

November 2, 2017



Cedar Realty Trust Reports Third Quarter 2017 Results

PORT WASHINGTON, N.Y., Nov. 2, 2017 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE:CDR – the "Company") today reported results for the third quarter ended September 30, 2017. Net loss attributable to common shareholders was (\$0.06) per diluted share compared with net loss of (\$0.05) per diluted share for the comparable 2016 period. Other highlights include:

Highlights

- NAREIT-defined funds from operations (FFO) of \$0.05 per diluted share after a \$0.09 per share redemption charge related to Series B Preferred Stock
- Operating funds from operations (Operating FFO) of \$0.14 per diluted share
- Signed 24 new and renewal leases for 138,000 square feet in the quarter
- Comparable cash-basis lease spreads of 4.5%
- Total portfolio 92.7% leased as compared to 91.7% for the same period of 2016
- Consistent with guidance, same-property net operating income (NOI) decreased 1.3% excluding redevelopment properties, and decreased 0.6% including redevelopment properties

Previously-Announced Third Quarter Events

- Physically settled forward equity offering by issuing 5,750,000 common shares
- Concluded a public offering of 3,000,000 shares of 6 ½% Series C Preferred Stock
- Redeemed 4,500,000 shares of 7 ¼% Series B Preferred Stock
- Amended and extended the Company's \$300 million unsecured credit facility and four of its existing unsecured term notes

"We continue to deliver positive leasing results and advance our redevelopment projects with the goal of producing strong returns and enhancing shareholder value," commented Bruce Schanzer, President and CEO. "Our recent capital markets activity further solidifies our financial flexibility and provides a solid foundation to advance our strategic objectives."

Financial Results

Net loss attributable to common shareholders for the third quarter of 2017 was \$(5.1) million or \$(0.06) per diluted share, compared to net loss of \$(4.3) million or \$(0.05) per diluted share for the same period in 2016. Net loss attributable to shareholders for the nine months ended September 30, 2017 was \$(5.0) million or \$(0.07) per diluted share, compared to net loss of \$(4.9) million or \$(0.07) per diluted share for the same period of 2016.

NAREIT-defined FFO for the third quarter of 2017 was \$4.6 million or \$0.05 per diluted

share, compared to \$12.2 million or \$0.14 per diluted share for the same period in 2016. NAREIT-defined FFO for the nine month period ended September 30, 2017 was \$27.8 million or \$0.32 per diluted share, compared to \$31.8 million or \$0.37 per diluted share for the same period in 2016. Operating FFO for the third quarter of 2017 was \$12.5 million or \$0.14 per diluted share, compared to \$12.6 million or \$0.15 per diluted share for the same period in 2016. Operating FFO for the nine months ended September 30, 2017 was \$35.9 million or \$0.41 per diluted share, compared to \$37.2 million or \$0.43 per diluted share for the same period in 2016. The principal differences between Operating FFO and FFO are acquisition pursuit, redevelopment, management transition, preferred stock redemption and early extinguishment of debt costs.

Portfolio Results

During the third quarter of 2017, the Company signed 24 leases for 138,000 square feet. On a comparable space basis, the Company leased 135,500 square feet at a positive lease spread of 4.5% on a cash basis (new leases decreased 5.2% and renewals increased 6.3%). During the nine months ended September 30, 2017, the Company signed 101 leases for 725,400 square feet. On a comparable space basis, the Company leased 690,300 square feet at a positive lease spread of 6.2% on a cash basis (new leases increased 6.6% and renewals increased 6.1%).

Same-property NOI for the third quarter of 2017 decreased (1.3)% excluding redevelopments and decreased (0.6)% including redevelopments, compared to the same period in 2016. As previously announced, these results are primarily driven by four anchors which vacated in the fourth quarter of 2015 that occupied 211,000 square feet. As of today, the Company has leased approximately 85% of this vacant space at positive lease spreads of approximately 37% versus the prior tenants. The expected rent commencement dates for these new leases range from late 2017 through late 2018.

The Company's total portfolio, excluding properties held for sale, was 92.7% leased at September 30, 2017, compared to 92.4% at June 30, 2017 and 91.7% at September 30, 2016. The Company's same-property portfolio was 93.4% leased at September 30, 2017, compared to 93.2% at June 30, 2017 and 93.7% at September 30, 2016.

