



REAL ESTATE INVESTMENT TRUST

ANNUAL REPORT 2022

BUILDING OUR FUTURE

## ABOUT EDGEWOOD REIT

Edgewood REIT is a North Dakota-based real estate investment trust. Organized in December of 2010, the REIT's investment objective is to acquire quality senior housing, medical office, multi-family, and other net lease assets, which provide a strong rate of return to its shareholder base.

Edgewood REIT has a strong balance sheet and consistent history of earnings growth. To date, shareholders have earned a 14.56% compounded annual rate of return, consisting of quarterly dividends which have increased every year since inception, and net asset value growth.

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Dan Mikkelsen  
Chairman



Jon Strinden  
President

## Letter to the Shareholders

### Shareholders and Partners

We are pleased to present the 2022 Annual Report for Edgewood Real Estate Investment Trust (“Edgewood REIT” or “REIT”). 2022 concludes the REIT’s 12th year of operation, and consistent with past years, we report another year of profitable growth.

Recent macroeconomic events have validated the investment and management philosophy of Edgewood REIT. Our investment objective is to provide investors with consistent, stable growth as well as reliable and growing dividend distributions. To this end, we have primarily focused our investments in tertiary markets at higher cap rates; real estate markets less susceptible to decreases in value as interest rates increase. Throughout the history of our organization, we have avoided negative leverage on acquisitions and maintained a conservative balance sheet. Our portfolio of quality net lease and multi-family assets, located in 14 states, has provided us with attractive geographic and asset class diversification and reduced risk. We are well positioned to continue our 12-year history of profitable growth.

Frequently, questions arise regarding the performance of our REIT in an elevated inflationary environment. We continue to feel – and our operating results support – our portfolio will perform well in a 4% to 5% inflationary environment. A majority of our net leases contain CPI – linked escalators and we are able to increase multi-family rental rates on an annual basis. In addition, elevated inflation increases the replacement cost of our real estate portfolio. Furthermore, we have avoided variable rate debt which significantly reduces the interest rate risk associated with our portfolio. Over the past 12 years, we have demonstrated outstanding performance in a 2% or less inflationary economy, and are confident we will continue strong performance in an elevated inflationary environment.

### 2022 Financial Performance

2022 was another successful year from a financial performance standpoint. We increased our asset base by 22% (\$299 million); funds available for distribution by 22% (\$13 million); net income by 14% (\$4.9 million); and net operating income by 20% (\$19 million). Our multi-family portfolio (consisting of 6,653 units as of year-end) achieved 4.9% year-over-year same store net operating income growth. As of December 31, the multi-family occupancy level was 96%. In addition, our net lease portfolio (primarily healthcare assets) achieved 2.2% same store net operating income growth and as of December 31, the occupancy level was over 99%. Both the multi-family and net lease portfolios performed as expected and slightly exceeded budget for the 2022 calendar year.

We substantially strengthened our balance sheet in 2022 with book equity increasing from \$599 million on January 1 to \$817 million as of year-end. In addition, there was a significant decrease in debt ratios with our debt-to-asset ratio decreasing by 5.8% from 53.1% to 47.3% and our debt-to-enterprise ratio decreasing 4.6% from 45.1% to 40.5%. As of year-end, long-term debt consisted of \$780 million with a weighted average interest rate of 3.97% and a weighted average maturity of 9.7 years. We have no variable rate debt.

Reflective of another strong year, on November 1, 2022, our Board of Trustees increased the share price from \$23.50 to \$25.00 – based on liquidation value (net asset value) of our real estate portfolio. In conjunction with the share price increase, effective January 1, 2023, the annual dividend was increased from a \$1.17 ½ cents per share to \$1.25 per share. For shareholders who invested in 2011 (\$9.50 per share), their annual cash dividend yield on original investment is 13% per year.

Included within this report are graphs depicting the historical performance of a \$100,000 investment in Edgewood REIT, and a comparison of our performance to the S&P 500 and FTSE Nareit Stock Index. We are pleased with our performance over the past 12 years, but are also cognizant of the ever-changing economic environment and will continue to make adjustments as necessary.

## **2022 Acquisitions**

2022 was another interesting and challenging year. As a result of the tremendous amount of monetary and fiscal stimulus in past years – pandemic related – 2022 was a year of elevated inflation with the Federal Reserve responding with aggressive interest rate increases. This resulted in an increase in the cost of debt capital and correspondingly an increase – with a lag effect – in acquisition cap rates. In 2022, we were fortunate to find, and acquire, assets that satisfied our financial hurdle rates and successfully closed on \$265 million of real estate, which includes quality multi-family, senior housing, medical office, and other net lease assets. We held off on placing debt on many of these assets until we see a moderation in interest rates.

As of year-end, without raising additional equity, we have the financial capacity to acquire an additional \$300 million in assets. As an organization, we will remain disciplined and only acquire property when there is an adequate spread between the economic return (yield) and our weighted average cost of capital.

*continued on next page →*

## Letter to the Shareholders *(continued)*

### **Future**

As a Board and management team we will continue to seek investments that provide long-term income and value growth. Our focus is creating real economic value for shareholders by investing capital at rates of return that exceed our cost of capital. We will also continue to be cautious in managing our balance sheet, avoiding over-leverage, and look for opportunities to lock-in the cost of our debt capital.

We remain skeptical of predictions from “economic pundits” as our experience in these predictions are often wrong. Recognizing the limitations in predictive skills, we will continue to chart a course where we are prepared for various economic and market events and remain conservative in management of our balance sheet and in acquiring assets.

As a management team and board, we recognize our role as an allocator of capital. In 2022, we placed very little long-term debt. Fortunately, we took advantage of very low interest rates prior to 2022 and placed a significant amount of long-term debt at fixed interest rates. After the Federal Reserve has completed quantitative tightening, and as the interest rate environment becomes more favorable, we will once again start placing long-term debt on recent acquisitions. We are constantly analyzing our weighted average cost of capital and making adjustments in the amount of leverage in a manner which reduces risk and our cost of capital.

On the asset side of our balance sheet, we continue to make adjustments based on the risk adjusted return of multi-family, healthcare and other net lease assets. We are well diversified within these real estate sectors and feel this diversification allows us to maximize shareholder return while, at the same time, reducing overall risk. For a majority of the REIT’s history our net lease assets – predominantly senior housing properties – provided us with the strongest cash return on investment. However, in the past few years, our multi-family portfolio has provided the strongest year-over-year net operating income growth and also tremendous growth in asset value. We continue to believe a mix of net lease and multi-family assets will provide the strongest risk-adjusted return and economic value creation for our shareholders.

The rapid increase in interest rates has resulted in a situation where fixed income investment yields are becoming more attractive. At Edgewood REIT, we continue to feel quality dividend paying companies that increase dividend payouts are a superior investment to fixed income instruments and other financial assets. Specifically, companies such as Edgewood REIT, which are invested in real assets should benefit from the current inflationary environment. Edgewood REIT has a history of increasing dividends (over the 12-year history we have increased dividend payout each year with average increase in excess of 8% per year). Our objective is to continue increasing the dividend payout and provide our investors a predictable and growing income stream with underlying asset (NAV) appreciation.

### Summary

The past three years have presented a very difficult environment for all businesses, including real estate investment trusts. This environment reinforces the maxim “you can’t predict; you can prepare”. Very few people predicted the 2019 pandemic. Very few people predicted the pandemic would impact the global and US economy for three years, and continue to impact our economy in 2023. In 2022, many economists were of the belief that inflation was transitory and once the supply chains were fixed, would abate. Later, these individuals recognized inflation was not transitory and our Federal Central Bank, along with Central Banks around the world, moved aggressively to raise interest rates in an attempt to tamp down inflation. As we write this letter, the impact of the rapid increase of the Fed Funds Rate is unknown, as is the ability to reduce inflation to 2%, and how long this may take. In this uncertain world, we continue to stay the course; to be cautious in management of our balance sheet; and to seek opportunistic acquisitions.

Thank you for your continued support of Edgewood REIT.



Dan Mikkelsen, Chairman of the Board



Jon Strinden, President



## Financial Highlights 2019-2022

Key Financial Metrics	2022	2021	2020	2019
Total Assets (in thousands)	\$ 1,648,479	\$ 1,348,691	\$ 1,111,168	\$ 1,040,643
Total Liabilities (in thousands)	\$ 831,102	\$ 749,324	\$ 667,221	\$ 641,188
Total Equity (in thousands)	\$ 817,377	\$ 599,367	\$ 443,947	\$ 399,455
Net Operating Income (in thousands)	\$ 112,294	\$ 93,239	\$ 81,202	\$ 71,666
Funds from Operations (FFO)	\$ 77,605,741	\$ 63,348,889	\$ 51,492,872	\$ 44,304,273
Funds from Operations (per weighted share)	\$ 1.848	\$ 1.901	\$ 1.750	\$ 1.771
Funds Available for Distribution (FAD)	\$ 70,581,414	\$ 57,550,325	\$ 46,084,527	\$ 38,022,623
Funds Available for Distribution (per weighted share)	\$ 1.681	\$ 1.727	\$ 1.566	\$ 1.520
Dividends Paid (per share)	\$ 1.175	\$ 1.100	\$ 1.050	\$ 1.025

FFO: The most accepted and reported measure of REIT operating performance.

FAD: A measure of a real estate company's cash flow generated by operations. It is considered a closer measure of economic profitability than FFO.

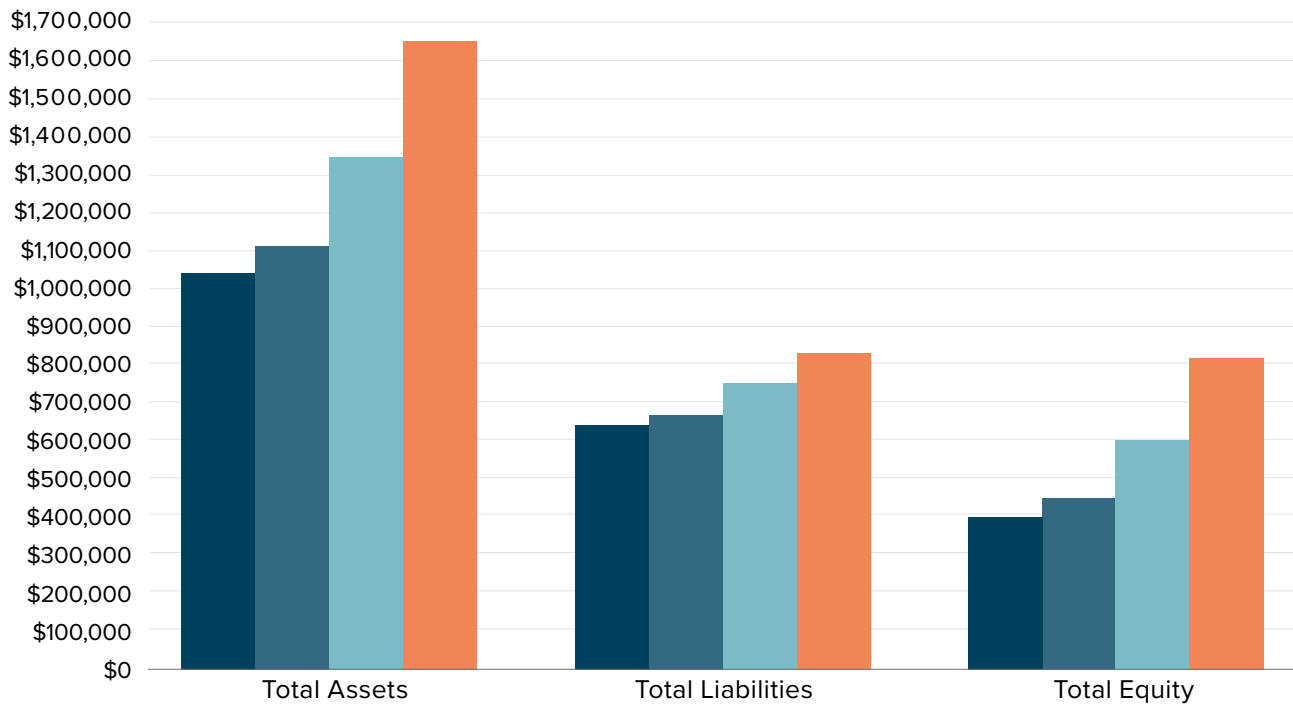


Surgery Center of Viera, Melbourne, FL

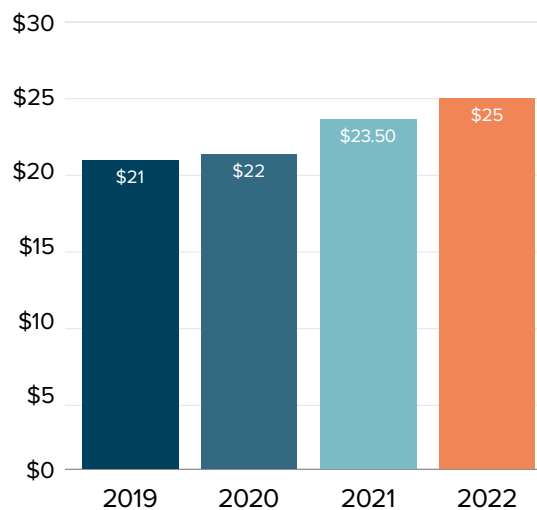


Balance Sheet Bar Graph (in thousands)  
as of December 31

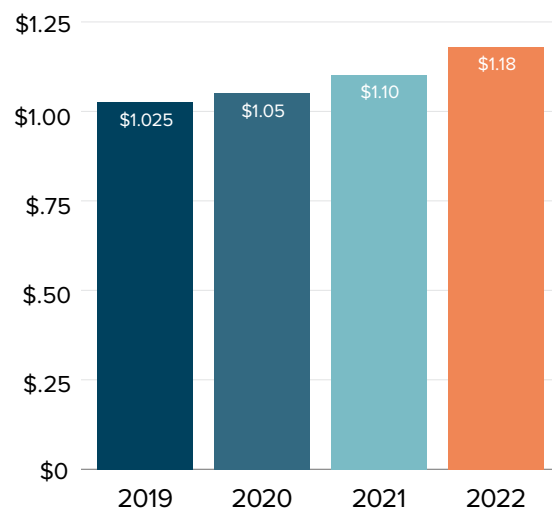
2019 2020 2021 2022



Share Value (Issuance Price)



Dividends Paid Per Share



**Cautionary Language:** Some of the information in this annual report constitutes forward-looking statements. Forward-looking statements are based upon Edgewood's present intent, beliefs or expectations, but forward-looking statements are not guaranteed to occur and may not occur. Edgewood's actual results may differ materially from those contained in Edgewood's forward-looking statements.

