



U32 Apartments, Fargo, ND

2023 Third Quarter Report to Shareholders & Partners Quarter ended September 30, 2023

Dear Shareholders and Partners:

Greetings from your Management Team!

We hope you enjoyed a pleasant summer, and this report finds you in good health.

In this report, we present the 3rd Quarter 2023 financial performance for Edgewood Real Estate Investment Trust (“REIT”). The REIT continues to perform at a high level with all asset classes showing strong financial performance. Our multi-family portfolio consists of 7,493 units and occupancy was 95.53% as of September 30, 2023. Our net lease portfolio continues to have strong occupancy which exceeds 99%.

In the 3rd Quarter, we acquired 515 multi-family units with 382 of these units located in Fargo, North Dakota and 182 units in Minot, North Dakota. These 3rd Quarter acquisitions included assumable agency debt at an average interest rate of less than 4%. The assumable debt allowed us to place equity at a favorable spread over our weighted average cost of capital. In this elevated interest rate environment, we are seeking opportunities to assume existing debt at interest rates which are significantly lower than current market rates.

Our conservative approach to managing debt capital puts us in a strong position to take advantage of market dislocations due to the rising interest rate environment. In addition, our \$2.0 billion real estate portfolio primarily consists of multi-family and senior housing assets. These two real estate subsectors have performed well in this economic environment and have not experienced a significant decrease in value which has impacted other real estate subsectors.

Based on the performance of our portfolio, the Board of Trustees approved an increase in share

price from \$25.00 to \$26.00 per share effective in conjunction with our new Private Placement Offering – November 1, 2023. This share price reflects the year-over-year increase in net asset value of the REIT. Along with the share price increase, the Board of Trustees reaffirmed their commitment to retain a 5% dividend yield on issuance price. This would equate to an annual dividend of \$1.30 per share; an increase from \$1.25 per share. This dividend increase will commence 1st Quarter of 2024.

We are proud of our success since the January 1, 2011 inception date of the REIT. We are committed to build upon this success and look forward to a strong finish to 2023.

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

Sincerely,

Management Team

UPCOMING EVENTS:

March 5, 2024

Investor Appreciation Reception
at the ADERO in Scottsdale, AZ

June 4, 2024

Annual Shareholders Meeting
at The Olive Ann Hotel in Grand Forks, ND

We look forward to seeing you!

Income Statement Data

	YTD	Third Quarter 2023
Revenues	\$137,240,039	\$48,229,621
Net Income	\$32,166,036	\$11,020,546
Funds from Operations (FFO)	\$64,788,067	\$22,615,386
Funds Available for Distribution (FAD)	\$59,603,717	\$20,865,209

Balance Sheet Data

	September 30, 2023
Current Assets	\$53,359,762
Current Liabilities	\$65,807,937
Total Real Estate Investments	\$1,737,986,189
Total Assets	\$1,809,064,270
Long Term Liabilities	\$864,017,648
Shareholder Equity	\$879,238,685

Per Share Data

	YTD	Third Quarter 2023
Shares/ Partnership Units	49,433,513	49,433,513
Net Income	\$0.6507	\$0.2229
Funds from Operations (FFO)	\$1.3106	\$0.4575
Funds Available for Distribution (FAD)	\$1.2057	\$0.4221

Weighted Shares Outstanding

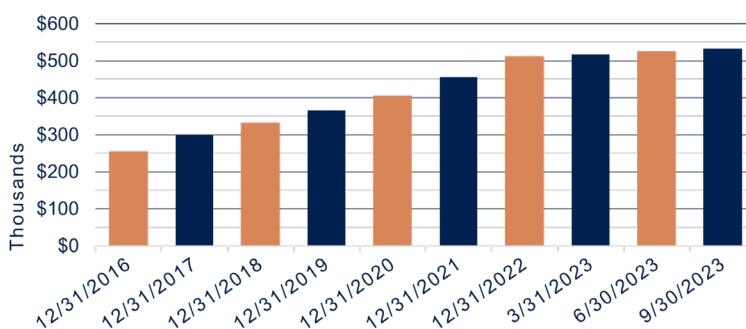
	YTD	Third Quarter 2023
Weighted Shares/ Partnership Units	47,253,973	48,355,353
Net Income – Weighted Share	\$0.6807	\$0.2279
Funds from Operations (FFO)	\$1.3711	\$0.4677
Funds Available for Distribution (FAD)	\$1.2613	\$0.4315
Dividends Per Share	\$0.9375	\$0.3125
Total Dividends Paid	\$44,362,465	\$15,173,454

Dividend Coverage

	YTD	Third Quarter 2023
FFO/Total Dividends Paid	146.04%	149.05%
FAD/Total Dividends Paid	134.36%	137.51%

Investment Performance

Calculations for the Investment Earnings Chart are based on an initial investment of \$100,000 with all quarterly dividends reinvested. An investment of \$100,000 on January 1, 2011 (inception) would be worth \$531,376.71 as of September 30, 2023.



Dividend Declaration

The Board of Trustees declared a dividend of 31.25 cents per share to shareholders and partners of record as of September 30, payable on October 15, 2023. This constitutes the 50th consecutive quarterly dividend paid to our shareholders and partners.

Dividend Reinvestment

Our Dividend Reinvestment Plan allows for the purchase of REIT shares at a 5% discount from the current share price to those shareholders and partners who elect to participate in the Plan. The Plan allows flexible reinvestment options. If you are not currently participating in the Plan and would like to do so, please contact your investment representative or the Edgewood REIT office.

Edgewood REIT Shares

The Trustees approved a private placement offering at \$26.00 per share, effective November 1, 2023. If you are interested in purchasing additional shares, please contact your investment representative, Roger Domres at 701-240-3335 or Natasha Kemmer at 701-212-4800 for assistance.

Contact Edgewood REIT

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