Balance Sheet

Debt

As of September 30, 2017, the Company had \$143.4 million available under its revolving credit facility and reported net debt to earnings before interest, taxes, depreciations, and amortization (EBITDA) of 7.3 times.

On September 8, 2018, The Company amended its \$300 million unsecured credit facility which consists of a \$250 million revolving credit facility now maturing September 8, 2021 and a \$50 million term loan now maturing September 8, 2022. The revolving credit facility may be extended, at the Company's option, for an additional one-year period, subject to customary conditions. There was no change in the pricing of the corporate credit facility. In addition, the Company amended four of its existing unsecured term loans. As a result of these amendments and extensions, the Company has no debt maturing until 2021.

Equity

The Company's forward sales agreements, entered into on August 1, 2016 for the issuance of 5,750,000 common shares, were settled by August 1, 2017 for net proceeds, after adjustments for dividends paid and other administrative costs, of approximately \$43.2 million.

On August 16, 2017, the Company redeemed 1,500,000 shares of Series B Preferred Stock at a price of \$25.00 per share for an aggregate of \$37.5 million, plus all accrued and unpaid dividends up to (but excluding) the redemption date.

On August 24, 2017, the Company concluded a public offering of 3,000,000 shares of Series C Preferred Stock at \$25.00 per share and realized net proceeds, after offering expenses, of approximately \$72.3 million.

On September 15, 2017, the Company redeemed 3,000,000 shares of Series B Preferred Stock at a price of \$25.00 per share for an aggregate of \$75.0 million, plus all accrued and unpaid dividends up to (but excluding) the redemption date.

2017 Guidance

The Company raised the low end of its previously-announced 2017 Operating FFO guidance to a new range of \$0.54 to \$0.55 per diluted share. In addition, the Company updated its 2017 guidance for net income (loss) attributable to common shareholders to a range of \$(0.03) to \$(0.04) per diluted share, and for NAREIT-defined FFO to a range of \$0.44 to \$0.45 per diluted share.

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 and nine months ended September 30, 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 September 30, 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, November 2, 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 November 2, 2017, until midnight (ET) on November 16, 2017. The replay dial-in numbers are (844) 512-2921 or (1) (412) 317-6671 for international callers. Please use passcode 13670988 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, operation and redevelopment of grocery-anchored shopping centers in high-density urban markets from Washington, D.C. to Boston. The Company's portfolio (excluding properties treated as "held for sale") comprises 61 properties, with approximately 9.0 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)

	September 30, 2017	December 31, 2016
ASSETS		
Real estate, at cost	\$ 1,529,408,000	\$ 1,496,429,000
Less accumulated depreciation	(332,893,000)	(313,070,000)
Real estate, net	1,196,515,000	1,183,359,000
Real estate held for sale	1,815,000	-
Cash and cash equivalents	2,240,000	2,882,000
Restricted cash	2,523,000	2,880,000
Receivables	17,275,000	14,894,000
Other assets and deferred charges, net	35,421,000	29,506,000
TOTAL ASSETS	\$ 1,255,789,000	\$ 1,233,521,000

LIABILITIES AND EQUITY

Liabilities:

Mortgage loans payable	\$	135,815,000	\$	138,243,000
Unsecured revolving credit facility		95,000,000		72,000,000
Unsecured term loans		396,855,000		397,502,000
Accounts payable and accrued liabilities		30,572,000		23,463,000
Unamortized intangible lease liabilities		18,325,000		20,316,000
Total liabilities		<u>676,567,000</u>		<u>651,524,000</u>

Equity:

Preferred stock		157,688,000		190,661,000
Common stock and other shareholders' equity		420,066,000		390,079,000
Noncontrolling interests		1,468,000		1,257,000
Total equity		<u>579,222,000</u>		<u>581,997,000</u>

TOTAL LIABILITIES AND EQUITY

\$	1,255,789,000	\$	1,233,521,000
-----------	----------------------	-----------	----------------------

