Disclosure Statement Pursuant to the Pink Basic Disclosure Guidelines

Merchants' National Properties, Inc.

10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017
Tel. 212 554-1400
www.merchantsnationalproperties.com
receptionist@marxrealty.com

Annual Report

For the period ending December 31, 2023 (the "Reporting Period")

Outstanding Shares
The number of shares outstanding of our Common Stock was:

90,623 as of April 15, 2024

90,623 as of December 31, 2023

Shell Status
Indicate by check mark whether the company is a shell company (as defined in Rule 405 of the Securities Act of 1933, Rule 12b-2 of the Exchange Act of 1934 and Rule 15c2-11 of the Exchange Act of 1934):

Yes: ☐ No: ☒

Indicate by check mark whether the company's shell status has changed since the previous reporting period:

Yes: ☐ No: ☒

Change in Control
Indicate by check mark whether a Change in Control[4] of the company has occurred during this reporting period:

Yes: ☐ No: ☒

[4] "Change in Control" shall mean any events resulting in:

(i) Any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act) becoming the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the Company representing fifty percent (50%) or more of the total voting power represented by the Company's then outstanding voting securities;
(ii) The consummation of the sale or disposition by the Company of all or substantially all of the Company's assets;
(iii) A change in the composition of the Board occurring within a two (2)-year period, as a result of which fewer than a majority of the directors are directors immediately prior to such change; or
(iv) The consummation of a merger or consolidation of the Company with any other corporation, other than a merger or consolidation which would result in the voting securities of the Company outstanding immediately prior thereto continuing to represent (either by remaining outstanding or by being converted into voting securities of the surviving entity or its parent) at least fifty percent (50%) of the total voting power represented by the voting securities of the Company or such surviving entity or its parent outstanding immediately after such merger or consolidation.

1) Name and address(es) of the issuer and its predecessors (if any)

In answering this item, provide the current name of the issuer and names used by predecessor entities, along with the dates of the name changes.

Merchants' National Properties, Inc.

Current State and Date of Incorporation or Registration: Delaware; December 3, 1928
Standing in this jurisdiction: (e.g. active, default, inactive): Active

Prior Incorporation Information for the issuer and any predecessors during the past five years:
None

Describe any trading suspension or halt orders issued by the SEC or FINRA concerning the issuer or its predecessors since inception:

None

List any stock split, dividend, recapitalization, merger, acquisition, spin-off, or reorganization either currently anticipated or that occurred within the past 12 months:

None

Address of the issuer's principal executive office:

10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017

Address of the issuer's principal place of business:
☒ *Check if principal executive office and principal place of business are the same address:*

Has the issuer or any of its predecessors been in bankruptcy, receivership, or any similar proceeding in the past five years?

No: ☒ Yes: ☐ If Yes, provide additional details below:

2) Security Information

Transfer Agent

Name: Merchants' National Properties, Inc.
Phone: 212-557-1400
Email: John.S@marxrealty.com
Address: 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017

Publicly Quoted or Traded Securities:

The goal of this section is to provide a clear understanding of the share information for its publicly quoted or traded equity securities. Use the fields below to provide the information, as applicable, for all outstanding classes of securities that are publicly traded/quoted.

Trading symbol:	MNPP
Exact title and class of securities outstanding:	Common Stock
CUSIP:	589161108
Par or stated value:	$1.00

Total shares authorized:	187,000	as of date: December 31, 2023
Total shares outstanding:	91,023	as of date: December 31, 2023
Total number of shareholders of record:	71	as of date: December 31, 2023

Please provide the above-referenced information for all other publicly quoted or traded securities of the issuer.

____

Other classes of authorized or outstanding equity securities that do not have a trading symbol:

The goal of this section is to provide a clear understanding of the share information for its other classes of authorized or outstanding equity securities (e.g., preferred shares that do not have a trading symbol). Use the fields below to provide the information, as applicable, for all other authorized or outstanding equity securities.

Exact title and class of the security: ____
Par or stated value: ____
Total shares authorized: ____ as of date: ______
Total shares outstanding: ____ as of date: ______
Total number of shareholders of record: ____ as of date: ______

Please provide the above-referenced information for all other classes of authorized or outstanding equity securities.

____

Security Description:

The goal of this section is to provide a clear understanding of the material rights and privileges of the securities issued by the company. Please provide the below information for each class of the company's equity securities, as applicable:

1. **For common equity, describe any dividend, voting and preemption rights.**

The Board of Directors may determine whether any, and if any, what part, of the surplus or the net profit of the Company shall be declared in dividends and paid to the stockholders, and whether any such dividends shall be declared and paid in cash or capital stock of the Company or in other property, and generally to determine and direct the use and disposition of any such surplus or any such net profits; and to fix the times for the declaration and payment of dividend.

The stockholder of each share of Common Stock is entitled to one vote per share of Common Stock held by the stockholder, multiplied by the number of directors to be elected, and may cast all votes for a single director, or may distribute them among the number to be voted for, or any more of them as the stockholder chooses.

The holders of Common Stock shall have preemptive rights to subscribe to any additional issuances of stock of the Company of any or all class or series thereof, or to any securities of the Company convertible into such stock unless the issuance is made to (i) an employee of the Company (ii) an officer of the Company, or (iii) a director of the Company who is not an officer of the Company and is not affiliated with a stockholder of the Company as of August 18, 2008, the date of the filing of the Amended and Restated Certificate of Incorporation of the Company.

2. **For preferred stock, describe the dividend, voting, conversion, and liquidation rights as well as redemption or sinking fund provisions.**

The company has no preferred series of shares.

3. **Describe any other material rights of common or preferred stockholders.**

None, other than those required by the laws of the State of Delaware

4. **Describe any material modifications to rights of holders of the company's securities that have occurred over the reporting period covered by this report.**

None

3) Issuance History

The goal of this section is to provide disclosure with respect to each event that resulted in any changes to the total shares outstanding of any class of the issuer's securities ***in the past two completed fiscal years and any subsequent interim period****.*

Disclosure under this item shall include, in chronological order, all offerings and issuances of securities, including debt convertible into equity securities, whether private or public, and all shares, or any other securities or options to acquire such securities, issued for services. Using the tabular format below, please describe these events.

A. Changes to the Number of Outstanding Shares for the two most recently completed fiscal years and any subsequent period.

Indicate by check mark whether there were any changes to the number of outstanding shares within the past two completed fiscal years:
No: ☐ Yes: ☒ (If yes, you must complete the table below)

Shares Outstanding Opening Balance: Date 12/31/21 Common: 91,837 Preferred: 0			*Right-click the rows below and select "Insert" to add rows as needed.						
Date of Transaction	**Transaction type (e.g., new issuance, cancellation, shares returned to treasury)**	**Number of Shares Issued (or cancelled)**	**Class of Securities**	**Value of shares issued ($/per share) at Issuance**	**Were the shares issued at a discount to market price at the time of issuance? (Yes/No)**	**Individual/ Entity Shares were issued to. ***You must disclose the control person(s) for any entities listed.**	**Reason for share issuance (e.g. for cash or debt conversion) -OR- Nature of Services Provided**	**Restricted or Unrestricted as of this filing.**	**Exemption or Registration Type.**
7/28/22	Purchase of Shares by the Company	963(1)	Common	N/A	N/A	The Kimmelman QTIP Trust Betsy Karel. Trustee	Restricted	4(a)(2)	N/A
5/19/23	New Issuance	100(2)	Common	N/A	N/A	Craig M. Deitelzweig	Grant of Restricted Stock for	Restricted	4(a)(2)

							CEO services		
6/9/23	Repurchase of Shares by the Company. Shares returned to Treasury.	51(3)	Common	N/A	N/A	Purchase of Free Trading Shares	N/A	Unrestricted / Returned to Treasury	4(a)(1-1/2)
12/8/23	New Issuance	100(4)	Common	N/A	N/A	Craig M. Deitelzweig	Grant of Restricted Stock for CEO services	Restricted	4(a)(2)
Shares Outstanding on Date of This Report: Ending Balance: Date 12/31/2023 Common: 91,023 Preferred: ______									

Example: A company with a fiscal year end of December 31st 2023, in addressing this item for its Annual Report, would include any events that resulted in changes to any class of its outstanding shares from the period beginning on January 1, 2022 through December 31, 2023 pursuant to the tabular format above.

******Control persons for any entities in the table above must be disclosed in the table or in a footnote here.***

Use the space below to provide any additional details, including footnotes to the table above:

1. On July 28, 2022, the Company purchased 963 shares for cash from the Kimmelman QTIP Trust pursuant to a private purchase agreement at a mutually agreed upon price of $1,490 per share.
2. The Company granted these shares on May 19, 2023 (the "Shares"). The Shares vest on August 10, 2024. However, Mr. Deitelzweig currently has the right to vote the Shares and to receive any dividends issued in connection with the Shares.
3. On June 9, 2023, the Company purchased 51 shares for cash listed through the OTC Market at a market price of $1,377 per share.
4. The Company granted these shares on December 8, 2023 (the "Shares"). The Shares vest on August 10, 2024. However, Mr. Deitelzweig currently has the right to vote the Shares and to receive any dividends issued in connection with the Shares.

B. Promissory and Convertible Notes

Indicate by check mark whether there are any outstanding promissory, convertible notes, convertible debentures, or any other debt instruments that may be converted into a class of the issuer's equity securities:

No: ☒ Yes: ☐ (If yes, you must complete the table below)

Date of Note Issuance	Outstanding Balance ($)	Principal Amount at Issuance ($)	Interest Accrued ($)	Maturity Date	Conversion Terms (e.g. pricing mechanism for determining conversion of instrument to shares)	Name of Noteholder. *** You must disclose the control person(s) for any entities listed.	Reason for Issuance (e.g. Loan, Services, etc.)
______	______	______	______	______	______	______	______
______	______	______	______	______	______	______	______

_____	_____	_____	_____	_____	_____	_____	_____

******Control persons for any entities in the table above must be disclosed in the table or in a footnote here.***

Use the space below to provide any additional details, including footnotes to the table above:

4) Issuer's Business, Products and Services

The purpose of this section is to provide a clear description of the issuer's current operations.
Ensure that these descriptions are updated on the Company's Profile on www.OTCMarkets.com.

A. Summarize the issuer's business operations (If the issuer does not have current operations, state "no operations")

The Company was incorporated under the laws of the State of Delaware on December 3, 1928, and has engaged in the business of commercial real estate acquisition, management, development, and rental in the United States for almost a century. The Company's headquarters are located in New York, NY. The Company's current real estate portfolio consists of 42 properties spanning over nine U.S. states as well as the District of Columbia, primarily comprised of office and retail space.

B. List any subsidiaries, parent company, or affiliated companies.

Marx Realty & Improvement Co., Inc., a New York corporation ("Marx"), is a wholly owned subsidiary of the Company. The Company's commercial real estate management, development, and rental operations are primarily conducted through Marx. The mailing address for Marx is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Marx:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President & CEO	212-557-1400
Jagdish K. Shah	Treasurer & CFO	212-557-1400
Amy Jedlicka	Secretary & General Counsel	212-557-1400
James Better	Director	212-557-1400
James Magowan	Director	212-557-1400
James Stern	Director	212-557-1400

The Company owns a 23.333% equity interest in Joseph E. Marx Co., Inc., a New York corporation ("Marx Co"). Marx Co's operations consist of full and fractional ownership of rental real estate in several states in the U.S. The mailing address for Marx Co is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Marx Co:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President & CEO	212-557-1400
Jagdish K. Shah	Treasurer & CFO	212-557-1400
Amy Jedlicka	Secretary & General Counsel	212-557-1400
James Better	Director	212-557-1400
Jennifer Gruenberg	Director	212-557-1400
Leonard S Gruenberg	Director	212-557-1400
Jon Gruenberg	Director	212-557-1400
Wendy Gruenberg Wray	Director	212-557-1400
Mary Lynn Bianco	Director	212-557-1400
James Stern	Director	212-557-1400

The Company owns a 95.7% equity interest in The M&B Building Owners II, LLC., a Delaware limited liability company ("Bethpage"). Bethpage's operations consist of real estate ownership and rental in New York. The mailing address for Bethpage is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Bethpage:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Bethpage)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Bethpage)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Bethpage)	212-557-1400

The Company owns a 59.4% equity interest in Brahmin Realty Associates, LLC, a Delaware limited liability company ("Brahmin"). Brahmin's operations consist of real estate ownership and rental in Massachusetts. The mailing address for Brahmin is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Brahmin:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Brahmin)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Brahmin)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Brahmin)	212-557-1400

The Company owns a 100% equity interest in Guest Realty Company, a Delaware corporation ("Guest"). Guest's operations consist of fractional ownership of rental real estate in several states in the U.S. The mailing address for Guest is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Guest:

Name	Title	Contact Information
Craig M. Deitelzweig	President & CEO	212-557-1400
Jagdish K. Shah	Treasurer & CFO	212-557-1400
Amy Jedlicka	Secretary & General Counsel	212-557-1400
James Better	Director	212-557-1400
James Magowan	Director	212-557-1400
James Stern	Director	212-557-1400

The Company owns an 80% equity interest in Maryland Stores Corporation, a Maryland corporation ("Maryland"). Maryland's operations consist of fractional ownership of rental real estate in New York. The mailing address for Maryland is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Maryland:

Name	Title	Contact Information
Craig M. Deitelzweig	President & CEO	212-557-1400
Jagdish K. Shah	Treasurer & CFO	212-557-1400
Amy Jedlicka	Secretary & General Counsel	212-557-1400
James Better	Director	212-557-1400

James Magowan	Director	212-557-1400
James Stern	Director	212-557-1400

The Company owns a 94.64% equity interest in Rier Realty Co., Inc., a New York corporation ("Rier"). Rier's operations consist of full and fractional ownership of rental real estate in several states in the U.S. The mailing address for Rier is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Rier:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President & CEO	212-557-1400
Jagdish K. Shah	Treasurer & CFO	212-557-1400
Amy Jedlicka	Secretary & General Counsel	212-557-1400
James Better	Director	212-557-1400
Leonard S Gruenberg	Director	212-557-1400
James Magowan	Director	212-557-1400

The Company owns a 57.88% equity interest in University Plaza Joint Venture LLC, a Delaware limited liability company ("University"). University's operations consist of real estate ownership and rental in Connecticut. The mailing address for University is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of University:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of University)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of University)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of University)	212-557-1400

The Company owns a 52.93% equity interest in Madison Syndicate, a New York partnership ("Madison"). Madison's operations consist of real estate ownership and rental in Alabama. The mailing address for Madison is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, or control persons of Madison:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Madison)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Madison)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Madison)	212-557-1400

