

AR AGREE REALTY CORPORATION

DEVELOP | ACQUIRE | PARTNER

ADC
Listed
NYSE
THE NEW YORK STOCK EXCHANGE



Safe Harbor

This presentation contains certain statements that are the Company's and Management's hopes, intentions, beliefs, expectations, or projections of the future and might be considered forward-looking statements under Federal Securities laws. Prospective investors are cautioned that any such forward-looking statements are not guarantees of future performance and involve risks and uncertainties. The Company's actual future results may differ significantly from the matters discussed in these forward-looking statements and we may not release revisions to these forward-looking statements to reflect changes after we've made the statements. Factors and risks that could cause actual results to differ materially from expectations are disclosed from time to time in greater detail in the Company's filings with the SEC including, but not limited to, the Company's report on Form 10-K, as well as Company press releases.

Agree Realty Corporation (NYSE: ADC)

Retail net lease REIT focused on growth through the acquisition and development of high-quality retail properties

Our Company

- \$1.7 billion retail net lease REIT headquartered in Bloomfield Hills, MI and listed on the NYSE under ticker ADC
- 377 retail properties totaling approximately 7.3 million square feet in 43 states
- 45% investment grade tenants and 10.6 years average remaining lease term

Our History

- 45 year operating history as a developer, owner and manager of retail properties
- IPO in 1994 to continue and expand business of predecessor company
- Formally launched acquisition platform in 2010 and Partner Capital Solutions (“PCS”) business in 2012

Our Business Plan

- Opportunistically expand and diversify our high-quality retail net lease portfolio through a refined and disciplined investment strategy
- Generate consistent and sustainable earnings growth
- Provide a reliable income stream through a growing dividend
- Maintain a conservative and flexible capital structure

Recent Highlights

Consistent execution has led to enhanced shareholder value

Announced the appointment of Merrie S. Frankel to the Company's Board of Directors

Raised \$237 million in equity during 2016 through two follow-on offerings and the ATM program

Expanded \$350 million credit facility with an accordion up to \$500 million

Provided 2017 acquisition guidance of \$200 million to \$225 million, and 2017 disposition guidance of \$20 to \$50 million

Declared a quarterly dividend of \$0.495 per share, a 6.5% year-over-year increase

Invested in 13 high-quality retail net lease assets for aggregate investment volume of \$62 million in the first quarter of 2017

- Weighted-average acquisition capitalization rate of 7.6%
- Completed two development and Partner Capital Solutions projects

Increased Q1 2017 FFO per share by 6.3% to \$0.65, and Q1 2017 AFFO per share by 5.9% to \$0.65

Investment Strategy

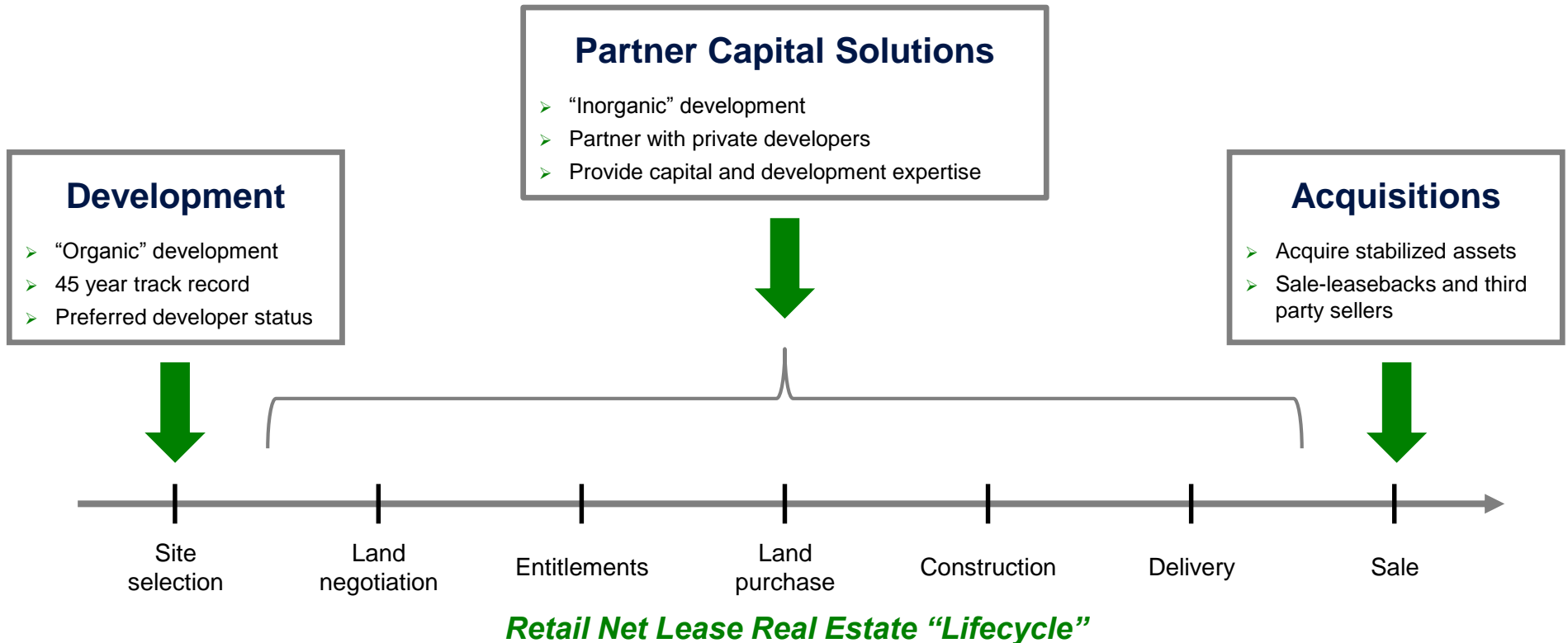


Differentiated Real Estate Investment Strategy

Leverage real estate acumen and three investment platforms to identify best risk-adjusted retail net lease opportunities

