



REAL ESTATE INVESTMENT TRUST

Annual Report 2023





## OUR MISSION

Provide Shareholders with stable and predictable distributions while growing distributable income and net asset value (Share Price) through disciplined management of properties, accretive acquisitions, and strong financial management.



La Tierna Apartments, San Antonio, TX  
Cover rendering by Craftwell: The Earl, Bismarck, ND



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## ABOUT EDGEWOOD REIT

- ▲ Edgewood REIT was organized in December of 2010.
- ▲ \$2+ billion assets as of December 31, 2023.
- ▲ \$1.3 billion market capitalization as of December 31, 2023.
- ▲ Diversified real estate mix – predominately multi-family and net lease assets.
- ▲ Properties located in 14 states – Midwest, Mountain West, and Central United States.
- ▲ Dividend increase every year since inception.
- ▲ Strong dividend coverage ratio.
- ▲ Since inception, 14% compounded annual shareholder return.



U32 Apartments, Fargo, ND

# Letter to the Shareholders

## Dear Shareholders and Partners:

We are pleased to present the 2023 Annual Report for the Edgewood Real Estate Investment Trust. 2023 concluded our 13th year of operation, and similar to past years, we report another year of profitable growth. In this letter we will discuss the operating results for the REIT and future opportunities.

## 2023

In 2023, the Federal Central Bank continued its monetary tightening program by increasing interest rates another 1%, and including its increases in 2022, interest rates have increased by 5.25% in the past two years. This represented an unprecedented increase in interest rates and was a direct response to elevated inflation, which ranged from 6.4% in January of 2023 to 3.4% in December of 2023. As a result of monetary tightening, the cost of debt capital increased, which negatively impacted commercial real estate by compressing the investment spread on new acquisitions. **In this environment, we continued to exercise discipline and looked for opportunities to acquire quality assets with an adequate yield spread over our cost of capital.** In addition, we paid particular attention to transactions with low interest rate assumable debt. This included the following acquisitions:

- ▲ **426** multi-family units in Fargo, ND with **\$32M** of assumable debt at an interest rate of **3.39%**.
- ▲ **91** multi-family units in Fargo, ND with **\$15M** of assumable debt at an interest rate of **2.5%**.
- ▲ **133** multi-family units in Minot, ND with **\$9.1M** of assumable debt at an interest rate of **2.62%**.

Taking into consideration the initial cash yield on these multi-family assets, and the assumable debt, we were able to realize an investment spread over our weighted average cost of capital similar to transactions prior to 2022 – before the Federal Central Bank began increasing interest rates.

**As of December 31, 2023, we owned 7,928 multi-family units and a net lease portfolio consisting of 90 healthcare and other commercial properties. Occupancy rates in our multi-family units were 95.27% and in our net lease assets 98.78%.**



Dan Mikkelsen  
Chairman



Jon Strinden  
President



**5.1%**

2023 Same Store  
Multi-Family  
NOI Growth



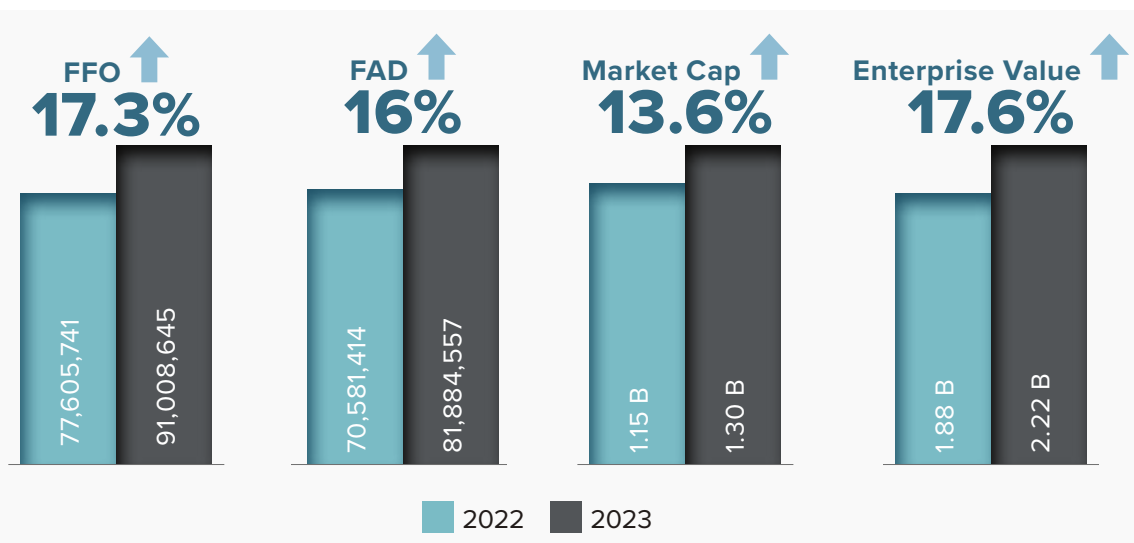
**2.1%**

2023 Same Store  
Net Lease  
NOI Growth

*continued on next page →*

## Letter to the Shareholders *(continued)*

In 2023, we realized growth – on an absolute and per-share basis – in net operating income, funds from operation (FFO), and funds available for distribution (FAD). In addition, we also continued to maintain a strong balance sheet and increased our gross book value (prior to depreciation) and book equity. We also saw a significant increase in our market capitalization and enterprise value. **We are pleased to note our enterprise value exceeded \$2.0 billion in 2023.**



Based on 2023 financial performance, the Board of Trustees increased the share price from \$25.00 to \$26.00, effective November 1, 2023. The increase in share price is reflective of growth in our net asset value. In addition, the Board of Trustees authorized an increase in the annual dividend payout from \$1.25 to \$1.30 effective January 1, 2024.

**Our dividend payout has increased in each of the 13 years since the REIT was organized. The average annual increase has been 9.2%.** In 2011, our first year of operation, we paid an annual dividend of 57.5 cents per share. For our shareholders who invested in 2011 at \$9.50 per share, their current cash yield is 13.68%. As a management team, we recognize the importance of providing a stable and growing dividend to our shareholders.

At Edgewood REIT, we will never grow for growth's sake, but only when it adds economic value to our shareholders. In 2023, we were fortunate to grow our real estate portfolio by \$230M. This consisted of 1,300 multi-family units in the following markets: Fargo, ND – 750 multi-family units; Minot, ND – 183 multi-family units; San Antonio, TX – 370 multi-family units. In addition, we acquired a Fleet Farm property located in the Duluth, Minnesota, market subject to a 20-year triple net lease with the Fleet Farm parent organization. We are excited to add these assets to our list of quality real estate.

**4%**  
2023 Share Price  
& Dividend Growth

**13**  
Consecutive Years  
of Dividend Increases

**152%**  
Dividend Coverage –  
FFO/Total Dividends



In 2023 we completed construction on 63 rental town homes in Bismarck, North Dakota; a 103-unit senior housing project in Springfield, Missouri, subject to a 15-year triple net lease – similar to our existing senior housing leases; and commenced construction of a 91-unit multi-family asset in south Bismarck.

We continue to look for opportunities to upgrade our real estate portfolio. Accordingly, we have identified certain non-core assets and look to be an opportunistic seller as it relates to these assets. In 2023, we entered into an agreement to sell 192 multi-family units in Springfield, Missouri. These assets were older, and we were forecasting significant future capital expenditures. Because of the robust Springfield market, we were able to sell these assets at very low cap rates, which resulted in an annualized return in excess of 20%. It is equally important to redeploy this capital in a manner that adds economic value through the acquisition of higher-quality assets at cap rates exceeding the sell-side cap rates. As in past years, we successfully redeployed this capital, increasing our overall Net Operating Income. As a management team, we are constantly reviewing our asset mix and seeking opportunities to recycle capital when we can create economic value for our shareholders.

