



centerspace

INVESTOR PRESENTATION

September 2024



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, 2023. We assume no obligation to update or supplement forward-looking statements that become untrue due to subsequent events.



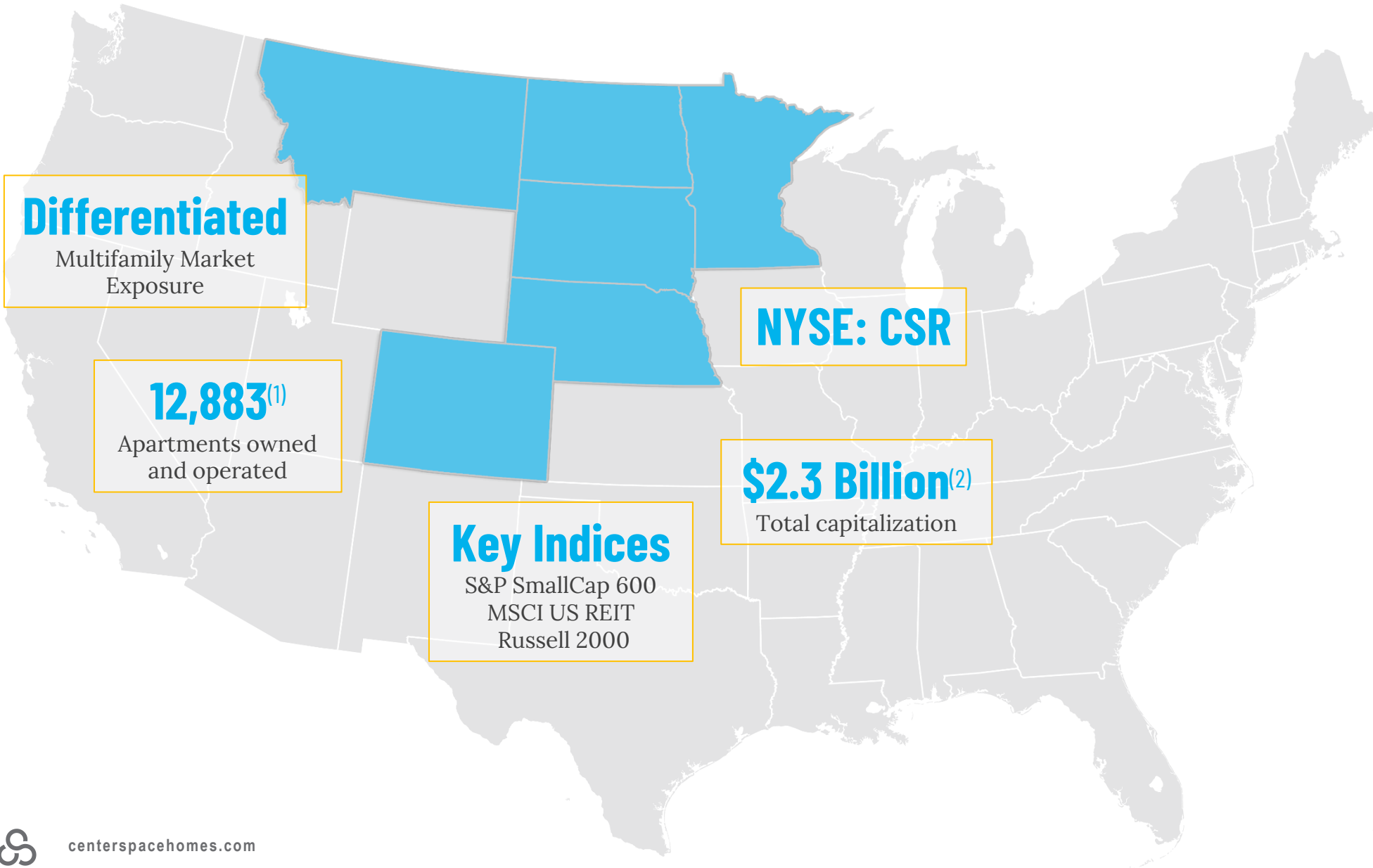
OUR MISSION

To provide a great home—
for our residents,
our team members,
and our investors.



OUR VISION

To be the premier provider
of apartment homes in vibrant
communities by focusing on
integrity and serving others.



RISE is Centerspace’s commitment to Results, Innovation, Service, and Engagement. It is how we monitor and measure our performance in our quest to provide a great home – for our residents, our team, and our investors.

1. As of June 30, 2024
2. See page 11 for breakdown





CENTERSPACE

is guided by the north star
of increasing distributable
cash flow

TO EXECUTE THIS, WE FOCUS ON:

- Exceptional customer experience
- Diverse talent to enable a culture of engagement
- Enhancing efficiencies by scaling the business
- Managing the balance sheet to maximize financial flexibility
- Investing in high-quality and efficient rental communities
- Leveraging technology and systems
- Environmental, Social, Governance (ESG)



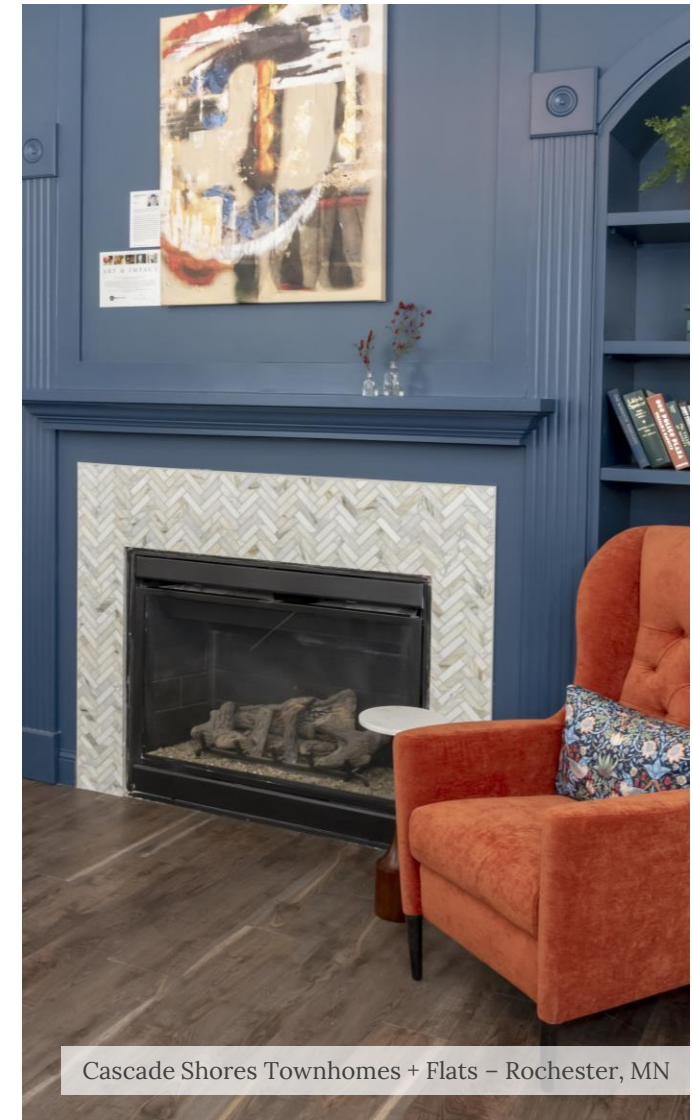


RESULTS – 2024 FINANCIAL OUTLOOK

	2023	-----2024 Guidance Range-----		
	Actual	Low	Mid-Point	High
Same-Store Growth				
Revenues	7.2%	3.25%	3.75%	4.25%
Expenses	4.6%	3.50%	4.13%	4.75%
NOI	9.0%	3.00%	3.50%	4.00%
Per Share				
Net Income (Loss)	\$2.32	(\$1.21)	(\$1.11)	(\$1.01)
FFO	\$4.27	\$4.61	\$4.69	\$4.76
Core FFO	\$4.78	\$4.78	\$4.85	\$4.92
Other Key Assumptions				

- Same-store capital expenditures of \$1,100 per home to \$1,150 per home
- Value-add expenditures of \$23.0 million to \$25.0 million
- Full year dispositions of \$19.0 million

Note: Reconciliations of the above can be found in the appendix of this presentation

