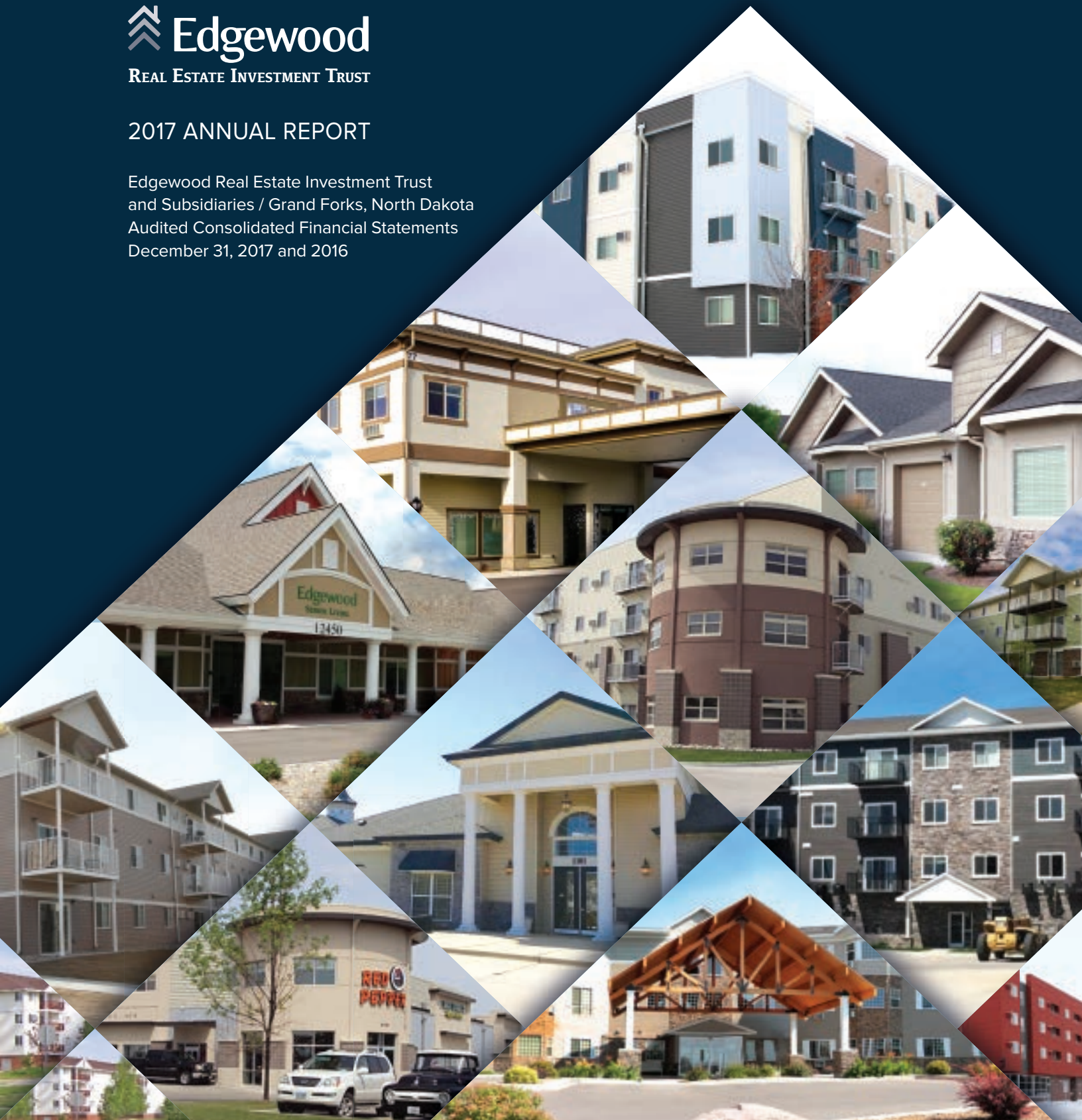


BUILDING OUR FUTURE



2017 ANNUAL REPORT

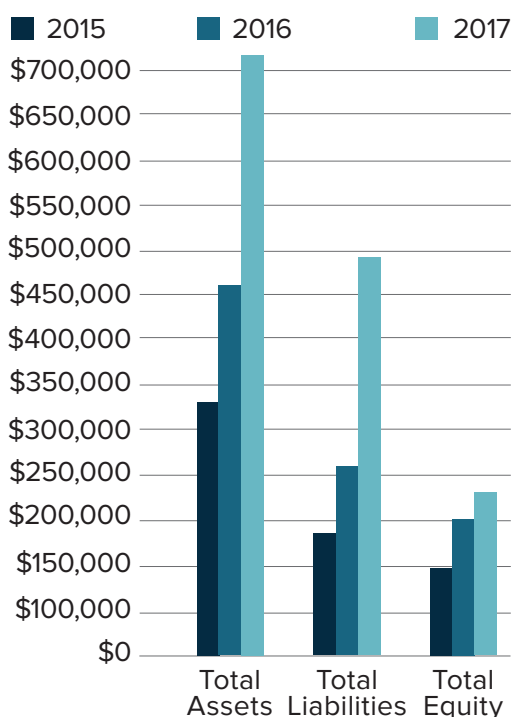
Edgewood Real Estate Investment Trust
and Subsidiaries / Grand Forks, North Dakota
Audited Consolidated Financial Statements
December 31, 2017 and 2016



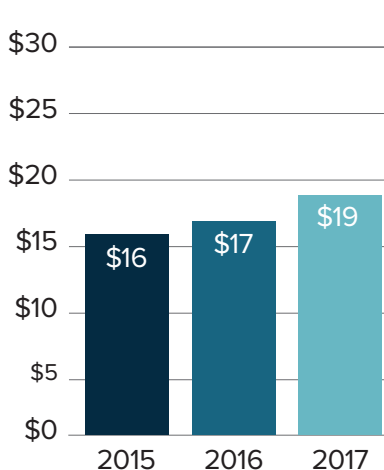
Financial Highlights 2015-2017

Key Financial Metrics (in thousands, except share data)	2017	2016	2015
Total Assets	\$ 713,140	\$ 460,659	\$ 332,099
Total Liabilities	\$ 481,396	\$ 259,591	\$ 185,014
Total Equity	\$ 231,744	\$ 201,068	\$ 147,085
Net Operating Income	\$ 43,727	\$ 23,320	\$ 20,670
Normalized Funds from Operations (per weighted share)	1.465	1.124	1.305
Dividends Paid (per share)	.915	.88	.86

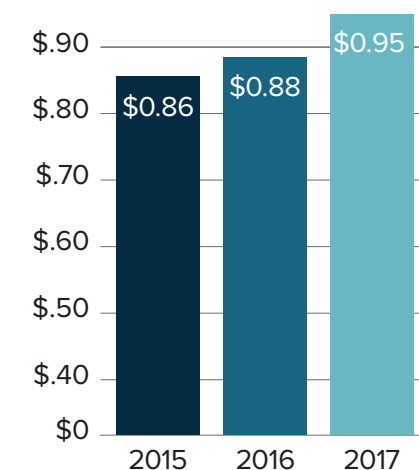
Balance Sheet Bar Graph (in thousands)
as of December 31



Share Value (Issuance Price)



Annualized Dividends Per Share



Cautionary Language: Some of the information above constitutes a forward-looking statement. Forward-looking statements are based upon Edgewood's present intent, beliefs or expectations, but forward-looking statements are not guaranteed to occur and may not occur. Edgewood's actual results may differ materially from those contained in Edgewood's forward-looking statements.

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Dan Mikkelsen
Chairman



Jon Strinden
President

Letter to the Shareholders

Dear Shareholders:

We are pleased to present the 2017 annual report for Edgewood Real Estate Investment Trust. In many ways, 2017 was a transformational year for Edgewood Real Estate Investment Trust. The acquisitions in 2017, and the associated financing, put us on a glide path to realize continuing year-over-year increases in our earnings per share. In 2017, we acquired approximately \$270,000,000 of senior housing assets and entered into triple net leases with the operator. These leases provide an attractive “spread” over our weighted average cost of capital, with annual lease escalators tied to increases in the Consumer Price Index. We ended 2017 with annualized net operating income of \$52,000,000; senior housing triple net leases representing 78 percent and multi-family, medical office buildings and other income-producing investments representing 22 percent of this number.

In this report we highlight financial accomplishments, including steady increases in our share price and dividend payout over the past seven years. We ended 2017 with approximately \$713,000,000 in assets and are pleased to report a significant year-over-year increase in our per share normalized funds from operations.

In September 2017, the Board of Trustees held a strategic planning session to discuss the future of Edgewood Real Estate Investment Trust and its financial objectives. One of these objectives is a 5 percent annual increase in earnings per share and dividend payout per year. If both targets are achieved they should result in our ability to increase our share price annually. As it relates to share price, every year the external advisor prepares a net asset value computation for the Board of Trustees. This computation takes into consideration net operating income and prevailing cap rates to arrive at a net asset value for the Real Estate Investment Trust. We have regularly adjusted our share price based on this analysis to ensure we are raising capital at a valuation that is fair to both our existing shareholders and our new shareholders.

Another item discussed at the strategic planning session was our acquisition strategy. It is important that acquisitions result in a return which increases our earnings per share. This is accomplished by purchasing assets at attractive prices and through judicious allocation of our capital. When acquiring assets, we strive for a capital structure which provides a reasonable loan-to-value ratio. We utilize debt because, at the current time, debt is our least expensive capital. Typically, acquisitions will be leveraged at a loan-to-value ratio of 50 to 60 percent. The importance of acquisitions is illustrated in our 2017 performance. In large part, the significant increase in earnings-per-share – over the previous year – was a result of the acquisition of the senior housing assets in the first quarter of 2017.

In 2018 and subsequent years, we will pursue growth opportunities when these acquisitions are accretive to our Company. On January 1, 2018, we closed on the acquisition of \$120,000,000 in multi-family assets. These assets consisted of 18 apartment properties – 2,077 units – located in Springfield, Missouri; Wichita, Kansas; and West Fargo, North Dakota. Through this acquisition, we were fortunate to add seasoned multi-family operators to our management team who will assist in managing our newly acquired multi-family portfolio as well as the 1,400 multi-family units we currently own. We expect to see solid improvement in our multi-family performance in 2018.

Based on the performance of the Company, at our 2018 March Board of Trustees' meeting, the board authorized an increase in our dividend payout from \$.95 to \$1.00 per share effective the third quarter commencing July 1, 2018. In addition, the Board of Trustees authorized an increase in the share price from \$19 to \$20 effective April 15, 2018.

Finally, we would like to recognize Earl Strinden and Phil Gisi for their service to Edgewood Real Estate Investment Trust. At the March 2018 Board of Trustees' meeting, Earl Strinden's resignation as board chair and Phil Gisi's resignation as president were accepted by the Board. Earl has been the chairman of the Board since the inception of Edgewood Real Estate Investment Trust, and his contribution over the past seven years has been invaluable. Similarly, Phil Gisi has served as president of Edgewood Real Estate Investment Trust since its inception and has been instrumental in our growth and success. Fortunately, both individuals will continue to serve as members of the Board of Trustees and Mr. Gisi will continue to serve as a member of the external advisor to the Real Estate Investment Trust.

Although there has been a changing of the guard with the resignations of Earl Strinden and Phil Gisi, rest assured our commitment to the shareholders will not change and we will continue the ongoing building of Edgewood Real Estate Investment Trust for the benefit of our shareholders.

Sincerely,

The image shows two handwritten signatures in black ink. The signature on the left is 'Dan Mikkelsen' and the signature on the right is 'Jon Strinden'. Both signatures are written in a cursive, flowing style.

Dan Mikkelsen, Chairman of the Board Jon Strinden, President

Your Investment

CREATING SHAREHOLDER VALUE

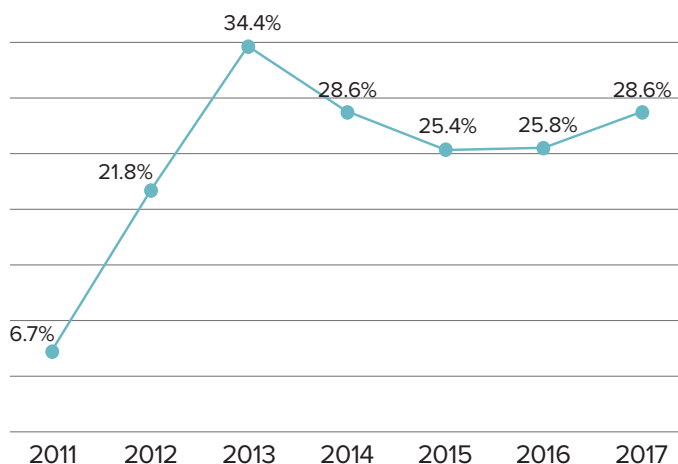
Edgewood REIT is a North Dakota based real estate investment trust organized in December of 2010. Edgewood REIT's investment objective is to acquire quality senior housing, medical office buildings and multi-family assets, which will provide a strong rate of return to its shareholder base.

Edgewood REIT has grown its asset base to \$839,000,000 (this amount reflects the January 1, 2018 acquisition of a \$120,000,000 multi-family portfolio) and has provided a 17% compounded annual rate of return to its shareholders.

As of January 1, 2018, Edgewood REIT owns approximately \$480,000,000 (cost basis) of senior housing assets; \$284,000,000 (cost basis) of multi-family assets; and an additional \$75,000,000 (cost basis) of commercial real estate and other investments.

Edgewood REIT continues to seek opportunities to grow its senior housing and multi-family portfolios and diversify into medical office buildings as attractive opportunities arise. Edgewood REIT is proud of its strong balance sheet and consistent history of earnings growth. The REIT enters 2018 with a strong foundation and a commitment to continue to grow its asset base, shareholder dividend payout and stock value.