### Future

In order to successfully grow, it is imperative to be aware of the macro economic events which impact our company while at the same time focusing on what we can control. This includes our yield spread on acquisitions, concentration risk, asset class and geographic diversification, and cost of capital, particularly debt capital. Our objective is to build a company that will do well regardless of the economic backdrop. **It is axiomatic that companies thrive when they create real economic value for their investors, which happens when their rate of return exceeds their cost of capital.**



## 9.53%

2023 Total Annual  
Shareholder Return



## 11.32%

Total Annual Shareholder  
Return Over the Last  
Three Years

## \$230M

of Real Estate Assets  
Acquired in 2023

## 20+%

IRR on  
Asset Dispositions

*continued on next page →*



## Letter to the Shareholders *(continued)*

It has been said “You prepare for the future through the lens of history.” With a strong balance sheet and well laddered debt maturities, we are positioned to continue our growth trajectory and provide shareholders with solid current yields and long-term total return. At Edgewood REIT, we are not content to rest on our past success. We recognize all successful organizations must continue to grow and improve their business. We also recognize the responsibility we have to you, our shareholders and partners. To this end, we commit ourselves to the mission of this organization, which is to create shareholder value. In 2024, we budgeted organic earnings growth in both our multi-family and net lease commercial assets. We also continue to look for value-add opportunities in our existing multi-family portfolio. Over the past few years, we have engaged in \$15.6M of value-add projects involving 650 multi-family units and have realized greater than a 15% annualized return on our investment. Additionally, the growth in net operating income from the value-add projects has resulted in a significant increase in the value of these assets – well beyond the cost of the capital improvements.

When investing capital, we look to infill in the 14 states where we currently own property. In addition, we pursue opportunities in border states with a favorable tax and business climate if we feel we can accumulate a critical mass in these geographic regions. **We continue to focus on the acquisition of healthcare related net lease assets and multi-family properties.** It has been our experience a mix of net lease and multi-family assets provides stable growth and expanding net operating income, as well as property appreciation which increases our net asset value and subsequently our share price and dividend payouts.

We feel the investment climate in 2024 will improve over 2023. It appears the Federal Central Bank’s monetary tightening has come to an end and they are forecasting a gradual reduction in interest rates. This should result in a decrease in the cost of debt capital, which will present an opportunity to reduce our weighted average cost of capital and hopefully increase the investment spread on acquisitions. As it relates to balance sheet management, we will continue to be conservative and avoid over-leverage and, as we have in the past, fix interest rates and maintain a debt maturity ladder so we are not forced to refinance debt when interest rates are unfavorable.



**There are significant tailwinds that are supportive of our senior housing and multi-family portfolios.** On the senior housing side there has been limited new supply, which has resulted in a favorable demand/supply balance. On the demand side, aging demographics remain supportive of senior housing. On the multi-family side, we are fortunate to be located in markets where rental housing is still affordable, we are experiencing consistent market growth, and there has been more measured new supply.

Lastly, we want to highlight the significant ownership interest of the Board of Trustees and Senior Management Team in Edgewood REIT, which is noted in the attached audit report. We feel it is important for the decision makers to have a meaningful ownership position to ensure the financial interests of the Management Team are aligned with our shareholders.

Thank you for your continued partnership with Edgewood REIT.



Dan Mikkelsen, Chairman of the Board



Jon Strinden, President

Number of Investors  
as of 12/31/23:

**1314**

REIT Shareholders

**643**

Partners





Mission Ridge, Springfield, MO



## Financial Highlights 2020-2023

Key Financial Metrics	2023	2022	2021	2020
Total Assets (in thousands)	\$ 1,904,216	\$ 1,648,479	\$ 1,348,691	\$ 1,111,168
Total Liabilities (in thousands)	\$ 988,277	\$ 831,102	\$ 749,324	\$ 667,221
Total Equity (in thousands)	\$ 915,939	\$ 817,377	\$ 599,367	\$ 443,947
Net Operating Income (in thousands)	\$ 133,503	\$ 112,294	\$ 93,239	\$ 81,202
Funds From Operations (FFO)	\$ 91,008,645	\$ 77,605,741	\$ 63,348,889	\$ 51,492,872
Funds From Operations (per weighted share)	\$ 1.899	\$ 1.848	\$ 1.901	\$ 1.750
Funds Available for Distribution (FAD)	\$ 81,884,557	\$ 70,581,414	\$ 57,550,325	\$ 46,084,527
Funds Available for Distribution (per weighted share)	\$ 1.709	\$ 1.681	\$ 1.727	\$ 1.566
Dividends Paid (per share)	\$ 1.250	\$ 1.175	\$ 1.100	\$ 1.050

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.

## Your Investment

### CREATING SHAREHOLDER VALUE

Over the past 13 years, Edgewood REIT has acquired quality real estate and generated solid earnings growth, which has resulted in a 14% compounded annual shareholder return. In addition, we remain focused on capital preservation and risk mitigation.

#### Diversified by Geographic Region

Edgewood REIT currently owns quality real estate in 14 states – concentrated in the Midwest, Mountain West, and Central United States (primarily in tertiary markets).

#### Diversified by Real Estate Sector Mix

In 2023, 43% of net operating income was generated from multi-family assets and 57% from net lease assets.

#### Strong Dividend Coverage Ratio

Since organization, Edgewood REIT has increased its dividend payout annually averaging 9.18% per

year. In addition, we have maintained a strong dividend coverage ratio with excess earnings used to pay down debt and invest in quality assets.

#### Consistent Growth in Earnings Per Share

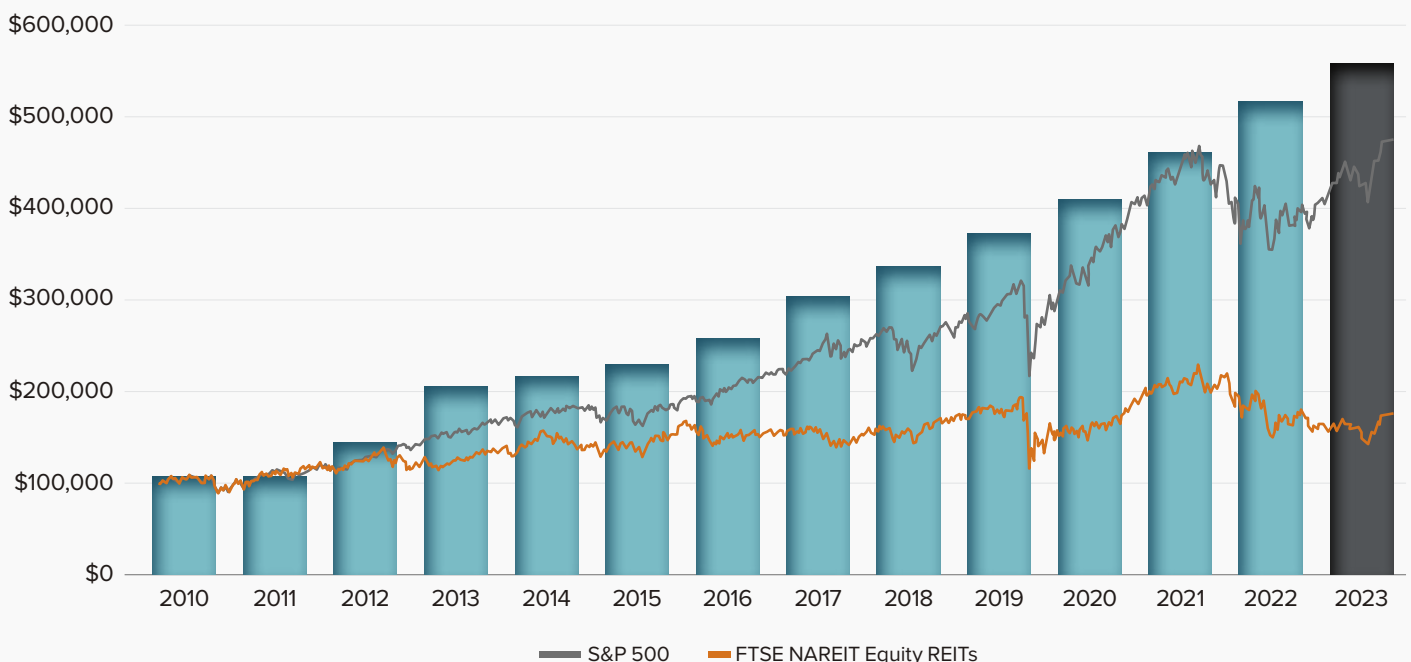
Earnings per share, as measured by distributable cash flow, has increased each year and supports the annual dividend increase.

