

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K/A

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

Date of Report (Date of earliest event reported) **March 13, 2025 (January 2, 2025)**

Strawberry Fields REIT, Inc.

(Exact name of registrant as specified in its charter)

Maryland
(State or other jurisdiction
of incorporation)

001-41628
(Commission
file number)

84-2336054
(IRS employer
identification no.)

**6101 Nimitz Parkway
South Bend, Indiana**
(Address of principal executive offices)

46628
(Zip Code)

(574) 807-0800
(Registrant's telephone number, including area code)

Not Applicable
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions (see General Instruction A.2. below):

- ☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- ☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- ☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- ☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

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

Title of each class registered	Trading Symbol(s)	Name of exchange on which registered
Common Stock, \$0.0001 par value	STRW	NYSE American

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1933 (§240.12b-2 of this chapter)

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. ☐

This Amendment on Form 8-K/A (this “Amendment”) is being filed to amend the Current Report on Form 8-K (the “Initial Form 8-K”) filed by Strawberry Fields REIT, Inc. (the “Company”) with the Securities and Exchange Commission on January 6, 2025. As previously reported in the Initial Form 8-K, on January 2, 2025, the Company completed its acquisition of 6 healthcare facilities located in Kansas. In the Initial Form 8-K, the Company stated its intention to file the financial statements and pro forma financial information required by parts (a) and (b) of Item 9.01 of Form 8-K not later than seventy-one (71) calendar days after the date that the Initial Form 8-K was required to be filed with the Securities and Exchange Commission. Pursuant to the instructions to Item 9.01 of Form 8-K, the Company hereby files this Amendment to amend the Initial Form 8-K in order to include the required financial statements and pro forma financial information that were previously omitted.

Item 9.01 Financial Statements and Exhibits.

(a) Financial Statements of Business Acquired.

Kansas Properties Group Combined Statements of Revenues and Certain Expenses for the Years ended December 31, 2024 and 2023.

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(b) Pro Forma Financial Information.

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(d) Exhibits

Exhibit No.	Description of Exhibit
99.1	<u>Kansas Properties Group Combined Statements of Revenues and Certain Expenses for the Years Ended December 31, 2024 and 2023</u>
99.2	<u>Unaudited Pro Forma Condensed Combined Financial Information</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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, hereunto duly authorized.

Strawberry Fields REIT, Inc.

Dated: March 13, 2025

By: /s/ Moishe Gubin

Moishe Gubin

Chief Executive Officer and Chairman

Exhibit 99.1

**KANSAS PORTFOLIO GROUP
FINANCIAL STATEMENT
YEARS ENDED DECEMBER 31, 2024 AND 2023**

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Report of Independent Auditor

To Kansas Portfolio Group:

We have audited the combined statements of revenues and certain expenses (the “Statements”) of the Kansas Portfolio Group for the years ending December 31, 2024 and 2023, and the related notes to the combined financial statements.

In our opinion, the accompanying combined financial statements present fairly, in all material respects, the combined statement of revenues and certain expenses of Kansas Portfolio Group for the years ending December 31, 2024 and 2023 and the related notes to the combined financial statements in accordance with the basis of accounting described in Note 2.

Basis for Opinion

We conducted our audit 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 Combined Financial Statements section of our report. We are required to be independent of the Kansas Portfolio Group and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter — Basis of Accounting

As discussed in notes to the combined financial statements, the accompanying combined financial statements were prepared for the purpose of complying with certain rules and regulations of the Securities and Exchange Commission for inclusion in the registration statement of Strawberry Fields REIT, Inc., as described in Note 2 and are not intended to be a complete presentation of the Kansas Portfolio Group’s combined revenue and expenses.

Responsibilities of Management for the Combined Financial Statements

Management is responsible for the preparation and fair presentation of the combined financial statements in accordance with the basis of accounting described in Note 2, and for determining that the basis of accounting is an acceptable basis for the preparation of the combined financial statements in the circumstances. Management is also responsible for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of the combined 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 Kansas Portfolio Group’s ability to continue as a going concern for a period of one year after the date that the financial statements are issued.

Auditor's Responsibilities for the Audit of the Combined Financial Statements

Our objectives are to obtain reasonable assurance about whether the combined 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 certain 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 combined 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 combined 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 combined financial statements.
- Obtain an understanding of internal controls 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 Kansas Portfolio Group's internal controls. 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 combined financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Kansas Portfolio Group'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.

