REFINITIV

DELTA REPORT

10-K

CSR - CENTERSPACE

10-K - DECEMBER 31, 2024 COMPARED TO 10-K - DECEMBER 31, 2023

The following comparison report has been automatically generated

TOTAL DELTAS	2312
CHANGES	429
DELETIONS	1069
ADDITIONS	814

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 10-K

☑ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the year ended December 31, 2023 December 31, 2024

or

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**
For the transition period from ______________ to ______________

Commission File Number 001-35624

CENTERSPACE

(Exact name of Registrant as specified in its charter)

North Dakota		**45-0311232**
(State or other jurisdiction of incorporation or organization)		*(IRS Employer Identification No.)*
3100 10th Street SW	**Post Office Box 1988**	
Minot	**ND**	**58702-1988**
(Address of principal executive offices)		(Zip code)

701-837-4738
(Registrant's telephone number, including area code)
Securities registered pursuant to Section 12(b) of the Securities Exchange Act of 1934:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Shares of Beneficial Interest, no par value	CSR	New York Stock Exchange
Series C Cumulative Redeemable Preferred Shares	CSR-PRC	New York Stock Exchange

Securities registered pursuant to Section 12(g) of the Act:
None

Indicate by check mark if the Registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act. ☑ Yes ☐ No

Indicate by check mark if the Registrant is not required to file reports pursuant to Section 13 or Section 15(d) of the Exchange Act. ☐ Yes ☑ No

Indicate by check mark whether the Registrant: (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the Registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. ☑ Yes ☐ No

Indicate by checkmark whether the Registrant has submitted electronically and posted on its corporate Website, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T (§229.405 of this chapter) during the preceding 12 months (or for such shorter period that the Registrant was required to submit and post such files). ☑ Yes ☐ No

Indicate by check mark whether the Registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☑	Accelerated filer	☐	Emerging growth company	☐
Non-accelerated filer	☐	Smaller reporting company	☐		

If an emerging growth company, indicate by check mark if the Registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the Registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☑

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark whether the Registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). ☐ Yes ☑ No

The aggregate market value of the Registrant's outstanding common shares of beneficial interest held by non-affiliates of the Registrant as of June 30, 2023 June 30, 2024 was 913,064,559 1,013,604,175 based on the last reported sale price on the New York Stock Exchange on June 30, 2023 June 30, 2024. For purposes of this calculation, the Registrant has assumed that its trustees and executive officers are affiliates.

The number of common shares of beneficial interest outstanding as of February 13, 2024 February 11, 2025, was 14,908,674. 16,726,594.

References in this Report to the "Company," "Centerspace," "we," "us," or "our" include consolidated subsidiaries, unless the context indicates otherwise.

Documents Incorporated by Reference: Portions of Centerspace's definitive Proxy Statement for its 2024 2025 Annual Meeting of Shareholders will be incorporated by reference into Part III (Items 10, 11, 12, 13 and 14) hereof.

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Special Note Regarding Forward-Looking Statements

Certain statements included in this Report and the documents incorporated into this document by reference are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Such forward-looking statements include statements about our plans and objectives, including our future financial condition, anticipated capital expenditures, anticipated distributions, and our belief that we have the liquidity and capital resources necessary to meet our known obligations and to make additional real estate acquisitions and capital improvements when appropriate to enhance long-term growth. Forward-looking statements are typically identified by the use of terms such as "expects," "anticipates," "intends," "plans," "believes," "seeks," "estimates," "will," "assumes," "may," "projects," "outlook," "future," and variations of those words and similar expressions. These forward-looking statements involve known and unknown risks, uncertainties, and other factors, that may cause the actual results, performance, or achievements to be materially different from the results of operations, financial conditions, or plans expressed or implied by the forward-looking statements. Although we believe the expectations reflected in our forward-looking statements are based upon reasonable assumptions, we can give no assurance that our expectations will be achieved. Any statements contained herein that are not statements of historical fact should be deemed forward-looking statements. As a result, reliance should not be placed on these forward-looking statements, as these statements are subject to known and unknown risks, uncertainties, and other factors beyond our control and could differ materially from our actual results and performance.

The following factors, among others, including without limitation the risk factors set forth in Item 1A, Risk Factors, could cause our future results to differ materially from those expressed in the forward-looking statements:

- inflation and price volatility in the global economy;
- uncertain global macro-economic and political conditions;
- deteriorating economic conditions and rising unemployment rates, energy costs, and inflation, in the markets where we own apartment communities or in which we may invest in the future;
- rental conditions in our markets, including occupancy levels and rental rates, our potential inability to renew residents or obtain new residents upon expiration of existing leases, changes in tax and housing laws, including rent control laws, or other factors;
- timely access to material and labor required to renovate and maintain apartment communities;
- adverse changes in our markets, including future demand for apartment homes in those markets, barriers of entry into new markets, limitations on our ability to increase rental rates, our ability to identify and consummate attractive acquisitions and dispositions on favorable terms, our ability to reinvest sales proceeds successfully, and inability to accommodate any significant decline in market value of real estate serving as collateral for our debt and mortgage obligations;
- pandemics or epidemics including the COVID-19 pandemic, and any effects on our employees, residents, and commercial tenants, third party vendors and suppliers, and apartment communities, as well as our cash flow, business, financial condition, and results of operations;
- the impact of conflicts in Ukraine and the Russian invasion of Ukraine, Middle East, including sanctions imposed on Russia by the U.S. and other countries, on inflation, trade, and general economic conditions;
- reliance on a single asset class (multifamily) and certain geographic areas (Midwest and Mountain West regions) of the U.S.;
- inability to expand our operations into new or existing markets successfully;
- failure of new acquisitions to achieve anticipated results or be efficiently integrated;
- inability to complete lease-up of our projects on schedule and on budget;
- inability to sell our non-core properties on terms that are acceptable;
- failure to reinvest proceeds from sales of properties into tax-deferred exchanges, which could necessitate special dividend and/or tax protection payments;
- inability to fund capital expenditures out of cash flow;
- inability to pay, or need to reduce, dividends on our common shares;
- inability to raise additional equity capital; capital, if needed;
- financing risks, including our potential inability to meet existing covenants in our existing credit facilities or to obtain new debt or equity financing on favorable terms, or at all;
- level and volatility of interest or capitalization rates or capital market conditions;
- loss contingencies and the availability and cost of casualty insurance for losses;

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- uninsured losses due to insurance deductibles, uninsured claims or casualties or losses in excess of applicable coverage;
- inability to continue to satisfy complex tax rules in order to maintain our status as a REIT for federal income tax purposes, inability of the Operating Partnership to satisfy the rules to maintain its status as a partnership for tax purposes, and the risk of changes in laws affecting REITs;
- inability to attract and retain qualified personnel;
- cyber liability or potential liability for breaches of our privacy or information security systems;
- recent developments in artificial intelligence, including software used to price rent in apartment communities;
- inability to address catastrophic weather, natural events, and climate change;
- inability to comply with laws and regulations, including those related to the environment, applicable to our business and any related investigations or litigation; and
- other risks identified in this Report, in our other SEC reports, or in other documents that we publicly disseminate.

Readers should carefully review our financial statements and the notes thereto, as well as the section entitled “Risk Factors” in Item 1A of this Report and the other documents we file from time to time with the Securities and Exchange Commission (“SEC”).

In light of these uncertainties, the events anticipated by our forward-looking statements might not occur. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. The foregoing review of factors that could cause our actual results to differ materially from those contemplated in any forward-looking statements included in this Report should not be construed as exhaustive.

PART I

Item 1. Business

OVERVIEW

Centerspace (“we,” “us,” “our,” “Centerspace,” or the “Company”) is a real estate investment trust (“REIT”) organized under the laws of North Dakota that is focused on the ownership, management, acquisition, development, and redevelopment of apartment communities. Our current emphasis is on making operational enhancements that will improve our residents’ experience, redeveloping some of our existing apartment communities to meet current market demands, and acquiring new apartment communities in large, attractive markets, including the Minneapolis/St. Paul and Denver metropolitan areas.

We focus on investing in markets characterized by stable and growing economic conditions, strong employment, and an attractive quality of life that we believe, in combination, lead to higher demand for our apartment homes and retention of our residents. As of December 31, 2023 December 31, 2024, we owned interests in 72 71 apartment communities, containing 13,088 13,012 homes and having a total real estate investment amount, net of accumulated depreciation, of $1.9 billion. Our corporate headquarters is located in Minot, North Dakota. We also have a corporate office in Minneapolis, Minnesota.

Website and Available Information

Our internet address is www.centerspacehomes.com. We make available, free of charge, through the "SEC filings" tab under the Investors section of our website, our annual reports on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K, amendments to such reports, proxy statements for our Annual Meetings of Shareholders, and other documents filed or furnished pursuant to Section 13(a) or 15(d) of the Exchange Act as soon as reasonably practicable after such reports are filed with or furnished to the SEC. These reports are also available at www.sec.gov. We also make press releases, investor presentations, and certain supplemental information available on our website. Current copies of our Code of Conduct; Code of Ethics for Senior Financial Officers; and Charters for the Audit, Compensation, and Nominating and Governance Committees of our Board of Trustees are also available on our website under the "Corporate Governance" tab under the Investors section of our website. Copies of these documents are also available free of charge to shareholders upon request addressed to the Secretary at Centerspace, P.O. Box 1988, Minot, North Dakota 58702-1988. Information on our website does not constitute part of this Report.

STRUCTURE

We were organized under the laws of North Dakota on July 31, 1970, and have operated as a REIT under Sections 856-858 of the Internal Revenue Code of 1986, as amended (the "Code"), since our formation. On February 1, 1997, we were restructured as an Umbrella Partnership Real Estate Investment Trust ("UPREIT"), and we conduct our daily business operations primarily through our operating partnership, Centerspace, LP (the "Operating Partnership"). The sole general partner of Centerspace, LP

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is Centerspace, Inc., a North Dakota corporation and our wholly owned subsidiary. All of our assets and liabilities have been contributed to Centerspace, LP, through Centerspace, Inc., in exchange for the sole general partnership interest in Centerspace, LP. Centerspace, LP holds substantially all of the assets of the Company. Centerspace, LP conducts the operations of the business and is structured as a partnership with no publicly traded equity. Contributions of properties to the Company can be structured as tax-deferred transactions through the issuance of limited partnership units ("Units"), which is one of the reasons the Company is structured in this manner. As of December 31, 2023 December 31, 2024, Centerspace, Inc. owned an 83.6% 85.3% interest in Centerspace, LP. The remaining interest in Centerspace, LP is held by individual limited partners.

BUSINESS STRATEGIES

Our business is focused on our mission - to provide a great home - for our residents, our team members and our investors. We fulfill this mission by providing renters well-located options in various price ranges. While fulfilling our mission, we seek consistent earnings growth through exceptional operations, disciplined capital allocation, and market knowledge and efficiencies. Our operations and investment strategies are the foundation for fulfilling our mission and furthering our vision of being a premier provider of apartment homes in vibrant communities by focusing on integrity and serving others.

Operations Strategy

We manage our apartment communities with a focus on providing an exceptional resident experience and maximizing our property financial results. Our initiatives to optimize our operations include:

- Providing an exceptional customer experience to enhance resident satisfaction and retention;
- Attracting, developing, and retaining diverse talent to enable a culture of engagement;
- Scaling our business to enhance efficiencies;
- Leveraging technology and systems; and
- Advancing an organizational commitment to Environmental, Social, and Governance ("ESG") initiatives.

Investment Strategy

Our business objective under our current strategic plan is to employ an investment strategy that encompasses:

- Seeking opportunities to increase distributable cash flow;
- Managing our balance sheet to maintain flexibility and enhance growth opportunities; and
- Investing in high-quality and efficient rental communities.

FINANCING AND DISTRIBUTIONS

To fund our investment and capital activities, we rely on a combination of issuance of common shares, preferred shares, Units in exchange for property, and borrowed funds. We regularly issue dividends to our shareholders. shareholders and Unitholders. Each of these is described below.

At-the-Market Offering Program

We have an equity distribution agreement in connection with an at-the-market offering program (the "2021 ("ATM Program"). Under On September 9, 2024 we amended our equity distribution agreement to increase the 2021 ATM Program, we may maximum aggregate offering price of common shares available for offer and sell common shares having an aggregate sales price of up sale thereunder from $250.0 million to $250.0 million $500.0 million, in amounts and at times determined by management. Under the 2021 ATM Program, we may enter into separate forward sale agreements. The proceeds from the sale of common shares under the 2021 ATM Program may be used for general corporate purposes, including the funding of future acquisitions, construction and or mezzanine loans, community renovations, and the servicing repayment of indebtedness. During the year ended December 31, 2023 December 31, 2024, we did not issue any issued 1.6 million common shares under the 2021 ATM Program. Program at an average price of $71.66 per share, net of commissions. Total consideration, net of commissions and issuance costs, was approximately $112.0 million. As of December 31, 2023 December 31, 2024, we had common shares having an aggregate offering price of up to $126.6 million $262.9 million remaining available under the 2021 ATM Program.

Issuance Redemption of Senior Securities Series C Preferred Shares

On October 2, 2017 August 30, 2024, we issued 4.1 million shares delivered notice to holders of 6.625% our Series C Cumulative Redeemable Preferred Shares of Beneficial Interest (the "Series preferred shares that we intended to redeem all 3.9 million Series C preferred shares") shares at a redemption price equal to $25 per share plus any accrued but unpaid distributions per share up to and including the redemption date of September 30, 2024. As On September 30, 2024, we completed the redemption of December 31, 2023, 3.9 million shares remained outstanding. Depending on future interest rates and market conditions, we may issue additional all the outstanding Series C preferred shares or other senior securities for an aggregate redemption price of $97.0 million, excluding distributions, which would have a dividend were $3.5 million in excess of the carrying value and liquidation preference over our common shares. are included in redemption of preferred shares on the Consolidated Statements

of Operations. Such shares were no longer outstanding as of December 31, 2024. Series C preferred shares outstanding were 3.9 million at December 31, 2023. The Series C preferred shares are were nonvoting and redeemable for cash at $25.00 at our option.

Table Holders of Contents these shares were entitled to cumulative distributions, payable quarterly (as and if declared by the Board of Trustees). Distributions accrued at an annual rate of $1.65625, which is equal to 6.625% of the $25.00 per share liquidation preference.

Bank Financing and Other Debt

As of December 31, 2023 December 31, 2024, we owned 46 45 apartment communities that were not encumbered by mortgages and which were available to provide credit support for our unsecured borrowings. Our primary unsecured credit facility (the "Unsecured Credit Facility" or "Facility") is a revolving, multi-bank line of credit, with Bank of Montreal serving as administrative agent. Our line of credit has total commitments and borrowing capacity of up to $250.0 million, based on the value of unencumbered properties. As of December 31, 2023 December 31, 2024, the additional borrowing availability was $220.0 million $206.0 million beyond the $30.0 million $44.0 million drawn, priced at an interest rate of 7.82% 5.81%. This On July 26, 2024, the Unsecured Credit Facility was amended to extend maturity and to modify the leverage-based margin ratios applicable to borrowings (as described below). As amended, this credit facility matures in September 2025, July 2028, with an option to extend maturity for up to two additional six-month periods, and has an accordion option to increase borrowing capacity up to $400.0 million.

On May 31, 2023, this Unsecured Credit Facility was amended to replace the London Interbank Offered Rate ("LIBOR") with the The Secured Overnight Financing Rate ("SOFR") as is the benchmark alternative reference rate under the Unsecured Credit Facility. The As amended, the interest rates on the line of credit are based on the consolidated leverage ratio, at the Company's our option, on either the lender's base rate plus a margin, ranging from 25-80 20-80 basis points, or daily or term SOFR, plus a margin that ranges from 125-180 120-180 basis points with the consolidated leverage ratio described under the Third Amended and Restated Credit Agreement, as amended. Prior The Unsecured Credit Facility and unsecured senior notes are subject to the amendment, interest rates on the line customary financial covenants and limitations. We believe we were in compliance with all such financial covenants and limitations as of credit were also based on the consolidated leverage ratio, applying the same margin ranges to LIBOR. December 31, 2024.

We also have a $6.0 million In September 2024, we entered into an operating line of credit agreement with Wells Fargo US Bank, N.A., which has a borrowing capacity of up to $10.0 million and pricing based on SOFR. This operating line of credit terminates in September 2025 and is designed to enhance treasury management activities and more effectively manage cash balances. This As of December 31, 2024, there was $3.4 million outstanding on this line of credit. We previously had a $6.0 million operating line matures on September 30, 2024, of credit with Wells Fargo Bank, N.A. with pricing based on SOFR. SOFR that matured on August 31, 2024. As of December 31, 2023, there was no outstanding balance on this line of credit.

We have a private shelf agreement with PGIM, Inc., an affiliate of Prudential Financial, Inc., and certain affiliates of PGIM, Inc. (collectively, "PGIM") under which we have issued $200.0 million $175.0 million in unsecured senior promissory notes ("unsecured senior notes" Unsecured Shelf Notes"). On October 28, 2024, the shelf agreement was amended to extend the period of time during which we may borrow money to October 2027 and to increase the borrowing capacity to $300.0 million. We also have a separate private note purchase agreement with PGIM and certain other lenders for the issuance of $125.0 million of senior unsecured promissory notes ("Unsecured Club Notes", and, collectively with the Unsecured Shelf Notes, the "unsecured senior notes"), of which $25.0 million all $125.0 million was issued under the private shelf agreement with PGIM. in September 2021. The following table shows the notes issued under both agreements as of December 31, 2023 December 31, 2024.

		(in thousands)		
		Amount	Maturity Date	Fixed Interest Rate
Series A	$	75,000	September 13, 2029	3.84 %
Series B	$	50,000	September 30, 2028	3.69 %
Series C	$	50,000	June 6, 2030	2.70 %
Series 2021-A	$	35,000	September 17, 2030	2.50 %
Series 2021-B	$	50,000	September 17, 2031	2.62 %
Series 2021-C	$	25,000	September 17, 2032	2.68 %
Series 2021-D	$	15,000	September 17, 2034	2.78 %

In November 2022, we entered into a $100.0 million term loan agreement ("Term Loan") with PNC Bank, National Association serving as administrative agent. The interest rate on the Term Loan was based on SOFR, plus a margin that ranged from 120 to 175 basis points based on our consolidated leverage ratio. The Term Loan had a 364-day term with an option for an additional 364-day term. As of December 31, 2023, the Term Loan was paid in full. As of December 31, 2022, the Term Loan had a balance of $100.0 million.

We have a $198.9 million Fannie Mae Credit Facility Agreement ("FMCF"). The FMCF is currently secured by mortgages on 12 11 apartment communities. The notes are interest-only, with varying maturity dates of 7, 10, and 12 years, at a blended weighted average, fixed interest rate of 2.78%. As of December 31, 2023 December 31, 2024 and 2022, 2023, the FMCF had a balance of $198.9 million.

As of December 31, 2023 December 31, 2024, we owned 14 15 apartment communities that served as collateral for mortgage loans, in addition to the apartment communities secured by the FMCF. All of these mortgages payable mortgage loans were non-recourse to us other than for standard carve-out obligations. Interest rates on mortgage loans range from 3.45% to 5.04%, and the mortgage loans have varying maturity dates from May 1, 2025, through May 1, 2035 February 1, 2037.

As of December 31, 2023 December 31, 2024, our ratio of total indebtedness to total gross real estate investments was 38.0% 39.0%.

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Issuance of Securities in Exchange for Property

Our organizational structure allows us to issue shares and Units of Centerspace, LP in exchange for real estate. estate contributions. The Units generally are redeemable, at our option, for cash or common shares on a one-for-one basis. Generally, Units receive the same per unit cash distributions as the per share dividends paid on common shares.

Our Declaration of Trust, as amended (our “Declaration of Trust”), does not contain any restrictions on our ability to offer limited partnership Units of Centerspace, LP in exchange for property. As a result, any decision to do so is vested solely in our Board of Trustees.

In October 2024, we issued 190,000 Units as partial consideration for the acquisition of an apartment community located in Denver, Colorado.

We had 165,600 Series D preferred units outstanding as of December 31, 2023 December 31, 2024. Each Series D preferred unit has a par value of $100. The Series D preferred unit holders receive a preferred distribution at the rate of 3.862% per year and have a put option which allows the holder to redeem any or all of the Series D preferred units for cash equal to the issue price. Each Series D preferred unit is convertible, at the holder’s option, into 1.37931 Units. The Series D preferred units have an aggregate liquidation preference of $16.6 million. The holders of the Series D preferred units do not have any voting rights.

We had 1.7 1.6 million Series E preferred units outstanding as of December 31, 2023 December 31, 2024. Each Series E preferred unit has a par value of $100. The Series E preferred unit holders receive a preferred distribution at the rate of 3.875% per year. Each Series E preferred unit is convertible, at the holder’s option, into 1.2048 1.20482 Units. The Series E preferred units have an aggregate liquidation preference of $172.5 $158.2 million. The holders of Series E preferred units do not have voting rights.

Distributions to Shareholders

The Code requires a REIT to distribute 90% of its net taxable income, excluding net capital gains, to its shareholders, and a separate requirement to either distribute 100% net capital gains or pay a corporate level tax in lieu thereof. We have distributed, and intend to continue to distribute, enough of our taxable income to satisfy these requirements. Our general practice has been to target cash distributions to our common shareholders and the holders of limited partnership Units of approximately 65% to 90% of our funds from operations and to use the remaining funds for capital improvements or the reduction of debt. Distributions to our common shareholders and unitholders in the years ended December 31, 2023 December 31, 2024 and 2022 2023 totaled approximately 67% and 68% each year, , respectively, on a per share and Unit basis of our funds from operations.

For additional information on our sources of liquidity and funds from operations, see Item 7, “Management’s Discussion and Analysis of Financial Condition and Results of Operations -- Liquidity and Capital Resources.”

HUMAN CAPITAL

We strive to foster a great work environment and offer an exceptional experience through competitive pay, benefits, and training programs to our employees, who we refer to as team members. Our objective is to attract, develop, retain, and reward individuals with the talent and skills to help support our business objectives and make our communities home for our residents. As of December 31, 2023 December 31, 2024, we had 414 404 employees (377 (374 full-time and 37 30 part-time) across multiple states.

Compensation and benefits. Our total rewards program includes competitive compensation, a robust benefits program including: paid leave, paid holidays, volunteer time, health and dental benefits, discounted rental rates on our apartments, employee assistance program, life insurance, 401(k) plan, tuition reimbursement and more. We take great pride in our pay for performance strategy where team members are aligned with overall company performance as well as specific performance metrics based on roles. Our annual performance management process invites team members to complete a self-evaluation along with their manager’s assessment. The results of these assessments are a component of the merit increase and pay for performance strategy. As of December 31, 2023 December 31, 2024, the average tenure of our team members was 3.93 4.27 years.

Environmental, Social, and Governance. As part of our ESG initiatives, we publish an annual ESG report detailing our efforts related to furthering our mission, including through providing corporate sponsorship in the communities which we serve, offering paid time off for team members to volunteer, training and compensation programs. During the year ended December 31, 2023 December 31, 2024, team members completed 2,260 over 2,700 volunteer hours.

Training and development. Training our team members is important, and we facilitate that through a learning management system which allows us to provide custom training as well as utilize a library of multifamily focused courses specializing in customer service, sales, leadership, diversity, fair housing, safety, and cyber security. We partnered with Interplay Learning to bring a library of maintenance courses that provide immersive, hands-on learning using virtual reality to complete training

designed for continuing education and onboarding. During the year ended December 31, 2023 December 31, 2024, 243 custom courses were added to our learning management system and over 22,000 team members completed approximately 24,700 training courses were completed by team members. and attended 3,965 live training events.

Team member engagement. We conduct a team member engagement survey annually, where we encourage all team members to provide feedback on our performance. The survey and others conducted throughout the year allows allow team members to provide feedback anonymously. The results are discussed and presented within functional teams and company-wide.

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Diversity, Equity, & Inclusion. We are committed to creating a culture that is inclusive, equitable, and diverse by fostering an environment where everyone can participate and everybody belongs. We are committed to becoming a better reflection of the world we live in and the communities we serve. We strive to develop enduring change by recognizing talent with different backgrounds and experiences with shared goals, and by nurturing an environment where every team member can bring their whole selves to work. It is through an active focus on policies, procedures, and best practices along with increased awareness and education. As of December 31, 2023 December 31, 2024, 77.3% 74.5% of our team members self-identified as white, 6.5% 7.7% as Hispanic and/or Latino, 5.6% 5.7% as Black or African American, and 10.6% 12.1% other ethnicities. As of December 31, 2023 December 31, 2024, 49.5% 47.5% of our total team members, 60.0% 66.6% of our senior management, and 57.1% 50.0% of our Board of Trustees self-identified as female.

INSURANCE

We purchase general liability and property insurance coverage for each of our properties. We also purchase limited terrorism, environmental, and flood insurance as well as other types of insurance coverage related to a variety of risks and exposures. There are certain types of losses that may not be covered or could exceed coverage limits. Due to changing market conditions, our insurance policies are also subject to increasing deductibles and coverage limits. Based on market conditions, we may change or potentially eliminate insurance coverages or face higher deductibles or other costs. Although we believe that we have adequate insurance coverage on our properties, we may incur losses, which could be material, due to uninsured risks, deductibles and/or losses in excess of coverage limits, any of which could have a material adverse effect on our business. See Item 1A. Risk Factors - "*Our current or future insurance may not protect us against possible losses.*"

COMPETITION

There are numerous housing alternatives that compete with our apartment communities in attracting residents. Our apartment communities compete directly with other apartment communities, condominiums, and single-family homes in the areas in which our properties are located. If the demand for our apartment communities is reduced or competitors develop or acquire competing housing, rental and occupancy rates may decrease, which could have a material adverse effect on our business. Additionally, we compete with other real estate investors, including REITs, to acquire properties. This competition affects our ability to acquire properties we want to add to our portfolio and the cost of those acquisitions. See Item 1A. Risk Factors - "*Competition could limit our ability to acquire attractive investment opportunities and could increase the costs of those opportunities, which may negatively impact adversely affect our earnings. profitability and impede our growth.*"

GOVERNMENT REGULATION

See the discussion under the caption "*Risks Related to Our Properties and Operations -- We may face opposition from governmental authorities or third parties alleging that our activities are anti-competitive"* in Item 1A, Risk Factors, for information concerning the potential effects of compliance with anti-trust regulations. *We may be responsible for potential liabilities under environmental laws"* in Item 1A, Risk Factors, for information concerning the potential effects of environmental matters on our business, "*Complying with laws benefiting disabled persons or other safety regulations and requirements may affect our costs and investment strategies*" in Item 1A, Risk Factors, for information concerning the potential effects of compliance with disabled persons and other safety regulations on our business, "*Changes in federal or state laws and regulations relating to climate change could result in increased increase our costs, to our business, including capital expenditures to improve the energy efficiency of our existing communities or new development communities without a corresponding increase in revenue*" in Item 1A, Risk Factors, for information concerning the potential effects of climate change regulation on our business, "*Complying with zoning and permitting law may affect our acquisition, redevelopment, and development costs*" in Item 1A. Risk Factors, for information concerning the potential costs associated with zoning and permitting regulations, "*The COVID-19 pandemic affected our business in the past, and the potential future outbreak of other highly infectious or contagious diseases may materially and adversely impact and disrupt our business, income, cash flow, results of operations, financial condition, liquidity, prospects and ability to service our debt obligations, and our ability to pay dividends and other distributions to our equityholders*" in Item 1A Risk Factors, for information concerning the potential effects of regulations related to the COVID-19 pandemic, and "*Multifamily residential properties may be subject to rent stabilization regulations now or in the future, and other restrictions which limit our ability to raise rents above specified maximum amounts and could give rise to claims by residents that their rents exceed such specified maximum amounts*" in Item 1A. Risk Factors for information concerning potential rent control regulations.

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Item 1A. Risk Factors

We face certain risks related to our ownership of apartment communities and operation of our business. Set forth below are the risks that we believe are material to our shareholders and unitholders. You should carefully consider the following risks in evaluating our properties, business, and operations. Our business, financial condition, cash flows, results of operations, value of our real estate assets and/or the value of an investment in our stock or Units are subject to various risks and uncertainties, including those set forth below, any of which could cause our actual operating results to vary materially from our recent results or from our anticipated future results.

Risks Related to Our Properties and Operations

Inflation and price volatility in the global economy could negatively impact our business and results of operations. General inflation in the United States has risen to levels not experienced in recent decades, including rising energy prices, prices for consumer goods, interest rates, wages, and currency volatility. These increases and any fiscal or other policy interventions by the U.S. government in reaction to such events could negatively impact our business by increasing our operating costs and our borrowing costs as well as decreasing the capital available to our residents and prospective residents who wish to rent in our communities. Although we believe that we could increase rent to combat inflation, the cost to operate and maintain communities could increase faster or at a rate greater than our ability to increase rents, which could adversely affect our results of operations. We may also be limited by law in our ability to increase rents. See *"Multifamily residential properties may be subject to rent stabilization regulations, now or in the future, which limit our ability to raise rents above specified maximum amounts and could give rise to claims by residents that their rents exceed such specified maximum amounts."* See *"Adverse changes in taxes and other laws may affect our liabilities relating to our properties and operations."*

We depend on residents for rental payments, which accounts for most of our revenue, and low occupancy rates or lease terminations could reduce our revenues from rents. Rental payments account for most of our revenue. The underlying value of our properties and the our ability to make distributions depend on the ability of our residents to generate enough income to pay their rents in a timely manner. on time. The success of our properties depends on the occupancy levels, rental income and operating expenses of our properties and our business. Residents' inability to timely or fully pay their rents may be impacted by their employment prospects and/or and other constraints on their personal finances, including debts, purchases and other factors. These and other changes beyond our control may adversely affect our residents' ability to make their required lease payments. If residents default on their leases or fail to renew their leases, we may be unable to re-lease the property for the rent previously received. Our apartment leases are generally for a term of 12 months or less. Because The short-term nature of these leases generally serves to reduce our risk to adverse effects of inflation, as our leases allow for adjustments in the rental rate at the time of renewal, which may enable us to seek increases. However, because these leases generally allow residents to leave at the expiration of the lease term without penalty, our rental revenues are impacted by declines in market rents more quickly than if our leases were for longer terms. Furthermore, we may be unable to increase rents, whether due to market conditions or applicable law, at a rate consistent with inflation. In addition, we may be unable to sell a property with low occupancy without incurring a loss. These events and others could cause us to reduce the amount of distributions we make to shareholders and may also cause the value of our common shares to decline.

Uncertain global macro-economic and political conditions could materially adversely affect our results of operations and financial condition. Our results of operations are materially affected by economic and political conditions in the United States and internationally, including inflation, deflation, interest rates, recession, availability of capital, and the effects of governmental initiatives to manage economic conditions. Current The current conflicts in Ukraine and the Middle East, resulting sanctions and related countermeasures by the United States and other countries, could lead to market disruptions, including significant volatility in the credit and capital markets and the economy in general, which could weaken our operations and financial performance. Any development or escalation of these conflicts, or any new conflicts, including those resulting from the policies of the U.S. Presidential Administration, could significantly affect worldwide political stability and cause turmoil in the capital markets and generally in the global financial system. Additionally, geopolitical and macroeconomic consequences of these events cannot be predicted but could severely impact the world economy.

There is also substantial uncertainty surrounding tariffs and international trade relations, and it is difficult for us to predict future trade measures and the impact they will have on our business and operations. In early 2025, the new Administration imposed and threatened additional tariffs on imports from various countries. In response, some of these countries imposed and threatened additional tariffs on imports from the U.S. How long current tariffs will remain in place, and whether the new Administration will enact the threatened tariffs or impose entirely new ones is uncertain. The new tariffs, along with any additional tariffs or trade restrictions that may be implemented by the U.S. or retaliatory trade measures or tariffs implemented by other countries, could result in reduced economic activity, increased costs in operating our business, reduced spending on housing, limits on trade with the U.S. or other potentially adverse economic outcomes.

The occurrence of any of these could cause current or potential residents may to delay or decrease spending on housing as their budgets are impacted by economic or political conditions. The inability of current and potential residents to pay market rents may adversely affect our earnings and cash flows. In addition, deterioration of conditions in worldwide credit markets could limit our ability to obtain financing to fund our operations and capital expenditures.

The current conflicts in Russia and Ukraine, as well as Israel and Gaza, resulting sanctions and related countermeasures by the United States and other countries could to lead to market disruptions, including significant volatility in the credit and capital markets and the economy in general, which could have an adverse impact on our operations and financial performance.

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The COVID-19 pandemic affected our business in the past, and the potential future outbreak of other highly infectious or contagious diseases may materially and adversely impact and disrupt our business, income, cash flow, results of operations, financial condition, liquidity, prospects and ability to service our debt obligations, and our ability to pay dividends and other distributions to our equityholders. The COVID-19 pandemic had, and any future pandemic may have, an impact on our financial condition, results of operations, and cash flows as well as adversely affect our residents and commercial tenants, the real estate market, and the global economy and financial markets generally. The effects of any such outbreak are highly uncertain and cannot be predicted with confidence, including the scope, severity, and duration of the epidemic, pandemic, or other outbreak, the actions taken to contain it or mitigate its impact, and the direct and indirect economic effects of the outbreak and containment measures. Global outbreaks of infectious diseases may also exacerbate certain of the other risks described in this "Risk Factors" section.

Our financial performance is subject to risks associated with the real estate industry and ownership of apartment communities. Our financial performance risks include, but are not limited to, the following:

- downturns in national, regional, and local economic conditions (particularly increases in unemployment);
- competition from other apartment communities;
- local real estate market conditions, including an oversupply of apartments or other housing, or a reduction in demand for apartment communities;
- the attractiveness of our apartment communities to residents as well as residents' perceptions of the safety, convenience, and attractiveness of our apartment communities and the areas in which they are located;

- changes in interest rates and availability of attractive financing that might make other housing options, like home ownership, more attractive;
- our ability to collect rents from our residents;
- vacancies, changes in rental rates, and the periodic need to repair, renovate, and redevelop our apartment communities;
- increases in operating costs, including real estate taxes, state and local taxes, insurance premiums and other expenses, utilities, and security costs, many of which are not reduced significantly remain constant when circumstances cause a reduction in reduce revenues from a property;
- increases in compensation costs due to the tight labor market in many of the markets in which we operate;
- our ability to provide adequate maintenance for our apartment communities;
- our ability to provide adequate insurance on our apartment communities; and
- changes in tax laws and other government regulations that could affect the value of REITs generally or our business in particular.

Our property acquisition activities may not produce the cash flows expected and could subject us to various risks that could adversely affect our operating results. We have acquired and intend to continue to pursue the acquisition of apartment communities, but the success of our acquisition activities is subject to numerous many risks, including the following:

- acquisition agreements are subject to customary closing conditions, including completion of due diligence investigations, and we may be unable to complete an acquisition after making a non-refundable deposit and incurring other acquisition-related costs;
- actual results may differ from expected occupancy, rental rates, and operating expenses of acquired apartment communities, or from those of our existing apartment communities;
- we may be unable to obtain financing for acquisitions on favorable terms, or at all;
- competition for these properties could cause us to pay higher prices or prevent us from purchasing a desired property at all;
- we may be subject to unknown liabilities from acquired properties, with either no or limited recourse against prior owners or other third parties; and
- we may be unable to quickly and efficiently integrate new acquisitions into our existing operations.

We may be unable to acquire or develop properties and expand our operations into new or existing markets successfully. We intend to explore acquisitions or developments of properties in new and existing geographic markets. Acquiring or developing new properties and expanding into new markets introduces several risks, including, but not limited to, the following:

- we may not be successful in identifying unable to identify suitable properties or other assets that meet our acquisition or development criteria or in consummating acquisitions or developments on satisfactory terms, or at all;
- we may be unable to maintain consistent standards, controls, policies, and procedures, or realize the anticipated benefits of the acquisitions within the anticipated our expected time frame, or at all;

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- acquisitions and divestitures could divert our attention from our existing properties and could cause us to lose key employees or be unable to attract highly qualified new employees;
- unfamiliarity with the dynamics and prevailing market conditions or local government or permitting procedures of any new geographic markets could adversely affect our ability to successfully expand into or operate within those markets or cause us to become more dependent on third parties in new markets due to because of our inability to directly and efficiently manage and otherwise monitor new properties in new markets;
- we may make assumptions regarding about the expected future performance of acquired properties, including expected occupancy, rental rates, and cash flows, that prove to be inaccurate; and
- we may improperly estimate the costs of repositioning or redeveloping an acquired property.

We also may abandon opportunities to enter new markets that we have begun to explore for any reason and may, as a result, fail to recover expenses already incurred.

We depend on a concentration of our investments in a single asset class, making our results of operations more vulnerable to a downturn or slowdown in the sector or other economic factors. Substantially all of our investments are concentrated in the multifamily housing sector. As a result, we are subject to risks inherent in investments in a single asset class. A downturn or slowdown in the demand for multifamily housing may have more pronounced effects on our business and results of operations or on the value of our assets than if we had continued to be were more diversified in our investments into more than one asset class.

Our operations are concentrated in certain regions of the United States, and we are subject to general economic conditions in the regions in which we operate. Our overall operations are concentrated in the Midwest and Mountain West regions of the United States. Our performance could be adversely affected by economic conditions in, and other factors relating to, these geographic areas, including supply and demand for apartments in these areas, zoning and other regulatory conditions, and competition from other communities and alternative forms of housing. In particular, our performance is influenced by job growth, wage growth, and unemployment rates in the areas in which we operate. To the extent the If economic conditions, job growth, wage growth, and unemployment in any of these markets deteriorate or any of these areas experience natural disasters or more pronounced effects of climate change, the value of our portfolio, our results of operations, and our ability to make payments on our debt and to make distributions could be adversely affected.

Our business depends on our ability to continue to provide high quality housing and consistent operation of our apartment communities, the failure of which could adversely affect our business and results of operations. Our business depends on providing our residents with quality housing and reliable services, including utilities, along with the consistent operation of our communities and their associated amenities, including covered parking, swimming pools, clubhouses with fitness facilities, playground areas, and other similar features. We may be required to undertake significant capital expenditures to renovate or reconfigure our communities in order to attract new residents and retain existing residents. The delayed delivery, material reduction, or prolonged interruption in any of these services may cause our residents to terminate their leases, may result in lead to the reduction of rents, and/or and may result in an increase in our costs. In addition, we may fail to provide quality housing and continuous access to amenities as a result of other factors, including mechanical failure, power failure, inclement weather, physical or electronic security breaches, vandalism or acts of terrorism, or other similar events. Any of these issues could cause our residents to terminate or fail to renew their leases, could expose us to additional costs or liability claims, and could damage our reputation, any of which could impact our ability to provide quality housing and consistent operation of our apartment communities, which in turn could materially affect our business and results of operations.

Inflation and price volatility in the global economy could hurt our business and results of operations. During the past several years, inflation in the United States rose to levels not experienced in recent decades, including rising energy prices, prices for consumer goods, interest rates, wages, and currency volatility. These increases and any fiscal or other policy interventions by the U.S. government in reaction to such events could harm our business by increasing our operating costs and our borrowing costs, as well as decreasing the capital available to our residents and prospective residents who wish to rent in our communities. Although we believe that we could increase rent to combat inflation, the cost to operate and maintain communities could increase faster or at a rate greater than our ability to increase rents, which could adversely affect our results of operations. We may also be limited by law in our ability to increase rents. See *"Multifamily residential properties may be subject to rent stabilization regulations and other restrictions which limit our ability to raise rents above specified maximum amounts and could give rise to claims by residents that their rents exceed such specified maximum amounts."* See *"Adverse changes in taxes and other laws may affect our liabilities relating to our properties and operations."*

Catastrophic weather, natural events, and climate change could adversely affect our business. Some of our apartment communities are located in areas that may experience catastrophic weather and other natural events from time to time, including snow or ice storms, flooding, tornadoes, or other severe or inclement weather. These adverse and natural events could cause damage or losses that may be greater than insured levels. In the event of If a loss occurs in excess of insured limits, we could lose all or a portion of our investment in an affected property as well as future revenue from that apartment community. We may continue to be obligated to repay mortgage indebtedness or other obligations related to an affected apartment community.

To the extent that If climate change causes an increase in catastrophic weather events, such as severe storms, fires, or floods, our properties may be susceptible to an increased risk of weather-related damage. In addition, we may experience extreme weather conditions and prolonged changes in precipitation and temperature, all of which could result in cause physical damage to, and/or and a decrease in demand for, our apartment communities located in these areas. If the impact effect of any such climate change were to be material, or occur for a lengthy period of long time, our business may be adversely affected.

Our current or future insurance may not protect us against possible losses. We carry comprehensive liability, fire, cyber, extended coverage, and other insurance with respect to covering our properties and our business at levels that we believe to be adequate and comparable to coverage customarily obtained by owners of similar properties. others in our industry. However, the coverage limits of our current or future policies may be insufficient to cover the full cost of repair or replacement of all potential losses, or our level of coverage may not

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continue to be remain available in the future or, if available, may be available only at unacceptable cost or with unacceptable terms. We also do not maintain coverage for certain catastrophic events like hurricanes and earthquakes because the cost of such insurance is deemed by management to be higher than the risk of loss due to the location of our properties. In most cases, we have to renew our insurance policies on an annual basis annually and negotiate acceptable terms for coverage, exposing us to the volatility of the insurance markets, including the possibility of rate increases. In addition, a reduction of the number of insurance providers or the unwillingness of existing insurance providers to write insurance for multifamily properties may reduce the potential availability and/or

and cost for obtaining insurance on our properties. Any material increases in insurance rates or decrease in available coverage in the future could adversely affect our results of operations.

Changes in federal or state laws and regulations relating to climate change could result in increased increase our costs, to our business, including capital expenditures to improve the energy efficiency of our existing communities or new development communities without a corresponding increase in revenue. Among other things, "green" building codes may seek to reduce emissions and other environmental impacts through the imposition of standards for design, construction materials, water and energy usage and efficiency and waste management. The imposition of such requirements in the future, including the imposition of new energy efficiency standards or requirements relating to resistance to inclement weather, could increase the costs of maintaining or improving our properties without a corresponding increase in revenue, thereby having an adverse effect on adversely impacting our financial condition or results of operation. operations. The impact effect of climate change also may increase the cost of, or make unavailable, property insurance or other hazard insurance on terms we find acceptable or necessary to adequately protect our properties.

Multifamily residential properties may be subject to rent stabilization regulations now or in the future, and other restritctions which limit our ability to raise rents above specified maximum amounts and could give rise to claims by residents that their rents exceed such specified maximum amounts. Rent control or rent stabilization laws and other regulatory restrictions may limit our ability to increase rents and otherwise charge residents fees and pass through new or increased operating costs to our residents. There has been a recent increase in municipalities and other local governments, including those in which we own properties, considering or being urged by advocacy groups to consider rent control or rent stabilization laws and regulations or take other actions which could limit our ability to raise rents based solely on market conditions. In addition, the multifamily housing industry has faced increased scrutiny over fees charged to residents. In January 2025, the Federal Trade Commission filed a lawsuit against the nation's largest landlord for deceiving consumers about rent prices by charging "numerous mandatory fees" in addition to monthly rent. These restrictions, initiatives, government enforcement actions and any other future enactments of rent control or rent stabilization laws or other laws regulating multifamily housing, as well as any lawsuits against us arising from such rent control or other laws, may reduce rental revenues or increase operating costs. Such laws and regulations would limit our ability to charge market rents and fees, increase rents, evict residents, or recover increases in our operating expenses and could reduce the value of our multifamily properties or make it more difficult for us to dispose of properties in certain circumstances. Expenses associated with our investment in these multifamily properties, such as debt service, real estate taxes, insurance and maintenance costs, are generally not reduced when circumstances cause a reduction in reduce rental income from the community. Furthermore, such regulations may negatively impact impair our ability to attract higher-paying residents to such multifamily properties.

We may face opposition from governmental authorities or third parties alleging that our activities are anti-competitive. The residential real estate industry has recently faced increased scrutiny from regulators claiming that certain market tools employed by property owners to evaluate market rents leads to anti-competitive behavior. In January 2025, the U.S. Justice Department and the Attorneys General for several states filed complaints against six of the nation's largest landlords alleging that those landlords committed antitrust violations by participating in algorithmic pricing schemes that harmed renters. Although we were not a party to the lawsuit, we cannot assure you that we will not face a similar inquiry. If we were to face such a lawsuit or investigation, we may have to spend a significant amount of time and expense to respond and could be required to pay penalties or settle such claims. In addition, we may be forced to abandon certain tools we use to evaluate rental markets, forego certain acquisitions, or dispose of one or more of our properties. Any increased oversight and regulation or new laws could increase our compliance expenses, restrict or curtail certain of our operating activities, and increase the risk of third-party litigation. Any of the foregoing could have an adverse impact on our results of operations.

Competition could limit our ability to acquire attractive investment opportunities and could increase the costs of those opportunities, which may negatively impact adversely affect our earnings. profitability and impede our growth. We compete with many kinds of institutions, including other REITs, private partnerships, individuals, pension funds, and banks in attracting residents and finding investment opportunities. Many of these institutions are active in the markets in which we invest and have greater financial and other resources than we do, including access to capital on more favorable terms. Our apartment communities compete directly with other multifamily apartment communities, single-family homes, condominiums, and other short-term rentals. This competition could increase prices for properties of the type we may pursue. As a result, we may be unable to acquire attractive apartment communities at desirable prices, or at all, which could adversely affect our profitability and impede our growth.

