



Senior Housing, Grand Forks, ND

2023 First Quarter Report to Shareholders & Partners Quarter ended March 31, 2023

Dear Shareholders and Partners:

Greetings from your Management Team!

We hope you had a pleasant winter, and this report finds you in good health.

In this report, we present the 1st Quarter 2023 financial performance for Edgewood Real Estate Investment Trust (“REIT”). Our REIT performance remains strong and through the 1st Quarter we are tracking very close to budget. Our multi-family portfolio consists of 6,651 units (as of March 31), and occupancy as of March 31 is 96.34%. Our net lease portfolio consists of 88 healthcare and other commercial properties and occupancy exceeds 99%.

We continue to seek quality net lease, healthcare and multi-family assets to add to our portfolio. We review, and analyze, on a daily basis potential acquisitions in targeted geographic markets. If our initial review satisfies our internal financial hurdle rates, we engage in negotiations with the prospective seller to arrive at a satisfactory purchase price. We continue to exercise patience and discipline in our review of potential acquisitions to identify properties which provide an adequate risk adjusted return.

We recently (closed on April 10) acquired a 370-unit Class A multi-family asset in San Antonio, Texas. This asset met our financial hurdle rates - and is a great addition to our portfolio. San Antonio remains a market of interest for the REIT, and in addition to the above multi-family asset, we own five medical office buildings in the San Antonio market.

We have received questions regarding the performance of Edgewood REIT in an elevated interest rate and inflationary environment. Frankly, we feel the REIT will benefit in this economic environment for several reasons:

- We have no variable rate debt; weighted average maturity of 9.5 years on our long-term debt; weighted average interest rate of 3.95% on our debt.
- We continue to grow our same store net operating income on the net lease portfolio and the multi-family portfolio.
- A majority of our net lease assets contain CPI-linked escalators with adjustments on an annual basis.
- We reset lease rates on our multi-family portfolio every 12 months.
- The replacement value of our assets will increase in an elevated inflationary environment.

As a Management Team, we believe quality dividend paying companies – like Edgewood REIT – that own income producing real estate will be a superior investment in an inflationary environment.

As always, if you have any questions, please do not hesitate to contact a member of your Management Team.

Thank you for your ongoing support.

Sincerely,

Management Team

Income Statement Data

| | YTD | First Quarter 2023 |
|--|--------------|--------------------|
| Revenues | \$43,186,932 | \$43,186,932 |
| Net Income | \$9,777,553 | \$9,777,553 |
| Funds from Operations (FFO) | \$20,736,043 | \$20,736,043 |
| Funds Available for Distribution (FAD) | \$19,049,211 | \$19,049,211 |

Balance Sheet Data

| | March 31, 2023 |
|-------------------------------|-----------------|
| Current Assets | \$70,100,785 |
| Current Liabilities | \$70,227,883 |
| Total Real Estate Investments | \$1,553,836,687 |
| Total Assets | \$1,649,549,489 |
| Long Term Liabilities | \$774,100,457 |
| Shareholder Equity | \$805,221,148 |

Per Share Data

| | YTD | First Quarter 2023 |
|--|------------|--------------------|
| Shares/ Partnership Units | 46,485,846 | 46,485,846 |
| Net Income | \$0.2103 | \$0.2103 |
| Funds from Operations (FFO) | \$0.4461 | \$0.4461 |
| Funds Available for Distribution (FAD) | \$0.4098 | \$0.4098 |

Weighted Shares Outstanding

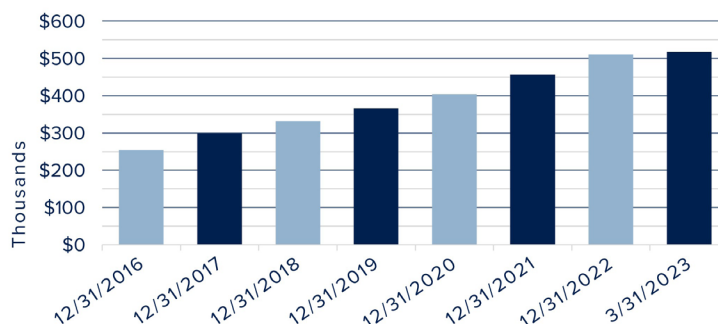
| | YTD | First Quarter 2023 |
|--|--------------|--------------------|
| Weighted Shares/ Partnership Units | 46,289,301 | 46,289,301 |
| Net Income – Weighted Share | \$0.2112 | \$0.2112 |
| Funds from Operations (FFO) | \$0.4480 | \$0.4480 |
| Funds Available for Distribution (FAD) | \$0.4115 | \$0.4115 |
| Dividends Per Share | \$0.3125 | \$0.3125 |
| Total Dividends Paid | \$14,486,511 | \$14,486,511 |

Dividend Coverage

| | YTD | First Quarter 2023 |
|--------------------------|---------|--------------------|
| FFO/Total Dividends Paid | 143.14% | 143.14% |
| FAD/Total Dividends Paid | 131.50% | 131.50% |

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 \$517,260.96 as of March 31, 2023.



Dividend Declaration

The Board of Trustees declared a dividend of 31.25 cents per share to shareholders and partners of record as of March 31, payable on April 15, 2023. This constitutes the 48th 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 per share, 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

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