

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549
FORM 10-Q

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

For the quarterly period ended June 30, 2025

or

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

For the transition period from to

Commission File Number: 000-56236

Copper Property CTL Pass Through Trust

(Exact name of registrant as specified in its charter)

New York

85-6822811

(State or other jurisdiction of incorporation or organization)

(I.R.S. Employer Identification No.)

3 Second Street, Suite 206 Jersey City, NJ 07311-4056

(Address of principal executive offices and zip code)

(201) 839-2200

(Registrant's telephone number, including area code)

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

| Title of each class | Trading Symbol(s) | Name of each exchange on which registered |
|---------------------|-------------------|---|
| N/A | N/A | N/A |

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

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

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, 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 type="checkbox"/> |
| | | Emerging growth company | <input checked="" 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☐

COPPER PROPERTY CTL PASS THROUGH TRUST
TABLE OF CONTENTS

PART I — FINANCIAL INFORMATION

| | | |
|---------|---|----|
| Item 1. | Financial Statements | 1 |
| Item 2. | Management’s Discussion and Analysis of Financial Condition and Results of Operations | 17 |
| Item 3. | Quantitative and Qualitative Disclosures about Market Risk | 27 |
| Item 4. | Controls and Procedures | 27 |

PART II — OTHER INFORMATION

| | | |
|------------|---|----|
| Item 1. | Legal Proceedings | 28 |
| Item 1A. | Risk Factors | 28 |
| Item 2. | Unregistered Sales of Equity Securities and Use of Proceeds | 28 |
| Item 3. | Defaults Upon Senior Securities | 28 |
| Item 4. | Mine Safety Disclosures | 28 |
| Item 5. | Other Information | 28 |
| Item 6. | Exhibits | 30 |
| SIGNATURES | | 31 |

PART I — FINANCIAL INFORMATION
ITEM 1. FINANCIAL STATEMENTS
COPPER PROPERTY CTL PASS THROUGH TRUST
Consolidated Balance Sheets
(Unaudited)
(in thousands except certificate amounts)

| | As of June 30, 2025 | As of December 31, 2024 |
|---|---------------------------|-------------------------------|
| Assets | | |
| Investment properties: | | |
| Land and improvements | \$ 366,086 | \$ 368,586 |
| Building and other improvements | 450,786 | 457,285 |
| | 816,872 | 825,871 |
| Less: accumulated depreciation | (57,866) | (52,104) |
| Net investment properties | 759,006 | 773,767 |
| Cash and cash equivalents | 34,986 | 51,886 |
| Accounts receivable | 33,676 | 35,366 |
| Lease intangible assets, net | 181,204 | 191,262 |
| Right-of-use lease assets, net | 78,632 | 83,428 |
| Other assets, net | 3,690 | 541 |
| Total assets | \$ 1,091,194 | \$ 1,136,250 |
| Liabilities and Equity | | |
| Liabilities: | | |
| Accounts payable and accrued expenses | \$ 3,269 | \$ 3,011 |
| Lease intangible liabilities, net | 68,391 | 73,205 |
| Lease liabilities | 37,808 | 37,795 |
| Other liabilities | 8,218 | 8,351 |
| Total liabilities | 117,686 | 122,362 |
| Commitments and contingencies (Note 5) | | |
| Equity: | | |
| Trust certificates, no par value, 75,000,000 certificates authorized, issued and outstanding, as of June 30, 2025 and December 31, 2024 | — | — |
| Additional paid-in capital | 1,952,120 | 1,952,120 |
| Accumulated distributions in excess of earnings | (978,612) | (938,232) |
| Total equity | 973,508 | 1,013,888 |
| Total liabilities and equity | \$ 1,091,194 | \$ 1,136,250 |

See accompanying notes to consolidated financial statements

COPPER PROPERTY CTL PASS THROUGH TRUST
Consolidated Statements of Operations
(Unaudited)
(in thousands, except certificate and per certificate amounts)

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|------------|---------------------------|------------|
| | 2025 | 2024 | 2025 | 2024 |
| Revenues: | | | | |
| Lease income | \$ 24,528 | \$ 25,224 | \$ 49,220 | \$ 50,807 |
| Expenses: | | | | |
| Operating expenses | 3,085 | 3,099 | 6,209 | 6,302 |
| Depreciation and amortization | 4,365 | 4,683 | 8,794 | 9,440 |
| General and administrative expenses | 1,246 | 1,026 | 2,597 | 2,549 |
| Total expenses | 8,696 | 8,808 | 17,600 | 18,291 |
| Other income: | | | | |
| Gain on sales of investment properties, net | 6,124 | 1,102 | 6,124 | 2,450 |
| Other income | 260 | 365 | 523 | 685 |
| Total other income | 6,384 | 1,467 | 6,647 | 3,135 |
| Net income | \$ 22,216 | \$ 17,883 | \$ 38,267 | \$ 35,651 |
| Earnings per certificate – basic and diluted: | | | | |
| Net income per certificate - basic and diluted | \$ 0.30 | \$ 0.24 | \$ 0.51 | \$ 0.48 |
| Weighted average number of certificates outstanding – basic and diluted | 75,000,000 | 75,000,000 | 75,000,000 | 75,000,000 |

See accompanying notes to consolidated financial statements

COPPER PROPERTY CTL PASS THROUGH TRUST
Consolidated Statements of Equity
(Unaudited)
(in thousands, except certificate and per certificate amounts)

| Three Months Ended June 30, 2024 | Trust Certificates | Additional Paid-in Capital | Accumulated Distributions in Excess of Earnings | Total Equity |
|---|---------------------------|---|--|-------------------------|
| Balance as of April 1, 2024 | 75,000,000 | \$ 1,952,120 | \$ (866,909) | \$ 1,085,211 |
| Net income | — | — | 17,883 | 17,883 |
| Distributions paid to Certificateholders (\$0.52 per certificate) | — | — | (39,139) | (39,139) |
| Balance as of June 30, 2024 | 75,000,000 | \$ 1,952,120 | \$ (888,165) | \$ 1,063,955 |

| Three Months Ended June 30, 2025 | Trust Certificates | Additional Paid-in Capital | Accumulated Distributions in Excess of Earnings | Total Equity |
|---|---------------------------|---|--|-------------------------|
| Balance as of April 1, 2025 | 75,000,000 | \$ 1,952,120 | \$ (959,933) | \$ 992,187 |
| Net income | — | — | 22,216 | 22,216 |
| Distributions paid to Certificateholders (\$0.55 per certificate) | — | — | (40,895) | (40,895) |
| Balance as of June 30, 2025 | 75,000,000 | \$ 1,952,120 | \$ (978,612) | \$ 973,508 |

| Six Months Ended June 30, 2024 | Trust Certificates | Additional Paid-in Capital | Accumulated Distributions in Excess of Earnings | Total Equity |
|---|---------------------------|---|--|-------------------------|
| Balance as of January 1, 2024 | 75,000,000 | \$ 1,952,120 | \$ (858,298) | \$ 1,093,822 |
| Net income | — | — | 35,651 | 35,651 |
| Distributions paid to Certificateholders (\$0.87 per certificate) | — | — | (65,518) | (65,518) |
| Balance as of June 30, 2024 | 75,000,000 | \$ 1,952,120 | \$ (888,165) | \$ 1,063,955 |

| Six Months Ended June 30, 2025 | Trust Certificates | Additional Paid-in Capital | Accumulated Distributions in Excess of Earnings | Total Equity |
|--|---------------------------|---|--|-------------------------|
| Balance as of January 1, 2025 | 75,000,000 | \$ 1,952,120 | \$ (938,232) | \$ 1,013,888 |
| Net income | — | — | 38,267 | 38,267 |
| Distributions paid to Certificateholders (\$ 1.05 per certificate) | — | — | (78,647) | (78,647) |
| Balance as of June 30, 2025 | 75,000,000 | \$ 1,952,120 | \$ (978,612) | \$ 973,508 |

See accompanying notes to consolidated financial statements

COPPER PROPERTY CTL PASS THROUGH TRUST
Consolidated Statements of Cash Flows
(Unaudited)
(in thousands)

| | Six Months Ended June 30, | |
|---|----------------------------------|-------------------------|
| | 2025 | 2024 |
| Cash flows from operating activities: | | |
| Net income | \$ 38,267 | \$ 35,651 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 8,794 | 9,440 |
| Straight-line rental income, net | 1,100 | 1,151 |
| Amortization of above/below market leases, net | 1,463 | 1,143 |
| Gain on sales of investment of properties, net | (6,124) | (2,450) |
| Changes in assets and liabilities: | | |
| Changes in accounts receivable | 48 | — |
| Changes in other assets | (2,976) | (695) |
| Changes in right-of-use lease assets | 871 | 914 |
| Changes in accounts payable and accrued expenses | 198 | 329 |
| Changes in lease liabilities | 1 | 16 |
| Changes in other liabilities | (122) | (184) |
| Net cash provided by operating activities | <u>41,520</u> | <u>45,315</u> |
| Cash flows from investing activities: | | |
| Proceeds from sales of investment properties | 20,227 | 29,209 |
| Net cash provided by investing activities | <u>20,227</u> | <u>29,209</u> |
| Cash flows from financing activities: | | |
| Distributions paid to Certificateholders | (78,647) | (65,518) |
| Net cash used in financing activities | <u>(78,647)</u> | <u>(65,518)</u> |
| Net change in cash and cash equivalents | (16,900) | 9,006 |
| Cash and cash equivalents, at beginning of period | 51,886 | 38,026 |
| Cash and cash equivalents, at end of period | <u><u>\$ 34,986</u></u> | <u><u>\$ 47,032</u></u> |

See accompanying notes to consolidated financial statements

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

(1) ORGANIZATION

Overview

Copper Property CTL Pass Through Trust, a New York common law trust (the “Trust,” “we,” “our” or “us”) was formed on December 21, 2020, in connection with the reorganization of Old Copper Company, Inc. (f/k/a J. C. Penney Company, Inc.) (“Old Copper”), effective as of January 30, 2021 (the “Effective Date”) pursuant to the terms of the Amended Joint Chapter 11 Plan of Reorganization of Old Copper and certain of its subsidiaries (collectively, the “Debtors”) (the “Plan of Reorganization”).