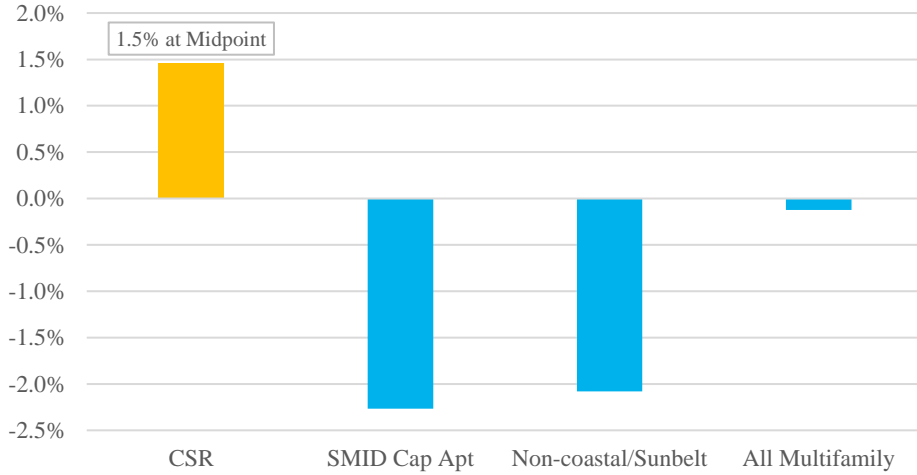


Cascade Shores Townhomes + Flats – Rochester, MN

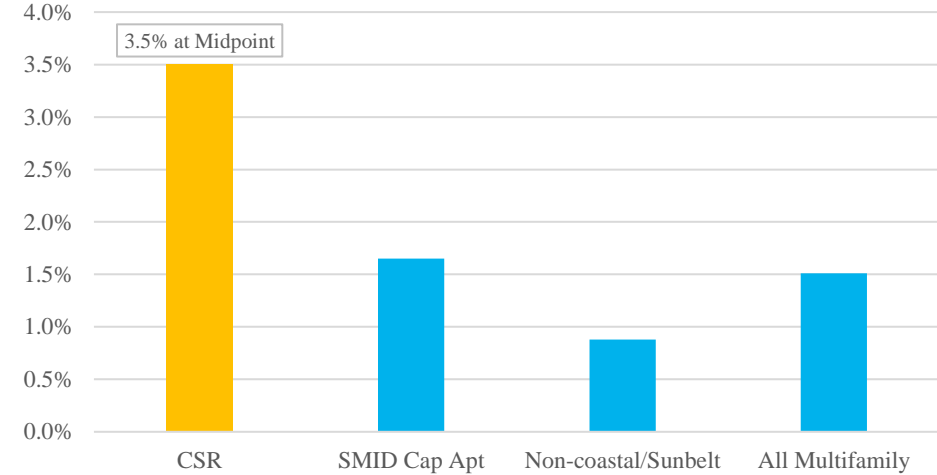


RESULTS – FAVORABLE GROWTH PROFILE

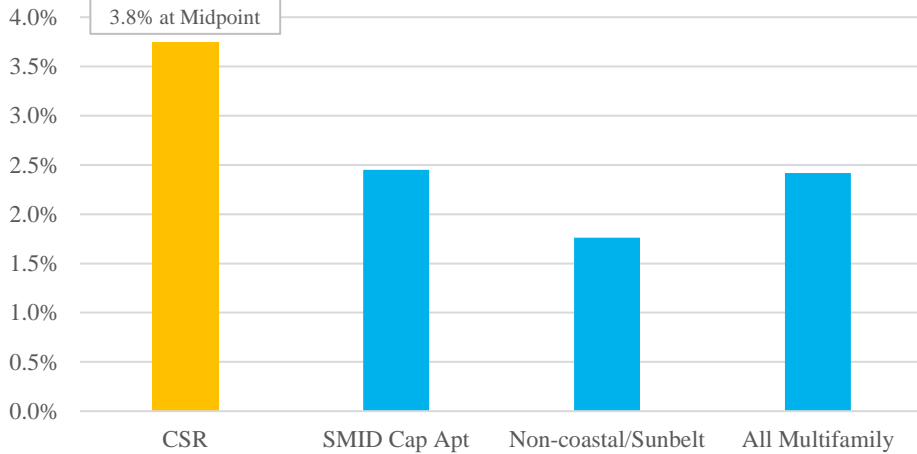
Core FFO/sh Growth, Guidance Midpoint



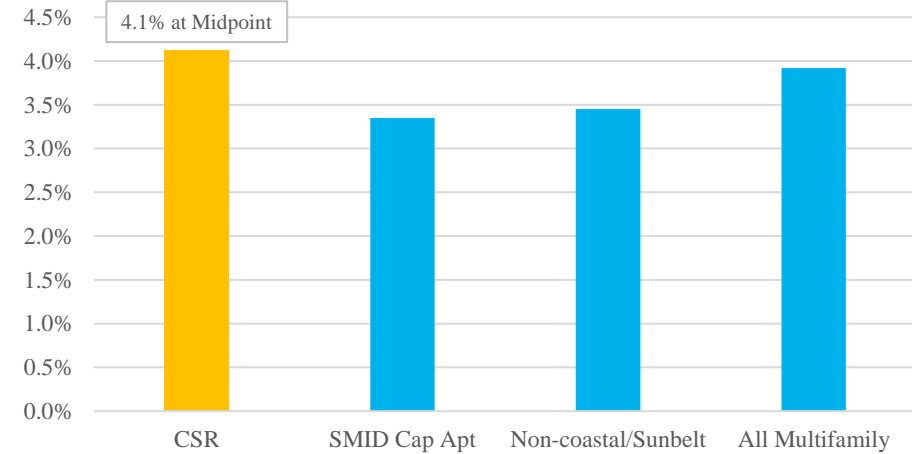
SS NOI Growth, Guidance Midpoint



SS Revenue Growth, Guidance Midpoint

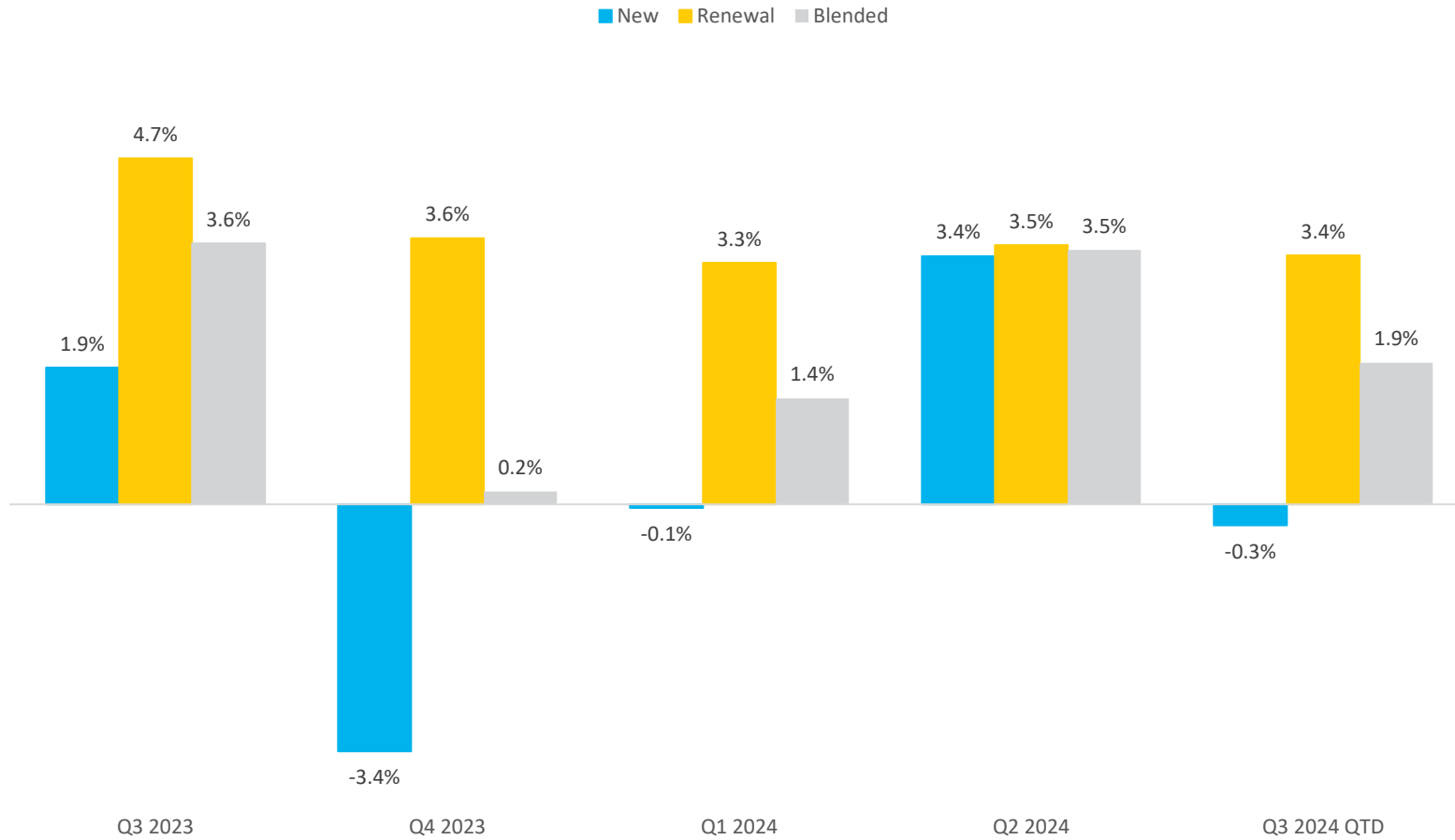


SS Expense Growth, Guidance Midpoint





SAME STORE LEASING UPDATE



Note: Data represents 2024 Same Store pool. QTD leasing spreads are through September 6, 2024

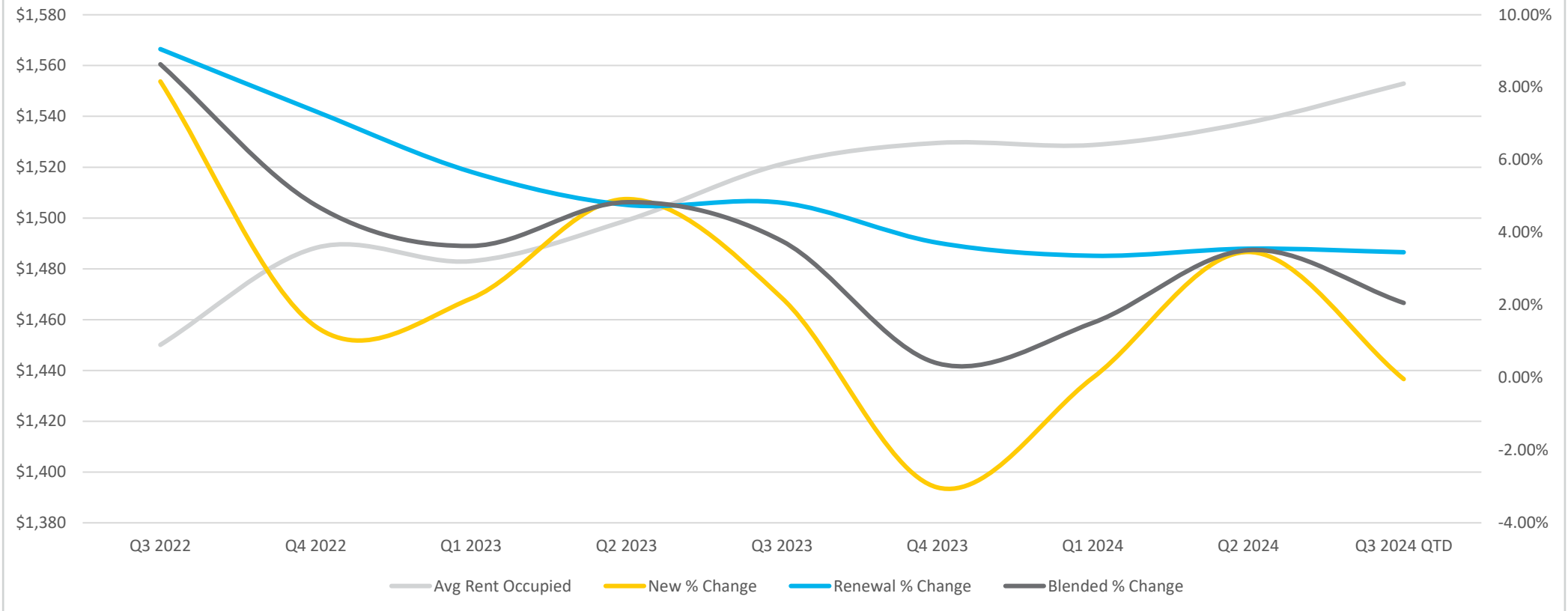




RESULTS – LEASING SPREADS RETURNING TO NORMAL SEASONAL PATTERNS

Centerspace has grown average rents even in volatile economic times

SAME STORE LEASING



	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024 QTD
Occupancy	94.4%	94.4%	94.4%	95.1%	94.7%
Expirations	35.2%	19.3%	17.9%	29.4%	26.7%

Note: Data represents 2023 Same Store pool adjusted for dispositions to allow for showing two years of data. Occupancy represents weighted average physical occupancy. Information is through September 6, 2024