Cumulative Average Annual Shareholder Return



DIVIDEND REINVESTMENT PLAN

A Dividend Reinvestment Plan is offered as a convenience to investors of record who wish to increase their holdings in the Company. Additional shares may be purchased, without a service or sales charge, through automatic reinvestment of quarterly cash dividends at a 5% discount.

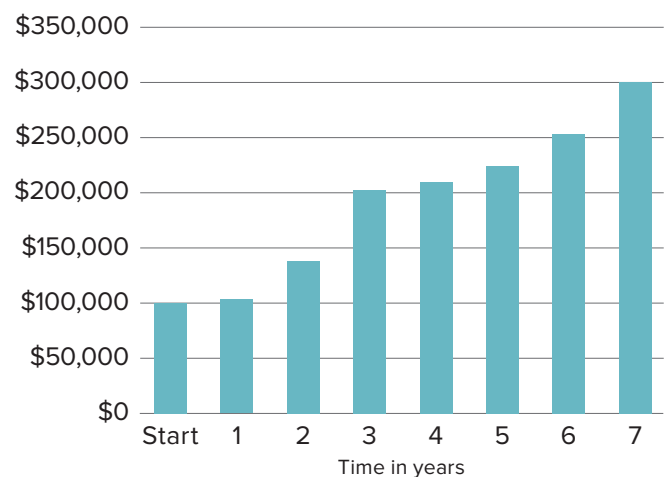
OUR TENANTS

Our largest tenant is Edgewood OpCo LLC. All of our existing senior living facilities are master leased on a triple-net basis to subsidiaries of Edgewood OpCo LLC.

INVESTMENT PERFORMANCE

Calculations for the Investment Performance Chart are based on an initial investment of \$100,000 with all quarterly dividends reinvested. An investment of \$100,000 on January 1, 2011, (inception) would be worth \$300,195.66 as of December 31, 2017.

Investment Performance



EDGEWOOD REIT PROPERTIES

Idaho

- American Falls
- Boise
- Eagle
- Fruitland
- Meridian
- Soda Springs

Kansas

- Derby*
- McPherson*
- Wichita*

Minnesota

- Alexandria
- Baxter
- Blaine
- Brainerd
- East Grand Forks
- Hermantown
- Minnetonka
- Sartell
- Virginia
- Walker

Missouri

- Springfield*

Montana

- Belgrade
- Billings
- Helena
- Kalispell
- Missoula

Nebraska

- Columbus
- Fremont
- Grand Island
- Hastings
- Norfolk
- Omaha

North Dakota

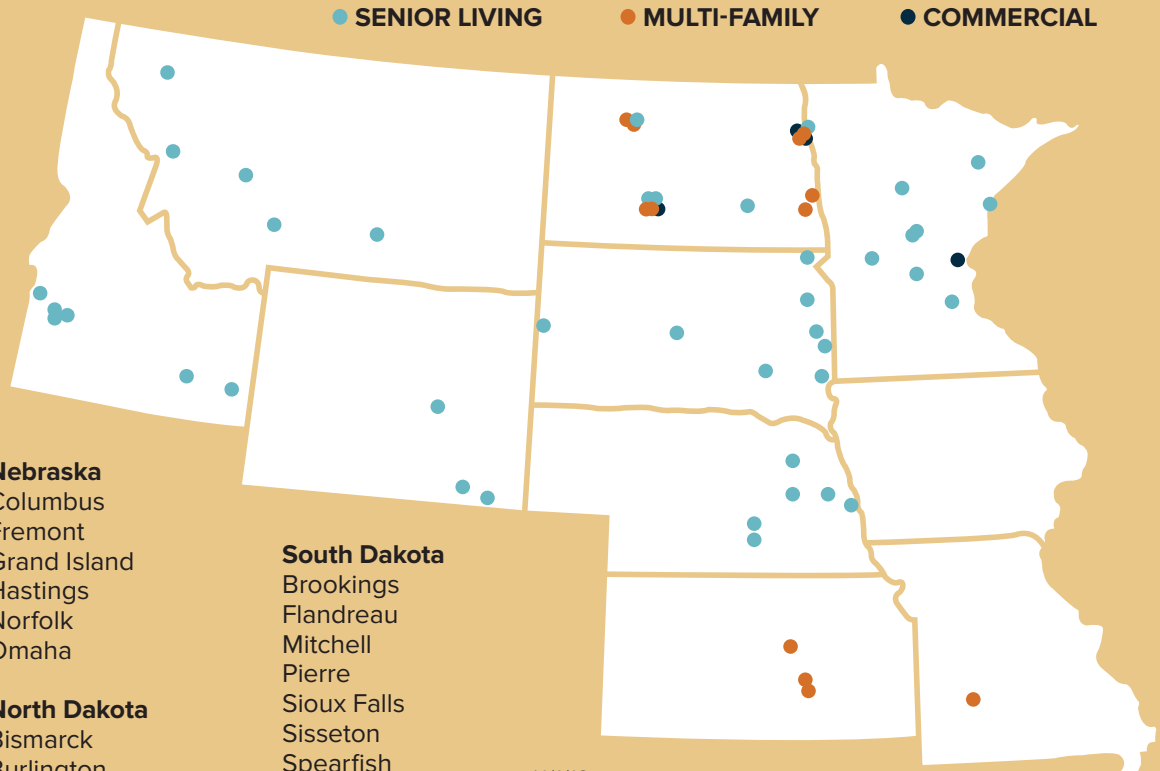
- Bismarck
- Burlington
- Fargo
- Grand Forks
- Jamestown
- Kindred*
- Mandan
- Minot
- West Fargo*

South Dakota

- Brookings
- Flandreau
- Mitchell
- Pierre
- Sioux Falls
- Sisseton
- Spearfish
- Watertown

Wyoming

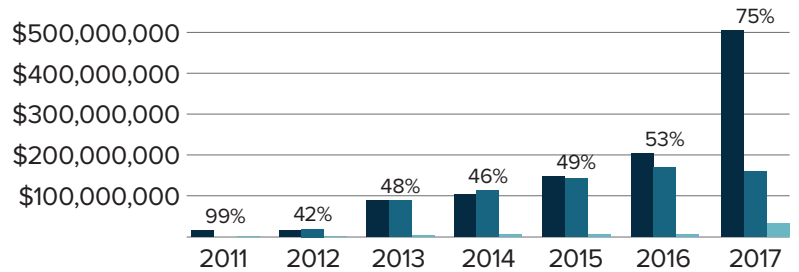
- Casper
- Cheyenne
- Laramie



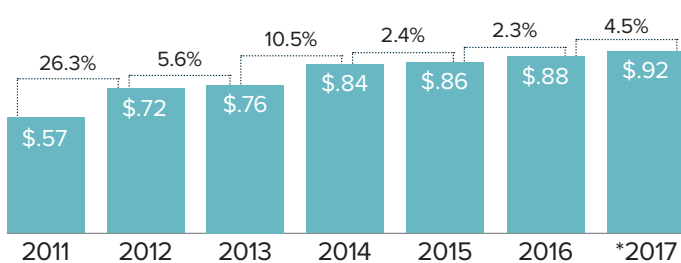
*1/1/18 acquisition

Real Estate Investment By Sector

■ Senior Housing ■ Multi-Family ■ Commercial

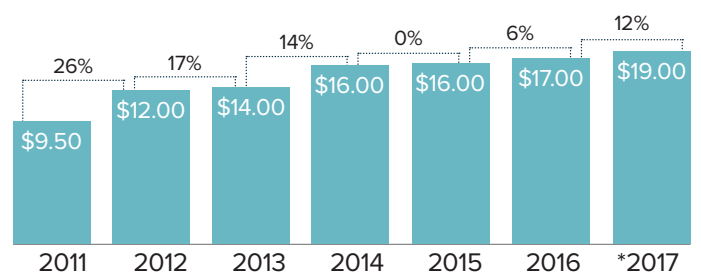


Annual Dividend Growth – 8.65%



*Effective July 1, 2018 – Dividend \$1.00 per year.

Annual Share Price Growth – 14.2%



*Effective April 15, 2018 – Stock price \$20 per share.

Board of Trustees

OUR BOARD

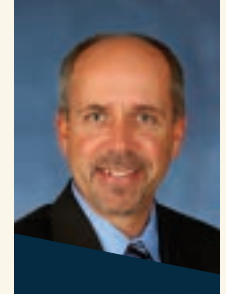
When we established Edgewood Real Estate Investment Trust, we understood it was imperative we select board members who represent the interest of our investors with the highest degree of integrity. We currently have nine board members who meet those standards. These individuals are highly competent, ethical and understand their fiduciary responsibilities to the Company and its investors. We appreciate their hard work and the value they bring to Edgewood Real Estate Investment Trust.



Dan Mikkelson
Chairman



Peggy Becker



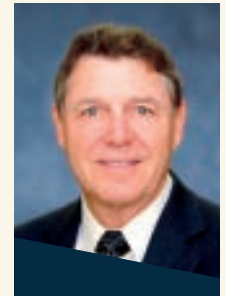
Mark Dosch



Dennis J. Elbert



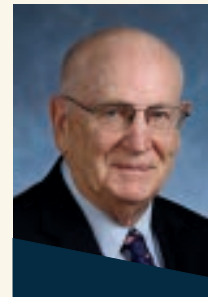
Philip Gisi



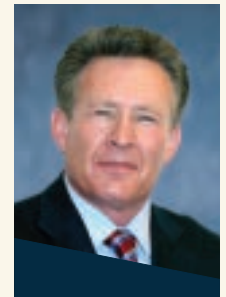
Dale Klein



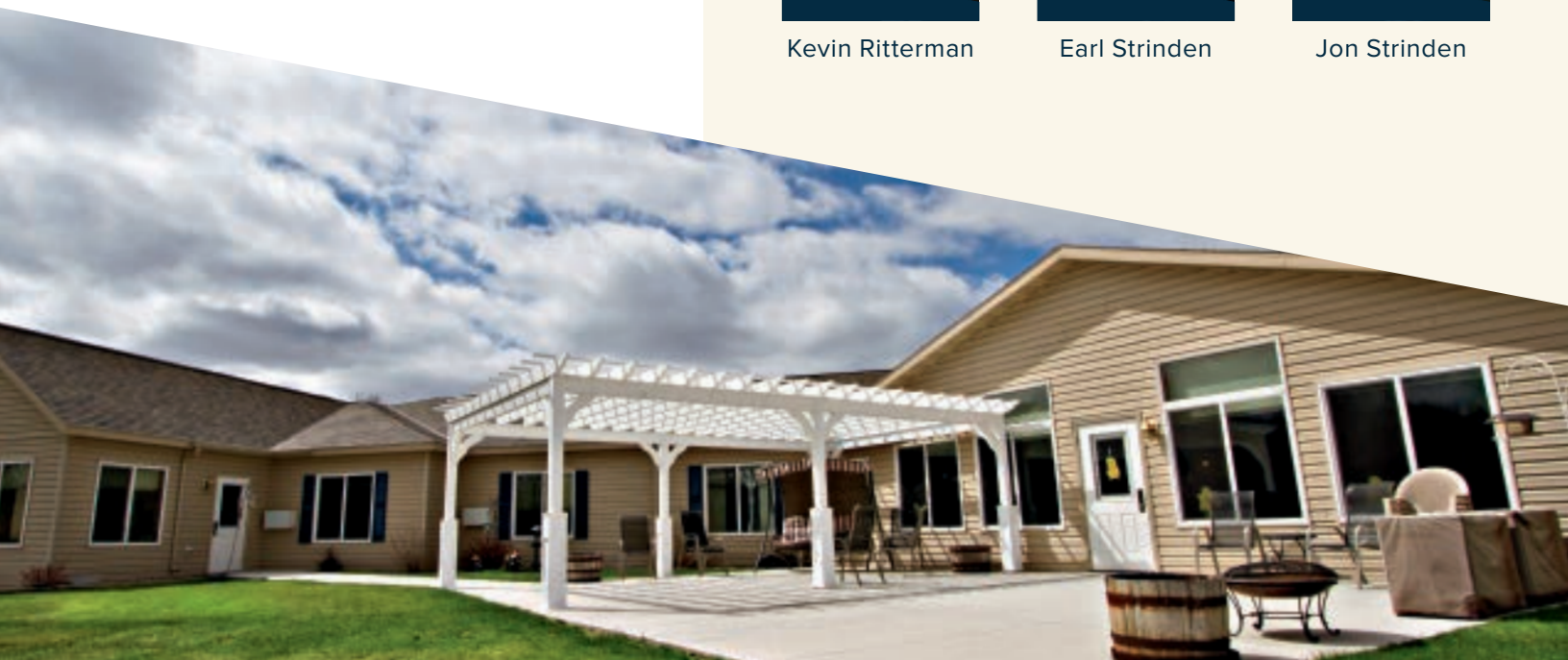
Kevin Ritterman



Earl Strinden



Jon Strinden



Edgewood REIT Advisors

EDGEWOOD PROPERTIES MANAGEMENT LLC (“EPM”)

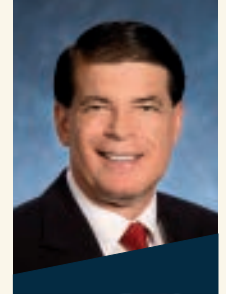
EPM is the Advisor for Edgewood Real Estate Investment Trust. The team at EPM consists of a unique blend of seasoned professionals, with extensive experience in the following related areas:

- ▲ Multi-Family Development and Management;
- ▲ Senior Housing Development and Management;
- ▲ Commercial Real Estate Development and Management;
- ▲ Healthcare Administration, Accounting and Finance;
- ▲ Investment Advisement and Placement;
- ▲ Real Estate, Tax, Accounting and Finance, Legal;
- ▲ M&A, Commercial, Real Estate and Securities Law.

The Advisor is responsible for finding suitable acquisitions, obtaining financing, closing transactions and overseeing the management of each of the assets.