On the Effective Date, through separate wholly-owned property holding companies (the “PropCos”), the Trust acquired 160 retail properties (the “Retail Properties”) and six distribution centers (the “Warehouses”) and, together with the Retail Properties, the “Properties”) all of which were leased under two Master Leases (as discussed in Note 3) to one or more subsidiaries of Copper Retail JV LLC (“OpCo Purchaser”) (collectively with its subsidiaries, “Penney Intermediate Holdings LLC”), an entity formed by and under the joint control of Simon Property Group, L.P. and Brookfield Asset Management Inc. Specifically, the PropCos include (i) CTL Propco I LLC, a Delaware limited liability company, CTL Propco I L.P., a Delaware limited partnership and CTL Propco PR I LLC and CTL Propco PR II LLC, Puerto Rico limited liability companies, which collectively own the fee simple or ground leasehold title (as applicable) to the Retail Properties and (ii) CTL Propco II LLC, a Delaware limited liability company and CTL Propco II L.P., a Delaware limited partnership, which collectively owned the fee simple title to the Warehouses. During 2021, the Trust sold all six Warehouses and in 2022, CTL Propco II LLC and CTL Propco II L.P. were dissolved.

The Trust’s operations consist solely of (i) owning the Properties and interests as lessee of land under non-cancellable ground leases, (ii) leasing the Properties under the terms of the Retail Master Lease to Penney Intermediate Holdings LLC as the sole tenant and (iii) subject to market conditions and the conditions set forth in the Trust Agreement (as defined below), selling the Properties to third-party purchasers through the PropCos.

As of June 30, 2025, the real estate portfolio consists of 119 Retail Properties, of which 20 are encumbered by ground leases, in the United States (the “U.S.”) across 35 states and Puerto Rico, and comprise 15.7 million square feet of leasable space.

Trust Agreement

The Amended and Restated Trust Agreement (as amended, the “Trust Agreement”) created a series of equity trust certificates designated as “Copper Property CTL Pass Through Certificates” (the “Trust Certificates”), 75,000,000 of which were issued on the Effective Date. Each Trust Certificate represents a fractional undivided beneficial interest in the Trust and represents the interests of the holders of the Trust Certificates (“Certificateholders”) in the Trust.

Subject to the following sentence, the Trust shall terminate no later than December 10, 2025. If upon this date, the Trust owns any Retail Properties, the Manager (defined below) may take action, with the consent of the majority of the Certificateholders, to (a) extend the Trust for a fixed period to facilitate the complete liquidation of the properties; or (b) to convert one or more PropCos to a real estate investment trust (or “REIT”) and take action to list the securities of such PropCos on an internationally-recognized stock exchange. The Trust had a Targeted Disposal Period ending on July 31, 2025 for the sale of all of its properties. Subsequent to June 30, 2025, on July 18, 2025, the Trust obtained written consent by holders of a majority of the Trust’s total interests, approving an amendment to the Trust’s Trust Agreement to extend the Targeted Disposal Period contained in the Trust Agreement to January 30, 2026 and to change a provision relating to the information policy of the Trust. The Amendment was entered into on July 18, 2025, but will not be effective until August 18, 2025. Subsequent to June 30, 2025, on July 23, 2025, the Trust, through its subsidiaries, entered into an amendment that made its purchase and sale agreement (as amended, the “Agreement”) with an unrelated third party (“Buyer”) binding for the sale of all remaining Retail Properties for a price of \$947 million. As of July 25, 2025, the Buyer had completed its due diligence and paid a non-refundable

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

deposit. The Trust expects the transaction to close during the second half of 2025, subject to customary real estate closing conditions. The Agreement provides certain limited termination rights on a property-by-property basis in connection with purchase rights in favor of ground lessors or purchase rights pursuant to reciprocal easement agreements, certain title defects, casualty events, or condemnation proceedings. Due to the various conditions to closing, the Trust cannot make any assurances that the disposition of the Properties is certain.

GLAS Trust Company, LLC serves as the Trust's independent third-party trustee (the "Trustee") pursuant to the terms of the Trust Agreement, performs trust administration duties, including treasury management and certificate administration, and earns trustee fees. The Trust pays the Trustee an annual service fee of \$100, which is amortized monthly. For both the three and six months ended June 30, 2025 and 2024, the Trust incurred trustee fees of \$25 and \$50, respectively.

Management Agreement

The Trust has retained Hilco JCP LLC, an affiliate of Hilco Real Estate LLC, as its independent third-party manager to perform asset management duties with respect to the Properties (together with any of its affiliates, replacement or successor, the "Manager") pursuant to an agreement with an initial term of 24 months, with automatic six month renewals until the termination of the Trust. The Trust pays the Manager a base management fee (the "Base Fee") and a fee for each property sold (the "Asset Management Fee"). The Base Fee is an amount equal to the greater of 5.75% of the lease payments of the Properties per month and \$333 per month. The Asset Management Fee consists of a success fee for each Retail Property sold which varies based on the sales proceeds and date sold.

The Trust incurred Base Fees of \$2,859 and \$2,935 for the six months ended June 30, 2025 and 2024, respectively, and \$1,425 and \$1,458 for the three months ended June 30, 2025 and 2024, respectively, which are included in "Operating expenses" on the accompanying consolidated statements of operations, of which \$471 and \$484 as of June 30, 2025 and 2024, respectively, were included in "Accounts payable and accrued expenses" on the accompanying consolidated balance sheets.

For the three months ended June 30, 2025 and 2024, the Trust incurred Asset Management Fees of \$0 and \$67, respectively, and for the six months ended June 30, 2025 and 2024, the Trust incurred Asset Management Fees of \$30 and \$155, respectively, which are included in "Gain on sales of investment properties, net" on the accompanying consolidated statements of operations.

(2) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying consolidated financial statements include the accounts of the Trust, as well as all wholly owned subsidiaries of the Trust. All intercompany balances and transactions have been eliminated in consolidation.

The accompanying unaudited interim consolidated financial statements include the quarterly periods ended June 30, 2025 and 2024 (the "Reporting Periods") and have been prepared in accordance with accounting principles generally accepted in the United States ("GAAP") for interim financial information and the rules and regulations of the SEC. Accordingly, certain information and footnote disclosures required by GAAP for complete financial statements have been omitted in accordance with such rules and regulations. The information presented in the accompanying consolidated financial statements is unaudited and reflects all adjustments which are, in the opinion of management, necessary to reflect a fair statement of the results for the interim periods presented, and all such adjustments are of a normal recurring nature. Amounts as of December 31, 2024 included in the consolidated financial statements have been derived from the audited consolidated financial statements as of that date but do not include all annual disclosures required by GAAP. These consolidated financial statements should be read in conjunction with the Trust's Annual Report on Form 10-K, as amended, for the year ended December 31, 2024 (the "10-K"), as certain disclosures in this Quarterly Report on Form 10-Q that would duplicate those included in the 10-K are not included.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)

(in thousands, except certificate and per certificate amounts)

in these consolidated financial statements. Operating results for the three and six months ended June 30, 2025 are not necessarily indicative of the results that may be expected for the year ended December 31, 2025.

Segment Reporting

The Trust's investment properties are considered one operating segment because (i) the properties have similar economic characteristics, (ii) the Trust provides similar services to its tenants and (iii) the Trust's chief operating decision makers (the "CODM") evaluate the collective performance of its properties.

The Trust's CODM are its Principal Executive Officer and Principal Financial Officer. The CODM assess and measure the operating results of the Trust's portfolio of properties and allocates resources based on net income, which is presented in the accompanying consolidated statements of operations.

The CODM also assess the performance of the segment based on funds from operations ("FFO") and net operating income ("NOI"). FFO is calculated in accordance with the standards established by the National Association of Real Estate Investment Trusts. FFO represents GAAP net income (loss), excluding (i) depreciation and amortization related to real estate, (ii) gains (or losses) from sales of real estate assets and (iii) provisions for impairment of investment properties. NOI is defined as all revenues other than (i) straight-line rental income (non-cash), (ii) amortization of above and below market lease intangibles, (iii) interest income and (iv) non-cash ground lease reimbursement income, less all operating expenses other than non-cash ground rent expense, which is comprised of amortization of right-of-use lease assets and amortization of lease liabilities, depreciation and amortization and formation expenses.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

(3) INVESTMENT PROPERTIES

As of June 30, 2025, the Trust's real estate portfolio consisted of 119 Retail Properties across 35 U.S. states and Puerto Rico.

