

Principal Real Estate



Principal Digital Real Estate Fund (A), LP

FOURTH QUARTER 2025 PERFORMANCE REPORT



Fund overview

Fund objectives

Principal Digital Real Estate Fund (A), LP (the “Parallel Fund”) is a closed-end, commingled fund with a six-year term that is sponsored and managed by Principal Real Estate Investors, LLC. The Parallel Fund and Principal Digital Real Estate Fund, LP (the “Fund”), collectively “the Funds,” operate as feeder funds in a master-feeder type structure. Under the master-feeder structure, the strategy of the Funds is to invest all or substantially all its assets in PDREF Aggregator, LLC (the “Aggregator”).

- The Aggregator seeks to invest in data center development or value-add acquisition opportunities that it believes are capable of generating attractive risk-adjusted returns of 19% - 21% levered, after fees and expenses¹.

Fund profile			Return summary		
Fund commencement date	April 30, 2021		Gross	Net	
Commitment period expiration	April 30, 2025		Internal rate of return ³ —4Q	0.5%	0.9%
Fund expiration	April 30, 2027 (subject to potential extensions)		Internal rate of return—YTD	19.9%	17.1%
Number of investors	6		Internal rate of return—1 year	19.9%	17.7%
Equity summary			Internal rate of return—since inception ⁴	13.3%	11.5%
Equity commitments to the fund	\$	71.7 million	Time weighted return—since inception	4.1%	2.4%
Since inception paid in capital	\$	48.3 million	Investment multiple ⁵	1.28	
Distributions since inception	\$	8.1 million	Realization multiple ⁶	0.17	
Valuation summary²			Paid in capital multiple ⁷	0.67	
Gross asset value	\$	714.9 million	Residual multiple ⁸	1.11	
Net asset value	\$	408.5 million	The inception date used for calculating since-inception returns	July 2, 2021	
Leverage ratio	27.4%				

¹ The adoption of these performance objectives is not intended to predict the Parallel Fund's performance; instead, the objectives are used to help explain how the general partner intends to construct the portfolio. The ultimate returns realized by the Fund will depend on numerous factors, which are subject to uncertainty. Accordingly, there can be no assurances that any performance or return objective will be realized or achieved. In addition, there are a variety of risks that may impede the achievement of the performance objectives.

² The Valuation Summary represents the Aggregator level.

³ Internal rate of return has been calculated based on a dollar-weighted internal rate of return methodology using the cash flows between the limited partners and the Parallel Fund and including ending net asset value as of the report date. The net internal rate of return reflects the deduction of investment management fees and carried interest. Carried interest to the general partner has been accrued based on the hypothetical liquidation value of the fund at fair value. Returns are presented before the effects of blocker entity taxes, which may reduce returns.

⁴ The inception date used for calculating since-inception returns is July 2, 2021.

⁵ “Investment Multiple” means (i) the actual proceeds received, including the deemed liquidation of the Net Asset Value for unrealized investments divided by (ii) contributions.

⁶ “Realization Multiple” means (i) the aggregate amount of distributions divided by (ii) contributions.

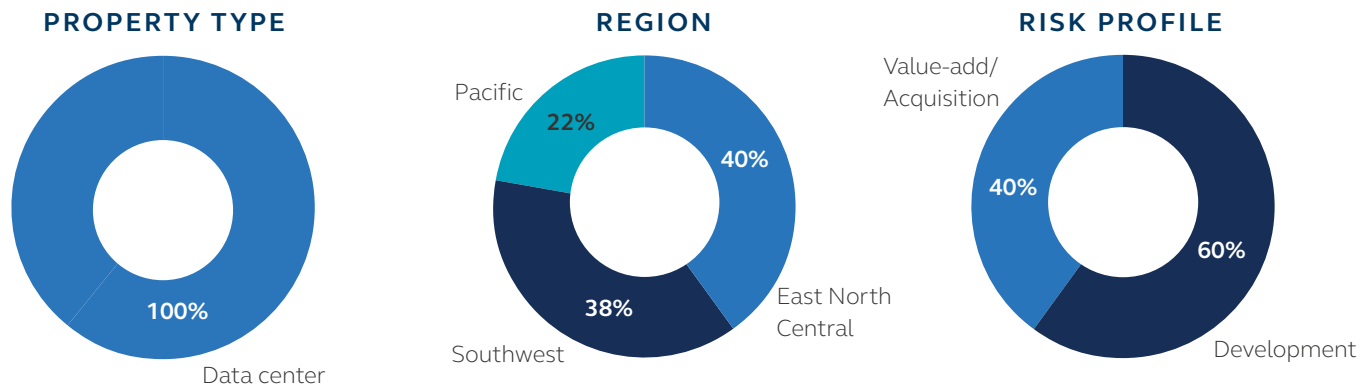
⁷ “Paid In Capital Multiple” means (i) the aggregate amount of Capital Contributions divided by (ii) the aggregate amount of Commitments.

⁸ “Residual Multiple” means, with respect to investments that have not been realized, (i) the Net Asset Value divided by (ii) contributions.

Current Aggregator portfolio diversification

Investments 3

MSA Markets 3



Quarterly activity update

During the quarter, the Alpharetta Data Center was successfully disposed for a gross sales price of \$253M, which generated an asset IRR of 28.7%, outperforming the asset's underwriting. During closing, the power contract with Georgia Power was finalized and transferred to the buyer, allowing for the critical capacity to expand up to 23.2 MW.

The Hammond asset is currently being actively marketed, with ongoing discussions across multiple interested parties, including the existing neocloud tenant. If the tenant ultimately decides not to pursue a purchase, they have previously indicated interest in leasing a build-to-suit data center on the excess land at the site. While not contemplated within the Fund's investment in the asset, securing the power required for that buildout continues to create an attractive value proposition for the next buyer. We anticipate buyer interest to increase further once the additional land-site power is secured.

Lastly, construction at the Lancaster and Forest Grove sites continue. Lancaster is progressing with interior buildout and server rack installation, while additional work shifts continue to increase to meet the 2Q 2026 delivery schedule. The final energization of the Oncor substation and transformers occurred in December 2025. At Forest Grove, work during the fourth quarter included completion of the loading-dock excavation, installation of major roof-support components, and placement of several exterior wall panels. The building was dried-in with a temporary roof to allow interior work to continue, and the project remains on schedule for stabilization by mid-2027.

Portfolio commentary

The North America data center market closed out 2025 with another exceptionally strong quarter, bringing total annual leasing to a record 15.4 GW. Momentum from the historic third quarter carried into the fourth quarter, which contributed an additional 5.1 GW of new leasing activity. Oracle continued to anchor the surge in leasing activity and finished the year with 7.4 GW of leasing activity, largely dedicated to supporting OpenAI-related workloads. While Oracle remained the most active tenant, the market continued to diversify, with hyperscalers, neocloud platforms, and enterprise users all expanding footprints. This quarter saw more than a dozen large campus transactions in the 200 to 400 MW range, a noticeable shift from the gigawatt-scale deals that dominated prior periods.

Vacancy remained extremely constrained, reaching a new record low as the fourth quarter rate declined twelve basis points to 1.70%. Commissioned power expanded by 8.5% during the quarter to exceed 24,200 megawatts nationwide. Absorption remained strong across both primary and secondary markets, with secondary markets capturing an increasing share of growth due to ongoing power availability challenges in traditional hubs. Columbus and Salt Lake City were the fastest growing secondary markets in 2025, with Salt Lake City expanding by more than 60% in the fourth quarter alone.

Planned power capacity continued to scale rapidly, increasing by 24 GW since year-end 2024, representing a 74% expansion. Growth was driven by significant pipeline additions in Austin, Chicago, and Pittsburgh. Pittsburgh's acceleration, in particular, was supported by the availability of large and cost-effective land, combined with a robust energy base that includes nuclear and natural gas generation.