Because real estate investments are relatively illiquid and various other factors limit our ability to dispose of assets, we may not be able unable to sell properties when appropriate. We may have limited ability to change our portfolio of properties quickly in response to our strategic plan and changes in economic or other conditions, and the prohibitions under the federal income tax laws on REITs holding property for sale, and related regulations may affect our ability to sell properties. Under certain circumstances, In some cases, the Code imposes penalties on a REIT that sells property held for less than two years and limits the number of properties it can sell in a given year. Our ability to dispose of assets also may be limited by constraints on our ability to use disposition proceeds to make acquisitions on financially attractive terms. Some of our properties were acquired using limited partnership Units of

Centerspace, LP, our operating partnership, and are subject to certain tax-protection agreements that restrict our ability to sell these properties in transactions that would create current taxable income to the former owners. As a result, we are motivated to structure the sale of these assets as tax-free exchanges, the requirements of which are technical and may be difficult to achieve.

Inability to manage growth effectively may adversely affect our operating results. We have experienced significant growth at various times in the past and may do so in the future, principally mainly through the acquisition of additional real estate properties. Effective management of rapid growth presents challenges, including:

- the need to expand our management team and staff;
- the need to enhance internal operating systems and controls; and
- the ability to consistently achieve targeted returns on individual properties.

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We may not be able unable to maintain similar rates of growth in the future or manage our growth effectively.

Adverse changes in taxes and other laws may affect our liabilities relating to our properties and operations. Increases in real estate taxes, including recent property tax increases in several of the markets in which we operate, and service and transfer taxes may adversely affect our cash available for distributions and our ability to service our debt. Similarly, changes in laws that increase the potential liability for environmental conditions or that affect development, construction, and safety requirements may result in significant unanticipated costs. Future enactment of rent control or rent stabilization laws or other laws regulating apartment communities may reduce rental revenues or increase operating costs. See "*Multifamily residential properties may be subject to rent stabilization regulations now or in the future, and other restrictions which limit our ability to raise rents above specified maximum amounts and could give rise to claims by residents that their rents exceed such specified maximum amounts.*" The Inflation Reduction Act of 2022 may also increase our tax burden. See "*Legislative or regulatory actions affecting REITs could have an adverse effect on us or our shareholders*."

We may be unable to retain or attract qualified management. We depend on our senior officers for essentially all aspects of our business operations. Our senior officers have experience in the real estate industry, and the loss of them would likely have a significant adverse effect on our operations and could adversely impact our relationships with lenders and industry personnel. Except for our Chief Executive Officer and Chief Financial Officer, we do not have employment contracts with any of our senior officers. As a result, any senior officer may terminate his or her relationship with us at any time, without providing advance notice. If we fail to effectively manage a transition to new personnel, or if we fail to attract and retain qualified and experienced personnel on acceptable terms, it could adversely affect our business.

We may not be able unable to attract and retain qualified employees. Strong economic growth in recent years has created a tight labor market in many of the markets in which we operate, and we are dependent depend on employees at our apartment communities to provide attractive homes for our residents. Further, inflation may necessitate increasing employee wages and salaries in order to retain our employees. The loss of key personnel at these apartment communities, or the inability or cost of replacing such personnel at such communities, could have an adverse impact on hurt our business and results of operations.

We face risks associated with cyber-attacks, cyber intrusions, or otherwise, which could pose a risk to our systems, networks, and services. We face risks associated with security breaches or disruptions, whether through cyber-attacks or cyber intrusions over the Internet, malware, computer viruses, attachments to emails, or persons inside our organization. The risk of a security breach or disruption, particularly through cyber-attacks or cyber intrusion, including by computer hackers, foreign governments, and cyber terrorists, has generally increased as the number, intensity, and sophistication of attempted attacks and intrusions around the world have increased. In the normal course of business, we and our service providers (including service providers engaged in providing web hosting, property management, leasing, accounting and/or and payroll software/services) collect and retain certain personal information provided by our residents, employees, and vendors. We also rely extensively on computer systems to process transactions and manage our business.

Even the most well-protected information, networks, systems, and facilities remain potentially vulnerable because the techniques used in such attempted security breaches evolve and generally are not recognized until launched against a target. In some cases, these breaches are designed to be undetected and, in fact, may not be detected. Accordingly, we and our service providers may be unable to anticipate these techniques or to implement adequate security barriers or other preventative measures, thereby making it impossible to entirely mitigate this risk. The risk of a breach or security failure, particularly through cyber-attacks or cyber-intrusion, has generally increased due to because of the rise in new technologies and the increased sophistication and activities of the perpetrators of attempted attacks and intrusions. A security breach or other significant disruption involving computer networks and related systems could cause substantial costs and other negative effects, including litigation, remediation costs, costs to deploy additional protection strategies, compromising of confidential information, and reputational damage adversely affecting investor confidence.

The costs of mitigating cybersecurity risks are significant and are likely to increase in the future. These costs include, but are not limited to, retaining services of cybersecurity experts, maintaining insurance, compliance costs arising out of existing and future cybersecurity, data protection, privacy laws, regulations, and related reporting obligations, and costs related to maintaining data backups and other damage-mitigation services.

We previously suffered a ransomware attack on our information technology systems. The incident did not have a material impact on our business, operations, or financial results. However, notwithstanding despite every measure we take to address cybersecurity matters, and although we have not experienced any material losses relating to any cyber-attack, we cannot assure you that we will not suffer losses related to cyber-attacks in the future.

Security breaches could compromise our information and expose us to liability, which would cause our business and reputation to suffer. Information security risks with respect to for data privacy have generally increased in recent years due to because of the rise in new technologies and the increased sophistication and activities of perpetrators of cyber-attacks. In the ordinary course

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of our business we acquire and store sensitive, private data, including intellectual property, our proprietary business information and personally identifiable information of our prospective and current residents, our employees, our unitholders and third-party service providers in our offices and on our networks and website and on third-party provider networks. We may share some of this information with service providers who assist us with certain aspects of our business. The secure processing and maintenance of this information is critical to our operations and business and growth strategies. While we and our service providers employ a variety of data security measures to protect confidential information on our systems and periodically review and improve our data security measures, we cannot provide assurance that we or our service providers will be able to prevent unauthorized access to this personal information, that our efforts to maintain the security and integrity of the information that we and our service providers collect will be effective, or that attempted security breaches or disruptions would not succeed or be successful or damaging. Any such breach could compromise our networks, and the information stored there could be accessed, publicly disclosed, lost or stolen. Any such access, disclosure, or other loss of information could result in lead to legal claims or proceedings, liability under laws that protect the privacy of personal information, regulatory penalties, disruption to our operations and the services we provide to customers or damage our reputation. In addition, a security breach could require that we expend significant additional resources to repair and/or and enhance our information security systems. Furthermore, we could experience material harm to our financial condition, cash flows, and the market price of our common shares, misappropriation of assets, compromise or corruption of confidential information collected in the course of conducting our business, liability for stolen information or assets, increased cybersecurity protection and insurance costs, regulatory enforcement, litigation, and damage to our stakeholder relationships.

We may be responsible for potential liabilities under environmental laws. Under various federal, state and local laws, ordinances, and regulations, we, as a current or previous owner or operator of real estate, may be liable for the costs of removal or remediation of hazardous or toxic substances in, on, around, or under that property. These laws may impose liability without regard to whether we knew of, or were responsible for, the presence of the hazardous or toxic substances. The presence of these substances, or the failure to properly remediate any property containing these substances, may adversely affect our ability to sell or rent the affected property or to borrow funds using the property as collateral. In arranging for the disposal or treatment of hazardous or toxic substances, we also may be liable for the costs of removal of, or remediation of these substances at that disposal or treatment facility, whether or not we own or operate the facility. In connection with our current or former ownership (direct or indirect), operation, management, development, and/or and control of real properties, we may be potentially liable for removal or remediation costs with respect to for hazardous or toxic substances at those properties, as well as certain other costs, including governmental fines and claims for injuries to persons and property. Although we are not aware unaware of any such claims associated with our existing properties that would have a significant adverse effect on our business, potential future costs, and damage claims may be substantial and could exceed any insurance coverage we may have for such events or such coverage may not exist. The presence of such substances, or the failure to properly remediate any such impacts, may adversely affect our ability to borrow against, develop, sell, or rent the affected property. Some environmental laws create or allow a government agency to impose a lien on the impacted property in favor of the government for damages and costs it incurs as a result of responding to hazardous or toxic substances.

Environmental laws also govern the presence, maintenance, and removal of asbestos, and require that owners or operators of buildings containing asbestos properly manage and maintain the asbestos; notify and train those who may come into contact with asbestos; and undertake special precautions if asbestos would be disturbed during renovation or demolition of a building. Indoor air quality issues may also necessitate require special investigation and remediation. These air quality issues can result from inadequate ventilation, chemical contaminants from indoor or outdoor sources, or biological contaminants such as molds, pollen, viruses, and bacteria. Asbestos or air quality remediation programs could be costly, necessitate the temporary relocation of some or all of the property's residents, or require rehabilitation of an affected property.

It is generally our policy to obtain a Phase I environmental study on each property that we seek to acquire. A Phase I environmental study generally includes a visual inspection of the property and the surrounding areas, an examination of current and historical uses of the property and the surrounding areas, and a review of relevant state and federal documents but does not involve invasive techniques such as soil and ground water sampling. If the Phase I indicates any possible environmental problems, our policy is to order a Phase II study, which involves testing the soil and ground water for actual hazardous substances. However, Phase I and Phase II environmental studies, or any other environmental studies undertaken with respect to any of our current or future properties, may not reveal the full extent of potential environmental liabilities. We currently do not carry insurance for environmental liabilities. Any environmental liability we encounter could hurt our results of operations and financial condition.

Expanding social media usage could present new risks. The use of social media could cause us to suffer broad reputational damage. Negative posts or comments about us through social media, whether by residents or prospective residents, could damage our reputation or that of our apartment communities, whether or not such claims or posts are valid, which in turn could adversely affect our business and results of operations. Similarly, disclosure of any non-public sensitive information relating to our business or our residents or prospective residents could damage our reputation, our business, or our results of operations. The continuing evolution of social media will present us with new and ongoing challenges and risks.

Table risks, the effects of Contentswhich we cannot predict.

Risks related to properties under development, redevelopment, or newly developed properties may adversely affect our financial performance. We may be unable to obtain, or may suffer delays in obtaining, necessary zoning, land-use, building, occupancy, and other required governmental permits and authorizations, which could lead to increased costs or abandonment of projects. We may not be able unable to obtain financing on favorable terms, or at all, and we may not be able unable to complete lease-up of a property on schedule. The resulting time required for development, redevelopment, and lease-up means that we may have to wait years for significant cash returns.

Complying with zoning and permitting law may affect our acquisition, redevelopment, and development costs. We face risks associated with zoning and permitting of our communities, the majority most of which are governed by municipal, county, and state regulations. We may be liable for costs associated with bringing communities into compliance and additionally may face costs or delays when seeking approvals for redevelopment or development projects within our portfolio. Some regulations related to zoning or permitting allow governmental entities to discontinue operations if violations are left uncured, which would significantly impact our business. We Although we are not aware of any non-compliance at our communities, that would any failure to comply could have a significant adverse effect on our business.

Future cash flows may not be sufficient insufficient to ensure recoverability of the carrying value of our real estate assets. We periodically evaluate the recoverability of the carrying value of our real estate assets under United States generally accepted accounting principles ("GAAP"). Factors considered in evaluating impairment of our real estate assets held for investment include recurring net operating losses and other significant adverse changes in general market conditions that are considered permanent in nature. permanent. Generally, a real estate asset held for investment is not considered impaired if the estimated undiscounted future cash flows of the asset over its estimated holding period are in excess of exceed the asset's net book value at the balance sheet date. Assumptions used to estimate annual and residual cash flow and the estimated holding period of these assets require the judgment of management. If we cannot recover the carrying value of our real estate assets, our results of operations could suffer.

Complying with laws benefiting disabled persons or other safety regulations and requirements may affect our costs and investment strategies. Federal, state, and local laws and regulations designed to improve disabled persons' access to and use of buildings, including the Americans with Disabilities Act of 1990, may require modifications to, or restrict renovations of, existing buildings that may require unexpected expenditures. These laws and other safety regulations may require that us to add structural features be added to buildings under construction. Legislation or regulations that may be adopted in the future may impose further burdens or restrictions on us with respect to improved access to, and use of these buildings by, disabled persons. Noncompliance could result in cause the imposition of fines by government authorities or the award of damages to private litigants. The costs of complying with these laws and regulations may be substantial, and limits or restrictions on construction, or the completion of required renovations, may limit the implementation of our investment strategy or reduce overall returns on our investments.

Risks related to joint ventures may adversely affect our financial performance and results of operations. We have entered into, and may continue in the future to enter into, partnerships or joint ventures with other persons or entities. Joint venture investments involve risks that may not be present with other methods of ownership, based on the financial condition and business interests of our partners, which are beyond our control and which may conflict with our interests.

In some instances, Sometimes, we and/or and our partner may have the right to trigger a buy-sell arrangement, which could cause us to sell our interest, or acquire our partner's interest, at a time when we otherwise would not have initiated such a transaction. Our ability to acquire our partner's interest may be limited if we do not have lack sufficient cash, available borrowing capacity, or other capital resources. In such event, we may be forced have to sell our interest in the joint venture when we would otherwise prefer to retain it. Joint ventures may require us to share decision-making authority with our partners, which could limit our ability to control the properties in the joint ventures. Even when we have a controlling interest, certain major decisions may require partner approval, such as the sale, acquisition, or financing of a property. These risks may hinder our ability to operate in accordance with our strategic plan, which could harm our results of operations.

The COVID-19 pandemic affected our business in the past, and the potential future outbreak of other highly infectious or contagious diseases may materially and adversely impact and disrupt our business, income, cash flow, results of operations, financial condition, liquidity, prospects, and ability to service our debt obligations, and our ability to pay dividends and other distributions to our equityholders. The COVID-19 pandemic had, and any future pandemic may have, an impact on our financial condition, results of operations, and cash flows, as well as an adverse effect our residents and commercial tenants, the real estate market, and the global economy and financial markets generally. The effects of any such outbreak are highly uncertain and cannot be predicted with confidence, including the scope, severity, and duration of the epidemic, pandemic, or other outbreak, the actions taken to contain it or mitigate its impact, and the direct and indirect economic effects of the outbreak and containment measures. Global outbreaks of infectious diseases may also exacerbate certain of the other risks described in this "Risk Factors" section.

Risks Related to Our Indebtedness and Financings

Our inability to renew, repay, or refinance our debt may result in prompt losses. We incur a significant amount of considerable debt in the ordinary course of our business and in connection with acquisitions of real properties. Because we have a limited ability to retain earnings as a result of the REIT distribution requirements, we will generally be required have to refinance debt that matures with additional new debt or equity. We are subject to the normal risks associated with debt financing, including the risks that:

- our cash flow will be insufficient to meet required payments of principal and interest, particularly if net operating income is reduced significantly due to the effects of the uncertain global macroeconomic and political conditions including inflation, price volatility and the COVID-19 pandemic;
- we will not be able to renew, refinance, or repay our indebtedness when due; and

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- the terms of any renewal or refinancing are at terms less favorable than the terms of our current indebtedness.

These risks increase when credit markets are tight and interest rates are high, as they are currently. high. In general, when the credit markets are tight, we may encounter resistance from lenders when we seek financing or refinancing for properties or proposed acquisitions, and the terms of such financing or refinancing are likely to be less favorable to us than the terms of our current indebtedness.

We anticipate that we will need to refinance a significant portion of our outstanding debt as it matures. We cannot guarantee that any refinancing of debt with other debt will be possible on terms that are favorable or acceptable to us. If we cannot refinance, extend, or pay principal payments due at maturity with the proceeds of other capital transactions, our cash flows may not be sufficient in all years every year to repay debt as it matures. If we are unable to cannot refinance our indebtedness on acceptable terms, or at all, we may be forced to dispose of one or more properties on disadvantageous terms, which may result in lead to losses. These losses could have a significant adverse effect on our business, our ability to make distributions to our shareholders, and our ability to pay amounts due on our debt. If a property is mortgaged to secure payment of indebtedness and we are unable to cannot meet mortgage payments or refinance the debt at maturity, the mortgagor could foreclose upon the property, appoint a receiver, and receive an assignment of rents and leases or pursue other remedies, including taking ownership of the property, all with a consequent loss of revenues and asset value. Foreclosures also could affect our ability to obtain new debt and could create taxable income without accompanying cash proceeds, thereby hindering our ability to meet the REIT distribution requirements of the Code and impeding our ability to obtain financing for our other properties.

***Restrictive covenants in our debt agreements may limit our operating and financial flexibility, and our inability to comply with these covenants could have significant implications*.** Our indebtedness, which at December 31, 2023 December 31, 2024 totaled outstanding borrowings of approximately $920.0 million $966.6 million, contains a number of significant restrictions and covenants. These restrictions and covenants include financial covenants relating to fixed charge coverage ratios, maximum secured debt, maintenance of unencumbered asset value, and total debt to total asset value, among others and certain non-financial covenants. These may limit our ability to make future investments and dispositions, add incremental secured and recourse debt, and add overall leverage. Our ability to comply with these covenants will depend on our future performance, which may be affected by events beyond our control. Our failure to comply with these covenants would be an event of default. An event of default under the terms of our indebtedness would permit the lenders to accelerate indebtedness under effected agreements, which would include agreements that contain cross-acceleration provisions with respect to other indebtedness.

Mortgage debt obligations expose us to the possibility of foreclosure, which could result in the loss of our investment in a property or group of properties subject to mortgage debt. As of December 31, 2023 December 31, 2024, 14 26 of our properties were encumbered by mortgages. Incurring mortgage and other secured debt obligations increases our risk of property losses because defaults on

indebtedness secured by property may result in prompt foreclosure actions initiated by lenders and ultimately our loss of the property securing any loans for which we are in default. Any foreclosure on a mortgaged property or group of properties could adversely affect the overall value of our portfolio of properties. For tax purposes, a foreclosure of any of our properties that is subject to a nonrecourse mortgage loan would be treated as a sale of the property for a purchase price equal to the outstanding balance of the debt secured by the mortgage. If the outstanding balance of the debt secured by the mortgage exceeds our tax basis in the property, we would recognize taxable income on foreclosure, but would not receive any cash proceeds, which could hurt our ability to meet the distribution requirements applicable to REITs under the Code.

Rising Conditions in the capital and credit markets, including higher interest rates, may adversely affect our access to various sources of capital or financing and the cost of capital, which could affect our business activities and financing activities. earnings. In periods when the capital and credit markets experience significant volatility, the amounts, sources, and cost of capital available to us may be adversely affected. If sufficient sources of external financing are unavailable to us on cost effective terms, we could be forced to limit our acquisition, development, and redevelopment activities or take other actions to fund our business activities and repay our debt, such as selling assets. If we are able and choose to access capital at a higher cost than we have experienced in recent years (reflected in higher interest rates for debt financing or a lower stock price for equity financing), our earnings per share and cash flow could be adversely affected.

We have incurred, and may in the future incur, additional indebtedness that bears interest at a variable rate. We also have an Unsecured Credit Facility that bears interest at variable rates based on amounts drawn. An increase in interest rates would increase our interest expense and increase the cost of refinancing existing debt and issuing new debt, which would adversely affect our cash flow and ability to make distributions to our shareholders. In addition, if we need to repay existing debt during periods of rising interest rates, we could be required have to liquidate one or more of our investments at times that may not permit realization of the maximum return on such investments. The effect of prolonged interest rate increases could adversely impact our ability to make acquisitions and develop properties. The potential for rising interest rates could limit our ability to refinance portions of our fixed-rate indebtedness when it matures and would increase our interest costs. As a result, any increase in interest rates could reduce the cash available for distribution to shareholders.

Financial and real estate market disruptions could adversely affect the multifamily property sector's ability to obtain financing from Fannie Mae and Freddie Mac, which could adversely impact us. The Federal National Mortgage Association ("Fannie Mae") and the Federal Home Loan Mortgage Corporation ("Freddie Mac") are major sources of financing for the multifamily housing sector, and both have historically experienced losses due to credit-related expenses, securities impairments, and fair value losses. If new U.S. government regulations (i) heighten Fannie Mae's and Freddie Mac's underwriting standards, (ii) adversely affect interest rates, or (iii) reduce the amount of capital they can make available to the multifamily sector, we could lose, in part or completely, a vital resource for multifamily financing. Any potential reduction in loans, guarantees and credit-

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credit enhancement arrangements from Fannie Mae and Freddie Mac could jeopardize the effectiveness of the multifamily housing sector's available financing and decrease the amount of available liquidity and credit that could be used to acquire and diversify our portfolio of multifamily assets. In addition, any phase-out of Fannie Mae and Freddie Mac, change in their mandates, or reduction in government support for apartment communities generally could result in adverse changes to interest rates, capital availability, development of additional apartment communities, and the value of these communities. All of the foregoing could materially adversely affect our financial condition, results of operations and ability to make distributions to our investors.

We hold a portion of our cash and cash equivalents in deposit accounts that could be adversely affected if the financial institutions holding such deposits fail. We maintain our cash and cash equivalents at insured financial institutions. The combined account balances at each institution periodically exceed the FDIC insurance coverage of $250,000, and, as $250,000. As a result, there is a concentration of credit risk related to amounts in excess of FDIC insurance coverage. We do not have any bank accounts, loans to or from, or any other amounts due to or from any recently failed financial institution, nor have we experienced any losses to date on our cash and cash equivalents held in bank accounts. However, there is no assurance that financial institutions in which we hold our cash and cash equivalents will not fail, in which case we may be subject to a risk of loss or delay in accessing all or a portion of our funds exceeding the FDIC insurance coverage, which could adversely impact our short-term liquidity, ability to operate our business, and financial performance.

Interest rate hedging arrangements may result in lead to losses. From time to time, we use interest rate swaps and other hedging instruments to manage our interest rate risks. Although these arrangements may partially protect us against rising interest rates, they also may reduce the benefits to us if interest rates decline. If a hedging arrangement is not indexed to the same rate as the indebtedness that is hedged, we may be exposed to losses to the extent that the rate governing the indebtedness and the rate governing the hedging arrangement change independently of each other, and nonperformance by the other party to the hedging arrangement also may subject us to increased credit risks. In order to To minimize any counterparty credit risk, we enter into hedging arrangements only with investment grade financial institutions. These arrangements may lead to losses, which could hurt our financial condition.

Risks Related to Our Shares

Corporate social responsibility, specifically related to ESG, may impose additional costs and expose us to new risks. Environmental, social and governance ("ESG") matters have become increasingly important to investors and other stakeholders. Certain organizations that provide corporate risk and corporate governance advisory services to investors have developed scores and ratings to evaluate companies based upon on ESG metrics. ESG evaluations are highly important vital to many investors and stakeholders. Many investors use ESG factors to guide their investment decisions. Many investment funds focus on positive ESG business practices and sustainability scores when making investments and may consider a company's sustainability efforts and/or and score when making an investment decision. In addition, investors, particularly institutional investors, may use ESG or sustainability scores issued by proxy advisory firms or other third parties to benchmark companies against their peers. Furthermore, our residents and employees, as well as prospective residents and employees, may use sustainability scores in deciding whether to rent from or work with us. On the other hand, investor backlash, political pressure, and legal threats over ESG efforts have occurred. Although we make ESG disclosures and undertake sustainability and diversity initiatives, there can be no assurance that we will score highly on ESG matters in the future or satisfy all stakeholders. The criteria by which companies are rated may change, which could cause us to perform differently or worse than we have in the past. The focus and activism related to ESG and related matters may constrain our business operations or increase expenses. In addition, we may face reputational damage in the event if our corporate responsibility procedures or standards do not meet the standards set by various constituencies, including our residents. The occurrence of any of the foregoing could have an adverse effect on weaken our reputation, the price of our stock and our business, financial condition, and results of operations, including increased capital expenditures and operating expenses.

Payment of distributions on our common shares is not guaranteed. A decrease in rental revenue, an increase in funding to support our acquisition and development needs, or other unmet liquidity needs could have an adverse effect on our ability to pay distributions to our shareholders or the Operating Partnership's unitholders.

Our Board of Trustees must approve any stock distributions and may elect at any time, or from time to time, and for an indefinite duration, to reduce or not pay the distributions payable on our common shares. Our Board may reduce distributions for a variety of many reasons, including, but not limited to, the following:

- operating and financial results that may not support the current distribution payment;
- unanticipated costs, capital requirements, or cash requirements;
- annual distribution requirements under the REIT provisions of the Code;
- a conclusion that the payment of distributions would cause us to breach the terms of certain agreements or contracts, such as financial ratio covenants in our debt financing documents; or
- other factors the Board of Trustees may consider relevant.

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We are a holding company with limited operations and, as such, we will rely on funds received from our Operating Partnership to pay liabilities, and the interests of our shareholders will be structurally subordinated to all liabilities and obligations of our Operating Partnership and its subsidiaries. We are a holding company and conduct substantially all of our operations through our Operating Partnership. We do not have, apart from an interest in our Operating Partnership, any significant independent operations. As a result, we rely on distributions from our Operating Partnership to pay any dividends we might declare on our common shares. We also rely on distributions from our Operating Partnership to meet our obligations, including any tax liability on taxable income allocated to us from our Operating Partnership. In addition, because we are a holding company, claims of shareholders are structurally subordinated to all existing and future liabilities and obligations (whether or not for borrowed money) of our Operating Partnership and its subsidiaries. Therefore, in the event of our bankruptcy, liquidation or reorganization, our assets and those of our Operating Partnership and its subsidiaries will be available to satisfy the claims of our shareholders only after all of our and our Operating Partnership's and its subsidiaries' liabilities and obligations have been paid in full.

Our future growth depends, in part, on our ability to raise additional equity capital, which could have the effect of diluting dilute the interests of our common shareholders. Our future growth depends upon, on, among other things, our ability to raise equity capital, including through our ATM Program, and issue limited partnership Units of our Operating Partnership. Sales of substantial amounts of our common or preferred shares in the public market, or the perception that such sales or issuances might occur, may dilute the interests of the current common shareholders and could adversely affect the market price of our common shares. In addition, as a REIT, we are required to make distributions to holders of our equity securities of at least 90% of our REIT taxable income, determined before a deduction for dividends paid and excluding any net capital gain. This limits our ability to retain cash or earnings to fund future growth and makes us more dependent on raising funds through other means, which may include raising additional equity capital. Future sales of common shares, preferred shares, or other securities may dilute current shareholders and could have an adverse impact on the market price of our common shares.

We may issue additional classes or series of our shares of beneficial interest with rights and preferences that are superior to the rights and preferences of our common shares. Our Declaration of Trust provides for an unlimited number of shares of beneficial interest. Without the approval of our common shareholders, our Board of Trustees may establish additional classes or series of our shares of beneficial interest, and such classes or series may have dividend rights, conversion rights, voting rights, terms of redemption, redemption prices, liquidation preferences, or other rights and preferences that are superior to the rights of the holders of our common shares. We have a shelf registration statement that enables us to sell an undetermined number of equity and debt other securities as defined listed in the prospectus, including under the 2021 ATM Program. prospectus. Future sales of common shares, preferred shares or convertible debt other securities may dilute current adversely affect the rights on common shareholders and could have an adverse impact on the market price of our common shares.

Certain provisions of our Declaration of Trust may delay, limit, or prevent a change in control and deter a takeover. In order to To maintain our qualification as a REIT, among other things, our Declaration of Trust provides that any transaction that would result in our disqualification as a REIT under Section 856 of the Code will be void, including any transaction that would result in the following:

- less fewer than 100 Persons owning our shares;
- our being "closely held" within the meaning of Section 856(h) of the Code; or
- 50% or more of the fair market value of our shares being held by Persons other than "United States persons," for federal income tax purposes.

If the transaction is not void, then the shares in violation of the foregoing conditions will automatically be exchanged for an equal number of excess shares, and these excess shares will be transferred to an excess share trustee for the exclusive benefit of the charitable beneficiaries named by our Board of Trustees. The Trust's Declaration of Trust also provides forbids a limit on a Person from owning in excess of the ownership limit of 9.8%, in number or value, of the Trust's outstanding shares, although the Board of Trustees retains the ability to make exceptions to this ownership threshold. These limitations This ownership limit as well as other restrictions on ownership and transfer of our stock in our charter may have the effect of preventing discourage a tender offer or other transactions or a change in management or of control or takeover result in transferring shares acquired in excess of us by the restrictions to a third party, even if the change in control or takeover would be in the best interests of our shareholders. charitable trust.

Risks Related to Tax Matters

We may incur tax liabilities if we were to fail to qualify as a REIT, which could force us to borrow funds during unfavorable market conditions. We have elected to be taxed as a REIT under the Code. Qualification as a REIT involves the application of highly technical and complex Code provisions, including income, asset, and distribution tests, for which there are only limited judicial or administrative interpretations. Even a technical or inadvertent mistake could endanger our REIT status. The determination that we qualify as a REIT requires an ongoing analysis of various factual matters and circumstances, some of which may not be within our control. For example, in order to qualify as a REIT, at least 95% of our gross income in any year must come from certain passive sources that are itemized in the REIT tax laws, and we are prohibited from owning specified

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amounts of debt or equity securities of some issuers. Thus, to the extent when revenues from non-qualifying sources, such as income from third-party management services, represent more than 5% of our gross income in any taxable year, we will not satisfy the 95% income test and may fail to qualify as a REIT, unless certain relief provisions contained in the Code apply. Even if relief provisions apply, however, a tax would be imposed with respect to on excess net income. We are also required to make distributions to the holders of our securities of at least 90% of our REIT taxable income, determined before a deduction for dividends paid and excluding any net capital gain. To the extent that If we satisfy the 90% test but distribute less than 100% of our REIT taxable income, we will be subject to corporate income tax on such undistributed income and could be subject to an additional 4% excise tax. Because we need to meet these tests to maintain our qualification as a REIT, it could cause us to have to forgo certain business opportunities and potentially require us to liquidate otherwise attractive investments. The fact that we hold substantially all of our assets (except for qualified REIT subsidiaries) through Centerspace, LP, our operating partnership, and its subsidiaries, and our ongoing reliance on factual determinations, such as determinations related to the valuation of our assets, further complicates the application of the REIT requirements for us. If Centerspace, LP or one or more of our subsidiaries is determined to be taxable as a corporation, we may fail to qualify as a REIT. Either our failure to qualify as a REIT, for any reason, or the imposition of taxes on excess net income from non-qualifying sources, could adversely affect our business and our ability to make distributions to our shareholders and pay amounts due on our debt. New legislation, regulations, administrative interpretations or court decisions could change the tax laws with respect to our qualification as a REIT or the federal income tax consequences of our qualification.

If we were to fail to qualify as a REIT, we would be subject to federal income tax on our taxable income at regular corporate rates, could be subject to increased state and local taxes and, unless entitled to relief under applicable statutory provisions, would be disqualified from treatment as a REIT for the four taxable years following the year during which we lost our qualification, which would likely have a significant adverse effect on us, our ability to make distributions to our shareholders, and our ability to pay amounts due on our debt. This treatment would reduce funds available for investment or distributions to the holders of our securities due to the additional added tax liability to us for the year or years involved, and we would no longer be able to deduct, and would not be required need to make, distributions to our shareholders. To the extent that If distributions to the holders of our securities had been made in anticipation of qualifying as a REIT, we may need short-term debt or long-term debt or proceeds from asset sales or sales of common shares to fund required distributions as a result of differences in timing between the actual receipt of income and the recognition of income for federal income tax purposes, or the effect of non-deductible capital expenditures, the creation of reserves or required debt or amortization payments. The inability of our cash flows to cover our distribution requirements could have an adverse impact on our ability to raise short and long-term debt or sell equity securities in order to fund distributions required to maintain our REIT status.

Failure of our operating partnership to qualify as a partnership would result in lead to corporate taxation and significantly reduce the amount of cash available for distribution. We believe that Centerspace, LP, our operating partnership, qualifies as a partnership for federal income tax purposes. However, we can provide no assurance that the IRS will not challenge its status as a partnership for federal income tax purposes or that a court would not sustain such a challenge. If the IRS were to be successful in treating treat Centerspace, LP as an entity taxable as a corporation (such as a publicly traded partnership taxable as a corporation), we would cease to no longer qualify as a REIT because the value of our ownership interest in Centerspace, LP would exceed 5% of our assets and because we would be considered to hold more than 10% of the voting securities and value of the outstanding securities of another corporation. The imposition of a corporate tax on Centerspace, LP would significantly reduce the amount of cash available for distribution.

Dividends payable by REITs may be taxed at higher rates than dividends of non-REIT corporations, which could reduce the net cash received by our shareholders and may be detrimental to harm our ability to raise additional funds through any future sale of our stock. Dividends paid by REITs to U.S. shareholders that are individuals, trusts, or estates are generally not eligible for the reduced tax rate applicable to qualified dividends received from non-REIT corporations. For taxable year beginning before January 1, 2026, non-corporate taxpayers may deduct up to 20% of certain pass-through business income, including “qualified REIT dividends” (generally, dividends received by a REIT shareholder that are not designated as capital gain dividends or qualified dividend income), subject to certain limitations, resulting in an effective maximum U.S. federal income tax rate of 29.6% on such income. Although this deduction reduces the effective tax rate applicable to certain dividends paid by REITs, such tax rate is still higher than the tax rate applicable to regular corporate qualified dividends. This may cause investors to view REIT investments as less attractive than investments in non-REIT corporations, which in turn may adversely affect the value of stock in REITs, including our stock. Investors should consult with their tax advisers regarding about the U.S. tax consequences of an investment in our stock or Units.

We may face risks in connection with Section 1031 exchanges. From time to time, we dispose of properties in transactions intended to qualify as “like-kind exchanges” under Section 1031 of the Code. If a transaction intended to qualify as a Section 1031 exchange is later determined to be taxable, we may face adverse consequences, and if the laws applicable to such transactions are amended or repealed, we may not be able unable to dispose of properties on a tax-deferred basis. If we are unable to cannot meet the technical requirements of a desired Section 1031 exchange, we may be required have to make a special dividend payment to

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our shareholders if we are unable to cannot mitigate the taxable gains realized. The failure to reinvest proceeds from sales of properties into tax-deferred exchanges could necessitate payments to unitholders with tax protection agreements.

We have tax protection agreements in place on twenty-eight properties. If these properties are sold in a taxable transaction, we must make the unitholders associated with these particular properties whole through the payment of their related tax. We dispose of properties in transactions intended to qualify as “like-kind exchanges” under Section 1031 of the Code whenever possible. If we are not able to cannot satisfy all of the technical requirements of Section 1031, or if Section 1031 is repealed, selling a property with a tax protection agreement could trigger a material obligation to make the associated unitholders whole.

Complying with REIT requirements may force us to forgo otherwise attractive opportunities or liquidate otherwise attractive investments. To qualify and maintain our status as a REIT, we must satisfy certain requirements with respect to the character of our assets. If we fail to comply with violate these requirements at the end of any quarter, we must correct such failure within 30 days after the end of the quarter (by, possibly, selling assets notwithstanding despite their prospects as an investment) to avoid losing our REIT status. This could include potentially selling otherwise attractive assets or liquidating or foregoing otherwise attractive investments. These actions could reduce our income and amounts available for distribution to our shareholders.

Even if we qualify as a REIT, we may face other tax liabilities that reduce our cash flows. Even if we qualify as a REIT under the U.S. tax code, we may be subject to certain federal, state, and local taxes on our income and assets, including taxes on any undistributed income, tax on income from some activities conducted as a result of a foreclosure, and state or local income, property, and transfer taxes, such as mortgage recording taxes. Any of these taxes would decrease cash available for distribution to our shareholders.

The tax imposed on REITs engaging in prohibited transactions and our agreements entered into with certain contributors of our properties may limit our ability to engage in transactions that would be treated as sales for federal income tax purposes. The federal income tax provisions applicable to REITs provide that any gain realized by a REIT on the sale of property held as inventory or other property held primarily for sale to customers in the ordinary course of business is treated as income from a "prohibited transaction" that is subject to a 100% penalty tax. Under current law, unless a sale of real property qualifies for a safe harbor, the question of whether the sale of a property constitutes the sale of property held primarily for sale to customers is generally a question of the facts and circumstances regarding a particular transaction. We may make sales that do not satisfy the requirements of the safe harbors, or the IRS may successfully assert that one or more of our sales are prohibited transactions and, as a result, we may be required to pay a penalty tax. To avert this penalty tax, we may hold some of our assets through a taxable REIT subsidiary ("TRS"). While the TRS structure would allow the economic benefits of ownership to flow to us, a TRS is subject to tax on its income at the federal and state level. We have entered into agreements with certain contributors of our properties that contain limitations on restrict our ability to dispose of certain properties in taxable transactions. The limitations on taxable dispositions are effective for varying periods. Such agreements may require that we make a payment to the contributor in the event that if we dispose of a covered property in a taxable sale during the restriction period.

Our ownership of TRSs is limited, and our transactions with TRSs will cause us to be subject to a 100% penalty tax on certain income or deductions if those transactions are not conducted on arm's-length terms. A REIT may own up to 100% of the stock of one or more TRSs. A TRS may hold assets and earn income that would not be qualifying assets or income if held or earned directly by a REIT. Our TRS is subject to applicable federal, state, and local income tax on any taxable income. TRS rules also impose a 100% excise tax on certain transactions between a TRS and its parent REIT that are not conducted on an arm's-length basis. We scrutinize transactions with our TRS to ensure that they are entered into on arm's-length terms to avoid incurring the 100% excise tax described above.

Legislative or regulatory actions affecting REITs could have an adverse effect on us or our shareholders. Changes to tax laws or regulations may adversely impact our shareholders and our business and financial results. On August 16, 2022, the Inflation Reduction Act of 2022 (the "IRA"). was introduced. The IRA includes numerous tax provisions that impact corporations, including the implementation of a corporate alternative minimum tax as well as a 1% federal excise tax on certain stock repurchases and economically similar transactions.

REITs are excluded from the definition of an "applicable corporation" and therefore are not subject to the corporate alternative minimum tax. Additionally, the 1% excise tax specifically does not apply to stock repurchases by REITs. However, our taxable REIT subsidiaries operate as standalone corporations and therefore could be adversely affected by the IRA. We will continue to analyze and monitor the application of the IRA to our business; however, the effect of these changes on the value of our assets, shares of our common stock or market conditions generally, is uncertain.

The REIT rules are constantly under review by persons involved in the legislative process and by the Internal Revenue Service and the U.S. Treasury Department, which may result in revisions to regulations and interpretations as well as statutory changes.

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At any time, the U.S. federal income tax laws governing REITs or the administrative and judicial interpretations of those laws may be amended. We cannot predict when or if any new U.S. federal income tax law, regulation or administrative and judicial interpretation, or any amendment to any existing U.S. federal income tax law, regulation or administrative or judicial interpretation, will be adopted, promulgated or become effective and any such law, regulation or interpretation may take effect retroactively. We cannot predict whether any of these proposed changes will become law, or the long-term effect of any future law changes on REITs and their shareholders generally. We and our shareholders could be adversely affected by any such change in, or any new, U.S. federal income tax law, regulation or administrative and judicial interpretation.

Item 1B. Unresolved Staff Comments

None.

Item 1C. Cybersecurity

We have an information security program designed to identify, protect, detect and respond to and manage reasonably foreseeable cybersecurity risks and threats. We regularly assess the threat landscape and take a holistic view of cybersecurity risks, with a layered cybersecurity strategy based on prevention, detection and mitigation. To protect our information systems from cybersecurity threats, we use various security tools that help prevent, identify, escalate, investigate, resolve and recover from identified vulnerabilities and security incidents in a timely manner.

Our Board of Trustees oversees management's process for identifying and mitigating risks, including cybersecurity risks, to help align our risk exposure with our strategic objectives. Our Board of Trustees has also delegated authority to its Audit Committee to review our internal controls relating to information technology, data privacy, including data protection and cybersecurity, including network security and cloud security. Senior leadership, including our Senior Vice President of Information Technology (the "SVP of IT"), meets with the Board of Trustees at least annually to present and discuss strategies and cybersecurity initiatives. This meeting includes reporting of cybersecurity incidents at least annually or more often, if identified.

Our SVP of IT leads a team that is responsible for assessing and managing our cybersecurity risks. The SVP of IT has a B.S. in Management Information Systems, spent more than a decade with Microsoft before joining the Company, and is an active member of North Dakota State and Local Intelligence Center (NDSLIC), an affiliate of National Fusion Center Association (NFCA) and United States Homeland Security (DHS). Senior management, including the SVP of IT, conducts regular meetings to discuss technology initiatives and cybersecurity risks and strategies.

A comprehensive approach to assessing, identifying, and managing cybersecurity risks is part of the Company's overall risk management strategy. A combination of internal and external monitoring services help identify, manage, and assess how management responds within our enterprise risk management processes. Any known known cybersecurity incidents would be reported to our board, chief executive officer, and disclosure committee for evaluation.

We engage third party experts to monitor for and identify cyber threats. Both management and the third party provider receive alerts regarding cyber threats. The third party provider has the ability to act on our behalf to respond to any threats it identifies. We also use, among other things, endpoint monitoring, anti-virus software, multi-factor authentication, and data encryption to assist with managing cyber risks and identifying cyber threats. In addition, we engage a cybersecurity consultant to regularly assess cyber risks and threats and provide recommendations and plans to mitigate those risks.

We utilize third-party service providers for a variety of functions. Cybersecurity risks are evaluated when determining the selection and oversight of applicable third-party service providers. We look for reliable and reputable service providers that maintain cybersecurity programs based on industry standards. Depending on the nature of the services provided and the sensitivity of information processed, our vendor management process may include contractually imposed obligations on the provider and reviewing the cybersecurity practices of such provider.

In 2021, we We have not suffered a ransomware attack on our information technology systems. This any cyber incident did not have that had a material impact on our business, operations, or financial condition; however, as condition. However, a result, we began work on certain information technology initiatives earlier than originally planned.

A security breach or other significant disruption involving our computer networks and related systems could cause substantial costs and other negative effects, including litigation, remediation costs, costs to deploy additional protection strategies, compromising of confidential information, and reputational damage adversely affecting investor confidence. Further, a penetration of our systems or a third-party's systems or other misappropriation or misuse of personal information could subject us to business, regulatory, litigation and reputation risk, which could have a negative effect on our business, financial condition and results of operations. See Item 1A. Risk Factors – "We face risks associated with cyber-attacks, cyber intrusions, or otherwise, which could pose a risk to our systems, networks, and services" and "Security breaches could compromise our information and expose us to liability, which would cause our business and reputation to suffer." and "Security breaches could compromise our information and expose us to liability, which would cause our business and reputation to suffer."

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Item 2. Properties

Communities

We are organized as a REIT under Sections 856-858 of the Code and are structured as an UPREIT, which allows us to accept the contribution of real estate to our Operating Partnership in exchange for Units. Our business is focused on the ownership, management, acquisition, redevelopment, and development of apartment communities, which we own and operate through our Operating Partnership. We are a fully integrated owner-operator of apartment communities.

Certain Lending Requirements

In certain instances, in connection with the financing of investment properties, the lender may require, as a condition of the loan, that the properties be owned by a "single asset entity." Accordingly, we have organized a number of wholly-owned subsidiary entities for the purpose of holding title in an entity that complies with such lending conditions. All financial statements of these subsidiaries are consolidated into our financial statements.

Management and Leasing of Our Real Estate Assets

We conduct our corporate operations from offices in Minot, North Dakota, and Minneapolis, Minnesota. The day-to-day management of our properties is generally carried out by our own employees. When properties acquired have effective pre-existing property management in place or when particular properties are, in our judgment, not attractive candidates for self-management, we may utilize third-party professional management companies for day-to-day management. However, all decisions relating to purchase, sale, insurance coverage, major capital improvements, annual operating budgets, and major renovations are made exclusively by our employees and implemented by the third-party management companies. Generally, our third-party management contracts are for terms of one year or less and provide for compensation ranging from 2.5% to 5.0% of gross rent collections and, typically, we may terminate these contracts upon 60 days or less notice for cause or upon the property manager's failure to meet certain specified financial performance goals.

Summary of Communities Owned as of December 31, 2023 December 31, 2024

The following table presents information regarding our 72 71 apartment communities held for investment, as of December 31, 2023 December 31, 2024. We provide certain information on a same-store and non-same-store basis. Same-store communities are owned or in service stabilized for substantially all of the periods being compared, and, in the case of development newly-acquired or constructed properties, have achieved a target level of physical occupancy of 90%, or re-positioned communities when they have achieved stabilized operations. We define re-positioned communities as having significant development and construction activity on existing buildings pursuant to an authorized plan, which has an impact on current operating results, occupancy and the ability to lease space with the intended result of improved community cash flow and competitive position through extensive unit and amenity upgrades. We categorize a re-positioned community as same-store when the development and construction activity has been completed, and operations have stabilized. This is typically reaching an overall occupancy of 90%. Not all communities undergoing value add are considered a re-positioned community.Non-same store communities are communities not owned or stabilized as of the beginning of the previous year, including re-positioned communities, and excluding communities held for sale and the non-multifamily components of mixed-use properties.

On the first day of each calendar year, we determine the composition of our same-store pool for that year as well as adjust the previous year, which allows us to evaluate the performance of existing apartment communities. "Other" includes non-multifamily properties and non-multifamily components of mixed use properties. We own the following interests in real estate either through our wholly-owned subsidiaries or by ownership of a controlling interest in an entity owning the real estate. We account for these interests on a consolidated basis. Additional information is included in Schedule III to our financial statements included in this Report.

