centerspace

Investor Presentation

August 2021

SAFE HARBOR STATEMENT AND LEGAL DISCLOSURE

Certain statements in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such statements involve known and unknown risks, uncertainties, and other factors that may cause actual results to differ materially from expected results. These statements may be identified by our use of words such as “expects,” “plans,” “estimates,” “anticipates,” “projects,” “intends,” “believes,” and similar expressions that do not relate to historical matters. Such risks, uncertainties, and other factors include, but are not limited to, changes in general and local economic and real estate market conditions, rental conditions in our markets, fluctuations in interest rates, the effect of government regulations, the availability and cost of capital and other financing risks, risks associated with our value-add and redevelopment opportunities, the failure of our property acquisitions and disposition activities to achieve expected results, competition in our markets, our ability to attract and retain skilled personnel, our ability to maintain our tax status as a real estate investment trust (REIT), and those risks and uncertainties detailed from time to time in our filings with the Securities and Exchange Commission, including the “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and “Risk Factors” contained in our Form 10-K for the period ended December 31, 2020. We assume no obligation to update or supplement forward-looking statements that become untrue due to subsequent events.

IRET IS NOW CENTERSPACE

Building on a Strong Foundation

Strong Operating Results Driven by Consistent Occupancy and Accelerating Rent Growth

- Same-store lease over lease growth remained strong at **12.7%** in July, up from 10.0% in Q2 2021
- Same-store renewal lease growth accelerated to **6.5%** in July up from 5.6% in Q2 2021
- Same-store occupancy remains strong at **94.1%** in July, compared to 94.9% in Q2 2021

Acquisition and Disposition Activity Continues

- Announcement of 2,696 home acquisition in Minneapolis and St. Cloud, with a target close in the third quarter for a purchase price of $323.8 million financed with issuance of convertible preferred units and assumption of in-place debt
- Recent disposition of 596 homes in Rochester, Minnesota for a sale price of $60.0M
- January 2021 acquisition of Union Pointe for an aggregate purchase price of $76.9M enhanced scale in Denver to 1,713 homes in 5 communities

Operating Initiatives Progress to Enhance Customer Experience and Margin Enhancement

- Technology implementation underway to further operating efficiencies across the portfolio
- Value add opportunities include unit and common area renovations as well as adding amenities such as clubhouses, fitness centers, dog parks, package locker solutions, etc.
- Since April 2018, same-store gross margin has increased from 68.1% to 74.9%

Better Every Days

A lot has changed since our business began, and our new name is a reflection of who we have become.

The rebrand of the company reflects our mission to provide great homes for our residents, our teams, and our investors. It is about coming together for the benefit of everyone – something in which each and every member of our team believes.

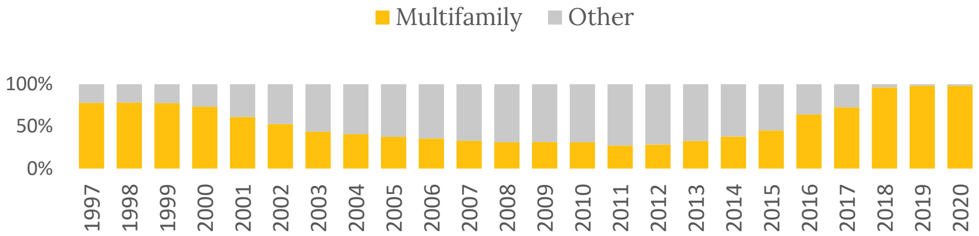
COMPANY SNAPSHOT

Focused on Growth in Multifamily

PORTFOLIO SUMMARY

- Founded in 1970, celebrating 50 Years
- Apartment owner/operator with 11,579 homes
- Publicly traded since 1997
- Portfolio transformation from diversified to focused multifamily from 2017-2019
- Total capitalization of $1.9 billion(1)
- Added to the S&P SmallCap 600 Index in 2020

Multifamily and Other % of Gross Real Estate Assets



(1) See page 16 for breakdown

Differentiated Markets: Strong Midwest markets led by Minneapolis and Denver

Nashville a new target market

Internal Growth Opportunity: Enhanced operating platform

Value-Add Opportunity: Deep value-add pipeline

Balance Sheet Flexibility: Strong balance sheet with sufficient liquidity to capitalize on future opportunities

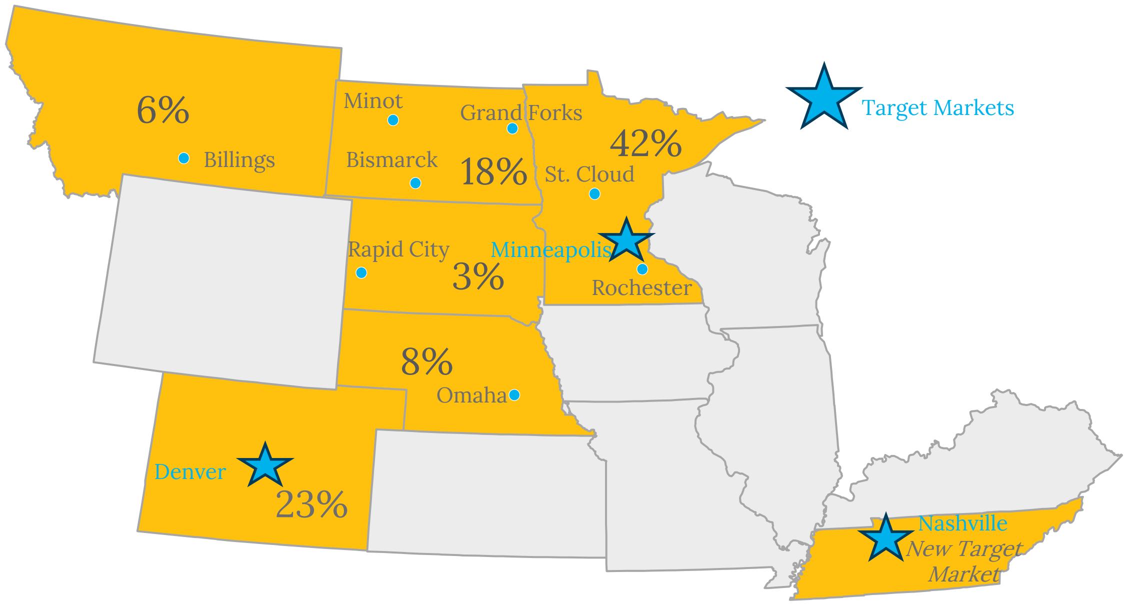
Experienced Leadership: High caliber management and board executing a sound strategic plan

PORTFOLIO OVERVIEW

Differentiated Portfolio-Strong Midwest Markets

Region	Homes	Avg. Rev per Occ. Home[1]
Denver, CO	1,713	$1,846
Minneapolis, MN	2,537	$1,600
North Dakota	2,422	$1,144
Omaha, NE	1,370	$1,029
Rochester, MN	1,122	$1,462
St. Cloud, MN	1,192	$1,089
Other Mountain West[2]	1,223	$1,099
Total / Average	11,579	$1,356

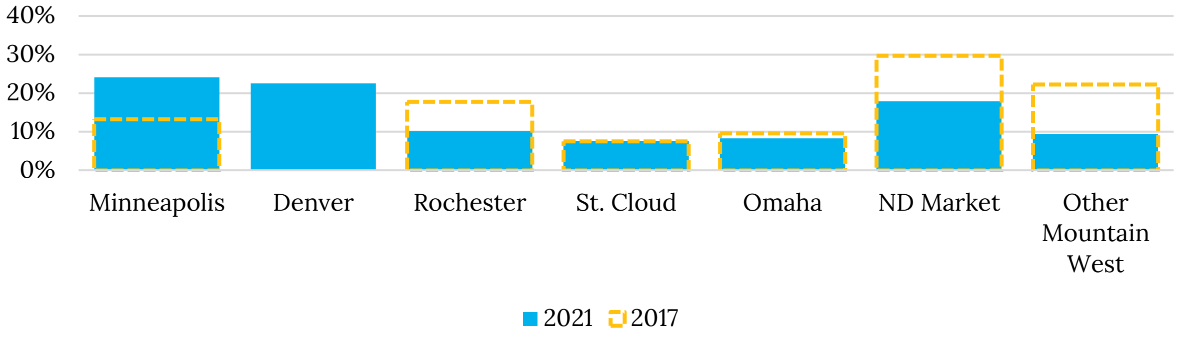
Percent of NOI by State



Multifamily Acquisitions and Dispositions Since 2017

- Acquired 10 new communities in our target markets for $810 million
- $353 million in dispositions including 35 communities as we reduce our exposure to older, lower margin properties with less growth

% of NOI by Market – June 2021 vs 2017



(1) *Average monthly revenue per occupied home is defined as total rental revenues divided by the financial occupancy of apartment homes for the period*

(2) *Includes Rapid City, SD and Billings, MT*

REVISED 2021 FINANCIAL OUTLOOK

Updated Outlook Based on Continued Improving Results

Outlook: May 3, 2021

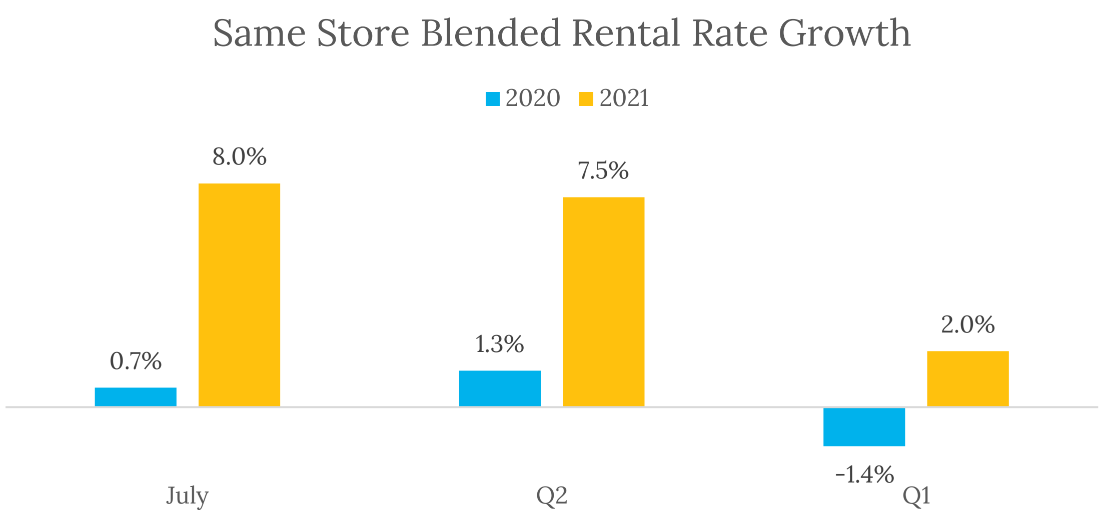
	Range for 2021			
	2020 Actual	Low	High	Mid-Point
Earnings per Share	$(0.15)	$0.10	$0.50	$0.30
Revenue	$167,807	0.0%	3.0%	1.5%
Total Expenses	$67,892	3.0%	5.0%	4.0%
NOI	$97,915	(1.5%)	1.5%	0.0%
FFO per Share	$3.47	$3.38	$3.62	$3.50
Core FFO per Share	$3.78	$3.48	$3.72	$3.60

