guarantor to maintain a net worth of no less than \$105.0 million and liquid assets of no less than \$6.0 million, in each case, exclusive of the values of the collateral for the Wilshire Mortgage Loan, provided that in the event of any partial prepayment or partial defeasance of the Wilshire Mortgage Loan, the above-referenced net worth and liquidity requirements will be reduced in proportion to the principal amount of the Wilshire Mortgage Loan that is partially prepaid and/or defeased, as the case may be.

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On December 29, 2025, an affiliate of CIM Group extended an unsecured term loan facility to the Company with total available principal of \$4.0 million and with an applicable interest rate of 7.5%. The unsecured term loan facility expired concurrent with the closing of the sale of First Western on January 21, 2026, and the Company did not borrow any amounts under the facility prior to its maturity.

**15. COMMITMENTS AND CONTINGENCIES**

**Loan Commitments**—Commitments to extend credit are agreements to lend to a customer when the terms established in the contract are met. The Company's outstanding commitments to fund loans were \$7.9 million as of December 31, 2025, all of which are for prime-based loans to be originated by the Company's subsidiary engaged in SBA 7(a) Small Business Loan Program lending, the government guaranteed portion of which is intended to be sold. Commitments generally have fixed expiration dates. Since some commitments are expected to expire without being drawn upon, total commitment amounts do not necessarily represent future cash requirements. The Company's lending business was sold in January 2026.

**General**—In connection with the ownership and operation of real estate properties, the Company has certain obligations for the payment of tenant improvement allowances and lease commissions in connection with new leases and renewals. The Company had a total of \$5.2 million in future obligations under leases to fund tenant improvement as of December 31, 2025. As of December 31, 2025, \$13.4 million was funded to reserve accounts included in restricted cash on the Company's consolidated balance sheet for these tenant improvement obligations in connection with various mortgage loan agreements. Under the terms of the Sheraton Management Agreement, the Company is obligated to complete specific renovation projects at its hotel property (the "Sheraton Renovations"). As of December 31, 2025, the expected costs to complete the Sheraton Renovations was \$4.1 million. As of December 31, 2025, the Company was entitled to receive an additional \$3.3 million of key money under the Sheraton Management Agreement, to be made available to the Company upon completion of specific aspects of the Sheraton Renovation. The Company also has available borrowings of \$1.2 million under a mortgage loan agreement at its hotel property which can be used to finance remaining costs related to the Sheraton Renovations.

**Employment Agreements**—The Company had an employment agreement with one of its officers. Under certain circumstances, this employment agreement provided for (1) severance payment equal to the annual base salary paid to the officer and (2) death and disability payments in an amount equal to two times and one time, respectively, the annual base salary paid to the officer.

**Litigation**—The Company is not currently involved in any material pending or threatened legal proceedings nor, to the Company's knowledge, are any material legal proceedings currently threatened against the Company, other than routine litigation arising in the ordinary course of business. In the normal course of business, the Company is periodically party to certain legal actions and proceedings involving matters that are generally incidental to the Company's business. While the outcome of these legal actions and proceedings cannot be predicted with certainty, in management's opinion, the resolution of these legal proceedings and actions will not have a material adverse effect on the Company's business, financial condition, results of operations, cash flow or the Company's ability to satisfy its debt service obligations or to maintain its level of distributions on its Preferred Stock or renew dividends on its Common Stock.

A subsidiary of the Company is a defendant in a lawsuit in connection with injuries sustained by a third-party contractor at a property previously owned by such subsidiary. Such subsidiary has reached an agreement in principle to settle the lawsuit with the plaintiff, pursuant to which such subsidiary's share of the settlement payment is expected to be approximately \$700,000. The Company anticipates that such payment will be made directly from the Company's insurance carrier, which will be responsible for the entire payment. Accordingly, the Company does not expect this lawsuit to have any adverse effect on the Company's business, financial condition, results of operations, cash flow or the Company's ability to satisfy its debt service obligations or to maintain the level of distributions on the Company's Preferred Stock or any renewed dividends on our Common Stock.

**SBA Related**—If the SBA establishes that a loss on an SBA guaranteed loan is attributable to significant technical deficiencies in the manner in which the loan was originated, funded or serviced under the SBA 7(a) Small Business Loan Program, the SBA may seek recovery of the principal loss related to the deficiency from the Company. As of December 31, 2025, the Company serviced an aggregate of \$201.3 million of the guaranteed portion of SBA 7(a) loans. With respect to the guaranteed portion of SBA loans that have been sold, the SBA will first honor its guarantee and then seek compensation from the Company in the event that a loss is deemed to be attributable to technical deficiencies. Based on historical experience, the Company does not expect that this contingency is probable to be asserted. However, if asserted, it could have a material adverse

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effect on the Company's business, financial condition, results of operations, cash flow or the Company's ability to satisfy its debt service obligations or to maintain its level of distributions on our Preferred Stock or any renewed dividends on our Common Stock.

