

May 4, 2017



Cedar Realty Trust Reports First Quarter 2017 Results

PORT WASHINGTON, N.Y., May 4, 2017 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE:CDR – the "Company") today reported results for the first quarter ended March 31, 2017. Net income attributable to common shareholders was \$0.10 per diluted share compared to net loss of \$(0.03) per diluted share for the comparable 2016 period. Other highlights include:

Highlights

- NAREIT-defined funds from operations (FFO) of \$0.13 per diluted share
- Operating funds from operations (Operating FFO) of \$0.14 per diluted share
- Same-property net operating income (NOI) decreased (1.8)%
- Signed 39 new and renewal leases for 310,200 square feet in the quarter
- Comparable cash-basis lease spreads of 5.1%
- Total portfolio 91.2% leased and same-property portfolio 92.0% leased at quarter-end
- Substantial progress in leasing vacated anchor spaces
- On February 1, 2017, the Company sold the outparcel building adjacent to Camp Hill, located in Camp Hill, Pennsylvania, for \$10.7 million.
- On February 22, 2017, the Company acquired Christina Crossing, located in Wilmington, Delaware, for \$27.9 million.

"Cedar continues its steady performance in the context of the evolving retail market. We have resolved four of our five vacant anchor situations at substantial increases to base rent with the fifth vacant anchor in active LOI negotiations. We are encouraged by our defensive grocery-anchored portfolio and our benign debt maturity schedule. Please access the presentation "Cedar in Context" on our investors page at ir.cedarrealtytrust.com/ to view additional materials on this topic that we will discuss on our earnings call later today." commented Bruce Schanzer, CEO.

Financial Results

Net income attributable to common shareholders for the first quarter of 2017 was \$8.2 million or \$0.10 per diluted share, compared to net loss of \$(1.9) million or \$(0.03) per diluted share for the same period in 2016. The principal difference in the comparative three-month results is gain on sales and costs related to the Chief Operating Officer transition.

NAREIT-defined FFO for the first quarter of 2017 was \$11.5 million or \$0.13 per diluted share, compared to \$7.5 million or \$0.09 per diluted share for the same period in 2016. Operating FFO for the first quarter of 2017 was \$11.7 million or \$0.14 per diluted share, compared to \$12.0 million or \$0.14 per diluted share for the same period in 2016. The principal differences between Operating FFO and FFO are acquisition pursuit,

redevelopment, management transition and early extinguishment of debt costs.

Portfolio Update

During the first quarter of 2017, the Company signed 39 leases for 310,200 square feet, all of which are comparable, at a positive lease spread of 5.1% on a cash basis.

As previously announced, four anchors vacated in the fourth quarter of 2015 that had occupied 211,000 square feet with an average base rent of \$7.50 per square foot. As of today, the Company has now leased 180,000 square feet (including 40,000 square feet subsequent to quarter end) of this amount, and are in negotiations for the remaining 31,000 square feet, with an anticipated combined average base rent of approximately \$10.25 per square foot. The expected commencement dates for these new leases range from late 2017 through late 2018. Additionally, as previously disclosed, the Company is in negotiations with several tenants for 55,000 square feet at Carll's Corner related to an anchor that vacated in the third quarter of 2016, and 63,000 square feet at Fredericksburg Way related to an anchor vacating in the third quarter of 2017.

Same-property NOI for the first quarter of 2017 decreased (1.8)% compared to the same period in 2016. This decrease was driven by our re-anchoring and re-merchandising efforts along with related temporary co-tenancy impacts.

The Company's total portfolio, excluding properties held for sale, was 91.2% leased at March 31, 2017, compared to 91.9% at December 31, 2016 and 91.6% at March 31, 2016. The Company's same-property portfolio was 92.0% leased at March 31, 2017, compared to 92.7% at December 31, 2016 and 92.8% at March 31, 2016.

Acquisitions and Dispositions

On February 1, 2017, the Company sold an outparcel building adjacent to Camp Hill, located in Camp Hill, Pennsylvania. The sales price for the outparcel building was \$10.7 million, resulting in a \$7.1 million gain.

On February 22, 2017, the Company acquired Christina Crossing, located in Wilmington, Delaware. The purchase price for the property, which was unencumbered, was \$27.9 million. The seller has the potential to earn up to an additional \$1.4 million if they complete certain leases for new tenants. The approximate 119,000 square foot property is anchored by a Shop Rite, and sits within a solid trade area with a median three-mile household income of \$50,000 and a three-mile population of 112,000.

