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

Form 10-Q

☑ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2026

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)				(I.R.S. Employer Identification No.)
1324 20th Avenue 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)

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 the filing requirements for at least the past 90 days.

Yes ☑ **No** ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 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, or a non-accelerated filer, a smaller reporting company, or an emerging growth 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**	☐	**Non-accelerated filer**	☐
Smaller Reporting Company	☐	**Emerging growth 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 is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ **No** ☑

Securities registered pursuant to Section 12(b) of the Exchange Act:

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

The number of common shares of beneficial interest outstanding as of July 27, 2026, was 16,794,151.358.

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PART I

Item 1. Financial Statements

CENTERSPACE AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS

	(in thousands, except per share data)	
	June 30, 2026	**December 31, 2025**
ASSETS	*(unaudited)*	
Real estate investments		
Property owned	$ 2,261,220	$ 2,524,020
Less accumulated depreciation	(605,402)	(660,124)
Total real estate investments	1,655,818	1,863,896
Cash and cash equivalents	8,560	12,833
Restricted cash	1,883	2,818
Other assets	38,993	46,620
Assets held for sale, net	135,111	—
TOTAL ASSETS	$ 1,840,365	$ 1,926,167
LIABILITIES, MEZZANINE EQUITY, AND EQUITY		
LIABILITIES		
Accounts payable and accrued expenses	$ 51,370	$ 59,247
Revolving lines of credit	176,000	154,925
Notes payable, net	299,608	299,579
Mortgages payable, net	513,975	566,660
Liabilities held for sale, net	1,460	—
TOTAL LIABILITIES	$ 1,042,413	$ 1,080,411
COMMITMENTS AND CONTINGENCIES (NOTE 10)		
SERIES D PREFERRED UNITS *(Cumulative convertible preferred units, $100 par value, 59 units issued and outstanding at June 30, 2026 and December 31, 2025, aggregate liquidation preference of $5,940 at June 30, 2026)*	$ 5,940	$ 5,940
EQUITY		
Common Shares of Beneficial Interest *(Unlimited authorization, no par value, 16,792 shares issued and outstanding at June 30, 2026 and 16,761 shares issued and outstanding at December 31, 2025)*	1,369,753	1,368,834
Accumulated distributions in excess of net income	(689,530)	(649,678)
Total shareholders' equity	$ 680,223	$ 719,156
Noncontrolling interests – Operating Partnership and Series E preferred units	111,789	120,660
TOTAL EQUITY	$ 792,012	$ 839,816
TOTAL LIABILITIES, MEZZANINE EQUITY, AND EQUITY	$ 1,840,365	$ 1,926,167

See accompanying Notes to Condensed Consolidated Financial Statements.

CENTERSPACE AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS *(unaudited)*

	(in thousands, except per share data)			
	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2026	**2025**	**2026**	**2025**
REVENUE	$ 65,782	$ 68,549	$ 130,851	$ 135,642
EXPENSES				
Property operating expenses, excluding real estate taxes	17,625	18,853	35,867	37,921
Real estate taxes	7,022	7,678	14,354	15,341
Property management expense	2,094	2,393	4,473	4,826
Casualty loss, net of recoveries	(206)	399	(227)	931
Depreciation and amortization	25,075	27,097	51,573	54,751
Impairment of real estate investments	—	14,543	9,700	14,543
General and administrative expenses	5,659	4,382	11,991	9,379
TOTAL EXPENSES	$ 57,269	$ 75,345	$ 127,731	$ 137,692
Gain on sale of real estate and other investments	271	—	271	—
Operating income (loss)	8,784	(6,796)	3,391	(2,050)
Interest expense	(10,623)	(10,724)	(21,093)	(20,359)
Interest and other income	709	735	1,599	1,443
NET LOSS	$ (1,130)	$ (16,785)	$ (16,103)	$ (20,966)
Distributions to Series D preferred unitholders	(58)	(160)	(115)	(320)
Net loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units	168	2,483	2,309	3,126
Net income attributable to noncontrolling interests – consolidated real estate entities	—	(53)	—	(89)
NET LOSS AVAILABLE TO COMMON SHAREHOLDERS	$ (1,020)	$ (14,515)	$ (13,909)	$ (18,249)
NET LOSS	$ (1,130)	$ (16,785)	$ (16,103)	$ (20,966)
Other comprehensive loss				
Loss on derivative instrument reclassified into earnings	—	174	—	349
TOTAL COMPREHENSIVE LOSS	$ (1,130)	$ (16,611)	$ (16,103)	$ (20,617)
Net comprehensive loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units	168	2,508	2,309	3,177
Net income attributable to noncontrolling interests – consolidated real estate entities	—	(53)	—	(89)
COMPREHENSIVE LOSS ATTRIBUTABLE TO CONTROLLING INTERESTS	$ (962)	$ (14,156)	$ (13,794)	$ (17,529)
NET LOSS PER COMMON SHARE – BASIC AND DILUTED	$ (0.07)	$ (0.87)	$ (0.83)	$ (1.09)
Weighted average shares - basic and diluted	16,810	16,741	16,792	16,734

See accompanying Notes to Condensed Consolidated Financial Statements.

CENTERSPACE AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF EQUITY *(unaudited)*

	(in thousands, except per share data)					
Six Months Ended June 30, 2025	NUMBER OF COMMON SHARES	COMMON SHARES	ACCUMULATED DISTRIBUTIONS IN EXCESS OF NET INCOME (LOSS)	ACCUMULATED OTHER COMPREHENSIVE LOSS	NONCONTROLLING INTERESTS	TOTAL EQUITY
Balance at December 31, 2024	16,719	$ 1,367,637	$ (615,242)	$ (407)	$ 130,455	$ 882,443
Net loss attributable to controlling interests and noncontrolling interests			(18,249)		(3,037)	(21,286)
Amortization of swap settlements				349		349
Distributions - common shares and Units ($1.54 per share and Unit)			(25,775)		(1,500)	(27,275)
Distributions - Series E preferred units ($1.93750 per unit)					(3,065)	(3,065)
Share-based compensation, net of forfeitures	18	1,691				1,691
Redemption of Units for common shares	12	535			(535)	—
Redemption of Series E preferred units for common shares	8	338			(338)	—
Equity rebalancing		(223)			223	—
Contribution to noncontrolling interests - consolidated real estate entities		—			1,428	1,428
Shares withheld for taxes		(296)				(296)
Other	—	(306)			(101)	(407)
Balance at June 30, 2025	16,757	$ 1,369,376	$ (659,266)	$ (58)	$ 123,530	$ 833,582
Six Months Ended June 30, 2026						
Balance at December 31, 2025	16,761	$ 1,368,834	$ (649,678)	$ —	$ 120,660	$ 839,816
Net loss attributable to controlling interests and noncontrolling interests			(13,909)		(2,309)	(16,218)
Distributions - common shares and Units ($1.54 per share and unit)			(25,864)		(1,378)	(27,242)
Distributions - Series E preferred units ($1.93750 per unit)					(3,036)	(3,036)
Share-based compensation, net of forfeitures	25	2,166				2,166
Redemption of Units for common shares	38	1,601			(1,601)	—
Redemption of Series E preferred units for common shares	14	608			(608)	—
Equity rebalancing		(61)			61	—
Shares repurchased	(45)	(2,516)				(2,516)
Shares withheld for taxes		(423)				(423)
Other	(1)	(456)	(79)		—	(535)
Balance at June 30, 2026	16,792	$ 1,369,753	$ (689,530)	$ —	$ 111,789	$ 792,012

See accompanying Notes to Condensed Consolidated Financial Statements.

	(in thousands, except per share data)					
Three Months Ended June 30, 2025	NUMBER OF COMMON SHARES	COMMON SHARES	ACCUMULATED DISTRIBUTIONS IN EXCESS OF NET INCOME (LOSS)	ACCUMULATED OTHER COMPREHENSIVE LOSS	NONCONTROLLING INTERESTS	TOTAL EQUITY
Balance at March 31, 2025	16,735	$ 1,368,276	$ (631,855)	$ (232)	$ 127,251	$ 863,440
Net loss attributable to controlling interests and noncontrolling interests			(14,515)		(2,430)	(16,945)
Amortization of swap settlements				174		174
Distributions - common shares and Units ($0.77 per share and unit)			(12,896)		(746)	(13,642)
Distributions - Series E preferred units ($0.96875 per unit)					(1,533)	(1,533)
Share-based compensation, net of forfeitures	10	833				833
Redemption of Units for common shares	5	201			(201)	—
Redemption of Series E preferred units for common shares	8	323			(323)	—
Equity rebalancing		(129)			129	—
Contribution to noncontrolling interests - consolidated real estate entities					1,428	1,428
Shares withheld for taxes		(4)				(4)
Other	(1)	(124)			(45)	(169)
Balance at June 30, 2025	16,757	$ 1,369,376	$ (659,266)	$ (58)	$ 123,530	$ 833,582
Three Months Ended June 30, 2026						
Balance at March 31, 2026	16,803	$ 1,370,461	$ (675,493)	$ —	$ 115,172	$ 810,140
Net loss attributable to controlling interests and noncontrolling interests			(1,020)		(168)	(1,188)
Distributions - common shares and Units ($0.77 per share and unit)			(12,938)		(680)	(13,618)
Distributions - Series E preferred units ($0.96875 per unit)					(1,515)	(1,515)
Share-based compensation, net of forfeitures	10	1,078				1,078
Redemption of Units for common shares	19	790			(790)	—
Redemption of Series E preferred units for common shares	5	243			(243)	—
Equity rebalancing		(12)			12	—
Shares repurchased	(45)	(2,516)				(2,516)
Other	—	(291)	(79)		1	(369)
Balance at June 30, 2026	16,792	$ 1,369,753	$ (689,530)	$ —	$ 111,789	$ 792,012

See accompanying Notes to Condensed Consolidated Financial Statements.

CENTERSPACE AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS *(unaudited)*

	(in thousands)	
	Six Months Ended June 30,	
	2026	**2025**
CASH FLOWS FROM OPERATING ACTIVITIES		
Net loss	$ (16,103)	$ (20,966)
Adjustments to reconcile net loss to net cash provided by operating activities:		
Depreciation and amortization, including amortization of capitalized loan costs	52,277	55,425
(Gain) loss on sale of real estate and other investments	(271)	—
Share-based compensation expense	2,166	1,691
Impairment of real estate investments	9,700	14,543
Provision for bad debt	637	620
Non-cash casualty loss	939	511
Amortization of debt premiums and discounts	836	817
Other, net	(162)	340
Changes in other assets and liabilities:		
Other assets	864	854
Accounts payable and accrued expenses	(6,755)	(3,141)
Net cash provided by operating activities	$ 44,128	$ 50,694
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds from sale of real estate and other investments	29,526	—
Payments for acquisitions of real estate investments	—	(150,076)
Payments for improvements of real estate investments	(12,951)	(14,771)
Other investing activities	359	379
Net cash provided by (used by) investing activities	$ 16,934	$ (164,468)
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal payments on mortgages payable	(53,837)	(14,002)
Proceeds from revolving lines of credit	107,546	237,907
Principal payments on revolving lines of credit	(86,471)	(69,236)
Repurchase of common shares	(2,516)	—
Redemption of Series D preferred units	—	(5,250)
Distributions paid to common shareholders	(25,830)	(25,322)
Distributions paid to Series D preferred unitholders	(115)	(320)
Distributions paid to noncontrolling interests – Operating Partnership and Series E preferred units	(4,443)	(4,553)
Payments related to tax withholding for share-based compensation	(423)	—
Other financing activities	(181)	(386)
Net cash provided by (used by) financing activities	$ (66,270)	$ 118,838
NET INCREASE (DECREASE) IN CASH, CASH EQUIVALENTS, AND RESTRICTED CASH	(5,208)	5,064
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT BEGINNING OF PERIOD	15,651	13,129
CASH, CASH EQUIVALENTS, AND RESTRICTED CASH AT END OF PERIOD	$ 10,443	$ 18,193
SUPPLEMENTARY SCHEDULE OF NON-CASH INVESTING AND FINANCING ACTIVITIES		
Accrued capital expenditures	$ 1,897	$ 3,148
Operating partnership units converted to common shares	1,601	535
Distributions declared but not paid to common shareholders	13,618	13,642
Series E preferred units converted to common shares	608	338
Retirement of shares withheld for taxes	—	296
Involuntary conversion of assets	(1,420)	(628)
Non-cash interest income	931	842
Unrealized gain on investment	(209)	(48)
Contribution to noncontrolling interests - consolidated real estate entities through issuance of note receivable	—	1,428
SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION		
Cash paid for interest	$ 19,348	$ 16,429

	(in thousands)		
Balance Sheet Description	**June 30, 2026**	**December 31, 2025**	**June 30, 2025**
Cash and cash equivalents	$ 8,560	$ 12,833	$ 12,378
Restricted cash	1,883	2,818	5,815
Total cash, cash equivalents, and restricted cash	$ 10,443	$ 15,651	$ 18,193

See accompanying Notes to Condensed Consolidated Financial Statements.