The Company owns a 35.7135% equity interest in 708 Third Avenue Holdings, LLC, a Delaware limited liability company ("Third Ave Holdings"). Third Ave Holdings' operations consist of real estate ownership and rental in New York. The mailing address for Third Ave Holdings is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Third Ave Holdings:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Third Ave Holdings)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Third Ave Holdings)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Third Ave Holdings)	212-557-1400

The Company owns a 37.6214% equity interest in Dollar Land Associates LLC, a Delaware limited liability company ("Dollar"). Dollar's operations consist of real estate ownership and rental in New York. The mailing address for Dollar is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Dollar:

Name	Title	Contact Information
Craig M. Deitelzweig	Member, Board of Managers of Dollar	212-557-1400
James Better	Member, Board of Managers of Dollar	212-557-1400
James Stern	Member, Board of Managers of Dollar	212-557-1400
Richard Kessler	Member, Board of Managers of Dollar	212-557-1400
John Usdan	Member, Board of Managers of Dollar	212-557-1400

The Company owns a 90.667% equity interest in Athens Joint Venture, LLC, a Delaware limited liability company ("Athens"). Athens' operations consist of real estate ownership and rental in Washington, D.C. The mailing address for Athens is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Athens:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Athens)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Athens)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Athens)	212-557-1400

The Company owns a 66.5% equity interest in Bell Blvd. Partners, a New York partnership ("Bell Blvd."). Bell Blvd.'s operations consist of real estate ownership and rental in Washington, D.C. The mailing address for Bell Blvd. is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Bell Blvd.:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Bell Blvd.)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Bell Blvd.)	212-557-1400

Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Bell Blvd.)	212-557-1400

The Company owns a 26.7644% equity interest in Peters Land Syndicate, a New York partnership ("Peters"). Peters' operations consist of real estate ownership and rental in Georgia. The mailing address for Peters is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Peters:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Guest Realty Company (General Partner of Peters)	212-557-1400
Jagdish K. Shah	Treasurer, Guest Realty Company (General Partner of Peters)	212-557-1400
Amy Jedlicka	Secretary, Guest Realty Company (General Partner of Peters)	212-557-1400

The Company owns a 62.87865% equity interest in Boston Syndicate LLC, a Delaware limited liability company ("Boston"). Boston's operations consist of a 50% beneficial ownership interest in rental real estate located in Massachusetts. The mailing address for Boston is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Boston:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Boston)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Boston)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Boston)	212-557-1400

The Company owns a 34.9167% equity interest in Marlton Joint Venture, a New York partnership ("Marlton"). Marlton's operations consist of real estate ownership and rental in New Jersey. The mailing address for Marlton is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Marlton:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Marlton)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Marlton)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Marlton)	212-557-1400

The Company owns a 22.5953% equity interest in Pequannock Joint Venture LLC, a Delaware limited liability company ("Pequannock"). Pequannock's operations consist of real estate ownership and rental in New Jersey. The mailing address for Pequannock is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Pequannock:

Name	Title	Contact Information

Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Pequannock)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Pequannock)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Pequannock)	212-557-1400

The Company owns a 60% equity interest in Fort Lee Joint Venture, a New York partnership ("Fort Lee"). Fort Lee's operations consist of a 50% beneficial ownership interest in rental real estate in New Jersey. The mailing address for Fort Lee is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Fort Lee:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Fort Lee)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Fort Lee)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Fort Lee)	212-557-1400

The Company owns a 21.0% equity interest in Ithaca Joint Venture, a New York partnership ("Ithaca"). Ithaca's operations consist of real estate ownership and rental in New York. The mailing address for Ithaca is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Ithaca:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Ithaca)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Ithaca)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Ithaca)	212-557-1400

The Company owns a 22.6781% equity interest in Seaford Joint Venture, a New York partnership ("Seaford"). Seaford's operations consist of real estate ownership and rental in New York. The mailing address for Seaford is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Seaford:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Seaford)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Seaford)	212-557-1400

Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Seaford)	212-557-1400

The Company owns an 81.1876% equity interest in Avon Joint Venture, LLC, a Delaware limited liability company ("Avon"). Avon's operations consist of a 50% beneficial ownership interest in rental real estate in New York. The mailing address for Avon is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Avon:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Avon)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Avon)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Avon)	212-557-1400

The Company owns a 42.57% equity interest in Belle Haven Realty, LLC, a Delaware limited liability company ("Belle Haven"). Belle Haven's operations consist of real estate ownership and rental in Virginia. The mailing address for Belle Haven is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Belle Haven:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Belle Haven)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Belle Haven)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Belle Haven)	212-557-1400

The Company owns a 30.0981% equity interest in Ocean County Venturers, a New York partnership ("Ocean"). Ocean's operations consist of real estate ownership and rental in New Jersey. The mailing address for Ocean is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Ocean:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Ocean)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Ocean)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Ocean)	212-557-1400

The Company owns an equity interest in Louisville Syndicate, LLC, a Delaware limited liability company ("Louisville"). Louisville's operations consist of real estate ownership and rental in Kentucky and New York. The Company's equity interest in Louisville equates to a 49.3097% ownership interest in Louisville's real property located in Kentucky and a 46.5% ownership interest in Louisville's real property located in New York. The mailing address for Louisville is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Louisville:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Louisville)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Louisville)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Louisville)	212-557-1400

The Company owns a 72.48% equity interest in Orange Syndicate, a New York partnership ("Orange"). Orange's operations consist of real estate ownership and rental in Washington, DC. Prior to January 1, 2022, the Company's equity interest in Orange was 48.5607%. The mailing address for Orange is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Orange:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Orange)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Orange)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Orange)	212-557-1400

The Company owns a 48.8289% equity interest in Hastings Drive I, LLC, a Delaware limited liability company, ("Hastings"). Hasting's operations consist of real estate ownership and rental in Virginia. The mailing address for Hastings is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Orange:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Orange)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Orange)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Orange)	212-557-1400

The Company owns a 38.4167% equity interest in Newbury Street Partners, a New York Partnership ("Newbury"). Newbury's operations consist of a 50% equity ownership interest in a leasehold rental real estate in New York. The mailing address for Newbury is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Newbury:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Newbury)	212-557-1400

Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Newbury)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Newbury)	212-557-1400

The Company owns a 35.25% equity interest in 430 Park Avenue Syndicate, a New York Partnership ("430 Park"). 430 Park's operations consist of a 20.1% equity ownership interest in a leasehold rental real estate in New York. The mailing address for 430 Park is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of 430 Park:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of 430 Park)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of 430 Park)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of 430 Park)	212-557-1400

The Company owns a 28.503% equity interest in The Herald Owners LLC, a Delaware limited liability company ("Herald"). Herald's operations consist of real estate ownership and rental in Washington, D.C. The mailing address for Herald is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Herald:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Herald)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Herald)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Herald)	212-557-1400
Invesco, Inc.	Majority Investor's Representative	212-557-1400

The Company owns a 17.4167% equity interest in Bellflower Joint Venture, a New York partnership ("Bellflower"). Bellflower's operations consist of real estate ownership and rental in California. The mailing address for Bellflower is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Bellflower:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (General Partner of Bellflower)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (General Partner of Bellflower)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (General Partner of Bellflower)	212-557-1400

The Company owns a 12.6867% equity interest in Queens Boulevard Realty LLC, a Delaware limited liability company ("Queens"). Queens's operations consist of real estate ownership and rental in New York. The mailing address for Queens is 10 Grand Central, 155 E 44^{th} Street, 7^{th} Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Queens:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Guest Realty Company (Manager of Queens)	212-557-1400
Jagdish K. Shah	Treasurer, Guest Realty Company (Manager of Queens)	212-557-1400
Amy Jedlicka	Secretary, Guest Realty Company (Manager of Queens)	212-557-1400

The Company owns a 10.4099% equity interest in 532 Madison Syndicate, a New York partnership ("532"). 532's operations consist of real estate ownership and rental in New York. The mailing address for 532 is 10 Grand Central, 155 E 44^{th} Street, 7^{th} Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of 532:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Guest Realty Company (General Partner of 532)	212-557-1400
Jagdish K. Shah	Treasurer, Guest Realty Company (General Partner of 532)	212-557-1400
Amy Jedlicka	Secretary, Guest Realty Company (General Partner of 532)	212-557-1400

The Company owns a 19.4% equity interest in Knights Road Shopping Center LP, a Pennsylvania limited partnership ("Knights"). Knight's operations consist of real estate ownership and rental in New York. The mailing address for Knights is 10 Grand Central, 155 E 44^{th} Street, 7^{th} Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Knights:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, KRSC, Inc. (General Partner of Knights)	212-557-1400
Jagdish K. Shah	Treasurer, KRSC, Inc. (General Partner of Knights)	212-557-1400
Amy Jedlicka	Secretary, KRSC, Inc. (General Partner of Knights)	212-557-1400

The Company owns a 24.7% equity interest in Farmingville Associates LLC, a Delaware limited liability company ("Farmingville"). Farmingville's operations consist of a 50% equity ownership interest in rental real estate in New York. The mailing address for Farmingville is 10 Grand Central, 155 E 44^{th} Street, 7^{th} Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Farmingville:

Name	**Title**	**Contact Information**
Craig M. Deitelzweig	President, Guest Realty Company (Manager of Farmingville)	212-557-1400
Jagdish K. Shah	Treasurer, Guest Realty Company (Manager of Farmingville)	212-557-1400
Amy Jedlicka	Secretary, Guest Realty Company (Manager of Farmingville)	212-557-1400

The Company owns a 52.25% equity interest in MNP 2121 Wisconsin Avenue LLC, a Delaware limited liability company ("Wisconsin"). Wisconsin's operations consist of an 18% equity ownership interest in rental real estate in D.C. The mailing address for Wisconsin is 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. The following table sets forth the contact information for the officers, directors, managers, or control persons of Wisconsin:

Name	Title	Contact Information
Craig M. Deitelzweig	President, Merchants' National Properties, Inc. (Manager of Wisconsin)	212-557-1400
Jagdish K. Shah	Treasurer, Merchants' National Properties, Inc. (Manager of Wisconsin)	212-557-1400
Amy Jedlicka	Secretary, Merchants' National Properties, Inc. (Manager of Wisconsin)	212-557-1400

The Company previously owned a 36.37% equity interest in Arlington Joint Venture LLC, a Delaware limited liability company ("Arlington"). This property was sold in February 2022.

The Company previously owned a 9.1366% equity interest in Bey Lea Joint Venture, a New York partnership ("Bey"). This property was sold in July 2023.

The Company previously owned a 92.75% equity interest in East Putnam Avenue I, LLC, a Delaware limited liability company ("Putnam"). This property was sold in August 2023.

C. Describe the issuers' principal products or services.

The Company has engaged in the business of commercial real estate acquisition, management, development, and rental in the United States for almost a century. The Company's headquarters are located in New York, NY. The Company's current real estate portfolio consists of 42 properties spanning over nine U.S. states as well as the District of Columbia, primarily comprised of office and retail space. The target markets for the Company's current commercial real estate operations are Alabama, California, Connecticut, District of Columbia, Georgia, Kentucky, Massachusetts, New Jersey, New York and Virginia. Specifically, the Company focuses on office and retail space in the aforementioned markets, with a primary presence in the New York, NY, Washington, DC and Atlanta, GA markets.

5) Issuer's Facilities

The goal of this section is to provide investors with a clear understanding of all assets, properties or facilities owned, used or leased by the issuer and the extent in which the facilities are utilized.

In responding to this item, please clearly describe the assets, properties or facilities of the issuer. Describe the location of office space, data centers, principal plants, and other property of the issuer and describe the condition of the properties. Specify if the assets, properties, or facilities are owned or leased and the terms of their leases. If the issuer does not have complete ownership or control of the property, describe the limitations on the ownership.

See attached addendum "B" for the aforementioned information. The Company's principal offices are located at 10 Grand Central, 155 E 44th Street, 7th Floor, New York, NY 10017. In addition, Marx, a wholly owned subsidiary of the Company as described above, leases 8,428 square feet of office space at 155 East 44th Street, New York, NY 10017 from Third Ave Holdings for $17,062 per month.

6) All Officers, Directors, and Control Persons of the Company

Using the table below, please provide information, as of the period end date of this report, regarding all officers and directors of the company, or any person that performs a similar function, regardless of the number of shares they own.

In addition, list all individuals or entities controlling 5% or more of any class of the issuer's securities.
If any insiders listed are corporate shareholders or entities, provide the name and address of the person(s) beneficially owning or controlling such corporate shareholders, or the name and contact information (City, State) of an individual representing the corporation or entity. Include Company Insiders who own any outstanding units or shares of any class of any equity security of the issuer.

The goal of this section is to provide investors with a clear understanding of the identity of all the persons or entities that are involved in managing, controlling or advising the operations, business development and disclosure of the issuer, as well as the identity of any significant or beneficial owners.

Names of All Officers, Directors, and Control Persons	**Affiliation with Company (e.g. Officer Title /Director/Owner of 5% or more)**	**Residential Address (City / State Only)**	**Number of shares owned**	**Share type/class**	**Ownership Percentage of Class Outstanding**	**Names of control person(s) if a corporate entity**
Craig M. Deitelzweig	CEO/President/Director	Bedford, NY	400	N/A	0.33%	**The Company granted these shares on April 1, 2021, December 16, 2021, May 19, 2023 and December 8, 2023, (the "Shares"). The Shares vest on August 10, 2024, however, at this time, Mr. Deitelzweig has the right to vote the Shares and to receive any dividends issued in connection with the Shares.**
Jagdish K. Shah	CFO	Ardsley, NY	11	Common	0.01%	________
Amy Jedlicka	Corporate Secretary	New York, NY	0	N/A	0%	________
James Better	Chairman/Director	Greenwich, CT	119	Common	0.13%	________
Leonard S. Gruenberg	Director	Scarsdale, NY	300	Common	0.33%	________
James Magowan	Director	New York, NY	20	Common	0.02%	**These shares are included in the 14,756 shares shown below for MNP Voting Trust** **The Trustees for MNP Voting Trust have voting/investment control of the shares held by MNP Voting Trust**
Mark Magowan	Director	New York, NY	2,158	Common	2.37%	**These shares are included in the 14,756 shares shown**

						below for MNP Voting Trust **The Trustees for MNP Voting Trust have voting/investment control of the shares held by MNP Voting Trust**
Matthew K. Maguire	Director	New York, NY	0	N/A	0%	________
Richard Schosberg	Director	Muttontown, NY	461	Common	0.51%	________
James Stern	Director	Harrison, NY	1,195	Common	1.31%	________
John Usdan	Director	New York, NY	6	Common	0.007%	________
Mary L. Bianco, Trustee	Shareholder	Paso Robles, CA	9,534	Common	10.49%	**Mary L. Bianco is the trustee of this trust.**
Jennifer Gruenberg	Shareholder	Scarsdale, NY	7,444	Common	8.19%	________
Sylvia Marx	Shareholder	Greenwich, CT	5,537	Common	6.09%	________
MNP Voting Trust, Olivia Magowan and Paul Merrill, Trustees	Shareholder	Mount Kisco, NY	14,756	Common	16.23%	**Olivia Magowan and Paul Merrill are the trustees of this trust.**

Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, log in to www.OTCIQ.com to update your company profile.