Casey Miler
Managing Director
Portfolio Management
515-235-5315



Ian Curry
Managing Director
Portfolio Management
415-610-0087



Matt Hackman
Director,
Portfolio Management
515-246-2450



Trevor Tyma
Senior Associate,
Portfolio Management
515-878-0478



Chloe Goos
Associate,
Portfolio Management
515-878-0229

INVESTMENT UPDATE:

Digital Crossroad Hammond



Location/MSA **Chicago, IL**
 Property Type **Data Center**
 Project Size **115,652 SF**

Project Summary

Hold Period

Acquisition Date July 15, 2021
 Anticipated Disposition 2Q 2026

Leasing Status

Actual 89.3%
 Targeted Stabilization Date Stabilized

JV Overview

Partner Decennial Group
 Structure 98% Fund, 2% Partner

Debt Overview

Lender United Leasing & Finance
 LTV 2.9%
 Note Rate 5.95%
 Maturity Date June 10, 2028
 Extension Options N/A

Valuation/capital overview¹

Current equity capital structure	Total \$ (mil)	% of total commitments
Digital Fund	\$ 137.4	25.8%
Digital Fund subscription fundings	70.0	
Co-Investment	4.2	
Total	\$ 211.7	

Asset level profitability analysis ²	Total \$ (mil)	\$/SF
Targeted sale price	\$ 292.0	\$ 2,525
Current value	249.4	2,156
Cost basis	220.8	1,909
Net unrealized gain (loss)	\$ 28.6	\$ 247

Returns

Current Target Gross IRR from Inception to Sale (after partner promotes) 17.1%
 Original Target Gross IRR from Inception to Sale (after partner promotes) 18.9%

INVESTMENT UPDATE:

Digital Crossroad Hammond

Risk Status Report

Risk	Status
Leasing	89.3% of the commissioned 15 MW is leased and occupied.
Property Management	The main property management focus is maintaining the operating budget and the asset business plan. Discussions to secure power for future development on the excess land at the site are ongoing.
Financing	In addition to the United equipment financing, the Fund is utilizing the Secured Subscription Facility in lieu of property level debt.

¹ Property level analysis. Not adjusted for the Fund's share of the asset. Exclusive of partner promotes.

² Projected profitability and returns are based on subjective estimates and assumptions, some of which may not prove to be true. In such event the actual results may vary substantially from the ones projected.

Past performance is not a prediction or guarantee of future results. There can be no assurance that the Fund or investments by the Fund, as the context requires, will achieve comparable results or that projected returns, if any, will be met. It should not be assumed that any investments made in the future will be comparable in quality or performance to the prospective investments described herein. All projections, targets and estimates are subject to change without notice. See the Memorandum (including "Section VII-Risk Factors" and "Appendix B-Performance Endnotes" of the Memorandum and the disclaimers at the beginning of the Memorandum) for additional information (including with respect to performance calculations and assumptions).

INVESTMENT UPDATE:

Crane Forest Grove Data Center



Location/MSA **Portland, OR**
 Property Type **Data Center**
 Project Size **82,000 SF**

Project Summary

Hold Period

Acquisition Date October 31, 2022
 Anticipated Disposition 3Q 2027

Leasing Status

Actual 0%
 Targeted Stabilization Date 2Q 2027

JV Overview

Partner Crane Data Centers
 Structure 99% Fund, 1% Partner

Debt Overview

Lender Bankers Trust
 LTV 0.0%
 Note Rate 6.69%
 Maturity Date November 14, 2028
 Extension Options Two one-year extension options

Valuation/capital overview¹

Current equity capital structure	Total \$ (mil)	% of total commitments
Digital Fund	\$ 102.7	19.3%
Digital Fund subscription fundings	0.0	
Co-Investment	1.0	
Total	\$ 103.7	

Asset level profitability analysis ²	Total \$ (mil)	\$/SF
Targeted sale price	\$ 406.6	\$ 1,425
Current value	133.7	469
Cost basis	133.7	469
Net unrealized gain (loss)	\$ 0.0	\$ 0

Returns

Current Target Gross IRR from Inception to Sale (after partner promotes) 22.7%
 Original Target Gross IRR from Inception to Sale (after partner promotes) 20.4%

INVESTMENT UPDATE:

Crane Forest Grove Data Center

Risk Status Report

Risk	Status
Leasing	Leasing discussions continue with multiple enterprise-focused tenants in the 4-12 MW range. The Portland market remains strong with a sub-1% vacancy rate and strong demand drivers.
Property Management	<p>Forest Grove Light and Power has agreed to provide 8 MW of critical power per year and the Fund is assisting them with transformer procurement for their substation.</p> <p>Construction commenced June 2025, with pad development and foundation progressing throughout the quarter. The facility has been fully enclosed with wall and roof installation complete, and work shifting to active slab pours, panel installation, and cement treating. The construction timeline contemplates stabilization in mid-2027.</p>
Financing	<p>The acquisition was funded on an all-cash basis, but the Fund is currently utilizing the Secured Subscription Facility in lieu of property level debt.</p> <p>Construction financing was secured with Bankers Trust at SOFR + 300 bps and we anticipate the first funding to occur in 2Q 2026.</p>

¹ Property level analysis. Not adjusted for the Fund's share of the asset. Exclusive of partner promotes.

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INVESTMENT UPDATE:

Skybox Lancaster Data Center



Location/MSA **Dallas, TX**
 Property Type **Data Center**
 Project Size **270,900 SF**

Project Summary

Hold Period

Acquisition Date April 11, 2023
 Anticipated Disposition 4Q 2026

Leasing Status

Actual 100.0%
 Targeted Stabilization Date 3Q 2026

JV Overview

Partner Skybox Data Centers
 Structure 89.1% Fund, 10.9% Partner

Debt Overview

Lender Wells Fargo
 LTV 51.8%
 Note Rate 6.19%
 Maturity Date April 29, 2027
 Extension Options Two one-year extension options

Valuation/capital overview¹

Current equity capital structure	Total \$ (mil)	% of total commitments
Digital Fund	\$ 125.7	23.6%
Digital Fund subscription fundings	0.0	
Co-Investment	18.5	
Total	\$ 144.2	

Asset level profitability analysis ²	Total \$ (mil)	\$/SF
Targeted sale price	\$ 344.8	\$ 1,589
Current value	263.9	1,216
Cost basis	187.3	863
Net unrealized gain (loss)	\$ 76.6	\$ 353

Returns

Current Target Gross IRR from Inception to Sale (after partner promotes) 53.4%
 Original Target Gross IRR from Inception to Sale (after partner promotes) 19.0%

INVESTMENT UPDATE:

Skybox Lancaster Data Center

Risk Status Report

Risk	Status
Leasing	NNN, open book yield on cost lease in place with a hyperscale tenant where the Fund will provide a powered shell building and the tenant will be responsible for fit up and fit out.
Property Management	<p>Commenced sitework in June 2024 and vertical shell construction was completed in March 2025, continuing with interior buildout and server rack installation. Construction remains on schedule for tenant delivery in 2Q 2026.</p> <p>Signed a contract with the utility to provide 150 MW of gross power to the site. Oncor substation and transformers were energized in December 2025.</p>
Financing	The acquisition was funded on an all-cash basis, but property level debt was closed during 2Q 2025. Construction financing was secured with Wells Fargo at SOFR + 250 bps and the first funding occurred in April.

¹ Property level analysis. Not adjusted for the Fund's share of the asset. Exclusive of partner promotes.

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Past performance is not a prediction or guarantee of future results. There can be no assurance that the Fund or investments by the Fund, as the context requires, will achieve comparable results or that projected returns, if any, will be met. It should not be assumed that any investments made in the future will be comparable in quality or performance to the prospective investments described herein. All projections, targets and estimates are subject to change without notice. See the Memorandum (including "Section VII-Risk Factors" and "Appendix B-Performance Endnotes" of the Memorandum and the disclaimers at the beginning of the Memorandum) for additional information (including with respect to performance calculations and assumptions).

Client service contacts

Information about the Fund and the Aggregator is available to investors on the Fund's secured website. Please contact Wanda Homan in our Client Service Group if you need assistance or if you have any other questions regarding your investment.



CASEY MILLER
Managing Director,
Portfolio Management

515.235.5315
miller.casey@principal.com



IAN CURRY
Managing Director,
Portfolio Management

415.610.0087
curry.ian@principal.com



MATT HACKMAN
Director,
Portfolio Management

515.246.2450
hackman.matt@principal.com



TREVOR TYMA
Senior Associate,
Portfolio Management

515.878.0478
tyma.trevor@principal.com



CHLOE GOOS
Associate,
Portfolio Management

515.878.0229
goos.chloe@principal.com



TRUDY DAILEY, CPA
Portfolio Controller

515.247.4966
dailey.trudy@principal.com



ERIN KERR
Senior Managing Director,
Real Estate

203.642.9173
kerr.erin@principal.com



WANDA HOMAN
Senior Client Service Advisor

515.283.5746
homan.wanda@principal.com

Financial highlights

T1 Leverage Calculation

Aggregator T1 Total Leverage

Wholly owned fund level debt	\$	70,000,000
+ Aggregator's economic share of JV debt		104,608,477
	\$	174,256,904

Total Gross Assets

Total balance sheet assets	\$	714,888,629
- Joint venture partners' economic share of total assets		(86,845,382)
	\$	628,043,247

Aggregator T1 Leverage Percentage

Aggregator T1 Total Leverage	\$	174,256,904	27.75%
Total Gross Assets	\$	628,043,247	

Total Global Expense Ratio (TGER) as of December 31, 2025

	Four quarters ended	Since inception ¹
Asset Management Fees ²	\$ 520,143	\$ 1,532,047
Transaction-based management fees ²	254,776	354,926
Vehicle-related costs charged by third parties ³	499,183	6,283,152
Average Gross Asset Value ⁴	\$ 60,730,372	\$ 32,141,254
Gross Asset Value TGER	2.10%	25.42%
Weighted Average Net Asset Value ⁵	\$ 59,200,735	\$ 29,840,169
Net Asset Value TGER	2.15%	27.38%

¹ The inception date used for the calculation is July 2, 2021.