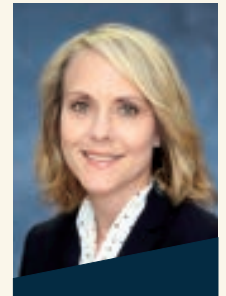
Rex Carlson



Roger Domres



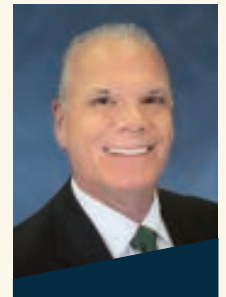
Philip Gisi



Nola McNeally



Jon Strinden



Brad Williams

Senior Housing

Building & Location	Year Built	Year REIT Aquired	Total Units	Licensed Capacity (Beds)*			
				IL	AL	MC	Total
Idaho							
Edgewood Spring Creek – American Falls, ID	2000	2016	33	—	33	—	33
Edgewood Plantation Place – Boise, ID	1996	2011	39	—	41	—	41
Edgewood Spring Creek – Boise, ID	2008	2016	37	—	—	41	41
Edgewood Spring Creek Overland – Boise, ID	2010	2016	45	—	47	—	47
Edgewood Spring Creek – Eagle, ID	2000	2016	30	—	30	—	30
Edgewood Spring Creek Eagle Island – Eagle, ID	2014	2014	61	—	31	32	63
Edgewood Townhomes Eagle Island – Eagle, ID	2014	2014	47	47	—	—	47
Edgewood Spring Creek – Fruitland, ID	2013	2016	55	—	36	19	55
Edgewood Spring Creek – Meridian, ID	2006	2016	49	—	30	20	50
Edgewood Townhomes – Meridian, ID	2006	2016	25	25	—	—	25
Edgewood Spring Creek Ustick – Meridian, ID	2011	2016	47	—	47	—	47
Edgewood Soda Springs – Soda Springs, ID	1995	2016	27	—	27	—	27
Minnesota							
Arabella Manor – Alexandria, MN	2001	2014	74	74	—	—	74
Edgewood Vista – Alexandria, MN	2001	2009	59	—	37	24	61
Edgewood Senior Living – Baxter, MN	2002	2016	50	—	50	—	50
Edgewood Senior Living – Blaine, MN	2014	2014	59	—	34	27	61
Edgewood Vista – Brainerd, MN	2005	2017	98	—	69	41	100
Edgewood Vista – East Grand Forks, MN	1996	2017	30	—	—	36	36
Edgewood Vista – Hermantown, MN	2000	2017	257	94	157	45	296
Edgewood Vista – Virginia, MN	2001	2017	175	19	132	45	196
May Creek – Walker, MN	1999	2015	49	—	29	20	49
Edgewood in Sartell Assisted Living – Sartell, MN	2008	2017	49	—	49	—	49
Edgewood in Sartell Memory Care – Sartell, MN	2009	2017	48	—	—	48	48
Pinecone Townhome Villas – Sartell, MN	2009	2017	24	24	—	—	24
Montana							
Edgewood Vista – Belgrade, MT	1999	2017	10	—	—	13	13
Edgewood Vista – Billings, MT	1997	2017	24	—	—	26	26
Edgewood Vista – Kalispell, MT	2001	2017	19	—	—	23	23
Edgewood Vista – Missoula, MT	1996	2017	20	—	—	25	25
Edgewood Senior Living – Helena, MT	2017	2017	69	—	29	40	69

*IL: Independent Living AL: Assisted Living MC: Memory Care

Building & Location	Year Built	Year REIT Acquired	Total Units	Licensed Capacity (Beds)*			
				IL	AL	MC	Total
Nebraska							
Edgewood Vista – Columbus, NE	1999	2017	10	—	—	12	12
Edgewood Vista – Fremont, NE	2000	2017	10	—	—	12	12
Edgewood Vista – Grand Island, NE	1998	2017	10	—	—	12	12
Edgewood Vista – Hastings, NE	2000	2017	10	—	—	12	12
Edgewood Vista – Norfolk, NE	2000	2017	10	—	—	14	14
Edgewood Vista – Omaha, NE	2001	2017	10	—	—	12	12
North Dakota							
Edgewood Village – Bismarck, ND	2009	2011	191	92	100	—	192
Edgewood Vista – Bismarck, ND	1998	2017	95	—	78	20	98
Edgewood Village and Townhomes – Fargo, ND	2007	2017	184	85	79	23	187
Parkwood Senior Living – Grand Forks, ND	1986	2015	169	82	90	—	172
Edgewood Senior Living – Jamestown, ND	2016	2016	68	—	31	42	73
Edgewood Vista – Mandan, ND	2013	2013	143	—	129	22	151
Edgewood Vista – Minot, ND	1993	2017	150	—	145	22	167
South Dakota							
Edgewood Vista – Brookings, SD	1997	2011	45	—	24	21	45
Edgewood Vista – Flandreau, SD	1999	2011	23	—	26	—	26
Edgewood Prairie Crossings – Mitchell, SD	1997	2013	33	—	—	36	36
Edgewood Senior Living – Mitchell, SD	2017	2017	56	—	62	—	62
Edgewood Senior Living – Pierre, SD	2015	2015	68	—	48	24	72
Edgewood Prairie Crossings – Sioux Falls, SD	1998	2013	54	—	58	—	58
Edgewood Vista Assisted Living – Sioux Falls, SD	2003	2011	36	—	43	—	43
Edgewood Vista Memory Care – Sioux Falls, SD	1998	2017	24	—	—	26	26
Edgewood Vista – Sisseton, SD	1999	2011	23	—	25	—	25
Edgewood Vista – Spearfish, SD	2004	2017	97	—	82	36	118
Edgewood Memory Care – Watertown, SD	1994	2013	20	—	—	29	29
Edgewood Assisted Living – Watertown, SD	2001	2013	76	27	58	—	85
Wyoming							
Edgewood Meadow Wind – Casper, WY	1998	2017	95	—	60	38	98
Edgewood Park Place – Casper, WY	1984	2017	61	—	61	—	61
Edgewood Aspen Wind – Cheyenne, WY	1998	2017	71	—	32	39	71
Edgewood Sierra Hills – Cheyenne, WY	1998	2017	82	—	83	—	83
Edgewood Spring Wind – Laramie, WY	1999	2017	78	—	61	19	80

Senior Housing



SPRING CREEK

American Falls, ID

208.226.1856 · 605 Hillcrest Ave

Assisted Living

- ▲ Opened 2000
- ▲ Acquired November 2016
- ▲ 33 Units, 33 Beds



PLANTATION PLACE

Boise, ID

208.853.7300 · 3921 Kessinger Ln

Assisted Living

- ▲ Opened 1996
- ▲ Acquired September 2011
- ▲ 41 Units, 41 Beds



SPRING CREEK

Boise, ID

208.853.7300 · 10681 W McMillan Rd

Memory Care

- ▲ Opened 2008
- ▲ Acquired November 2016
- ▲ 37 Units, 41 Beds



SPRING CREEK OVERLAND

Boise, ID

208.639.7000 · 10139 W Overland Rd

Assisted Living

- ▲ Opened 2010
- ▲ Acquired November 2016
- ▲ 45 Units, 47 Beds



SPRING CREEK

Eagle, ID
208.938.5578 · 653 N Eagle Rd

Assisted Living

- ▲ Opened 2000
- ▲ Acquired November 2016
- ▲ 30 Units, 30 Beds



SPRING CREEK EAGLE ISLAND

Eagle, ID
208.939.6499 · 77 N Fisher Park Way

Assisted Living & Memory Care

- ▲ Opened 2015
- ▲ Acquired October 2015
- ▲ 61 Units, 63 Beds



**EDGEWOOD TOWNHOMES
EAGLE ISLAND**

Eagle, ID
208.939.6499 · 77 N Fisher Park Way

Townhomes (Independent Living)

- ▲ Opened 2014
- ▲ Acquired June 2014
- ▲ 47 Units, 47 Beds



SPRING CREEK

Fruitland, ID
208.452.5163 · 1255 Allen Ave

Assisted Living & Memory Care

- ▲ Opened 2013
- ▲ Acquired November 2016
- ▲ 55 Units, 55 Beds

Senior Housing



SPRING CREEK

Meridian, ID

208.884.6199 · 175 E Calderwood Dr

Assisted Living & Memory Care

- ▲ Opened 2011
- ▲ Acquired November 2016
- ▲ 49 Units, 50 Beds



EDGEWOOD TOWNHOMES

Meridian, ID

208.884.6199 · 175 E Calderwood Dr

Town Homes (Independent Living)

- ▲ Opened 2006
- ▲ Acquired November 2011
- ▲ 25 Units



SPRING CREEK USTICK

Meridian, ID

208.287.2064 · 3165 Meridian Road

Assisted Living

- ▲ Opened 2011
- ▲ Acquired November 2016
- ▲ 47 Units, 47 Beds



EDGEWOOD SODA SPRINGS

Soda Springs, ID

208.547.0257 · 425 S Spring Creek Dr

Assisted Living

- ▲ Opened 1995
- ▲ Acquired November 2016
- ▲ 27 Units, 27 Beds



ARABELLA MANOR

Alexandria, MN

320.759.2121 · 1810 Darling Ave E

Independent Living

- ▲ Opened 2001 & 2014
- ▲ Acquired November 2014
- ▲ 74 Units (2 buildings)



