UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): **March 12, 2024**

Chicago Atlantic Real Estate Finance, Inc.
(Exact name of registrant as specified in its charter)

Maryland	**001-41123**	**86-3125132**
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification Number)

1680 Michigan Avenue, Suite 700, Miami Beach, Florida 33139
(Address of principal executive offices) (zip code)

Registrant’s telephone number, including area code **(312) 809-7002**

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (*see* General Instruction A.2. below):

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common stock, par value $0.01 per share	REFI	The Nasdaq Global Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition.

On March 12, 2024, Chicago Atlantic Real Estate Finance, Inc. (the "Company") issued a press release announcing its financial results for the fourth quarter and year ended December 31, 2023. The text of the press release is included as Exhibit 99.1 to this Form 8-K and is incorporated herein by reference.

The information set forth under this Item 2.02, including Exhibit 99.1, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information set forth under this Item 2.02, including Exhibit 99.1, shall not be incorporated by reference into any registration statement or other document pursuant to the Securities Act of 1933, as amended, unless it is specifically incorporated by reference therein.

Item 7.01 Regulation FD Disclosure.

On March 12, 2024, the Company disseminated a presentation to be used in connection with its conference call to discuss its financial results for the fourth quarter and year ended December 31, 2023, which will be held on Tuesday, March 12, 2024 at 9:00 a.m. (eastern time). A copy of the presentation has been posted to the Company's Investor Relations page of its website and is included herewith as Exhibit 99.2, and by this reference incorporated herein.

The information disclosed under this Item 7.01, including Exhibit 99.2 hereto, is being furnished and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section. The information provided herein shall not be deemed incorporated by reference into any filing made under the Securities Act of 1933, as amended, except as expressly set forth by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

d) Exhibits.

Exhibit Number	Description
99.1	Press release, dated March 12, 2024.
99.2	Fourth Quarter 2023 Earnings Supplemental Presentation, dated March 12, 2024.
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the Registrant has duly caused this Current Report on Form 8-K to be signed on its behalf by the undersigned hereunto duly authorized.

CHICAGO ATLANTIC REAL ESTATE FINANCE, INC.

Date: March 12, 2024

By: /s/ Peter Sack
Name: Peter Sack
Title: Co-Chief Executive Officer

Exhibit 99.1

Chicago Atlantic Real Estate Finance Announces Fourth Quarter 2023 Financial Results

CHICAGO— (March 12, 2024) Chicago Atlantic Real Estate Finance, Inc. (NASDAQ: REFI) (“Chicago Atlantic” or the “Company”), a commercial mortgage real estate investment trust, today announced its results for the fourth quarter and year ended December 31, 2023.

John Mazarakis, Executive Chairman of Chicago Atlantic noted, “The improvement in the regulatory landscape has fed new investment opportunities for us while significantly improving the equity value of many of our borrowers. In addition, the wall of debt maturities we have anticipated among the larger cannabis operators is beginning to occur, with early indications this opportunity could be as meaningful over the next 12 to 18 months as we have previously predicted. We intend to utilize our direct lending expertise and leading platform in the cannabis space to continue to position us in front of these trends driving the improved sentiment and growth in the industry.”

Tony Cappell, Co-Chief Executive Officer, added, “With our continued growth in gross loan originations, increase in our weighted average yield to maturity to 19.4% and the improving credit quality of our operators, our diligent underwriting process and dedicated originations team has helped position us to remain selective in putting our capital to work. The recent extension of our credit facility until June 2026 with an increase in the accordion feature up to $150 million should help us execute on additional opportunities within our pipeline.”

Chicago Atlantic also announced two promotions among its senior management team. Peter Sack, formerly Co- President, has been promoted to Co-Chief Executive Officer alongside Tony Cappell. Phil Silverman, formerly Interim Chief Financial Officer, has been promoted to Chief Financial Officer. Both promotions were effective on March 7, 2024.

Portfolio Performance

- As of December 31, 2023, total loan commitments of approximately $378.8 million ($371.3 million funded, $7.5 million in future fundings) across 27 portfolio investments.
- Weighted average yield to maturity was approximately 19.4% as of December 31, 2023 compared with approximately 19.3% as of September 30, 2023.
- Real estate collateral coverage was 1.5x as of December 31, 2023 and September 30, 2023.
- Loan to enterprise value (calculated as outstanding principal balance divided by total value of collateral on a weighted average basis) was approximately 44.1% as of December 31, 2023 compared with approximately 42.5% as of September 30, 2023.
- The percentage of loans which bear a variable interest rate was approximately 81% as of September 30, 2023 and December 31, 2023.

Investment Activity

- During the fourth quarter, Chicago Atlantic had total gross originations of $24.7 million, of which $8.6 million and $16.1 million was funded to new borrowers and existing borrowers, respectively.
- New originations were partially offset by principal repayments of $13.7 million, of which $10.9 million was attributable to unscheduled early repayments.
- During the fourth quarter, non-recurring fee income collected from early principal repayments was $1.8 million, compared with $0.7 million for the third quarter.

Capital Activity and Dividends

- On February 28, 2024, Chicago Atlantic amended its $100.0 million secured revolving credit facility, without any other change in terms or structure, to extend the maturity date to June 2026 with a one-year extension option, subject to customary conditions. The amendment also increased the accordion feature of the secured revolving credit facility to facilitate additional commitments up to $150.0 million.

- As of December 31, 2023, the Company had $66.0 million outstanding on its secured revolving credit facility, resulting in a leverage ratio (debt to book equity) of approximately 24%.

- As of March 11, 2024, the Company has $94.0 million outstanding, and total liquidity, net of estimated liabilities, of approximately $10 million.

- On January 12, 2024, Chicago Atlantic paid a regular quarterly cash dividend of $0.47 per share of common stock for the fourth quarter of 2023 to common stockholders of record on December 29, 2023.

- On January 12, 2024, Chicago Atlantic also paid a special cash dividend of $0.29 per share of common stock, which was included in the fiscal 2023 taxable income, to common stockholders of record on December 29, 2023.

Fourth Quarter 2023 Financial Results

- Net interest income of approximately $14.8 million, a sequential increase of 8.0% compared with the third quarter of 2023. Interest income included approximately $1.8 million of interest income from prepayment fees and acceleration of original issue discounts. These increases were offset by an increase in weighted average borrowings on the revolving credit facility contributing to a sequential increase in interest expense of approximately $0.2 million.

- Total expenses of approximately $5.8 million before provision for current expected credit losses, which is an increase when compared with the third quarter of 2023; primarily attributable to the $1.6 million increase in net management and incentive fees..

- The total reserve for current expected credit losses of $5.0 million decreased sequentially by $0.2 million and amounts to approximately 1.4% of the portfolio principal balance of $355.7 million as of December 31, 2023.

- Net income of approximately $9.4 million, or $0.51 per weighted average diluted share, representing a sequential decrease of 5.8%, primarily due to the aforementioned increase in net management and incentive fees.

- Distributable Earnings of approximately $9.8 million, or $0.53 per weighted average diluted common share, representing a sequential decrease of 7.0%.

- Book value per common share decreased sequentially by 1.5% to $14.94 as of December 31, 2023 compared with $15.17 as of September 30, 2023, primarily due to the special dividend of $0.29 per share declared in the fourth quarter.

Full Year 2023 Financial Results

- Net interest income of approximately $57.1 million, representing a year-over-year increase of 17.0%.
- Total expenses of approximately $17.7 million before provision for current expected credit losses, representing a year-over-year increase of 39.4%.
- Net Income of approximately $38.7 million, or $2.11 per weighted average diluted common share.
- Distributable Earnings of approximately $41.5 million, or $2.26 per weighted average diluted common share, representing a year-over-year increase of 7.6%.
- The Company declared a total of $2.17 in dividends per common share during 2023, compared to $2.10 during 2022, an increase of approximately 3.3% year over year. Total 2023 dividends included regular quarterly dividends totaling $1.88 per diluted share and a special dividend of $0.29 per diluted share.
- Book value per common share increased from $14.86 as of December 31, 2022 to $14.94 as of December 31, 2023.

