

February 25, 2014



Cedar Realty Trust Reports Fourth Quarter And Full Year 2013 Results

PORT WASHINGTON, N.Y., Feb. 25, 2014 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE:CDR) today reported results for the fourth quarter and year ended December 31, 2013.

Highlights

- Operating FFO of \$0.13 per diluted share for the quarter and \$0.50 for the year
- Same-property NOI increased 2.9% for the quarter and 1.8% for the year
- Signed 46 new and renewal leases for 362,000 square feet in the fourth quarter and 177 for 1.2 million square feet for the year
- Comparable cash-basis lease spreads of 7.1% for the fourth quarter and 9.4% for the year
- Total portfolio 93.6% leased and same-property portfolio 94.4% leased at year-end
- Closed on acquisition of a 101,000 square foot grocery-anchored shopping center in Fairfield County, Connecticut
- Announced replacement of dark anchor at Kempsville Crossing with a Walmart Neighborhood Market
- Subsequent to year-end, issued 6.9 million common shares for net proceeds of \$41.3 million and closed \$150 million of unsecured term loans
- Net debt to EBITDA of 7.5 times after adjustment for the \$41.3 million equity offering
- Provided initial 2014 Operating FFO guidance of \$0.51 to \$0.54 per diluted share

"We are pleased to have successfully achieved in late 2013 the objectives set forth in the two-year strategic plan we launched in late 2011– to have a healthier balance sheet and a focused portfolio of grocery-anchored shopping centers straddling the DC to Boston corridor," said Bruce Schanzer, President & CEO. "As we embark on 2014, we see these improvements benefitting our shareholders and look forward to continuing to add value by focusing on leasing, redevelopment, capital recycling and active balance sheet management."

Financial Results

Operating FFO for fourth quarter 2013 was \$9.2 million or \$0.13 per diluted share, compared to \$8.4 million or \$0.12 per diluted share for the same period in 2012. Operating FFO for year ended December 31, 2013 was \$36.4 million or \$0.50 per diluted share. Operating FFO for year ended December 31, 2012 was \$35.8 million or \$0.50 per diluted share including a favorable benefit of \$3.4 million, or \$0.05 per diluted share, of termination related income in connection with replacing a dark anchor at the Company's Oakland Commons shopping center.

Net income attributable to common shareholders for fourth quarter 2013 was \$2.3 million or

\$0.03 per diluted share, compared to net income of \$22.3 million or \$0.31 per diluted share for the same period in 2012. Net income for fourth quarter 2013 included a gain on extinguishment of a debt and related obligations of \$9.2 million and impairment charges of \$4.0 million. Net income for fourth quarter 2012 included a gain on exiting the Cedar/RioCan joint venture of \$30.5 million, impairment charges of \$6.9 million, gains on sales of real estate of \$4.4 million, and preferred stock redemption costs of \$4.4 million.

Net loss attributable to common shareholders for year ended December 31, 2013 was \$(1.1) million, or \$(0.03) per diluted share, compared to net income of \$9.9 million or \$0.13 per diluted share for the same period in 2012. Net income for year ended December 31, 2013 included gains on extinguishments of debt obligations of \$10.5 million, impairment charges of \$2.9 million, preferred stock redemption and early extinguishment of debt costs of \$1.7 million, and gains on sales of real estate of \$0.6 million. Net income for year ended December 31, 2012 included a gain on exiting the Cedar/RioCan joint venture of \$30.5 million, preferred stock redemption and early debt extinguishment costs of \$7.6 million, impairment charges of \$5.8 million, gains on sales of real estate of \$5.7 million, and \$1.2 million of employee termination costs.

Portfolio Results

Same-property NOI increased 2.9% for the fourth quarter of 2013 and 1.8% for the full year 2013 compared to the comparable periods in 2012. These figures include the re-tenanting impact from replacing the dark anchor at Oakland Commons with a Walmart Neighborhood Market. Same-property NOI growth excluding this impact was 1.8% for the fourth quarter of 2013 and 1.9% for the full year of 2013.

During the fourth quarter of 2013, the Company signed 46 leases for 362,000 square feet. On a comparable space basis, the Company leased 291,000 square feet at a positive lease spread of 7.1% on a cash basis (new leases increased 4.7% and renewals increased 7.4%). Fourth quarter leasing results included a 40,000 square foot lease for a Walmart Neighborhood Market replacing the dark anchor at Kempsville Crossing with an anticipated opening date in the latter part of 2014.