CENTERSPACE AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS *(unaudited)*
June 30, 2026

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 June 30, 2026, Centerspace owned interests in 60 apartment communities consisting of 12,090 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 Condensed 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. All intercompany balances and transactions are eliminated in consolidation.

The Condensed Consolidated Financial Statements also reflected the Operating Partnership's ownership of a joint venture entity in which the Operating Partnership had a general partner or controlling interest. The joint venture entity no longer held any assets or liabilities and was deconsolidated as of December 31, 2025. This entity was consolidated into the Company's operations with noncontrolling interests reflecting the noncontrolling partners' share of ownership, income, and expenses.

UNAUDITED INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

Centerspace's unaudited interim Condensed Consolidated Financial Statements have been prepared in accordance with accounting principles generally accepted in the United States of America ("GAAP") for interim financial information and the applicable rules and regulations of the Securities and Exchange Commission ("SEC"). Accordingly, certain disclosures accompanying annual consolidated financial statements prepared in accordance with GAAP are omitted. The year-end balance sheet data was derived from audited consolidated financial statements, but does not include all disclosures required by GAAP. In the opinion of management, all adjustments, consisting solely of normal recurring adjustments necessary for the fair presentation of financial position, results of operations, and cash flows for the interim periods, have been included.

The current period's results of operations are not necessarily indicative of results which ultimately may be achieved for the year. The interim Condensed Consolidated Financial Statements and accompanying notes thereto should be read in conjunction with the consolidated financial statements and accompanying notes included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025, as filed with the SEC on February 17, 2026.

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 within net cash provided by operating activities and net cash provided by (used by) investing activities on the Condensed Consolidated Statements of Cash Flows have been reclassified to conform to the current financial statement presentation. These reclassifications had no impact on net loss as reported in the Condensed Consolidated Statements of Operations and Comprehensive Loss, total assets, liabilities or equity as reported in the Condensed Consolidated Balance Sheets and the classifications within the Condensed Consolidated Statements of Cash Flows.

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 2024-03, *Income Statement - Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40) - Disaggregation of Income Statement Expenses;* ASU 2025-01, *Income Statement - Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40) - Clarifying the Effective Date*	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. In 2025, an additional ASU was issued to provide clarification on the effective date of the original ASU.	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.
ASU 2025-10, *Government Grants (Topic 832) - Accounting for Government Grants Received by Business Entities*	This ASU establishes authoritative guidance on the accounting for government grants received by business entities.	This ASU is effective for annual reporting periods beginning after December 15, 2028, and interim reporting periods within those annual reporting periods.	This ASU is not expected to have a material impact on the Consolidated Financial Statements.
ASU 2025-11, *Interim Reporting (Topic 270) - Narrow-Scope Improvements*	This ASU is intended to provide clarity on the current interim reporting disclosure requirements.	This ASU is effective for interim reporting periods within annual periods beginning after December 15, 2027.	This ASU may require additional disclosure but is not expected to have a material impact on the Consolidated Financial Statements.
ASU 2025-12, *Codification Improvements*	This ASU is intended to provide technical corrections, clarifications, and minor improvements to the FASB Accounting Standards Codification.	This ASU is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual reporting periods.	This ASU is not expected to have a material impact on the Consolidated Financial Statements.

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 money market mutual funds. 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.

As of June 30, 2026 and December 31, 2025, restricted cash consisted of $1.9 million and $2.8 million, respectively, in escrows held by lenders and security deposits. 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 escrow 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") 842, *Leases*, using a method that represents a straight-line basis over the term of the lease. For the three months ended June 30, 2026 and 2025, rental income represented approximately 98.4% and 98.2% of total revenues, respectively. For the three months ended June 30, 2026 and 2025, other property revenues represented the remaining 1.6% and 1.8%, respectively, of total revenues and are primarily driven by other fee income, which is typically recognized when earned, at a point in time. For the six months ended June 30, 2026 and 2025, rental income represented approximately 98.5% and 98.3% of total revenues, respectively. For the six months ended June 30, 2026 and 2025, other property revenues represented the remaining 1.5% and 1.7% of total revenues, respectively.

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, subject to adjustments in rent and certain other items.

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 June 30, 2026, was as follows:

		(in thousands)
2026 (remainder)	$	1,432
2027		2,700
2028		2,383
2029		2,078
2030		1,992
Thereafter		5,881
Total scheduled lease income - operating leases[1]	$	16,466

(1) Excludes operating leases for assets classified as held for sale as of June 30, 2026.

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 three and six months ended June 30, 2026 and 2025:

		(in thousands)			
		Three Months Ended June 30,		Six Months Ended June 30,	
Revenue Stream	**Applicable Standard**	**2026**	**2025**	**2026**	**2025**
Fixed lease income - operating leases	Leases	$ 61,034	$ 63,104	$ 121,777	$ 125,301
Variable lease income - operating leases	Leases	3,685	4,232	7,072	8,063
Other property revenue	Revenue from contracts with customers	1,063	1,213	2,002	2,278
Total revenue		$ 65,782	$ 68,549	$ 130,851	$ 135,642

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. During the three and six months ended June 30, 2026, the Company recognized a gain of $271,000 on the sale of real estate and other investments. During the three and six months ended June 30, 2025, the Company did not recognize any gain or loss 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.

IN-PLACE LEASE AMORTIZATION

The Company records in-place lease assets at the time of acquisition. The amortization periods reflect the average remaining term of in-place leases acquired, which are generally less than one year for multifamily apartment homes and average lease term for the commercial spaces in the Company's mixed use properties. During the three months ended June 30, 2026 and 2025, the Company recognized $61,000 and $95,000, respectively, of amortization expense related to intangibles. During the six months ended June 30, 2026 and 2025, the Company recognized $798,000 and $1.2 million, respectively, of amortization expense related to intangibles, included within depreciation and amortization in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

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 June 30, 2026, Centerspace held more than 10% of the carrying value of its real estate portfolio in the Minneapolis, Minnesota; Denver, Colorado; and Boulder / Ft. Collins, Colorado markets.

HELD FOR SALE

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 presents the assets and liabilities of any properties held for sale separately in the Condensed Consolidated Balance Sheets. Held for sale properties are reported at the lower of their carrying amount or estimated fair value less costs to sell. Both the real estate assets and corresponding liabilities are presented separately in the accompanying Condensed Consolidated Balance Sheets. Upon classifying an asset as held for sale, no further depreciation is recorded. Disposals representing a strategic shift in operations (e.g., a disposal of a major geographic area, a major line of business or a major equity method investment) will be presented as discontinued operations.

The Company had 13 apartment communities with associated commercial space and tax increment financing ("TIF") note receivable classified as held for sale at June 30, 2026. During the six months ended June 30, 2026, the Company's Board of Trustees approved a plan to sell a specific list of apartment communities which are expected to close during the third quarter of 2026. The Company determined these apartment communities met the criteria to be classified as held for sale as of June 30, 2026 and did not meet the criteria for discontinued operations. The Company did not have any apartment communities classified as held for sale at December 31, 2025. The table below presents the major components of assets and liabilities for apartment communities held for sale as of June 30, 2026:

		(in thousands)
		June 30, 2026
Total real estate investments	$	130,538
Other assets		4,573
Assets held for sale, net	$	135,111
Accounts payable and accrued expenses	$	1,460
Liabilities held for sale, net	$	1,460

IMPAIRMENT OF LONG-LIVED ASSETS

The Company evaluates long-lived assets, including real estate investments, for impairment indicators at least quarterly. The judgments regarding the existence of impairment indicators are based on factors such as operational performance, market conditions, the expected holding period of each property, and legal and environmental concerns. If indicators exist, the Company compares 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 the anticipated holding period for properties, the estimated fair value of properties, or other factors change based on market conditions or otherwise, the evaluation of impairment charges may be different and such differences could be material to the 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 three months ended June 30, 2026, the Company did not record a loss for impairment on real estate. During the six months ended June 30, 2026, the Company incurred a loss of $9.7 million for the impairment of one apartment community in Denver, Colorado. During the three and six months ended June 30, 2025, the Company incurred a loss of $14.5 million for the impairment of five apartment communities in connection with classifying the communities as held for sale.

VARIABLE INTEREST ENTITIES

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.

REAL ESTATE RELATED NOTES RECEIVABLE

In connection with the acquisition of The Lydian, an apartment community in Denver, Colorado, the Company has a tax increment financing note receivable ("TIF") with an initial principal balance of $4.1 million. As of June 30, 2026 and December 31, 2025, the principal balance was $3.9 million, which appears within other assets in the Condensed Consolidated Balance Sheets at fair value. The note bears interest at a rate of 6.0% and matures September 30, 2041.

In connection with the acquisition of Ironwood, an apartment community in New Hope, Minnesota, the Company has a TIF note receivable with an initial principal balance of $6.6 million. As of June 30, 2026, the principal balance was $4.6 million, which appears within assets held for sale, net, in the Condensed Consolidated Balance Sheets at fair value. As of December 31, 2025 the principal balance was $4.9 million and appears within other assets in the Condensed Consolidated Balance Sheets at fair value. The note bears interest at a 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. The note met the criteria to be classified as assets held for sale as of June 30, 2026.

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, which accrues and is added to the principal balance and is payable at maturity. As of June 30, 2026 and December 31, 2025, the Company had funded $15.1 million of the mezzanine loan. As of June 30, 2026 and December 31, 2025, the principal balance was $18.9 million and $18.0 million, respectively. 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 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. The note receivable appears within other assets in the Condensed Consolidated Balance Sheets at fair value.

ADVERTISING COSTS

Advertising costs are expensed as incurred and reported on the Condensed Consolidated Statements of Operations and Comprehensive Loss within the property operating expenses, excluding real estate taxes line item. During the three months ended June 30, 2026 and 2025, total advertising expense was $762,000 and $676,000, respectively. During the six months ended June 30, 2026 and 2025, total advertising expense was $1.4 million and $1.3 million, respectively.