2024 Outlook

Chicago Atlantic offered the following outlook for full year 2024:

- The Company expects to maintain a dividend payout ratio based on Distributable Earnings per weighted average diluted share of approximately 90% to 100% on a full year basis.
- If the Company's taxable income requires additional distribution in excess of the regular quarterly dividend, in order to meet its 2024 taxable income distribution requirements, the Company expects to meet that requirement with a special dividend in the fourth quarter of 2024.

This outlook does not include additional adjustments to the Prime rate subsequent to the date hereof or the impact of any unscheduled loan principal repayments.

Conference Call and Quarterly Earnings Supplemental Details

The Company will host a conference call later today at 9:00 a.m. Eastern Time. Interested parties may access the conference call live via webcast on Chicago Atlantic's investor relations website or may participate via telephone by registering using this online form. Upon registration, all telephone participants will receive the dial-in number along with a unique PIN number that can be used to access the call. A replay of the conference call webcast will be archived on the Company's website for at least 30 days.

Chicago Atlantic posted its Fourth Quarter 2023 Earnings Supplemental on the Investor Relations page of its website. Chicago Atlantic routinely posts important information for investors on its website, www.refi.reit. The Company intends to use this website as a means of disclosing material information, for complying with our disclosure obligations under Regulation FD and to post and update investor presentations and similar materials on a regular basis. The Company encourages investors, analysts, the media and others interested in Chicago Atlantic to monitor the Investor Relations page of its website, in addition to following its press releases, SEC filings, publicly available earnings calls, presentations, webcasts and other information posted from time to time on the website. Please visit the IR Resources section of the website to sign up for email notifications.

About Chicago Atlantic Real Estate Finance, Inc.

Chicago Atlantic Real Estate Finance, Inc. (NASDAQ: REFI) is a market-leading commercial mortgage REIT utilizing significant real estate, credit and cannabis expertise to originate senior secured loans primarily to state-licensed cannabis operators in limited-license states in the United States. REFI is part of the Chicago Atlantic platform, which has over 70 employees and has deployed over $2.0 billion across more than 70 loans.

Forward-Looking Statements

This release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that reflect our current views and projections with respect to, among other things, future events and financial performance. Words such as "believes," "expects," "will," "intends," "plans," "guidance," "estimates," "projects," "anticipates," and "future" or similar expressions are intended to identify forward- looking statements. These forward-looking statements, including statements about our future growth and strategies for such growth, are subject to the inherent uncertainties in predicting future results and conditions and are not guarantees of future performance, conditions or results. More information on these risks and other potential factors that could affect our business and financial results is included in our filings with the SEC. New risks and uncertainties arise over time, and it is not possible to predict those events or how they may affect us. We do not undertake any obligation 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.

Contact:
Tripp Sullivan
SCR Partners
IR@REFI.reit

CHICAGO ATLANTIC REAL ESTATE FINANCE, INC.
CONSOLIDATED BALANCE SHEETS

	December 31, 2023	December 31, 2022
Assets		
Loans held for investment	$ 337,238,122	$ 339,273,538
Loans held for investment - related party (Note 7)	16,402,488	-
Loans held for investment, at carrying value	353,640,610	339,273,538
Current expected credit loss reserve	(4,972,647)	(3,940,939)
Loans held for investment at carrying value, net	348,667,963	335,332,599
Cash and cash equivalents	7,898,040	5,715,827
Debt securities, at fair value	842,269	-
Interest receivable	1,004,140	1,204,412
Other receivables and assets, net	705,960	1,018,212
Related party receivables	107,225	-
Total Assets	**$ 359,225,597**	**$ 343,271,050**
Liabilities		
Revolving loan	$ 66,000,000	$ 58,000,000
Dividend payable	13,866,656	13,618,591
Management and incentive fees payable	3,243,775	3,295,600
Related party payables	2,051,531	1,397,515
Accounts payable and other liabilities	1,135,355	1,058,128
Interest reserve	1,074,889	1,868,193
Total Liabilities	**87,372,206**	**79,238,027**
Commitments and contingencies (Note 8)		
Stockholders' equity		
Common stock, par value $0.01 per share, 100,000,000 shares authorized and 18,197,192 and 17,685,952 shares issued and outstanding, respectively	181,972	176,859
Additional paid-in-capital	277,483,092	268,995,848
Accumulated deficit	(5,811,673)	(5,139,684)
Total stockholders' equity	**271,853,391**	**264,033,023**
Total liabilities and stockholders' equity	**$ 359,225,597**	**$ 343,271,050**

CHICAGO ATLANTIC REAL ESTATE FINANCE, INC.
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)

	For the three months ended		
	December 31, 2023	September 30, 2023	December 31, 2022
Revenues			
Interest income	$ 16,530,028	$ 15,183,450	$ 15,993,588
Interest expense	(1,690,543)	(1,449,143)	(1,230,966)
Net interest income	14,839,485	13,734,307	14,762,622
Expenses			
Management and incentive fees, net	3,243,775	1,601,387	3,295,600
General and administrative expense	1,426,554	1,251,307	1,118,171
Professional fees	555,623	491,107	502,355
Stock based compensation	537,131	540,426	107,267
Provision for current expected credit losses	(253,495)	(41,351)	2,483,512
Total expenses	5,509,588	3,842,876	7,506,905
Change in unrealized gain on debt securities, at fair value	(37,163)	85,567	-
Realized gain on debt securities, at fair value	104,789	-	-
Net Income before income taxes	**9,397,523**	**9,976,998**	**7,255,717**
Income tax expense	-	-	-
Net Income	**$ 9,397,523**	**$ 9,976,998**	**$ 7,255,717**
Earnings per common share:			
Basic earnings per common share	$ 0.52	$ 0.55	$ 0.41
Diluted earnings per common share	$ 0.51	$ 0.54	$ 0.41
Weighted average number of common shares outstanding:			
Basic weighted average shares of common stock outstanding	18,182,403	18,175,467	17,657,913
Diluted weighted average shares of common stock outstanding	18,564,530	18,562,930	17,742,065

Distributable Earnings and Adjusted Distributable Earnings

In addition to using certain financial metrics prepared in accordance with GAAP to evaluate our performance, we also use Distributable Earnings and Adjusted Distributable Earnings to evaluate our performance. Each of Distributable Earnings and Adjusted Distributable Earnings is a measure that is not prepared in accordance with GAAP. We define Distributable Earnings as, for a specified period, the net income (loss) computed in accordance with GAAP, excluding (i) non-cash equity compensation expense, (ii) depreciation and amortization, (iii) any unrealized gains, losses or other non-cash items recorded in net income (loss) for the period, regardless of whether such items are included in other comprehensive income or loss, or in net income (loss); provided that Distributable Earnings does not exclude, in the case of investments with a deferred interest feature (such as OID, debt instruments with PIK interest and zero coupon securities), accrued income that we have not yet received in cash, (iv) provision for current expected credit losses and (v) one-time events pursuant to changes in GAAP and certain non-cash charges, in each case after discussions between our Manager and our independent directors and after approval by a majority of such independent directors. We define Adjusted Distributable Earnings, for a specified period, as Distributable Earnings excluding certain non-recurring organizational expenses (such as one- time expenses related to our formation and start-up).

We believe providing Distributable Earnings and Adjusted Distributable Earnings on a supplemental basis to our net income as determined in accordance with GAAP is helpful to stockholders in assessing the overall performance of our business. As a REIT, we are required to distribute at least 90% of our annual REIT taxable income and to pay tax at regular corporate rates to the extent that we annually distribute less than 100% of such taxable income. Given these requirements and our belief that dividends are generally one of the principal reasons that stockholders invest in our common stock, we generally intend to attempt to pay dividends to our stockholders in an amount equal to our net taxable income, if and to the extent authorized by our Board. Distributable Earnings is one of many factors considered by our Board in authorizing dividends and, while not a direct measure of net taxable income, over time, the measure can be considered a useful indicator of our dividends.