Craig M. Deitelzweig
Chief Executive Officer, President, and Director

Craig M. Deitelzweig has served our Company and its primary management and development arm, Marx, since August of 2017 as Chief Executive Officer, President, and Director. Mr. Deitelzweig brings over 25 years of diverse real estate experience to the Company and Marx. He previously served as a managing director and head of asset management at Building and Land Technology, whereby he oversaw a diverse portfolio of office, multifamily, and hotel assets across the United States. Prior to joining Building and Land Technology, Mr. Deitelzweig managed the office division of Rockrose Development Corp., and previously led the leasing and asset management activities of the Ruben Company's 4,000,000 square feet of retail and office space in New York, Washington, DC, and Boston. Mr. Deitelzweig is also an attorney and worked in the real estate group at Skadden, Arps, Slate, Meagher & Flom LLP. Mr. Deitelzweig graduated cum laude from Tulane University's A.B. Freeman School of Business and received his law degree from Fordham Law School.

Jagdish K. Shah
Chief Financial Officer

Jagdish K. Shah has served our Company and its primary management and development arm, Marx, for over 30 years (initially as an outside accountant and later as Chief Financial Officer). Prior to joining the Company and Marx as Chief Financial Officer in 1991, Mr. Shah worked for six years as a public accountant for Frank and Zimmerman. In 2007, he assumed the title of Chief Financial Officer of the Company and Marx. Mr. Shah is a member of AICPA and New York State

Society of CPAs. He has been a certified public accountant since 1987 and a chartered accountant since 1978. Mr. Shah received his B.S. with a major in accounting from Maharaja Sayajirao University of Baroda, India in 1975.

7) Legal/Disciplinary History

A. Identify and provide a brief explanation as to whether any of the persons or entities listed above in Section 6 have, <u>in the past 10 years</u>:

1. Been the subject of an indictment or conviction in a criminal proceeding or plea agreement or named as a defendant in a pending criminal proceeding (excluding minor traffic violations);

<u>None.</u>

2. Been the subject of the entry of an order, judgment, or decree, not subsequently reversed, suspended or vacated, by a court of competent jurisdiction that permanently or temporarily enjoined, barred, suspended or otherwise limited such person's involvement in any type of business, securities, commodities, financial- or investment-related, insurance or banking activities;

<u>None.</u>

3. Been the subject of a finding, disciplinary order or judgment by a court of competent jurisdiction (in a civil action), the Securities and Exchange Commission, the Commodity Futures Trading Commission, a state securities regulator of a violation of federal or state securities or commodities law, or a foreign regulatory body or court, which finding or judgment has not been reversed, suspended, or vacated;

<u>None.</u>

4. Named as a defendant or a respondent in a regulatory complaint or proceeding that could result in a "yes" answer to part 3 above; or

<u>None.</u>

5. Been the subject of an order by a self-regulatory organization that permanently or temporarily barred, suspended, or otherwise limited such person's involvement in any type of business or securities activities.

<u>None.</u>

6. Been the subject of a U.S Postal Service false representation order, or a temporary restraining order, or preliminary injunction with respect to conduct alleged to have violated the false representation statute that applies to U.S mail.

<u>None.</u>

B. Describe briefly any material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the issuer or any of its subsidiaries is a party to or of which any of their property is the subject. Include the name of the court or agency in which the proceedings are pending, the date instituted, the principal parties thereto, a description of the factual basis alleged to underlie the proceeding and the relief sought. Include similar information as to any such proceedings known to be contemplated by governmental authorities.

<u>None.</u>

8) Third Party Service Providers

Provide the name, address, telephone number and email address of each of the following outside providers. You may add additional space as needed.
Confirm that the information in this table matches your public company profile on www.OTCMarkets.com. If any updates are needed to your public company profile, update your company profile.
Securities Counsel (must include Counsel preparing Attorney Letters).

Name:	Jessica Haggard, Esq.
Firm:	Anthony, Linder & Cacomanolis, PLLC
Address 1:	1700 Palm Beach Lakes Blvd., Suite 820
Address 2:	West Palm Beach, FL 33401
Phone:	561 514-0936 ext. 101
Email:	JHaggard@ALClaw.com

Accountant or Auditor

Name:	Phillip Bottari
Firm:	Marcum, LLP
Address 1:	730 Third Avenue,
Address 2:	New York, NY 10017
Phone:	212 842-7590
Email:	Phillip.Bottari@marcumllp.com

Investor Relations

Name:	John Sano
Firm:	Merchants' National Properties, Inc.
Address 1:	10 Grand Central, 155 East 44th Street, 7th Floor
Address 2:	New York, NY 10017
Phone:	212 557-1400
Email:	John.S@marxrealty.com

All other means of Investor Communication:

X (Twitter):	_____
Discord:	_____
LinkedIn	Marx Realty: https://www.linkedin.com/company/marx-realty-improvement-co-inc/
Facebook:	_____
Website:	www.marxrealty.com

Other Service Providers
Provide the name of any other service provider(s) **that assisted, advised, prepared, or provided information with respect to this disclosure statement**. This includes counsel, broker-dealer(s), advisor(s), consultant(s) or any entity/individual that provided assistance or services to the issuer during the reporting period.

None.

9) Disclosure & Financial Information

A. This Disclosure Statement was prepared by (name of individual):

Name:	Jagdish K. Shah
Title:	Chief Financial Officer
Relationship to Issuer:	Employee

B. The following financial statements were prepared in accordance with:

☐ IFRS
☒ U.S. GAAP

C. The following financial statements were prepared by (name of individual):

Name: Jagdish K. Shah
Title: Chief Financial Officer
Relationship to Issuer: Employee
Describe the qualifications of the person or persons who prepared the financial statements:[5] **CPA**

Provide the following qualifying financial statements:

- Audit letter, if audited;
- Balance Sheet;
- Statement of Income;
- Statement of Cash Flows;
- Statement of Retained Earnings (Statement of Changes in Stockholders' Equity)
- Financial Notes

Financial Statement Requirements:
- Financial statements must be published together with this disclosure statement as one document.
- Financial statements must be "machine readable". Do not publish images/scans of financial statements.
- Financial statements must be presented with comparative financials against the prior FYE or period, as applicable.
- Financial statements must be prepared in accordance with U.S. GAAP or International Financial Reporting Standards (IFRS) but are not required to be audited.

10) Issuer Certification

Principal Executive Officer:

The issuer shall include certifications by the chief executive officer and chief financial officer of the issuer (or any other persons with different titles but having the same responsibilities) in each Quarterly Report or Annual Report.

The certifications shall follow the format below:

I, Craig M. Deitelzweig, certify that:

1. I have reviewed this Disclosure Statement for Merchants' National Properties, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

[5] The financial statements requested pursuant to this item must be prepared in accordance with US GAAP or IFRS and by persons with sufficient financial skills.

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 15, 2024 [Date]

/s/ Craig M. Deitelzweig [CEO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Principal Financial Officer:

I, Jagdish K Shah, certify that:

1. I have reviewed this Disclosure Statement for Merchants' National Properties, Inc.;

2. Based on my knowledge, this disclosure statement 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 disclosure statement; and

3. Based on my knowledge, the financial statements, and other financial information included or incorporated by reference in this disclosure statement, fairly present in all material respects the financial condition, results of operations and cash flows of the issuer as of, and for, the periods presented in this disclosure statement.

April 15, 2024 [Date]

/s/ Jagdish K Shah [CFO's Signature]

(Digital Signatures should appear as "/s/ [OFFICER NAME]")

Addendum A

(see attached)

MNP

MERCHANTS' NATIONAL PROPERTIES, INC.
10 Grand Central, 155 East 44th Street, New York, NY 10017

ISSUER INFORMATION

Title and class of security:	Common Shares ($1 par value)
Transfer Agent:	Merchants' National Properties, Inc. 10 Grand Central 155 East 44th Street New York, NY 10017
President and Chief Executive Officer:	Craig M. Deitelzweig (Director)
Board of Directors:	James M. Better (Chairman) Leonard S. Gruenberg Mark Magowan James Magowan Matthew Maguire Richard Schosberg James Stern John Usdan
Issuer's telephone number:	(212) 557-1400

Number of shares outstanding of common stock as of April 15, 2024: 90,623

MNP

MERCHANTS' NATIONAL PROPERTIES, INC.
10 Grand Central, 155 East 44th Street, New York, NY 10017

FINANCIAL INFORMATION

The information furnished in the accompanying consolidated balance sheets and related consolidated statements of operations, changes in stockholders' equity and cash flows reflect all adjustments, consisting solely of normal and recurring adjustments that are, in management's opinion, necessary for a fair and consistent presentation of the aforementioned consolidated financial statements.

Cautionary Statement Regarding Forward-Looking Statements

Certain statements contained in this letter and the attached report of Merchants' National Properties, Inc., and Subsidiaries ("MNP") may be considered forward-looking statements. Additionally, MNP or the executive officers on MNP's behalf, may from time to time make forward-looking statements in reports and other documents or in connection with written or oral statements made to the press, potential investors, or others.

Forward-looking statements can generally be identified by our use of forward-looking terminology such as "may," "will," "expect," "intend," "estimate," "continue," "anticipate" or other similar words. However, the absence of these or similar words or expressions do not mean that a statement is not forward-looking. Forward-looking statements are not guarantees of performance and are based on certain assumptions. Forward-looking statements may include the discussion of future expectations or description of plans and strategies and may contain projections of results of operations or of financial condition or other forward-looking information. Expected future net income (loss) depends on many factors including among others expected uses of cash generated from operations, expected sources and adequacy of capital resources and liquidity. Any deviation from these assumptions may lead to fluctuations in future net income (loss).

Any such forward-looking statements are based on a number of assumptions involving judgments and are subject to risks, uncertainties, and other factors that could cause actual results to differ materially from our historical experience and our present expectations. Accordingly, readers are cautioned not to place undue reliance on our forward-looking statements, which speak only as of the date of this report. MNP makes no representations or warranties (express or implied) about the accuracy of any such forward-looking statements contained in this report, and MNP does not intend to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise, except as required by law.

MNP

MERCHANTS' NATIONAL PROPERTIES, INC.
10 Grand Central, 155 East 44th Street, New York, NY 10017

April 15, 2024

To our Stockholders:

Attached are Merchants' National Properties, Inc.'s ("MNP" or the "Company") consolidated financial statements for the years ended December 31, 2023 and 2022. These statements have been filed with the OTC Markets.

Financial Highlights:

For the year ended December 31, 2023, the Company reported grossed-up rental and other income of $60.1 million, as compared to $56.2 million for the year ended December 31, 2022. For the year ended December 31, 2023, the Company reported grossed-up operating income of $28.2 million, as compared to $26.7 million for the year ended December 31, 2022. Combined with the $7.1 million increase in the value of marketable securities in 2023, the Company reported grossed-up earnings before interest, taxes, depreciation and amortization ("EBITDA") of $39.6 million for the year ended December 31, 2023 as compared to $16.8 million for the year ended December 31, 2022, caused primarily by the $13.7 million loss in the value of marketable securities in 2022. Finally, for the year ended December 31, 2023, the Company reported a net income of $13.1 million, as compared to a net loss of $3.7 million for the year ended December 31, 2022.

Including non-recurring gains and losses, net of taxes, the reportable earnings per share for the year ended December 31, 2023 was $144.08 as compared to the $40.37 loss per share for the year ended December 31, 2022.

For the year ended December 31, 2023, stockholders' equity increased by $5.7 million with a corresponding increase in book value per share to $2,288 at December 31, 2023 from $2,214 at December 31, 2022. The Company paid $80.00 per share in dividends in 2023 versus $70.00 per share in 2022.

MNP purchased 51 and 963 shares during the years ended December 31, 2023 and 2022, respectively. As of December 31, 2023 and 2022, 90,623 and 90,674 shares of common stock were outstanding, respectively.

Accounting principles generally accepted in the United States of America ("GAAP") require unrealized gains and losses of marketable securities to be included in net income. This standard has driven substantial swings in earnings during the reporting periods. As a result of these influences, we believe the most useful metric for assessing our performance is "Operating Income As Grossed-Up."

The following table provides a side-by-side comparison of MNP's December 31, 2023 vs. December 31, 2022 consolidated statements of operations in accordance with GAAP and "As Grossed-Up", a non-GAAP measure, which provides more transparency to MNP's share of the underlying assets' revenues and expenses which flow up to MNP from various real estate investments.

INCOME STATEMENT OVERVIEW
GAAP vs. As Grossed-Up

	Years Ended December 31, 2023		Years Ended December 31, 2022		
	As Unaudited	**As Grossed-Up**	**As Unaudited**	**As Grossed-Up**	
Rental and other income	$ 18,589,182	$ 60,070,767	$ 18,044,195	$ 56,156,682	
Equity in earnings of real estate ventures	8,278,278	-	7,260,691	-	
Operating expenses	(13,986,199)	(31,830,142)	(12,375,415)	(29,426,383)	
Operating income	**12,881,261**	**28,240,625**	**12,929,471**	**26,730,299**	
Investment income	2,232,399	3,428,326	1,571,804	2,106,366	
Non-recurring gain (loss)	610,116	372,400	(527,058)	(841,434)	(A)
Write off of unused tenant improvements	-	196,161	-	(196,161)	
Gain on sale of investment in real estate venture		602,179		815,225	
Impairment of intangible assets	(17,562)	(17,562)	-	-	
Unrealized gain (loss) on marketable securities	7,090,813	7,085,562	(13,921,867)	(13,724,139)	(B)
Unrealized (loss) gain on swap contracts	(326,854)	(341,808)	1,759,923	1,892,076	(C)
EBITDA	**22,470,173**	**39,565,883**	**1,812,273**	**16,782,232**	
Financing expense	(1,759,486)	(8,239,923)	(1,716,599)	(7,387,705)	
Depreciation and amortization expense	(3,750,114)	(13,968,835)	(3,237,208)	(12,260,369)	
Income taxes	(1,855,744)	(2,252,296)	(2,009,223)	(2,284,915)	
Income taxes - deferred	(2,450,620)	(2,450,620)	1,627,963	1,627,963	
Net income (loss)	**12,654,209**	**12,654,209**	**(3,522,794)**	**(3,522,794)**	
Noncontrolling interests in loss (income) of consolidated subsidiaries	405,964	405,964	(154,838)	(154,838)	
Net income (loss) attributable to Merchants' National Properties, Inc.	**$ 13,060,173**	**$ 13,060,173**	**$ (3,677,632)**	**$ (3,677,632)**	

The following is a description of some of the factors which impacted the As Audited and As Grossed-Up net (loss) income for the years ended December 31, 2023 and 2022, respectively.

