



Wayzata, MN

2022 Fourth Quarter Report to Shareholders & Partners Quarter ended December 31, 2022

Dear Shareholders and Partners:

We hope you had a pleasant holiday season and remain in good health. In this report, we are pleased to present continued strong operating results for calendar year 2022. Last year we engaged in cautious balance sheet management. As a result of these efforts, we significantly increased the strength of our balance sheet to prepare for the uncertainty resulting from elevated inflation and interest rates, and restrictive fiscal and monetary policies. We avoided variable rate debt and as of year-end have an average maturity of about ten (10) years on fixed rate long-term debt.

2022 represented our 12th year of operations and in the past year, we experienced significant growth in our asset base, equity, dividend payments, and net operating income. Of particular note, in 2022 our book equity increased from \$599 million to \$819 million. There was very little increase in our long-term debt; accordingly, our debt-to-asset ratio decreased 5.61% from 53.51% to 47.90% and our debt-to-enterprise value ratio decreased 5.6% from 46.63% to 41.03%. The reduction in our leverage ratios was responsive to the rising interest rate environment which was a reaction to elevated inflation rates. This decrease in leverage, along with a 24.53% increase in outstanding shares, resulted in a decrease of our FAD and FFO dividend ratios - although these ratios remain very strong. Our

respective investments: multi-family, healthcare net lease, and other net lease assets continue to experience year-over-year operating income growth and performed as budgeted in 2022.

As we enter 2023, our investment theme is patience and discipline. In the commercial real estate markets we continue to see a price discovery phase as sell-side cap rates adjust to the new interest rate environment. Accordingly, now is the time to be vigilant, to seek opportunistic acquisitions, and maintain acquisition discipline focused on an adequate yield spread over weighted average cost of capital.

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

Thank you for your ongoing support.

Sincerely,

Management Team



BUILDING OUR FUTURE

Income Statement Data

	YTD	Fourth Quarter 2022
Revenues	\$155,209,438	\$42,523,920
Net Income	\$41,637,635	\$11,593,274
Funds from Operations (FFO)	\$77,605,741	\$21,246,808
Funds Available for Distribution (FAD)	\$70,581,414	\$19,388,288

Balance Sheet Data

	December 31, 2022
Current Assets	\$62,855,151
Current Liabilities	\$83,199,651
Total Real Estate Investments	\$1,552,362,222
Total Assets	\$1,640,169,978
Long Term Liabilities	\$737,558,962
Shareholder Equity	\$819,411,366

Per Share Data

	YTD	Fourth Quarter 2022
Shares/ Partnership Units	45,836,231	43,725,661
Net Income	\$0.9084	\$0.2651
Funds from Operations (FFO)	\$1.6931	\$0.4859
Funds Available for Distribution (FAD)	\$1.5399	\$0.4434

Weighted Shares Outstanding

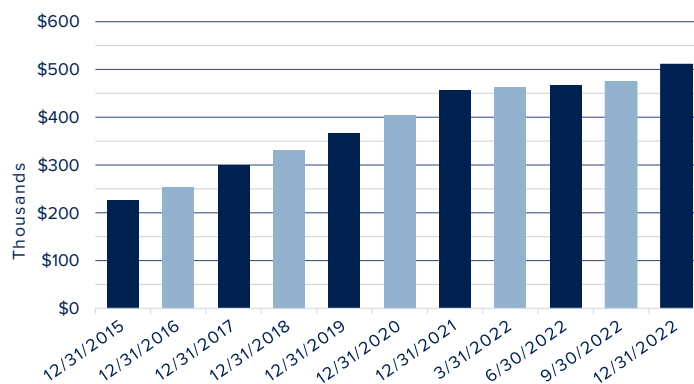
	YTD	Fourth Quarter 2022
Weighted Shares/ Partnership Units	41,996,871	45,598,377
Net Income – Weighted Share	\$0.9914	\$0.2542
Funds from Operations (FFO)	\$1.8479	\$0.4660
Funds Available for Distribution (FAD)	\$1.6806	\$0.4252
Dividends Per Share	\$1.1750	\$0.2938
Total Dividends Paid	\$49,555,728	\$13,438,386

Dividend Coverage

	YTD	Fourth Quarter 2022
FFO/Total Dividends Paid	156.60%	158.11%
FAD/Total Dividends Paid	142.43%	144.28%

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 \$510,941.42 as of December 31, 2022.



Dividend Declaration

The Board of Trustees declared a dividend of 29.375 cents per share to shareholders and partners of record as of December 31, payable on January 15, 2023. This constitutes the 47th 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 \$25.00, which was effective November 1, 2022. 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

Roger Domres E: Roger.Domres@ewreit.com P: 701-240-3335
Shareholder Services: Kari Opegard E: kari@ewreit.com P: 701-212-4800 W: edgewoodreit.com