Balance Sheet

As of March 31, 2017, the Company had \$151.4 million available under its revolving credit facility and reported net debt to earnings before interest, taxes, depreciation, and amortization (EBITDA) of 7.5 times. On August 1, 2016, the Company entered into a forward sales agreement to issue 5,750,000 common shares for estimated net proceeds of \$44.2 million, before adjustments for dividends paid and other administrative costs prior to settlement. To date, there have been no physical settlements regarding this offering. The Company expects to physically settle the agreement in full prior to its expiration on August 1, 2017. The Company does have the right, at its option, to net settle this agreement in shares

or cash prior to its expiration, but does not expect to do so.

2017 Guidance

The Company reaffirms its previously-announced 2017 guidance at a range of \$0.13 to \$0.15 per diluted share for net income attributable to common shareholders, a range of \$0.52 to \$0.54 per diluted share for NAREIT-defined FFO and a range of \$0.53 to \$0.55 per diluted share for Operating FFO.

Non-GAAP Financial Measures

NAREIT-defined FFO (FFO) is a widely recognized supplemental non-GAAP measure utilized to evaluate the financial performance of a REIT. The Company considers FFO to be an appropriate measure of its financial performance because it captures features particular to real estate performance by recognizing that real estate generally appreciates over time or maintains residual value to a much greater extent than other depreciable assets. The Company also considers Operating FFO to be an additional meaningful financial measure of financial performance because it excludes items the Company does not believe are indicative of its core operating performance, such as acquisition pursuit costs, amounts relating to early extinguishment of debt and preferred stock redemption costs, management transition costs and certain redevelopment costs. The Company believes Operating FFO further assists in comparing the Company's performance across reporting periods on a consistent basis by excluding such items. FFO and Operating FFO should be reviewed with GAAP net income attributable to common shareholders, the most directly comparable GAAP financial measure, when trying to understand the Company's operating performance. A reconciliation of net income (loss) attributable to common shareholders to FFO and Operating FFO for the three months ended March 31, 2017 and 2016 is detailed in the attached schedule.

EBITDA is a widely recognized supplemental non-GAAP financial measure. The Company computes EBITDA as net income from continuing operations, plus interest expense (including early extinguishment of debt costs), depreciation and amortization, minority interests' share of consolidated joint venture EBITDA, and discontinued operations. The Company believes EBITDA provides additional information with respect to the Company's performance and ability to meet its future debt service requirements. The Company also considers Adjusted EBITDA to be an additional meaningful financial measure of financial performance because it excludes items the Company does not believe are indicative of its core operating performance, such as acquisition pursuit costs, gain on sales, impairment provisions and management transition costs. The Company believes Adjusted EBITDA further assists in comparing the Company's performance across reporting periods on a consistent basis by excluding such items. EBITDA and Adjusted EBITDA should be reviewed with GAAP net income from continuing operations, the most directly comparable GAAP financial measure, when trying to understand the Company's operating performance.

Same-property NOI is a widely recognized supplemental non-GAAP financial measure for REITs. Properties are included in same-property NOI if they are owned and operated for the entirety of both periods being compared, except for properties undergoing significant redevelopment and expansion until such properties have stabilized, and properties classified as held for sale. Consistent with the capital treatment of such costs under GAAP, tenant improvements, leasing commissions and other direct leasing costs are excluded from same-

property NOI. The Company considers same-property NOI useful to investors as it provides an indication of the recurring cash generated by the Company's properties by excluding certain non-cash revenues and expenses, as well as other infrequent items such as lease termination income which tends to fluctuate more than rents from year to year. Same property NOI should be reviewed with consolidated operating income, the most directly comparable GAAP financial measure.

Supplemental Financial Information Package

The Company has issued "Supplemental Financial Information" for the period ended March 31, 2017. 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, May 4, 2017, at 5:00 PM (ET) to discuss the quarterly 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 May 4, 2017, until midnight (ET) on May 18, 2017. The replay dial-in numbers are (844) 512-2921 or (1) (412) 317-6671 for international callers. Please use passcode 13657456 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 D.C. to Boston corridor. The Company's portfolio (excluding properties treated as "held for sale") comprises 62 properties, with approximately 9.1 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. Factors which could cause actual results to differ materially from current expectations include, among others: adverse general economic conditions in the United States and uncertainty in the credit and retail markets; financing risks, such as the inability to obtain new financing or refinancing on favorable terms as the result of market volatility or instability; risks related to the market for retail space generally, including reductions in consumer spending, variability in retailer demand for leased space, tenant bankruptcies, adverse impact of internet sales demand, ongoing consolidation in the retail sector and changes in economic conditions and consumer confidence; risks endemic to real estate and the real estate industry generally; the

impact of the Company's level of indebtedness on operating performance; inability of tenants to meet their rent and other lease obligations; adverse impact of new technology and e-commerce developments on the Company's tenants; competitive risk; risks related to the geographic concentration of the Company's properties in the Washington D.C. to Boston corridor; the effects of natural and other disasters; and the inability of the Company to realize anticipated returns from its redevelopment activities. 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, 2016, as it may be updated or supplemented in the Company's Quarterly Reports on Form 10-Q and the Company's other filings with the SEC, which identify additional 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)