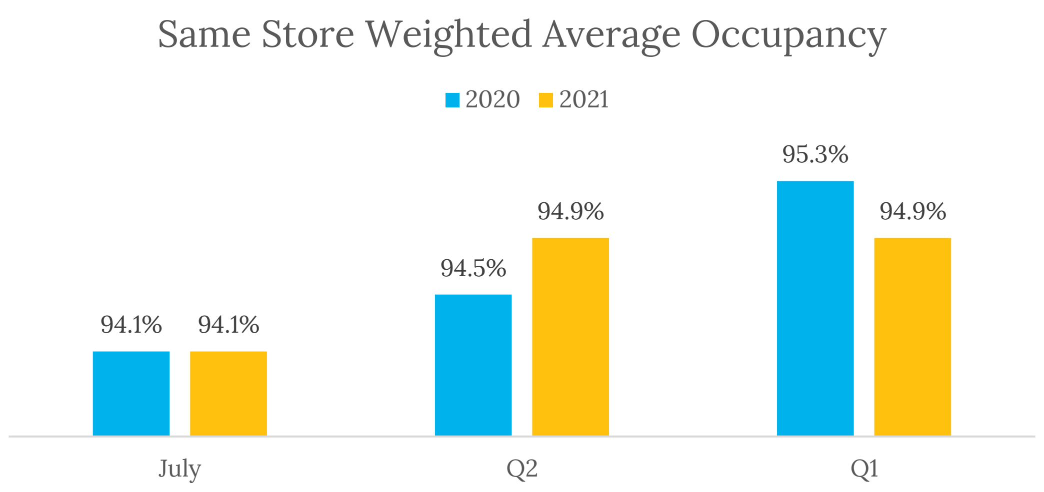
Outlook: August 2, 2021

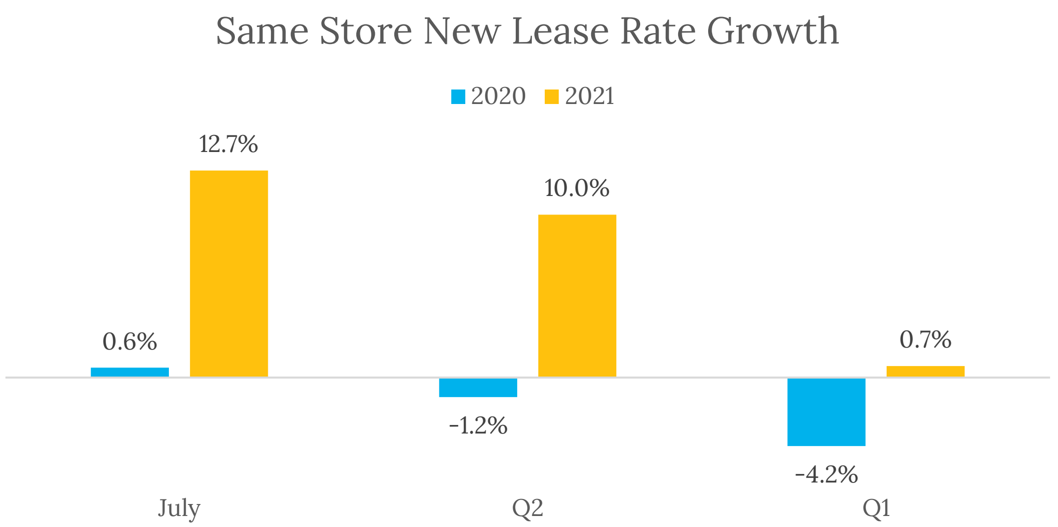
	Range for 2021		
	Low	High	Mid-Point
Earnings per Share	$0.58	$0.76	$0.67
Revenue	2.0%	3.5%	2.8%
Total Expenses	4.0%	6.0%	5.0%
NOI	0.5%	2.0%	1.3%
FFO per Share	$3.64	$3.83	$3.74
Core FFO per Share	$3.78	$3.94	$3.86

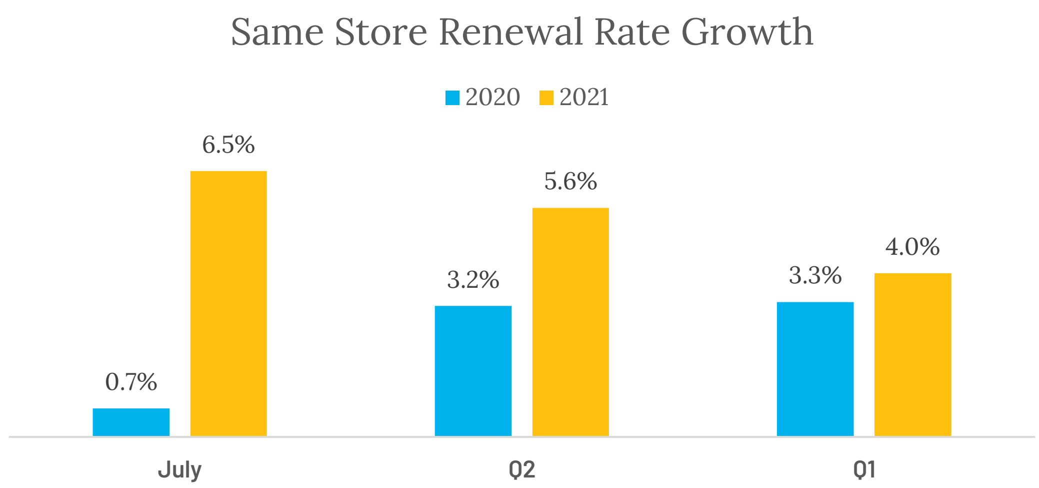
Additional 2021 Full-Year Assumptions

- No changes to additional 2021 full-year assumptions
- Increased mid-point of Earnings per Share by 123%
- Increased mid-point of Core FFO by 7.0%


Same Store Blended Rental Rate Growth
2020
2021
0.7%
8.0%
1.3%
7.5%
-1.4%
2.0%
July
Q2
Q1


Same Store Weighted Average Occupancy
2020
2021
94.1%
94.1%
94.5%
94.9%
95.3%
94.9%
July
Q2
Q1


Same Store New Lease Rate Growth
2020
2021
0.6%
12.7%
-1.2%
10.0%
-4.2%
0.7%
July
Q2
Q1


Same Store Renewal Rate Growth
2020
2021
0.7%
6.5%
3.2%
5.6%
3.3%
4.0%
July
Q2
Q1

KMS 2,696 HOME ACQUISITION

Portfolio Acquisition Overview

Description

- $323,800,000 purchase price ($120k/home)
- 2,696 homes, 97.5% occupied
- Strong submarket locations in Minneapolis and St. Cloud regions
- Growth opportunity through revenue optimization initiatives and future value-add implementations

Enterprise Highlights

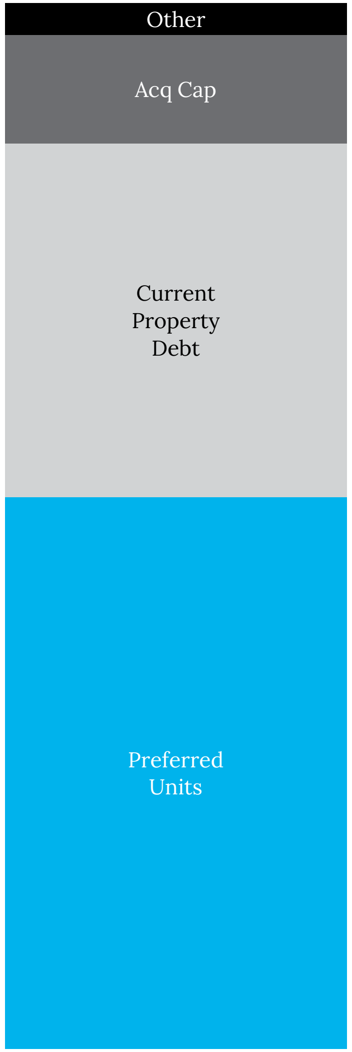
- Accretive equity issuance
- Deepens value add pipeline
- Increases % of NOI from target market
- Attractive rents relative to new supply for-sale housing in the Twin Cities
- Accretive to enterprise cash flow growth

Community Highlights

- KMS communities well located within their submarkets with proximity to jobs, retail and amenities
- Rent level attainable to large pool of renters
- Majority of communities in portfolio are low density with attractive garden style feel and select densification opportunities
- Strong historical occupancy

KMS PORTFOLIO PLAN

Acquisition Accretive to Earnings



Capital Spend

- Approximately $40.0 million of capital will be spent into repositioning the communities over the next 24-36 months

Current property debt may be assumed or refinanced

- $126,500,000 in-place debt today
- Acquisition in leverage neutral to current capital stack

Terms on Preferred Units are:

- 3.875% of par value per annum fixed dividend payment
- $83.00 per common operating partnership unit conversion price (conversion from convertible preferred units to common operating partnership units at Seller's election); 2.38M common share equivalents if converted
- CSR can convert, at its sole election, Seller's convertible preferred units into common operating partnership units if CSR's stock price had traded at $83.00/share or greater for 15 of 30 consecutive trading days, AND
- CSR's common dividend has been paid at a level for three consecutive quarters where Seller's as-converted common operating partnership units would earn the equivalent of at least 3.875% yield on Seller's convertible preferred units ($3.22 per share annual dividend threshold)

KMS ACQUSITION

Communities

Property	Market	Homes	Occupancy	Average In-Place Rent (1)
Palisades	Minneapolis	330	94.8%	$1,182
River Pointe	Minneapolis	301	98.7%	$1,061
Woodland Pointe	Minneapolis	288	98.6%	$1,211
Burgundy/Hillsboro Court	Minneapolis	251	99.6%	$1,034
Windsor Gates	Minneapolis	200	97.5%	$1,024
Woodhaven	Minneapolis	178	93.3%	$1,005
New Hope Garden/New Hope Village	Minneapolis	151	97.4%	$991
Wingate	Minneapolis	136	100.0%	$965
Bayberry Place	Minneapolis	120	99.2%	$1,056
Gatewood	St. Cloud	120	99.2%	$844
Legacy	St. Cloud	119	99.2%	$855
Calhoun	Minneapolis	97	92.8%	$1,261
Plymouth Pointe	Minneapolis	96	100.0%	$1,104
Pointe West	St. Cloud	93	98.9%	$877
Grove Ridge	Minneapolis	84	98.8%	$1.074
Southdale Parc	Minneapolis	70	91.4%	$942
West Calhoun	Minneapolis	62	90.3%	$1,055
Total		**2,696**	**97.5%**	**$1,055**