INVOLUNTARY CONVERSION OF ASSETS

During the three months ended June 30, 2026, Centerspace recorded approximately $300,000 in net casualty recoveries due to the completion of previous claims, offset by $95,000 in casualty loss estimates. During the six months ended June 30, 2026, the Company recorded $1.0 million in casualty loss estimates resulting from two new loss events and updated loss estimates on previously reported events along with $729,000 in insurance receivables, reported within other assets on the Condensed Consolidated Balance Sheets, casualty recoveries due to the completion of previous claims, and receipt of insurance proceeds totaling $459,000 which was in excess of previously recorded receivables. Any business interruption insurance and subrogation proceeds will be recognized when received in accordance with ASC 610-30.

During the three months ended June 30, 2025, Centerspace recorded $254,000 in casualty losses resulting from updated loss estimates on three previously reported events. During the six months ended June 30, 2025, the Company recorded $776,000 in casualty losses resulting from two new insurance events and updated loss estimates from three previously reported events. Any business interruption insurance proceeds will be recognized when received in accordance with ASC 610-30.

SEVERANCE

During the three and six months ended June 30, 2026, in connection with the disposition of an apartment community in June and the planned dispositions of 13 apartment communities which are classified as held for sale as of June 30, 2026, the Company incurred total severance costs of $880,000 for severance, benefits, and related costs. These expenses are included within general and administrative expenses in the Condensed Consolidated Statements of Operations and Comprehensive Loss.

NOTE 3 • NET INCOME (LOSS) PER SHARE

Basic net loss per share is computed by dividing net 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, RSUs under its 2025 Incentive Plan (as defined below), 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 the vesting of the RSUs, exercise of ISOs, or 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).

Certain of the Company's time-based RSUs receive nonforfeitable dividend equivalents prior to vesting that are similar to the common shares. These unvested RSUs are participating securities. We include the effect of participating securities in the basic and diluted net income (loss) per share using the two-class method of allocating distributed and undistributed earnings when the two-class method is more dilutive than the treasury stock method.

The Company calculates diluted net income (loss) per share using the treasury stock method for nonparticipating 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, Units, 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 Condensed Consolidated Financial Statements for the three and six months ended June 30, 2026 and 2025.

	(in thousands, except per share data)			
	Three Months Ended June 30,		**Six Months Ended June 30,**	
	2026	**2025**	**2026**	**2025**
NUMERATOR				
Net loss attributable to controlling interests	$ (1,020)	$ (14,515)	$ (13,909)	$ (18,249)
Distributions allocated to participating securities	(80)	—	(80)	—
Numerator for basic and diluted loss per share – net loss available to common shareholders[1]	$ (1,100)	$ (14,515)	$ (13,989)	$ (18,249)
DENOMINATOR				
Denominator for basic and diluted loss per share weighted average shares	16,810	16,741	16,792	16,734
NET LOSS PER COMMON SHARE – BASIC AND DILUTED	$ (0.07)	$ (0.87)	$ (0.83)	$ (1.09)

(1) For the three and six months ended June 30, 2026 and 2025, distributions to Series D preferred unitholders and the impact of Units and Series E preferred units were excluded from the calculation of net loss per common share - diluted as they were anti-dilutive.

For the three months ended June 30, 2026, weighted average operating partnership units of 895,000, Series D preferred units of 82,000, as converted, Series E preferred units of 1.9 million, as converted, non-participating time-based RSUs and options of 7,000, participating RSUs of 22,000, and performance-based RSUs of 17,000 were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive as including these items would have improved net loss per share.

For the three months ended June 30, 2025, weighted average operating partnership units of 971,000, Series D preferred units of 228,000, as converted, Series E preferred units of 1.9 million, as converted, time-based RSUs and options of 25,000, and

performance-based RSUs of 43,000 were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive as including these items would have improved net loss per share.

For the six months ended June 30, 2026, weighted average operating partnership units of 905,000, Series D preferred units of 82,000, as converted, Series E preferred units of 1.9 million, as converted, non-participating time-based RSUs and options of 11,000, participating RSUs of 18,000, and performance-based RSUs of 15,000 were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive as including these items would have improved net loss per share.

For the six months ended June 30, 2025, weighted average operating partnership units of 975,000, Series D preferred units of 228,000, as converted, Series E preferred units of 1.9 million, as converted, time-based RSUs and options of 25,000, and performance-based RSUs of 43,000 were excluded from the calculation of diluted net income (loss) per share because they were anti-dilutive as including these items would have improved net loss per share.

NOTE 4 • MEZZANINE EQUITY AND EQUITY

Series D Preferred Units (Mezzanine Equity). Series D preferred units outstanding were 59,400 at June 30, 2026 and December 31, 2025. 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 issuance price. Each Series D preferred unit is convertible, at the holder's option, into 1.37931 Units. The Series D preferred units had an aggregate liquidation value of $5.9 million at June 30, 2026 and December 31, 2025. Changes in the redemption value are based on changes in the trading value of common shares and are charged to common shares on the Condensed Consolidated Balance Sheets each quarter. The holders of the Series D preferred units do not have voting rights and do not participate in income or loss. Distributions to Series D unitholders are presented in the Condensed Consolidated Statements of Equity within net income (loss) attributable to controlling interests and noncontrolling interests.

Operating Partnership Units. The Operating Partnership had 882,000 and 920,000 outstanding Units at June 30, 2026 and December 31, 2025, respectively.

Exchange Rights. Centerspace redeemed Units in exchange for common shares in connection with Unitholders exercising their exchange rights during the three and six months ended June 30, 2026 and 2025 as detailed in the table below.

	(in thousands)	
Three Months Ended June 30,	**Number of Units**	**Total Book Value**
2026	19	$ 790
2025	5	$ 201
Six Months Ended June 30,		
2026	38	$ 1,601
2025	12	$ 535

Series E Preferred Units (Noncontrolling Interests). Centerspace had 1.6 million Series E preferred units outstanding as of June 30, 2026 and December 31, 2025. 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 receive an allocation of net income (loss) based upon their participation in earnings or loss of the Company. The Series E preferred units had an aggregate liquidation preference of $155.9 million and $157.0 million as of June 30, 2026 and December 31, 2025, respectively. 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 three and six months ended June 30, 2026 and 2025 as detailed below.

	(in thousands)		
Three Months Ended June 30,	**Number of Series E Preferred Units Redeemed**	**Number of Common Shares Issued**	**Total Value**
2026	5	5	$ 243
2025	6	8	$ 323
Six Months Ended June 30,			
2026	12	14	$ 608
2025	6	8	$ 338

Common Shares and Equity Awards. Common shares outstanding as of June 30, 2026 and December 31, 2025, totaled 16.8 million. During the three and six months ended June 30, 2026, Centerspace issued 9,545 and 24,667 common shares, respectively, with a total grant-date fair value of $609,000 and $1.8 million, respectively, as share-based compensation for employees and trustees under its 2015 and 2025 Incentive Plans (as defined below). During the three and six months ended June 30, 2025, Centerspace issued 9,835 and 17,653 common shares, respectively, with a total grant-date fair value of $677,000 and $1.5 million, respectively, as share-based compensation for employees and trustees under its 2015 Incentive Plan. These shares vested based on performance and service criteria. Refer to Note 11 for additional details on share-based compensation.

Equity Distribution Agreement. Centerspace has entered into an 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 maximum aggregate offering price of common shares available for offer and sale thereunder is $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. There were no sales of common shares under the ATM Program during the three and six months ended June 30, 2026 and 2025. As of June 30, 2026, common shares having an aggregate offering price of up to $262.9 million remained available under the ATM Program.

Share Repurchase Program. Effective July 31, 2025, the Board of Trustees authorized a share repurchase program (the "Share Repurchase Program"), providing for the repurchase of an aggregate of $100.0 million for 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 may 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 under this program during the three and six months ended June 30, 2026. There were no shares repurchased during the three and six months ended June 30, 2025. As of June 30, 2026, the Company had $94.0 million remaining authorized for purchase under the Share Repurchase Program.

	(in thousands, except per share amounts)		
Three Months Ended June 30,	**Number of Common Shares**	**Aggregate Cost[1]**	**Average Price Per Share[1]**
2026	45	$ 2,516	$ 55.54
Six Months Ended June 30,			
2026	45	$ 2,516	$ 55.54

(1) Amount includes commissions.

NOTE 5 • DEBT

The following table summarizes the Company's secured and unsecured debt at June 30, 2026 and December 31, 2025.

	(in thousands)				
	June 30, 2026		**December 31, 2025**		
	Carrying Amount	**Weighted Average Interest Rate**	**Carrying Amount**	**Weighted Average Interest Rate**	**Weighted Average Maturity in Years at June 30, 2026**
Lines of credit [1]	$ 176,000	4.87 %	$ 154,925	5.12 %	2.07
Unsecured senior notes [2][4]	300,000	3.12 %	300,000	3.12 %	4.13
Unsecured debt	476,000		454,925		3.37
Mortgages payable - Fannie Mae credit facility [4]	198,850	2.78 %	198,850	2.78 %	5.06
Mortgages payable - other [3][4]	346,297	3.94 %	400,134	3.88 %	12.10
Secured debt	545,147		598,984		9.53
Subtotal	1,021,147	3.63 %	1,053,909	3.64 %	6.66
Deferred financing costs, premiums, and discounts on mortgages payable, net	(31,172)		(32,324)		
Deferred financing costs on notes payable, net	(392)		(421)		
Total debt	$ 989,583		$ 1,021,164		

(1) Interest rates on lines of credit are variable and exclude any unused facility fees and amounts reclassified from accumulated other comprehensive loss into interest expense from terminated interest rate swaps.
(2) Included within notes payable on the Condensed Consolidated Balance Sheets.
(3) Represents apartment communities encumbered by mortgages; 9 at June 30, 2026 and 10 at December 31, 2025.
(4) Interest rate is fixed.

As of June 30, 2026, 44 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. In May 2025, the Company exercised the accordion feature of the Facility, expanding the borrowing capacity by $150.0 million to $400.0 million. Prior to the exercise of the accordion feature, the line of credit had total commitments and borrowing capacity of up to $250.0 million, based on the value of unencumbered properties. As of June 30, 2026, the Company had additional borrowing availability of $224.0 million beyond the $176.0 million drawn under the Facility, bearing interest at a rate of 4.87%. As of December 31, 2025, the Company had additional borrowing availability of $246.0 million beyond the $154.0 million drawn under the Facility, bearing interest at a rate of 5.12%. This Facility matures in July 2028, with an option to extend maturity for up to two additional six-month periods.

The Secured Overnight Financing Rate ("SOFR") is the benchmark alternative reference rate under the Facility. 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 20-80 basis points, or daily or term SOFR, plus a margin that ranges from 120-180 basis points with the consolidated leverage ratio described under the Third Amended and Restated Credit Agreement, as amended.

Centerspace has an operating line of credit agreement with 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 2026 and is designed to enhance treasury management activities and more effectively manage cash balances. As of June 30, 2026 the interest rate on this line of credit was 5.87% and no outstanding balance, compared to $925,000 outstanding as of December 31, 2025, bearing interest at a rate of 5.91%.

Centerspace has 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 issued $175.0 million in unsecured senior promissory notes ("Unsecured Shelf Notes"). 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 issued $125.0 million of senior unsecured promissory notes (the "Unsecured Club Notes", and, collectively with the Unsecured Shelf Notes, the "unsecured senior notes") under a separate private note purchase agreement with PGIM and certain other lenders. The following table shows the notes issued under both agreements as of June 30, 2026 and December 31, 2025.