#### Consistent Growth in Net Asset Value per Share

Continued growth in net operating income on a year-over-year basis, along with annual principal payments on debt, have resulted in year-over-year increases in net asset value per share – reflective in share price, which has increased from \$9.50 in 2011 to \$26.00 in 2023.

**Edgewood REIT is an attractive alternative asset with a very low correlation to the S&P 500.**

### Investment Performance

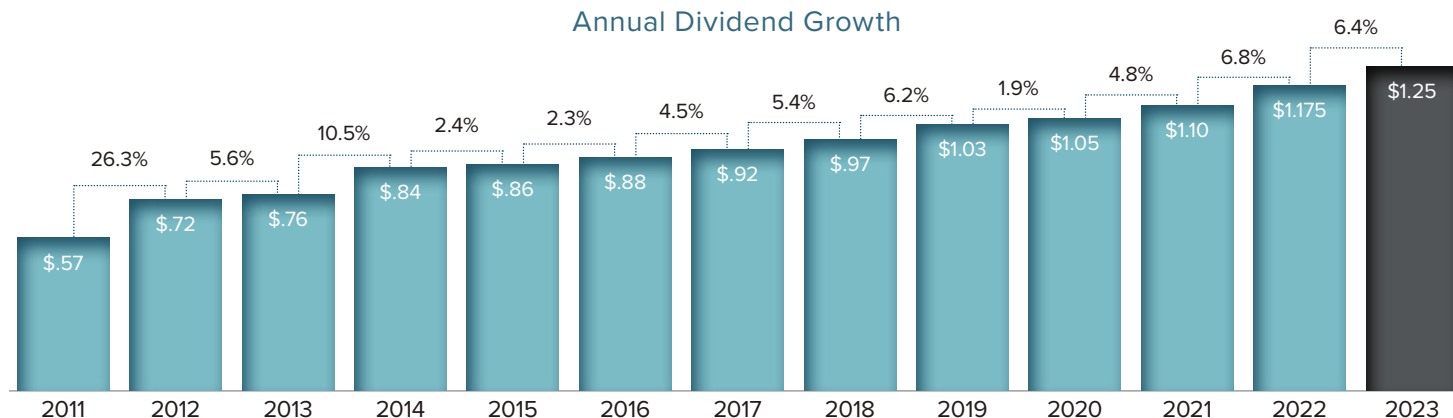




## DISTRIBUTION REINVESTMENT PLAN

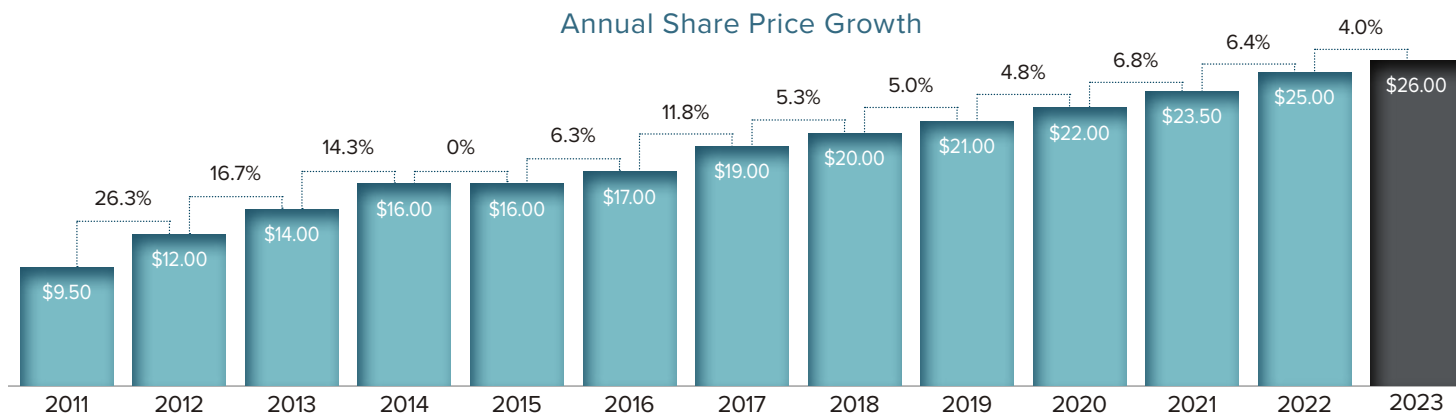
A Distribution Reinvestment Plan is offered as a convenience to investors of record who wish to increase their holdings in the company. Additional shares may be purchased, without a service or sales charge, through automatic reinvestment of quarterly cash dividends at a 5% discount off the current share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

Annual Dividend Growth



Effective January 1, 2024 – Dividend \$1.30 per year.

Annual Share Price Growth



Effective November 1, 2023 – Stock price \$26.00 per share.

## INVESTMENT PERFORMANCE

Calculations supporting 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 \$559,623.57 as of December 31, 2023.