ADC's synergistic investment platforms adhere to the same core principles while pursuing opportunities along the full spectrum of net lease asset origination

- Bottoms-up underwriting → real estate and residuals matter
- 100% retail properties → superior real estate + longer term leases
- National and super-regional retailers → superior real estate + credit enhancement
- Emphasis on tenant real estate solutions → long-term relationships and repeat business



ADC's Unique Dual Capabilities

Emphasis on comprehensive real estate solutions drive multi-faceted partnerships

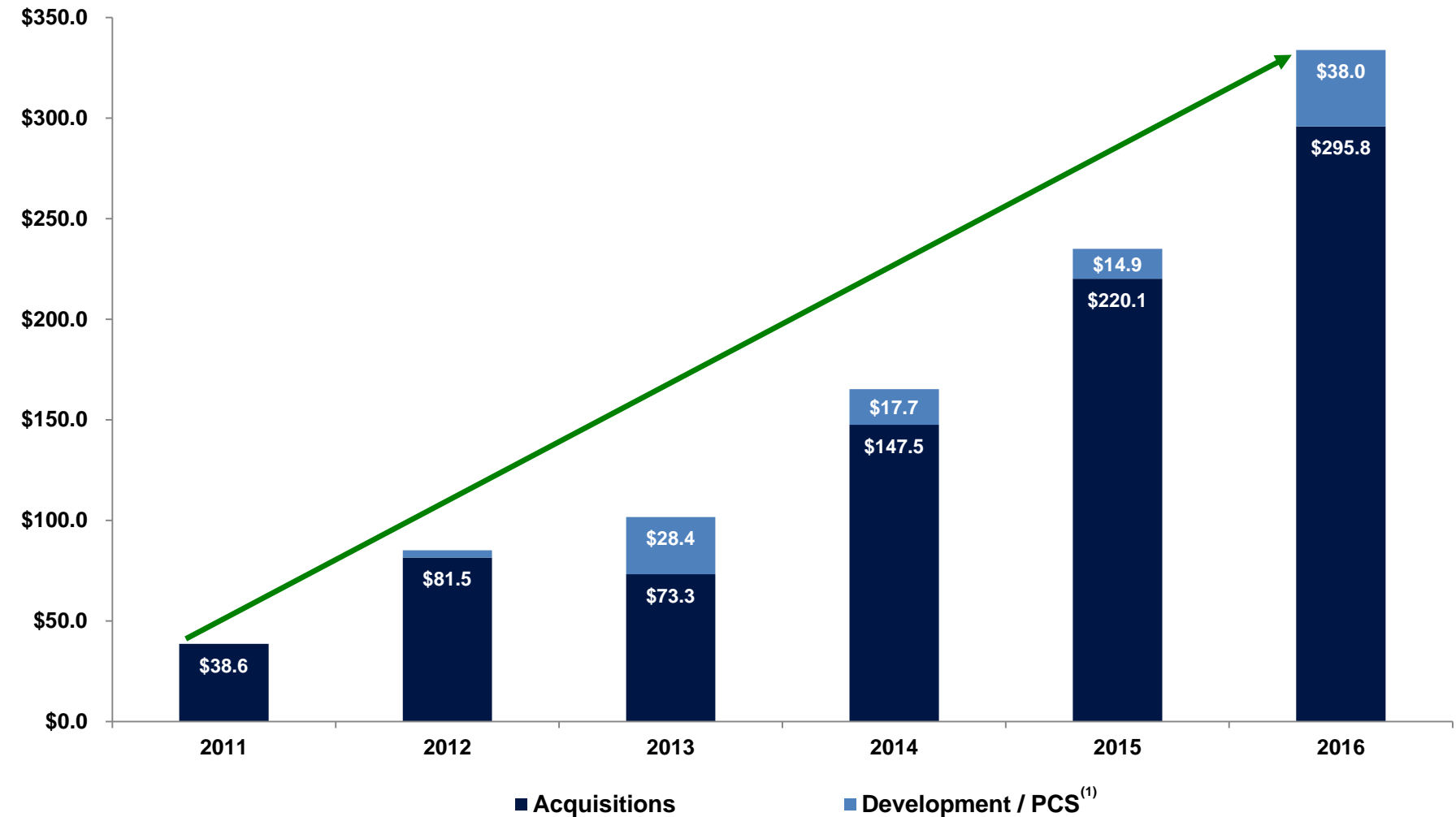


Track Record of Execution

Since 2010, ADC has invested more than \$1 billion in high-quality retail net lease properties