The following table presents the amortization during the next five years and thereafter related to the lease intangible assets and liabilities for properties owned as of June 30, 2025:

| | Period from July 1 to December 31, 2025 | 2026 | 2027 | 2028 | 2029 | Thereafter | Total |
|---------------------------------------|--|------------------|------------------|------------------|------------------|-------------------|-------------------|
| Amortization of: | | | | | | | |
| Above market lease intangibles (a) | \$ 3,667 | \$ 7,333 | \$ 7,333 | \$ 7,333 | \$ 7,333 | \$ 80,663 | \$ 113,662 |
| In-place lease intangibles (a) | 2,179 | 4,358 | 4,358 | 4,358 | 4,358 | 47,931 | 67,542 |
| Lease intangible assets, net (b) | <u>\$ 5,846</u> | <u>\$ 11,691</u> | <u>\$ 11,691</u> | <u>\$ 11,691</u> | <u>\$ 11,691</u> | <u>\$ 128,594</u> | <u>\$ 181,204</u> |
| Below market lease intangibles (a) | \$ 2,206 | \$ 4,412 | \$ 4,412 | \$ 4,412 | \$ 4,412 | \$ 48,537 | \$ 68,391 |
| Lease intangible liabilities, net (b) | <u>\$ 2,206</u> | <u>\$ 4,412</u> | <u>\$ 4,412</u> | <u>\$ 4,412</u> | <u>\$ 4,412</u> | <u>\$ 48,537</u> | <u>\$ 68,391</u> |

- (a) Represents the portion of the leases in which the Trust is the lessor. The amortization of above market lease intangibles is recorded as a reduction to lease income, and the amortization of below market lease intangibles is recorded as an increase to lease income. The amortization of in-place lease intangibles is recorded to depreciation and amortization expense.
- (b) As of June 30, 2025, lease intangible assets, net and lease intangible liabilities, net are presented net of \$51,633 and \$19,488 of accumulated amortization, respectively. As of December 31, 2024, lease intangible assets, net and lease intangible liabilities, net are presented net of \$46,819 and \$17,920 of accumulated amortization, respectively.

As of June 30, 2025 and December 31, 2024, the weighted average amortization period for lease intangible assets and lease intangible liabilities was 5.5 years and 16.0 years, respectively.

Amortization for the three and six months ended June 30, 2025 and 2024 were as follows:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--------------------------------|-----------------------------|----------|---------------------------|----------|
| | 2025 | 2024 | 2025 | 2024 |
| Amortization of: | | | | |
| In-place lease intangibles | \$ 1,089 | \$ 1,173 | \$ 2,199 | \$ 2,362 |
| Above market lease intangibles | 1,833 | 1,888 | 3,705 | 3,798 |
| Below market lease intangibles | 1,102 | 1,306 | 2,242 | 2,655 |

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

Dispositions

The following table summarizes the disposition activity during the six months ended June 30, 2025:

| Sale Date | Location | Property Type | Ownership | Square Footage | Gross Sales Proceeds | Aggregate Proceeds, Net | Gain (Loss) |
|-----------|----------------|---------------|------------------|----------------|----------------------|-------------------------|-----------------|
| 5/23/25 | Miami, FL | Retail | Ground Leasehold | 191 | \$ 15,576 | \$ 15,147 | \$ 6,234 |
| 5/23/25 | Pittsburgh, PA | Retail | Fee Simple | 182 | 5,260 | 5,080 | (110) |
| | | | | 373 | \$ 20,836 | \$ 20,227 | \$ 6,124 |

The following table summarizes the disposition activity during the six months ended June 30, 2024:

| Sale Date | Location | Property Type | Ownership | Square Footage | Gross Sales Proceeds | Aggregate Proceeds, Net | Gain |
|-----------|-----------------------------|---------------|------------|----------------|----------------------|-------------------------|-----------------|
| 3/15/24 | Transnational Portfolio (1) | Retail | Fee Simple | 302 | \$ 16,459 | \$ 16,096 | \$ 1,497 |
| 6/10/24 | Roseville, CA | Retail | Fee Simple | 167 | 13,364 | 13,113 | 1,029 |
| | | | | 469 | \$ 29,823 | \$ 29,209 | \$ 2,526 |

(1) Portfolio comprised of three Retail Properties located in Newnan, GA, Aurora, CO and Kissimmee, FL.

During the six months ended June 30, 2024, net gain on sales of investment properties was \$2,450, which includes (i) \$154 of selling expenses from prior period dispositions, (ii) a gain of \$78 in proceeds released from escrow due to a disposition that occurred in December 2022 and (iii) a gain of \$2,526 from the disposition of Retail Properties as noted in the table above.

The dispositions completed during the six months ended June 30, 2025 and 2024 did not qualify for discontinued operations treatment and are not considered individually significant.

Held for Sale

As of June 30, 2025 and December 31, 2024, there were no properties classified as held for sale.

Impairment of Investment Properties

For the six months ended June 30, 2025 and 2024, no impairment charges were recorded.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

(4) LEASES

Leases as Lessor

The Retail Properties are leased pursuant to a single retail master lease (as amended, modified or supplemented from time to time, the "Retail Master Lease") and the Warehouses were leased pursuant to a single distribution center master lease (as amended, modified or supplemented from time to time, the "DC Master Lease"; together with the Retail Master Lease, the "Master Leases" and individually, each a "Master Lease"). On the Effective Date, Penney Intermediate Holdings LLC assigned all of its right, title and interest as lessor under the Master Leases to the applicable PropCo. Each of the Master Leases has an initial term of 20 years that commenced on December 7, 2020 and is classified as an operating lease. Upon the sale of the Warehouses in December 2021, the Trust assigned all of its right, title and interest as lessor in the DC Master Lease to the purchaser. The Trust receives monthly base rent pursuant to the Master Leases, which was 50% abated through December 31, 2021 for each of the Retail Properties. At the beginning of the third lease year, base rent under the Retail Master Lease increases annually based on changes in the consumer price index (subject to a maximum 2% increase per year).

The Master Lease requires direct payment of all operating expenses, real estate taxes, ground lease payments (where applicable), capital expenditures and common area maintenance costs by Penney Intermediate Holdings LLC and allows for lessor reimbursement if amounts are not directly paid. Expenses paid directly by Penney Intermediate Holdings LLC are not included in the accompanying consolidated statements of operations, except for ground lease payments made by Penney Intermediate Holdings LLC, since recording cash payments made by Penney Intermediate Holdings LLC is necessary to relieve amounts due to the ground lessor included in the ground lease liabilities. Ground lease payments made by Penney Intermediate Holdings LLC of \$2,054 and \$2,062 for the six months ended June 30, 2025 and 2024, respectively, were paid directly to the ground lessor by Penney Intermediate Holdings LLC and were included in "Lease income" in the accompanying consolidated statements of operations.

As of June 30, 2025, lease payments of \$8,185 received in advance under the terms of the Master Leases are included in "Other liabilities" in the accompanying consolidated balance sheet and will be recognized as lease income in July 2025. As of December 31, 2024, lease payments of \$8,316 received in advance under the terms of the Master Leases are included in "Other liabilities" in the accompanying consolidated balance sheet and were recognized as lease income in January 2025. The Trust records all changes in uncollectible lease income as an adjustment to "Lease income" in the accompanying consolidated statements of operations. During the Reporting Periods, there was no uncollectible lease income.

In certain municipalities, the Trust is required to remit sales and use taxes to governmental authorities based upon the rental income received from Properties. These taxes are required to be reimbursed by Penney Intermediate Holdings LLC to the Trust in accordance with the terms of the Master Lease, and are presented net of reimbursement from Penney Intermediate Holdings LLC on the consolidated statements of operations. During the six months ended June 30, 2025 and 2024, the Trust remitted sales and use taxes of \$177 and \$301, respectively, which were fully reimbursed by Penney Intermediate Holdings LLC as of the end of each corresponding Reporting Period.

From time to time, the Trust may have leasing activity with replacement tenants other than Penney Intermediate Holdings LLC but has had none to date.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

The disaggregation of the Trust's lease income as either fixed or variable lease income based on the criteria specified in Financial Accounting Standards Board ("FASB") Accounting Standard Codification ("ASC") Topic 842 is as follows:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|--|-----------------------------|------------------|---------------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Fixed lease income | \$ 23,818 | \$ 24,854 | \$ 47,798 | \$ 50,038 |
| Variable lease income (a) | 962 | 497 | 1,931 | 1,001 |
| Straight-line rental income, net (b) | (548) | (572) | (1,100) | (1,151) |
| Ground lease reimbursement income (c) | 1,027 | 1,027 | 2,054 | 2,062 |
| Other | | | | |
| Amortization of above and below market lease intangibles (d) | (731) | (582) | (1,463) | (1,143) |
| Lease income | <u>\$ 24,528 (e)</u> | <u>\$ 25,224</u> | <u>\$ 49,220</u> | <u>\$ 50,807</u> |

- (a) Variable lease income consists of lease payments based on either an index or a rate.
- (b) Represents the impact of straight-line rent (contractual rent exceeds straight-line rent).
- (c) Ground lease reimbursement income consists of lease payments due from the tenant for land leased under non-cancellable operating leases.
- (d) Represents above and below market lease amortization recognized straight-line over the lease term.

