

February 19, 2015



Cedar Realty Trust Reports Fourth Quarter And Full Year 2014 Results

PORT WASHINGTON, N.Y., Feb. 19, 2015 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE:CDR) today reported results for the fourth quarter and year ended December 31, 2014.

Highlights

- Operating funds from operations (Operating FFO) of \$0.13 per diluted share for the quarter and \$0.54 for the year
- Same-property net operating income (NOI) for the quarter increased 2.6% including redevelopments and 1.9% excluding redevelopments. Same property NOI for the year increased 1.6% including redevelopments and 1.8% excluding redevelopments.
- Signed 31 new and renewal leases for 232,800 square feet in the quarter and 173 new and renewal leases for 1.13 million square feet for the year
- Comparable cash-basis lease spreads of 10.3% for the quarter and 9.3% for the year
- Total portfolio 93.3% leased and same-property portfolio 93.7% leased at year-end
- During the year, completed a \$92.3 million acquisition and \$128.1 million of dispositions
- Subsequent to year-end, issued 5.75 million common shares for net proceeds of \$41.9 million, closed \$100 million of new unsecured term loans, and extended maturity dates of existing credit facility
- Net debt to EBITDA of 6.9 times after adjusting for the aforementioned \$41.9 million equity offering
- Provided initial 2015 Operating FFO guidance of \$0.51 to \$0.54 per diluted share

"2014 was another solid year for Cedar as we effectively executed on a number of our long-term strategic objectives including continued capital migration into stronger markets and assets, ongoing improvements to our capital structure and further solid leasing results from our high quality portfolio of grocery-anchored shopping centers," commented Bruce Schanzer, President and CEO.

Financial Results

Operating FFO for fourth quarter 2014 was \$10.3 million or \$0.13 per diluted share, compared to \$9.2 million or \$0.13 per diluted share for the same period in 2013. Operating FFO for full year 2014 was \$42.5 million or \$0.54 per diluted share, compared to \$36.4 million or \$0.50 per diluted share for the same period in 2013.

NAREIT-defined FFO for fourth quarter 2014 was \$9.6 million or \$0.12 per diluted share, compared to \$18.1 million or \$0.25 per diluted share for the same period in 2013. NAREIT-defined FFO for full year 2014 was \$40.3 million or \$0.51 per diluted share, compared to

\$44.9 million or \$0.62 per diluted share for the same period in 2013. The principal differences between Operating FFO and NAREIT-defined FFO are acquisition costs, debt extinguishment amounts and preferred stock redemption costs.

Net income attributable to common shareholders for fourth quarter 2014 was \$0.7 million or \$0.01 per diluted share, compared to \$2.3 million or \$0.03 per diluted share for the same period in 2013. Net income attributable to common shareholders for full year 2014 was \$14.6 million or \$0.18 per diluted share, compared to net loss of \$(1.1) million or \$(0.03) per diluted share for the same period in 2013.

The principal differences between Operating FFO and NAREIT-defined FFO are acquisition costs, debt extinguishment amounts and preferred stock redemption costs.

Portfolio Results

Same-property NOI for the quarter increased 2.6% including redevelopments and 1.9% excluding redevelopments. Same property NOI for the year increased 1.6% including redevelopments and 1.8% excluding redevelopments.

During fourth quarter 2014, the Company signed 31 leases for 232,800 square feet. On a comparable space basis, the Company leased 224,600 square feet at a positive lease spread of 10.3% on a cash basis (new leases increased 12.9% and renewals increased 10.0%). For full year 2014, the Company signed 173 leases for 1.13 million square feet. On a comparable space basis, the Company leased 1.07 million square feet at a positive lease spread of 9.3% on a cash basis (new leases increased 10.2% and renewals increased 9.2%).

The Company's total portfolio, excluding properties held for sale, was 93.3% leased at December 31, 2014, compared to 93.1% at September 30, 2014 and 93.6% at December 31, 2013. The decreases in year-over-year leased percentages reflect the Company's capital migration efforts, whereby it disposed of properties having less desirable demographics but which had high average leased percentages. The Company's same-property portfolio was 93.7% leased at December 31, 2014, compared to 93.5% at September 30, 2014 and 93.9% at December 31, 2013.

Acquisitions and Dispositions

During the fourth quarter, the Company sold two operating properties and a land parcel for aggregate proceeds of \$16.8 million. For the full year, the Company acquired Quartermaster Plaza for \$92.3 million and sold eleven operating properties and a land parcel for aggregate proceeds of \$128.1 million.

Recent Activities

On January 12, 2015, the Company issued 5.75 million common shares for net proceeds of \$41.9 million. The proceeds were initially used to reduce amounts outstanding under the Company's revolving credit facility.