For the full year 2013, the Company signed 177 leases for 1.2 million square feet. On a comparable space basis, the Company leased 1.0 million square feet at a positive lease spread of 9.4% on a cash basis (new leases increased 18.3% and renewals increased 8.2%).

The Company's total portfolio, excluding properties held for sale, was 93.6% leased at December 31, 2013, compared to 92.8% at September 30, 2013 and 92.7% at December 31, 2012. The Company's same-property portfolio was 94.4% leased at December 31, 2013, compared to 94.1% at September 30, 2013 and 94.5% at December 31, 2012.

Acquisition and Dispositions

During the fourth quarter of 2013, the Company acquired Big Y Shopping Center in Bethel, Connecticut, an affluent suburb in Fairfield County. The 101,000 square foot, fully-occupied, grocery-anchored shopping center was acquired for \$34.5 million, unencumbered. The center is anchored by a Big Y World Class Market.

During the fourth quarter of 2013, the Company completed the disposition of three

properties, aggregating 393,000 leasable square feet, and two land parcels for total gross proceeds of \$32.0 million. For the full year 2013, the Company completed the disposition of seven properties aggregating 851,000 leasable square feet, and three land parcels for total gross proceeds of \$49.9 million.

Recent Activities

On January 13, 2014, the Company issued 6.9 million common shares for net proceeds of \$41.3 million. The proceeds were initially used to reduce amounts outstanding under the Company's revolving credit facility.

On February 11, 2014, the Company closed on \$150.0 million of unsecured term loans effectively prefunding all of its 2014 mortgage debt maturities. The unsecured term loans consist of a five year \$75 million term loan for which the proceeds were drawn at closing and a seven-year \$75 million term loan that allows for delayed draws of the proceeds through July 1, 2014. The term loans are priced at LIBOR plus a spread based on the Company's leverage ratio. The Company entered into forward LIBOR swap agreements that result in an effective fixed interest rate of 3.37% for the five-year term loan and 4.27% for the seven-year term loan beginning July 1, 2014, based on the Company's leverage ratio at closing.

Balance Sheet

After adjustment for the January 13, 2014 equity offering, the Company's net debt to EBITDA is 7.5 times and it has approximately \$150 million of borrowing available under its revolving credit facility. In late 2011, the Company announced a plan to divest certain non-core assets and reduce its net debt to EBITDA ratio from in excess of 9.0 times to less than 8.0 times. The Company had reduced this ratio to 8.4 times by year-end 2012, 7.9 times by year-end 2013 and 7.5 times after the equity offering.

2014 Guidance

The Company has established its initial 2014 Operating FFO guidance at a range of \$0.51 to \$0.54 per diluted share. Key assumptions included in this guidance are as follows:

- Increase in same-property NOI of 1% to 2%
- Increase in occupancy of 50 to 100 basis points
- Acquisitions of approximately \$100 million
- Dispositions of approximately \$100 million

Funds From Operations Reconciliation

The Company reports FFO in accordance with the standards established by the National Association of Real Estate Investment Trusts ("NAREIT"). FFO is a widely-recognized non-GAAP financial measure for REITs that the Company believes, when considered with financial statements prepared in accordance with GAAP, is useful to investors in understanding financial performance and providing a relevant basis for comparison among REITs. The Company's computation of FFO, as detailed in the attached schedule, is in accordance with NAREIT's pronouncements. The Company also presents "Operating FFO", which excludes certain items that are not indicative of the results provided by the Company's consolidated portfolio and that affect the comparability of the Company's period-over-period performance, as also detailed in the attached schedule.

Supplemental Financial Information Package

The Company has issued "Supplemental Financial Information" for the period ended

December 31, 2013. Such information has been filed today as an exhibit to Form 8-K and will also be available on the Company's website at www.cedarrealtytrust.com.

Investor Conference Call

The Company will host a conference call today, February 25, 2014, at 5:00 PM (ET) to discuss the fourth quarter and full year results. The conference call can be accessed by dialing (877) 705-6003 or (1) (201) 493-6725 for international participants. A live webcast of the conference call will be available online on the Company's website at www.cedarrealtytrust.com.

A replay of the call will be available from 8:00 PM (ET) on February 25, 2014, until midnight (ET) on March 11, 2014. The replay dial-in numbers are (877) 870-5176 or (1) (858) 384-5517 for international callers. Please use passcode 13574656 for the telephonic replay. A replay of the Company's webcast will be available on the Company's website for a limited time.

