



Fargo, ND

## 2024 Second Quarter Report to Shareholders & Partners Quarter ended June 30, 2024

### Dear Shareholders and Partners:

Greetings from your Management Team!

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

In this update, we present the second quarter 2024 financial performance for Edgewood Real Estate Investment Trust ("REIT"). The REIT continues to realize strong financial performance in all asset classes. The multi-family portfolio consists of 7,710 units and occupancy as of June 30 was 95.84%. Our net lease portfolio consists of 106 healthcare and other commercial properties, with occupancy exceeding 99%. Current enterprise value of the REIT is approximately \$2.3 billion and our market capitalization as of June 30 was approximately \$1.35 billion.

Most importantly, we continue to grow earnings on a per share basis. Through the second quarter 2024, on a year-over-year comparison, funds available for distribution increased 4.5% per share and distributable cash flow 6.6% per share. We are currently tracking very close to budget in 2024 and anticipate a strong finish to the year.

As of the date of this newsletter, economic growth in the United States remains quite strong with interest rates at an elevated level in comparison to the pre-Covid interest rate environment. Financial markets continue to price in federal central bank interest rate reductions in the second half of 2024 and continuing into 2025. Anticipated interest rate reductions have resulted in a stabilization of real estate cap rates and as interest rates decline most real estate investors are anticipating cap rates will also decline.

At Edgewood REIT, our acquisition focus is to acquire assets that provide an initial cash yield in excess of our weighted average cost of capital. Capital includes both equity and debt capital. In the second quarter, we acquired two net lease assets. The first property is leased to a regional engineering company at a purchase price of \$8,765,000. The second is a multi-tenant medical office building located in Minnetonka, Minnesota at a purchase price of \$2,500,000. Both of these assets provide an initial cash yield in excess of our cost of capital. In addition, we continued to expand our multi-family portfolio in Bismarck, North Dakota and placed into a service 6 townhomes and commenced construction of a 180 unit multi-family property.

In 2024, similar to past years, we expect to see growth in our net operating income per share, which is driven by multi-family net operating income increases and contractual rental escalators in our net leases. In addition, we continue to look for opportunities to recycle capital by selling older portfolio assets and recycling this capital into newer assets, which we feel will generate continued NOI growth and increase shareholder value.

As always, if you have any questions, please contact a member of your management team. Thank you for your ongoing support.

Sincerely,

Management Team

## Income Statement Data

	YTD	Second Quarter 2024
Revenues	\$103,700,002	\$52,180,456
Net Income	\$28,547,382	\$11,662,451
Funds from Operations (FFO)	\$48,185,333	\$24,588,356
Funds Available for Distribution (FAD)	\$44,518,774	\$22,792,575

## Balance Sheet Data

	June 30, 2024
Current Assets	\$60,992,274
Current Liabilities	\$39,508,704
Total Real Estate Investments	\$1,811,071,486
Total Assets	\$1,903,521,698
Long Term Liabilities	\$931,960,389
Shareholder Equity	\$932,052,605

## Per Share Data

	YTD	Second Quarter 2024
Shares/ Partnership Units	51,427,349	51,427,349
Net Income	\$0.5551	\$0.2268
Funds from Operations (FFO)	\$0.9370	\$0.4781
Funds Available for Distribution (FAD)	\$0.8657	\$0.4432

## Weighted Shares Outstanding

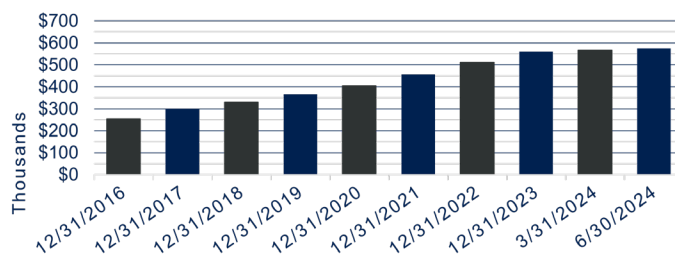
	YTD	Second Quarter 2024
Weighted Shares/ Partnership Units	51,349,832	51,771,220
Net Income – Weighted Share	\$0.5559	\$0.2253
Funds from Operations (FFO)	\$0.9384	\$0.4749
Funds Available for Distribution (FAD)	\$0.8670	\$0.4403
Dividends Per Share	\$0.6500	\$0.3250
Total Dividends Paid	\$33,378,035	\$16,816,251

## Dividend Coverage

	YTD	Second Quarter 2024
FFO/Total Dividends Paid	144.36%	146.22%
FAD/Total Dividends Paid	133.38%	135.54%

## Investment Performance

Calculations supporting the Investment Earnings Chart are based on an initial investment of \$100,000 with all quarterly dividends reinvested. An investment of \$100,000 on January 1, 2011 (inception) would be worth \$574,447.40 as of June 30, 2024.



## Dividend Declaration

The Board of Trustees declared a dividend of 32.5 cents per share to shareholders and partners of record as of June 30, payable on July 15, 2024. This constitutes the 53rd consecutive quarterly dividend paid to our shareholders and partners.

## Dividend Reinvestment

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

## Edgewood REIT Shares

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

## Contact Edgewood REIT

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