

October 30, 2014



# Cedar Realty Trust Reports Third Quarter 2014 Results

PORT WASHINGTON, N.Y., Oct. 30, 2014 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE: CDR) today reported results for the third quarter ended September 30, 2014.

## Highlights

- Operating funds from operations (FFO) of \$0.14 per diluted share
- Same-property net operating income (NOI) increased 1.9% including redevelopment properties, and 1.2% excluding redevelopment properties
- Signed 41 new and renewal leases for 187,800 square feet
- Comparable cash-basis lease spreads of 8.8%
- Total portfolio 93.1% leased and same-property portfolio 93.6% leased at quarter-end
- Raised low end of 2014 Operating FFO guidance to a new range of \$0.53 to \$0.54 per diluted share

"As we mark the third anniversary of the 'new' Cedar with this earnings release, we continue to deliver solid current operating results while building a foundation for long-term value creation," commented Bruce Schanzer, President and CEO. "In particular, we are making significant progress with our capital recycling program aimed at upgrading the quality of our portfolio."

## Financial Results

Operating FFO for third quarter 2014 was \$10.8 million or \$0.14 per diluted share, compared to \$9.5 million or \$0.13 per diluted share for the same period in 2013. Operating FFO for nine months ended September 30, 2014 was \$32.2 million or \$0.41 per diluted share, compared to \$27.3 million or \$0.38 per diluted share for the same period in 2013.

Net income attributable to common shareholders for third quarter 2014 was \$2.2 million or \$0.03 per diluted share, compared to net loss of \$(3.5) million or \$(0.05) per diluted share for the same period in 2013. Net income attributable to common shareholders for nine months ended September 30, 2014 was \$13.8 million or \$0.18 per diluted share, compared to net loss of \$(3.4) million or \$(0.06) per diluted share for the same period in 2013.

## Portfolio Results

For third quarter 2014, same-property NOI increased 1.9% including redevelopment properties, compared to the same period in 2013. Excluding redevelopment properties, same-property NOI increased 1.2%.

During third quarter 2014, the Company signed 41 leases for 187,800 square feet. On a

comparable space basis, the Company leased 173,300 square feet at a positive lease spread of 8.8% on a cash basis (new leases increased 7.4% and renewals increased 8.9%).

The Company continues to make progress in its capital recycling efforts directed towards upgrading the quality of its shopping center portfolio. After acquiring Quartermaster Plaza for \$92.3 million on March 21, 2014, the Company has sold six properties for aggregate sales proceeds of \$78.6 million. The property acquired has 456,000 leasable square feet, a present average base rent of \$13.73 per square foot, and a population density of approximately 325,000 people within a three-mile radius, compared to an average of 111,000 leasable square feet, average base rents of \$10.06 per square foot, and an average population density of 31,000 people within a three-mile radius for the six sold properties.

The Company's total portfolio, excluding properties held for sale, was 93.1% leased at September 30, 2014, compared to 93.6% at December 31, 2013 and 92.8% at September 30, 2013. The Company's same-property portfolio was 93.6% leased at September 30, 2014, compared to 94.2% at December 31, 2013 and 93.9% at September 30, 2013.

## **Balance Sheet**

As of September 30, 2014, the Company has \$168.4 million available under its revolving credit facility and reported net debt to earnings before interest, taxes, depreciation and amortization (EBITDA) of 7.4 times. Additionally, thus far in 2014, the Company has repaid approximately \$159 million of secured mortgage debt, primarily with proceeds from the Company's previously-announced \$150 million in unsecured term loans, thereby improving balance sheet flexibility.

## **2014 Guidance**

The Company raised the low end of its 2014 Operating FFO guidance to a new range of \$0.53 to \$0.54 per diluted share from the previous range of \$0.52 to \$0.54 per diluted share.

## **Quarterly Dividends**

The Company's Board of Directors has approved a cash dividend of \$0.05 per share on its common stock and \$0.453125 per share on its 7.25% Series B Cumulative Redeemable Preferred Stock, both payable on November 20, 2014 to shareholders of record as of the close of business on November 10, 2014.