In our Annual Report on Form 10-K, we defined Distributable Earnings so that, in addition to the exclusions noted above, the term also excluded from net income Incentive Compensation paid to our Manager. We believe that revising the term Distributable Earnings so that it is presented net of Incentive Compensation, while not a direct measure of net taxable income, over time, can be considered a more useful indicator of our ability to pay dividends. This adjustment to the calculation of Distributable Earnings has no impact on period-to-period comparisons.

Distributable Earnings and Adjusted Distributable Earnings should not be considered as substitutes for GAAP net income. We caution readers that our methodology for calculating Distributable Earnings and Adjusted Distributable Earnings may differ from the methodologies employed by other REITs to calculate the same or similar supplemental performance measures, and as a result, our reported Distributable Earnings and Adjusted Distributable Earnings may not be comparable to similar measures presented by other REITs.

	For the year ended		(Unaudited) For the three months ended	
	December 31, 2023	December 31, 2022	December 31, 2023	September 30, 2023
Net Income	$ 38,710,248	$ 32,292,477	$ 9,397,523	$ 9,976,998
Adjustments to net income				
Stock based compensation	1,479,736	435,623	537,131	540,426
Amortization of debt issuance costs	550,906	563,464	145,128	146,676
Provision for current expected credit losses	940,385	3,887,405	(253,495)	(41,351)
Change in unrealized gain on debt securities, at fair value	(75,604)	-	37,163	(85,567)
Realized gain on debt securities, at fair value	(104,789)	-	(104,789)	-
Distributable Earnings	$ 41,500,882	$ 37,178,969	$ 9,758,661	$ 10,537,182
Adjustments to Distributable Earnings	-	-		
Adjusted Distributable Earnings	$ 41,500,882	$ 37,178,969	$ 9,758,661	$ 10,537,182
Basic weighted average shares of common stock outstanding (in shares)	18,085,088	17,653,765	18,182,403	18,175,467
Adjusted Distributable Earnings per Weighted Average Share	$ 2.30	$ 2.11	$ 0.54	$ 0.58
Diluted weighted average shares of common stock outstanding (in shares)	18,343,725	17,746,214	18,564,530	18,562,930
Adjusted Distributable Earnings per Weighted Average Share	$ 2.26	$ 2.10	$ 0.53	$ 0.57

Exhibit 99.2


CHICAGO ATLANTIC
REAL ESTATE FINANCE
Fourth Quarter 2023 Earnings Supplemental
March 12, 2024

Important Disclosure Information

This presentation contains forward-looking statements, within the meaning of the Private Securities Litigation Reform Act of 1995, regarding future events and the future results of the Company that are based on current expectations, estimates, forecasts, projections about the industry in which the Company operates and the beliefs and assumptions of the management of the Company. Words such as "address," "anticipate," "believe," "consider," "continue," "develop," "estimate," "expect," "further," "goal," "intend," "may," "plan," "potential," "project," "seek," "should," "target," "will," variations of such words and similar expressions are intended to identify such forward-looking statements. Such statements reflect the current views of the Company and its management with respect to future events and are subject to certain risks, uncertainties and assumptions. Should one or more of these risks or uncertainties materialize, or should underlying assumptions prove incorrect, the Company's actual results, performance or achievements could differ materially from the results expressed in, or implied by, these forward-looking statements. This presentation has been prepared by the Company based on information it has obtained from sources it believes to be reliable. Summaries of documents contained in this presentation may not be complete. The Company does not represent that the information herein is complete. The information in this presentation is current only as of December 31, 2023, or such other date noted in this presentation, and the Company's business or financial condition and other information in this presentation may change after that date. The Company undertakes no obligation to update any forward-looking statements in order to reflect any event or circumstance occurring after the date of this presentation or currently unknown facts or conditions. You are urged to review and carefully consider any cautionary statements and other disclosures, including the statements under the heading "Risk Factors" and elsewhere in the Company's filings with the Securities and Exchange Commission.

Factors that may cause actual results to differ materially from current expectations include, among others: the Company's business and investment strategy; the impact of COVID-19 on the Company's business and the global economy; the war between Russia and the Ukraine and market volatility resulting from such conflict; the ability of Chicago Atlantic REIT Manager, LLC (the "Manager") to locate suitable loan opportunities for the Company, monitor and actively manage the Company's loan portfolio and implement the Company's investment strategy; allocation of loan opportunities to the Company by the Manager; the Company's projected operating results; actions and initiatives of the U.S. or state governments and changes to government policies and the execution and impact of these actions, initiatives and policies, including the fact that cannabis remains illegal under federal law; the estimated growth in and evolving market dynamics of the cannabis market; the demand for cannabis cultivation and processing facilities; shifts in public opinion regarding cannabis; the state of the U.S. economy generally or in specific geographic regions; economic trends and economic recoveries; the amount and timing of the Company's cash flows, if any, from the Company's loans; the Company's ability to obtain and maintain financing arrangements; the Company's expected leverage; changes in the value of the Company's loans; the Company's expected portfolio of loans; the Company's expected investment and underwriting process; rates of default or decreased recovery rates on the Company's loans; the degree to which any interest rate or other hedging strategies may or may not protect the Company from interest rate volatility; changes in interest rates and impacts of such changes on the Company's results of operations, cash flows and the market value of the Company's loans; interest rate mismatches between the Company's loans and the Company's borrowings used to fund such loans; the departure of any of the executive officers or key personnel supporting and assisting the Company from the Manager or its affiliates; impact of and changes in governmental regulations, tax law and rates, accounting guidance and similar matters; the Company's ability to maintain the Company's exclusion or exemption from registration under the Investment Company Act; the Company's ability to qualify and maintain the Company's qualification as a REIT for U.S. federal income tax purposes; estimates relating to the Company's ability to make distributions to its stockholders in the future; the Company's understanding of its competition; and market trends in the Company's industry, interest rates, real estate values, the securities markets or the general economy.

Market and Industry Data

In this presentation, the Company relies on and refers to certain information and statistics obtained from third-party sources which it believes to be reliable, including reports by market research firms. The Company has not independently verified the accuracy or completeness of any such third-party information. Because the cannabis industry is relatively new and rapidly evolving, such market and industry data may be subject to significant change in a relatively short time period.

Company Overview

- Successful IPO in December 2021 (NASDAQ: REFI)
- Track record of identifying market inefficiencies, particularly where risk is fundamentally mispriced
- Ability to redeploy capital quickly
- Access to Sponsor's leading cannabis lending platform as lead or co-lead
- Proprietary sourcing network and direct originations team
- Experienced and robust origination team responsible for sourcing and closing over $2.0B in credit facilities since 2019
- Sizable and growing loan portfolio offering compelling risk-adjusted returns
- Diversified across operators, geographies and asset types with strong real estate collateral coverage as well as additional collateral

$2.0B+
in loans closed since platform inception(1)

70+
cannabis loans closed across platform(1)

~$620mm
near-term pipeline under evaluation(1)

$378.8mm
current commitments(2) with substantial pipeline

1.5x
real estate collateral coverage in current portfolio(2)

19.4%
gross portfolio yield(2)

Note:
(1) As of March 1, 2024, includes potential syndications.
(2) As of December 31, 2023

Investment Highlights

- Pioneer in cannabis lending with first-mover advantage
- Proprietary and extensive deal sourcing capabilities
- Differentiated investment approach
- Compelling opportunity in rapidly growing cannabis market
- Lender of choice to leading cannabis operators