² Asset management fees include all fees earned by the firm for ongoing management of the Parallel Fund.

Transaction-based management fees are fees earned by the firm for procurement of fund-level loan origination or refinancing.

³ Vehicle-related costs charged by third parties include audit, legal, bank, professional and debt arrangement fees. Represented are the Parallel Fund's allocated share of the Aggregator's costs as well as those borne at the Parallel Fund.

⁴ Gross asset value is the average of the quarterly assets as of 03/31/2025 through 12/31/2025. Gross asset value is equal to total balance sheet assets of the Fund.

⁵ Net asset value is the average of the quarterly weighted average net assets as of 03/31/2025 through 12/31/2025. Net asset value is equal to total balance sheet assets of the Fund.

Independent Auditor's Report

TO PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP

Opinion

We have audited the financial statements of Principal Digital Real Estate Fund (A), LP (the "Parallel Fund"), which comprise the statements of assets and liabilities as of December 31, 2025 and 2024, and the related statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Parallel Fund as of December 31, 2025 and 2024, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Parallel Fund and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Parallel Fund's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Parallel Fund's internal control. Accordingly, no such opinion is expressed.

- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Parallel Fund's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Other Information Included in the Annual Report

Management is responsible for the other information included in the annual report. The other

information comprises the information included in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audits of the financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Deloitte & Touche LLP

March 9, 2026

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP
STATEMENTS OF ASSETS AND LIABILITIES
AS OF DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS:		
Investment in Aggregator - at fair value	\$ 55,121,363	\$ 55,397,005
Cash	<u>75,613</u>	<u>52,360</u>
Total assets	<u>55,196,976</u>	<u>55,449,365</u>
NET ASSETS	<u>\$ 55,196,976</u>	<u>\$ 55,449,365</u>

See notes to financial statements and attached consolidated financial statements of PDREF Aggregator, LLC.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP
 STATEMENTS OF OPERATIONS
 FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
NET INVESTMENT LOSS ALLOCATED FROM AGGREGATOR:		
Net income from investment	\$ 2,690,902	\$ 1,108,525
Expenses	<u>(4,310,867)</u>	<u>(1,602,771)</u>
Net investment loss allocated from Aggregator	<u>(1,619,965)</u>	<u>(494,246)</u>
FUND EXPENSES:		
Administrative expenses	<u>76,210</u>	<u>90,366</u>
Total fund expenses	<u>76,210</u>	<u>90,366</u>
NET INVESTMENT LOSS	<u>(1,696,175)</u>	<u>(584,612)</u>
REALIZED AND UNREALIZED GAIN FROM AGGREGATOR:		
Realized gain from sales	9,654,391	-
Less previously recorded unrealized gain on sales	<u>(4,439,466)</u>	<u>-</u>
Net realized gain recognized from sales allocated from Aggregator	5,214,925	-
Unrealized gain on investment	<u>4,369,501</u>	<u>9,342,343</u>
NET REALIZED AND UNREALIZED GAIN ALLOCATED FROM AGGREGATOR	<u>9,584,426</u>	<u>9,342,343</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	<u>\$ 7,888,251</u>	<u>\$ 8,757,731</u>

See notes to financial statements and attached consolidated financial statements of PDREF Aggregator, LLC.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP
 STATEMENTS OF CHANGES IN NET ASSETS
 FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>Limited Partner</u>	<u>General Partner</u>	<u>Total</u>
NET ASSETS — January 1, 2024	\$ 29,899,178	\$ -	29,899,178
Net increase in net assets resulting from operations	8,757,731	-	8,757,731
Contributions from partners	<u>16,792,456</u>	<u>-</u>	<u>16,792,456</u>
NET ASSETS — December 31, 2024	<u>\$ 55,449,365</u>	<u>\$ -</u>	<u>\$ 55,449,365</u>
Net increase in net assets resulting from operations	7,888,251	-	7,888,251
Distributions to partners	(8,140,640)	-	(8,140,640)
Carried interest allocation	<u>(1,018,173)</u>	<u>1,018,173</u>	<u>-</u>
NET ASSETS — December 31, 2025	<u>\$ 54,178,803</u>	<u>\$ 1,018,173</u>	<u>\$ 55,196,976</u>

See notes to financial statements and attached consolidated financial statements of PDREF Aggregator, LLC.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP
 STATEMENTS OF CASH FLOWS
 FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Increase in net assets resulting from operations	\$ 7,888,251	\$ 8,757,731
Adjustments to reconcile to net cash flows from operating activities:		
Net investment loss allocated from Aggregator	1,619,965	494,246
Net realized and unrealized gain allocated from Aggregator	(9,584,426)	(9,342,343)
Contributions to Aggregator	-	(16,693,557)
Distributions from Aggregator	<u>8,240,103</u>	<u>-</u>
Net cash flows from operating activities	<u>8,163,893</u>	<u>(16,783,923)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Contributions from partners	-	16,792,456
Distributions to partners	<u>(8,140,640)</u>	<u>-</u>
Net cash flows from financing activities	<u>(8,140,640)</u>	<u>16,792,456</u>
NET CHANGE IN CASH	23,253	8,533
CASH:		
Beginning of year	<u>52,360</u>	<u>43,827</u>
End of year	<u>\$ 75,613</u>	<u>\$ 52,360</u>

See notes to financial statements and attached consolidated financial statements of PDREF Aggregator, LLC.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Organization

General — Principal Digital Real Estate Fund (A), LP (the “Parallel Fund”) is a closed-end fund organized as a Delaware limited partnership. The Parallel Fund has a general partner, Principal Digital Real Estate Fund GP, LLC (the “GP”), with power and authority to do all things necessary to effectuate the purposes and powers of the partnership. The Parallel Fund also has multiple limited partners which have no participatory rights in the management or control of the Parallel Fund’s business, nor do they have the ability to bind the partnership. An investment advisor, Principal Real Estate Investors, LLC (PrinREI), has been engaged to provide certain services to the partnership in accordance with an investment management agreement.

The GP may establish investment vehicles (“Blocker Entities”) on behalf of the Parallel Fund to address tax, regulatory or other concerns of certain limited partners. The Blocker Entities invest on a side-by-side basis with Principal Digital Real Estate Fund, LP (the “Fund”).

The Parallel Fund and the Fund, collectively “the Funds”, operate as feeder funds in a master-feeder type structure. Under the master-feeder structure, the strategy of the Funds is to invest all or substantially all of its assets in PDREF Aggregator, LLC (the “Aggregator”). The Aggregator seeks to invest in data center development or value-add acquisition opportunities that it believes are capable of generating attractive risk-adjusted returns. The Aggregator was formed February 4, 2021 and commenced operations on April 15, 2021. The Parallel Fund commenced operations on April 30, 2021.

The consolidated financial statements of the Aggregator are attached to this report, and should be read in conjunction with the Parallel Fund’s financial statements. The Parallel Fund’s beneficial ownership of the Aggregator’s capital was approximately 13.4% as of December 31, 2025 and 2024.

Related Parties — The GP is a wholly owned subsidiary of PrinREI. Petula Associates, LLC (“Petula”), a limited partner of the Fund, contributes capital alongside the Parallel Fund into Blocker Entities, which in turn invest in the Aggregator. Petula’s aggregate interests are capped at an amount equal to the lesser of \$25,000,000 or 9% of the commitments of both the Fund and the Blocker Entities. Petula and PrinREI are wholly owned subsidiaries of Principal Financial Group.

Capital Commitments and Contributions — Partners enter into subscription agreements for specified capital commitments. Commitments refer to the aggregate total of partner contributions to the Parallel Fund made within a defined contribution period. The Parallel Fund closed on April 30, 2021 with aggregate committed capital of \$71,667,080. The GP has no capital commitment to the Parallel Fund. The Parallel Fund will make demands for capital contributions from partners proportionately based on their respective unfunded capital commitments. There were \$23,318,794 of after-fee unfunded capital commitments as of December 31, 2025 and 2024.

Capital Accounts and Allocations — The Parallel Fund maintains separate capital accounts for each partner. Each capital account is adjusted for capital contributions, distributions, redemptions, and each partner’s share of net income or net loss which is generally determined by dividing the capital commitment of each partner by the aggregate capital commitments of all partners. Except in certain limited circumstances, such as transfers to affiliates or successor trustees or state agencies, limited partners are not allowed to sell, assign, or transfer its interest in the Parallel Fund without consent of the GP.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Organization (continued)

The GP earns a share of profits if cash distributions to the Fund and Blocker Entities exceed a certain level of return. On the consolidated financial statements of the Aggregator, carried interest is presented as a re-allocation from the Funds' capital accounts to the GP's capital account. Therefore, allocation of capital from the Aggregator is presented net of carried interest in the Parallel Fund's financial statements. Carried interest allocation of \$1,018,173 was recognized but unpaid as of December 31, 2025. There was no carried interest allocation as of December 31, 2024.