	(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 %

Centerspace has a $198.9 million Fannie Mae Credit Facility Agreement ("FMCF"). The FMCF is secured by mortgages on 7 apartment communities. The notes are interest-only, with varying maturity dates between September 2028 and September 2033, and a blended, weighted average fixed interest rate of 2.78%. As of June 30, 2026 and December 31, 2025, the FMCF had a balance of $198.9 million. The FMCF is included within mortgages payable on the Condensed Consolidated Balance Sheets.

As of June 30, 2026, Centerspace owned 9 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. The Company believes that there were no material defaults or instances of material noncompliance in regard to any of these mortgage loans as of June 30, 2026. As of June 30, 2026 and December 31, 2025, the mortgage loans had a balance of $346.3 million and $400.1 million, respectively, excluding unamortized premiums and discounts. The mortgage loans are included within mortgages payable on the Condensed Consolidated Balance Sheets.

The aggregate amount of required future principal payments on outstanding debt as of June 30, 2026, was as follows:

	(in thousands)
2026 (remainder)	$ 2,670
2027	49,679
2028	290,224
2029	97,237
2030	89,159
Thereafter	492,178
Total payments	1,021,147
Deferred financing costs, premiums, and discounts on mortgages payable, net	(31,172)
Deferred financing costs on notes payable, net	(392)
Total	$ 989,583

The Company's borrowings are subject to customary covenants and limitations. The Company believes that it was in compliance with all such covenants and limitations as of June 30, 2026.

NOTE 6 • DERIVATIVE INSTRUMENTS

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

Changes in the fair value of derivatives designated and that qualified as cash flow hedges were recorded in accumulated other comprehensive loss and subsequently reclassified into earnings in the period that the hedged transaction affects earnings. Amounts reported in accumulated other comprehensive loss were reclassified to interest expense in the periods in which interest payments were incurred on variable rate debt. As of June 30, 2026 and December 31, 2025 the Company had no remaining interest rate swaps and all amounts in accumulated other comprehensive loss were fully amortized during the prior year.

The table below presents the effect of the Company's derivative financial instruments on the Condensed Consolidated Statements of Operations and Comprehensive Loss as of June 30, 2026 and 2025.

	(in thousands)				
	Gain Recognized in OCI		Location of Loss Reclassified from Accumulated OCI into Income	Loss Reclassified from Accumulated OCI into Income (Loss)	
Three months ended June 30,	**2026**	**2025**		**2026**	**2025**
Total derivatives in cash flow hedging relationships - Interest rate contracts	$ —	$ —	Interest expense	$ —	$ (174)
Six months ended June 30,					
Total derivatives in cash flow hedging relationships - Interest rate contracts	$ —	$ —	Interest expense	$ —	$ (349)

NOTE 7 • FAIR VALUE MEASUREMENTS

In determining the fair value of other financial instruments, Centerspace applies 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	Total	Level 1	Level 2	Level 3
June 30, 2026					
Assets					
Real estate related notes receivable	Other assets	$ 22,610	$ —	$ —	$ 22,610
Real estate related notes receivable	Assets held for sale, net	4,504	—	—	4,504
December 31, 2025					
Assets					
Real estate related notes receivable	Other assets	$ 26,394	$ —	$ —	$ 26,394

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 5.0% to 9.0%), and instrument specific credit risk (range of 0.5% to 1.0%). Changes in the fair value of these receivables from period to period are reported in interest and other income on the Condensed Consolidated Statements of Operations and Comprehensive Loss.

	(in thousands)			
	Fair Value Measurement	Other Gains	Interest Income	Total Changes in Fair Value Included in Current-Period Earnings
Six months ended June 30, 2026				
Real estate related notes receivable	$ 27,114	$ 18	$ 1,154	$ 1,172
Six months ended June 30, 2025				
Real estate related notes receivable	$ 27,238	$ 18	$ 1,092	$ 1,110

As of June 30, 2026 and December 31, 2025, Centerspace had investments totaling $3.7 million and $3.5 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 Condensed Consolidated Balance Sheets. The investments are measured at net asset value ("NAV") as a practical expedient under ASC 820. As of June 30, 2026, the Company had unfunded commitments of $598,000.

The portion of unrealized gains and losses for the three and six months ended June 30, 2026 and 2025 related to equity securities still held at the reporting date is shown in the table below.

	(in thousands)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Unrealized gains and losses on equity securities still held at the reporting date	$ —	$ (19)	$ 209	$ 48

Fair Value Measurements on a Nonrecurring Basis

There were no non-financial assets measured at fair value on a nonrecurring basis at June 30, 2026. Non-financial assets measured at fair value on a nonrecurring basis at December 31, 2025 consisted of real estate investments that were written down to estimated fair value in connection with the impairment recorded on one apartment community during the year ended December 31, 2025. This asset was further impaired during the three months ended March 31, 2026 and sold during the three months ended June 30, 2026.

		(in thousands)			
	Balance Sheet Location	Total	Level 1	Level 2	Level 3
December 31, 2025					
Assets					
Real estate investments measured at fair value	Property owned	$ 39,700	$ —	$ —	$ 39,700

Financial Assets and Liabilities Not Measured at Fair Value

Cash and cash equivalents, restricted cash, accounts receivable, 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 that re-prices frequently, fair values are based on carrying values.

The fair value of unsecured senior notes and mortgages payable 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 June 30, 2026 and December 31, 2025, respectively, are as follows:

		(in thousands)			
		June 30, 2026		December 31, 2025	
	Balance Sheet Location	Amount	Fair Value	Amount	Fair Value
FINANCIAL ASSETS					
Cash and cash equivalents (Level 1)	Cash and cash equivalents	$ 8,560	$ 8,560	$ 12,833	$ 12,833
Restricted cash (Level 1)	Restricted cash	$ 1,883	$ 1,883	$ 2,818	$ 2,818
FINANCIAL LIABILITIES					
Revolving lines of credit (Level 3)	Revolving lines of credit	$ 176,000	$ 176,000	$ 154,925	$ 154,925
Unsecured senior notes (Level 3)[1]	Notes payable	$ 300,000	$ 268,642	$ 300,000	$ 267,420
Mortgages payable - Fannie Mae credit facility (Level 3)	Mortgages payable	$ 198,850	$ 175,757	$ 198,850	$ 175,996
Mortgages payable - other (Level 3)[1]	Mortgages payable	$ 346,297	$ 304,983	$ 400,134	$ 358,627

(1) Excludes deferred financing costs, debt premiums, and discounts.

NOTE 8 • ACQUISITIONS AND DISPOSITIONS

ACQUISITIONS

Centerspace did not acquire new real estate during the three and six months ended June 30, 2026. Centerspace acquired $149.0 million of new real estate during the three and six months ended June 30, 2025 as detailed below.

		(in thousands)			
		Form of Consideration	Investment Allocation		
Acquisitions	Date Acquired	Cash[1]	Land	Building & Improvements	Intangible Assets[2]
341 homes - Sugarmont - Salt Lake City, UT	May 30, 2025	$ 149,000	$ 20,086	$ 124,649	$ 4,265
Total Acquisitions		$ 149,000	$ 20,086	$ 124,649	$ 4,265

(1) Excludes $1.1 million in capitalized transaction cost.

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

DISPOSITIONS

During the three and six months ended June 30, 2026, Centerspace disposed of one apartment community and associated commercial space in one transaction for a sales price of $30.0 million. Centerspace did not dispose of any real estate during the three and six months ended June 30, 2025.

		(in thousands)		
Dispositions	Date Disposed	Sale Price	Net Book Value and Transaction Costs	Gain/(Loss)
176 homes - Civic Lofts - Denver, CO	June 29, 2026	$ 30,000	$ 29,729	$ 271
Total Dispositions		$ 30,000	$ 29,729	$ 271

NOTE 9 • 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.

During the three months ended June 30, 2026, the Company reevaluated its reportable segments under ASC 280, Segment Reporting, including the aggregation of operating segments. As a result of planned dispositions, including Held for Sale properties, and the impact of those dispositions, the Company changed the presentation of certain operating results within its segment disclosures. The Company continues to have one reportable segment, Multifamily. Activities that do not meet the criteria for inclusion in the Multifamily segment are presented in All Other or Unallocated, as applicable. The Company determined that this revised presentation is consistent with the manner in which the chief operating decision-makers ("CODM") evaluates the business. In accordance with ASC 280, prior-period segment information presented herein has been recast to conform to the current-period presentation. The recast had no impact on the Company's Condensed Consolidated Financial Statements.

The chief executive officer and chief financial officer are the CODMs. 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 Company defines NOI as total real estate revenues less property operating expenses, including real estate taxes. Centerspace believes that NOI is an important 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 investments, impairment, depreciation, amortization, financing costs, including interest and other income, losses on extinguishment of debt, and interest expense, property management expenses, loss on litigation settlement, casualty losses net of recoveries, and general and administrative expense.

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 and non-multifamily components of mixed-use properties, which did not meet the aggregation criteria. For the three and six months ended June 30, 2026, the Company disposed of one apartment community and associated commercial space which is included in "Unallocated". During the year ended December 31, 2025, the Company disposed of 12 communities which are included in "Unallocated," as they no longer contribute to segment revenues or operating expenses.

For the three and six months ended June 30, 2026, 13 apartment communities designated as held for sale were included in "Multifamily" with any related commercial space included in "All Other".

The following tables present NOI for the three and six months ended June 30, 2026 and 2025, respectively, along with reconciliations to net income (loss) as reported in the Condensed Consolidated Financial Statements. Segment assets are also reconciled to total assets as reported in the Condensed Consolidated Financial Statements.

	(in thousands)			
Three Months Ended June 30, 2026	**Multifamily**	**All Other**	**Unallocated[3]**	**Total**
Revenue	$ 64,208	$ 917	$ 657	$ 65,782
Property operating expenses				
On-site compensation[1]	6,558	—	107	6,665
Repairs and maintenance[2]	3,264	51	74	3,389
Utilities	3,403	36	74	3,513
Administrative and marketing	1,614	—	41	1,655
Insurance	2,364	19	20	2,403
Real estate taxes	6,777	189	56	7,022
Net operating income	$ 40,228	$ 622	$ 285	$ 41,135
Property management expense				(2,094)
Casualty loss, net of recoveries				206
Depreciation and amortization				(25,075)
General and administrative expenses				(5,659)
Gain on sale of real estate and other investments				271
Interest expense				(10,623)
Interest and other income				709
Net loss				$ (1,130)

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

(2) Includes turnover expense.

(3) Apartment communities that have been sold are classified as unallocated, as they no longer contribute to segment revenues or operating expenses.

	(in thousands)			
Three Months Ended June 30, 2025	**Multifamily**	**All Other**	**Unallocated[3]**	**Total**
Revenue	$ 59,840	$ 779	$ 7,930	$ 68,549
Property operating expenses				
On-site compensation[1]	6,106	—	984	7,090
Repairs and maintenance[2]	3,257	47	611	3,915
Utilities	3,095	35	634	3,764
Administrative and marketing	1,499	2	295	1,796
Insurance	1,942	22	324	2,288
Real estate taxes	6,707	131	840	7,678
Net operating income	$ 37,234	$ 542	$ 4,242	$ 42,018
Property management expense				(2,393)
Casualty loss, net of recoveries				(399)
Depreciation and amortization				(27,097)
Impairment of real estate investments				(14,543)
General and administrative expenses				(4,382)
Interest expense				(10,724)
Interest and other income				735
Net loss				$ (16,785)

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

(2) Includes turnover expense.

(3) Apartment communities that have been sold are classified as unallocated, as they no longer contribute to segment revenues or operating expenses.