(A) The non-recurring gains in 2023 and 2022 represent the Company's share of capital gains on the disposition of its interest in real estate investments.

(B) Including the unrealized gains and losses in marketable securities, as required under GAAP, the grossed-up income before taxes increased to $39.6 million for the year ended December 31, 2023, as compared to $16.8 million for the year ended December 31, 2022.

(C) In accordance with GAAP, the Company recognizes derivatives as either assets or liabilities in the consolidated balance sheets and measures those instruments at fair value. Changes in fair value will affect either accumulated other comprehensive income or loss, which is a component of equity, if the derivative qualifies as a hedge and is effective, or net income or loss, if the derivative does not qualify as a hedge or if the hedge is ineffective. For the year ended December 31, 2023, this change in fair value has resulted in decreasing grossed-up income before taxes by $342 thousand, compared to increasing grossed-up income before taxes by $1.9 million for the year ended December 31, 2022.

Respectfully submitted,

Craig M. Deitelzweig	James M. Better
President, Chief Executive Officer and Director	**Chairman of the Board of Directors**

MERCHANTS' NATIONAL PROPERTIES, INC.
AND SUBSIDIARIES

CONSOLIDATED FINANCIAL STATEMENTS

YEARS ENDED DECEMBER 31, 2023 AND 2022

AND

INDEPENDENT AUDITORS' REPORT

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

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MARCUM
ACCOUNTANTS ▲ ADVISORS

INDEPENDENT AUDITORS' REPORT

To the Stockholders of
Merchants' National Properties, Inc. and Subsidiaries

Opinion

We have audited the consolidated financial statements of Merchants' National Properties, Inc. and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2023 and 2022, and the related consolidated statements of operations, changes in stockholders' equity and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, based on our audits and the reports of the other auditors, the accompanying consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of Merchants' National Properties, Inc. and Subsidiaries as of December 31, 2023 and 2022, and the consolidated results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of Dollar Land Associates, LLC, a joint venture, the investment in which, as discussed in Notes 2 and 7 to the consolidated financial statements, is accounted for by the equity method of accounting. The investment in Dollar Land Associates, LLC was $48,957,899 and $46,669,730, as of December 31, 2023 and 2022, respectively and the equity in its net income was $9,489,008 and $7,832,049 for the years then ended. Those statements, which were prepared in accordance with income tax basis of accounting, were audited by other auditors, whose report has been furnished to us. We have applied audit procedures on the conversion adjustments to the financial statements of Dollar Land Associates, LLC which conform those financial statements to accounting principles generally accepted in the United States of America. Our opinion, insofar as it relates to the amounts included for Dollar Land Associates, LLC, prior to these conversion adjustments, is based solely on the report of the other auditors.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Merchants' National Properties, Inc. and Subsidiaries and to meet our other ethical requirements in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Marcum LLP / 730 Third Avenue / 11th Floor / New York, NY 10017 / Phone 212.485.5500 / marcumllp.com

Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error. In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Merchants' National Properties, Inc. and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Merchants' National Properties, Inc. and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Merchants' National Properties, Inc. and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Marcum LLP

New York, NY
April 15, 2024

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	December 31, 2023	December 31, 2022
ASSETS		
Rental properties, net	$ 73,655,113	$ 77,432,417
Marketable securities	68,377,897	61,287,084
Investments in real estate ventures	114,972,990	112,466,720
Intangible asset available for sale	-	779,114
Cash and cash equivalents	19,982,366	20,983,236
Restricted cash	498,854	749,857
Tenant security deposits in escrow	508,173	476,922
Receivables:		
Loans, real estate ventures	3,477,475	1,875,000
Affiliated real estate ventures	544,479	670,423
Employees	2,783,520	2,627,973
Related parties	1,447,813	3,075,213
Tax refund	42,398	38,054
Deferred rent	2,731,938	2,478,809
Tenants	268,825	266,186
Other	1,338,294	255,265
Interest rate swaps	936,437	1,263,291
Prepaid expenses and other assets, net of accumulated amortization of $1,105,993 and $1,029,107 in 2023 and 2022, respectively	1,805,043	1,996,775
In-place leases, net of accumulated amortization of $1,638,623 and $556,140 in 2023 and 2022, respectively	5,084,907	6,167,390
Operating lease right-of-use asset	1,059,433	1,246,210
Prepaid income taxes	1,652,003	1,591,944
Deferred tax assets	3,950,091	3,684,562
Total assets	**$ 305,118,049**	**$ 301,412,445**
LIABILITIES AND STOCKHOLDERS' EQUITY		
Liabilities		
Accounts payable and accrued expenses	$ 3,210,325	$ 3,833,605
Below-market leases, net of accumulated amortization of $375,377 and $144,331 in 2023 and 2022, respectively	1,957,526	2,188,570
Operating lease liability	1,077,976	1,255,481
Security deposits	595,071	709,170
Due to affiliate	40,442	516,900
Mortgages payable, less unamortized debt issuance costs of $263,479 and $378,113 in 2023 and 2022, respectively	41,307,183	44,088,885
Deferred tax liabilities	36,742,252	34,026,103
Total liabilities	**84,930,775**	**86,618,714**
Stockholders' Equity		
Common stock, $1 par value; 187,000 shares authorized, 105,199 shares issued (shares outstanding, 90,623 and 90,674 in 2023 and 2022, respectively)	105,199	105,199
Additional paid-in capital	1,146,317	1,146,317
Retained earnings	223,055,781	217,273,778
Treasury stock, at cost (14,576 and 14,525 shares in 2023 and 2022, respectively)	(16,900,975)	(16,830,745)
Total stockholders' equity	**207,406,322**	**201,694,549**
Noncontrolling interests	12,780,952	13,099,182
	220,187,274	**214,793,731**
Total liabilities and stockholders' equity	**$ 305,118,049**	**$ 301,412,445**

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

	Years Ended December 31, 2023	2022
Revenues		
Rental revenues	$ 8,780,408	$ 9,064,358
Management fees	3,493,462	3,425,544
Leasing commissions	2,336,973	1,853,450
Asset acquisition/disposition fees	175,000	206,265
Development and buildout fees	1,090,335	984,658
Property personnel fees	1,766,159	1,660,302
Other revenues	946,845	849,618
Total revenues	**18,589,182**	**18,044,195**
Operating Expenses		
Real estate taxes	1,502,977	1,443,356
Depreciation and amortization	3,750,114	3,237,208
Other operating expenses	1,988,238	1,615,929
Financing expenses	1,759,486	1,716,599
Total operating expenses	**9,000,815**	**8,013,092**
Net revenues from rentals and other income	**9,588,367**	**10,031,103**
Equity in earnings from real estate ventures, net	8,278,278	7,260,691
Investment income	2,232,399	1,571,804
Unrealized gain (loss) on marketable securities	7,090,813	(13,921,867)
Unrealized (loss) gain on interest rate swaps	(326,854)	1,759,923
Loss on abandonment of investment in real estate venture	-	(527,058)
Loss on sale of intangible asset	(15,139)	-
Impairment of intangible assets	(17,562)	-
Gain on sale of rental property	625,255	-
Net income before general and administrative expenses and other costs and income tax expense	**27,455,557**	**6,174,596**
General and administrative expenses and other costs		
Professional fees	815,996	615,384
Salaries and other general expenses	9,678,988	8,700,746
Total general and administrative expenses and other costs	**10,494,984**	**9,316,130**
Net income (loss) before income tax expense	**16,960,573**	**(3,141,534)**
Income tax expense	4,306,364	381,260
Net income (loss)	**12,654,209**	**(3,522,794)**
Noncontrolling interests in loss (income) of consolidated subsidiaries	405,964	(154,838)
Net income (loss) attributable to Merchants' National Properties, Inc.	**$ 13,060,173**	**$ (3,677,632)**
Basic and diluted earnings (loss) per share	$ 144.08	$ (40.37)
Weighted average number of common shares outstanding		
Basic and diluted	90,645	91,087

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
YEARS ENDED DECEMBER 31, 2023 AND 2022

	Common Stock		Additional Paid-In	Retained	Treasury Stock		Non-Controlling	Total
	Shares	Amount	Capital	Earnings	Shares	Amount	Interests	Equity
Balance, January 1, 2022	**105,199**	**$ 105,199**	**$ 1,146,317**	**$ 227,336,665**	**(13,562)**	**$ (15,395,875)**	**$ 8,985,131**	**$ 222,177,437**
Acquisition of treasury stock	-	-	-	-	(963)	(1,434,870)	-	(1,434,870)
Net (loss) income	-	-	-	(3,677,632)	-	-	154,838	(3,522,794)
Consolidation of Orange Syndicate*	-	-	-	-	-	-	3,135,979	3,135,979
Dividends paid	-	-	-	(6,385,255)	-	-	-	(6,385,255)
Capital contributions	-	-	-	-	-	-	1,098,250	1,098,250
Capital distributions	-	-	-	-	-	-	(275,016)	(275,016)
Balance, December 31, 2022	**105,199**	**$ 105,199**	**$ 1,146,317**	**$ 217,273,778**	**(14,525)**	**$ (16,830,745)**	**$ 13,099,182**	**$ 214,793,731**
Balance, January 1, 2023	**105,199**	**$ 105,199**	**$ 1,146,317**	**$ 217,273,778**	**(14,525)**	**$ (16,830,745)**	**$ 13,099,182**	**$ 214,793,731**
Acquisition of treasury stock	-	-	-	-	(51)	(70,230)	-	(70,230)
Net income (loss)	-	-	-	13,060,173	-	-	(405,964)	12,654,209
Dividends paid	-	-	-	(7,278,170)	-	-	-	(7,278,170)
Capital contributions	-	-	-	-	-	-	487,194	487,194
Capital distributions	-	-	-	-	-	-	(399,460)	(399,460)
Balance, December 31, 2023	**105,199**	**$ 105,199**	**$ 1,146,317**	**$ 223,055,781**	**(14,576)**	**(16,900,975)**	**$ 12,780,952**	**$ 220,187,274**

* See Note 1 for description of the transaction

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31, 2023	2022
Cash flows from operating activities		
Net income (loss)	$ 12,654,209	$ (3,522,794)
Adjustments to reconcile net income (loss) to net cash provided by operating activities		
Depreciation and amortization	2,433,596	2,442,877
Amortization of deferred leasing costs	234,035	238,191
Amortization of debt issuance costs included in financing expenses	114,634	117,080
Amortization of below-market leases	(231,044)	(144,333)
Amortization of in-place leases	1,082,483	556,140
Provision (benefit) for deferred taxes	2,450,620	(1,627,963)
Accrued interest on loans receivable, real estate ventures	(75,000)	(75,000)
Equity in earnings of investments in real estate ventures, net	(8,278,278)	(7,260,691)
Unrealized loss (gain) on interest rate swaps	326,854	(1,759,923)
Gain on sale of rental properties	(625,255)	-
Impairment of intangible asset	17,562	-
Loss on sale of intangible asset	15,139	-
Loss on abandonment of investment in real estate venture	-	527,058
Unrealized (gain) loss on marketable securities	(7,090,813)	13,921,867
Changes in assets and liabilities		
Receivables - affiliated real estate ventures	125,944	176,662
Receivables - employees	(155,547)	(1,242,954)
Receivables - related parties	1,627,400	930,789
Receivables - tax refund	(4,344)	(500)
Receivables - deferred rent	(253,129)	(392,499)
Receivables - tenants	(2,639)	-
Receivables - other	(1,083,029)	249,065
Prepaid expenses and other assets	(42,303)	(241,260)
Change in operating lease right-of-use asset	186,777	180,593
Prepaid income taxes	(60,059)	(295,355)
Accounts payable and accrued expenses	(623,280)	1,482,111
Change in operating lease liability	(177,505)	(171,322)
Security deposits	(114,099)	116,907
Due to affiliate	(476,458)	405,000
Net cash provided by operating activities	**1,976,471**	**4,609,746**
Cash flows from investing activities		
Contributions to investments in real estate ventures	(4,070,995)	(4,078,630)
Distributions from investments in real estate ventures	9,843,003	11,523,866
Loans - affiliated real estate ventures	(1,527,475)	-
Purchase of rental properties	-	(18,020,925)
Additions to buildings and improvements	(2,794,235)	-
Intangible asset available for sale	-	(25,895)
Proceeds from sale of intangible asset	746,413	-
Proceeds from sale of rental properties	4,763,198	-
Net cash provided by (used in) investing activities	**6,959,909**	**(10,601,584)**
Cash flows from financing activities		
Purchase of treasury stock	(70,230)	(1,434,870)
Payment of dividends	(7,278,170)	(6,385,255)
Capital contributions from noncontrolling interests	487,194	1,098,250
Capital distributions to noncontrolling interests	(399,460)	(275,016)
Principal payments of mortgages payable	(876,580)	(888,426)
Proceeds from mortgage payable	1,909,512	16,620,000
Payoff of mortgage payable	(3,929,268)	-
Debt issuance costs	-	(158,314)
Net cash (used in) provided by financing activities	**(10,157,002)**	**8,576,369**
Net (decrease) increase in cash and cash equivalents, restricted cash and tenant security deposits in escrow	**(1,220,622)**	**2,584,531**
Cash and cash equivalents, restricted cash and tenant security deposits in escrow, beginning of year	22,210,015	19,625,484
Cash and cash equivalents, restricted cash and tenant security deposits in escrow, end of year	**$ 20,989,393**	**$ 22,210,015**

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS

	Years Ended December 31, 2023	2022
Reconciliation of cash and cash equivalents, restricted cash and tenant security deposits in escrow, beginning of year		
Cash and cash equivalents	$ 20,983,236	$ 17,398,949
Restricted cash	749,857	1,747,272
Tenant security deposits in escrow	476,922	479,263
Cash and cash equivalents, restricted cash and tenant security deposits in escrow, beginning of year	**$ 22,210,015**	**$ 19,625,484**
Reconciliation of cash and cash equivalents, restricted cash and tenant security deposits in escrow, end of year		
Cash and cash equivalents	$ 19,982,366	$ 20,983,236
Restricted cash	498,854	749,857
Tenant security deposits in escrow	508,173	476,922
Cash and cash equivalents, restricted cash and tenant security deposits in escrow, end of year	**$ 20,989,393**	**$ 22,210,015**
Supplemental cash flow disclosures		
Interest paid	$ 1,657,980	$ 1,604,850
Income taxes paid - net of refunds of $0 and $40,500, respectively	1,789,145	2,428,516
Supplemental non-cash investing and financing activities		
Write-off of fully amortized deferred lease costs	230,039	-
Write-off of fully amortized debt issuance costs	38,163	
Additions to ROU assets obtained from operating lease liabilities		1,426,803
Reclassification of assets, liabilities, noncontrolling interests and equity due to consolidation of investment in joint venture		
Investments in real estate ventures	-	(8,252,047)
Noncontrolling interests	-	(3,135,979)

See notes to consolidated financial statements.