About Cedar Realty Trust

Cedar Realty Trust, Inc. is a fully-integrated real estate investment trust which focuses on the ownership and operation of primarily grocery-anchored shopping centers straddling the Washington DC to Boston corridor. The Company's portfolio (excluding properties treated as "held for sale") is comprised of 65 properties, with approximately 9.4 million square feet of gross leasable area.

For additional financial and descriptive information on the Company, its operations and its portfolio, please refer to the Company's website at www.cedarrealtytrust.com.

Forward-Looking Statements

Statements made in this press release that are not strictly historical are "forward-looking" statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause actual results, performance and outcomes to differ materially from those expressed or implied in forward-looking statements. Please refer to the documents filed by Cedar Realty Trust, Inc. with the SEC, specifically the Company's Annual Report on Form 10-K for the year ended December 31, 2013, which identifies important risk factors that could cause actual results to differ from those contained in forward-looking statements.

CEDAR REALTY TRUST, INC.
Condensed Consolidated Balance Sheets
(unaudited)

	December 31,	
	2013	2012
ASSETS		
Real estate		
Land	\$ 286,518,000	\$ 276,197,000
Buildings and improvements	1,153,336,000	1,137,205,000
	1,439,854,000	1,413,402,000
Less accumulated depreciation	(251,605,000)	(229,535,000)

Real estate, net	1,188,249,000	1,183,867,000
Real estate held for sale/conveyance	81,854,000	117,673,000
Cash and cash equivalents	3,973,000	7,522,000
Restricted cash	11,063,000	13,752,000
Receivables	18,492,000	17,846,000
Other assets and deferred charges, net	28,295,000	29,243,000
TOTAL ASSETS	\$ 1,331,926,000	\$ 1,369,903,000
LIABILITIES AND EQUITY		
Mortgage loans payable	\$ 516,292,000	\$ 589,168,000
Mortgage loans payable - real estate held for sale/conveyance	22,848,000	39,306,000
Unsecured credit facility	203,500,000	-
Secured credit facility	-	156,000,000
Accounts payable and accrued liabilities	22,665,000	28,179,000
Unamortized intangible lease liabilities	26,868,000	30,502,000
Unamortized intangible lease liabilities - real estate held for sale/conveyance	4,104,000	4,998,000
Total liabilities	796,277,000	848,153,000
Noncontrolling interest - limited partners' mezzanine OP Units	415,000	623,000
Commitments and contingencies	-	-
Equity:		
Cedar Realty Trust, Inc. shareholders' equity:		
Preferred stock	190,661,000	163,669,000
Common stock and other shareholders' equity	337,016,000	349,987,000
Total Cedar Realty Trust, Inc. shareholders' equity	527,677,000	513,656,000
Noncontrolling interests:		
Minority interests in consolidated joint ventures	4,202,000	6,081,000
Limited partners' OP Units	3,355,000	1,390,000
Total noncontrolling interests	7,557,000	7,471,000
Total equity	535,234,000	521,127,000
TOTAL LIABILITIES AND EQUITY	\$ 1,331,926,000	\$ 1,369,903,000

CEDAR REALTY TRUST, INC.
Condensed Consolidated Statements of Operations
(unaudited)

	Three months ended December 31,		Years ended
	2013	2012	2013
REVENUES			
Rents	\$ 27,682,000	\$ 27,038,000	\$ 109,798,000
Expense recoveries	7,429,000	6,856,000	28,472,000

