



North Highlands Apartments, Minot, ND



Bridgerview Apartments, Mandan, ND

2020 Fourth Quarter Report to Shareholders & Partners Quarter ended December 31, 2020

Dear Shareholders and Partners:

Greetings from your Management Team! While 2020 certainly presented COVID-19 related challenges from a business and personal standpoint, we are pleased to present 4th quarter and year-end 2020 financials for Edgewood Real Estate Investment Trust which reflect minimal impact from the pandemic. The REIT's financial performance closely tracked the pre-COVID 2020 operating budget, and the REIT experienced year-over-year improvement in earnings-per-share as reflected by funds available for distribution.

Edgewood REIT has been in existence for 10 years, and in that time-period has grown its enterprise value from \$4.5 million to \$1.4 billion. Along with asset growth, we have also experienced year-over-year increases in our earnings-per-share, dividend payout, and net asset value per share. Since January 1, 2011, the compounded annual shareholder return (assuming reinvestment of dividends) has been 15.03%. We have increased our dividend payout from \$.57 cents per share in 2011 to \$1.10 per share (effective January 1, 2021). This represents 10 years of annual dividend growth averaging 5.3% per year. In addition, our share price has increased from \$9.50 (2011 price) to \$22.00 per share. This reflects annual share price growth of 12.5%.

Since inception, we have continued to diversify our real estate portfolio with quality net lease (predominately senior housing) and multi-family assets located in

12 states. Our objective is to provide a strong risk adjusted return to our shareholders. To accomplish this objective, we acquire properties which reduce tenant (credit risk) concentration exposure with a balance between multi-family and net lease assets. As a result of this blend, we expect our portfolio to perform well in both inflationary and disinflationary environments.

We are committed to provide strong financial performance for our shareholders and partners into the future. Our earnings growth consists of both organic growth and external growth through accretive acquisitions. To this end, in December and on January 1st we closed on 239 multi-family units in Minot, North Dakota and 432 multi-family units in Mankato, Minnesota. In addition, on December 15, we closed on a medical office building located in Melbourne, Florida subject to a 15-year net lease with annual 2% escalators with strong tenant credit. These assets are projected to be immediately accretive from an earnings-per-share standpoint.

As we complete 10 years of operation, we remain thankful for the support of our strategic partners and you, our shareholders and partners, for your continued support and confidence.

We wish all of you a prosperous 2021!

Sincerely,

Edgewood Management Team

Income Statement Data

	YTD	Fourth Quarter 2020
Revenues	\$109,020,135	\$27,425,305
Net Income	\$28,917,234	\$6,309,211
Funds from Operations (FFO)	\$51,401,038	\$13,230,974
Funds Available for Distribution (FAD)	\$45,992,693	\$12,075,379

Balance Sheet Data

	December 31, 2020
Current Assets	\$43,959,627
Current Liabilities	\$52,800,559
Total Real Estate Investments	\$1,040,884,860
Total Assets	\$1,108,812,390
Long Term Liabilities	\$612,043,555
Shareholder Equity	\$443,968,276

Per Share Data

	YTD	Fourth Quarter 2020
Shares/ Partnership Units	30,451,627	30,451,627
Net Income	\$0.9496	\$0.2072
Funds from Operations (FFO)	\$1.6880	\$0.4345
Funds Available for Distribution (FAD)	\$1.5104	\$0.3965

Weighted Shares Outstanding

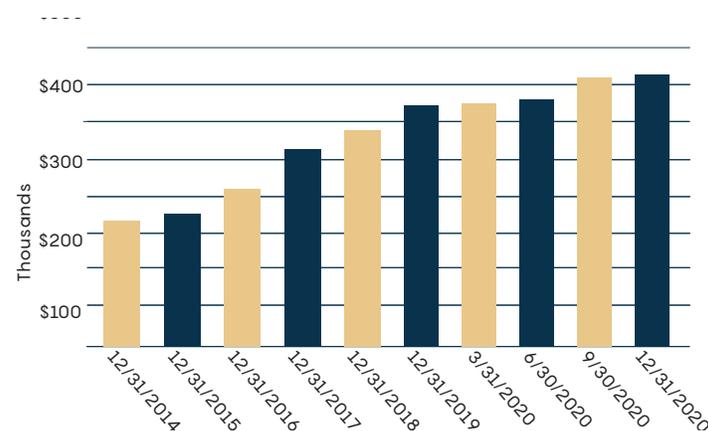
	YTD	Fourth Quarter 2020
Weighted Shares/ Partnership Units	29,424,964	30,163,818
Net Income – Weighted Share	\$0.9827	\$0.2092
Funds from Operations (FFO)	\$1.7469	\$0.4386
Funds Available for Distribution (FAD)	\$1.5631	\$0.4003
Dividends Per Share	\$1.0500	\$0.2625
Total Dividends Paid	\$30,977,249	\$7,966,196

Dividend Coverage

	YTD	Fourth Quarter 2020
FFO/Total Dividends Paid	165.93%	166.09%
FAD/Total Dividends Paid	148.47%	151.58%

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 \$405,635.00 as of December 31, 2020.



Dividend Declaration

The Board of Trustees declared a dividend of 26.25 cents per share to shareholders and partners of record as of December 31, payable on January 15, 2021. This constitutes the 39th consecutive quarterly dividend paid to our shareholders and partners.

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 \$22.00, which will terminate on September 30, 2021. 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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