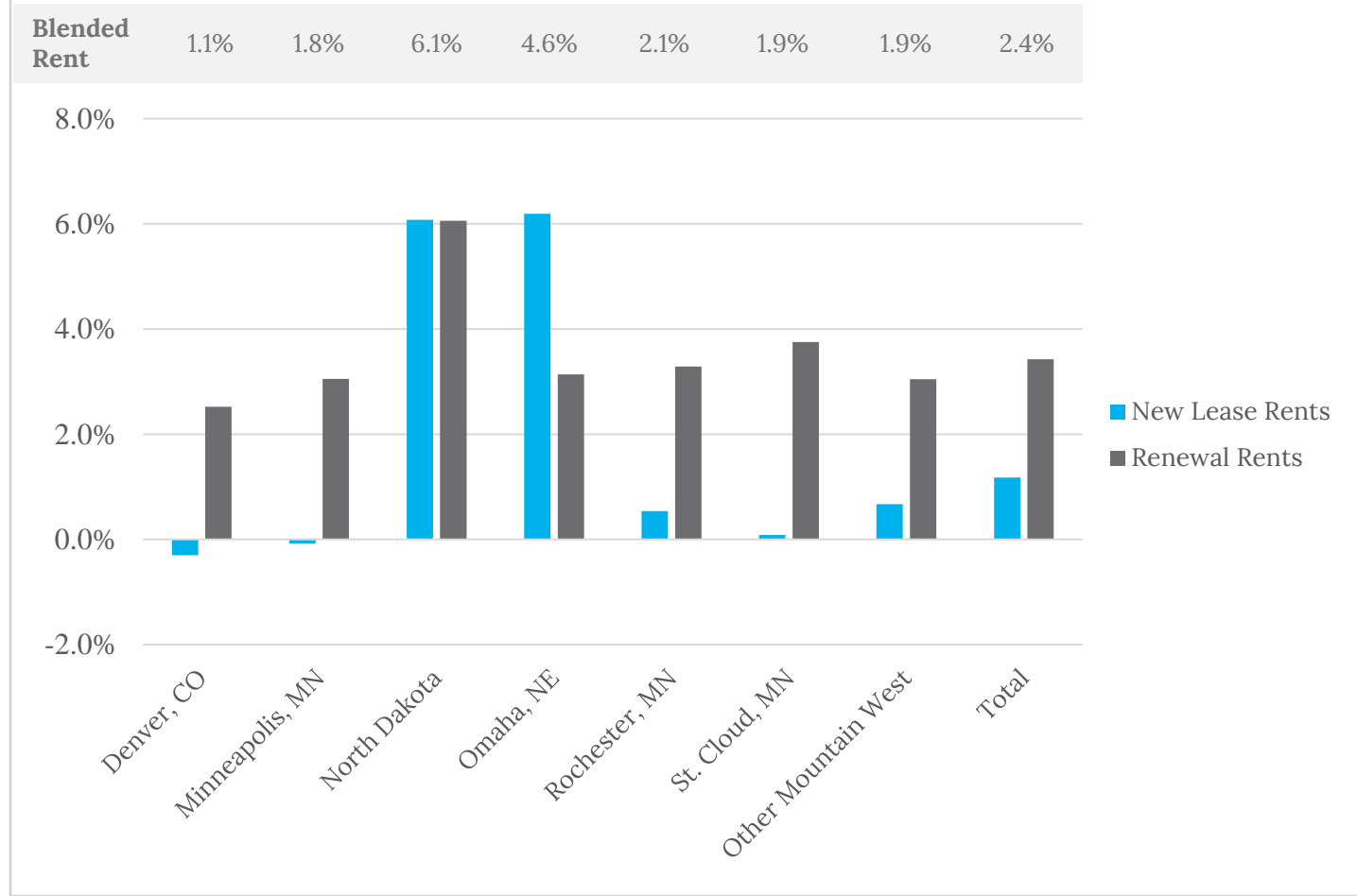


RESULTS – NOI COMPOSITION & RENTAL RATE GROWTH

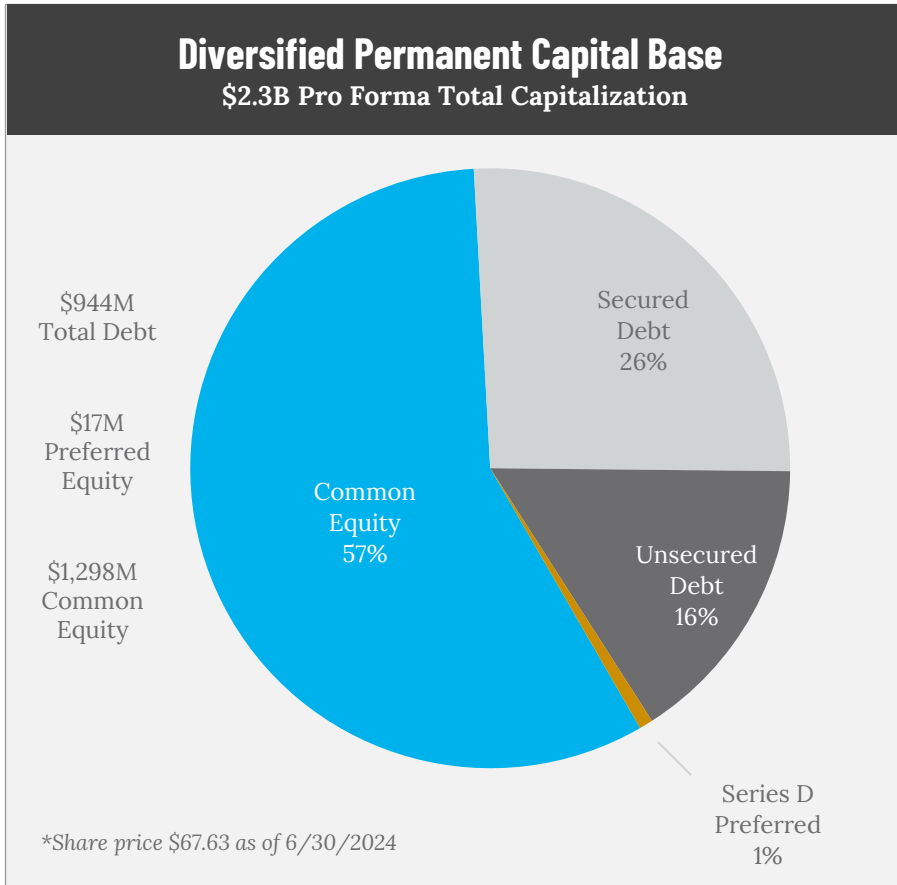
Market	% of Total NOI
Minneapolis, MN	33.9%
Denver, CO	22.5%
North Dakota	11.6%
Rochester, MN	9.7%
Other Mountain West	8.4%
St. Cloud, MN	5.5%
Omaha, NE	5.1%
Fort Collins, CO	3.4%
Total	100.0%



2024 vs 2023 Year-To-Date Rental Rate Growth



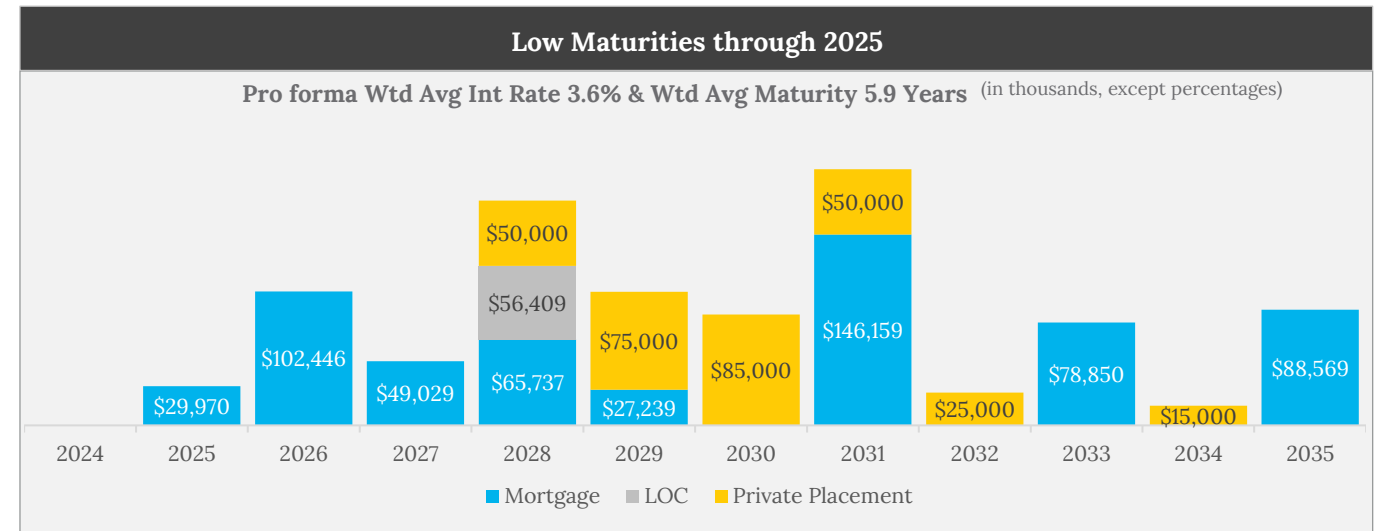
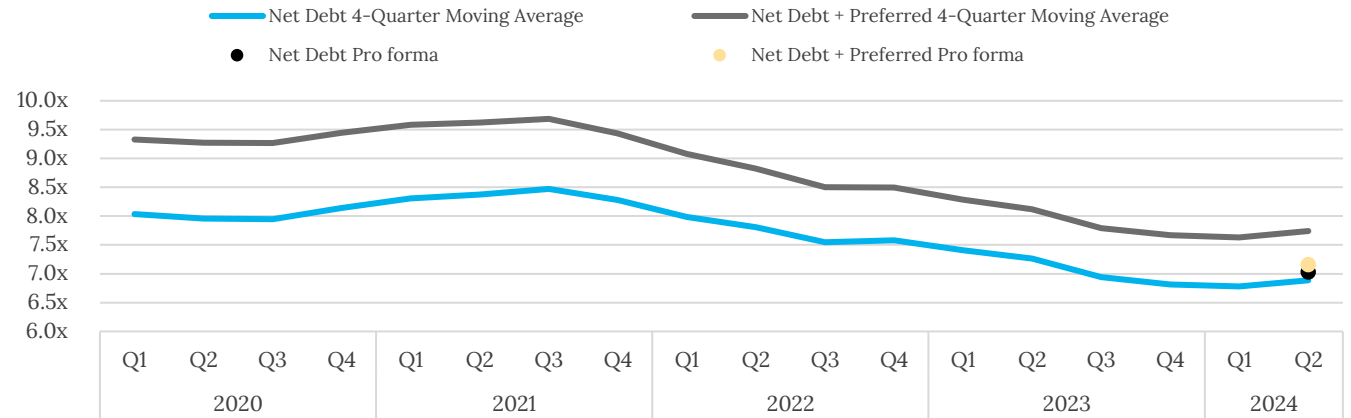
Note: NOI contribution is Q2 2024 multifamily only. Rental rate growth is January 1–September 6, 2023, compared to January 1–September 6, 2024



Note: Capitalization figures are as of 6/30/2024, adjusted pro forma for cumulative ATM issuance as of 9/3/2024, anticipated Series C Preferred Share redemption, and the extension of the line of credit.

1. Net debt is the total outstanding debt balance less cash and cash equivalents. Adjusted EBITDA is annualized for periods less than one year. Net debt and adjusted EBITDA are non-GAAP financial measures and should not be considered a substitute for operating results determined in accordance with GAAP. Refer to the Adjusted EBITDA definition included within the Reconciliation to Non-GAAP Financial Measures section in the Appendix.
2. Weighted average interest rate reflects interest expense only and excludes any facility fees or other associated expenses.