# 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

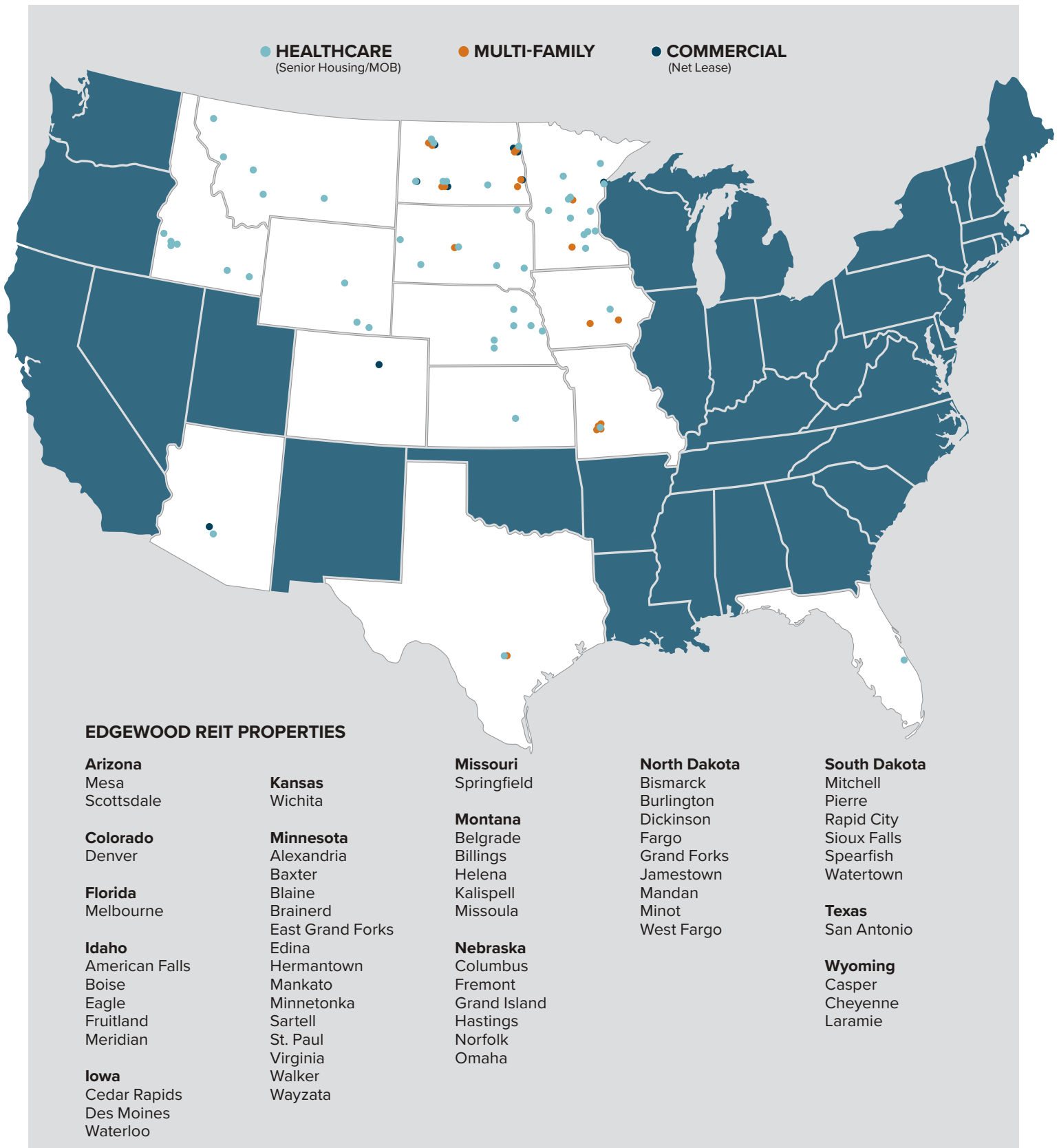


Ahron Walter



Edgewood Townhomes, Independent Living, Meridian, ID

# Our Growth Map





# Healthcare

Building & Location	Year Built	Year REIT Acquired	Total Units (Senior Housing)	Licensed Housing Capacity (Beds)*				Sq. Ft. Commercial
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)*				Sq. Ft. Commercial
				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

## Missouri

Mission Ridge – Springfield, MO	2023	2023	103	47	36	20	103	—
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## 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	—

# Healthcare

Building & Location	Year Built	Year REIT Acquired	Total Units (Senior Housing)	Licensed Housing Capacity (Beds)*				Sq. Ft. Commercial
				IL	AL	MC	Total	
North Star Building – Minot, ND	2006	2018	—	—	—	—	—	13,094
Valley Oral and Facial Surgery – West Fargo, ND	2018	2021	—	—	—	—	—	5,973

## 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**  
Townhomes (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**

**Assisted 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



### **MISSION RIDGE**

Independent Living

Assisted Living – Memory Care

4349 S Kansas Ave, Springfield, MO



### **MAY CREEK**

Assisted Living – Memory Care

303 10th St S, Walker, MN



### **EDGEWOOD**

Memory Care

1011 Cardinal Dr, Belgrade, MT



**EDGEWOOD**

**Memory Care**

1225 Wicks Ln, Billings, MT



**EDGEWOOD**

**Memory Care**

2815 Palmer St, Missoula, 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



## Healthcare



### **EDGEWOOD**

#### **Memory Care**

214 N Piper St, Grand Island, NE



### **EDGEWOOD**

#### **Memory Care**

17620 Poppleton Ave, Omaha, NE



### **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 HAWKS POINT**

Independent Living – Assisted Living  
1266 Signal Butte, Dickinson, ND



### **MED PARK MALL**

Medical Office – Commercial  
1375 & 1395 S Columbia Rd, Grand Forks, 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

## Healthcare



### **VALLEY BONE AND JOINT CLINIC**

Medical Office

3035 Demers Ave, Grand Forks, ND



### **EDGEWOOD**

Assisted Living – Memory Care

2801 39th Ave SE, Mandan, ND



### **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





### **NORTH STAR BUILDING**

**Medical Office**

2615 Elk Dr, Minot, ND



### **EDGEWOOD**

**Memory Care**

2201 N Wisconsin St, Mitchell, SD



### **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



## Healthcare



### **EDGEWOOD PRAIRIE CROSSINGS**

**Assisted Living**

1810 S Dorothy Ave, Sioux Falls, SD



### **EDGEWOOD**

**Memory Care**

420 9th St SE, Watertown, SD



### **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 MEADOW WIND**

Assisted Living – Memory Care  
3955 E 12th St, Casper, WY



### **EDGEWOOD SIERRA HILLS**

Assisted Living  
4606 N College Dr, Cheyenne, WY



### **EDGEWOOD PARK PLACE**

Assisted Living  
1930 E 12th St, Casper, WY



### **EDGEWOOD SPRING WIND**

Assisted Living – Memory Care  
1072 N 22nd St, Laramie, WY



### **EDGEWOOD ASPEN WIND**

Assisted Living – Memory Care  
4010 North College Dr, Cheyenne, WY





Falcon at Southern Hills, 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
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 I – Fargo, ND	2013	2023	—	42
Creekside Apartments II – Fargo, ND	2015	2023	—	66

# Multi-Family Housing

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Commercial	Total Units
Creekside Apartments III – Fargo, ND	2014	2023	—	42
Creekside Apartments IV – Fargo, ND	2020	2022	—	84
Cottagewood Townhomes – Fargo, ND	2017 & 2018	2023	—	90
Eaglebrook Apartments – Fargo, ND	2014	2023	—	150
U32 Apartments – Fargo, ND	2017 & 2019	2023	—	230
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
Kenwood on 5th Apartments – Minot, ND	2014	2023	—	50
Meadow Ridge Apartments – Minot, ND	2010	2023	—	132
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

Building & Location	Year Built	Year REIT Acquired	Sq. Ft. Commercial	Total Units
Westbrook Apartments – West Fargo, ND	1976 – Phase I 1977 – Phase II 1978 – Phase III	2018	—	119
West Creek Apartments – West Fargo, ND	2015	2023	—	126
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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### Texas

La Tierna Apartments – San Antonio, TX	2020	2023	—	370
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## Multi-Family Housing