## Your Investment

### CREATING SHAREHOLDER VALUE

Edgewood REIT's primary investment objective is to acquire healthcare assets (comprised of senior housing and medical office buildings), multi-family assets and other net lease real estate, which provides a strong risk-adjusted rate of return to its shareholder base.

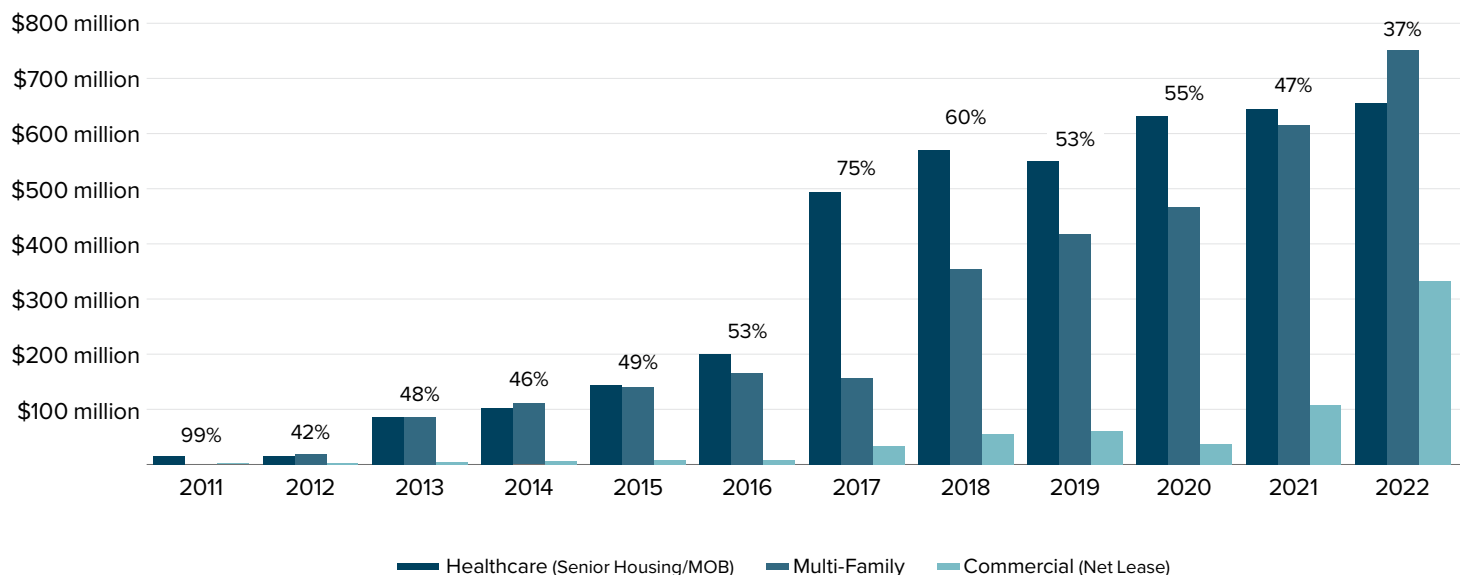
Since its inception, Edgewood REIT has acquired quality real estate which has resulted in a 14.56% compounded annual rate of return to its shareholders. These real estate assets have produced year-over-year increases in net operating income which has resulted in year-over-year increases in earnings and share value.

As of December 31, 2022, Edgewood REIT owns \$655,603,417 (cost basis) of healthcare assets, \$750,551,169 (cost basis) of multi-family assets, and an additional \$332,090,663 (cost basis) of commercial real estate and other investments. Based on property Net Operating Income and market Cap Rates, asset value is approximately \$2 billion as of December 31, 2022.

In 2022, we grew our asset base by \$299 million, book equity by \$218 million, with very little increase in long-term debt (increased by \$64 million). As a result, we significantly strengthened our balance sheet and are in a great position to take advantage of attractively priced acquisitions in 2023.

Edgewood REIT continues to seek opportunities to grow its senior housing and multi-family portfolios and further diversify into medical office buildings and other net lease properties as opportunities arise. We will always be shareholder-focused and opportunistic in acquiring new assets. The goal is to expand our asset base and reduce the overall risk of our investment portfolio without adversely impacting our earnings growth. Edgewood REIT is proud of its strong balance sheet and consistent history of earnings growth. The REIT enters 2023 with a strong foundation and a commitment to grow its net asset value, earnings, and shareholder dividends.

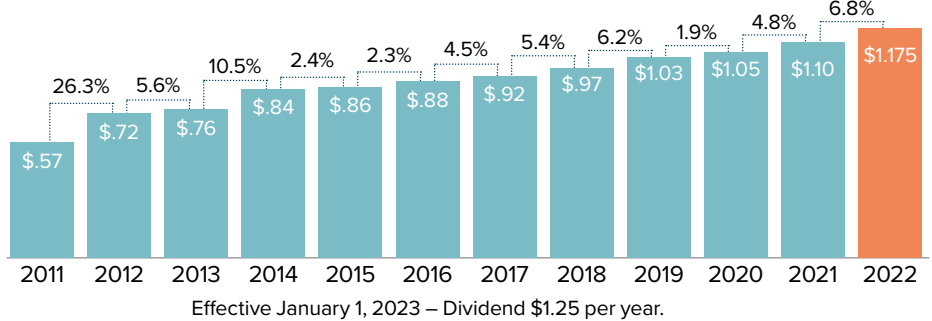
Real Estate Investment By Sector (Cost Basis)



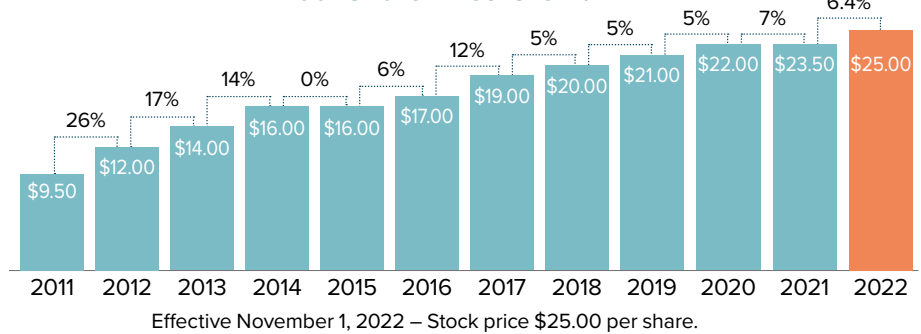
## DISTRIBUTION REINVESTMENT PLAN

A Distribution Reinvestment Plan is offered as a convenience to investors of record who wish to increase their holdings in the company. Additional shares may be purchased, without a service or sales charge, through automatic reinvestment of quarterly cash dividends at a 5% discount off the current share price.

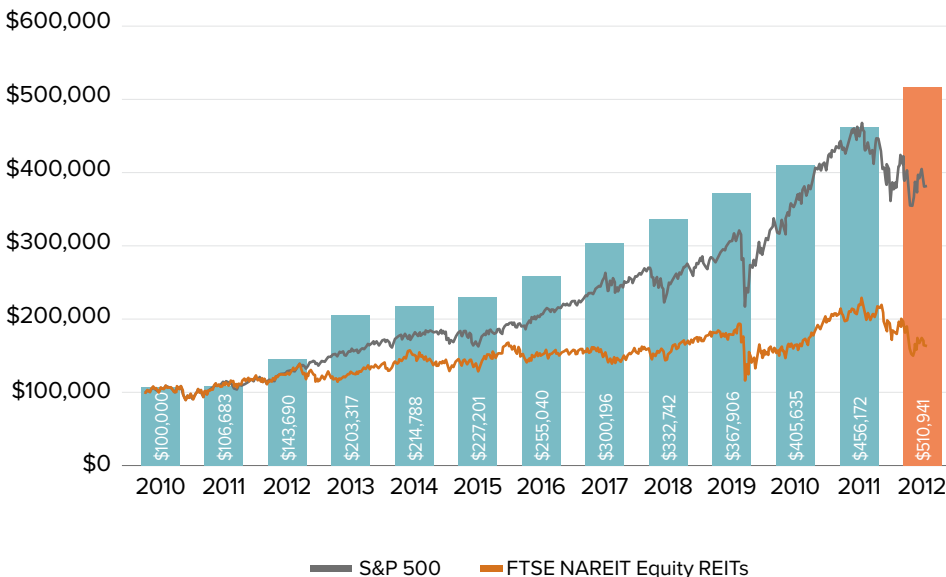
Annual Dividend Growth



Annual Share Price Growth



Investment Performance



## INVESTMENT PERFORMANCE

Calculations for the investment performance 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.

# Board of Trustees

## OUR BOARD

Edgewood Real Estate Investment Trust understands the importance of selecting board members who represent the interest of our investors with the highest degree of integrity. There are nine board members who meet those standards. These individuals are highly competent, ethical and understand their fiduciary responsibilities to the Company and its investors. We appreciate their hard work and the value they bring to Edgewood Real Estate Investment Trust.



Dan Mikkelson  
Chairman



Peggy Becker



Mark Dosch



Dennis J. Elbert



Philip Gisi



Jim Hansen



Dale Klein



Kevin Ritterman



Jon Strinden



# Edgewood REIT Advisors

## EDGEWOOD PROPERTIES MANAGEMENT ("EPM")

EPM is the Advisor to Edgewood Real Estate Investment Trust. The team at EPM consists of a unique blend of seasoned professionals, with extensive experience in the following related areas:

- ▲ Multi-Family Development and Management;
- ▲ Senior Housing Development and Management;
- ▲ Commercial Real Estate Development and Management;
- ▲ Healthcare Administration, Accounting and Finance;
- ▲ Investment Expertise;
- ▲ Real Estate, Tax, Accounting and Finance, Legal;
- ▲ M&A, Commercial, Real Estate and Securities Law.

The Advisor is responsible for finding suitable acquisitions, obtaining financing, closing transactions and overseeing the management of the portfolio.