Quarterly Net Debt / Annualized Trailing EBITDA & Quarterly Net Debt + Preferred / Annualized Trailing EBITDA ⁽¹⁾



% of Total Maturing

0.0%	3.2%	10.8%	5.2%	18.2%	10.8%	9.0%	20.8%	2.6%	8.3%	1.6%	9.4%
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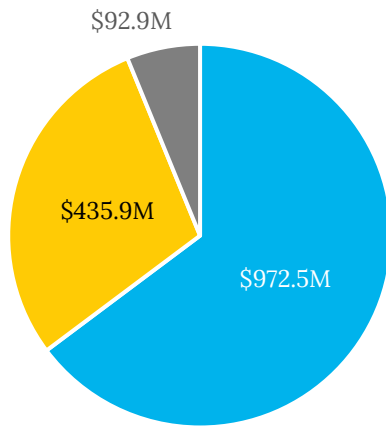
Weighted Average Interest Rate ⁽²⁾

0.0%	3.7%	3.6%	3.5%	4.3%	4.0%	2.6%	3.2%	2.7%	2.9%	2.8%	5.0%
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Improvement since 2017 driven by disciplined capital allocation and creative deal structuring

Acquisition Structure



■ Cash ■ OP Unit ■ Development

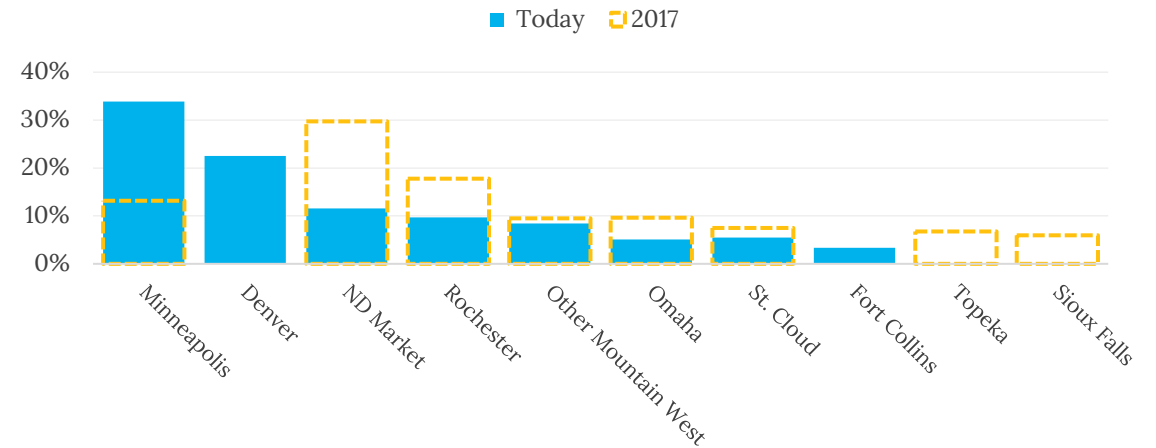
- Acquired 34 communities for \$1.5 billion through unique deal structuring which has provided a competitive advantage in transaction market
- Sold 66 communities for \$599 million as we have reduced our exposure to less efficient communities in lower-growth markets

While similar in total number of homes, investment and disposition activity has resulted in a more efficient and higher quality portfolio

	2017	Today ⁽¹⁾
Communities	100	70
Homes	13,212	12,883
Homes per Community	132	184
Average Monthly Rent	\$980	\$1,566
% of NOI in 50 Largest MSAs	13%	56%

(1) Q2 2024 multifamily only

% of NOI by Market – Today vs 2017





DEMOGRAPHIC AND ECONOMIC CONSIDERATIONS

- Population Trends
- Population Characteristics
- Labor Force Health
- Employment
- Economic Composition

MULTIFAMILY FUNDAMENTALS CONSIDERATIONS

- Rents
- Occupancy
- Market Size and Liquidity
- Supply and Demand
- General Housing Environment

OTHER CONSIDERATIONS

- Focused in-market relationships
- Business and regulatory environment
- Operating platform scale
- Cultural vibrancy
- Sustainability

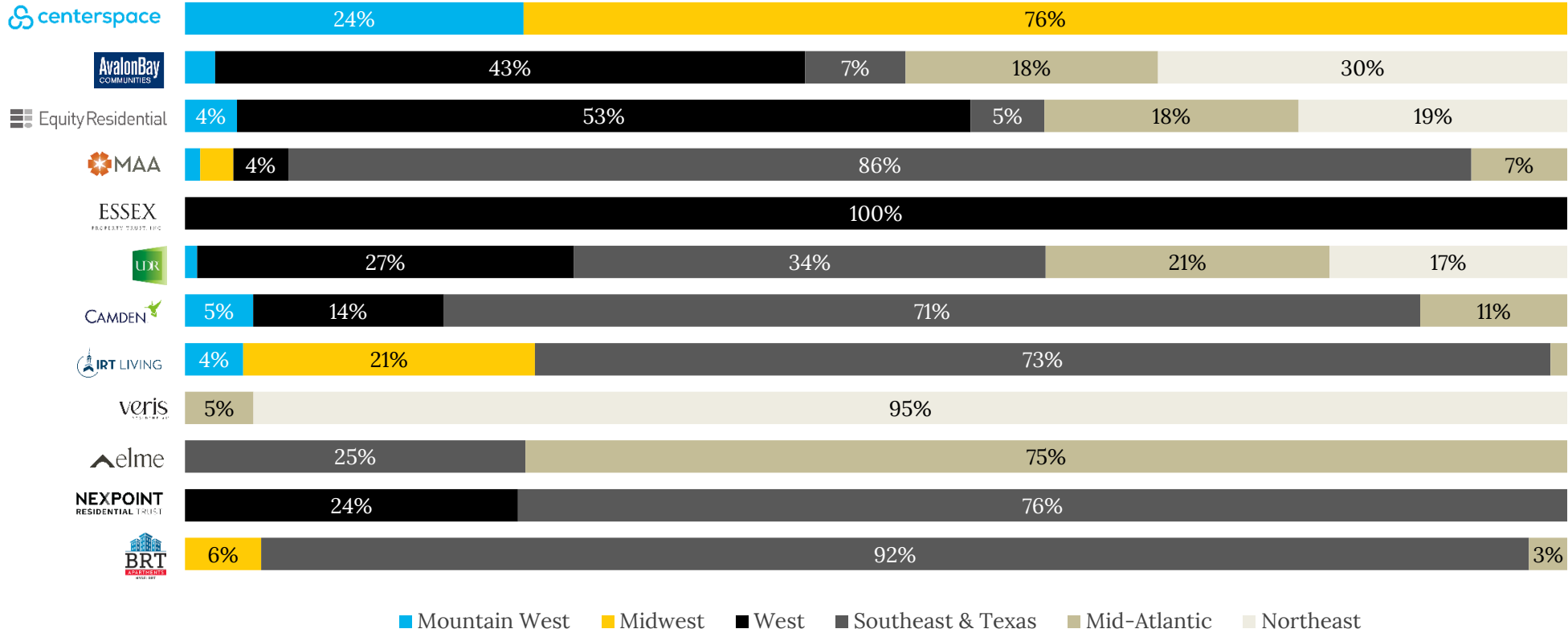
We assess our portfolio on a quarterly basis to determine relative performance and outlook of our existing communities. Disposition focus is placed on communities that recurrently screen in the bottom tier of our portfolio.



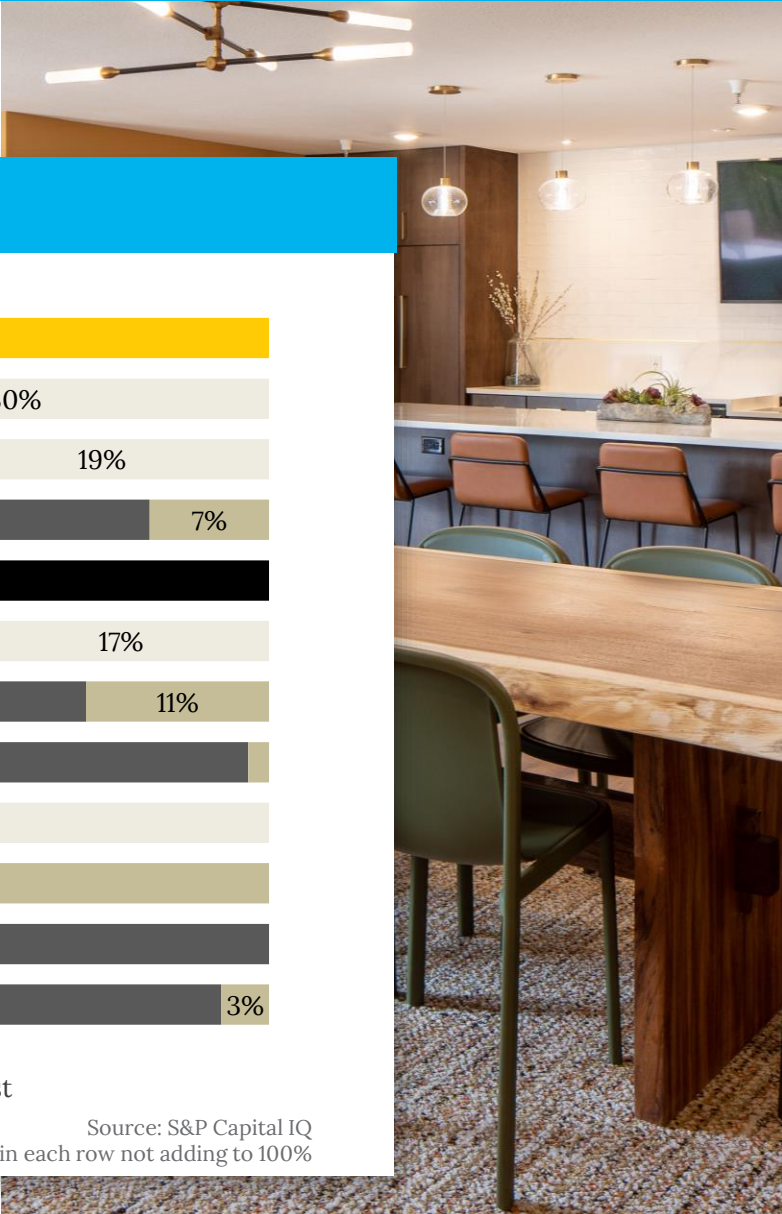


PUBLIC MULTIFAMILY REIT MARKET OVERVIEW

GEOGRAPHIC FOCUS (% OF UNITS)



Source: S&P Capital IQ
Note: As of 8/16/24. Rounding may result in each row not adding to 100%



Regency Park – St Cloud, MN



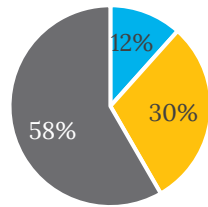


MARKET HIGHLIGHTS

- 27 CSR communities, 4,711 homes, scaled portfolio with opportunities in operating partnership unit transactions, mezzanine financing and development participation, and capital recycling
- 16th largest MSA, 3.7M population
- 15 Fortune 500 companies headquartered in Twin Cities
- Diversified economy with large presence of healthcare, finance, food production and retail employers
- \$91,341 median household income is 22% higher than the United States median
- 113,273 forecasted job additions between 2020-2030 (+6.2%)