Term — The Parallel Fund will terminate on the sixth anniversary of the final closing date (April 30, 2021), but the term may be extended for two consecutive one-year periods.

Guarantors — Effective April 15, 2021, the Aggregator entered into a revolving credit agreement with a maximum commitment of \$129,000,000 as of December 31, 2024. Following the sale of Alpharetta Data Center on October 1, 2025, the maximum commitment decreased to \$100,000,000. Outstanding borrowings were \$0 and \$105,270,000 as of December 31, 2025 and 2024, respectively. The line of credit, which originally matured on April 15, 2024, was subsequently amended to extend the maturity date to April 15, 2026. The Funds serve as joint and several liable guarantors on the line of credit, which is secured by the Funds' investors' unfunded capital commitments.

Effective January 24, 2025, the Aggregator entered into a delayed draw term credit agreement. The maximum availability under this agreement is \$70,000,000, of which \$70,000,000 was outstanding as of December 31, 2025. The loan originally matured on January 23, 2026. On January 21, 2026, the Fund executed a six-month extension of the facility. The loan now matures on July 23, 2026 or earlier upon the disposition of all of any portion of the Hammond Data Center.

2. Summary of Significant Accounting Policies

Basis of Presentation — The financial statements of the Parallel Fund have been presented on the fair value basis of accounting in conformity with accounting principles generally accepted in the United States of America "GAAP". The Parallel Fund is an investment company under Financial Accounting Standards Board "FASB" Accounting Standards Codification "ASC" 946, *Financial Services – Investment Companies*.

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, 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 these estimates.

Valuation of Investment in Aggregator — The Parallel Fund records its investment in the Aggregator at its proportionate share of net assets of the Aggregator. Investments by the Aggregator are valued in accordance with GAAP as discussed in the notes to the Aggregator's financial statements attached to this report.

Cash — Cash includes cash on hand and demand deposit accounts. At times, cash balances at financial institutions may exceed the federally insured amounts. The Parallel Fund believes it mitigates credit risk by depositing cash in or investing through major financial institutions.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

2. Summary of Significant Accounting Policies (continued)

Allocations from Aggregator —

Net income (loss) from investment – This represents the Parallel Fund’s proportionate share of real estate operations of the Aggregator within net investment income (loss), including revenue and expenses from real estate.

Expenses – This represents the Parallel Fund’s proportionate share of expenses of the Aggregator not related to real estate operations. These expenses include interest on the fund level line of credit, financing fees paid to PrinREI as well as external parties for services in connection with arrangement of loan proceeds, and other administrative expenses. Additionally, these expenses contain the Parallel Fund’s allocation of expenses incurred by the Blocker Entities, including asset management fees, income taxes, and other administrative expenses.

The Blocker Entities are organized as corporations and thus subject to U.S. corporate income taxes. The Parallel Fund’s allocation of income taxes, if any, is reflected in expenses. For the year ended December 31, 2025, the Parallel Fund’s allocated share of income tax expense from the Blocker Entities was \$2,301,543. There was no income tax allocation for the year ended December 31, 2024.

Unrealized gain (loss) – This represents the Parallel Fund’s proportionate share of unrealized gain (loss) of the Aggregator.

Fund Expenses — These expenses are incurred by the Parallel Fund and consist of administrative expenses.

Subsequent Events — The Parallel Fund evaluated subsequent events through March 9, 2026, the date the financial statements were available to be issued. There were no events that require adjustment to, or disclosure in, the financial statements.

3. Asset Management Fee

Each limited partner is obligated to pay an asset management fee to PrinREI. Payments of asset management fees reduce unfunded capital commitments. The GP has the right to deduct the amount of the asset management fee from any cash distributions to which an investor would otherwise be entitled, quarterly in arrears. If such amount is insufficient to cover the asset management fee in any quarter, the investor will be required to remit the difference to the GP. Asset management fees are expensed by and the liability of the Blocker Entities and allocated to the Parallel Fund.

The following table outlines the terms of the asset management fee for the Aggregator during the years ended December 31, 2025 and 2024.

Asset Management fees	Financial Statement Caption	Year Ended	Year Ended	Fee Description
		2025	2024	
Investment Management	Expenses allocated from Aggregator	\$ 520,143	\$ 510,196	125 bps of Total capital committed

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

4. Income Taxes

The Parallel fund is organized as a partnership and is not subject to U.S. federal or state income taxes. Accordingly, no income tax provision has been recorded for the Parallel Fund within the accompanying financial statements because such taxes, if any, are the responsibility of the individual limited partners.

ASC 740-10, *Income Taxes* provides guidance for how uncertain tax positions should be recognized, measured, presented and disclosed in the consolidated financial statements. ASC 740 requires the evaluation of tax positions taken in the course of preparing the Parallel Fund's tax returns to determine whether tax positions are "more-likely-than-not" of being sustained by the applicable tax authority. Tax benefits of positions not deemed to meet the more likely than not threshold would be recorded as a tax expense in the current year.

The Blocker Entities have elected under the Internal Revenue Code ("IRC") to be treated as corporations for U.S. federal and state income tax purposes which can result in the payment of any related income taxes. The Blocker Entities follow the income tax accounting provisions prescribed by GAAP. Accordingly, they account for income taxes under the asset and liability method, which requires the recognition of deferred tax assets and liabilities for temporary differences between the book and tax basis of assets and liabilities. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial statement and tax basis of assets and liabilities using enacted tax rates in effect for the year in which the differences are expected to reverse.

A valuation allowance is established for net deferred tax assets not expected to be realized by the Blocker Entities. As of December 31, 2025, a valuation allowance of \$1,638,843 was recorded for the Blocker Entities on the deferred tax asset, as it is more likely than not that this portion of the deferred tax asset will not be realized. The Blocker Entities incurred \$2,430,000 of income tax expense for the year ended December 31, 2025, of which \$2,301,543 was allocated to the Parallel Fund.

The provision for income taxes for the Blocker Entities for the year ended December 31, 2025 consists of the following:

	<u>December 31, 2025</u>
Current:	
Federal	\$ 2,068,000
State	362,000
Total current	<u>\$ 2,430,000</u>
Deferred:	
Federal	\$ 1,395,366
State	243,477
Valuation allowance	<u>(1,638,843)</u>
Total deferred	<u>\$ -</u>
Provision for Income Tax	<u>\$ 2,430,000</u>

There was no provision for income taxes for the Blocker Entities for the year ended December 31, 2024.

Audited Financial Statements

PRINCIPAL DIGITAL REAL ESTATE FUND (A), LP

NOTES TO FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

5. Financial Highlights

The financial highlights as of and for the years ended December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Net assets	<u>\$ 55,196,976</u>	<u>\$ 55,449,365</u>
Ratio to average net assets ¹ :		
Fund level operating expenses	7.41 %	4.15 %
Carried interest	1.72 %	0.00 %
Total expenses	<u>9.13 %</u>	<u>4.15 %</u>
Net investment loss	<u>(2.87)%</u>	<u>(1.43)%</u>
Total return ² :		
Internal rate of return - gross of fees	13.27 %	9.63 %
Internal rate of return - net of fees	11.52 %	8.54 %

¹ Average net assets is the average of the quarterly weighted average net assets.

² Total return is calculated based on a dollar-weighted internal rate of return methodology both gross and net of fees and carried interest. Internal rate of return is computed on a cumulative, since inception basis using annual compounding and the actual dates of cash inflows received by and outflows paid to limited partners and including ending net asset value as of each measurement date.

6. Commitments and Contingencies

In the normal course of business, from time to time, the Parallel Fund is involved in legal actions relating to the ownership and operations of real estate investments through its investment in the Aggregator. In management's opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a material adverse effect on the Parallel Fund's financial position, results of operations, or liquidity.