EDGEWOOD VISTA

Alexandria, MN

320.759.2121 · 1902 7th Ave E

Assisted Living · Memory Care

- ▲ Opened 2001
- ▲ Acquired December 2010
- ▲ 59 Units, 61 Beds



EDGEWOOD SENIOR LIVING

Baxter, MN

218.828.4770 · 14211 Firewood Dr

Assisted Living

- ▲ Opened 2002
- ▲ Acquired December 2016
- ▲ 50 Units, 50 Beds



EDGEWOOD SENIOR LIVING

Blaine, MN

763.754.1723 · 12450 Cloud Dr NE

Assisted Living · Memory Care

- ▲ Opened January 2014
- ▲ Acquired January 2014
- ▲ 59 Units, 61 Beds

Senior Housing



EDGEWOOD VISTA

Brainerd, MN

218.828.3691 · 14890 Beaver Dam Rd

Assisted Living · Memory Care

- ▲ Opened 2005
- ▲ Acquired 2017
- ▲ 98 Units, 100 Beds



EDGEWOOD VISTA

East Grand Forks, MN

218.773.6648 · 608 5th Ave NW

Memory Care

- ▲ Opened 1996
- ▲ Acquired 2017
- ▲ 30 Units, 36 Beds



EDGEWOOD VISTA

Hermantown, MN

218.723.8905 · 4195 Westberg Rd

Independent Living · Assisted Living · Memory Care

- ▲ Opened 2000
- ▲ Acquired 2017
- ▲ 257 Units, 296 Beds



EDGEWOOD VISTA

Virginia, MN

218.741.7106 · 705 17th St N

Independent Living · Assisted Living · Memory Care

- ▲ Opened 2001
- ▲ Acquired 2017
- ▲ 175 Units, 196 Beds



MAY CREEK SENIOR LIVING

Walker, MN

218.547.4515 · 303 10th St S

Assisted Living · Memory Care

- ▲ Opened 1999
- ▲ Acquired December 2015
- ▲ 49 Units, 49 Beds



EDGEWOOD IN SARTELL

Sartell, MN

320.281.3343 · 673 Brianna Dr

Assisted Living

- ▲ Opened 2008
- ▲ Acquired 2017
- ▲ 49 Units, 49 Beds



EDGEWOOD IN SARTELL

Sartell, MN

320.281.3343 · 677 Brianna Dr

Memory Care

- ▲ Opened 2009
- ▲ Acquired 2017
- ▲ 48 Units, 48 Beds



PINECONE TOWNHOME VILLAS

Sartell, MN

320.258.6000 · 659-699 Brianna Dr

Independent Living

- ▲ Built 2009
- ▲ Acquired 2017
- ▲ 24 Units, 24 Beds

Senior Housing



EDGEWOOD VISTA

Belgrade, MT

406.388.9439 · 1011 Cardinal Dr

Memory Care

- ▲ Opened 1999
- ▲ Acquired 2017
- ▲ 10 Units, 13 Beds



EDGEWOOD VISTA

Billings, MT

406.256.5398 · 1225 Wicks Ln

Memory Care

- ▲ Opened 1997
- ▲ Acquired 2017
- ▲ 24 Units, 26 Beds



EDGEWOOD VISTA

Kalispell, MT

406.203.1129 · 141 Interstate Ln

Memory Care

- ▲ Opened 2001
- ▲ Acquired 2017
- ▲ 19 Units, 23 Beds



EDGEWOOD VISTA

Missoula, MT

406.549.9660 · 2815 Palmer St

Memory Care

- ▲ Opened 1996
- ▲ Acquired 2017
- ▲ 20 Units, 25 Beds



EDGEWOOD SENIOR LIVING

Helena, MT

406.502.1001 · 3207 Colonial Dr

Assisted Living · Memory Care

- ▲ Opened 2017
- ▲ Acquired 2017
- ▲ 69 Units, 69 Beds



EDGEWOOD VISTA

Columbus, NE

402.564.3785 · 3386 53rd Ave

Memory Care

- ▲ Opened 1999
- ▲ Acquired 2017
- ▲ 10 Units, 12 Beds



EDGEWOOD VISTA

Fremont, NE

402.753.8800 · 2910 N Clarkson St

Memory Care

- ▲ Opened 2000
- ▲ Acquired 2017
- ▲ 10 Units, 12 Beds



EDGEWOOD VISTA

Grand Island, NE

308.384.0717 · 214 N Piper St

Memory Care

- ▲ Opened 1998
- ▲ Acquired 2017
- ▲ 10 Units, 12 Beds

Senior Housing



EDGEWOOD VISTA

Hastings, NE

402.462.4633 · 2400 W 12th St

Memory Care

- ▲ Opened 2000
- ▲ Acquired 2017
- ▲ 12 Units, 12 Beds



EDGEWOOD VISTA

Norfolk, NE

402.371.0052 · 1109 Pasewalk Ave

Memory Care

- ▲ Opened 2000
- ▲ Acquired 2017
- ▲ 10 Units, 14 Beds



EDGEWOOD VISTA

Omaha, NE

402.333.5749 · 17620 Poppleton Ave

Memory Care

- ▲ Opened 2001
- ▲ Acquired 2017
- ▲ 10 Units, 12 Beds



EDGEWOOD VISTA & VILLAGE

Bismarck, ND

701.751.5300 · 3124 Colorado Dr

Independent Living · Assisted Living

- ▲ Opened August 2009
- ▲ Acquired April 2011
- ▲ 191 Units, 192 Beds



EDGEWOOD VISTA ON DOMINION

Bismarck, ND

701.258.7489 · 3406 Dominion St

Assisted Living · Memory Care

- ▲ Opened 1998
- ▲ Acquired 2017
- ▲ 95 Units, 98 Beds



EDGEWOOD VISTA, VILLAGE AND TOWNHOMES

Fargo, ND

701.365.8200 · 4440 37th Ave S

Independent Living · Assisted Living · Memory Care

- ▲ Opened 2007
- ▲ Acquired 2017
- ▲ 184 Units, 187 Beds, 4 Homes



PARKWOOD SENIOR LIVING

Grand Forks, ND

701.757.2727 · 749 S 30th St

Independent Living · Assisted Living

- ▲ Opened 1986
- ▲ Acquired December 2015
- ▲ 169 Units, 172 Beds



EDGEWOOD SENIOR LIVING

Jamestown, ND

701.952.8750 · 1104 25th St SW

Assisted Living · Memory Care

- ▲ Opened October 2016
- ▲ Acquired October 2016
- ▲ 68 Units, 73 Beds

Senior Housing



EDGEWOOD VISTA

Mandan, ND

701.663.5664 · 2801 39th Ave SE

Assisted Living · Memory Care

- ▲ Opened 74 beds September 2013
- ▲ Opened 75 beds February 2015
- ▲ 143 Units, 151 Beds



EDGEWOOD VISTA

Minot, ND

701.852.1399 · 800 16th Ave SE

Assisted Living · Memory Care

- ▲ Opened 1993
- ▲ Acquired 2017
- ▲ 150 Units, 167 Beds



EDGEWOOD VISTA

Brookings, SD

605.692.6311 · 2015 8th St S

Assisted Living · Memory Care

- ▲ Opened 1997
- ▲ Acquired June 2011 (Memory Care '13)
- ▲ 45 Units, 45 Beds



EDGEWOOD VISTA

Flandreau, SD

605.997.2775 · 800 S Wind St

Assisted Living

- ▲ Opened 1999
- ▲ Acquired June 2011
- ▲ 23 Units, 26 Beds



EDGEWOOD SENIOR LIVING

Mitchell, SD

605.996.2730 · 501 E Spruce St

Assisted Living

- ▲ Opened 2017
- ▲ Acquired 2017
- ▲ 56 Units, 62 Beds



EDGEWOOD PRAIRIE CROSSINGS

Mitchell, SD

605.996.2730 · 2201 N Wisconsin St

Memory Care

- ▲ Opened 1997
- ▲ South building opened 1999
- ▲ Acquired 2013
- ▲ 33 Units, 36 Beds



EDGEWOOD SENIOR LIVING

Pierre, SD

605.494.3400 · 1950 E 4th St

Assisted Living · Memory Care

- ▲ Opened March 2015
- ▲ Acquired March 2015
- ▲ 68 Units, 72 Beds



EDGEWOOD PRAIRIE CROSSINGS

Sioux Falls, SD

605.361.0056 · 1806 S Dorothy Ave

Assisted Living

- ▲ Opened 1998
- ▲ Acquired August 2013
- ▲ 54 Units, 58 Beds

Senior Housing



EDGEWOOD VISTA ASSISTED LIVING

Sioux Falls, SD

605.275.0074 · 3409 E 5th St

Assisted Living

- ▲ Opened 2003
- ▲ Acquired June 2011
- ▲ 36 Units, 43 Beds



EDGEWOOD VISTA MEMORY CARE

Sioux Falls, SD

605.275.0074 · 3409 E 5th St

Memory Care

- ▲ Opened 1998
- ▲ Acquired 2017
- ▲ 24 Units, 26 Beds



EDGEWOOD VISTA

Sisseton, SD

605.698.3500 · 308 Hillview Rd

Assisted Living

- ▲ Opened 1999
- ▲ Acquired June 2011
- ▲ 23 Units, 25 Beds



EDGEWOOD VISTA

Spearfish, SD

605.642.2977 · 540 Falcon Crest Dr

Assisted Living · Memory Care

- ▲ Opened 2004
- ▲ Acquired 2017
- ▲ 97 Units, 118 Beds



EDGEWOOD SENIOR LIVING

Watertown, SD

605.882.3084 · 424 9th St SE

Memory Care

- ▲ Opened 1994
- ▲ Acquired August 2013
- ▲ 20 Units, 29 Beds



EDGEWOOD ASSISTED LIVING

Watertown, SD

605.882.3084 · 901 14th Ave NE

Independent Living · Assisted Living

- ▲ Opened 2001
- ▲ Acquired August 2013
- ▲ 76 Units, 85 Beds - Assisted Living
- ▲ 27 Units - Independent Living



EDGEWOOD MEADOW WIND

Casper, WY

307.577.3045 · 3955 E 12th St

Assisted Living · Memory Care

- ▲ Opened 1998
- ▲ Acquired 2017
- ▲ 95 Units, 98 Beds



EDGEWOOD PARK PLACE

Casper, WY

307.265.2273 · 1930 E 12th St

Assisted Living

- ▲ Opened 1984
- ▲ Acquired 2017
- ▲ 61 Units, 61 Beds

Senior Housing



EDGEWOOD ASPEN WIND

Cheyenne, WY

307.778.9511 · 4010 North College Dr

Assisted Living · Memory Care

- ▲ Opened 1998
- ▲ Acquired 2017
- ▲ 71 Units, 71 Beds



EDGEWOOD SIERRA HILLS

Cheyenne, WY

307.638.7798 · 4606 N College Dr

Assisted Living

- ▲ Opened 1998
- ▲ Acquired 2017
- ▲ 82 Units, 83 Beds



EDGEWOOD SPRING WIND

Laramie, WY

307.755.5811 · 1072 N 22nd St

Assisted Living · Memory Care

- ▲ Opened 1999
- ▲ Acquired 2017
- ▲ 78 Units, 80 Beds



Edgewood Townhomes Spring Creek - Meridian, ID

Multi-Family Housing/Commercial

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Multi-fam	Sq. Ft. Comm	Total Units
Kansas					
Springcreek Apartments – Derby, KS*	1991	2018	212,092	—	122
Eastgate Apartments – Wichita, KS*	1969	2018	137,661	—	108
High Point East Apartments – Wichita, KS*	1974 – Phase I 2014 – Phase II	2018	220,773	—	216
Morgan’s Landing Apartments – Wichita, KS*	1972 – Phase I 2013 – Phase II	2018	158,244	—	182
Northridge Crossing Apartments – McPherson, KS*	1996 – Phase I 2000 – Phase II	2018	64,428	—	68
Minnesota					
Minnesota Heights – East Grand Forks, MN	2013	2013	57,298	6,682	39
Northern Pacific – East Grand Forks, MN	2014	2014	31,000	—	36
South Lake Medical Building – Minnetonka, MN	1980	2017	—	15,629	—
Missouri					
Cambridge Park Apartments – Springfield, MO*	2001 – Phase I 2006 – Phase II	2018	113,487	—	134
Essex Place Apartments – Springfield, MO*	1980	2018	304,920	—	192
Gazebo Apartments & Townhomes – Springfield, MO*	1979 – Phase I 1995 – Phase II 2006 – Phase III	2018	71,408	—	74
Highland Park Apartments – Springfield, MO*	2003	2018	75,513	—	97
Maple Gardens – Springfield, MO*	1998	2018	69,255	—	81
Marion Park Apartments – Springfield, MO*	2007	2018	156,380	—	128
Palm Village Apartments – Springfield, MO*	2007	2018	125,888	—	83
Scenic Station Apartments – Springfield, MO*	2001	2018	103,458	—	96
Sherwood Village Apartments East – Springfield, MO*	2006	2018	100,623	—	56
Watermill Park – Springfield, MO*	2006	2018	399,009	—	164
North Dakota					
Coulee Ridge Apartments – Bismarck, ND	2015	2016	297,448	—	246
Overlook Ridge Apartments – Bismarck, ND	2013	2013	—	—	124

*Acquired January 1, 2018.

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Multi-fam	Sq. Ft. Comm	Total Units
Burlington Apartments – Burlington, ND	2010	2012	26,892	—	24
Burlington Apartments – Burlington, ND	2010	2012	13,410	—	12
Westbrook Apartments – West Fargo, ND*	1976 – Phase I 1977 – Phase II 1978 – Phase III	2018	224,048	—	119
Aspen Park – Grand Forks, ND	1999	2015	55,095	—	38
Briarwood – Grand Forks, ND	1995	2015	64,961	—	61
Campus Place I – Grand Forks, ND	2005	2013	6,400	9,766	6
Campus Place II – Grand Forks, ND	2005	2013	56,280	—	44
Campus Place III – Grand Forks, ND	2006	2013	115,750	—	74
Campus Place IV – Grand Forks, ND	2008	2013	13,722	—	26
Campus Place V – Grand Forks, ND	2009	2013	33,082	—	24
Campus Place VI – Grand Forks, ND	2009	2013	32,296	—	20
EAPC Building – Grand Forks, ND	1997	2017	—	14,361	—
Edgewood Corporate Plaza – Grand Forks, ND	1915	2012	—	34,573	—
Gallery Apartments – Grand Forks, ND	1983	2014	172,020	—	143
Kensington Place – Grand Forks, ND	1993	2015	109,194	—	91
McEnroe Place I – Grand Forks, ND	2008	2013	70,577	—	44
McEnroe Place II – Grand Forks, ND	2008	2013	70,577	—	44
McEnroe Place III – Grand Forks, ND	2009	2013	124,508	—	67
McEnroe Place IV – Grand Forks, ND	2011	2013	40,686	—	34
McEnroe Place V – Grand Forks, ND	2013	2013	80,000	—	48
McEnroe Place VI – Grand Forks, ND	2014	2014	80,000	—	48
Northern Heights – Grand Forks, ND	2011	2013	77,500	7,500	53
Parkview Terrace – Grand Forks, ND	1992	2015	64,952	—	61
University Pointe – Grand Forks, ND	2007	2014	10,316	10,316	6
Valley Bone and Joint Clinic – Grand Forks, ND	1988	2017	—	20,828	—
VRE Pines A & B – Grand Forks, ND	2004	2013	66,000	—	48
Westwood – Grand Forks, ND	2003	2013	34,622	—	24
Kindred Apartments – Kindred, ND*	1999	2018	0.96433 acres	—	14
Collins Place – Mandan, ND	2014	2014	27,952	3,410	29
Mandan Place – Mandan, ND	2007	2013	23,320	6,642	28
Minot Place Apartments – Minot, ND	2011	2012	147,717	—	144
Greenfield Apartments – Southeast ND*	1999 – 2001	2018	216,960	—	140

Multi-Family Housing/Commercial



SPRING CREEK APARTMENTS

1804 E Osage Rd | Derby, KS

- ▲ Opened 1991
- ▲ Acquired 2018
- ▲ 122 Units



EASTGATE APARTMENTS

604 Eastern St | Wichita, KS

- ▲ Opened 1969
- ▲ Acquired 2018
- ▲ 108 Units
- ▲ 137,661 square feet



HIGH POINT EAST APARTMENTS

9400 E Lincoln St | Wichita, KS

- ▲ Opened 1974
- ▲ Acquired 2018
- ▲ 216 Units
- ▲ 220,773 square feet



MORGAN'S LANDING APARTMENTS

3801 W 13th St N | Wichita, KS

- ▲ Opened 1972
- ▲ Acquired 2018
- ▲ 182 Units
- ▲ 158,244 square feet



NORTHRIDGE CROSSING APARTMENTS

507 E Northview Rd | McPherson, KS

- ▲ Opened 1996
- ▲ Acquired 2018
- ▲ 68 Units
- ▲ 64,428 square feet



MINNESOTA HEIGHTS

316 4th St NW | East Grand Forks, MN

- ▲ Built 2013
- ▲ Acquired 2013
- ▲ 39 Units
- ▲ 57,298 square feet - Multi-family
- ▲ 6,682 square feet - Commercial



NORTHERN PACIFIC

525 DeMers Ave | East Grand Forks, MN

- ▲ Built 2014
- ▲ Acquired 2014
- ▲ 36 Units
- ▲ 31,000 square feet



SOUTH LAKE MEDICAL

17705 Hutchins Dr | Minnetonka, MN

- ▲ Built 1980
- ▲ Acquired 2017
- ▲ 15,629 square feet

Multi-Family Housing/Commercial



CAMBRIDGE PARK APARTMENTS

2828 S Nettleton Ave | Springfield, MO

- ▲ Opened 2001
- ▲ Acquired 2018
- ▲ 134 Units
- ▲ 113,487 square feet



ESSEX PLACE APARTMENTS

1131 West Battlefield | Springfield, MO

- ▲ Opened 1980
- ▲ Acquired 2018
- ▲ 192 Units
- ▲ 304,920 square feet



GAZEBO APARTMENTS & TOWNHOMES

1235 E Guinevere Court | Springfield, MO

- ▲ Opened 1979
- ▲ Acquired 2018
- ▲ 74 Units: 18 Townhomes
56 Apartment Units
- ▲ 71,408 square feet



