

# Report of Organizational Actions Affecting Basis of Securities

▶ See separate instructions.

## Part I Reporting Issuer

|  |   |  |                                    |
|--|---|--|------------------------------------|
| 1 Issuer's name<br><u>AGREE REALTY CORPORATION</u>   |   | 2 Issuer's employer identification number (EIN)<br><u>38-3148187</u>                                 |                                    |
| 3 Name of contact for additional information<br><u>STEPHEN BRESLIN</u>   | 4 Telephone No. of contact<br><u>248-737-4190</u> | 5 Email address of contact<br><u>SBRESLIN@AGREEREALTY.COM</u>  |                                    |
| 6 Number and street (or P.O. box if mail is not delivered to street address) of contact<br><u>70 EAST LONG LAKE ROAD</u> |   | 7 City, town, or post office, state, and ZIP code of contact<br><u>BLOOMFIELD HILLS, MI 48304</u>    |                                    |
| 8 Date of action<br><u>12/31/2022</u>  |   | 9 Classification and description<br><u>Distribution Payments to Shareholders - Return of Capital</u> |                                    |
| 10 CUSIP number<br><u>008492100</u>  | 11 Serial number(s)<br><u>N/A</u>                 | 12 Ticker symbol<br><u>ADC</u>   | 13 Account number(s)<br><u>N/A</u> |

## Part II Organizational Action Attach additional statements if needed. See back of form for additional questions.

**14** Describe the organizational action and, if applicable, the date of the action or the date against which shareholders' ownership is measured for the action ▶ Agree Realty Corporation ("Company") is organized and operates as a real estate investment trust ("REIT") as determined under Section 856(a). The Company made monthly distributions to its shareholders as required by Section 857(a)(1). The total distributions of cash made by the Company to its shareholders exceeded the amount of its current year and accumulated Earnings and Profit as defined by Section 312. The excess amount of these distributions is treated as a return of capital to the shareholders. As such, the shareholders are required to reduce their tax basis in their stock as per Section 301(c)(2). The dates for the basis reduction are shown on the attached schedule.

**15** Describe the quantitative effect of the organizational action on the basis of the security in the hands of a U.S. taxpayer as an adjustment per share or as a percentage of old basis ▶ The Company, a publicly traded REIT, paid monthly distributions to the shareholders during the year ended December 31, 2022. In January 2023, the Company determined that a portion of the distributions paid represented a return of capital. The percentage of the return of capital was reported to the shareholders via Form 1099-DIV.  
(See attached schedule for details of distribution monthly payments.)

**16** Describe the calculation of the change in basis and the data that supports the calculation, such as the market values of securities and the valuation dates ▶ The calculation for the return of capital portion of the distributions that reduced the tax basis of the stock of the Company's shareholders during 2022 was determined based on the total amount of the distributions less the amount of the corporation's current Earnings and Profits.

**Part II** Organizational Action *(continued)*

**17** List the applicable Internal Revenue Code section(s) and subsection(s) upon which the tax treatment is based ▶ \_\_\_\_\_

Section 301

Section 312

Section 316

Section 857

Section 6042

**18** Can any resulting loss be recognized? ▶ No

**19** Provide any other information necessary to implement the adjustment, such as the reportable tax year ▶ \_\_\_\_\_

Reportable tax year ended December 31, 2022

**Sign Here**

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than officer) is based on all information of which preparer has any knowledge.

Signature ▶ Stephen Breslin Date ▶ 1/13/2023

Print your name ▶ STEPHEN BRESLIN Title ▶ CHIEF ACCOUNTING OFFICER

**Paid Preparer Use Only**

|                            |                      |      |   |      |
|----------------------------|----------------------|------|---|------|
| Print/Type preparer's name | Preparer's signature | Date | Check <input type="checkbox"/> if self-employed | PTIN |
| Firm's name ▶              |                      |      | Firm's EIN ▶                                    |      |
| Firm's address ▶           |                      |      | Phone no.                                       |      |