Industry-Leading Management and Investment Team

Deep Cannabis, Credit and Real Estate Expertise With Entrepreneurial Approach

John Mazarakis[1]
Executive Chairman

- Originated over $500mm in cannabis credit transactions
- Developed and owns over 1mm sf of real estate across 4 states
- Founded restaurant group with 30+ units and 1,200+ employees
- MBA from Chicago Booth and BA from University of Delaware

Tony Cappell[1]
Co-CEO

- Debt investor with over 15 years of experience, beginning at Wells Fargo Foothill
- Completed over 150 deals, comprising over $5bn in total credit
- Former Managing Director and Head of Underwriting at Stonegate Capital
- MBA from Chicago Booth and BA from University of Wisconsin

Andreas Bodmeier[1]
President and CIO

- Underwritten over $500mm in cannabis credit transactions
- Former Principal of consulting firm focused on FX and commodity risk management
- Former Senior Advisor, U.S. Dept. of Health and Human Services
- PhD in Finance and MBA from Chicago Booth and MSc from Humboldt University (Berlin)

Peter Sack[1]
Co-CEO

- Former Principal at BC Partners Credit, leading their cannabis practice
- Former private equity investor, focusing on distressed industrial opportunities
- MBA from University of Pennsylvania's Wharton School of Business and BA from Yale University

Phil Silverman
CFO

- Finance and accounting expert, with over 10 years of experience, focusing on financial reporting, operations, and internal controls within the asset management industry
- Previously served as CFO of Chicago Atlantic Group, LLC., the Company's Sponsor, since January 2021
- B.S in Finance from Indiana University and is CPA certified

100 YEARS OF COMBINED EXPERIENCE AND OVER $8 BILLION IN REAL ESTATE AND COMMERCIAL CREDIT

Note: (1) Denotes member of Investment Committee

Veteran Independent Directors

Significant Public Board, REIT, Financial and Corporate Governance Expertise

Jason Papastavrou

- Lead Independent Director
- Founder and CIO of ARIS Capital Management
- Current member of board of directors of GXO Logistics (NYSE:GXO); and, previous board member of XPO Logistics (NYSE:XPO) and United Rentals (NYSE:URI)
- BS in Mathematics and MS and PhD in Electrical Engineering and Computer Science from MIT

Donald Gulbrandsen

- Current investor in Chicago Atlantic
- Founder and CEO of Gulbrandsen Companies, a holding company for specialty chemical manufacturing companies
  - Products sold in over 45 countries
  - Over 900 employees in 7 facilities worldwide
- BS in Chemical Engineering and BA in History from Cornell University

Fredrick C. Herbst

- Audit Committee Chair
- Former CFO of Ready Capital (NYSE:RC) and Arbor Realty Trust (NYSE:ABR), two publicly traded, commercial mortgage REITs
- Former Managing Director of Waterfall Asset Management
- Former CFO of Clayton Holdings and The Hurst Companies
- CPA and BA in Accounting from Wittenberg University

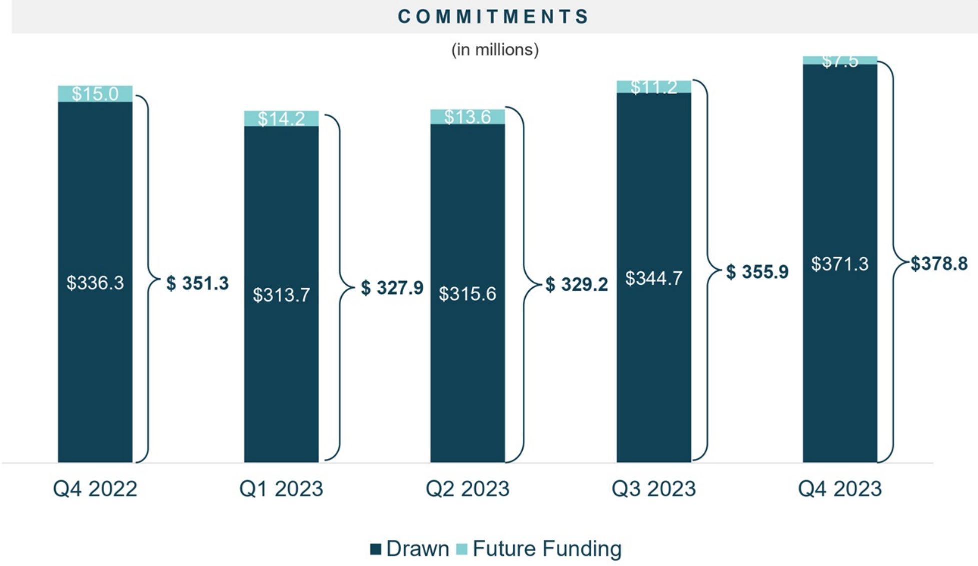
Brandon Konigsberg

- Former CFO at J.P. Morgan Securities and Managing Director at JPMorgan Chase
- Current member of board of directors of GTJ REIT, SEC-registered equity REIT
- Former auditor at Goldstein, Golub and Kessler
- CPA and BA in Accounting from University of Albany and MBA from New York University's Stern School of Business

Michael Steiner

- Current investor in Chicago Atlantic
- Founder and President of Service Energy and Petroleum Equipment, which are engaged in distribution of petroleum products
  - Expert in highly regulated industries
- BA in History from Wake Forest University and MBA from University of Delaware

Investment Portfolio Activity



Weighted average yield to maturity of

~19.4%

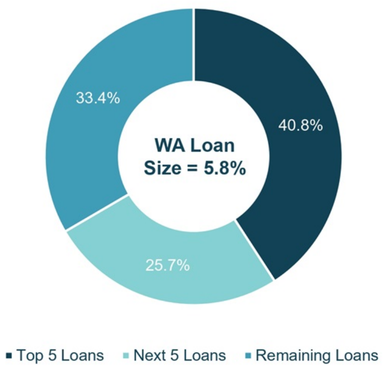
as of December 31, 2023

Portfolio Diversification

Our portfolio is diversified across operators, geographies, and asset types

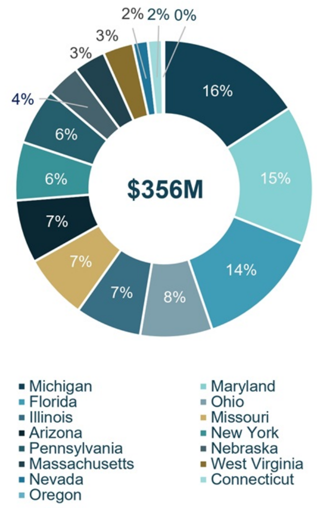
PRINCIPAL OUTSTANDING(1)

By Loan

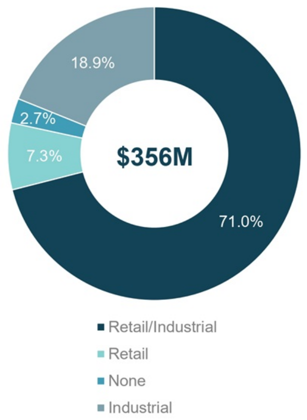


Top 10 Loans = 66.6% of principal outstanding

By Location



By Real Estate Collateral Type



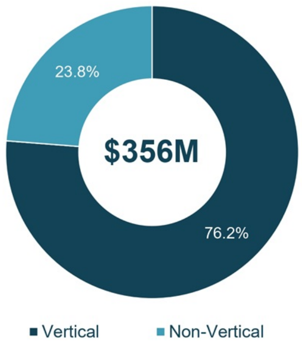
Note: (1) As of December 31, 2023

Portfolio Diversity (Continued)

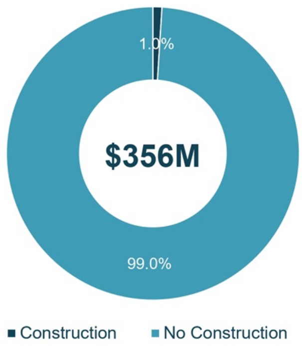
Our portfolio is diversified across operators, geographies, and asset types