PDREF Aggregator, LLC

Consolidated Financial Statements as of and for the Years Ended
December 31, 2025 and 2024, and Independent Auditor's Report

Independent Auditor's Report

To PDREF Aggregator, LLC

Opinion

We have audited the consolidated financial statements of PDREF Aggregator, LLC and subsidiaries (the "Aggregator"), which comprise the consolidated statements of assets and liabilities, including the consolidated schedules of investments, as of December 31, 2025 and 2024, and the related consolidated statements of operations, changes in net assets, and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Aggregator as of December 31, 2025 and 2024, and the results of its operations, changes in its net assets, and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Aggregator and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair

presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Aggregator's ability to continue as a going concern for one year after the date that the financial statements are available to be issued.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Aggregator's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Aggregator's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Deloitte & Touche LLP

March 9, 2026

Audited Financial Statements

PDREF AGGREGATOR, LLC
 CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES
 AS OF DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
ASSETS:		
Investments - at fair value:		
Real estate		
(cost: 2025 - \$541,830,682; 2024 - \$493,033,809)	\$ 647,000,550	\$ 590,100,000
Cash	65,441,834	4,582,683
Accounts receivable and other assets	746,245	1,522,822
Right of use asset - ground lease	<u>1,700,000</u>	<u>1,700,000</u>
Total assets	<u>714,888,629</u>	<u>597,905,505</u>
LIABILITIES:		
Lines of credit	77,263,439	113,015,144
Construction notes payable	136,680,291	-
Accounts payable and accrued expenses	48,449,161	42,956,690
Lease liabilities - ground lease	<u>1,700,000</u>	<u>1,700,000</u>
Total liabilities	<u>264,092,891</u>	<u>157,671,834</u>
NET ASSETS:		
PDREF Aggregator, LLC	408,495,658	413,237,911
Noncontrolling interests	<u>42,300,080</u>	<u>26,995,760</u>
Net assets	<u>\$ 450,795,738</u>	<u>\$ 440,233,671</u>

See notes to consolidated financial statements.

Audited Financial Statements

PDREF AGGREGATOR, LLC
CONSOLIDATED SCHEDULES OF INVESTMENTS
AS OF DECEMBER 31, 2025 AND 2024

	December 31, 2025		December 31, 2024	
	Fair Value	Cost Basis	Fair Value	Cost Basis
REAL ESTATE				
Data center				
Digital Crossroad Hammond	\$ 249,400,000	\$ 220,812,911	\$ 240,300,000	\$ 211,110,564
Alpharetta Data Center	-	-	170,500,000	131,379,727
Forest Grove Data Center	133,700,550	133,714,091	35,500,000	35,530,506
Lancaster Data Center	263,900,000	187,303,680	143,800,000	115,013,012
Total data center	647,000,550	541,830,682	590,100,000	493,033,809
		158.4% of NAV as of 12/31/2025		
TOTAL REAL ESTATE INVESTMENTS	\$ 647,000,550	\$ 541,830,682	\$ 590,100,000	\$ 493,033,809

See notes to consolidated financial statements.

Audited Financial Statements

PDREF AGGREGATOR, LLC
CONSOLIDATED STATEMENTS OF OPERATIONS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
INVESTMENT INCOME:		
Revenue from real estate	\$ 43,103,744	\$ 28,789,203
Interest Income	<u>1,507,199</u>	<u>-</u>
Total investment income	<u>44,610,943</u>	<u>28,789,203</u>
EXPENSES:		
Expenses from real estate:		
Operating expenses and taxes	22,940,552	19,566,298
Interest expense	454,029	482,317
Professional and other fees	<u>585,631</u>	<u>247,931</u>
Total real estate expenses	<u>23,980,212</u>	<u>20,296,546</u>
Fund expenses:		
Interest expense	10,162,484	5,739,176
Professional and other fees	<u>334,486</u>	<u>1,992,368</u>
Total fund expenses	<u>10,496,970</u>	<u>7,731,544</u>
Total expenses	<u>34,477,182</u>	<u>28,028,090</u>
NET INVESTMENT INCOME	<u>10,133,761</u>	<u>761,113</u>
REALIZED AND UNREALIZED GAIN:		
Realized gain from sale of real estate	95,011,164	-
Less previously recorded unrealized gain on real estate sold	<u>(39,120,273)</u>	<u>-</u>
Net realized gain recognized from sales	55,890,891	-
Unrealized gain on real estate	<u>47,223,950</u>	<u>77,497,757</u>
Net realized and unrealized gain	<u>103,114,841</u>	<u>77,497,757</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS	113,248,602	78,258,870
LESS: Portion attributable to noncontrolling interests	<u>32,522,834</u>	<u>8,249,410</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO PDREF AGGREGATOR, LLC	<u>\$ 80,725,768</u>	<u>\$ 70,009,460</u>
AMOUNTS ATTRIBUTABLE TO PDREF AGGREGATOR, LLC:		
Net investment income	\$ 9,429,136	\$ 513,637
Net realized and unrealized gain	<u>71,296,632</u>	<u>69,495,823</u>
NET INCREASE IN NET ASSETS RESULTING FROM OPERATIONS ATTRIBUTABLE TO PDREF AGGREGATOR, LLC	<u>\$ 80,725,768</u>	<u>\$ 70,009,460</u>

See notes to consolidated financial statements.

Audited Financial Statements

PDREF AGGREGATOR, LLC
CONSOLIDATED STATEMENTS OF CHANGES IN NET ASSETS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	PDREF Aggregator, LLC		Noncontrolling Interests	Total
	Limited Partners	General Partner		
NET ASSETS — January 1, 2024	\$ 223,092,331	\$ -	\$ 7,561,920	\$ 230,654,251
FROM OPERATIONS:				
Net investment income	513,637	-	247,476	761,113
Net unrealized gain	69,495,823	-	8,001,934	77,497,757
Net increase in net assets resulting from operations	70,009,460	-	8,249,410	78,258,870
FROM CAPITAL TRANSACTIONS:				
Contributions	120,975,000	-	11,184,430	132,159,430
Distributions	(838,880)	-	-	(838,880)
Increase in net assets resulting from capital transactions	120,136,120	-	11,184,430	131,320,550
NET INCREASE IN NET ASSETS	190,145,580	-	19,433,840	209,579,420
NET ASSETS — December 31, 2024	\$ 413,237,911	\$ -	\$ 26,995,760	\$ 440,233,671
FROM OPERATIONS:				
Net investment income	9,429,136	-	704,625	10,133,761
Net realized and unrealized gain	71,296,632	-	31,818,209	103,114,841
Net increase in net assets resulting from operations	80,725,768	-	32,522,834	113,248,602
FROM CAPITAL TRANSACTIONS:				
Contributions	-	-	12,197,170	12,197,170
Distributions	(85,468,021)	-	(29,415,684)	(114,883,705)
Carried interest allocation	(8,694,088)	8,694,088	-	-
Increase (decrease) in net assets resulting from capital transactions	(94,162,109)	8,694,088	(17,218,514)	(102,686,535)
NET INCREASE (DECREASE) IN NET ASSETS	(13,436,341)	8,694,088	15,304,320	10,562,067
NET ASSETS — December 31, 2025	\$ 399,801,570	\$ 8,694,088	\$ 42,300,080	\$ 450,795,738

See notes to consolidated financial statements.

Audited Financial Statements

PDREF AGGREGATOR, LLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

	<u>2025</u>	<u>2024</u>
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net increase in net assets resulting from operations	\$ 113,248,602	\$ 78,258,870
Adjustments to reconcile to net cash used in operating activities:		
Net realized and unrealized gain	(103,114,841)	(77,497,757)
Financing costs	2,231,180	-
Changes in:		
Accounts receivable and other assets	776,577	(466,537)
Accounts payable and accrued expenses	<u>6,537,338</u>	<u>(5,302,795)</u>
Net cash flow from operating activities	<u>19,678,856</u>	<u>(5,008,219)</u>
CASH FLOWS FROM INVESTING ACTIVITIES:		
Proceeds from real estate investment sales	251,327,360	-
Purchases of real estate improvements	<u>(206,157,936)</u>	<u>(152,762,087)</u>
Net cash flow from investing activities	<u>45,169,424</u>	<u>(152,762,087)</u>
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of financing costs	(2,231,180)	-
Borrowings on lines of credit	124,630,000	122,150,000
Repayments on lines of credit	(160,381,705)	(93,200,912)
Borrowings on construction notes payable	136,680,291	-
Partner contributions	-	120,975,000
Partner distributions	(85,468,021)	(838,880)
Contributions from noncontrolling interests	12,197,170	11,184,430
Distributions to noncontrolling interests	<u>(29,415,684)</u>	<u>-</u>
Net cash flow from financing activities	<u>(3,989,129)</u>	<u>160,269,638</u>
NET CHANGE IN CASH	60,859,151	2,499,332
CASH:		
Beginning of year	<u>4,582,683</u>	<u>2,083,351</u>
End of year	<u>\$ 65,441,834</u>	<u>\$ 4,582,683</u>
SUPPLEMENTAL DISCLOSURE OF CASH PAID FOR INTEREST	<u>\$ 4,166,378</u>	<u>\$ 6,177,928</u>

SUPPLEMENTAL DISCLOSURE OF NONCASH ACTIVITIES:

The Aggregator had accrued but unpaid purchases of real estate improvements of \$44,289,208 and \$45,334,075 as of December 31, 2025 and 2024, respectively. These amounts are included in accounts payable and accrued expenses in the consolidated statements of assets and liabilities.