/s/ Hacker, Johnson & Smith PA

HACKER, JOHNSON & SMITH PA
Tampa, Florida
March 11, 2025

KANSAS PORTFOLIO GROUP
COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
YEARS ENDED DECEMBER 31, 2024 and 2023
(Dollars in Thousands)

	Year Ended December 31,	
	2024	2023
Revenues:		
Rental revenue	\$ 2,358	1,321
Certain expense:		
Property insurance	212	185
Revenue In Excess of Certain Expenses	\$ 2,146	1,136

See accompanying notes to combined statements of revenues and certain expenses.

KANSAS PORTFOLIO GROUP
NOTES TO COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 1. ORGANIZATION AND DESCRIPTION OF BUSINESS

Kansas Portfolio Group (the “Portfolio Group”), which is not a legal entity, but rather a combination of certain real estate entities and operations as described below, is engaged in the business of owning and leasing certain healthcare facilities located in the State of Kansas. The accompanying combined statements of revenues and certain expenses (the “Statements”) relate to the operations of the Properties Group, consisting of leasing five skilled nursing facilities and one assisted living facility with 354 licensed beds (the “Facilities”) located in Kansas. The Facilities are owned by Bonner Springs Realco, LLC, Clearwater SNF Realco, LLC, Clearwater AL Realco, LLC, Fountainview Realco, LLC, Legacy on 10th Realco, LLC, 1600 South Woodlawn Realty, LLC, (collectively, the “Sellers”).

On December 20, 2024, the Sellers and Strawberry Fields REIT Inc. (the “Purchaser”) entered into a Purchase and Sale Agreement (the “Purchase Agreement”), pursuant to which the Purchaser agreed to purchase the Facilities. The Purchaser will assign the right to acquire the Facilities to newly organized indirect subsidiaries of the Strawberry Fields Realty, LP, the Purchaser’s operating partnership. The purchase price for the Facilities is \$24.0 million, payable at the closing. The Purchaser completed the acquisition on January 2, 2025.

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

The accompanying combined statements of revenues and certain expenses have been prepared for the purpose of complying with Rule 3-14 of Regulation S-X promulgated under the Securities Act of 1933, as amended. Accordingly, the statements are not representative of the actual results of operations for the periods presented as revenues and certain expenses, which may not be directly attributable to the revenues and expenses to be incurred in the future operations of the Portfolio Group, have been excluded. Such excluded items include depreciation and amortization, interest expense, related party fees, management fees, non-recurring professional fees, and other miscellaneous revenue and expenses not directly related to the proposed future operations of the Portfolio Group.

Revenue Recognition

Rental and escalation income from operating real estate is derived from the leasing of healthcare facilities to tenants/operators. The leases are for fixed terms and provide for annual rentals and expense reimbursements to be paid in monthly installments. Rental revenues relating to non-contingent leases that contain specified rental increases over the life of the lease are recognized on the straight-line basis. Recognizing income on a straight-line basis requires the Facilities to calculate the total non-contingent rent containing specified rental increases over the life of the lease and to recognize the revenue evenly over that life.

KANSAS PORTFOLIO GROUP
NOTES TO COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Cont.)

Revenue Recognition (Cont.)

This method results in rental income in the early years of a lease being higher than actual cash received. At some point during the lease, depending on its terms, the cash rent payments eventually exceed the straight-line rent which results in the straight-line rent receivable asset decreasing to zero over the remainder of the lease term. The Portfolio Group assesses the collectability of straight-line rent in accordance with the applicable accounting standards and reserve policy. If the lessee becomes delinquent in rent owed under the terms of the lease, the Portfolio Group may provide a reserve against the recognized straight-line rent receivable asset for a portion, up to its full value, that the Portfolio Group estimates may not be recoverable.

Use of Estimates

The preparation of the Statements in conformity with generally accepted accounting principles in the United States requires management to make estimates and assumptions that could affect the amounts of reported revenues and certain operating expenses. Actual results could differ from those estimates.

Commitments and Contingencies

The Portfolio Group may be subject to legal claims and disputes in the ordinary course of business. Management believes any settlement of any existing potential claims and dispute would not have a material impact on the Portfolio Groups revenues and certain expenses.

NOTE 3. MINIMUM FUTURE LEASE RENTALS

On December 31, 2024 the Purchaser entered into a new master lease agreement with the tenant to lease the Facilities. As of December 31, 2024, the minimum future cash rents receivable under noncancelable operating leases in each of the next five years and thereafter are as follows (dollars in thousands):

Years Ending:	Amount
2025	\$ 2,400
2026	2,472
2027	2,546
2028	2,623
2029	2,701
Thereafter	14,772
Total	<u>\$ 27,514</u>

KANSAS PORTFOLIO GROUP
NOTES TO COMBINED STATEMENTS OF REVENUES AND CERTAIN EXPENSES,
YEARS ENDED DECEMBER 31, 2024 AND 2023

NOTE 4. TENANT CONCENTRATIONS

For the years ended December 31, 2024 and 2023, no single tenant accounted for a significant amount of rental revenue.