As of June 30, 2025, undiscounted lease payments to be received under operating leases, excluding amounts resulting from CPI adjustments, for the next five years and thereafter are as follows:

| | Lease Payments |
|---|---------------------|
| Period from July 1 to December 31, 2025 | \$ 47,205 |
| 2026 | 94,410 |
| 2027 | 94,410 |
| 2028 | 94,410 |
| 2029 | 94,410 |
| Thereafter | 1,038,513 |
| Total | <u>\$ 1,463,358</u> |

The weighted average remaining lease term was approximately 15.5 years as of June 30, 2025.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

Leases as Lessee

The Trust was originally assigned an interest as lessee of land under 23 non-cancellable ground leases with third party landlords which were classified as operating leases on the Effective Date. During the three months ended June 30, 2025, the Trust sold one Retail Property which was subject to a ground lease, and upon sale, the Trust assigned its interest as lessee of land. As of June 30, 2025, the Trust held an interest as lessee of land under 20 non-cancellable ground leases. The Trust leases land under operating ground leases at certain of its Properties, which expire in various years from 2038 to 2096, including any available option periods that are reasonably certain to be exercised. All option terms were considered to be reasonably certain of being exercised through the initial term of the Master Lease as of June 30, 2025.

The components of ground lease rent expense, which are included within “Operating expenses” in the accompanying consolidated statements of operations for the three and six months ended June 30, 2025 and 2024, were as follows:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---------------------------------------|-----------------------------|-----------------|---------------------------|-----------------|
| | 2025 | 2024 | 2025 | 2024 |
| Amortization of: | | | | |
| Above market ground lease intangibles | \$ (160) | \$ (160) | \$ (320) | \$ (320) |
| Below market ground lease intangibles | 318 | 365 | 677 | 730 |
| Right-of-use assets | 250 | 252 | 502 | 504 |
| Interest expense | 1,040 | 1,038 | 2,079 | 2,077 |
| Ground lease rent expense | <u>\$ 1,448</u> | <u>\$ 1,495</u> | <u>\$ 2,938</u> | <u>\$ 2,991</u> |

There were no cash payments for ground lease rent expense as these payments are made by the tenant.

As of June 30, 2025, undiscounted future rental obligations to be paid under the long-term ground leases by Penney Intermediate Holdings LLC under the terms of the Master Lease on behalf of the Trust, including fixed rental increases for the next five years and thereafter, are as follows:

| | Lease Obligations |
|---|-------------------|
| Period from July 1 to December 31, 2025 | \$ 2,061 |
| 2026 | 4,136 |
| 2027 | 4,195 |
| 2028 | 4,255 |
| 2029 | 4,334 |
| Thereafter | 211,543 |
| Less imputed interest | (192,716) |
| Lease liabilities as of June 30, 2025 | <u>\$ 37,808</u> |

The Trust’s long-term ground leases had a weighted average remaining lease term of 42.1 years and a weighted average discount rate of 11.0% as of June 30, 2025.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

(5) COMMITMENTS AND CONTINGENCIES

Master Leases

Landlord Option Properties: On the Effective Date, the Retail Master Lease provided the Trust an option on 23 of the Retail Properties allowing current or future landlords to terminate the Retail Master Lease as to that property upon 24 months' prior written notice. This option is limited (for the Trust, but not for future landlords) to eight Retail Properties in any lease year. During the six months ended June 30, 2025, no Retail Properties with landlord termination options were sold, and as of June 30, 2025, the Trust had sold 17 Landlord Option Properties, and there were six remaining Landlord Option Properties.

Tenant Option Properties: On the Effective Date, the Retail Master Lease provided Penney Intermediate Holdings LLC an option to terminate the Retail Master Lease upon 24 months' prior written notice as to all or a portion of any one or more of six specified properties. This option is limited to no more than five Properties in any lease year. During the six months ended June 30, 2025, no Retail Properties with tenant termination options were sold, and as of June 30, 2025, the Trust had sold five Tenant Option Properties, and there was one remaining Tenant Option Property.

Substitution Options and Go Dark Rights: The Retail Master Lease provides Penney Intermediate Holdings LLC an option to terminate the Retail Master Lease with respect to selected sub-performing properties upon replacement of such sub-performing properties with qualified replacement properties in accordance with the terms and conditions of the Retail Master Lease. Notwithstanding the foregoing, Penney Intermediate Holdings LLC shall only be entitled to exercise a substitution option (i) between the third and 15th anniversary of the commencement date of the Retail Master Lease and (ii) if the aggregate allocated base rent amounts for all Go Dark/Substitution Properties (as defined in the Retail Master Lease) during the applicable period (as described in the Retail Master Lease) is less than or equal to 15% of the aggregate first year's base rent. The Retail Master Lease also provides Penney Intermediate Holdings LLC with the limited right to "go dark" (i.e., cease operations) at one or more Retail Properties in certain limited circumstances as set forth in the Retail Master Lease; provided that such right does not relieve Penney Intermediate Holdings LLC of its obligation to make any rent payments that are due and owing. As of June 30, 2025, Penney Intermediate Holdings LLC has not ceased operations at any of the Retail Properties.

Tenant Purchase Rights: On the Effective Date, the Master Leases contained preferential offer rights in favor of Penney Intermediate Holdings LLC with respect to 70 of the Retail Properties and each of the Warehouses (the "Tenant Purchase Rights"), which enable Penney Intermediate Holdings LLC, in connection with a potential sale of such Properties, to acquire such Properties for a price determined in accordance with the procedures set forth in the Master Leases. These Tenant Purchase Rights require the Trust to reoffer a property to the tenant in the event it is not sold within a specified period of time at a specified minimum price related to the preferential purchase price. As of June 30, 2025, 23 of these Retail Properties, of which five were purchased by an affiliate of the tenant, and all of the Warehouses, of which none were purchased by the tenant, have been sold. During the six months ended June 30, 2025, Penney Intermediate Holdings LLC exercised its right of first offer to purchase Retail Properties located in Pittsburgh, PA and Miami, FL, and both properties were sold in May 2025.

Lockout Periods: The Trust agreed not to deliver notice to Penney Intermediate Holdings LLC formally commencing the sales process at those Properties subject to the Tenant Purchase Rights prior to the dates specified in the applicable Master Lease for such Properties. All lockout periods with respect to the Tenant Purchase Rights for the 70 Retail Properties have expired.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

Environmental Matters

Federal law (and the laws of some states in which we own or may acquire properties) imposes liability on a landowner for the presence on the premises of hazardous substances or wastes (as defined by present and future federal and state laws and regulations). This liability is without regard to fault or knowledge of the presence of such substances and may be imposed jointly and severally upon all succeeding landowners. If such hazardous substance is discovered on a property owned by us, we could incur liability for the removal of the substances and the cleanup of the property.

There can be no assurance that we would have effective remedies against prior owners of the property. In addition, we may be liable to current or future tenants and may find it difficult or impossible to sell the property either prior to or following such a cleanup. There are no environmental matters that are expected to have a material effect on the Trust's consolidated financial statements.

Risk of Uninsured Property Losses

The Trust maintains property damage, fire loss, environmental, and liability insurance in addition to the insurance required to be maintained by the tenant pursuant to the Master Leases. However, there are certain types of losses (generally of a catastrophic nature) which may be either uninsurable or not economically insurable. Such excluded risks may include war, earthquakes, tornados, floods and certain other environmental hazards. Should such events occur, (i) we may suffer a loss of capital invested, (ii) tenant may suffer losses and may be unable to pay rent for the spaces, and (iii) we may suffer a loss of profits which might be anticipated from one or more properties.

Significant Risks and Uncertainties

Although disruptions stemming from the COVID-19 pandemic have subsided, inflation, fluctuations in interest rates, reduced consumer spending, labor shortages, supply chain disruptions, tariff policy uncertainty and global capital markets volatility pose increasing risks to the Company and the U.S. economy. The ongoing and potential future impacts of changes in trade relationships and tariff policies, as well as global conflicts, such as between Russia and Ukraine and in the Middle East, among others are also contributing to economic and geopolitical uncertainty. While we did not incur any disruptions to our lease income and occupancy during the six months ended June 30, 2025, as a result of these adverse political and economic conditions, credit markets or other events, we continue to closely monitor the impact of these factors as they may have a negative impact on our or Penney Intermediate Holdings LLC's business.

Concentration of Credit Risk

As of June 30, 2025, all of the Properties were leased to Penney Intermediate Holdings LLC, and all of the Trust's lease income was derived from the Master Leases (see Note 3). The Properties' tenants constitute a significant asset concentration, as all tenants are subsidiaries of Penney Intermediate Holdings LLC, and Penney Intermediate Holdings LLC provides financial guarantees with respect to the Master Leases. Until the Trust materially diversifies the composition of tenants for its properties, an event that has a material adverse effect on Penney Intermediate Holdings LLC's business, financial condition or results of operations could have a material adverse effect on the Trust's business, financial condition or results of operations.