On February 5, 2015, the Company closed on \$100.0 million of unsecured term loans effectively prefunding all of its 2015 mortgage debt maturities. The new unsecured term loans consist of a five-year \$50 million term loan, all the proceeds of which were drawn at

closing, and a seven-year \$50 million term loan that allows for delayed draws of the proceeds through July 1, 2015. The term loans are priced at LIBOR plus a spread based on the Company's leverage ratio. The Company also entered into forward LIBOR swap agreements that result in an effective fixed interest rate of 2.9% for the five-year term loan and 3.4% for the seven-year term loan beginning July 1, 2015, based on the Company's leverage ratio at closing.

Additionally, on February 5, 2015, the Company amended its unsecured credit facility extending the maturity date of its \$260 million revolving facility from August 1, 2016 to February 5, 2019 and the maturity date for its existing \$50 million term loan from August 1, 2018 to February 5, 2020. Initial pricing for the amended revolving facility and the existing \$50 million term loan is LIBOR plus 150 bps and LIBOR plus 145 bps, respectively, a reduction of 25 bps and 10 bps, respectively.

Balance Sheet

As of December 31, 2014, the Company had \$187.7 million available under its revolving credit facility and reported net debt to earnings before interest, taxes, depreciations, and amortization (EBITDA) of 7.4 times. Reflecting the January 12, 2015 equity offering, net debt to EBITDA is 6.9 times. Additionally, during 2014, the Company repaid approximately \$169 million of secured mortgage debt, primarily with proceeds from \$150 million of unsecured term loans which closed in February 2014.

2015 Guidance

The Company has established its initial 2015 guidance at a range of \$0.51 to \$0.54 per diluted share for Operating FFO and a range of \$0.50 to \$0.53 per diluted share for NAREIT-defined FFO. The principal difference in 2015 guidance between Operating FFO and NAREIT-defined FFO is acquisition costs. The Company will discuss assumptions surrounding guidance on today's conference call.

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, as defined by NAREIT, 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, 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.

Investor Conference Call

The Company will host a conference call today, February 19, 2015, 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 19, 2015, until midnight (ET) on March 5, 2015. The replay dial-in numbers are (877) 870-5176 or (1) (858) 384-5517 for international callers. Please use passcode 13597830 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 59 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.

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, 2014, 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,	
	2014	2013
ASSETS		
Real estate		
Land	\$ 312,868,000	\$ 288,864,000
Buildings and improvements	1,163,305,000	1,162,087,000

	1,476,173,000	1,450,951,000
Less accumulated depreciation	(267,211,000)	(251,605,000)
Real estate, net	1,208,962,000	1,199,346,000
Real estate held for sale/conveyance	16,508,000	70,757,000
Cash and cash equivalents	3,499,000	3,973,000
Restricted cash	7,859,000	11,063,000
Receivables	18,405,000	18,492,000
Other assets and deferred charges, net	31,546,000	28,295,000
TOTAL ASSETS	\$ 1,286,779,000	\$ 1,331,926,000
LIABILITIES AND EQUITY		
Mortgage loans payable	\$ 393,388,000	\$ 539,140,000
Unsecured revolving credit facility	72,000,000	153,500,000
Unsecured term loans	200,000,000	50,000,000
Accounts payable and accrued liabilities	22,364,000	22,666,000
Unamortized intangible lease liabilities	23,776,000	30,972,000
Total liabilities	711,528,000	796,278,000
Noncontrolling interest - limited partners' mezzanine OP Units	396,000	414,000
Equity:		
Preferred stock	190,661,000	190,661,000
Common stock and other shareholders' equity	378,891,000	337,016,000
Minority interests in consolidated joint ventures	2,872,000	4,202,000
Limited partners' OP Units	2,431,000	3,355,000
Total equity	574,855,000	535,234,000
TOTAL LIABILITIES AND EQUITY	\$ 1,286,779,000	\$ 1,331,926,000

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

	Three months ended December 31,		Years ended December 31,	
	2014	2013	2014	2013
PROPERTY REVENUES				
Rents	\$ 28,803,000	\$ 27,849,000	\$ 116,505,000	\$ 110,353,000
Expense recoveries	7,826,000	7,512,000	31,392,000	28,691,000
Other	36,000	55,000	287,000	554,000
Total property revenues	36,665,000	35,416,000	148,184,000	139,598,000