Community Name and Location	Community Name and Location	Number of Apartment Homes	*(in thousands)* Investment Investment Investment	Physical Physical (initial cost plus improvements less impairment)	Occupancy as of December 31, 2023	Community Name and Location	Number of Apartment Homes	(initial cost plus improvements less impairment)	Occupancy as of December 31, 2024
SAME-STORE									

71 France - Edina, MN (1) 71 France - Edina, MN (1) 71 France - Edina, MN (1)		241	$		68,136	93.0	93.0 %		241	$	68,757		93.8	93.8	%
Alps Park Apartments - Rapid City, SD	Alps Park Apartments - Rapid City, SD	71		6,509	6,509	93.0	93.0 %	Alps Park Apartments - Rapid City, SD	71		6,443	6,443	88.7	88.7	%
Arcata Apartments - Golden Valley, MN	Arcata Apartments - Golden Valley, MN	165		33,905	33,905	93.3	93.3 %	Arcata Apartments - Golden Valley, MN	165		34,212	34,212	97.6	97.6	%
Ashland Apartment Homes - Grand Forks, ND	Ashland Apartment Homes - Grand Forks, ND	84		8,595	8,595	96.4	96.4 %	Ashland Apartment Homes - Grand Forks, ND	84		8,683	8,683	98.8	98.8	%
Avalon Cove Townhomes - Rochester, MN	Avalon Cove Townhomes - Rochester, MN	187		40,674	40,674	92.5	92.5 %	Avalon Cove Townhomes - Rochester, MN	187		41,302	41,302	92.5	92.5	%
Bayberry Place - Eagan, MN (2)	Bayberry Place - Eagan, MN (2)	120		17,557	17,557	95.0	95.0 %	Bayberry Place - Eagan, MN (2)	120		17,601	17,601	91.7	91.7	%
Burgundy & Hillsboro - New Hope, MN (2)	Burgundy & Hillsboro - New Hope, MN (2)	250		36,115	36,115	95.6	95.6 %	Burgundy & Hillsboro - New Hope, MN (2)	250		36,816	36,816	94.0	94.0	%
Canyon Lake Apartments - Rapid City, SD	Canyon Lake Apartments - Rapid City, SD	109		6,598	6,598	92.7	92.7 %	Canyon Lake Apartments - Rapid City, SD	109		6,571	6,571	92.7	92.7	%
Cardinal Point Apartments - Grand Forks, ND	Cardinal Point Apartments - Grand Forks, ND	251		34,889	34,889	93.6	93.6 %	Cardinal Point Apartments - Grand Forks, ND	251		35,619	35,619	98.0	98.0	%
Cascade Shores Townhomes + Flats - Rochester, MN (1)	Cascade Shores Townhomes + Flats - Rochester, MN (1)	366		84,365	84,365	94.5	94.5 %	Cascade Shores Townhomes + Flats - Rochester, MN (1)	366		85,151	85,151	96.2	96.2	%
Castlerock Apartment Homes - Billings, MT	Castlerock Apartment Homes - Billings, MT	165		7,675	7,675	92.7	92.7 %	Castlerock Apartment Homes - Billings, MT	165		7,599	7,599	92.7	92.7	%
Civic Lofts - Denver, CO	Civic Lofts - Denver, CO	176		61,945	61,945	97.7	97.7 %	Civic Lofts - Denver, CO	176		62,543	62,543	92.6	92.6	%
Connelly on Eleven - Burnsville, MN	Connelly on Eleven - Burnsville, MN	240		30,760	30,760	95.4	95.4 %	Connelly on Eleven - Burnsville, MN	240		29,488	29,488	95.4	95.4	%
Cottonwood Apartment Homes - Bismarck, ND	Cottonwood Apartment Homes - Bismarck, ND	268		25,251	25,251	95.2	95.2 %	Cottonwood Apartment Homes - Bismarck, ND	268		25,480	25,480	94.4	94.4	%
Country Meadows Apartment Homes - Billings, MT	Country Meadows Apartment Homes - Billings, MT	133		9,737	9,737	92.5	92.5 %	Country Meadows Apartment Homes - Billings, MT	133		9,827	9,827	95.5	95.5	%
Cypress Court Apartments - St. Cloud, MN (1) (3)	Cypress Court Apartments - St. Cloud, MN (1) (3)	196		21,536	21,536	96.4	96.4 %	Cypress Court Apartments - St. Cloud, MN (1) (3)	196		21,626	21,626	94.9	94.9	%

Deer Ridge Apartment Homes - Jamestown, ND	163	25,680	94.5 %
Donovan Apartment Homes - Lincoln, NE	232	27,595	94.0 %
Dylan at RiNo - Denver, CO	274	91,069	94.5 %
Elements of Linden Hills - Minneapolis, MN(1)	31	9,069	96.8 %
Evergreen Apartment Homes - Isanti, MN	72	7,414	88.9 %
FreightYard Townhomes & Flats - Minneapolis, MN	96	27,021	96.9 %
Gardens Apartments - Grand Forks, ND	74	9,399	96.0 %
Grand Gateway Apartment Homes - St. Cloud, MN	116	12,129	90.5 %
Greenfield - Omaha, NE	96	8,305	95.8 %
Grove Ridge - Cottage Grove, MN (2)	84	14,982	86.9 %
Homestead Garden Apartments - Rapid City, SD	152	17,630	97.4 %
Ironwood - New Hope, MN	182	40,317	96.2 %
Lakeside Village Apartment Homes - Lincoln, NE	208	24,489	92.8 %

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Community Name and Location	Number of Apartment Homes	Investment (in thousands) (initial cost plus improvements less impairment)	Physical Occupancy as of December 31, 2023	Community Name and Location	Number of Apartment Homes	Investment (initial cost plus improvements less impairment)	Physical Occupancy as of December 31, 2024
Deer Ridge Apartment Homes - Jamestown, ND	163	25,654	93.3 %				
Donovan Apartment Homes - Lincoln, NE	232	25,508	93.5 %				
Dylan at RiNo - Denver, CO	274	90,746	96.0 %				
Evergreen Apartment Homes - Isanti, MN	72	7,406	100.0 %				
FreightYard Townhomes & Flats - Minneapolis, MN	96	26,952	93.8 %				
Gardens Apartments - Grand Forks, ND	74	9,372	94.6 %				
Grand Gateway Apartment Homes - St. Cloud, MN	116	11,236	91.4 %				
Greenfield - Omaha, NE	96	7,847	95.8 %				
Grove Ridge - Cottage Grove, MN (2)	84	12,311	97.6 %				
Homestead Garden Apartments - Rapid City, SD	152	16,577	95.4 %				

Ironwood - New Hope, MN		182		39,803		91.8 %							
Lakeside Village Apartment Homes - Lincoln, NE		208		22,997		93.8 %							
Legacy Apartments - Grand Forks, ND	Legacy Apartments - Grand Forks, ND	360	34,164	34,164	94.7	94.7 %	Legacy Apartments - Grand Forks, ND	360	33,940	33,940	96.7	96.7	%
Legacy Heights Apartment Homes - Bismarck, ND	Legacy Heights Apartment Homes - Bismarck, ND	119	15,249	15,249	96.6	96.6 %	Legacy Heights Apartment Homes - Bismarck, ND	119	15,280	15,280	96.6	96.6	%
Lugano at Cherry Creek - Denver, CO	Lugano at Cherry Creek - Denver, CO	328	103,855	103,855	94.5	94.5 %	Lugano at Cherry Creek - Denver, CO	328	105,167	105,167	93.3	93.3	%
Lyra Apartments - Centennial, CO(2)		215		93,788		93.0 %							
Martin Blu - Eden Prairie, MN(1)		191		50,177		95.8 %							
Meadows Apartments - Jamestown, ND	Meadows Apartments - Jamestown, ND	81	7,101	7,101	98.8	98.8 %	Meadows Apartments - Jamestown, ND	81	7,168	7,168	93.8	93.8	%
Monticello Crossings - Monticello, MN	Monticello Crossings - Monticello, MN	202	32,426	32,426	92.1	92.1 %	Monticello Crossings - Monticello, MN	202	33,255	33,255	94.6	94.6	%
Monticello Village - Monticello, MN	Monticello Village - Monticello, MN	60	5,452	5,452	91.7	91.7 %	Monticello Village - Monticello, MN	60	5,656	5,656	90.0	90.0	%
New Hope Garden & Village - New Hope, MN (2)	New Hope Garden & Village - New Hope, MN (2)	150	15,574	15,574	94.7	94.7 %	New Hope Garden & Village - New Hope, MN (2)	150	15,812	15,812	99.3	99.3	%
Noko Apartments - Minneapolis, MN		130		45,173		95.4 %							
Northridge Apartments - Bismarck, ND	Northridge Apartments - Bismarck, ND	68	8,679	8,679	94.1	94.1 %	Northridge Apartments - Bismarck, ND	68	8,705	8,705	95.6	95.6	%
Olympic Village Apartments - Billings, MT	Olympic Village Apartments - Billings, MT	274	15,779	15,779	94.5	94.5 %	Olympic Village Apartments - Billings, MT	274	15,821	15,821	96.0	96.0	%
Oxbo Urban Rentals - St Paul, MN		191		58,106		95.3 %							
Oxbo Urban Rentals - St Paul, MN (2)		191		58,366		94.8 %							
Palisades - Roseville, MN (1)	Palisades - Roseville, MN (1)	330	58,302	58,302	97.3	97.3 %	Palisades - Roseville, MN (1)	330	65,611	65,611	92.7	92.7	%
Park Place Apartments - Plymouth, MN	Park Place Apartments - Plymouth, MN	500	111,488	111,488	95.8	95.8 %	Park Place Apartments - Plymouth, MN	500	112,782	112,782	95.0	95.0	%
Parkhouse Apartment Homes - Thornton, CO(1)	Parkhouse Apartment Homes - Thornton, CO(1)	465	145,653	145,653	94.8	94.8 %	Parkhouse Apartment Homes - Thornton, CO(1)	465	149,319	149,319	94.6	94.6	%
Plymouth Pointe - Plymouth, MN (2)	Plymouth Pointe - Plymouth, MN (2)	96	14,192	14,192	97.9	97.9 %	Plymouth Pointe - Plymouth, MN (2)	96	14,910	14,910	99.0	99.0	%
Pointe West Apartments - Rapid City, SD	Pointe West Apartments - Rapid City, SD	90	5,853	5,853	91.1	91.1 %	Pointe West Apartments - Rapid City, SD	90	5,731	5,731	96.7	96.7	%
Ponds at Heritage Place - Sartell, MN	Ponds at Heritage Place - Sartell, MN	58	5,469	5,469	91.4	91.4 %	Ponds at Heritage Place - Sartell, MN	58	5,578	5,578	98.3	98.3	%

Prosper West - Waite Park, MN (1)	Prosper West - Waite Park, MN (1)	313	29,035	29,035	93.3	93.3 %	Prosper West - Waite Park, MN (1)	313	29,197	29,197	94.3	94.3	%
Quarry Ridge Apartments - Rochester, MN	Quarry Ridge Apartments - Rochester, MN	320	41,771	41,771	95.6	95.6 %	Quarry Ridge Apartments - Rochester, MN	320	42,245	42,245	95.3	95.3	%
Red 20 Apartments - Minneapolis, MN (1)	Red 20 Apartments - Minneapolis, MN (1)	130	26,825	26,825	96.2	96.2 %	Red 20 Apartments - Minneapolis, MN (1)	130	26,843	26,843	93.9	93.9	%
Regency Park Estates - St. Cloud, MN (1)	Regency Park Estates - St. Cloud, MN (1)	149	19,583	19,583	92.0	92.0 %	Regency Park Estates - St. Cloud, MN (1)	149	19,465	19,465	94.0	94.0	%
Rimrock West Apartments - Billings, MT	Rimrock West Apartments - Billings, MT	78	5,702	5,702	96.2	96.2 %	Rimrock West Apartments - Billings, MT	78	5,741	5,741	94.9	94.9	%
River Pointe - Fridley, MN (2)	River Pointe - Fridley, MN (2)	300	41,979	41,979	95.0	95.0 %	River Pointe - Fridley, MN (2)	300	42,301	42,301	96.7	96.7	%
River Ridge Apartment Homes - Bismarck, ND	River Ridge Apartment Homes - Bismarck, ND	146	26,678	26,678	95.9	95.9 %	River Ridge Apartment Homes - Bismarck, ND	146	27,525	27,525	92.5	92.5	%
Rocky Meadows Apartments - Billings, MT	Rocky Meadows Apartments - Billings, MT	98	7,893	7,893	92.9	92.9 %	Rocky Meadows Apartments - Billings, MT	98	8,054	8,054	94.9	94.9	%
Rum River Apartments - Isanti, MN	Rum River Apartments - Isanti, MN	72	6,199	6,199	94.4	94.4 %	Rum River Apartments - Isanti, MN	72	6,214	6,214	91.7	91.7	%
Silver Springs Apartment Homes - Rapid City, SD	Silver Springs Apartment Homes - Rapid City, SD	52	4,268	4,268	96.2	96.2 %	Silver Springs Apartment Homes - Rapid City, SD	52	4,315	4,315	90.4	90.4	%
Southdale Parc - Richfield, MN (2)		69		7,104		88.4 %							
SouthFork Townhomes + Flats - Lakeville, MN (1)	SouthFork Townhomes + Flats - Lakeville, MN (1)	272	54,943	54,943	91.5	91.5 %	SouthFork Townhomes + Flats - Lakeville, MN (1)	272	55,570	55,570	96.0	96.0	%
Southpoint Apartments - Grand Forks, ND	Southpoint Apartments - Grand Forks, ND	96	10,878	10,878	96.9	96.9 %	Southpoint Apartments - Grand Forks, ND	96	10,902	10,902	100.0	100.0	%
Sunset Trail Apartment Homes - Rochester, MN	Sunset Trail Apartment Homes - Rochester, MN	146	19,111	19,111	92.5	92.5 %	Sunset Trail Apartment Homes - Rochester, MN	146	19,990	19,990	95.9	95.9	%
The Bosk - Woodbury, MN (2)		288		64,369		91.7 %							
Union Pointe - Longmont, CO	Union Pointe - Longmont, CO	256	76,371	76,371	96.9	96.9 %	Union Pointe - Longmont, CO	256	77,034	77,034	93.4	93.4	%
Venue on Knox - Minneapolis, MN (2)	Venue on Knox - Minneapolis, MN (2)	97	24,178	24,178	89.7	89.7 %	Venue on Knox - Minneapolis, MN (2)	97	24,743	24,743	92.8	92.8	%
Westend - Denver, CO	Westend - Denver, CO	390	129,283	129,283	96.2	96.2 %	Westend - Denver, CO	390	131,069	131,069	96.9	96.9	%
Whispering Ridge - Omaha, NE (1)	Whispering Ridge - Omaha, NE (1)	336	33,158	33,158	91.4	91.4 %	Whispering Ridge - Omaha, NE (1)	336	32,505	32,505	95.5	95.5	%
Wingate - New Hope, MN (2)		136		13,978		99.3 %							

Woodhaven - Minneapolis, MN (2)	Woodhaven - Minneapolis, MN (2)	176	25,911	25,911	92.6	92.6 %	Woodhaven - Minneapolis, MN (2)	176	26,355	26,355	97.7	97.7	%
Woodland Pointe - Woodbury, MN (2)		288		61,211		91.7 %							
Woodridge on Second - Rochester, MN	Woodridge on Second - Rochester, MN	110	12,460	12,460	93.6	93.6 %	Woodridge on Second - Rochester, MN	110	12,738	12,738	93.6	93.6	%
Zest - Minneapolis, MN(1)		45		11,687		97.8 %							
TOTAL SAME-STORE													
NON-SAME-STORE													
NON-SAME-STORE													
NON-SAME-STORE													
Elements of Linden Hills - Minneapolis, MN(1)													
Elements of Linden Hills - Minneapolis, MN(1)													
Elements of Linden Hills - Minneapolis, MN(1)		31		9,084		96.8 %							
Lake Vista Apartment Homes - Loveland, CO(1)													
Lake Vista Apartment Homes - Loveland, CO(1)													
Lake Vista Apartment Homes - Loveland, CO(1)		303		89,285		96.7 %							
Lydian - Denver, CO(1)		129		39,558		89.9 %							
TOTAL NON-SAME-STORE													
TOTAL MULTIFAMILY													
TOTAL MULTIFAMILY													
TOTAL MULTIFAMILY													

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Community Name and Location	**Number of Apartment Homes**		***(in thousands)*** **Investment (initial cost plus improvements less impairment)**	**Physical Occupancy as of December 31, 2023**
Lake Vista Apartment Homes - Loveland, CO(1)	303		87,789	94.4 %
Lyra Apartments - Centennial, CO(2)	215		93,045	93.5 %
Martin Blu - Eden Prairie, MN(1)	191		49,625	93.7 %
Noko Apartments - Minneapolis, MN	130		44,846	95.4 %
Zest - Minneapolis, MN(1)	45		11,638	97.8 %
TOTAL NON-SAME-STORE	915	$	296,027	
TOTAL MULTIFAMILY	13,088	$	2,402,544	

		(in thousands)				***(in thousands)***		
		Investment		**Physical**				**Investment** **Physical**
	Net Rentable	**(initial cost plus**	**Occupancy**		**Net Rentable**	**(initial cost plus**	**Occupancy**	
	Square	**improvements less**	**as of**		**Square**	**improvements less**	**as of**	

Property Name and Location	Property Name and Location	Footage		impairment)		December 31, 2023	Property Name and Location	Footage		impairment)		December 31, 2024
OTHER - MIXED USE COMMERCIAL	**OTHER - MIXED USE COMMERCIAL**						**OTHER - MIXED USE COMMERCIAL**					
71 France - Edina, MN (1)	71 France - Edina, MN (1)	20,922	$	6,495	86.1	86.1 %	71 France - Edina, MN (1)	20,922	$	6,195	60.5	60.5 %
Civic Lofts - Denver, CO	Civic Lofts - Denver, CO	1,600	—	—	100.0	100.0 %	Civic Lofts - Denver, CO	1,600	—	—	100.0	100.0 %
Lugano at Cherry Creek - Denver, CO	Lugano at Cherry Creek - Denver, CO	11,998	2,461	2,461	92.2	92.2 %	Lugano at Cherry Creek - Denver, CO	11,998	2,463	2,463	100.0	100.0 %
Lydian - Denver, CO(1)		22,676		672		100.0 %						
Noko Apartments - Minneapolis, MN	Noko Apartments - Minneapolis, MN	23,988	118	118	100.0	100.0 %	Noko Apartments - Minneapolis, MN	23,988	118	118	100.0	100.0 %
Oxbo Urban Rentals- St Paul, MN		11,477		3,526		100.0 %						
Oxbo Urban Rentals- St Paul, MN (2)		11,477		3,526		100.0 %						
Red 20 Apartments - Minneapolis, MN (1)	Red 20 Apartments - Minneapolis, MN (1)	10,508	2,959	2,959	70.9	70.9 %	Red 20 Apartments - Minneapolis, MN (1)	10,508	2,959	2,959	100.0	100.0 %
Zest - Minneapolis, MN(1)	Zest - Minneapolis, MN(1)	3,200	53	53	100.0	100.0 %	Zest - Minneapolis, MN(1)	3,200	53	53	100.0	100.0 %
TOTAL OTHER - MIXED USE COMMERCIAL												
OTHER - COMMERCIAL												
OTHER - COMMERCIAL												
OTHER - COMMERCIAL												
3100 10th St SW - Minot, ND(4)												
3100 10th St SW - Minot, ND(4)												
3100 10th St SW - Minot, ND(4)		9,690	$	1,990	N/A	N/A		9,603	$	1,994	N/A	N/A
TOTAL OTHER - COMMERCIAL												
TOTAL SQUARE FOOTAGE - OTHER												
TOTAL SQUARE FOOTAGE - OTHER												
TOTAL SQUARE FOOTAGE - OTHER		93,383						115,972				
TOTAL GROSS REAL ESTATE INVESTMENTS	**TOTAL GROSS REAL ESTATE INVESTMENTS**		$	2,420,146			**TOTAL GROSS REAL ESTATE INVESTMENTS**		$	2,480,741		

(1) Encumbered by mortgage debt.

(2) Encumbered by mortgage in our Fannie Mae Credit Facility.

(3) Owned by a joint venture entity and consolidated in our financial statements. We have an approximately 86.1% ownership in Cypress Court.

(4) This is our Minot corporate office building.

Properties by State

The following table presents, as of December 31, 2023 December 31, 2024, the total property owned by state:

(in thousands)

(in thousands)

(in thousands)

State	State	Total		% of Total	State	Total		% of Total
State								
State								
Minnesota	Minnesota	$ 1,244,397	51.5	51.5 %	Minnesota	$ 1,247,773	50.4	50.4 %
Colorado	Colorado	791,148	32.7	32.7 %	Colorado	841,967	33.9	33.9 %
North Dakota	North Dakota	208,500	8.6	8.6 %	North Dakota	210,375	8.5	8.5 %
Nebraska	Nebraska	89,510	3.7	3.7 %	Nebraska	92,894	3.7	3.7 %
Montana		47,042		1.9 %				
South Dakota	South Dakota	39,805	1.6	1.6 %	South Dakota	40,690	1.6	1.6 %
Montana		46,786		1.9 %				
Total	Total	$ 2,420,146	100.0	100.0 %	Total	$ 2,480,741	100.0	100.0 %

Item 3. Legal Proceedings

In the ordinary course of our operations, we become involved in litigation. At this time, we know of no material pending or threatened legal proceedings to which we are a party or of which any of our properties are the subject.

Item 4. Mine Safety Disclosures

Not Applicable.

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PART II

Item 5. Market for Registrant's Common Equity, Related Stockholder Matters, and Issuer Purchases of Equity Securities

Market Information

Our Common Shares of Beneficial Interest, no par value, are traded on the New York Stock Exchange under the symbol "CSR".

Shareholders

As of February 13, 2024 February 11, 2025, there were approximately 2,424 2,246 common shareholders of record.

Unregistered Sales of Shares

Under the terms of Centerspace, LP's Agreement of Limited Partnership, limited partners have the right to require Centerspace, LP to redeem their limited partnership Units any time following the first anniversary of the date they acquired such Units ("Exchange Right"). When a limited partner exercises the Exchange Right, we have the right, in our sole discretion, to redeem such Units by either making a cash payment or exchanging the Units for our common shares, on a one-for-one basis. The Exchange Right is subject to certain conditions and limitations, including that the limited partner may not exercise the Exchange Right more than two times during a calendar year and the limited partner may not exercise for less than 100 Units, or, if such limited partner holds less than 100 Units, for less than all of the Units held by such limited partner. Centerspace, LP and some limited partners have contractually agreed to a holding period of greater than one year, a greater number of redemptions during a calendar year, or other modifications to their Exchange Right.

On September 30, 2023, October 31, 2023, October 31, 2024 and November 30, 2023 December 31, 2024, we issued an aggregate of 2,283, 1,265, 8,648 and 1,505 120 unregistered common shares, respectively, to limited partners of Centerspace, LP upon exercise of their Exchange Rights for an equal number of Units. All such issuances of our common shares were exempt from registration as private placements under Section 4(a)(2) of the Securities Act. We have registered the resale of such common shares under the Securities Act.

Issuer Purchases of Equity Securities

Period	Total Number of Shares and Units Purchased(1)	Average Price Paid per Share and Unit(2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Amount of Shares That May Yet Be Purchased Under the Plans or Programs(3)
October 1 - 31, 2023	—	$ —	—	$ 14,234,010
November 1 - 30, 2023	75,465	52.13	75,465	10,301,837
December 1 - 31, 2023	26,482	53.16	16,511	9,414,859
Total	101,947	$ 52.40	91,976	

Period	Total Number of Shares and Units Purchased(1)	Average Price Paid per Share and Unit(2)	Total Number of Shares Purchased as Part of Publicly Announced Plans or Programs	Maximum Dollar Amount of Shares That May Yet Be Purchased Under the Plans or Programs(3)
October 1 - 31, 2024	—	$ —	—	$ 4,713,230
November 1 - 30, 2024	—	—	—	4,713,230
December 1 - 31, 2024	—	—	—	4,713,230
Total	—	$ —	—	

(1) Includes Units redeemed for cash pursuant to the exercise of exchange rights.

(2) Amount includes commissions paid.

(3) On March 10, 2022, the board authorized a $50.0 million share repurchase program.

Comparative Stock Performance

The information contained in this Comparative Stock Performance section shall not be deemed to be "soliciting material" or "filed" or "incorporated by reference" into our future filings with the SEC, or subject to the liabilities of Section 18 of the Exchange Act, except to the extent that we specifically incorporate it by reference into a document filed under the Securities Act or the Exchange Act.

Set forth below is a graph that compares, for the five years commencing December 31, 2018 December 31, 2019 and ending December 31, 2023 December 31, 2024, the cumulative total returns for our common shares with the comparable cumulative total return of three indices, the Standard & Poor's 500 Index ("S&P 500"), the FTSE Nareit Equity REITs Index, and the FTSE Nareit Equity Apartments Index, the latter of which is an index prepared by the FTSE Group for the National Association of Real Estate Investment Trusts, which includes all tax-qualified equity REITs listed on the NYSE and the NASDAQ Market. The performance graph assumes that, at the close of trading on December 31, 2018 December 31, 2019, $100 was invested in our common shares and in each of the indices. The comparison assumes the reinvestment of all distributions.

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2024 Stock Performance.jpg

							Period Ending							
Index	***Index***	**12/31/2018**	**12/31/2019**	**12/31/2020**	**12/31/2021**	**12/31/2022**	**12/31/2023**	***Index***	**12/31/2019**	**12/31/2020**	**12/31/2021**	**12/31/2022**	**12/31/2023**	**12/31/2024**
Centerspace														
S&P 500 Index														
FTSE Nareit Equity REITs														
FTSE Nareit Equity Apartments Index														

Source: S&P Global Market Intelligence

Item 6. Reserved

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Item 7. Management's Discussion and Analysis of Financial Condition and Results of Operations

The following discussion and analysis should be read in conjunction with the Consolidated Financial Statements and notes appearing elsewhere in this report. Historical results and trends which might appear in the Consolidated Financial Statements should not be interpreted as being indicative of future operations.

This and other sections of this Report contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Exchange Act, with respect to our expectations for future periods. Forward-looking statements do not discuss historical fact, but instead include statements related to expectations, projections, intentions or other items related to the future.

Executive Summary

We are a real estate investment trust, or REIT that owns, manages, acquires, redevelops, and develops apartment communities. We primarily focus on investing in markets characterized by stable and growing economic conditions, strong employment, and an attractive quality of life that we believe, in combination, lead to higher demand for our apartment homes and retention of our residents. As of December 31, 2023 December 31, 2024, we owned interests in 72 71 apartment communities consisting of 13,088 13,012 homes as detailed in Item 2 - Properties. Property owned, as presented in the Consolidated Balance Sheets, was $2.4 billion $2.5 billion at December 31, 2023 December 31, 2024, compared to $2.5 billion $2.4 billion at December 31, 2022 December 31, 2023.

Renting apartment homes is our primary source of revenue, and our business objective is to provide great homes. We strive to maximize resident satisfaction and retention by investing in high-quality assets in desirable locations and developing and training team members to create vibrant apartment communities through resident-centered operations. We believe that delivering superior resident experiences will drive consistent profitability for our business and shareholders. We have paid quarterly distributions every quarter since our first distribution in 1971.

Significant Transactions and Events for the Year Ended December 31, 2023 December 31, 2024

Highlights. For the year ended December 31, 2023 December 31, 2024, our highlights included the following:

- Net Income Loss was $2.32 $1.27 per basic and diluted share for the year ended December 31, 2023 December 31, 2024, compared to Net Loss Income of $1.35 $2.32 per basic and diluted share for the year ended December 31, 2022 December 31, 2023;
- Core funds from operations ("CFFO") per diluted share, a non-GAAP measure, increased 7.9% 2.1% (refer to reconciliations of Funds from Operations and Core Funds from Operations beginning on page 30 32 for additional detail) to $4.78 $4.88 from $4.43; $4.78;
- Operating income increased decreased to $84.5 million $20.5 million for the year ended December 31, 2023 December 31, 2024 compared to $13.9 million $84.5 million for the prior year; and
- Same-store year-over-year net operating income growth of 9.0% 3.7% driven by same-store revenue growth of 7.2% 3.3% (refer to Reconciliation of Operating Income (Loss) to Net Operating Income beginning on page 27 29 for additional detail).

Acquisitions and Dispositions. During the year ended December 31, 2023 December 31, 2024, we completed the following transactions in furtherance of our strategic plan:

- Disposed of 13 two non-core apartment communities for an aggregate sales price of $226.8 million and a realized gain on sale of $71.2 million $19.0 million; and

- Acquired Lake Vista Apartment Homes, The Lydian, a 303 129 home apartment community in Loveland, Denver, Colorado for an aggregate purchase price of $94.5 million $54 million. The acquisition was financed through the assumption of mortgage debt, issuance of common operating partnership units, and cash.

Financing Transactions. During the year ended December 31, 2023 December 31, 2024, we completed the following financing transactions:

- Repurchased 216,000 Issued approximately 1.6 million common shares for total net consideration of $11.5 million $112.6 million and an average price of $53.44 $71.66 per share. share under our ATM Program, compared to 87,722 shares repurchased at an average price of $53.62 per share, excluding commissions. We used the issuance proceeds to redeem all of the outstanding Series C preferred shares for $97.0 million.

Outlook

We intend to continue our focus on maximizing the financial performance of the communities in our existing portfolio. To accomplish this, we have introduced initiatives to expand our operating margin by enhancing the resident experience, making value-add investments, and implementing technology solutions and expense controls. We will plan to actively manage our existing portfolio, explore potential new markets, and strategically pursue acquisitions of multifamily apartment communities and selective dispositions as opportunities arise and market conditions allow. We will explore potential new markets and acquisition opportunities as market conditions allow. We seek to manage a strong balance sheet that should provide us with flexibility to pursue both internal and external growth.

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RESULTS OF OPERATIONS

We are presenting our results of operations for the years ended December 31, 2023 December 31, 2024 and 2022. 2023. For additional comparison of results of operations for the years ended December 31, 2022 December 31, 2023 and December 31, 2021 December 31, 2022, please refer to our Annual Report on Form 10-K filed with the SEC on February 21, 2023 February 20, 2024.

Non-GAAP Financial Measures

Net operating income. Net operating income ("NOI") is a non-GAAP financial measure which we define as total real estate revenues less property operating expenses, including real estate taxes, which is reconciled to operating income. Refer to the reconciliation of Operating Income to Net Operating Income below. We believe that NOI is an important supplemental measure of operating performance for real estate because it provides a measure of operations that is unaffected by sales of real estate and other investments, impairment, depreciation, amortization, financing costs, property management expenses, casualty losses, loss on litigation settlement, and general and administrative expense. NOI does not represent cash generated by operating activities in accordance with GAAP and should not be considered an alternative to net income (loss), net income (loss) available for common shareholders, or cash flow from operating activities as a measure of financial performance.

Throughout this Report, we have provided certain information on a same-store and non-same-store basis. Same-store apartment communities are owned or in service stabilized for substantially all of the periods being compared and, in the case of development properties, newly-acquired or constructed communities, have achieved a target level of physical occupancy of 90%, or re-positioned communities when they have achieved stabilized operations. We define re-positioned communities as having significant development and construction activity on existing buildings pursuant to an authorized plan, which has an impact on current operating results, occupancy and the ability to lease space with the intended result of improved community cash flow and competitive position through extensive unit and amenity upgrades. We categorize a re-positioned community as same-store when the development and construction activity has been completed, and operations have stabilized. This is typically reaching an overall occupancy of 90%. Not all communities undergoing value add are considered a re-positioned community. Non-same store communities are communities not owned or stabilized as of the beginning of the previous year, including re-positioned communities, and excluding communities held for sale and the non-multifamily components of mixed-use properties.

On the first day of each calendar year, we determine the composition of our same-store pool for that year as well as adjust the previous year, which allows us to evaluate the performance of existing apartment communities and their contribution to net income. Management believes that measuring performance on a same-store basis is useful to investors because it enables evaluation of how a fixed pool of communities are performing year-over-year. Management uses this measure to assess whether or not it has been successful in increasing NOI, raising average rental revenue, renewing the leases of existing residents, controlling operating costs, and making prudent capital improvements. The discussion below focuses on the main factors affecting real estate revenue and real estate expenses from same-store apartment communities because changes from one year to another in real estate revenue and expenses from non-same-store communities are generally due to the addition of those properties communities to our real estate portfolio, and accordingly provide less useful information for evaluating the ongoing operational performance of our real estate portfolio.

For the comparison of the twelve months years ended December 31, 2023 December 31, 2024 and 2022, 66 2023, 69 apartment communities were classified as same-store and six two apartment communities were non-same-store. See Item 2 - Properties for the list of communities classified as same-store and non-same-store. Sold communities are included in "Dispositions" "Dispositions," for the all periods prior to the sale, which also presented, while "Other properties" includes non-multifamily properties and the non-multifamily components of mixed-use properties. During the years ended December 31, 2024 and 2023, we disposed of two and thirteen apartment communities, respectively, consisting of 205 and 2,279 apartment homes, respectively.

Reconciliation of Operating Income to Net Operating Income (non-GAAP)

The following table provides a reconciliation of operating income to NOI (non-GAAP), which is defined above.

	(in thousands, except percentages)			
	Year Ended December 31,			
	2023	2022	$ Change	% Change
Operating income	$ 84,453	$ 13,861	$ 70,592	509.3 %
Adjustments:				
Property management expenses	9,353	9,895	(542)	(5.5)%
Casualty loss	2,095	1,591	504	31.7 %

Depreciation and amortization	101,678	105,257	(3,579)	(3.4)%
Impairment	5,218	—	5,218	N/A
General and administrative expenses	20,080	17,516	2,564	14.6 %
Gain on sale of real estate and other investments	(71,244)	(41)	(71,203)	*
Loss on litigation settlement	3,864	—	3,864	N/A
Net operating income	$ 155,497	$ 148,079	$ 7,418	5.0 %

	(in thousands, except percentages)			
	Year Ended December 31,			
	2024	2023	$ Change	% Change
Operating income	$ 20,475	$ 84,453	$ (63,978)	(75.8)%
Adjustments:				
Property management expenses	9,128	9,353	(225)	(2.4)%
Casualty loss	3,307	2,095	1,212	57.9 %
Depreciation and amortization	106,450	101,678	4,772	4.7 %
Impairment of real estate investments	—	5,218	(5,218)	(100.0)%
General and administrative expenses	17,802	20,080	(2,278)	(11.3)%
(Gain) loss on sale of real estate and other investments	577	(71,244)	71,821	*
Loss on litigation settlement	—	3,864	(3,864)	(100.0)%
Net operating income	$ 157,739	$ 155,497	$ 2,242	1.4 %

Not a meaningful percentage.

GAAP and Non-GAAP Financial Measures

The following table metrics, including GAAP and non-GAAP measures, cover the years ended December 31, 2023 December 31, 2024 and 2022. 2023.

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		(in thousands)									(in thousands)					
		Year Ended December 31,									Year Ended December 31,					
		2023		2022		$ Change		% Change			2024		2023			$ Change
Revenue																
Same-store(1)																
Same-store(1)																
Same-store(1)		$ 230,333	$	214,941	$	15,392	7.2	7.2	%	$ 249,872	$	241,989		$ 7,883		3.3
Non-same-store(1)	Non-same-store(1)	16,031	9,434	9,434	6,597	6,597	69.9	69.9	%	Non-same-store(1)	7,993		1,526	1,526	6,467	6,467
Other(1)		2,601		2,466		135		5.5	%							
Other properties(1)		2,589		2,600		(11)		(0.4)	%							
Dispositions(1)	Dispositions(1)	12,344	29,875	29,875	(17,531)	(17,531)	(58.7)	(58.7)	%	Dispositions(1)	529		15,194	15,194	(14,665)	(14,665
Total	Total	261,309	256,716	256,716	4,593	4,593	1.8	1.8	%	Total	260,983		261,309	261,309	(326)	(326
Property operating expenses, including real estate taxes																

Same-store(1)																	
Same-store(1)																	
Same-store(1)		92,847	88,785	88,785	4,062	4,062	4.6	4.6	%		99,365	96,785	96,785	2,580	2,580	2.7	
Non-same-store(1)	Non-same-store(1)	5,915	3,542	3,542	2,373	2,373	67.0	67.0	%	Non-same-store(1)	2,584	448	448	2,136	2,136		
Other(1)		797		940		(143)		(15.2)	%								
Other properties(1)		968		797		171		21.5	%								
Dispositions(1)	Dispositions(1)	6,253	15,370	15,370	(9,117)	(9,117)	(59.3)	(59.3)	%	Dispositions(1)	327	7,782	7,782	(7,455)	(7,455		
Total	Total	105,812	108,637	108,637	(2,825)	(2,825)	(2.6)	(2.6)	%	Total	103,244	105,812	105,812	(2,568)	(2,568		
Net operating income(2)																	
Same-store(1)																	
Same-store(1)																	
Same-store(1)		137,486	126,156	126,156	11,330	11,330	9.0	9.0	%		150,507	145,204	145,204	5,303	5,303	3.7	
Non-same-store(1)	Non-same-store(1)	10,116	5,892	5,892	4,224	4,224	71.7	71.7	%	Non-same-store(1)	5,409	1,078	1,078	4,331	4,331		
Other(1)		1,804		1,526		278		18.2	%								
Other properties(1)		1,621		1,803		(182)		(10.1)	%								
Dispositions(1)	Dispositions(1)	6,091	14,505	14,505	(8,414)	(8,414)	(58.0)	(58.0)	%	Dispositions(1)	202	7,412	7,412	(7,210)	(7,210		
Total	Total	$155,497	$	148,079	$	7,418	5.0	5.0	%	Total	$ 157,739	$	155,497	$	2,242		
Property management expense	Property management expense	(9,353)	(9,895)	(9,895)	(542)	(542)	(5.5)	(5.5)	%	Property management expense	(9,128)	(9,353)	(9,353)	(225)	(225		
Casualty loss	Casualty loss	(2,095)	(1,591)	(1,591)	504	504	31.7	31.7	%	Casualty loss	(3,307)	(2,095)	(2,095)	1,212	1,212		
Depreciation and amortization	Depreciation and amortization	(101,678)	(105,257)	(105,257)	(3,579)	(3,579)	(3.4)	(3.4)	%	Depreciation and amortization	(106,450)	(101,678)	(101,678)	4,772	4,772		
Impairment of real estate investments	Impairment of real estate investments	(5,218)	—	—	5,218	5,218	N/A		N/A	Impairment of real estate investments	—	(5,218)	(5,218)	(5,218)	(5,218		
General and administrative expenses	General and administrative expenses	(20,080)	(17,516)	(17,516)	2,564	2,564	14.6	14.6	%	General and administrative expenses	(17,802)	(20,080)	(20,080)	(2,278)	(2,278		
Gain on sale of real estate and other investments		71,244		41		71,203			*								
Gain (loss) on sale of real estate and other investments		(577)		71,244		(71,821)		100.8	%								
Loss on litigation settlement	Loss on litigation settlement	(3,864)	—	—	3,864	3,864	N/A		N/A	Loss on litigation settlement	—	(3,864)	(3,864)	(3,864)	(3,864		
Interest expense	Interest expense	(36,429)	(32,750)	(32,750)	3,679	3,679	11.2	11.2	%	Interest expense	(37,280)	(36,429)	(36,429)	851	851		
Interest and other income																	
Interest and other income																	
Interest and other income		1,207	1,248	1,248	(41)	(41)	(3.3)	(3.3)	%		2,613	1,207	1,207	1,406	1,406	116.5	
NET INCOME (LOSS)																	
NET INCOME (LOSS)																	
NET INCOME (LOSS)		$ 49,231	$	(17,641)	$	66,872	379.1	379.1	%		$ (14,192)	$	49,231	$	(63,423)	128.8	
Dividends to preferred unitholders																	

Dividends to Series D preferred unitholders																
Net (income) loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units	Net (income) loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units	(7,141)	4,299	4,299	(11,440)	(11,440)	(266.1)	(266.1)	%	Net (income) loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units	3,635	(7,141)	(7,141)	10,776	10,776	
Net income attributable to noncontrolling interests – consolidated real estate entities	Net income attributable to noncontrolling interests – consolidated real estate entities	(125)	(127)	(127)	2	2	1.6	1.6	%	Net income attributable to noncontrolling interests – consolidated real estate entities	(131)	(125)	(125)	(6)	(6	
Net income (loss) attributable to controlling interests	Net income (loss) attributable to controlling interests	41,325	(14,109)	(14,109)	55,434	55,434	392.9	392.9	%	Net income (loss) attributable to controlling interests	(11,328)	41,325	41,325	(52,653)	(52,653	
Dividends to preferred shareholders	Dividends to preferred shareholders	(4,821)	(6,428)	(6,428)	1,607	1,607	(25.0)	(25.0)	%							
Redemption of preferred shares		(3,511)		—		(3,511)			N/A							
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS	NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS		$ (19,660)		$ 34,897		$(54,557)	156.3		156.3 %						
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS																
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS		$ 34,897	$	(20,537)	$	55,434		269.9	%							

(1) This is a component of Net operating income and a non-GAAP financial measure. Non-GAAP financial measures should not be considered an alternative to net income (loss), net income (loss) available for common shareholders, or cash flow from operating activities as a measure of financial performance.

(2) Net operating income is a non-GAAP financial measure which is a component of NOI (non-GAAP), as defined above in Results of Operations, Non-GAAP Financial Measures. above. Refer to the Reconciliation of Operating Income to Net Operating Income on page 27. above. Non-GAAP financial measures should not be considered an alternative to net income (loss), net income (loss) available for common shareholders, or cash flow from operating activities as a measure of financial performance.

** Not a meaningful percentage.*

Weighted Average Occupancy (1)	Weighted Average Occupancy (1)	Year Ended December 31, 2023		2022		Weighted Average Occupancy (1)	Year Ended December 31, 2024		2023	
Same-store	Same-store	94.9	%	94.6	%	Same-store	95.2	%	94.9	%
Non-same-store	Non-same-store	95.2	%	93.5	%	Non-same-store	95.4	%	95.7	%
Total	Total	94.9	%	94.6	%	Total	95.2	%	94.9	%

(1) Weighted average occupancy is defined as the percentage resulting from dividing actual rental revenue by scheduled rental revenue. Scheduled rental revenue represents the value of all apartment homes, with occupied homes valued at contractual rental rates pursuant to leases and vacant apartment homes valued at estimated market rents. When calculating actual rents for occupied apartment homes and market rents for vacant homes, delinquencies and concessions are not taken into account. Market rates are determined using the currently offered effective rates on new leases at the community and are used as the starting point in determination of the market rates of vacant apartment homes. We believe that weighted average occupancy is a meaningful measure of occupancy because it considers the value of each vacant unit at its estimated market rate. Weighted average occupancy may not

completely reflect short-term trends in physical occupancy, and our calculation of weighted average occupancy may not be comparable to that disclosed by other REITs and other real estate companies.

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Number of Homes	Number of Homes	December 31,		Number of Homes	December 31,	
		2023	2022		2024	2023
Same-store						
Non-same-store						
Dispositions						
Total						

Same-store analysis. Revenue from same-store communities increased by 7.2% 3.3%, or $15.4 million $7.9 million, in the year ended December 31, 2023 December 31, 2024, compared to the same period in the prior year. year ended December 31, 2023. Approximately 6.9% 2.9% of the increase was due to higher average monthly revenue per occupied home and 0.3% from an increase in occupancy as weighted average occupancy increased from 94.6% 94.9% to 94.9% 95.2% for the years ended December 31, 2022 December 31, 2023 and 2023, 2024, respectively. Property operating expenses at same-store communities increased by 4.6% 2.7% or $4.1 million $2.6 million in the year ended December 31, 2023 December 31, 2024, compared to the same period in the prior year. At same-store communities, controllable expenses (which exclude insurance and real estate taxes), increased by $1.5 million $2.1 million, primarily due to $2.1 million in increased repairs and maintenance, technology costs related to smart home technology, and compensation costs, offset by decreased utilities and turnover costs. Non-controllable expenses at same-store communities increased by $2.6 million $438,000 primarily due to insurance premiums and deductibles on claims and offset by a decrease in real estate taxes. taxes resulting from successful real estate tax appeals. Same-store NOI increased by $11.3 million $5.3 million to $137.5 million $150.5 million for the year ended December 31, 2023 December 31, 2024 compared to $126.2 million $145.2 million in the same period in the prior year.

Non-same-store analysis. Revenue from non-same-store apartment communities increased by $6.6 million $6.5 million in the year ended December 31, 2023 December 31, 2024, compared to the same period in the prior year. Property operating expenses from non-same-store apartment communities increased by $2.4 million $2.1 million. Net operating income from non-same-store communities increased by $4.2 million $4.3 million. The increase in revenue, property operating expenses, and NOI from non-same-store communities is primarily due to the addition of apartment communities in during the latter part fourth quarter of 2022 2023 and 2023. 2024.

Other and dispositions analysis. Revenue from other, which encompasses our commercial and mixed use activity, increased decreased by 5.5% 0.4% or $135,000 $11,000 while revenue from dispositions decreased by $17.5 million $14.7 million. Property operating expenses from other decreased increased by 15.2% 21.5% or $143,000 $171,000 while property operating expenses from disposition dispositions decreased by $9.1 million $7.5 million due to sold properties. We disposed of two apartment communities during the year ended December 31, 2024 and 13 apartment communities and associated commercial space during the year ended December 31, 2023.

Property management expense. Property management expense, consisting of property management overhead and property management fees paid to third parties decreased by 5.5% 2.4% to $9.1 million in the year ended December 31, 2024, compared to $9.4 million in the year ended December 31, 2023, compared to $9.9 million in the year ended December 31, 2022. The decrease was primarily due to decreased costs for technology initiatives and compensation costs combined headcount with fewer properties due to dispositions. dispositions and a decrease in third party management fees.