(1) *Per 7/15/21 rent rolls*

Calhoun, Minneapolis MN

Calhoun rooftop deck

River Pointe Aerial

Woodland Pointe, Woodbury MN

MARKET OVERVIEW

Minneapolis and St. Cloud B Properties Demonstrably Outperform Luxury Throughout the Cycle

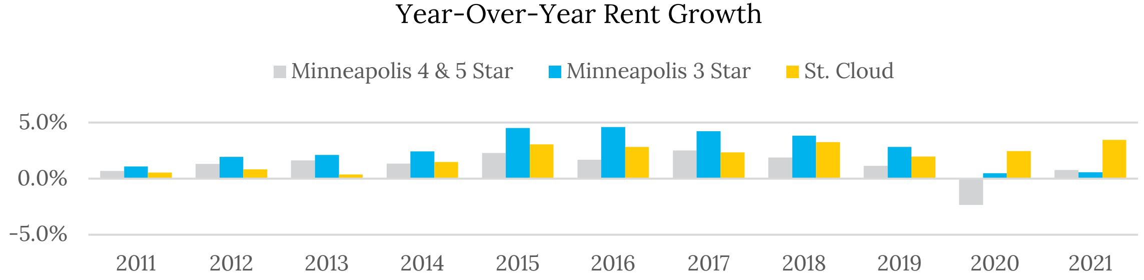
Minneapolis

- Minneapolis MSA boasts a diversified economy being home to 17 Fortune 500 companies including UnitedHealth Group, Target and Best Buy
- The Twin Cities was well-positioned heading into the pandemic with a tight vacancy rate, strong demand, and solid rent growth
- The urban core has struggled with social distancing, business and office closures, and social unrest
- With roughly 10,000 units under construction, vacancy in the market is expected to continue to climb in urban class A properties
- Asking rent in 3-star (class B) properties has consistently outperformed 4- & 5-star (class A) properties since 2011 – this has been even more pronounced in the current economic environment as new deliveries have been concentrated in the urban core

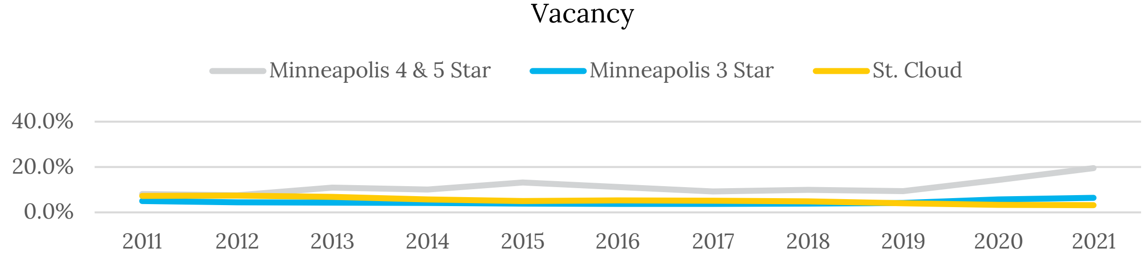
St. Cloud

- St. Cloud boasts a low vacancy rate of 2.6%
- 154 units under construction is only ~1% of inventory
- Tight vacancy and low new supply is likely to lead to strong near-term rent growth
- St. Cloud's economy has benefitted from higher employment concentrations in manufacturing and education and health services
- CSR St. Cloud communities achieved 4.1% rent growth on new leases and 6.0% rent growth on renewals in Q1 2021

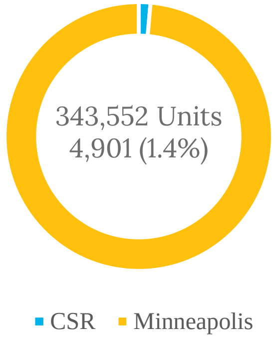
St. Cloud market and Minneapolis class B properties have consistently outperformed Minneapolis class A properties