Roger Domres



Philip Gisi



Danny Hanson



Nola McNeally

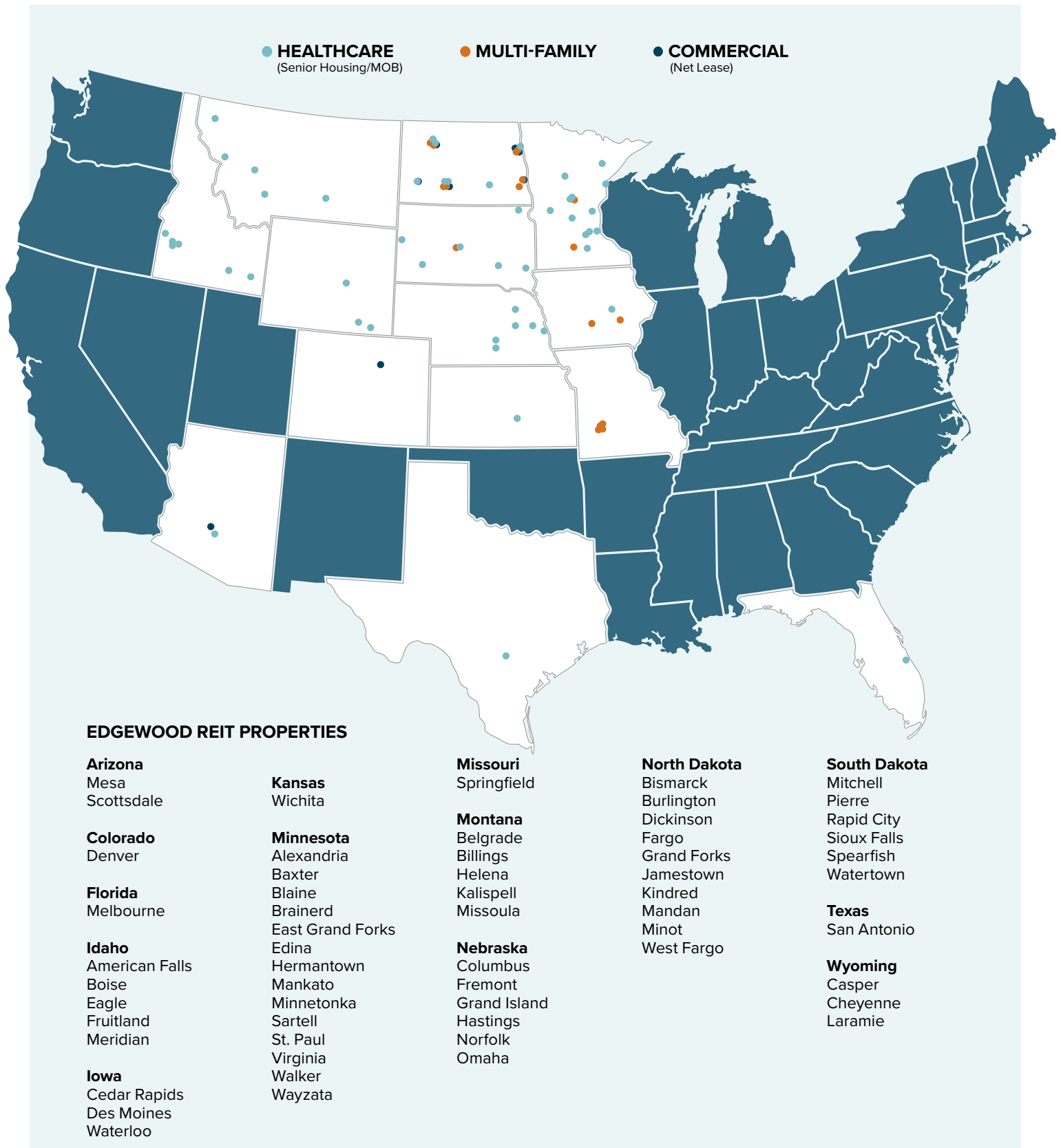


Jon Strinden



Ahron Walter

# Our Growth Map





Sanford Health Clinic, Grand Forks, ND

# Healthcare

Building & Location	Year Built	Year REIT Acquired	Total Units (Senior Housing)	Licensed Housing Capacity (Beds)*				Office Square Footage
IL	AL	MC	Total					
Arizona								
Verve Wellness Center – Mesa, AZ	2006	2019	—	—	—	—	—	8,657
Verve Wellness Center II – Mesa, AZ	2006	2018	—	—	—	—	—	19,455
Florida								
Surgery Center of Viera – Melbourne, FL	2014	2020	—	—	—	—	—	19,977
Idaho								
Edgewood Spring Creek – American Falls, ID	2000	2016	35	—	35	—	35	—
Edgewood Castle Hills – Boise, ID	1994	2019	63	—	63	—	63	—
Edgewood Plantation Place – Boise, ID	1996	2011	39	—	39	—	39	—
Edgewood Spring Creek – Boise, ID	2008	2016	39	—	—	39	39	—
Edgewood Spring Creek Overland – Boise, ID	2010	2016	46	—	46	—	46	—
All Care Medical Office – Eagle, ID	2007	2018	—	—	—	—	—	6,523
Edgewood Spring Creek – Eagle, ID	2000	2016	30	—	30	—	30	—
Edgewood Spring Creek Eagle Island – Eagle, ID	2014	2014	62	—	31	31	62	—
Edgewood Townhomes Eagle Island – Eagle, ID	2014	2014	49	49	—	—	49	—
Edgewood Spring Creek – Fruitland, ID	2013	2016	71	8	52	19	79	—
Edgewood Spring Creek – Meridian, ID	2006	2016	50	—	30	20	50	—
Edgewood Townhomes – Meridian, ID	2006	2016	26	26	—	—	26	—
Edgewood Spring Creek Ustick – Meridian, ID	2011	2016	48	—	48	—	48	—
Iowa								
Ridgeway Dental – Waterloo, IA	2019	2021	—	—	—	—	—	11,794
Kansas								
Ascension Medical Building – Wichita, KS	2000	2019	—	—	—	—	—	30,474
Minnesota								
Arabella Manor – Alexandria, MN	2001	2014	74	74	—	—	74	—
Edgewood – Alexandria, MN	2001	2009	59	—	37	22	59	—
Edgewood – Baxter, MN	2002	2016	66	—	50	16	66	—
Edgewood – Blaine, MN	2014	2014	59	—	34	25	59	—
Town Square Professional Building – Blaine, MN	2008	2019	—	—	—	—	—	25,222
Edgewood – Brainerd, MN	2005	2017	98	—	49	49	98	—
Edgewood – East Grand Forks, MN	1996	2017	30	—	—	36	36	—
Edina Medical Office Buildings – Edina, MN	1975 1959	2020	—	—	—	—	—	6,250 9,950
Edgewood – Hermantown, MN	2000	2017	276	86	140	50	276	—
South Lake Medical Building – Minnetonka, MN	1980	2017	—	—	—	—	—	15,629
Edgewood – Sartell, MN	2008	2017	47	—	47	—	47	—
Edgewood – Sartell, MN	2009	2017	49	—	—	49	49	—

\*IL: Independent Living   AL: Assisted Living   MC: Memory Care



# Healthcare

Building & Location	Year Built	Year REIT Acquired	Total Units (Senior Housing)	Licensed Housing Capacity (Beds)*				Office Square Footage
				IL	AL	MC	Total	
Healtheast Rice Creek Clinic – St. Paul, MN	2004	2018	—	—	—	—	—	15,635
Edgewood – Virginia, MN	2001	2017	188	22	124	42	188	—
May Creek – Walker, MN	1999	2015	49	—	29	20	49	—
Wayzata Medical Office Building – Wayzata, MN	1979	2022	—	—	—	—	—	11,861

## Montana

Edgewood – Belgrade, MT	1999	2017	14	—	—	14	14	—
Edgewood – Billings, MT	1997	2017	24	—	—	28	28	—
Edgewood – Helena, MT	2017	2017	77	—	33	44	77	—
Edgewood – Kalispell, MT	2001	2017	19	—	—	24	24	—
Edgewood – Missoula, MT	1996	2017	20	—	—	25	25	—

## Nebraska

Edgewood – Columbus, NE	1999	2017	10	—	—	12	12	—
Edgewood – Fremont, NE	2000	2017	10	—	—	14	14	—
Edgewood – Grand Island, NE	1998	2017	12	—	—	12	12	—
Edgewood – Hastings, NE	2000	2017	15	—	—	15	15	—
Edgewood – Norfolk, NE	2000	2017	16	—	—	16	16	—
Edgewood – Omaha, NE	2001	2017	13	—	—	13	13	—

## North Dakota

Edgewood Village – Bismarck, ND	2009	2011	189	90	100	14	189	—
Edgewood Vista – Bismarck, ND	1998	2017	95	—	77	17	97	—
Edgewood Hawks Point – Dickinson, ND	2017	2017	100	—	—	—	100	—
Edgewood – Fargo, ND	2007	2017	194	85	82	23	194	—
Edgewood – Grand Forks, ND	2022	2022	168	—	122	22	144	—
Med Park Mall – Grand Forks, ND	1989 & 1996	2018	—	—	—	—	—	59,117
Parkwood – Grand Forks, ND	1986	2015	165	—	—	—	165	—
Sanford Health Clinic – Grand Forks, ND	2021	2021	—	—	—	—	—	22,795
Valley Bone and Joint Clinic – Grand Forks, ND	1988	2017	—	—	—	—	—	20,828
Valley Oral and Facial Surgery – Grand Forks, ND	1997	2021	—	—	—	—	—	6,156
Edgewood – Jamestown, ND	2016	2016	74	—	32	42	74	—
Edgewood – Mandan, ND	2013	2013	143	—	129	22	151	—
Edgewood – Minot, ND	1993	2017	149	—	127	22	149	—
Edgewood Memory Care – Minot, ND	2002	2019	28	—	—	28	28	—
North Star Building – Minot, ND	2006	2018	—	—	—	—	—	13,094
Valley Oral and Facial Surgery – West Fargo, ND	2018	2021	—	—	—	—	—	5,973

# Healthcare

Building & Location	Year Built	Year REIT Acquired	Total Units (Senior Housing)	Licensed Housing Capacity (Beds)*				Office Square Footage
				IL	AL	MC	Total	
South Dakota								
Edgewood – Mitchell, SD	2017	2017	56	—	59	—	59	—
Edgewood – Mitchell, SD	1997	2013	35	—	—	35	35	—
Edgewood – Pierre, SD	2015	2015	68	—	48	24	72	—
Edgewood – Rapid City, SD	2004	2018	90	—	90	—	90	—
Edgewood Prairie Crossings – Sioux Falls, SD	1998	2013	54	—	58	—	58	—
Edgewood Memory Care – Sioux Falls, SD	1998	2017	24	—	—	26	26	—
Edgewood – Spearfish, SD	2004	2017	118	—	79	39	118	—
Edgewood – Watertown, SD	1994	2013	20	—	—	24	24	—
Edgewood Assisted Living – Watertown, SD	2001	2013	82	27	55	—	82	—

## Texas

Dental Office Buildings – San Antonio, TX	2009	2021	—	—	—	—	—	4,595
	2008							10,389
	2010							6,306
	2004							9,611
	2006							3,284
	2009							6,192

## Wyoming

Edgewood Meadow Wind – Casper, WY	1998	2017	100	—	60	40	100	—
Edgewood Park Place – Casper, WY	1984	2017	60	—	60	—	60	—
Edgewood Aspen Wind – Cheyenne, WY	1998	2017	69	—	30	39	69	—
Edgewood Sierra Hills – Cheyenne, WY	1998	2017	81	—	81	—	81	—
Edgewood Spring Wind – Laramie, WY	1999	2017	84	—	65	19	84	—