MERCHANTS' NATIONAL PROPERTIES, INC. AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1 – ORGANIZATION

Merchants' National Properties, Inc. ("Merchants"), Guest Realty Company ("Guest"), Marx Realty & Improvement Co. Inc. ("Marx"), Maryland Stores Corporation ("Maryland"), Rier Realty Co., Inc. ("Rier"), East Putnam Ave. I, LLC ("Putnam"), The M&B Building Owners II, LLC ("Bethpage"), Brahmin Realty Associates, LLC ("Brahmin"), Madison Syndicate ("Madison"), University Plaza Joint Venture LLC ("University"), Athens Joint Venture LLC ("Athens"), Bell Blvd. Partners ("Bell"), Orange Syndicate ("Orange") and MNP 2121 Wisconsin Ave LLC ("MNP 2121") own, manage, develop and lease various commercial real estate properties and invest in real estate ventures in the United States (collectively, these entities are referred to as the "Company"). Guest, Marx, Maryland and Rier (the "Acquired Entities") were acquired in the transaction discussed below.

On November 21, 2006, Merchants acquired certain shares of stock and partnership interests in the Acquired Entities and other joint venture interests from the estate of a Merchants' former stockholder for a total cost of $41,661,149 in cash. There were no significant liabilities assumed upon acquisition. The purchase price was allocated to the real estate and partnership interests based on their fair values. No goodwill or intangible assets were recorded.

On November 8, 2012, Putnam was formed to acquire property, which was developed into a commercial and residential project. Merchants owned 92.75% of Putnam. On August 30, 2023, Putnam sold the East Putnam property in Greenwich, CT for $5.1 million, which resulted in a gain on sale of $295,680.

On July 16, 2013, Bethpage was formed to acquire land for the purpose of net leasing or developing it into a commercial project. Merchants owns 95.70% of Bethpage.

In October 2014, Brahmin was formed to acquire a 50% tenancy-in-common interest in three real properties. Merchants owns 59.40% of Brahmin.

On September 11, 2015, Merchants acquired an additional 8.05% interest in the members' equity of University, which resulted in 57.88% interest in the members' equity of University.

During 2020, Merchants consolidated its investment in Athens pursuant to a Plan of Redemption and Partition whereby Merchants' ownership interest increased from 45.3332% to 90.6664%, when Athens took full ownership of the retail condominium unit at 819 7th Street NW, Washington, D.C. in exchange for its ownership interest in a commercial property in Pittsburgh, PA.

During 2020, Merchants consolidated its investment in Bell to reflect the increase in its ownership interest in Bell from 33.25% to 66.5% after the acquisition of the fifth-floor commercial condominium unit at 819 7th Street NW, Washington, D.C.

On February 2, 2022, Merchants acquired a 4-story office building, located at 2121 Wisconsin Avenue NW in Washington, D.C. ("Wisconsin"), for approximately $27.7 million. This property was acquired through a newly formed tenancy-in-common ("TIC") between Lenox Avenue I, LLC owned by Orange, with an 82% TIC interest and MNP 2121, with an 18% TIC interest. Orange acquired Wisconsin with the proceeds from the sale of its Miami, FL property. In 2022, Merchants ownership interest in Orange increased from 48.5607% to 72.48%. Merchants' ownership interest in MNP 2121 is 52.25%. As a result, Merchants collectively owns 68.62% of Wisconsin (59.21% through Orange and 9.41% through MNP 2121).

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Principles of Consolidation
The consolidated financial statements include the accounts of Merchants and its subsidiaries; Guest, a 100% owned subsidiary; Maryland, an 80% owned subsidiary; Marx, a 100% owned subsidiary; Rier, a 94.64% owned subsidiary; Putnam, a 92.75% owned limited liability company (through the sale date of August 30, 2023); Madison, a 52.93% owned partnership; Bethpage, a 95.70% owned limited liability company; Brahmin, a 59.40% owned limited liability company; University, a 57.88% owned limited liability company, Athens, a 90.67% owned limited liability company, Bell, a 66.5% owned partnership and Wisconsin, a 68.62% owned TIC interest. All significant intercompany accounts and transactions have been eliminated in consolidation.

Noncontrolling Interests
Accounting principles generally accepted in the United States of America ("GAAP") require that noncontrolling interests in subsidiaries and affiliates be reported in the equity section of a company's balance sheet. In addition, the amounts attributable to the net income (loss) of these subsidiaries and affiliates are reported separately in the consolidated statements of operations and changes in stockholders' equity for all years presented.

Use of Estimates
The Company uses estimates and assumptions in preparing consolidated financial statements. Those estimates and assumptions affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities, and the reported revenues and expenses. The most significant estimates and assumptions relate to asset acquisition allocation, depreciable lives, impairment of long-lived assets and investments in real estate ventures and the recovery of receivables. Actual results could differ from those estimates.

Rental Properties, Net
Real estate is recorded at cost. Maintenance and repairs are charged to operations at the time the expenditures are made, whereas betterments and improvements are capitalized. Upon the sale or other disposition of real estate, the cost and related accumulated depreciation are removed from the accounts and any resulting gain or loss is reflected in operations.

Purchase Accounting
The Company allocates the purchase price of asset acquisitions to the various components of the acquisition based upon the relative fair value of each component, which may be derived from various observable or unobservable inputs and assumptions.

In allocating the fair value of the identified intangible assets and liabilities of the acquired properties, below-market lease values were recorded based on the discounted difference between the current in-place rent and the Company's estimate of current market rents. Other intangible assets acquired include amounts for in-place lease values that were based on the Company's evaluation of specific characteristics of the tenants' leases. Factors considered included estimates of carrying costs during hypothetical expected lease-up periods, taking into account current market conditions, and costs to execute similar leases. In estimating carrying costs, the Company included real estate taxes, insurance and other operating expenses and estimates of lost rentals at market rates during the expected lease-up periods, based on local market conditions.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Purchase Accounting (continued)
In estimating costs to execute similar leases, the Company considered tenant improvement allowances, leasing commissions, legal and other related expenses. The below-market leases are amortized as a charge to rental revenues over the term of the leases. Amortization of the in-place lease values is included in amortization.

Marketable Securities
Marketable securities, which consist of equity securities, are carried at fair value in the consolidated financial statements. Realized gains and losses are included in net income based on the specific identification method; unrealized holding gains and losses are included in the accompanying consolidated statements of operations.

In-Place Leases
Amortization of acquired in-place leases for the years ended December 31, 2023 and 2022 was $1,082,483 and $556,140, respectively, and is included as a component of amortization in the accompanying consolidated statements of operations. As of December 31, 2023, future amortization expense is as follows:

Year Ending December 31,	
2024	$ 541,818
2025	541,818
2026	496,686
2027	476,107
2028	449,243
Thereafter	2,579,235
	$ 5,084,907

Below-Market Leases
Amortization of acquired below-market leases for the years ended December 31, 2023 and 2022 was $231,044 and $144,333, respectively, and is included as a component of rental revenues in the accompanying consolidated statements of operations. As of December 31, 2023, future amortization of below-market leases is as follows:

Year Ending December 31,	
2024	$ 147,416
2025	147,416
2026	132,269
2027	130,892
2028	129,272
Thereafter	1,270,261
	$ 1,957,526

The weighted average amortization period for below market leases and in-place lease costs were 9.21 years and 8.15 years, respectively.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Investments in Real Estate Ventures
Investments in unconsolidated affiliated companies, in which the Company has a less than 50% interest and significant influence, but not control, are accounted for using the equity method. Distributions declared but not paid are recorded as receivables from affiliated real estate ventures. On a periodic basis, management assesses whether there are any indicators that the carrying value of the Company's investments in real estate ventures may be impaired. An investment is impaired only if management's estimate of the fair value of the investment is less than the carrying value of the investment, and such decline in value is deemed to be other than temporary. To the extent impairment has occurred, the loss shall be measured as the excess of the carrying amount of the investment over the fair value of the investment. The Company's estimates of fair value for each investment are based on a number of assumptions that are subject to economic and market uncertainties, including, among others, demand for space, competition for tenants, changes in market rental rates, and operating costs. As these factors are difficult to predict and are subject to future events that may alter management's assumptions, the fair values estimated by management in its impairment analyses may not be realized. No impairment of the recoverability of the carrying amount of the Company's investments has occurred as of December 31, 2023 or 2022.

Intangible Asset Available-for-Sale
The intangible asset available for sale as of December 31, 2022 consists of a liquor license that was not amortized as it had an indefinite life. The Company reviews intangible assets with indefinite lives for impairment annually or more frequently if impairment indicators arise. As permitted under GAAP, the Company took a qualitative approach in determining whether it was more likely than not that the intangible asset was impaired. To the extent, the qualitative factors indicate that there is more than a 50% likelihood that the intangible asset is impaired or when the qualitative approach is not used, the Company performs a quantitative impairment test. The quantitative impairment test consists of a comparison of the fair value of the asset with its carrying amount. If the carrying amount of the intangible asset exceeds its fair value, the Company recognizes an impairment loss in an amount equal to that excess. The liquor license was classified as available for sale as of December 31, 2022. There was no impairment provision necessary at December 31, 2022. The Company sold the license on July 19, 2023.

Long-Lived Assets
The Company reviews the carrying values of its long-lived assets, such as rental properties, whenever events or changes in circumstances indicate that the carrying values may no longer be appropriate. Recoverability of carrying values is assessed by estimating future net cash flows from the assets. Impairment assessment inherently involves judgment as to assumptions about expected future cash flows and the impact of market conditions on those assumptions. Future events and changing market conditions may impact management's assumptions as to rental rates, costs, holding periods or other factors that may result in changes in the Company's estimates of future cash flows. Although management believes the assumptions used in testing for impairment are reasonable, changes in any one of the assumptions could produce a significantly different result. No impairment was noted at December 31, 2023 or 2022.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Cash and Cash Equivalents

The Company considers cash and cash equivalents to include cash on hand, cash in banks, and short-term investments in institutional money market funds with initial maturities of three months or less. Cash balances in banks in the United States of America are insured by the Federal Deposit Insurance Corporation subject to certain limitations. Cash balances in institutional money market funds are insured by the Securities Investor Protection Corporation subject to certain limitations. At times, the balances may exceed federally insured limits; however, no losses have been incurred.

Restricted Cash

Restricted cash represents funds held in escrow for tenant and capital improvements and leasing commissions as required by the lenders.

Debt Issuance Costs

Debt issuance costs represent amounts incurred in connection with obtaining debt financing and are recorded as a direct deduction of the related debt obligation. These costs are being amortized on the straight-line basis over the term of the related loans, which approximates the effective interest method. For the years ended December 31, 2023 and 2022, amortization of deferred financing costs was $114,634 and $117,080, respectively. These amounts are included in financing expenses on the consolidated statements of operations.

Derivative Instruments

In accordance with GAAP, the Company recognizes derivatives as either assets or liabilities in the consolidated balance sheets and measures those instruments at fair value. Changes in fair value will affect either accumulated other comprehensive income or loss, which is a component of equity, if the derivative qualifies as a hedge and is effective, or net income or loss, if the derivative does not qualify as a hedge or if the hedge is ineffective. The Company has not designated the interest rate derivatives as hedges, based on its assessment of market conditions. Therefore, changes in the fair value have been recorded in the results of operations for the years ended December 31, 2023 and 2022.

For the year ended December 31, 2023, the Company recorded losses of $326,854 on the fair value of the interest rate swap agreements, as compared to gains of $1,759,923 for the year ended December 31, 2022.

Income Taxes

The Company files a combined income tax return for New Jersey, New York State and New York City except for Putnam, Bethpage, Brahmin, Madison, University, Athens, Bell, Orange and MNP 2121. Merchants and Marx file a consolidated federal income tax return and separate income tax returns for all states except New York. Guest, Maryland and Rier file separate federal income tax returns and for all states except New York. Putnam, Bethpage, Brahmin, Madison, University, Athens, Bell, Orange, and MNP 2121 file separate federal and state income tax returns.

The Company applies the provisions of Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 740: Income Taxes ("ASC Topic 740"). The Company files income tax returns in the U.S. federal jurisdiction and in various states.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Income Taxes (continued)
The Company does not have any uncertain tax positions. As a result, there are no unrecognized tax benefits in the consolidated balance sheets. If the Company were to incur any interest and penalties in connection with income tax deficiencies, the Company would classify interest in the "interest expense" category and classify penalties in the "non-interest expense" category within the consolidated statements of operations.

Revenue Recognition
The Company recognizes base rental revenue on a straight-line basis over the terms of the respective leases which are accounted for under Accounting Standards Codification 842, Leases ("ASC 842"). Unbilled rents receivable represent the amount by which straight-line rental revenue exceeds rents currently billed in accordance with lease agreements. Revenue recognition commences from lease agreements at the date the leased premise is ready for its intended use by the tenant and the tenant takes possession or controls the physical use of the leased premise. In addition to base rents, tenants are also charged for their pro rata share of increases in real estate taxes and certain operating expenses for the Property over a base year.

The Company provides its tenants with certain customary services for lease contracts such as common area maintenance and general security. The Company has utilized the practical expedient in ASC 842 and has elected to combine the non-lease components with the lease components of operating lease agreements and account for them as a single lease component in accordance with ASC 842. Receivables from tenants are stated at the amount management expects to collect. Account balances are written off after all means of collection have been exhausted and the potential for recovery is considered remote. Accounts are considered past due or delinquent based on contractual terms and how recently payments have been received. No allowance was considered necessary at December 31, 2023 or 2022. The receivable balance at January 1, 2022 was $258,501.

In accordance with ASC 606, Revenue from Contracts with Customers, management fees, accounting fees and development fees are recognized ratably over the period that the services are performed. Leasing commissions are recognized when the leases are executed. Asset acquisition/dispositions fees and mortgage financing fees are recognized when the transactions are entered into.

Credit Losses on Financial Instruments
In June 2016, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments ("ASU 2016-13"), the objective of which is to provide financial statements users with more information about the expected credit losses on consolidated financial instruments and other commitments to extend credit held by an entity, except for tenant receivables. Prior U.S. GAAP required an "incurred loss" methodology for recognizing credit losses that delayed recognition until it was probable that a loss had been incurred. Because this methodology restricted the recognition of credit losses that were expected but did not yet meet the "probable" threshold, ASU 2016-13 was issued to require the consideration of a broader range of reasonable and supportable information when determining estimates of credit losses. ASU 2016-13 was required to be adopted in the first interim period of the fiscal year beginning after December 15, 2022. Accordingly, the Company adopted ASU 2016-13 on January 1, 2023. The Company evaluates and determines credit losses based on historical losses, the aging of receivables, the quality and liquidity of collateral that secures receivables and the cash flow generated by the entities that owe receivables. The adoption of ASU 2016-13 did not have a material impact on the Company's results of operations and cash flows.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Deferred Income Taxes
The Company uses the asset and liability method of accounting for income taxes in accordance with ASC Topic 740. Under the asset and liability method, deferred tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts and the tax bases of existing assets and liabilities.