PRINCIPAL OUTSTANDING[1]

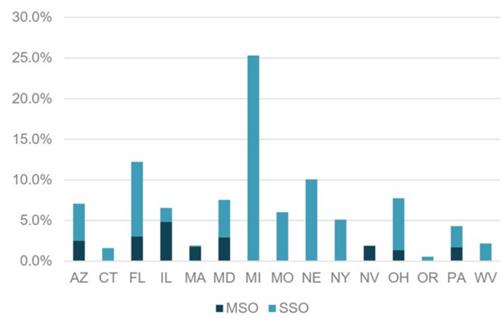
By Operator Integration



By Construction Component[2]



Percentage of Real Estate Collateral by State and Operator Type[3]

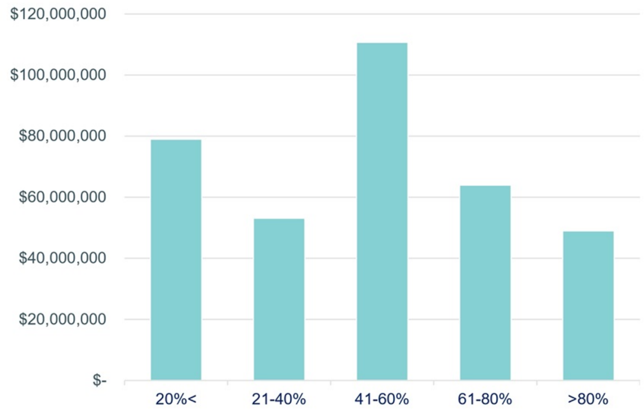


Note: (1) As of December 31, 2023
(2) Represents principal committed to fund greenfield construction
(3) SSO = single state operator, MSO = multi-state operator

Loan Collateral Coverage

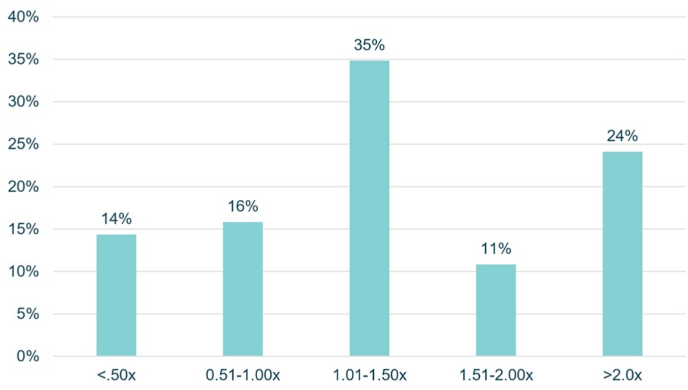
44.1% loan to enterprise value and 1.5x real estate collateral coverage

PRINCIPAL BY LTEV RATIO[1]



Portfolio Weighted Average (44.1%)

REAL ESTATE COLLATERAL COVERAGE[2]



Portfolio Weighted Average (1.5x)

(1) Our loans to owner operators in the state-licensed cannabis industry are secured by additional collateral, including personal and corporate guarantee(s), where applicable subject to local laws and regulations. Loan to enterprise value ratio (LTEV) is calculated as total loan principal outstanding divided by total value of collateral on a weighted average basis.

(2) See page 18 for real estate collateral coverage by loan. Expressed as percentage of total carrying value, before reserve for current expected credit losses of $353.6 million as of December 31, 2023.

Portfolio Overview[1] (as of December 31, 2023)

Loan	Location(s)	Initial Funding Date (1)	Maturity Date (2)	Total Commitment (3)	Principal Balance	Carrying Value	Percent of Portfolio	Future Fundings	Fixed/Floating	Cash Rate (4)	PIK Rate (4)	All-In Rate	YTM IRR (5)
1	Various	10/27/22	10/30/26	$ 30,000,000	$ 29,910,000	$ 29,274,344	8.3%	-	Floating	15.00% (6)	-	15.00%	17.3%
2	Michigan	1/3/22	12/31/24	35,891,667	38,810,119	38,729,046	11.0%	-	Floating	12.50% (7)	4.25%	16.75%	18.0%
3(8)	Various	3/25/21	11/29/24	14,240,129	20,657,606	20,481,909	5.8%	-	Floating	18.88% (6)	2.75%	40.50%	23.5%
4	Arizona	4/19/21	2/4/24	14,120,000	15,396,370	15,396,370	4.4%	-	Floating	20.25% (6)	20.25%	20.25%	25.9%
5	Massachusetts	4/19/21	4/30/25	3,500,000	3,194,180	3,194,180	0.9%	-	Floating	20.75% (6)	-	20.75%	22.8%
6	Michigan	8/20/21	2/20/24	6,000,000	4,264,421	4,263,886	1.2%	-	Floating	17.50% (6)	-	17.50%	20.8%
7	Illinois, Arizona	8/24/21	6/30/25	25,000,000	20,055,454	20,055,454	5.7%	-	Floating	14.50% (6)	2.00%	16.50%	19.5%
8	West Virginia	9/1/21	9/1/24	9,500,000	11,663,586	11,663,586	3.3%	-	Floating	17.75% (6)	2.00%	19.75%	25.1%
9(9)	Pennsylvania	9/3/21	6/30/24	15,000,000	16,402,488	16,402,488	4.6%	-	Floating	19.25% (6)	3.00%	22.25%	16.2%
11	Maryland	9/30/21	9/30/24	32,000,000	33,310,259	33,042,269	9.3%	-	Floating	17.25% (6)	2.00%	19.25%	22.0%
12	Various	11/8/21	10/31/24	20,000,000	8,710,222	8,657,616	2.4%	-	Floating	15.50% (6)	-	15.50%	19.5%
13	Michigan	11/22/21	11/1/24	13,100,000	13,392,094	13,332,846	3.8%	-	Floating	14.50% (6)	1.50%	16.00%	19.5%
14	Various	12/27/21	12/27/26	5,000,000	5,253,125	5,253,125	1.5%	-	Floating	19.75% (6)	2.50%	22.25%	22.8%
16	Florida	12/30/21	12/31/24	13,000,000	4,437,500	4,418,442	1.2%	-	Floating	17.75% (6)	-	17.75%	36.3%
17	Florida	1/18/22	1/31/25	15,000,000	15,000,000	14,863,333	4.2%	-	Floating	13.25% (6)	-	13.25%	14.8%
18	Ohio	2/3/22	2/28/25	11,662,050	17,155,637	17,063,431	4.8%	-	Floating	10.25% (6)	5.00%	15.25%	20.4%
19	Florida	3/11/22	8/29/25	20,000,000	20,080,084	20,031,667	5.7%	-	Fixed	11.00%	3.00%	14.00%	15.5%
20	Missouri	5/9/22	5/30/25	17,000,000	17,691,575	17,613,043	5.0%	-	Fixed	11.00%	2.00%	13.00%	14.7%
21	Illinois	7/1/22	7/29/26	9,000,000	5,353,186	5,296,309	1.5%	-	Floating	17.00% (6)	3.00%	20.00%	25.6%
23	Arizona	3/27/23	3/31/26	2,000,000	1,860,000	1,822,681	0.5%	-	Floating	16.00% (6)	-	16.00%	19.4%
24	Oregon	3/31/23	9/27/26	1,000,000	820,000	820,000	0.2%	-	Floating	19.00% (6)	-	19.00%	21.7%
25	New York	8/1/23	6/29/36	23,309,588	22,611,938	22,611,938	6.4%	-	Fixed	15.00%	-	15.00%	16.7%
26	Connecticut	8/31/23	2/27/26	5,450,000	5,450,000	5,331,996	1.5%	-	Fixed	14.00%	-	14.00%	19.1%
27	Nebraska	8/15/23	6/30/27	13,061,667	13,061,667	13,061,667	3.7%	-	Floating	17.25% (6)	-	17.25%	19.0%
28	Ohio	9/13/23	3/13/25	2,466,705	2,466,705	2,466,705	0.7%	-	Fixed	15.00%	-	15.00%	17.4%
29	Illinois	10/11/23	10/9/26	1,062,564	1,066,065	1,066,065	0.3%	-	Fixed	15.00%	-	15.00%	17.4%
30	Missouri, Arizona	12/20/23	12/31/26	15,000,000	7,500,000	7,425,814	2.1%	7,500,000	Floating	15.00%	-	15.00%	17.4%
			Subtotal	378,849,998	355,745,305	353,640,610	100.0%	7,500,000		15.3%	2.7%	17.90%	19.4%

[1] Refer to page 7 of the Company's Annual Report on Form 10-K as of and for the year ended December 31, 2023, for supplemental footnote disclosures.