Investment Activity

\$ in millions



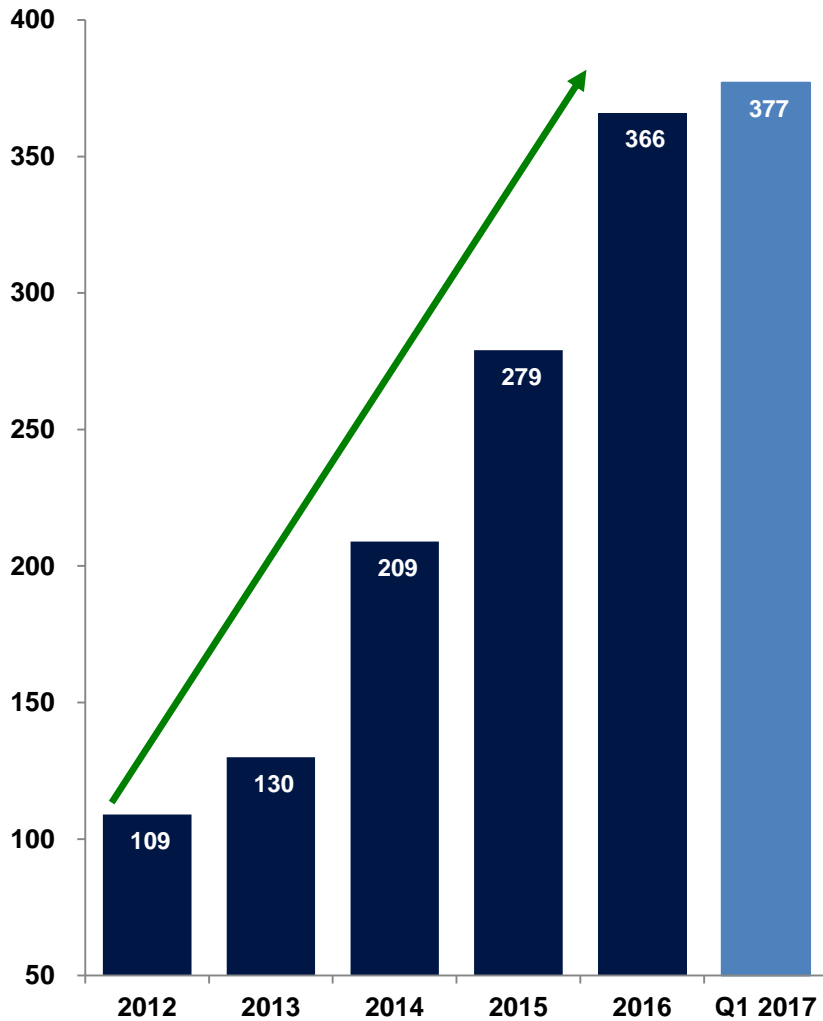
As of March 31, 2017.

(1) Represents annual development and PCS activity, completed or commenced.

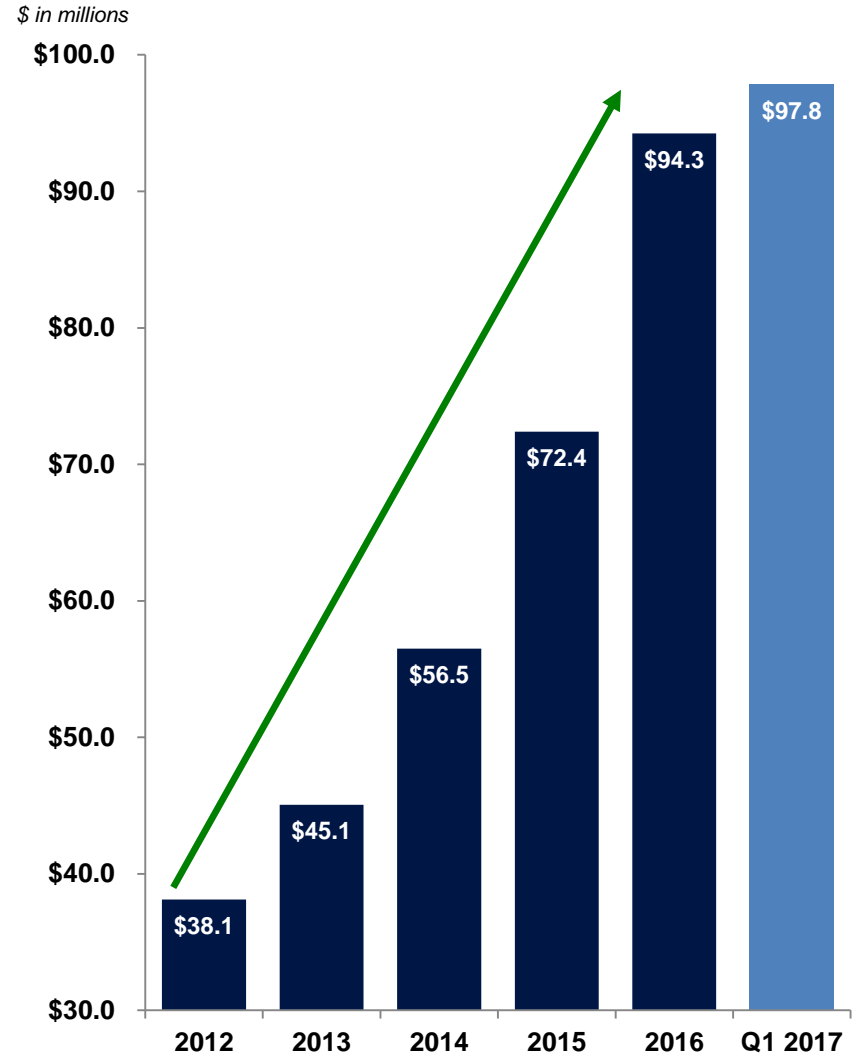
Accelerating Growth

Established real estate capabilities and growing market presence driving increased investment opportunities

