

February 8, 2018



Cedar Realty Trust Reports Fourth Quarter And Full Year 2017 Results

PORT WASHINGTON, N.Y., Feb. 8, 2018 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE: CDR – the "Company") today reported results for the fourth quarter and full year 2017. Net income (loss) attributable to common shareholders was \$0.03 and \$(0.04) per diluted share for the fourth quarter and full year 2017, respectively. Other highlights include:

Highlights

- NAREIT-defined funds from operations (FFO) of \$0.13 per diluted share for the quarter and \$0.45 for the year.
- Operating funds from operations (Operating FFO) of \$0.14 per diluted share for the quarter and \$0.55 for the year
- Signed 38 new and renewal leases for 271,500 square feet in the quarter and 139 new and renewal leases for 996,900 square feet for the year
- Comparable cash-basis lease spreads of 3.3% for the quarter and 5.4% for the year
 - Excluding one lease for 2,300 square feet, the comparable cash-basis lease spreads would have been 7.7% for the quarter and 6.6% for the year
- Total portfolio 92.9% leased and same-property portfolio 93.4% leased at year-end
- Same-property net operating income (NOI) excluding redevelopment properties increased 0.1% for the quarter and decreased 1.3% for the year

Previously-Announced Events

- Concluded a public offering of 2,000,000 shares of 6 ½% Series C Preferred Stock on December 15, 2017
- Redeemed 2,000,000 shares of 7 ¼% Series B Preferred Stock on January 12, 2018

"We continue to effectively navigate the evolving retail landscape and forge ahead with our redevelopment strategy in densely-populated urban markets to enhance the quality and growth profile of our portfolio," commented Bruce Schanzer, CEO.

Financial Results

Net income attributable to common shareholders for the fourth quarter of 2017 was \$2.6 million or \$0.03 per diluted share, compared to net loss of \$(0.5) million or \$(0.01) per diluted share for the same period in 2016. Net loss attributable to common shareholders for the full year 2017 was \$(2.4) million or \$(0.04) per diluted share, compared to net loss of \$(5.5) million or \$(0.08) per diluted share for the same period in 2016. The principal differences in the comparative three-month results are early extinguishment of debt costs, impairment charges, and preferred stock dividends. The principal differences in the comparative full year results are impairment charges, acquisition pursuit, management

transition, preferred stock redemption and early extinguishment of debt costs.

NAREIT-defined FFO for the fourth quarter of 2017 was \$12.2 million or \$0.13 per diluted share, compared to \$9.3 million or \$0.11 per diluted share for the same period in 2016. NAREIT-defined FFO for the full year 2017 was \$40.0 million or \$0.45 per diluted share, compared to \$41.1 million or \$0.48 per diluted share for the same period in 2016. Operating FFO for the fourth quarter of 2017 was \$12.4 million or \$0.14 per diluted share, compared to \$12.1 million or \$0.14 per diluted share for the same period in 2016. Operating FFO for the full year 2017 was \$48.3 million or \$0.55 per diluted share, compared to \$49.2 million or \$0.57 per diluted share for the same period in 2016. The principal differences between Operating FFO and FFO are acquisition pursuit, preferred stock redemption, redevelopment, management transition and early extinguishment of debt costs.

Portfolio Results

During the fourth quarter of 2017, the Company signed 38 leases for 271,500 square feet. On a comparable space basis, the Company leased 268,500 square feet at a positive lease spread of 3.3% on a cash basis (new leases increased 2.7% and renewals increased 3.9%). Excluding one lease for 2,300 square feet, on a comparable space basis the Company lease spread would have been 7.7% (new leases increased 11.6% and renewals increased 3.9%). During the full year 2017, the Company signed 139 leases for 996,900 square feet. On a comparable space basis, the Company leased 958,800 square feet at a positive lease spread of 5.4% on a cash basis (new leases increased 4.7% and renewals increased 5.7%). Excluding one lease for 2,300 square feet, on a comparable basis the Company's lease spread would have been 6.6% (new leases increased 9.0% and renewals increased 5.7%).

Same-property NOI for the fourth quarter of 2017 increased 0.1% excluding redevelopments and increased 0.5% including redevelopments, compared to the same period in 2016. Same property NOI for the year decreased (1.3)% excluding redevelopments and (0.9)% including redevelopments.

The Company's total portfolio, excluding properties held for sale, was 92.9% leased at December 31, 2017, compared to 92.7% at September 30, 2017 and 91.9% at December 31, 2016. The Company's same-property portfolio was 93.4% leased at December 31, 2017, compared to 93.4% at September 30, 2017 and 93.1% at December 31, 2016.