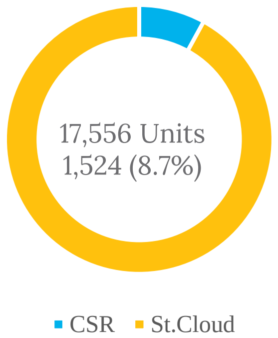


Source: CoStar



Source: CoStar

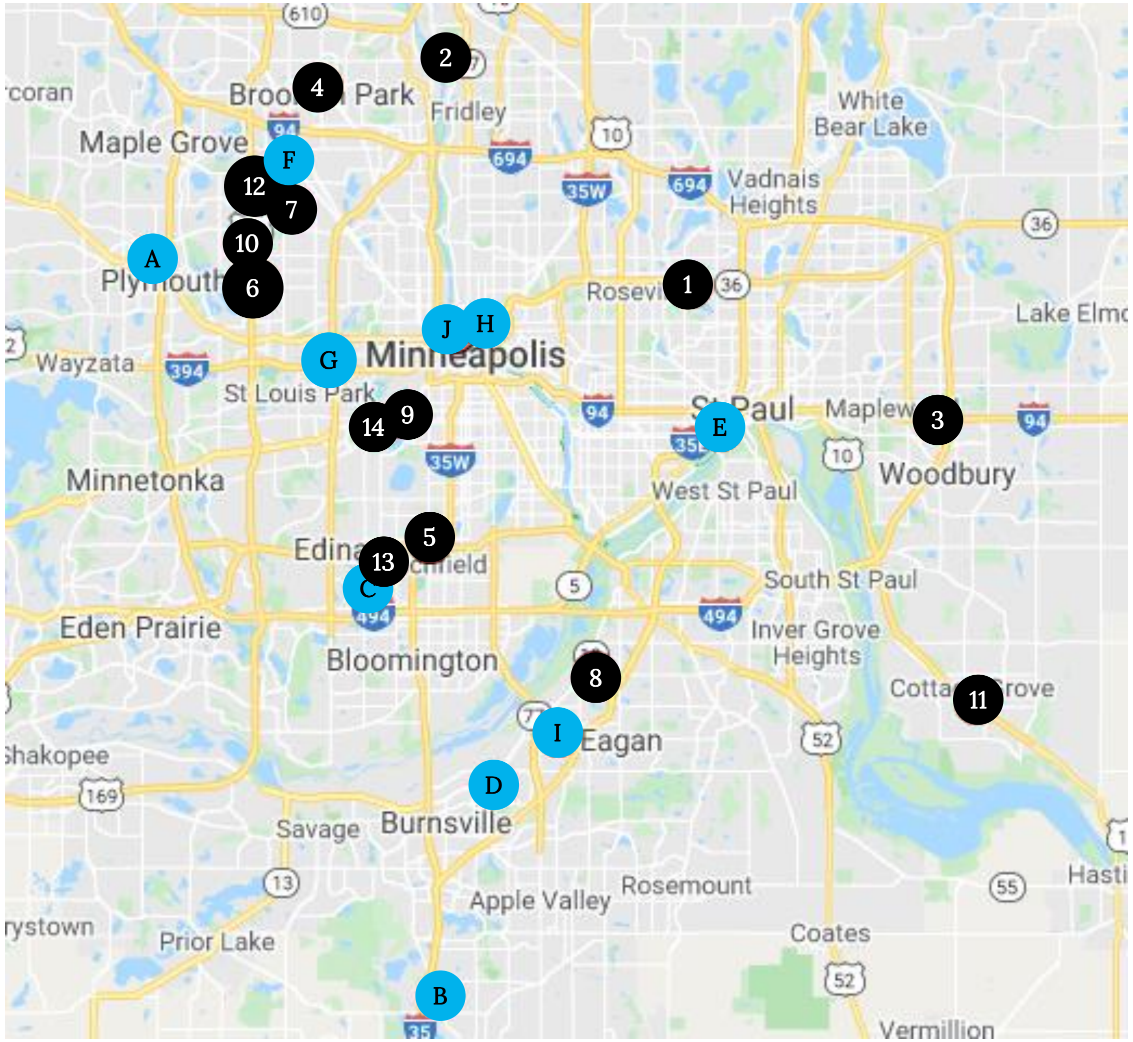




Source: US Census Bureau ACS

KMS PORTFOLIO ADDS KEY SUBMARKET EXPOSURE IN TWIN CITIES

Minneapolis Map

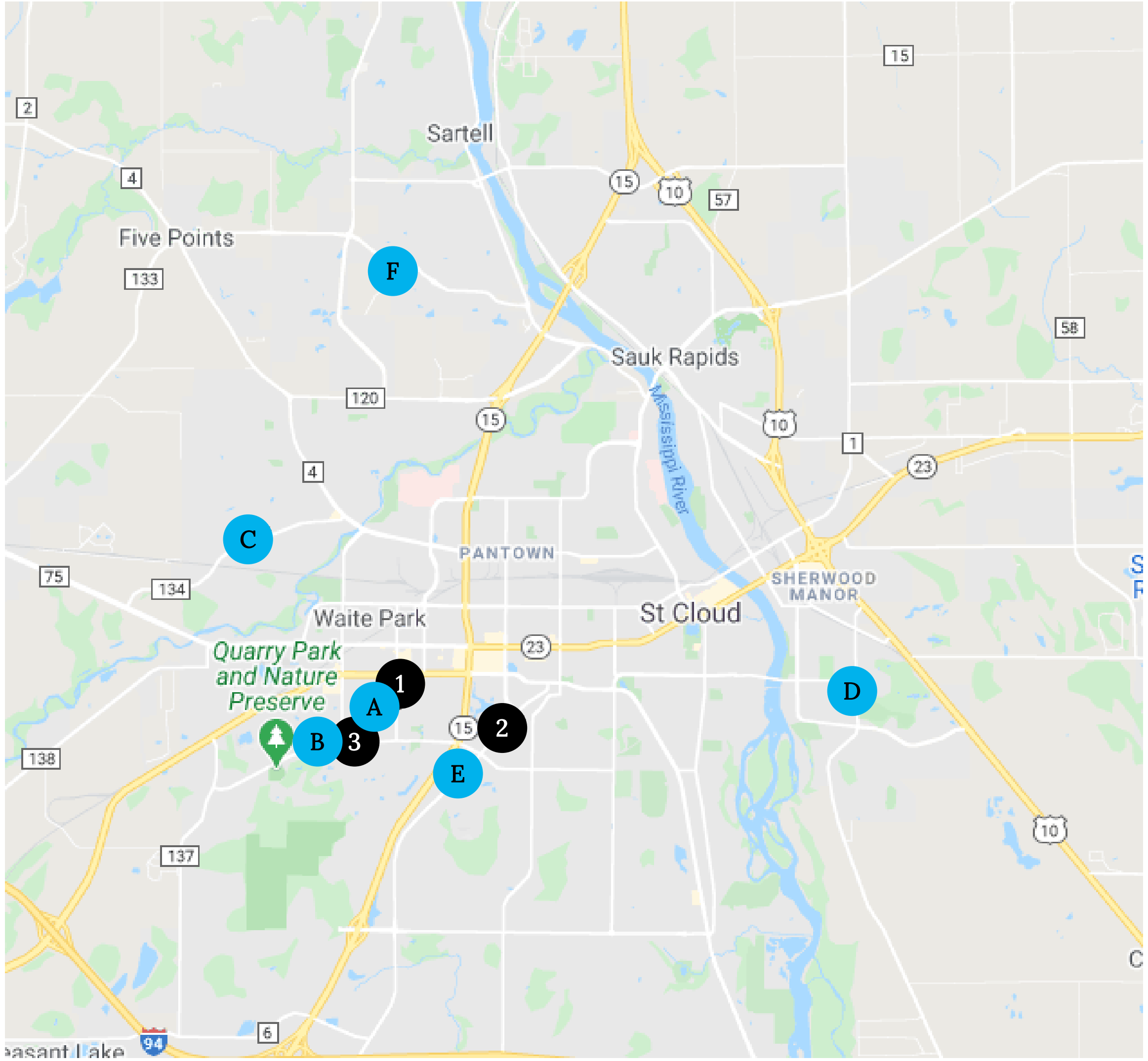


Not pictured CSR communities located outside map boundary: Evergreen and Rum River (Isanti), and Monticello Crossings and Monticello Village (Monticello)

	Name	Address	City	Built	Units
1	Palisades	560 W Sandhurst Dr	Roseville	1970	330
2	River Pointe	7855 E River Rd	Fridley	1971	301
3	Woodland Pointe	6850 Ashwood Rd	Woodbury	1974	288
4	Windsor Gates	7821 Zane Ave N	Brooklyn Park	1970	200
5	Woodhaven	6045 Lyndale Ave S	Minneapolis	1974	178
6	Burgundy/Hillsboro Court	2911 Hillsboro Ave N	New Hope	1968	251
7	Wingate	7700 49th Ave N	New Hope	1967	136
8	Bayberry Place	3395 Yankee Doodle Ln	Eagan	1995	120
9	Calhoun	2893 Knox Ave S	Minneapolis	1959	97
10	Plymouth Pointe	9630 37th Pl N	Plymouth	1968	96
11	Grove Ridge	8120 E Point Douglas Rd S	Cottage Grove	1973	84
12	New Hope Garden/New Hope Village	5600 Zealand Ave N	New Hope	1969	151
13	Southdale Parc	2720 W 66th St	Richfield	1962	70
14	West Calhoun	3146 Calhoun Blvd W	Minneapolis	1951	62
	KMS Total				2,364
A	Park Place	14550 34th Ave N	Plymouth	1985	500
B	SouthFork	18001 Jubilee Way	Lakeville	1988	272
C	71 France	7161 France Ave S	Edina	2016	241
D	Colonial Villa	2003 121st St E	Burnsville	1970	239
E	Oxbo	202 7th St W	St. Paul	2017	191
F	Ironwood Apartments	8400 Bass Lake Rd	New Hope	2018	182
G	Arcata	901 Xenia Ave S	Golden Valley	2014	165
H	Red 20	20 6th St NE	Minneapolis	2014	130
I	Boulder Court	4182 Rahn Rd	Eagan	1970	115
J	FreightYard	50 N 4th Avenue	Minneapolis	1900	96
	CSR Total				2,131

KMS ST. CLOUD ADDS TO STRONG PERFORMING TEAM AND PORTFOLIO

St. Cloud Map



	Name	Address	City	Built	Units
1	Legacy	248 3rd St S	Waite Park	1983	119
2	Pointe West	3225 Maine Prairie Rd	Saint Cloud	1975	93
3	Gatewood	813 7th St S	Waite Park	1987	120
	KMS Total				332
A	Park Meadows	408 Park Meadows Dr	Waite Park	1982	360
B	West Stonehill	690 Prosper Dr	Waite Park	1989	313
C	Cypress Court	906 Cypress Rd	St. Cloud	2015	196
D	Regency Park Estates	1615 15th Ave SE	St. Cloud	1994	147
E	Grand Gateway	4005 24th St S	St. Cloud	2002	116
F	Ponds	1211 7th Ave S	Sartell	2008	58
	CSR Total				1,190

Same-Store Minneapolis and St. Cloud NOI Growth

2018	2019	2020	3 Year CAGR
6.5%	12.5%	3.2%	8.6%

Same-Store Minneapolis and St. Cloud Rent Growth

2018	2019	2020	3 Year CAGR
6.4%	8.6%	2.3%	4.1%

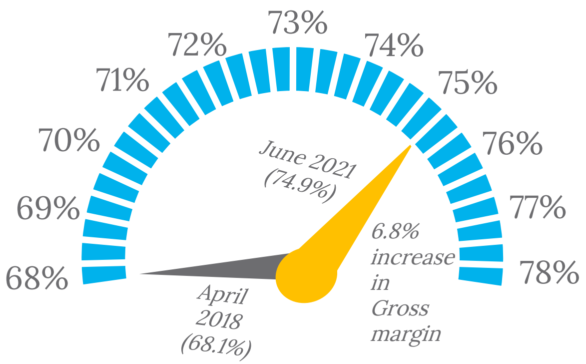
RISE BY 5

Margins Continue to Improve in Q2

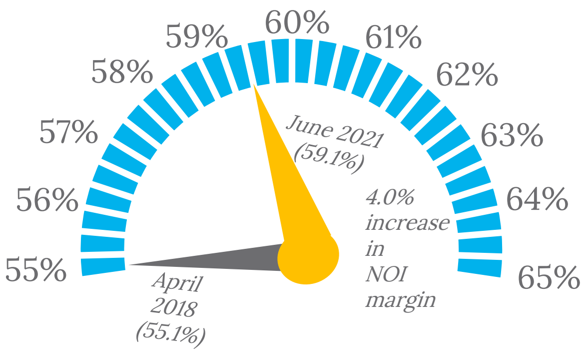
Strong Operating Platform

Same-Store communities continue to see NOI and gross margin growth

Same-Store Gross Margin (1)



Same-Store NOI Margin



(1) *Gross Margin is calculated as revenue less controllable expenses as a % of revenue; controllable expenses include repairs & maintenance, utilities, administrative and marketing*
(2) *When T12 not available, T3 annualized, or underwriting*
(3) *Includes KMS Acquisition*

Buying Efficient Communities

Communities acquired have a weighted average margin of 57.2%

Acquisitions(3)	T12(2)				
	Gross Margin %	NOI Margin %	CapEx per Unit	NCF Margin %	Average Rent
Weighted Average	74.9%	57.2%	$1,071	53.9%	$1,334

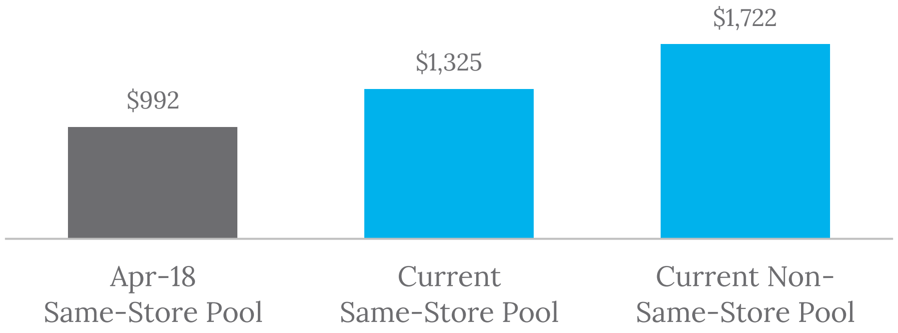
Selling Inefficient Communities

Communities sold have a weighted average margin of 49.9%

Dispositions	T12				
	Gross Margin %	NOI Margin %	CapEx per Unit	NCF Margin %	Average Rent
Weighted Average	68.7%	49.9%	$1,196	37.8%	$818

Average Monthly Revenue/Home

Includes rent and other income



VALUE-ADD OPPORTUNITY

Enhancing Portfolio Through Renovation Projects

Highlights

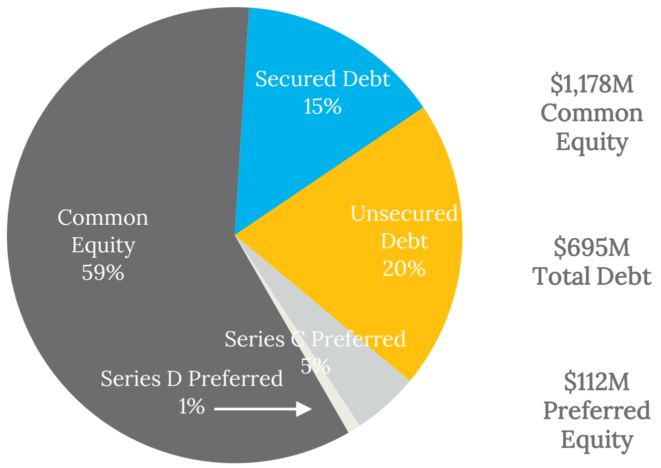
- 12 communities are in the process of value-add projects
- Value-add opportunities across the portfolio feature unit renovations, common areas, and adding amenities including clubhouses, fitness centers, dog park, outdoor kitchens, package locker solutions
- Enhancements improve asset position within the market and maintain competitive advantage

Unit Renovations thru June 30

Property	Region	Homes to Renovate	Renovated	Date Complete	Avg. Cost per Unit (1)	Achieved Premium(2)	Estimated ROI(3)
Park Place	Minneapolis, MN	500	294	In process	$18,505	$253	17.30%
Connelly on Eleven	Minneapolis, MN	240	202	In process	$10,335	$138	18.60%
SouthFork	Minneapolis, MN	272	125	In process	$16,985	$258	20.70%
Whispering Ridge	Omaha, NE	336	144	In process	$7,668	$135	24.40%
Greenfield	Omaha, NE	96	24	In process	$12,902	$125	13.70%
Lakeside Village	Omaha, NE	208	15	In process	$29,632	$135	9.00%
Colony	Omaha, NE	232	4	In process	$36,729	$190	7.30%
Grandeville	Rochester, MN	275	58	In process	$14,347	$197	19.70%
Quarry Ridge	Rochester, MN	154	30	In process	$17,539	$215	16.20%
Woodridge	Rochester, MN	110	24	In process	$7,562	$83	14.20%
Regency Park Estates	St. Cloud, MN	147	32	In process	$15,428	$237	21.00%
West Stonehill	St. Cloud, MN	312	60	In process	$13,948	$187	17.70%
Total		2,882	1,012				