**Environmental Matters**—In connection with the ownership and operation of real estate properties, the Company may be potentially liable for costs and damages related to environmental matters, including asbestos-containing materials. The Company has not been notified by any governmental authority of any noncompliance, liability, or other claim in connection with any of the properties, and the Company is not aware of any other environmental condition with respect to any of the properties that management believes will have a material adverse effect on the Company's business, financial condition, results of operations, cash flow or the Company's ability to satisfy its debt service obligations or to maintain its level of distributions on our Preferred Stock or any renewed dividends on our Common Stock.

**16. LEASES**

Future minimum rental revenue under long-term operating leases as of December 31, 2025, excluding tenant reimbursements of certain costs, are as follows (excludes unconsolidated properties, in thousands):

Years Ended December 31,	Total
2026	\$ 50,194
2027	32,751
2028	19,789
2029	15,955
2030	9,415
Thereafter	51,974
	<u>\$ 180,078</u>

**17. INCOME TAXES**

The Company has elected to be taxed as a REIT under the Code. To qualify as a REIT, the Company must meet a number of organizational and operational requirements, including a requirement that the Company distributes at least 90% of its taxable income to its stockholders. As a REIT, the Company generally will not be subject to corporate level federal income tax on net income that is currently distributed to stockholders.

The Company has wholly owned TRS's which are subject to federal and state income taxes. The income generated from the TRS's is taxed at normal corporate rates.

The provision for income taxes results in effective tax rates that differ from federal and state statutory rates. A reconciliation of the provision for income tax attributable to the TRS's' income from continuing operations computed at federal statutory rates to the income tax provision reported in the financial statements is as follows:

	Year Ended December 31,	
	2025	2024
	(in thousands)	
Income from continuing operations before income taxes for TRSs	\$ (27)	\$ 3,742
Expected federal income tax provision	\$ (6)	\$ 785
State income taxes <sup>(1)</sup>	(55)	1
Investment Tax Credits	(183)	—
Change in valuation allowance	425	151
Other	316	(139)
Income tax provision	<u>\$ 497</u>	<u>\$ 798</u>

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(1) State taxes in California made up the majority (greater than 50%) of the tax effect in this category.

The components of the Company's net deferred tax asset, which are included in other assets, are as follows:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
Deferred tax assets:		
Net operating losses	\$ 622	\$ 196
Secured borrowings—government guaranteed loans	4	5
Other	422	286
Total gross deferred tax assets	1,048	487
Valuation allowance	(630)	(205)
	418	282
Deferred tax liabilities:		
Loans receivable	—	—
	—	—
Deferred tax asset, net	\$ 418	\$ 282

The net operating loss carryforwards as of December 31, 2025 and 2024 were generated by TRSs and are available to offset future taxable income of these TRSs. The increase in the valuation allowance recorded in 2025 was \$425,000.

Income taxes paid (net of refunds) for the years ended December 31, 2025 and 2024 are as follows:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
Federal	\$ 66	\$ 845
State and Local	2	2
Income tax provision	\$ 68	\$ 847

The periods subject to examination for the Company's federal and state income tax returns are 2022 through 2025. As of December 31, 2025 and 2024, no reserves for uncertain tax positions have been established and the Company does not anticipate any material changes in the amount of unrecognized tax benefits recorded to occur within the next 12 months.

The Tax Cuts and Jobs Act of 2017, signed into law in late December 2017, made sweeping changes to provisions of the Code applicable to businesses. The CARES Act, signed into law in March 2020, made additional changes to provisions on the Code applicable to businesses. The Inflation Reduction Act, signed into law in August 2022 also made changes to the Code applicable to businesses. The One Big Beautiful Bill, signed into law in July 2025 also made changes to the Code applicable to businesses. Management has reviewed these statutory changes and determined that the impact to the Company's consolidated financial statements is not material.

## 18. SEGMENT DISCLOSURE

The Company's reportable segments during the years ended December 31, 2025 and 2024 consist of three types of commercial real estate properties, namely, office, hotel and multifamily, as well as a segment for the Company's lending business. As previously disclosed, we completed the sale of our lending business on January 21, 2026, and, as a result, our lending business will cease to be one of our reportable segments in future periods. Management internally evaluates the operating performance and financial results of the segments based on net operating income. The Company also has certain general and administrative level activities, including public company expenses, legal, accounting, and tax preparation that are

**Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
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not considered separate operating segments. The reportable segments are accounted for on the same basis of accounting as described in Note 2.

For the Company's real estate segments, the Company defines net operating income (loss) as rental and other property income and expense reimbursements less property related expenses, and excludes non-property income and expenses, interest expense, depreciation and amortization, corporate related general and administrative expenses, gain (loss) on sale of real estate, gain (loss) on early extinguishment of debt, impairment of real estate, transaction costs, and provision (benefit) for income taxes. For the Company's lending segment, the Company defines net operating income as interest income net of interest expense and general overhead expenses.