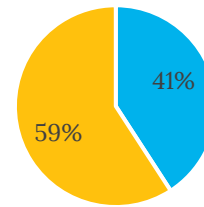
CSR HIGHLIGHTS

Location by % of NOI



■ Urban Core ■ Inner Ring ■ Outer Ring

Asset Class by % of NOI



■ Class A ■ Class B



Noko: 130-home community built in 2021 with 24k SF grocer adjacent to Lake Nokomis

CSR Portfolio NOI %	33.9%
CSR Minneapolis Portfolio Average Rent	\$1,537
CSR Household Average Annual Income	\$105,064
CSR Household Rent-to-Income Ratio	22.0%
CSR Minneapolis Portfolio Occupancy %	95.5%
July 2024 Median Single-Family Home Value	\$388,428
June 2024 Unemployment Rate	3.7%

Source: FRED, Zillow
 Note: CSR data as of Q2 2024. Occupancy refers to average financial occupancy





INNOVATION – GROWTH IN DENVER

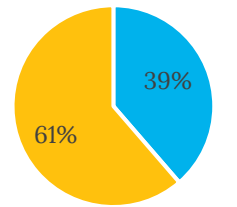


MARKET HIGHLIGHTS

- 7 CSR communities, 2,104 homes, entered Denver Q4 2017 and achieved critical mass
- 19th largest MSA, 3.0M population
- 21 Fortune 1,000 companies headquartered in Colorado
- Diversified economy with large presence of aviation/aerospace, healthcare, telecommunications and tech employers
- \$98,975 median household income is 32% higher than the United States median
- 364,311 forecasted job additions between 2020–2030 (+23.2%)

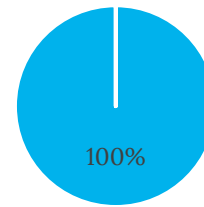
CSR HIGHLIGHTS

Location by % of NOI



■ Urban ■ Suburban

Asset Class by % of NOI



■ Class A



Lyra: 215-home community in Centennial; 2022 built in Denver's SE Business Corridor

CSR Portfolio NOI %	22.5%
CSR Denver Portfolio Average Rent	\$1,982
CSR Household Average Annual Income	\$113,728
CSR Household Rent-to-Income Ratio	26.1%
CSR Denver Portfolio Occupancy %	95.5%
July 2024 Median Single-Family Home Value	\$613,524
June 2024 Unemployment Rate	4.0%

Source: FRED, Zillow
 Note: CSR data as of Q2 2024. Occupancy refers to average financial occupancy



Portfolio hallmarks include low unemployment rates, affordability of rents, resident financial strength, and diversified economies

Region	% of NOI ⁽¹⁾	Population	Market Homes	Median Household Income	Unemployment Rate	3-Month Avg Job Growth	Median Single-Family Home Value	Market Vacancy	YoY Market Rent Growth	Trailing 12-Month		Forecasted Next		CSR YTD Avg Annual Income ⁽⁵⁾	CSR YTD Rent-To-Income Ratio ⁽⁵⁾
										Net Deliveries % of Stock	% of Stock	12-Month Net Deliveries % of Stock	Homes Under Construction % of Stock		
Minneapolis, MN	33.9%	3,712,020	279,835	\$91,341	3.7%	0.7%	\$388,428	7.6%	1.0%	12,660 4.5%	6,953 2.5%	10,684 3.8%	\$105,064	22.0%	
Denver, CO	22.5%	3,005,131	304,504	\$98,975	4.0%	-0.5%	\$613,524	9.8%	0.6%	17,080 5.6%	10,023 3.3%	19,629 6.4%	\$113,728	26.1%	
North Dakota ⁽²⁾	11.6%	238,906	16,863	\$72,102	2.7%	0.9%	\$304,712	4.0%	4.0%	146 0.9%	126 0.7%	128 0.8%	\$100,290	21.4%	
Rochester, MN	9.7%	229,077	11,453	\$85,369	3.0%	3.7%	\$325,451	10.7%	-0.1%	389 3.4%	0 0.0%	510 4.5%	\$125,124	21.8%	
Other Mountain West ⁽³⁾	8.4%	347,409	15,727	\$74,761	2.9%	1.0%	\$387,027	8.9%	1.0%	1,389 8.8%	360 2.3%	592 3.8%	\$91,184	22.7%	
Omaha, NE	5.1%	983,969	82,983	\$79,638	3.3%	2.4%	\$295,304	6.2%	3.1%	2,395 2.9%	1,574 1.9%	1,807 2.2%	\$103,923	21.2%	
St. Cloud, MN	5.5%	202,577	16,241	\$71,370	4.0%	1.1%	\$305,337	4.7%	3.6%	372 2.3%	26 0.2%	102 0.6%	\$95,102	20.8%	
Fort Collins, CO	3.4%	370,771	18,490	\$88,403	3.6%	2.9%	\$578,252	12.2%	2.0%	1,929 10.4%	448 2.4%	930 5.0%	\$120,572	25.1%	
Portfolio Wtd Avg ⁽⁴⁾	100.0%			\$87,065	3.5%	0.9%	\$420,236	8.0%	1.5%	4.6%	2.0%	3.9%	\$107,160	22.9%	

Note: Multifamily data as of Q2 2024. Economic and demographic data as of 8/15/24. Median household income, unemployment rate, 3-month avg job growth, median home value, CSR avg annual income, and CSR rent-to-income ratio for North Dakota and Other Mountain West are weighted by NOI contribution of metropolitan area; market vacancy, rent growth, trailing 12-month net deliveries % of stock, forecasted next 12-month net deliveries % of stock and homes under construction % of stock are weighted by total inventory of homes in each market. All other data is summation of each market

Sources: US Census Bureau, Bureau of Labor Statistics, FRED, Zillow, CoStar

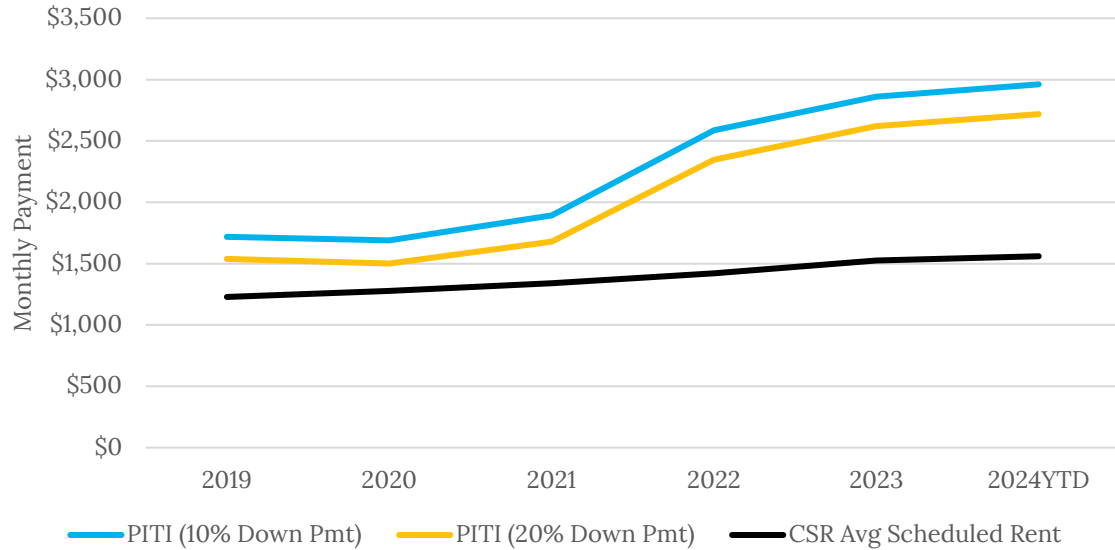
1. Q2 2024 multifamily only
2. Includes Bismarck, ND and Grand Forks, ND
3. Includes Billings, MT and Rapid City, SD
4. Weighted by region % of NOI
5. Per household for approved applicants as of 6/30/24

- 746k apartment homes in CSR portfolio markets, set against 23M total apartment homes in United States
- Centerspace resident rent-to-income ratio of approximately 21%-26% by market compares to 30% United States median rent-to-income ratio



INNOVATION – RENTAL AFFORDABILITY VS HOMEOWNERSHIP & INCOME GROWTH

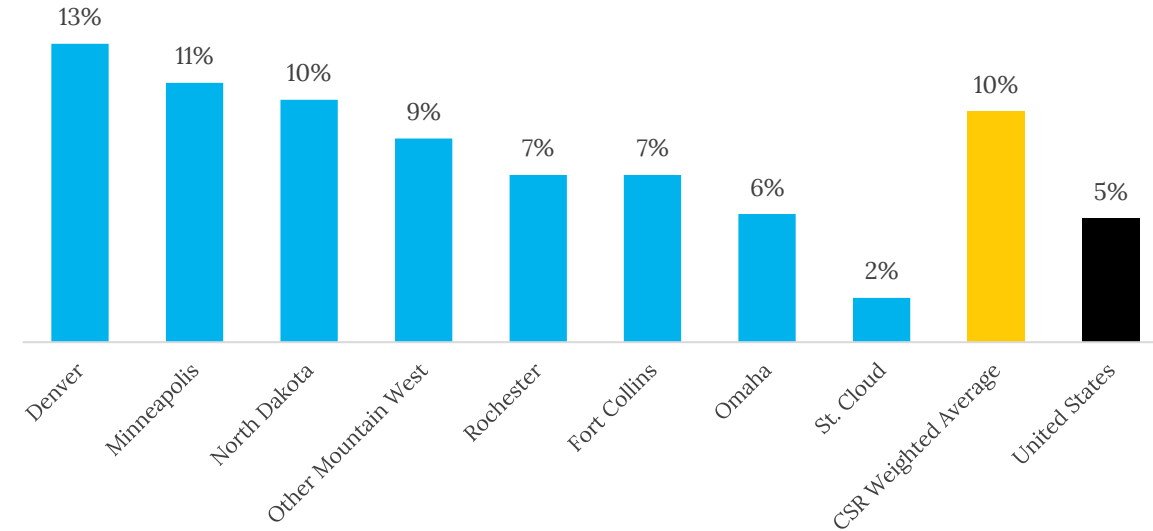
Rent Vs. Own Affordability Gap in CSR Markets



- Homeownership affordability has grown increasingly difficult, as borrowing costs have increased while home prices remain near peak values
- Home ownership (PITI) in CSR markets now costs 90% more than renting in a CSR community

Income Growth Has Outpace Rent Growth in CSR Markets

Median Household Income Growth Minus Rent Growth: 2017 Q2 to 2024 Q2



- While market rents have grown at a healthy clip recently, resident incomes have grown even more
- Income growth has outpaced market rental rate growth by 10% in CSR markets, far exceeding the national average delta of 5%