Total Commitments: $378.8M

Loan Origination Pipeline

Driven by proprietary deal sourcing

Over 700 **Qualified** Deals Sourced and Reviewed

$47mm[1] in Potential Fundings

$42.5mm[1]
Terms Issued

Total current pipeline of ~$600mm[1]

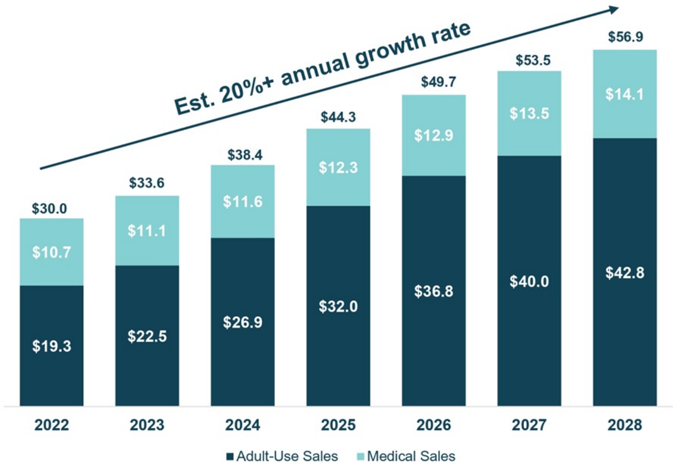
- Continued legalization at the state level creates a new influx of opportunities
- Increase in M&A activity requires additional debt financing
- Robust set of profitable operators and refinancing opportunities

Note:
(1) As of March 1, 2024

Compelling Market Opportunity

U.S. CANNABIS SALES [1]

($ in billions)



MARKET DRIVERS

- Sales of the U.S. cannabis industry expected to rival beer ($100bn), spirits ($97bn) and wine ($62bn) by 2030
- Continued legalization at state level expected to drive continued demand for capital
- Highly fragmented industry ripe for consolidation
- Wave of East Coast and Midwest Adult-Use Legalization appears imminent

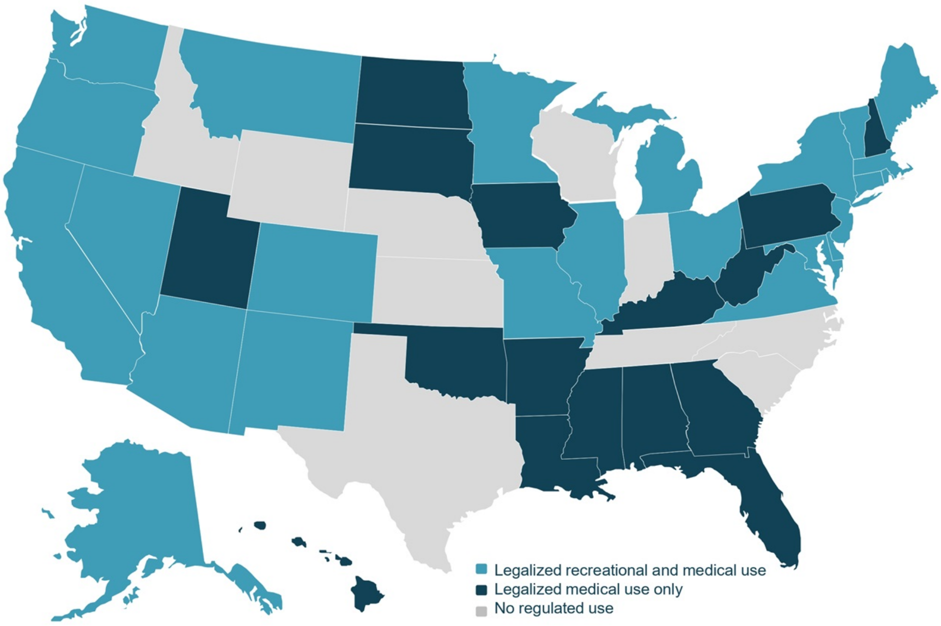
Note:
(1) Source: MJBiz Factbook 2023; ($ in billions)

Compelling Market Opportunity

LEGISLATIVE TAILWINDS

- Continued state-level legalization, including transition from medical to adult-use cannabis.
- Adult-use sales began during the first quarter of 2023 in Missouri and Connecticut.
- Adult-use sales began in Maryland on July 1, 2023.
- Adult-use sales expected to commence in Ohio in 2024.

CURRENT LEGALIZATION[1]: 40 STATES



Note:
(1) Per MJBiz Daily, as of November 2023

Competitive Landscape

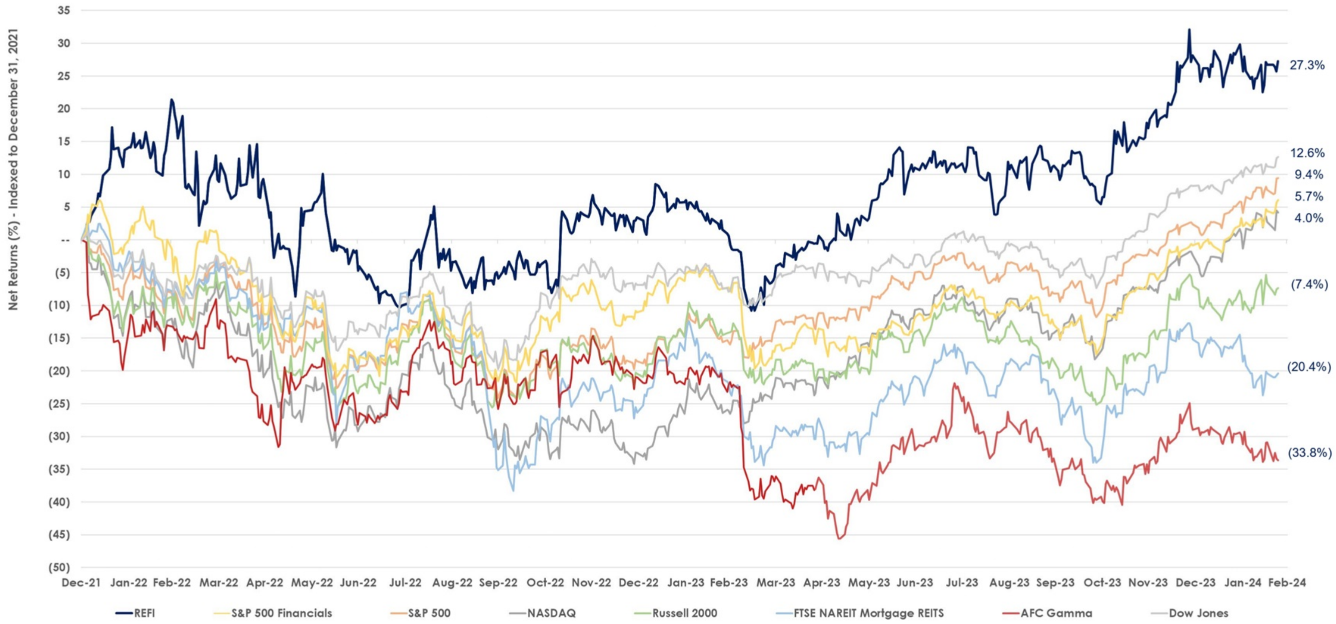
COMPETITORS: GROUPS

- Mortgage REITs
- BDCs
- Sale/ Leaseback REITs
- Cannabis-Focused Lenders
- Community Banks