HIGHLAND PARK APARTMENTS

1625 S Marion Ave | Springfield, MO

- ▲ Opened 2003
- ▲ Acquired 2018
- ▲ 97 Units
- ▲ 75,513 square feet



MAPLE GARDENS

2655 W Farm Road 164 | Springfield, MO

- ▲ Opened 1998
- ▲ Acquired 2018
- ▲ 81 Units
- ▲ 69,255 square feet



MARION PARK APARTMENTS

1725 S Marion Ave | Springfield, MO

- ▲ Opened 2007
- ▲ Acquired 2018
- ▲ 128 Units
- ▲ 156,380 square feet



PALM VILLAGE APARTMENTS

2861 S Nettleton Ave | Springfield, MO

- ▲ Opened 2007
- ▲ Acquired 2018
- ▲ 83 Units
- ▲ 125,888 square feet



SCENIC STATION APARTMENTS

1130 S Scenic Dr | Springfield, MO

- ▲ Opened 2001
- ▲ Acquired 2018
- ▲ 96 Units
- ▲ 103,458 square feet

Multi-Family Housing/Commercial



SHERWOOD VILLAGE APARTMENTS EAST

1634 S Marion Ave | Springfield, MO

- ▲ Opened 2006
- ▲ Acquired 2018
- ▲ 56 Units
- ▲ 100,623 square feet



WATERMILL PARK

1730 E Valley Water Mill Road | Springfield, MO

- ▲ Opened 2006
- ▲ Acquired 2018
- ▲ 164 Units
- ▲ 399,009 square feet



COULEE RIDGE APARTMENTS

3009 43rd Ave NE | Bismarck, ND

- ▲ Built 2015/2016
- ▲ 246 Units
- ▲ 297,448 square feet



LEGACY BUSINESS CONDOMINIUMS

3320 Hamilton St | Bismarck, ND

- ▲ Built 2015
- ▲ Acquired 2016
- ▲ 2 Units
- ▲ 6,220 square feet



OVERLOOK RIDGE APARTMENTS

2200 Koch Dr | Bismarck, ND

- ▲ 55+ Apartments
- ▲ Acquired October 2013
- ▲ 124 Units



BURLINGTON APARTMENTS

25 Robert St | Burlington, ND

- ▲ Built 2010
- ▲ Acquired 2012
- ▲ 24 Units
- ▲ 26,892 square feet



BURLINGTON APARTMENTS

25 Robert St | Burlington, ND

- ▲ Built 2010
- ▲ Acquired 2012
- ▲ 12 Units
- ▲ 13,410 square feet



WESTBROOK APARTMENTS

901, 908 & 919 9th St W | West Fargo, ND
911 9th Ave W | West Fargo, ND
902 & 912 10th St W | West Fargo, ND
901 & 913 10th Ave W | West Fargo, ND

- ▲ Opened 1976
- ▲ Acquired 2018
- ▲ 119 Units
- ▲ 224,048 square feet

Multi-Family Housing/Commercial



ASPEN PARK

2450 S 27th Ave | Grand Forks, ND

- ▲ Built 1999
- ▲ Acquired 2015
- ▲ 38 Units
- ▲ 55,095 square feet



BRIARWOOD

2650 S 26th Ave | Grand Forks, ND

- ▲ Built 1995
- ▲ Acquired 2015
- ▲ 61 Units
- ▲ 64,961 square feet



CAMPUS PLACE I

415 N 42nd St | Grand Forks, ND

- ▲ Built 2005
- ▲ Acquired 2013
- ▲ 6 Units
- ▲ 6,400 square feet - Multi-family
- ▲ 9,766 square feet - Commercial



CAMPUS PLACE II

4274 University Ave | Grand Forks, ND

- ▲ Built 2005
- ▲ Acquired 2013
- ▲ 44 Units
- ▲ 56,280 square feet



CAMPUS PLACE III

4278 University Ave | Grand Forks, ND

- ▲ Built 2006
- ▲ Acquired 2013
- ▲ 74 Units
- ▲ 115,750 square feet



CAMPUS PLACE IV

4270 University Ave | Grand Forks, ND

- ▲ Built 2008
- ▲ Acquired 2013
- ▲ 26 Units
- ▲ 13,722 square feet



CAMPUS PLACE V

411 N 42nd St | Grand Forks, ND

- ▲ Built 2009
- ▲ Acquired 2013
- ▲ 24 Units
- ▲ 33,082 square feet



CAMPUS PLACE VI

425 N 42nd St | Grand Forks, ND

- ▲ Built 2009
- ▲ Acquired 2013
- ▲ 20 Units
- ▲ 32,296 square feet

Multi-Family Housing/Commercial



EAPC BUILDING

3100 Demers Ave | Grand Forks, ND

- ▲ Built 1997
- ▲ Acquired 2017
- ▲ 14,361 square feet



EDGEWOOD CORPORATE PLAZA

322 Demers Ave | Grand Forks, ND

- ▲ Built 1915
- ▲ Acquired 2012
- ▲ Edgewood Management Group Corporate Office
- ▲ 34,573 square feet



GALLERY APARTMENTS

615 & 815 N 39th St | Grand Forks, ND

- ▲ Built 1983
- ▲ Acquired 2014
- ▲ 143 Units
- ▲ 172,020 square feet



KENSINGTON PLACE

2303 S 27th Ave | Grand Forks, ND

- ▲ Built 1993
- ▲ Acquired 2015
- ▲ 91 Units
- ▲ 109,194 square feet



MCENROE PLACE I

3920 Garden View Dr | Grand Forks, ND

- ▲ Built 2008
- ▲ Acquired 2013
- ▲ 44 Units
- ▲ 70,577 square feet



MCENROE PLACE II

3850 Garden View Dr | Grand Forks, ND

- ▲ Built 2008
- ▲ Acquired 2013
- ▲ 44 Units
- ▲ 70,577 square feet



MCENROE PLACE III

3880 Garden View Dr | Grand Forks, ND

- ▲ Built 2009
- ▲ Acquired 2013
- ▲ 67 Units
- ▲ 124,508 square feet



MCENROE PLACE IV

3750 Garden View | Grand Forks, ND

- ▲ Built 2011
- ▲ Acquired 2013
- ▲ 34 Units
- ▲ 40,686 square feet

Multi-Family Housing/Commercial



MCENROE PLACE V

3841 Garden View | Grand Forks, ND

- ▲ Built 2013
- ▲ Acquired 2013
- ▲ 48 Unit
- ▲ 80,000 square feet



MCENROE PLACE VI

3941 Garden View | Grand Forks, ND

- ▲ Built 2014
- ▲ Acquired 2014
- ▲ 48 Units
- ▲ 80,000 square feet



NORTHERN HEIGHTS

615 1st Ave N | Grand Forks, ND

- ▲ Built 2011
- ▲ Acquired 2013
- ▲ 53 Units
- ▲ 77,500 square feet - Multi-family
- ▲ 7,500 square feet - Commercial



PARKVIEW TERRACE

2396 27th Ave S | Grand Forks, ND

- ▲ Built 1992
- ▲ Acquired 2015
- ▲ 61 Units
- ▲ 64,952 square feet



UNIVERSITY POINTE

2860 10th Ave N | Grand Forks, ND

- ▲ Built 2007
- ▲ Acquired 2014
- ▲ 6 Units
- ▲ 10,316 square feet - Multi-family
- ▲ 10,316 square feet - Commercial



UNIVERSITY REAL ESTATE

2855 10th Ave N | Grand Forks, ND

- ▲ Built 2004
- ▲ Acquired 2013
- ▲ 10,678 square feet - Commercial



VALLEY BONE AND JOINT CLINIC

3035 Demers Ave | Grand Forks, ND

- ▲ Built 1988
- ▲ 7,000 square foot addition in 2003
- ▲ Acquired 2017
- ▲ 20,828 square feet



VRE PINES A & B

4297 5th Ave | Grand Forks, ND

- ▲ Built 2004
- ▲ Acquired 2013
- ▲ 48 Units
- ▲ 66,000 square feet

Multi-Family Housing/Commercial



WESTWOOD

625 N 43rd St | Grand Forks, ND

- ▲ Built 2003
- ▲ Acquired 2013
- ▲ 24 Units
- ▲ 34,622 square feet



KINDRED APARTMENTS

31 4th Ave S & 351 Linden St | Kindred, ND

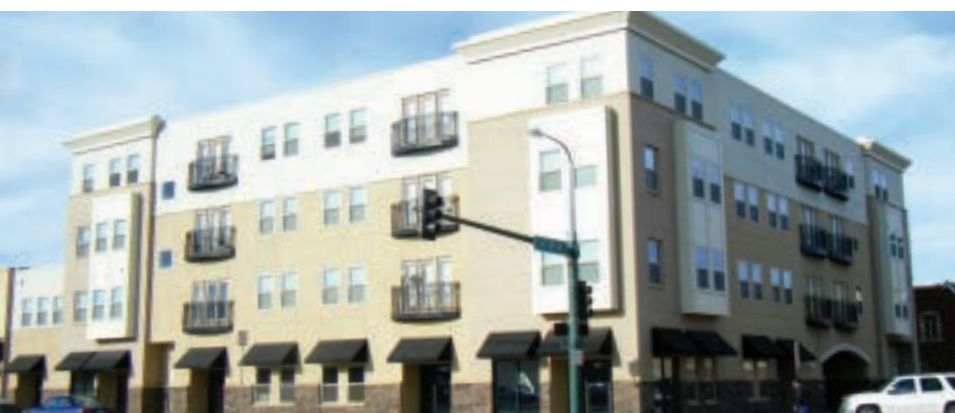
- ▲ Opened 1999
- ▲ Acquired 2018
- ▲ 14 Units
- ▲ 0.96433 acres



COLLINS PLACE

100 Collins Ave | Mandan, ND

- ▲ Built 2014
- ▲ Acquired 2014
- ▲ 29 Units
- ▲ 27,952 square feet - Multi-family
- ▲ 3,410 square feet - Commercial



MANDAN PLACE

200 Main Ave | Mandan, ND

- ▲ Built 2007
- ▲ Acquired 2013
- ▲ 28 Units
- ▲ 23,320 square feet - Multi-family
- ▲ 6,642 square feet - Commercial



MINOT PLACE APARTMENTS

1710 13th Ave SE | Minot, ND

- ▲ Built 2011
- ▲ Acquired 2012
- ▲ 144 Units
- ▲ 147,717 square feet



GREENFIELD APARTMENTS

Southeast ND

- ▲ Opened 1999
- ▲ Acquired 2018
- ▲ 140 Units
- ▲ 216,960 square feet

**EDGEWOOD REAL ESTATE INVESTMENT TRUST
AND SUBSIDIARIES**

GRAND FORKS, NORTH DAKOTA

AUDITED CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

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INDEPENDENT AUDITOR'S REPORT

To the Management and Board of Trustees
Edgewood Real Estate Investment Trust
Grand Forks, North Dakota

We have audited the accompanying consolidated financial statements of Edgewood Real Estate Investment Trust and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2017 and 2016, and the related consolidated statements of operations, other comprehensive income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform our audits to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements 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 the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Edgewood Real Estate Investment Trust and Subsidiaries as of December 31, 2017 and 2016, and the 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.

A handwritten signature in black ink that reads "Brady Martz".

BRADY, MARTZ & ASSOCIATES, P.C.
Minot, North Dakota

March 28, 2018

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS
DECEMBER 31, 2017 AND 2016

ASSETS

	2017	2016
REAL ESTATE INVESTMENTS	\$ 697,542,850	\$ 401,776,561
Less accumulated depreciation	(36,423,136)	(21,634,757)
Total real estate investments	661,119,714	380,141,804
OTHER ASSETS		
Cash and cash equivalents	25,081,458	42,636,265
Land held for investment	2,065,211	19,567,854
Accounts receivable, net of allowance for doubtful Accounts of \$7,408 and \$0 in 2017 and 2016, respectively	2,589,209	896,186
Related party receivable	1,084,817	9,418,597
Related party notes receivable	12,901,987	6,400
Straight-line rent receivable	4,658,620	1,320,839
Prepaid expenses	318,974	331,104
Other investments	975,811	4,521,645
Restricted cash	2,343,985	1,817,787
Total other assets	52,020,072	80,516,677
TOTAL ASSETS	\$ 713,139,786	\$ 460,658,481

LIABILITIES AND EQUITY

LIABILITIES		
Accounts payable	\$ 3,450,321	\$ 3,023,513
Advance rents and security deposits	860,739	1,085,598
Accrued expenses	1,453,612	1,080,722
Distributions payable	4,302,963	3,501,486
Related party payable	1,797,060	1,284,716
Line of credit	3,500,000	-
Notes payable	475,668,548	256,651,179
Less: unamortized debt issuance costs	(9,637,511)	(7,036,553)
TOTAL LIABILITIES	481,395,732	259,590,661

EQUITY

Common shares of beneficial interest (10,000,000 shares authorized, no par value, 6,678,776 and 6,712,411 shares issued and outstanding as of December 31, 2017 and 2016, respectively)	88,154,329	88,044,795
Retained earnings (accumulated deficit)	(10,000,304)	(6,613,957)
Accumulated other comprehensive income (loss)	(54,036)	
Non-controlling interests in operating partnership (11,976,976 and 9,389,561 units outstanding at December 31, 2017 and 2016, respectively)	153,644,065	119,636,982
Total equity	231,744,054	201,067,820
TOTAL LIABILITIES AND EQUITY	\$ 713,139,786	\$ 460,658,481