Debt includes payment-in-kind interest of \$4,965,669 as of December 31, 2025. There was no in-kind interest in 2024.

See notes to consolidated financial statements.

Audited Financial Statements

PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Organization

General — PDREF Aggregator, LLC (the “Aggregator”) is a master fund in a master-feeder type structure, organized as a Delaware limited liability company. Under the master-feeder structure, the strategy of the feeder funds, Principal Digital Real Estate Fund, LP (the “Fund”) and Principal Digital Real Estate Fund (A), LP (the “Parallel Fund”), collectively “the Funds”, is to invest all or substantially all of their assets in the Aggregator. The Aggregator was formed February 4, 2021 and commenced operations on April 15, 2021.

The Aggregator seeks to invest in data center development or value-add acquisition opportunities that it believes are capable of generating attractive risk-adjusted returns.

The Aggregator has a general partner, Principal Digital Real Estate Fund GP, LLC (the “GP”). An investment adviser, Principal Real Estate Investors, LLC (“PrinREI”), has been engaged to provide certain services to the Aggregator in accordance with an investment management agreement.

The GP may establish investment vehicles (“Blocker Entities”) on behalf of the Parallel Fund to address tax, regulatory or other concerns of certain limited partners. The Blocker Entities invest on a side-by-side basis with the Fund.

Related Parties — The GP is a wholly owned subsidiary of PrinREI. Petula Associates, LLC (“Petula” or the “Manager Affiliate”) is a limited partner in the Fund, and, as the Manager Affiliate, contributes capital alongside the Parallel Fund into Blocker Entities which in turn invest in the Aggregator. Petula and PrinREI are wholly owned subsidiaries of Principal Financial Group, Inc.

Capital Commitments and Contributions — The Fund has committed capital from investors of \$457,450,000, representing approximately 85.8% of total committed capital of the Aggregator. The Parallel Fund and the Manager Affiliate have committed capital from investors of \$71,667,080 and \$4,000,000, representing approximately 13.4% and 0.8%, respectively, of total committed capital of the Aggregator. The Aggregator will make demands for capital contributions from the Funds and the Manager Affiliate proportionately based on their respective unfunded capital commitments from their investors. The GP has no capital commitment to the Aggregator.

Capital Accounts and Allocations — The Aggregator maintains separate capital accounts for the Fund and the Blocker Entities. Each capital account is adjusted for capital contributions, distributions, redemptions, and each of the Fund’s share of net income or net loss.

The GP earns a share of profits if cash distributions to the Fund and Blocker Entities exceed a certain level of return (“carried interest”). The capital accounts reflect the carried interest to the GP as if the Aggregator had realized all assets and settled all liabilities at the fair value reported in the financial statements and allocated all gains and losses and distributed the net assets to the partners at the reporting date. The carried interest to the GP is provisional until final liquidation of the Aggregator. Carried interest is presented as a re-allocation from the Funds’ capital accounts to the GP’s capital account. On termination of the Aggregator, if there has been any distribution of carried interest to the GP and if the distributions received by the limited partners have been insufficient to provide the required return of capital and preferred return, the GP will be obligated to return previously received carried interest payments (the “clawback”) to the partners. The clawback is limited to the after-tax amount of carried interest previously distributed to the GP. Carried interest of \$8,694,088 was recognized, but unpaid as of December 31, 2025. No carried interest had been recognized or paid as of December 31, 2024.

Audited Financial Statements

PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

1. Organization (continued)

Term — The Aggregator will dissolve upon termination of the Funds which is the sixth anniversary of the final closing date (April 30, 2021) but may be extended for two consecutive one-year periods.

2. Summary of Significant Accounting Policies

Basis of Presentation — The consolidated financial statements of the Aggregator have been presented on the fair value basis of accounting in conformity with accounting principles generally accepted in the United States of America “GAAP”. The Aggregator is an investment company under Financial Accounting Standards Board “FASB” Accounting Standards Codification “ASC” 946, *Financial Services – Investment Companies*. The consolidated financial statements of the Aggregator include the accounts of its wholly owned and controlled real estate investment entities. All intercompany transactions are eliminated in consolidation.

Consolidation — In accordance with FASB ASC 810, *Consolidation*, the Aggregator consolidates variable interest entities (“VIE”) or entities evaluated under the voting interest equity model (“voting model”) in which it has a controlling financial interest. An entity will be a VIE if it meets certain defined characteristics and will be consolidated if the reporting entity has the power to direct the activities that most significantly impact the VIE’s economic performance and has the right to receive benefits or has the obligation to absorb losses which could potentially be significant to the VIE. If an entity is not a VIE, it is evaluated under the voting model. Under the voting model, entities are generally consolidated if any one of the following substantive rights exist: 1) the ability to remove the investment manager (i.e. kick-out rights), without cause, with a simple majority vote of the related limited partners. The definition of kick-out rights includes both the removal rights and the ability to liquidate the entity; or 2) participating rights granted to limited partners (rights to block or participate in significant financial and operating decisions that are made in the ordinary course of business). The Aggregator did not have any VIEs as of and for the years ended December 31, 2025 and 2024.

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

The real estate and capital markets are cyclical in nature. Real estate investment values are affected by, among other things, the availability of capital, occupancy rates, rental rates, interest rates, and inflation rates. As a result, determining such values involves many assumptions. Amounts ultimately realized may vary significantly from the fair values presented.

Risks and Uncertainties — The Aggregator invests in commercial real estate properties located throughout the United States that are bought and sold in private market transactions. The Aggregator’s estimates of fair value are based on the best information available to management as of the date of the valuation. Certain market conditions that impact commercial real estate transaction markets may impact the availability of observable inputs. Should market conditions or management’s assumptions change, the Aggregator may record realized and unrealized losses and gains in future periods.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

2. Summary of Significant Accounting Policies (continued)

Real Estate — Real estate investments are carried at estimated fair value. Properties owned are initially recorded at the purchase price plus closing costs. Development costs and major renovations are capitalized as a component of cost, and routine maintenance and repairs are charged to expense as incurred. Real estate costs include the cost of acquired land, buildings, and all subsequent development expenditures. Real estate costs also include leasing or similar costs paid to third parties to obtain tenants. The Aggregator does not record depreciation on real estate as fair value estimates take into consideration the effect of physical depreciation.

Cash — Cash includes cash on hand and demand deposit accounts.

Concentration of Credit Risk — The Aggregator invests its cash primarily in deposit accounts with financial institutions. At times, cash balances at financial institutions may exceed the federally insured amounts. The Aggregator believes it mitigates credit risk by depositing cash in or investing through major financial institutions. In addition, in the normal course of business, the Aggregator extends credit to its tenants which consist of local, regional, and national-based tenants. The Aggregator does not believe this represents a material risk of loss with respect to its financial position.

Accounts Receivable and Other Assets — Accounts receivable and other assets consists of tenant receivables and prepaid expenses. These amounts are recorded at cost, which approximates fair value.

Lines of Credit — Lines of credit are carried at cost.

Construction Notes Payable — Construction notes payable are carried at cost.

Accounts Payable and Accrued Expenses — Accounts payable and accrued expenses, and security deposits are recorded at cost, which approximates fair value.

Noncontrolling Interests — The Aggregator has entered into joint development relationships with external investors to acquire and/or develop real estate properties. The Aggregator is the majority owner in such projects and has control over decision making. Accordingly, the underlying assets and liabilities of the projects are consolidated into the Aggregator's consolidated financial statements, with the external investors' net share of net assets reflected as noncontrolling interests. Net investment income (loss) and net realized and unrealized gain (loss) attributable to noncontrolling interests, as determined by joint venture agreements, are reflected as adjustments to noncontrolling interests. Certain external investors earn additional equity if the estimated rate of return of the real estate investment exceeds a contractually determined rate. This additional equity allocation is accrued or reversed at the same time the underlying real estate property appreciates or depreciates, respectively.

Income and Expense Recognition — Rental income is recognized on an accrual basis in accordance with the terms of the underlying lease agreements. Other lease rental income, such as charges to tenants for their share of operating expenses and percentage rents based on sales, are recognized when earned. Operating expenses are recognized as incurred.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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2. Summary of Significant Accounting Policies (continued)

Leases —

Lessor Accounting

The Aggregator combines its lease (right to use an underlying asset) and non-lease components (transfer of a good or service that is not a lease such common area maintenance services) that meet defined criteria and account for the combined lease component under ASC 842, *Leases*. These amounts are reported as revenue from real estate within the consolidated statements of operations.

Lessee Accounting

The Aggregator has a ground lease where it is the lessee. The ground lease is classified as an operating lease. The Aggregator records a right-of-use asset (“RoU asset”) and related lease liability for the rights and obligations associated with the operating lease. This RoU asset and lease liability is shown as a separate line item on the consolidated statements of assets and liabilities.