\*IL: Independent Living AL: Assisted Living MC: Memory Care



### **VERVE WELLNESS CENTER**

**Medical Office**

4824 E Baseline Rd, Suites 137 & 138, Mesa, AZ



### **EDGEWOOD SPRING CREEK**

**Assisted Living**

605 Hillcrest Ave, American Falls, ID



### **VERVE WELLNESS CENTER II**

**Medical Office**

4838 E Baseline Rd, Bldg. 2, Mesa, AZ



### **EDGEWOOD CASTLE HILLS**

**Assisted Living**

5955 Castle Dr, Boise, ID



### **SURGERY CENTER OF VIERA**

**Medical Office**

7955 Spyglass Hills, Melbourne, FL



### **EDGEWOOD PLANTATION PLACE**

**Assisted Living**

3921 Kessinger Ln, Boise, ID

## Healthcare



### **EDGEWOOD SPRING CREEK**

#### **Memory Care**

10681 W McMillan Rd, Boise, ID



### **EDGEWOOD SPRING CREEK**

#### **Assisted Living**

653 N Eagle Rd, Eagle, ID



### **EDGEWOOD SPRING CREEK OVERLAND**

#### **Assisted Living**

10139 W Overland Rd, Boise, ID



### **EDGEWOOD SPRING CREEK EAGLE ISLAND**

#### **Assisted Living – Memory Care**

77 N Fisher Park Way, Eagle, ID



### **ALL CARE MEDICAL OFFICE**

#### **Medical Office**

815 S Bridgeway Place, Eagle, ID



### **EDGEWOOD TOWNHOMES EAGLE ISLAND**

#### **Townhomes (Independent Living)**

77 N Fisher Park Way, Eagle, ID





**EDGEWOOD SPRING CREEK**  
**Assisted Living –Memory Care**  
1255 Allen Ave, Fruitland, ID



**EDGEWOOD SPRING CREEK USTICK**  
**Assisted Living**  
3165 Meridian Rd, Meridian, ID



**EDGEWOOD SPRING CREEK**  
**Assisted Living –Memory Care**  
175 E Calderwood Dr, Meridian, ID



**RIDGEWAY DENTAL**  
**Medical Office**  
1866 West Ridgeway Ave, Waterloo, IA



**EDGEWOOD TOWNHOMES**  
**Town Homes (Independent Living)**  
175 E Calderwood Dr, Meridian, ID



**ASCENSION MEDICAL BUILDING**  
**Medical Office**  
9211 E 21st St, Wichita, KS

## Healthcare



### ARABELLA MANOR

#### Independent Living

1810 Darling Ave E, Alexandria, MN



### EDGEWOOD

#### Edgewood Senior Living

12450 Cloud Dr NE, Blaine, MN



### EDGEWOOD

#### Assisted Living – Memory Care

1902 7th Ave E, Alexandria, MN



### TOWN SQUARE PROFESSIONAL BUILDING

#### Medical Office – Commercial

10705 Town Square Dr NE, Blaine, MN



### EDGEWOOD

#### Assisted Living

14211 Firewood Dr, Baxter, MN



### EDGEWOOD

#### Assisted Living – Memory Care

14890 Beaver Dam Rd, Brainerd, MN





## EDGEWOOD

### Memory Care

608 5th Ave NW, East Grand Forks, MN



## SOUTH LAKE MEDICAL

### Medical Office

17705 Hutchins Dr, Minnetonka, MN



## EDINA MEDICAL OFFICE BUILDINGS

### Medical Office

5203 & 5301 Vernon Ave, Edina, MN



## EDGEWOOD

### Assisted Living

673 Brianna Dr, Sartell, MN



## EDGEWOOD

### Independent Living Assisted Living Memory Care

4195 Westberg Rd, Hermantown, MN



## EDGEWOOD

### Memory Care

677 Brianna Dr, Sartell, MN

## Healthcare



### HEALTHEAST RICE CREEK CLINIC

Medical Office

964 & 980 Rice St, St. Paul, MN



### WAYZATA MEDICAL OFFICE BUILDING

Medical Office

935 Wayzata Blvd, Wayzata, MN



### EDGEWOOD

Independent Living  
Assisted Living Memory Care

705 17th St N, Virginia, MN



### EDGEWOOD

Memory Care

1011 Cardinal Dr, Belgrade, MT



### MAY CREEK

Assisted Living – Memory Care

303 10th St S, Walker, MN



### EDGEWOOD

Memory Care

1225 Wicks Ln, Billings, MT





**EDGEWOOD**

**Assisted Living – Memory Care**

3207 Colonial Dr, Helena, MT



**EDGEWOOD**

**Memory Care**

3386 53rd Ave, Columbus, NE



**EDGEWOOD**

**Memory Care**

141 Interstate Ln, Kalispell, MT



**EDGEWOOD**

**Memory Care**

2910 N Clarkson St, Fremont, NE



**EDGEWOOD**

**Memory Care**

2815 Palmer St, Missoula, MT



**EDGEWOOD**

**Memory Care**

214 N Piper St, Grand Island, NE

## Healthcare



### **EDGEWOOD**

#### **Memory Care**

2400 W 12th St, Hastings, NE



### **EDGEWOOD**

#### **Independent Living – Assisted Living**

3124 Colorado Dr, Bismarck, ND



### **EDGEWOOD**

#### **Memory Care**

1109 Pasewalk Ave, Norfolk, NE



### **EDGEWOOD VISTA ON DOMINION**

#### **Assisted Living – Memory Care**

3406 Dominion St, Bismarck, ND



### **EDGEWOOD**

#### **Memory Care**

17620 Poppleton Ave, Omaha, NE



### **EDGEWOOD HAWKS POINT**

#### **Independent Living – Assisted Living**

1266 Signal Butte, Dickinson, ND





## **EDGEWOOD**

**Independent Living**  
**Assisted Living Memory Care**

4440 37th Ave S, Fargo, ND



## **PARKWOOD**

**Independent Living – Assisted Living**

749 S 30th St, Grand Forks, ND



## **EDGEWOOD**

**Independent Living**  
**Assisted Living Memory Care**

1800 47th Ave S, Grand Forks, ND



## **SANFORD HEALTH CLINIC**

**Medical Office**

1750 47th Ave S, Grand Forks, ND



## **MED PARK MALL**

**Medical Office – Commercial**

1375 & 1395 S Columbia Rd, Grand Forks, ND



## **VALLEY BONE AND JOINT CLINIC**

**Medical Office**

3035 Demers Ave, Grand Forks, ND

## Healthcare



### **VALLEY ORAL & FACIAL SURGERY**

#### **Medical Office**

1165 South Columbia Rd, Suites C & E  
Grand Forks, ND



### **EDGEWOOD**

#### **Assisted Living – Memory Care**

800 16th Ave SE, Minot, ND



### **EDGEWOOD**

#### **Assisted Living – Memory Care**

1104 25th St SW, Jamestown, ND



### **EDGEWOOD MEMORY CARE**

#### **Memory Care**

520 28th Ave SE, Minot, ND



### **EDGEWOOD**

#### **Assisted Living – Memory Care**

2801 39th Ave SE, Mandan, ND



### **NORTH STAR BUILDING**

#### **Medical Office**

2615 Elk Dr, Minot, ND





**VALLEY ORAL & FACIAL SURGERY**

**Medical Office**

3280 6th St E, Suite A, West Fargo, ND



**EDGEWOOD**

**Assisted Living – Memory Care**

1950 E 4th St, Pierre, SD



**EDGEWOOD**

**Assisted Living**

501 E Spruce St, Mitchell, SD



**EDGEWOOD**

**Assisted Living**

4001 Derby Ln, Rapid City, SD



**EDGEWOOD**

**Memory Care**

2201 N Wisconsin St, Mitchell, SD



**EDGEWOOD PRAIRIE CROSSINGS**

**Assisted Living**

1810 S Dorothy Ave, Sioux Falls, SD

## Healthcare



### EDGEWOOD MEMORY CARE

#### Memory Care

3401 W Ralph Rogers Rd, Sioux Falls, SD



### EDGEWOOD ASSISTED LIVING

#### Independent Living – Assisted Living

901 14th Ave NE, Watertown, SD



### EDGEWOOD

#### Assisted Living – Memory Care

540 Falcon Crest Dr, Spearfish, SD



### DENTAL OFFICE BUILDINGS

4422 De Zavala Rd  
933 FM 3009  
9530 Potranco Rd  
San Antonio, TX

9820 Braun Rd  
6735 Sequin Rd/FM 78  
3543 Roosevelt Rd



### EDGEWOOD

#### Memory Care

420 9th St SE, Watertown, SD



### EDGEWOOD MEADOW WIND

#### Assisted Living – Memory Care

3955 E 12th St, Casper, WY





### **EDGEWOOD PARK PLACE**

**Assisted Living**

1930 E 12th St, Casper, WY



### **EDGEWOOD SIERRA HILLS**

**Assisted Living**

4606 N College Dr, Cheyenne, WY



### **EDGEWOOD ASPEN WIND**

**Assisted Living – Memory Care**

4010 North College Dr, Cheyenne, WY



### **EDGEWOOD SPRING WIND**

**Assisted Living – Memory Care**

1072 N 22nd St, Laramie, WY



Trail's Bend Apartments, Springfield, MO



# Multi-Family Housing

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Commercial	Total Units
<b>Iowa</b>				
92 West Apartments – West Des Moines, IA	2002	2018	—	296
<b>Kansas</b>				
Lacrosse Apartments – Wichita, KS	1999	2022	—	176
<b>Minnesota</b>				
Kodiak Apartments – Byron, MN	2003	2021	—	73
Minnesota Heights – East Grand Forks, MN	2013	2013	6,682	39
Northern Pacific – East Grand Forks, MN	2014	2014	—	36
Woodside Apartments – Mankato, MN	2013-2018	2021	—	432
Civic Square Apartments – Rochester, MN	1991	2021	—	125
Pinecone Townhome Villas – Sartell, MN	2009	2017	—	24
<b>Missouri</b>				
Cambium Apartments – Springfield, MO	2019	2019	8,920	127
Cambridge Park Apartments – Springfield, MO	2001 – Phase I 2006 – Phase II	2018	—	134
Coryell Crossing – Springfield, MO	2006	2018	—	176
Falcon at Southern Hills – Springfield, MO	2017	2018	—	106
Hawthorn Apartments – Springfield, MO	1996 & 2008	2022	—	126
Heer's Luxury Living – Springfield, MO	1915	2021	—	80
Highland Park Apartments – Springfield, MO	2003	2018	—	97
Marion Park Apartments – Springfield, MO	2007	2018	—	128
Orchard Park Apartments – Springfield, MO	2008 & 2010	2019	—	416
Sandstone Heights Apartments – Springfield, MO	2007	2018	—	83
Scenic Station Apartments – Springfield, MO	2001	2018	—	96
Sherwood Village Apartments East – Springfield, MO	2006	2018	—	56
Tera Vera – Springfield, MO	2016 – Phase I 2021 – Phase II	2018 2021	—	31 32
Trail's Bend Apartments – Springfield, MO	2019	2019	—	100
Watermill Park – Springfield, MO	2006	2018	—	164
Westwood on Battlefield Apartments – Springfield, MO	1980	2018	—	192
<b>North Dakota</b>				
Coulee Ridge Apartments – Bismarck, ND	2015	2016	—	246
Coulee Ridge Townhomes – Bismarck, ND	2021	2021	—	14
Hawk Pointe Apartments – Bismarck, ND	2008	2020	—	167
Overlook Ridge Apartments – Bismarck, ND	2013	2013	—	125
Terrace Pointe Apartments – Bismarck, ND	2001	2020	—	36
Turnpike Apartments – Bismarck, ND	1998	2021	—	24
Burlington Apartments – Burlington, ND	2010	2012	—	36
Creekside Apartments – Fargo, ND	2020	2022	—	84

# Multi-Family Housing

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Commercial	Total Units
Aspen Park – Grand Forks, ND	1999	2015	—	38
Briarwood – Grand Forks, ND	1995	2015	—	61
Campus Place I – Grand Forks, ND	2005	2013	9,766	6
Campus Place II – Grand Forks, ND	2005	2013	—	44
Campus Place III – Grand Forks, ND	2006	2013	—	74
Campus Place IV – Grand Forks, ND	2008	2013	—	26
Campus Place V – Grand Forks, ND	2009	2013	—	24
Campus Place VI – Grand Forks, ND	2009	2013	—	20
Campus Place VII & VIII – Grand Forks, ND	2004	2013	—	48
Gallery Apartments – Grand Forks, ND	1971	2014	—	143
Kensington Place – Grand Forks, ND	1993	2015	—	91
McEnroe Place I – Grand Forks, ND	2008	2013	—	44
McEnroe Place II – Grand Forks, ND	2008	2013	—	44
McEnroe Place III – Grand Forks, ND	2009	2013	—	67
McEnroe Place IV – Grand Forks, ND	2011	2013	—	34
McEnroe Place V – Grand Forks, ND	2013	2013	—	48
McEnroe Place VI – Grand Forks, ND	2014	2014	—	48
Northern Heights – Grand Forks, ND	2011	2013	7,500	53
Parkview Terrace – Grand Forks, ND	1992	2015	—	61
University Pointe – Grand Forks, ND	2007	2014	10,316	6
Westridge Apartments – Grand Forks, ND	2002	2019	—	167
Kindred Apartments – Kindred, ND	1999	2018	—	14
Bridgeview Apartments – Mandan, ND	2015	2020	—	30
Collins Place – Mandan, ND	2014	2014	3,410	29
Lakewood Apartments – Mandan, ND	2015	2018	—	107
Mandan Place – Mandan, ND	2010	2013	6,642	28
Dakota Terrace Apartments – Minot, ND	1987 & 1997	2021	—	138
Elk Point Apartments – Minot, ND	2009	2022	—	72
Gateway Apartments – Minot, ND	2013	2021	—	22
Minot Place Apartments – Minot, ND	2011	2012	—	144
Morgan Apartments – Minot, ND	1985 & 1986	2021	—	64
North Highlands Apartments – Minot, ND	2013	2020	—	239
North Hill Condos – Minot, ND	2012	2021	—	14
Paramount at the Bluffs – Minot, ND	2011	2020	—	52
Silver Crest Condos – Minot, ND	2012	2021	—	16
The Heights Apartments – Minot, ND	2004	2021	—	16
Westbrook Apartments – West Fargo, ND	1976 – Phase I 1977 – Phase II 1978 – Phase III	2018	—	119
Woodside Willow, Willow Brooke Lodge – Minot, ND	2012	2022	—	42
Woodside Willow, Woodside Townhomes – Minot, ND	2011	2022	—	48
Greenfield Apartments – Southeast ND	1999 – 2001	2018	—	140

## South Dakota

Highlands Ridge Apartments – Pierre, SD	2013	2019	—	57
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### **92 WEST APARTMENTS**

1770 92nd St, West Des Moines, IA



### **MINNESOTA HEIGHTS**

316 4th St NW, East Grand Forks, MN



### **LACROSSE APARTMENTS**

3650 North Woodland Blvd, Wichita, KS



### **NORTHERN PACIFIC**

525 Demers Ave, East Grand Forks, MN



### **KODIAK APARTMENTS**

308 9th Ave NE, Byron, MN



### **WOODSIDE APARTMENTS**

161-351 Roosevelt Circle, Mankato, MN



## Multi-Family Housing



### **CIVIC SQUARE APARTMENTS**

101 Civic Center Dr, Rochester, MN



### **CAMBRIDGE PARK APARTMENTS**

2828 S Nettleton Ave, Springfield, MO



### **PINECONE TOWNHOME VILLAS**

659-699 Brianna Dr, Sartell, MN



### **CORYELL CROSSING**

2015 W University St, Springfield, MO



### **CAMBIUM APARTMENTS**

3811 S Weller Ave, Springfield, MO



### **FALCON AT SOUTHERN HILLS**

2320 S Ingram Mill Rd, Springfield, MO





### **HAWTHORN APARTMENTS**

1825 East Republic Rd, Springfield, MO



### **MARION PARK APARTMENTS**

1725 S Marion Ave, Springfield, MO



### **HEER'S LUXURY LIVING**

138 W Park Central Square, Springfield, MO



### **ORCHARD PARK APARTMENTS**

2601 N Cresthaven Ave, Springfield, MO



### **HIGHLAND PARK APARTMENTS**

1625 S Marion Ave, Springfield, MO



### **SANDSTONE HEIGHTS APARTMENTS**

2861 S Nettleton Ave, Springfield, MO

## Multi-Family Housing



### **SCENIC STATION APARTMENTS**

1130 S Scenic Ave, Springfield, MO



### **TRAIL'S BEND APARTMENTS**

2621 S Jefferson Ave, Springfield, MO



### **SHERWOOD VILLAGE APARTMENTS EAST**

1634 S Marion Ave, Springfield, MO



### **WATERMILL PARK**

1730 E Valley Water Mill Rd, Springfield, MO



### **TERA VERA**

2715 S Kimbrough Ave, Springfield, MO



### **WESTWOOD ON BATTLEFIELD**

1131 West Battlefield, Springfield, MO





### **COULEE RIDGE APARTMENTS**

3009 43rd Ave NE, Bismarck, ND



### **OVERLOOK RIDGE APARTMENTS**

2200 Koch Dr, Bismarck, ND



### **COULEE RIDGE TOWNHOMES**

3009 43rd Ave NE, Bismarck, ND



### **TERRACE POINTE APARTMENTS**

3635 Valcartier St, Bismarck, ND



### **HAWK POINTE APARTMENTS**

4201 Montreal St, Bismarck, ND



### **TURNPIKE APARTMENTS**

2140 Xavier St, Bismarck, ND



## Multi-Family Housing



### **BURLINGTON APARTMENTS**

25 Robert St, Burlington, ND



### **BRIARWOOD**

2650 S 26th Ave, Grand Forks, ND



### **CREEKSIDE APARTMENTS**

4850 46th St S, Fargo, ND



### **CAMPUS PLACE I**

415 N 42nd St, Grand Forks, ND



### **ASPEN PARK**

2450 S 27th Ave, Grand Forks, ND



### **CAMPUS PLACE II**

4274 University Ave, Grand Forks, ND



### **CAMPUS PLACE III**

4278 University Ave, Grand Forks, ND



### **CAMPUS PLACE VI**

425 N 42nd St, Grand Forks, ND



### **CAMPUS PLACE IV**

4270 University Ave, Grand Forks, ND



### **CAMPUS PLACE VII & VIII**

4297 5th Ave, Grand Forks, ND



### **CAMPUS PLACE V**

411 N 42nd St, Grand Forks, ND



### **GALLERY APARTMENTS**

615 & 815 N 39th St, Grand Forks, ND



## Multi-Family Housing



### **KENSINGTON PLACE**

2303 S 27th Ave, Grand Forks, ND



### **MCENROE PLACE III**

3880 Garden View Dr, Grand Forks, ND



### **MCENROE PLACE I**

3920 Garden View Dr, Grand Forks, ND



### **MCENROE PLACE IV**

3750 Garden View, Grand Forks, ND



### **MCENROE PLACE II**

3850 Garden View Dr, Grand Forks, ND



### **MCENROE PLACE V**

3841 Garden View, Grand Forks, ND





### **MCENROE PLACE VI**

3941 Garden View, Grand Forks, ND



### **UNIVERSITY POINTE**

2860 10th Ave N, Grand Forks, ND



### **NORTHERN HEIGHTS**

615 1st Ave N, Grand Forks, ND



### **WESTRIDGE APARTMENTS**

2750 S 38th St & 2750 S 40th St  
Grand Forks, ND



### **PARKVIEW TERRACE**

2396 27th Ave S, Grand Forks, ND



### **KINDRED APARTMENTS**

31 4th Ave S & 351 Linden St, Kindred, ND

## Multi-Family Housing



### **BRIDGEVIEW APARTMENTS**

2003 Marina Rd SE, Mandan, ND



### **MANDAN PLACE**

101 1st Ave NW, Mandan, ND



### **COLLINS PLACE**

100 Collins Ave, Mandan, ND



### **DAKOTA TERRACE APARTMENTS**

3120 & 3212 7th St, 3205 10th St SW  
900 33rd Ave SW  
Minot, ND



### **LAKESWOOD APARTMENTS**

2303 Shoal Loop, Mandan, ND



### **ELK POINT APARTMENTS**

12700, 2710 & 2720 20th Ave NW, Minot, ND





### **GATEWAY APARTMENTS**

1919 35th Ave SW, Minot, ND



### **NORTH HIGHLANDS APARTMENTS**

1250 27th Ave NW, Minot, ND



### **MINOT PLACE APARTMENTS**

1710 13th Ave SE, Minot, ND



### **NORTH HILL CONDOS**

2200 Landmark Circle, Minot, ND



### **MORGAN APARTMENTS**

1921 & 1935 6th St, Minot, ND



### **PARAMOUNT AT THE BLUFFS**

1500 & 1502 35th Ave SE, Minot, ND



## Multi-Family Housing



### SILVER CREST CONDOS

2160 Landmark Circle, Minot, ND



### WOODSIDE TOWNHOMES

1300-1346 35th Ave SE & 1301-1347 37th Ave SE  
Minot, ND



### THE HEIGHTS APARTMENTS

1510 16th St SW, Minot, ND



### WESTBROOK APARTMENTS

901, 908 & 919 9th St W, 911 9th Ave W  
902 & 912 10th St W, 901 & 913 10th Ave W  
West Fargo, ND