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
REVENUE		
Real estate rentals	\$ 55,324,056	\$ 32,845,541
Other operating income	1,154,820	608,479
Total revenue	56,478,876	33,454,020
EXPENSES		
Interest expense	20,628,951	10,247,232
Depreciation/amortization on real estate investments	14,896,133	7,839,243
Acquisition fees	1,405,775	1,598,158
Management fees	4,093,031	2,537,130
Repairs and maintenance	2,223,793	1,749,047
Property taxes	2,536,768	2,273,414
Utilities	2,576,087	2,119,719
Insurance	629,075	545,841
Professional services	484,778	249,929
General and administrative	876,590	801,318
Bad debt expense	23,113	2,750
Miscellaneous	378,529	325,657
Total operating expenses	50,752,623	30,289,438
INCOME FROM OPERATIONS	5,726,253	3,164,582
OTHER INCOME (EXPENSE)		
Gain on sale of real estate	612,827	828,280
Interest income	1,069,910	470,866
Total other income	1,682,737	1,299,146
NET INCOME	7,408,990	4,463,728
NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST	(4,939,271)	(3,196,114)
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	\$ 2,469,719	\$ 1,267,614

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	<u>2017</u>	<u>2016</u>
OTHER COMPREHENSIVE INCOME (LOSS)		
Net income	\$ 7,408,990	\$ 4,463,728
Other comprehensive income (loss)		
Unrealized gain (loss) from derivative instrument	<u>(54,036)</u>	<u>-</u>
Total comprehensive income (loss)	<u>7,354,954</u>	<u>4,463,728</u>
COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTEREST	<u>(4,904,580)</u>	<u>(3,196,114)</u>
COMPREHENSIVE INCOME AVAILABLE TO COMMON SHAREHOLDERS	<u>\$ 2,450,374</u>	<u>\$ 1,267,614</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	Number of Common Shares	Common Stock	Retained Earnings (Deficit)	Accumulated other comprehensive income (loss)	Non-Controlling Interests	Total Equity
BALANCE JANUARY 1, 2016	3,620,812	\$ 37,237,203	\$ (3,741,393)	-	\$ 113,589,559	\$ 147,085,369
Net income	-	-	1,267,614	-	3,196,114	4,463,728
Common shares issued (net of commissions)	2,959,805	48,668,550	-	-	-	48,668,550
Operating partnership units issued	-	-	-	-	13,643,279	13,643,279
Distributions - common shares	-	-	(4,140,178)	-	-	(4,140,178)
Distributions reinvested	144,230	2,329,313	-	-	-	2,329,313
Net redemptions	(12,436)	(190,271)	-	-	(2,903,042)	(3,093,313)
Distributions - non-controlling interests	-	-	-	-	(7,888,928)	(7,888,928)
BALANCE DECEMBER 31, 2016	<u>6,712,411</u>	<u>88,044,795</u>	<u>(6,613,957)</u>	<u>-</u>	<u>119,636,982</u>	<u>201,067,820</u>
Net income	-	-	2,469,719	-	4,939,271	7,408,990
Other comprehensive income (loss)	-	-	-	(54,036)	-	(54,036)
Common shares issued (net of commissions)	938,230	17,269,469	-	-	-	17,269,469
Operating partnership units issued	-	-	-	-	41,684,334	41,684,334
Distributions - common shares	-	-	(5,856,066)	-	-	(5,856,066)
Distributions reinvested	204,547	3,692,068	-	-	-	3,692,068
Net redemptions	(1,176,412)	(20,852,003)	-	-	(2,396,183)	(23,248,186)
Distributions - non-controlling interests	-	-	-	-	(10,220,339)	(10,220,339)
BALANCE DECEMBER 31, 2017	<u><u>6,678,776</u></u>	<u><u>\$ 88,154,329</u></u>	<u><u>\$ (10,000,304)</u></u>	<u><u>\$ (54,036)</u></u>	<u><u>\$ 153,644,065</u></u>	<u><u>\$ 231,744,054</u></u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

	2017	2016
CASH FLOWS FROM OPERATING ACTIVITIES		
Net income	\$ 7,408,990	\$ 4,463,728
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation/amortization on real estate investments	14,896,133	7,839,243
Amortization on finance fees	2,327,419	1,440,002
Gain on sale of real estate	(612,827)	(828,280)
Net other non-cash (revenues)/expenses incurred related to acquisitions	3,452,282	409,383
Effects on operating cash flows due to change in:		
Accounts receivable	(1,693,023)	305,647
Related party accounts receivable/payable	8,846,124	(2,105,677)
Straight-line rent receivable	(3,337,781)	(599,085)
Prepaid expenses	13,432	(112,117)
Other assets	(527,500)	(280,653)
Accounts payable	426,808	1,060,990
Accrued expenses	372,890	541,696
Advance rents and security deposits	(224,859)	85,490
Net cash provided by operating activities	31,348,088	12,220,367
CASH FLOWS FROM INVESTING ACTIVITIES		
Proceeds on sale of property and equipment	5,975,000	-
Purchase of property and equipment	(92,307,935)	(24,406,597)
Proceeds on sale of land held for investment	22,024,288	6,564,081
Purchase of land held for investment	(975,811)	(5,073,003)
Payments (advances) on related party notes receivable	(12,895,587)	2,912,392
Net cash used by investing activities	(78,180,045)	(20,003,127)
CASH FLOWS FROM FINANCING ACTIVITIES		
Distributions paid to non-controlling interests	(9,528,470)	(7,459,798)
Distributions paid to common shareholders	(2,054,390)	(1,112,671)
Repurchase of non-controlling interests	(1,277,976)	(766,240)
Repurchase of common shares	(20,852,003)	(190,271)
Brokerage commissions paid on shares issued	(556,892)	(772,702)
Proceeds from common shares issued	17,826,361	49,441,252
Net proceeds on notes payable	45,720,520	6,435,057
Net cash provided (used) by financing activities	29,277,150	45,574,627
CHANGE IN CASH AND CASH EQUIVALENTS	(17,554,807)	37,791,867
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	42,636,265	4,844,398
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$ 25,081,458	\$ 42,636,265
Cash paid during the year for interest	\$ 17,762,283	\$ 8,514,363

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED
FOR THE YEARS ENDED DECEMBER 31, 2017 AND 2016

**SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING
AND FINANCING ACTIVITIES**

Real estate investments acquired through issuance of notes payable	\$ 173,344,567	\$ 70,814,437
Real estate investments acquired through issuance of non-controlling interests	21,544,550	13,643,279
Issuance of non-controlling interests through related party receivable	20,000,000	-
Redemption of non-controlling interests through issuance of common shares	1,032,459	2,136,802
Distributions on non-controlling interests declared and not paid	2,716,754	2,024,885
Distributions on common shares declared and not paid	1,586,209	1,476,601
Distribution of common shares reinvested	3,692,068	2,329,313

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
DECEMBER 31, 2017 AND 2016

NOTE 1 NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

Edgewood Real Estate Investment Trust (“The Company” or “Edgewood REIT”) is a real estate investment trust engaged in acquiring, owning and leasing assisted living facilities, commercial real estate, and other housing-related real property in North Dakota, South Dakota, Minnesota, Montana, Nebraska, Wyoming, and Idaho. REITs are subject to a number of organizational and operational requirements, including a requirement to distribute 90% of REIT taxable income to shareholders and, generally, are not subject to federal income tax on net income. The Company was formed during 2010. The Company conducts a majority of its business activities through its consolidated operating partnership, Edgewood Properties LLLP, a North Dakota Limited Liability Limited Partnership (the “Operating Partnership”), and through the following wholly-owned subsidiaries:

EVI Alexandria, LLC - a Minnesota Limited Liability Company
EVI Plantation Place, LLC - an Idaho Limited Liability Company
EVI Greenleaf, LLC - a South Dakota Limited Liability Company
EVI Meridian, LLC - an Idaho Limited Liability Company
KCR Investments, LLC - dba Minot Place Apartments - a North Dakota Limited Liability Company
Rowan Apartments, LLC - dba Burlington Apartments - a North Dakota Limited Liability Company
Edgewood Corporate Plaza, LLC - a North Dakota Limited Liability Company
EVI Mandan, LLC - a North Dakota Limited Liability Company
EVI Bismarck Senior Apartments, LLC - a North Dakota Limited Liability Company
EVI Minnesota Heights, LLC - a Minnesota Limited Liability Company
EVI Prairie Crossings, LLC - a South Dakota Limited Liability Company
EVI Civic Place, LLC - a North Dakota Limited Liability Company
EVI Winterland Apartments, LLC - a North Dakota Limited Liability Company
EVI University Real Estate, LLC - a North Dakota Limited Liability Company
EVI Mandan Apartments, LLC - a North Dakota Limited Liability Company
EVI Campus Place, LLC - a North Dakota Limited Liability Company
EVI Campus Place II, LLC - a North Dakota Limited Liability Company
EVI McEnroe Apartments, LLC - a North Dakota Limited Liability Company
EVI McEnroe Apartments ND 4, LLC - a North Dakota Limited Liability Company
EVI McEnroe Apartments ND 5, LLC - a North Dakota Limited Liability Company
EVI Bismarck Village, LLC - a North Dakota Limited Liability Company
EVI Blaine, LLC - a Minnesota Limited Liability Company
EVI Collins Place, LLC - a North Dakota Limited Liability Company

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

EVI Gallery Apartments, LLC - a North Dakota Limited Liability Company
EVI McEnroe Apartments ND 6, LLC - a North Dakota Limited Liability Company
EVI Northern Pacific, LLC - a Minnesota Limited Liability Company
EVI University Real Estate, LLC - a North Dakota Limited Liability Company
EVI Winterland II, LLC - a North Dakota Limited Liability Company
EVI Legacy Storage, LLC - a North Dakota Limited Liability Company
Marston Development, LLC - a Minnesota Limited Liability Company
EVI Pierre, LLC - a South Dakota Limited Liability Company
EVI Spring Creek Eagle Island AL, LLC - an Idaho Limited Liability Company
EVI May Creek, LLC - a Minnesota Limited Liability Company
EVI GF 55+, LLC - a North Dakota Limited Liability Company
EVI Parkwood Place, LLC - a North Dakota Limited Liability Company
EVI Spring Creek Eagle Island IL, LLC - an Idaho Limited Liability Company
EVI Jamestown, LLC - a North Dakota Limited Liability Company
EVI American Falls, LLC - an Idaho Limited Liability Company
EVI Boise, LLC - an Idaho Limited Liability Company
EVI Overland, LLC - an Idaho Limited Liability Company
EVI Soda Springs, LLC - an Idaho Limited Liability Company
EVI Ustick, LLC - an Idaho Limited Liability Company
EVI Eagle, LLC - an Idaho Limited Liability Company
EVI Baxter, LLC - a Minnesota Limited Liability Company
EVI Coulee Ridge, LLC - a North Dakota Limited Liability Company
EVI Meridian, LLC - an Idaho Limited Liability Company
EVI Aspen Wind, LLC - a Wyoming Limited Liability Company
EVI Belgrade, LLC - a Montana Limited Liability Company
EVI Billings Memory Care, LLC - a Montana Limited Liability Company
EVI Brainerd, LLC - a Minnesota Limited Liability Company
EVI Columbus, LLC - a Nebraska Limited Liability Company
EVI Dickinson, LLC - a North Dakota Limited Liability Company
EVI Dominion, LLC - a North Dakota Limited Liability Company
EVI East Grand Forks, LLC - a Minnesota Limited Liability Company
EVI Fargo, LLC - a North Dakota Limited Liability Company
EVI Fremont, LLC - a Nebraska Limited Liability Company
EVI Grand Island, LLC - a Nebraska Limited Liability Company
EVI Hastings, LLC - a Nebraska Limited Liability Company
EVI Helena, LLC - a Montana Limited Liability Company
EVI Hermantown I, LLC - a Minnesota Limited Liability Company
EVI Hermantown II, LLC - a Minnesota Limited Liability Company
EVI Kalispell, LLC - a Montana Limited Liability Company

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

EVI Laramie, LLC - a Wyoming Limited Liability Company
EVI Meadow Wind, LLC - a Wyoming Limited Liability Company
EVI Minot, LLC - a North Dakota Limited Liability Company
EVI Missoula, LLC - a Montana Limited Liability Company
EVI Mitchell, LLC - a South Dakota Limited Liability Company
EVI Norfolk, LLC - a Nebraska Limited Liability Company
EVI Omaha, LLC - a Nebraska Limited Liability Company
EVI Park Place, LLC - a Wyoming Limited Liability Company
EVI Sartell AL, LLC - a Minnesota Limited Liability Company
EVI Sartell IL, LLC - a Minnesota Limited Liability Company
EVI Sierra Hills, LLC - a Wyoming Limited Liability Company
EVI Sioux Falls Memory Care, LLC - a south Dakota Limited Liability Company
EVI South Lake Medical, LLC - a Minnesota Limited Liability Company
EVI Spearfish, LLC - a South Dakota Limited Liability Company
EVI Virginia, LLC - a Minnesota Limited Liability Company
EREIT Grand Forks Medical Office, LLC - a North Dakota Limited Liability Company
EREIT Grand Forks NNN, LLC - a North Dakota Limited Liability Company

Basis of Presentation

The consolidated financial statements include the accounts of Edgewood Real Estate Investment Trust and its subsidiaries, as noted above, in which it maintains a controlling interest. All material inter-company transactions and balances have been eliminated in the consolidated financial statements. Edgewood Properties is a 100% owner of the above-listed LLC entities. The Company's interest in the Operating Partnership was 37% as of December 31, 2017 which includes 100% of the general partnership interest. The limited partners own units in the Operating Partnership which have a conversion option they may exercise for Edgewood REIT common shares of beneficial interest, on a one-for-one basis. The limited partners have no voting rights in Edgewood REIT.

Use of Estimates

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

Real Estate Investments

Real estate investments held for rental are stated at the lower of cost less accumulated depreciation or fair value if impairment is identified. Real estate investments held for sale are reported at the lower of their carrying amount or fair value less cost to sell. Buildings and land improvements are depreciated on the straight-line method over their estimated life not to exceed 40 and 20 years, respectively. Furniture, fixtures, and equipment are depreciated on the straight-line method over their estimated life not to exceed 9 years. All direct and indirect costs, including interest and real estate taxes associated with the development, construction, leasing or expansion of real estate investments, are capitalized as a cost of the property. Expenditures for renewals and improvements which significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for routine maintenance and repairs, which do not add to the value or extend the useful life of an asset, are charged to expense as incurred.