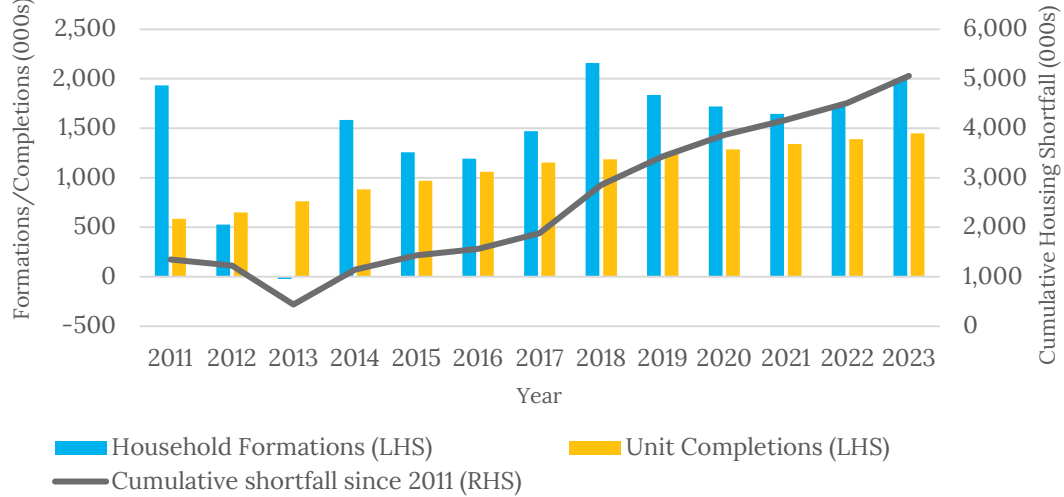
Source: FRED, Zillow, Forbes, Tax Foundation, Bankrate.com, CoStar
 Note: CSR data as of Q2 2024. PITI is weighted by Q2 2024 CSR NOI exposure and is based on market level median home prices, state level average insurance and property tax rates, and national level mortgage and, when applicable, PMI rates. Full year datapoints are an average of all twelve months. 2024YTD results are through July 2024



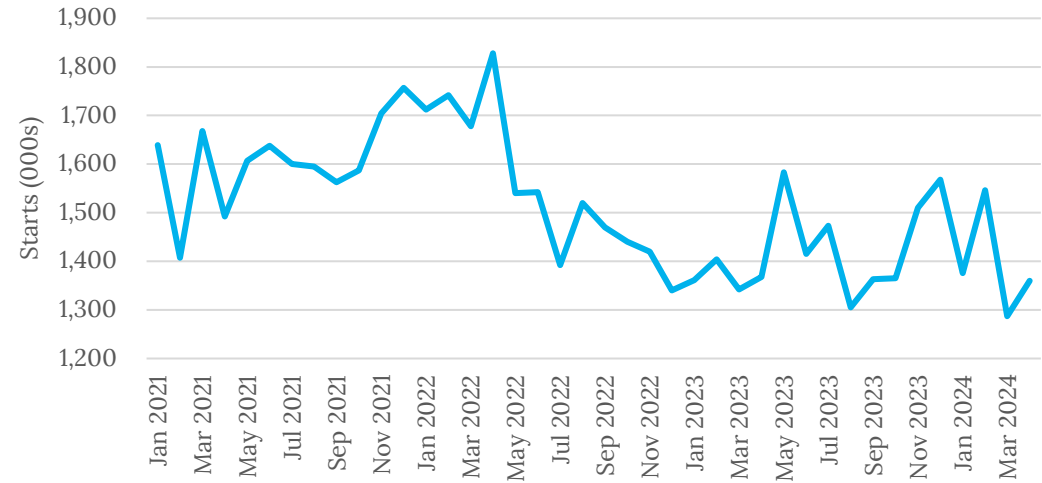


INNOVATION – DEMOGRAPHICS VS HOUSING DELIVERIES ARE ATTRACTIVE

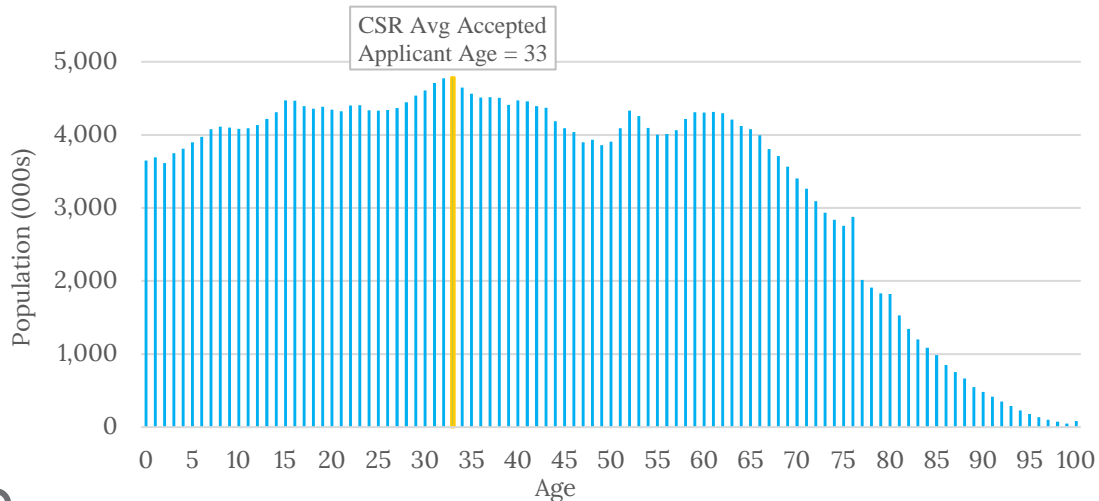
US Housing is Structurally Undersupplied



US Housing Starts (SAAR) Suggest New Supply to Decrease



US Population by Age

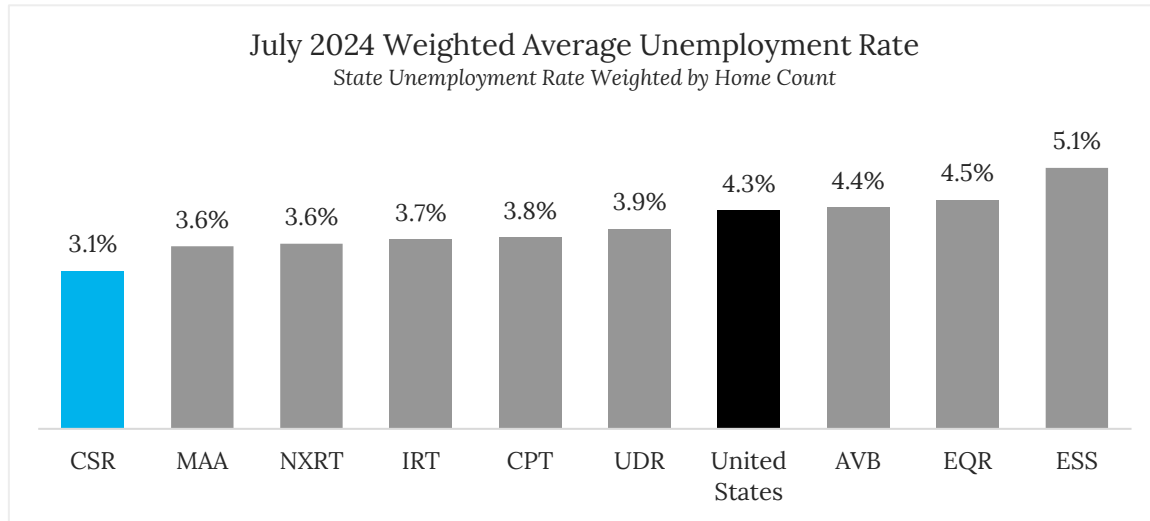


- New household formations exceed supply deliveries by over 5MM since 2011
- Population demographics indicate continued strong demand of individuals in their primary renting years (20-35)
- New construction starts started to fall in 2022 and will lead to lower deliveries going forward





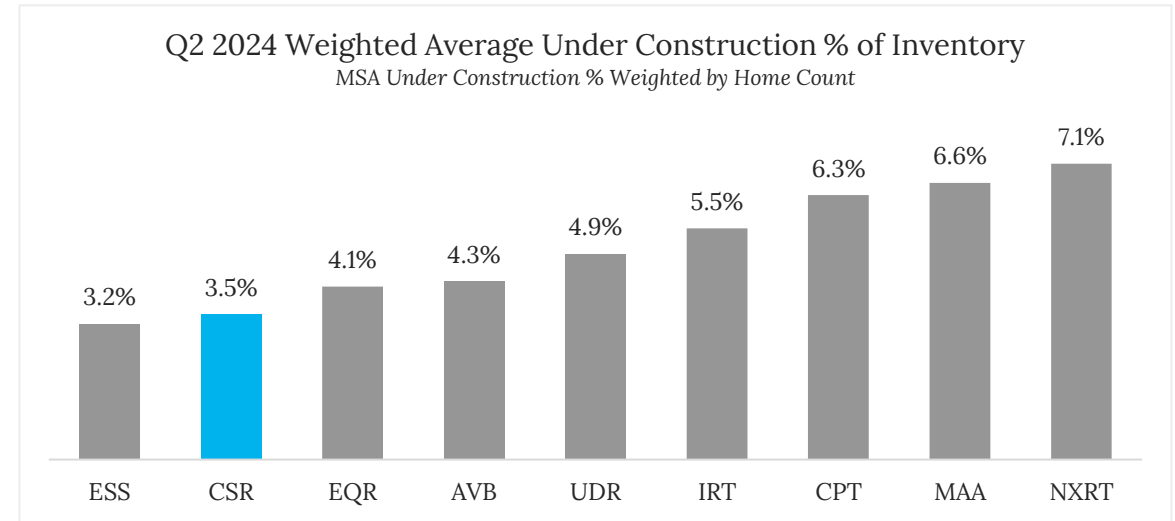
Creditworthiness of residents produces strong rent collection rates; low unemployment in Centerspace portfolio markets can insulate performance in recessionary conditions



Source: S&P Capital IQ, BLS

- Low unemployment in our portfolio relative to all housing sectors- apartment, manufactured housing, and single-family rentals, is leading to strong collection rates
- Centerspace’s portfolio has the lowest weighted average unemployment rate among public multifamily companies

Measured supply pipeline in Centerspace portfolio markets allows the ability to drive rent growth and retain occupancy



