To: Edgewood Surgical Owners
From: Andrew Sullivan
Date: 12/20/2024
Re: Edgewood Surgical – 2024 Review & 2025 Forecast

Dear Investors,

We are pleased to present Edgewood Surgical Hospital's annual report update. This comprehensive report provides a detailed review of the past year's accomplishments and offers insights into the financial outlook for 2025.

Ownership Overview: The property at this location is jointly owned by five Tenant-In-Common (TIC) entities: ASL Realty, LLC; Balas Grands, LLC; Baker Edgewood Surgical Hospital Investment, LLC; Edgewood Investors, LLC; and Schmelzer Edgewood, LLC. For this communication, all distributions are presented at the property level. Your specific allocation will be determined based on your TIC entity's percentage ownership in the property.

TIC Owner	Percent Ownership
ASL Realty, LLC	22.00%
Balas Grands, LLC	13.75%
Baker Edgewood Surgical Hospital Investment LLC	6.50%
Edgewood Investors, LLC	44.00 %
Schmelzer Edgewood LLC	13.75%

Tenant Overview:

Please find below a summarized table of our tenant information:

Tenant Name	Square Footage	Lease Start	Lease End	Current Rental Rate	Current Monthly Total Rental Payment	Current Monthly CAM Payment	Monthly Additional Payment
The Surgery Center at Edgewood Place	23,700	12/30/2021	12/31/2036	$46.82 psf	$92,465.55	$924.76	N/A

Cash Balance:

As of this report date, the cash balance is $132,643, reflecting an increase from the prior year's balance of $125,013. This balance aligns with our projected expectations.

Debt Overview:

The table below presents an overview of the current debt structure for the property:

Balance as of Reporting Date	Original Loan Amount	Loan Expiration	Interest Rate	Amortization	Lender
10,125,065	10,750,000	1/1/2029	3.40%	30 years	American National Bank

The property's existing debt provides a considerable advantage to its cash flow, especially given the significantly higher interest rates prevailing in the current market.

Monthly and Annual Distributions Overview:

We distributed $509,753 to investors for the full year 2024, which aligns with the annual budget. In 2025, we have budgeted a yearly distribution of $535,000, or a 4.95% increase over the prior year. The following table outlines the monthly and yearly distributions for 2024 and 2025:

Year	Monthly Distribution	Annual Distribution
2024	$42,479.42	$509,753
2025	$44,583.33	$535,000

Equity and Distribution Overview:

The following table provides a snapshot of our equity against the distribution percentages, as well as a comparison to the initial proforma:

Original Equity Raise	Distributions Since Inception	Cash on Cash Return (%)
$7,210,626	$1,433,253	19.88%

In conclusion, our operating and financial performance reinforces our confidence in the future. This confidence is grounded in consistent distributions, significant loan principal reductions, and a proactive management approach. We remain committed to upholding the trust you have placed in us as we guide Edgewood Surgical Hospital toward a prosperous 2025.

We sincerely value your continued confidence in our stewardship of Edgewood Surgical Hospital. Your support has been instrumental to our shared success, and we look forward to building upon these accomplishments in the year ahead.

Sincerely,

Andrew Sullivan
Director of Asset Management
Crown MedRealty Partners