(1) Does not include costs related to amenity or common area upgrades
(2) Achieved premium is reflective of the completed and leased homes and does not include market rent changes
(3) ROI is defined by (premium X 12 months) plus turnover savings divided by (renovation vacancy loss plus total unit cost)

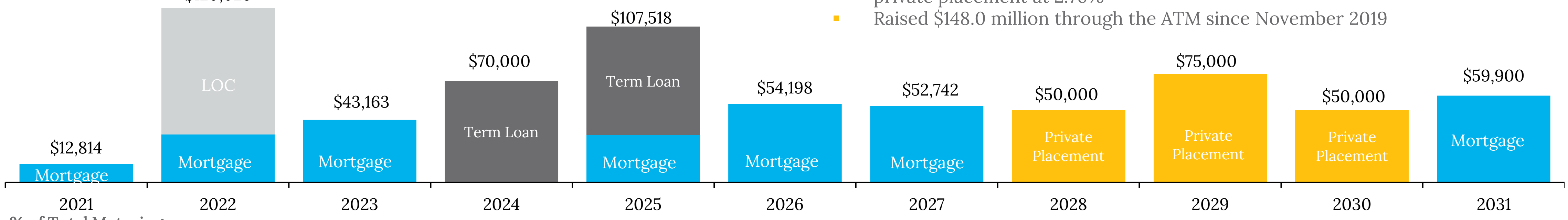
$1.9B Total Capitalization



*Share price $78.90 as of 6/30/2021

Debt Summary	Amount	% of Total	Wtd Avg Int Rate	Wtd Avg Maturity
Total Secured Debt	**288,362,919**	**41%**	**3.90%**	**4.87**
Line of Credit	87,000,000	13%	2.24%	1.17
Term Loans	145,000,000	21%	4.19%	3.39
Private Placement	175,000,000	25%	3.47%	8.15
Total Unsecured Debt	**407,000,000**	**59%**	**3.56%**	**4.96**
Total Debt	**695,362,919**	**100%**	**3.70%**	**4.92**
Fixed Rate	658,362,919	95%	3.81%	5.13
Variable Rate	37,000,000	5%	1.63%	1.17

- Access of all forms of capital
- 100% secured debt in 2017 to 41% today
- Achieved investment grade quality pricing in January 2021 unsecured Prudential private placement at 2.70%
- Raised $148.0 million through the ATM since November 2019

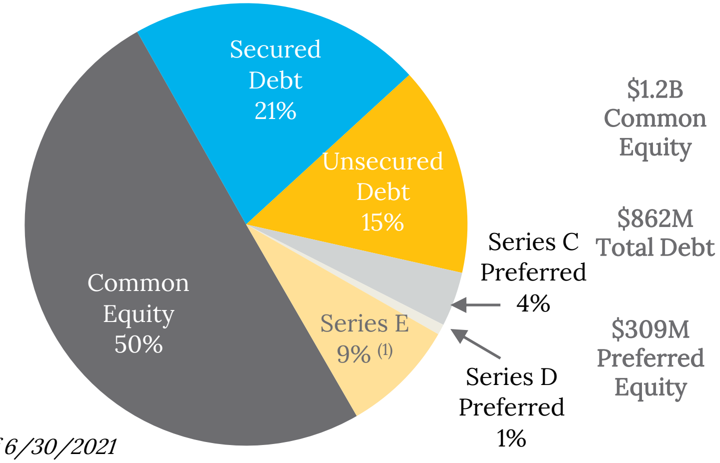


	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
% of Total Maturing	1.8%	17.3%	6.2%	10.1%	15.5%	7.8%	7.6%	7.2%	10.8%	7.2%	8.6%
Weighted Average Interest Rate	5.7%	3.1%	4.0%	3.7%	4.3%	3.7%	3.5%	3.7%	3.8%	2.7%	3.9%

(1) The credit facility matures August 31, 2022, with a 12-month option to extend to 2023 at our election

PRO FORMA BALANCE SHEET WITH KMS LOAN FINANCING

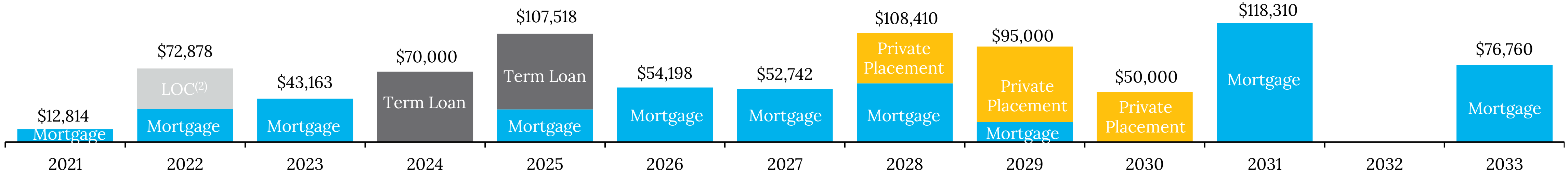
$2.3B Total Capitalization



Share price $78.90 as of 6/30/2021

Debt Summary	Amount	% of Total	Wtd Avg Int Rate	Wtd Avg Maturity
Total Secured Debt	501,942,919	58%	3.48%	6.98
Line of Credit	39,850,000	5%	3.55%	1.17
Term Loans	145,000,000	17%	4.15%	3.39
Private Placement	175,000,000	20%	3.47%	8.15
Total Unsecured Debt	359,850,000	42%	3.75%	5.46
Total Debt	**861,792,919**	**100%**	**3.60%**	**6.35**
Fixed Rate	861,792,919	100%	3.60%	6.35
Variable Rate	0	0%	0%	0

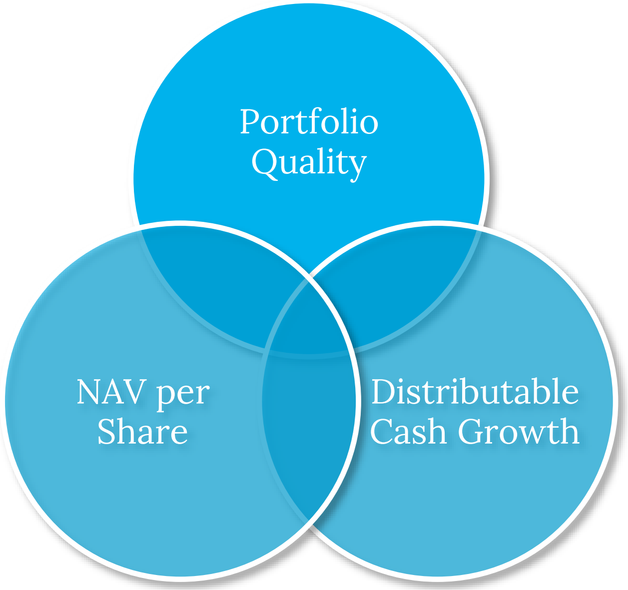
- Access of all forms of capital
- 100% secured debt in 2017 to 58% today
- Achieved investment grade quality pricing in January 2021 unsecured Prudential private placement at 2.70%
- Raised $148.0 million through the ATM since November 2019



	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
% of Total Maturing	1.5%	8.5%	5.0%	8.1%	12.5%	6.3%	6.1%	12.6%	11.0%	5.8%	13.7%	0.0%	8.9%
Weighted Average Interest Rate	5.7%	3.9%	4.0%	3.7%	4.3%	3.7%	3.5%	3.1%	3.9%	2.7%	3.3%	0.0%	2.9%

(1) The Company will fund the KMS transaction through the issuance of up to $197.3M in Convertible Preferred Operating Partnership units, up to $16.2M may be paid in lieu of Convertible Preferred Operating Partnership units
(2) The credit facility matures August 31, 2022, with a 12-month option to extend to 2023 at our election

We focus our energy and capital on improving 3 long-term metrics



Our capital recycling program has enhanced the quality of our business by improving:

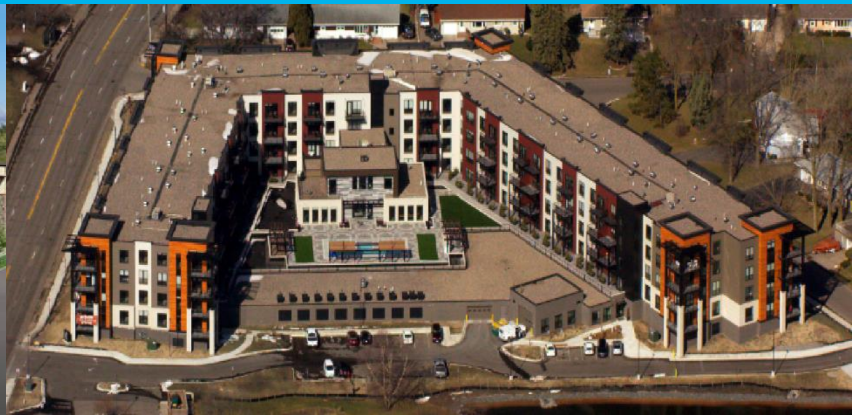
- The efficiency and growth potential of our communities
- Core FFO per share
- Our leverage metrics and overall balance sheet flexibility
- NAV per share

Multifamily portfolio quality has improved since 2017

	2017	June 2021	Proforma KMS
Communities	100	62	79
Homes	13,212	11,579	14, 275
Homes per Community	132	187	180
Buildings	709	440	515
Avg Monthly Rent	$980	$1, 263	$1,226
Gross Margin %	67.9%	75.4%	74.5%
% of NOI in Top-50 MSA	13%	45%	53%

RECENT ACQUISITIONS

Focus on Expanding our Portfolio in Target Markets of Minneapolis and Denver



UNION POINTE APARTMENTS

DENVER, CO / $76.9 MILLION

- A 256-home community built in 2019
- Conveniently located Longmont with close proximity to Boulder
- Amenities include fitness center, workstations and a laptop bar, resort-style pool and bike and ski repair room
- One, two and three-bedroom homes feature quartz countertops, tile backsplash, stainless steel appliances, full size washer and dryers, and ample closet space

PARKHOUSE APARTMENTS

DENVER, CO / $144.7 MILLION

- A 465-home community built in 2016
- Conveniently located in the north metro of Denver with close proximity to employment centers and amenities
- Amenities include two fitness centers, two billiard room, community garden, and resort style pool
- One, two and three-bedroom homes feature contemporary granite countertops, stainless steel appliances, walk-in closets, floor-to-ceiling windows