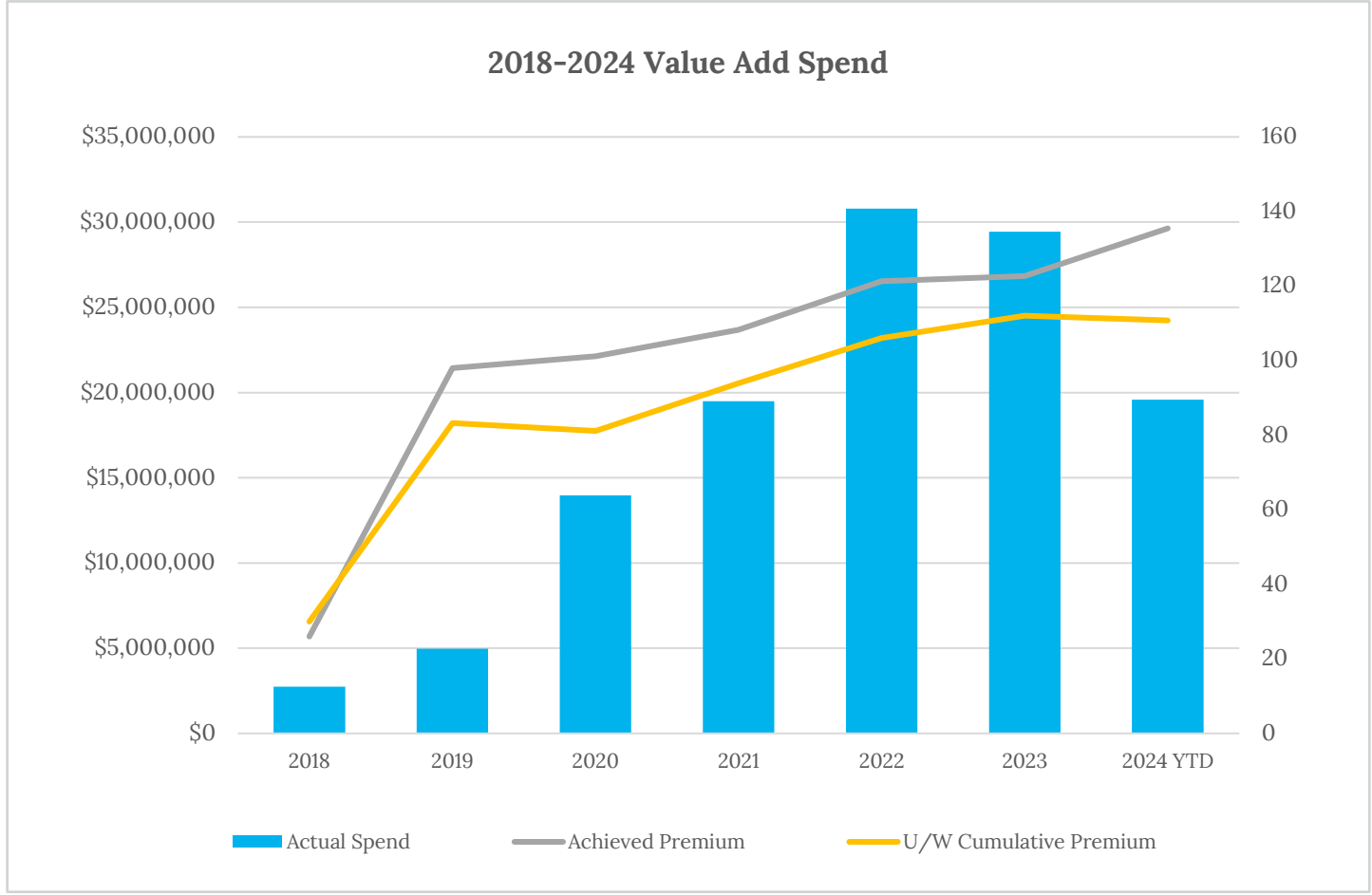
Source: S&P Capital IQ, CoStar

- Less competition from new supply allows the ability to push rents while maintaining occupancy
- Among public multifamily companies, Centerspace’s markets have the second lowest number of homes under construction as a percentage of total market inventory





Centerspace’s past and current projects have generated a 15.5% return on investment, resulting in over **\$191 million of incremental value creation⁽¹⁾**



Spend increased from \$2.7mm in 2018 to \$29.4mm in 2023, with \$24.0mm⁽²⁾ projected in 2024



Blended U/W premium through 2024 was \$111 per unit, achieved \$135

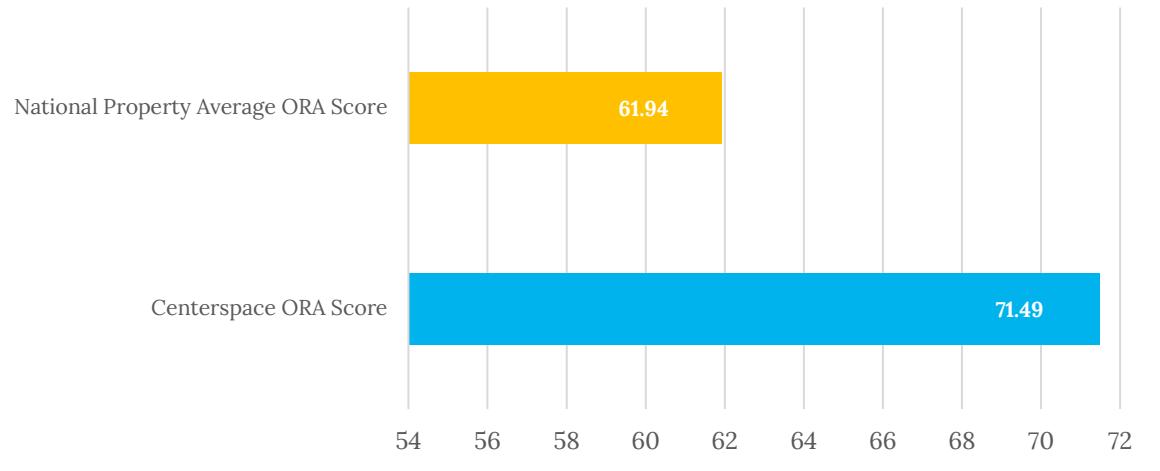
- Includes unit renovations, common area renovations, and other value add projects and calculated as incremental NOI divided by a 6.0% cap rate, net of capital investment. Incremental NOI of \$18.8mm calculated as total cost-to-date at 7/31/2024 of \$121.3mm, multiplied by ROI of 15.5%
- Midpoint of \$23.0mm-25.0mm range noted in most recent FFO Guidance released with Q2 2024 earnings



SERVICE – ENHANCING CUSTOMER EXPERIENCE IS A CORE GOAL

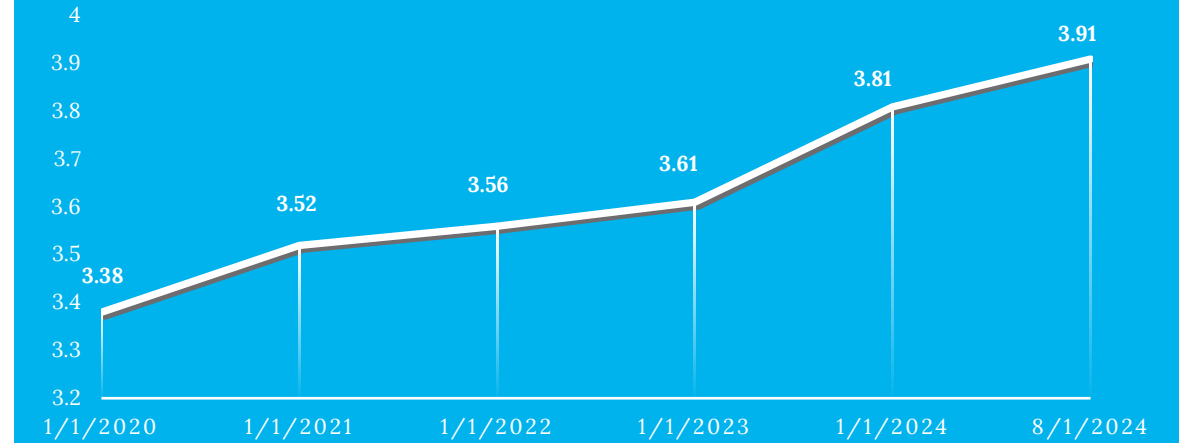
2024 J Turner ORA Score

(As of 8/1/2024)



LIFETIME AVERAGE REPUTATION SCORES

(As of 8/1/2024)



*Reflects all properties in the portfolio as of the reporting date



Red 20

ORA TOP PERFORMER

Red 20 Apartments in Minneapolis, MN was named to the 2023 Elite 1% in the J Turner Research 2023 ORA Power Rankings report. This report highlights the nation's top 1% of communities ranked by ORA.





ENVIRONMENTAL

- Published fifth annual ESG report, prepared in alignment with GRI 2024 Universal Standards & Topic Standards
- Achieved 81% energy usage data coverage, surpassing 2027 goal of 75%
- Submitted our second annual GRESB submission and increased our score 15%, from 55 in year one to 63 in year two
- Implemented smart home technology at 68% of Centerspace communities ⁽¹⁾

SOCIAL

- Donated \$75,710 to national, regional, and diversity-promoting charities in 2023
- Named a Top Workplace by the Minneapolis Star Tribune for the fifth consecutive year in 2024
- Maintain a strong Diversity, Equity, and Inclusion committee that upholds our DE&I Corporate Policy
- Team members completed 2,623 volunteer hours in 2023

GOVERNANCE

- Maintain a Supermajority Independent Board with 88% of board members being independent ⁽²⁾
- Senior leadership team is 59.3% female and Board of Trustees is 62.5% female
- Received a #1 governance score from Institutional Shareholder Services

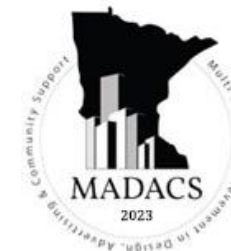
AWARDS & RECOGNITION



LEADING ORGANIZATION IN DIVERSITY, EQUITY, AND INCLUSION



TOP WORKPLACE FOR FIVE CONSECUTIVE YEARS



SEVEN MADACS AWARDS IN 2023

1. As of Apr 30, 2024
 2. As of September 3, 2024
[centerspacehomes.com](https://www.centerspacehomes.com)





EXECUTIVE MANAGEMENT TEAM



Anne Olson
President & CEO



Bhairav Patel
EVP & CFO

ISS rated top score of 1 -
indicating highest quality
corporate governance
practices and lowest
governance risk