Six Months Ended June 30, 2026	(in thousands) Multifamily	All Other	Unallocated[3]	Total
Revenue	$ 127,563	$ 1,828	$ 1,460	$ 130,851
Property operating expenses				
On-site compensation[1]	12,878	—	201	13,079
Repairs and maintenance[2]	6,202	98	114	6,414
Utilities	7,775	73	167	8,015
Administrative and marketing	3,406	1	86	3,493
Insurance	4,794	34	38	4,866
Real estate taxes	13,849	390	115	14,354
Net operating income	$ 78,659	$ 1,232	$ 739	$ 80,630
Property management expense				(4,473)
Casualty loss, net of recoveries				227
Depreciation and amortization				(51,573)
Impairment of real estate investments				(9,700)
General and administrative expenses				(11,991)
Gain on sale of real estate and other investments				271
Interest expense				(21,093)
Interest and other income				1,599
Net loss				$ (16,103)

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

(2) Includes turnover expense.

(3) Apartment communities that have been sold are classified as unallocated, as they no longer contribute to segment revenues or operating expenses.

Six Months Ended June 30, 2025	(in thousands) Multifamily	All Other	Unallocated[3]	Total
Revenue	$ 118,287	$ 1,580	$ 15,775	$ 135,642
Property operating expenses				
On-site compensation[1]	11,999	—	1,961	13,960
Repairs and maintenance[2]	5,921	93	1,090	7,104
Utilities	7,134	80	1,407	8,621
Administrative and marketing	2,806	4	546	3,356
Insurance	4,102	42	736	4,880
Real estate taxes	13,340	345	1,656	15,341
Net operating income	$ 72,985	$ 1,016	$ 8,379	$ 82,380
Property management expense				(4,826)
Casualty loss, net of recoveries				(931)
Depreciation and amortization				(54,751)
Impairment of real estate investments				(14,543)
General and administrative expenses				(9,379)
Interest expense				(20,359)
Interest and other income				1,443
Net loss				$ (20,966)

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

(2) Includes turnover expense.

(3) Apartment communities that have been sold are classified as unallocated, as they no longer contribute to segment revenues or operating expenses.

Segment Assets and Accumulated Depreciation

Segment assets are summarized as follows as of June 30, 2026, and December 31, 2025, respectively, along with reconciliations to the Condensed Consolidated Financial Statements:

As of June 30, 2026	(in thousands) Multifamily[1]	All Other	Unallocated	Total
Segment assets				
Property owned	$ 2,247,923	$ 13,297	$ —	$ 2,261,220
Less accumulated depreciation	(601,630)	(3,772)	—	(605,402)
Total real estate investments	$ 1,646,293	$ 9,525	$ —	$ 1,655,818
Cash and cash equivalents				8,560
Restricted cash				1,883
Other assets				38,993
Assets held for sale, net[2]				135,111
Total Assets				$ 1,840,365

(1) During the three months ended June 30, 2026, 13 apartment communities were classified as held for sale. As described in Note 2, we present certain assets and liabilities of apartment communities classified as held for sale separately in the Condensed Consolidated Balance Sheets. Therefore, the held for sale assets are not included in the segment assets as of June 30, 2026. The assets for these apartment communities remain in Multifamily segment assets as of December 31, 2025. Refer to Note 2 for the balance sheet of held for sale communities.

(2) Includes the assets for the 13 apartment communities designated as held for sale as of June 30, 2026.

As of December 31, 2025	(in thousands) Multifamily[1]	All Other	Unallocated[1]	Total
Segment assets				
Property owned	$ 2,459,103	$ 16,280	$ 48,637	$ 2,524,020
Less accumulated depreciation	(646,259)	(4,709)	(9,156)	(660,124)
Total real estate investments	$ 1,812,844	$ 11,571	$ 39,481	$ 1,863,896
Cash and cash equivalents				12,833
Restricted cash				2,818
Other assets				46,620
Total Assets				$ 1,926,167

(1) Includes the segment assets for the 13 apartment communities designated as held for sale as of June 30, 2026. Apartment communities sold during the six months ended June 30, 2026 were recast to Unallocated as they are no longer segment assets.

NOTE 10 • 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 Condensed Consolidated Financial Statements.

Environmental Matters. 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.

Limitations on Taxable Dispositions. Sixteen properties, consisting of approximately 3,796 apartment 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.

Unfunded Commitments. As of June 30, 2026, Centerspace had unfunded commitments of $598,000 in two real estate technology venture funds. Refer to Note 7 - Fair Value Measurements for additional information regarding these investments.

NOTE 11 • SHARE-BASED COMPENSATION

Share-based awards are provided to officers, non-officer employees, and trustees under the 2025 Incentive Plan approved by shareholders on May 14, 2025 (the "2025 Incentive Plan"), which allows for awards in the form of cash, unrestricted and restricted common shares, stock options, stock appreciation rights, and RSUs up to an aggregate of 650,000 shares over the ten-

year period in which the plan is in effect. Under the 2025 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 program may vary from year to year. Generally, time-based RSUs include the right to receive dividend equivalents either upon vesting or as distributions are declared on common shares. Through June 30, 2026, awards under the 2025 Incentive Plan consisted of RSUs. The Company accounts for forfeitures of restricted and unrestricted common shares, RSUs, and stock options when they occur instead of estimating the forfeitures.

Prior to the approval of the 2025 Incentive Plan, share based awards were 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 allowed for awards in the form of cash, unrestricted and restricted common shares, stock options, stock appreciation rights, and RSUs up to an aggregate of 775,000 shares over the ten-year period in which the plan was in effect. Through June 30, 2026, awards under the 2015 Incentive Plan consisted of restricted and unrestricted common shares, RSUs, and stock options.

2026 LTIP Awards

Awards granted to employees on January 1, 2026, under the 2025 Incentive Plan, consisted of an aggregate of 34,599 time-based RSU awards and 20,635 performance RSUs based on total shareholder return ("TSR"). The time-based RSUs vest as to one-third of the shares on each of January 1, 2027, January 1, 2028, and January 1, 2029.

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 performance RSUs eligible to be earned is 41,270 RSUs, which is 200% of the performance 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 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 25.69%, a risk-free interest rate of 3.55%, and an expected life of 3 years. The share price at the grant date, January 1, 2026, was $66.72 per share.

Awards granted to trustees on May 13, 2026, under the 2025 Incentive Plan, consist of 7,472 time-based RSUs, which vest on May 13, 2027. These awards are classified as equity awards.

Share-Based Compensation Expense

Total share-based compensation expense recognized in the Condensed Consolidated Financial Statements for all outstanding share-based awards was $1.1 million and $833,000 for the three months ended June 30, 2026 and 2025, respectively, and $2.2 million and $1.7 million for the six months ended June 30, 2026 and 2025.

NOTE 12 • SUBSEQUENT EVENTS

On July 9, 2026, Centerspace completed the disposition of five apartment communities, consisting of 474 homes, located in Rapid City, South Dakota, for an aggregate sale price of $66.0 million.

On July 14, 2026, Centerspace completed the disposition of two apartment communities, consisting of 312 homes, located in Minneapolis, Minnesota, with associated commercial space and TIF note receivable for an aggregate sale price of $73.8 million.

The Company expects to use the proceeds from these dispositions to paydown its line of credit and for general working capital purposes.

Item 2. Management's Discussion and Analysis of Financial Conditions and Results of Operations

The following discussion and analysis should be read in conjunction with the unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for the quarter ended June 30, 2026 (the "Report"), the audited financial statements for the year ended December 31, 2025, which are included in our Annual Report on Form 10-K filed with the SEC on February 17, 2026, and the risk factors in Part I, Item 1A, "Risk Factors," of our Annual Report on Form 10-K for the year ended December 31, 2025.

This discussion and analysis and other sections of this Report contain 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"), with respect to the 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. 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 condition, or plans expressed or implied by the forward-looking statements. Although we believe the expectations reflected in these 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 actual results and performance.

The following factors, among others, 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, the impact of actual or threatened wars or other international conflicts, such as in Ukraine, the Middle East, and South America, including sanctions imposed by the U.S. and other countries, on inflation, trade, and general economic 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, our ability to identify and consummate attractive acquisitions and dispositions on favorable terms, our ability to reinvest sales proceeds successfully, our inability to accommodate any significant decline in the market value of real estate serving as collateral for our debt and mortgage obligations; 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 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 ability of the Company to complete its proposed dispositions on a timely basis, or at all;
- risks that the Company's recently completed or proposed dispositions disrupt current plans and operations;
- the anticipated costs related to the Company's recently completed and proposed dispositions;
- the ability of the Company to realize the anticipated benefits of its recently completed and proposed dispositions and the intended use of proceeds therefrom, as well as the Company's strategic review;
- 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;
- failure to reinvest proceeds from sales of properties into tax-deferred exchanges, which could necessitate special distribution and/or tax protection payments;
- inability to fund capital expenditures out of cash flow;
- inability to pay, or need to reduce, distributions on our common shares;
- inability to raise additional equity 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;
- 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.

New factors may also arise from time to time that could have an adverse effect on our business and results of operations. 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. Readers also should carefully review our financial statements and the notes thereto as well as the risks and uncertainties detailed from time to time in filings with the SEC, including the "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Risk Factors" contained in our Annual Report on Form 10-K for the year ended December 31, 2025.

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 June 30, 2026, we owned 60 apartment communities containing 12,090 apartment homes. Property owned, as presented in our Condensed Consolidated Balance Sheets at historical cost and excluding assets held for sale, was $2.3 billion at June 30, 2026 and $2.5 billion at December 31, 2025.

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 creating vibrant apartment communities through resident-centered operations. We believe that delivering superior resident experiences will enhance resident satisfaction while also driving profitability for our business and shareholders. We have paid quarterly distributions continuously since our first distribution in 1971.

Overview of the Three Months Ended June 30, 2026

- Disposed of an apartment community consisting of 176 homes in Denver, Colorado for an aggregate sales price of $30.0 million.
- For the three months ended June 30, 2026, revenue decreased by $2.8 million or 4.0% to $65.8 million, compared to $68.5 million for the three months ended June 30, 2025, primarily due to the sale of 12 apartment communities in the prior year, offset by increased revenue from non-same-store communities.
- Same-store revenues and expenses remained relatively unchanged with a 0.3% increase in same-store NOI compared to the same period of the prior year.
- Net loss was $0.07 per diluted share for the three months ended June 30, 2026, compared to net loss of $0.87 per diluted share for the same period of the prior year.
- Non-GAAP Core Funds from Operations ("Core FFO") per diluted share decreased to $1.27 for the three months ended June 30, 2026, compared to $1.28 for the three months ended June 30, 2025. See the description of Core FFO on page 32 and the reconciliation of net loss available to common shareholders to FFO and Core FFO on page 33. This decrease was primarily due to decreased NOI as a result of dispositions, along with increases in general and administrative expenses, offset by increased NOI on non-same-store communities. The drivers of these changes are discussed in more detail in the "Results of Operations" section below.
- Repurchased 45,310 common shares for an average of $55.54 per share.

Results of Operations

GAAP and Non-GAAP Financial Measures

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 and is reconciled to operating income (loss) below. We believe 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 investments, impairment, depreciation and amortization, financing costs, including interest and other income, losses on extinguishment of debt, and interest expense, property management expenses, casualty losses net of recoveries, 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.