Sales of Real Estate
Gains on sales of real estate are recognized pursuant to the provisions included in ASC 610-20. Under ASC 610-20, the Company must first determine whether the transaction is a sale to a customer or non-customer. The Company typically sells real estate on a selective basis and not within the ordinary course of its business and therefore expects that its sale transactions will not be contracts with customers. The Company next determines whether it has a controlling financial interest in the property after the sale, consistent with the consolidation model in ASC 810 "Consolidation" ("ASC 810"). If the Company determines that it does not have a controlling financial interest in the real estate, it evaluates whether a contract exists under ASC 606 and whether the buyer has obtained control of the asset that was sold. The Company recognizes a full gain on sale of real estate when the derecognition criteria under ASC 610-20 have been met.

Depreciation
Properties are stated at cost. Depreciation of rental properties is computed using the straight-line method over the estimated useful lives of the assets as follows:

Building and improvements	Seven – 39 years
Equipment and furnishings	Five years

Tenant improvements are depreciated over the shorter of the estimated useful life of the assets or the terms of the respective leases.

Earnings Per Share
The Company computes basic earnings per share by dividing the net income attributable to Merchants by the weighted average number of shares outstanding for the year. Diluted earnings per share are calculated utilizing the weighted average number of common shares outstanding adjusted for the effect of any common stock equivalents.

Leases
The FASB issued ASC Topic 842, Leases, which amended the guidance in former ASC Topic 840. The new leasing standard requires lessees to recognize operating leases on their balance sheets by recording a right-of-use asset ("RoU") and a corresponding lease liability for the rights and obligations associated with operating leases. ASC 842 also modified certain targeted changes to lessor accounting.

The Company adopted ASC 842 effective January 1, 2022 under the modified retrospective approach and elected the optional transition method to apply the provisions of ASC 842 as of the adoption date, rather than to all comparative periods. The Company also elected the practical expedient transition package which permits the Company to not reassess: (1) whether any expired or existing contracts are or contain leases, (2) the lease classification for any expired or existing leases, and (3) any initial direct costs for any existing leases as of the effective date.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Leases (continued)
Lessor Accounting
In July 2018, the FASB issued Accounting Standards Update ("ASU") 2018-11, Leases (Topic 842) – Targeted Improvements ("ASU 2018-11"). ASU 2018-11 provides a practical expedient that allows lessors to combine non-lease components with the related lease components if both (1) the timing and pattern of transfer are the same for the non-lease component(s) and related lease component, and (2) the lease component, if accounted for separately, would be classified as an operating lease. Lessors are permitted to apply the practical expedient to all existing leases on a retrospective (if there is no change to previously reported total revenues and expenses) or prospective basis. The Company elected the practical expedient to combine its lease (right to use an underlying asset) and non-lease components (transfer of a good or service that is not a lease, such as common area maintenance services) that meet the defined criteria and will account for the combined lease component under ASC 842 on a prospective basis. These amounts are reported as rental revenues within the consolidated statements of operations. The adoption of ASC 842 did not have a material impact on the Company's results of operation and cash flows related to lessor leases.

Lessee Accounting
The Company, as a lessee, leases office space which was classified as an operating lease upon adoption of the new leasing standard. ASC 842 requires the Company to record a RoU asset and related lease liability for the rights and obligations associated with the operating lease. The adoption of ASC 842 resulted in the recognition of a right-to-use asset of $1,426,803 and operating lease liability of $1,426,803 as of January 1, 2022. The adoption of ASC 842 did not have a material impact on the Company's results of operations and cash flows. See Note 16.

Reference Rate Reform
In March 2020, the FASB issued Accounting Standards Update ("ASU") 2020-04, "Reference Rate Reform (Topic 848)". ASU 2020-04 applies to contracts, hedging relationships, and other transactions that reference LIBOR or another reference rate expected to be discontinued because of reference rate reform. ASU 2020-14 is effective for all entities as of March 12, 2020 through December 31, 2022. At December 31, 2022, the Company replaced one of its contracts from LIBOR to SOFR. The other index was replaced in March 2023. The adoption of ASC 848 did not have a material impact on the Company's results of operation and cash flows. See Note 10.

Risks and Uncertainties
The Company is subject to risks incidental to the ownership, development and management of real estate. These include the risks normally associated with the changes in the general economic climate, trends in the real estate industry, availability of land for development, changes in tax laws and interest rates, availability of financing, and the potential liability under environmental and other laws.

The Company's investments include marketable equity securities. Due to the risks associated with equity securities, it is at least reasonably possible that changes in market conditions in the near term could materially affect the value of investments reported in the consolidated financial statements.

Reclassification
Certain reclassifications have been made to the prior year's consolidated financial statements to conform to the current year presentation. These reclassifications have no effect on previously reported net loss.

2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Subsequent Events
These consolidated financial statements were approved by management and available for issuance on April 15, 2024. Management has evaluated subsequent events through this date.

3 – FAIR VALUE MEASUREMENTS

The Company follows the provisions of ASC Topic 820, "Fair Value Measurements and Disclosures", which establishes a three-level valuation hierarchy for disclosure of fair value measurements. The valuation hierarchy is based upon the transparency of inputs to the valuation of an asset or liability as of the measurement date. The three levels are defined as follows:

Level 1: Quoted prices in active markets for identical assets or liabilities.
Level 2: Quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active and model-derived valuations whose inputs or significant value drivers are observable.
Level 3: Unobservable inputs are used when little or no market data is available.

Financial assets (liabilities) measured at fair value on a recurring basis are summarized below:

December 31, 2023

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Marketable securities	$ 68,377,897	$ -	$ -	$ 68,377,897
Interest rate swaps	-	936,437	-	936,437
Total assets measured at fair value	$ 68,377,897	$ 936,437	$ -	$ 69,314,334

December 31, 2022

	Fair Value Measurements Using			
	Level 1	Level 2	Level 3	Total
Marketable securities	$ 61,287,084	$ -	$ -	$ 61,287,084
Interest rate swaps	-	1,263,291	-	1,263,291
Total assets measured at fair value	$ 61,287,084	$ 1,263,291	$ -	$ 62,550,375

The Company values investments in marketable securities that are freely tradable and are listed on a national securities exchange at their last quoted sales price as of the valuation date.

The interest rate swap agreements are valued at fair value using a swap valuation model that utilizes an income approach using observable market inputs including interest rates London Interbank Offered Rate ("LIBOR"), Secured Overnight Financing Rate ("SOFR") and credit default swap rates.

3 – FAIR VALUE MEASUREMENTS (Continued)

The carrying values of cash and cash equivalents, restricted cash, receivables, loans payable and accounts payable and accrued expenses approximate their fair values due to their short-term nature. It was not practicable to reasonably estimate the fair value of the loans receivable from real estate ventures, the line of credit and mortgages payable as there are no quoted market prices of similar products and management has not developed a valuation model necessary to make such estimates.

4 – RENTAL PROPERTIES, NET

Rental properties consist of the following:

	December 31, 2023	December 31, 2022
Land	$ 25,128,115	$ 27,376,418
Buildings and improvements	56,979,469	58,539,340
Furniture and fixtures	742,224	1,107,304
Equipment	3,003,446	2,994,733
Impairment of land and building	-	(1,337,269)
	85,853,254	88,680,526
Less: accumulated depreciation	12,198,141	11,248,109
	$ 73,655,113	$ 77,432,417

Depreciation expense for the years ended December 31, 2023 and 2022 was $2,433,596 and $2,442,877, respectively.

5 – PROPERTY ACQUISITION

The Company acquired Wisconsin for $27,700,000 on February 2, 2022. The purchase price, including acquisition costs, was allocated based on the relative fair value of the assets and liabilities acquired and consists of the following:

Land	$ 6,279,063
Building	19,035,404
In-place leases	6,723,530
Below market leases	(2,332,903)
Net purchase price	$ 29,705,094

6 – MARKETABLE SECURITIES

Cost and fair value information for common stock securities are as follows:

	December 31, 2023	December 31, 2022
Cost	$ 897,173	$ 897,173
Fair value	68,377,897	61,287,084
Net unrealized gain	$ 67,480,724	$ 60,389,911

There were no sales of marketable securities during the years ended December 31, 2023 or 2022.

7 – INVESTMENTS IN REAL ESTATE VENTURES

The Company holds investments in various real estate ventures. Changes in the Company's investments in real estate ventures for the years ended December 31, 2023 and 2022, respectively, are as follows:

	December 31, 2023	December 31, 2022
Balance, beginning of period	$ 112,466,720	$ 119,818,866
Contributions	4,070,995	4,078,630
Distributions	(9,843,003)	(11,523,866)
Consolidation of Orange Syndicate *	-	(8,250,412)
Reclassification from rental properties	-	1,609,869
Loss on abandonment of investment in real estate venture	-	(527,058)
Equity in earnings, net	8,278,278	7,260,691
Net investments, end of period	$ 114,972,990	$ 112,466,720

* Represents the reclassification of the investment in Orange to rental properties, net as a result of the consolidation of this real estate venture with the Company's consolidated financial statements effective February 2022 (Note 1).

7 – INVESTMENTS IN REAL ESTATE VENTURES (Continued)

The following information summarizes the total assets, liabilities, revenues and expenses of the investees in the aggregate prior to allocating the Company's share indicated by the percentages listed on the following page:

	December 31,			
		2023 (unaudited)		2022 (unaudited)
Assets, net of accumulated depreciation and amortization of $287,307,032 and $267,409,995	$	608,319,702	$	620,007,076
Liabilities		379,417,279		373,566,309
Equity	$	228,902,423	$	246,440,767

	Years Ended December 31,			
		2023 (unaudited)		2022 (unaudited)
Rental and other revenues	$	150,941,209	$	139,316,200
Unrealized gain on marketable securities		(22,503)		847,417
Net gains on disposal of rental property		5,101,137		2,252,302
Total income		156,019,843		142,415,919
Direct operating expenses		53,625,060		66,104,408
Financing expenses		20,826,991		17,272,508
Depreciation and amortization expense		34,798,881		28,277,188
Income taxes		1,840,977		1,340,213
Total expenses		111,091,909		112,994,317
Net income	$	44,927,934	$	29,421,602

The investments in real estate ventures on the accompanying consolidated balance sheets are accounted for by the Company using the equity method. The above amounts, which are maintained on the historical cost basis and represent 100% of the assets (net of accumulated amortization and depreciation where applicable), liabilities, equity, revenues and expenses of the real estate joint ventures, have not been audited, except one of the investments as noted in the independent auditors' 2023 report. The assets and liabilities of this investment in real estate venture are approximately 32% and 28%, respectively, of the total assets and liabilities above at December 31, 2023 and 31% and 30%, respectively, at December 31, 2022. The net income of this investment in real estate venture is approximately 55% and 69% of the total net income above for the years ended December 31, 2023 and 2022, respectively.

7 – INVESTMENTS IN REAL ESTATE VENTURES (Continued)

Investments in real estate ventures consist of the following:

	% Of Ownership (a)	
Investee	December 31, 2023	December 31, 2022
135 Bowery	9.0000%	9.0000%
430 Park Avenue Syndicate (b)	7.0828	7.0828
532 Madison Syndicate	10.4099	10.4099
708 Third Avenue Holdings, LLC	35.7135	35.7135
Avon Joint Venture	40.5938	40.5938
BSC Empire	37.6214	37.6214
Belle Haven Realty LLC	42.5700	42.5700
Bellflower Joint Venture	17.4167	17.4167
Bey Lea Joint Venture (b) (d)	0.0000	9.1366
Boston Syndicate	31.4393	31.4393
Dollar Land Associates, LLC	37.6214	37.6214
Farmingville Associates (b)	10.6223	10.6223
Fort Lee Joint Venture	30.0000	30.0000
Hastings Drive I, LLC	48.8289	48.8289
Herald Owners, LLC	28.5030	28.5030
Ithaca Joint Venture	21.0000	21.0000
Joseph E. Marx Company, Inc. ("JEM")	23.3330	23.3330
Knights Road Shopping Center LP (b)	11.4044	11.4044
Louisville Syndicate	49.3097	49.3097
Marlton Joint Venture	34.9167	34.9167
Newbury Street Partners (b) (c)	19.2084	18.7084
Ocean County Ventures (b)	30.0981	30.0981
Pequannock Joint Venture LLC	22.5953	22.5953
Peters Land Realty, LLC	26.7644	26.7644
Queens Blvd. Realty, LLC	12.6867	12.6867
Seaford Joint Venture	22.6781	22.6781

(a) % of Company's beneficial interest in the underlying investment.
(b) Excludes indirect interest through JEM.
(c) Merchants purchased 0.5% interest in Newbury Street Partners on June 8, 2023 for $100,000.
(d) The property was sold on July 28, 2023.

8 – LOANS RECEIVABLE, REAL ESTATE VENTURE

Loans receivable from one real estate venture affiliate in the amount of $1,950,000 and $1,875,000 as of December 31, 2023 and 2022, respectively, are unsecured, due on demand and bear interest at 5.0%. As of December 31, 2023 and 2022, accrued interest of $431,250 and $375,000, respectively, was included in the loan receivable balance.

Loan receivable from one real estate venture affiliate in the amount of $536,067 as of December 31, 2023 is unsecured, due on demand and bears interest at 6.0%. As of December 31, 2023, accrued interest of $11,067 was included in the loan receivable balance.

Loan receivable from one real estate venture in the amount of $991,408 as of December 31, 2023 is unsecured, due on demand and bears interest at 6.0%. As of December 31, 2023, accrued interest of $21,408 was included in the loan receivable balance.

Management believes that these loans are fully collectible, and no allowance for credit loss is required at December 31, 2023 and 2022.

9 – LINE OF CREDIT

In March 2021, Merchants obtained a three-year $40 million credit facility (the "Credit Facility") with Valley National Bank, which expired in February 2024 and was not renewed. The Credit Facility was subject to a borrowing base of 75% of the fair value of the Company's marketable securities and 100% of the value of cash and cash equivalents. Initially, the interest rate on the Credit Facility was LIBOR plus 1.25%. The loan agreement was amended on February 1, 2023, changing the interest rate on the Credit Facility to SOFR plus 1.25%. The Credit Facility was subject to certain covenants and allows the Company to request that the bank issue standby letters of credit of up to $10 million on its behalf.