The Company's chief operating decision maker ("CODM") is the Company's executive management team, comprised of the Chief Executive Officer, Chief Investment Officer, Chief Financial Officer, and the 1st Vice President for portfolio oversight of CIM.

The CODM evaluates performance and allocates resources based on segment net operating income (loss). All expense categories on the statement of operations are significant and there are no other significant segment expenses that would require disclosure. The CODM uses net operating income (loss) to make key operating decisions, such as identifying attractive investment opportunities, evaluating underwriting standards, determining the appropriate level of leverage to enhance returns on equity and deciding on the sources of financing.

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The net operating income (loss) of the Company's segments for the years ended December 31, 2025 and 2024 is as follows:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
(in thousands)		
<b>Office (1), (2):</b>		
Revenues	\$ 50,140	\$ 54,283
Property expenses:		
Operating	25,213	26,608
General and administrative	591	719
Total property expenses	25,804	27,327
Income (loss) from unconsolidated entities	(254)	462
Segment net operating income—office	24,082	27,418
<b>Hotel:</b>		
Revenues	41,341	39,407
Property expenses:		
Operating	29,491	27,807
General and administrative	107	148
Total property expenses	29,598	27,955
Segment net operating income—hotel	11,743	11,452
<b>Multifamily (1), (2):</b>		
Revenues	15,783	19,515
Property expenses:		
Operating	12,339	13,547
General and administrative	447	168
Total property expenses	12,786	13,715
(Loss) income from unconsolidated entities	(3,506)	(1,268)
Segment net operating income—multifamily	(509)	4,532
<b>Lending:</b>		
Revenues	8,960	10,756
Lending expenses:		
Interest expense	2,471	3,283
Expense reimbursements to related parties—lending segment	2,591	2,571
General and administrative (3)	(224)	1,702
Total lending expenses	4,838	7,556
Segment net operating income—lending	4,122	3,200
Total segment net operating income	\$ 39,438	\$ 46,602

- (1) Beginning in the quarter ended December 31, 2024, the Company reclassified its investment in the 4750 Wilshire JV to include income from the investment in the multifamily segment from its previous classification in the office segment. This change corresponded with the 4750 Wilshire JV's substantial completion of the 4750 Wilshire Project. In the above table, the Company's income earned from its investment in the 4750 Wilshire JV prior to October 1, 2024 is included within the office segment and its income earned from its investment in the 4750 Wilshire JV subsequent to October 1, 2024 is included within the multifamily segment. In addition, beginning in the quarter ended December 31, 2024, the Company reclassified its consolidated property located at 4750 Wilshire Boulevard (Backlot) in Los Angeles, California to include the property in the multifamily segment, from its previous classification in the office segment. In the above table, activity

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

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related to 4750 Wilshire Boulevard (Backlot) occurring prior to October 1, 2024 is included within the office segment and such activity subsequent to October 1, 2024 is included within the multifamily segment. In the above table, activity related to both the 1910 Sunset JV and 1015 N Mansfield JV are included within the office segment, while activity related to the 1902 Park JV is included in the multifamily segment.

- (2) Beginning on October 1, 2025, in connection with the 1910 Sunset JV's commencement of leasing at the 1915 Park Project, the Company began reporting its share of the income from the operations of the 1915 Park Project in its multifamily segment, while income from the operations of the 1910 Sunset Office Building continue to be reported in its office segment.
- (3) Lending segment general and administrative expenses for the year ended December 31, 2025 included the reversal of the CECL balance of \$2.6 million in connection with the reclassification of the loans receivable as held-for-sale as of December 31, 2025, in connection with the sale of First Western.

A reconciliation of the Company's segment net operating income to net income attributable to the Company for the years ended December 31, 2025 and 2024 is as follows:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
Total segment net operating income	\$ 39,438	\$ 46,602
Interest and other income	445	551
Asset management and other fees to related parties	(1,356)	(1,797)
Expense reimbursements to related parties—corporate	(3,496)	(2,281)
Interest expense	(37,720)	(33,589)
General and administrative	(4,434)	(4,267)
Transaction-related costs	(1,475)	(1,382)
Depreciation and amortization	(27,081)	(27,373)
Loss on early extinguishment of debt	(88)	(1,416)
Impairment of real estate	(3,692)	—
Loss on assets held for sale	(298)	—
Gain on sale of real estate	679	—
Loss before provision for income taxes	(39,078)	(24,952)
Provision for income taxes	(497)	(798)
Net loss	(39,575)	(25,750)
Net loss attributable to noncontrolling interests	573	575
Net loss attributable to the Company	<u>\$ (39,002)</u>	<u>\$ (25,175)</u>

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION AND SUBSIDIARIES

Notes to Consolidated Financial Statements as of December 31, 2025 and 2024  
and for the Years Ended December 31, 2025 and 2024 (Continued)

The condensed assets for each of the segments as of December 31, 2025 and 2024 are as follows:

	<b>December 31, 2025</b>	<b>December 31, 2024</b>
	(in thousands)	
<b>Condensed assets:</b>		
Office (1)	\$ 402,151	\$ 421,438
Hotel	114,994	108,963
Multifamily (1)	270,645	279,308
Lending (2)	67,867	71,192
Non-segment assets	3,530	8,654
<b>Total assets</b>	<b>\$ 859,187</b>	<b>\$ 889,555</b>

- (1) Beginning in the quarter ended December 31, 2024, the Company reclassified its consolidated property located at 4750 Wilshire Boulevard (Backlot) in Los Angeles, California to include the property in the multifamily segment, from its previous classification in the office segment. In the above table, the assets related to 4750 Wilshire Boulevard (Backlot) as of December 31, 2025 and 2024 are included in with Multifamily.
- (2) As of December 31, 2025, the Company had reclassified \$65.9 million of lending segment assets as held-for-sale, in connection with the sale of First Western.

**19. SUBSEQUENT EVENTS**

As previously announced on November 12, 2025, the Company and First Western entered into the Membership Interest Purchase Agreement with the Buyer. The Closing occurred on January 21, 2026. At the Closing, pursuant to the Membership Interest Purchase Agreement, and upon the terms and subject to the conditions therein, Buyer purchased from the Company all of the issued and outstanding equity interests of First Western SBLC, LLC for a purchase price of approximately \$44.9 million (which is net of the outstanding balance of debt related to the 2023 securitization of certain loan receivables), subject to adjustment. At the Closing and upon giving effect to the payment of other debt, transaction expenses and other matters, the Transactions yielded net cash proceeds to the Company of approximately \$31.2 million, after giving effect to transaction costs and the repayment of the \$10.4 million balance on the Lending Division Revolving Credit Facility.

On February 13, 2026, the Company and the lender under the variable rate mortgage loan secured by our office property at 3601 S Congress, Avenue in Austin, Texas (the "Penn Field Mortgage") executed an amendment to the Penn Field Mortgage to provide additional borrowing advances in the amount of \$2.5 million under the Penn Field Mortgage.

**Schedule III—Real Estate and Accumulated Depreciation**  
**December 31, 2025**  
(in thousands)

Property Name, City and State	Encumbrances	Initial Cost		Net Improvements (Write-Offs) Since Acquisition	Gross Amount at Which Carried <sup>(1)</sup>			Acc. Deprec.	Year Built / Renovated	Year of Acquisition
		Land	Building and Improvements		Land	Building and Improvements	Total			
<b>Office</b>										
3601 S Congress Avenue										
Austin, TX	31,600	\$ 9,569	\$ 18,593	\$ 15,439	\$ 9,569	\$ 34,032	\$ 43,601	\$ 13,154	1918 / 2001 & 2020	2007
1 Kaiser Plaza										
Oakland, CA	97,100	9,261	113,619	4,089	9,261	117,708	126,969	51,741	1970 / 2008	2008
2 Kaiser Plaza Parking Lot <sup>(2)</sup>										
Oakland, CA	—	10,931	110	158	8,345	2,854	11,199	—	N/A	2015
11600 Wilshire Boulevard <sup>(3)</sup>										
Los Angeles, CA	—	3,477	18,522	2,698	3,477	21,220	24,697	9,027	1955	2010
11620 Wilshire Boulevard <sup>(3)</sup>										
Los Angeles, CA	—	7,672	51,999	8,870	7,671	60,870	68,541	24,868	1976	2010
4750 Wilshire Boulevard										
Los Angeles, CA	—	4,000	—	443	4,000	443	4,443	—	1984 / 2014	2014
Lindblade Media Center <sup>(4)</sup>										
Los Angeles, CA	5,000	6,341	11,568	627	6,341	12,195	18,536	3,200	1930 & 1957 / 2010	2014
1037 N Sycamore										
Los Angeles, CA	—	1,839	1,094	135	1,839	1,229	3,068	157	2000 / 2021	2021
1130 Howard Street										
San Francisco, CA	—	8,290	10,480	(220)	8,290	10,260	18,550	2,068	1930 / 2016 & 2017	2017
9460 Wilshire Boulevard <sup>(3)</sup>										
Los Angeles, CA	—	52,199	76,730	10,844	52,199	87,574	139,773	17,287	1959 / 2008	2018
1021 E 7th Street										
Austin, TX	—	4,979	733	(119)	4,979	614	5,593	194	1972 / 2001	2020
1007 E 7th Street <sup>(5)</sup>										
Austin, TX	—	1,866	6	38	1,866	44	1,910	1	1920	2022
<b>Multifamily</b>										
3101 S Western Avenue										
Los Angeles, CA	—	2,279	—	1,351	2,279	1,351	3,630	1	N/A	2022
3022 S Western Avenue										
Los Angeles, CA	—	5,638	156	1,957	5,638	2,113	7,751	27	N/A	2022
3109 S Western Avenue										
Los Angeles, CA	—	712	2	233	712	235	947	1	N/A	2022
Channel House										
Oakland, CA	81,000	17,214	103,553	366	17,208	103,925	121,133	9,350	2021	2023
1150 Clay <sup>(6)</sup>										
Oakland, CA	66,304	16,643	115,828	256	16,141	116,586	132,727	10,780	2021	2023
F3 Land Site										
Oakland, CA	—	251	—	41	250	42	292	—	N/A	2023
466 Water Street Land Site										
Oakland, CA	—	2,505	—	153	2,500	158	2,658	—	N/A	2023
<b>Hotel</b>										
Sheraton Grand Hotel										
Sacramento, CA	90,955	3,498	107,447	28,651	3,498	136,098	139,596	49,424	2025	2008
Sheraton Grand Hotel Parking & Retail <sup>(6)</sup>										
Sacramento, CA	—	6,551	10,996	315	6,551	11,311	17,862	4,109	2001	2008
	<u>\$ 371,959</u>	<u>\$ 175,715</u>	<u>\$ 641,436</u>	<u>\$ 76,325</u>	<u>\$ 172,614</u>	<u>\$ 720,862</u>	<u>\$ 893,476</u>	<u>\$ 195,389</u>		