The RoU assets and corresponding lease liabilities are recorded at fair value. The Aggregator values the RoU assets and lease liabilities on a quarterly basis and the amount of unrealized gain (loss) between the RoU assets and lease liabilities offset to have no impact on net assets. For the years ended December 31, 2025 and 2024, the Aggregator had no unrealized gain or loss on the RoU assets.

Income Taxes — The Aggregator is organized as a partnership. Taxable income flows through to, and is reported by, the Aggregator’s partners. As a result, income taxes are not reflected in the consolidated financial statements.

TIF Bond — One of the Aggregator’s real estate investments includes a Tax Increment Financing bond (“TIF bond”). On April 4, 2019, DX Hammond Data Center, LLC (“Hammond Data Center”) entered into a loan agreement with the City of Hammond, Indiana for \$8,040,000 to assist in funding the data center development. The City of Hammond issued the TIF bond which was purchased by DX Hammond HoldCo, LLC (“Hammond HoldCo”), the parent company of Hammond Data Center. The loan matures February 1, 2044 and accrues interest at 4.0%. The terms, including interest rate, payment cadence, and maturity date of the TIF bond purchased by Hammond HoldCo and the loan agreement to Hammond Data Center from the City of Hammond are identical.

A designated portion of real and depreciable personal property tax proceeds generated and paid by Hammond Data Center (“TIF Revenues”) will be used toward repayment of the loan. To the extent TIF Revenues are insufficient to cover principal and interest payments on the loan, Hammond Data Center is responsible for the unpaid portion. Loan repayment for Hammond Data Center and TIF bond income for Hammond HoldCo, began August 1, 2019. The Aggregator acquired, through a joint venture partnership, both Hammond Data Center and Hammond HoldCo on July 14, 2021. TIF Revenues of \$264,100 and \$258,200 were used toward loan repayments for the years ending December 31, 2025 and 2024, respectively. These TIF Revenues were generated solely by real estate tax payments made by Hammond Data Center.

This arrangement results in a TIF bond receivable at Hammond HoldCo and a loan payable at Hammond Data Center, whereby all payments made by Hammond Data Center, either through property taxes or other, source all payments made on the TIF bond receivable. Such amounts have been eliminated in consolidation, and therefore, have no impact on the Aggregator’s consolidated financial statements.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

2. Summary of Significant Accounting Policies (continued)

Subsequent Events — The Aggregator evaluated subsequent events through March 9, 2026, the date the consolidated financial statements were available to be issued. There were no events that require adjustment to, or disclosure in, the consolidated financial statements.

3. Fair Value Measurements

In determining fair value, the Aggregator uses various valuation approaches. ASC 820, *Fair Value Measurement*, establishes a fair value measurement framework and emphasizes that fair value is a market-based measurement, not an entity-specific measurement. Therefore, a fair value measurement should be determined based on the assumptions that market participants would use in pricing an asset or liability.

The standard establishes a hierarchy for inputs used in measuring fair value that maximizes the use of observable inputs and minimizes the use of unobservable inputs by requiring that the most observable input be used when available. Observable inputs are inputs that the market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the Aggregator. Unobservable inputs are inputs that reflect the Aggregator's judgments about the assumptions market participants would use in pricing the asset or liability developed based on the best information available in the circumstances. The hierarchy is measured in three levels based on the reliability of inputs:

Level 1 — Valuations based on quoted prices in active markets for identical assets or liabilities that the Aggregator could access.

Level 2 — Valuations based on quoted prices in less active, dealer or broker markets. Fair values are primarily obtained from third party pricing services for identical or comparable assets or liabilities.

Level 3 — Valuations derived from other valuation methodologies, including pricing models, discounted cash flow models, and similar techniques, and not based on market, exchange, dealer, or broker-traded transactions. Level 3 valuations incorporate certain assumptions and projections that are not observable in the market and use significant professional judgment in determining the fair value assigned to such assets or liabilities.

In instances where the determination of the fair value measurement is based on inputs from different levels of the fair value hierarchy, the level in the fair value hierarchy within which the entire fair value measurement falls is based on the lowest level input that is significant to the fair value measurement in its entirety.

The following is a description of the valuation techniques used for assets measured at fair value:

Real Estate — Real estate values are based upon internally prepared valuations. The Aggregator updates the values of its real estate investments at the end of each quarter. Values are adjusted quarterly as a result of any material events that have an impact on value such as occupancy levels, lease rates, overall market conditions, capital improvements, and stage of development. The Aggregator will obtain an independent external appraisal for only those assets that are 100% complete, have stabilized occupancy and not yet marketed, in process of being sold or sold at the end of the calendar year. Appraisals performed by independent external appraisers will be performed in accordance with the Uniform Standard of Professional Appraisal Practice. There were no external appraisals received in 2025 or 2024. Determination of fair value involves subjective judgment because the actual fair value of real estate can only be determined by negotiation between parties in a sales transaction.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

3. Fair Value Measurements (continued)

The values of real estate investments have been estimated giving consideration to one or more of the following valuation approaches: (i) income, (ii) cost, and (iii) sales comparison. The income approach estimates an income stream for a property (typically 10 years) and discounts this income plus a reversion (presumed sale) into a present value at a risk adjusted rate. Significant inputs to the income approach include discount rates, terminal capitalization rates, and market rental growth rates, all of which are derived from market transactions, where available, as well as other industry and market data. The cost approach estimates the replacement cost of the building less physical depreciation plus the land value, with additional consideration given to development risk factors, as applicable, which are described further below. Generally, this approach provides a check on the value derived using the income approach. The sales comparison approach compares recent transactions to the appraised property. Adjustments are made for dissimilarities which typically provide a range of value. Generally, the income approach carries the most weight in the value reconciliation.

The fair values of real estate investments undergoing development have been prepared giving consideration to costs incurred to date and key development risk factors, including entitlement risk, construction risk, leasing/sales risk, operating expense risk, credit risk, capital market risk, pricing risk, event risk, and valuation risk. The fair value of investments undergoing development includes the timely recognition of estimated entrepreneurial profit (the “entrepreneurial profit rate”) after consideration of these risks.

The Aggregator’s real estate investments are classified within Level 3 of the valuation hierarchy.

RoU Assets and Lease Liabilities — The fair value of lease liabilities is determined using a discounted cash flow approach with a discount rate and other assumptions that approximate current market conditions. The fair value of lease liabilities is determined by discounting the future contractual cash flows to the present value using a discount rate that is commensurate with the rate utilized in the underlying valuation of the real estate investment for each ground lease. The discount rate is determined by giving consideration to one or more of the following criteria as appropriate: (i) rates for similar property types, quality, and maturity, and (ii) the fair value of the underlying collateral. The fair value of the RoU asset is equal to the corresponding value of each respective lease liability. The Aggregator’s RoU assets and lease liabilities are classified within Level 3 of the valuation hierarchy.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

3. Fair Value Measurements (continued)

The following tables set forth, by level within the fair value hierarchy, a summary of the Aggregator's assets and liabilities measured at fair value on a recurring basis as of December 31, 2025 and 2024:

Description	2025			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets:				
Investments:				
Real estate	\$ -	\$ -	\$ 647,000,550	\$ 647,000,550
Right of use assets - ground lease	-	-	1,700,000	1,700,000
Total assets	\$ -	\$ -	\$ 648,700,550	\$ 648,700,550
Liabilities:				
Lease liabilities - ground lease	\$ -	\$ -	\$ 1,700,000	\$ 1,700,000
Total liabilities	\$ -	\$ -	\$ 1,700,000	\$ 1,700,000

Description	2024			Total
	Quoted Prices in Active Markets for Identical Assets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	
Assets:				
Investments:				
Real estate	\$ -	\$ -	\$ 590,100,000	\$ 590,100,000
Right of use assets - ground lease	-	-	1,700,000	1,700,000
Total assets	\$ -	\$ -	\$ 591,800,000	\$ 591,800,000
Liabilities:				
Lease liabilities - ground lease	\$ -	\$ -	\$ 1,700,000	\$ 1,700,000
Total liabilities	\$ -	\$ -	\$ 1,700,000	\$ 1,700,000

For the years ended December 31, 2025 and 2024, there were no significant transfers in or out of Level 3.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

3. Fair Value Measurements (continued)

The following is a reconciliation of the beginning and ending balances for assets and liabilities measured at fair value on a recurring basis using significant unobservable inputs (Level 3) during the years ended December 31, 2025 and 2024:

	2025		
	Real Estate	Right of Use Assets - Ground Leases	Lease Liabilities - Ground Leases
Beginning balance - January 1, 2025	\$ 590,100,000	\$ 1,700,000	\$ (1,700,000)
Net realized and unrealized gain	103,114,841	-	-
Real estate dispositions	(251,327,360)	-	-
Real estate improvements	205,113,069	-	-
Ending balance - December 31, 2025	<u>\$ 647,000,550</u>	<u>\$ 1,700,000</u>	<u>\$ (1,700,000)</u>
	2024		
	Real Estate	Right of Use Assets - Ground Leases	Lease Liabilities - Ground Leases
Beginning balance - January 1, 2024	\$ 332,600,000	\$ 1,700,000	\$ (1,700,000)
Net unrealized gain	77,497,757	-	-
Real estate improvements	180,002,243	-	-
Ending balance - December 31, 2024	<u>\$ 590,100,000</u>	<u>\$ 1,700,000</u>	<u>\$ (1,700,000)</u>

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

3. Fair Value Measurements (continued)

The following table shows quantitative information about significant unobservable inputs related to the Level 3 fair value measurements used as of December 31, 2025 and 2024.