NOTE 5. SUBSEQUENT EVENTS

Management has evaluated the events and transactions that have occurred through March 11, 2025, the date which the Statements were available to be issued, and noted no items requiring adjustment of the Statements or additional disclosure.

Exhibit 99.2**Unaudited Pro Forma Condensed Combined Financial Information**

On December 20, 2024, the Company entered into a Purchase and Sale Agreement (the “Purchase Agreement”), with Bonner Springs Realco, LLC, Clearwater SNF Realco, LLC, Clearwater AL Realco, LLC, Fountainview Realco, LLC, Legacy on 10th Realco, LLC, 1600 South Woodlawn Realty, LLC,, (collectively, the “Sellers”) with respect to the purchase of six healthcare Facilities located in Kansas (the “Facilities”). The Sellers are not affiliates of the Company. The Company assigned the right to acquire the Facilities to newly organized indirect subsidiaries of the Strawberry Fields Realty, LP, the Company’s operating partnership. The Company closed on the acquisition of the Facilities on January 2, 2025.

The purchase price for the Facilities was \$24,000,000. The Company made a deposit of \$750,000 under the Purchase Agreement, which was applied to pay a portion of the purchase price at the closing. The Company paid the balance of the purchase price utilizing the Company’s working capital.

The Facilities will be leased under a new 10-year master lease agreement to a group of third-party tenants. Under the master lease, (i) the tenants will be on a triple net basis (ii) the tenants have 2 five-year options to extend the lease. The tenants operate the Facilities as five skilled nursing facilities and one assisted living facility.

The six Facilities are comprised of 354 licensed beds.

The unaudited pro forma condensed combined balance sheet as of December 31, 2024 is presented as if the acquisition was completed on December 31, 2024. The unaudited pro forma condensed combined statements of income for the years ended December 31, 2024 and 2023 as if the acquisition was completed on January 1, 2023.

The following unaudited pro forma condensed combined financial information has been prepared to comply with Article 11 of Regulation S-X, as promulgated by the SEC. The unaudited pro forma condensed combined financial information should be read in conjunction with the consolidated financial statements of the Company and notes thereto presented elsewhere in this prospectus for the years ended December 31, 2024 and 2023 of the Kansas Portfolio Group. The unaudited pro forma condensed combined balance sheet and condensed combined statements of income are not necessarily indicative of what the actual financial position and operating results would have been had the acquisition had occurred on the dates indicated nor are they indicative of future operating results of the Company.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of December 31, 2024
(In thousands)

	Strawberry Fields REIT Inc.	Kansas Property Acquisition	Proforma Combined
Assets			
Real estate investments, net	\$ 609,058	\$ 24,000 (a)	\$ 633,058
Cash and cash equivalents	48,373	(24,000) (b)	24,373
Restricted cash and equivalents	45,283		45,283
Straight-line rent receivable, net	27,702	-	27,702
Right of use lease asset	1,204	-	1,204
Goodwill, other intangible assets and lease rights	27,947	-	27,947
Deferred financing expenses	6,162	-	6,162
Notes receivable, net	16,585	-	16,585
Other assets	5,275	-	5,275
Total Assets	787,589	-	787,589
Liabilities			
Accounts payable and accrued liabilities	18,718	-	18,718
Bonds, net	209,944	-	209,944
Notes payable and other debt	460,591	-	460,591
Operating lease liability	1,204	-	1,204
Other liabilities	13,561	-	13,561
Total Liabilities	704,018	-	704,018
Equity			
Additional paid in capital	16,536	-	16,536
Accumulated other comprehensive income	340	-	340
Retained earnings	1,292	-	1,292
Total Stockholders' Equity	18,168	-	18,168
Non-controlling interest	65,403	-	65,403
Total Equity	83,571	-	83,571
Total Liabilities and Equity	\$ 787,589	\$ -	\$ 787,589

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

Unaudited Pro Forma Condensed Combined Statements of Income
FOR THE YEAR ENDED DECEMBER 31, 2024
(In thousands)