COMPETITIVE ADVANTAGES

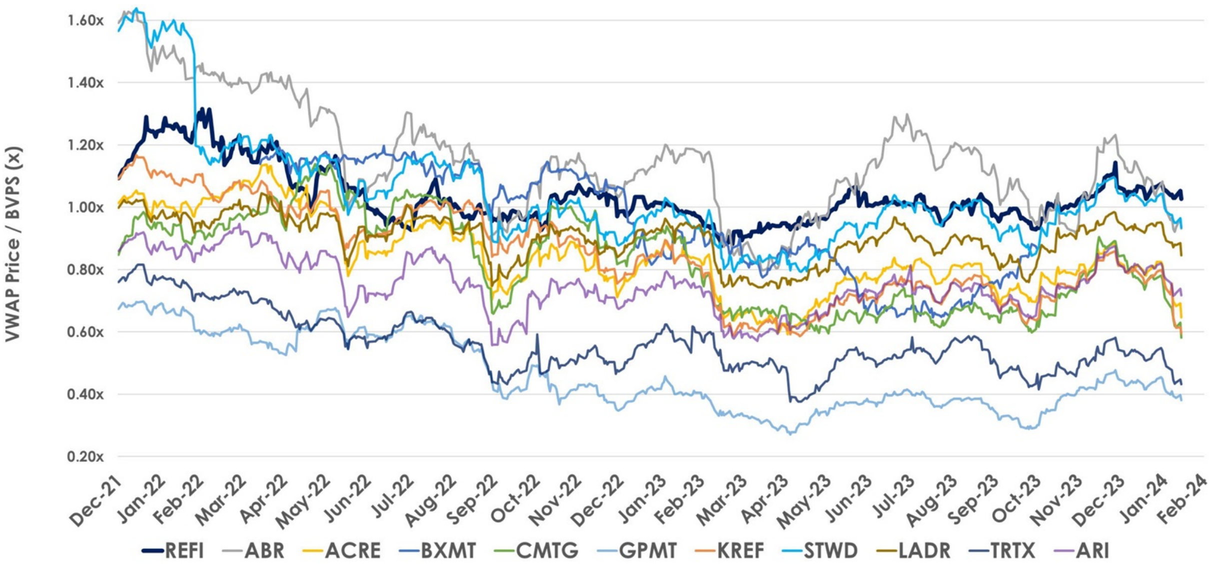
Shorter loan durations	Better diversification
Lower LTVs	Deal leads
Ability to upsize	Close relationships with management teams
We negotiate the deal	REIT shares 50% of the origination fee
Underwrite enterprise value in the borrowers	Our borrower's only source of debt

Market Performance | Total Net Returns vs. Selected Indexes

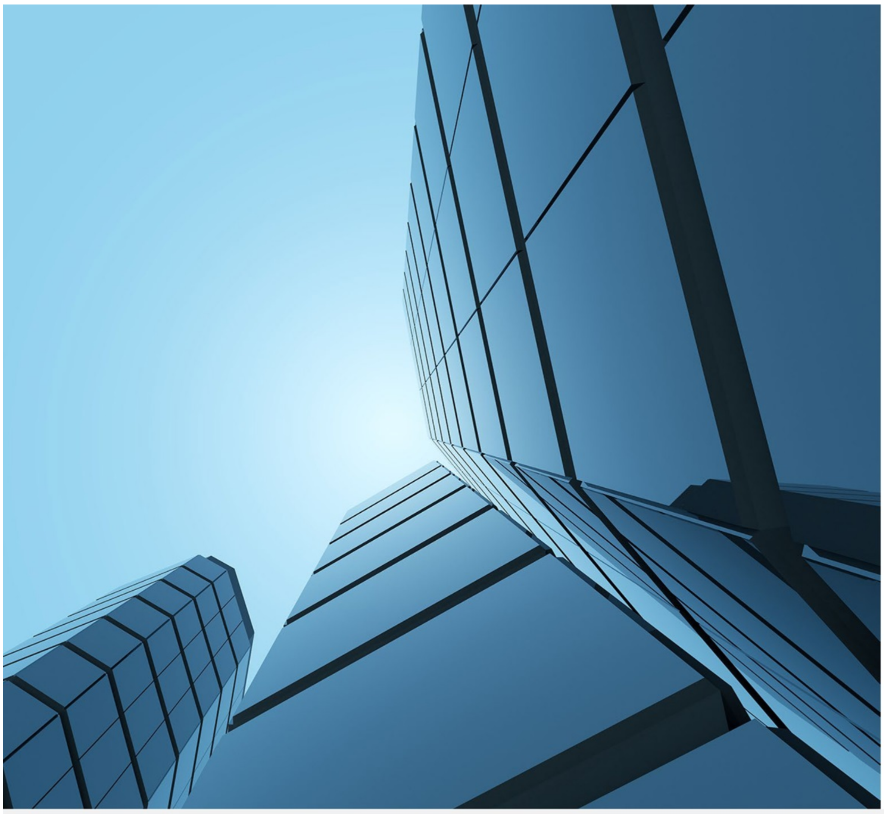


Sources: Bloomberg, S&P Global Data Repository (Indexed from December 2021)
Assumes dividend re-investment

Market Performance | Price to Book Value per Share vs. Selected Peers



Sources: Bloomberg, S&P Global Data Repository



CHICAGOATLANTIC
REAL ESTATE FINANCE

Appendix

Q4 2023 Financial Overview

Collateral Overview[1] (as of December 31, 2023)

Loan	Investment	Location	Property Type	Principal Balance as of 12/31/2023	Implied Real Estate Collateral for REIT	Our Real Estate Collateral Coverage as of 12/31/2023
1	Senior Real Estate Corporate Loan	Multi-State	Retail/Industrial	$ 29,910,000	$ 5,514,857	0.2x
2	Senior Real Estate Corporate Loan	Michigan	Retail/Industrial	$ 38,810,119	$ 56,962,428	1.5x
3	Senior Real Estate Corporate Loan	Multi-State	Retail/Industrial	$ 20,657,606	$ 19,356,702	0.9x
4	Senior Real Estate Corporate Loan	Arizona	Industrial	$ 15,396,370	$ 23,900,000	1.6x
5	Senior Real Estate Corporate Loan	Massachusetts	Retail/Industrial	$ 3,194,180	$ 900,000	0.3x
6	Senior Real Estate Corporate Loan	Michigan	Retail/Industrial	$ 4,264,421	$ 15,850,000	3.7x
7	Senior Real Estate Corporate Loan	Multi-State	Retail/Industrial	$ 20,055,454	$ 41,675,040	2.1x
8	Senior Real Estate Corporate Loan	West Virginia	Retail/Industrial	$ 11,663,586	$ 14,255,000	1.2x
9	Senior Real Estate Corporate Loan	Pennsylvania	Retail/Industrial	$ 16,402,488	$ 17,000,000	1.0x
11	Senior Real Estate Corporate Loan	Maryland	Industrial	$ 33,310,259	$ 30,400,000	0.9x
12	Senior Real Estate Corporate Loan	Multi-State	Retail/Industrial	$ 8,710,222	$ 2,049,733	0.2x
13	Senior Real Estate Corporate Loan	Michigan	Retail/Industrial	$ 13,392,094	$ 42,064,044	3.1x
14	Senior Loan	Multi-State	None	$ 5,253,125	$ -	0.0x
16	Senior Loan	Florida	None	$ 4,437,500	$ -	0.0x
17	Senior Real Estate Corporate Loan	Florida	Retail/Industrial	$ 15,000,000	$ 32,840,000	2.2x
18	Senior Real Estate Corporate Loan	Ohio	Retail/Industrial	$ 17,155,637	$ 40,080,000	2.3x
19	Senior Real Estate Corporate Loan	Florida	Retail/Industrial	$ 20,080,084	$ 27,700,000	1.4x
20	Senior Real Estate Corporate Loan	Missouri	Retail/Industrial	$ 17,691,575	$ 27,400,000	1.5x
21	Senior Real Estate Corporate Loan	Illinois	Retail/Industrial	$ 5,353,186	$ 9,770,000	1.8x
23	Senior Real Estate Corporate Loan	Arizona	Retail/Industrial	$ 1,860,000	$ 3,887,500	2.1x
24	Senior Real Estate Corporate Loan	Oregon	Retail/Industrial	$ 820,000	$ 3,600,000	4.4x
25	Senior Delayed Draw Term Loan	New York	Retail	$ 22,611,938	$ 33,631,119	1.5x
26	Senior Real Estate Corporate Loan	Connecticut	Industrial	$ 5,450,000	$ 7,699,497	1.4x
27	Senior Real Estate Corporate Loan	Nebraska	Industrial	$ 13,061,667	$ 52,853,593	4.0x
28	Senior Real Estate Corporate Loan	Ohio	Retail	$ 2,466,705	$ 2,000,000	0.8x
29	Senior Real Estate Corporate Loan	Illinois	Retail	$ 1,066,065	$ 1,400,000	1.3x
30	Senior Real Estate Corporate Loan	Missouri, Arizona	Retail/Industrial	$ 7,500,000	$ 9,217,500	1.2x
				$ 355,745,305	**$ 522,007,013**	**1.5x**