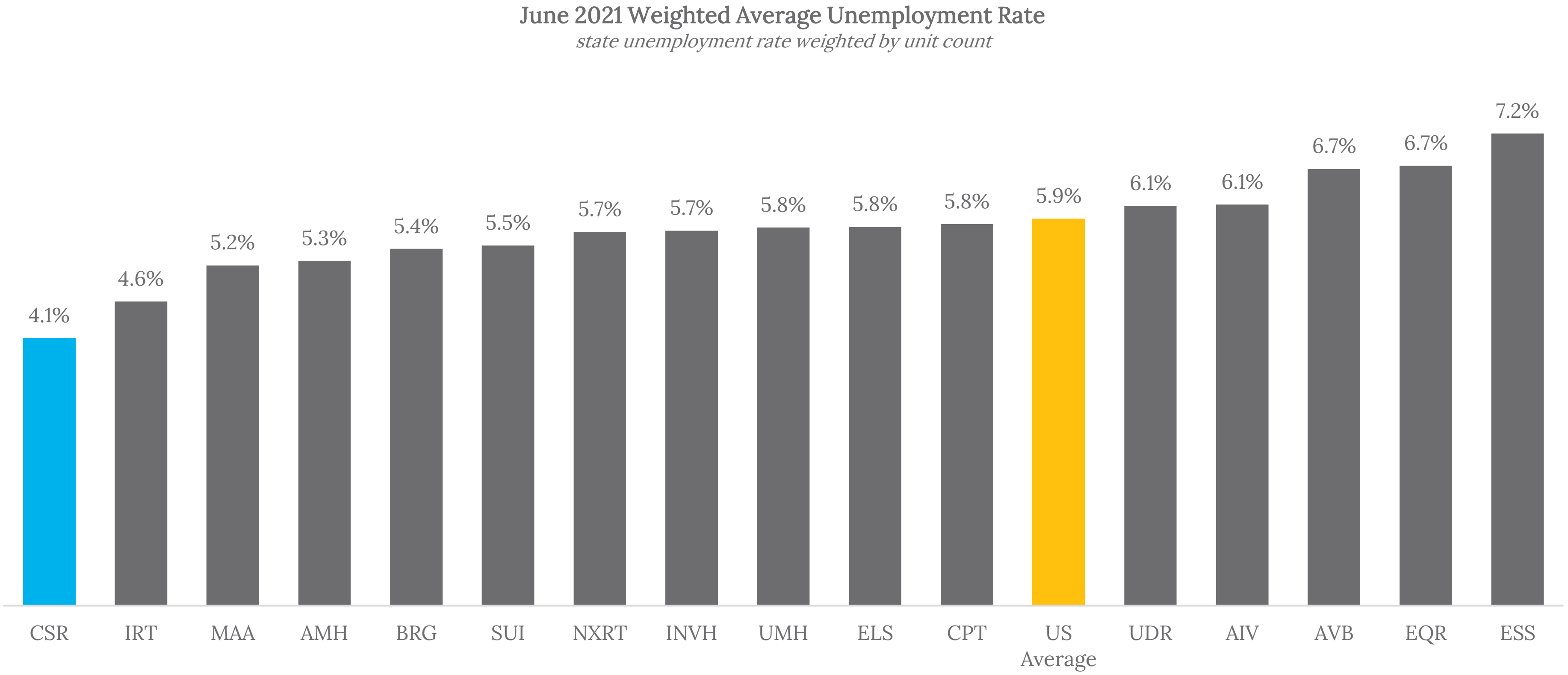
IRONWOOD APARTMENTS

MINNEAPOLIS, MN / $46.3 MILLION

- A 182-home community built in 2018; first new product in submarket in 20 years
- Conveniently located to multiple employment centers and amenities
- Previously financed the development with a $16.6 million mezzanine note, acquiring the asset after stabilization
- One, two and three-bedroom homes feature quartz countertops, stainless steel appliances, and private balconies with views of golf course and pool deck

MIDWEST HAS STRONG FUNDAMENTALS

Centerspace Lowest Unemployment Rate Among Peers and 28% Below the US Average

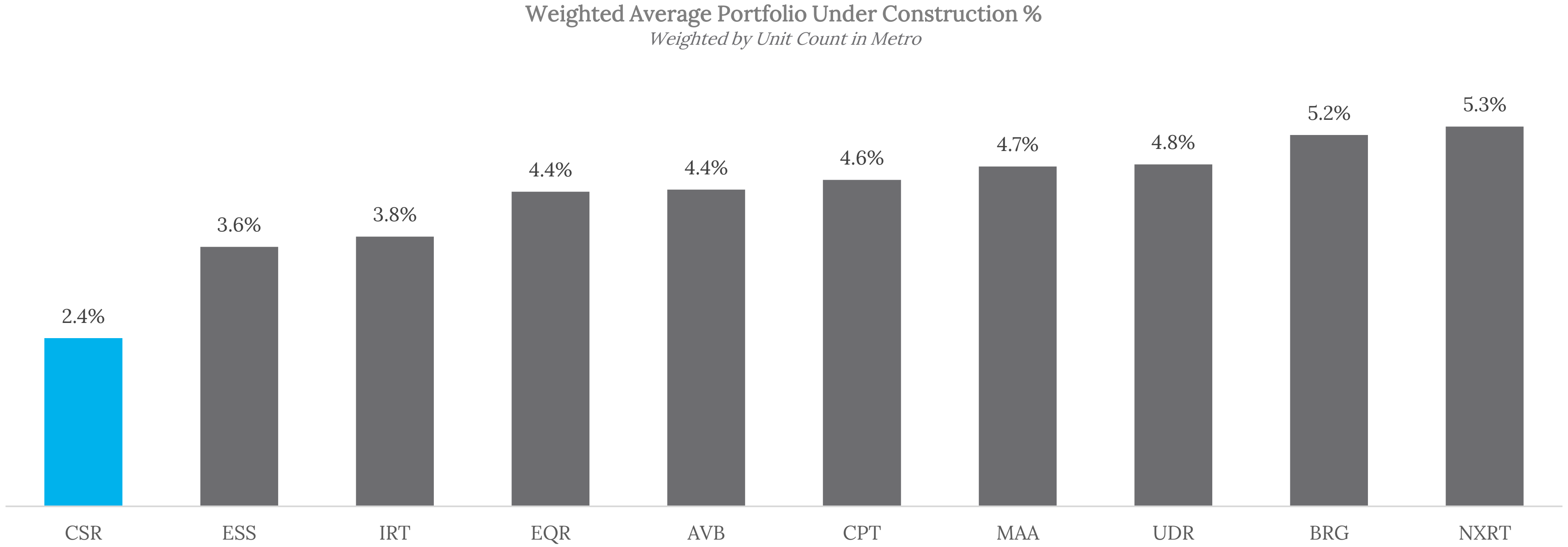


Source: SNL, BLS, Company Data

- Centerspace portfolio has lower unemployment among peers and the national average
- Low unemployment in our portfolio relative to all housing sectors- apartment, manufactured housing, and single-family rentals, is leading to strong collections rates

MIDWEST HAS STRONG FUNDAMENTALS

Centerspace Maintains Lowest Under Construction Portfolio Among Peers

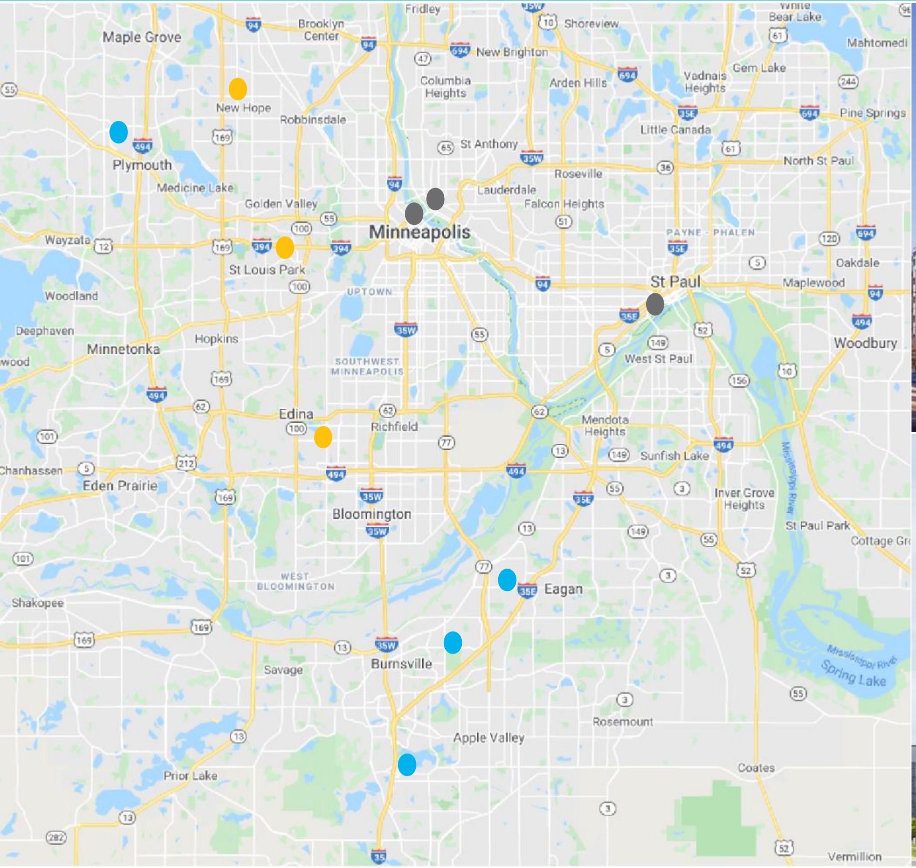


Source: SNL, CoStar

- Centerspace's markets have the lowest percentage of construction among multifamily peers
- Low supply in CSR portfolio allows for opportunity to drive rent and maintain occupancy

MINNEAPOLIS MARKET

COMMUNITIES: 14 / HOMES: 2,537

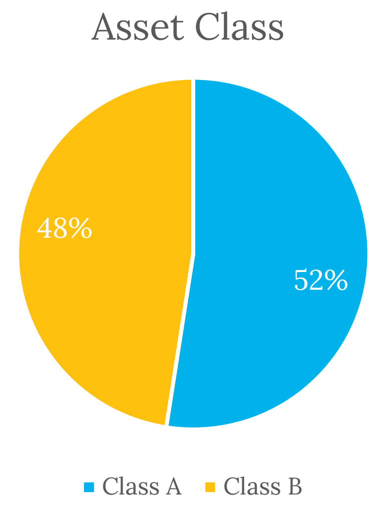


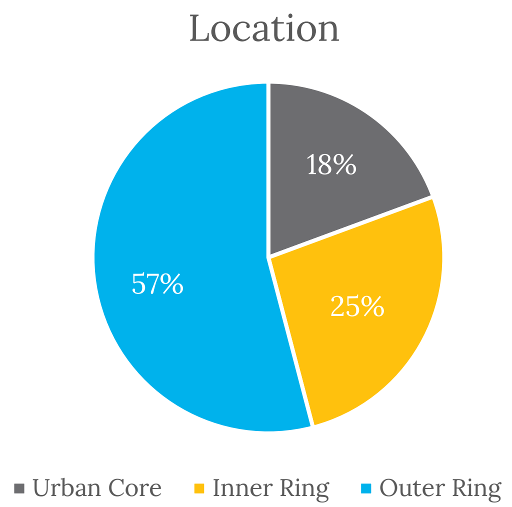
Map does not include Monticello and Isanti communities