### **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



### **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



## Multi-Family Housing



### **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





### **SCENIC STATION APARTMENTS**

1130 S Scenic 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



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

2621 S Jefferson Ave, Springfield, MO



### **COULEE RIDGE APARTMENTS**

3009 43rd Ave NE, Bismarck, ND

## Multi-Family Housing



### **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



### **OVERLOOK RIDGE APARTMENTS**

2200 Koch Dr, Bismarck, ND



### **BURLINGTON APARTMENTS**

25 Robert St, Burlington, ND





### **CREEKSIDE APARTMENTS**

4850 46th St S  
4551 47th Ave S  
4707 46th St S  
4700 46th St S  
Fargo, ND



### **U32 APARTMENTS**

1111 & 1151 32nd Ave N, Fargo, ND



### **COTTAGEWOOD TOWNHOMES**

3802-4093 50th Ave S, Fargo, ND



### **ASPEN PARK**

2450 S 27th Ave, Grand Forks, ND



### **EAGLEBROOK APARTMENTS**

5450 & 5652 26th St S, Fargo, ND



### **BRIARWOOD**

2650 S 26th Ave, Grand Forks, ND



## Multi-Family Housing



### **CAMPUS PLACE I**

415 N 42nd St, Grand Forks, ND



### **CAMPUS PLACE IV**

4270 University Ave, Grand Forks, ND



### **CAMPUS PLACE II**

4274 University Ave, Grand Forks, ND



### **CAMPUS PLACE V**

411 N 42nd St, Grand Forks, ND



### **CAMPUS PLACE III**

4278 University Ave, Grand Forks, ND



### **CAMPUS PLACE VI**

425 N 42nd St, Grand Forks, ND



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

4297 5th Ave, Grand Forks, ND



### **MCENROE PLACE I**

3920 Garden View Dr, Grand Forks, ND



### **GALLERY APARTMENTS**

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



### **MCENROE PLACE II**

3850 Garden View Dr, Grand Forks, ND



### **KENSINGTON PLACE**

2303 S 27th Ave, Grand Forks, ND



### **MCENROE PLACE III**

3880 Garden View Dr, Grand Forks, ND



## Multi-Family Housing



### **MCENROE PLACE IV**

3750 Garden View, Grand Forks, ND



### **NORTHERN HEIGHTS**

615 1st Ave N, Grand Forks, ND



### **MCENROE PLACE V**

3841 Garden View, Grand Forks, ND



### **PARKVIEW TERRACE**

2396 27th Ave S, Grand Forks, ND



### **MCENROE PLACE VI**

3941 Garden View, Grand Forks, ND



### **UNIVERSITY POINTE**

2860 10th Ave N, Grand Forks, ND





### **WESTRIDGE APARTMENTS**

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



### **COLLINS PLACE**

100 Collins Ave, Mandan, ND



### **KINDRED APARTMENTS**

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



### **LAKEWOOD APARTMENTS**

2303 Shoal Loop, Mandan, ND



### **BRIDGEVIEW APARTMENTS**

2003 Marina Rd SE, Mandan, ND



### **MANDAN PLACE**

101 1st Ave NW, Mandan, ND

## Multi-Family Housing



### **DAKOTA TERRACE APARTMENTS**

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



### **KENWOOD ON 5TH APARTMENTS**

2821 5th St NW, Minot, ND



### **ELK POINT APARTMENTS**

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



### **MEADOW RIDGE APARTMENTS**

110-150 41st Ave SE, Minot, ND



### **GATEWAY APARTMENTS**

1919 35th Ave SW, Minot, ND



### **MINOT PLACE APARTMENTS**

1710 13th Ave SE, Minot, ND





### **MORGAN APARTMENTS**

1921 & 1935 6th St, Minot, ND



### **PARAMOUNT AT THE BLUFFS**

1500 & 1502 35th Ave SE, Minot, ND



### **NORTH HIGHLANDS APARTMENTS**

1250 27th Ave NW, Minot, ND



### **SILVER CREST CONDOS**

2160 Landmark Circle, Minot, ND



### **NORTH HILL CONDOS**

2200 Landmark Circle, Minot, ND



### **THE HEIGHTS APARTMENTS**

1510 16th St SW, Minot, ND



## Multi-Family Housing



### **WILLOW BROOKE LODGE**

3311 8th St. NE, 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



### **WOODSIDE TOWNHOMES**

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



### **WEST CREEK APARTMENTS**

1400 12th St W, West Fargo, ND



### **GREENFIELD APARTMENTS**

Southeast ND



### **LA TIERNA APARTMENTS**

15950 Chase Hill Blvd, San Antonio, TX



### **HIGHLANDS RIDGE APARTMENTS**

2412 E 4th St, Pierre, SD





Terra Verde, Scottsdale, AZ

# 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
Penterra Plaza Retail – Denver, CO	2003	2023	19,586
<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
Fleet Farm – Cedar Rapids, IA	2019	2021	196,738
<b>Minnesota</b>			
Nortech – Bemidji, MN	1979	2022	61,500
Fleet Farm – Blaine, MN	2007	2021	239,704
Fleet Farm – Hermantown, MN	2016	2023	207,387
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
Bremer Bank Building – Minot, ND	1976 & 2022	2019 & 2022	34,144 & 4,800



## 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



### **PENTERRA PLAZA RETAIL**

8100 East Union Ave, Denver, CO



### **TOWERS AT SCOTTSDALE LANDING**

8660 East Hartford Dr, Scottsdale, AZ



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

4201 42nd St NE, Cedar Rapids, IA





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

501 1st St SE, Cedar Rapids, IA



### **FLEET FARM – BLAINE**

10250 & 10280 Lexington Ave NE  
Blaine, MN



### **FLEET FARM – CEDAR RAPIDS**

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



### **FLEET FARM – HERMANTOWN**

4165 & 4181 Loberg Ave, Hermantown, MN



### **NORTECH – BEMIDJI**

4050 Norris Court NW, Bemidji, MN



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

119 14th St NW, New Brighton, MN

## Commercial



### **NORTECH – MANKATO**

1950 Excel Dr, Mankato, MN



### **EAPC BUILDING**

112 & 122 Roberts St, Fargo, ND



### **ROCK ISLAND MALL**

2706 Rock Island Pl, Bismarck, ND



### **EAPC BUILDING**

3100 Demers Ave, Grand Forks, ND



### **TRACTOR SUPPLY COMPANY**

4544 West Ridge Dr, Dickinson, ND



### **GRAND FORKS CORPORATE CENTER**

401 Demers Ave, Grand Forks, ND





### **GARDEN VIEW OFFICE BUILDING**

4050 Garden View Dr, Grand Forks, ND



### **BREMER BANK BUILDING**

20 1st St SW, Minot, ND



### **UNIVERSITY REAL ESTATE**

2855 10th Ave N, 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, 2023 AND 2022



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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, 2023 and 2022, 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, 2023 and 2022, 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**

April 1, 2024

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**CONSOLIDATED BALANCE SHEETS**  
**DECEMBER 31, 2023 AND 2022**

<b>ASSETS</b>		
	2023	2022
REAL ESTATE INVESTMENTS	\$ 2,007,399,009	\$ 1,718,653,689
Less accumulated depreciation	(211,205,193)	(168,680,190)
Total real estate investments	<u>1,796,193,816</u>	<u>1,549,973,499</u>
OTHER ASSETS		
Cash and cash equivalents	17,511,406	22,128,848
Restricted deposits	10,027,355	6,425,425
Land held for investment	9,009,666	5,668,068
Accounts receivable, net	9,899,456	7,852,744
Related party receivable	20,757,746	21,143,138
Straight-line rent receivable	25,363,688	19,175,084
Prepaid expenses	6,418,158	4,140,567
Other assets	9,034,334	11,971,462
Total other assets	<u>108,021,809</u>	<u>98,505,336</u>
TOTAL ASSETS	<u>\$ 1,904,215,625</u>	<u>\$ 1,648,478,835</u>
<b>LIABILITIES AND EQUITY</b>		
LIABILITIES		
Accounts payable	\$ 16,538,676	\$ 10,553,403
Advance rents and security deposits	4,849,822	3,597,492
Accrued expenses and other liabilities	2,661,863	2,270,259
Distributions payable	15,608,867	13,438,386
Related party payable	11,541,492	20,663,548
Line of credit	2,295,193	-
Notes payable	940,498,424	785,726,123
Less: unamortized debt issuance costs	(5,717,030)	(5,147,165)
TOTAL LIABILITIES	<u>988,277,307</u>	<u>831,102,046</u>
NON-CONTROLLING INTERESTS IN PARTIALLY OWNED PROPERTIES	<u>33,670,930</u>	<u>22,823,157</u>
EQUITY		
Common shares of beneficial interest (No par value, 17,978,131 and 16,930,732 shares issued and outstanding as of December 31, 2023 and 2022, respectively)	322,989,670	297,941,163
Retained earnings (accumulated deficit)	(28,717,183)	(22,991,215)
Accumulated other comprehensive income (loss)	7,669,557	10,258,845
Non-controlling interests in operating partnership (32,118,219 and 28,905,498 units outstanding at December 31, 2023 and 2022, respectively)	580,325,344	509,344,839
Total equity	<u>882,267,388</u>	<u>794,553,632</u>
TOTAL LIABILITIES, NON-CONTROLLING INTERESTS IN PARTIALLY OWNED PROPERTIES, AND EQUITY	<u>\$ 1,904,215,625</u>	<u>\$ 1,648,478,835</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, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
REVENUE		
Rental income	\$ 176,769,333	\$ 145,845,219
Other operating income	<u>13,157,346</u>	<u>9,363,924</u>
Total revenue	<u>189,926,679</u>	<u>155,209,143</u>
EXPENSES		
Property management	18,345,123	14,369,863
Repairs and maintenance	11,085,239	8,529,769
Property taxes	13,675,339	9,726,579
Utilities	8,736,968	7,223,176
Insurance	4,581,412	3,065,671
Depreciation on real estate investments	43,107,511	36,520,661
Interest expense	37,306,111	31,227,577
De minimis capital expenditures	2,605,360	2,154,809
General and administrative	<u>10,704,992</u>	<u>9,264,743</u>
Total expenses	<u>150,148,055</u>	<u>122,082,848</u>
INCOME FROM OPERATIONS	39,778,624	33,126,295
OTHER INCOME (EXPENSE)		
Other non-operating income	1,761,917	3,039,368
Other non-operating expense	(221,416)	(193,169)
Gain on sale of real estate	2,529,632	1,504,294
Interest income	<u>2,037,396</u>	<u>2,434,403</u>
Total other income	<u>6,107,529</u>	<u>6,784,896</u>
NET INCOME	45,886,153	39,911,191
LESS: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS IN PARTIALLY OWNED PROPERTIES	(285,334)	(308,132)
LESS: NET INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS IN OPERATING PARTNERSHIP	<u>(29,552,220)</u>	<u>(24,993,330)</u>
NET INCOME AVAILABLE TO COMMON SHAREHOLDERS	<u>\$ 16,048,599</u>	<u>\$ 14,609,729</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, 2023 AND 2022**