### WILLOW BROOKE LODGE

3311 8th St. NE, Minot, ND



### GREENFIELD APARTMENTS

Southeast ND



## **HIGHLANDS RIDGE APARTMENTS**

2412 E 4th St, Pierre, SD



New Brighton Commercial Office Building, New Brighton, MN



# Commercial

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Commercial
<b>Arizona</b>			
Princess & Perimeter Office Building – Scottsdale, AZ	2007	2018	85,527
Terra Verde – Scottsdale, AZ	2007	2022	183,986
Towers at Scottsdale Landing – Scottsdale, AZ	2006	2022	86,953
<b>Colorado</b>			
Lockton Tower – Denver, CO	2003	2022	126,129
<b>Iowa</b>			
Cedar Rapids Office on Edgewood, Cedar Rapids, IA	2015	2022	34,274
Cedar Rapids Office on Sherman – Cedar Rapids, IA	2012	2022	18,537
Mills Fleet Farm – Cedar Rapids, IA	2019	2021	196,738
<b>Minnesota</b>			
Nortech – Bemidji, MN	1979	2022	61,500
Mills Fleet Farm – Blaine, MN	2007	2021	239,704
Nortech – Mankato, MN	1994	2022	58,869
New Brighton Commercial Office Building – New Brighton, MN	2007	2022	108,329
<b>North Dakota</b>			
Rock Island Mall – Bismarck, ND	2015	2021	11,994
Tractor Supply Company – Dickinson, ND	2014	2019	19,094
EAPC Building – Fargo, ND	1905	2019	17,640
Goodyear Commercial Tire & Service Center – Fargo, ND	1987	2021	18,400
EAPC Building – Grand Forks, ND	1997	2017	14,361
Garden View Office Building – Grand Forks, ND	2010	2022	41,973
Grand Forks Corporate Center – Grand Forks, ND	1999	2022	61,752
University Real Estate – Grand Forks, ND	2004	2013	10,678

## Commercial



### **PRINCESS & PERIMETER OFFICE BUILDING**

17550 N Perimeter Dr, Scottsdale, AZ



### **LOCKTON TOWER**

8110 East Union Ave, Denver, CO



### **TERRA VERDE**

16767 North Perimeter Dr, Scottsdale, AZ



### **CEDAR RAPIDS OFFICE ON EDGEWOOD**

4201 42nd St NE, Cedar Rapids, IA



### **TOWERS AT SCOTTSDALE LANDING**

8660 East Hartford Dr, Scottsdale, AZ



### **CEDAR RAPIDS OFFICE ON SHERMAN**

501 1st St SE, Cedar Rapids, IA



### **MILLS FLEET FARM – CEDAR RAPIDS**

4650 Cross Pointe Blvd &  
5245 Edgewood Rd NE  
Cedar Rapids, IA



### **NORTECH – BEMIDJI**

4050 Norris Court NW, Bemidji, MN



### **MILLS FLEET FARM – BLAINE**

10250 & 10280 Lexington Ave NE  
Blaine, MN



### **NORTECH – MANKATO**

1950 Excel Dr, Mankato, MN



### **NEW BRIGHTON COMMERCIAL OFFICE BUILDING**

119 14th St NW, New Brighton, MN



### **ROCK ISLAND MALL**

2706 Rock Island Pl, Bismarck, ND



## Commercial



**TRACTOR SUPPLY COMPANY**  
4544 West Ridge Dr, Dickinson, ND



**GOODYEAR COMMERCIAL TIRE & SERVICE CENTER**  
2727 1st Ave N, Fargo, ND



**EAPC BUILDING**  
112 & 122 Roberts St, Fargo, ND



**EAPC BUILDING**  
3100 Demers Ave, Grand Forks, ND



### **GRAND FORKS CORPORATE CENTER**

401 Demers Ave, Grand Forks, ND



### **UNIVERSITY REAL ESTATE**

2855 10th Ave N, Grand Forks, ND



### **GARDEN VIEW OFFICE BUILDING**

4050 Garden View Dr, Grand Forks, ND



### **BREMER BANK BUILDING**

1615 36th Ave SW, Minot, ND

**EDGEWOOD REAL ESTATE INVESTMENT TRUST  
AND SUBSIDIARIES**

**FARGO, NORTH DAKOTA**

AUDITED CONSOLIDATED FINANCIAL STATEMENTS  
FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021



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## INDEPENDENT AUDITOR'S REPORT

To the Management and Board of Trustees of  
Edgewood Real Estate Investment Trust and Subsidiaries  
Fargo, North Dakota

### Report on the Audit of the Consolidated Financial Statements

#### Opinion

We have audited the accompanying consolidated financial statements of Edgewood Real Estate Investment Trust and Subsidiaries, which comprise the consolidated balance sheets as of December 31, 2022 and 2021, and the related consolidated statements of operations, other comprehensive income, stockholders' equity, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Edgewood Real Estate Investment Trust and Subsidiaries as of December 31, 2022 and 2021, and the results of their operations and their cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

#### Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are required to be independent of Edgewood Real Estate Investment Trust and Subsidiaries and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### Responsibilities of Management for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about Edgewood Real Estate Investment Trust and Subsidiaries' ability to continue as a going concern within one year after the date that the consolidated financial statements are available to be issued.

## **Auditor's Responsibilities for the Audit of the Consolidated Financial Statements**

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Edgewood Real Estate Investment Trust and Subsidiaries' internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the consolidated financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about Edgewood Real Estate Investment Trust and Subsidiaries' ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.



## **Other Information Included in the Company's Annual Report**

Management is responsible for the other information included in the Company's annual report. The other information comprises the information included in the annual report, but it does not include the consolidated financial statements and our auditor's report thereon. Our opinion on the consolidated financial statements does not cover the other information, and we do not express an opinion or any form of assurance on it.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the consolidated financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

**BRADY, MARTZ & ASSOCIATES, P.C.**  
**MINOT, NORTH DAKOTA**

March 31, 2023

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2022 AND 2021**

<b>ASSETS</b>		
	2022	2021
REAL ESTATE INVESTMENTS	\$ 1,718,653,689	\$ 1,398,177,167
Less accumulated depreciation	(168,680,190)	(133,746,567)
Total real estate investments	<u>1,549,973,499</u>	<u>1,264,430,600</u>
OTHER ASSETS		
Cash and cash equivalents	22,128,848	42,654,290
Land held for investment	5,668,068	6,407,248
Accounts receivable, net	7,852,744	10,642,440
Related party receivable	21,143,138	91,929
Straight-line rent receivable	19,175,084	15,936,630
Prepaid expenses	4,140,567	2,810,347
Other assets	11,971,462	235,961
Restricted deposits	6,425,425	5,481,492
Total other assets	<u>98,505,336</u>	<u>84,260,337</u>
TOTAL ASSETS	<u>\$ 1,648,478,835</u>	<u>\$ 1,348,690,937</u>
<b>LIABILITIES AND EQUITY</b>		
LIABILITIES		
Accounts payable	\$ 10,553,403	\$ 7,186,043
Advance rents and security deposits	3,597,492	2,740,084
Accrued expenses and other liabilities	2,270,259	11,110,918
Distributions payable	13,438,386	9,897,808
Related party payable	20,663,548	2,067,564
Notes payable	785,726,123	721,726,608
Less: unamortized debt issuance costs	(5,147,165)	(5,405,465)
TOTAL LIABILITIES	<u>831,102,046</u>	<u>749,323,560</u>
NON-CONTROLLING INTERESTS IN PARTIALLY OWNED PROPERTIES	<u>22,823,157</u>	<u>21,473,825</u>
EQUITY		
Common shares of beneficial interest (No par value, 16,930,732 and 14,714,567 shares issued and outstanding as of December 31, 2022 and 2021, respectively)	297,941,163	248,274,767
Retained earnings (accumulated deficit)	(22,991,215)	(18,750,366)
Accumulated other comprehensive income (loss)	10,258,845	(9,099,492)
Non-controlling interests in operating partnership (28,905,498 and 22,092,960 units outstanding at December 31, 2022 and 2021, respectively)	509,344,839	357,468,643
Total equity	<u>794,553,632</u>	<u>577,893,552</u>
TOTAL LIABILITIES, NON-CONTROLLING INTERESTS IN PARTIALLY OWNED PROPERTIES, AND EQUITY	<u>\$ 1,648,478,835</u>	<u>\$ 1,348,690,937</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OPERATIONS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
REVENUE		
Real estate rentals	\$ 145,845,219	\$ 120,008,345
Other operating income	<u>9,363,923</u>	<u>5,695,281</u>
Total revenue	<u>155,209,143</u>	<u>125,703,626</u>
EXPENSES		
Interest expense	31,227,577	28,166,978
Depreciation on real estate investments	36,520,661	29,860,560
Management fees	12,736,118	10,388,062
Repairs and maintenance	8,224,355	5,912,205
De minimis capital expenditures	2,154,809	-
Property taxes	9,726,579	6,957,612
Utilities	7,223,176	6,095,246
Insurance	3,212,748	2,688,023
Professional services	527,250	405,314
Outside services	220,759	186,976
General and administrative	8,101,929	5,403,970
Advertising	779,015	835,506
Supplies	778,512	644,537
Bad debt expense	539,514	506,189
Miscellaneous	<u>109,847</u>	<u>91,619</u>
Total operating expenses	<u>122,082,849</u>	<u>98,142,797</u>
INCOME FROM OPERATIONS	33,126,294	27,560,829
OTHER INCOME (EXPENSE)		
Other non-operating income	3,039,368	3,574,072
Other non-operating expense	(193,169)	-
Gain on sale of real estate	1,504,294	2,386,622
Interest income	<u>2,434,403</u>	<u>1,424,934</u>
Total other income	<u>6,784,896</u>	<u>7,385,628</u>
NET INCOME	39,911,190	34,946,458
LESS: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS IN PARTIALLY OWNED PROPERTIES	(308,132)	(238,605)
LESS: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS IN OPERATING PARTNERSHIP	<u>(24,993,330)</u>	<u>(21,115,570)</u>
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	<u>\$ 14,609,728</u>	<u>\$ 13,592,283</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF OTHER COMPREHENSIVE INCOME**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	<u>2022</u>	<u>2021</u>
OTHER COMPREHENSIVE INCOME		
Net income	\$ 39,911,190	\$ 34,946,458
Other comprehensive income (loss)		
Unrealized gain (loss) from derivative instrument	<u>19,358,337</u>	<u>4,348,618</u>
Total other comprehensive income	59,269,527	39,295,076
 LESS: COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	 <u>(37,358,030)</u>	 <u>(23,964,875)</u>
 COMPREHENSIVE INCOME AVAILABLE TO COMMON SHAREHOLDERS	 <u>\$ 21,911,497</u>	 <u>\$ 15,330,201</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF STOCKHOLDERS' EQUITY**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	Number of Common Shares	Common Stock	Retained Earnings (Deficit)	Accumulated Other Comprehensive Income (Loss)	Non-Controlling Interests in Operating Partnership	Total Equity
BALANCE JANUARY 1, 2021	12,230,612	\$ 195,048,339	\$ (17,440,997)	\$ (13,448,110)	\$ 275,014,764	\$ 439,173,996
Net income	-	-	13,592,283	-	21,115,570	34,707,853
Other comprehensive income (loss)	-	-	-	4,348,618	-	4,348,618
Common shares issued (net of commissions)	1,782,322	45,289,920	-	-	-	45,289,920
Operating partnership units issued	-	-	-	-	85,162,789	85,162,789
Distributions - common shares	-	-	(14,901,652)	-	-	(14,901,652)
Distributions reinvested	723,696	8,318,799	-	-	-	8,318,799
Net redemptions	(22,063)	(382,291)	-	-	(1,922,810)	(2,305,101)
Distributions - non-controlling interests	-	-	-	-	(21,901,670)	(21,901,670)
BALANCE DECEMBER 31, 2021	14,714,567	248,274,767	(18,750,366)	(9,099,492)	357,468,643	577,893,552
Net income	-	-	14,609,728	-	24,993,330	39,603,058
Other comprehensive income (loss)	-	-	-	19,358,337	-	19,358,337
Common shares issued (net of commissions)	1,541,970	41,573,702	-	-	-	41,573,702
Operating partnership units issued	-	-	-	-	159,111,549	159,111,549
Distributions - common shares	-	-	(18,850,577)	-	-	(18,850,577)
Distributions reinvested	724,439	9,698,170	-	-	-	9,698,170
Net redemptions	(50,244)	(1,605,476)	-	-	(1,523,532)	(3,129,008)
Distributions - non-controlling interests	-	-	-	-	(30,705,151)	(30,705,151)
BALANCE DECEMBER 31, 2022	16,930,732	\$ 297,941,163	\$ (22,991,215)	\$ 10,258,845	\$ 509,344,839	\$ 794,553,632

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

	2022	2021
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 39,911,190	\$ 34,946,458
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation on real estate investments	36,520,661	29,860,560
Amortization on finance fees	1,169,227	1,538,137
Gain on sale of real estate	(1,504,294)	(2,386,622)
Net income attributable to non-controlling interests in partially owned properties	(308,132)	(238,605)
Effects on operating cash flows due to change in:		
Accounts receivable	(966,084)	(1,059,551)
Straight-line rent receivable	(3,238,454)	(2,190,976)
Prepaid expenses	(1,330,220)	(482,448)
Accounts payable	3,573,549	(1,686,282)
Accrued expenses	(900,521)	(71,954)
Advance rents and security deposits	857,408	1,086,029
Net cash provided (used) by operating activities	<u>73,784,330</u>	<u>59,314,746</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds on sale of property and equipment	8,800,000	16,206,619
Purchase of property and equipment	(161,255,458)	(107,136,941)
Sale (purchase) of land held for investment	739,180	(148,717)
Payments (advances) on related party receivable/payable	1,094,364	2,620,619
Payments (advances) on related party notes receivable	-	8,000,000
Net cash provided (used) by investing activities	<u>(150,621,914)</u>	<u>(80,458,420)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distributions paid to non-controlling interests	(28,091,469)	(20,806,029)
Distributions paid to common shareholders	(9,019,909)	(7,257,041)
Redemption of common shares	(1,605,476)	(382,291)
Brokerage commissions paid on shares issued	(969,429)	(281,986)
Proceeds from common shares issued	42,543,131	43,649,096
Advances on notes payable	79,658,692	52,584,533
Payments on notes payable	(25,259,465)	(25,801,272)
Net cash provided (used) by financing activities	<u>57,256,075</u>	<u>41,705,010</u>
<b>CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED DEPOSITS</b>	<u>(19,581,509)</u>	<u>20,561,336</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED DEPOSITS, BEGINNING OF YEAR</b>	<u>48,135,782</u>	<u>27,574,446</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED DEPOSITS, END OF YEAR</b>	<u>\$ 28,554,273</u>	<u>\$ 48,135,782</u>
 Cash and Cash Equivalents	 \$ 22,128,848	 \$ 42,654,290
Restricted Deposits	<u>6,425,425</u>	<u>5,481,492</u>
Total Cash, Cash Equivalents, and Restricted Deposits	<u>\$ 28,554,273</u>	<u>\$ 48,135,782</u>
 Cash paid during the year for interest	 <u>\$ 30,969,580</u>	 <u>\$ 26,999,879</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENTS OF CASH FLOWS - CONTINUED**  
**FOR THE YEARS ENDED DECEMBER 31, 2022 AND 2021**

**SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING  
AND FINANCING ACTIVITIES**

Real estate investments acquired through issuance of notes payable	\$ 9,600,288	\$ 56,008,503
Change in other comprehensive income	19,538,337	4,348,618
Real estate investments acquired through issuance of non-controlling interests in operating partnership	159,111,549	85,162,789
Real estate investments acquired through issuance of non-controlling interests in partially owned properties	1,349,332	16,700,506
Redemption of non-controlling interests through issuance of common shares	(1,523,532)	1,922,810
Distributions on non-controlling interests declared and not paid	8,464,984	5,851,302
Distributions on common shares declared and not paid	4,973,403	4,046,506
Distribution of common shares reinvested	9,698,170	8,318,799

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 1 NATURE OF OPERATIONS AND SIGNIFICANT ACCOUNTING POLICIES**

**Nature of operations**

Edgewood Real Estate Investment Trust (“The Company” or “Edgewood REIT”) is a real estate investment trust (REIT) engaged in acquiring, owning and leasing senior housing facilities, commercial real estate, and multi-family and other housing-related real property in North Dakota, South Dakota, Minnesota, Montana, Nebraska, Wyoming, Idaho, Missouri, Iowa, Arizona, Florida, Kansas, Colorado, and Texas. REITs are subject to a number of organizational and operational requirements, including a requirement to distribute 90% of REIT taxable income to shareholders and, generally, are not subject to federal income tax on net income. The Company was formed during 2010. The Company conducts a majority of its business activities through its consolidated operating partnership, Edgewood Properties LLLP, a North Dakota Limited Liability Limited Partnership (the “Operating Partnership”), and through several wholly-owned subsidiaries, which are listed in Note 14.