## **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 September 30, 2014. 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](http://www.cedarrealtytrust.com).

## Investor Conference Call

The Company will host a conference call today, October 30, 2014, at 5:00 PM (ET) to discuss the third quarter 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](http://www.cedarrealtytrust.com).

A replay of the call will be available from 8:00 PM (ET) on October 30, 2014, until midnight (ET) on November 13, 2014. The replay dial-in numbers are (877) 870-5176 or (1) (858) 384-5517 for international callers. Please use passcode 13590070 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 58 properties, with approximately 9.2 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](http://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

	September 30, 2014 (unaudited)	December 31, 2013
<b>ASSETS</b>		
Real estate		
Land	\$ 310,533,000	\$ 273,505,000

Buildings and improvements	1,148,700,000	1,085,126,000
	1,459,233,000	1,358,631,000
Less accumulated depreciation	(258,243,000)	(233,082,000)
Real estate, net	1,200,990,000	1,125,549,000
Real estate held for sale/conveyance	43,756,000	146,084,000
Cash and cash equivalents	4,251,000	3,973,000
Restricted cash	8,076,000	11,063,000
Receivables	20,988,000	17,597,000
Other assets and deferred charges, net	34,444,000	27,660,000
<b>TOTAL ASSETS</b>	<b>\$ 1,312,505,000</b>	<b>\$ 1,331,926,000</b>

#### LIABILITIES AND EQUITY

Mortgage loans payable	\$ 398,594,000	\$ 501,043,000
Mortgage loans payable - real estate held for sale/conveyance	6,598,000	38,097,000
Unsecured revolving credit facility	81,000,000	153,500,000
Unsecured term loans	200,000,000	50,000,000
Accounts payable and accrued liabilities	22,322,000	22,666,000
Unamortized intangible lease liabilities	24,780,000	25,509,000
Unamortized intangible lease liabilities - real estate held for sale/conveyance	-	5,463,000
Total liabilities	733,294,000	796,278,000

Noncontrolling interest - limited partners' mezzanine OP Units	398,000	414,000
--	---------	---------

Commitments and contingencies	-	-
-------------------------------	---	---

#### Equity:

Cedar Realty Trust, Inc. shareholders' equity:		
Preferred stock	190,661,000	190,661,000
Common stock and other shareholders' equity	382,747,000	337,016,000
Total Cedar Realty Trust, Inc. shareholders' equity	573,408,000	527,677,000
Noncontrolling interests:		
Minority interests in consolidated joint ventures	2,945,000	4,202,000
Limited partners' OP Units	2,460,000	3,355,000
Total noncontrolling interests	5,405,000	7,557,000
Total equity	578,813,000	535,234,000
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$ 1,312,505,000</b>	<b>\$ 1,331,926,000</b>

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

Three months ended September 30,		Nine months ended September 3	
2014	2013	2014	2013

#### REVENUES

Rents	\$	29,182,000	\$	27,492,000	\$	87,187,000	\$	8
Expense recoveries		7,064,000		6,573,000		23,239,000		2
Other		15,000		113,000		251,000		
Total revenues		36,261,000		34,178,000		110,677,000		10
<b>PROPERTY OPERATING EXPENSES</b>								
Operating, maintenance and management		5,747,000		5,590,000		19,994,000		1
Real estate and other property-related taxes		4,461,000		4,449,000		13,570,000		1
Total property operating expenses		10,208,000		10,039,000		33,564,000		3
<b>PROPERTY OPERATING INCOME</b>		26,053,000		24,139,000		77,113,000		7
<b>OTHER EXPENSES</b>								
General and administrative		3,316,000		3,248,000		10,620,000		
Employee termination costs		-		-		-		
Acquisition costs		-		-		2,870,000		
Impairment charges/(reversal)		1,250,000		-		3,057,000		(
Depreciation and amortization		9,665,000		13,182,000		28,806,000		3
Total other expenses		14,231,000		16,430,000		45,353,000		4
<b>OPERATING INCOME</b>		11,822,000		7,709,000		31,760,000		3
<b>NON-OPERATING INCOME AND EXPENSES</b>								
Interest expense		(8,216,000)		(8,593,000)		(24,398,000)		(2
Early extinguishment of debt costs		-		-		(163,000)		
Gain on sales		2,332,000		-		6,142,000		
Total non-operating income and expense		(5,884,000)		(8,593,000)		(18,419,000)		(2
<b>INCOME (LOSS) FROM CONTINUING OPERATIONS</b>		5,938,000		(884,000)		13,341,000		
<b>DISCONTINUED OPERATIONS</b>								
Income from operations		212,000		946,000		2,006,000		
Impairment charges, net		(441,000)		-		(322,000)		
Gain on extinguishment of debt obligations		-		-		1,423,000		