	<u>Strawberry Fields REIT Inc.</u>	<u>Kansas Property Acquisition</u>	<u>Proforma Adjustments</u>	<u>Proforma Combined</u>
Revenues				
Rental revenues	\$ 117,058	\$ 2,358 (c)	162 (d)	\$ 119,578
Expenses:				
Depreciation	29,031	-	615 (e)	29,646
Amortization	4,657	-	-	4,657
General and administrative expenses	6,851	212	-	7,063
Property taxes	14,489	-	162 (d)	14,651
Facility rent expenses	727	-	-	727
Total expenses	<u>55,755</u>	<u>212</u>	<u>777</u>	<u>56,744</u>
Income from operations	<u>61,303</u>	<u>2,146</u>	<u>(615)</u>	<u>62,834</u>
Interest expense, net	(32,603)	-	-	(32,603)
Amortization of deferred financing costs	(657)	-	-	(657)
Mortgage insurance premium	(1,548)	-	-	(1,548)
Total interest expense	<u>(34,808)</u>	<u>-</u>	<u>-</u>	<u>(34,808)</u>
Other income:				
Other income	10	-	-	10
Net income	<u>\$ 26,505</u>	<u>\$ 2,146</u>	<u>\$ (615)</u>	<u>\$ 28,036</u>

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

Unaudited Pro Forma Condensed Combined Statements of Income
FOR THE YEAR ENDED DECEMBER 31, 2023
(In thousands)

	<u>Strawberry Fields REIT Inc.</u>	<u>Kansas Property Acquisition</u>	<u>Proforma Adjustments</u>	<u>Proforma Combined</u>
Revenues				
Rental revenues	\$ 99,805	\$ 1,321 (c)	162 (d)	\$ 101,288
Expenses:				
Depreciation	26,207	-	615 (e)	26,822
Amortization	3,028	-	-	3,028
Loss on real estate investment impairment	2,451	-	-	2,451
General and administrative expenses	5,662	185	-	5,847
Property taxes	14,459	-	162 (d)	14,621
Facility rent expenses	559	-	-	559
Total expenses	52,366	185	777	53,328
Income from operations	47,439	1,136	(615)	47,960
Interest expense, net	(24,443)	-	-	(24,443)
Amortization of deferred financing costs	(560)	-	-	(560)
Mortgage insurance premium	(1,671)	-	-	(1,671)
Total interest expense	(26,674)	-	-	(26,674)
Other income (loss):				
Foreign currency transaction gain	462	-	-	462
Other loss	(983)	-	-	(983)
Total other loss	(521)	-	-	(521)
Net income	\$ 20,244	\$ 1,136	\$ (615)	\$ 20,765

See accompanying notes to the Unaudited Pro Forma Condensed Combined Financial Information

Notes to Unaudited Pro Forma Condensed Combined Financial Information

1. Basis of Presentation

On January 2, 2025, Strawberry Fields REIT Inc. (the “Company”) completed the acquisition with multiple sellers with respect to the purchase of six healthcare facilities located in Kansas (the “Facilities”). The sellers are not affiliates of the Company. The Company will assign the right to acquire the Facilities to newly organized indirect subsidiaries of Strawberry Fields Realty, LP, the Company’s operating partnership.

The historical financial statements have been adjusted in the pro forma condensed combined financial statements to give effect for (i) transaction accounting adjustments (ii) autonomous entity adjustments and (iii) management’s adjustments, as required.

The pro forma combined financial information does not necessarily reflect what the combined company’s financial condition or results of operations would have been if the acquisition of the Kansas Portfolio Group occurred on the dates indicated. They also may not be useful in predicting the future financial condition and results of operations of the combined company. The actual financial position and results of operations may differ significantly from the pro forma amounts reflected herein due to a variety of factors.

2. Purchase Price Allocation

The Company intends to account for the planned acquisition as an asset acquisition. We will measure the value of the acquired physical assets (land, building and building improvements, site improvements, and furniture fixtures and equipment) by allocating the total cost of the acquisition on a relative fair value basis. The Company expects to allocate the total cost as follows (in thousands):

Land	\$ 4,258
Building and building improvements	19,742
Total purchase price	<u>\$ 24,000</u>

3. Pro Forma Adjustments

- (a) Represents the adjustment to record the assets purchased in the acquisition of the Facilities at relative fair value based on the total cost of the acquisition.
- (b) Represents the cash and cash equivalents to be utilized to pay the purchase price for the Facilities at closing.
- (c) Represents straight-line monthly income for the period stated. The Company recognizes rental revenue for operating leases on a straight-line basis over the lease term when collectability is reasonably assured and the tenant has taken possession or controls the physical use of a leased asset.
- (d) Represents real estate taxes for the stated period. The Company reports revenues and expenses within our triple-net leased properties for real estate taxes that are escrowed and obligations of the tenants in accordance with their respective leases with us.
- (e) Real estate costs related to the acquisition and improvement of properties are capitalized and depreciated over the expected life of the asset on a straight-line basis. The Company considers the period of future benefit of an asset to determine its appropriate useful life. Expenditures for tenant improvements are capitalized and amortized over the shorter of the tenant’s lease term or expected useful life. The Company anticipates the estimated useful lives of its assets by class to be generally as follows:

Building and improvements	7-45 years
Equipment and personal property	2-18 years