The Company allocates the purchase price based on the relative fair values of the tangible and intangible assets of an acquired property (including the land, building, and personal property) which are determined by valuing the property as if it were vacant and to the fair value of the intangible assets (including in-place leases.) The as-if-vacant value is allocated to land, buildings, and personal property based on management's determination of the relative fair values of these assets. The estimated fair value of the property is the amount which would be recoverable upon the disposition of the property. Techniques used to estimate fair value include discounted cash flow analysis and reference to recent sales of comparable properties. A land value is assigned based on the purchase price if land is acquired separately or based on estimated fair value if acquired in a merger or in a single or portfolio acquisition.

Acquired above and below-market lease values are recorded as the difference between the contractual amounts to be paid pursuant to the in-place leases and management's estimate of fair market value lease rates for the corresponding in-place leases. The capitalized above and below-market lease values are amortized and included as part of rent expense over the remaining terms of the respective leases, which include fixed rate renewal options for below-market leases if it is determined probable the tenant will execute a bargain renewal option. The REIT currently does not have any allocations to above or below-market lease values.

Other intangible assets acquired include amounts for in-place lease values which are based on the Company's evaluation of the specific characteristics of the leases. Factors considered in the fair value analysis include an estimate of carrying costs and foregone rental income during hypothetical expected lease-up periods, considering current market conditions, and costs to execute similar leases. The Company also considers information about each property obtained during its pre-acquisition due diligence, marketing and leasing activities in estimating the relative fair value of the tangible and intangible assets acquired. The in-place lease allocations are included in real estate investments and amortized over the lease terms, including extensions, no greater than 20 years.

At least annually, or upon the occurrence of significant changes in the operations, Edgewood REIT evaluates its real estate investments to assess whether any impairment indications are present, including recurring operating losses and significant adverse changes in legal factors or business climate which affect the recovery of the recorded value. If any real estate investment is considered impaired, a loss is provided to reduce the carrying value of the property to its estimated fair value.

Cash and Cash Equivalents

Highly liquid investments with a maturity of three months or less when purchased are classified as cash equivalents.

Notes Receivable

Notes receivable are recorded at cost.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

Straight-Line Rent Receivable

Rental revenue is recognized on a straight-line basis, which averages minimum required rents to be received over the terms of the leases. Rent recognized in advance of collection is reflected as a receivable arising from straight-lining rents, net of allowance for doubtful accounts. Rent concessions, including free rent, are reflected as a payable and are amortized over the terms of the related leases.

Receive-variable, Pay-fixed Interest Rate Swaps

The Company has adopted the alternative offered to nonpublic entities in FASB ASC 815-20 for certain variable rate borrowings involving receive-variable, pay-fixed interest rate swaps. In accordance with this alternative, the Company assumes there is no hedge ineffectiveness and applies the simplified hedge accounting approach for all interest rate swaps meeting those criteria. In addition, the Company measures the swap using settlement value rather than fair value.

Other Investments

Other investments consist of earnest money deposits and other nonmarketable investments recorded at cost.

Allowance for Doubtful Accounts

Accounts receivable is considered past due if any portion of the receivable balance is outstanding more than 90 days. Interest is charged on accounts receivable which are past stated terms and recognized as it is charged. The accrual of interest is discontinued when management believes the receivables are impaired or collection of interest is doubtful. There were no significant nonaccrual accounts receivable at December 31, 2017 and 2016.

Management evaluates the allowance for doubtful accounts by assessing the recoverability of rent and other receivables, and comparing the carrying value with the estimated realizable value. Management considers the tenant's financial condition and credit history as well as current economic conditions. Accordingly, management has recorded an allowance for doubtful accounts of \$7,408 and \$0 as of December 31, 2017 and 2016, respectively.

Distributions Payable

Distributions payable represent distributions declared to common shareholders and unit holders in the operating partnership of record on December 31, 2017 payable on January 15, 2018.

Federal Income Taxes

Edgewood REIT operates in a manner intended to qualify as a Real Estate Investment Trust under Sections 856-860 of the Internal Revenue Code of 1986, as amended. Under those sections, a REIT which distributes at least 90% of its taxable income as a dividend to its shareholders each year and which meets certain other conditions will not be taxed on that portion of its taxable income. For the year ended December 31, 2017, the Company distributed in excess of 90% of its taxable income within the prescribed time limits; accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements. If the Company fails to qualify as a REIT in any taxable year, the Company will be subject to federal income tax on its taxable income at regular corporate rates (including any alternative minimum tax) and may not be able to qualify as a REIT for the four subsequent taxable years. Even as a REIT, the Company may be subject to certain state and local income and property taxes, and to federal income and excise taxes on undistributed taxable income. In general, however, if the Company qualifies as a REIT, no provisions for federal income taxes are necessary except for taxes on undistributed REIT taxable income.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

Edgewood REIT conducts its business activity as an Umbrella Partnership Real Estate Investment Trust (“UPREIT”) through its Operating Partnership. UPREIT status allows Edgewood REIT to accept the contribution of real estate in exchange for operating partnership units. Generally, such a contribution to a limited partnership allows for the deferral of gain by an owner of appreciated real estate.

Distributions were characterized, for federal income tax purposes, as 28% ordinary income and 72% return of capital for the year ended December 31, 2017, and 26% ordinary income and 74% return of capital for the year ended December 31, 2016.

The Company’s policy is to evaluate the likelihood its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

Non-controlling Interests

Ownership interests in the Operating Partnership held by limited partners are represented by operating partnership units. The Operating Partnership’s income is allocated to holders of units based upon the ratio of their unit holdings to the total common shares and operating partnership units outstanding during the period. Capital contributions, distributions, and profits and losses are allocated to limited partners in accordance with the terms of the Operating Partnership agreement. Limited partners as of December 31, 2017 and 2016, were considered non-controlling interests.

Variable Interest Entity

The Company has determined the Operating Partnership, Edgewood Properties, LLLP, is a variable interest entity (VIE). The limited partners lack voting rights and substantive participating rights. The Company is the primary beneficiary of the VIE, and the partnership is required to be consolidated on the Company’s balance sheet because it has a controlling financial interest in the VIE and has both the power to direct the activities of the VIE which most significantly impact the VIE’s economic performance and the obligation to absorb losses or the right to receive benefits from the VIE which could be significant to the VIE. Because the Operating Partnership is a VIE, substantially all of its assets and liabilities are held through a VIE.

Reclassifications

Certain reclassifications have been made to the 2016 financial statements to conform to the 2017 financial presentation. Such reclassifications had no effect on net income previously reported.

NOTE 2 OFF-BALANCE SHEET RISK

The Company maintains cash on deposit at various financial institutions. The amounts on deposit were insured by the FDIC up to \$250,000 per financial institution. At December 31, 2017 the Company had approximately \$15,654,000 in excess of FDIC coverage.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

NOTE 3 PROPERTY

Property, consisting principally of real estate owned and leased to tenants, is stated at cost less accumulated depreciation and is summarized as follows:

	2017	2016
Land	\$ 47,514,161	\$ 29,550,480
Buildings	633,028,217	362,129,789
In-place leases	4,072,500	2,650,000
Furniture, fixtures, and equipment	12,576,480	3,725,623
Construction in progress	351,492	3,720,669
Total property	697,542,850	401,776,561
Less accumulated depreciation/amortization	(36,423,136)	(21,634,757)
Total property, net	\$ 661,119,714	\$ 380,141,804

Depreciation expense for the years ended December 31, 2017 and 2016 was \$14,896,133 and \$7,839,243, respectively.

The Company has entered into long-term operating leases for commercial properties. The terms and payment amounts vary among the properties, many of which are managed by related parties, see Note 10.

The future minimum lease revenue under non-cancellable leases for commercial properties (assuming no options to renew or buy-out the leases are exercised) are as follows:

For the year ending December 31:	
2018	\$ 39,434,830
2019	41,202,721
2020	41,565,056
2021	41,000,897
2022	40,772,349
Thereafter	265,397,238
Total	\$ 469,373,091

Rent revenues under the leases which were in-place for the years ended December 31, 2017 and 2016 were \$36,396,228 and \$12,535,769, respectively.

The effect of amortization of acquired in-place lease allocations was approximately \$81,000 and \$52,000 for the years ended December 31, 2017 and 2016, respectively. This amount was included in depreciation/amortization expense related to real estate investments. The estimated amortization of acquired in-place leases for each of the five succeeding fiscal years is as follows:

For the year ending December 31,	
2018	\$ 101,813
2019	101,813
2020	101,813
2021	101,813
2022	101,813

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

NOTE 4 PROPERTY ACQUISITIONS AND DISPOSITIONS

For the year ended December 31, 2017:

<u>Acquisition</u>	<u>Location</u>	<u># of units</u>	<u>Date Acquired</u>	<u>Acquisition Cost</u>
<u>Assisted Living</u>				
Edgewood Aspen Wind	Cheyenne, WY	71	Feb-17	\$ 13,900,000
Edgewood Belgrade	Belgrade, MT	10	Feb-17	875,000
Edgewood Billings MC	Billings, MT	24	Feb-17	2,070,000
Edgewood Brainerd	Brainerd, MN	98	Jan-17	14,300,000
Edgewood Columbus	Columbus, NE	10	Feb-17	1,210,000
Edgewood Dickinson	Dickinson, ND	101	Jun-17	13,800,000
Edgewood Dominion	Bismarck, ND	95	Jan-17	13,200,000
Edgewood East Grand Forks	East Grand Forks, ND	30	Jan-17	4,750,000
Edgewood Fargo	Fargo, ND	189	Jan-17	29,000,000
Edgewood Fremont	Fremont, NE	10	Feb-17	580,000
Edgewood Grand Island	Grand Island, NE	10	Feb-17	1,120,000
Edgewood Hastings	Hastings, NE	10	Mar-17	1,330,000
Edgewood Helena	Helena, MT	66	Aug-17	8,079,066
Edgewood Hermantown I	Hermantown, MN	171	Oct-17	21,812,000
Edgewood Hermantown II	Hermantown, MN	86	Oct-17	15,072,000
Edgewood Kalispell	Kalispell, MT	19	Mar-17	1,310,000
Edgewood Laramie	Laramie, WY	78	Feb-17	12,400,000
Edgewood Meadow Wind	Casper, WY	95	Feb-17	8,900,000
Edgewood Minot	Minot, ND	150	Feb-17	17,285,280
Edgewood Missoula	Missoula, MT	20	Feb-17	2,590,000
Edgewood Mitchell	Mitchell, SD	33	Aug-17	7,594,868
Edgewood Norfolk	Norfolk, NE	10	Feb-17	1,440,000
Edgewood Omaha	Omaha, NE	10	Mar-17	1,220,000
Edgewood Park Place	Casper, WY	61	Feb-17	6,600,000
Edgewood Sartell AL	Sartell, MN	97	Apr-17	9,960,000
Edgewood Sierra Hills	Cheyenne, WY	71	Feb-17	7,800,000
Edgewood Sioux Falls MC	Sioux Falls, SD	24	Feb-17	3,530,000
Edgewood Spearfish	Spearfish, SD	99	Jan-17	8,678,000
Edgewood Virginia	Virginia, MN	175	Mar-17	31,488,000
Total Assisted Living				<u>261,894,214</u>
<u>Commercial Property</u>				
EVI South Lake Medical	Minnetonka, MN		May-17	4,100,000
EREIT GF Medical Office	Grand Forks, ND		Dec-17	5,210,390
EREIT GF NNN	Grand Forks, ND		Dec-17	2,867,742
Total Commercial Property				<u>12,178,132</u>
<u>Multi-Family Residential - Senior</u>				
EVI Sartell IL	Sartell, MN	24	Apr-17	3,540,000
Total Multi-Family Residential				<u>3,540,000</u>
Total Acquisitions				<u>\$ 277,612,346</u>

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

Dispositions

EVI Legacy Storage sold multiple units during 2017 to unrelated third parties.

Three parcels of land located in Burleigh County, ND were also sold during 2017 to Bismarck Land Company, LLC. Edgewood REIT is related to Bismarck Land Company, LLC, as disclosed in Note 10.

For the year ended December 31, 2016:

<u>Acquisition</u>	<u>Location</u>	<u># of units</u>	<u>Date Acquired</u>	<u>Acquisition Cost</u>
<u>Assisted Living</u>				
Edgewood Baxter, LLC	Baxter, MN	60	Dec-16	\$ 3,150,000
Edgewood Spring Creek American Falls	American Falls, ID	32	Oct-16	4,351,840
Edgewood Spring Creek Boise	Boise, ID	39	Oct-16	5,424,550
Edgewood Spring Creek Eagle	Eagle, ID	30	Oct-16	4,380,220
Edgewood Senior Living Jamestown	Jamestown, ND	68	Oct-16	10,538,422
Edgewood Spring Creek Fruitland	Fruitland, ID	55	Oct-16	7,850,380
Edgewood Spring Creek Overland	Boise, ID	45	Oct-16	7,175,250
Edgewood Spring Creek Soda Springs	Soda Springs, ID	27	Oct-16	2,427,210
Edgewood Spring Creek Ustick	Meridian, ID	47	Oct-16	4,560,430
Edgewood Spring Creek Meridian	Meridian, ID	74	Oct-16	7,729,840
Total Assisted Living				<u>57,588,142</u>
<u>Multi-Family Residential</u>				
Coulee Ridge	Bismarck, ND	240	Jul-16	31,098,205
Total Multi-Family Residential				<u>31,098,205</u>
<u>Land Held for Development</u>				
Lincoln	Lincoln, NE		Jan-16	1,274,449
Total Land Held for Development				<u>1,274,449</u>
Total Acquisitions				<u>\$ 89,960,796</u>

Dispositions

EVI Columbia was sold during 2016 to an unrelated third-party. A parcel of land was also sold during 2016 to an unrelated third-party.