Gain on sales	-	-	7,963,000	
Total (loss) income from discontinued operations	(229,000)	946,000	11,070,000	
<b>NET INCOME</b>	5,709,000	62,000	24,411,000	
Less, net loss (income) attributable to noncontrolling interests:				
Minority interests in consolidated joint ventures	84,000	49,000	297,000	
Limited partners' interest in Operating Partnership	(8,000)	12,000	(76,000)	
Total net loss (income) attributable to noncontrolling interests	76,000	61,000	221,000	
<b>NET INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.</b>	5,785,000	123,000	24,632,000	
Preferred stock dividends	(3,602,000)	(3,602,000)	(10,806,000)	(1
Preferred stock redemption costs	-	-	-	(
<b>NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS</b>	\$ 2,183,000	\$ (3,479,000)	\$ 13,826,000	\$
<b>PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED)</b>				
Continuing operations	\$ 0.03	\$ (0.07)	\$ 0.03	\$
Discontinued operations	(0.00)	0.02	0.15	
	\$ 0.03	\$ (0.05)	\$ 0.18	\$
Weighted average number of common shares - basic and diluted	75,547,000	68,365,000	75,233,000	€

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

	<b>Three months ended September 30,</b>		<b>Nine months ended September 30,</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
<b>Net income (loss) attributable to common shareholders</b>	<b>\$ 2,183,000</b>	<b>\$ (3,479,000)</b>	<b>\$ 13,826,000</b>	<b>\$ (3,414,000)</b>
Real estate depreciation and amortization	9,583,000	13,401,000	28,553,000	32,787,000
Limited partners' interest	8,000	(12,000)	76,000	(11,000)
Impairment charges/(reversal)	1,691,000	-	3,379,000	(1,100,000)
Gain on sales	(2,332,000)	-	(14,105,000)	(346,000)
Consolidated minority interests:				
Share of (loss)	(84,000)	(49,000)	(297,000)	(152,000)
Share of FFO	(274,000)	(325,000)	(807,000)	(1,020,000)
<b>Funds From Operations ("FFO")</b>	<b>10,775,000</b>	<b>9,536,000</b>	<b>30,625,000</b>	<b>26,744,000</b>
Adjustments for items affecting comparability:				
Acquisition costs	-	-	2,870,000	-
Early extinguishment of debt costs, net	-	-	150,000	543,000
Gain on extinguishment of debt obligations	-	-	(1,423,000)	(1,298,000)
Employee termination costs	-	-	-	106,000
Preferred stock redemption costs	-	-	-	1,166,000
<b>Operating Funds From Operations ("Operating FFO")</b>	<b>\$ 10,775,000</b>	<b>\$ 9,536,000</b>	<b>\$ 32,222,000</b>	<b>\$ 27,261,000</b>
<b>FFO per diluted share:</b>	<b>\$ 0.14</b>	<b>\$ 0.13</b>	<b>\$ 0.39</b>	<b>\$ 0.37</b>
<b>Operating FFO per diluted share:</b>	<b>\$ 0.14</b>	<b>\$ 0.13</b>	<b>\$ 0.41</b>	<b>\$ 0.38</b>
<b>Weighted average number of diluted common shares:</b>				
Common shares	79,214,000	72,287,000	78,908,000	72,178,000
OP Units	395,000	252,000	447,000	271,000
	<u>79,609,000</u>	<u>72,539,000</u>	<u>79,355,000</u>	<u>72,449,000</u>

SOURCE Cedar Realty Trust, Inc.