Casualty loss. Casualty loss increased to $3.3 million in the year ended December 31, 2024, compared to $2.1 million in the year ended December 31, 2023, compared to $1.6 million in the year ended December 31, 2022. The increase was primarily due to increased insurance claims activity over throughout 2024 compared to the prior year period. Refer to Involuntary Conversion of Assets in Note 2 of the Notes to the Consolidated Financial Statements in the report for more details.

Depreciation and amortization. Depreciation and amortization decreased increased by 3.4% 4.7% to $106.5 million in the year ended December 31, 2024, compared to $101.7 million in the year ended December 31, 2023, compared to $105.3 million in the year ended December 31, 2022, attributable to a decrease an increase of $5.6 million from dispositions and $378,000 from other properties, offset by increases at same-store communities and $3.8 million from non-same-store communities driven by the addition of an apartment community in the fourth quarter of the current year both 2024 and 2023 along with value add and acquisition capital projects. projects, offset by a decrease of $5.1 million from dispositions.

Impairment of real estate investments. Impairment There was no impairment of real estate investments increased to $5.2 million in the year ended December 31, 2023 December 31, 2024, compared to no impairment $5.2 million in the prior year. 2023. These impairments were the result of two apartment communities that were written down to estimated fair value based on the receipt and acceptance of market offers to purchase the apartment communities. Refer to Real Estate Investments in Note 2 of the Notes to the Consolidated Financial Statements in the report for more details.

General and administrative expenses. General and administrative expenses increased decreased by 14.6% 11.3% to $17.8 million in the year ended December 31, 2024, compared to $20.1 million in the year ended December 31, 2023, compared to $17.5 million in the year ended December 31, 2022, primarily attributable to $3.2 million in executive severance and transition costs related to the CEO departure $910,000 in incentive related compensation, 2023 and $406,000 in lower legal fees related due to the loss on a litigation settlement offset by $1.3 million in abandoned pursuit costs and $873,000 in technology implementation costs that from 2023 both of which did not occur in the current year. 2024, offset by $1.2 million in increased incentive related compensation.

Gain (loss) on sale of real estate and other investments. In the years ended December 31, 2023 December 31, 2024 and 2022, 2023, we recorded gains a loss on the sale of real estate and other investments of $71.2 million $577,000 and $41,000, a gain on the sale of real estate and other investments of $71.2 million, respectively. The increase decrease was due to the sale of 13

Table two apartment communities for a loss in 2024 compared to the sale of Contents

13 apartment communities for a gain and associated commercial space during the current year that did not occur in the prior year. 2023. Refer to Note 9 in the Notes to the Consolidated Financial Statements.

Loss on Litigation Settlement. Loss There was no loss on litigation settlement was for the year ended December 31, 2024 compared to $3.9 millionfor in the year ended December 31, 2023 due to a trial judgment against Centerspace for property damage and monetary losses to a neighboring property. Refer to Litigation Settlement in Note 2 of the Notes to the Consolidated Financial Statements.

Operating income. Operating income increased decreased by 509.3% 75.8% to $20.5 million in the year ended December 31, 2024, compared to $84.5 million in the year ended December 31, 2023, compared to $13.9 million in the year ended December 31, 2022.

Interest expense. Interest expense increased 11.2% 2.3% to $37.3 million in the year ended December 31, 2024, compared to $36.4 million in the year ended December 31, 2023, compared to $32.8 million in the year ended December 31, 2022, primarily due to the assumption of mortgages upon acquisition of The Lydian in the fourth quarter of 2024 and Lake Vista in the fourth quarter of 2023, offset by lower interest on lines of credit in 2024 and a higher interest rates. rate term loan that was paid off early in 2023.

Interest and other income. Interest and other income was increased to $2.6 million in the year ended December 31, 2024, compared to $1.2 million in the years ended December 31, 2023 same period of the prior year, primarily due to interest income on two real estate related notes receivable, offset by a decrease from interest received on escrow funds in 2023 that did not occur in 2024. One of the notes receivable originated in December 2023 and 2022. the other was acquired during the fourth quarter of 2024 in connection with the acquisition of The Lydian.

Net income (loss) available to common shareholders. Net income (loss) available to common shareholders increased to net income of $34.9 million compared decreased to a net loss of $20.5 million $19.7 million compared to a net income of $34.9 million in the prior year. 2023.

Funds from Operations and Core Funds From Operations

We believe that funds from operations ("FFO"), which is a non-GAAP financial measure used as a standard supplemental measure for equity real estate investment trusts, is helpful to investors in understanding our operating performance, primarily because its calculation does not assume the value of real estate assets diminishes predictably over time, as implied by the historical cost convention of GAAP and the recording of depreciation and amortization.

We use the definition of FFO adopted by the National Association of Real Estate Investment Trusts, Inc. ("Nareit"). Nareit defines FFO as net income or loss calculated in accordance with GAAP, excluding:

- depreciation and amortization related to real estate;
- gains and losses from the sale of certain real estate assets;
- impairment write-downs of certain real estate assets and investments in entities when the impairment is directly attributable to decreases in the value of depreciable real estate held by the entity; and
- similar adjustments for partially owned consolidated real estate entities.

The exclusion in Nareit's definition of FFO of impairment write-downs and gains and losses from the sale of real estate assets helps to identify the operating results of the long-term assets that form the base of our investments, and assists management and investors in comparing those operating results between periods.

Due to limitations of the Nareit FFO definition, we have made certain interpretations in applying the definition. We believe all such interpretations not specifically provided for in the Nareit definition are consistent with the definition. Nareit's FFO White Paper 2018 Restatement clarified that impairment write-downs of land related to a REIT's main business are excluded from FFO and a REIT has the option to exclude impairment write-downs of assets that are incidental to the main business.

While FFO is widely used by us as a primary performance metric, not all real estate companies use the same definition of FFO or calculate FFO the same way. Accordingly, FFO presented here is not necessarily comparable to FFO presented by other real estate companies. FFO should not be considered as an alternative to net income or any other GAAP measurement of performance, but rather should be considered as an additional, supplemental measure. FFO also does not represent cash generated from operating activities in accordance with GAAP, nor is it indicative of funds available to fund all cash needs, including the ability to service indebtedness or make distributions to shareholders.

Core funds from operations ("Core FFO"), a non-GAAP measure, is FFO adjusted for non-routine items or items not considered core to business operations. By further adjusting for items that are not considered part of core business operations, we believe that Core FFO provides investors with additional information to compare core operating and financial performance between periods. Core FFO should not be considered as an alternative to net income or as any other GAAP measurement of performance, but rather should be considered an additional supplemental measure. Core FFO also does not represent cash generated from operating activities in accordance with GAAP, nor is it indicative of funds available to fund all cash needs, including the ability to service indebtedness or make distributions to shareholders. Core FFO is a non-GAAP and non-standardized financial measure that may be calculated differently by other REITs and that should not be considered a substitute for operating results determined in accordance with GAAP.

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Net income loss available to common shareholders for the year ended December 31, 2023 increased December 31, 2024 decreased to $34.9 million $19.7 million compared to a net loss income of $20.5 million $34.9 million for the year ended December 31, 2022 December 31, 2023. FFO applicable to common shares and Units for the year ended December 31, 2023 December 31, 2024, decreased increased to $83.3 million compared to $77.3 million compared to $79.9 million for the year ended December 31, 2022 December 31, 2023, a change of 3.3% 7.8%, primarily due to $3.2 million in severance and transition expenses related to the departure of Mark Decker, our former CEO increased interest expense, in 2023 and a $3.9 million loss on litigation settlement and decreased NOI from dispositions, offset by in 2023, both of which did not occur in 2024, along with increased NOI from same-store and non-same-store communities and $2.2 million in abandoned pursuit costs and technology implementation costs from the prior year that did not occur in the year ended December 31, 2023. For a comparison December 31, 2024, offset by the redemption of FFO applicable to common our Series C preferred shares during 2024 and Units for the years ended December 31, 2022 increased casualty loss claim and 2021, refer to our Annual Report on Form 10-K filed with the SEC on February 21, 2023. decreased NOI from dispositions.

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Reconciliation of Net Income (Loss) Available to Common Shareholders to Funds from Operations and Core Funds From Operations

	(in thousands, except per share and unit amounts)	*(in thousands, except per share and unit amounts)*
	Year Ended December 31,	
	2023	2022
Funds from operations:		
	2024	2023
Funds from Operations:		
Net income (loss) available to common shareholders		
Net income (loss) available to common shareholders		
Net income (loss) available to common shareholders		
Adjustments:		
Noncontrolling interests – Operating Partnership and Series E preferred units		
Noncontrolling interests – Operating Partnership and Series E preferred units		
Noncontrolling interests – Operating Partnership and Series E preferred units		
Depreciation and amortization		
Less depreciation – non real estate		
Less depreciation – partially owned entities		
Impairment of real estate		
Impairment of real estate investments		
Gain on sale of real estate		
Gain on sale of real estate		
Gain on sale of real estate		
(Gain) loss on sale of real estate		
(Gain) loss on sale of real estate		
(Gain) loss on sale of real estate		
FFO applicable to common shares and Units		
Adjustments to Core FFO:		
Adjustments to Core FFO:		
Adjustments to Core FFO:		
Non-cash casualty loss		
Non-cash casualty loss		
Non-cash casualty loss		
Loss on extinguishment of debt		
Technology implementation costs(1)		
Technology implementation costs(1)		
Technology implementation costs(1)		
Interest rate swap amortization and mark-to-market		

Interest rate swap amortization and mark-to-market
Interest rate swap amortization
Interest rate swap amortization and mark-to-market
Interest rate swap amortization
Interest rate swap amortization
Amortization of assumed debt
Pursuit costs
Severance and transition related costs
Loss on litigation settlement and associated trial costs(2)
Other miscellaneous items(3)
Severance and transition related costs
Severance and transition related costs
Loss on litigation settlement and associated trial costs(1)
Redemption of preferred shares
Other miscellaneous items(2)
Core FFO applicable to common shares and Units
FFO applicable to common shares and Units
FFO applicable to common shares and Units
FFO applicable to common shares and Units
Dividends to preferred unitholders
Dividends to Series D preferred unitholders
FFO applicable to common shares and Units - diluted
Core FFO applicable to common shares and Units
Core FFO applicable to common shares and Units
Core FFO applicable to common shares and Units
Dividends to preferred unitholders
Dividends to Series D preferred unitholders
Core FFO applicable to common shares and Units - diluted
Per Share Data
Per Share Data
Per Share Data
Income (loss) per common share - diluted
Income (loss) per common share - diluted
Income (loss) per common share - diluted
FFO per share and Unit - diluted
Core FFO per share and Unit - diluted
Weighted average shares - basic
Weighted average shares - basic
Weighted average shares - basic
Effect of redeemable operating partnership units
Effect of Series D preferred units
Effect of Series E preferred units
Effect of dilutive restricted stock units and stock options
Weighted average shares and Units - diluted

(1) Costs are Consists of $37,000 in associated trial costs related to a two-year implementation.

(2) the litigation matter for the year ended December 31, 2024. Consists of $3.9$3.9 million loss on litigation settlement for a trial judgment entered against the Company and $406,000 in associated trial costs related to the litigation matter during the year ended December 31, 2023.

(3) (2) Consists of (gain) loss on investments. investments and one-time professional fees.

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Liquidity and Capital Resources

Overview

We strive to maintain a strong balance sheet and preserve financial flexibility, which we believe should enhance our ability to capitalize on appropriate investment opportunities as they may arise. We intend to continue to focus on core fundamentals, which include generating positive cash flows from operation, maintaining appropriate debt levels and leverage ratios, and controlling overhead costs.

Our primary sources of liquidity are cash and cash equivalents on hand and cash flows generated from operations. Other sources include availability under our unsecured lines of credit, proceeds from property dispositions, including restricted cash related to net tax deferred proceeds, offerings of preferred and common shares under our shelf registration statement, including offerings of common shares under our 2021 ATM program, and long-term unsecured debt and secured mortgages.

Our primary liquidity demands are normally-recurring operating and overhead expenses, debt service and repayments, capital improvements to our communities, distributions to the holders of our preferred shares, common shares, Series D preferred units, and Series E preferred units, and Units, value-add redevelopment, common and preferred share buybacks and Unit redemptions, funding of mezzanine loans or real estate related notes, and acquisitions of additional communities.

We have historically met our short-term liquidity requirements through net cash flows provided by our operating activities and, from time to time, through draws on our lines of credit. We believe our ability to generate cash from property operating activities and draw on our lines of credit is adequate to meet all expected operating requirements and to make distributions to our shareholders in accordance with the REIT provisions of the Code. Budgeted expenditures for ongoing maintenance and capital improvements and renovations to our real estate portfolio are also generally expected to be funded from existing cash on hand, cash flow generated from property operations, draws on our lines of credit and/or new borrowings. We believe we will have sufficient liquidity to meet our commitments over the next twelve months.

To maintain our qualification as a REIT, we must pay dividends to our shareholders aggregating annually at least 90% of our REIT taxable income, excluding net capital gains. Under a separate requirement, we must distribute 100% of net capital gains or pay a corporate level tax in lieu thereof. While we have historically satisfied this distribution requirement by making cash distributions to our shareholders, we may choose to satisfy this requirement by making distributions of other property, including, in limited circumstances, our own common shares. As a result of this distribution requirement, our Operating Partnership cannot rely on retained earnings to fund ongoing operations. We pay dividends from cash available for distribution. Until it is distributed, cash available for distribution is typically used to reduce balances outstanding under our line of credit or is invested in investment grade securities. In the event of deterioration in property operating results, we may need to consider additional cash preservation alternatives, including reducing development activities, capital improvements, and renovations. For the year ended December 31, 2023 December 31, 2024, we declared cash distributions of $46.4 million $49.9 million to common shareholders and unitholders of Centerspace, LP, as compared to net cash provided by operating activities of $89.5 million $98.2 million and FFO of $77.3 million $83.3 million.

Factors that could increase or decrease our future liquidity include, but are not limited to, changes in interest rates or sources of financing, general volatility in capital and credit markets, changes in minimum REIT dividend requirements, and our ability to access the capital markets on favorable terms, or at all. As a result of the foregoing conditions or general economic conditions in our markets that affect our ability to attract and retain residents, we may not generate sufficient cash flow from operations. If we are unable to obtain capital from other sources, we may not be able to pay the distribution required to maintain our status as a REIT, make required principal and interest payments, make strategic acquisitions or make necessary routine capital improvements or undertake value add renovation opportunities with respect to our existing portfolio of operating assets.

As of December 31, 2024, we had total liquidity of approximately $224.6 million, which included $212.6 million available on our lines of credit based on the value of unencumbered properties and $12.0 million of cash and cash equivalents. As of December 31, 2023, we had total liquidity of approximately $234.6 million, which included $226.0 million available on our lines of credit based on the value of unencumbered properties and $8.6 million of cash and cash equivalents. As of December 31, 2022, we had total liquidity of approximately $153.0 million, which included $142.5 million available on our lines of credit based on the value of unencumbered properties and $10.5 million of cash and cash equivalents.

Debt

As of December 31, 2023 December 31, 2024, we had a multibank, revolving line of credit with total commitments and borrowing capacity of $250.0 million, based on the value of unencumbered properties. properties, (the "Unsecured Credit Facility"). As of December 31, 2023 December 31, 2024, the additional borrowing availability was $220.0 million $206.0 million beyond the $30.0 million $44.0 million drawn. As of December 31, 2022 December 31, 2023, the line of credit borrowing capacity was $250.0 million based on the value of our unencumbered properties, of which $113.5 million $30.0 million was drawn on the line. The line of credit is utilized to refinance existing indebtedness, to finance property acquisitions, to finance capital expenditures, and for general corporate purposes. This On July 26, 2024, the Unsecured Credit Facility was amended to extend maturity and to modify the leverage-based margin ratios applicable to borrowings. As amended, this credit facility matures in September 2025, July 2028, with an option to extend maturity for up to two additional six-month periods and has an accordion option to increase borrowing capacity up to $400.0 million.

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On May 31, 2023, this Unsecured Credit Facility was As amended, to replace the London Interbank Offered Rate ("LIBOR") with the Secured Overnight Financing Rate ("SOFR") as the benchmark alternative reference rate under the credit facility. The interest rates on the line of credit are based on the consolidated leverage ratio, at the Company's our option, on either the lender's base rate plus a margin, ranging from 25-80 20-80 basis points, or the daily or term SOFR, Secured Overnight Financing Rate ("SOFR"), plus a margin that ranges from 125-180 120-180 basis points, with the consolidated leverage ratio described under the Third Amended and Restated Credit Agreement, as amended. Prior to the amendment, interest rates on the

In September 2024, we entered into an operating line of credit were also agreement with US Bank, N.A. which has a borrowing capacity of up to $10.0 million and pricing based on the consolidated leverage ratio, applying the same margin ranges to LIBOR.

We also have a $6.0 million unsecured operating line of credit. As of December 31, 2023 and 2022, there was no outstanding balance on this line of credit. SOFR. This operating line of credit terminates in September 2025 and is designed to enhance treasury management activities and more effectively manage cash balances. This As of December 31, 2024, there was $3.4 million outstanding on this line of credit. We previously had a $6.0 million operating line matures on September 30, 2024, of credit with Wells Fargo Bank, N.A. with pricing based on SOFR. SOFR that matured on August 31, 2024. As of December 31, 2023, there was no outstanding balance on this line of credit.

We have had a private shelf agreement with PGIM, Inc., an affiliate of Prudential Financial, Inc., and certain affiliates of PGIM, Inc. (collectively, "PGIM") under which we have issued $200.0 million $175.0 million in unsecured senior promissory notes (“unsecured senior notes” Unsecured Shelf Notes”). On October 28, 2024, the shelf agreement was amended to extend the period of time during which we may borrow money to October 2027 and to increase the borrowing capacity to $300.0 million. We also have had a separate private note purchase agreement with PGIM and certain other lenders for the issuance of $125.0 million of senior unsecured promissory notes (“Unsecured Club Notes”, and, collectively with the Unsecured Shelf Notes, the “unsecured senior notes”), of which $25.0 million all $125.0 million was issued under the private shelf agreement with PGIM. in September 2021. The following table shows the notes issued under both agreements as of December 31, 2023 December 31, 2024 and 2022. 2023.

		(in thousands) Amount	Maturity Date	Fixed Interest Rate
Series A	$	75,000	September 13, 2029	3.84 %
Series B	$	50,000	September 30, 2028	3.69 %
Series C	$	50,000	June 6, 2030	2.70 %
Series 2021-A	$	35,000	September 17, 2030	2.50 %
Series 2021-B	$	50,000	September 17, 2031	2.62 %
Series 2021-C	$	25,000	September 17, 2032	2.68 %
Series 2021-D	$	15,000	September 17, 2034	2.78 %

In November 2022, we entered into a $100.0 million term loan agreement (“Term Loan”) with PNC Bank, National Association as administrative agent. The interest rate on the Term Loan was based on SOFR, plus a margin that ranged from 120 to 175 basis points based on our consolidated leverage ratio. The Term Loan had a 364-day term with an option for an additional 364-day term. As of December 31, 2023, the Term Loan was paid in full. As of December 31, 2022, the Term Loan had a balance of $100.0 million.

We have a $198.9 million Fannie Mae Credit Facility Agreement (“FMCF”). The FMCF is currently secured by mortgages on 12 11 apartment communities. The notes are interest-only, with varying maturity dates of 7, 10, and 12 years, and a blended weighted average fixed interest rate of 2.78%. As of December 31, 2023 December 31, 2024 and 2022, 2023, the FMCF had a balance of $198.9 million. The FMCF is included within mortgages payable on the Consolidated Balance Sheets.

Mortgage loan indebtedness, excluding net debt premiums and discounts and the FMCF, was $391.1 million $420.4 million and $392.3 million on and $299.4 million on December 31, 2023 December 31, 2024, and 2022, 2023, respectively on 14 15 and 15 14 apartment communities, respectively. As of December 31, 2023 December 31, 2024, the weighted average rate of interest on our mortgage debt was 4.05% 4.02%, compared to 3.85% 4.05% on December 31, 2022 December 31, 2023. Refer to Note 6 of our Consolidated Financial Statements contained in this Report for the principal payments due on our mortgage indebtedness and other tabular information.

All of our mortgage debt is collateralized by apartment communities and is non-recourse at fixed rates of interest, with staggered maturities. This reduces the exposure to changes in interest rates, which minimizes the effect of interest rate fluctuations on our results of operations and cash flows. Refer to Item 7A in this Report for additional information on our market and interest rate risk.

Equity

On August 30, 2024, we delivered notice to holders of our Series C preferred shares that we intended to redeem all 3.9 million Series C preferred shares at a redemption price equal to $25 per share plus any accrued but unpaid distributions per share up to and including the redemption date of September 30, 2024. On September 30, 2024, we completed the redemption of the Series C preferred shares for an aggregate redemption price of $97.0 million, excluding distributions, and such shares are no longer deemed outstanding as of such date and were delisted from trading on the NYSE.

We have an amended our equity distribution agreement in connection with the at-the-market offering program (“2021 ATM program” Program”) through which we may offer and sell common shares having an aggregate sales price of up to $250.0 million, in amounts and at times that determined by management. The amendment increased the maximum aggregate offering price of common shares available for offer and sale thereunder from $250.0 million to $500.0

million. Under the ATM Program, we determine. may enter into separate forward sale agreements. The proceeds from the sale of common shares under the 2021 ATM program are intended to Program may be used for general corporate purposes, which may include including the funding of acquisitions, construction or mezzanine loans, community renovations, and the repayment of indebtedness. During the year ended December 31, 2023, we did not issue any common shares under the 2021 ATM program. During the year ended December 31, 2022, we issued 321,000 common shares under the 2021 ATM program at an average price of $98.89 per share, net of commissions. During the year ended December 31, 2022, total consideration, net of commissions and issuance costs, was approximately $31.4 million. As of December 31, 2023 December 31, 2024, common shares having an aggregate offering price of up to $126.6

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million $262.9 million remained available under the 2021 ATM program. Refer to Further information can be found in Note 4 of our Consolidated Financial Statements contained in this Report.

On March 10, 2022, The table below provides details on the Board sale of Trustees approved common shares under the ATM Program during the years ended December 31, 2024 and 2023.

	(in thousands, except per share amounts) Number of Common Shares	Total Consideration(1)	Average Price Per Share(1)

Year ended December 31, 2024(2)	1,587 $	112,613 $	71.66
Year ended December 31, 2023	— $	— $	—

(1) Total consideration is net of $1.1 million in commissions for the year ended December 31, 2024.

(2) Includes 869,000 shares sold on a forward basis for $62.7 million which were physically settled during the year ended December 31, 2024.

We have a share repurchase program (the “Share Repurchase Program”), providing for the repurchase of up to an aggregate of $50.0 million of our outstanding common shares. Under the Share Repurchase Program, we are authorized to repurchase common shares through open-market purchases, privately-negotiated transactions, block trades, or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Securities and Exchange Act of 1934, as amended. The repurchases have no time limit and may be suspended or discontinued completely at any time. The specific timing and amount of repurchases will vary based on available capital resources or other financial and operational performance, market conditions, securities law limitations, and other factors. The table below provides details on the shares repurchased during the years ended December 31, 2023 December 31, 2024 and 2022. 2023. As of December 31, 2023 December 31, 2024, we had $9.4 million $4.7 million remaining authorized for purchase under this program.

(in thousands, except per share amounts)

(in thousands, except per share amounts)

(in thousands, except per share amounts)

	Number of Common Shares	Number of Common Shares	Aggregate Cost(1)	Average Price Per Share(1)	Number of Common Shares	Aggregate Cost(1)	Average Price Per Share(1)
Year ended December 31, 2024							
Year ended December 31, 2023							
Year ended December 31, 2022							

(1) Amount includes commissions.

We had 1.7 1.6 million and 1.8 1.7 million Series E preferred units outstanding on December 31, 2023 December 31, 2024 and 2022, 2023, respectively. Each Series E preferred unit has a par value of $100. The Series E preferred unit holders receive a preferred distribution at the rate of 3.875% per year. Each Series E preferred unit is convertible, at the holder’s option, into 1.2048 1.20482 Units. The Series E preferred units have an aggregate liquidation preference of $172.5 $158.2 million. The holders of the Series E preferred units do not have voting rights.

As of December 31, 2023 and 2022, we had 3.9 million Series C preferred shares outstanding.

Changes in Cash, Cash Equivalents, and Restricted Cash

As of December 31, 2024, we had cash and cash equivalents of $12.0 million and restricted cash consisting of $1.1 million of escrows held by lenders for real estate taxes, insurance, and capital additions. As of December 31, 2023, we had cash and cash equivalents of $8.6 million and restricted cash consisting of $639,000 of escrows held by lenders for real estate taxes, insurance, and capital additions. As of December 31, 2022, we had cash and cash equivalents of $10.5 million and restricted cash consisting of $1.4 million of escrows held by lenders for real estate taxes, insurance, and capital additions.

The following discussion relates to changes in consolidated cash, cash equivalents, and restricted cash which are presented in our Consolidated Statements of Cash Flows in Item 15 of this report.

In addition to cash flows from operations, during the year ended December 31, 2023 December 31, 2024, we generated capital from various activities, including:

- Receiving $223.3 million $18.3 million in net proceeds from the sale of 13 two apartment communities communities;
- Receiving $17.4 million on our line of credit, net of repayments;
- Issuing approximately 1.6 million common shares for consideration of $112.1 million, net of commissions and associated commercial space; issuance costs; and
- Receiving $90.0 million $1.9 million in insurance proceeds, from a new mortgage on our Parkhouse community. primarily due to one large casualty event that was settled.

During the year ended December 31, 2023 December 31, 2024, we used capital for various activities, including:

- Acquiring an apartment community in Loveland, Colorado Redeeming all of our Series C preferred shares for $42.2 million in cash, including transaction costs, with the remainder of the purchase price in assumption of mortgage debt; $97.0 million;
- Repaying $83.5 million Funding $13.6 million on our line a mezzanine loan for the development of credit, net of proceeds; an apartment community;

- Repaying approximately $46.7 million $10.9 million of mortgage principal;
- Repaying $100.0 million on notes payable;
- Repurchasing of 216,000 87,722 common shares for $11.5 million $4.7 million, net of issuance costs; fees and expenses;
- Paying distributions on common shares, Series E preferred units, Units, and Series C preferred shares of $59.7 million; and
- Funding capital improvements for apartment communities of approximately $58.8 million $56.7 million.

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Contractual Obligations and Other Commitments

Our primary contractual obligations relate to borrowings under our lines of credit, unsecured senior notes, and mortgages payable. The Our primary line of credit had a $30.0 million $44.0 million balance outstanding at December 31, 2023 December 31, 2024 and matures in July 2028. Our operating line of credit had a $3.4 million balance outstanding at December 31, 2024 and matures in September 2025. Our unsecured senior notes had an aggregate balance of $300.0 million at December 31, 2023 December 31, 2024 with varying maturities from September 2028 through September 2034.

	(in thousands)					*(in thousands)*				
	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years	Total	Less than 1 Year	1-3 Years	3-5 Years	More than 5 Years
Lines of credit (principal and interest)(1)										
Notes payable (principal and interest)										
Mortgages payable (principal and interest)										
Total										

(1) The future interest payments on the lines of credit were estimated using the outstanding principal balance and interest rate in effect as of December 31, 2023 December 31, 2024.

We fund capital expenditures, primarily to maintain or renovate our apartment communities. The amounts of these expenditures can vary from year to year depending on the age of the apartment community, timing of planned improvements, and lease turnover.

As of December 31, 2023 December 31, 2024, we had no significant off-balance-sheet arrangements.

Inflation and Supply Chain

Our apartment leases generally have terms of one year or less, which means that, in an inflationary environment, we would have the ability, subject to market conditions, to increase rents upon the commencement of new leases or renewal of existing leases to manage the impact of inflation on our business. However, the cost to operate and maintain communities could increase at a rate greater than our ability to increase rents, which could adversely affect our results of operations. High inflation could have a negative impact on our residents and their ability to absorb rent increases.

We also continue to monitor pressures surrounding supply chain challenges. Supply chain and inflationary pressures are likely to result in increased operating expenses, specifically, increases in energy costs, salary related costs, and construction materials for repairs and maintenance or capital projects. A worsening of the current environment could contribute to delays in obtaining construction materials and result in higher than anticipated costs, which could prevent us from obtaining expected returns on value add projects.

We continue to have access to the financial markets; however, a prolonged disruption of the markets or a decline in credit and financing conditions could negatively affect our ability to access capital necessary to fund our operations or refinance maturing debt in the future. Additionally, rising interest rates could negatively impact our borrowing costs for any variable rate borrowings or refinancing activity.

Critical Accounting Estimates

Set forth below is a summary of the accounting estimates that management believes are critical to the preparation of the Consolidated Financial Statements included in this Report.

Real Estate. Real estate is carried at cost, net of accumulated depreciation, less an adjustment for impairment, if any. Depreciation requires an estimate by management of the useful life of each asset as well as an allocation of the costs associated with a property to its various components. As described further below, the process of allocating property costs to its components requires a considerable amount of subjective judgments to be made by management. If we do not allocate these costs appropriately or incorrectly estimate the useful lives of our real estate, depreciation expense may be misstated. Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. We use a 10-37 year estimated

life for buildings and improvements and a 5-10 year estimated life for furniture, fixtures, and equipment. Maintenance and repairs are charged to operations as incurred. Renovations and improvements that improve and/or extend the useful life of the asset are capitalized over their estimated useful life, generally five to twenty years.

Acquisition of Investments in Real Estate. Upon acquisitions of real estate, we assess the fair value of acquired tangible assets (including land, buildings and personal property), which is determined by valuing the property as if it were vacant, and consider whether there were significant intangible assets acquired (for example, above-and below-market leases, the value of acquired in-place leases and resident relationships) and assumed liabilities, and allocate the purchase price based on these assessments.

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The as-if-vacant value is allocated to land, buildings, and personal property based on our determination of the relative fair value of these assets. Techniques used to estimate fair value include discounted cash flow analysis and reference to recent sales of comparable properties. Estimates of future cash flows are based on a number of factors, including the historical operating results, known trends, and market/economic conditions that may affect the property. Land value is assigned based on the purchase price if land is acquired separately or based on a relative fair value allocation if acquired in a portfolio acquisition.

Other intangible assets acquired include amounts for in-place lease values that are based upon our 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, consideration of current market conditions, and costs to execute similar leases. We also consider information about each property obtained during our pre-acquisition due diligence, marketing and leasing activities in estimating the relative fair value of the tangible and intangible assets acquired.

Impairment. We periodically evaluate our long-lived assets, including our investments in real estate, for impairment indicators. The judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, expected holding period of each property, and legal and environmental concerns. If indicators exist, we compare the estimated future undiscounted cash flows for the property against the carrying amount of that property. If the sum of the estimated undiscounted cash flows is less than the carrying amount, an impairment loss is generally recorded for the difference between the estimated fair value and the carrying amount. If our anticipated holding period for properties, the estimated fair value of properties, or other factors change based on market conditions or otherwise, our evaluation of impairment charges may be different and such differences could be material to our Consolidated Financial Statements. The evaluation of estimated cash flows is subjective and is based, in part, on assumptions regarding future occupancy, rental rates and capital requirements that could differ materially from actual results. Plans to hold properties over longer periods decrease the likelihood of recording impairment losses.

Held for Sale. We classify properties as held for sale when they meet the GAAP criteria, which include: (a) management commits to and initiates a plan to sell the asset; (b) the sale is probable and expected to be completed within one year under terms that are usual and customary for sales of such assets; and (c) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. Held for sale properties are reported at the lower of their carrying amount or estimated fair value less costs to sell.

Recent Accounting Pronouncements

For disclosure regarding recent accounting pronouncements and the anticipated impact they will have on our operations, please refer to Note 2 of our Consolidated Financial Statements appearing elsewhere in this Report.

Item 7A. Quantitative and Qualitative Disclosures About Market Risk

Market risk refers to the risk of loss from adverse changes in market prices and interest rates. Our future revenue, cash flows, and fair values of certain financial instruments are dependent upon prevailing market prices and interest rates.

Our exposure to market risk is primarily related to fluctuations in the general level of interest rates on our current and future fixed and variable rate debt obligations. Our operating results are, therefore, affected by changes in interest rates, including SOFR.

As of December 31, 2023 December 31, 2024, we had $30.0 million $47.4 million of variable-rate borrowings under our lines of credit. We estimate that an increase in 30-day SOFR of 100 basis points with constant risk spreads would result in a $300,000 $474,000 reduction to our net income (loss) on an annual basis. We estimate that a decrease in 30-day SOFR of 100 basis points would increase our net income (loss) by a similar amount.

Mortgage loan indebtedness, excluding net debt premiums and discounts and the FMCF, increased by $91.7 million $28.1 million as of December 31, 2023 December 31, 2024, compared to December 31, 2022 December 31, 2023, primarily due to one new mortgage loan and the assumption of a mortgage loan in connection with a 2023 2024 acquisition, offset by the payoff of principal payments on mortgages. As of December 31, 2023 December 31, 2024 and 2022, 2023, all of our mortgage debt, $391.1 million $420.4 million and $299.4 million $392.3 million, respectively, was at fixed rates of interest with staggered maturities. As of December 31, 2023, December 31, 2024, the weighted average rate of interest on our mortgage debt was 4.05% 4.02%, compared to 3.85% 4.05% on December 31, 2022 December 31, 2023. Even though our goal is to maintain a fairly low exposure to interest rate risk, we may become vulnerable to significant fluctuations in interest rates on any future repricing or refinancing of our fixed or variable rate debt or future debt.

We cannot predict with certainty the effect of adverse changes in interest rates on our debt and, therefore, our market risk.

The following table provides information about our financial instruments that are sensitive to changes in interest rates. For debt obligations, the table presents principal cash flows and related weighted average interest rates by expected maturity dates. Average variable rates are based on rates in effect at the reporting date.

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		Future Principal Payments *(in thousands, except percentages)*									Future Principal Payments *(in thousands, except percentages)*							
Debt	**Debt**	**2024**	**2025**	**2026**	**2027**	**2028**	**Thereafter**	**Total**	**Fair Value**	**Debt**	**2025**	**2026**	**2027**	**2028**	**2029**	**Thereafter**	**Total**	**Fair Value**
Fixed Rate																		
Average Interest Rate(1)	Average Interest Rate(1)	3.59 %	3.61 %	3.60 %	3.57 %	3.58 %	3.71 %	3.61 %		Average Interest Rate(1)	3.62 %	3.60 %	3.58 %	3.59 %	3.56 %	3.68 %	3.60 %	
Variable Rate																		
Average Interest Rate(1)(2)	Average Interest Rate(1)(2)	—	6.74 6.74 %	—	— —	— —	— —	6.74 6.74 %		Average Interest Rate(1)(2)	6.56 %	—	— —	5.81 5.81 %	—	— —	5.86 5.86 %	

(1) Interest rate is annualized.

(2) Interest rate excludes any unused facility fees and amounts reclassified from accumulated other comprehensive income into interest expense from terminated interest rate swaps swaps.

Item 8. Financial Statements and Supplementary Data

Our Consolidated Financial Statements and related notes, together with the Report of the Independent Registered Public Accounting Firm, are set forth beginning on page F-1 of this Report and are incorporated herein by reference.

Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None.

Item 9A. Controls and Procedures

Disclosure Controls and Procedures: As of December 31, 2023 December 31, 2024, the end of the period covered by this Report, our management carried out an evaluation, under the supervision and with the participation of our Chief Executive Officer and Chief Financial Officer, of the effectiveness of the design and operation of our disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act). Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer concluded that our disclosure controls and procedures were effective to ensure that information required to be disclosed by us in the reports that we file or submit under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the Commission's rules and forms, and is accumulated and communicated to management, including our principal executive and principal financial officers, as appropriate to allow timely decisions regarding required disclosure.

Changes in Internal Control Over Financial Reporting: There have been no changes in our internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the fourth quarter of the year to which this report relates that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Management's Report on Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting and for performing an assessment of the effectiveness of internal control over financial reporting as of December 31, 2023 December 31, 2024. Our internal control over financial reporting is a process designed under the supervision of our principal executive and principal financial officers to provide reasonable assurance regarding the reliability of financial reporting and the preparation of our financial statements for external reporting purposes in accordance with GAAP.

As of December 31, 2023 December 31, 2024, management conducted an assessment of the effectiveness of our internal control over financial reporting, based on the framework established in *Internal Control – Integrated Framework* (2013) issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"). Based on this assessment, management has determined that our internal control over financial reporting as of December 31, 2023 December 31, 2024, was effective.

Our internal control over financial reporting includes policies and procedures that:

- pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect transactions, acquisitions and dispositions of assets;
- provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, and that receipts and expenditures are being made only in accordance with authorizations of our management and the trustees; and
- provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of our assets that could have a material effect on our financial statements.

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Due to its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate due to changes in conditions or deterioration in the degree of compliance with the policies or procedures.

Our internal control over financial reporting as of December 31, 2023 December 31, 2024, has been audited by Grant Thornton LLP, an independent registered public accounting firm, as stated in their report on page F-3 of our Consolidated Financial Statements contained in our Annual Report on Form 10-K, which expresses an unqualified opinion on the effectiveness of our internal control over financial reporting as of December 31, 2023 December 31, 2024.

Item 9B. Other Information

During the fiscal quarter ended December 31, 2023 December 31, 2024, none of our trustees or executive officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement."

Item 9C. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

PART III

Item 10. Trustees, Executive Officers and Corporate Governance

The information required by this Item regarding Trustees is incorporated by reference to the information under "Election of Trustees," "Information About Our Executive Officers," "Code of Conduct and Code of Ethics for Senior Financial Officers," and "Board Committees" in our definitive proxy statement for our 2024 2025 Annual Meeting of Shareholders to be filed with the SEC no later than 120 days after the end of the year covered by this Report.

Item 11. Executive Compensation

The information required by this Item is incorporated by reference to the information under “Trustee Compensation,” “Compensation Discussion and Analysis” and “Executive Officer Compensation Tables” in our definitive proxy statement for our 2024 2025 Annual Meeting of Shareholders to be filed with the SEC no later than 120 days after the end of the year covered by this Report.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Shareholder Matters

The information required by this Item is incorporated by reference to the information under “Securities Authorized for Issuance Under Equity Compensation Plans” and “Security Ownership of Certain Beneficial Owners and Management” in our definitive proxy statement for our 2024 2025 Annual Meeting of Shareholders to be filed with the SEC no later than 120 days after the end of the year covered by this Report.

Item 13. Certain Relationships and Related Transactions, and Trustee Independence

The information required by this Item is incorporated by reference to the information under “Relationships and Related Party Transactions” and “Corporate Governance and Board Matters” in our definitive proxy statement for our 2024 2025 Annual Meeting of Shareholders to be filed with the SEC no later than 120 days after the end of the year covered by this Report.

Item 14. Principal Accounting Fees and Services

The information required by this Item is incorporated by reference to the information under “Accounting and Audit Committee Matters” in our definitive proxy statement for our 2024 2025 Annual Meeting of Shareholders to be filed with the SEC no later than 120 days after the end of the year covered by this Report.

PART IV

Item 15. Exhibits, Financial Statement Schedules

The following documents are filed as part of this report:

1. **Financial Statements**

See the “Table of Contents” to our Consolidated Financial Statements on page F-1 of this Report.

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2. **Financial Statement Schedules**

See the “Table of Contents” to our Consolidated Financial Statements on page F-1 of this Report.

The following financial statement schedules should be read in conjunction with the financial statements referenced in Part II, Item 8 of this Report: Schedule III Real Estate and Accumulated Depreciation

3. **Exhibits**

See the Exhibit Index set forth in part (b) below.

The Exhibit Index below lists the exhibits to this Report. We will furnish a printed copy of any exhibit listed below to any security holder who requests it upon payment of a fee of 15 cents per page. All Exhibits are either contained in this Report or are incorporated by reference as indicated below.

Item 16. 10-K Summary

None.

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EXHIBIT INDEX

EXHIBIT NO.	DESCRIPTION
3.1.	Articles of Amendment and Third Restated Declaration of Trust of Investors Real Estate Trust adopted on September 23, 2003, as amended on September 18, 2007 (incorporated herein by reference to Exhibit 3.1 to the Company's Annual Report on Form 10-K filed with the Commission on June 30, 2014).
3.2	Seventh Restated Trustee's Regulations (Bylaws) of Investors Real Estate Trust, adopted on April 27, 2020 (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed on May 1, 2020).
3.3	Articles Supplementary to the Company's Articles of Amendment and Third Restated Declaration of Trust designating the Company's 6.625% Series C Cumulative Redeemable Preferred Shares, no par value per share (incorporated by reference to Exhibit 3.2 of the Company's Registration Statement on Form 8-A filed with the SEC on September 28, 2017).
4.1	Note Purchase and Private Shelf Agreement, dated as of September 13, 2019, by and among IRET Properties, a North Dakota Limited Partnership, as the Issuer, Investors Real Estate Trust, as the Parent, IRET, Inc., as the General Partner, certain subsidiaries of the Parent, PGIM, Inc., an affiliate of Prudential Financial, Inc., certain affiliates of PGIM, Inc., and the Purchasers of the Series A Notes (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the Commission on September 17, 2019).
4.2	Form of Series A Senior Note under the Note Agreement (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the Commission on September 17, 2019).
4.3	Form of Series B Notes under the Note Agreement (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K dated October 1, 2019).
4.4	Form of Guaranty Agreement under the Note Agreement (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed with the Commission on September 17, 2019).
4.5	Description of Securities (incorporated by reference to Exhibit 4.5 to the Company'sCompany's Annual Report on Form 10-K filed with the Commission on February 19, 2020).
4.6	Amendment to Note Purchase and Private Shelf Agreement, dated as of September 13, 2019, by and among Centerspace, LP, a North Dakota Limited Partnership, as the Issuer, Investors Real Estate, as the Parent, Centerspace, Inc., as the General Partner, certain subsidiaries of the Parent, PGIM Inc., an affiliate of Prudential Financial, Inc., certain affiliates of PGIM, Inc., and the Purchasers of the Series A Notes (incorporated by reference to Exhibit 4.1 to the Company'sCompany's Current Report on Form 8-K filed with the Commission on January 7, 2021).
4.7	Form of Series C Notes under Note Agreement (incorporated by reference to Exhibit 4.2 to the Company'sCompany's Current Report on Form 8-K filed with the Commission on January 7, 2021).
4.8	Confirmation of Guarantee Agreement, dated as of January 6, 2021, by an among Centerspace, Inc., Investors Real Estate Trust, IRET - Grand Gateway Apartments, LLC, IRET - Homestead Gardens II, LLC, IRET - River Ridge Apartments, LLC, IRET - Valley Park Manor, LLC, and the Holders of Notes thereto (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed with the Commission on January 7, 2021).
4.9	Note Purchase Agreement, dated September 17, 2021, by and among Centerspace, Centerspace, LP, Centerspace, Inc., Allianz Life Insurance Company of North America, Nationwide Life and Annuity Insurance Company, Nationwide Life Insurance Company, Prudential Annuities Life Assurance Corporation, The Prudential Insurance Company of America, The Prudential Life Insurance Company, Ltd., and Nassau Life Insurance Company (incorporated by reference to Exhibit 4.1 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).
4.10	Form of Series 2021-A Senior Note (incorporated by reference to Exhibit 4.2 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).
4.11	Form of Series 2021-B Senior Note (incorporated by reference to Exhibit 4.3 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).
4.12	Form of Series 2021-C Senior Note (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).
4.13	Form of Series 2021-D Senior Note (incorporated by reference to Exhibit 4.5 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).
4.14	Guarantee Agreement, dated September 17, 2021 of Centerspace, LP Note (incorporated by reference to Exhibit 4.6 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).
4.15	Amendment No. 2 to Note Purchase and Private Shelf Agreement, dated September 17, 2021, and related Exhibit B attached thereto, by and among Centerspace, Centerspace, LP, Centerspace, Inc., PGIM, Inc., an affiliate of Prudential Financial, Inc. and certain affiliates of PGIM, Inc. Note (incorporated by reference to Exhibit 4.7 to the Company's Current Report on Form 8-K filed with the Commission on September 20, 2021).

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EXHIBIT NO.	DESCRIPTION
10.1**	2015 Incentive Plan dated June 23, 2015 (incorporated herein by reference to Appendix A to the Company's Proxy Statement on Schedule 14A filed with the Commission on August 3, 2015).