of Properties



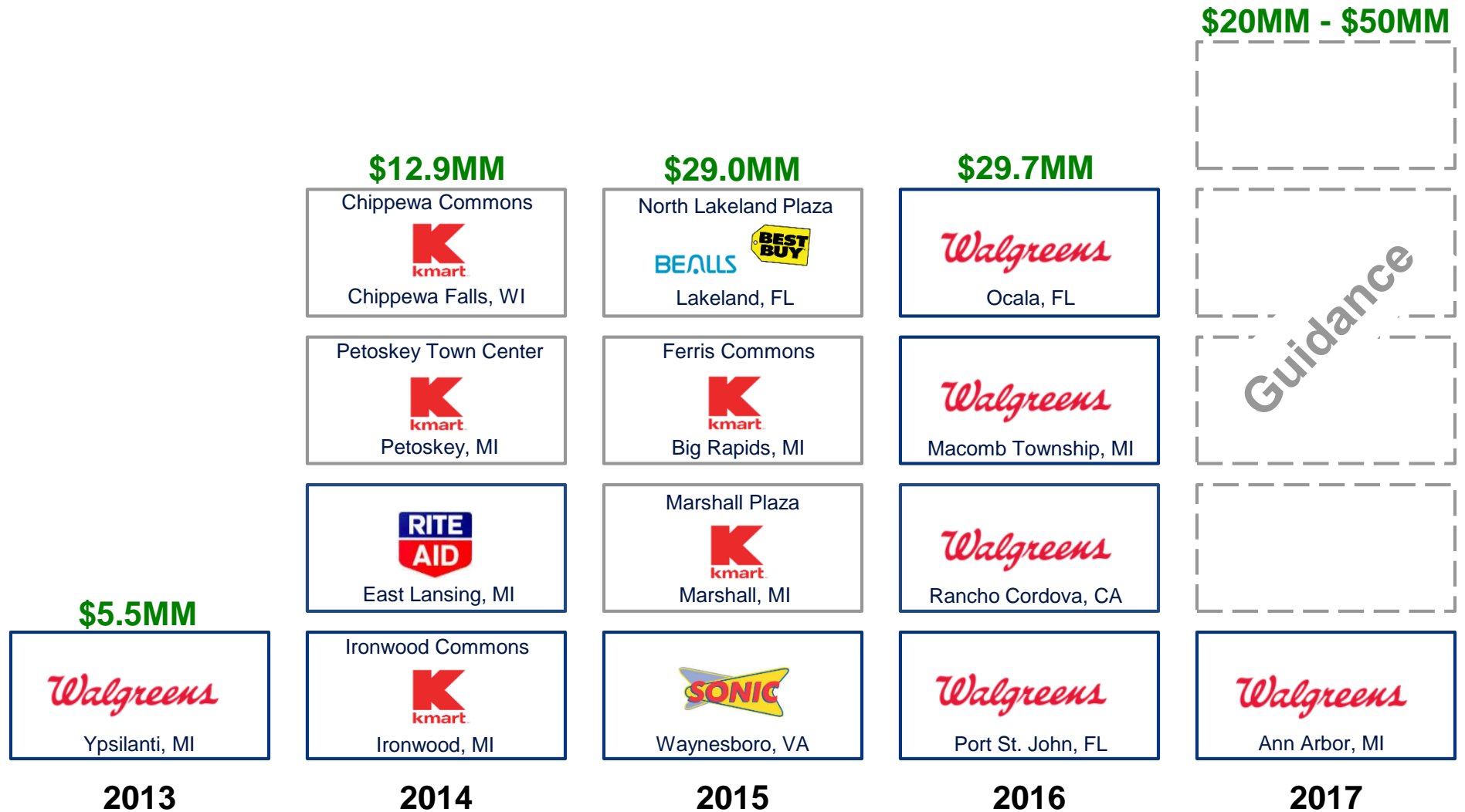
Annualized Base Rent ("ABR")



Active Portfolio Management

Our focus on real estate fundamentals guides non-core asset sales and capital recycling

Total Dispositions 2011-2017: \$111.8MM



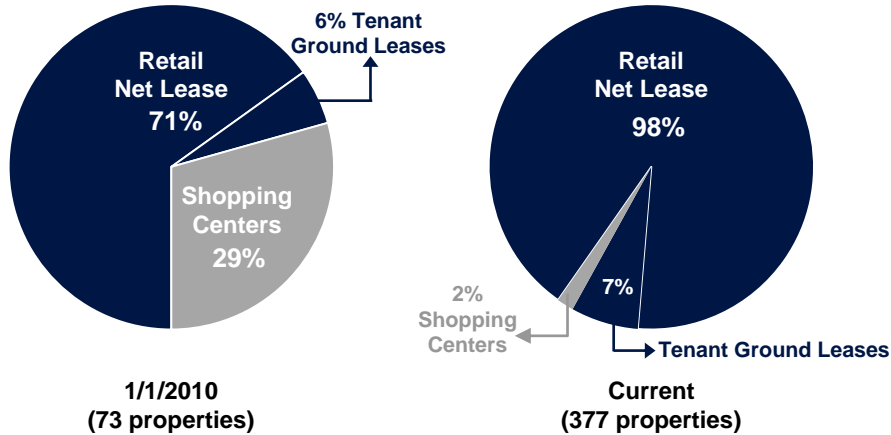
Portfolio Summary



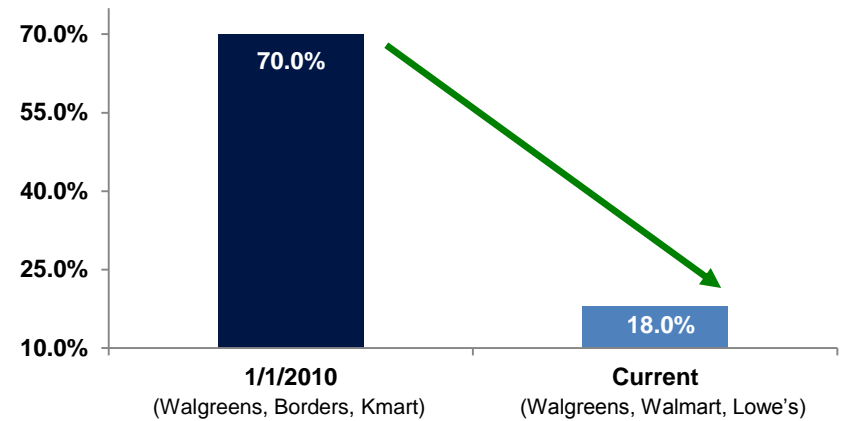
Portfolio Transformation

Execution has led to increased portfolio diversification and improved quality of rental income