PROPERTY OPERATING EXPENSES				
Operating, maintenance and management	6,321,000	6,602,000	26,604,000	24,418,000
Real estate and other property-related taxes	4,485,000	4,502,000	18,182,000	17,901,000
Total property operating expenses	10,806,000	11,104,000	44,786,000	42,319,000
PROPERTY OPERATING INCOME	25,859,000	24,312,000	103,398,000	97,279,000
OTHER EXPENSES AND INCOME				
General and administrative	3,736,000	4,006,000	14,356,000	13,980,000
Employee termination costs	-	-	-	106,000
Acquisition costs	-	182,000	2,870,000	182,000
Depreciation and amortization	9,894,000	12,270,000	38,700,000	44,405,000
Gain on sales	(271,000)	(263,000)	(6,413,000)	(609,000)
Impairment charges/(reversal), net	85,000	296,000	3,148,000	(172,000)
Total other expenses and income	13,444,000	16,491,000	52,661,000	57,892,000
OPERATING INCOME	12,415,000	7,821,000	50,737,000	39,387,000
NON-OPERATING INCOME AND EXPENSES				
Interest expense	(7,890,000)	(8,357,000)	(32,301,000)	(34,762,000)
Early extinguishment of debt costs	(675,000)	-	(825,000)	(106,000)
Total non-operating income and expense	(8,565,000)	(8,357,000)	(33,126,000)	(34,868,000)
INCOME (LOSS) FROM CONTINUING OPERATIONS	3,850,000	(536,000)	17,611,000	4,519,000
DISCONTINUED OPERATIONS				
Income from operations	68,000	865,000	1,647,000	2,280,000
Impairment reversals/(charges), net	363,000	(3,681,000)	47,000	(3,049,000)
Gain on extinguishment of debt obligations	-	9,154,000	1,423,000	10,452,000
Gain on sales	-	-	7,963,000	-
Total income from discontinued operations	431,000	6,338,000	11,080,000	9,683,000
NET INCOME	4,281,000	5,802,000	28,691,000	14,202,000
Less, net loss (income) attributable to noncontrolling interests:				
Minority interests in consolidated joint ventures	73,000	95,000	370,000	247,000
Limited partners' interest in Operating Partnership	(4,000)	(12,000)	(80,000)	(1,000)
Total net loss attributable to noncontrolling interests	69,000	83,000	290,000	246,000
NET INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	4,350,000	5,885,000	28,981,000	14,448,000
Preferred stock dividends	(3,602,000)	(3,602,000)	(14,408,000)	(14,413,000)
Preferred stock redemption costs	-	-	-	(1,166,000)

NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	<u>\$ 748,000</u>	<u>\$ 2,283,000</u>	<u>\$ 14,573,000</u>	<u>\$ (1,131,000)</u>
PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED)				
Continuing operations	\$ 0.00	\$ (0.06)	\$ 0.04	\$ (0.17)
Discontinued operations	<u>0.01</u>	<u>0.09</u>	<u>0.14</u>	<u>0.14</u>
	<u>\$ 0.01</u>	<u>\$ 0.03</u>	<u>\$ 0.18</u>	<u>\$ (0.03)</u>
Weighted average number of common shares - basic and diluted	<u>75,547,000</u>	<u>68,474,000</u>	<u>75,311,000</u>	<u>68,381,000</u>

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

	<u>Three months ended December 31,</u>		<u>Years ended December 31,</u>	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Net income (loss) attributable to common shareholders	\$ 748,000	\$ 2,283,000	\$ 14,573,000	\$ (1,131,000)
Real estate depreciation and amortization	9,812,000	12,493,000	38,365,000	45,280,000
Limited partners' interest	4,000	12,000	80,000	1,000
Impairment (reversals)/charges	(278,000)	3,977,000	3,101,000	2,877,000
Gain on sales	(271,000)	(263,000)	(14,376,000)	(609,000)
Consolidated minority interests:				
Share of (loss)	(73,000)	(95,000)	(370,000)	(247,000)
Share of FFO	(293,000)	(283,000)	(1,100,000)	(1,303,000)
Funds From Operations ("FFO")	9,649,000	18,124,000	40,273,000	44,868,000
Adjustments for items affecting comparability:				
Early extinguishment of debt costs, net	675,000	-	825,000	543,000
Acquisition costs	-	182,000	2,870,000	182,000
Gain on extinguishment of debt obligations	-	(9,154,000)	(1,423,000)	(10,452,000)
Employee termination costs	-	-	-	106,000
Preferred stock redemption costs	-	-	-	1,166,000
Operating Funds From Operations ("Operating FFO")	\$ 10,324,000	\$ 9,152,000	\$ 42,545,000	\$ 36,413,000
FFO per diluted share:	\$ 0.12	\$ 0.25	\$ 0.51	\$ 0.6
Operating FFO per diluted share:	\$ 0.13	\$ 0.13	\$ 0.54	\$ 0.5

**Weighted average number of
diluted common shares:**

Common shares	79,213,000	72,283,000	78,985,000	72,204,00
OP Units	<u>393,000</u>	<u>375,000</u>	<u>433,000</u>	<u>297,00</u>
	<u>79,606,000</u>	<u>72,658,000</u>	<u>79,418,000</u>	<u>72,501,00</u>

To view the original version on PR Newswire, visit <http://www.prnewswire.com/news-releases/cedar-realty-trust-reports-fourth-quarter-and-full-year-2014-results-300038602.html>

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