We have provided certain information on a same-store and non-same-store basis. Same-store apartment communities are owned or stabilized for substantially all of the periods being compared and, in the case of newly-acquired or constructed communities, have achieved a target level of physical occupancy of 90%, or repositioned 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, excluding 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 (loss). We believe 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. We use this measure to assess whether or not we have been successful in increasing NOI, raising average rental revenue, renewing the leases with 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 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 six months ended June 30, 2026 and 2025, 44 apartment communities were same-store and three apartment communities and two apartment community were non-same-store, respectively. Communities designated as held for sale are included in "Non-same-store and held for sale." For the six months ended June 30, 2026, 13 apartment communities were designated as held for sale and included in "Non-same-store and held for sale." Sold communities are included in "Dispositions," for all periods presented, while "Other properties" includes non-multifamily properties and the non-multifamily components of mixed-use properties. During the three and six months ended June 30, 2026, we disposed of one apartment community consisting of 176 apartment homes. During the year ended December 31, 2025, we disposed of 12 apartment communities consisting of 1,511 apartment homes.

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

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

	(in thousands, except percentages)							
	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Operating income (loss)	$ 8,784	$ (6,796)	$ 15,580	(229.3) %	$ 3,391	$ (2,050)	$ 5,441	(265.4) %
Adjustments:								
Property management expenses	2,094	2,393	(299)	(12.5) %	4,473	4,826	(353)	(7.3) %
Casualty loss, net of recoveries	(206)	399	(605)	(151.6) %	(227)	931	(1,158)	(124.4) %
Depreciation and amortization	25,075	27,097	(2,022)	(7.5) %	51,573	54,751	(3,178)	(5.8) %
Impairment of real estate investments	—	14,543	(14,543)	(100.0) %	9,700	14,543	(4,843)	(33.3) %
General and administrative expenses	5,659	4,382	1,277	29.1 %	11,991	9,379	2,612	27.8 %
Gain on sale of real estate and other investments	(271)	—	(271)	N/A	(271)	—	(271)	N/A
Net operating income	$ 41,135	$ 42,018	$ (883)	(2.1) %	$ 80,630	$ 82,380	$ (1,750)	(2.1) %

The following consolidated results of operations, including GAAP and non-GAAP metrics, cover the three and six months ended June 30, 2026 and 2025.

	(in thousands, except percentages)							
	Three Months Ended June 30,				Six Months Ended June 30,			
	2026	2025	$ Change	% Change	2026	2025	$ Change	% Change
Revenue								
Same-store[1]	$ 49,996	$ 49,931	$ 65	0.1 %	$ 99,426	$ 99,464	$ (38)	— %
Non-same-store and held for sale[1]	14,212	9,909	4,303	*	28,137	18,823	9,314	*
Other properties[1]	917	779	138	17.7 %	1,828	1,580	248	15.7 %
Dispositions[1]	657	7,930	(7,273)	*	1,460	15,775	(14,315)	*
Total	65,782	68,549	(2,767)	(4.0) %	130,851	135,642	(4,791)	(3.5) %
Property operating expenses, including real estate taxes								
Same-store[1]	18,790	18,809	(19)	(0.1) %	38,437	37,685	752	2.0 %
Non-same-store and held for sale[1]	5,190	3,797	1,393	*	10,467	7,617	2,850	*
Other properties[1]	295	237	58	24.5 %	596	564	32	5.7 %
Dispositions[1]	372	3,688	(3,316)	*	721	7,396	(6,675)	*
Total	24,647	26,531	(1,884)	(7.1) %	50,221	53,262	(3,041)	(5.7) %
Net operating income								
Same-store[1]	31,206	31,122	84	0.3 %	60,989	61,779	(790)	(1.3) %
Non-same-store and held for sale[1]	9,022	6,112	2,910	*	17,670	11,206	6,464	*
Other properties[1]	622	542	80	14.8 %	1,232	1,016	216	21.3 %
Dispositions[1]	285	4,242	(3,957)	*	739	8,379	(7,640)	*
Total	$ 41,135	$ 42,018	$ (883)	(2.1) %	$ 80,630	$ 82,380	$ (1,750)	(2.1) %
Property management expenses	(2,094)	(2,393)	(299)	(12.5) %	(4,473)	(4,826)	(353)	(7.3) %
Casualty loss, net of recoveries	206	(399)	(605)	(151.6) %	227	(931)	(1,158)	(124.4) %
Depreciation and amortization	(25,075)	(27,097)	(2,022)	(7.5) %	(51,573)	(54,751)	(3,178)	(5.8) %
Impairment of real estate investments	—	(14,543)	(14,543)	(100.0) %	(9,700)	(14,543)	(4,843)	(33.3) %
General and administrative expenses	(5,659)	(4,382)	1,277	29.1 %	(11,991)	(9,379)	2,612	27.8 %
Gain on sale of real estate and other investments	271	—	271	N/A	271	—	271	N/A
Interest expense	(10,623)	(10,724)	(101)	(0.9) %	(21,093)	(20,359)	734	3.6 %
Interest and other income	709	735	(26)	(3.5) %	1,599	1,443	156	10.8 %
NET LOSS	$ (1,130)	$ (16,785)	$ 15,655	(93.3) %	$ (16,103)	$ (20,966)	$ 4,863	(23.2) %
Distributions to Series D preferred unitholders	(58)	(160)	102	(63.8) %	(115)	(320)	205	(64.1) %
Net loss attributable to noncontrolling interests – Operating Partnership and Series E preferred units	168	2,483	(2,315)	(93.2) %	2,309	3,126	(817)	(26.1) %
Net income attributable to noncontrolling interests – consolidated real estate entities	—	(53)	53	(100.0) %	—	(89)	89	(100.0) %
NET LOSS AVAILABLE TO COMMON SHAREHOLDERS	$ (1,020)	$ (14,515)	$ 13,495	(93.0) %	$ (13,909)	$ (18,249)	$ 4,340	(23.8) %

(1) This is a non-GAAP financial measure which is a component of NOI (non-GAAP), as defined above. Refer to the Reconciliation of Operating Income (Loss) to Net Operating Income 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]	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Six Months Ended June 30, 2026	Six Months Ended June 30, 2025
Same-store	96.0 %	95.9 %	95.7 %	95.9 %
Non-same-store and held for sale	95.9 %	94.0 %	95.0 %	94.0 %
Total	96.0 %	95.6 %	95.6 %	95.6 %

(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. Centerspace believes 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 the calculation of weighted average occupancy may not be comparable to that disclosed by other REITs and other real estate companies.

Number of Apartment Homes	as of June 30, 2026	as of June 30, 2025
Same-store	9,407	9,406
Non-same-store	1,049	629
Held for sale[1]	1,634	1,631
Dispositions	—	1,687
Total	12,090	13,353

(1) Number of apartment homes related to properties classified as held for sale as of June 30, 2026.

Same-store analysis. Revenue from same-store communities remained consistent in the three months ended June 30, 2026, compared to the same period in the prior year. The average monthly revenue per occupied home for the three months ended June 30, 2026 remained consistent with comparable periods while weighted average occupancy increased 0.1% from 95.9% for the three months ended June 30, 2025 to 96.0% for the three months ended June 30, 2026. Property operating expenses, including real estate taxes, at same-store communities decreased by 0.1% or $19,000 in the three months ended June 30, 2026, compared to the same period in the prior year. At same-store communities, controllable expenses (which exclude insurance and real estate taxes) increased by $23,000, primarily due to an increase in utilities, on-site compensation, and administrative and marketing expenses, offset by a decrease in repairs and maintenance. Non-controllable expenses at same-store communities decreased by $42,000, due to a decrease in real estate taxes, offset by an increase in insurance-related losses. Same-store NOI increased by $84,000 to $31.2 million for the three months ended June 30, 2026, compared to $31.1 million in the same period of the prior year.

Revenue from same-store communities remained consistent in the six months ended June 30, 2026, compared to the same period in the prior year. The average monthly revenue per occupied home for the six months ended June 30, 2026 remained consistent with comparable periods while weighted average occupancy decreased from 95.9% for the six months ended June 30, 2025 to 95.7% for six months ended June 30, 2026. Property operating expenses, including real estate taxes, at same-store communities increased by 2.0% or $752,000 in the six months ended June 30, 2026, compared to the same period in the prior year. At same-store communities, controllable expenses (which exclude insurance and real estate taxes) increased by $665,000, primarily due to an increase in administrative and marketing costs, utilities, and repairs and maintenance. Non-controllable expenses at same-store communities increased by $87,000, due to insurance-related losses and offset by real estate taxes. Same-store NOI decreased by $790,000 to $61.0 million for the six months ended June 30, 2026, compared to $61.8 million in the same period of the prior year.

Non-same-store and held for sale analysis. Revenue from non-same-store and held for sale communities increased by $4.3 million in the three months ended June 30, 2026, compared to the same period in the prior year. Property operating expenses, including real estate taxes at non-same-store and held for sale communities increased by $1.4 million. NOI at non-same-store and held for sale communities increased by $2.9 million for the three months ended June 30, 2026, compared to the same period of the prior year. The increase in revenue, property operating expenses, and NOI from non-same-store and held for sale communities is primarily due to the addition of two apartment communities, one during the second quarter of the prior year and one during the third quarter of the prior year.

Revenue from non-same-store and held for sale communities increased by $9.3 million in the six months ended June 30, 2026, compared to the same period in the prior year. Property operating expenses, including real estate taxes at non-same-store and held for sale communities increased by $2.9 million for the six months ended June 30, 2026, compared to the same period in the prior year. NOI at non-same-store and held for sale communities increased by $6.5 million for the six months ended June 30, 2026, compared to the same period of the prior year. The increase in revenue, property operating expenses, and NOI from non-

same-store and held for sale communities is primarily due to the addition of two apartment communities, one during the second quarter of the prior year and one during the third quarter of the prior year.

Other properties analysis. Revenue from other properties, which encompasses our commercial and mixed-use activity, increased by $138,000 in the three months ended June 30, 2026, compared to the same period in the prior year. Property operating expenses, including real estate taxes, at other properties increased by $58,000, compared to the same period in the prior year. NOI at other properties increased by $80,000, compared to the same period in the prior year. The increase in revenue and NOI on other properties is primarily due to increased occupancy in the current period.

Revenue from other properties increased by $248,000 in the six months ended June 30, 2026, compared to the same period in the prior year. Property operating expenses, including real estate taxes, at other properties increased by $32,000, compared to the same period in the prior year. NOI at other properties increased by $216,000, compared to the same period in the prior year. The increase in revenue and NOI on other properties is primarily due to increased occupancy in the current period.

Dispositions analysis. Revenue from dispositions decreased by $7.3 million in the three months ended June 30, 2026, compared to the same period in the prior year. Property operating expenses, including real estate taxes, decreased by $3.3 million on dispositions, compared to the same period in the prior year. NOI on dispositions decreased $4.0 million, compared to the same period in the prior year. We disposed of five apartment communities during the third quarter of 2025 and seven apartment communities in the fourth quarter 2025 compared to one apartment community in the second quarter of 2026.

Revenue from dispositions decreased by $14.3 million in the six months ended June 30, 2026, compared to the same period in the prior year. Property operating expenses, including real estate taxes, decreased by $6.7 million on dispositions, compared to the same period in the prior year. NOI on dispositions decreased by $7.6 million, compared to the same period in the prior year. We disposed of five apartment communities during the third quarter of 2025 and seven apartment communities in the fourth quarter 2025 compared to one apartment community in the second quarter of 2026.

Property management expenses. Property management expenses, consisting of property management overhead and property management fees paid to third parties, decreased by 12.5% to $2.1 million in the three months ended June 30, 2026. The decrease was primarily due to reduced compensation related costs and administrative costs resulting from a reduction in headcount and number of communities compared to the same period of the prior year.

