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# Generation Income Properties Provides Business Update and Overview of Strategic Alternatives Progress

TAMPA, FL / [ACCESS Newswire](#) / June 30, 2025 / Generation Income Properties, Inc. (NASDAQ:GIPR) ("GIPR" or the "Company"), a net lease real estate investment trust focused on strategically located, primarily investment-grade single-tenant assets, today provided a business update, including details on recent transactions, operational performance, recapitalization efforts, and the ongoing strategic alternatives process.

## Recent Transaction Activity and Financial Progress

In May 2025, GIPR completed the sale of two (2) properties, the Auburn University occupied industrial building in Huntsville, AL and a Starbucks occupied building in Tampa, FL, representing a combined gross sale price of approximately \$10.5 million, at cap rates of 4.06% or \$121.64 per square foot and 5.82% or \$1,568.18 per square foot, respectfully. Proceeds from these sales were used to pay off approximately \$10.5 million in debt. GIPR's motivation for these sales was twofold.

1. GIPR determined that the assets were at their highest value, given current market conditions, and it was an opportunity to realize the liquidity of the assets.
2. GIPR wanted to completely pay off the one CMBS loan on its balance sheet with the proceeds of these two properties, which left the Company with one property, the 7-Eleven in Washington, DC, completely unencumbered. In June 2025, GIPR received a new loan in the amount of approximately 50% of the value of the 7-Eleven property (approximately \$750,000) from its primary lender, Valley National Bank.

These actions align with GIPR's ongoing strategy to strengthen the balance sheet and preserve long-term shareholder value amid a challenging capital markets environment.

## Macroeconomic Headwinds and REIT Market Conditions

Management acknowledged that elevated interest rates, limited access to public equity capital, and compressed trading multiples have created significant headwinds for small, publicly traded REITs. Despite these market challenges, GIPR's real estate portfolio continues to demonstrate strong tenant credit quality, 100% rent collection, geographic diversity, and stable cash flows.

## Recapitalization/Refinance Efforts Underway

As GIPR continues its efforts to enhance financial flexibility and reduce capital market dependency, it is pursuing several recapitalization strategies, which may include:

- Refinancing and recapitalizing all or portions of its preferred equity in its GIP VB SPE, LLC subsidiary and/or its asset-level debt
- Asset-level debt placements on select properties
- Exploration of strategic equity capital partnerships at the subsidiary level

### **Strategic Alternatives Process**

As previously announced, GIPR's Special Committee initiated a formal review of strategic alternatives, and in connection with such formal review, the Special Committee recently executed an engagement letter with Cantor Fitzgerald & Co. to evaluate a full range of potential outcomes. These may include, but are not limited to:

- A merger or strategic combination
- A recapitalization or go-private transaction
- A joint venture or other strategic capital partnership
- A potential sale of the company
- Or a continuation as a public REIT under an optimized structure

No assurances can be given regarding the outcome or timing of this review, and GIPR does not intend to comment further unless or until the Board has approved a specific course of action or the process concludes.

### **Leadership Commentary**

"I and the Board of Directors are well aware of the challenges our company faces and have identified a range of potential ways to address these challenges. We're doing this while navigating an extremely difficult environment for public REITs of our size," said David Sobelman, Chief Executive Officer. "In response, we've taken disciplined steps to improve our balance sheet with property sales and debt repayments and are actively exploring a range of capital and strategic options. Our Board and management team remain committed to unlocking value for shareholders, with a clear focus on execution, transparency, and stewardship."

### **About Generation Income Properties**

Generation Income Properties, Inc., located in Tampa, Florida, is an internally managed real estate investment trust formed to acquire and own, directly and jointly, real estate investments focused on retail, office, and industrial net lease properties in densely populated submarkets. Additional information about Generation Income Properties, Inc. can be found at the Company's corporate website: [www.gipreit.com](http://www.gipreit.com).

### **Forward-Looking Statements**

*This press release may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 that involve risks and uncertainty. Words such as "anticipate," "estimate," "expect," "intend," "plan," and "project" and other similar words and expressions are intended to signify forward-looking statements. Forward-looking statements are not guarantees of future results and conditions but rather are subject to various risks and uncertainties. These statements include, but are not limited to, statements regarding our exploration of strategic alternatives and pursuit of refinancing and recapitalization opportunities, the timing thereof, and future prospects. Such statements are based on management's current expectations and are subject to a number of risks and uncertainties that could cause actual results to differ materially from those described in the forward-looking statements. Investors are cautioned that there can be no assurance actual results or business conditions will not differ materially from those projected or suggested in such forward-looking statements as a result of various factors. Please refer to the risks detailed from time to time in the reports we file with the SEC, including our Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on March 28, 2025, as well as other filings on Form 10-Q and periodic filings on Form 8-K, for additional factors that could cause actual results to differ materially from those stated or implied by such forward-looking statements. We disclaim any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, unless required by law.*

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