NOTE 5 NOTES RECEIVABLE

Notes receivable of \$8,000,000 at December 31, 2017 consists of a loan receivable from Edgewood Group, LLC secured by the preferred stock of Edgewood OpCo, LLC, which carries an interest rate of 9% and is due on demand (see Note 10).

Notes receivable of \$6,400 at December 31, 2016 consisted of an unsecured loan to Edgewood Group, LLC, which carried an interest rate of 6% and was due on demand (see Note 10).

Notes receivable of \$4,901,987 and \$0 as of December 31, 2017 and 2016, respectively, consists of a loan secured by real estate to Bismarck Land Company, LLC (a related party) which carries an interest rate of 6% and is due March 1, 2018 (see Note 10).

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

NOTE 6 COMMITMENTS AND CONTINGENCIES

Risk of Uninsured Property Losses

Edgewood REIT maintains, at management's discretion, adequate insurance against property damage, fire loss, and liability insurance. However, there are certain types of losses (generally of a catastrophic nature) which may be either uninsurable or not economically insurable. Such excluded risks may include war, earthquakes, hurricanes, certain environmental hazards, and floods. Should such events occur, (i) Edgewood REIT might suffer a loss of capital invested, (ii) tenants may suffer losses and may be unable to pay rent for the spaces, and (iii) Edgewood REIT may suffer a loss of profits.

Litigation

Edgewood REIT is subject to a variety of legal actions for personal injury or property damage arising in the ordinary course of business, most of which are covered by liability insurance. Various claims of resident discrimination are also periodically brought, most of which are covered by insurance. While resolution of these matters cannot be predicted with certainty, management believes that the final outcome of these claims and legal proceedings will not have a material effect on our liquidity, financial position, cash flows, or results of operations.

Environmental Matters

Under various federal, state, and local laws, ordinances, and regulations, a current or previous owner or operator of real estate may be liable for the costs of removal of, or remediation of, certain hazardous or toxic substances in, on, around, or under the property. While management currently has no knowledge of any material violation of environmental laws, ordinances, or regulations at any properties, there can be no assurance the areas of contamination will not be identified at the properties or changes in environment laws, regulations, or cleanup requirements would not result in material costs.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
DECEMBER 31, 2017 AND 2016

NOTE 7 NOTES PAYABLE

Details pertaining to the Company's debt and assets assigned as collateral thereon as of December 31, 2017 and 2016 are as follows:

Lender	Maturity Date	Current Note Rate	Balance Dec 31, 2017	Balance Dec 31, 2016
Alerus Financial	2019 - 2024	4.25% - 4.91%	\$ 6,968,697	\$ 6,266,191
American Federal Bank	2039	4.60% - 4.75%	3,997,602	4,101,413
Ameritas Life Insurance	2026	4.25%	2,422,945	-
Assurity Life	2024	4.75%	4,383,696	4,551,111
BankWest	2022 - 2040	4.25% - 4.60%	11,487,283	11,809,211
Bell State Bank	2019 - 2027	4.10% - 4.55%	27,747,477	5,910,118
Berkadia	2017	5.66%	-	5,958,785
Black Ridge Bank	2022	4.45%	3,198,997	3,318,129
Bremer Bank	2018 - 2031	3.98% - 4.57%	111,023,309	65,242,903
Choice Financial	2019	3.85%	-	2,668,465
EGF Economic Development	2023	3.10%	146,909	171,438
First International Bank & Trust	2042	4.00%	11,290,371	-
First National Bank	2020 - 2026	4.25% - 4.40%	4,615,535	4,773,071
First State Bank	2021 - 2038	4.27% - 5.15%	18,242,007	12,761,987
First Western Bank & Trust	2024 - 2025	4.25%	8,643,409	8,873,443
FNMA	2031	4.78%	8,883,438	9,023,724
Frandsen Bank & Trust	2019	4.54%	774,349	825,571
Genworth Life	2036	4.28%	6,852,469	6,971,121
Key Bank	2018 - 2052	3.45% - 4.10%	45,679,483	13,353,000
Morgan Stanley	2023	5.04%	22,142,190	22,479,434
NDHFA	2029	0.00%	880,000	953,333
Protective Life	2031 - 2032	4.13% - 4.50%	169,299,550	59,885,557
Starion Bank	2027	4.75%	6,988,833	6,753,174
Total			475,668,549	256,651,179
Less: unamortized debt issuance costs			(9,637,511)	(7,036,553)
Net notes payable			\$ 466,031,038	\$ 249,614,626

All of the notes payable are secured by the acquired real property.

Interest expense for the years ended December 31, 2017 and 2016 includes amortization of loan fees of \$2,327,419 and \$1,440,002, respectively.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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Future principal payments due for the above long-term debt as of December 31, 2017 are as follows:

<u>December 31,</u>		
2018	\$	13,184,933
2019		51,534,121
2020		14,545,559
2021		13,718,946
2022		15,959,524
Thereafter		<u>366,725,466</u>
Total	\$	<u>475,668,549</u>

NOTE 8 LINE OF CREDIT

The Company has a revolving line of credit with Alerus Financial, N.A. with a limit of \$15,000,000. The note has a stated maturity date of May 1, 2019, with interest payable monthly at a variable rate based on 1-month LIBOR. As of December 31, 2017, the line of credit carried an interest rate of 3.97%. The note is secured by real property owned by the Company. The outstanding balance as of December 31, 2017 and 2016 was \$3,500,000 and \$0, respectively.

NOTE 9 RECEIVE-VARIABLE, PAY-FIXED INTEREST RATE SWAPS

As disclosed in Note 7, the Company has multiple notes outstanding with Bremer Bank which total \$111,023,309 and \$65,242,903 as of December 31, 2017 and 2016, respectively. During 2017, the Company entered into interest rate swap contracts with seven of the notes referred to above, which mature when the debt matures, to effectively convert these variable-rate borrowings into fixed-rate borrowings with interest rates ranging from 3.98% to 4.59%. The swap contracts qualify for the simplified hedge accounting alternative offered to nonpublic entities and are measured at settlement value. As of December 31, 2017 and 2016, the Company recognized cumulative losses of \$54,036 and \$0, respectively, in other comprehensive income (loss) from changes in the swap contract's settlement value. This cumulative amount is included in accrued liabilities as of December 31, 2017 and 2016.

NOTE 10 TRANSACTIONS WITH RELATED PARTIES

Edgewood REIT and Subsidiaries (the Company) is routinely involved in transactions with other entities within the Edgewood Group of companies (Edgewood OpCo, LLC (the operating companies), Edgewood Group, Edgewood Development Group, and Edgewood Management Group, et al). Mr. Philip Gisi and his family own approximately 2.60 percent of the outstanding voting shares of the Company. Mr. Gisi currently serves as an "at large" member of the Board of Trustees of Edgewood REIT. Prior to March 20, 2018, Mr. Gisi served as President of the Company's Board of Trustees.

Mr. Gisi and his family also control a majority ownership of the Edgewood Group of companies. As a result, Edgewood REIT and the Edgewood Group of companies are related parties. See below for a summary of the entities, the amount receivable or payable to each as of December 31, 2017 and 2016, and the revenue or expenses incurred to each of the years ended December 31, 2017 and 2016.

The Company receives rental income from the various Edgewood operating companies. Total rental revenues for the years ended December 31, 2017 and 2016 were \$36,586,923 and \$13,968,608, with \$515,433 and \$0 included in related party receivable, respectively. Also see Note 3 for related party leases and Note 5 for related party notes receivable.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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The Company receives rental income on its undeveloped land from Edgewood Development Group. Total rental revenues for the years ended December 31, 2017 and 2016 were \$375,769 and \$1,850,347, respectively.

Edgewood Management Group, LLC rents office space in Edgewood Corporate Plaza. Total rental income for the years ended December 31, 2017 and 2016 was \$225,264 and \$211,952, with \$0 outstanding receivable as of December 31, 2017 and 2016, respectively.

The Company has accounts receivable from various operating Companies which amount to \$940,471 and \$638,143 as of December 31, 2017 and 2016, respectively.

As of December 31, 2017 and 2016, the Company had total amounts receivable from Edgewood Development Group of \$149,868 and \$5,012,933, respectively. These amounts were advanced, with board approval, to support construction projects which will be acquired by the REIT upon completion.

As of December 31, 2017 and 2016, the Company had amounts receivable from Edgewood OpCo of \$249,473 and \$3,000,000, respectively.

The Company has notes receivable from Edgewood Group, LLC in the amount of \$8,000,000 and \$6,400 as of December 31, 2017 and 2016, respectively. As of December 31, 2017, under the terms of the note, Edgewood Group, LLC is allowed to borrow up to \$8,000,000 at an interest rate of 9%, which is secured by the preferred stock of Edgewood OpCo, LLC. The note receivable and related interest are both due on demand with interest paid quarterly commencing on January 20, 2018. As of December 31, 2016, the note was unsecured and carried an interest rate of 6%. The Company also has notes receivable from Bismarck Land Company in the amount of \$4,901,987 and \$0 as of December 31, 2017 and 2016, respectively. The note carries an interest rate of 6% and is due on demand. Interest income of \$904,612 and \$470,600 was earned on the outstanding balances of the notes receivable during the years ended December 31, 2017 and 2016, respectively.

The Company has accounts payable to various operating Companies which amount to \$854,940 and \$337,596 as of December 31, 2017 and 2016, respectively.

The Company pays management, acquisition, and finance fees to Edgewood Properties Management, LLC (the Advisor) for its work in acquiring properties, negotiating financing, and providing management services. The Advisor is partially owned by individuals who have positions on the Board of Trustees of the Company, including Jon Strinden (the Board President) and Philip Gisi (an at-large member of the Board). All owners of the Advisor are also investors in Edgewood REIT although no individual owns more than three percent and, as a group, the owners of the Advisory own less than 10 percent of the outstanding voting shares of the Company. Total costs incurred for management and acquisition fees for the years ended December 31, 2017 and 2016 were \$5,448,292 and \$3,426,103, respectively. In addition, finance fees in the amount of \$4,359,440 and \$1,387,779 were capitalized during the years ended December 31, 2017 and 2016. As of December 31, 2017 and 2016, \$942,120 and \$176,494 were owed to Edgewood Properties Management, LLC, respectively.

NOTE 11 MAJOR CUSTOMERS

The Company derived 10% or more of its revenue for the years ended December 31, 2017 and 2016 from the following customer:

The Company had rental income from the various Edgewood operating companies totaling \$36,586,923 and \$13,968,608, with \$730,711 and \$0 included in related party receivables, respectively, for years ended December 31, 2017 and 2016 .

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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NOTE 12 ADVERTISING COSTS

Advertising costs totaling \$247,538 and \$160,806 for the years ended December 31, 2017 and 2016, respectively, were expensed as incurred.

NOTE 13 INCOME TAXES

It is the opinion of management the Company has no significant uncertain tax positions which would be subject to change upon examination. The federal income tax returns of the Company are subject to examination by the IRS, generally for three years after they are filed. All required filings with tax authorities are up-to-date.

NOTE 14 FUTURE ACCOUNTING PRONOUNCEMENTS

ASU 2014-09, Revenue from Contracts with Customers (Topic 606)

During 2014, the FASB issued a new standard related to revenue recognition. ASU2014-09, upon its effective date, replaces almost all existing revenue recognition guidance, including industry-specific guidance, in current U.S. GAAP. Under the new standard, revenue is recognized when a customer obtains control of promised goods or services in an amount which reflects the consideration the entity expects to receive in exchange for those goods or services. In addition, the standard requires disclosure of the nature, amount, timing, and uncertainty of revenue and cash flows arising from contracts with customers. The guidance will be effective for the Company for annual periods beginning after December 15, 2018, and interim periods within annual reporting periods beginning after December 15, 2019.

ASU 2016-02, Leases (Topic 842)

During 2016, the FASB issued guidance to change the accounting for leases. The main provision of ASU 2016-02 is lessees will be required to recognize lease assets and lease liabilities for most long-term leases, including those classified as operating leases under GAAP. The ASU is effective for the Company for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.

ASU 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash (a consensus of the FASB Emerging Issues Task Force)

Per this ASU, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. For the Company, this ASU is effective for fiscal years beginning after December 15, 2018, and interim periods within fiscal years beginning after December 15, 2019.

ASU 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business

This ASU clarifies the definition of a business and affects many areas of accounting, such as acquisitions, disposals, goodwill impairment and consolidation. The guidance will assist entities in evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. For the Company, the ASU is effective for annual periods beginning after December 15, 2018, and interim periods within annual periods beginning after December 15, 2019.

EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED
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ASU 2017-12, Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities

This ASU makes several targeted improvements to the accounting for hedging activities. For the Company, the ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020.

Management has not yet determined what effect these pronouncements will have on the Company's financial statements.

With the exception of the new standards discussed above, we have not identified any other new accounting pronouncements that may have potential significance to the Company's Financial Statements.

NOTE 15 SUBSEQUENT EVENTS

Subsequent to December 31, 2017, the Company completed the following acquisitions:

The acquisition of Missouri Valley REIT, which was finalized as of January 16, 2018, consists of 15 multi-family buildings located in Missouri, North Dakota, and Kansas. The assets were purchased for \$120,000,000 and resulted in the issuance of new classes of shares and units.

The acquisition of EVI Falcon Apartments, LLC was finalized as of February 9, 2018. The purchase price was \$7,821,433.

Subsequent to December 31, 2017, the Company completed the following dispositions:

The partial disposition of Winterland I and complete disposition of Winterland II for a total of \$2,900,000 was finalized on January 5, 2018.

No other significant events have occurred subsequent to the Company's year-end. Subsequent events have been evaluated through March 28, 2018, the date these financial statements were available to be issued.



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