Property management expenses, consisting of property management overhead and property management fees paid to third parties, decreased by $353,000 to $4.5 million in the six months ended June 30, 2026, compared to $4.8 million in the same period of the prior year. The decrease was primarily due to reduced compensation related costs resulting from a reduction in headcount compared to the same period of the prior year, offset by an increase in fees paid to third parties for management of an apartment community we acquired in the second quarter of 2025.

Casualty loss, net of recoveries. Casualty activity was a net recovery of $206,000 in the three months ended June 30, 2026, compared to a net casualty loss of $399,000 in the same period of the prior year. The change is primarily due to fewer large loss claims, along with increases in insurance recoveries and subrogation proceeds compared to the prior year. See Note 2 of the Notes to the Condensed Consolidated Financial Statements in the report for more details.

Casualty activity was a net recovery of $227,000 in the six months ended June 30, 2026, compared to a net casualty loss of $931,000 in the same period of the prior year. The change is primarily due to fewer large losses in the current period, settlement of multi-year claims in excess of our deductible along with subrogation proceeds compared to the same period of the prior year. See Note 2 of the Notes to the Condensed Consolidated Financial Statements in the report for more details.

Depreciation and amortization. Depreciation and amortization decreased by 7.5% to $25.1 million in the three months ended June 30, 2026, compared to $27.1 million in the same period of the prior year, primarily attributable to a decrease of $3.3 million in depreciation from dispositions that occurred in the prior year and a decrease of $455,000 on communities classified as held for sale during the current period, offset by an increase of $1.2 million on non-same-store driven by the addition of two apartment communities, one during the second quarter of the prior year and one in the third quarter of the prior year, along with value add and acquisition capital projects.

Depreciation and amortization decreased by $3.2 million to $51.6 million in the six months ended June 30, 2026, compared to $54.8 million in the same period of the prior year, primarily attributable to a decrease of $6.3 million in depreciation from dispositions that occurred in the prior year, a decrease of $1.0 million on same-store communities primarily due to amortization of in-place leases in the prior year that did not occur in the current year, and $410,000 from communities classified as held for sale during the current period, offset by an increase of $4.3 million on non-same-store driven by the addition of two apartment communities, one during the second quarter of the prior year and one in the third quarter of the prior year, along with value add and acquisition capital projects and amortization of in-place leases.

Impairment of real estate investments. There was no impairment of real estate investments in the three months ended June 30, 2026, compared to $14.5 million in the three months ended June 30, 2025. Impairment during the three months ended June 30, 2025 was the result of five apartment communities that were written down to estimated fair value in connection with their reclassification to assets held for sale. See Note 2 of the Notes to the Condensed Consolidated Financial Statements in the report for more details.

Impairment of real estate investments was $9.7 million in the six months ended June 30, 2026, compared to $14.5 million in the six months ended June 30, 2025. Impairment during the six months ended June 30, 2026, was due to one apartment community written down to estimated fair value and the impairment during the six months ended June 30, 2025 was the result of five apartment communities that were written down to estimated fair value in connection with their reclassification to assets held for sale. See Note 2 of the Notes to the Condensed Consolidated Financial Statements in the report for more details.

General and administrative expenses. General and administrative expenses increased by $1.3 million to $5.7 million in the three months ended June 30, 2026, compared to $4.4 million in the same period of the prior year. The increase was primarily due to $835,000 from severance and related costs, $278,000 in professional and legal fees, and increased compensation costs from higher share-based compensation costs in the three months ended June 30, 2026, compared to the same period of the prior year.

General and administrative expenses increased by $2.6 million to $12.0 million in the six months ended June 30, 2026, compared to $9.4 million in the same period of the prior year. The increase was primarily due to $1.1 million in fees related to strategic review, $835,000 from severance and related costs, increased compensation costs from higher share-based compensation costs, and $172,000 in professional and legal fees in the six months ended June 30, 2026, compared to the same period of the prior year.

Gain (loss) on sale of real estate. Gain on sale of real estate for the three and six months ended June 30, 2026 was $271,000 compared to no gain or loss in the same periods of the prior year. The gain on sale was due to the disposition of one apartment community and associated commercial space in the current period compared to no dispositions in the same periods of the prior year. See Note 8 of the Notes to the Condensed Consolidated Financial Statements in the report for more details.

Interest expense. Interest expense decreased by 0.9% to $10.6 million in the three months ended June 30, 2026, compared to $10.7 million in the same period of the prior year, primarily due to a reduction in interest on mortgages payable, offset by an increase in interest on our lines of credit due to higher outstanding balances resulting from the acquisitions of two apartment communities in the prior year, one in the second quarter and one in the third quarter of the prior year, along with use of the line of credit to payoff mortgages and higher amortization of debt discount resulting from the assumption of mortgages in connection with an acquisition in the third quarter of the prior year.

Interest expense increased by $734,000 to $21.1 million in the six months ended June 30, 2026, compared to $20.4 million in the same period of the prior year, primarily due to a higher outstanding balance on our lines of credit resulting from the acquisitions of two apartment communities, one in the second quarter and one in the third quarter of the prior year, along with use of the line of credit to payoff mortgages and amortization of debt discount resulting from the assumption of mortgages in connection with an acquisition in the third quarter of the prior year, offset by a reduction in mortgage interest.

Interest and other income. Interest and other income decreased to $709,000 in the three months ended June 30, 2026, compared to $735,000 in the same period of the prior year. The decrease was primarily due to lower interest income on cash balances in the current period compared to the same period of the prior year.

Interest and other income increased to $1.6 million in the six months ended June 30, 2026, compared to $1.4 million in the same period of the prior year. The increase was primarily due to an unrealized gain on investments and interest income from a real estate related note receivable which has a higher principal balance in the current period compared to the same period of the prior year.

Net loss available to common shareholders. Net loss available to common shareholders was $1.0 million for the three months ended June 30, 2026, compared to a net loss of $14.5 million in the three months ended June 30, 2025.

Net loss available to common shareholders was $13.9 million for the six months ended June 30, 2026, compared to a net loss of $18.2 million for the six months ended June 30, 2025.

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 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;
- gains and losses from change in control;
- 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 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 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 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 (loss) 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 our 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 (loss) 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 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 that should not be considered a substitute for operating results determined in accordance with GAAP.

Net loss available to common shareholders for the three months ended June 30, 2026, was $1.0 million compared to net loss of $14.5 million for the same period of the prior year. FFO applicable to common shares and Units for the three months ended June 30, 2026, decreased to $23.5 million compared to $24.5 million for the comparable period of the prior year, representing a decrease of 4.0%. This FFO decrease was primarily due to decreased NOI from dispositions along with an increase in general and administrative expense, offset by increased NOI from non-same-store communities and decreased casualty loss, net of recoveries.

Net loss available to common shareholders for the six months ended June 30, 2026, was $13.9 million compared to net loss of $18.2 million for the same period of the prior year. FFO applicable to common shares and Units for the six months ended June 30, 2026, decreased to $44.7 million compared to $47.7 million for the comparable period of the prior year, representing a decrease of 6.4%. This FFO decrease was primarily due to decreased NOI from dispositions and same-store communities along with increases in general and administrative expenses and interest expense, offset by increased NOI from non-same-store communities and decreased casualty loss, net of recoveries.

Reconciliation of Net Loss Available to Common Shareholders to Funds from Operations and Core Funds from Operations

	(in thousands, except per share and unit amounts)			
	Three Months Ended June 30,		Six Months Ended June 30,	
	2026	2025	2026	2025
Funds from Operations:				
Net loss available to common shareholders	$ (1,020)	$ (14,515)	$ (13,909)	$ (18,249)
Adjustments:				
Noncontrolling interests – Operating Partnership and Series E preferred units	(168)	(2,483)	(2,309)	(3,126)
Depreciation and amortization	25,075	27,097	51,573	54,751
Less depreciation – non real estate	(67)	(84)	(134)	(167)
Less depreciation – partially owned entities	—	(21)	—	(43)
Impairment of real estate investments	—	14,543	9,700	14,543
Gain on sale of real estate	(271)	—	(271)	—
FFO applicable to common shares and Units	$ 23,549	$ 24,537	$ 44,650	$ 47,709
Adjustments to Core FFO:				
Non-cash casualty (recovery) loss	(65)	149	(258)	431
Interest rate swap amortization	—	174	—	349
Amortization of assumed debt	489	418	854	835
Severance and related costs	880	—	880	—
Legal and other costs related to strategic review	127	—	1,104	—
Other miscellaneous items[1]	—	19	(209)	(48)
Core FFO applicable to common shares and Units	$ 24,980	$ 25,297	$ 47,021	$ 49,276
FFO applicable to common shares and Units	$ 23,549	$ 24,537	$ 44,650	$ 47,709
Distributions to Series D preferred unitholders	58	160	115	320
FFO applicable to common shares and Units - diluted	$ 23,607	$ 24,697	$ 44,765	$ 48,029
Core FFO applicable to common shares and Units	$ 24,980	$ 25,297	$ 47,021	$ 49,276
Distributions to Series D preferred unitholders	58	160	115	320
Core FFO applicable to common shares and Units - diluted	$ 25,038	$ 25,457	$ 47,136	$ 49,596
Per Share Data				
Net loss per common share - basic and diluted[2]	$ (0.07)	$ (0.87)	$ (0.83)	$ (1.09)
FFO per share and Unit - diluted	$ 1.20	$ 1.24	$ 2.27	$ 2.42
Core FFO per share and Unit - diluted	$ 1.27	$ 1.28	$ 2.39	$ 2.50
Weighted average shares - basic and diluted for net income (loss)	16,810	16,741	16,792	16,734
Effect of operating partnership Units for FFO and Core FFO	895	971	905	975
Effect of Series D preferred units for FFO and Core FFO	82	228	82	228
Effect of Series E preferred units for FFO and Core FFO	1,883	1,905	1,888	1,906
Effect of dilutive restricted stock units and stock options for FFO and Core FFO	29	25	29	25
Weighted average shares and Units for FFO and Core FFO - diluted	19,699	19,870	19,696	19,868

(1) Consists of (gain) loss on investments.

(2) Refer to Note 3 of the Notes to the Condensed Consolidated Financial Statements for additional details on net income (loss) per share.

Acquisitions and Dispositions

We did not acquire new real estate during the six months ended June 30, 2026. During the six months ended June 30, 2026, we disposed of one apartment community in one transaction for a sales price of $30.0 million. Refer to Note 8 in the Condensed Consolidated Financial Statements for more information.

Distributions Declared

Distributions of $0.77 and $1.54 per common share and Unit were declared during the three and six months ended June 30, 2026 and 2025. Distributions of $0.9655 and $1.931 per Series D preferred unit were declared during the three and six months ended June 30, 2026 and 2025. Distributions of $0.96875 and $1.9375 per Series E preferred unit were declared during the three and six months ended June 30, 2026 and 2025.

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 operations, 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, real estate deposits, offerings of preferred and common shares under our shelf registration statement, including offerings of common shares under our 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 common shares, Series D 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.

Although we believe that our financial condition and liquidity are sufficient to meet our reasonably anticipated liquidity demands, 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 distribution 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 June 30, 2026, we had total liquidity of approximately $242.6 million, which included $234.0 million available on the lines of credit based on the value of unencumbered properties and $8.6 million of cash and cash equivalents. As of December 31, 2025, we had total liquidity of approximately $267.9 million, which included $255.1 million available on the lines of credit based on the value of unencumbered properties and $12.8 million of cash and cash equivalents.