	<u>2023</u>	<u>2022</u>
OTHER COMPREHENSIVE INCOME		
Net income	\$ 45,886,153	\$ 39,911,191
Other comprehensive income (loss)		
Unrealized gain (loss) from derivative instrument	<u>(2,589,288)</u>	<u>19,358,337</u>
Total other comprehensive income	43,296,865	59,269,528
LESS: COMPREHENSIVE INCOME ATTRIBUTABLE TO NON-CONTROLLING INTERESTS	<u>(28,178,787)</u>	<u>(37,358,030)</u>
COMPREHENSIVE INCOME AVAILABLE TO COMMON SHAREHOLDERS	<u>\$ 15,118,078</u>	<u>\$ 21,911,498</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, 2023 AND 2022**

	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, 2022	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
Net income	-	-	16,048,599	-	29,552,220	45,600,819
Other comprehensive income (loss)	-	-	-	(2,589,288)	-	(2,589,288)
Common shares issued (net of commissions)	1,225,184	35,336,011	-	-	-	35,336,011
Operating partnership units issued	-	-	-	-	93,901,820	93,901,820
Distributions - common shares	-	-	(21,774,567)	-	-	(21,774,567)
Distributions reinvested	770,360	10,978,252	-	-	-	10,978,252
Net redemptions	(948,145)	(21,265,756)	-	-	(14,233,684)	(35,499,440)
Distributions - non-controlling interests	-	-	-	-	(38,239,851)	(38,239,851)
BALANCE DECEMBER 31, 2023	17,978,131	\$ 322,989,670	\$ (28,717,183)	\$ 7,669,557	\$ 580,325,344	\$ 882,267,388

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, 2023 AND 2022**

	2023	2022
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Net income	\$ 45,886,153	\$ 39,911,190
Adjustments to reconcile net income to net cash provided (used) by operating activities:		
Depreciation on real estate investments	43,107,511	36,520,661
Amortization on finance fees	1,261,840	1,169,227
Gain on sale of real estate	(2,529,632)	(1,504,294)
Net income attributable to non-controlling interests in partially owned properties	(285,334)	(308,132)
Effects on operating cash flows due to change in:		
Accounts receivable	(3,145,386)	(966,084)
Straight-line rent receivable	(6,188,604)	(3,238,454)
Prepaid expenses	(2,277,591)	(1,330,220)
Accounts payable	5,985,273	3,573,549
Accrued expenses	391,605	(900,521)
Advance rents and security deposits	1,252,330	857,408
Net cash provided (used) by operating activities	<u>83,458,165</u>	<u>73,784,330</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Proceeds on sale of property and equipment	7,100,000	8,800,000
Purchase of property and equipment	(70,440,937)	(161,255,458)
Sale (purchase) of land held for investment	218,603	739,180
Payments (advances) on related party receivable/payable	(4,989,684)	1,094,364
Payments (advances) on related party notes receivable	(3,746,977)	-
Net cash provided (used) by investing activities	<u>(71,858,995)</u>	<u>(150,621,914)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Distributions paid to non-controlling interests	(36,735,769)	(28,091,469)
Distributions paid to common shareholders	(10,129,916)	(9,019,909)
Repurchase of non-controlling interests	(9,633,208)	-
Redemption of common shares	(21,265,756)	(1,605,476)
Brokerage commissions paid on shares issued	(1,044,885)	(969,429)
Proceeds from common shares issued	36,380,896	42,543,131
Advances on notes payable	87,367,724	79,658,692
Payments on notes payable	(58,585,631)	(25,259,465)
Net cash provided (used) by financing activities	<u>(13,646,545)</u>	<u>57,256,075</u>
<b>CHANGE IN CASH, CASH EQUIVALENTS, AND RESTRICTED DEPOSITS</b>	<u>(2,047,375)</u>	<u>(19,581,509)</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED DEPOSITS, BEGINNING OF YEAR</b>	<u>28,554,273</u>	<u>48,135,782</u>
<b>CASH, CASH EQUIVALENTS, AND RESTRICTED DEPOSITS, END OF YEAR</b>	<u>\$ 26,506,898</u>	<u>\$ 28,554,273</u>
 Cash and Cash Equivalents	 \$ 16,479,543	 \$ 22,128,848
Restricted Deposits	10,027,355	6,425,425
Total Cash, Cash Equivalents, and Restricted Deposits	<u>\$ 26,506,898</u>	<u>\$ 28,554,273</u>
 Cash paid during the year for interest	 <u>\$ 36,684,347</u>	 <u>\$ 30,969,580</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, 2023 AND 2022**

SUPPLEMENTAL SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES	2023	2022
Real estate investments acquired through issuance of notes payable	\$ 128,285,400	\$ 9,600,288
Change in other comprehensive income	(2,589,288)	19,538,337
Real estate investments acquired through issuance of non-controlling interests in operating partnership	93,901,820	159,111,549
Real estate investments acquired through issuance of non-controlling interests in partially owned properties	10,847,773	1,349,332
Redemption of non-controlling interests through issuance of common shares	4,600,476	1,523,532
Distributions on non-controlling interests declared and not paid	9,969,065	8,464,984
Distributions on common shares declared and not paid	5,639,802	4,973,403
Distribution of common shares reinvested	10,978,252	9,698,170

SEE NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**  
**DECEMBER 31, 2023 AND 2022**

**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 12.

**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 12. The Company’s interest in the Operating Partnership was 36% as of December 31, 2023 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 (GAAP) 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 consolidated 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



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2023 AND 2022**

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, 2023 AND 2022**

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.

**Accounts receivables and allowance for credit losses**

Account receivables are derived from rents and charges due from residential tenants, along with other miscellaneous receivables. Payments on accounts receivables are applied to specific accounts/months. The net amount represents the amount expected to be collected as of the consolidated balance sheet date. Management estimates an allowance for credit losses based on an evaluation of historical credit loss write-offs, current economic conditions, and analysis of outstanding aged receivables. The Company believes the historical loss information is a reasonable starting point from which to calculate the expected allowance for credit losses as the Company's receivables have remained relatively consistent.

The Company has determined that current and forecasted economic conditions are not expected to have a significant impact on expected credit losses and no material adjustments to the allowance calculation were made during the current year.

The Company pools its receivables based on similar risk characteristics in estimating the expected credit losses. In situations where a receivable does not share the same risk characteristics with other receivables, the Company measures those receivables individually. The Company also continuously evaluates such pooling decisions and adjusts as needed from period to period as risk characteristics change.