**Basis of presentation**

The consolidated financial statements include the accounts of Edgewood Real Estate Investment Trust and its Subsidiaries, as noted above, in which it maintains a controlling interest. All material inter-company transactions and balances have been eliminated in the consolidated financial statements. Edgewood Properties is a 100% owner of the LLC entities disclosed in Note 14. The Company’s interest in the Operating Partnership was 37% as of December 31, 2022 which includes 100% of the general partnership interest. The limited partners own units in the Operating Partnership which have a conversion option they may exercise for Edgewood REIT common shares of beneficial interest, on a one-for-one basis. The limited partners have no voting rights in Edgewood REIT.

**Use of estimates**

The preparation of consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**Real estate investments**

Real estate investments held for rental are stated at the lower of cost less accumulated depreciation or fair value if impairment is identified. Real estate investments held for sale are reported at the lower of their carrying amount or fair value less cost to sell. Buildings and land improvements are depreciated on the straight-line method over their estimated life not to exceed 40 and 20 years, respectively. Furniture, fixtures, and equipment are depreciated on the straight-line method over their estimated life not to exceed 9 years. All direct and indirect costs, including interest and real estate taxes associated with the development, construction, leasing or expansion of real estate investments, are capitalized as a cost of the property. Expenditures for repairs and improvements which significantly add to the productive capacity or extend the useful life of an asset are capitalized. Expenditures for routine maintenance and repairs, which do not add to the value or

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

extend the useful life of an asset, are charged to expense as incurred. The Company currently expenses most capital costs of individual items that are individually under a \$2,500 threshold according to the capitalization policy as adopted by the Company.

The Company recognizes acquisition fees at the point of purchase (disposal) in accordance with ASU No. 2017-01. The Company allocates the purchase price based on the relative fair values of the tangible and intangible assets of an acquired property (including the land, building, and personal property) which is based on the relative fair values of tangible and intangible assets. The estimated fair value of the property is the amount which would be recoverable upon the disposition of the property. Techniques used to estimate fair value include discounted cash flow analysis and reference to recent sales of comparable properties. A land value is assigned based on the purchase price if land is acquired separately or based on estimated fair value if acquired in a merger or in a single or portfolio acquisition.

Acquired above and below-market lease values are recorded as the difference between the contractual amounts to be paid pursuant to the in-place leases and management's estimate of fair market value lease rates for the corresponding in-place leases. The capitalized above and below-market lease values are amortized and included as part of rent expense over the remaining terms of the respective leases, which include fixed rate renewal options for below-market leases if it is determined probable the tenant will execute a bargain renewal option. The REIT currently does not have any allocations to above or below- market lease values.

Other intangible assets acquired include amounts for in-place lease values which are based on the Company's evaluation of the specific characteristics of the leases. Factors considered in the fair value analysis include an estimate of carrying costs and foregone rental income during hypothetical expected lease-up periods, considering current market conditions, and costs to execute similar leases. The Company also considers information about each property obtained during its pre-acquisition due diligence, marketing and leasing activities in estimating the relative fair value of the tangible and intangible assets acquired. The in-place lease allocations are included in real estate investments and amortized over the lease terms, including extensions, no greater than 20 years.

At least annually, or upon the occurrence of significant changes in the operations, the Company evaluates its real estate investments to assess whether any impairment indications are present, including recurring operating losses and significant adverse changes in legal factors or business climate which affect the recovery of the recorded value. If any real estate investment is considered impaired, a loss is provided to reduce the carrying value of the property to its estimated fair value.

### **Cash and cash equivalents**

The Company is including its checking accounts, savings accounts, and CDs as cash and cash equivalents in these statements. There are no other highly liquid investments which are considered cash and cash equivalents.

### **Restricted deposits**

Pursuant to the terms of certain mortgages and management policy, the Company establishes and maintains real estate tax and insurance escrow accounts to pay real estate taxes and insurance. The Company contributes to the account a monthly amount equaling 1/12<sup>th</sup> of the estimated annual real estate taxes and insurance premiums.



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

Pursuant to the terms of certain mortgages and management policy, the Company establishes and maintains replacement reserve accounts. The Company makes monthly deposits into the replacement reserve accounts to be used for repairs and maintenance on the properties. Certain replacement reserve accounts require authorization of the mortgage company for withdrawals.

**Notes receivable**

Notes receivable are recorded at cost.

**Straight-line rent receivable**

Certain rental revenue is recognized on a straight-line basis, which averages minimum required rents to be received over the terms of the leases. Rent recognized in advance of collection is reflected as a receivable arising from straight-lining rents, net of allowance for doubtful accounts. Rent concessions, including free rent, are reflected as a payable and are amortized over the terms of the related leases.

**Receive-variable, pay-fixed interest rate swaps**

The Company has adopted the alternative offered to nonpublic entities in FASB ASC 815-20 for certain variable rate borrowings involving receive-variable, pay-fixed interest rate swaps. In accordance with this alternative, the Company assumes there is no hedge ineffectiveness and applies the simplified hedge accounting approach for all interest rate swaps meeting those criteria. In addition, the Company measures the swap using settlement value rather than fair value.

**Other assets**

Other assets consist of earnest money deposits and other nonmarketable investments recorded at cost.

**Allowance for doubtful accounts**

Accounts receivable are considered past due if any portion of the receivable balance is outstanding more than 90 days. Interest is charged on accounts receivable which are past stated terms and recognized as it is charged. The accrual of interest is discontinued when management believes the receivables are impaired or collection of interest is doubtful. There were no significant nonaccrual accounts receivable at December 31, 2022 and 2021.

Management evaluates the allowance for doubtful accounts by assessing the recoverability of rent and other receivables, and comparing the carrying value with the estimated realizable value. Management considers the tenant's financial condition and credit history as well as current economic conditions.

**Distributions payable**

Distributions payable represent distributions declared to common shareholders and unit holders in the operating partnership of record on December 31, 2022 payable on January 15, 2023.

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Advertising**

The Company expenses advertising costs as they are incurred.

**Federal income taxes**

Edgewood REIT operates in a manner intended to qualify as a Real Estate Investment Trust under Sections 856-860 of the Internal Revenue Code of 1986, as amended. Under those sections, a REIT which distributes at least 90% of its taxable income as a dividend to its shareholders each year and which meets certain other conditions will not be taxed on that portion of its taxable income. For the year ended December 31, 2022, the Company distributed in excess of 90% of its taxable income within the prescribed time limits; accordingly, no provision has been made for federal income taxes in the accompanying consolidated financial statements. If the Company fails to qualify as a REIT in any taxable year, the Company will be subject to federal income tax on its taxable income at regular corporate rates (including any alternative minimum tax) and may not be able to qualify as a REIT for the four subsequent taxable years. Even as a REIT, the Company may be subject to certain state and local income and property taxes, and to federal income and excise taxes on undistributed taxable income. In general, however, if the Company qualifies as a REIT, no provisions for federal income taxes are necessary except for taxes on undistributed REIT taxable income.

Edgewood REIT conducts its business activity as an Umbrella Partnership Real Estate Investment Trust ("UPREIT") through its Operating Partnership. UPREIT status allows Edgewood REIT to accept the contribution of real estate in exchange for operating partnership units. Generally, such a contribution to a limited partnership allows for the deferral of gain by an owner of appreciated real estate.

Distributions were characterized, for federal income tax purposes, as 80% ordinary income and 20% return of capital for the year ended December 31, 2022, and 94% ordinary income and 6% return of capital for the year ended December 31, 2021.

The Company's policy is to evaluate the likelihood its uncertain tax positions will prevail upon examination based on the extent to which those positions have substantial support within the Internal Revenue Code and Regulations, Revenue Rulings, court decisions, and other evidence.

There were no uncertain tax positions as of December 31, 2022.

**Non-controlling interests**

Ownership interests in the Operating Partnership held by limited partners are represented by operating partnership units. The Operating Partnership's income is allocated to holders of units based upon the ratio of their unit holdings to the total common shares and operating partnership units outstanding during the period. Capital contributions, distributions, and profits and losses are allocated to limited partners in accordance with the terms of the Operating Partnership agreement. Limited partners as of December 31, 2022 and 2021, were considered non-controlling interests.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**Non-controlling interests in partially owned properties**

Non-controlling interests in partially owned properties represent minority shares in real estate held as tenants-in-common.

**Variable interest entity**

The Company has determined the Operating Partnership, Edgewood Properties, LLLP, is a variable interest entity (VIE). The limited partners lack voting rights and substantive participating rights. The Company is the primary beneficiary of the VIE, and the partnership is required to be consolidated on the Company's balance sheet because it has a controlling financial interest in the VIE and has both the power to direct the activities of the VIE which most significantly impact the VIE's economic performance and the obligation to absorb losses or the right to receive benefits from the VIE which could be significant to the VIE. Because the Operating Partnership is a VIE, substantially all of its assets and liabilities are held through a VIE.

**Reclassifications**

Certain reclassifications have been made to the 2021 consolidated financial statements to conform with the 2022 financial presentation. Such reclassifications had no effect on net income previously reported.

**NOTE 2 RESTRICTED DEPOSITS**

Restricted deposits consists of the following as of December 31, 2022 and 2021:

	2022	2021
Real estate tax escrow	\$ 1,311,772	\$ 1,281,526
Insurance escrow	994,295	902,161
Reserve escrow	3,946,834	3,284,772
Other escrow	172,524	13,033
Total restricted deposits	<u>\$ 6,425,425</u>	<u>\$ 5,481,492</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

**NOTE 3    PROPERTY**

Property, consisting principally of real estate owned and leased to tenants, is stated at cost less accumulated depreciation and is summarized as follows:

	2022	2021
Land	\$ 150,667,827	\$ 113,483,768
Buildings	1,482,150,577	1,198,173,195
In-place leases	4,072,500	4,072,500
Furniture, fixtures, and equipment	33,995,921	31,616,549
Construction in progress	47,766,864	50,831,155
Total property	1,718,653,689	1,398,177,167
Less accumulated depreciation/amortization	(168,680,190)	(133,746,567)
Total property, net	<u>\$ 1,549,973,499</u>	<u>\$ 1,264,430,600</u>

Depreciation expense for the years ended December 31, 2022 and 2021 was \$36,520,661 and \$29,860,560, respectively.

The Company has entered into long-term operating leases for commercial properties. The terms and payment amounts vary among the properties, many of which are managed by related parties, see Note 9.

The future minimum lease revenue under non-cancellable leases for commercial properties (assuming no options to renew or buy-out the leases are exercised) are as follows:

<u>For the year ending December 31,</u>	
2023	\$ 69,041,213
2024	63,843,614
2025	57,908,872
2026	52,678,588
2027	52,267,170
Thereafter	<u>253,921,684</u>
Total	<u>\$ 549,661,141</u>

Rent revenues under the leases which were in-place for the years ended December 31, 2022 and 2021 were \$65,531,899 and \$53,541,585, respectively.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

The effect of amortization of acquired in-place lease allocations was approximately \$101,813 and \$101,813 for the years ended December 31, 2022 and 2021, respectively. This amount was included in depreciation expense related to real estate investments. The estimated amortization of acquired in-place leases for each of the five succeeding fiscal years is as follows:

<u>For the year ending December 31,</u>	
2023	\$ 101,813
2024	101,813
2025	101,813
2026	101,813
2027	101,813

**NOTE 4 PROPERTY ACQUISITIONS AND DISPOSITIONS**

For the year ended December 31, 2022:

<u>Acquisition</u>	<u>Location</u>	<u># of units</u>	<u>Date Acquired</u>	<u>Acquisition Cost</u>
<b><u>Commercial Property</u></b>				
EWR Cedar Rapids Office on Sherman, LLC	Cedar Rapids, IA		Jan-22	\$ 2,800,000
EWR Denver COB, LLC	Denver, CO		Jun-22	35,000,000
EWR Minnesota Industrial, LLC	Bemidji, MN		Apr-22	3,103,140
EWR Minnesota Industrial, LLC	Mankato, MN		Apr-22	4,646,860
EWR Byron Development Land, LLC	Byron, MN		Jun-22	1,300,000
EWR Scottsdale Towers, LLC	Scottsdale, AZ		Jun-22	27,000,000
EWR Scottsdale Terra Verde, LLC	Scottsdale, AZ		Jun-22	58,000,000
EWR Minot Office Building, LLC	Minot, ND		Jun-22	5,000,000
EWR Scottsdale Commercial, LLC	Phoenix, AZ		Aug-22	4,098,124
EWR New Brighton COB, LLC	New Brighton, MN		Sep-22	18,500,000
EWR Grand Forks Garden View, LLC	Grand Forks, ND		Sep-22	11,140,000
EWR Grand Forks Corporate Center, LLC	Grand Forks, ND		Dec-22	5,702,248
EWR Wayzata MOB	Wayzata, MN		Dec-22	8,020,000
EWR Cedar Rapids Office on Edgewood, LLC	Cedar Rapids, IA		Dec-22	10,750,000
Total Commercial Property				<u>195,060,372</u>
<b><u>Multi-Family Residential</u></b>				
EWR Springfield Hawthorn Apartments, LLC	Springfield, MO	128	Jun-22	18,000,000
EWR Minot Woodside Willow, LLC	Minot, ND	90	Jun-22	11,350,000
EVI Westlake Apartments, LLC	West Des Moines, IA	297	Jul-22	156,000
EWR Wichita LaCrosse Apartments, LLC	Wichita, KS	176	Aug-22	21,701,624
EWR Minot Elk Pointe Apartments, LLC	Minot, ND	139	Sep-22	5,904,000
EWR Fargo Creekside Apartments IV, LLC	Fargo, ND	84	Sep-22	12,700,000
Total Multi-Family Residential				<u>69,811,624</u>
<b>Total Acquisitions</b>				<u>\$ 264,871,996</u>