Other	55,000	652,000	554,000
Total revenues	35,166,000	34,546,000	138,824,000
PROPERTY OPERATING EXPENSES			
Operating, maintenance and management	6,444,000	5,710,000	24,183,000
Real estate and other property-related taxes	4,464,000	4,358,000	17,772,000
Total property operating expenses	10,908,000	10,068,000	41,955,000
PROPERTY OPERATING INCOME	24,258,000	24,478,000	96,869,000
OTHER EXPENSES			
General and administrative	4,006,000	3,278,000	13,980,000
Management transition charges and employee termination costs	-	41,000	106,000
Impairment (reversals)/charges, net	-	5,779,000	(1,100,000)
Acquisition transaction costs and terminated projects	182,000	116,000	182,000
Depreciation and amortization	12,270,000	9,508,000	44,405,000
Total other expenses	16,458,000	18,722,000	57,573,000
OPERATING INCOME	7,800,000	5,756,000	39,296,000
NON-OPERATING INCOME AND EXPENSES			
Interest expense	(8,358,000)	(9,660,000)	(34,766,000)
Early extinguishment of debt costs	-	-	(106,000)
Interest income	1,000	4,000	4,000
Equity in income of unconsolidated joint venture	-	49,000	-
Gain on exit from unconsolidated joint venture	-	30,526,000	-
Gain on sales	263,000	516,000	609,000
Total non-operating income and expense	(8,094,000)	21,435,000	(34,259,000)
(LOSS) INCOME FROM CONTINUING OPERATIONS	(294,000)	27,191,000	5,037,000
DISCONTINUED OPERATIONS			
Income from operations	919,000	712,000	2,690,000
Impairment charges, net	(3,977,000)	(1,142,000)	(3,977,000)
Gain on extinguishment of debt obligations	9,154,000	-	10,452,000
Gain on sales	-	3,929,000	-
Total income from discontinued operations	6,096,000	3,499,000	9,165,000
NET INCOME	5,802,000	30,690,000	14,202,000
Less, net loss (income) attributable to noncontrolling interests:			
Minority interests in consolidated joint ventures	95,000	(63,000)	247,000
Limited partners' interest in Operating Partnership	(12,000)	(88,000)	(1,000)

Total net loss (income) attributable to noncontrolling interests	83,000	(151,000)	246,000
NET INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	5,885,000	30,539,000	14,448,000
Preferred stock dividends	(3,602,000)	(3,804,000)	(14,413,000)
Preferred stock redemption costs	-	(4,443,000)	(1,166,000)
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	\$ 2,283,000	\$ 22,292,000	\$ (1,131,000)
PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED)			
Continuing operations	\$ (0.06)	\$ 0.26	\$ (0.16)
Discontinued operations	0.09	0.05	0.13
	\$ 0.03	\$ 0.31	\$ (0.03)
Weighted average number of common shares - basic and diluted	68,474,000	68,278,000	68,381,000

CEDAR REALTY TRUST, INC.
Reconciliation of Net Income (Loss) Attributable to Common Shareholders to Funds From Operations and Operating Funds From Operations
(unaudited)

	Three months ended December 31,		Years ended December	
	2013	2012	2013	2012
Net income (loss) attributable to common shareholders	\$ 2,283,000	\$ 22,292,000	\$ (1,131,000)	\$ 9,111,000
Real estate depreciation and amortization	12,493,000	9,758,000	45,280,000	44,250,000
Limited partners' interest	12,000	88,000	1,000	1,000
Impairment charges, net	3,977,000	6,921,000	2,877,000	5,000
Gain on exit from unconsolidated joint venture	-	(30,526,000)	-	(30,526,000)
Gain on sales	(263,000)	(4,445,000)	(609,000)	(5,000)
Consolidated minority interests:				
Share of (loss) income	(95,000)	63,000	(247,000)	4,000
Share of FFO	(283,000)	(484,000)	(1,303,000)	(4,000)
Unconsolidated joint venture:				
Share of income	-	(49,000)	-	(1,000)
Share of FFO	-	158,000	-	4,000
Funds From Operations ("FFO")	18,124,000	3,776,000	44,868,000	26,868,000
Adjustments for items affecting comparability:				
Management transition charges and employee termination costs	-	41,000	106,000	1,000
Preferred stock redemption costs	-	4,443,000	1,166,000	4,000

Gain on extinguishment of debt obligations	(9,154,000)	-	(10,452,000)	
Early extinguishment of debt costs	-	-	543,000	2
Share-based compensation mark-to-market adjustments	-	-	-	
Acquisition transaction costs , including Company share from				
the Cedar/RioCan joint venture	182,000	116,000	182,000	
Operating Funds From Operations ("Operating FFO")	\$ 9,152,000	\$ 8,376,000	\$ 36,413,000	\$ 36,413,000
FFO per diluted share:	\$ 0.25	\$ 0.05	\$ 0.62	\$ 0.62
Operating FFO per diluted share:	\$ 0.13	\$ 0.12	\$ 0.50	\$ 0.50
Weighted average number of diluted common shares:				
Common shares	72,283,000	71,876,000	72,204,000	71,876,000
OP Units	375,000	281,000	297,000	
	<u>72,658,000</u>	<u>72,157,000</u>	<u>72,501,000</u>	<u>71,876,000</u>

SOURCE Cedar Realty Trust, Inc.