- (1) The aggregate gross cost of property included above for federal income tax purposes approximates \$1.1 billion (unaudited) as of December 31, 2025.
- (2) Net improvements (write-offs) since acquisition includes impairments of \$3.5 million.
- (3) Collectively, these properties collateralize a secured fixed rate mortgage, which had a \$105.0 million outstanding balance as of December 31, 2025.
- (4) Includes 8944 Lindblade Street and 8960 & 8966 Washington Boulevard.
- (5) Net improvements (write-offs) since acquisition includes impairments of \$221,000.
- (6) During the year ended December 31, 2025, there was a partial land sale related to this property thus reducing its land cost basis by \$486,000.
- (7) This property also collateralizes the Sheraton Grand Hotel's variable rate mortgage, which has a \$91.0 million outstanding balance as of December 31, 2025.

**Schedule III—Real Estate and Accumulated Depreciation (Continued)**

**December 31, 2025**  
(in thousands)

The following table reconciles the Company's investments in real estate from January 1, 2024 to December 31, 2025:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
<b>Investments in Real Estate</b>		
Balance, beginning of period	\$ 894,785	\$ 868,878
Additions:		
Improvements	17,968	29,329
Property acquisitions	—	—
Deductions:		
Asset sales	(486)	—
Impairment	(3,692)	—
Retirements	(15,099)	(3,422)
Balance, end of period	<u>\$ 893,476</u>	<u>\$ 894,785</u>

The following table reconciles the accumulated depreciation from January 1, 2024 to December 31, 2025:

	<b>Year Ended December 31,</b>	
	<b>2025</b>	<b>2024</b>
	(in thousands)	
<b>Accumulated Depreciation</b>		
Balance, beginning of period	\$ (185,591)	\$ (164,116)
Additions: depreciation	(24,897)	(24,897)
Deductions:		
Assets held for sale	—	—
Asset sales	—	—
Retirements	15,099	3,422
Balance, end of period	<u>\$ (195,389)</u>	<u>\$ (185,591)</u>