EXHIBIT NO.	DESCRIPTION
10.2**	Amendment to 2015 Incentive Plan dated April 19, 2016 (incorporated herein by reference to Exhibit 10.2 to the Company's Annual Report on Form 10-K filed with the Commission on June 29, 2016).
10.3**	Amendment to 2015 Incentive Plan dated March 13, 2020 (incorporated herein by reference to Appendix B to the Company'sCompany's Proxy Statement on Schedule 14A filed with the Commission on April 6, 2020).
10.4**	Form of Trustee Stock Award Agreement under the 2015 Incentive Plan dated June 22, 2016 (incorporated herein by reference to Exhibit 10.3 to the Company's Annual Report on Form 10-K filed with the Commission on June 29, 2016).
10.5**	Form of Performance Stock Award Agreement under the 2015 Incentive Plan dated June 22, 2016 (incorporated herein by reference to Exhibit 10.4 to the Company's Annual Report on Form 10-K filed with the Commission on June 29, 2016).
10.6**	Form of Stock Award Agreement under the 2015 Incentive Plan dated June 22, 2016 (incorporated herein by reference to Exhibit 10.5 to the Company's Annual Report on Form 10-K filed with the Commission on June 29, 2016).
10.7**	Form of Stock Award Agreement (one-year measurement period) under the 2015 Incentive Plan dated September 16, 2015 (incorporated herein by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on September 21, 2015).
10.8**	Form of Stock Award Agreement (two-year measurement period) under the 2015 Incentive Plan dated September 16, 2015 (incorporated herein by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Commission on September 21, 2015).
10.9**	Form of Stock Award Agreement (three-year measurement period) under the 2015 Incentive Plan dated September 16, 2015 (incorporated herein by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the Commission on September 21, 2015).
10.10**	Form of Change in Control Severance Agreement (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on July 7, 2015).
10.11* 10.8**	Form of Indemnification Agreement (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on September 21, 2015).
10.1210.9	Second Amended and Restated Credit Agreement and related Annex I attached thereto, dated as of August 31, 2018, by and among IRET Properties, a North Dakota Limited Partnership, as the Borrower, the Guarantors party thereto, the several financial institutions party thereto, as Lenders, and the Bank of Montreal, as Administrative Agent (incorporated by reference to Exhibit 10.1 to the Company's Company's Current Report on Form 8-K filed with the Commission on September 6, 2018).
10.1310.10	First Amendment to Second Amended and Restated Credit Agreement and related Annex I attached thereto, by and among IRET Properties, a North Dakota Limited Partnership, as the Borrower, the Guarantors party thereto, the several financial institutions party thereto, as Lenders, and the Bank of Montreal, as Administrative Agent (incorporated by reference to Exhibit 10.12 to the Company's Company's Annual Report on From 10-K filed with the Commission on February 19, 2020).
10.1410.11	Second Amendment to Second Amended and Restated Credit Agreement and related Annex I attached thereto, by and among IRET Properties, a North Dakota Limited Partnership, as the Borrower, the Guarantors party thereto, the several financial institutions party thereto, as Lenders, and the Bank of Montreal, as Administrative Agent (incorporated by reference to Exhibit 4.4 to the Company's Current Report on Form 8-K filed on September 17, 2019).
10.15 10.12	Amended and Restated Agreement of Limited Partnership of IRET Properties, A North Dakota Limited Partnership (as amended and restated through February 27, 2019) (incorporated by reference to Exhibit 10.30 to the Company'sCompany's Transition Report on Form 10-K filed with the Commission on February 27, 2019).
10.1610.13	Third Amendment to the Amended and Restated Agreement of Limited Partnership of IRET Properties, A North Dakota Limited Partnership (incorporated herein by reference to Exhibit 3.2 to the Registrant's Registrant's Current Report on Form 8-K filed on October 2, 2017).
10.1710.14	Fourth Amendment to the Amended and Restated Agreement of Limited Partnership of IRET Properties, A North Dakota Limited Partnership, dated as of February 26, 2019 (incorporated by reference to Exhibit 10.32 to the Company's Quarterly Report on Form 10-Q filed with the Commission on February 27, 2019).

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EXHIBIT

NO.	DESCRIPTION
10.1810.15	Form of Contribution Agreement, dated as of June 3, 2021, by and between Seller and Centerspace, (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on June 3, 2021).
10.1910.16	Form of Tax Protection Agreement, by and among Seller, Centerspace, and Centerspace, LP (incorporated by reference to Exhibit 10.2 to the Company's Current Report on Form 8-K filed with the Commission on June 3, 2021).
10.2010.17	Amendment to Limited Partnership Agreement of the Partnership, dated September 1, 2021 (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on September 2, 2021).
10.2110.18	Master Credit Facility, dated

Facility, dated as of September 1, 2021, among certain wholly-owned subsidiaries of Centerspace and Walker & Dunlop, LLC (incorporated by reference to Exhibit 10.3 to the Company's Current Report on Form 8-K filed with the Commission on September 2, 2021).

10.22 EXHIBIT NO.	DESCRIPTION
10.19	Assumption Agreement and Amendment to Loan Documents, dated as of September 1, 2021, among CSR - Palisades, LLC, Minnesota Life Insurance Company and Palisades Limited Partnership (incorporated by reference to Exhibit 10.4 to the Company's Current Report on Form 8-K filed with the Commission on September 2, 2021).
10.2310.20	Third Amended and Restated Credit Agreement, dated as of September 30, 2021, among Centerspace, LP, the Guarantors from time to time party thereto, the Lenders from time to time party thereto, KeyBank, National Association and PNC Bank, National Association, as Syndicated Agents, and Bank of Montreal, as Administrative Agent Note (incorporated by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on September 30, 2021).
10.2410.21	Equity Distribution Agreement dated September 10, 2021 between the Company and BMO Capital Markets Corp., BTIG, LLC, Jefferies LLC, Raymond James & Associates, Inc., BofA Securities, Inc., UBS Securities LLC, Piper Sandler & Co., and certain of their affiliates (incorporated herein by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K filed with the Commission on September 10, 2021).
10.2510.22	Term Loan Agreement, dated as of November 22, 2022, among Centerspace, LP, the Guarantors from time to time party thereto, the Lenders from time to time party thereto, and PNC Bank, National Association, as Administrative Agent (incorporated herein by reference to Exhibit 10.1 to the Company's Current Report on Form 8-K filed with the Commission on November 28, 2022).
10.26 10.23	Employment Agreement, effective March 31, 2023, by and between the Company and Anne Olson (incorporatedherein by reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed with the Commission onMarch 23, 2023). March 23, 2023).
10.27 10.24	Form of Change in Control Severance Agreement (incorporated herein by reference to Exhibit 10.2 of theCompany's Current Report on Form 8-K filed with the Commission on March 23, 2023).
10.28 10.25	Separation Agreement, effective as of March 31, 2023, by and between the Company and Mark Decker, Jr.(incorporated (incorporated herein by reference to Exhibit 10.3 of the Company's Current Reporton on Form 8-K filed with theCommission on March 23, 2023).
10.29 10.26	Promissory Note, dated April 26, 2023, by CSR - PARKHOUSE, LLC in favor of State Farm Life InsuranceCompany (incorporated herein by reference to Exhibit 10.1 of the Company's CurrentReport on Form 8-K filed withthe Commission on May 1, 2023).
10.30 10.27	Deed of Trust, Security Agreement and Fixture Filing with Assignment of Leases and Rents, dated April 26, 2023,by CSR - PARKHOUSE, LLC, in favor of the Public Trustee of the County (incorporated herein by reference toExhibit 10.2 of the Company's Current Report on Form 8-K filed with the Commission on May 1, 2023).
10.31 10.28	Guaranty Agreement, dated April 26, 2023, by Centerspace in favor of State Farm Life (incorporated herein byreference to Exhibit 10.3 of the Company's Current Report on Form 8-K filed with the Commission on May 1,2023). May 1, 2023).
10.32 10.29	First Amendment to Third Amended and Restated Credit Agreement, dated as of May 31, 2023, among Centerspace,LP, the Guarantors from time to time party thereto, the Lenders from time to time party thereto, KeyBank, NationalAssociation and PNC Bank, National Association, as Syndicated Agents, and Bank of Montreal, as AdministrativeAgent (incorporated herein by reference toExhibit Exhibit 10.1 of the Company's Current Report on Form 8-K filed withthe Commission on June 2, 2023).
19.1† 10.30	I Employment Agreement, effective February 20, 2024, by and between Centerspace and Bhairav Patel (incorporated hereinnsiderby reference to Exhibit 10.1 of the Company's Current Report on Form 8-K filed with the Commission on February 20,2024).
10.31	Amendment No. 1, dated May 9, 2024, to Equity Distribution Agreement dated September 10, 2021 between theCompany and BMO Capital Markets Corp., BTIG, LLC, Jefferies LLC, Raymond James & Associates, Inc., BofASecurities, Inc., UBS Securities LLC, Piper Sandler & Co., and certain of their affiliates and agents (incorporated hereinby reference to Exhibit 1.1 to the Company's Current Report on Form 8-K filed with the Commission on May 9, 2024).
10.32	Third Amendment to Second Amended and Restated Credit Agreement and related Annex I attached thereto, by and among IRET Properties, a North Dakota Limited Partnership, as the Borrower, the Guarantors party thereto, the several financial institutions party thereto, as Lenders, and the Bank of Montreal, as Administrative Agent (incorporated by reference to the Company's Quarterly Report on Form 10-Q filed with the Commission on July 29, 2024).
10.33	Amendment No. 2, dated July 29, 2024, to Equity Distribution Agreement, dated September 10, 2021, asamended by Amendment No. 1 to the Equity Distribution Agreement, effective as of May 9, 2024, between theCompany and BMO Capital Markets Corp., Robert W. Baird & Co. Incorporated, BofA Securities, Inc., BTIGLLC, Jefferies LLC, Piper Sandler & Co., Raymond James & Associates, Inc., RBC Capital Markets, LLC andUBS Securities LLC and certain of their affiliates and agents(incorporated by reference to Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q filed with the Commission on October 28, 2024).

EXHIBIT NO.	DESCRIPTION
10.34	Amendment No. 3, dated September 9, 2024, to Equity Distribution Agreement, dated September 10, 2021, asamended by Amendment No. 1 to the Equity Distribution Agreement, effective as of May 9, 2024 andAmendment No. 2 to the Equity Distribution Agreement, effective as of July 29, 2024, between the Companyand BMO Capital Markets Corp., Robert W. Baird & Co. Incorporated, BofA Securities, Inc., BTIG, LLC,Colliers Securities LLC, Janney Montgomery Scott LLC, Jefferies LLC, Piper Sandler & Co., Raymond James& Associates, Inc., RBC Capital Markets, LLC and UBS Securities LLC and certain of their affiliates andagents (incorporated by reference to Exhibit 1.1 to the Company's Current Report on Form 8-K filed with theCommission on September 9, 2024).
10.35	Amendment No. 4 to Note Purchase and Private Shelf Agreement, dated October 28, 2024, by and among Centerspace, LP, Centerspace, Centerspace, Inc., PGIM, Inc., an affiliate of Prudential Financial, Inc., and certain affiliates of PGIM, Inc. (incorporated by reference to Exhibit 10.4 to the Company's Quarterly Report on Form 10-Q filed with the Commission on October 28, 2024.)
19.1	Insider Trading Policy(incorporated by reference to the Company's Annual Report on Form 10-K filed with theCommission on February 20, 2024).
21.1†	Subsidiaries of Centerspace
23.1†	Consent of Independent Registered Public Accounting Firm
24.1†	Power of Attorney (included on the signature page to this Annual Report on Form 10-K and incorporated by reference herein).

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EXHIBIT NO.	DESCRIPTION
31.1†	**Section 302 Certification of President and Chief Executive Officer**
31.2†	**Section 302 Certification of Executive Vice President and Chief Financial Officer**
32.1†	**Section 906 Certification of the President and Chief Executive Officer**
32.2†	**Section 906 Certification of the Executive Vice President and Chief Financial Officer**
97.1†	Clawback Policy(incorporated by reference to the Company's Annual Report on Form 10-K filed with theCommission on February 20, 2024).
101†	The following materials from our Annual Report on Form 10-K for the twelve-months ended December 31, 2023 December 31, 2024 formatted in Inline eXtensible Business Reporting Language ("XBRL"): (i) the Consolidated Balance Sheets, (ii) the Consolidated Statements of Operations, (iii) the Consolidated Statements of Equity, (iv) the Consolidated Statements of Cash Flows, (v) notes to these Consolidated Financial Statements, and (vi) the Cover Page to our Annual Report on From 10-K.
104	Cover Page Interactive Data File (formatted as Inline iXBRL and contained in Exhibit 101)

† Filed herewith
*** Indicates management compensatory plan, contract or arrangement.*

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Date: February 20, 2024 February 18, 2025 **Centerspace**

By: /s/ Anne Olson
Anne Olson
President & Chief Executive Officer

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed below by the following persons on behalf of the Registrant and in the capacities and on the dates indicated:

Signature	Title	Date
/s/ John A. Schissel John A. Schissel	Trustee & Chairman	February 20, 2024 18, 2025
/s/ Anne Olson Anne Olson	President & Chief Executive Officer (Principal Executive Officer); Trustee	February 20, 2024 18, 2025
/s/ Bhairav Patel Bhairav Patel	Executive Vice President and Chief Financial Officer (Principal Financial and Accounting Officer)	February 20, 2024 18, 2025
/s/ Emily Nagle Green Emily Nagle Green	Trustee	February 20, 2024
/s/ Linda J. Hall Linda J. Hall	Trustee	February 20, 2024 18, 2025
/s/ Jeffrey P. Caira Jeffrey P. Caira	Trustee	February 20, 2024 18, 2025
/s/ Mary J. Twinem Mary J. Twinem	Trustee	February 20, 2024 18, 2025
/s/ Rodney Jones-Tyson Rodney Jones-Tyson	Trustee	February 20, 2024 18, 2025
/s/ Ola O. Oyinsan Hixon Ola O. Oyinsan Hixon	Trustee	February 20, 2024 18, 2025
/s/ Jay L. Rosenberg Jay L. Rosenberg	Trustee	February 18, 2025

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CENTERSPACE AND SUBSIDIARIES
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Schedules other than those listed above are omitted since they are not required or are not applicable, or the required information is shown in the Consolidated Financial Statements *or notes thereon.*

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Trustees and Shareholders
Centerspace

Opinion on the financial statements

We have audited the accompanying consolidated balance sheets of Centerspace (a North Dakota real estate investment trust) and subsidiaries (the "Company") as of December 31, 2023 December 31, 2024 and 2022, 2023, the related consolidated statements of operations, comprehensive income (loss), equity, and cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, and the related notes and financial statement schedule included under Item 15(a) (collectively referred to as the "financial "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2023 December 31, 2024 and 2022, 2023, and the results of its operations and its cash flows for each of the three years in the period ended December 31, 2023 December 31, 2024, in conformity with accounting principles generally accepted in the United States of America.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) ("PCAOB"), the Company's internal control over financial reporting as of December 31, 2023 December 31, 2024, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission ("COSO"), and our report dated February 20, 2024 February 18, 2025 expressed an unqualified opinion.

Basis for opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Critical audit matters

Critical audit matters are matters arising from the current period audit of the financial statements that were communicated or required to be communicated to the audit committee and that: (1) relate to accounts or disclosures that are material to the financial statements and (2) involved our especially challenging, subjective, or complex judgments. We determined that there are no critical audit matters.

/s/ GRANT THORNTON LLP

We have served as the Company's auditor since 2012.

Minneapolis, Minnesota
February 20, 2024 18, 2025

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REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

Board of Trustees and Shareholders
Centerspace

Opinion on internal control over financial reporting

We have audited the internal control over financial reporting of Centerspace (a North Dakota real estate investment trust) and subsidiaries (the “Company”) as of December 31, 2023 December 31, 2024, based on criteria established in the 2013 Internal Control—Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (“COSO”). In our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2023 December 31, 2024, based on criteria established in the 2013 Internal Control—Integrated Framework issued by COSO.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States) (“PCAOB”), the consolidated financial statements of the Company as of and for the year ended December 31, 2023 December 31, 2024, and our report dated February 20, 2024 February 18, 2025 expressed an unqualified opinion on those financial statements.

Basis for opinion

The Company’s management is responsible for maintaining effective internal control over financial reporting and for its assessment of the effectiveness of internal control over financial reporting, included in the accompanying Management’s Report on Internal Control over Over Financial Reporting. Our responsibility is to express an opinion on the Company’s internal control over financial reporting based on our audit. We are a public accounting firm registered with the PCAOB and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audit in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

Definition and limitations of internal control over financial reporting

A company’s internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

/s/ GRANT THORNTON LLP

Minneapolis, Minnesota
February 20, 2024 18, 2025

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CENTERSPACE AND SUBSIDIARIES
CONSOLIDATED BALANCE SHEETS

	(in thousands, except per share data)	*(in thousands, except per share data)*
ASSETS		
ASSETS		
ASSETS		
Real estate investments		
Real estate investments		
Real estate investments		
Property owned		
Property owned		
Property owned		

Less accumulated depreciation
Less accumulated depreciation
Less accumulated depreciation
Total real estate investments
Total real estate investments
Total real estate investments
Cash and cash equivalents
Cash and cash equivalents
Cash and cash equivalents
Restricted cash
Restricted cash
Restricted cash
Other assets
Other assets
Other assets
TOTAL ASSETS
TOTAL ASSETS
TOTAL ASSETS
LIABILITIES, MEZZANINE EQUITY, AND EQUITY
LIABILITIES, MEZZANINE EQUITY, AND EQUITY
LIABILITIES, MEZZANINE EQUITY, AND EQUITY
LIABILITIES
LIABILITIES
LIABILITIES
Accounts payable and accrued expenses
Accounts payable and accrued expenses
Accounts payable and accrued expenses
Revolving lines of credit
Revolving lines of credit
Revolving lines of credit
Notes payable, *net of unamortized loan costs of $541 and $993, respectively*
Notes payable, *net of unamortized loan costs of $541 and $993, respectively*
Notes payable, *net of unamortized loan costs of $541 and $993, respectively*
Mortgages payable, *net of unamortized loan costs of $3,427 and $3,615, respectively*
Mortgages payable, *net of unamortized loan costs of $3,427 and $3,615, respectively*
Mortgages payable, *net of unamortized loan costs of $3,427 and $3,615, respectively*
Notes payable, *net of unamortized loan costs of $480 and $541, respectively*
Notes payable, *net of unamortized loan costs of $480 and $541, respectively*
Notes payable, *net of unamortized loan costs of $480 and $541, respectively*
Mortgages payable, *net of unamortized loan costs of $3,262 and $3,427, respectively*
Mortgages payable, *net of unamortized loan costs of $3,262 and $3,427, respectively*
Mortgages payable, *net of unamortized loan costs of $3,262 and $3,427, respectively*
TOTAL LIABILITIES
TOTAL LIABILITIES
TOTAL LIABILITIES
COMMITMENTS AND CONTINGENCIES (NOTE 12)
COMMITMENTS AND CONTINGENCIES (NOTE 12)
COMMITMENTS AND CONTINGENCIES (NOTE 12)
SERIES D PREFERRED UNITS (Cumulative convertible preferred units, $100 par value, 166 units issued and outstanding at December 31, 2023 and 2022, aggregate liquidation preference of $16,560)

SERIES D PREFERRED UNITS (Cumulative convertible preferred units, $100 par value, 166 units issued and outstanding at December 31, 2024 and 2023, aggregate liquidation preference of $16,560)

SERIES D PREFERRED UNITS (Cumulative convertible preferred units, $100 par value, 166 units issued and outstanding at December 31, 2023 and 2022, aggregate liquidation preference of $16,560)

SERIES D PREFERRED UNITS (Cumulative convertible preferred units, $100 par value, 166 units issued and outstanding at December 31, 2024 and 2023, aggregate liquidation preference of $16,560)

SERIES D PREFERRED UNITS (Cumulative convertible preferred units, $100 par value, 166 units issued and outstanding at December 31, 2023 and 2022, aggregate liquidation preference of $16,560)

SERIES D PREFERRED UNITS (Cumulative convertible preferred units, $100 par value, 166 units issued and outstanding at December 31, 2024 and 2023, aggregate liquidation preference of $16,560)

EQUITY

EQUITY

EQUITY

Series C Preferred Shares of Beneficial Interest (Cumulative redeemable preferred shares, no par value, $25 per share liquidation preference, 3,881 shares issued and outstanding at December 31, 2023 and 2022, aggregate liquidation preference of $97,036)

Series C Preferred Shares of Beneficial Interest (Cumulative redeemable preferred shares, no par value, $25 per share liquidation preference, 3,881 shares issued and outstanding at December 31, 2023 and 2022, aggregate liquidation preference of $97,036)

Series C Preferred Shares of Beneficial Interest (Cumulative redeemable preferred shares, no par value, $25 per share liquidation preference, 3,881 shares issued and outstanding at December 31, 2023 and 2022, aggregate liquidation preference of $97,036)

Common Shares of Beneficial Interest (Unlimited authorization, no par value, 14,963 shares issued and outstanding at December 31, 2023 and 15,020 shares issued and outstanding at December 31, 2022)

Common Shares of Beneficial Interest (Unlimited authorization, no par value, 14,963 shares issued and outstanding at December 31, 2023 and 15,020 shares issued and outstanding at December 31, 2022)

Common Shares of Beneficial Interest (Unlimited authorization, no par value, 14,963 shares issued and outstanding at December 31, 2023 and 15,020 shares issued and outstanding at December 31, 2022)

Series C Preferred Shares of Beneficial Interest (Cumulative redeemable preferred shares, no par value, $25 per share liquidation preference, no shares issued and outstanding at December 31, 2024 and 3,881 shares issued and outstanding at December 31, 2023)

Series C Preferred Shares of Beneficial Interest (Cumulative redeemable preferred shares, no par value, $25 per share liquidation preference, no shares issued and outstanding at December 31, 2024 and 3,881 shares issued and outstanding at December 31, 2023)

Series C Preferred Shares of Beneficial Interest (Cumulative redeemable preferred shares, no par value, $25 per share liquidation preference, no shares issued and outstanding at December 31, 2024 and 3,881 shares issued and outstanding at December 31, 2023)

Common Shares of Beneficial Interest (Unlimited authorization, no par value, 16,719 shares issued and outstanding at December 31, 2024 and 14,963 shares issued and outstanding at December 31, 2023)

Common Shares of Beneficial Interest (Unlimited authorization, no par value, 16,719 shares issued and outstanding at December 31, 2024 and 14,963 shares issued and outstanding at December 31, 2023)

Common Shares of Beneficial Interest (Unlimited authorization, no par value, 16,719 shares issued and outstanding at December 31, 2024 and 14,963 shares issued and outstanding at December 31, 2023)

Accumulated distributions in excess of net income

Accumulated distributions in excess of net income

Accumulated distributions in excess of net income

Accumulated other comprehensive loss

Accumulated other comprehensive loss

Accumulated other comprehensive loss

Total shareholders’ equity

Total shareholders’ equity

Total shareholders’ equity

Noncontrolling interests – Operating Partnership and Series E preferred units

Noncontrolling interests – Operating Partnership and Series E preferred units

Noncontrolling interests – Operating Partnership and Series E preferred units

Noncontrolling interests – consolidated real estate entities

Noncontrolling interests – consolidated real estate entities

Noncontrolling interests – consolidated real estate entities

TOTAL EQUITY

TOTAL EQUITY

TOTAL EQUITY

TOTAL LIABILITIES, MEZZANINE EQUITY, AND EQUITY

TOTAL LIABILITIES, MEZZANINE EQUITY, AND EQUITY

TOTAL LIABILITIES, MEZZANINE EQUITY, AND EQUITY

See Notes to Consolidated Financial Statements.

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CENTERSPACE AND SUBSIDIARIES
CONSOLIDATED STATEMENTS OF OPERATIONS

		(in thousands, except per share data)			*(in thousands, except per share data)*		
		Year Ended December 31,			**Year Ended December 31,**		
		2023	**2022**	**2021**	**2024**	**2023**	**2022**
REVENUE							
EXPENSES	EXPENSES			EXPENSES			
Property operating expenses, excluding real estate taxes							
Real estate taxes							
Property management expense							
Casualty loss							
Depreciation and amortization							
Impairment of real estate investments							
General and administrative expenses							
TOTAL EXPENSES							
Gain on sale of real estate and other investments							
Gain (loss) on sale of real estate and other investments							
Loss on litigation settlement							
Operating income							
Interest expense							
Interest and other income (loss)							
Interest and other income (loss)							
Interest and other income (loss)							
Interest and other income							
Interest and other income							
Interest and other income							
NET INCOME (LOSS)							
NET INCOME (LOSS)							
NET INCOME (LOSS)							
Dividends to Series D preferred unitholders							
Net (income) loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units							
Net income attributable to noncontrolling interests – consolidated real estate entities							
Net income (loss) attributable to controlling interests							
Dividends to preferred shareholders							
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS							
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS							
Redemption of preferred shares							
NET INCOME (LOSS) AVAILABLE TO COMMON SHAREHOLDERS							
NET INCOME (LOSS) PER COMMON SHARE – BASIC							
NET INCOME (LOSS) PER COMMON SHARE – BASIC							
NET INCOME (LOSS) PER COMMON SHARE – BASIC							
NET INCOME (LOSS) PER COMMON SHARE – DILUTED							
NET INCOME (LOSS) PER COMMON SHARE – DILUTED							
NET INCOME (LOSS) PER COMMON SHARE – DILUTED							
Weighted average shares - basic							
Weighted average shares - basic							
Weighted average shares - basic		14,994	15,216	13,803	15,504	14,994	15,216

Weighted average shares - dilutive						
Weighted average shares - dilutive						
Weighted average shares - dilutive	17,118	15,216	13,803	15,504	17,118	15,216

See Notes to Consolidated Financial Statements.

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CENTERSPACE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)

	(in thousands)					Year Ended December 31,
	2023	2022	2021	2024	2023	2022
NET INCOME (LOSS)						
Other comprehensive income (loss):						
Unrealized gain from derivative instrument						
Unrealized gain from derivative instrument						
Unrealized gain from derivative instrument						
Loss on derivative instrument reclassified into earnings						
Total comprehensive income (loss)						
Net comprehensive (income) loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units						
Net comprehensive income attributable to noncontrolling interests – consolidated real estate entities						
Comprehensive income (loss) attributable to controlling interests						

See Notes to Consolidated Financial Statements.

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CENTERSPACE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF EQUITY

	(in thousands, except per share amounts)						*(in thousands, except per share amounts)*					
	PREFERRED SHARES	NUMBER OF COMMON SHARES	DISTRIBUTIONS IN EXCESS OF NET INCOME	ACCUMULATED OTHER COMPREHENSIVE LOSS	NONREDEEMABLE NONCONTROLLING INTERESTS	TOTAL EQUITY	PREFERRED SHARES	NUMBER OF COMMON SHARES	DISTRIBUTIONS IN EXCESS OF NET INCOME	ACCUMULATED OTHER COMPREHENSIVE LOSS	NONCONTROLLING INTERESTS	TOTAL EQUITY
Balance at December 31, 2020												
Balance at December 31, 2021												
Net loss attributable to controlling interest and noncontrolling interests												
Change in fair value of derivatives and amortization of swap settlements												
Distributions – common shares and Units ($2.84 per share and Unit)												
Distributions – Series C preferred shares ($1.65625 per Series C share)												
Distributions – Series C preferred shares ($1.65625 per Series C share)												
Distributions – Series C preferred shares ($1.65625 per Series C share)												
Distributions – Series E preferred units ($1.291667 per unit)												
Share-based compensation, net of forfeitures												
Sale of common shares, net												
Issuance of Series E preferred units												
Issuance of Series E preferred units												
Issuance of Series E preferred units												
Redemption of Units for common shares												
Change in value of Series D preferred units												
Change in value of Series D preferred units												

Change in value of Series D preferred units
Other
Other
Other
Balance at December 31, 2021
Net loss attributable to controlling interests and noncontrolling interests
Net loss attributable to controlling interests and noncontrolling interests
Net loss attributable to controlling interests and noncontrolling interests
Change in fair value of derivatives and amortization of swap settlements
Distributions – common shares and Units ($2.92 per share and Unit)
Distributions – Series C preferred shares ($1.65625 per Series C share)
Distributions – Series C preferred shares ($1.65625 per Series C share)
Distributions – Series C preferred shares ($1.65625 per Series C share)
Distributions – Series E preferred units ($3.875 per unit)
Share-based compensation, net of forfeitures
Sale of common shares, net
Issuance of units
Redemption of Units for common shares
Redemption of Units for common shares
Issuance of Units
Issuance of Units
Issuance of Units
Redemption of Units for common shares
Redemption of Units for cash
Redemption of Series E preferred units for common shares
Shares repurchased
Change in value of Series D preferred units
Change in value of Series D preferred units
Change in value of Series D preferred units
Shares withheld for taxes
Other
Other
Shares withheld for taxes
Shares withheld for taxes
Other
Balance at December 31, 2022
Net income attributable to controlling interests and noncontrolling interests
Net loss attributable to controlling interests and noncontrolling interests
Amortization of swap settlements
Distributions – common shares and Units ($2.92 per share and Unit)
Distributions – Series C preferred shares ($1.65625 per Series C share)
Distributions – Series C preferred shares ($1.65625 per Series C share)

Distributions – Series C preferred shares ($1.65625 per Series C share)
Distributions – Series E preferred units ($3.875 per unit)
Share-based compensation, net of forfeitures
Redemption of Units for common shares
Redemption of Units for common shares
Redemption of Units for common shares
Redemption of Series E preferred units for common shares
Redemption of Series E preferred units for common shares
Redemption of Series E preferred units for common shares
Shares repurchased
Other
Other
Other
Balance at December 31, 2023
Net income attributable to controlling interests and noncontrolling interests
Amortization of swap settlements
Distributions – common shares and Units ($3.00 per share and Unit)
Distributions – Series C preferred shares ($1.2421875 per Series C share)
Distributions – Series E preferred units ($3.875 per unit)
Share-based compensation, net of forfeitures
Sale of common shares, net
Issuance of Units
Redemption of Units for common shares
Redemption of Units for common shares
Redemption of Units for common shares
Redemption of Series E preferred units for common shares
Redemption of Series E preferred units for common shares
Redemption of Series E preferred units for common shares
Shares repurchased
Other
Other
Other
Balance at December 31, 2023
Balance at December 31, 2024

See Notes to Consolidated Financial Statements.

CENTERSPACE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS

	(in thousands)			*(in thousands)*		
	Year Ended December 31,			**Year Ended December 31,**		
	2023	**2022**	**2021**	**2024**	**2023**	**2022**

CASH FLOWS FROM OPERATING ACTIVITIES		
Net income (loss)		
Net income (loss)		
Net income (loss)		
Adjustments to reconcile net income (loss) to net cash provided by operating activities:	Adjustments to reconcile net income (loss) to net cash provided by operating activities:	Adjustments to reconcile net income (loss) to net cash provided by operating activities:
Depreciation and amortization, including amortization of capitalized loan costs		
Gain on sale of real estate, land, and other investments		
Gain on sale of real estate, land, and other investments		
Gain on sale of real estate, land, and other investments		
(Gain) loss on sale of real estate and other investments		
(Gain) loss on sale of real estate and other investments		
(Gain) loss on sale of real estate and other investments		
Share-based compensation expense		
Share-based compensation expense		
Share-based compensation expense		
Impairment of real estate investments		
(Gain) loss on interest rate swap termination, amortization, and mark-to-market		
(Gain) loss on interest rate swap termination, mark-to-market, and amortization		
Provision for bad debt		
Non-cash casualty loss		
Other, net		
Changes in other assets and liabilities:	Changes in other assets and liabilities:	Changes in other assets and liabilities:
Other assets		
Accounts payable and accrued expenses		
Net cash provided by operating activities		
CASH FLOWS FROM INVESTING ACTIVITIES	CASH FLOWS FROM INVESTING ACTIVITIES	CASH FLOWS FROM INVESTING ACTIVITIES
Increase in mortgages and real estate related notes receivable		
Increase in mortgages and real estate related notes receivable		
Increase in mortgages and real estate related notes receivable		
Net proceeds from sale of real estate and other investments		
Net proceeds from sale of real estate and other investments		
Net proceeds from sale of real estate and other investments		
Payments for acquisitions of real estate assets		
Payments for acquisitions of real estate assets		
Proceeds from insurance		
Payments for acquisitions of real estate assets		
Payments for improvements of real estate assets		
Payments for improvements of real estate assets		
Payments for improvements of real estate assets		
Payments for non-real estate assets		
Payments for non-real estate assets		
Payments for non-real estate assets		
Other investing activities		
Other investing activities		
Other investing activities		
Net cash provided by (used by) investing activities		
CASH FLOWS FROM FINANCING ACTIVITIES	CASH FLOWS FROM FINANCING ACTIVITIES	CASH FLOWS FROM FINANCING ACTIVITIES
Proceeds from mortgages payable		
Principal payments on mortgages payable		

Proceeds from revolving lines of credit
Principal payments on revolving lines of credit
Net proceeds from notes payable and other debt
Principal payments on notes payable and other debt
Payments for termination of interest rate swaps
Payments for termination of interest rate swaps
Payments for termination of interest rate swaps
Proceeds from sale of common shares, net of issuance costs
Repurchase of common shares
Repurchase of common shares
Repurchase of common shares
Repurchase of partnership units
Repurchase of partnership units
Redemption of Series C preferred shares
Repurchase of partnership units
Distributions paid to common shareholders
Distributions paid to preferred shareholders
Distributions paid to noncontrolling interests – Operating Partnership and Series E preferred units
Distributions paid to preferred unitholders
Distributions paid to preferred unitholders
Distributions paid to preferred unitholders
Distributions paid to Series D preferred unitholders
Distributions paid to Series D preferred unitholders
Distributions paid to Series D preferred unitholders
Other financing activities
Net cash provided by (used by) financing activities
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF YEAR
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF YEAR

CENTERSPACE AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS *(continued)*

		(in thousands)				**Year Ended December 31,**
		2023	**2022**	**2021**		
		2024	**2023**	**2022**		
SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES	SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES				SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES	
Accrued capital expenditures						
Operating partnership units converted to common shares						
Distributions declared but not paid						
Retirement of shares withheld for taxes						
Loss on litigation settlement						
Involuntary conversion of assets						
Real estate assets acquired through assumption of debt						

Real estate assets acquired through issuance of operating partnership units
Real estate assets and related notes receivable acquired through issuance of operating partnership units
Fair value adjustment to debt
Series E preferred units converted to common shares
Non-cash interest income
Change in value of Series D preferred units
Change in value of Series D preferred units
Change in value of Series D preferred units
Real estate assets acquired through exchange of note receivable
Note receivable exchanged through real estate acquisition
Real estate acquired through issuance of Series E preferred units
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION
Cash paid for interest

(in thousands)

Balance sheet description	Balance sheet description	December 31, 2023	December 31, 2022	December 31, 2021	Balance sheet description	December 31, 2024	December 31, 2023	December 31, 2022
Cash and cash equivalents								
Restricted cash								
Total cash, cash equivalents and restricted cash								

See Notes to Consolidated Financial Statements.

CENTERSPACE AND SUBSIDIARIES

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

December 31, 2023 2024

NOTE 1 • ORGANIZATION

Centerspace, collectively with its consolidated subsidiaries (“Centerspace,” “the Company,” “we,” “us,” or “our”) is a North Dakota real estate investment trust (“REIT”) focused on the ownership, management, acquisition, redevelopment and development of apartment communities. As of December 31, 2023 December 31, 2024, Centerspace owned interests in 72 71 apartment communities consisting of 13,088 13,012 apartment homes.

NOTE 2 • BASIS OF PRESENTATION AND SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PRESENTATION

Centerspace conducts a majority of its business activities through a consolidated operating partnership, Centerspace, LP, a North Dakota limited partnership (the “Operating Partnership”), as well as through a number of other consolidated subsidiary entities. The accompanying Consolidated Financial Statements include the Company’s accounts and the accounts of all its subsidiaries in which it maintains a controlling interest, including the Operating Partnership, and have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). All intercompany balances and transactions are eliminated in consolidation.

The Company’s interest in the Operating Partnership as of December 31, 2023 December 31, 2024 and 2022 2023 was 83.6% 85.3% and 82.9% 83.6%, respectively, of the limited partnership units of the Operating Partnership (“Units”), which includes 100% of the general partnership interest.

The Consolidated Financial Statements also reflect the Operating Partnership’s ownership of a joint venture entity in which the Operating Partnership has a general partner or controlling interest. This entity is consolidated into the Company’s operations with noncontrolling interests reflecting the noncontrolling partners’ share of ownership, income, and expenses.

USE OF ESTIMATES

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

RECLASSIFICATIONS

Certain previously reported amounts have been reclassified to conform to the current financial statement presentation. These reclassifications had no impact on net income (loss) as reported in the Consolidated Statement Statements of Operations, total assets, liabilities or equity as reported in the Consolidated Balance Sheets and the classifications within the Consolidated Statements of Cash Flows. Centerspace reclassified certain items within the disaggregated revenue table included in Note 2.

RECENT ACCOUNTING PRONOUNCEMENTS

The following table provides a brief description of Financial Accounting Standards Board ("FASB") recent accounting standards updates ("ASU").

Standard	Description	Date of Adoption	Effect on the Financial Statements or Other Significant Matters
ASU 2023-07, *Segment Reporting (Topic 280) - Improvements to Reportable Segment Disclosures*	This ASU is intended to improve reportable segment disclosure requirements, and address requests from investors for more detailed information primarily through enhanced disclosures about significant segment expenses.	This ASU is effective for fiscal years beginning after December 15, 2023, and interim periods within fiscal years beginning after December 15, 2024 was adopted during the current year ended December 31, 2024. Early adoption is permitted.	The ASU will required additional disclosure but did not have a material impact on the Consolidated Financial Statements.
ASU 2024-03, *Income Statement - Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40) - Disaggregation of Income Statement Expenses*	This ASU is intended to improve financial reporting by requiring public companies disclose additional information about specific expense categories in the notes to the financial statements.	This ASU is effective for fiscal years beginning after December 15, 2026, and interim periods within fiscal years beginning after December 15, 2027. Early adoption is permitted.	The ASU will require additional disclosure but is not expected to have a material impact on the Consolidated Financial Statements.

REAL ESTATE INVESTMENTS

Real estate investments are recorded at cost less accumulated depreciation and an adjustment for impairment, if any. Property, consisting primarily of real estate investments, totaled $1.9 billion and $2.0 billion as of December 31, 2023 December 31, 2024 and 2022, 2023, respectively. Upon acquisitions of real estate, the Company assesses the fair value of acquired tangible assets (including land, buildings and personal property), which is determined by valuing the property as if it were vacant, and consider whether there were significant intangible assets acquired (for example, above- and below-market leases, the value of acquired in-place leases and resident relationships) and assumed liabilities, and allocate the purchase price based on these assessments. The as-if-vacant value is allocated to land, buildings, and personal property based on the Company's determination of the relative fair values of these assets. The estimated fair value of the property is the amount that 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. Estimates of future cash flows are based on a number of factors, including the historical operating results, known trends, and market/economic conditions that may affect the property. Land value is assigned based on the purchase price if land is acquired separately or based on a relative fair value allocation if acquired in a portfolio acquisition.

Other intangible assets acquired include amounts for in-place lease values that are based upon 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 pre-acquisition due diligence, marketing, and leasing activities in estimating the relative fair value of the tangible and intangible assets acquired.

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 as adjustments to rental revenue over the remaining terms of the respective leases.

Depreciation is computed on a straight-line basis over the estimated useful lives of the assets. The Company uses a 10-37 year estimated life for buildings and improvements and a 5-10 year estimated life for furniture, fixtures, and equipment. Land is not depreciated.

The Company follows the real estate project costs guidance in ASC Accounting Standards Codification ("ASC") 970, *Real Estate – General,* in accounting for the costs of development and redevelopment projects. As real estate is undergoing development or redevelopment, all project costs directly associated with and attributable to the development and construction of a project, including interest expense and real estate tax expense, are capitalized to the cost of the real property. The capitalization period begins when development activities and expenditures begin and are identifiable to a specific property and ends upon completion, which is when the asset is ready for its intended use. Generally, rental property is considered substantially complete upon issuance of a certificate of occupancy. General and administrative costs are expensed as incurred. The Company did not capitalize interest during the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021. 2022.

Expenditures for ordinary maintenance and repairs are expensed to operations as incurred. Renovations and improvements that improve and/or extend the useful life of the asset are capitalized and depreciated over their estimated useful life, generally five to twenty years.

We periodically evaluate our long-lived assets, including real estate investments, for impairment indicators. The judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, expected holding period of each property, and legal and environmental concerns. If indicators exist, we compare the estimated future undiscounted cash flows for the property against the carrying amount of that property. If the sum of the estimated undiscounted cash flows is less than the carrying amount, an impairment loss is generally recorded for the difference between the estimated fair value and the carrying amount. If our anticipated holding period for properties, the estimated fair value of properties or other factors change based on market conditions or otherwise, our evaluation of impairment charges may be different and such differences could be material to our consolidated financial statements. The evaluation of estimated cash flows is subjective and is based, in part, on assumptions regarding future physical occupancy, rental rates, and capital requirements that could differ materially from actual results. Plans to hold properties over longer periods decrease the likelihood of recording impairment losses.

During the years ended December 31, 2024 and 2022, the Company did not record a loss for impairment on real estate. During the year ended December 31, 2023, the Company incurred a loss of $5.2 million $5.2 million for the impairment of two apartment communities. The Company recognized impairments of $3.0 million on one apartment community in Richfield, MN and $2.2 million on one apartment community in New Hope, MN. These properties were written-down to estimated fair value based on receipt of market offers to purchase the apartment communities. During the years ended December 31, 2022 and 2021, the Company did not record a loss for impairment on real estate.

The Company classifies properties as held for sale when they meet the GAAP criteria, which include: (a) management commits to and initiates a plan to sell the asset; (b) the sale is probable and expected to be completed within one year under terms that are usual and customary for sales of such assets; and (c) actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn. The Company generally considers these criteria met when the transaction has been approved by its Board of Trustees, there are no known significant contingencies related to the sale, and management believes it is probable that the sale will be completed within one year. The Company had no properties classified as held for sale at December 31, 2023 December 31, 2024 and 2022. 2023.

Real estate held for sale is stated at the lower of its carrying amount or estimated fair value less disposal costs. The Company's determination of fair value is based on inputs management believes are consistent with those that market participants would use. Estimates are significantly impacted by estimates of sales price, selling velocity, and other factors. Due to uncertainties in the estimation process, actual results could differ from such estimates. Depreciation is not recorded on assets classified as held for sale.

CASH, CASH EQUIVALENTS, AND RESTRICTED CASH

Cash and cash equivalents include all cash and highly liquid investments purchased with maturities of three months or less. Cash and cash equivalents consist of bank deposits and deposits in a money market mutual fund. The Company is potentially exposed to credit risk for cash deposited with FDIC-insured financial institutions in accounts which, at times, may exceed federally insured limits. Although past bank failures have increased the risk of loss in such accounts, the Company has not experienced any losses in such accounts.

As of December 31, 2023 December 31, 2024 and 2022, 2023, restricted cash consisted of $639,000 $1.1 million and $1.4 million, $639,000, respectively, in escrows held by lenders. Escrows include funds deposited with a lender for payment of real estate taxes and insurance and reserves to be used for replacement of structural elements and mechanical equipment at certain communities. The funds are under the control of the lender. Disbursements are made after supplying written documentation to the lender.

LEASES

As a lessor, Centerspace primarily leases multifamily apartment homes which qualify as operating leases with terms that are generally one year or less. Rental revenues are recognized in accordance with FASB Accounting Standards Codification ("ASC") ASC 842, *Leases*, using a method that represents a straight-line basis over the term of the lease. For the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, rental income represents approximately 98.1% 98.3%, 97.7% 98.1%, and 98.2% 97.7%, respectively, of total revenues and includes gross market rent less adjustments for gain or loss to lease, concessions, vacancy loss, and bad debt. For the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, other property revenues represent the remaining 1.9% 1.7%, 2.3% 1.9%, and 1.8% 2.3%, respectively, of total revenues and are primarily driven by other fee income, which is typically recognized when earned, at a point in time.

Some of the Company's apartment communities have commercial spaces available for lease. Lease terms for these spaces typically range from three to fifteen years. The leases for commercial spaces generally include options to extend the lease for additional terms.

Many of the leases contain non-lease components for utility reimbursement from residents and common area maintenance from commercial tenants. Centerspace has elected the practical expedient to combine lease and non-lease components. The combined components are included in lease income and are accounted for under ASC 842.

The aggregate amount of future scheduled lease income on commercial operating leases, excluding any variable lease income and non-lease components, as of December 31, 2023 December 31, 2024, was as follows:

	(in thousands)
2024	
2025	
2026	
2027	
2028	
2029	

Thereafter	
Total scheduled lease income - operating leases	

REVENUES AND GAINS OR LOSSES ON SALE OF REAL ESTATE

Revenue is recognized in accordance with the transfer of goods and services to customers at an amount that reflects the consideration to which the Company expects to be entitled for those goods and services.

Revenue streams that are included in revenues from contracts with customers include other property revenues such as application fees and other miscellaneous items. Centerspace recognizes revenue for these rental related items not included as a component of a lease as earned.

The following table presents the disaggregation of revenue streams for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021: 2022:

Revenue Stream	Revenue Stream	Applicable Standard	2023	2022	2021	Revenue Stream	Applicable Standard	*(in thousands)* 2024	2023	2022	Year ended December 31,
Fixed lease income - operating leases											
Variable lease income - operating leases											
Other property revenue											
Other property revenue											
Other property revenue											
Total revenue											

In addition to lease income and other property revenue, the Company recognizes gains or losses on the sale of real estate and other investments when the criteria for derecognition of an asset are met, including when (1) a contract exists and (2) the buyer obtained control of the nonfinancial asset that was sold. For the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, the Company recognized a loss of $577,000, gain of $71.2 million, and gain of $41,000, and $27.5 million, respectively, as a gain on the sale of real estate and other investments. Any gain or loss on real estate dispositions is net of certain closing and other costs associated with the disposition.

MARKET CONCENTRATION RISK

The Company is subject to increased exposure from economic and other competitive factors specific to markets where it holds a significant percentage of the carrying value of its real estate portfolio. As of December 31, 2023 December 31, 2024, Centerspace held more than 10% of the carrying value of its real estate portfolio in the Minneapolis, Minnesota and Denver, Colorado markets.

INCOME TAXES

The Company operates in a manner intended to enable it to continue to qualify as a REIT under Sections 856-860 of the Internal Revenue Code. Under those sections, a REIT which distributes at least 90% of its REIT taxable income, excluding capital gains, 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 which is distributed to shareholders. For the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, the Company distributed in excess of 90% of its taxable income and realized capital gains from property dispositions 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, it 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 and taxes on the income generated by a taxable REIT subsidiary (TRS).