As of June 30, 2025, the Trust's properties are located across 35 U.S. states and Puerto Rico. For the six months ended June 30, 2025, the Trust's lease income was concentrated in two states as follows: California 18.4% and Texas 13.9%. For the six months ended June 30, 2024, the Trust's lease income was concentrated in two states as follows: California 18.9% and Texas 13.1%.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

Litigation

From time to time, the Trust may be subject to various legal proceedings and claims that arise in the ordinary course of business. There are no current legal matters that are expected to have a material effect on the Trust's consolidated financial statements.

Income Taxes

As of June 30, 2025 and December 31, 2024, there were no uncertain tax positions and the balance of unrecognized tax benefits was \$0.

(6) FAIR VALUE MEASUREMENTS

Fair Value Hierarchy

A fair value measurement is based on the assumptions that market participants would use in pricing an asset or liability in an orderly transaction. The hierarchy for inputs used in measuring fair value are as follows:

- Level 1: Quoted prices in active markets for identical securities.
- Level 2: Prices determined using other significant observable inputs. Observable inputs that other market participants would use in pricing a security, including quoted prices for similar securities.
- Level 3: Prices determined using significant unobservable inputs. Unobservable inputs reflect the Trust's own assumptions about the factors market participants would use in pricing an investment, and would be based on the best information available in the circumstances.

When inputs used to measure fair value fall within different levels of the hierarchy, 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. The fair values of cash and cash equivalents, accounts receivable, accounts payable and accrued expenses, to the extent the underlying liability will be settled in cash, approximate their carrying values because of the short-term nature of these instruments.

Recurring Fair Value Measurements

As of June 30, 2025 and December 31, 2024, the Trust did not hold any assets or liabilities that are measured at fair value on a recurring basis.

Nonrecurring Fair Value Measurements

For the six months ended June 30, 2025 and 2024, the Trust did not remeasure any assets to fair value on a nonrecurring basis, and no impairment charges were recorded.

COPPER PROPERTY CTL PASS THROUGH TRUST
Notes to Consolidated Financial Statements
(Unaudited)
(in thousands, except certificate and per certificate amounts)

(7) SUBSEQUENT EVENTS

Subsequent to June 30, 2025, we paid monthly distributions to Certificateholders of \$6,889 or \$0.09 per certificate in July 2025. On August 7, 2025, we announced a distribution of \$7,054 or \$0.09 per certificate to be paid on August 11, 2025 to Certificateholders.

On July 18, 2025, the Trust obtained written consent by holders of a majority of the Trust's total interests, approving an amendment to the Trust's Trust Agreement to extend the Targeted Disposal Period contained in the Trust Agreement to January 30, 2026 and to change a provision relating to the information policy of the Trust. The Amendment was entered into on July 18, 2025, but will not be effective until August 18, 2025. On July 23, 2025, the Trust, through its subsidiaries, entered into the Agreement with the Buyer binding for the sale of all remaining Retail Properties for a price of \$947 million. As of July 25, 2025, the Buyer had completed its due diligence and paid a non-refundable deposit. The Trust expects the transaction to close during the second half of 2025, subject to customary real estate closing conditions. The Agreement provides certain limited termination rights on a property-by-property basis in connection with purchase rights in favor of ground lessors or purchase rights pursuant to reciprocal easement agreements, certain title defects, casualty events, or condemnation proceedings. Due to the various conditions to closing, the Trust cannot make any assurances that the disposition of the Properties is certain.

All dollar and square foot amounts in this Form 10-Q in Item 2 are stated in thousands with the exception of per share, per square foot and per unit amounts

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Certain statements in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Quarterly Report on Form 10-Q may constitute "forward-looking statements" within the meaning of the safe harbor from civil liability provided for such statements by the Private Securities Litigation Reform Act of 1995 (set forth in Section 27A of the Securities Act of 1933, as amended, or the Securities Act, and Section 21E of the Securities Exchange Act of 1934, as amended, or the Exchange Act). Forward-looking statements involve numerous risks and uncertainties and you should not rely on them as predictions of future events. Forward-looking statements depend on assumptions, data or methods which may be incorrect or imprecise and we may not be able to realize them. We do not guarantee that the transactions and events described will happen as described or that they will happen at all. You can identify forward-looking statements by the use of forward-looking terminology such as "believes," "expects," "may," "should," "intends," "plans," "estimates" or "anticipates" and variations of such words or similar expressions or the negative of such words. You can also identify forward-looking statements by discussions of strategies, plans or intentions. Risks, uncertainties and changes in the following factors, among others, could cause actual results and future events to differ materially from those set forth or contemplated in the forward-looking statements:

- economic, business and financial conditions, and changes in our industry and changes in the real estate markets in particular;
- economic and other developments in markets where we have a high concentration of properties;
- our business strategy;
- our projected operating results;
- rental rates and/or vacancy rates;
- material deterioration in operating performance or credit of Penney Intermediate Holdings LLC;
- frequency and magnitude of defaults on, early terminations of or non-renewal of leases by tenant;
- bankruptcy, insolvency or general downturn in the business of Penney Intermediate Holdings LLC;
- adverse impact of e-commerce developments and shifting consumer retail behavior on our tenant;
- interest rates or operating costs;
- real estate and zoning laws and changes in real property tax rates;
- real estate valuations;
- our ability to generate sufficient cash flows to make distributions to our Certificateholders;
- our ability to obtain necessary outside financing;
- the availability, terms and deployment of capital;
- general volatility of the capital and credit markets and the market price of our Certificates;
- risks generally associated with real estate dispositions, including our ability to identify and pursue disposition opportunities;
- composition of members of our executive officers;
- the ability of the Manager, Trustee or other service providers to attract and retain qualified personnel;
- governmental regulations, tariffs, tax laws and rates and similar matters;
- our compliance with laws, rules and regulations;
- environmental uncertainties and exposure to natural disasters;
- pandemics or other public health crises and the related impact on (i) our ability to manage our properties, finance our operations and perform necessary administrative and reporting functions and (ii) our tenant's ability to operate their businesses, generate sales and meet their financial obligations, including the obligation to pay rent, capital expenditures and other charges as specified in their leases;
- geopolitical events, such as the conflicts in Ukraine and the Middle East, among others, government responses to such events and the related impact on the economy both nationally and internationally;
- insurance coverage; and

- the likelihood or actual occurrence of terrorist attacks in the U.S.

For a further discussion of these and other factors that could impact our future results, performance or transactions, see Part I, Item 1A of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2024. Readers should not place undue reliance on any forward-looking statements, which are based only on information currently available to us (or to third parties making the forward-looking statements). We undertake no obligation to publicly release any revisions to such forward-looking statements to reflect events or circumstances after the date of this Quarterly Report on Form 10-Q, except as required by applicable law.

The following discussion and analysis should be read in conjunction with our consolidated financial statements and the related notes included in this report.

Principal External Factors that Affect our Results of Operations

Inflation Risk, Tariffs and Economic Conditions

While the disruptions caused by the COVID-19 pandemic have largely subsided, the Trust and the broader U.S. economy continue to face risks from persistent inflation, interest rate uncertainty, reduced consumer spending, labor shortages, supply chain disruptions, the imposition of tariffs and volatility in the global capital markets. Ongoing and potential future impacts of global conflicts, such as between Russia and Ukraine and in the Middle East, among others, as well as evolving governmental policies, particularly the imposition of tariffs are also contributing to heightened economic and geopolitical uncertainty. The recent broadening of international tariffs has already led to increased market volatility and may continue to affect economic conditions in the future. Downturns in the global economy and the increased tariffs could cause a decline in the demand for our tenant's products and our properties. Our operations could also be impacted by inflation and changes in interest rates. Inflation did not have a material effect on our business, financial condition or results of operations for the three and six months ended June 30, 2025 and 2024.

While we did not incur any disruptions to our lease income and occupancy during the six months ended June 30, 2025 and 2024 as a result of these adverse political and economic conditions, credit markets or other events, any of these events could materially adversely impact the Trust or Penney Intermediate Holdings LLC's business. The Trust continues to closely monitor economic, financial and social conditions, including the effects of inflation.

Climate Change and ESG Regulations

Our Properties are subject to comprehensive and frequently evolving federal, state and local environmental and occupational health and safety laws. We have made, and will continue to make, capital and other expenditures to comply with environmental requirements. While we do not currently anticipate any material adverse effect on our business, financial condition or competitive position as a result of our efforts to comply with such requirements, new or more stringent laws or regulations regarding environmental and worker health and safety laws could affect our operations and increase our operational and compliance expenditures. It is also possible that liabilities from newly-discovered non-compliance or contamination could have a material adverse effect on our business, financial condition and results of operations.

Executive Summary

Copper Property CTL Pass Through Trust exists for the sole purpose of collecting rent, holding, administering, distributing and monetizing the Properties for the benefit of Certificateholders. As of June 30, 2025, we owned 119 retail operating properties, 20 of which are encumbered by ground leases, across 35 U.S. states and Puerto Rico representing 15.7 million square feet of leasable space. There were two retail operating property dispositions during the six months ended June 30, 2025.