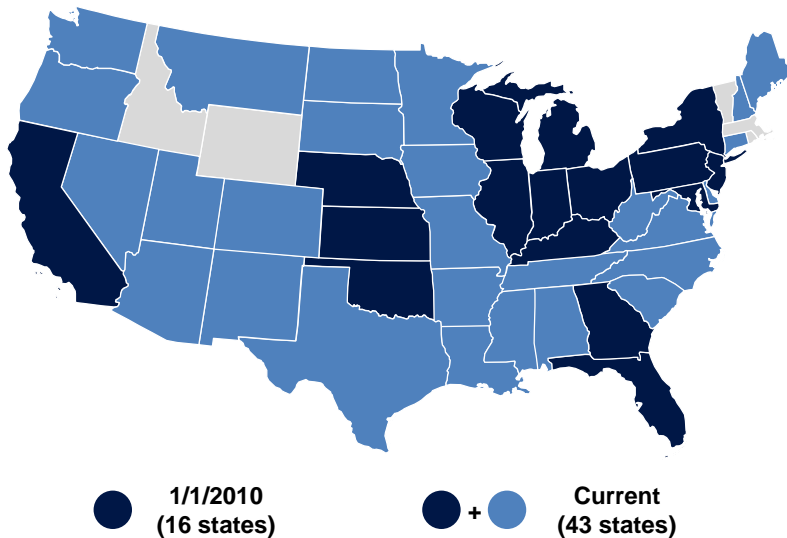
Property Type (% ABR)



Top 3 Tenant Concentration (% ABR)



Geographic Diversification



Retail Sector Exposure




1/1/2010	Current
✓ Pharmacy	✓ Pharmacy
✓ Bookstores	✓ QSRs
✓ General Merchandise	✓ Health & Fitness
✓ Casual Dining	✓ Grocery Stores
✓ Financial Services	✓ Warehouse Clubs
✓ Auto Parts	✓ Discount Apparel
	✓ Convenience Stores
	✓ Casual Dining
	✓ Specialty Retail
	✓ Home Improvement
	✓ Theater
	✓ Auto Parts
	✓ Financial Services
	✓ Healthcare
	✓ Auto Service
	✓ Entertainment Retail
	✓ Crafts & Novelties
	✓ Dollar Stores
	✓ Pet Supplies
	✓ General Merchandise
	✓ Discount Stores
	✓ Sporting Goods
	✓ Home Furnishings
	✓ Office Supplies
	✓ Consumer Electronics
	✓ Farm & Rural Supply




Portfolio Transformation

January 2015

March 2017

Top Sectors

	Pharmacy	29.7%
	QSRs	7.5%
	Apparel	6.1%

	Pharmacy	15.0%
	QSRs	6.8%
	Grocery	6.8%

Top Tenants

	21.9%
	4.4%
	4.4%

	10.5%
	4.3%
	3.2%

of Properties

Enterprise Value

209 properties

377 properties

\$0.8 billion

\$1.7 billion

Current Portfolio Snapshot

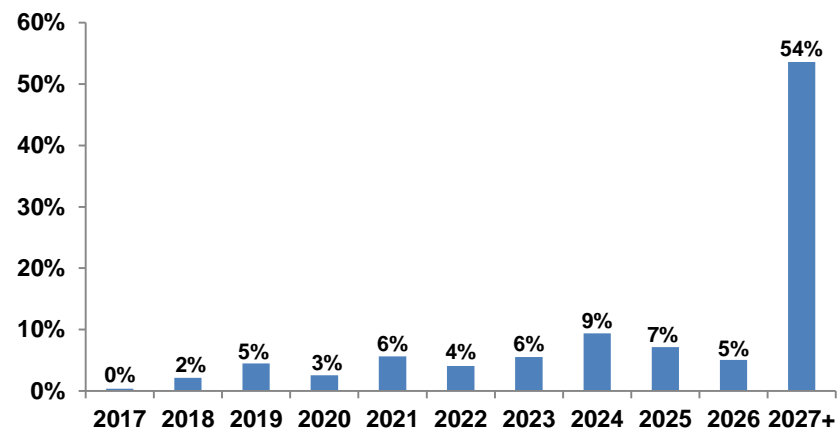
Tenants

Tenant / Concept	Annualized Base Rent ⁽¹⁾	% of Total
<i>\$ in millions</i>		
Walgreens	\$10.3	10.5%
Walmart	4.2	4.3%
Lowe's	3.1	3.2%
LA FITNESS	2.8	2.8%
Wawa	2.7	2.7%
Mister CAR WASH	2.6	2.6%
Smart & Final	2.5	2.6%
CVS/pharmacy	2.5	2.5%
DOLLAR GENERAL	2.4	2.5%
TRACTOR SUPPLY CO	2.2	2.2%
HOBBY LOBBY	2.2	2.2%
Academy SPORTS+OUTDOORS	2.0	2.0%
BURGER KING	1.9	1.9%
RITE AID PHARMACY	1.9	1.9%
DOLLAR TREE	1.8	1.9%
24 FITNESS	1.8	1.8%
BJ'S WHOLESALE CLUB	1.7	1.7%
AMC THEATRES	1.6	1.6%
TACOBELL	1.5	1.6%
PETSMART	1.5	1.6%
AutoZone	1.5	1.5%
Other	43.3	44.4%
Total	\$97.8	100.0%

As of March 31, 2017.

(1) Based on GAAP annualized base rent.