Debt

As of June 30, 2026, we had a multibank, revolving line of credit with total commitments and borrowing capacity of $400.0 million, based on the value of unencumbered properties, (the “Unsecured Credit Facility” or “Facility”). In May 2025, we exercised the accordion feature of the Facility, expanding the borrowing capacity by $150.0 million to $400.0 million. Prior to the exercise of the accordion feature, the line of credit had total commitments and borrowing capacity of up to $250.0 million, based on the value of unencumbered properties. As of June 30, 2026, there was $176.0 million outstanding on this line of credit, bearing interest at a rate of 4.87%, and additional borrowing availability was $224.0 million. As of December 31, 2025, there was $154.0 million outstanding, bearing interest at a rate of 5.12%, and additional borrowing availability was $246.0 million. The line of credit is utilized to refinance existing indebtedness, to finance property acquisitions, to finance capital expenditures, and for general corporate purposes. This Facility matures in July 2028, with an option to extend maturity for up to two additional six-month periods.

The Secured Overnight Financing Rate (“SOFR”) is the benchmark alternative reference rate under the Facility. As amended, the interest rates on the line of credit are based on the consolidated leverage ratio, at our option, on either the lender’s base rate plus a margin, ranging from 20-80 basis points, or the daily or term SOFR, plus a margin that ranges from 120-180 basis points, with the consolidated leverage ratio described under the Third Amended and Restated Credit Agreement, as amended.

We have an operating line of credit agreement with 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 2026 and is designed to enhance treasury management activities and more effectively manage cash balances. As of June 30, 2026 the interest rate on this line of credit was 5.87% and there was no outstanding balance, compared to $925,000 outstanding as of December 31, 2025, bearing interest at a rate of 5.91%.

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 $175.0 million in unsecured senior promissory 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 issued $125.0 million of senior unsecured promissory notes (the "Unsecured Club Notes", and collectively with the Unsecured Shelf Notes, the "unsecured senior notes"), under a separate private note purchase agreement with PGIM and certain other lenders. The following table shows the notes issued under both agreements as of June 30, 2026 and December 31, 2025.

		(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 %

We have a $198.9 million Fannie Mae Credit Facility Agreement (the "FMCF"). The FMCF is currently secured by mortgages on 7 apartment communities. The notes are interest-only, with varying maturity dates between September 2028 and September 2033, and a blended, weighted average fixed interest rate of 2.78%. As of June 30, 2026 and December 31, 2025, the FMCF had a balance of $198.9 million. The FMCF is included within mortgages payable on the Condensed Consolidated Balance Sheets.

Mortgage loan indebtedness, excluding unamortized premiums and discounts and the FMCF, was $346.3 million on 9 apartment communities at June 30, 2026 and $400.1 million on 10 apartment communities at December 31, 2025. 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. As of June 30, 2026 and December 31, 2025, the weighted average interest rate on mortgage debt was 3.94% and 3.88%, respectively. Further information, including principal payments due on our mortgage indebtedness and other tabular information, can be found in Note 5 - Debt in the Condensed Consolidated notes.

Our borrowings are subject to customary covenants and limitations. We believe that we were in compliance with all such covenants and limitations as of June 30, 2026.

Equity

We have entered into an equity distribution agreement in connection with an at-the-market offering program ("ATM Program") through which we may offer and sell common shares in amounts and at times determined by management. The maximum aggregate offering price of common shares available for offer and sale thereunder is $500.0 million. Under the ATM Program, we 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. There were no sales of common shares under the ATM program during the three and six months ended June 30, 2026 and 2025. As of June 30, 2026, common shares having an aggregate offering price of up to $262.9 million remained available under the ATM Program. Further information can be found in Note 4 - Mezzanine Equity and Equity in the Condensed Consolidated notes.

Effective July 31, 2025, the Board of Trustees authorized a share repurchase program (the "Share Repurchase Program"), providing for the repurchase of up to an aggregate of $100.0 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 specific timing and amount of repurchases may 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 under this program during the three and six months ended June 30, 2026. There were no shares repurchased during the three and six months ended June 30, 2025. As of June 30, 2026, the Company had $94.0 million remaining authorized for purchase under the Share

Repurchase Program.

	(in thousands, except per share amounts)		
Three Months Ended June 30,	**Number of Common Shares**	**Aggregate Cost[1]**	**Average Price Per Share[1]**
2026	45	$ 2,516	$ 55.54
Six Months Ended June 30,			
2026	45	$ 2,516	$ 55.54

(1) Amount includes commissions.

We had 1.6 million Series E preferred units (noncontrolling interests) outstanding on June 30, 2026 and December 31, 2025. 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. The Series E preferred units had an aggregate liquidation preference of $155.9 million and $157.0 million as of June 30, 2026 and December 31, 2025, respectively. The holders of the Series E preferred units do not have voting rights.

We had 59,400 Series D preferred units outstanding on June 30, 2026 and December 31, 2025. 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 issuance price. Each Series D preferred unit is convertible, at the holder's option, into 1.37931 Units. The Series D preferred units had an aggregate liquidation value of $5.9 million at June 30, 2026 and December 31, 2025.

Changes in Cash, Cash Equivalents, and Restricted Cash

As of June 30, 2026, we had cash and cash equivalents of $8.6 million and restricted cash consisting of $1.9 million of security deposits and escrows held by lenders for real estate taxes, insurance, and capital additions. As of December 31, 2025, we had cash and cash equivalents of $12.8 million and restricted cash consisting of $2.8 million of security deposits and 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 the Condensed Consolidated Statements of Cash Flows in Part I, Item 1 above.

In addition to cash flows from operations of $44.1 million during the six months ended June 30, 2026, we generated capital from various activities, including:

- Receiving $29.5 million in net proceeds from the sale of one apartment community; and
- Receiving $21.1 million in net draws on our lines of credit.

During the six months ended June 30, 2026, we used capital for various activities, including:

- Repaying $53.8 million of mortgage principal;
- Funding capital improvements for apartment communities of approximately $13.0 million;
- Paying distributions on common shares, Series E preferred units, and Units of $30.3 million; and
- Repurchasing 45,310 common shares for an average of $55.54 per share.

Contractual Obligations and Other Commitments

Contractual obligations and other commitments were disclosed in our Form 10-K for the year ended December 31, 2025. Refer to Note 10 of the Notes to the Condensed Consolidated Financial Statements in this report for additional details. There have been no material changes to our contractual obligations and other commitments since that report was filed.

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, including the impact of tariffs and geopolitical risk. Supply chain and inflationary pressures are likely to result in increased operating expenses, specifically, increases in

energy costs, labor 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.

Off-Balance Sheet Arrangements

As of June 30, 2026, we had no significant off-balance sheet arrangements, as defined in Item 303(a)(4)(ii) of SEC Regulation S-K.

Critical Accounting Policies

In preparing the Condensed Consolidated Financial Statements, management has made estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting periods. Actual results could differ from those estimates. A summary of critical accounting policies is included in our Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026, under the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Refer to Note 2 of the Notes to Condensed Consolidated Financial Statements in this report for additional information. There have been no other significant changes to the critical accounting policies during the six months ended June 30, 2026.

Item 3. 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. The Company does not enter into derivative instruments for trading or speculative purposes.

See our Annual Report on Form 10-K for the year ended December 31, 2025, filed with the SEC on February 17, 2026, under the heading “Item 7A. Quantitative and Qualitative Disclosures About Market Risk” for a more complete discussion of the Company’s interest rate sensitivity.

Item 4. Controls and Procedures

Disclosure Controls and Procedures:

Management, with the participation of the Chief Executive Officer and Chief Financial Officer, has evaluated the effectiveness of our disclosure controls and procedures (as such term is defined in Rule 13a-15(e) and 15d-15(e) under the Exchange Act), as of the end of the period covered by this Report. Based on such evaluation, the Chief Executive Officer and Chief Financial Officer have concluded that, as of June 30, 2026, such disclosure controls and procedures were effective to ensure that information required to be disclosed by the Company in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms, and is accumulated and communicated to management, including the Chief Executive Officer and Chief Financial Officer, as appropriate, to allow timely decisions regarding required disclosure.

Internal Control Over Financial Reporting:

In connection with the evaluation required by Rule 13a-15(d), management, with the participation of the Chief Executive Officer and Chief Financial Officer, has identified no changes in our internal controls over financial reporting (as defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the quarter ended June 30, 2026, and that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II — OTHER INFORMATION

Item 1. Legal Proceedings

In the ordinary course of the Company's operations, the Company becomes involved in litigation. At this time, the Company knows of no material pending legal proceedings, other than ordinary routine litigation incidental to the business, to which the Company or any of its subsidiaries is a party or of which any of the Company's property is the subject.

Item 1A. Risk Factors

There have been no material changes to the Risk Factors previously disclosed in Item 1A in our Annual Report on Form 10-K for the fiscal year ended December 31, 2025.

Item 2. Unregistered Sales of Equity Securities and Use of Proceeds

Sales of Securities

On May 31, 2026, we issued an aggregate of 15,339 unregistered common shares, 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]
April 1 - 30, 2026	—	$ —	—	$ 96,545,554
May 1 - 31, 2026	—	—	—	96,545,554
June 1 - 30, 2026	45,310	55.54	45,310	94,029,209
Total	45,310	$ 55.54	45,310	

(1) Includes Units and Series D preferred units redeemed for cash pursuant to the exercise of exchange rights.
(2) Amount is based on market prices and includes commissions paid.
(3) Effective July 31, 2025, the board authorized a $100.0 million share repurchase program which expires on September 30, 2026.

Item 3. Defaults Upon Senior Securities

None

Item 4. Mine Safety Disclosures

Not Applicable

Item 5. Other Information

Rule 10b5-1 Trading Plans

During the fiscal quarter ended June 30, 2026, none of our trustees or officers (as defined in Rule 16a-1 under the Exchange Act) 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" (as defined by Item 408(c) of Regulation S-K).

Item 6. Exhibits

The following exhibits are filed as part of this Report.

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).
31.1*	Section 302 Certification of Chief Executive Officer
31.2*	Section 302 Certification of Executive Vice President and Chief Financial Officer
32.1*	Section 906 Certifications of Chief Executive Officer
32.2*	Section 906 Certifications of Executive Vice President and Chief Financial Officer
101 INS**	INSTANCE DOCUMENT
101 SCH**	SCHEMA DOCUMENT
101 CAL**	CALCULATION LINKBASE DOCUMENT
101 LAB**	LABELS LINKBASE DOCUMENT
101 PRE**	PRESENTATION LINKBASE DOCUMENT
101 DEF**	DEFINITION LINKBASE DOCUMENT
104**	COVER PAGE INTERACTIVE DATA FILE - THE COVER PAGE XBRL TAGS ARE EMBEDDED WITHIN THE INLINE XBRL DOCUMENT

* Filed herewith

** Submitted electronically herewith. Attached as Exhibit 101 are the following materials from Quarterly Report on Form 10-Q for the quarter ended June 30, 2026, formatted in Inline eXtensible Business Reporting Language ("iXBRL"): (i) the Condensed Consolidated Balance Sheets; (ii) the Condensed Consolidated Statements of Operations and Comprehensive Loss; (iii) the Condensed Consolidated Statements of Equity; (iv) the Condensed Consolidated Statements of Cash Flows; (v) notes to these Condensed Consolidated Financial Statements; and (vi) the Cover Page to Quarterly Report on our Form 10-Q.

SIGNATURES

Pursuant to the requirements 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.

Centerspace
(Registrant)

/s/ Anne Olson
Anne Olson
President and Chief Executive Officer

/s/ Bhairav Patel
Bhairav Patel
Executive Vice President and Chief Financial Officer

Date: August 3, 2026