	March 31, 2017	December 31, 2016
ASSETS		
Real estate, at cost	\$ 1,524,420,000	\$ 1,496,429,000
Less accumulated depreciation	(319,160,000)	(313,070,000)
Real estate, net	1,205,260,000	1,183,359,000
Cash and cash equivalents	2,207,000	2,882,000
Restricted cash	1,986,000	2,880,000
Receivables	17,601,000	14,894,000
Other assets and deferred charges, net	30,887,000	29,506,000
TOTAL ASSETS	\$ 1,257,941,000	\$ 1,233,521,000
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage loans payable	\$ 137,432,000	\$ 138,243,000
Unsecured revolving credit facility	90,000,000	72,000,000
Unsecured term loans	397,668,000	397,502,000
Accounts payable and accrued liabilities	25,067,000	23,463,000
Unamortized intangible lease liabilities	19,668,000	20,316,000
Total liabilities	669,835,000	651,524,000
Equity:		
Preferred stock	190,661,000	190,661,000
Common stock and other shareholders' equity	396,035,000	390,079,000
Noncontrolling interests	1,410,000	1,257,000
Total equity	588,106,000	581,997,000
TOTAL LIABILITIES AND EQUITY	\$ 1,257,941,000	\$ 1,233,521,000

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

	Three months ended March 31,	
	2017	2016
PROPERTY REVENUES		
Rents	\$ 28,223,000	\$ 29,130
Expense recoveries	8,348,000	8,958
Other	203,000	163
Total property revenues	36,774,000	38,251
PROPERTY OPERATING EXPENSES		
Operating, maintenance and management	7,044,000	7,155
Real estate and other property-related taxes	4,745,000	4,880
Total property operating expenses	11,789,000	12,035
PROPERTY OPERATING INCOME	24,985,000	26,216
OTHER EXPENSES AND INCOME		
General and administrative	4,136,000	5,347
Acquisition pursuit costs	156,000	2,597
Depreciation and amortization	10,418,000	9,661
Gain on sale	(7,099,000)	(59)
Total other expenses and income	7,611,000	17,546
OPERATING INCOME	17,374,000	8,670
NON-OPERATING INCOME AND EXPENSES		
Interest expense	(5,429,000)	(7,005)
Early extinguishment of debt costs	-	(89)
Total non-operating income and expense	(5,429,000)	(7,094)
NET INCOME	11,945,000	1,576
Attributable to noncontrolling interests	(169,000)	87
NET INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	11,776,000	1,663
Preferred stock dividends	(3,602,000)	(3,602)
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	\$ 8,174,000	\$ (1,939)
NET INCOME (LOSS) PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED)	\$ 0.10	\$ (
Weighted average number of common shares - basic and diluted	81,734,000	81,656

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 March 31,	
	2017	2016
Net income (loss) attributable to common shareholders	\$ 8,174,000	\$ (1,939,000)
Real estate depreciation and amortization	10,375,000	9,618,000
Limited partners' interest	32,000	(7,000)
Gain on sales	(7,099,000)	(59,000)
Consolidated minority interests:		
Share of income / (loss)	137,000	(80,000)
Share of FFO	(105,000)	(65,000)
Funds From Operations ("FFO") applicable to diluted common shares	11,514,000	7,468,000
Adjustments for items affecting comparability:		
Acquisition pursuit costs	156,000	2,597,000
Financing costs	-	89,000
Redevelopment costs	-	393,000
Management transition costs	-	1,427,000
Operating Funds From Operations ("Operating FFO") applicable to diluted common shares	\$ 11,670,000	\$ 11,974,000
 FFO per diluted common share:	 \$ 0.13	 \$ 0.09
 Operating FFO per diluted common share:	 \$ 0.14	 \$ 0.14
 Weighted average number of diluted common shares:		
Common shares	85,472,000	85,214,000
OP Units	351,000	352,000
	85,823,000	85,566,000

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