Lease Expirations



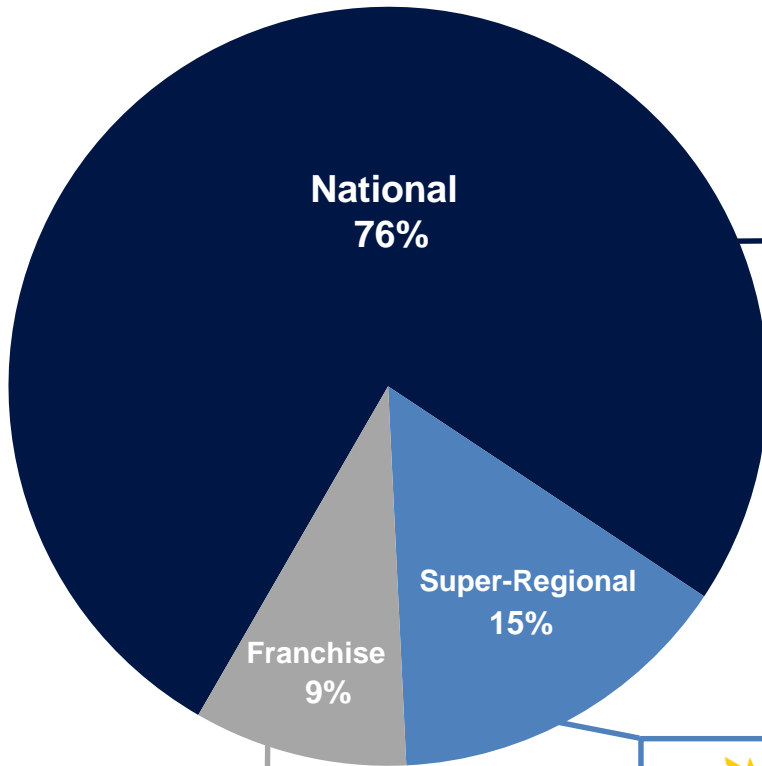
Retail Sectors

Tenant Sector	Annualized Base Rent ⁽¹⁾	% of Total
<i>\$ in millions</i>		
Pharmacy	\$14.6	15.0%
Restaurants – Quick Service	6.6	6.8%
Grocery Stores	6.6	6.8%
Discount Apparel	5.5	5.6%
Auto Service	5.5	5.6%
Health & Fitness	4.9	5.0%
Specialty Retail	4.7	4.8%
General Merchandise	4.0	4.0%
Home Improvement	3.8	3.9%
Warehouse Clubs	3.7	3.8%
Crafts and Novelties	3.5	3.6%
Farm and Rural Supply	3.4	3.4%
Sporting Goods	3.1	3.2%
Auto Parts	3.1	3.2%
Dollar Stores	3.0	3.1%
Convenience Stores	2.8	2.9%
Restaurants – Casual Dining	2.5	2.5%
Other	16.5	16.8%
Total	\$97.8	100.0%

National and Super-Regional Retailers

Industry-leading brands and retailers operating in e-commerce resistant sectors

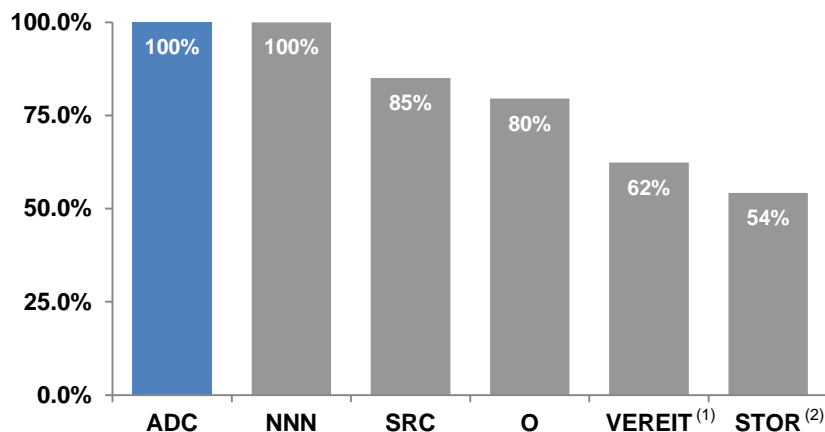
Retail Tenant Type (% ABR)



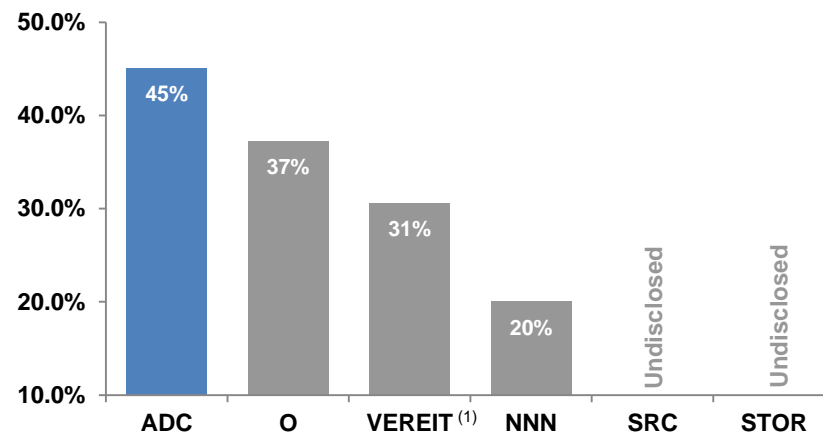
Leading, Pure-Play Retail Net Lease REIT

Diversified portfolio of high-quality retail properties occupied by superior credit tenants under long-term leases