**Schedule IV—Mortgage Loans on Real Estate**  
**December 31, 2025**  
(dollars in thousands, except footnotes)

Geographic Dispersion of Collateral	Number of Loans	Size of Loans		Interest Rate (2)	Final Maturity Date Range	Carrying Amount of Mortgages	Principal Amount of Loans Subject to Delinquent Principal or "Interest"
		From	To				
<b>SBA 7(a) Loans - States 2% or greater <sup>(1)</sup>:</b>							
Ohio	19	\$ 41	\$ 1,141	8.25% to 9.75%	08/08/42 — 12/19/50	\$ 10,794	\$ —
Texas	18	\$ 18	\$ 821	8.25% to 10.00%	07/13/34 — 03/29/49	5,737	—
Michigan (3)	10	\$ 22	\$ 916	8.25% to 9.50%	03/27/38 — 12/18/48	3,299	—
Pennsylvania	6	\$ 287	\$ 646	8.25% to 10.00%	03/05/40 — 10/26/49	2,850	—
West Virginia	5	\$ 199	\$ 944	8.25% to 10.00%	05/07/46 — 11/06/49	2,530	—
Florida	8	\$ 95	\$ 735	8.50% to 10.00%	06/29/32 — 06/27/49	2,291	—
Indiana	5	\$ 111	\$ 904	8.75% to 9.75%	05/17/41 — 08/26/46	2,014	—
Louisiana (4)	4	\$ 114	\$ 698	8.25% to 9.50%	01/30/48 — 03/12/50	1,653	964
New York	5	\$ 55	\$ 704	9.25% to 10.00%	11/22/31 — 12/07/48	1,653	—
Kentucky	6	\$ 46	\$ 421	9.00% to 10.00%	03/11/33 — 05/08/48	1,462	415
Oklahoma	6	\$ 8	\$ 502	8.25% to 10.00%	07/26/26 — 12/03/50	1,452	—
California	2	\$ 453	\$ 833	8.25% to 8.50%	09/27/48 — 11/22/49	1,286	—
Illinois	6	\$ 164	\$ 271	8.75% to 9.50%	02/14/43 — 07/09/50	1,262	—
Mississippi	3	\$ 121	\$ 617	9.00% to 10.00%	11/04/36 — 11/17/49	1,241	—
North Carolina	4	\$ 101	\$ 709	9.00% to 9.75%	11/25/44 — 04/25/47	1,190	—
Colorado (5)	5	\$ 59	\$ 328	8.25% to 9.75%	02/17/41 — 05/27/50	1,184	382
Washington	1	\$ 1,115	\$ 1,115	8.75% to 8.75%	10/12/48 — 10/12/48	1,114	—
Montana	3	\$ 208	\$ 482	8.25% to 8.25%	10/10/48 — 07/03/50	1,031	—
North Dakota	4	\$ 121	\$ 411	8.25% to 9.25%	02/26/48 — 12/26/49	966	—
Tennessee	3	\$ 141	\$ 541	8.50% to 9.50%	06/07/46 — 10/02/49	905	—
Alabama (6)	3	\$ 192	\$ 344	9.50% to 9.75%	12/28/42 — 03/16/46	815	509
Kansas	3	\$ 121	\$ 345	8.50% to 10.00%	03/03/35 — 11/12/49	782	—
Wisconsin	2	\$ 148	\$ 471	9.00% to 9.50%	02/27/43 — 06/09/46	619	—
Nevada	2	\$ 237	\$ 372	8.25% to 8.25%	09/25/50 — 12/29/50	608	—
South Carolina	2	\$ 259	\$ 341	9.00% to 10.00%	11/06/40 — 11/30/43	586	—
Missouri	2	\$ 79	\$ 334	8.75% to 9.25%	12/14/29 — 03/17/50	414	—
New Mexico	1	\$ 332	\$ 332	8.25% to 8.25%	04/19/48 — 04/19/48	333	—
Georgia	1	\$ 305	\$ 305	9.25% to 9.25%	08/11/47 — 08/11/47	305	—
Virginia	2	\$ 108	\$ 159	8.75% to 9.25%	06/29/46 — 12/15/47	268	—
Arkansas	1	\$ 244	\$ 244	9.25% to 9.25%	09/06/43 — 09/06/43	244	—
Other	5	\$ 149	\$ 226	8.25% to 8.25%	12/26/49 — 12/26/49	941	—
Government guaranteed portions (7)						1,013	—
Subject to secured borrowings (8)						1,309	—
Current expected credit losses						(2,196)	—
						\$ 51,955 <sup>(9)</sup>	\$ 2,270

- (1) All first lien position except \$1,050,000 of loans with subordinate lien positions.
- (2) Interest rates are variable at spreads over the prime rate unless otherwise noted.
- (3) Includes a loan with a retained face value of \$134,000 and a fixed interest rate of 9.00%.
- (4) Includes a loan with a retained face value of \$964,000, a valuation reserve of \$152,000 and a fixed interest rate of 9.50%.
- (5) Includes a loan with a retained face value of \$382,000 and a fixed interest rate of 9.75%.
- (6) Includes a loan with a retained face value of \$509,000, a valuation reserve of \$103,000 and a fixed interest rate of 9.50%.
- (7) Represents the government guaranteed portions of the Company's SBA 7(a) loans detailed above retained by us. As there is no risk of loss to us related to these portions of the guaranteed loans, the geographic information is not presented as it is not meaningful.

(8) Represents the guaranteed portion of SBA 7(a) loans which were sold with the proceeds received from the sale reflected as secured borrowings. For Federal income tax purposes, these proceeds are treated as sales and reduce the carrying value of loans receivable.

(9) For Federal income tax purposes, the aggregate cost basis of the Company's loans was approximately \$52.2 million (unaudited).

Note: All of the Company's mortgage loans on real estate were sold in January 2026.

**Schedule IV—Mortgage Loans on Real Estate (Continued)**  
**December 31, 2025**  
(in thousands)

	Year Ended December 31,	
	2025	2024
Balance, beginning of period	\$ 56,210	\$ 57,005
Additions during period:		
New loans	24,873	40,255
Other - deferral of loan origination costs	422	806
Other - bad debt recovery	(524)	(352)
Reversal of CECL <sup>(1)</sup>	2,557	—
Other - accretion of loan discounts, net of amortization of deferred origination costs	1,471	1,397
Deductions during period:		
Collections of principal	(10,379)	(12,484)
Cost of mortgages sold, net	(20,117)	(30,417)
Balance, end of period	<u>\$ 54,513</u>	<u>\$ 56,210</u>

(1) The Company's CECL balance of \$2.6 million was reversed as a result of the Company's loans receivable being reclassified as held for sale at December 31, 2025.