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2022 AND 2021**

For the year ended December 31, 2021:

<b>Acquisition</b>	<b>Location</b>	<b># of Units</b>	<b>Date Acquired</b>	<b>Acquisition Cost</b>
<b><u>Commercial Property</u></b>				
EWR Oral Facial GF	Grand Forks, ND		Jun-21	\$ 2,162,829
EWR Oral Facial WF	West Fargo, ND		Jun-21	1,482,171
EWR Minot MOB	Minot, ND		Sep-21	1,250,000
EWR Waterloo MOB	Waterloo, IA		Aug-21	6,500,000
EWR Blaine FF	Blaine, MN		Jun-21	30,700,000
EWR Grand Forks MOB	Grand Forks, ND		Dec-21	11,462,756
EWR Fargo Goodyear Building	Fargo, ND		Oct-21	2,100,000
EWR Cedar Rapids FF	Iowa		Nov-21	33,900,000
EWR SA MOB	San Antonio, TX		Dec-21	12,950,000
EWR Bismarck Rock Island Mall, LLC	Bismarck, ND		Dec-21	3,480,000
Total Commercial Property				<u>105,987,756</u>
<b><u>Multi-Family Residential</u></b>				
EWR Mankato Woodside Apartments	Mankato, MN	432	Jan-21	55,000,000
EWR Minot Gateway Apartments	Minot, ND	22	Apr-21	1,835,000
EWR Minot Morgan Apartments	Minot, ND	64	Sep-21	2,600,000
EWR Byron Kodiak Apartments	Byron, MN	73	Oct-21	9,610,416
EWR Minot Heights Condos	Minot, ND	14	Jun-21	3,800,000
EWR Minot Dakota Terrace Apartments	Minot, ND	138	Sep-21	6,200,000
EWR Springfield Cambium, LLC	Springfield, MO	127	Apr-21	18,073,000
McEnroe Clubhouse	Grand Forks, ND	N/A	Aug-21	882,582
EWR Heers Apartments	Springfield, MO	80	Feb-21	13,500,000
EWR Rochester Civic Square Apartments	Rochester, MN	125	Oct-21	15,839,000
EWR Bismarck Turnpike Apartments	Bismarck, ND	24	Nov-21	1,920,000
EWR Springfield Tera Vera II	Springfield, MO	32	Dec-21	9,381,972
Total Multi-Family Residential				<u>138,641,970</u>
<b>Total Acquisitions</b>				<u><b>\$ 244,629,726</b></u>

**Dispositions**

The following properties were sold during the year ending December 31, 2022 to unrelated third parties:

Edgewood Corporate Plaza, LLC  
EWR Minot Office Building, LLC  
EVI Legacy Storage, LLC - 1 unit  
EVI Soda Springs, LLC

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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The following properties were sold during the year ending December 31, 2021 to unrelated third-parties:

EVI Greenleaf, LLC  
EWR Bismarck Horizon Clinic, LLC  
EWR Boise Persimmon, LLC  
Linder Plaza Lots – EVI Meridian, LLC

**NOTE 5 COMMITMENTS AND CONTINGENCIES**

**Risk of uninsured property losses**

Edgewood REIT maintains, at management's discretion, adequate insurance against property damage, fire loss, and liability insurance. However, there are certain types of losses (generally of a catastrophic nature) which may be either uninsurable or not economically insurable. Such excluded risks may include war, earthquakes, hurricanes, certain environmental hazards, and floods. Should such events occur, (i) Edgewood REIT might suffer a loss of capital invested, (ii) tenants may suffer losses and may be unable to pay rent for the spaces, and (iii) Edgewood REIT may suffer a loss of profits.

**Litigation**

Edgewood REIT is subject to a variety of legal actions for personal injury or property damage arising in the ordinary course of business, most of which are covered by liability insurance. Various claims of resident discrimination are also periodically brought, most of which are covered by insurance. While resolution of these matters cannot be predicted with certainty, management believes that the final outcome of these claims and legal proceedings will not have a material effect on liquidity, financial position, cash flows, or results of operations.

**Environmental matters**

Under various federal, state, and local laws, ordinances, and regulations, a current or previous owner or operator of real estate may be liable for the costs of removal of, or remediation of, certain hazardous or toxic substances in, on, around, or under the property. While management currently has no knowledge of any material violation of environmental laws, ordinances, or regulations at any properties, there can be no assurance the areas of contamination will not be identified at the properties or changes in environment laws, regulations, or cleanup requirements would not result in material costs.

**Cash deposits held**

The Company maintains its cash and cash equivalents in bank deposit accounts which, at times, may exceed the federally insured limits as guaranteed by the Federal Deposit Insurance Corporation (FDIC). The Company has not experienced any losses in such accounts and believes it is not exposed to any significant credit risk on cash and cash equivalents.

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**NOTE 6 NOTES PAYABLE**

Details pertaining to the Company's debt and assets assigned as collateral thereon as of December 31, 2022 and 2021 are as follows:

<b>Lender</b>	<b>Maturity Date</b>	<b>Current Note Rate</b>	<b>Current Portion</b>	<b>Balance 12/31/22</b>	<b>Balance 12/31/21</b>
Alerus Financial	2023-2030	3.76% - 4.91%	\$ 1,202,266	\$ 36,586,145	\$ 33,963,009
American Bank Center	2030	3.05%	71,851	2,366,729	2,436,395
American Federal Bank	2039	4.60% - 4.75%	151,295	3,380,138	3,526,230
Americo	2028-2033	3.49% - 4.98%	1,442,608	47,080,201	48,460,465
Ameritas Life Insurance	2026	4.26%	75,068	2,091,865	2,163,816
Arbor Commercial Funding	2030-2031	4.73% - 4.78%	549,446	28,036,627	28,560,305
Assurity Life	2024	4.75%	222,497	3,416,520	3,628,716
BankWest	2024 - 2040	4.05% - 4.60%	447,305	9,549,149	9,976,880
Bell State Bank	2024-2029	3.75% - 4.55%	885,454	33,890,053	23,823,583
Bremer Bank	2026-2032	1.66% - 5.31%	4,153,253	125,478,869	125,386,815
Cornerstone Bank	2028 - 2032	3.95% - 4.74%	181,334	7,426,493	3,972,155
Choice Financial	2025	3.95%	243,913	10,736,713	-
EGF Economic Development	2023	3.10%	-	12,196	40,832
First Community Credit Union	2031 - 2047	3.05% - 3.25%	228,177	7,679,813	2,118,285
First International Bank & Trust	2027 - 2042	3.50% - 4.00%	389,980	11,700,774	12,075,508
First National Bank	2023-2026	3.90 - 4.40%	214,991	3,693,196	3,899,474
First State Bank	2029	4.07% - 4.40%	1,113,901	23,018,234	24,084,838
First Western Bank & Trust	2024 - 2027	4.25% - 4.45%	319,715	6,790,822	7,095,081
Gate City Bank	2032	3.85%	502,398	20,386,505	-
Genworth Life	2035 - 2036	3.80% - 4.28%	375,163	13,742,138	14,102,630
Gershman Investment Corp	2048	3.32%	144,932	5,017,246	5,158,871
Grand Bridge	2031-2033	3.13% - 4.71%	93,878	11,033,988	4,891,326
Greystone	2026	4.12%	113,550	4,638,535	4,747,447
Key Bank	2052	3.12%	864,732	41,897,089	42,735,292
Morgan Stanley	2023	5.04%	2,211,756	11,564,838	20,609,099
NDHFA	2046	0.00%	73,332	513,333	586,667
NorthMarq Finance	2031 - 2056	2.44% - 4.13%	359,848	14,156,137	9,260,195
Protective Life Insurance	2026-2032	4.13 - 4.50%	4,843,919	172,224,881	183,100,679
Red Capital Group	2047	2.57%	614,593	20,412,249	21,011,265
Starion Bank	2027	4.75%	288,985	5,999,328	6,273,138
TIAA Bank	2029-2030	3.26% - 3.40%	343,786	11,375,514	11,708,108
Wells Fargo	2023 - 2031	2.75% - 5.13%	20,173,254	86,437,678	58,818,704
Western Bank	2029 - 2030	3.27% - 3.53%	122,817	3,392,127	3,510,800
<b>Total</b>			<b>\$ 43,019,997</b>	<b>\$ 785,726,123</b>	<b>\$ 721,726,608</b>
Less: unamortized debt issuance costs				(5,147,165)	(5,405,465)
<b>Net notes payable</b>				<b>\$ 780,578,958</b>	<b>\$ 716,321,143</b>

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All of the notes payable are secured by the acquired real property.

Interest expense for the years ended December 31, 2022 and 2021 includes amortization of loan fees of \$697,534 and \$1,068,750, respectively.

Future principal payments due for the above long-term debt as of December 31, 2022 are as follows:

<u>For the year ending December 31,</u>		
2023	\$	43,019,997
2024		32,159,270
2025		38,247,864
2026		42,991,446
2027		66,018,562
Thereafter		<u>563,288,984</u>
Total	\$	<u>785,726,123</u>

**NOTE 8 LINE OF CREDIT**

On October 21, 2019, the Company entered into a revolving operating credit line agreement with Bremer Bank, N.A., with a limit of \$10,000,000. The note matures when it is paid in full, with interest payable monthly at a variable rate based on 30-day LIBOR plus 2%. As of December 31, 2022 and 2021, the line of credit carried an interest rate of 5% and 2.10%, respectively, and had an outstanding balance of \$0.

**NOTE 9 RECEIVE-VARIABLE, PAY-FIXED INTEREST RATE SWAPS**

As disclosed in Note 6, the Company has multiple notes outstanding with Bremer Bank which total \$125,478,869 and \$125,386,815 as of December 31, 2022 and 2021, respectively. As of December 31, 2022, the Company had entered into interest rate swap contracts with seventeen of these notes, which mature when the debt matures, to effectively convert these variable-rate borrowings into fixed-rate borrowings with interest rates ranging from 3.32%-4.70%.

In addition, the Company has multiple notes outstanding with Alerus Financial which total \$36,586,145 and \$33,963,309 as of December 31, 2022 and 2021, respectively. As of December 31, 2022, the Company had entered into interest rate swap contracts with seven of these notes, which mature when the debt matures, to effectively convert these variable-rate borrowings into fixed-rate borrowings with interest rates ranging from 3.53%-4.96%.

Lastly, the Company has an outstanding note with Cornerstone Bank which totaled \$7,426,493 and \$3,972,155 as of December 31, 2022 and 2021, respectively. As of December 31, 2022, the Company had entered into one interest rate swap contract with this note, which matures when the debt matures, to effectively convert the variable-rate borrowings into fixed-rate borrowings with an interest rate of 4.74%.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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The swap contracts qualify for the simplified hedge accounting alternative offered to nonpublic entities and are measured at settlement value. As of December 31, 2022, and 2021, the Company has cumulative unrealized gains (losses) from changes in the swap contract's settlement value of \$10,258,845 and (\$9,099,492), respectively, in other comprehensive income (loss). This cumulative amount is included in other assets as of December 31, 2022 and accrued expenses as of December 31, 2021.

**NOTE 10 TRANSACTIONS WITH RELATED PARTIES**

Edgewood REIT and Subsidiaries (the Company) has entered into agreements with the Edgewood Group of companies (Edgewood OpCo, LLC (the operating companies), Edgewood Group, Edgewood Development Group, and Edgewood Management Group, et al). Mr. Philip Gisi and his family, on an as converted basis, control approximately 5% of the outstanding voting shares of the Company. Mr. Gisi currently serves as an "at large" member of the Board of Trustees of Edgewood REIT. Prior to March 20, 2018, Mr. Gisi served as President of the Company's Board of Trustees. Mr. Gisi and his family also control a majority ownership of the Edgewood Group of companies. As a result, Edgewood REIT and the Edgewood Group of companies are related parties. See below for a summary of the entities, the amount receivable or payable to each as of December 31, 2022 and 2021, and the revenue or expenses incurred to each of the years ended December 31, 2022 and 2021.

The Company receives rental income from the various Edgewood operating companies. Total rental revenues for the years ended December 31, 2022 and 2021 were \$47,009,200 and \$44,157,090, with \$0 and \$2,639 included in related party receivable, respectively. Also see Note 3 for related party leases and Note 5 for related party notes receivable.

The Company received rental income on its undeveloped land from Edgewood Development Group. Total rental revenues for the years ended December 31, 2022 and 2021 were \$546,705 and \$12,245, respectively. As of December 31, 2022, all ground leases for these undeveloped parcels have been terminated either in connection to sale of the land or completion of development activities.

Edgewood Management Group, LLC rented office space in Edgewood Corporate Plaza. Total rental revenue for the years ended December 31, 2022 and 2021 was \$134,669 and \$314,199, with \$0 outstanding receivable as of December 31, 2022 and 2021, respectively. The lease ended in April 2022 upon sale of the building.

As of December 31, 2022 and 2021, the Company had amounts receivable from Edgewood OpCo of \$1,004,306 and \$0, respectively.

As of December 31, 2022 and 2021, the Company had amounts receivable due from members of \$0 and \$91,843, respectively.

The Company pays management, acquisition, and finance fees to EP Management Inc. (the Advisor) for its work in acquiring properties, negotiating financing, and providing management services. The Advisor is partially owned by individuals who have positions on the Board of Trustees of the Company, including Jon Strinden (the Board President) and Philip Gisi (an at-large member of the Board). All owners of the Advisor are also investors in Edgewood REIT and, on an as converted basis, the owners of the Advisor control 12% of the outstanding voting shares. Total

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**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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costs incurred for management and acquisition fees for the years ended December 31, 2022 and 2021 were \$14,234,300 and \$13,110,860, respectively. In addition, finance fees in the amount of \$401,178 and \$601,847 were capitalized during the years ended December 31, 2022 and 2021.