The following table summarizes our portfolio as of June 30, 2025:

| Retail Properties | | | | | | | | |
|-------------------------|-----------------|--------------|------------|----------------------------|---|-------------------------------|---|-------------------------------|
| State | # of Properties | | | Square Feet (Buildings) | Lease income for the six months ended June 30, 2025 | Lease income as % of total | Lease income for the six months ended June 30, 2024 | Lease income as % of total |
| | Fee Owned | Ground Lease | Total | | | | | |
| CA | 15 | 4 | 19 | 2,791 | 9,072 | 18.7 % | 8,889 | 18.6 % |
| TX | 17 | 4 | 21 | 2,147 | 6,817 | 14.0 % | 6,669 | 14.0 % |
| FL | 6 | — | 6 | 848 | 3,120 | 6.4 % | 3,049 | 6.4 % |
| NJ | 4 | — | 4 | 702 | 2,283 | 4.7 % | 2,251 | 4.7 % |
| NY | 1 | 2 | 3 | 469 | 2,234 | 4.6 % | 2,218 | 4.7 % |
| IL | 5 | — | 5 | 846 | 2,125 | 4.4 % | 2,080 | 4.4 % |
| WA | 2 | 1 | 3 | 506 | 1,836 | 3.8 % | 1,800 | 3.8 % |
| NV | 2 | 1 | 3 | 438 | 1,789 | 3.7 % | 1,749 | 3.7 % |
| MI | 6 | — | 6 | 863 | 1,772 | 3.6 % | 1,734 | 3.6 % |
| AZ | 4 | — | 4 | 492 | 1,770 | 3.6 % | 1,734 | 3.6 % |
| OH | 5 | — | 5 | 645 | 1,599 | 3.3 % | 1,563 | 3.3 % |
| PA | 3 | — | 3 | 373 | 1,256 | 2.6 % | 1,229 | 2.6 % |
| KY | 1 | 1 | 2 | 251 | 960 | 2.0 % | 941 | 2.0 % |
| NM | 2 | — | 2 | 266 | 957 | 2.0 % | 936 | 2.0 % |
| CO | 1 | 1 | 2 | 263 | 897 | 1.8 % | 885 | 1.9 % |
| Other | 25 | 6 | 31 | 3,781 | 10,132 | 20.8 % | 9,937 | 20.7 % |
| Total Retail | 99 | 20 | 119 | 15,681 | \$ 48,619 (a) | 100 % | \$ 47,664 (a) | 100 % |

(a) For the six months ended June 30, 2025 and 2024, lease income recognized from the portfolio as of June 30, 2025 consists of the following:

| | Six Months Ended June 30, | |
|--|---------------------------|------------------|
| | 2025 | 2024 |
| Base rent | \$ 49,112 | \$ 48,149 |
| Straight-line rental income | (1,086) | (1,086) |
| Amortization of above and below market lease | (1,460) | (1,460) |
| Ground lease reimbursement income | 2,053 | 2,061 |
| Lease income | <u>\$ 48,619</u> | <u>\$ 47,664</u> |

Company Highlights — Six Months Ended June 30, 2025

Acquisitions

We had no acquisition activity during the six months ended June 30, 2025 and 2024.

Dispositions

The following table summarizes the disposition activity during the six months ended June 30, 2025:

| Sale Date | Location | Property Type | Ownership | Square Footage | Gross Sales Proceeds | Aggregate Proceeds, Net | Gain (Loss) |
|-----------|----------------|---------------|------------------|----------------|----------------------|-------------------------|-----------------|
| 5/23/25 | Miami, FL | Retail | Ground Leasehold | 191 | \$ 15,576 | \$ 15,147 | \$ 6,234 |
| 5/23/25 | Pittsburgh, PA | Retail | Fee Simple | 182 | 5,260 | 5,080 | (110) |
| | | | | <u>373</u> | <u>\$ 20,836</u> | <u>\$ 20,227</u> | <u>\$ 6,124</u> |

For the six months ended June 30, 2025, net gain on sales of investment properties was \$6,124.

The following table summarizes the disposition activity during the six months ended June 30, 2024:

| Sale Date | Location | Property Type | Ownership | Square Footage | Gross Sales Proceeds | Aggregate Proceeds, Net | Gain |
|-----------|-----------------------------|---------------|------------|----------------|----------------------|-------------------------|-----------------|
| 3/15/24 | Transnational Portfolio (1) | Retail | Fee Simple | 302 | \$ 16,459 | \$ 16,096 | \$ 1,497 |
| 6/10/24 | Roseville, CA | Retail | Fee Simple | 167 | 13,364 | 13,113 | 1,029 |
| | | | | <u>469</u> | <u>\$ 29,823</u> | <u>\$ 29,209</u> | <u>\$ 2,526</u> |

(1) Portfolio comprised of three Retail Properties located in Newnan, GA, Aurora, CO and Kissimmee, FL.

During the six months ended June 30, 2024, net gain on sales of investment properties was \$2,450, which includes (i) \$154 of selling expenses from prior period dispositions, (ii) a gain of \$78 in proceeds released from escrow due to a disposition that occurred in December 2022 and (iii) a gain of \$2,526 from the disposition of Retail Properties as noted in the table above.

Leasing Activity

There was no leasing activity during the six months ended June 30, 2025 and 2024.

Capital Markets

There was no capital markets activity during the six months ended June 30, 2025 and 2024.

Distributions

We paid distributions to the Certificateholders of \$78,647 or \$1.05 per certificate during the six months ended June 30, 2025 and \$65,518 or \$0.87 per certificate during the six months ended June 30, 2024. Subsequent to June 30, 2025, on July 10, 2025, we paid monthly distributions to Certificateholders of \$6,889 or \$0.09 per certificate. Subsequent to June 30, 2025, on August 7, 2025, we announced a distribution of \$7,054 or \$0.09 per certificate to be paid on August 11, 2025 to Certificateholders.

Results of Operations

Comparison of three and six months ended June 30, 2025 to the three and six months ended June 30, 2024

For the three months ended June 30, 2025, net income attributable to Certificateholders was \$22,216 or \$0.30 per Certificate, as compared to \$17,883 or \$0.24 per Certificate for the corresponding period in 2024.

For the six months ended June 30, 2025, net income attributable to Certificateholders was \$38,267 or \$0.51 per Certificate, as compared to \$35,651 or \$0.48 per Certificate for the corresponding period in 2024.

The following describes the changes on the Trust's consolidated statements of operations that affected net income attributable to Certificateholders during the three and six months ended June 30, 2025, as compared to the corresponding periods in 2024:

Lease income - The net decrease in lease income of \$696 and \$1,587 for the three and six months ended June 30, 2025, respectively, as compared to the corresponding periods in 2024, is due to the disposition of eleven Retail Properties between January 1, 2024 and June 30, 2025, partially offset by the CPI adjustment of base rent as of December 7, 2024.

Operating expenses - The net decrease in operating expenses of \$14 and \$93 for the three and six months ended June 30, 2025, respectively, as compared to the corresponding periods in 2024, is primarily due to decreases in: (i) management fees paid to the Manager and (ii) ground lease rent expense resulting from the disposition of one Retail Property with a ground lease in May 2025.

Depreciation and amortization - The decrease in depreciation and amortization of \$318 and \$646 for the three and six months ended June 30, 2025, respectively, as compared to the corresponding periods in 2024, is due to the disposition of eleven Retail Properties between January 1, 2024 and June 30, 2025.

General and administrative expenses - The increase in general and administrative expenses of \$220 and \$48 for the three and six months ended June 30, 2025, as compared to the corresponding periods in 2024, is primarily due to increases in legal fees related to various Trust Amendments, partially offset by decreases in other professional fees.

Gain on sales of investment properties, net - During the six months ended June 30, 2025, there were two dispositions of Retail Properties, resulting in a net gain of \$6,124. During the six months ended June 30, 2024, there were four dispositions of Retail Properties which resulted in a net gain of \$2,450, which included net losses of \$76 related to prior period sales.

Other income - Other income consists of interest income earned on investments in money market instruments. For the three and six months ended June 30, 2025, the decrease in other income of \$105 and \$162, respectively, as compared to the corresponding periods in 2024, is due to a decrease in interest income earned by the Trust.

Net Operating Income ("NOI")

We define NOI as all revenues other than (i) straight-line rental income (non-cash), (ii) amortization of above and below market lease intangibles, (iii) interest income and (iv) non-cash ground lease reimbursement income, less all operating expenses other than non-cash ground rent expense, which is comprised of amortization of right-of-use lease assets and amortization of lease liabilities, depreciation and amortization, and formation expenses. We use NOI internally to evaluate our financial and operating performance. We believe that NOI, which is a supplemental non-GAAP financial measure, also provides an additional and useful operating perspective to investors not immediately apparent from "Net income" in accordance with accounting principles generally accepted in the United States ("GAAP"). We do not, nor do we suggest that investors should, consider such non-GAAP financial measures in isolation from, or as a substitute for, financial information prepared in accordance with GAAP. Comparison of our presentation of NOI to similarly titled measures for other entities may not necessarily be meaningful due to possible differences in definition and application by such entities. For reference and as an aid in understanding our computation of NOI, a reconciliation of net income as computed in accordance with GAAP to NOI for the Reporting Periods is as follows:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|-----------|---------------------------|-----------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income | \$ 22,216 | \$ 17,883 | \$ 38,267 | \$ 35,651 |
| Adjustments to reconcile to NOI: | | | | |
| Depreciation and amortization of real estate | 4,365 | 4,683 | 8,794 | 9,440 |
| Gain on sales of investment properties, net | (6,124) | (1,102) | (6,124) | (2,450) |
| Straight-line rental income, net | 548 | 572 | 1,100 | 1,151 |
| Amortization of above and below market lease intangibles, net | 731 | 582 | 1,463 | 1,143 |
| Interest income | (260) | (365) | (523) | (685) |
| Non-cash ground rent expense, net | 1,448 | 1,495 | 2,938 | 2,991 |
| Non-cash ground lease reimbursement income | (1,027) | (1,027) | (2,054) | (2,062) |
| NOI | \$ 21,897 | \$ 22,721 | \$ 43,861 | \$ 45,179 |

The decrease in NOI of \$1,318 for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024, is due to (i) a decrease in lease income of \$2,240 resulting from the disposition of eleven Retail Properties between January 1, 2024 and June 30, 2025 and (ii) an increase in general and administrative expenses of \$48; partially offset by (iii) an increase in lease income of \$930 due to the CPI adjustment of base rent in December 2024 and (iv) a net decrease in operating expenses of \$40.