Market Highlights

- Culturally vibrant and economically diverse metro driven by major employment in health and life sciences, food and water, consumer retail, financial services, and manufacturing; MN is headquarters for **24** Fortune 1,000 companies and the largest private company in the US, Cargill
- **#6** on U.S. News Best Places to Live in the U.S.
- **$79,578** median household income, highest in the Midwest and 7th in nation among large metros

Minneapolis Portfolio(1)





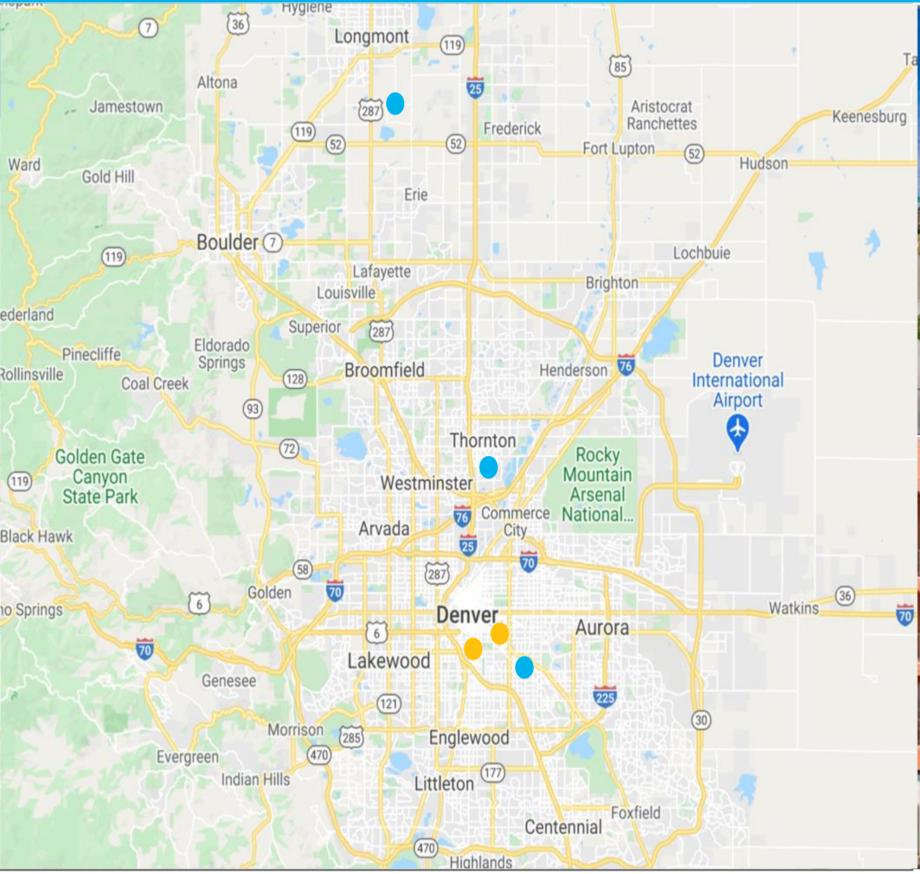
MAJOR EMPLOYERS

Medtronic | Target | Best Buy | General Mills | Wells Fargo | UnitedHealth Group | usbank | 3M

(1) *Based on Q2 2021 NOI*

DENVER MARKET

COMMUNITIES: 5 / HOMES: 1,713

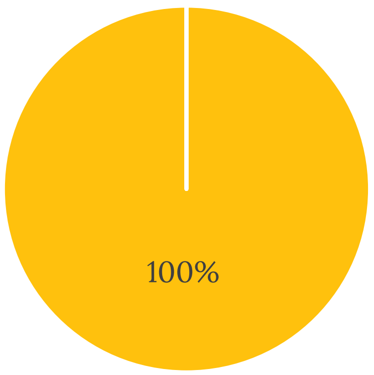


Market Highlights

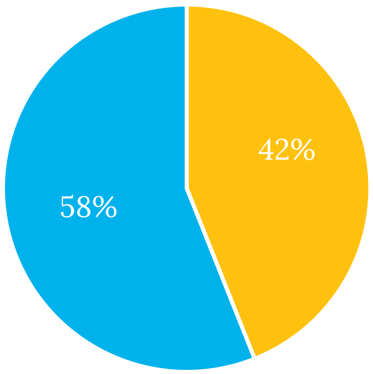
- Diverse economy and major hub of technology, energy, aviation and bioscience; **23** Fortune 1,000 companies have their headquarters in CO
- **#2** on U.S. News Best Places to Live in the U.S. with highly desirable quality of life and recreational amenities
- **$79,478** median household income, 8th in nation among large metros

Denver Portfolio[1]

Asset Class



Location



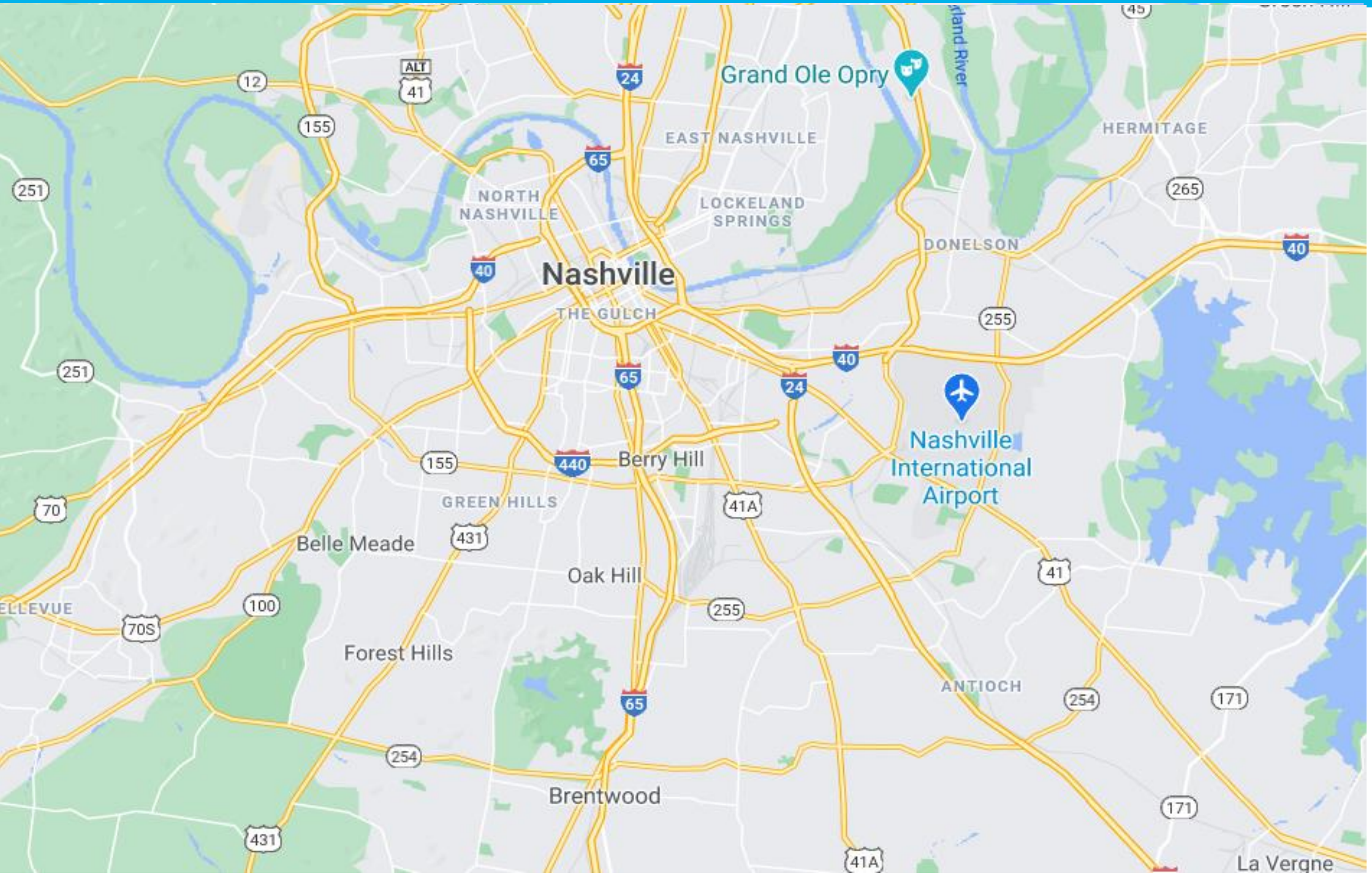
MAJOR EMPLOYERS

Comcast · Centura Health · HealthONE · Kaiser Permanente · Lockheed Martin · CenturyLink · Denver Public Health

(1) Based on Q2 2021 NOI

NASHVILLE MARKET

New Target Market – A National Growth Leader in Household Income, Jobs, and Millennial Population



MAJOR EMPLOYERS

NISSAN HCA Healthcare Kroger Saint Thomas Health VANDERBILT UNIVERSITY asurion randstad CHS Community Health Systems

Market Highlights

- True live-work-play community with a lively cultural scene boasting the highest concentration of music industry establishments in the nation and a diverse and growing economy anchored by health care, higher education, advanced manufacturing, logistics, entertainment, and an emerging tech scene
- **#15** on U.S. News Best Places to Live in the U.S.
- Household income growth ranks **5th** among U.S. major metros over past five years
- **41%** job growth over the past 10 years more than doubles U.S. growth of 17%, and is a leader among major metros
- Location of future Amazon operations center bringing at least **5,000** jobs with an average pay of **$150K** per year to the Nashville Yards development in Downtown Nashville
- 2018-2020 average annual sales volume of $1.9 billion
- 2021 Q2 volume of $797 million is 588% above 2020 Q2
- YTD 2021 volume of $1.4 billion is 79% above the same period in 2020
- 8 communities traded for $30M

FOCUSED SECONDARY MARKET PRESENCE

These Four Markets, Plus Minneapolis-St. Paul and Denver Make Up 80% of Pro-Forma NOI

	Rochester, MN	Omaha, NE	Grand Forks, ND	St. Cloud, MN
Population	118,935	478,192	69,451	68,462
Median Household Income	$73,106	$60,092	$54,051	$49,135
Unemployment Rate(1)	3.6%	3.2%	4.6%	4.7%
Major Employers	Mayo Clinic IBM	State of Nebraska Union Pacific	University of ND Altru Health	CentraCare Health State of Minnesota
Number of CSR Homes	1,122	1,370	865	1,192
Total Multifamily Supply	9,262	74,470	9,514	14,917
Same-Store Average Revenue per Unit(2)	$1,480	$1,029	$1,181	$1,097
Same-Store Average Revenue per Unit / Median Household Income (Monthly)	24.2%	20.6%	26.2%	26.8%
Same-Store Occupancy(3)	94.5%	95.5%	96.4%	92.7%