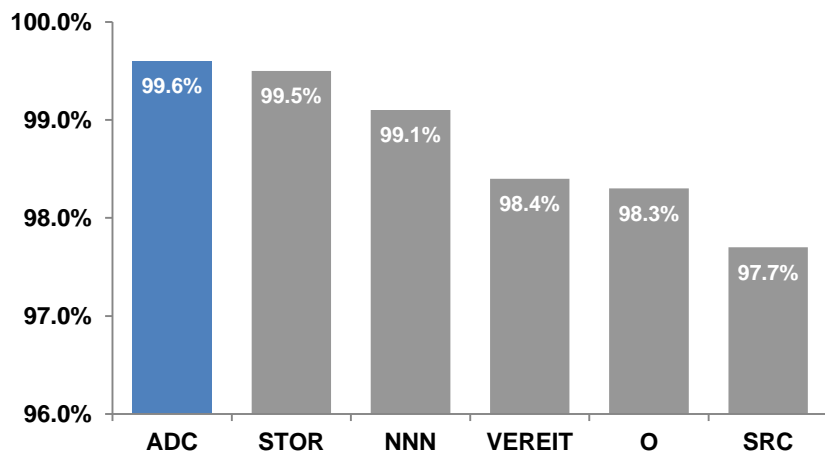
Retail % of Total Portfolio



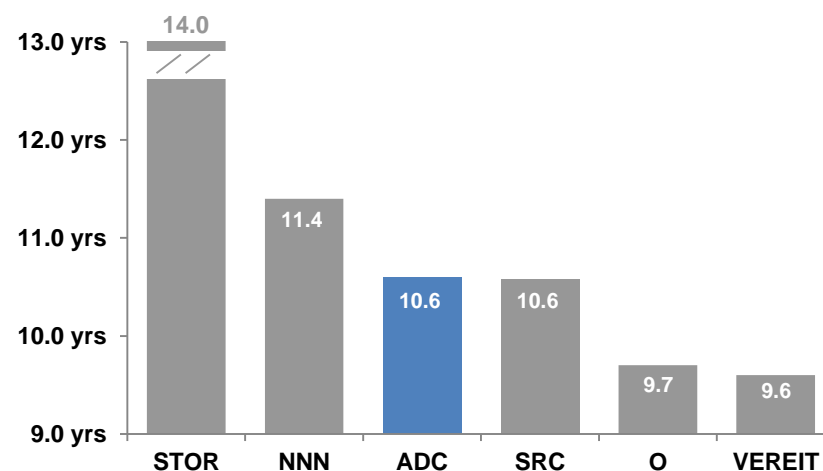
Retail Investment Grade Tenants



Occupancy



Weighted-Average Lease Term



ADC and peer data from first quarter 2017 supplemental or company SEC filings.

(1) Excludes Office, Industrial and Distribution, as disclosed.

(2) Excludes Manufacturing, Early Childhood Education Centers, Colleges and Professional Schools and All Other Service Industries, as disclosed.

Creating Value Through Retailer Relationships

TJ·maxx

Michaels

M
MEN'S WEARHOUSE
W



Aurora, Colorado

- \$9 million multi-tenant transaction acquired at a 9.1% year-one cap rate
- Located in one of the fastest growing suburbs in the Denver MSA
- Negotiated five-year early lease extension
- Five-mile population density of 130K



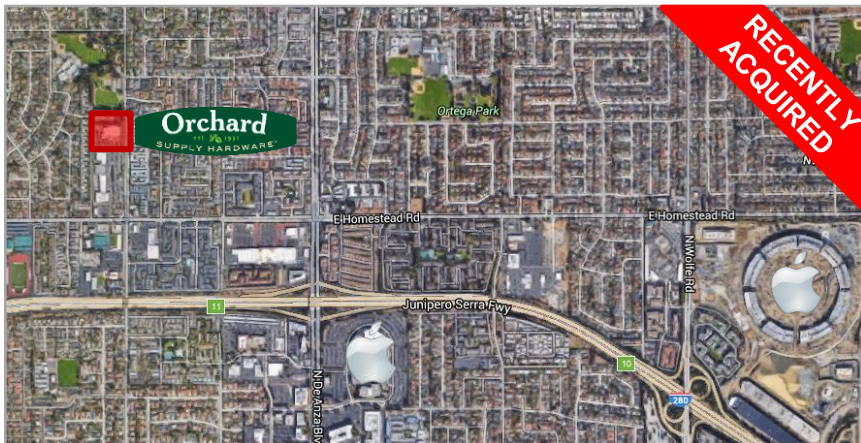
High-Quality Retail Real Estate = Stronger Residual Values



Corporate Guarantee from Lowe's Companies, Inc. (S&P: A-)

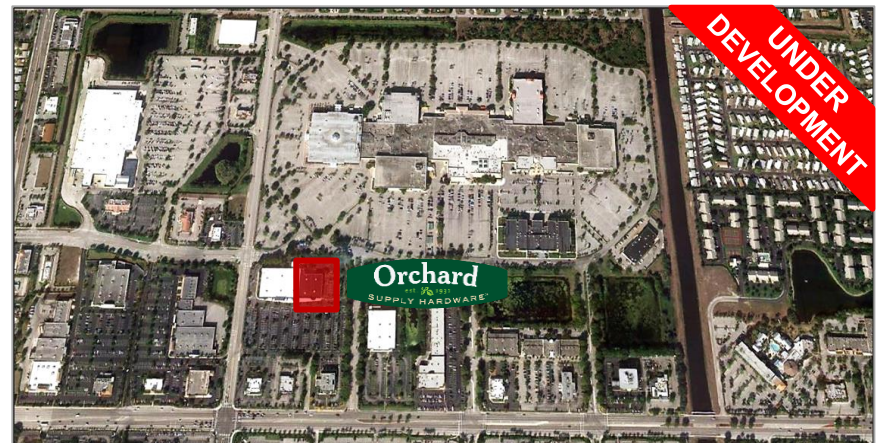
Sunnyvale, California

- Located in Silicon Valley
- Acquired as part of the \$79.5 million portfolio transaction completed in June 2016
- Demographics
 - \$128K median household income within a five-mile radius
 - Five-mile population density of 474K