No amounts were outstanding under the Credit Facility as of December 31, 2023 and 2022. There was no interest expense on the Credit Facility during the years ended December 31, 2023 and 2022.

10 – MORTGAGES PAYABLE

In August 2019, Merchants obtained a $8,625,000 mortgage payable, secured by a first mortgage lien on the property located at 605-609 West 181st Street, New York, NY. The mortgage required monthly payments of interest only at 3.39% through September 1, 2020. Beginning October 1, 2020, the mortgage requires principal and interest payment based on a 24-year amortization term. The mortgage matures on September 1, 2029, at which time the outstanding principal balance and any unpaid interest is due. For the years ended December 31, 2023 and 2022, interest expense was $272,076 and $274,754, respectively. The mortgage payable balance at December 31, 2023 and 2022 was $7,825,678 and $8,081,082, respectively. The loan is subject to a debt service coverage ratio of 1.10. Beginning January 1, 2020, the debt service ratio requires quarterly testing.

The Company has a receive-variable (LIBOR), pay-fixed (1.64%) interest rate swap agreement related to its variable rate loan on West 181st Street. The interest rate swap agreement was effective as of August 13, 2019,

10 – MORTGAGES PAYABLE (Continued)

matures on September 4, 2029, and had an original notional amount of $8,625,000 with a notional amount of $7,825,678 and $8,081,082 at December 31, 2023 and 2022, respectively. The notional amount is reduced based on the terms of the agreement. The interest rate swap agreement is intended to hedge the Company's exposure to possible increases in interest rates and the resulting increase in cash outflows. In March 2023, variable LIBOR was replaced with SOFR.

In October 2014, Brahmin obtained three mortgages totaling $2,790,000, which collectively are secured by a first mortgage lien on the properties located at 10-14 Bosworth Street, 41 Bromfield Street and 45 Bromfield Street, Boston, MA. On June 1, 2019, the three mortgages with an outstanding balance of approximately $2,480,000 were modified to allow for borrowings up to $4,750,000. The modified mortgages require monthly payments in the aggregate of $52,342 with 4.35% of interest to adjust every seven years through November 1, 2039. The initial interest rate during the first seven years is fixed at 4.35% and every seven years the interest will adjust to 185 basis points plus the seven-year US Treasury Index not to exceed 4.35%. Merchants is a limited guarantor of this loan. For the years ended December 31, 2023 and 2022, interest expense was $189,618 and $194,974, respectively. The mortgage payable balance at December 31, 2023 and 2022 was $4,231,578 and $4,356,029, respectively. The loan is subject to a debt service coverage ratio of 1.20, which shall be tested annually. Brahmin is currently not in compliance with the ratio; however, Brahmin is current in its debt service payments.

On April 3, 2015, Putnam obtained a construction loan in the amount of $4,000,000 for the development of its property, with an option to convert it to a permanent facility at the issuance of a certificate of occupancy after closing. On December 29, 2016, the outstanding construction loan in the amount of $3,965,429 was converted into a permanent mortgage of $4,500,000, maturing on January 1, 2024. The mortgage required monthly payments in the aggregate of $21,484, including principal and interest based on a 30-year amortization schedule. The interest rate during the term of the note was 4%. For the years ended December 31, 2023 and 2022, interest expense was $104,393 and $161,117, respectively. The mortgage was paid off on August 30, 2023 upon the sale of the East Putnam property in Greenwich, CT. The mortgage payable balance at December 31, 2022 was $3,983,337.

On September 11, 2015, University obtained a loan in the amount of $9,000,000. The loan requires monthly payments in the aggregate of $47,291 and has a maturity date of September 11, 2025. Merchants is the guarantor of this loan. The loan can be prepaid in whole or in part from time to time without penalty. The loan is subject to a debt service ratio of 1.30, which shall be tested annually. If the debt service ratio falls below 1.30, University is required to provide cash collateral or an unconditional standby letter of credit. In April 2018, University deposited $300,000 in a debt service reserve at the request of the lender in order to satisfy this covenant due to noncompliance as of December 31, 2017. For the years ended December 31, 2023 and 2022, interest expense was $280,539 and $291,756, respectively. The mortgage payable balance at December 31, 2023 and 2022 was $6,966,474 and $7,252,352, respectively.

The Company has a receive-variable (SOFR plus 1.625%), pay-fixed (3.9%) interest rate swap agreement related to its variable rate loan on University. The interest rate swap agreement was effective as of October 1, 2015, matures on October 1, 2025, and had an original notional amount of $9,000,000 with a notional amount of $6,966,474 and $7,252,352 at December 31, 2023 and 2022, respectively . The notional amount is reduced based on the terms of the agreement. The interest rate swap agreement is intended to hedge the Company's exposure to possible increases in interest rates and the resulting increase in cash outflows.

10 – MORTGAGES PAYABLE (Continued)

In November 2016, Athens obtained a $5,000,000 mortgage payable, secured by a first mortgage lien on the property located at 819 7th Street NW, Washington DC. Merchants is a limited guarantor of this loan. The mortgage requires monthly payments in the aggregate of $25,199, including principal and interest, based on a 25-year amortization schedule and has a maturity date of December 1, 2023. Athens has exercised its option to extend the maturity date to May 27, 2024. Management intends to pay the outstanding balance upon the extended maturity date. The interest rate during the initial term of the note was 3.50%. The interest rate during the extended term is SOFR + 300 bps. For the years ended December 31, 2023 and 2022, interest expense was $145,609 and $151,080, respectively. The mortgage payable balance at December 31, 2023 and 2022 was $4,017,422 and $4,174,198, respectively. The loan is subject to a debt service ratio of 1.25, which shall be tested annually. Athens is currently not in compliance with the ratio; however, Athens is current in its debt service payments.

In February 2022, Wisconsin obtained a mortgage payable of up to $20,730,000, secured by a first mortgage lien on the property located at 2121 Wisconsin Avenue, NW, Washington, DC. Merchants has provided a Guaranty for payment and performance of this mortgage. In addition, Merchants has provided an environmental indemnity guaranty (the "Guaranty"). Management believes that there is no liability under the Guaranty at December 31, 2023. The mortgage payable matures in February 2032, requires monthly interest only payments at the rate of 3.4% for the first 24 months and then principal and interest payments thereafter of $85,064, based on a 35-year amortization period. For the years ended December 31, 2023 and 2022, interest expense was $652,617 and $525,838, respectively. The mortgage payable balance at December 31, 2023 and 2022 was $18,529,512 and $16,620,000, respectively.

Future minimum payments on all of the aforementioned mortgages payable are as follows:

Year Ending December 31,	
2024	$ 4,960,357
2025	7,391,477
2026	748,116
2027	775,597
2028	801,805
Thereafter	26,893,310
	41,570,662
Less: unamortized debt issuance costs	263,479
	$ 41,307,183

11 – LEASE ARRANGEMENTS (AS LESSOR)

Building space is leased under non-cancelable operating leases. Certain tenant leases provide for minimum annual rent, a percentage of tenant sales in excess of stipulated amounts, real estate taxes, utility costs and other expenses. Certain leases also provide for renewal and termination options.

11 – LEASE ARRANGEMENTS (AS LESSOR) (Continued)

Minimum rental revenues under existing non-cancelable leases as of December 31, 2023 are approximately as follows:

Year Ending December 31,		
2024	$	6,910,000
2025		6,602,000
2026		6,538,000
2027		6,407,000
2028		5,742,000
Thereafter		34,527,000
	$	66,726,000

For the years ended December 31, 2023 and 2022, one tenant represented approximately 16% of rental income.

The components of rental revenue are as follows:

	December 31,			
		2023		2022
Fixed lease payments	$	7,874,033	$	8,099,712
Variable lease payments		906,375		964,646
	$	8,780,408	$	9,064,358

12 – INCOME TAXES

The Company's effective tax rate differs from the statutory tax rate due to state credits, as discussed below. The Company's income tax provision consists of the following:

	Years Ended December 31,			
		2023		2022
Current				
Federal	$	1,316,800	$	486,656
State		538,944		1,522,567
		1,855,744		2,009,223
Deferred				
Federal		1,849,412		(1,540,711)
State		601,208		(87,252)
		2,450,620		(1,627,963)
Income tax provision per consolidated statements of operations	$	4,306,364	$	381,260

12 – INCOME TAXES (Continued)

Components of deferred tax assets and liabilities are as follows:

Deferred tax assets				
Bad debt expense	$ 52,221	$ 15,459	$ 164,118	$ 48,583
Depreciation - federal	2,536,341	532,633	126,865	26,642
Depreciation - state	23,187,673	2,525,137	21,129,947	2,301,051
Interest expense deduction limitation	2,409,577	582,389	1,521,775	319,573
Net operating losses	-	-	213,678	44,872
Impairment loss	-	-	1,308,732	387,425
Prepaid rent	994,736	294,473	1,879,584	556,416
	29,180,548	3,950,091	26,344,699	3,684,562
Deferred tax liabilities				
Amortization	1,846,229	546,541	1,846,229	546,541
Bad Debt Expense	1,724	510	-	-
Depreciation - federal	20,340,260	5,738,228	19,116,778	5,309,317
Deferred gain on disposal of rental property	32,847,128	9,723,768	32,847,128	9,723,769
Deferred revenue	10,544,907	3,121,619	9,638,292	2,853,232
Other	8,251,196	2,442,611	6,403,509	1,895,636
Unrealized gain on interest rate swap	905,456	268,043	1,200,887	355,500
Unrealized gain on marketable securities	67,731,509	14,900,932	60,645,947	13,342,108
	142,468,409	36,742,252	131,698,770	34,026,103
Net deferred tax liability	$ 113,287,861	$ 32,792,161	$ 105,354,071	$ 30,341,541

The above components of deferred tax assets and liabilities also include GAAP to tax differences from investments in real estate ventures.

13 – RELATED PARTY TRANSACTIONS

The Company manages various properties and several entities through which investments in real estate ventures are held. Management fees, leasing commissions, supervisory fees and other revenues earned from related parties for the years ended December 31, 2023 and 2022 were $8,782,713 and $8,273,925, respectively.

As of December 31, 2023 and 2022, the amount due from related parties for management fees, leasing commissions, supervisory fees and other charges was $1,447,813 and $3,075,213, respectively. These amounts are non-interest bearing and are due on demand.

As of December 31, 2023 and 2022, the amount due to related parties to cover temporary cash shortfalls was $40,442 and $516,900, respectively. These amounts are non-interest bearing and are due on demand.

Loans to employees for the purchase of membership interests in certain real estate ventures totaling $2,783,520 and $2,627,973 at December 31, 2023 and 2022, respectively, are included in receivables from employees on the consolidated balance sheets. The loans bear interest at 6%, and any unpaid balance, including accrued interest, is due within 12 months of termination of employment with the Company. The loans to employees are collateralized by the employees' respective ownership interest in these real estate ventures.

14 – RETIREMENT PLAN

The Company makes matching contributions to a retirement plan equivalent to 50% of participants' contributions, not to exceed 2% of such employees' base compensation, or the Internal Revenue Code imposed annual maximum of $6,700 for 2023 and $6,100 for 2022. The Company's matching contributions for the years ended December 31, 2023 and 2022 were $85,822 and $88,775, respectively.

15 – COMMITMENTS AND CONTINGENCIES

Guarantees and Indemnification

In April 2020, Herald Owners, LLC ("Herald"), one of the Investees referred to in Note 7, obtained a mortgage payable of up to $49,844,000, with a mortgage balance outstanding at December 31, 2023 in the amount of $43,198,009 secured by a first mortgage lien on the property located at 1307 New York Avenue, NW, Washington, DC. Merchants is a limited guarantor on this loan. In addition, Merchants has provided Deferred Equity and Completion guarantees, an Environmental Indemnity Agreement and an Interest, Carry and Rebalancing Guaranty (the "Guaranty"). Among other requirements, the Guaranty will terminate upon the completion of construction work and achievement of an occupancy rate of 88% of net rentable square footage. In January 2022, the construction was completed. Management believes that there is no liability under the Guaranty at December 31, 2023 and 2022. The mortgage payable was set to mature in April 2023, requires monthly interest only payments at the rate of 4.5% and contains two 12-month extension options, subject to Merchants meeting certain conditions. Herald exercised its first extension option on February 1, 2023, extending the maturity date to April 5, 2024. Herald exercised its second extension option on April 5, 2024, extending the maturity date to April 5, 2025.

15 – COMMITMENTS AND CONTINGENCIES (Continued)

Guarantees and Indemnification (continued)

The Company has signed limited suretyship and guarantee agreements with the mortgagees of two investees as of December 31, 2023 and 2022, which own rental real properties with mortgages outstanding of approximately $18,571,000 and $18,761,000 as of December 31, 2023 and 2022, respectively. In addition, the Company has provided indemnification for any environmental issues to the lenders of these investees. Management believes that there is no liability under these guarantees as of December 31, 2023 and 2022.

Employment Agreement

In April 2020, the Company amended and restated the original 2017 employee agreement with its Chief Executive Officer (the "CEO"), ending August 2024, with an automatic extension of one year, pursuant to which the Company agreed to pay a base annual salary of $620,000, with an annual increase of the lesser of the increase in the consumer price index or 3% per year. The CEO also became eligible for an annual performance bonus award providing a target bonus opportunity of 75% of the current base salary. The Company also granted the CEO a long-term incentive award equal to $1,100,000 (the "LT Cash Incentive"). The LT Cash Incentive shall vest on each of the four anniversaries of the August 10, 2020 Award Date in four equal installments, subject to the CEO's continued employment through the respective vesting dates, and payable in full on August 10, 2024. As of December 31, 2023, $893,750 was accrued and included in accounts payable and accrued expenses.

In addition, when the Company enters into new investments, as defined in the CEO's employment agreement, the CEO is required to make a personal investment at the level of 5% of the Company's investment. The funds for the CEO's personal investments would be loaned by the Company on a non-recourse basis, with interest at 6% a year, using the acquired equity as collateral. The unpaid balance, including accrued interest, is due within 12 months of termination of employment with the Company. As of December 31, 2023 and 2022, the loan balance, including accrued interest, was $2,251,901 and $2,068,426, respectively. These amounts are included in receivables from employees on the accompanying consolidated balance sheets.

For the year ended December 31, 2023, the CEO's total compensation was $1,687,819, which consisted of $684,069 for base salary, a $660,000 bonus and a $343,750 LT Cash Incentive. For the year ended December 31, 2022, the CEO's total compensation was $1,574,145, which consisted of $664,145 for base salary, a $635,000 bonus and a $275,000 LT Cash Incentive.

In April 2021, the Company entered into a restricted stock agreement pursuant to which the CEO was granted 100 shares of common stock of the Company. The CEO was granted an additional 100 shares of common stock of the Company in December 2021, an additional 100 shares in May 2023 and an additional 100 shares in December 2023. These 400 shares will become fully vested on August 10, 2024, provided the CEO remains employed by the Company at that date. Unless and until this agreement is rescinded, the CEO shall have all voting rights and receive all dividends paid with respect to the 400 shares.