Agree Realty Corporation  
2022 Year-End Tax Reporting Information  
December 31, 2022

| Security Description | CUSIP     | Ticker Symbol | Declaration Date | Record Date | Payable Date | Gross Distributions Per Share | Ordinary Income | Return of Capital | Capital Gain |
|----------------------|-----------|---------------|------------------|-------------|--------------|-------------------------------|-----------------|-------------------|--------------|
| Common               | 008492100 | ADC           | 1/13/2022        | 01/31/22    | 02/14/22     | \$ 0.227                      | \$ 0.203774     | \$ 0.023226       | \$ -         |
| Common               | 008492100 | ADC           | 2/14/2022        | 02/28/22    | 03/14/22     | \$ 0.227                      | \$ 0.203774     | \$ 0.023226       | \$ -         |
| Common               | 008492100 | ADC           | 3/14/2022        | 03/31/22    | 04/14/22     | \$ 0.227                      | \$ 0.203774     | \$ 0.023226       | \$ -         |
| Common               | 008492100 | ADC           | 4/12/2022        | 04/29/22    | 05/13/22     | \$ 0.234                      | \$ 0.210058     | \$ 0.023942       | \$ -         |
| Common               | 008492100 | ADC           | 5/12/2022        | 05/31/22    | 06/14/22     | \$ 0.234                      | \$ 0.210058     | \$ 0.023942       | \$ -         |
| Common               | 008492100 | ADC           | 6/14/2022        | 06/30/22    | 07/14/22     | \$ 0.234                      | \$ 0.210058     | \$ 0.023942       | \$ -         |
| Common               | 008492100 | ADC           | 7/12/2022        | 07/29/22    | 08/12/22     | \$ 0.234                      | \$ 0.210058     | \$ 0.023942       | \$ -         |
| Common               | 008492100 | ADC           | 8/11/2022        | 08/31/22    | 09/14/22     | \$ 0.234                      | \$ 0.210058     | \$ 0.023942       | \$ -         |
| Common               | 008492100 | ADC           | 9/13/2022        | 09/30/22    | 10/14/22     | \$ 0.234                      | \$ 0.210058     | \$ 0.023942       | \$ -         |
| Common               | 008492100 | ADC           | 10/13/2022       | 10/31/22    | 11/14/22     | \$ 0.240                      | \$ 0.215444     | \$ 0.024556       | \$ -         |
| Common               | 008492100 | ADC           | 11/14/2022       | 11/30/22    | 12/14/22     | \$ 0.240                      | \$ 0.215444     | \$ 0.024556       | \$ -         |
| Common               | 008492100 | ADC           | 12/13/2022       | 12/30/22    | 01/13/23     | \$ 0.240                      | \$ 0.215444     | \$ 0.024556       | \$ -         |
|                      |           |               |                  |             |              | \$ 2.805                      | \$ 2.518        | \$ 0.287          | \$ -         |
|                      |           |               |                  |             |              | 100.00%                       | 89.77%          | 10.23%            |              |

**Agree Realty Corporation**  
70 East Long Lake Road  
Bloomfield Hills, MI 48304  
(248) 737-4190

Agree Realty Corporation  
2022 Year-End Tax Reporting Information  
December 31, 2022

| Security Description | CUSIP   | Ticker Symbol | Declaration Date | Record Date | Payable Date | Gross Distributions Per Depository Share | Ordinary Income | Return of Capital | Capital Gain |
|----------------------|---------|---------------|------------------|-------------|--------------|--|-----------------|-------------------|--------------|
| Series A Preferred   | 8492209 | ADC PRA       | 1/13/2022        | 01/24/22    | 02/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 2/14/2022        | 02/24/22    | 03/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 3/14/2022        | 03/24/22    | 04/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 4/12/2022        | 04/22/22    | 05/02/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 5/12/2022        | 05/23/22    | 06/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 6/14/2022        | 06/24/22    | 07/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 7/12/2022        | 07/22/22    | 08/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 8/11/2022        | 08/22/22    | 09/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 9/13/2022        | 09/23/22    | 10/03/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 10/13/2022       | 10/24/22    | 11/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 11/14/2022       | 11/21/22    | 12/01/22     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
| Series A Preferred   | 8492209 | ADC PRA       | 12/13/2022       | 12/23/22    | 01/03/23     | \$ 0.0885417                             | \$ 0.088542     | \$ -              | \$ -         |
|                      |         |               |                  |             |              | \$ 1.063                                 | \$ 1.063        | \$ -              | \$ -         |
|                      |         |               |                  |             |              | 100.00%                                  | 100.00%         | 0.00%             |              |

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