The Company has one TRS, which is subject to corporate federal and state income taxes on its taxable income at regular statutory rates. There were no income tax provisions or material deferred income tax items including any valuation allowances for the TRS for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021. 2022.

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

The following table indicates how distributions were characterized for federal income tax purposes for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021: 2022:

CALENDAR YEAR	CALENDAR YEAR	2023		2022	2021		CALENDAR YEAR	2024		2023		2022	
Tax status of distributions													
Capital gain													
Capital gain													
Capital gain		48.79	%	—	0.92	0.92 %		—	%	48.79	%	—	%

Ordinary income	Ordinary income	28.46	%	13.42	%	7.82	%	Ordinary income	41.71	%	28.46	%	13.42	%
Return of capital	Return of capital	22.75	%	86.58	%	91.26	%	Return of capital	58.29	%	22.75	%	86.58	%

VARIABLE INTEREST ENTITY

Centerspace has determined that its Operating Partnership and each of its less-than-wholly owned real estate partnerships are variable interest entities (each, a "VIE"), as the limited partners or the functional equivalent of limited partners lack substantive kick-out rights and substantive participating rights. The Company is the primary beneficiary of the VIEs, and the VIEs are required to be consolidated on the balance sheet because the Company has a controlling financial interest in the VIEs and has both the power to direct the activities of the VIEs that most significantly impact the economic performance of the VIEs as well as the obligation to absorb losses or the right to receive benefits from the VIEs that could potentially be significant to the VIEs. Because the Operating Partnership is a VIE, all of the Company's assets and liabilities are held through a VIE.

OTHER ASSETS

As of December 31, 2023 December 31, 2024 and 2022, 2023, other assets consisted of the following amounts:

		in thousands
	December 31, 2023	**December 31, 2022**
	December 31, 2024	**December 31, 2023**
Receivable arising from straight line rents		
Accounts receivable, *net of allowance*		
Real estate related notes receivable		
Real estate related notes receivable		
Real estate related notes receivable		
Prepaid assets		
Prepaid assets		
Prepaid assets		
Other assets(1)		
Intangible assets, *net of accumulated amortization*		
Property and equipment, *net of accumulated depreciation*		
Goodwill		
Deferred charges and leasing costs		
Total Other Assets		

(1) See Involuntary Conversion of Assets discussion below for additional information on insurance receivable included here.

Intangible Assets. Intangible assets consist of in-place leases valued at the time of acquisition. For the years ended December 31, 2023, 2022, and 2021, the Company recognized $2.6 million, $12.3 million, and $13.5 million, respectively, of amortization expense related to these intangibles, included within depreciation and amortization in the Consolidated Statements of Operations. The intangible assets remaining at December 31, 2023 will be fully amortized in 2024.

Property and equipment. Property and equipment consists primarily of office equipment located at the Company's corporate offices in Minot, North Dakota and in Minneapolis, Minnesota. As of December 31, 2023 and 2022, property and equipment cost was $4.6 million and $4.9 million, respectively. The Consolidated Balance Sheets reflect these assets at cost, net of accumulated depreciation of $1.8 million as of December 31, 2023 and 2022, and are included within other assets.

Real estate related notes receivable. In connection with the acquisition of The Lydian, an apartment community in Denver, Colorado, the Company acquired a tax increment financing note receivable ("TIF") with an initial principal balance of $4.1 million. As of December 31, 2024, the principal balance was $4.1 million, which appears within other assets in the Consolidated Balance Sheets at fair value. The note bears an interest rate of 6.0% with payments due periodically each year.

In connection with the acquisition of Ironwood, an apartment community in New Hope, Minnesota, the Company acquired a tax increment financing note receivable ("TIF") with an initial principal balance of $6.6 million. As of December 31, 2023 December 31, 2024 and 2022, 2023, the principal balance was $5.7 million $5.2 million and $6.1 million $5.7 million, respectively, which appears within other assets in the Consolidated Balance Sheets at fair value. The note bears an interest rate of 4.5% with payments due in February and August of each year. The note matures February 1, 2039 and may be prepaid in whole or in part at any time.

In 2023, the Company originated a $15.1 million mezzanine loan for the development of an apartment community located in Inver Grove Heights, Minnesota. The mezzanine loan bears interest at 10.0% per annum. annum which accrues interest that is added to the principal balance and is payable at maturity. As of December 31, 2023, December 31, 2024 and 2023, the Company had funded $15.1 million and $1.6 million of the mezzanine loan, which appears within other assets in the Consolidated Balance Sheets. The loan matures in December 2027 unless extended to December 2028 in accordance with the terms of the mezzanine loan agreement.

The loan is secured by a pledge of and first priority security interest against 100% of the membership interests in the mezzanine borrower and the agreement provides the Company with an option to purchase the development. development at a discount to future appraised value. The loan represents an investment in an unconsolidated variable interest entity. The Company is not the primary beneficiary of the VIE as Centerspace does not have the power to direct the activities which most significantly impact the entity's economic performance nor does Centerspace have significant influence over the entity. As of December 31, 2023, the The note receivable appears within other assets in the Consolidated Balance Sheets at fair value.

Property and equipment. Property and equipment consists primarily of office equipment located at the Company's corporate offices in Minot, North Dakota and in Minneapolis, Minnesota. As of December 31, 2024 and 2023, property and equipment cost was $4.0 million and $4.6 million, respectively. The Consolidated Balance Sheets reflect these assets at cost, net of accumulated depreciation of $1.5 million and $1.8 million as of December 31, 2024 and 2023, respectively, and are included within other assets.

Intangible Assets. Intangible assets consist of in-place leases valued at the time of acquisition. The amortization period reflects the average remaining term of in-place leases acquired, which are generally less than one year for multifamily apartment homes. For the years ended December 31, 2024, 2023, and 2022, the Company recognized $2.8 million, $2.6 million, and $12.3 million, respectively, of amortization expense related to these intangibles, included within depreciation and amortization in the Consolidated Statements of Operations. The intangible assets remaining at December 31, 2024 related to in-place leases of multifamily apartment homes will be fully amortized in 2025, while in-place leases related to commercial spaces at certain apartment communities will be fully amortized by 2036.

ADVERTISING COSTS

Advertising costs are expensed as incurred and reported on the Consolidated Statement Statements of Operations within the Property operating expenses, excluding real estate taxes line item. During the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 total advertising expense was $3.2 million $3.3 million, $3.2 million, and $2.5 million $3.2 million, respectively.

SEVERANCE AND TRANSITION

On March 23, 2023, the Company entered into a Separation and General Release Agreement (the "Separation Agreement") in connection with the departure of our former CEO, Mark Decker, Jr. CEO. During the year ended December 31, 2023, the Company incurred total severance costs of $2.2 million for the cash severance and benefits for Mr. Decker, the former CEO, $737,000 in share-based compensation expense for the acceleration of certain equity awards, and $306,000 in other CEO transition related expenses. These expenses are included within general and administrative expenses in the Consolidated Statements of Operations. Refer to Note 13 for additional information on the share-based compensation expense. During the year ended December 31, 2024, the Company had no severance and transition costs.

INVOLUNTARY CONVERSION OF ASSETS

During the year ended December 31, 2024, Centerspace recognized $2.8 million in casualty losses resulting from six new insurance events and updated estimates on four previously reported events. The Company also recorded $566,000 in offsetting insurance receivables for new insurance events which are recorded within other assets on the Consolidated Balance sheets. Any business interruption insurance proceeds will be recognized when received, in accordance with ASC 610-30.

In April 2023, a portion of an apartment community was destroyed by fire. The Company recorded a write-down of the apartment community asset, in accordance with ASC 610-30 on involuntary conversion of non-monetary assets, totaling $1.3 million with an offsetting insurance receivable recorded within other assets on the Consolidated Balance Sheets. As of December 31, 2023 During the year ended December 31, 2024, the estimated insurance claim was $1.9 million. Any amounts received in excess of the write-down will be recognized when received. settled for $1.6 million, including remediation and other operating expenses.

During the year ended December 31, 2023, Centerspace recorded $2.0 million in additional write-downs to three apartment community assets due to separate insurance events with offsetting insurance receivables totaling $1.2 million recorded within other assets on the Consolidated Balance Sheets in accordance with ASC 610-30. Sheets.

LITIGATION SETTLEMENT

During the year ended December 31, 2023, the Company recorded a loss on litigation settlement of $3.9 million due to a trial judgment entered against Centerspace for property damage, resulting in monetary losses. Centerspace was the named defendant in a lawsuit where the owner of a neighboring property claimed a retaining wall at one of the Company's properties apartment communities was causing water damage to the neighboring property. The original judgment was ordered on October 9, 2023 for $2.9 million which the Company immediately paid. In November 2023, the claimant filed motions requesting additional interest on the judgment and trial costs. Subsequent to December 31, 2023, the claimant was awarded an additional $1.0 million in judgment related interest and costs. The Company paid the additional amount and recorded the loss on litigation for the year ended December 31, 2023. After the additional judgment, the claimant's appeal was dismissed. The Company cannot, with any level of certainty, predict or estimate if there will be additional costs incurred as a result of the lawsuit as the believes this matter is still ongoing. settled.

NOTE 3 • NET INCOME (LOSS) PER SHARE

Basic net income (loss) per share is computed by dividing net income (loss) available to common shareholders by the weighted average number of common shares of beneficial interest ("common shares") outstanding during the period. Centerspace has issued restricted stock units ("RSUs") and incentive stock options ("ISOs") under its 2015 Incentive Plan, Series D Convertible Preferred Units ("Series D preferred units"), and Series E Convertible Preferred Units ("Series E preferred units"), which could have a dilutive effect on net income (loss) per share upon exercise of the RSUs, ISOs, or upon conversion of the Series D or Series E preferred units (refer to Note 4 for further discussion of the Series D and the Series E preferred units). The Company calculates diluted net income (loss) per share using the treasury stock method for RSUs and ISOs and the if converted method for Series D preferred units and Series E preferred units. Other than the issuance of RSUs, ISOs, Series D preferred units, and Series E preferred units, there are no outstanding options, warrants, convertible stock, or other contractual obligations requiring issuance of additional common shares that would result in a dilution of net income (loss). Under the terms of the Operating Partnership's Agreement of Limited Partnership, limited partners have the right to require the Operating Partnership to redeem their limited partnership units ("Units") any time following the first anniversary of the date they acquired such Units ("Exchange Right"). Upon the exercise of Exchange Rights, and in Centerspace's sole discretion, it may issue common shares in exchange for Units on a one-for-one-basis.

The following table presents a reconciliation of the numerator and denominator used to calculate basic and diluted net income (loss) per share reported in the Consolidated Financial Statements for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021: 2022:

		(in thousands, except per share data)				(in thousands, except per share data)		
		Year Ended December 31,				Year Ended December 31,		
		2023	2022	2021		2024	2023	2022
NUMERATOR	NUMERATOR				NUMERATOR			
Net income (loss) attributable to controlling interests								
Net income (loss) attributable to controlling interests								
Net income (loss) attributable to controlling interests								
Dividends to preferred shareholders								
Numerator for basic income per share – net income (loss) available to common shareholders								
Numerator for basic income per share – net income (loss) available to common shareholders								
Numerator for basic income per share – net income (loss) available to common shareholders								
Noncontrolling interests – Operating Partnership and Series E preferred units								
Dividends to preferred unitholders(1)								
Redemption of preferred shares								
Numerator for basic income (loss) per share – net income (loss) available to common shareholders								
Noncontrolling interests – Operating Partnership and Series E preferred units(1)								
Dividends to preferred unitholders(2)								
Numerator for diluted income (loss) per share								
DENOMINATOR	DENOMINATOR				DENOMINATOR			
Denominator for basic income (loss) per share weighted average shares								
Effect of Series E preferred units								
Effect of Series E preferred units								
Effect of Series E preferred units								
Effect of diluted restricted stock awards and restricted stock units								
Denominator for diluted income (loss) per share								
NET INCOME (LOSS) PER COMMON SHARE – BASIC								
NET INCOME (LOSS) PER COMMON SHARE – BASIC								
NET INCOME (LOSS) PER COMMON SHARE – BASIC								
NET INCOME (LOSS) PER COMMON SHARE – DILUTED								
NET INCOME (LOSS) PER COMMON SHARE – DILUTED								
NET INCOME (LOSS) PER COMMON SHARE – DILUTED								

(1) For the year years ended December 31, 2023 December 31, 2024 and 2022, the impact of Units and Series E preferred units was excluded from the calculation of net income (loss) per common share - diluted as they were anti-dilutive.

(2) For the years ended December 31, 2024, 2023, and 2022, dividends to preferred unitholders were excluded from the calculation of $640,000 net income (loss) per common share - diluted as they were anti-dilutive.

For the year ended December 31, 2024, operating partnership units of 870,000, Series D preferred units of 228,000, as converted, Series E preferred units of 2.1 million, as converted, time-based RSUs and options of 24,000, and performance-

based RSUs of 31,000 were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive. anti-dilutive as including these items would have improved net loss per share.

For the year ended December 31, 2023, Units operating partnership units of 925,000 and Series D preferred units of 228,000, as converted, were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive. Including anti-dilutive as including these items would have improved net income (loss) per share.

For the year ended December 31, 2022, Units operating partnership units of 978,000, Series E preferred units of 2.2 million, as converted, Series D preferred units Units of 228,000, as converted, stock options of 28,000, time-based RSUs of 10,000, and performance-based restricted stock awards of 30,000, were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive. Including anti-dilutive as including these items would have improved net income (loss) per share.

For the year ended December 31, 2021, Units of 899,000, Series E preferred units of 729,000, as converted, Series D preferred Units of 228,000, as converted, stock options of 30,000, time-based RSUs of 15,000, and performance-based restricted stock awards of 32,000 were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive. Including these items would have improved net income (loss) loss per share.

NOTE 4 • MEZZANINE EQUITY AND MEZZANINE EQUITY

Operating Partnership Units. Outstanding Units in the Operating Partnership were 861,000 Units at December 31, 2023 and 971,000 Units at December 31, 2022. During the year ended December 31, 2022, Centerspace issued 209,000 Units as partial consideration for the acquisition of three apartment communities located in Minneapolis, Minnesota.

Exchange Rights. Centerspace redeemed Units in exchange for common shares in connection with Unitholders exercising their exchange rights during the years ended December 31, 2023 and 2022 as detailed in the table below.

	(in thousands)	
	Number of Units	Total Book Value
Year ended December 31, 2023	109	$ (1,910)
Year ended December 31, 2022	24	$ (1,353)

Pursuant to the exercise of exchange rights, the Company redeemed Units for cash during the years ended December 31, 2023 and 2022 as detailed in the table below.

	(in thousands, except per Unit data)		
	Number of Units Redeemed	Aggregate Cost	Average Price Per Unit
Year ended December 31, 2023	2	$ 130	$ 54.05
Year ended December 31, 2022	46	$ 4,141	$ 90.18

Series E Preferred Units (Noncontrolling interest). Centerspace had 1.7 million and 1.8 million Series E preferred units outstanding as of December 31, 2023 and 2022, respectively. Each Series E preferred unit has a par value of $100. The Series E preferred unit holders receive a preferred distribution at the rate of 3.875% per year. Each Series E preferred unit is convertible, at the holder's option, into 1.2048 Units. Centerspace has the option, at its sole election, to convert Series E preferred units into Units if its stock has traded at or above $83 per share for 15 of 30 consecutive trading days and it has made at least three consecutive quarters of distributions with a rate of at least $0.804 per Unit. The Series E preferred units have an aggregate liquidation preference of $172.5 million at December 31, 2023. The holders of the Series E preferred units do not have voting rights.

The Company redeemed Series E preferred units in exchange for common shares in connection with Series E unitholders exercising their exchange rights during the years ended December 31, 2023 and 2022 as detailed below.

	(in thousands)		
	Number of Series E Preferred Units Redeemed	Number of Common Shares Issued	Total Value
Year ended December 31, 2023	26	31	$ 1,390
Year ended December 31, 2022	56	67	$ 3,667

The Company redeemed Series E preferred units in exchange for cash in connection with Series E unitholders exercising their exchange rights during the year ended December 31, 2023 as detailed below.

	(in thousands)		
	Number of Series E Preferred Units Redeemed	Aggregate Cost	Average Price Per Series E Unit (1)
Year ended December 31, 2023	7	$ 447	$ 52.45

(1) Average price per Series E unit factoring in conversion rate of 1.2048 Units for each Series E preferred unit

Common Shares and Equity Awards. Common shares outstanding on December 31, 2023 and 2022, totaled 15.0 million. During the years ended December 31, 2023 and 2022, Centerspace issued approximately 19,606 and 24,613 common shares, respectively, with a total grant-date value of $1.8 million and $1.3 million, respectively, under its 2015 Incentive Plan, as share-based compensation for employees and trustees. These shares vested based on performance and service criteria. Refer to Note 13 for additional details on share-based compensation. During the years ended December 31, 2023 and 2022, approximately 15,000 and 2,000 common shares were forfeited under the 2015 Incentive Plan, respectively.

Equity Distribution Agreement. Centerspace has an equity distribution agreement in connection with an at-the-market offering ("2021 ATM Program") through which it may offer and sell common shares having an aggregate sales price of up to $250.0 million, in amounts and at times determined by management. Under the 2021 ATM Program, the Company may enter into separate forward sale agreements. The proceeds from the sale of common shares under the 2021 ATM Program may be used for general corporate purposes, including the funding of acquisitions, construction or mezzanine loans, community renovations, and the repayment of indebtedness. As of December 31, 2023, common shares having an aggregate offering price of up to $126.6 million remained available under the 2021 ATM Program.

The table below provides details on the sale of common shares under the 2021 ATM Program during the years ended December 31, 2023 and 2022.

	(in thousands, except per share amounts)

	Number of Common Shares	Total Consideration(1)	Average Price Per Share(1)
Year ended December 31, 2023	—	$ —	$ —
Year ended December 31, 2022	321	$ 31,732	$ 98.89

(1) Total consideration is net of $338,000 in commissions for the year ended December 31, 2022.

Share Repurchase Program. On March 10, 2022, the Board of Trustees approved a share repurchase program (the " Share Repurchase Program"), providing for the repurchase of up to an aggregate of $50 million of the Company's outstanding common shares. Under the Share Repurchase Program, the Company is authorized to repurchase common shares through open-market purchases, privately-negotiated transactions, block trades, or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Securities Exchange Act of 1934, as amended. The repurchases have no time limit and may be suspended or discontinued completely at any time. The specific timing and amount of repurchases will vary based on available capital resources or other financial and operational performance, market conditions, securities law limitations, and other factors. The table below provides details on the shares repurchased during the

years ended December 31, 2023 and 2022. As of December 31, 2023, the Company had $9.4 million remaining authorized for purchase under this program.

	(in thousands, except per share amounts)		
	Number of Common Shares	Aggregate Cost(1)	Average Price Per Share(1)
Year ended December 31, 2023	216	$ 11,539	$ 53.44
Year ended December 31, 2022	432	$ 29,059	$ 67.23

(1) Amount includes commissions.

Series C Preferred Shares. As of December 31, 2023 and 2022, the Company had 3.9 million Series C preferred shares outstanding. The Series C preferred shares are nonvoting and redeemable for cash at $25.00 per share at Centerspace's option. Holders of these shares are entitled to cumulative distributions, payable quarterly (as and if declared by the Board of Trustees). Distributions accrue at an annual rate of $1.65625 per share, which is equal to 6.625% of the $25.00 per share liquidation preference ($97.0 million liquidation preference in the aggregate, as of December 31, 2023 and 2022).

Series D Preferred Units (Mezzanine Equity). Series D preferred units outstanding were 165,600 preferred units as of December 31, 2023 December 31, 2024 and 2022. 2023. The Series D preferred units have a par value of $100 per preferred unit. The Series D preferred unit holders receive a preferred distribution at the rate of 3.862% per year and have a put option which allows the holder to redeem any or all of the Series D preferred units for cash equal to the issue price. Each Series D preferred unit is convertible, at the holder's option, into 1.37931 Units. The Series D preferred units have an aggregate liquidation value of $16.6 million. Changes in the redemption value are based on changes in the trading value of common shares and are charged to common shares on the Consolidated Balance Sheets each quarter. The holders of the Series D preferred units do not have any voting rights. Distributions to Series D unitholders are presented in the Consolidated Statements of Equity within net income (loss) attributable to controlling interests and noncontrolling interests.

Series C Preferred Shares. On August 30, 2024, we delivered notice to holders of our Series C preferred shares that we intended to redeem all 3.9 million Series C preferred shares at a redemption price equal to $25 per share plus any accrued but unpaid distributions per share up to and including the redemption date of September 30, 2024. On September 30, 2024, the Company completed the redemption of all the outstanding Series C preferred shares for an aggregate redemption price of $97.0 million, excluding distributions, which were $3.5 million in excess of the carrying value and are included in redemption of preferred shares on the Consolidated Statements of Operations. Such shares were no longer outstanding as of December 31, 2024. Series C preferred shares outstanding were 3.9 million at December 31, 2023. The Series C preferred shares were nonvoting and redeemable for cash at $25 per share at Centerspace's option. Holders of these shares were entitled to cumulative distributions, payable quarterly (as and if declared by the Board of Trustees). Distributions accrued at an annual rate of $1.65625 per share, which is equal to 6.625% of the $25 per share liquidation preference.

Operating Partnership Units. Outstanding Units in the Operating Partnership were 980,000 Units at December 31, 2024 and 861,000 Units at December 31, 2023. During the year ended December 31, 2024, Centerspace issued 190,000 Units as partial consideration for the acquisition of one apartment community located in Denver, Colorado.

Exchange Rights. Centerspace redeemed Units in exchange for common shares in connection with Unitholders exercising their exchange rights during the years ended December 31, 2024 and 2023 as detailed in the table below.

	(in thousands)	
	Number of Units	Total Book Value
Year ended December 31, 2024	71	$ (2,663)
Year ended December 31, 2023	109	$ (1,910)

Pursuant to the exercise of exchange rights, the Company redeemed Units for cash during the years ended December 31, 2024 and 2023 as detailed in the table below.

	(in thousands, except per Unit data)		
	Number of Units Redeemed	Aggregate Cost	Average Price Per Unit

Year ended December 31, 2024	— $	— $	—
Year ended December 31, 2023	2 $	130 $	54.05

Series E Preferred Units (Noncontrolling interest). Centerspace had 1.6 million and 1.7 million Series E preferred units outstanding as of December 31, 2024 and 2023, respectively. Each Series E preferred unit has a par value of $100. The Series E preferred unit holders receive a preferred distribution at the rate of 3.875% per year. Each Series E preferred unit is convertible, at the holder's option, into 1.20482 Units. Centerspace has the option, at its sole election, to convert Series E preferred units into Units if its stock has traded at or above $83 per share for 15 of 30 consecutive trading days and it has made at least three consecutive quarters of distributions with a rate of at least $0.804 per Unit. The Series E preferred units have an aggregate liquidation preference of $158.2 million at December 31, 2024. The holders of the Series E preferred units do not have voting rights.

The Company redeemed Series E preferred units in exchange for common shares in connection with Series E unitholders exercising their exchange rights during the years ended December 31, 2024 and 2023 as detailed below.

	(in thousands)		
	Number of Series E Preferred Units Redeemed	Number of Common Shares Issued	Total Value
Year ended December 31, 2024	143	172 $	8,938
Year ended December 31, 2023	26	31 $	1,390

The Company redeemed Series E preferred units in exchange for cash in connection with Series E unitholders exercising their exchange rights during the years ended December 31, 2024 and 2023 as detailed below.

	(in thousands)		
	Number of Series E Preferred Units Redeemed	Aggregate Cost	Average Price Per Series E Unit (1)
Year ended December 31, 2024	— $	— $	—
Year ended December 31, 2023	7 $	447 $	52.45

(1) Average price per Series E unit factoring in conversion rate of 1.20482 Units for each Series E preferred unit.

Common Shares and Equity Awards. Common shares outstanding on December 31, 2024 and 2023 totaled 16.7 million and 15.0 million, respectively. During the years ended December 31, 2024 and 2023, Centerspace issued approximately 13,524 and 19,606 common shares, respectively, with a total grant-date value of $1.0 million and $1.8 million, respectively, under its 2015 Incentive Plan, as share-based compensation for employees and trustees. These shares vested based on performance and service criteria. Refer to Note 13 for additional details on share-based compensation. During the year ended December 31, 2024, approximately 200 common shares were forfeited under the 2015 Incentive Plan compared to 15,000 common shares forfeited during the year ended December 31, 2023.

Equity Distribution Agreement. On September 9, 2024 Centerspace amended its equity distribution agreement in connection with the at-the-market offering ("ATM Program") through which it may offer and sell common shares in amounts and at times determined by management. The amendment increased the maximum aggregate offering price of common shares available for offer and sale thereunder from $250.0 million to $500.0 million. Under the ATM Program, the Company may enter into separate forward sale agreements. The proceeds from the sale of common shares under the ATM Program may be used for general corporate purposes, including the funding of acquisitions, construction or mezzanine loans, community renovations, and the repayment of indebtedness. As of December 31, 2024, common shares having an aggregate offering price of up to $262.9 million remained available under the ATM Program.

The table below provides details on the sale of common shares under the ATM Program during the years ended December 31, 2024 and 2023.

	(in thousands, except per share amounts)		
	Number of Common Shares	Total Consideration(1)	Average Price Per Share(1)
Year ended December 31, 2024(2)	1,587 $	112,613 $	71.66
Year ended December 31, 2023	— $	— $	—

(1) Total consideration is net of $1.1 million in commissions for the year ended December 31, 2024.

(2) Includes 869,000 shares sold on a forward basis for $62.7 million which were physically settled during the year ended December 31, 2024.

Share Repurchase Program. On March 10, 2022, the Board of Trustees approved a share repurchase program (the " Share Repurchase Program"), providing for the repurchase of up to an aggregate of $50 million of the Company's outstanding common shares. Under the Share Repurchase Program, the Company is authorized to repurchase common shares through open-market purchases, privately-negotiated transactions, block trades, or otherwise in accordance with applicable federal securities laws, including through Rule 10b5-1 trading plans and under Rule 10b-18 of the Securities Exchange Act of 1934, as amended. The specific timing and amount of repurchases will vary based on available capital resources or other financial and operational performance, market conditions, securities law limitations, and other factors. The table below provides details on the shares repurchased during the years ended December 31, 2024 and 2023. As of December 31, 2024, the Company had $4.7 million remaining authorized for purchase under this program.

	(in thousands, except per share amounts)		
	Number of Common Shares	Aggregate Cost(1)	Average Price Per Share(1)
Year ended December 31, 2024	88	$ 4,703	$ 53.62
Year ended December 31, 2023	216	$ 11,539	$ 53.44

(1) Amount includes commissions.

NOTE 5 • NONCONTROLLING INTERESTS

Interests in the Operating Partnership held by limited partners are represented by Units. The Operating Partnership's income is allocated to holders of Units based upon the ratio of their holdings to the total Units outstanding during the period. Capital contributions, distributions, and profits and losses are allocated to noncontrolling interests in accordance with the terms of the Operating Partnership's Agreement of Limited Partnership.

Centerspace reflects noncontrolling interests in consolidated real estate entities on the Balance Sheet for the portion of properties consolidated by us that are not wholly owned by us. The earnings or losses from these properties attributable to the noncontrolling interests are reflected as net income attributable to noncontrolling interests – consolidated real estate entities in the Consolidated Statements of Operations.

The Company's noncontrolling interests – consolidated real estate entities at December 31, 2023 December 31, 2024 and 2022 2023 were as follows:

	(in thousands)	(in thousands)
IRET - Cypress Court Apartments, LLC		
IRET - Cypress Court Apartments, LLC		
IRET - Cypress Court Apartments, LLC		
Noncontrolling interests – consolidated real estate entities		
Noncontrolling interests – consolidated real estate entities		
Noncontrolling interests – consolidated real estate entities		

NOTE 6 • DEBT

The following table summarizes the Company's indebtedness, excluding deferred financing costs secured and premiums or discounts: unsecured debt at December 31, 2024 and December 31, 2023:

	(in thousands)				
	December 31, 2023		December 31, 2022		
	Carrying Amount	**Interest Rate**	**Carrying Amount**	**Interest Rate**	**Weighted Average Maturity in Years at December 31, 2023**
Lines of credit (1)	$ 30,000	6.74 %	$ 113,500	5.61 %	1.75
Term loans(2)	—	—	100,000	5.57 %	—
Unsecured senior notes(2)(5)	300,000	3.12 %	300,000	3.12 %	6.63
Unsecured debt	330,000		513,500		6.19
Mortgages payable - Fannie Mae credit facility(5)	198,850	2.78 %	198,850	2.78 %	7.56
Mortgages payable - other(3)(5)	391,140	4.05 %	299,427	3.85 %	5.80
Total debt(4)	$ 919,990	3.54 %	$ 1,011,777	3.62 %	6.30

	(in thousands)				
	December 31, 2024		December 31, 2023		
	Carrying Amount	**Interest Rate**	**Carrying Amount**	**Interest Rate**	**Weighted Average Maturity in Years at December 31, 2024**
Lines of credit (1)	$ 47,359	5.86 %	$ 30,000	6.74 %	3.37
Unsecured senior notes(2)(4)	300,000	3.12 %	300,000	3.12 %	5.62
Unsecured debt	347,359		330,000		5.31
Mortgages payable - Fannie Mae credit facility(4)	198,850	2.78 %	198,850	2.78 %	6.56
Mortgages payable - other(3)(4)	420,414	4.02 %	392,274	4.05 %	5.39
Secured debt	$ 619,264		$ 591,124		5.76
Subtotal	$ 966,623	3.58 %	$ 921,124	3.54 %	5.60

Premiums and discounts, net	$	(7,496)	$	(1,134)
Deferred financing costs, net	$	(3,742)	$	(3,968)
Total debt	$	955,385	$	916,022

(1) Interest rates on lines of credit are variable and exclude any unused facility fees and amounts reclassified from accumulated other comprehensive income (loss) into interest expense from terminated interest rate swaps.

(2) Included within notes payable on the Consolidated Balance Sheets.

(3) Represents apartment communities encumbered by mortgages; 15 at December 31, 2024 and 14 at December 31, 2023 and 15 at December 31, 2022.

(4) Excludes deferred financing costs and premiums or discounts.

(5) Interest rate is fixed.

As of December 31, 2023 December 31, 2024, 46 45 apartment communities were not encumbered by mortgages and were available to provide credit support for the unsecured borrowings. The Company's primary unsecured credit facility (the "Unsecured Credit Facility" or "Facility") is a revolving, multi-bank line of credit, with Bank of Montreal serving as administrative agent. The line of credit has total commitments and borrowing capacity of $250.0 million, based on the value of unencumbered properties. As of December 31, 2024, the Company had additional borrowing availability of $206.0 million beyond the $44.0 million drawn, priced at an interest rate of 5.81%. As of December 31, 2023, the Company had additional borrowing availability of $220.0 million beyond the $30.0 million drawn, priced at an interest rate of 7.82%. As of December 31, 2022 On July 26, 2024, the Company had additional borrowing availability of $136.5 million beyond the $113.5 million drawn, priced at an interest rate of 5.61%. This Unsecured Credit Facility was amended on September 30, 2021 to extend the maturity date to September 2025 and to provide modify the leverage-based margin ratios applicable to borrowings. As amended, this credit facility matures in July 2028, with an option to extend maturity for up to two additional six-month periods, and has an accordion option to increase borrowing capacity up to $400.0 million.

On May 31, 2023, the Unsecured Credit Facility was amended to replace the London Interbank Offered Rate ("LIBOR") with the The Secured Overnight Financing Rate ("SOFR") as is the benchmark alternative reference rate under the Facility. The As amended, the interest rates on the line of credit are based on the consolidated leverage ratio, at the Company's option, on either the lender's base rate plus a margin, ranging from 25-80 20-80 basis points, or daily or term SOFR, plus a margin that ranges from 125-180 120-180 basis points with the consolidated leverage ratio described under the Third Amended and Restated Credit Agreement, as amended. Prior to the amendment, interest rates on the line of credit were based on the consolidated leverage ratio applying the same margins to LIBOR. The Unsecured Credit Facility and unsecured senior notes are subject to customary financial covenants and limitations. The Company believes that it was in compliance with all such financial covenants and limitations as of December 31, 2023 December 31, 2024.

In September 2024, Centerspace also has a $6.0 million entered into an operating line of credit. As credit agreement with US Bank, N.A. which has a borrowing capacity of December 31, 2023 up to $10.0 million and 2022, there was no outstanding balance pricing based on this line of credit. SOFR. This operating line of credit terminates in September 2025 and is designed to enhance treasury management activities and more effectively manage cash balances. This As of December 31, 2024 there was $3.4 million outstanding on this line of credit. Centerspace had a $6.0 million operating line matures on September 30, 2024, of credit with Wells Fargo Bank, N.A. with pricing based on SOFR. SOFR that matured on August 31, 2024. As of December 31, 2023, there was no outstanding balance on this line of credit.

Centerspace has had a private shelf agreement with PGIM, Inc., an affiliate of Prudential Financial, Inc., and certain affiliates of PGIM, Inc. (collectively, "PGIM") under which the Company has had issued $200.0 million $175.0 million in unsecured senior promissory notes ("unsecured senior notes" Unsecured Shelf Notes"). The On October 28, 2024, the shelf agreement was amended to extend the period of time during which the Company may borrow money to October 2027 and to increase the borrowing capacity to $300.0 million.The Company also has a separate private note purchase agreement with PGIM and certain other lenders for the issuance of $125.0 million of senior unsecured promissory notes ("Unsecured Club Notes", and, collectively with the Unsecured Shelf Notes, the "unsecured senior notes"), of which $25.0 million all $125.0 million was issued under the private shelf agreement with PGIM. in September 2021. The following table shows the notes issued under both agreements as of December 31, 2023 December 31, 2024 and 2022. 2023.

	(in thousands)			
		Amount	**Maturity Date**	**Fixed Interest Rate**
Series A	$	75,000	September 13, 2029	3.84 %
Series B	$	50,000	September 30, 2028	3.69 %
Series C	$	50,000	June 6, 2030	2.70 %
Series 2021-A	$	35,000	September 17, 2030	2.50 %
Series 2021-B	$	50,000	September 17, 2031	2.62 %
Series 2021-C	$	25,000	September 17, 2032	2.68 %
Series 2021-D	$	15,000	September 17, 2034	2.78 %

In November 2022, the Company entered into a $100.0 million term loan agreement ("Term Loan") with PNC Bank, National Association as administrative agent. The interest rate on the Term Loan was based on SOFR, plus a margin that ranged from 120 to 175 basis points based on the Company's consolidated leverage ratio. The Term Loan had a 364-day term with an option for an additional 364-day term. As of December 31, 2023, the Term Loan was paid in full. As of December 31, 2022, the Term Loan had a balance of $100.0 million.

Centerspace has a $198.9 million Fannie Mae Credit Facility Agreement ("FMCF"). The FMCF is secured by mortgages on 12 11 apartment communities. The notes are interest-only, with varying maturity dates of 7, 10, and 12 years, and a blended weighted average fixed interest rate of 2.78%. As of December 31, 2023 December 31, 2024 and 2022, 2023, the FMCF had a balance of $198.9 million. The FMCF is included within mortgages payable on the Consolidated Balance Sheets.

As of December 31, 2023 December 31, 2024, Centerspace owned 14 15 apartment communities that served as collateral for mortgage loans, in addition to the apartment communities secured by the FMCF. All of these mortgage loans were non-recourse to the Company other than for standard carve-out obligations. Interest rates on mortgage loans range from 3.45% to 5.04%, and the mortgage loans have varying maturity dates from May 1, 2025, through May 1, 2035 February 1, 2037. As of December 31, 2023 December 31, 2024 and 2023, the mortgage loans had a balance of $420.4 million and $392.3 million, respectively, excluding unamortized premiums and discounts. As of December 31, 2024, the Company believes there are no material defaults or instances of material noncompliance in regard to any of these mortgage loans.

The aggregate amount of required future principal payments on lines of credit, notes payable, and mortgages payable, as of December 31, 2023 December 31, 2024 is as follows:

	(in thousands)
2024	
2025	
2026	
2027	
2028	
2029	
Thereafter	
Total payments	
Premiums and discounts, net	
Deferred financing costs, net	
Total	

NOTE 7 • DERIVATIVE INSTRUMENTS

Centerspace had, in the past, used interest rate derivatives to stabilize interest expense and manage its exposure to interest rate fluctuations. To accomplish this objective, the Company primarily used interest rate swap contracts to fix variable rate interest debt.

Changes in the fair value of derivatives designated and that qualify as cash flow hedges were recorded in accumulated other comprehensive income (loss) ("OCI") and subsequently reclassified into earnings in the period that the hedged transaction affects earnings. Amounts reported in accumulated other comprehensive income (loss) will be reclassified to interest expense in the periods in which interest payments are incurred on variable rate debt. During the next 12 months, the Company estimates an additional $713,000 $407,000 will be reclassified as an increase to interest expense.

In February 2022, the Company paid $3.2 million to terminate its $75.0 million interest rate swap and its $70.0 million forward swap. As of December 31, 2023 December 31, 2024 and 2022, 2023, the Company had no remaining interest rate swaps.

Derivatives not designated as hedges were not speculative and were used to manage the Company's exposure to interest rate movements and other identified risks but did not meet the strict hedge accounting requirements. Changes in fair value of derivatives not designated in hedging relationships were recorded directly into earnings within other income (loss) in the Consolidated Statements of Operations. For the year ended December 31, 2022, the Company recorded a gain of $582,000 related to the interest rate swap not designated in a hedging relationship, prior to its termination.

In September 2021, the Company paid $3.8 million to terminate its $50.0 million interest rate swap and its $70.0 million interest rate swap in connection with the pay down of its term loans. The Company accelerated the reclassification of a $5.4 million loss from OCI into other income loss in Consolidated Statements of Operations as a result of the hedged transactions becoming probable not to occur.

The effect of the Company's derivative financial instruments on the Consolidated Statements of Operations as of December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 is detailed below.

(in thousands)									
Gain Recognized in OCI		Gain Recognized in OCI	Location of Loss Reclassified from Accumulated OCI into Income		Loss Reclassified from Accumulated OCI into Net Income (Loss)	Gain Recognized in OCI		Location of Loss Reclassified from Accumulated OCI into Income	Loss Reclassified from Accumulated OCI into Net Income (Loss)

	Year Ended December 31,		Year Ended December 31,		Year Ended December 31,			Year Ended December 31,		Year Ended December 31,
	2023	2022	2021		2023	2022	2021			
	2024	2023	2022		2024	2023	2022			
Total derivatives in cash flow hedging relationships - interest rate swaps										

NOTE 8 • FAIR VALUE MEASUREMENTS

Cash and cash equivalents, restricted cash, accounts payable, accrued expenses, and other liabilities are carried at amounts that reasonably approximate their fair value due to their short-term nature. For variable rate line of credit debt and notes payable that re-price frequently, fair values are based on carrying values.

In determining the fair value of other financial instruments, Centerspace applies Financial Accounting Standard Board FASB ASC 820, "*Fair Value Measurement and Disclosures*". Fair value hierarchy under ASC 820 distinguishes between market participant assumptions based on market data obtained from sources independent of the reporting entity (Levels 1 and 2) and the reporting entity's own assumptions about market participant data (Level 3). Fair value estimates may differ from the amounts that may ultimately be realized upon sale or disposition of the assets and liabilities.

Fair Value Measurements on a Recurring Basis

								(in thousands)				
	Balance Sheet Location	Balance Sheet Location	Total	Level 1	Level 2	Level 3	Balance Sheet Location	Total	Level 1	Level 2	Level 3
December 31, 2023											
December 31, 2024											
Assets											
Assets											
Assets											
Real estate related notes receivable											
Real estate related notes receivable											
Real estate related notes receivable											
December 31, 2023											
December 31, 2023											
December 31, 2023											
Assets											
Assets											
Assets											
Real estate related notes receivable											
Real estate related notes receivable											
Real estate related notes receivable											
December 31, 2022											
December 31, 2022											
December 31, 2022											
Real estate related notes receivable											
Real estate related notes receivable											
Real estate related notes receivable											

Centerspace utilizes an income approach with Level 3 inputs based on expected future cash flows to value the notes receivable. The unobservable inputs include market transactions for similar instruments, management estimates of comparable interest rates (range of 5.00% to 9.00%), and instrument specific credit risk (range of 0.5% to 1.0%). Changes in fair value of these receivables from period to period are reported in interest and other income on the Consolidated Statements of Operations.

		(in thousands)						
Fair Value Measurement	Fair Value Measurement	Other Gains (Losses)	Interest Income	Total Changes in Fair Value Included in Current Period Earnings	Fair Value Measurement	Other Gains (Losses)	Interest Income	Total Changes in Fair Value Included in Current Period Earnings

Year ended December 31, 2024
Real estate related notes receivable
Real estate related notes receivable
Real estate related notes receivable
Year ended December 31, 2023
Real estate related notes receivable
Real estate related notes receivable
Real estate related notes receivable
Year ended December 31, 2022
Real estate related notes receivable
Real estate related notes receivable
Real estate related notes receivable

As of December 31, 2023 December 31, 2024 and 2022, 2023, Centerspace had investments totaling $2.1 $2.7 million and $1.6 $2.1 million, respectively, in real estate technology venture funds consisting of privately held entities that develop technology related to the real estate industry. These investments appear within other assets on the Consolidated Balance Sheets. The investments are measured at net asset value ("NAV") as a practical expedient under ASC 820. As of December 31, 2023 December 31, 2024, the Company had unfunded commitments of $1.0 million. $950,000.

Fair Value Measurements on a Nonrecurring Basis

There were no non-financial assets or liabilities measured at fair value on a nonrecurring basis at December 31, 2024. Non-financial assets measured at fair value on a nonrecurring basis at December 31, 2023 consisted of real estate investments that were written-down to estimated fair value during the year ended December 31, 2023. There were no non-financial assets or liabilities measured at fair value on a nonrecurring basis at December 31, 2022.

					(in thousands)							
	Balance Sheet Location	**Balance Sheet Location**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Balance Sheet Location**	**Total**	**Level 1**	**Level 2**	**Level 3**
December 31, 2023											
Assets											
Assets											
Assets											
Real estate investments measured at fair value											
Real estate investments measured at fair value											
Real estate investments measured at fair value											

As of December 31, 2023, the Company estimated the fair value of real estate investments using market offers to purchase and other market data.

Financial Assets and Liabilities Not Measured at Fair Value

The fair value of mortgages payable and unsecured senior notes is estimated based on the discounted cash flows of the loans using market research and management estimates of comparable interest rates, excluding any prepayment penalties (Level 3).

The estimated fair values of the Company's financial instruments as of December 31, 2023 December 31, 2024 and 2022 2023 are as follows:

	(in thousands)	*(in thousands)*
FINANCIAL ASSETS		
FINANCIAL ASSETS		
FINANCIAL ASSETS		
Cash and cash equivalents		
Cash and cash equivalents		
Cash and cash equivalents		
Restricted cash		
Restricted cash		
Restricted cash		
FINANCIAL LIABILITIES		
FINANCIAL LIABILITIES		
FINANCIAL LIABILITIES		
Revolving lines of credit		
Revolving lines of credit		
Revolving lines of credit		
Term loans		
Term loans		
Term loans		
Unsecured senior notes		
Unsecured senior notes		
Unsecured senior notes		
Mortgages payable - Fannie Mae credit facility		
Mortgages payable - Fannie Mae credit facility		
Mortgages payable - Fannie Mae credit facility		
Mortgages payable - other		
Mortgages payable - other		
Mortgages payable - other		
Mortgages payable - other(1)		
Mortgages payable - other(1)		
Mortgages payable - other(1)		

(1) Excludes debt premiums and discounts

NOTE 9 • ACQUISITIONS AND DISPOSITIONS

ACQUISITIONS

Centerspace acquired $94.5 million $53.4 million and $211.9 million $94.5 million of new real estate during the years ended December 31, 2023 December 31, 2024 and 2022, 2023, respectively. The Company's acquisitions during the years ended December 31, 2023 December 31, 2024 and 2022 2023 are detailed below.

Year Ended December 31, 2023 December 31, 2024

								(in thousands)										*(in thousands)*				
								Form of Consideration		Investment Allocation								Form of Consideration				Investment Allocation
Acquisitions	**Acquisitions**	**Date Acquired**	**Total Acquisition Cost(1)**	**Cash**	**Units(2)**	**Date Acquired**	**Other(3)**	**Total Acquisition Cost(1)**	**Land**	**Building**	**Intangible Assets(4)**	**Other(5)**	**Acquisitions**	**Cash**	**Units(2)**	**Date Acquired**	**Other(3)**	**Land**	**Total Acquisition Cost(1)**	**Building**	**Intangible Assets(4)**	**Other(5)**
303 homes - Lake Vista Apartment Homes - Loveland, CO																						
303 homes - Lake Vista Apartment Homes - Loveland, CO																						
303 homes - Lake Vista Apartment Homes - Loveland, CO																						
129 homes - The Lydian - Denver, CO																						

129 homes - The Lydian - Denver, CO
129 homes - The Lydian - Denver, CO
Total Acquisitions
Total Acquisitions
Total Acquisitions

(1) Excludes $405,000 $546,000 in capitalized transaction cost.

(2) Fair value of operating partnership units issued on acquisition. acquisition, including a $641,000 fair value adjustment.

(3) Assumption of seller's debt upon closing.

(4) Intangible assets consist of in-place leases valued at the time of acquisition.

(5) Debt premium on assumed mortgage. mortgage and TIF note acquired. Refer to Note 2 for further TIF note discussion.