Sources: US Census Bureau,, Bureau of Labor Statistics, CoStar, Company Filings and Disclosures

(1) *Compared to the June 2021 National Unemployment Rate of 5.9%*
(2) *Average monthly rental rate per occupied home is defined as total rental revenues divided by the weighted average occupied apartment homes for the period*
(3) *Weighted Average Occupancy*

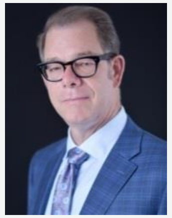
BEST-IN-CLASS GOVERNANCE

High Caliber Leadership Focused on High Quality Governance

Executive Management Team

Mark O. Decker, Jr.
PRESIDENT AND CEO

John A. Kirchmann
EVP AND CFO

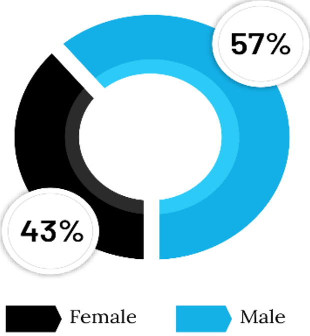


Anne M. Olson
EVP AND COO

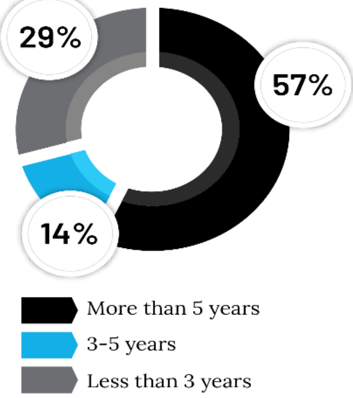
CSR rated ISS's top score of 1 – indicating highest quality corporate governance practices and lowest governance risk

Jeffrey P. Caira	Michael T. Dance	Mark O. Decker Jr.	Emily Nagle Green	Linda J. Hall	Mary J. Twinem	John A. Schissel
Since 2015	*Since 2016*	*Since 2017*	*Since 2018*	*Since 2011*	*Since 2018*	*Since 2016*

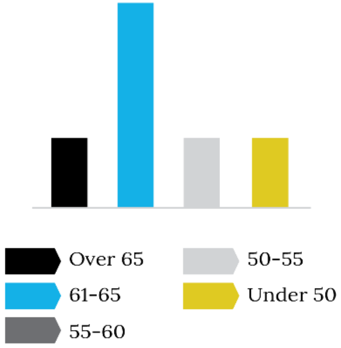
BOARD OF TRUSTEES



TRUSTEE TENURE



AGE OF TRUSTEES



ESG HIGHLIGHTS

Strong Focus on Environmental, Social and Corporate Governance

Energy Efficiency

- Completed installation of 3,323 LED light bulbs
- Only ENERGY STAR rated appliances used for replacement

Water Conservation

- Provide shared cost water services encouraging lower consumption
- Installed new common area laundry equipment at 10 communities; compliant with the US-DOE for energy + water

Air Quality

- Utilize low VOC flooring, paints, adhesives and sealants
- Non-smoking communities

3.9
0.7 increase in reputation score during COVID-19 pandemic

648
paid team member volunteer hours

Serving the broader communities in which we operate and supporting our team members' community involvement is important to us. Here are some organizations that have received sponsorships and financial donations through CSR's Corporate Giving Initiative:

- Habitat for Humanity
- Homes for Our Troops
- YMCA
- United Way Local Chapter
- Feed My Starving Children
- Ronald McDonald House Charities
- Cristo Rey High School

INVESTMENT HIGHLIGHTS

- Differentiated Market Exposure
- Internal Growth Opportunities
- Value-Add Opportunities
- Flexible Balance Sheet
- Best-In-Class Governance

APPENDIX

RECONCILIATION TO NON-GAAP MEASURES

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

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; and

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.

Due to the limitations of the Nareit FFO definition, we have made certain interpretations in applying this definition. We believe that all such interpretations not specifically identified in the Nareit definition are consistent with this 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 its main business.

We believe that FFO, which is a standard supplemental measure for equity real estate investment trusts, is helpful to investors in understanding our operating performance, primarily because its calculation excludes depreciation and amortization expense on real estate assets, thereby providing an additional perspective on our operating results. We believe that GAAP historical cost depreciation of real estate assets is not correlated with changes in the value of those assets, whose value does not diminish predictably over time, as historical cost depreciation implies. 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.

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 in 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 and is not necessarily indicative of sufficient cash flow to fund all of our needs or our ability to service indebtedness or make distributions.

Core Funds from Operations ("Core FFO") is FFO as adjusted for non-routine items or items not considered core to our business operations. By further adjusting for items that are not considered part of our core business operations, we believe that Core FFO provides investors with additional information to compare our core operating and financial performance between periods. Core FFO should not be considered as an alternative to net income as an indication of financial performance, or as an alternative to cash flows from operations as a measure of liquidity, nor is it indicative of funds available to fund our cash needs, including our ability to make distributions to shareholders. Core FFO is a non-GAAP and non-standardized measure that may be calculated differently by other REITs and should not be considered a substitute for operating results determined in accordance with GAAP.

RECONCILIATION TO NON-GAAP MEASURES

(in thousands, except per share amounts)

	Three Months Ended					Six Months Ended	
	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020	6/30/2021	6/30/2020
Funds From Operations							
Net income (loss) available to common shareholders	$ 19,931	$ (6,474)	$ (5,985)	$ 18,021	$ (5,387)	$ 13,457	$ (13,826)
Adjustments:							
Noncontrolling interests – Operating Partnership	1,386	(469)	(460)	1,387	(447)	917	(1,139)
Depreciation and amortization	19,308	19,992	20,282	18,995	18,156	39,300	36,316
Less depreciation – non real estate	(87)	(98)	(87)	(85)	(88)	(185)	(181)
Less depreciation – partially owned entities	(24)	(24)	(33)	(31)	(33)	(48)	(315)
(Gain) loss on sale of real estate	(26,840)	—	(17)	(25,676)	190	(26,840)	190
FFO applicable to common shares and Units	$ 13,674	$ 12,927	$ 13,700	$ 12,611	$ 12,391	$ 26,601	$ 21,045
Adjustments to Core FFO:							
Casualty (gain) loss	—	—	204	545	—	—	—
Loss on extinguishment of debt	3	—	2	4	17	3	17
Rebranding costs	—	—	402	—	—	—	—
Technology implementation costs	447	413	—	—	—	860	—
(Gain) loss on marketable securities	—	—	—	—	(175)	—	3,378
(Discount) premium on redemption of preferred shares	—	—	—	1	(25)	—	(298)
Core FFO applicable to common shares and Units	$ 14,124	$ 13,340	$ 14,308	$ 13,161	$ 12,208	$ 27,464	$ 24,142
Funds from operations applicable to common shares and Units	$ 13,674	$ 12,927	$ 13,700	$ 12,611	$ 12,391	$ 26,601	$ 21,045
Dividends to preferred unitholders	160	160	160	160	160	320	320
Funds from operations applicable to common shares and Units - diluted	$ 13,834	$ 13,087	$ 13,860	$ 12,771	$ 12,551	$ 26,921	$ 21,365
Core funds from operations applicable to common shares and Units	$ 14,124	$ 13,340	$ 14,308	$ 13,161	$ 12,208	$ 27,464	$ 24,142
Dividends to preferred unitholders	160	160	160	160	160	320	320
Core funds from operations applicable to common shares and Units - diluted	$ 14,284	$ 13,500	$ 14,468	$ 13,321	$ 12,368	$ 27,784	$ 24,462
Per Share Data							
Earnings (loss) per share and Unit - diluted	$ 1.48	$ (0.49)	$ (0.46)	$ 1.38	$ (0.44)	$ 1.02	$ (1.13)
FFO per share and Unit - diluted	$ 0.95	$ 0.92	$ 0.97	$ 0.90	$ 0.93	$ 1.87	$ 1.58
Core FFO per share and Unit - diluted	$ 0.98	$ 0.95	$ 1.02	$ 0.94	$ 0.91	$ 1.93	$ 1.81
Weighted average shares and Units - diluted	14,514	14,282	14,222	14,143	13,558	14,402	13,482

RECONCILIATION TO NON-GAAP MEASURES

Reconciliation of Net Income (Loss) Available to Common Shareholders to Adjusted EBITDA

Adjusted EBITDA is earnings before interest, taxes, depreciation, amortization, gain/loss on sale of real estate and other investments, impairment of real estate investments, gain/loss on extinguishment of debt, gain on litigation settlement, and gain/ loss from involuntary conversion. We consider Adjusted EBITDA to be an appropriate supplemental performance measure because it permits investors to view income from operations without the effect of depreciation, the cost of debt, or nonoperating gains and losses. Adjusted EBITDA is a non-GAAP measure and should not be considered a substitute for operating results determined in accordance with GAAP.

(in thousands)

	Three Months Ended					Six Months Ended	
	6/30/2021	3/31/2021	12/31/2020	9/30/2020	6/30/2020	6/30/2021	6/30/2020
Adjusted EBITDA							
Net income (loss) available to common shareholders	$ 21,538	$ (4,867)	$ (4,378)	$ 19,629	$ (3,803)	$ 16,671	$ (10,810)
Adjustments:							
Dividends to preferred unitholders	160	160	160	160	160	320	320
Noncontrolling interests – Operating Partnership	1,386	(469)	(460)	1,387	(447)	917	(1,139)
Income (loss) before noncontrolling interests – Operating Partnership	$ 23,084	$ (5,176)	$ (4,678)	$ 21,176	$ (4,090)	$ 17,908	$ (11,629)
Adjustments:							
Interest expense	7,075	7,216	6,888	6,756	6,926	14,291	13,690
Loss on extinguishment of debt	3	—	2	4	17	3	17
Depreciation/amortization related to real estate investments	19,284	19,969	20,250	18,964	18,123	39,253	36,001
Casualty (gain) loss	—	—	204	545	—	—	—
Interest income	(583)	(407)	(328)	(256)	(331)	(990)	(928)
(Gain) loss on sale of real estate and other investments	(26,840)	—	(17)	(25,676)	190	(26,840)	190
Technology implementation costs	447	413	—	—	—	860	—
(Gain) loss on marketable securities	—	—	—	—	(175)	—	3,378
Adjusted EBITDA	$ 22,470	$ 22,015	$ 22,321	$ 21,513	$ 20,660	$ 44,485	$ 40,719