Funds from Operations

The National Association of Real Estate Investment Trusts, or NAREIT, an industry trade group, has promulgated a financial measure known as funds from operations ("FFO"). As defined by NAREIT, FFO means net income computed in accordance with GAAP, excluding (i) depreciation and amortization related to real estate, (ii) gains from sales of real estate assets, (iii) gains and losses from change in control and (iv) provisions for impairment of investment properties. We have adopted the NAREIT definition in our computation of FFO attributable to Certificateholders. Management believes that, subject to the following limitations, FFO attributable to Certificateholders provides a basis for comparing our performance and operations to REITs.

We define Operating FFO attributable to Certificateholders as FFO attributable to Certificateholders excluding the impact of discrete non-operating transactions and other events which we do not consider representative of the comparable operating results of our real estate operating portfolio, which is our core business platform. Specific examples of discrete non-operating transactions and other events include, but are not limited to, the impact on earnings, which are not otherwise adjusted in our calculation of FFO attributable to Certificateholders.

We believe that FFO and Operating FFO, which are supplemental non-GAAP financial measures, provide an additional and useful means to assess our operating performance compared to REITs. FFO and Operating FFO do not represent alternatives to (i) “Net income” or “Net income attributable to Certificateholders” as indicators of our financial performance, or (ii) “Cash flows from operating activities” which is prepared in accordance with GAAP as measures of our capacity to fund cash needs, including the payment of distributions. Comparison of our presentation of Operating FFO to similarly titled measures for REITs may not necessarily be meaningful due to possible differences in definition and application by such REITs.

The following table presents a reconciliation of net income to FFO and Operating FFO:

| | Three Months Ended June 30, | | Six Months Ended June 30, | |
|---|-----------------------------|------------------|---------------------------|------------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income | \$ 22,216 | \$ 17,883 | \$ 38,267 | \$ 35,651 |
| Depreciation and amortization of real estate | 4,365 | 4,683 | 8,794 | 9,440 |
| Gain on sales of investment properties, net | (6,124) | (1,102) | (6,124) | (2,450) |
| FFO | <u>\$ 20,457</u> | <u>\$ 21,464</u> | <u>\$ 40,937</u> | <u>\$ 42,641</u> |
| FFO per certificate outstanding – basic and diluted | \$ 0.27 | \$ 0.29 | \$ 0.55 | \$ 0.57 |
| FFO | \$ 20,457 | \$ 21,464 | \$ 40,937 | \$ 42,641 |
| Dead deal costs | — | 137 | 6 | 140 |
| Operating FFO | <u>\$ 20,457</u> | <u>\$ 21,601</u> | <u>\$ 40,943</u> | <u>\$ 42,781</u> |
| Operating FFO per certificate outstanding – basic and diluted | \$ 0.27 | \$ 0.29 | \$ 0.55 | \$ 0.57 |

The decrease in FFO of \$1,704 for the six months ended June 30, 2025, as compared to the six months ended June 30, 2024, is primarily due to:

- a net decrease in lease related income of \$2,517 resulting from the disposition of eleven Retail Properties;
- a decrease in interest income of \$162; and
- a net increase in general and administrative expenses of \$48; partially offset by
- an increase in lease income of \$930 due to the CPI adjustment of base rent in December 2024; and
- a net decrease of operating expenses of \$93.

The decrease in Operating FFO of \$1,838 for the six months ended June 30, 2025, as compared to six months ended June 30, 2024 is primarily due to:

- a net decrease in lease related income of \$2,517 resulting from the disposition of eleven Retail Properties;
- a decrease in interest income of \$162; partially offset by
- an increase in lease income of \$930 due to the CPI adjustment of base rent in December 2024; and
- net decreases of general and administrative expenses and operating expenses of \$182 and \$93, respectively.

Liquidity and Capital Resources

We anticipate that cash flows from the below-listed sources will provide adequate capital for the next 12 months and beyond for all Certificateholder distributions.

Our primary expected sources and uses of liquidity are as follows:

SOURCES

- Rental revenues
- Cash and cash equivalents
- Net proceeds from the sale of real estate
- Interest income

USES

- Operating and general and administrative expenses
- Sales expenses
- Distribution payments

As of June 30, 2025 and December 31, 2024, we had \$34,986 and \$51,886, respectively, of cash and cash equivalents. The Trust has adopted a policy to maintain its cash equivalents in a government money market fund administered by a major bulge bracket investment banking firm which invests its assets only in (i) cash and (ii) securities issued or guaranteed by the United States or certain U.S. government agencies and having a weighted average life and weighted average maturity of no more than 120 days and 60 days, respectively. Each of these government money market funds is managed to maintain a stable net asset value, thereby eliminating principal risk.

Debt Maturities

We have no scheduled maturities and principal amortization of our indebtedness, since we had no indebtedness as of June 30, 2025 and December 31, 2024.

Distributions

The Trust is required to distribute on a monthly basis, the net proceeds from lease payments under the Master Leases (until such time as all of the Properties have been sold) and all net sales proceeds from the disposition of Properties, in each case pro rata, to Certificateholders as of the record date immediately preceding the applicable distribution date. Such distributions shall be net of (i) tax payments to be made by the Trust, (ii) fees and expenses of the Trust, the Trustee, the Manager and any other professional advisors, and (iii) funds to be set aside for the Trustee's and Manager's reserve accounts.

We paid distributions to the Certificateholders of \$78,647 or \$1.05 per certificate during the six months ended June 30, 2025, and \$65,518 or \$0.87 per certificate during the six months ended June 30, 2024. Subsequent to June 30, 2025, in July 2025, we paid monthly distributions to Certificateholders of \$6,889 or \$0.09 per certificate. On August 7, 2025, we announced a distribution of \$7,054 or \$0.09 per certificate to be paid on August 11, 2025 to Certificateholders.

Dispositions

Net sales proceeds from the disposition of Properties were included in the distributions to Certificateholders. During the six months ended June 30, 2025 and 2024, included in the amount we paid to Certificateholders was \$34,706 and \$20,064, respectively, of aggregate net sales proceeds.

Capital Expenditures

We anticipate that obligations related to capital improvements will not be significant as these are generally the responsibility of the tenant under the Master Leases and should otherwise be met with cash flows from operations.

Summary of Cash Flows

The following table summarizes our cash flows:

| | Six Months Ended June 30, | |
|--|---------------------------|-----------|
| | 2025 | 2024 |
| Net cash provided by operating activities | \$ 41,520 | \$ 45,315 |
| Net cash provided by investing activities | 20,227 | 29,209 |
| Net cash used in financing activities | (78,647) | (65,518) |
| Change in cash, cash equivalents and restricted cash | (16,900) | 9,006 |
| Cash, cash equivalents and restricted cash, at beginning of period | 51,886 | 38,026 |
| Cash, cash equivalents and restricted cash, at end of period | \$ 34,986 | \$ 47,032 |

Cash Flows from Operating and Investing Activities

Net cash provided by operating activities for the six months ended June 30, 2025 was \$41,520, as compared to \$45,315 for the six months ended June 30, 2024. The decrease of \$3,795 is primarily due to a decrease in NOI resulting from (i) a decrease in lease income due to the disposition of eleven Retail Properties between January 1, 2024 and June 30, 2025 and (ii) an increase in sale related legal costs.

Investing activities solely consists of proceeds from sales of investment properties. There were two dispositions during the six months ended June 30, 2025, and cash flows from investing activities were \$20,227 for this period. There were four dispositions during the six months ended June 30, 2024, and cash flows from investing activities were \$29,209 for this period.

During the six months ended June 30, 2025, total net cash provided by operating and investing activities was \$61,747, however, \$78,647 was distributed to Certificateholders, of which \$24,219 were distributions of cash flows from operating and investing activities received during December 2024.

Management believes that cash flows from operations and sales of investment properties and existing cash and cash equivalents will provide sufficient liquidity to sustain future operations; however, we cannot provide any such assurances.

Cash Flows from Financing Activities

Cash flows used in financing activities for the six months ended June 30, 2025 was \$78,647, as compared to \$65,518 for the six months ended June 30, 2024. Financing activities for both Reporting Periods consisted of distributions paid to Certificateholders.

Contractual Obligations

As of June 30, 2025, we have 20 properties that are subject to long-term non-cancelable ground leases. These leases expire in various years from 2038 to 2096, including any available option periods that are reasonably certain to be exercised.