Year Ended December 31, 2022 December 31, 2023

		(in thousands)							
		Total	Form of Consideration			Investment Allocation			
Acquisitions	Date Acquired	Acquisition Cost(1)	Cash	Units(2)	Other(3)	Land	Building	Intangible Assets(4)	Other(5)
191 homes - Martin Blu - Minneapolis, MN	January 4, 2022	$ 49,825	$ 3,031	$ 18,885	$ 27,909	$ 3,547	$ 45,212	$ 1,813	$ (747)
31 homes - Elements - Minneapolis, MN	January 4, 2022	9,066	1,290	1,748	6,028	941	7,853	335	(63)
45 homes - Zest - Minneapolis, MN	January 4, 2022	11,364	1,429	2,249	7,686	936	10,261	574	(407)
130 homes - Noko Apartments - Minneapolis, MN	January 26, 2022	46,619	3,343	—	43,276	1,915	42,754	1,950	—
215 homes - Lyra Apartments - Centennial, CO	September 30, 2022	95,000	95,000	—	—	6,473	86,149	2,378	—
Total Acquisitions		$ 211,874	$ 104,093	$ 22,882	$ 84,899	$ 13,812	$ 192,229	$ 7,050	$ (1,217)

		(in thousands)						
		Total	Form of Consideration		Investment Allocation			
Acquisitions	Date Acquired	Acquisition Cost(1)	Cash	Other(2)	Land	Building	Intangible Assets(3)	Other(4)
303 homes - Lake Vista Apartment Homes - Loveland, CO	October 11, 2023	$ 94,500	$ 41,777	$ 52,723	$ 6,618	$ 80,737	$ 3,221	$ 3,924
Total Acquisitions		$ 94,500	$ 41,777	$ 52,723	$ 6,618	$ 80,737	$ 3,221	$ 3,924

(1) Excludes $573,000 $405,000 in capitalized transaction cost.

(2) Fair value of operating partnership units issued on acquisition.

(3) Assumption of seller's debt upon closing for Martin Blu, Zest, and Elements. Mezzanine and construction loans, financed by Centerspace, exchanged as partial consideration for the acquisition of Noko Apartments. closing.

(4) (3) Intangible assets consist of in-place leases valued at the time of acquisition.

(5) (4) Debt discount premium on assumed mortgage.

DISPOSITIONS

During the year ended December 31, 2024, Centerspace disposed of two apartment communities in two exchange transactions for an aggregate sales price of $19.0 million. During the year ended December 31, 2023, Centerspace disposed of 13 apartment communities and associated commercial space in five transactions for an aggregate sales price of $226.8 million. Centerspace did not dispose of any real estate during the year ended December 31, 2022 $226.8 million. The dispositions for the year years ended December 31, 2023 December 31, 2024 and 2023 are detailed below.

Year Ended December 31, 2024

		(in thousands)		
Dispositions	Date Disposed	Sales Price	Book Value and Sale Cost	Gain/(Loss)

Multifamily				
69 homes - Southdale Parc - Richfield, MN	February 29, 2024	$ 6,200	$ 6,497	$ (297)
136 homes - Wingate - New Hope, MN	February 29, 2024	12,800	13,080	(280)
Total Dispositions		$ 19,000	$ 19,577	$ (577)

Year Ended December 31, 2023

		(in thousands)		
	Date		Book Value	
Dispositions	Disposed	Sales Price	and Sale Cost	Gain/(Loss)
Multifamily				
115 homes - Boulder Court - Eagan, MN	March 8, 2023	$ 14,605	$ 4,971	$ 9,634
498 homes - 2 Nebraska apartment communities	March 14, 2023	48,500	15,025	33,475
892 homes - 5 Minnesota apartment communities	March 15, 2023	74,500	55,186	19,314
62 homes - Portage - Minneapolis, MN	March 15, 2023	6,650	9,098	(2,448)
712 homes - 4 North Dakota apartment communities	September 14, 2023	82,500	71,235	11,265
Total Dispositions		$ 226,755	$ 155,515	$ 71,240

NOTE 10 • SEGMENTS

Centerspace operates in a single reportable segment which includes the ownership, management, development, redevelopment, and acquisition of apartment communities. Each of the operating properties is considered a separate operating segment because each property earns revenues, incurs expenses, and has discrete financial information.

The chief executive officer and chief financial officer are the chief operating decision-makers decision-makers. The CODMs evaluate each property's operating results using net operating income ("NOI") to make decisions about resources to be allocated, and to assess property performance, and do not group the properties based on geography, size, or type for this purpose. The apartment communities have similar long-term economic characteristics and provide similar products and services to residents. No apartment community comprises more than 10% of consolidated revenues, profits, or assets. Accordingly, the apartment communities are aggregated into a single reportable segment. "All other" is composed of non-multifamily properties, non-multifamily components of mixed-use properties and apartment communities the Company has disposed or designated as held for sale. During the year ended December 31, 2023, 13 sold apartment communities were reclassified from the multifamily segment to all other for all periods presented.

The chief executive officer and chief financial officer are the chief operating decision-makers. This team measures the performance of the reportable segment based on net operating income ("NOI"), a non-GAAP measure, which the Company defines NOI as total real estate revenues less property operating expenses, including real estate taxes. Centerspace believes that NOI is an important supplemental measure of operating performance for real estate because it provides a measure of operations that excludes gain (loss) on the sale of real estate and other assets, impairment, depreciation, amortization, financing, including interest income and interest expense, property management overhead, expenses, loss on litigation settlement, casualty losses, and general and administrative expense. NOI does

The apartment communities have similar long-term economic characteristics and similar operating characteristics, such as type and length of lease, services offered to residents, and property management practices. No apartment community comprises more than 10% of consolidated revenues, profits, or assets. Accordingly, the apartment communities are aggregated into a single reportable segment, Multifamily. "All other" is composed of non-multifamily properties, non-multifamily components of mixed-use properties and apartment communities the Company has disposed or designated as held for sale, which did not represent cash generated by operating activities in accordance with GAAP and should not be considered an alternative meet the aggregation criteria. During the year ended December 31, 2024, two sold apartment communities were reclassified from the multifamily segment to net income (loss), net income (loss) available all other for common shareholders, or cash flow from operating activities as a measure of financial performance. all periods presented.

The following tables present NOI for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, respectively, along with reconciliations to net income (loss) as reported in the Consolidated Financial Statements. Segment assets are also reconciled to total assets as reported in the Consolidated Financial Statements.

	(in thousands)		
Year ended December 31, 2023	Multifamily	All Other	Total
Revenue	$ 246,364	$ 14,945	$ 261,309
Property operating expenses, including real estate taxes	98,762	7,050	105,812
Net operating income	$ 147,602	$ 7,895	$ 155,497
Property management expenses			(9,353)
Casualty loss			(2,095)
Depreciation and amortization			(101,678)
Impairment of real estate investments			(5,218)
General and administrative expenses			(20,080)
Gain on sale of real estate and other investments			71,244
Loss on litigation settlement			(3,864)
Interest expense			(36,429)
Interest and other income			1,207

Net income	$	49,231

	(in thousands)			(in thousands)
Year ended December 31, 2022	**Multifamily**	**All Other**	**Total**	
Year ended December 31, 2024	**Multifamily**	**All Other**	**Total**	
Revenue				
Property operating expenses, including real estate taxes				
Property operating expenses				
On-site compensation(1)				
On-site compensation(1)				
On-site compensation(1)				
Repairs and maintenance(2)				
Utilities				
Administrative and marketing				
Insurance				
Real estate taxes				
Net operating income				
Net operating income				
Net operating income				
Property management expenses				
Casualty loss				
Depreciation and amortization				
General and administrative expenses				
General and administrative expenses				
General and administrative expenses				
Gain on sale of real estate and other investments				
Loss on sale of real estate and other investments				
Interest expense				
Interest expense				
Interest expense				
Interest and other income				
Interest and other income				
Interest and other income				
Net loss				
Net loss				
Net loss				
Net loss				

(1) On-site compensation for administration, leasing, and maintenance personnel.

(2) Includes turnover expense.

	(in thousands)		
Year ended December 31, 2023	**Multifamily**	**All Other**	**Total**
Revenue	$ 243,515	$ 17,794	$ 261,309
Property operating expenses			
On-site compensation(1)	25,934	1,969	27,903
Repairs and maintenance(2)	13,953	1,727	15,680
Utilities	15,421	1,598	17,019
Administrative and marketing	5,804	425	6,229
Insurance	9,399	823	10,222
Real estate taxes	26,722	2,037	28,759
Net operating income	$ 146,282	$ 9,215	$ 155,497

Property management expenses			(9,353)
Casualty loss			(2,095)
Depreciation and amortization			(101,678)
Impairment of real estate investments			(5,218)
General and administrative expenses			(20,080)
Gain on sale of real estate and other investments			71,244
Interest expense			(36,429)
Interest and other income			1,207
Loss on litigation settlement			(3,864)
Net income			$ 49,231

(1) On-site compensation for administration, leasing, and maintenance personnel.

(2) Includes turnover expense.

	(in thousands)		
Year ended December 31, 2021	**Multifamily**	**All Other**	**Total**
Revenue	$ 173,436	$ 28,269	$ 201,705
Property operating expenses, including real estate taxes	68,618	13,239	81,857
Net operating income	$ 104,818	$ 15,030	$ 119,848
Property management expenses			(8,752)
Casualty loss			(344)
Depreciation and amortization			(92,165)
General and administrative expenses			(16,213)
Gain on sale of real estate and other investments			27,518
Interest expense			(29,078)
Interest income and other loss			(2,915)
Net loss			$ (2,101)

	(in thousands)		
Year ended December 31, 2022	**Multifamily**	**All Other**	**Total**
Revenue	$ 221,836	$ 34,880	$ 256,716
Property operating expenses			
On-site compensation(1)	23,038	4,306	27,344
Repairs and maintenance(2)	14,300	3,396	17,696
Utilities	15,845	3,527	19,372
Administrative and marketing	5,130	784	5,914
Insurance	8,007	1,737	9,744
Real estate taxes	24,524	4,043	28,567
Net operating income	$ 130,992	$ 17,087	$ 148,079
Property management expenses			(9,895)
Casualty loss			(1,591)
Depreciation and amortization			(105,257)
General and administrative expenses			(17,516)
Gain on sale of real estate and other investments			41
Interest expense			(32,750)
Interest income and other loss			1,248
Net loss			$ (17,641)

(1) On-site compensation for administration, leasing, and maintenance personnel.

(2) Includes turnover expense.

Segment Assets and Accumulated Depreciation

As of December 31, 2023	Multifamily	All Other	Total
	(in thousands)		
Segment assets			
Property owned	$ 2,402,544	$ 17,602	$ 2,420,146
Less accumulated depreciation	(526,565)	(4,138)	(530,703)
Total real estate investments	$ 1,875,979	$ 13,464	$ 1,889,443
Cash and cash equivalents			8,630
Restricted cash			639
Other assets			27,649
Total Assets			$ 1,926,361

Segment assets are summarized as follows as of December 31, 2024 and 2023, respectively, along with reconciliations to the Consolidated Financial Statements:

As of December 31, 2024	Multifamily	All Other	Total
	(in thousands)		
Segment assets			
Property owned	$ 2,462,762	$ 17,979	$ 2,480,741
Less accumulated depreciation	(621,446)	(4,534)	(625,980)
Total real estate investments	$ 1,841,316	$ 13,445	$ 1,854,761
Cash and cash equivalents			12,030
Restricted cash			1,099
Other assets			45,817
Total Assets			$ 1,913,707

		(in thousands)				*(in thousands)*
As of December 31, 2022		Multifamily	All Other	Total		
As of December 31, 2023		Multifamily	All Other	Total		
Segment assets	Segment assets				Segment assets	
Property owned						
Less accumulated depreciation						
Total real estate investments						
Cash and cash equivalents						
Restricted cash						
Other assets						
Total Assets						
Total Assets						
Total Assets						

NOTE 11 • RETIREMENT PLANS

Centerspace sponsors a defined contribution 401(k) plan to provide retirement benefits for employees that meet minimum employment criteria. Centerspace currently matches, dollar for dollar, employee contributions to the 401(k) plan in an amount equal to up to 5.0% of the eligible wages of each participating employee. Matching contributions are fully vested when made. Centerspace recognized expense of approximately $1.3 million, $1.3 million, and $1.0 million in during each of the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, respectively. 2022.

NOTE 12 • COMMITMENTS AND CONTINGENCIES

Litigation. Centerspace is involved in various lawsuits arising in the normal course of business and believes that such matters will not have a material adverse effect on the Consolidated Financial Statements.

Centerspace was the named defendant in a lawsuit where the owner of a neighboring property claims a retaining wall at one of its properties apartment communities is causing water damage to the neighboring property. The claim was for damage to the property and monetary losses. The During the year ended December 31, 2023, the Company recorded a loss on litigation settlement of $3.9 million $3.9 million due to a trial judgment against Centerspace. The original judgment was ordered on October 9, 2023 for $2.9 million which the Company immediately paid. In November 2023, the claimant filed motions requesting additional interest on the judgment and trial costs. Subsequent to December 31, 2023, the claimant was awarded an additional $1.0 million in judgment related interest and costs. The Company paid the additional amount and recorded the loss on litigation for the year ended December 31, 2023. After the additional judgment, the claimant's appeal was dismissed. The Company cannot, with any level of certainty, predict or estimate if there will be additional costs incurred as a result of the lawsuit as the believes this matter is ongoing. Centerspace is involved in various lawsuits arising in the normal course of business and believes that such matters will not have a material adverse effect on the Consolidated Financial Statements. settled.

Environmental Matters. It is generally the Company's policy to obtain a Phase I environmental assessment of each property that it seeks to acquire. Such assessments have not revealed, nor is the Company aware of, any environmental liabilities that it believes would have a material adverse effect on its financial position or results of operations. Centerspace owns properties that contain or potentially contain (based on the age of the property) asbestos, lead, or underground storage tanks. For certain of these properties, the Company estimated the fair value of the conditional asset retirement obligation and chose not to book a liability because the amounts involved were immaterial. With respect to certain other properties, Centerspace has not recorded any related asset retirement obligation as the fair value of the liability cannot be reasonably estimated due to insufficient information. The Company believes it does not have sufficient information to estimate the fair value of the asset retirement obligations for these properties because a settlement date or range of potential settlement dates has not been specified by others. These properties are expected to be maintained by repairs and maintenance activities that would not involve the removal of the asbestos, lead, and/or underground storage tanks.

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 the Company currently has no knowledge of any material violation of environmental laws, ordinances, or regulations at any of the properties, there can be no assurance that areas of contamination will not be identified at any of its properties or that changes in environmental laws, regulations, or cleanup requirements would not result in material costs.

Insurance. Centerspace carries insurance coverage on its properties in amounts and types that it believes are customarily obtained by owners of similar properties and are sufficient to achieve its risk management objectives.

Limitations on Taxable Dispositions. Twenty-eight apartment communities, properties, consisting of approximately 4,935 5,162 homes, are subject to limitations on taxable dispositions under agreements entered into with certain sellers or contributors of the properties and are effective for varying periods. Centerspace does not believe that the agreements materially affect the conduct of its business or its decisions whether to dispose of these properties during the limitation period because it generally holds these and other properties for investment purposes rather than for sale. In addition, where the Company deems it to be in the shareholders' best interests to dispose of such properties, it generally seeks to structure sales of such properties as tax-deferred transactions under Section 1031 of the Internal Revenue Code. Otherwise, the Company may be required to provide tax indemnification payments to the parties to these agreements.

Redemption Value of Units. Pursuant to a Unitholder's exercise of its Exchange Rights, the Company has the right, in its sole discretion, to acquire such Units by either making a cash payment or exchanging the Units for its common shares, on a one-for-one basis. All Units receive the same per Unit cash distributions as the per share dividends paid on common shares. Units are redeemable for an amount of cash per Unit equal to the average of the daily market price of common shares for the ten consecutive trading days immediately preceding the date of valuation of the Unit. As of December 31, 2023 December 31, 2024 and 2022, 2023, the aggregate redemption value of the then-outstanding Units owned by limited partners, as determined by the ten-day average market price for the common shares, was approximately $50.4 million $64.8 million and $58.0 million $50.4 million, respectively.

Unfunded Commitments. Centerspace has unfunded commitments of $1.0 million $950,000 in two real estate technology venture funds. Refer to Note 8 - Fair Value Measurements for additional information regarding these investments.

NOTE 13 • SHARE-BASED COMPENSATION

Share-based awards are provided to officers, non-officer employees, and trustees under the 2015 Incentive Plan approved by shareholders on September 15, 2015, as amended and restated on May 18, 2021 (the "2015 Incentive Plan"), which allows for awards in the form of cash, unrestricted and restricted common shares, stock options, stock appreciation rights, and restricted stock units ("RSUs") up to an aggregate of 775,000 shares over the ten-year period in which the plan is in effect. Under the

2015 Incentive Plan, officers and non-officer employees may earn share awards under a long-term incentive plan ("LTIP"), which is a forward-looking program that measures long-term performance over the stated performance period. These awards are payable to the extent deemed earned in shares. The terms of the long-term incentive awards granted under the revised program may vary from year to year. Through December 31, 2023 December 31, 2024, awards under the 2015 Incentive Plan consisted of restricted and unrestricted common shares, RSUs, and stock options. The Company accounts for forfeitures of restricted and unrestricted common shares, RSUs, and stock options when they occur instead of estimating the forfeitures.

Year Ended December 31, 2023 December 31, 2024 LTIP Awards

Awards granted to employees on January 1, 2023 January 1, 2024 consisted of an aggregate of 14,256 21,059 time-based RSU awards 20,497 and 18,876 performance RSUs based on total shareholder return ("TSR"), and 45,955 stock options. . The time-based RSUs vest as to one-third of the shares on each of January 1, 2024, January 1, 2025, and January 1, 2026. The stock options vest as to 25% on each of January 1, 2024, January 1, 2025, January 1, 2026, and January 1, 2027 and expire 10 years after grant date. The fair value of stock options was $11.086 per share and was estimated on the date of grant using the Black-Scholes option pricing model with the following assumptions:

		2023
Exercise price	$	58.67
Risk-free rate		3.97 %
Expected term		6.25 years
Expected volatility		28.7 %
Dividend yield		4.977 %

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The performance RSUs are earned based on the Company's TSR as compared to the FTSE Nareit Equity Index over a forward looking three-year period. The maximum number of RSUs eligible to be earned is 40,994 37,752 RSUs, which is 200% of the RSUs granted. Earned awards (if any) will fully vest as of the last day of the measurement period. These awards have market conditions in addition to service conditions that must be met for the awards to vest. Compensation expense is recognized ratably based on the grant date fair value, as determined using the Monte Carlo valuation model, regardless of whether the market conditions are achieved and the awards ultimately vest. Therefore, previously recorded compensation expense is not adjusted in the event that the market conditions are not achieved. The Company based the expected volatility on a weighted average of the historical volatility of the Company's daily closing share price, the risk-free interest rate on the interest rates on U.S. treasury bonds with a maturity equal to the remaining performance period of the award, and the expected term on the performance period of the award. The assumptions used to value the TSR performance RSUs were an expected volatility of 37.20% 27.21%, a risk-free interest rate of 4.22% 4.01%, and an expected life of 3 years. The share price at the grant date, January 1, 2023 January 1, 2024, was $58.67 $58.20 per share.

On March 31, 2023, in connection with her appointment to President and Chief Executive Officer, Anne Olson received a one-time stock award of 5,492 RSUs, which will vest in full on March 31, 2026.

On March 31, 2023, in connection with the change in executive management, Bhairav Patel, CFO, received a one-time stock award of 2,746 RSUs. One-third of the RSUs will vest on March 31, 2025 and the remaining two-thirds will vest on March 31, 2026.

Share-Based Compensation Expense

Total share-based compensation expense recognized in the Consolidated Financial Statements for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 for all share-based awards was as follows:

					(in thousands)		
		Year Ended December 31,				Year Ended December 31,	
	2023	2022	2021		2024	2023	2022
Share-based compensation expense							

On March 31, 2023, the Company accelerated the vesting of all unvested time-based RSUs and stock options in connection with the Separation Agreement with Mr. Decker. our former CEO. This resulted in the acceleration of share-based compensation expense for those awards resulting in an additional $737,000 in expense during the year ended December 31, 2023. Any performance-based RSUs were prorated, in accordance with the award agreement, and will vest at the end of performance period based on actual performance. The remaining performance-based RSUs were forfeited. Mr. Decker The former CEO exercised stock options prior to their expiration on June 30, 2023 in a cashless exercise with a net 425 shares issued.

Restricted Stock Units

During the year ended December 31, 2023 December 31, 2024, the Company issued 22,799 21,125 time-based RSUs to employees and 9,200 10,192 to trustees. The RSUs to employees generally vest over a three-year period and the RSUs to trustees generally vest over a one-year period. The fair value of the time-based RSUs granted during the years ended December 31, 2023 December 31, 2024, 2023, and 2022 and 2021 was $1.9 million, $1.8 million, $1.5 million, and $1.0 $1.5 million, respectively. The fair value of share awards at grant date for non-employee trustees was approximately $689,000, $545,000, $618,000, and $425,000 $618,000 for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021, 2022, respectively. All of these awards are classified as equity awards. We recognize The Company recognizes compensation expense associated with the time-based awards ratably over the requisite service period. The total compensation cost related to non-vested time-based RSUs not yet recognized is $798,000, $966,000, which the Company expects to recognize over a weighted average period of 1.6 1.4 years.

The unamortized value of RSUs with market conditions as of December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 was approximately $1.0 $1.4 million, $1.7 million $1.0 million, and $1.1 million $1.7 million, respectively.

The activity for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 related to RSUs was as follows:

	RSUs with Service Conditions			RSUs with Market Conditions		
	Shares		Wtd Avg Grant-Date Fair Value	Shares		Wtd Avg Grant-Date Fair Value
Unvested at December 31, 2020	24,828	$	65.03	26,994	$	67.87
Granted	13,693		71.54	19,224		87.04
Vested	(17,065)		63.42	(35,920)		65.34
Change in awards(1)	—		—	8,926		—

Forfeited	(482)	70.44	—	—
Unvested at December 31, 2021	20,974	$ 69.97	19,224	$ 87.04
Granted	15,359	96.29	13,559	131.05
Vested	(13,357)	69.24	—	—
Forfeited	(1,562)	76.49	(2,741)	87.04
Unvested at December 31, 2022	21,414	$ 88.83	30,042	$ 106.90
Granted	31,999	57.21	20,497	82.63
Vested	(22,036)	78.74	(13,820)	87.04
Forfeited	(383)	73.85	(14,653)	96.05
Unvested at December 31, 2023	30,994	$ 65.54	22,066	$ 104.01

(1) Represents the change in the number of restricted stock units earned at the end of the measurement period.

	RSUs with Service Conditions		RSUs with Market Conditions	
	Shares	Wtd Avg Grant-Date Fair Value	Shares	Wtd Avg Grant-Date Fair Value
Unvested at December 31, 2021	20,974	$ 69.97	19,224	$ 87.04
Granted	15,359	96.29	13,559	131.05
Vested	(13,357)	69.24	—	—
Forfeited	(1,562)	76.49	(2,741)	87.04
Unvested at December 31, 2022	21,414	$ 88.83	30,042	$ 106.90
Granted	31,999	57.21	20,497	82.63
Vested	(22,036)	78.74	(13,820)	87.04
Forfeited	(383)	73.85	(14,653)	96.05
Unvested at December 31, 2023	30,994	$ 65.54	22,066	$ 104.01
Granted	31,317	61.28	18,876	80.60
Vested	(15,626)	66.15	(9,771)	130.91
Forfeited	(192)	58.42	—	—
Unvested at December 31, 2024	46,493	$ 61.16	31,171	$ 81.40

Stock Options

During the year ended December 31, 2023 December 31, 2024, Centerspace issued 45,955 did not issue any stock options to employees. The Previously issued stock options vest over a four-year period. The weighted average grant date fair value of the stock options granted during the year ended December 31, 2023 was $11.086 per share. The total compensation costs related to non-vested stock options not yet recognized is $203,000, $77,000, which the Company expects to recognize over a weighted average period of 2.65 1.78 years.

The stock option activity for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 was as follows:

	Number of Shares	Number of Shares	Weighted Average Exercise Price	Number of Shares	Weighted Average Exercise Price
Outstanding at December 31, 2020					
Outstanding at December 31, 2020					
Outstanding at December 31, 2021					
Outstanding at December 31, 2020					
Exercisable at December 31, 2020					
Granted					
Exercised					
Forfeited					
Outstanding at December 31, 2021					
Outstanding at December 31, 2021					
Exercisable at December 31, 2021					
Granted					
Exercised					
Forfeited					
Outstanding at December 31, 2022					

Exercisable at December 31, 2022	
Granted	
Exercised	
Expired	
Forfeited	
Outstanding at December 31, 2023	
Exercisable at December 31, 2023	
Outstanding at December 31, 2024	
Exercisable at December 31, 2024	

The intrinsic value of a stock option represents the amount by which the current price of the underlying stock exceeds the exercise price of the option. As of December 31, 2023 December 31, 2024, stock options outstanding had no $48,000 aggregate intrinsic value with a weighted average remaining contractual term of 5.61 5.2 years years.

NOTE 14 • SUBSEQUENT EVENTS

Subsequent to December 31, 2023, Centerspace entered into definitive purchase and sale agreements for two communities with expected gross proceeds of $18.9 million. The Company believes the sales will close in the first quarter. The closing of pending transactions is subject to certain conditions and restrictions; therefore, there can be no assurance that the transactions will be consummated or that the final terms will not differ in material respects.

Subsequent to December 31, 2023, Centerspace repurchased 87,722 common shares for total consideration of $4.7 million and an average price of $53.62 per share.

CENTERSPACE AND SUBSIDIARIES

December 31, 2023 2024

Schedule III - REAL ESTATE AND ACCUMULATED DEPRECIATION *(in thousands)*

			Initial Cost to Company		Costs Capitalized	Gross Amount at Which Carried at Close of Period						Life on Which Depreciation in Latest Income Statement is Computed			
Description	Description	Encumbrances(1)	Land	Buildings & Improvements	Subsequent to Acquisition	Land & Improvements	Buildings & Improvements	Total	Accumulated Depreciation	Date of Construction(2)	Date of Acquisition(3)		Description	Encumbrances(1)	Land
Same-Store	**Same-Store**												**Same-Store**		
71 France - Edina, MN	71 France - Edina, MN	$ 49,675	$ 4,721	$ 61,762	$ 1,653	$ 4,801	$ 63,335	$ 68,136	$ (21,322)	2014	2014	Up to 37 years	71 France - Edina, MN	$ 48,371	$ 4,721
Alps Park Apartments - Rapid City, SD	Alps Park Apartments - Rapid City, SD	—	287 287	5,551 5,551	671 671	336 336	6,173 6,173	6,509 6,509	(2,162) (2,162)	1995 1995	2013	Up to 37 years	Alps Park Apartments - Rapid City, SD	—	287 287
Arcata Apartments - Golden Valley, MN	Arcata Apartments - Golden Valley, MN	—	2,088 2,088	31,036 31,036	781 781	2,128 2,128	31,777 31,777	33,905 33,905	(11,660) (11,660)	2013	2013	Up to 37 years	Arcata Apartments - Golden Valley, MN	—	2,088 2,088
Ashland Apartment Homes - Grand Forks, ND	Ashland Apartment Homes - Grand Forks, ND	—	741 741	7,569 7,569	285 285	823 823	7,772 7,772	8,595 8,595	(3,120) (3,120)	2010 2010	2012	Up to 37 years	Ashland Apartment Homes - Grand Forks, ND	—	741 741
Avalon Cove Townhomes - Rochester, MN	Avalon Cove Townhomes - Rochester, MN	—	1,616 1,616	34,074 34,074	4,984 4,984	1,808 1,808	38,866 38,866	40,674 40,674	(10,222) (10,222)	2001 2001	2016	Up to 37 years	Avalon Cove Townhomes - Rochester, MN	—	1,616 1,616
Bayberry Place - Eagan, MN	Bayberry Place - Eagan, MN	11,048	1,807 1,807	14,113 14,113	1,637 1,637	1,865 1,865	15,692 15,692	17,557 17,557	(1,347) (1,347)	1995 1995	2021	30 years	Bayberry Place - Eagan, MN	11,048	1,807 1,807

Burgundy & Hillsboro - New Hope, MN	Burgundy & Hillsboro - New Hope, MN	23,570	2,834	2,834	31,149	31,149	2,132	2,132	2,913	2,913	33,202	33,202	36,115	36,115	(3,066)	(3,066)	1968	1968	2021	30	years	Burgundy & Hillsboro - New Hope, MN	23,570	2,834	2,834
Canyon Lake Apartments - Rapid City, SD	Canyon Lake Apartments - Rapid City, SD	—	305	305	3,958	3,958	2,335	2,335	420	420	6,178	6,178	6,598	6,598	(3,591)	(3,591)	1972	1972	2001	Up to 37	years	Canyon Lake Apartments - Rapid City, SD	—	305	305
Cardinal Point Apartments - Grand Forks, ND	Cardinal Point Apartments - Grand Forks, ND	—	1,600	1,600	33,400	33,400	(111)	(111)	1,727	1,727	33,162	33,162	34,889	34,889	(6,287)	(6,287)	2013		2013	Up to 37	years	Cardinal Point Apartments - Grand Forks, ND	—	1,600	1,600
Cascade Shores Townhomes + Flats - Rochester, MN	Cascade Shores Townhomes + Flats - Rochester, MN	43,835	6,588	6,588	67,072	67,072	10,705	10,705	6,776	6,776	77,589	77,589	84,365	84,365	(23,733)	(23,733)	2010	2010	2015	Up to 37	years	Cascade Shores Townhomes + Flats - Rochester, MN	42,522	6,588	6,588
Castlerock Apartment Homes - Billings, MT	Castlerock Apartment Homes - Billings, MT	—	736	736	4,864	4,864	2,075	2,075	1,045	1,045	6,630	6,630	7,675	7,675	(4,782)	(4,782)	1979	1979	1998	Up to 37	years	Castlerock Apartment Homes - Billings, MT	—	736	736
Civic Lofts - Denver, CO	Civic Lofts - Denver, CO	—	6,166	6,166	55,182	55,182	597	597	6,171	6,171	55,774	55,774	61,945	61,945	(4,525)	(4,525)	2019	2019	2021	30	years	Civic Lofts - Denver, CO	—	6,166	6,166
Connelly on Eleven - Burnsville, MN	Connelly on Eleven - Burnsville, MN	—	2,401	2,401	11,515	11,515	16,844	16,844	3,206	3,206	27,554	27,554	30,760	30,760	(18,022)	(18,022)	1970	1970	2003	Up to 37	years	Connelly on Eleven - Burnsville, MN	—	2,401	2,401
Cottonwood Apartment Homes - Bismarck, ND	Cottonwood Apartment Homes - Bismarck, ND	—	1,056	1,056	17,372	17,372	6,823	6,823	1,962	1,962	23,289	23,289	25,251	25,251	(14,117)	(14,117)	1998	1998	1997	Up to 37	years	Cottonwood Apartment Homes - Bismarck, ND	—	1,056	1,056
Country Meadows Apartment Homes - Billings, MT	Country Meadows Apartment Homes - Billings, MT	—	491	491	7,809	7,809	1,437	1,437	599	599	9,138	9,138	9,737	9,737	(6,079)	(6,079)	1997	1997	1995	Up to 37	years	Country Meadows Apartment Homes - Billings, MT	—	491	491
Cypress Court Apartments - St. Cloud, MN	Cypress Court Apartments - St. Cloud, MN	10,697	1,583	1,583	18,879	18,879	1,074	1,074	1,625	1,625	19,911	19,911	21,536	21,536	(7,089)	(7,089)	2014	2014	2012	Up to 37	years	Cypress Court Apartments - St. Cloud, MN	10,359	1,583	1,583
Deer Ridge Apartment Homes - Jamestown, ND	Deer Ridge Apartment Homes - Jamestown, ND	—	711	711	24,129	24,129	814	814	785	785	24,869	24,869	25,654	25,654	(8,883)	(8,883)	2016	2016	2013	Up to 37	years	Deer Ridge Apartment Homes - Jamestown, ND	—	711	711
Donovan Apartment Homes - Lincoln, NE	Donovan Apartment Homes - Lincoln, NE	—	1,515	1,515	15,730	15,730	8,263	8,263	1,817	1,817	23,691	23,691	25,508	25,508	(8,980)	(8,980)	1992	1992	2012	Up to 37	years	Donovan Apartment Homes - Lincoln, NE	—	1,515	1,515
Dylan at RiNo - Denver, CO	Dylan at RiNo - Denver, CO	—	12,155	12,155	77,215	77,215	1,376	1,376	12,241	12,241	78,505	78,505	90,746	90,746	(16,307)	(16,307)	2016	2016	2017	30	years	Dylan at RiNo - Denver, CO	—	12,155	12,155
Elements of Linden Hills - Minneapolis, MN		5,676		941		7,853		275		949		8,120		9,069		(1,045)		2015	2022	30	years				

Evergreen Apartment Homes - Isanti, MN	Evergreen Apartment Homes - Isanti, MN	—	1,129	1,129	5,524	5,524	753	753	1,159	1,159	6,247	6,247	7,406	7,406	(2,666)	(2,666)	2006	2006	2008	Up to 37	years	Evergreen Apartment Homes - Isanti, MN	—	1,129	1,129
FreightYard Townhomes & Flats - Minneapolis, MN	FreightYard Townhomes & Flats - Minneapolis, MN	—	1,889	1,889	23,616	23,616	1,447	1,447	1,745	1,745	25,207	25,207	26,952	26,952	(4,006)	(4,006)	1900	1900	2019	30	years	FreightYard Townhomes & Flats - Minneapolis, MN	—	1,889	1,889
Gardens Apartments - Grand Forks, ND	Gardens Apartments - Grand Forks, ND	—	518	518	8,702	8,702	152	152	535	535	8,837	8,837	9,372	9,372	(2,761)	(2,761)	2015		2015	Up to 37	years	Gardens Apartments - Grand Forks, ND	—	518	518
Grand Gateway Apartment Homes - St. Cloud, MN	Grand Gateway Apartment Homes - St. Cloud, MN	—	814	814	7,086	7,086	3,336	3,336	970	970	10,266	10,266	11,236	11,236	(4,460)	(4,460)	2002	2002	2012	Up to 37	years	Grand Gateway Apartment Homes - St. Cloud, MN	—	814	814
Greenfield - Omaha, NE	Greenfield - Omaha, NE	—	578	578	4,122	4,122	3,147	3,147	876	876	6,971	6,971	7,847	7,847	(3,653)	(3,653)	1992	1992	2007	Up to 37	years	Greenfield - Omaha, NE	—	578	578
Grove Ridge - Cottage Grove, MN	Grove Ridge - Cottage Grove, MN	7,992	1,250	1,250	10,271	10,271	790	790	1,293	1,293	11,018	11,018	12,311	12,311	(981)	(981)	1973	1973	2021	30	years	Grove Ridge - Cottage Grove, MN	7,992	1,250	1,250
Homestead Garden Apartments - Rapid City, SD	Homestead Garden Apartments - Rapid City, SD	—	655	655	14,139	14,139	1,783	1,783	792	792	15,785	15,785	16,577	16,577	(5,006)	(5,006)	2004	2004	2014	Up to 37	years	Homestead Garden Apartments - Rapid City, SD	—	655	655
Ironwood - New Hope, MN	Ironwood - New Hope, MN	—	2,165	2,165	36,874	36,874	764	764	2,167	2,167	37,636	37,636	39,803	39,803	(5,435)	(5,435)	2018	2018	2020	30	years	Ironwood - New Hope, MN	—	2,165	2,165
Lakeside Village Apartment Homes - Lincoln, NE	Lakeside Village Apartment Homes - Lincoln, NE	—	1,215	1,215	15,837	15,837	5,945	5,945	1,476	1,476	21,521	21,521	22,997	22,997	(8,013)	(8,013)	2000	2000	2012	Up to 37	years	Lakeside Village Apartment Homes - Lincoln, NE	—	1,215	1,215
Legacy Apartments - Grand Forks, ND	Legacy Apartments - Grand Forks, ND	—	1,362	1,362	21,727	21,727	11,075	11,075	2,474	2,474	31,690	31,690	34,164	34,164	(21,434)	(21,434)	1996	1996	1995	Up to 37	years	Legacy Apartments - Grand Forks, ND	—	1,362	1,362
Legacy Heights Apartment Homes - Bismarck, ND	Legacy Heights Apartment Homes - Bismarck, ND	—	1,207	1,207	13,742	13,742	300	300	1,142	1,142	14,107	14,107	15,249	15,249	(3,961)	(3,961)	2015		2015	Up to 37	years	Legacy Heights Apartment Homes - Bismarck, ND	—	1,207	1,207
Lugano at Cherry Creek - Denver, CO	Lugano at Cherry Creek - Denver, CO	—	7,679	7,679	87,766	87,766	8,410	8,410	7,679	7,679	96,176	96,176	103,855	103,855	(15,386)	(15,386)	2010	2010	2019	30	years	Lugano at Cherry Creek - Denver, CO	—	7,679	7,679
Lyra Apartments - Centennial, CO		37,809		6,473		86,149		1,166		6,481		87,307		93,788		(7,972)		2022		30	years				
Martin Blu - Eden Prairie, MN		25,909		3,547		45,212		1,418		3,560		46,617		50,177		(5,754)		2015	2022	30	years				

Meadows Apartments - Jamestown, ND	Meadows Apartments - Jamestown, ND	—	590	590	4,519	4,519	1,992	1,992	730	730	6,371	6,371	7,101	7,101	(4,133)	(4,133)	1999	1999	1998	Up to 37 years	Meadows Apartments - Jamestown, ND	—	590	590
Monticello Crossings - Monticello, MN	Monticello Crossings - Monticello, MN	—	1,734	1,734	30,136	30,136	556	556	1,951	1,951	30,475	30,475	32,426	32,426	(8,329)	(8,329)	2017	2017	2014	Up to 37 years	Monticello Crossings - Monticello, MN	—	1,734	1,734
Monticello Village - Monticello, MN	Monticello Village - Monticello, MN	—	490	490	3,756	3,756	1,206	1,206	655	655	4,797	4,797	5,452	5,452	(2,924)	(2,924)	2001	2001	2004	Up to 37 years	Monticello Village - Monticello, MN	—	490	490
New Hope Garden & Village - New Hope, MN	New Hope Garden & Village - New Hope, MN	9,943	1,603	1,603	12,578	12,578	1,393	1,393	1,651	1,651	13,923	13,923	15,574	15,574	(1,419)	(1,419)	1969	1969	2021	30 years	New Hope Garden & Village - New Hope, MN	9,943	1,603	1,603
Noko Apartments - Minneapolis, MN		—		1,915		42,636		622		1,918		43,255		45,173		(5,152)		2021	2022	30 years				
Northridge Apartments - Bismarck, ND	Northridge Apartments - Bismarck, ND	—	884	884	7,515	7,515	280	280	1,048	1,048	7,631	7,631	8,679	8,679	(2,412)	(2,412)	2014		2014	Up to 37 years	Northridge Apartments - Bismarck, ND	—	884	884
Olympic Village Apartments - Billings, MT		—		1,164		10,441		4,174		1,885		13,894		15,779		(9,224)		2000		Up to 37 years				
Oxbo Urban Rentals - St Paul, MN		—		5,809		51,586		711		5,822		52,284		58,106		(11,861)		2016	2017	30 years				
Palisades - Roseville, MN		21,622		6,919		46,577		4,806		6,959		51,343		58,302		(4,233)		1973	2021	30 years				
Park Place Apartments - Plymouth, MN		—		10,609		80,781		20,098		10,819		100,669		111,488		(26,469)		1985	2017	30 years				

CENTERSPACE AND SUBSIDIARIES

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Schedule III - REAL ESTATE AND ACCUMULATED DEPRECIATION *(in thousands)*

			Initial Cost to Company			Gross Amount at Which Carried at Close of Period						Life on Which Depreciation in Latest Income Statement is Computed		
Description	**Description**	**Encumbrances(1)**	**Land**	**Buildings & Improvements**	**Costs Capitalized Subsequent to Acquisition**	**Land & Improvements**	**Buildings & Improvements**	**Total**	**Accumulated Depreciation**	**Date of Construction(2)**	**Date of Acquisition(3)**		**Description**	**Encumbrances(1)**
Olympic Village Apartments - Billings, MT		—	1,164	10,441	4,216	1,976	13,845	15,821	(9,478)	2000		Up to 37 years		
Oxbo Urban Rentals - St Paul, MN		15,760	5,809	51,586	971	5,822	52,544	58,366	(13,293)	2016	2017	30 years		
Palisades - Roseville, MN		19,723	6,919	46,577	12,115	6,959	58,652	65,611	(6,646)	1973	2021	30 years		
Park Place Apartments - Plymouth, MN		—	10,609	80,781	21,392	10,819	101,963	112,782	(31,841)	1985	2017	30 years		

Parkhouse Apartment Homes - Thornton, CO	Parkhouse Apartment Homes - Thornton, CO	89,239	10,474	10,474	132,105	132,105	3,074	3,074	10,484	10,484	135,169	135,169	145,653	145,653	(17,666)	(17,666)	2016	2016	2020	30 years	Parkhouse Apartment Homes - Thornton, CO	87,881	10

Plymouth Pointe - Plymouth, MN	Plymouth Pointe - Plymouth, MN	9,575	1,042	1,042	12,810	12,810	340	340	1,073	1,073	13,119	13,119	14,192	14,192	(1,261)	(1,261)	1968	1968	2021	30	years	Plymouth Pointe - Plymouth, MN	9,575	1
Pointe West Apartments - Rapid City, SD	Pointe West Apartments - Rapid City, SD	—	240	240	3,538	3,538	2,075	2,075	463	463	5,390	5,390	5,853	5,853	(4,267)	(4,267)	1985	1985	1994	Up to 37	years	Pointe West Apartments - Rapid City, SD	—	
Ponds at Heritage Place - Sartell, MN	Ponds at Heritage Place - Sartell, MN	—	395	395	4,564	4,564	510	510	419	419	5,050	5,050	5,469	5,469	(2,059)	(2,059)	2008	2008	2012	Up to 37	years	Ponds at Heritage Place - Sartell, MN	—	
Prosper West - Waite Park, MN	Prosper West - Waite Park, MN	16,425	939	939	10,167	10,167	17,929	17,929	1,912	1,912	27,123	27,123	29,035	29,035	(16,762)	(16,762)	1989	1989	1995	Up to 37	years	Prosper West - Waite Park, MN	16,425	
Quarry Ridge Apartments - Rochester, MN	Quarry Ridge Apartments - Rochester, MN	—	2,254	2,254	30,024	30,024	9,493	9,493	2,412	2,412	39,359	39,359	41,771	41,771	(16,051)	(16,051)	2001	2001	2006	Up to 37	years	Quarry Ridge Apartments - Rochester, MN	—	2
Red 20 Apartments - Minneapolis, MN	Red 20 Apartments - Minneapolis, MN	19,718	1,900	1,900	24,116	24,116	809	809	1,908	1,908	24,917	24,917	26,825	26,825	(9,063)	(9,063)	2013		2013	Up to 37	years	Red 20 Apartments - Minneapolis, MN	19,159	1
Regency Park Estates - St. Cloud, MN	Regency Park Estates - St. Cloud, MN	6,669	702	702	10,198	10,198	8,683	8,683	1,179	1,179	18,404	18,404	19,583	19,583	(7,676)	(7,676)	1994	1994	2011	Up to 37	years	Regency Park Estates - St. Cloud, MN	6,405	
Rimrock West Apartments - Billings, MT	Rimrock West Apartments - Billings, MT	—	330	330	3,489	3,489	1,883	1,883	568	568	5,134	5,134	5,702	5,702	(3,588)	(3,588)	1975	1975	1999	Up to 37	years	Rimrock West Apartments - Billings, MT	—	
River Pointe - Fridley, MN	River Pointe - Fridley, MN	25,412	3,346	3,346	33,118	33,118	5,515	5,515	3,426	3,426	38,553	38,553	41,979	41,979	(3,750)	(3,750)	1971	1971	2021	30	years	River Pointe - Fridley, MN	25,412	3
River Ridge Apartment Homes - Bismarck, ND	River Ridge Apartment Homes - Bismarck, ND	—	576	576	24,670	24,670	1,432	1,432	922	922	25,756	25,756	26,678	26,678	(10,811)	(10,811)	2013	2013	2008	Up to 37	years	River Ridge Apartment Homes - Bismarck, ND	—	
Rocky Meadows Apartments - Billings, MT	Rocky Meadows Apartments - Billings, MT	—	656	656	5,726	5,726	1,511	1,511	840	840	7,053	7,053	7,893	7,893	(5,019)	(5,019)	1996	1996	1995	Up to 37	years	Rocky Meadows Apartments - Billings, MT	—	
Rum River Apartments - Isanti, MN	Rum River Apartments - Isanti, MN	—	843	843	4,823	4,823	533	533	870	870	5,329	5,329	6,199	6,199	(2,632)	(2,632)	2005	2005	2007	Up to 37	years	Rum River Apartments - Isanti, MN	—	
Silver Springs Apartment Homes - Rapid City, SD	Silver Springs Apartment Homes - Rapid City, SD	—	215	215	3,007	3,007	1,046	1,046	273	273	3,995	3,995	4,268	4,268	(1,376)	(1,376)	1985	1985	2014	Up to 37	years	Silver Springs Apartment Homes - Rapid City, SD	—	
Southdale Parc - Richfield, MN(5)		5,301		1,569		7,740		(2,205)		1,618		5,486		7,104		(780)		1962	2021	30	years			