Boynton Beach, Florida

- Located in Southeast Florida
- Former site of regional shoe retailer currently being expanded and redeveloped
- Demographics
 - \$106K median household income within a five-mile radius
 - Five-mile population density of 247K



High-Quality Retail Real Estate = Stronger Residual Values



Charlotte, North Carolina

- Acquisition of ground floor retail condominium
- Located within downtown Charlotte, near upper income condominium and multi-family developments
- Small format urban grocery component of a larger mixed-use development
- Credit upgrade in 2015 with Kroger's acquisition of Harris Teeter
- Three-mile population density of 158K⁽¹⁾



(1) Represents daytime population.

Development and PCS Projects

Completed two projects totaling \$9.2 million in the first quarter of 2017

Recently Completed



Wawa
Orlando, FL



Chick-fil-A
Frankfort, KY



Starbucks
North Lakeland, FL



Burger King
Heber, UT



Texas Roadhouse
Mount Pleasant, MI



Camping World
Tyler, TX

Under Construction



Camping World
Georgetown, KY



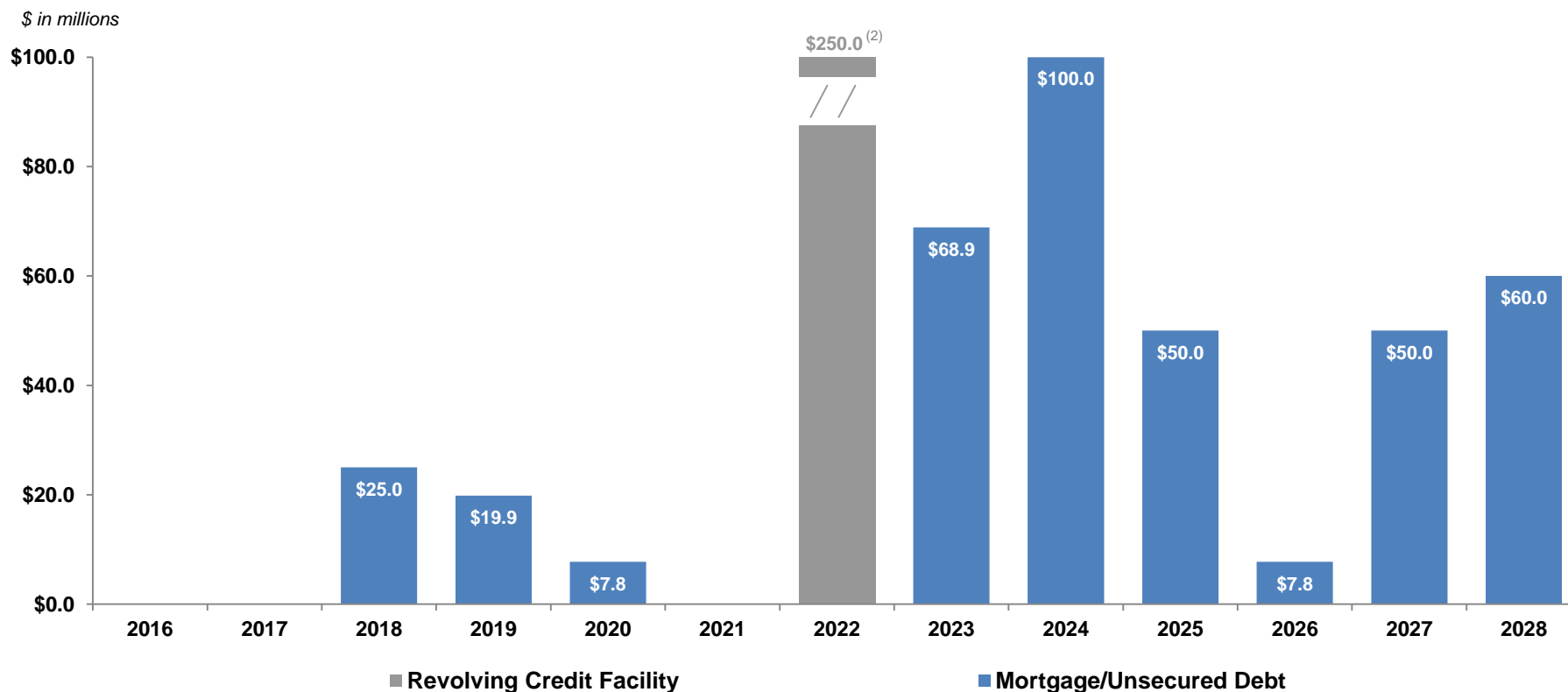
Orchard Supply Hardware
Boynton Beach, FL

Financial Overview



Capital Structure, Financial Ratios

Debt Maturities⁽¹⁾



Capitalization Statistics⁽¹⁾

Equity Market Capitalization	\$1.3B
Total Enterprise Value	\$1.7B

Financial Ratios⁽¹⁾

Fixed Charge Coverage Ratio	4.0x
Net Debt / Adjusted EBITDA	4.9x
Total Debt to Total Market Capitalization	25%

(1) As of March 31, 2017.

(2) Reflects the total commitments under the Company's \$250 million Revolving Facility.

Investment Summary Highlights

- **Highest-quality retail real estate**
- **Most secure cash flows**
- **Strongest balance sheet**
- **Proven track record of execution**
- **Consistent dividend growth**
- **Robust growth trajectory**



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