The following table summarizes the Trust's obligations under non-cancelable operating leases as of June 30, 2025:

| | Payments due by period |
|---|------------------------|
| Period from July 1 to December 31, 2025 | \$ 2,061 |
| 2026 | 4,136 |
| 2027 | 4,195 |
| 2028 | 4,255 |
| 2029 | 4,334 |
| Thereafter | 211,543 |
| Less imputed interest | (192,716) |
| Lease liabilities as of June 30, 2025 | <u>\$ 37,808</u> |

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements.

Critical Accounting Policies and Estimates

Our 2024 Annual Report on 10-K, as amended, contains a description of our critical accounting policies, including those relating to the impairment of long-lived assets. For the six months ended June 30, 2025, there were no significant changes to these policies.

Impact of Recently Issued Accounting Pronouncements

None.

Subsequent Events

Subsequent to June 30, 2025, in July 2025, we paid monthly distributions to Certificateholders of \$6,889 or \$0.09 per certificate. On August 7, 2025, we announced a distribution of \$7,054 or \$0.09 per certificate to be paid on August 11, 2025 to Certificateholders.

On July 18, 2025, the Trust obtained written consent by holders of a majority of the Trust's total interests, approving an amendment to the Trust's Trust Agreement to extend the Targeted Disposal Period contained in the Trust Agreement to January 30, 2026 and to change a provision relating to the information policy of the Trust. On July 23, 2025, the Trust, through its subsidiaries, entered into an amendment that made its purchase and sale agreement (as amended, the "Agreement") with an unrelated third party ("Buyer") binding for the sale of all remaining Retail Properties for a price of \$947 million. As of July 25, 2025, the Buyer had completed its due diligence and paid a non-refundable deposit. The Trust expects the transaction to close during the second half of 2025, subject to customary real estate closing conditions. The Agreement provides certain limited termination rights on a property-by-property basis in connection with purchase rights in favor of ground lessors or purchase rights pursuant to reciprocal easement agreements, certain title defects, casualty events, or condemnation proceedings. Due to the various conditions to closing, the Trust cannot make any assurances that the disposition of the Properties is certain.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We are not exposed to interest rate risk because we currently do not hold any long-term debt or derivatives. If we were to enter into long-term debt arrangements, our interest rate risk management objectives would be to limit the impact of interest rate changes on earnings and cash flows and to lower our overall borrowing costs.

As of June 30, 2025, we did not hold any fixed or variable rate debt, and did not hold any derivative financial instruments to hedge exposures to changes in interest rates.

ITEM 4. CONTROLS AND PROCEDURES

Evaluation of Disclosure Controls and Procedures

Management, with the participation of the Principal Executive Officer and Principal Financial Officer, has evaluated the design and operation of our disclosure controls and procedures (as defined in the Securities and Exchange Act of 1934 Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this report. Based upon this evaluation, the Principal Executive Officer and Principal Financial Officer concluded that, as of the end of the period covered by this quarterly report, our disclosure controls and procedures were effective and provide reasonable assurance that the information required to be disclosed in the reports we file or submit under the Exchange Act is recorded, processed, summarized and reported accurately and within the time periods specified in the U.S. Securities and Exchange Commission's rules and forms, and that it is accumulated and communicated to our management, including our Principal Executive Officer and Principal Financial Officer, as appropriate to allow timely decisions regarding the required disclosure.

Changes in Internal Control Over Financial Reporting

There were no changes to our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2025 that has materially affected, or is reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

We are subject, from time to time, to various legal proceedings and claims that arise in the ordinary course of business. Neither the Trust nor any of its subsidiaries are currently a party as plaintiff or defendant to and none of our properties are the subject of any pending legal proceedings that we believe to be material or that individually or in the aggregate would be expected to have a material effect on our business, financial condition or results of operations if determined adversely to us. We are not aware of any similar proceedings that are contemplated by governmental authorities. See Note 5 in the notes to consolidated financial statements for further discussion.

ITEM 1A. RISK FACTORS

As of the date of this report, there are no material changes to our risk factors as previously disclosed in Part I, Item 1A of our Annual Report on Form 10-K, as amended, for the year ended December 31, 2024, aside from the risk factor included below:

Inflation, tariffs and economic conditions may increase our operating and capital costs.

In 2022, inflationary pressures resulting from COVID-19 relief and aid programs, supply chain constraints and generally improved economic conditions increased our costs for third-party compensation and other costs necessary to operate our business. The general economy in 2022 was also affected by the war in Ukraine and the associated increase in energy costs. While the global inflation rate began to ease somewhat in 2023 and 2024 as a result of central bank policy tightening, core inflation remains persistent. As a result of the decline in global inflation, the U.S. Federal Reserve cut the federal funds rate three times in 2024 by a total of 100 basis points. However, the U.S. Federal Reserve held rates steady in their May and July 2025 meetings, and it is uncertain whether any interest rate cuts will occur in 2025.

After almost 10 years of low interest rate environments, inflationary pressures and efforts in the U.S. and around the world to combat inflation have resulted in increased interest rates by central banks globally. As a result, to the extent we incur any indebtedness, the interest rates we are charged may be significantly higher than what would have been expected in prior years. Furthermore, the increased interest rates could affect our Tenant's business and borrowing costs, which in turn could impact their ability to make timely payments to us. The continued risk of tariffs, whether newly imposed or expanded also creates uncertainty in pricing, sourcing and planning for our Tenant. Given that core inflation has proved persistent and tariffs may be used as geopolitical or trade tools, there is no assurance that interest rates, costs or tariff-related pressures will stabilize, increase or decrease in the foreseeable future.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

There were no unregistered sales of equity securities during the three months ended June 30, 2025.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

Not applicable.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

During the three months ended June 30, 2025, no executive officer of the Trust adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” as the terms are defined in Item 408(a) of Regulation S-K. Furthermore, the executive officers of the Trust do not and are not permitted to, directly or indirectly, own any of the Trust Certificates.

ITEM 6. EXHIBITS

| Exhibit No. | Description |
|-------------|--|
| 3.1 | Amendment No. 3 to Amended and Restated Pass-Through Trust Agreement, dated as of July 18, 2025, between Copper BidCo LLC, as beneficiary, and GLAS Trust Company LLC, as trustee. (Incorporated herein by reference to Annex A of the Company's Notice of Certificateholders Action by Written Consent on Schedule 14C (filed with the Commission on July 29, 2025 (File No. 000-56236)). |
| 31.1 | Certification of Principal Executive Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 (filed herewith). |
| 31.2 | Certification of Principal Financial Officer pursuant to Rule 13a-14(a) of the Securities Exchange Act of 1934 (filed herewith). |
| 32.1 | Certification of Principal Executive Officer pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 (furnished herewith). |
| 32.2 | Certification of Principal Financial Officer pursuant to Rule 13a-14(b) of the Securities Exchange Act of 1934 and 18 U.S.C. Section 1350 (furnished herewith). |
| 101.SCH | Inline XBRL Taxonomy Extension Schema Document (filed herewith). |
| 101.CAL | Inline XBRL Taxonomy Extension Calculation Linkbase Document (filed herewith). |
| 101.DEF | Inline XBRL Taxonomy Extension Definition Linkbase Document (filed herewith). |
| 101.LAB | Inline XBRL Taxonomy Extension Label Linkbase Document (filed herewith). |
| 101.PRE | Inline XBRL Taxonomy Extension Presentation Linkbase Document (filed herewith). |
| 104 | Cover Page Interactive Data File (formatted as inline XBRL with applicable taxonomy extension information contained in Exhibits 101. *) (filed herewith). |

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

COPPER PROPERTY CTL PASS THROUGH TRUST

By: /s/ NEIL AARONSON

Neil Aaronson
Principal Executive Officer

Date: August 8, 2025

By: /s/ LARRY FINGER

Larry Finger
Principal Financial Officer

Date: August 8, 2025

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934**

I, Neil Aaronson, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Copper Property CTL Pass Through Trust;
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: August 8, 2025

/s/ Neil Aaronson

Neil Aaronson

Principal Executive Officer

**CERTIFICATION PURSUANT TO RULE 13a-14(a) AND 15d-14(a)
OF THE SECURITIES EXCHANGE ACT OF 1934**

I, Larry Finger, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Copper Property CTL Pass Through Trust;
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: August 8, 2025

/s/ Larry Finger

Larry Finger

Principal Financial Officer

CERTIFICATION
of
Neil Aaronson
Principal Executive Officer

I, Neil Aaronson, Principal Executive Officer of Copper Property CTL Pass Through Trust (the “Trust”), do hereby certify in accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Trust for the period ended June 30, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Trust.

Date: August 8, 2025

/s/ Neil Aaronson

Neil Aaronson

Principal Executive Officer

CERTIFICATION
of
Larry Finger
Principal Financial Officer

I, Larry Finger, Principal Financial Officer of Copper Property CTL Pass Through Trust (the “Trust”), do hereby certify in accordance with 18 U.S.C. 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. The Quarterly Report on Form 10-Q of the Trust for the period ended June 30, 2025 (the “Report”) fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934 (15 U.S.C. 78m or 78o(d)); and
2. The information contained in the Report fairly represents, in all material respects, the financial condition and results of operations of the Trust.

Date: August 8, 2025

/s/ Larry Finger

Larry Finger

Principal Financial Officer