15 – COMMITMENTS AND CONTINGENCIES (Continued)

Employment Agreement (continued)
The Company follows the provisions of ASC Topic 718, "Compensation - Stock Compensation", which covers a wide range of share-based compensation arrangements and provides guidance for recognition of compensation cost related to these types of transactions. Compensation will be measured based on the fair value of the equity instrument when it is earned.

For the years ended December 31, 2023 and 2022, the Company has determined that the stock compensation expense is not material to the financial statements as a whole. Stock compensation expense of $591,700 will be recorded upon 100% vesting.

Capital Calls and Investment Funding
In the normal course of business, the Company may be requested to make additional capital contributions to its real estate investments. As of the date of this report, the Company has no outstanding capital calls received from its real estate investments.

Litigation
In the normal course of business, the Company is a party to various legal claims, actions and complaints relating to its real estate activities. Management does not expect that the results of any of these proceedings will have a material adverse effect on the Company's consolidated financial position, results of operations or cash flows.

16 – LEASES (AS LESSEE)

The Company leases office space from 708 Third Avenue Holdings, LLC, in which it has an investment. The lease expires on January 23, 2029 and falls under ASC 842, as discussed in Note 2. For the years ended December 31, 2023 and 2022, the operating lease cost was $253,479 and $252,341, respectively, and is included in the consolidated statement of operations.

The following summarizes the line items in the consolidated balance sheets which include amounts for the operating lease:

	December 31, 2023	December 31, 2022
Operating right-of-use asset	$ 1,059,433	$ 1,246,210
Current maturities of operting lease liability	$ 195,188	$ 177,504
Operating lease liability, less current maturities	882,788	1,077,977
Total operating lease liability	$ 1,077,976	$ 1,255,481

16 – LEASES (AS LESSEE) (Continued)

Additional disclosures regarding the Company's lease as lessee are as follows:

	Years Ended December 31, 2023	Years Ended December 31, 2022
Cash paid for amounts included in the measurement of lease liability	$ 219,204	$ 219,204
Weighted average remaining lease term	5.1 years	6.1 years
Weighted average discount rate	3.55%	3.55%

The maturities of operating lease liability as of December 31, 2023 were as follows:

Year Ending December 31,	
2024	$ 230,334
2025	232,560
2026	232,560
2027	232,560
2028	232,560
Thereafter	19,380
Total lease payments	1,179,954
Less: interest	101,978
Present value of lease liability	$ 1,077,976

17 – SUBSEQUENT EVENTS

On April 2, 2024, Louisville Syndicate ("Louisville"), one of the Investees referred to in Note 7, entered into a Purchase and Sale Agreement to sell the property in Louisville, KY for $830,000. Merchants owns 49.3097% of Louisville.

As part of the one-year extension of the Herald mortgage (see Note 15), the Merchants controlled member, Herald DC Ventures, LLC ("Funding Member") loaned Herald Member, LLC ("Non-Funding Member"), an affiliate of Iowa Public Employee's Retirement System, managed by Invesco Advisors, Inc., $3.9M to cover the loan extension costs and $3M for tenant improvement and leasing costs. This loan carries an interest rate of 14%.

Addendum B

(see attached)

Addendum B

Property	CITY	Building Type	Land (Acres) - Approx.	Building (square ft) - Approx.	MNP Interest [1]	Occupancy %	% VACANT	SF LEASED	SF VACANT	# of In-place Tenants	Primary Tenants
ALABAMA											
1301 N MEMORIAL PKWY, HUNTSVILLE	HUNTSVILLE	RETAIL/BILLBOARD SIGN	1.4	10,832	53.4%	100.00%	0.00%	10,832	-	2	Bridgestone, Lamar Advt.
CALIFORNIA											
17220-230 S. LAKEWOOD, BELLFLOWER	BELLFLOWER	SHOPPING CENTER	11.1	131,884	17.4%	98.86%	1.14%	130,384	1,500	6	Kimco Realty, Denny's, Ellie & Emma, Star Dental, Sunrise Beauty, LA Pro Nail
CONNECTICUT											
98,102, 108 GREENWICH AVENUE	GREENWICH	MIXED-USE		18,489	57.9%	100.00%	0.00%	18,489	-	7	Sweet Green, Maman Bakery, Karp Reilly, Altus Power, Night Owl, Resi Penthouse
DISTRICT OF COLUMBIA											
2200 P STREET NW, DC	WASHINGTON, DC	RETAIL/GAS STATION	0.4	2,100	100.0%	100.00%	0.00%	2,100	-	1	Consolidated Petroleum
819 7TH ST., NW, WASHINGTON, DC	WASHINGTON, DC	RETAIL/OFFICE		7,857	90.7%	45.12%	54.88%	3,545	4,312	2	Nando's Restaurant Group
819 7TH ST., NW, WASHINGTON, DC	WASHINGTON, DC	OFFICE		5,115	66.5%	0.00%	100.00%	-	5,115	-	
1307 NEW YORK AVE NW, WASH., DC	WASHINGTON, DC	OFFICE		120,310	28.5%	53.31%	46.69%	64,139	56,171	8	CCGN, Barbara Bush Fdn., Scott Circle, EIG, Society of Industrial Realtors, Locust Street Group
2121 WISCONSIN AVE, NW, WASH., DC	WASHINGTON, DC	OFFICE		105,722	72.2%	65.77%	34.23%	69,532	36,190	7	Nexstar Media, Balance Gym, CommuniKids, George Sexton, Liles Parker, Wine Rack, Elite PT
GEORGIA											
207-211 PEACHTREE STREET, ATLANTA	ATLANTA	1-4 STORY+1-1 STORY BLDG	0.4	42,451	26.8%	100.00%	0.00%	42,451	-	3	Hooters, Red Phone Booth, Suito Sushi Bar
KENTUCKY											
3430 PRESTON HWY, LOUISVILLE [4]	LOUISVILLE	RESTAURANT	0.3	1,950	49.3%	100.00%	0.00%	1,950	-	1	Charley's Cheesesteaks
MASSACHUSETTS											
349-365 WASHINGTON STREET, BOSTON [2]	BOSTON	4 BUILDING ASSEMBLAGE MIXED USE	0.5	63,918	31.8%	1.78%	98.22%	1,140	62,778	2	Cingular, Unsung Park
BROMFIELD & BOSWARTH ST, BOSTON [2]	BOSTON	3 BUILDING ASSEMBLAGE MIXED USE	0.1	39,429	29.7%	33.73%	66.27%	13,298	26,131	8	Colonial Trading, Drinkmaster, Clothing from Italy, Instatrac, Neurable, Bay State Coin, Cimulate
NEW JERSEY											
460 WEST ROUTE 70, MARLTON	MARLTON	RETAIL	1.4	9,000	34.9%	100.00%	0.00%	9,000	-	1	Enterprise Car Rental
240 WEST PWY, PEQUANNOCK	POMPTON PLAINS	WAREHOUSE	6.9	127,800	22.6%	100.00%	0.00%	127,800	-	1	Strong Man Builiding Products
1218 HOOPER AVE (& BEY AVE)	TOMS RIVER	RETAIL + VACANT LAND	27.2		30.1%	100.00%	0.00%	-	-	3	Target, Chilli's, Exxon (All ground-leased)
3607 BERGENLINE, UNION CITY	UNION CITY	RETAIL	0.3	26,647	100.0%	100.00%	0.00%	26,647	-	1	ABC Bargain Stores
2125 FLETCHER AVENUE, FORT LEE [2]	FORT LEE	RETAIL	2.1	32,725	30.0%	100.00%	0.00%	32,725	-	1	Metropolitan Plant Exchange
NEW YORK											
KNOLLS COOP SOCIETY, BRONX [4]	BRONX	RESIDENTIAL			100.0%	100.00%	0.00%			1	Knolls Cooperative Section No. 1
3965 HEMPSTEAD BLVD., BETHPAGE [4]	BETHPAGE	RETAIL/GAS STATION	1.3	6,929	95.7%	100.00%	0.00%	6,929	-	1	Quick Check Corp.
89-17/23 QUEENS BLVD., ELMHURST	ELMHURST	RETAIL	0.3	8,625	12.7%	100.00%	0.00%	8,625	-	4	JP Morgan Chase, Rakuzen, Halal Republic, Smoke Shop
222 ELMIRA RD, ITHACA	ITHACA	SHOPPING CENTER	6.9	46,460	21.0%	100.00%	0.00%	46,460	-	14	Wild Wines, 5 Guys, Taco Bell, DiBellas Sub, Cold Stone
201 EAST 57TH STREET, NYC [1]	NEW YORK	SHOW ROOM	0.2	29,617	23.3%	97.30%	2.70%	28,816	801	3	TD Bank, Design Within Reach, Mansour Rugs
532 MADISON AVENUE, NYC	NEW YORK	RETAIL/OFFICE	0.04	15,347	10.4%	57.45%	42.55%	8,817	6,530	3	Smilers, Less is More, Sprint
545 MADISON AVENUE, NYC [1]	NEW YORK	RETAIL/OFFICE	-	136,769	23.3%	83.77%	16.23%	114,569	22,200	11	Wells Fargo, Maman, Orangewood Partners, Ogden Capital, Helix Partners, HSN, Strike Holding, Truarc Partners, Peter B Cannell & Co., Kohlberg, Galaxy US
605-9 WEST 181st STREET, NYC	NEW YORK	RETAIL	0.2	23,897	100.0%	100.00%	0.00%	23,897	-	1	Foot Locker
712 THIRD AVENUE, NYC	NEW YORK	RETAIL/OFFICE BUILDING	0.1	9,869	17.9%	100.00%	0.00%	9,869	-	3	Wendy's, Dunkin Donuts, Haufbrau
140 7TH AVE S PARCEL, NYC	NEW YORK	21sf LAND PARCEL			100.0%	100.00%	0.00%	-	-	1	Ark Seventh Ave South
135 BOWERY ST., NYC	NEW YORK	RETAIL/OFFICE BUILDING		21,308	46.5%	63.20%	36.80%	13,466	7,842	4	Hiyake Japanese BBQ, Martin Liu, Portlus, JO Entertainment
3639 MERRICK RD. SEAFORD	SEAFORD	FREESTANDING BUILDING	0.3	4,620	22.7%	100.00%	0.00%	4,620	-	1	Funstuff
2800 HYLAN BLVD., STATEN ISLAND [4]	STATEN ISLAND	BANK BLDG/FAST FOOD RESTAURANT	1.3	7,147	0.7%	100.00%	0.00%	7,147	-	2	Starbucks, Bank of America
79-83 MAMARONECK AVE. W.PLAINS	WHITE PLAINS	1 STORY + PARTIAL BSMT	0.1	4,449	94.6%	100.00%	0.00%	4,449	-	2	Salon, US Army
10 GRAND CENTRAL, 155 E 44TH STREET	NEW YORK	RETAIL/OFFICE BUILDING	0.4	420,237	35.7%	79.45%	20.55%	333,859	86,378	47	ANA, Benenson, UNOPS, Wheelock, Mass Mutual, Crux, Little Collins, Sweetgreen, Cava, Montieth, The Week, Maman Bakery, LIV Golf, HLTH, ZEFR, Agence France-Presse, Mission of Panama, Metrowall, Green Street Advisors, LeafFilter, Lewis Baach
CROSS COUNTY SHOPPING CTR.	YONKERS	SHOPPING CENTER	71.3	1,140,150	37.6%	97.00%	3.00%	1,105,952	34,198	87	Macy's, Target, Westchester Comm College, Stop&Shop, Zara, H&M, Hyatt, Victoria's Secret, Gap, Blink, Old Navy, Ulta, Multiplex, Olive Garden, TGIF, XXI Forever, Savage X Fenty
92 PRINCE STREET, NEW YORK [2]	NEW YORK	RETAIL	0.1	6,290	20.7%	100.00%	0.00%	6,290	-	1	Nespresso
85 NORTH 3RD ST. WILLIAMSBURG, BKLYN [2]	BROOKLYN	RETAIL		27,111	40.6%	100.00%	0.00%	27,111	-	15	Sola Salon, Ralph Lauren, Crème Design, Kula Yoga, Aesop, Slowear, Hotovelli, Tailgate Clothing
478 W. BROADWAY, NEW YORK [2]	NEW YORK	RETAIL		3,813	19.7%	100.00%	0.00%	3,813	-	1	Lumas/Avenso Photo Art
430 PARK AVENUE, NEW YORK [2, 3]	NEW YORK	OFFICE BUILDING	0.3	296,147	8.2%	93.67%	6.33%	277,409	18,738	22	WeWork, TD, Cellini, Wainwright, Withers, Molo, Engel & Volkers, Savanna, TIAA, Midwood, Oestreicher, Joe & Juice, Midwood
124 HUDSON STREET, NEW YORK	RETAIL	RETAIL/OFFICE		11,892	19.4%	100.00%	0.00%	11,892	-	3	Tribeca School, Little Gym, Warburg Realty
2320 OCEAN AVENUE, FARMINGVILLE [2]	FARMINGVILLE	SHOPPING CENTER	40.6	287,016	12.3%	92.71%	7.29%	266,082	20,934	25	Stop&Shop, JPM, TGIF, BK, GNC, LA Fitness, City MD, Starbucks, Burlington Coat, Drago's Pizza, Chick-Fil-A, American Thrift, Five Below, Skechers, Familia Bakery, Taco Island, Sola Salon
VIRGINIA											
7717 RICHMOND HWY, ALEXANDRIA	ALEXANDRIA	VACANT LAND	0.1	-	42.6%	0.00%	0.00%	-	-	-	Vacant, available for lease or sale
7704 RICHMOND HWY, ALEXANDRIA	ALEXANDRIA	SHOPPING CENTER	2.8	13,330	42.6%	100.00%	0.00%	13,330	-	6	Verizon, Vitamin Shoppe, Pollo Campero, Dunkin Donuts, Monarch Paint
7508 RICHMOND HWY, ALEXANDRIA	ALEXANDRIA	RETAIL	1.1	7,920	7.9%	56.86%	43.14%	4,503	3,417	2	Sherwin Williams, Hungry Joe
5025 WELLINGTON RD, GAINESVILLE [5]	GAINESVILLE	FREESTANDING BUILDING	0.7	2,126	49.0%	100.00%	0.00%	2,126	-	1	Chipotle
			180.29	3,277,298		88.00%	12.00%	2,884,063	393,235		

[1] Includes interest owned indirectly through MNP's 23.3333% ownership in Joseph E. Marx Co., Inc.

[2] Managed by Midwood Management

[3] Leasehold Interest

[4] Ground Leased

[5] Under contract for sale