Receivables are written off when deemed uncollectible. Write-offs are recognized as a reduction in the allowance for credit losses. If any recoveries are made from any accounts previously written off, they will be recognized in income in the year of recovery, in accordance with the entity's accounting policy election. Management's estimate of the allowance for credit losses, as well as the separate amounts of write-offs and recoveries were immaterial with respect to the consolidated financial statements as a whole as of December 31, 2023 and 2022.

**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.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2023 AND 2022**

**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, as well as cumulative unrealized gains on interest rate swaps as discussed in Note 8.

**Distributions payable**

Distributions payable represent distributions declared to common shareholders and unit holders in the operating partnership of record on December 31, 2023 payable on January 15, 2024.

**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, 2023, 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 81% ordinary income and 19% return of capital for the year ended December 31, 2023, and 80% ordinary income and 20% return of capital for the year ended December 31, 2022.



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2023 AND 2022**

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, 2023.

**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, 2023 and 2022, were considered non-controlling interests.

**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.

**Adoption of New Accounting Standards**

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments – Credit Losses* (Topic 326). The ASU introduces a new credit loss methodology, Current Expected Credit Losses (CECL), which requires earlier recognition of credit losses, while also providing additional transparency about credit risk. Since its original issuance in 2016, the FASB has issued several updates to the original ASU.

The CECL methodology utilizes a lifetime "expected credit loss" measurement objective for the recognition of credit losses for receivables at the time the financial asset is originated or acquired. The expected credit losses are adjusted each period for changes in expected lifetime credit losses. The methodology replaces the existing incurred loss model in prior GAAP, which generally required that a loss be probable before it is recognized. Financial assets held by the company that are subject to the guidance in FASB ASC 326 are trade accounts receivable.

The Company adopted FASB ASC 326 effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only. As such, the Company did not record an impact to retained earnings upon

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2023 AND 2022**

adoption and expects current and future credit losses to be immaterial. The Company will continue to monitor the credit risk from third-party companies to determine if expected credit losses may become material.

**NOTE 2 RESTRICTED DEPOSITS**

Restricted deposits consists of the following as of December 31, 2023 and 2022:

	2023	2022
Real estate tax escrow	\$ 2,745,807	\$ 1,311,772
Insurance escrow	1,492,604	994,295
Reserve escrow	5,621,416	3,946,834
Other escrow	167,528	172,524
Total restricted deposits	<u>\$ 10,027,355</u>	<u>\$ 6,425,425</u>

**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:

	2023	2022
Land	\$ 175,475,098	\$ 150,667,827
Buildings	1,738,542,093	1,482,150,577
In-place leases	4,072,500	4,072,500
Furniture, fixtures, and equipment	37,913,659	33,995,921
Construction in progress	51,395,659	47,766,864
Total property	<u>2,007,399,009</u>	<u>1,718,653,689</u>
Less accumulated depreciation/amortization	<u>(211,205,193)</u>	<u>(168,680,190)</u>
Total property, net	<u>\$ 1,796,193,816</u>	<u>\$ 1,549,973,499</u>

Depreciation expense for the years ended December 31, 2023 and 2022 was \$43,107,511 and \$36,520,661, 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.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2023 AND 2022**

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>		
2024	\$	78,843,614
2025		72,908,872
2026		67,678,588
2027		67,267,170
2028		65,227,881
Thereafter		<u>248,693,803</u>
Total	\$	<u>600,619,928</u>

Rent revenues under the leases which were in-place for the years ended December 31, 2023 and 2022 were \$75,476,934 and \$65,531,899, respectively.

The effect of amortization of acquired in-place lease allocations was approximately \$101,813 and \$101,813 for the years ended December 31, 2023 and 2022, 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>		
2024	\$	101,813
2025		101,813
2026		101,813
2027		101,813
2028		101,813



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
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**NOTE 4 PROPERTY ACQUISITIONS AND DISPOSITIONS**

For the year ended December 31, 2023:

<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 Denver Retail, LLC	Denver, CO		Aug-23	\$ 1,000,000
EWR Bismarck Distribution Center, LLC	Bismarck, ND		Apr-23	710,400
EWR Hermantown FF, LLC	Hermantown, MN		Dec-23	30,000,000
Total Commercial Property				<u>31,710,400</u>
<b><u>Multi-Family Residential</u></b>				
EWR Fargo Creekside Apartments I, LLC	Fargo, ND	42	Aug-23	4,100,000
EWR Fargo Creekside Apartments II, LLC	Fargo, ND	66	Aug-23	6,900,000
EWR Fargo Creekside Apartments III, LLC	Fargo, ND	42	Aug-23	4,100,000
EWR Fargo Eaglebrook Apartments, LLC	Fargo, ND	150	Nov-23	17,475,000
EWR Fargo Cottagewood Townhomes, LLC	Fargo, ND	90	Jun-23	21,800,000
EWR Minot Meadow Ridge Apartments, LLC	Minot, ND	132	Sep-23	14,297,500
EWR Minot Kenwood Apartments, LLC	Minot, ND	50	Sep-23	3,500,000
EWR SA-NW Apartments, LLC	San Antonio, TX	370	Apr-23	85,000,000
EWR Fargo U32 Apartments, LLC	Fargo, ND	230	Aug-23	28,500,000
EWR Fargo West Creek Apartments, LLC	West Fargo, ND	126	Dec-23	13,230,000
Total Multi-Family Residential				<u>198,902,500</u>
<b>Total Acquisitions</b>				<u>\$ 230,612,900</u>

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>

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
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**Dispositions**

The following properties were sold during the year ending December 31, 2023 to unrelated third parties:

MV Sherwood Village East, LLC

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

**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.

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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**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.

**NOTE 6 NOTES PAYABLE**

Details pertaining to the Company's debt and assets assigned as collateral thereon as of December 31, 2023 and 2022 are as follows:

<b>Lender</b>	<b>Maturity Dates</b>	<b>Current Note Rates</b>	<b>Current Portion</b>	<b>Balance 12/31/23</b>	<b>Balance 12/31/22</b>
Alerus Financial	2024-2033	3.53% - 7.35%	\$ 5,524,536	\$ 54,390,164	\$ 36,586,145
American Bank Center	2030	3.05%	73,906	2,294,878	2,366,729
American Federal Bank	2039	4.60% - 4.75%	156,067	3,228,861	3,380,138
Americo (Venture Mortgage)	2028-2033	3.49% - 4.98%	1,424,457	43,229,423	47,080,201
Ameritas Life Insurance (Venture)	2026	4.25%	78,322	2,016,797	2,091,865
Arbor Commercial Funding FNMA	2030 -2033	4.73% - 5.61%	572,738	43,166,181	28,036,627
Assurity Life (Venture Mortgage)	2024	4.75%	3,194,023	3,194,023	3,416,520
BankWest	2024 - 2040	4.05% - 4.60%	2,291,113	9,101,844	9,549,149
Bell State Bank	2024-2029	3.75% - 4.55%	2,424,877	33,006,950	33,890,053
Bellwether Enterprise	2029	4.43% - 4.70%	211,463	10,207,604	-
BNC National bank	2033	5.25%	224,856	10,818,377	-
Bremer Bank	2026-2032	1.66% - 5.31%	4,309,760	121,337,291	125,478,869
CBRE	2033	4.88%	137,578	11,746,000	-
Choice Financial	2025-2030	3.51% - 7.28%	479,404	32,805,072	10,736,713
City of E. Grand Forks EDA	2023	3.10%	-	-	12,196
Cornerstone Bank	2032	3.95%	187,915	7,245,147	7,426,493
Dwight Capital	2055-2056	2.34% - 3.15%	732,622	36,932,849	-
First Community Credit Union	2031 - 2047	3.05% - 3.25%	222,049	7,464,111	7,679,813
First International Bank & Trust	2027 - 2042	3.50% - 4.00%	404,642	11,310,848	11,700,774
First National Bank North	2024-2026	3.90 - 4.40%	2,084,573	3,477,989	3,693,196
First State Bank	2029-2036	4.07% - 4.40%	1,095,648	21,935,207	23,018,234
First Western Bank & Trust	2024 - 2027	4.25% - 4.45%	4,202,280	6,470,146	6,790,822
Gate City Bank	2032	3.85%	520,183	19,884,178	20,386,505
Genworth Life (Venture Mortgage)	2035 - 2036	3.80% - 4.28%	390,434	13,366,974	13,742,138
Gershman Investment Corp	2048	3.32%	148,315	4,872,314	5,017,246
Grand Bridge	2031-2033	3.13% - 4.71%	97,782	10,758,456	11,033,988
Greystone	2026	4.12%	117,852	4,524,985	4,638,535
KeyBank (HUD)	2052	3.12%	892,566	41,032,358	41,897,089
Morgan Stanley	2023	5.04%	-	-	11,564,838
NDHFA	2029	0.00%	73,332	2,690,000	513,333
NorthMarq Finance	2046-2056	2.37% - 3.12%	551,658	22,748,988	14,156,137
Protective Life Insurance	2026-2033	2.55% - 4.50%	5,052,950	167,562,616	172,224,881
Red Capital Group	2047	2.57%	630,576	19,797,656	20,412,249
Starion Bank	2027	4.75%	302,439	5,709,549	5,999,328
TIAA Bank	2029-2030	3.26% - 3.40%	355,354	11,031,728	11,375,514
Wells Fargo (Morgan Stanley)	2023 - 2031	2.75% - 5.13%	2,753,918	125,867,624	86,437,678
Western Bank	2029 - 2030	3.27% - 3.53%	126,790	3,269,310	3,392,127
Great Southern Bank	2026	8.46%	520,778	12,001,927	-
<b>Total</b>			<b>\$ 42,664,230</b>	<b>940,498,424</b>	<b>785,726,123</b>
Less: unamortized debt issuance costs				(5,717,030)	(5,147,165)
<b>Net notes payable</b>				<b>\$ 934,781,394</b>	<b>\$ 780,578,958</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, 2023 and 2022 includes amortization of loan fees of \$783,687 and \$697,534, respectively.

Future principal payments due for the above long-term debt as of December 31, 2023 are as follows:

<u>For the year ending December 31,</u>	
2024	\$ 42,664,230
2025	53,079,713
2026	136,005,950
2027	72,946,925
2028	75,568,562
Thereafter	<u>560,233,044</u>
Total	<u>\$ 940,498,424</u>

**NOTE 7 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 SOFR plus 2.25%. As of December 31, 2023 and 2022, the line of credit carried an interest rate of 7.59% and 5%, respectively, and had an outstanding balance of \$2,295,193 and \$0, respectively.

**NOTE 8 RECEIVE-VARIABLE, PAY-FIXED INTEREST RATE SWAPS**

As disclosed in Note 6, the Company has multiple notes outstanding with Bremer Bank which total \$121,337,291 and \$125,478,869 as of December 31, 2023 and 2022, respectively. As of December 31, 2023, 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 \$54,390,164 and \$36,586,145 as of December 31, 2023 and 2022, respectively. As of December 31, 2023, 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 \$7,245,147 and \$7,426,493 as of December 31, 2023 and 2022, respectively. As of December 31, 2023, 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, 2023, and 2022, the Company has cumulative unrealized gains (losses) from changes in the swap contract's settlement value of \$7,669,557 and \$10,258,845, respectively, in other comprehensive income (loss). This cumulative amount is included in other assets as of December 31, 2023 and December 31, 2022, respectively.

**NOTE 9 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 4% 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, 2023 and 2022, and the revenue or expenses incurred to each of the years ended December 31, 2023 and 2022.

The Company receives rental income from the various Edgewood operating companies. Total rental revenues for the years ended December 31, 2023 and 2022 were \$46,057,185 and \$47,009,200. Also see Note 3 for related party leases.

The Company received rental income on its undeveloped land from Edgewood Development Group. Total rental revenues for the years ended December 31, 2023 and 2022 were \$0 and \$546,705, respectively. As of December 31, 2023, 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, 2023 and 2022 was \$0 and \$134,669, with \$0 outstanding receivable as of December 31, 2023 and 2022, respectively. The lease ended in April 2022 upon sale of the building.

As of December 31, 2023 and 2022, the Company had amounts receivable from Edgewood OpCo of \$516,777 and \$1,004,306, respectively.

As of December 31, 2023 and 2022, the Company had amounts receivable due from members of \$128,985 and \$0, 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, for the years ended December 31, 2023 and 2022, the owners of the Advisor control approximately 14% and 16% of the outstanding voting shares, respectively. Total costs incurred for management and acquisition fees for the years ended December 31, 2023 and 2022

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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were \$15,875,085 and \$14,234,300, respectively. In addition, finance fees in the amount of \$1,328,672 and \$401,178 were capitalized during the years ended December 31, 2023 and 2022.

As of December 31, 2023 and 2022, \$312,790 and \$1,085,425 was due to Edgewood Properties Management, LLC, respectively, in result of accrued advisory fees and reimbursable expenses. In addition, as of December 31, 2023 and 2022, \$3,746,977 and \$20,054,159 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 consist of 229 multi-family units located in Bismarck, ND and Springfield, MO 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, 2023 and 2022 totaled approximately 6,230,938 and 6,289,891 or 34.7% and 40.5% of the total outstanding shares, respectively.

**NOTE 10 MAJOR CUSTOMERS**

The Company derived 10% or more of its revenue for the years ended December 31, 2023 and 2022 from the following customer:

The Company receives rental income from the various Edgewood operating companies. Total rental revenues for the years ended December 31, 2023 and 2022 were \$46,057,185 and \$47,009,200, with \$0 and \$0 included in related party receivable, respectively.

**NOTE 11 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.



**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
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**NOTE 12 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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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

**EDGEWOOD REAL ESTATE INVESTMENT TRUST AND SUBSIDIARIES**  
**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS - CONTINUED**  
**DECEMBER 31, 2023 AND 2022**

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 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 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  
EWR Denver Retail, LLC - a Colorado Limited Liability Company  
EWR Bismarck Distribution Center, LLC - a North Dakota Limited Liability Company  
EWR Fargo Creekside Apartments I, LLC - a North Dakota Limited Liability Company  
EWR Fargo Creekside Apartments II, LLC - a North Dakota Limited Liability Company  
EWR Fargo Creekside Apartments III, LLC - a North Dakota Limited Liability Company  
EWR Bismarck Paradise Valley, LLC - a North Dakota Limited Liability Company  
EWR Fargo Eaglebrook Apartments, LLC - a North Dakota Limited Liability Company  
EWR Fargo Cottagewood Townhomes, LLC - a North Dakota Limited Liability Company  
EWR Minot Meadow Ridge Apartments, LLC - a North Dakota Limited Liability Company  
EWR Minot Kenwood Apartments, LLC - a North Dakota Limited Liability Company  
EWR SA-NW Apartments, LLC - a Texas Limited Liability Company  
EWR Fargo U32 Apartments, LLC - a North Dakota Limited Liability Company  
EWR Fargo West Creek Apartments, LLC - a North Dakota Limited Liability Company

**NOTE 13 SUBSEQUENT EVENTS**

The Company sold EVI Essex Place Apartments, LLC subsequent to year-end for \$19,000,000. In addition, the Company acquired EWR Phoenix Office on Elwood, LLC for \$6,400,000, which was purchased with cash.

No other significant events have occurred subsequent to the Company's year-end. Subsequent events have been evaluated through April 1, 2024, the date these financial statements were available to be issued.









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