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

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
PROPERTY REVENUES				
Rents	\$ 28,362,000	\$ 30,159,000	\$ 84,790,000	\$ 84,790,000
Expense recoveries	7,436,000	7,523,000	22,796,000	22,796,000
Other	600,000	111,000	1,285,000	1,285,000
Total property revenues	<u>36,398,000</u>	<u>37,793,000</u>	<u>108,871,000</u>	<u>108,871,000</u>
PROPERTY OPERATING EXPENSES				
Operating, maintenance and management	5,578,000	5,555,000	18,084,000	18,084,000
Real estate and other property-related taxes	4,931,000	5,019,000	14,597,000	14,597,000
Total property operating expenses	<u>10,509,000</u>	<u>10,574,000</u>	<u>32,681,000</u>	<u>32,681,000</u>
PROPERTY OPERATING INCOME	<u>25,889,000</u>	<u>27,219,000</u>	<u>76,190,000</u>	<u>76,190,000</u>

**OTHER
EXPENSES AND
INCOME**

General and administrative	4,121,000	4,318,000	12,494,000	1
Acquisition pursuit costs	-	293,000	156,000	
Depreciation and amortization	9,807,000	10,413,000	30,178,000	3
Gain on sale	-	-	(7,099,000)	
Impairment charges	-	6,270,000	9,850,000	
Total other expenses and income	13,928,000	21,294,000	45,579,000	5

**OPERATING
INCOME**

11,961,000	5,925,000	30,611,000	2
------------	-----------	------------	---

**NON-
OPERATING
INCOME AND
EXPENSES**

Interest expense	(5,544,000)	(6,636,000)	(16,638,000)	(2)
Early extinguishment of debt costs	-	(50,000)	-	
Total non-operating income and expense	(5,544,000)	(6,686,000)	(16,638,000)	(2)

**NET INCOME
(LOSS)**

6,417,000	(761,000)	13,973,000	
Attributable to noncontrolling interests	(117,000)	74,000	(371,000)

**NET INCOME
(LOSS)
ATTRIBUTABLE
TO CEDAR
REALTY TRUST,
INC.**

6,300,000	(687,000)	13,602,000	
(3,535,000)	(3,602,000)	(10,739,000)	(1)
(7,890,000)	-	(7,890,000)	

**NET (LOSS)
ATTRIBUTABLE
TO COMMON
SHAREHOLDERS**

\$ (5,125,000)	\$ (4,289,000)	\$ (5,027,000)	\$ (
----------------	----------------	----------------	------

**NET (LOSS) PER
COMMON
SHARE
ATTRIBUTABLE
TO COMMON
SHAREHOLDERS
(BASIC AND
DILUTED)**

	\$	(0.06)	\$	(0.05)	\$	(0.07)	\$
Weighted average number of common shares - basic and diluted		85,642,000		81,676,000		83,049,000	8

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

	Three months ended September 30,		Nine months ended September	
	2017	2016	2017	
Net (loss) attributable to common shareholders	\$	(5,125,000)	\$	(4,289,000)
Real estate depreciation and amortization		9,756,000		10,370,000
Limited partners' interest		(21,000)		(15,000)
Gain on sales		-		-
Impairment charges		-		6,270,000
Consolidated minority interests:				
Share of income / (loss)		138,000		(59,000)
Share of FFO		(125,000)		(38,000)
Funds From Operations ("FFO") applicable to diluted common shares		4,623,000		12,239,000
Adjustments for items affecting comparability:				
Acquisition pursuit costs (a)		-		293,000
Financing costs (b)		-		50,000
Redevelopment costs (c)		-		35,000
Management transition costs (d)		-		-
Preferred stock redemption costs		7,890,000		-
				7,890,000

Operating Funds From Operations ("Operating FFO") applicable to diluted common shares	<u>\$ 12,513,000</u>	<u>\$ 12,617,000</u>	<u>\$ 35,892,000</u>	<u>\$</u>
FFO per diluted common share:	<u>\$ 0.05</u>	<u>\$ 0.14</u>	<u>\$ 0.32</u>	<u>\$</u>
Operating FFO per diluted common share:	<u>\$ 0.14</u>	<u>\$ 0.15</u>	<u>\$ 0.41</u>	<u>\$</u>
Weighted average number of diluted common shares:				
Common shares	89,434,000	85,339,000	86,825,000	
OP Units	<u>349,000</u>	<u>352,000</u>	<u>350,000</u>	
	<u>89,783,000</u>	<u>85,691,000</u>	<u>87,175,000</u>	

View original content:<http://www.prnewswire.com/news-releases/cedar-realty-trust-reports-third-quarter-2017-results-300548592.html>

SOURCE Cedar Realty Trust, Inc.