[1] Refer to page 9 of the Company's Annual Report on Form 10-K as of and for the year ended December 31, 2023, for supplemental footnote disclosures.

Balance Sheet

		December 31, 2023		December 31, 2022
Assets				
Loans held for investment	$	337,238,122	$	339,273,538
Loan held for investment – related party (Note 7)		16,402,488		-
Loans held for investment at carrying value		353,640,610		339,273,538
Current expected credit loss reserve		(4,972,647)		(3,940,939)
Loans held for investment at carrying value, net		348,667,963		335,332,599
Cash and cash equivalents		7,898,040		5,715,827
Debt securities, at fair value		842,269		-
Interest receivable		1,004,140		1,204,412
Other receivables and assets, net		705,960		1,018,212
Related party receivables		107,225		-
Total Assets	$	**359,225,597**	$	**343,271,050**
Liabilities				
Revolving loan	$	66,000,000	$	58,000,000
Dividend payable		13,866,656		13,618,591
Management and incentive fees payable		3,243,775		3,295,600
Related party payables		2,051,531		1,397,515
Accounts payable and other liabilities		1,135,355		1,058,128
Interest reserve		1,074,889		1,868,193
Total Liabilities		**87,372,206**		**79,238,027**
Commitments and contingencies (Note 8)				
Stockholders' equity				
Common stock, par value $0.01 per share, 100,000,000 shares authorized and 18,197,192 and 17,658,952 shares issued and outstanding, respectively		181,972		176,859
Additional paid-in-capital		277,483,092		268,995,848
Accumulated earnings (deficit)		(5,811,673)		(5,139,684)
Total stockholders' equity		**271,853,391**		**264,033,023**
Total liabilities and stockholders' equity	$	**359,225,597**	$	**343,271,050**

Statement of Operations

	Three months ended December 31, 2023 (unaudited)	Three months ended September 30, 2023 (unaudited)	Year ended December 31, 2023	Year ended December 31, 2022
Revenues				
Interest income	$ 16,530,028	$ 15,183,450	62,900,004	51,471,766
Interest expense	(1,690,543)	(1,449,143)	(5,752,908)	(2,614,138)
Net interest income	14,839,485	13,734,307	57,147,096	48,857,628
Expenses				
Management and incentive fees, net	3,243,775	1,601,387	8,782,834	6,562,087
General and administrative expense	1,426,554	1,251,307	5,260,287	3,528,322
Professional fees	555,623	491,107	2,153,999	2,151,714
Stock based compensation	537,131	540,426	1,479,736	435,623
(Reversal)/provision for current expected credit losses	(253,495)	(41,351)	940,385	3,887,405
Total expenses	**5,509,588**	**3,842,876**	**18,617,241**	**16,565,151**
Change in unrealized gain on debt securities, at fair value	(37,163)	85,567	75,604	-
Realized gain on debt securities, at fair value	104,789	-	104,789	-
Net Income before income taxes	**9,397,523**	**9,976,998**	**38,710,248**	**32,292,477**
Income tax expense	-	-	-	-
Net Income	**$ 9,397,523**	**$ 9,976,998**	**38,710,248**	**32,292,477**
Earnings per common share:				
Basic earnings per common share (in dollars per share)	$ 0.52	$ 0.55	$ 2.14	$ 1.83
Diluted earnings per common share (in dollars per share)	$ 0.51	$ 0.54	$ 2.11	$ 1.82
Weighted average number of common shares outstanding:				
Basic weighted average shares of common stock outstanding (in shares)	18,182,403	18,175,467	18,085,088	17,653,765
Diluted weighted average shares of common stock outstanding (in shares)	18,564,530	18,562,930	18,343,725	17,746,214

Reconciliation of Distributable Earnings and Adjusted Distributable Earnings to GAAP Net Income

		Three Months ended December 31, 2023 (unaudited)		Three Months ended September 30, 2023 (unaudited)
Net Income	$	9,397,523	$	9,976,998
Adjustments to net income				
Non-cash equity compensation expense		537,131		540,426
Depreciation and amortization		145,128		146,676
(Reversal)/provision for current expected credit losses		(253,495)		(41,351)
Change in unrealized gain on debt securities, at fair value		37,163		(85,567)
Realized gain on debt securities, at fair value		(104,789)		-
Distributable Earnings	$	**9,758,661**	**$**	**10,537,182**
Adjustments to Distributable Earnings		-		-
Adjusted Distributable Earnings	**$**	**9,758,661**	**$**	**10,537,182**
Basic weighted average shares of common stock outstanding (in shares)		18,182,403		18,175,467
Adjusted Distributable Basic Earnings per Weighted Average Share	**$**	**0.54**	**$**	**0.58**
Diluted weighted average shares of common stock outstanding (in shares)		18,564,530		18,562,930
Adjusted Distributable Diluted Earnings per Weighted Average Share	**$**	**0.53**	**$**	**0.57**

Management Agreement Overview

External Manager

- Externally-managed by Chicago Atlantic REIT Manager, LLC, a subsidiary of Chicago Atlantic Group, LLC
- John Mazarakis (Executive Chairman), Tony Cappell (Co-CEO) and Andreas Bodmeier (President & CIO) control and beneficially own the Manager
- The Manager is comprised of an experienced team of investment professionals, who currently manage several externally-managed vehicles with over $800mm in additional assets
  - Synergies from over 70 professionals, spanning real estate credit, asset-based lending and real estate private equity, as well as robust accounting and compliance functions

Management Agreement and Equity Incentive Plan

- Initial term of three years
- Following the initial term, the agreement automatically renews every year for an additional one-year period, unless Chicago Atlantic or the Manager elects not to renew
- Shareholder-friendly management agreement:
- 8.5% equity incentive plan:
  - 0.5% granted at completion of IPO
  - 8% granted at discretion of Board based on Company performance after IPO

MANAGEMENT FEES	
Annual Base Management Fee (on Equity)	1.5%
Origination Fees (Rebated to REIT)	50.0%
Incentive Compensation Terms:	
Incentive Fees (of Core Earnings)	20.0%
Hurdle Amount (on Avg. Equity); No Catch-up Provision	8.0%