As of December 31, 2022 and 2021, \$1,085,425 and \$2,106,406 was due to Edgewood Properties Management, LLC, respectively, in result of accrued advisory fees and reimbursable expenses. In addition, as of December 31, 2022 and 2021, \$20,054,159 and \$3,887,319 was due from Edgewood Property Management, LLC, respectively, relating to the construction of 74 multi-family units in Bismarck, ND and other miscellaneous expenditures. The advisor is serving as the developer for the multi-family construction and upon completion the assets will be contributed to the REIT in satisfaction of the receivable.

The beneficial ownership of common shares of the Trust and of limited partnership units of the Operating Partnership controlled by advisors and directors, on an as converted basis, for the years ended December 31, 2022 and 2021 totaled approximately 6,289,891 and 7,060,735 or 31.1% and 32.4% of the total outstanding shares, respectively.

**NOTE 11 MAJOR CUSTOMERS**

The Company derived 10% or more of its revenue for the years ended December 31, 2022 and 2021 from the following customer:

The Company receives rental income from the various Edgewood operating companies. Total rental revenues for the years ended December 31, 2022 and 2021 were \$47,009,200 and \$44,157,090, with \$0 and \$2,639 included in related party receivable, respectively.

**NOTE 12 INCOME TAXES**

It is the opinion of management the Company has no significant uncertain tax positions which would be subject to change upon examination. The federal income tax returns of the Company are subject to examination by the IRS, generally for three years after they are filed. All required filings with tax authorities are up-to-date.

**NOTE 13 FUTURE ACCOUNTING PRONOUNCEMENTS**

**ASU 2016-13, Financial Instruments – Credit Losses (Topic 326)**

Among other provisions, this ASU requires the allowance for credit losses to reflect management's current estimate of credit losses that are expected to occur over the remaining life of a financial asset. For all non-public entities, the ASU is effective for fiscal years beginning after December 15, 2022, including interim periods within those fiscal years.

Management has not yet determined what effect this pronouncement will have on the Company's financial statements.

With the exception of the new standard discussed above, management has not identified any other new accounting pronouncements that may have potential significance to the Company's consolidated financial statements.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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**NOTE 14 WHOLLY-OWNED SUBSIDIARIES**

As disclosed in Note 1, the Company conducts a majority of its business activities through its consolidated operating partnership, Edgewood Properties LLLP, a North Dakota Limited Liability Limited Partnership and through several wholly owned subsidiaries as follows:

EVI Alexandria, LLC - a Minnesota Limited Liability Company  
EVI Plantation Place, LLC - an Idaho Limited Liability Company  
KCR Investments, LLC - dba Minot Place Apartments - a North Dakota Limited Liability Company  
Rowan Apartments, LLC - dba Burlington Apartments - a North Dakota Limited Liability Company  
EVI Mandan, LLC - a North Dakota Limited Liability Company  
EVI Bismarck Senior Apartments, LLC - a North Dakota Limited Liability Company  
EVI Minnesota Heights, LLC - a Minnesota Limited Liability Company  
EVI Prairie Crossings, LLC - a South Dakota Limited Liability Company  
EVI Civic Place, LLC - a North Dakota Limited Liability Company  
EVI Mandan Apartments, LLC - a North Dakota Limited Liability Company  
EVI Campus Place, LLC - a North Dakota Limited Liability Company  
EVI Campus Place II, LLC - a North Dakota Limited Liability Company  
EVI McEnroe Apartments, LLC - a North Dakota Limited Liability Company  
EVI McEnroe Apartments ND 4, LLC - a North Dakota Limited Liability Company  
EVI McEnroe Apartments ND 5, LLC - a North Dakota Limited Liability Company  
EVI Bismarck Village, LLC - a North Dakota Limited Liability Company  
EVI Blaine, LLC - a Minnesota Limited Liability Company  
EVI Collins Place, LLC - a North Dakota Limited Liability Company  
EVI Gallery Apartments, LLC - a North Dakota Limited Liability Company  
EVI McEnroe Apartments ND 6, LLC - a North Dakota Limited Liability Company  
EVI Northern Pacific, LLC - a Minnesota Limited Liability Company  
EVI University Real Estate, LLC - a North Dakota Limited Liability Company  
Marston Development, LLC - a Minnesota Limited Liability Company  
EVI Pierre, LLC - a South Dakota Limited Liability Company  
EVI Spring Creek Eagle Island AL, LLC - an Idaho Limited Liability Company  
EVI May Creek, LLC - a Minnesota Limited Liability Company  
EVI GF 55+, LLC - a North Dakota Limited Liability Company  
EVI Parkwood Place, LLC - a North Dakota Limited Liability Company  
EVI Spring Creek Eagle Island IL, LLC - an Idaho Limited Liability Company  
EVI Jamestown, LLC - a North Dakota Limited Liability Company  
EVI American Falls, LLC - an Idaho Limited Liability Company

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EVI Boise, LLC - an Idaho Limited Liability Company  
EVI Overland, LLC - an Idaho Limited Liability Company  
EVI Ustick, LLC - an Idaho Limited Liability Company  
EVI Eagle, LLC - an Idaho Limited Liability Company  
EVI Baxter, LLC - a Minnesota Limited Liability Company  
EVI Coulee Ridge, LLC - a North Dakota Limited Liability Company  
EVI Meridian, LLC - an Idaho Limited Liability Company  
EVI Aspen Wind, LLC - a Wyoming Limited Liability Company  
EVI Belgrade, LLC - a Montana Limited Liability Company  
EVI Billings Memory Care, LLC - a Montana Limited Liability Company  
EVI Brainerd, LLC - a Minnesota Limited Liability Company  
EVI Columbus, LLC - a Nebraska Limited Liability Company  
EVI Dickinson, LLC - a North Dakota Limited Liability Company  
EVI Dominion, LLC - a North Dakota Limited Liability Company  
EVI East Grand Forks, LLC - a Minnesota Limited Liability Company  
EVI Fargo, LLC - a North Dakota Limited Liability Company  
EVI Fremont, LLC - a Nebraska Limited Liability Company  
EVI Grand Island, LLC - a Nebraska Limited Liability Company  
EVI Hastings, LLC - a Nebraska Limited Liability Company  
EVI Helena, LLC - a Montana Limited Liability Company  
EVI Hermantown I, LLC - a Minnesota Limited Liability Company  
EVI Hermantown II, LLC - a Minnesota Limited Liability Company  
EVI Kalispell, LLC - a Montana Limited Liability Company  
EVI Laramie, LLC - a Wyoming Limited Liability Company  
EVI Meadow Wind, LLC - a Wyoming Limited Liability Company  
EVI Minot, LLC - a North Dakota Limited Liability Company  
EVI Missoula, LLC - a Montana Limited Liability Company  
EVI Mitchell, LLC - a South Dakota Limited Liability Company  
EVI Norfolk, LLC - a Nebraska Limited Liability Company  
EVI Omaha, LLC - a Nebraska Limited Liability Company  
EVI Park Place, LLC - a Wyoming Limited Liability Company  
EVI Sartell AL, LLC - a Minnesota Limited Liability Company  
EVI Sartell IL, LLC - a Minnesota Limited Liability Company  
EVI Sierra Hills, LLC - a Wyoming Limited Liability Company  
EVI Sioux Falls Memory Care, LLC - a South Dakota Limited Liability Company

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EVI South Lake Medical, LLC - a Minnesota Limited Liability Company  
EVI Spearfish, LLC - a South Dakota Limited Liability Company  
EVI Virginia, LLC - a Minnesota Limited Liability Company  
EREIT Grand Forks Medical Office, LLC - a North Dakota Limited Liability Company  
EREIT Grand Forks NNN, LLC - a North Dakota Limited Liability Company  
EVI Cambridge Park Apartments, LLC - a Missouri Limited Liability Company  
EVI Essex Place Apartments, LLC - a Missouri Limited Liability Company  
EVI Gazebo Apartments, LLC - a Missouri Limited Liability Company  
EVI Greenfield Apartments, LLC - a North Dakota Limited Liability Company  
EVI Highland Park Apartments, LLC - a Missouri Limited Liability Company  
EVI Maple Garden Apartments, LLC - a Missouri Limited Liability Company  
EVI Marion Park Apartments, LLC - a Missouri Limited Liability Company  
EVI Falcon Apartments, LLC - a Missouri Limited Liability Company  
EVI Kindred, LLC - a North Dakota Limited Liability Company  
EVI Westlake Apartments, LLC - an Iowa Limited Liability Company  
EWR Grand Forks Medical Park, LLC - a North Dakota Limited Liability Company  
EWR Mandan Lakewood, LLC - a North Dakota Limited Liability Company  
EWR Minot Dental Office, LLC - a North Dakota Limited Liability Company  
EWR Rapid City, LLC - a South Dakota Limited Liability Company  
EWR Scottsdale P & P, LLC - an Arizona Limited Liability Company  
EWR St. Paul Rice Street, LLC - a Minnesota Limited Liability Company  
EWR Springfield Coryell Crossing Apartments, LLC - a Missouri Limited Liability Company  
EWR Springfield Tera Vera, LLC - a Missouri Limited Liability Company  
MV Scenic Station Apartments, LLC - a Missouri Limited Liability Company  
MV Sherwood Village East, LLC - a Missouri Limited Liability Company  
MV Watermill Park, LLC - a Missouri Limited Liability Company  
MV Palm Village, LLC - a Missouri Limited Liability Company  
MV Westbrook, LLC - a North Dakota Limited Liability Company  
EWR Wichita Medical Office Building, LLC - a Kansas Limited Liability Company  
EWR Pierre Land, LLC - a South Dakota Limited Liability Company  
EWR Blaine Medical Office Building, LLC - a Minnesota Limited Liability Company  
EWR Fargo EAPC Building, LLC - a North Dakota Limited Liability Company  
EWR Minot Emerald Court, LLC - a North Dakota Limited Liability Company  
EWR Boise Castle Hills, LLC - an Idaho Limited Liability Company  
EWR Springfield Trails Bend, LLC - a Missouri Limited Liability Company  
EWR Orchard Park Apartments, LLC - a Missouri Limited Liability Company

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**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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EWR Dickinson TSC, LLC - a North Dakota Limited Liability Company  
EWR Mesa Medical Office Building, LLC - an Arizona Limited Liability Company  
EWR Mesa Medical Office Building II, LLC - an Arizona Limited Liability Company  
EWR Pierre Highlands Ridge, LLC - a South Dakota Limited Liability Company  
EWR Springfield Cambium, LLC - a Missouri Limited Liability Company  
EWR Grand Forks Westridge, LLC - a North Dakota Limited Liability Company  
EWR Edina MOB I, LLC - a Minnesota Limited Liability Company  
EWR Hawk Pointe, LLC - a North Dakota Limited Liability Company  
EWR Mandan Bridgeview Apartments, LLC - a North Dakota Limited Liability Company  
EWR Minot North Highlands Apartments, LLC - a North Dakota Limited Liability Company  
EWR Minot Paramount Apartments, LLC - a North Dakota Limited Liability Company  
EWR Melbourne MOB, LLC - a Florida Limited Liability Company  
EWR Bismarck Terrace Pointe Apartments, LLC - a North Dakota Limited Liability Company  
EWR Springfield Heer's Apartments, LLC - a Missouri Limited Liability Company  
EWR Minot Dakota Terrace Apartments - a North Dakota Limited Liability Company  
EWR Minot Morgan Apartments - a North Dakota Limited Liability Partnership  
EWR Oral Facial ND, LLC - a North Dakota Limited Liability Company  
EWR Blaine FF, LLC - a Minnesota Limited Liability Company  
EWR Minot Heights Condos, LLC - a North Dakota Limited Liability Company  
EWR Waterloo MOB - an Iowa Limited Liability Company  
EWR Minot Gateway Apartments, LLC - a North Dakota Limited Liability Company  
EWR Mankato Woodside Apartments, LLC - a Minnesota Limited Liability Company  
EWR Grand Forks MOB, LLC - a North Dakota Limited Liability Company  
EWR Byron Kodiak Apartments, LLC - a Minnesota Limited Liability Company  
EWR Rochester Civic Square Apartments, LLC - a Minnesota Limited Liability Company  
EWR Bismarck Rock Island Mall, LLC - a North Dakota Limited Liability Company  
EWR Cedar Rapids FF, LLC - an Iowa Limited Liability Company  
EWR Bismarck Turnpike Apartments, LLC - a North Dakota Limited Liability Company  
EWR - SA MOB, LLC - a Texas Limited Liability Company  
EWR Fargo Goodyear Building, LLC - a North Dakota Limited Liability Company  
EWR Minot MOB, LLC - a North Dakota Limited Liability Company  
EWR Springfield Tera Vera II, LLC - a Missouri Limited Liability Company  
EWR Coulee Ridge Townhomes, LLC - a North Dakota Limited Liability Company  
EWR Cedar Rapids Office on Sherman, LLC - an Iowa Limited Liability Company  
EWR Denver COB, LLC - a Colorado Limited Liability Company

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EWR Minnesota Industrial, LLC - a Minnesota Limited Liability Company  
EWR Byron Development Land, LLC - a Minnesota Limited Liability Company  
EWR Scottsdale Towers, LLC - an Arizona Limited Liability Company  
EWR Scottsdale Terra Verde, LLC - an Arizona Limited Liability Company  
EWR Minot Office Building, LLC - a North Dakota Limited Liability Company  
EWR Scottsdale Commercial, LLC - an Arizona Limited Liability Company  
EWR New Brighton COB, LLC - a Minnesota Limited Liability Company  
EWR Grand Forks Garden View, LLC - a North Dakota Limited Liability Company  
EWR Bismarck Land South, LLC - a North Dakota Limited Liability Company  
EWR Grand Forks Corporate Center, LLC - a North Dakota Limited Liability Company  
EWR Wayzata MOB - a Minnesota Limited Liability Company  
EWR Cedar Rapids Office on Edgewood, LLC - an Iowa Limited Liability Company  
EWR Springfield Hawthorn Apartments, LLC - a Missouri Limited Liability Company  
EWR Minot Woodside Willow, LLC - a North Dakota Limited Liability Company  
EVI Westlake Apartments, LLC - an Iowa Limited Liability Company  
EWR Wichita LaCrosse Apartments, LLC - a Kansas Limited Liability Company  
EWR Minot Elk Pointe Apartments, LLC - a North Dakota Limited Liability Company  
EWR Fargo Creekside Apartments IV, LLC - a North Dakota Limited Liability Company

**NOTE 15 SUBSEQUENT EVENTS**

No significant events have occurred subsequent to the Company's year-end. Subsequent events have been evaluated through March 31, 2023, the date these financial statements were available to be issued.



Terra Verde, Scottsdale, AZ



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