		2025			
Fair Value	Primary Valuation Technique	Significant Unobservable Inputs	Input/Range of Inputs	Weighted-Average	
Assets:					
Real estate:					
Data centers	Discounted cash flows	Discount rate	6.95%-8.50%	7.69%	
\$ 513,300,000		Terminal capitalization rate	5.75%-7.50%	6.59%	
		Market rent growth rate	3.00%	3.00%	
\$ 133,700,550	Cost approach	N/A	N/A	N/A	
Right of use asset and lease liabilities - ground lease	Discounted cash flows	Discount rate	8.50%	8.50%	
		2024			
Fair Value	Primary Valuation Technique	Significant Unobservable Inputs	Input/Range of Inputs	Weighted-Average	
Assets:					
Real estate:					
Data centers	Discounted cash flows	Discount rate	8.25%-9.50%	8.72%	
\$ 554,600,000		Terminal capitalization rate	5.75%-7.25%	6.86%	
		Market rent growth rate	3.00%	3.00%	
\$ 35,500,000	Cost	Entrepreneurial profit rate	0.00%	0.00%	
Right of use asset and lease liabilities - ground lease	Discounted cash flows	Discount rate	8.25%	8.25%	

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

4. Debt

The following table summarizes the Aggregator's debt as of December 31, 2025 and 2024.

	2025	2024	Interest Rate ¹	Maturity Date	Terms
Construction Loans					
Forest Grove Data Center	\$ -	\$ -	SOFR (30-day)+3.00%	11/14/2028	Interest Only
Lancaster Data Center	136,680,291	-	SOFR (30-day)+2.50%	04/29/2027	Interest Only
Total construction loans	136,680,291	-			
Lines of Credit					
Digital Crossroad Hammond	\$ 7,263,439	\$ 7,745,144	5.95%	06/10/2028	Principal and interest
PDREF Aggregator, LLC	-	105,270,000	SOFR (30-day)+2.00%	04/15/2026	Interest Only
PDREF Aggregator, LLC	70,000,000	-	SOFR (30-day)+2.50%	01/23/2026	Interest Only
Total lines of credit	77,263,439	113,015,144			
TOTAL CONSTRUCTION LOANS AND LINES OF CREDIT	\$ 213,943,730	\$ 113,015,144			

¹As of December 31, 2025, SOFR was 3.87%

Construction Loans — Two construction notes closed in 2025. The first note, associated with Forest Grove Data Center, closed on November 14, 2025 with a maximum availability of \$149,891,275. This loan requires a lease to be in place before it can be drawn upon. The loan expires November 14, 2028 with two 12 month options to extend. The second note, associated with Lancaster Data Center, closed on April 29, 2025 with a maximum availability of \$176,000,000. The loan expires on April 29, 2027 with two 12 month options to extend. Both construction notes are guaranteed by the Aggregator.

Lines of Credit — A separate credit facility, collateralized by equipment at Digital Crossroad Hammond, has a maximum availability of \$28,000,000. The credit agreement contains financial and non-financial covenants including minimum tangible equity.

Effective April 15, 2021, the Aggregator entered into a revolving credit agreement with a maximum commitment of \$129,000,000 as of December 31, 2024. Following the sale of Alpharetta Data Center on October 1, 2025, the maximum commitment decreased to \$100,000,000. The line of credit, which originally matured on April 15, 2024, was subsequently amended to extend the maturity date to April 15, 2026. Management is currently in discussions with the lender for a 6-month extension. Per the amendment, the maximum commitment will be reduced to \$75,000,000 on the date which there are fewer than three investments held. Additionally, the Aggregator pays a fee of 0.20% - 0.25% on the unused portion of the line of credit. The credit agreement contains financial and non-financial covenants including leverage limitations. The Funds are joint and several liable guarantors on the line of credit and such is secured by the Funds' investors' unfunded capital commitments.

A delayed-draw term credit agreement, guaranteed by the Aggregator and secured by the Aggregator's ownership interest in the Hammond Data Center, was executed on January 24, 2025. The agreement provides for maximum availability of \$70,000,000 and originally matured on January 23, 2026. On January 21, 2026, the Fund executed a six-month extension of the facility. The loan now matures on July 23, 2026, or earlier upon the disposition of all or any portion of the Hammond Data Center. If a sale is not completed prior to maturity, management intends to pursue an additional short-term extension or refinance the loan.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

4. Debt (continued)

A revolving credit agreement, guaranteed by the Aggregator and collateralized by the Alpharetta Data Center closed on December 19, 2024. The maximum availability under this agreement was \$70,000,000, of which no amount was outstanding as of December 31, 2024. The loan expired immediately upon the Alpharetta Data Center disposition on October 1, 2025.

Management believes the Aggregator was in compliance with all financial covenants as of December 31, 2025.

As of December 31, 2025, aggregate contractual maturities of debt were as follows:

Years Ending December 31	
2026	\$ 70,000,000
2027	136,680,291
2028	<u>7,263,439</u>
Contractual maturities of debt	<u>\$ 213,943,730</u>

5. Related Party Fees

Financing Fee — The Aggregator pays PrinREI a financing fee for services in connection with arrangement of loan proceeds for the Aggregator and its underlying real estate investments. The fees are 0.50% of loan proceeds for financing arranged by PrinREI and 0.25% of loan proceeds for financing in which PrinREI utilizes the services of a third-party mortgage bank or broker to secure the financing. Financing fees were \$1,895,226 and \$495,000 for the year's ended December 31, 2025 and 2024, respectively.

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NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

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6. Leasing

Tenant Leases — The Aggregator leases space to tenants under operating lease agreements. These agreements include renewal options and expire at various dates. As of December 31, 2025, future minimum base rentals under non-cancelable leases having an original term of more than one year are as follows:

Years Ending December 31	
2026	\$ 28,015,404
2027	37,781,203
2028	36,105,874
2029	36,486,448
2030	37,423,428
Thereafter	<u>315,368,361</u>
	<u>\$ 491,180,718</u>

Rental income included \$12,173,112 and \$6,665,409 recovered from tenants for common area and other reimbursable costs for the years ended December 31, 2025 and 2024, respectively.

Ground Lease — A ground lease agreement is in place at Digital Crossroad Hammond effective December 11, 2018. A purchase option is in place from the effective date through December 8, 2029 with a purchase price of \$2,550,000. If the purchase option is not executed by December 11, 2029 an annual ground lease rent payment of \$232,000 will begin on January 1, 2030.

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PDREF AGGREGATOR, LLC

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AS OF AND FOR THE YEARS ENDED DECEMBER 31, 2025 AND 2024

7. Financial Highlights

The financial highlights as of and for the years ended December 31, 2025 and 2024 are as follows:

	<u>2025</u>	<u>2024</u>
Net assets attributable to PDREF Aggregator, LLC	<u>\$ 408,495,658</u>	<u>\$ 413,237,911</u>
Ratio to average net assets ¹ :		
Fund level operating expenses	2.40 %	2.49 %
Carried interest	<u>1.99 %</u>	<u>0.00 %</u>
Total expenses	<u>4.39 %</u>	<u>2.49 %</u>
Net investment income	<u>2.16 %</u>	<u>0.17 %</u>
Total return ² :		
Internal rate of return - gross of carried interest	13.79 %	10.32 %
Internal rate of return - net of carried interest	13.06 %	10.32 %

¹ Average net assets is the average of the quarterly weighted average net assets.

² Total return is calculated based on a dollar-weighted internal rate of return methodology both gross and net of carried interest. Internal rate of return is computed on a cumulative, since inception basis using annual compounding and the actual dates of cash inflows received by and outflows paid to limited partners and including ending net asset value as of each measurement date.

8. Commitments and Contingencies

In the normal course of business, from time to time, Aggregator is involved in legal actions relating to the ownership and operation of real estate investments. In management's opinion, the liabilities, if any, that may ultimately result from such legal actions are not expected to have a material effect on Aggregator's consolidated financial position, results of operations, or liquidity.
