


92 West, Des Moines



Terrace Point, Bismarck, ND

2020 Second Quarter Report to Shareholders & Partners Quarter ended June 30, 2020

Dear Shareholders and Partners:

Greetings from your Management Team! This has certainly been an interesting year, full of challenges and uncertainty, due to the coronavirus pandemic. During these uncertain times, we worked diligently to keep you informed as to your investment in Edgewood REIT. Entering the pandemic, we felt we had an asset portfolio which would continue to provide a reliable source of income to our shareholders during periods of economic uncertainty. Fortunately, this has proven to be the case.

Through the Second Quarter, we continue to provide a strong financial return. Our earnings-per-share, as measured by funds available for distribution, increased by more than 4% over the previous year. All of our asset classes continue to perform well, and we are seeing minimal impact from COVID-19.

Based on the performance of our portfolio, and the visibility improvement concerning the remainder of the year, your Board of Trustees approved a new Private Placement share issuance – effective October 1, 2020 – at \$22.00 per share. Associated with the increase in share price is a dividend increase

from an annual amount of \$1.05 to \$1.10 effective 1st Quarter of 2021. The increase in share price is reflective of Management's analysis of the net asset value of Edgewood REIT. We continue to see year-over-year increase in our net operating income and stable cap rates. The combination of these two items results in an increase in our net asset value. Furthermore, on an annual basis we continue to pay down debt on our existing assets which also increases equity value.

On the acquisition front, we are entering into Letters of Intent and Purchase Agreements on multifamily and net lease assets, which achieve our financial hurdle rates. We continue to see historically low interest rates which enhances our return on these investments. In addition, these low interest rates provide us with an opportunity to refinance existing debt to reduce our weighted average portfolio interest rate.

In summary, we remain vigilant in our goal of protecting and enhancing shareholder value and reiterate our commitment to always operate Edgewood REIT for the benefit of you, the shareholders.

As always, if you have any questions, please reach out to a member of your Management Team.

Income Statement Data

	YTD	Second Quarter 2020
Revenues	\$53,983,141	\$27,086,009
Net Income	\$10,541,341	\$5,529,425
Funds from Operations (FFO)	\$25,066,571	\$12,859,137
Funds Available for Distribution (FAD)	\$22,216,115	\$11,450,710

Balance Sheet Data

	June 30, 2020
Current Assets	\$29,812,621
Current Liabilities	\$52,668,541
Total Real Estate Investments	\$1,015,899,692
Total Assets	\$1,068,110,497
Long Term Liabilities	\$605,148,838
Shareholder Equity	\$410,293,118

Per Share Data

	YTD	Second Quarter 2020
Shares/ Partnership Units	29,207,460	29,207,460
Net Income	\$0.3609	\$0.1893
Funds from Operations (FFO)	\$0.8582	\$0.4403
Funds Available for Distribution (FAD)	\$0.7606	\$0.3920

Weighted Shares Outstanding

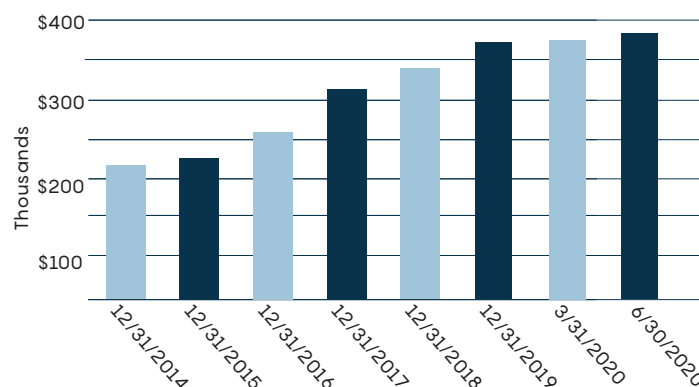
	YTD	Second Quarter 2020
Weighted Shares/ Partnership Units	28,759,080	28,984,698
Net Income – Weighted Share	\$0.3665	\$0.1908
Funds from Operations (FFO)	\$0.8716	\$0.4437
Funds Available for Distribution (FAD)	\$0.7725	\$0.3951
Dividends Per Share	\$0.5250	\$0.2625
Total Dividends Paid	\$15,168,368	\$7,650,206

Dividend Coverage

	YTD	Second Quarter 2020
FFO/Total Dividends Paid	165.26%	168.09%
FAD/Total Dividends Paid	146.46%	149.68%

Investment Performance

Calculations for the Investment Earnings 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 \$377,651.29 as of June 30, 2020.



Dividend Declaration

The Board of Trustees declared a dividend of 26.25 cents per share to shareholders and partners of record as of June 30, payable on July 15, 2020. This constitutes the 37th consecutive quarterly dividend paid to our shareholders and partners, for an annual dividend yield of 5.00%.

Dividend Reinvestment

Our Distribution Reinvestment Plan allows for the purchase of additional shares at a 5% discount from the current share price to those shareholders and partners who elect to participate in the Plan. The Plan allows flexible reinvestment options. If you are not currently participating in the Plan and would like to do so, please contact your investment representative or the Edgewood REIT office.

Edgewood REIT Shares

The Trustees approved a private placement offering at \$21.00, which will terminate on August 28, 2020. If you are interested in purchasing additional shares, please contact your investment representative, Roger Domres at 701-240-3335 or Kari Oppegard at 701-212-4800 for assistance.

Contact Edgewood REIT

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