## CREATIVE MEDIA &amp; COMMUNITY TRUST CORPORATION

## LIST OF SUBSIDIARIES

Entity	State of Formation	Type of Organization
1021 East 7th Street (Austin) GP, LLC	Delaware	LLC
1021 East 7th Street (Austin) Owner, L.P.	Delaware	LP
1130 Howard (SF) GP, LLC	Delaware	LLC
1130 Howard (SF) Owner, L.P.	Delaware	LP
9460 Wilshire Blvd GP, LLC	Delaware	LLC
9460 Wilshire Blvd (BH) Owner, L.P.	Delaware	LP
CIM Small Business Loan Trust 2018-1	Delaware	Trust
CIM Urban Holdings, LLC	Delaware	LLC
CIM Urban Partners, L.P.	Delaware	LP
CIM Urban REIT GP I, LLC	California	LLC
CIM Urban REIT GP II, LLC	Delaware	LLC
CIM Urban REIT Holdings, LLC	Delaware	LLC
CIM Urban REIT Properties IX, L.P.	Delaware	LP
CIM Urban REIT Properties XIII, L.P.	Delaware	LP
CIM Wilshire (Los Angeles) Investor, LLC	Delaware	LLC
CIM Wilshire (Los Angeles) Manager, LLC	Delaware	LLC
CIM/11600 Wilshire (Los Angeles) GP, LLC	Delaware	LLC
CIM/11600 Wilshire (Los Angeles), LP	Delaware	LP
CIM 11620 Wilshire (Los Angeles) GP, LLC	Delaware	LLC
CIM 11620 Wilshire (Los Angeles), LP	Delaware	LP
CIM/J Street Garage Sacramento GP, LLC	California	LLC
CIM/J Street Garage Sacramento, L.P.	California	LLC
CIM/J Street Hotel Sacramento GP, LLC	California	LLC
CIM/J Street Hotel Sacramento, Inc.	California	Corporation
CIM/J Street Hotel Sacramento, L.P.	California	LP
CIM/J Street Garage Sacramento Owner, LLC	Delaware	LLC
CIM/J Street Hotel Sacramento ML, LLC	Delaware	LLC
CIM/J Street Hotel Sacramento Owner, LLC	Delaware	LLC
CIM/Oakland 1 Kaiser Plaza GP, LLC	Delaware	LLC
CIM/Oakland 1 Kaiser Plaza, LP	Delaware	LP
PMC First Western SBLC II, LLC	Delaware.	LLC
FW Asset Holding, LLC	Delaware	LLC
Lindblade Media Center (LA) Owner, LLC	Delaware	LLC
8944 Lindblade Street (LA) Owner LLC	Delaware	LLC
PMC Commercial Lending, LLC	Delaware	LLC
PMC Funding Corp.	Florida	Corporation
PMC Mortgage Corp., LLC	Delaware	LLC
PMC Preferred Capital Trust-A	Delaware	Trust
PMC Properties, Inc.	Delaware	Corporation
Two Kaiser Plaza (Oakland) Owner, LLC	Delaware	LLC
Urban Partners GP, LLC	Delaware	LLC

