



Wichita, KS



Grand Forks, ND

2022

Third Quarter Report to Shareholders & Partners
Quarter ended September 30, 2022

Dear Shareholders and Partners:

Greetings from your Management Team! We hope you had a pleasant summer, and this report finds you in good health!

At Edgewood REIT, we continue to have a productive year and added a number of quality assets since our last report. This includes 176-multi-family units in Wichita, Kansas; 84-multi-family units in Fargo, North Dakota; and 72-multi-family units in Minot, North Dakota. In addition, we acquired two quality net lease assets consisting of a multi-tenant medical office building in New Brighton, Minnesota (Minneapolis MSA) and a single tenant professional office building in Grand Forks, North Dakota (12-year NNN lease with strong credit).

In total, we acquired \$40.1 million of multi-family and \$29.6 million of net lease assets in the Third Quarter. All of these assets satisfied our financial hurdle rate and are great additions to the portfolio.

In addition to the above-referenced acquisitions, we also commenced a joint venture, ground-up multi-family project in Prescott, Arizona. Upon completion, this property will consist of 152-multi-family units of which we will own 60%. We continue to engage in ground-up multi-family projects in Bismarck, North Dakota, and by year-end will have completed our North Bismarck townhome project consisting of 50 townhomes. It should be noted, as we complete these units, they are immediately leased.

Our assets continue to perform at a very high level and as of September 30, our multi-family portfolio was operating at 96.1% occupancy and our net lease assets are exceeding 99%.

We are starting to see an expansion in cap rates. However, in many cases the sell-side values, in our opinion, do not reflect today's economic reality. Accordingly, we will remain patient and acquire assets when we see a favorable risk-adjusted return.

Our balance sheet has never been stronger as we continue to reduce our debt-to-asset ratios. We are well positioned to take advantage of future opportunities to acquire assets at favorable valuations.

Based on the performance of our portfolio, the Board of Trustees approved an increase in share price from \$23.50 per share to \$25.00 per share effective in conjunction with our next Private Placement Offering – November 1, 2022. This share price value reflects the year-over-year increase in Net Asset Value of Edgewood REIT.

In conjunction with the share price increase, the Board of Trustees reaffirmed their commitment to maintain a 5% dividend yield on issuance price. This would equate to an annual dividend of \$1.25 per share; an increase from \$1.17½ per share. This dividend will commence First Quarter of 2023.

We are proud of our success since our January 1, 2011 inception. We are committed to build upon this success, and we look forward to a strong finish to the year.

As always, if you have any questions, please contact a member of your management team. Thank you for your continued support.

Sincerely,

Management Team

BUILDING OUR FUTURE

Income Statement Data

	YTD	Third Quarter 2022
Revenues	\$112,685,518	\$40,650,191
Net Income	\$30,044,361	\$10,995,308
Funds from Operations (FFO)	\$56,358,933	\$20,106,733
Funds Available for Distribution (FAD)	\$51,193,125	\$18,233,267

Balance Sheet Data

	September 30, 2022
Current Assets	\$60,983,787
Current Liabilities	\$57,805,375
Total Real Estate Investments	\$1,504,270,772
Total Assets	\$1,586,098,999
Long Term Liabilities	\$749,607,475
Shareholder Equity	\$778,686,149

Per Share Data

	YTD	Third Quarter 2022
Shares/ Partnership Units	43,725,661	43,725,661
Net Income	\$0.6871	\$0.2515
Funds from Operations (FFO)	\$1.2889	\$0.4598
Funds Available for Distribution (FAD)	\$1.1708	\$0.4170

Weighted Shares Outstanding

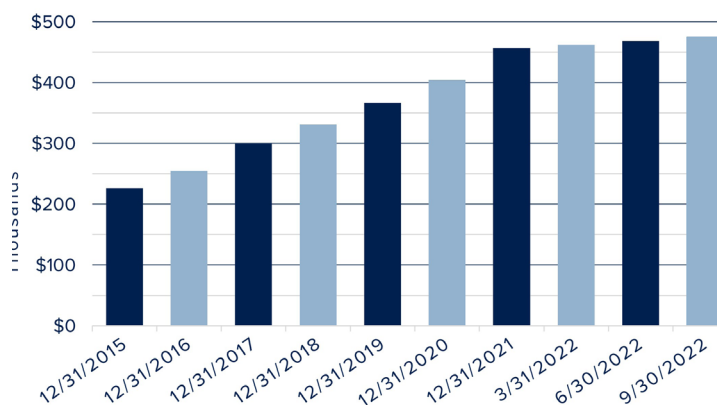
	YTD	Third Quarter 2022
Weighted Shares/ Partnership Units	40,743,140	43,203,062
Net Income – Weighted Share	\$0.7374	\$0.2545
Funds from Operations (FFO)	\$1.3833	\$0.4654
Funds Available for Distribution (FAD)	\$1.2565	\$0.4220
Dividends Per Share	\$0.8813	\$0.2938
Total Dividends Paid	\$36,117,342	\$12,785,354

Dividend Coverage

	YTD	Third Quarter 2022
FFO/Total Dividends Paid	156.04%	157.26%
FAD/Total Dividends Paid	141.74%	142.61%

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 \$474,417.15 as of September 30, 2022.



Dividend Declaration

The Board of Trustees declared a dividend of 29.375 cents per share to shareholders and partners of record as of September 30, payable on October 15, 2022. This constitutes the 46th consecutive quarterly dividend paid to our shareholders and partners.

Dividend Reinvestment

Our Dividend Reinvestment Plan allows for the purchase of REIT 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 \$23.50, which will terminate on October 31, 2022. Effective November 1, 2022, the Trustees approved a private placement offering at \$25.00. If you are interested in purchasing additional shares, please contact your investment representative, Roger Domres at 701-240-3335 or Kari Opegard at 701-212-4800 for assistance.

Contact Edgewood REIT

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Shareholder Services: Kari Opegard E: kari@ewreit.com P: 701-212-4800 W: edgewoodreit.com