SENIOR LEADERSHIP TEAM



Brad Abel
SVP,
Information
Technology



Grant Campbell
SVP,
Investments



Jean Denn
SVP, Operations



Julie Ellis
SVP, Chief
Accounting
Officer



Julie Letner
SVP, Talent and
Culture



Susan Picotte
SVP, Asset
Management &
Operations Support



Kelly Weber
SVP, Strategic
Services

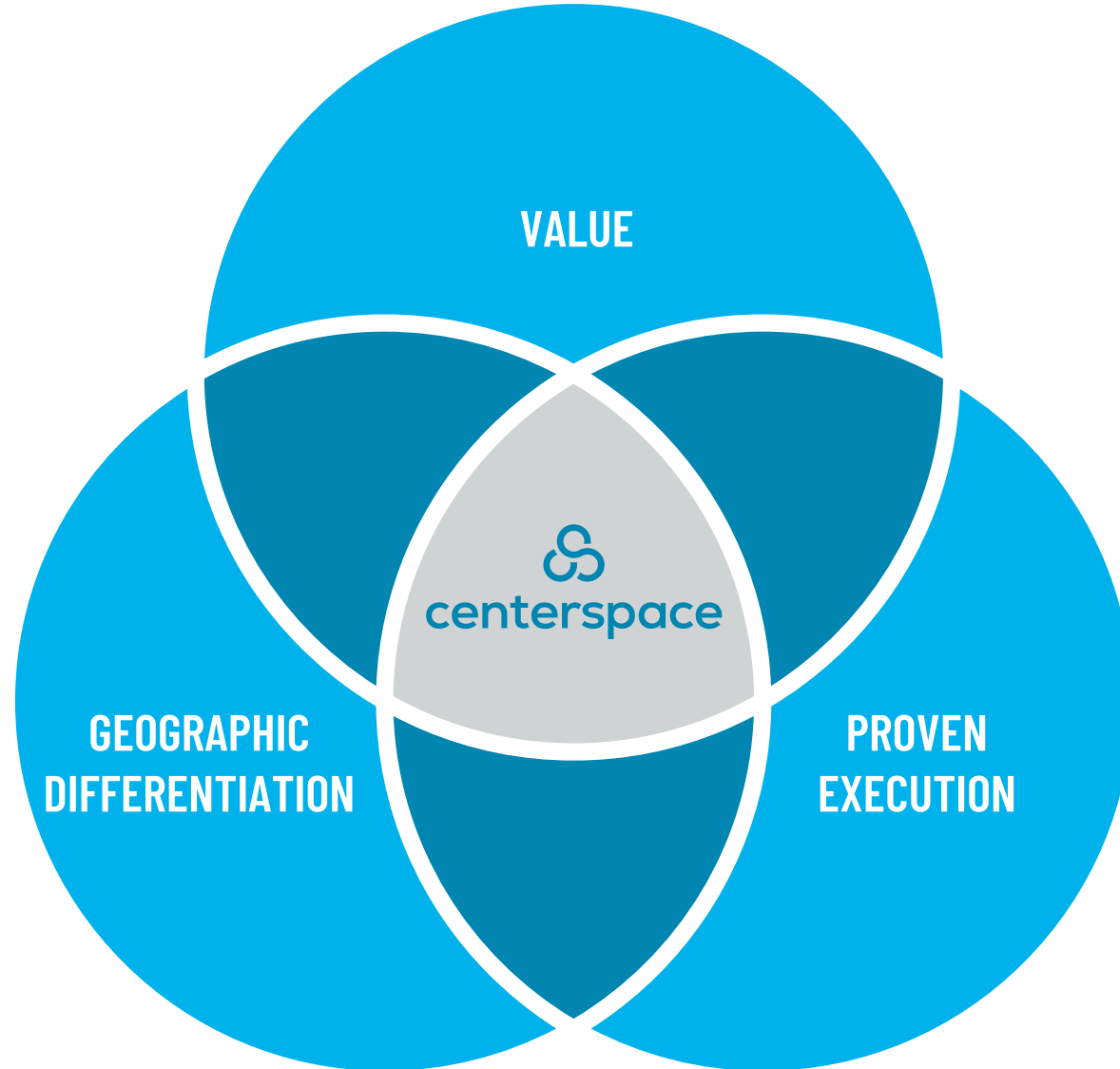


Joe McComish
VP, Finance



Jim Mitchell
VP, Facilities







APPENDIX





RECONCILIATION TO NON-GAAP MEASURES

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

Centerspace believes that 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 its operating performance, primarily because its calculation does not assume that 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. Centerspace uses 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 gains and losses from the sale of real estate assets and impairment write-downs helps to identify the operating results of the long-term assets that form the base of the company’s investments and assists management and investors in comparing those operating results between periods.

Due to the limitations of the Nareit FFO definition, Centerspace has made certain interpretations in applying this definition. The company believes 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.

While FFO is widely used by Centerspace 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, nor is it indicative of funds available to fund all cash flow needs, including the ability to service indebtedness or make distributions to shareholders.

Core Funds from Operations (“Core FFO”) is FFO as 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, the company believes 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 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 flow 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 should not be considered a substitute for operating results determined in accordance with GAAP.





RECONCILIATION TO NON-GAAP MEASURES

	(in thousands)							
	Three Months Ended				Six Months Ended			
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023	6/30/2024	6/30/2023	
Funds From Operations								
Net (loss) income available to common shareholders	\$ (2,903)	\$ (5,512)	\$ 9,764	\$ 6,167	\$ (3,470)	\$ (8,415)	\$ 38,494	
Adjustments:								
Noncontrolling interests – Operating Partnership and Series E preferred units	(561)	(1,079)	(1,917)	1,204	(712)	(1,640)	7,854	
Depreciation and amortization	25,714	27,012	26,617	24,697	24,371	52,726	50,364	
Less depreciation – non real estate	(82)	(85)	(85)	(56)	(89)	(167)	(180)	
Less depreciation – partially owned entities	(25)	(24)	(22)	(20)	(19)	(49)	(38)	
Impairment of real estate investments	-	-	5,218	-	-	-	-	
Loss (gain) on sale of real estate and other assets	-	577	82	(11,235)	71	577	(60,088)	
FFO applicable to common shares and Units	\$ 22,143	\$ 20,889	\$ 20,129	\$ 20,757	\$ 20,152	\$ 43,032	\$ 36,406	
Adjustments to Core FFO:								
Non-cash casualty (gain) loss	191	702	535	854	(52)	893	(39)	
Interest rate swap amortization	173	197	315	324	159	370	297	
Amortization of assumed debt	263	263	136	(116)	(116)	526	(232)	
Severance and transition related costs	-	-	(10)	-	(19)	-	3,180	
Loss on litigation settlement and one-time trial costs ⁽¹⁾	-	37	1,035	34	3,201	37	3,201	
Other miscellaneous items ⁽²⁾	31	(42)	(35)	(129)	(22)	(11)	32	
Core FFO applicable to common shares and Units	\$ 22,801	\$ 22,046	\$ 22,105	\$ 21,724	\$ 23,303	\$ 44,874	\$ 42,845	
FFO applicable to common shares and Units	\$ 22,143	\$ 20,889	\$ 20,129	\$ 20,757	\$ 20,152	\$ 43,032	\$ 36,406	
Dividends to preferred unitholders	160	160	160	160	160	320	320	
FFO applicable to common shares and Units - diluted	\$ 22,303	\$ 21,049	\$ 20,289	\$ 20,917	\$ 20,312	\$ 43,352	\$ 36,726	
Core FFO applicable to common shares and Units	\$ 22,801	\$ 22,046	\$ 22,105	\$ 21,724	\$ 23,303	\$ 44,847	\$ 42,845	
Dividends to preferred unitholders	160	160	160	160	160	320	320	
Core FFO applicable to common shares and Units - diluted	\$ 22,961	\$ 22,206	\$ 22,265	\$ 21,884	\$ 23,463	\$ 45,167	\$ 43,165	
Per Share Data								
Net income (loss) per share and Unit - diluted	\$ (0.19)	\$ (0.37)	\$ (0.65)	\$ 0.41	\$ (0.23)	\$ (0.56)	\$ 2.55	
FFO per share and Unit - diluted	\$ 1.23	\$ 1.16	\$ 1.11	\$ 1.15	\$ 1.11	\$ 2.39	\$ 2.01	
Core FFO per share and Unit - diluted	\$ 1.27	\$ 1.23	\$ 1.22	\$ 1.20	\$ 1.28	\$ 2.49	\$ 2.36	
Weighted average shares - basic	14,972	14,922	15,013	14,989	14,949	14,947	14,987	
Effect of redeemable operating partnership Units	835	854	862	908	965	845	967	
Effect of Series D preferred units	228	228	228	228	228	228	228	
Effect of Series E preferred units	2,062	2,078	2,087	2,093	2,103	2,070	2,111	
Effect of dilutive restricted stock units and stock options	32	20	31	28	24	26	20	
Weighted average shares and Units - diluted	18,129	18,102	18,221	18,246	18,269	18,116	18,313	

1. Consists of \$37,000 in associated trial costs related to the litigation matter for the three months ended March 31, 2024. Consists of a \$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 for the year ended December 31, 2023.
2. Consists of (gain) loss on investments and pursuit costs.





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

Adjusted EBITDA is earnings before interest, taxes, depreciation, amortization, gain or loss on sale of real estate and other investments, impairment of real estate investments, gain or loss on extinguishment of debt, gain or loss from involuntary conversion, and other non-routine items or items not considered core to business operations. The company considers Adjusted EBITDA to be an appropriate supplemental performance measure because it permits investors to view income from operations without the effect of depreciation, financing costs, or non-operating gains and losses. Adjusted EBITDA is a non-GAAP financial measure and should not be considered a substitute for operating results determined in accordance with GAAP.

	(in thousands)						
	Three Months Ended				Six Months Ended		
	6/30/2024	3/31/2024	12/31/2023	9/30/2023	6/30/2023	6/30/2024	6/30/2023
Adjusted EBITDA							
Net income (loss) attributable to controlling interests	\$ (1,296)	\$ (3,905)	\$ (8,157)	\$ 7,774	\$ (1,863)	\$ (5,201)	\$ 41,708
Adjustments:							
Dividends to Series D preferred unitholders	160	160	160	160	160	320	320
Noncontrolling interests – Operating Partnership and Series E preferred units	(561)	(1,079)	(1,917)	1,204	(712)	(1,640)	7,854
Income (loss) before noncontrolling interests – Operating Partnership and Series E preferred units	\$ (1,697)	\$ (4,824)	\$ (9,914)	\$ 9,138	\$ (2,415)	\$ (6,521)	\$ 49,882
Adjustments:							
Interest expense	9,318	9,193	8,900	8,542	8,626	18,511	18,931
Depreciation and amortization related to real estate investments	25,689	26,988	26,595	24,675	24,351	52,677	50,322
Impairment of real estate investments	-	-	5,218	-	-	-	-
Non-cash casualty loss (recovery)	191	702	535	854	(52)	893	(39)
Interest income	(462)	(280)	(316)	(187)	(248)	(742)	(340)
(Gain) loss on sale of real estate and other investments	-	577	83	(11,235)	71	577	(60,088)
Severance and transition related costs	-	-	(10)	-	(19)	-	3,180
Loss on litigation settlement and associated trial costs ⁽¹⁾	-	37	1,035	34	3,201	37	3,201
Other miscellaneous items ⁽²⁾	31	(42)	(35)	(129)	(22)	(11)	32
Adjusted EBITDA	\$ 33,070	\$ 32,351	\$ 32,091	\$ 31,692	\$ 33,493	\$ 65,421	\$ 65,081

1. Consists of \$37,000 in associated trial costs related to the litigation matter for the six months ended June 30, 2024. Consists of a \$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 for the year ended December 31, 2023.
2. Consists of (gain) loss on investments and pursuit costs.



Reconciliations of Operating Income to Net Operating Income

Net operating income, or NOI, is a non-GAAP financial measure which the Company defines 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 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 expenses. 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.

	Revised Outlook		
	(in thousands)		
	Six Months Ended	12 Months Ended	
	6/30/2024	12/31/2024	
	Actual	Low	High
Operating income	\$ 11,267	\$ 19,780	\$ 22,930
Adjustments:			
General and administrative and property management expenses	13,391	27,900	27,400
Casualty loss	1,330	2,050	1,950
Depreciation and amortization	52,726	106,098	105,298
Loss on sale of real estate and other investments	577	600	575
Loss on litigation settlement and associated trial costs	-	125	100
Net Operating Income	\$ 79,291	\$ 156,553	\$ 158,253