Urban Partners GP Manager, LLC	Delaware	LLC
1037 North Sycamore (Los Angeles) GP, LLC	Delaware	LLC
<b>Entity</b>	<b>State of Formation</b>	<b>Type of Organization</b>
1037 North Sycamore (Los Angeles) Owner, L.P.	Delaware	LP
3101 S Western (LA) Owner GP, LLC	Delaware	LLC
3101 S Western (LA) Owner L.P.	Delaware	LP
1910 Sunset Blvd JV (LA), L.P.	Delaware	LP
1910 Sunset Blvd (LA) GP, LLC	Delaware	LLC
1910 Sunset Blvd (LA), L.P.	Delaware	LP
3109 S. Western (Los Angeles) GP, LLC	Delaware	LLC
3109 S. Western (Los Angeles) Owner, L.P.	Delaware	LP
1007 E. 7th Street (Austin) GP, LLC	Delaware	LLC
1007 E. 7th Street (Austin) Owner, L.P.	Delaware	LP
3022 S. Western (LA) Owner GP, LLC	Delaware	LLC
3022 S. Western (LA) Owner, L.P.	Delaware	LP
Parcel F-3 (Oakland) Manager, LLC	Delaware	LLC
Parcel F-3 (Oakland) Holdings, LLC	Delaware	LLC
Parcel F-3 (Oakland) LTC, LLC	Delaware	LLC
Parcel F-3 (Oakland) Owner, LLC	Delaware	LLC
JLS F-3 (Oakland) Investor, LLC	Delaware	LLC
JLS F-3 (Oakland) Holdings Venture, LLC	Delaware	LLC
JLS F-3 (Oakland) Owner, LLC	Delaware	LLC
Channel House (Oakland) Manager, LLC	Delaware	LLC
Channel House (Oakland) Holdings, LLC	Delaware	LLC
Channel House (Oakland) LTC, LLC	Delaware	LLC
Channel House (Oakland) Owner, LLC	Delaware	LLC
Jack London Square Development (Oakland) Investor, LLC	Delaware	LLC
Jack London Square Development (Oakland) Holdings Venture, LLC	Delaware	LLC
Jack London Square Development (Oakland) Owner, LLC	Delaware	LLC
Parcel D 466 Water Street (Oakland) Manager, LLC	Delaware	LLC
Parcel D 466 Water Street (Oakland) Holdings, LLC	Delaware	LLC
Parcel D 466 Water Street (Oakland) LTC, LLC	Delaware	LLC
Parcel D 466 Water Street (Oakland) Owner, LLC	Delaware	LLC
466 Water Street (Oakland) Investor, LLC	Delaware	LLC
466 Water Street (Oakland) Holdings Venture, LLC	Delaware	LLC
466 Water Street (Oakland) Owner, LLC	Delaware	LLC
1902 Park Ave (Los Angeles) Owner Holdings, LLC	Delaware	LLC
1902 Park Avenue (Los Angeles) GP, LLC	Delaware	LLC
1902 Park Avenue (Los Angeles) Owner, L.P.	Delaware	LP
CMCT 1100 Clay (Oakland) Manager, LLC	Delaware	LLC
CMCT 1100 Clay (Oakland) Holdings, LLC	Delaware	LLC
CMCT 1100 Clay (Oakland) LTC, LLC	Delaware	LLC
CMCT 1100 Clay (Oakland) Owner, LLC	Delaware	LLC
1100 Clay Venture, LLC	Delaware	LLC

1100 Clay (Oakland) Owner, LLC	Delaware	LLC
4750 Wilshire Blvd. (LA) Owner, LLC	Delaware	LLC
4750 Co-Investor, LLC	Delaware	LLC
CMCT 4750 GP, LLC	Delaware	LLC
TO-4750 Wilshire Co-Investor, L.P.	Cayman Islands	LP
1915 Park Ave (LA), L.P.	Delaware	LP
1915 Park Ave (LA) GP, LLC	Delaware	LLC
CMCT 1015 N. Mansfield (LA) Member, LLC	Delaware	LLC
CIM/Eisen Hollywood, LLC	California	LLC
1015 N. Mansfield (LA), LLC	Delaware	LLC
CMCT NAV REIT	Maryland	Trust

**Consent of Independent Registered Public Accounting Firm**

We consent to the incorporation by reference in Registration Statement No. 333-273581 on Form S-8 of our reports dated March 9, 2026, relating to the financial statements of Creative Media & Community Trust Corporation and the effectiveness of Creative Media & Community Trust Corporation's internal control over financial reporting appearing in this Annual Report on Form 10-K for the year ended December 31, 2025.

/s/ Deloitte & Touche, LLP

Tempe, Arizona  
March 9, 2026

**Certification**  
**Pursuant to Section 302 of the**  
**Sarbanes-Oxley Act of 2002**

I, David Thompson, certify that:

1. I have reviewed this report on Form 10-K for the year ended December 31, 2025 of Creative Media & Community Trust Corporation;
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.

Date: March 9, 2026

/s/ David Thompson  
\_\_\_\_\_  
David Thompson  
Chief Executive Officer

**Certification  
Pursuant to Section 302 of the  
Sarbanes-Oxley Act of 2002**

I, Brandon Hill, certify that:

1. I have reviewed this report on Form 10-K for the year ended December 31, 2025 of Creative Media & Community Trust Corporation;
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.

Date: March 9, 2026

/s/ BRANDON HILL

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Brandon Hill  
*Chief Financial Officer*

**Certification of Chief Executive Officer  
Pursuant to Section 906 of the  
Sarbanes-Oxley Act of 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), the undersigned officer of Creative Media & Community Trust Corporation (the "Company"), hereby certifies that the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 9, 2026

/s/ David Thompson

Name: David Thompson

Title: *Chief Executive Officer*

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) and is not being filed as part of the Report or as a separate disclosure document.

**Certification of Chief Financial Officer  
Pursuant to Section 906 of the  
Sarbanes-Oxley Act of 2002**

Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350), the undersigned officer of Creative Media & Community Trust Corporation (the "Company"), hereby certifies that the Company's Annual Report on Form 10-K for the year ended December 31, 2025 (the "Report") fully complies with the requirements of Section 13(a) or 15(d), as applicable, of the Securities Exchange Act of 1934 and that the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Dated: March 9, 2026

/s/ BRANDON HILL

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Brandon Hill  
*Chief Financial Officer*

The foregoing certification is being furnished solely pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 (18 U.S.C. Section 1350) and is not being filed as part of the Report or as a separate disclosure document.