SouthFork Townhomes + Flats - Lakeville, MN	SouthFork Townhomes + Flats - Lakeville, MN	21,675	3,502	3,502	40,153	40,153	11,288	11,288	3,583	3,583	51,360	51,360	54,943	54,943	(12,684)	(12,684)	1988	1988	2019	30	years	SouthFork Townhomes + Flats - Lakeville, MN	21,675	3
Southpoint Apartments - Grand Forks, ND	Southpoint Apartments - Grand Forks, ND	—	576	576	9,893	9,893	409	409	663	663	10,215	10,215	10,878	10,878	(3,432)	(3,432)	2013		2013	Up to 37	years	Southpoint Apartments - Grand Forks, ND	—	
Sunset Trail Apartment Homes - Rochester, MN	Sunset Trail Apartment Homes - Rochester, MN	—	336	336	12,814	12,814	5,961	5,961	826	826	18,285	18,285	19,111	19,111	(10,340)	(10,340)	2000	2000	1999	Up to 37	years	Sunset Trail Apartment Homes - Rochester, MN	—	
The Bosk - Woodbury, MN		31,673		5,367		40,422		18,580		5,449		58,920		64,369		(8,834)		1974	2021	30	years			
Union Pointe - Longmont, CO	Union Pointe - Longmont, CO	—	5,727	5,727	69,966	69,966	678	678	5,736	5,736	70,635	70,635	76,371	76,371	(8,307)	(8,307)	2019	2019	2021	30	years	Union Pointe - Longmont, CO	—	5
Venue on Knox - Minneapolis, MN	Venue on Knox - Minneapolis, MN	11,660	3,438	3,438	14,743	14,743	5,997	5,997	3,530	3,530	20,648	20,648	24,178	24,178	(2,074)	(2,074)	1959	1959	2021	30	years	Venue on Knox - Minneapolis, MN	11,660	3
Westend - Denver, CO	Westend - Denver, CO	—	25,525	25,525	102,180	102,180	1,578	1,578	25,532	25,532	103,751	103,751	129,283	129,283	(20,846)	(20,846)	2015	2015	2018	30	years	Westend - Denver, CO	—	25
Whispering Ridge - Omaha, NE	Whispering Ridge - Omaha, NE	21,800	2,139	2,139	25,424	25,424	5,595	5,595	2,551	2,551	30,607	30,607	33,158	33,158	(11,771)	(11,771)	2010	2010	2013	Up to 37	years	Whispering Ridge - Omaha, NE	21,800	2
Wingate - New Hope, MN(5)		10,459		1,480		13,530		(1,032)		1,526		12,452		13,978		(1,422)		1967	2021	30	years			
Woodhaven - Minneapolis, MN	Woodhaven - Minneapolis, MN	14,408	3,940	3,940	20,080	20,080	1,891	1,891	4,040	4,040	21,871	21,871	25,911	25,911	(1,849)	(1,849)	1974	1974	2021	30	years	Woodhaven - Minneapolis, MN	14,408	3
Woodland Pointe - Woodbury, MN		31,673		5,367		40,422		15,422		5,449		55,762		61,211		(5,160)		1974	2021	30	years			
Woodridge on Second - Rochester, MN	Woodridge on Second - Rochester, MN	—	370	370	6,028	6,028	6,062	6,062	761	761	11,699	11,699	12,460	12,460	(7,746)	(7,746)	1990	1990	1997	Up to 37	years	Woodridge on Second - Rochester, MN	—	
Zest - Minneapolis, MN		7,277		936		10,209		542		946		10,741		11,687		(1,360)		2016	2022	30	years			
Total Same-Store	**Total Same-Store**	$ 462,396	$	177,545	$	1,685,002	$	243,970	$	189,440	$	1,917,077	$	2,106,517	$	(512,452)								**To St**
Non-Same-Store																								
Non-Same-Store																								
Non-Same-Store																								
Elements of Linden Hills - Minneapolis, MN																								
Elements of Linden Hills - Minneapolis, MN																								
Elements of Linden Hills - Minneapolis, MN		5,842		941		7,853		290		949		8,135		9,084		(686)		2015	2022	30	years			
Lake Vista Apartments Homes - Loveland, CO	Lake Vista Apartments Homes - Loveland, CO	49,033	6,618	6,618	80,737	80,737	434	434	6,649	6,649	81,140	81,140	87,789	87,789	(885)	(885)	2011	2011	2023	30	years			

Lyra Apartments - Centennial, CO	37,809	6,473	86,149	423	6,481	86,564	93,045	(4,500)		2022	30 years
Martin Blu - Eden Prairie, MN	27,193	3,547	45,212	866	3,560	46,065	49,625	(3,756)	2015	2022	30 years
Noko Apartments - Minneapolis, MN	—	1,915	42,636	295	1,918	42,928	44,846	(3,401)	2021	2022	30 years
Zest - Minneapolis, MN	7,717	936	10,209	493	946	10,692	11,638	(885)	2016	2022	30 years
Lake Vista Apartments Homes - Loveland, CO											
Lake Vista Apartments Homes - Loveland, CO	$ 52,232	$ 6,618	$ 80,737	$ 1,930	$ 6,649	$ 82,636	$ 89,285	$ (4,529)	2011	2023	30 years
Lydian - Denver, CO	35,000	4,852	34,680	26	4,852	34,706	39,558	(342)	2018	2024	30 years
Total Non-Same-Store											
Total Multifamily											
Total Multifamily											
Total Multifamily											
Other - Mixed Use											
Other - Mixed Use											
Other - Mixed Use											
71 France - Edina, MN(4)											
71 France - Edina, MN(4)											
71 France - Edina, MN(4)	—	$ —	$ 5,879	$ 616	$ —	$ 6,495	$ 6,495	$ (1,665)	2014	2014	Up to 37 years — $ —
Civic Lofts - Denver, CO	—	—	—	—	—	—	—	—	2019	2021	30 years

CENTERSPACE AND SUBSIDIARIES

December 31, 2023 2024

Schedule III - REAL ESTATE AND ACCUMULATED DEPRECIATION *(in thousands)*

				Initial Cost to Company		Costs Capitalized	Gross Amount at Which Carried at Close of Period						Life on Which Depreciation in Latest Income Statement is Computed				Initial (
Description	**Description**	**Encumbrances(1)**	**Land**	**Buildings & Improvements**		**Subsequent to Acquisition**	**Land & Improvements**	**Buildings & Improvements**	**Total**	**Accumulated Depreciation**	**Date of Construction(2)**	**Date of Acquisition(3)**		**Description**	**Encumbrances(1)**	**Land**	**Buildin Improve**
Civic Lofts - Denver, CO		—	—	—		—	—	—	—	—	2019	2021	30 years				
Lugano at Cherry Creek - Denver, CO	Lugano at Cherry Creek - Denver, CO	—	— —	1,600	1,600	861 861	— —	2,461 2,461	2,461 2,461	(350) (350)	2010 2010	2019	30 years	Lugano at Cherry Creek - Denver, CO	—	— —	1,600 1,6
Lydian - Denver, CO(4)		—	—	668		4	—	672	672	(28)	2018	2024	30 years				
Noko Apartments - Minneapolis, MN	Noko Apartments - Minneapolis, MN	—	— —	118	118	— —	— —	118 118	118 118	(17) (17)	2021 2021	2022	30 years	Noko Apartments - Minneapolis, MN	—	— —	118 1
Oxbo Urban Rentals- St Paul, MN (4)	Oxbo Urban Rentals- St Paul, MN (4)	—	— —	3,472	3,472	54 54	— —	3,526 3,526	3,526 3,526	(728) (728)	2016 2016	2017	30 years	Oxbo Urban Rentals- St Paul, MN (4)	—	— —	3,472 3,4
Red 20 Apartments - Minneapolis, MN(4)	Red 20 Apartments - Minneapolis, MN(4)	—	— —	2,525	2,525	434 434	— —	2,959 2,959	2,959 2,959	(997) (997)	2013	2013	Up to 37 years	Red 20 Apartments - Minneapolis, MN(4)	—	— —	2,525 2,5

Zest - Minneapolis, MN(4)	Zest - Minneapolis, MN(4)	—	—	—	52	52	1	1	—	—	53	53	53	53	(19)	(19)	2016	2016	2022	30 years
Zest - Minneapolis, MN(4)	—	—	—	52																
Total Other - Mixed Use																				
Other - Commercial																				
Other - Commercial																				
Other - Commercial																				
3100 10th St SW - Minot, ND																				
3100 10th St SW - Minot, ND																				
3100 10th St SW - Minot, ND	—	$ 246	$ 1,866	$ (122)	$ 246	$ 1,744	$ 1,990	$ (362)	1980	1980	2019	30 years	—	$ 246	$ 1,866	$				
Total Other - Commercial	**Total Other - Commercial**	—	$ 246	$ 1,866	$ (122)	$ 246	$ 1,744	$ 1,990	$ (362)											
Total Other - Commercial	—																			
Total																				
Total																				
Total																				

(1) Amounts in this column are the mortgages payable balance as of December 31, 2023 December 31, 2024. These amounts do not include amounts owing under the Company's multi-bank line of credit term loan, or unsecured senior notes.

(2) Date of construction represents the date the Company constructed the property or the date it was constructed from purchase records.

(3) Date of acquisition represents the date the Company acquired the property through purchase or acquisition.

(4) Encumbrances are listed with the multifamily property description.

(5) Costs capitalized subsequent to acquisition includes impairment charges. charges, if any.

CENTERSPACE AND SUBSIDIARIES

December 31, 2023 2024

Schedule III - REAL ESTATE AND ACCUMULATED DEPRECIATION *(in thousands)*

Reconciliations of the carrying value of total property owned for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 are as follows:

	(in thousands)			*(in thousands)*		
				Year Ended December 31,		
	2023	**2022**	**2021**	**2024**	**2023**	**2022**
Balance at beginning of year						
Additions during year						
Multifamily and Other						
Multifamily and Other						
Multifamily and Other						
Improvements and Other						
Deductions during year						
Cost of real estate sold						
Cost of real estate sold						
Cost of real estate sold						
Impairment charge(1)						
Other (2)						
Other (2)						
Other (2)						
Balance at close of year						

Reconciliations of accumulated depreciation/amortization for the years ended December 31, 2023 December 31, 2024, 2022, 2023, and 2021 2022 are as follows:

		(in thousands)				(in thousands)	
					Year Ended December 31,		
		2023	2022	2021	2024	2023	2022
Balance at beginning of year							
Additions during year							
Provisions for depreciation							
Provisions for depreciation							
Provisions for depreciation							
Deductions during year							
Accumulated depreciation on real estate sold or classified as held for sale							
Accumulated depreciation on real estate sold or classified as held for sale							
Accumulated depreciation on real estate sold or classified as held for sale							
Other (2)							
Other (2)							
Other (2)							
Balance at close of year							
Total real estate investments, excluding mortgage notes receivable (3)							
Total real estate investments, excluding mortgage notes receivable (3)							
Total real estate investments, excluding mortgage notes receivable (3)							

(1) During the year ended December 31, 2023, Centerspace recognized impairment on two apartment communities.

(2) Consists of the write off of fully depreciated assets and accumulated amortization and miscellaneous disposed assets.

(3) The estimated net basis, including held for sale properties, for Federal Income Tax purposes was $1.4 billion at December 31, 2024 and $1.5 billion at December 31, 2023 and December 31, 2022, respectively. .

Centerspace
Insider Trading Policy

(Adopted April 29, 2009, Revised September 20, 2018,
November 25, 2019, November 20, 2020, December 10, 2021 and December 9, 2022)

This Policy supersedes all previous insider trading policies adopted by the Board of Trustees of Centerspace (“Centerspace”).

Please read this Insider Trading Policy (the “Policy”) carefully and make sure you understand it. If you have any questions about it, please contact Centerspace’s Legal Department. After you have read and understood this Policy, please sign and return the attached certification.

Purpose

This Policy sets forth the general standards for all members of the Board of Trustees, officers and employees, and certain consultants and contractors, of Centerspace and its subsidiaries (collectively, the “Company”) with respect to engaging in transactions in the Company’s securities and the securities of other publicly-traded companies. In addition, an Addendum to this Policy describes the special policies and procedures of the Company applicable to trustees, executive officers, and certain designated employees regarding restrictions on trading and pre-clearance of transactions in Company securities.

Company Assistance

Any person who has questions regarding this Policy or its application to any proposed transaction may obtain additional guidance from the Company’s Legal Department. Ultimately, however, the responsibility for adhering to this Policy and avoiding unlawful transactions rests with the individual.

Individual Responsibility

Every officer, trustee and employee and consultant and contractor subject to this Policy has the individual responsibility to comply with this Policy against insider trading. You may, from time to time, have to forego a proposed transaction in the Company’s securities even if you planned to make the transaction before learning of inside information.

The Need for an Insider Trading Policy

Federal and state securities laws prohibit the purchase or sale of a company's securities by persons who are aware of material information about that company that is not generally known or available to the public. These laws also prohibit persons who are aware of such material nonpublic information from disclosing this information to others.

Insider trading violations are pursued vigorously by the Securities and Exchange Commission ("SEC") and U.S. Attorneys and are punished severely. While the regulatory authorities generally concentrate their efforts on the individuals who trade, or who tip inside information to others who trade, the federal securities laws also impose potential liability on companies and

their controlling persons if they fail to take reasonable steps to prevent insider trading by company personnel. The SEC and the National Association of Securities Dealers, among others, investigate and are very effective at detecting insider trading. Successful prosecutions have been brought against trading by employees through foreign accounts, trading by family members and friends, and trading involving only a small number of shares.

Individuals who tip others ("tippers") may also be liable for improper transactions by the tippees to whom they have disclosed Material Nonpublic Information (as defined below) regarding the Company or to whom they have made recommendations or expressed opinions on the basis of such information as to trading in the Company's securities. Tippers would be subject to the same penalties and sanctions as tippees, and the SEC has imposed large penalties even when the tipper did not profit from the trading.

Potential civil and criminal penalties for insider trading violations include (a) imprisonment for up to 20 years, (b) criminal fines of up to $5 million, and (3) civil fines of up to three times the profit gained or loss avoided.

Failure to comply with this Policy may also subject you to Company-imposed sanctions, including dismissal for cause, whether or not your failure to comply with this Policy results in a violation of law.

Applicability

Persons Covered. As a trustee, officer, employee or consultant of the Company, this Policy applies to you. The same restrictions that apply to you also apply to your spouse, your minor children and anyone else living in your household; partnerships in which you are a general partner; trusts of which you are a trustee; and estates of which you are an executor (each, a "Related Person"). This Policy also applies to certain consultants and contractors of the Company who receive or have access to Material Nonpublic Information regarding the Company, and to whom the Company communicates this Policy.

Transactions Covered. This Policy applies to all transactions in the Company's securities, including common shares, preferred shares, and any other securities the Company may issue from time to time (such as warrants). Transactions also include certain transactions under Company plans, as follows:

- Centerspace Direct: This Policy's trading restrictions do not apply to purchases of the Company's shares under the Centerspace Distribution Reinvestment and Stock Purchase Plan ("Centerspace Direct") resulting from reinvestment of distributions, or ongoing voluntary cash contributions made via periodic payroll deductions, pursuant to an election you made at the time of enrollment in Centerspace Direct when you were not aware of Material Nonpublic Information. The trading restrictions DO apply to your election to participate in Centerspace Direct, to your sales of Company shares purchased under THE COMPANY Direct, to voluntary purchases of Company shares resulting from additional contributions you choose to make to Centerspace Direct, and to increases or decreases in your level of participation in Centerspace Direct.

Transactions covered by the Policy do NOT include:

- Any purchase or sale of the Company's securities made pursuant to an agreement or plan that complies with SEC Rule 10b5-1, provided that you were not aware of Material Nonpublic Information at the time you entered into or adopted the agreement or plan, and the agreement or plan has been approved in advance by the General Counsel. If you are an Insider (defined in the Addendum below), the agreement or plan must also be approved by the Company's Board of Trustees.
- Any purchase or sale of interests in mutual funds that are invested in the Company's securities, except for sector funds or exchange-traded funds where the investor owning such funds that is a Covered Person hereunder has any control over the investment decisions of such fund.

Companies Covered. You and your Related Persons may not place purchase or sell orders or recommend that another person place a purchase or sell order in the securities of another company if you become aware of Material Nonpublic Information about the other company in the course of your employment by or affiliation with the Company, until two trading days following the date such Material Nonpublic Information becomes available to the general public (for example, customers or suppliers of the Company and those with which the Company may be negotiating major transactions, such as an acquisition, investment or sale. Information that is not material to the Company may nevertheless be material to one of these other firms).

General Policy

No Trading on Inside Information. You may not purchase, sell, gift or otherwise trade in the securities of the Company, directly or through Related Persons, if you are aware of Material Nonpublic information regarding the Company, or engage in any other action to take advantage of that information.

No "Tipping". You may not provide Material Nonpublic Information regarding the Company to Related Persons and others outside the Company, including family and friends, or recommend to anyone the purchase or sale of Company securities when you are aware of such information. This practice, known as "tipping", also violates the securities laws.

No Exception for Hardship. The existence of a personal financial emergency or need does not excuse you from compliance with this Policy. If you are aware of Material Nonpublic Information, you must forego a transaction in the Company's securities or the securities of another company, even though:

- You planned the transaction before learning of the Material Nonpublic Information,
- You may lose money or a potential profit by not completing the transaction, or
- The transaction may be necessary or seem justifiable for independent reasons (including a need to raise money for a personal financial reason).

Remember that anyone scrutinizing your transactions will be doing so after the fact, with the benefit of hindsight. As a result, before engaging in any transaction, you should carefully

consider how your transaction may be construed by enforcement authorities and others in hindsight.

Certain Definitions

Material Nonpublic Information:

Material Information. Information should be regarded as material if there is a reasonable likelihood that it would be considered important to an investor in making an investment decision regarding the purchase or sale of a security or where the information is likely to have a significant effect on the market price of the security. Either positive OR negative information may be material. Possible material information includes, but is not limited to:

- Projections of future earnings or losses or other earnings guidance
- Changes to previously announced earnings guidance, or the decision to suspend earnings guidance
- Pending or proposed mergers, acquisitions, joint ventures, and significant changes in assets

- Changes in management
- Changes in auditor or auditor notification that the Company may no longer rely on an audit report
- Events regarding the Company's securities, such as defaults on senior securities, the offering of additional securities, a stock split, repurchase plans, changes in dividends
- Severe financial liquidity problems
- Impending bankruptcy or receivership
- Regulatory approvals or changes in regulations
- Actual or threatened major litigation, or the resolution of such litigation
- New major contracts, suppliers, customers or finance sources, or the loss thereof.

It can sometimes be difficult to know whether information would be considered material. When doubt exists, the information should be presumed to be material. **If you are unsure whether information of which you are aware is Material Information, you should consult with the Company's Legal Department.**

Nonpublic Information. Nonpublic information is information that is not generally known or available to the public. In order for information to be considered public, it must be widely disseminated in a manner making it generally available to the public, such as through a press release or through an SEC filing, AND a sufficient period of time (generally close of business on the second trading day following the date of public disclosure of the information) must have elapsed to allow the information to have been fully absorbed by the public. For example, if the Company announces earnings on a Friday, you may transact in the Company's securities starting on Wednesday of the next week.

Related Person. A Related Person includes your spouse, minor children and anyone else living in your household; partnerships in which you are a general partner; trusts of which you are a trustee; and estates of which you are an executor.

<u>Additional Guidance</u>

The Company considers it improper and inappropriate for those employed by or associated with the Company to engage in short-term or speculative transactions in the Company's securities or in other transactions in the Company's securities that may lead to inadvertent violations of the insider trading laws. Accordingly, your trading in Company securities is subject to the following additional guidance:

Short Sales. Short sales (sales of securities that are not then owned) of the Company's securities evidence an expectation on the part of the seller that the securities will decline in value, and therefore signal to the market that the seller has no confidence in the Company or its short-term prospects. In addition, short sales may reduce the seller's incentive to improve the Company's performance. For these reasons, you are prohibited from engaging in short sales of the Company's securities, as described in Section 16(c) of the Securities Exchange Act of 1934. (Note: Section 16(c) prohibits trustees and officers of the Company from engaging in short sales of Company securities.)

Short-Swing Trades. Short-term trading of the Company's securities may be distracting and may unduly focus the investor on the Company's short-term stock market performance instead of the Company's long-term business objectives. For these reasons, you may not sell Company securities in the open market within six months of a purchase of Company securities of the same class, and you may not purchase Company securities in the open market within six months of a sale of Company securities of the same class.

(Note: under Section 16 of the Securities Exchange Act of 1934, Company trustees and Section 16 officers face strict liability for effecting non-exempt purchases and sales (or sales and purchases) in the Company's securities within a six-month period that result in a "short swing profit" (whether this profit is actual or imputed). The statute compels the trustee or Section 16 officer to disgorge all profits (as calculated pursuant to Section 16) gained in the transactions. The proceeds of the disgorgement are remitted to the Company's treasury. If the Company does not bring an action to recover these profits, any stockholder acting on the Company's behalf may do so. These stockholder lawsuits are not infrequent because the various reports that must be filed pursuant to Section 16 are publicly available. There are many law firms that actively monitor filings and file lawsuits if they identify violations.)

Publicly-Traded Options. A transaction in options is, in effect, a bet on the short-term movement of the Company's stock and therefore creates the appearance that trading is based on inside information. Transactions in options also may focus the investor's attention on short-term performance at the expense of the Company's long-term objectives. Accordingly, you may not engage in transactions in puts, calls or other derivative securities, on an exchange or in any other organized market.

Standing Orders. Standing orders should be used only for a very brief period of time. A standing order placed with a broker to sell or purchase stock at a specified price leaves you with no control over the timing of the transaction. A standing order transaction executed by the broker when you are aware of Material Nonpublic Information may result in unlawful insider trading.

Margin Accounts and Pledges. Securities held in a margin account or pledged as collateral for a loan may be sold without your consent by the broker if you fail to meet a margin call or by the lender in foreclosure if you default on the loan. A margin or foreclosure sale that occurs when you are aware of Material Nonpublic Information may, under some circumstances, result in unlawful insider trading. Because of this danger, you should exercise caution in holding Company securities in a margin account or pledging Company securities as collateral for a loan. In addition, the Company's Policy Regarding Hedging and Pledging of Securities, as may be amended, restated or replaced ("Hedging/Pledging Policy") prohibits the Company's trustees, executive officers, executive vice presidents and senior vice presidents from pledging the Company's securities as collateral for a loan, including through the use of traditional margin accounts with a broker.

Hedging Transactions. Certain forms of hedging or monetization transactions, such as zero-cost collars and forward sale contracts, allow a person to lock in much of the stock holdings' value, often in exchange for all or part of the potential for upside appreciation in the stock. These transactions allow a person to continue to own the Company's securities, but without the full risks and rewards of ownership. When that occurs, the individual may no longer have the same objectives as the Company's other shareholders. Therefore, the Company strongly discourages you from engaging in such transactions. If you wish to do so, you must first pre-clear the proposed transaction with the Company's Legal Department. In addition, the Company's Hedging/Pledging Policy prohibits the Company's trustees, executive officers, executive vice presidents and senior vice presidents from engaging in hedging or monetization transactions in the Company's securities.

Post-Termination Transactions

If you are no longer employed by, or affiliated with, the Company, but you have Material Nonpublic Information regarding the Company, you must continue to comply with this Insider Trading Policy and you may not trade in Company securities until the Material Nonpublic Information in your possession has become public or is no longer material.

Confidentiality

Unauthorized disclosure of Material Nonpublic Information or other information regarding the Company could create serious problems for the Company, whether or not the information was disclosed for the purpose of conducting improper transactions in the Company's securities. You should treat all information you learn about the Company or its business plans in connection with your employment as confidential and proprietary to the Company. You should not discuss Company information with anyone outside the Company, including through the use of e-mail or the Internet (including on-line bulletin boards and chat rooms).

Centerspace
Insider Trading Policy
Addendum

This Addendum to the Centerspace Insider Trading Policy applies to the following persons (who are collectively referred to as "Insiders"):

- All members of the Board of Trustees
- Section 16 Executive Officers (those officers who have been notified that they are subject to the provisions of Section 16 of the Securities Exchange Act of 1934, as amended ("Section 16 officers"); current Section 16 officers are listed on Exhibit A to this Addendum, and
- Certain employees of the Company who have access to financial and operational data about the Company or other Material Nonpublic Information about the Company and who have been separately notified that these provisions apply to them ("Designated Employees"); the names and/or positions of these Designated Employees subject to this Addendum are listed on Exhibit A to this Addendum. The Company may from time to time designate other individuals/positions subject to this Addendum and will amend Exhibit A as necessary. You will be notified if there is any change in your status.

This Addendum sets forth requirements and restrictions specifically applicable to Insiders, due to their increased access to Material Nonpublic Information. This Addendum is in addition to and supplements the Company's Insider Trading Policy, which is also applicable to all Insiders, and any reference to compliance with the Policy shall include this Addendum for purposes of Insiders. Please read this Addendum carefully.

Blackout Periods

Quarterly Blackout Periods. The Company's announcement of its quarterly financial results has the potential to have a material effect on the market for the Company's securities. Therefore, to avoid even the appearance of trading on the basis of Material Nonpublic Information, Insiders may not trade in the Company's securities during a quarterly blackout period, which **beginsat the close of business on the last day of a calendar quarter and ends after the second full business/trading day following the date the Company files its Form 10-Q or 10-K, as applicable, for that calendar quarter**.

Event-Specific and Regulatory Blackout Periods. In addition, from time to time, the Company may institute a blackout period when there is a pending transaction that would be considered Material Nonpublic Information regarding the Company (such as entry into merger or asset purchase agreements, results of certain negotiations or lawsuits, or interim earnings guidance) or for a regulatory reason (such as SEC regulations prohibiting certain sales and other transfers by Insiders during certain pension plan blackout periods). During an event-specific or regulatory blackout period, Insiders will be prohibited from trading in the Company's securities.

The existence of an event-specific blackout period will not be announced, other than to those individuals who are aware of the Material Nonpublic Information which requires the blackout.

If, however, an Insider requests permission to trade in the Company's securities during an event-specific blackout, the Company's Legal Department will inform the requesting person of the existence of a blackout period, without disclosing the reason for the blackout. Any person made aware of the existence of an event-specific blackout should not disclose the existence of the blackout to any other person. The failure of the Company to designate a person as being subject to an event-specific blackout will not relieve that person of the obligation not to trade while aware of Material Nonpublic Information. **Even if a blackout period is not in effect, at no time may an Insider trade in Company securities if the Insider is aware of Material Nonpublic Information about the Company.**

Trading restrictions under quarterly blackout periods and event-specific and regulatory blackout periods do not apply to transactions made under an approved Rule 10b5-1 trading plan, although Rule 10b5-1 trading plans may not be adopted during a quarterly blackout period or an event-specific or regulatory blackout period.

Pre-Clearance of Trades and Annual Certification

Trading in the Company's securities outside of a blackout period should not be considered a "safe harbor" and all Insiders should use good judgment at all times.

Pre-Clearance of Trades. Insiders and their Related Persons may not engage in any transaction involving the Company's securities (including a gift, loan, pledge or hedge, contribution to a trust, conversion of limited partnership units of Centerspace to common shares, or any other transfer) without first obtaining pre-clearance of the transaction from the Company's Legal Department. A request for pre-clearance should be submitted at least one business day in advance of the proposed transaction. Pre-clearance of a transaction is valid only for a 48-hour period. If the transaction order is not placed within that 48-hour period, pre-clearance of the transaction must be re-requested. The Company's Legal Department is under no obligation to approve a trade submitted for pre-clearance, and may determine not to permit the trade. No member of the Legal Department may trade in Company securities unless the CEO has pre-approved the trade in accordance with these procedures.

Annual Certification. To help ensure compliance with the Insider Trading Policy, including the Addendum, all Insiders are required to execute and deliver an annual statement certifying their understanding of and intent to comply with the Insider Trading Policy, including this Addendum.

Exhibit 21.1

SUBSIDIARIES OF CENTERSPACE

Name of Subsidiary	**State of Incorporation or Organization**
Centerspace, Inc.	North Dakota
Centerspace, LP, a North Dakota Limited Partnership	North Dakota
CSR - Bayberry Place, LLC	Minnesota
CSR - Elements, LLC	Minnesota
CSR - Grove Ridge, LLC	Minnesota
CSR - Lake Vista, LLC	Delaware
CSR - Lydian, LLC	Minnesota
CSR - Lyra, LLC	Minnesota
CSR - Lyra Holding, LLC	Minnesota
CSR - Martin Blu, LLC	Minnesota
CSR - Monticello Crossings, LLC	Minnesota
CSR - New Hope Hillsboro, LLC	Minnesota
CSR - New Hope Village, LLC	Minnesota
CSR - Oxbo, LLC	Minnesota
CSR - Palisades, LLC	Minnesota
CSR - Parkhouse, LLC	Minnesota
CSR - Plymouth Pointe, LLC	Minnesota
CSR - River Pointe, LLC	Minnesota
CSR - SME, LLC	Minnesota
CSR - Southdale Parc, LLC	Minnesota
CSR - The Calhoun, LLC	Minnesota
CSR - Wingate Realty, LLC	Minnesota
CSR - Woodhaven Group, LLC	Minnesota
CSR - Woodland Pointe, LLC	Minnesota
CSR - Zest, LLC	Minnesota
IRET-71 France, LLC	North Dakota
IRET - Canyon Lake, LLC	North Dakota
IRET - Cardinal Point, LLC	North Dakota
IRET-Cypress Court Apartments, LLC	North Dakota
IRET - Grandeville, LLC	North Dakota
IRET - Ironwood, LLC	Minnesota
IRET-QR, LLC	Delaware
IRET-Quarry Ridge, LLC	Delaware
IRET-RED 20, LLC	North Dakota
IRET - SH1, LLC	North Dakota
IRET - South Fork Apartments, LLC	North Dakota
IRET - West Stonehill Apartments, LLC	North Dakota
IRET - Whispering Ridge Apartments, LLC	Delaware

Exhibit 23.1

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We have issued our reports dated February 20, 2024 February 18, 2025, with respect to the consolidated financial statements and internal control over financial reporting included in the Annual Report of Centerspace on Form 10-K for the year ended December 31, 2023 December 31, 2024. We consent to the incorporation by reference of said reports in the Registration Statements of Centerspace on Forms S-8 (File Nos. 333-206947 and 333-173393) No. 333-206947) and on Forms S-3 (File Nos. 333-274317, 333-248572, 333-220378, 333-212204, 333-212203, 333-191539, 333-189637, 333-189554, 333-187620, 333-182165, 333-177143, 333-173568, 333-169710, 333-169205, 333-166162, 333-163267, 333-160948, 333-158001, 333-153714, 333-149081, 333-148529, 333-145714, 333-141341, 333-137699, 333-131894, 333-128745, 333-122289, 333-119547, 333-117121, 333-115082, 333-114162, 333-112272, 333-110003, 333-109387, 333-106748, 333-104267, 333-102610, 333-101782, 333-100272, 333-98575, 333-91788, 333-85352, 333-76266, 333-57676, 333-89761, and 333-67317).

/s/ GRANT THORNTON LLP

Minneapolis, Minnesota
February 20, 2024 18, 2025

Exhibit 31.1

Certification

I, Anne Olson, certify that:

1. I have reviewed this Annual Report on Form 10-K of Centerspace;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
   (c) evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
   (d) disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and
5. The registrant’s other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of registrant’s board of directors (or persons performing the equivalent function):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information;
   (b) and any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

Date: February 20, 2024 18, 2025

By: /s/ Anne Olson
Anne Olson, President & CEO Chief Executive Officer

Exhibit 31.2

Certification

I, Bhairav Patel, certify that:

1. I have reviewed this Annual Report on Form 10-K of Centerspace;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
   (a) designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   (b) designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   (c) evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   (d) disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of registrant's board of directors (or persons performing the equivalent function):
   (a) all significant deficiencies and material weaknesses in the design or operation of internal controls over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

   (b) any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date:	February 20, 2024 18, 2025
By:	/s/ Bhairav Patel
	Bhairav Patel, Executive Vice President & Chief Financial Officer

Exhibit 32.1

Certification

The following certification is furnished as provided by Rule 13a-14(b) promulgated under the Securities Act of 1934 and Item 601(b)(32)(ii) of Regulation S-K.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Centerspace (the “Company”) on Form 10-K for the year ended December 31, 2023 December 31, 2024, as filed with the Securities and Exchange Commission on February 20, 2024 February 18, 2025 (the “Report”), I, Anne Olson, President and Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Anne Olson

Anne Olson
President and Chief Executive Officer
February 20, 2024 18, 2025

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 32.2

Certification

The following certification is furnished as provided by Rule 13a-14(b) promulgated under the Securities Act of 1934 and Item 601(b)(32)(ii) of Regulation S-K.

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report of Centerspace (the “Company”) on Form 10-K for the year ended December 31, 2023 December 31, 2024, as filed with the Securities and Exchange Commission on February 20, 2024 February 18, 2025 (the “Report”), I, Bhairav Patel, Executive Vice President and Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to the best of my knowledge:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

/s/ Bhairav Patel

Bhairav Patel
Executive Vice President and Chief Financial Officer
February 20, 2024 18, 2025

A signed original of this written statement required by Section 906 has been provided to the Company and will be retained by the Company and furnished to the Securities and Exchange Commission or its staff upon request.

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CLAWBACK POLICY

(Effective October 2, 2023)

1. Introduction and Purpose

1.1 Introduction. This document sets forth the Centerspace Clawback Policy, effective October 2, 2023.

1.2 Purpose. The Company has established this Policy to provide for the recovery of Erroneously Awarded Compensation from Section 16 Officers. This Policy is designed to comply with Applicable Rules and Regulations.

1.3 Definitions. All capitalized terms not defined herein shall have the meanings set forth in Section 3.5 of this Policy.

2. Mandatory Recovery of Compensation

2.1 Recovery.In the event of an Accounting Restatement, the Company will reasonably promptly recover the Erroneously Awarded Compensation in accordance with Applicable Rules and Regulations. For the avoidance of doubt, recovery of Erroneously Awarded Compensation is on a “no fault” basis, meaning that it will occur regardless of whether the Section 16 Officer engaged in misconduct or was otherwise directly or indirectly responsible, in whole or in part, for the Accounting Restatement.

2.2 Notice and Demand. Upon the occurrence of an Accounting Restatement, the Committee shall determine the amount of any Erroneously Awarded Compensation and shall promptly deliver a written notice to each Section 16 Officer containing the amount of any Erroneously Awarded Compensation and a demand for repayment or return of such compensation, as applicable.

2.3 Determination of Amount. To determine the amount of any Erroneously Awarded Compensation for Incentive-based Compensation that is based on a Financial Reporting Measure other than stock price or TSR, after an Accounting Restatement, the Committee shall (a) recalculate the applicable Financial Reporting Measure and the amount of Incentive-based Compensation that would have been Received based on such Financial Reporting Measure; and (b) determine whether the Section 16 Officers Received a greater amount of Incentive-based Compensation than would have been Received applying the recalculated Financial Reporting Measure, based on: (i) the originally calculated Financial Reporting Measure, and (ii) taking into consideration any discretion that the Committee applied to reduce the amount originally received. To determine the amount of any Erroneously Awarded Compensation for Incentive-based Compensation that is based on stock price or TSR, where the amount of Erroneously Awarded Compensation is not subject to mathematical recalculation directly from the information in the applicable Accounting Restatement: (y) the amount to be repaid or returned shall be determined by the Committee based on a reasonable estimate of the effect of the Accounting Restatement on the Company’s stock price or TSR upon which the Incentive-based Compensation was Received, and (z) the Company shall maintain

documentation of the determination of such reasonable estimate and provide the relevant documentation as required to NYSE.

2.4 Method of Recovery. The Committee shall have discretion to determine the appropriate means of recouping Erroneously Awarded Compensation hereunder based on the particular facts and circumstances, which may include, without limitation: (a) requiring repayment of cash Incentive-based Compensation; (b) seeking recovery of any gain realized on the vesting, exercise, settlement, sale, transfer, or other disposition of any equity-based awards; (c) offsetting the recouped amount from any compensation otherwise owed; (d) reducing future compensation; (e) canceling outstanding vested or unvested equity awards; and/or (f) taking any other remedial and recovery action permitted by law, as determined by the Committee, in its sole discretion. Notwithstanding the foregoing, except as set forth in Section 2.6 below, in no event may the Committee accept an amount that is less than the amount of Erroneously Awarded Compensation in satisfaction of a Section 16 Officer’s obligations hereunder.

2.5 Failure to Repay. To the extent that a Section 16 Officer fails to repay all Erroneously Awarded Compensation to the Company when due, the Committee shall take all actions reasonable and appropriate to recover such Erroneously Awarded Compensation from the applicable Section 16 Officer. The applicable Section 16 Officer shall be required to reimburse the Company for any and all expenses reasonably incurred (including legal fees) by the Company in recovering such Erroneously Awarded Compensation in accordance with the immediately preceding sentence.

2.6 Exceptions. Notwithstanding anything herein to the contrary, the Company shall not be required to take the actions contemplated by Section 2.1 above if the Committee determines that recovery would be impracticable and either of the following two conditions is met: (a) the Committee has determined that the direct expenses, such as reasonable legal expenses and consulting fees, paid to a third party to assist in enforcing the Policy would exceed the amount to be recovered (and the Company has made a reasonable attempt to recover the Erroneously Awarded Compensation, documented such attempt(s) to recover, and provided such documentation to NYSE); or (b) recovery would likely cause an otherwise tax-qualified retirement plan, under which benefits are broadly available to employees of the Company, to fail to meet the requirements of Section 401(a)(13) or Section 411(a) of the Code.

2.7 Mandatory Disclosure. The Company shall file this Policy and, in the event of an Accounting Restatement, will disclose information related to such Accounting Restatement in accordance with applicable law, including, for the avoidance of doubt, Applicable Rules and Regulations.

2.8 Insurance and Indemnification. The Company shall not be permitted to insure or indemnify any Section 16 Officer against (a) the loss of any Erroneously Awarded Compensation that is repaid, returned, or recovered pursuant to the terms of this Policy, or (b) any claims relating to the Company's enforcement of its rights under this Policy. While Section 16 Officers subject to this Policy may purchase insurance to cover their potential recovery obligations, the Company shall not be permitted to pay or reimburse the Section 16 Officer for premiums for such an insurance policy. Further, the Company shall not enter into any agreement that exempts any Incentive-based Compensation that is granted, paid, or awarded to a Section 16

Officer from the application of this Policy or that waives the Company's right to recovery of any Erroneously Awarded Compensation, and this Policy shall supersede any such agreement (whether entered into before, on, or after the Effective Date of this Policy). Other than as expressly set forth herein, this Policy does not limit the Company's ability to indemnify Section 16 Officers.

2.9 Other Recoupment Rights. This Policy shall be binding and enforceable against all Section 16 Officers and, to the extent required by the Applicable Rules and Regulations, applicable law or guidance from the SEC or NYSE, their beneficiaries, heirs, executors, administrators, or other legal representatives. The Committee intends that Section 2.1 above will be applied to the fullest extent required by applicable law. Any employment agreement, equity award agreement, compensatory plan, or any other agreement or arrangement with a Section 16 Officer shall be deemed to include, as a condition to the grant of any benefit thereunder, an agreement by the Section 16 Officer to abide by the terms of this Policy. Any right of recovery under this Policy is in addition to, and not in lieu of, any other remedies or rights of recovery that may be available to the Company under applicable law, regulation, or rule pursuant to the terms of any other policy of the Company or any provision in any employment agreement, equity award agreement, compensatory plan, agreement, or other arrangement.

3. Miscellaneous and Definitions

3.1 Administration and Interpretation. This Policy shall be administered by the Committee or by the independent members of the Board acting as the Committee, which shall have authority to (a) exercise all of the powers granted to it under the Policy, (b) construe, interpret, and implement this Policy, (c) make all determinations necessary or advisable in administering this Policy and for the Company's compliance with Applicable Rules and Regulations, and any other applicable law, regulation, rule, or interpretation of the SEC or NYSE Rules promulgated or issued in connection therewith, and (d) amend this Policy, including to reflect changes in applicable law or stock exchange regulation. Any determinations made by the Committee shall be final and binding on all affected individuals.

3.2 Amendment; Termination. The Committee may amend this Policy from time to time in its discretion and shall amend this Policy as it deems necessary. Notwithstanding anything in this Section 3.2 to the contrary, no amendment or termination of this Policy shall be effective if such amendment or termination would (after taking into account any actions taken by the Company contemporaneously with such amendment or termination) cause the Company to violate any federal securities laws or Applicable Rules and Regulations.

3.3 Employment and Sarbanes Clawbacks. Nothing in this Policy will limit in any respect (a) the Company's right to take or not to take any action with respect to any Section 16 Officer's employment or (b) the obligation of the Chief Executive Officer or the Chief Financial Officer to reimburse the Company in accordance with Section 304 of the Sarbanes-Oxley Act of 2002, as amended.

3.4 No Duplication. To the extent that the Section 16 Officer has already reimbursed the Company for any Erroneously Awarded Compensation under any duplicative recovery obligations established by the Company or applicable law, it shall be appropriate for any such reimbursed amount to be credited to the amount of Erroneously Awarded Compensation that is subject to recovery under this Policy.

3.5 Definitions. For purposes of this Policy, the following terms shall have the following meanings:

(a) "Accounting Restatement" means an accounting restatement due to the material noncompliance of the Company with any financial reporting requirement under the securities laws, including any required accounting restatement to correct an error in previously issued financial statements that is material to the previously issued financial statements (a "Big R" restatement), or that corrects an error that is not material to previously issued financial statements but would result in a material misstatement if the error were corrected in the current period or left uncorrected in the current period (a "little r" restatement).

(b) "Applicable Rules and Regulations" means NYSE Rules, Section 10D and Rule 10D-1.

(c) "Board" means the Board of Trustees of the Company.

(d) "Clawback Eligible Incentive Compensation" means all Incentive-based Compensation Received by a Section 16 Officer (i) on or after the Effective Date, (ii) after beginning service as a Section 16 Officer, (iii) who served as a Section 16 Officer at any time during the applicable performance period relating to any Incentive-based Compensation (whether or not such Section 16 Officer is serving at the time any Erroneously Awarded Compensation is required to be repaid to the Company), (iv) while the Company has a class of securities listed on a national securities exchange or a national securities association, and (v) during the applicable Clawback Period.

(e) "Clawback Period" means, with respect to any Accounting Restatement, the three completed fiscal years of the Company immediately preceding the Restatement Date and if the Company changes its fiscal year, any transition period of less than nine months within or immediately following those three completed fiscal years.

(f) "Code" means the Internal Revenue Code of 1986, as amended, and regulations thereunder.

(g) "Committee" means the Compensation Committee of the Board, which is required to be composed entirely of independent directors.

(h) "Company" means Centerspace.

(i) "Effective Date" means October 2, 2023.

(j) "Erroneously Awarded Compensation" means, with respect to each Section 16 Officer in connection with an Accounting Restatement, the amount of Clawback Eligible Incentive Compensation that exceeds the amount of Incentive-based Compensation that would have been Received had it been determined based on the

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restated amounts in the Accounting Restatement, computed without regard to any taxes paid.

(k) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(l) "Financial Reporting Measure" means a measure that is determined and presented in accordance with the accounting principles used in preparing the Company's financial statements, and any other measure that is derived wholly or in part from such a measure. Stock price and TSR (and any measure that is derived wholly or in part from stock price or TSR) shall, for purposes of this Policy, be considered a Financial Reporting Measure. For the avoidance of doubt, a Financial Reporting Measure need not be presented in the Company's financial statements or included in a filing with the SEC.

(m) "Incentive-based Compensation" means any compensation that is granted, earned, or vested based wholly or in part upon the attainment of a Financial Reporting Measure. For the avoidance of doubt, equity awards that vest exclusively upon completion of a specified employment period, without any performance condition, and bonus awards that are discretionary or based on subjective goals or goals unrelated to Financial Reporting Measures, do not constitute Incentive-based Compensation.

(n) “NYSE” means The New York Stock Exchange.

(o) “NYSE Rules” means rules of NYSE.

(p) “Policy” means the Centerspace Clawback Policy.

(q) “Received” means, with respect to any Incentive-based Compensation, actual or deemed receipt, and Incentive-based Compensation shall be deemed received in the Company’s fiscal period during which the Financial Reporting Measure specified in the Incentive-based Compensation award is attained even if the payment or grant of the Incentive-based Compensation to the Section 16 Officer occurs after the end of that period. For the avoidance of doubt, Incentive-based Compensation shall only be treated as Received during one (and only one) fiscal year, even if such Incentive-based Compensation is deemed received in one fiscal year and actually received in a later fiscal year. For example, if an amount is deemed received in fiscal 2024, but actually received in fiscal 2025, such amount shall be treated as Received under this definition only in fiscal 2024.

(r) “Restatement Date” means the earlier to occur of (i) the date the Board, a committee of the Board, or officers of the Company authorized to take action if Board action is not required, concludes, or reasonably should have concluded, that the Company is required to prepare an Accounting Restatement, or (ii) the date a court, regulator, or other legally authorized body directs the Company to prepare an Accounting Restatement.

(s) “Rule 10D-1” means Rule 10D-1 promulgated under the Exchange Act.

(t) “SEC” means the U.S. Securities and Exchange Commission.

(u) “Section 10D” means Section 10D of the Exchange Act.

(v) “Section 16 Officer” means each individual who is currently or was previously designated as an “executive officer” of the Company, within the meaning of Rule 16a-1 of the Exchange Act, or any other senior executive designated by the Board or the Committee or otherwise required under Rule 10D-1.

(w) “TSR” means total shareholder return.

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