Balance Sheet

Debt

As of December 31, 2017, the Company had \$177.2 million available under its revolving credit facility and reported net debt to earnings before interest, taxes, depreciations, and amortization (EBITDA) of 6.9 times. Reflecting the early January 2018 redemption of shares of Series B Preferred Stock, net debt to EBITDA would be 7.5 times.

Equity

On December 15, 2017, the Company concluded a public offering of 2,000,000 shares of Series C Preferred Stock at \$25.00 per share and realized net proceeds, after offering expenses, of approximately \$48.1 million.

On January 12, 2018, the Company redeemed 2,000,000 shares of Series B Preferred Stock at a price of \$25.00 per share for an aggregate of \$50.0 million, plus all accrued and unpaid dividends up to (but excluding) the redemption date.

2018 Guidance

The Company's initial 2018 guidance is as follows:

Net income attributable to common shareholders per diluted share	\$0.04 to \$0.06
NAREIT-defined FFO per diluted share	\$0.48 to \$0.50
Operating FFO per diluted share	\$0.53 to \$0.55

The guidance is based, in part, on the following assumptions:

- Same-property NOI excluding redevelopment properties will be relatively flat from 2017 to 2018.
- Bon-Ton bankruptcy impact of approximately \$0.01 per share
- Incremental third-party fees related to shareholder activism and ongoing litigation in connection with the termination of the former Chief Operating Officer aggregating approximately \$0.01 per share
- No acquisitions or dispositions included in guidance; guidance range will be updated quarterly for any closings

Non-GAAP Financial Measures

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 and full years ended December 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 December 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, February 8, 2018, 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 February 8, 2018, until midnight (ET) on February 22, 2018. The replay dial-in numbers are (844) 512-2921 or (1) (412) 317-6671 for international callers. Please use passcode 13674810 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)

	December 31,	
	2017	2016
ASSETS		
Real estate, at cost	\$ 1,534,599,000	\$ 1,496,429,000
Less accumulated depreciation	(341,943,000)	(313,070,000)
Real estate, net	1,192,656,000	1,183,359,000
Cash and cash equivalents	3,702,000	2,882,000
Restricted cash	3,517,000	2,880,000
Receivables	17,193,000	14,894,000
Other assets and deferred charges, net	35,350,000	29,506,000
TOTAL ASSETS	\$ 1,252,418,000	\$ 1,233,521,000
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage loans payable	\$ 127,969,000	\$ 138,243,000
Unsecured revolving credit facility	55,000,000	72,000,000
Unsecured term loans	397,156,000	397,502,000
Accounts payable and accrued liabilities	24,519,000	23,463,000
Unamortized intangible lease liabilities	17,663,000	20,316,000

Total liabilities	622,307,000	651,524,000
Equity:		
Preferred stock	207,508,000	190,661,000
Common stock and other shareholders' equity	420,828,000	390,079,000
Noncontrolling interests	1,775,000	1,257,000
Total equity	630,111,000	581,997,000
TOTAL LIABILITIES AND EQUITY	\$ 1,252,418,000	\$ 1,233,521,000

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

	Three months ended December	
	2017	2016
PROPERTY REVENUES		
Rents	\$ 28,486,000	\$
Expense recoveries	8,424,000	
Other	227,000	
Total property revenues	37,137,000	
PROPERTY OPERATING EXPENSES		
Operating, maintenance and management	6,668,000	
Real estate and other property-related taxes	4,980,000	
Total property operating expenses	11,648,000	
PROPERTY OPERATING INCOME	25,489,000	
OTHER EXPENSES AND INCOME		
General and administrative	4,413,000	
Acquisition pursuit costs	-	
Depreciation and amortization	9,937,000	
Gain on sale	-	
Impairment (reversals)/charges	(312,000)	
Total other expenses and income	14,038,000	
OPERATING INCOME	11,451,000	
NON-OPERATING INCOME AND EXPENSES		
Interest expense	(5,561,000)	
Early extinguishment of debt costs	(210,000)	
Total non-operating income and expense	(5,771,000)	
NET INCOME	5,680,000	

Attributable to noncontrolling interests	(139,000)	
NET INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	5,541,000	
Preferred stock dividends	(2,913,000)	
Preferred stock redemption costs	-	
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	\$ 2,628,000	\$
NET INCOME (LOSS) PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED)	\$ 0.03	\$
Weighted average number of common shares - basic and diluted	87,526,000	

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

	Three months ended Dec	
	2017	
Net income (loss) attributable to common shareholders	\$ 2,628,000	\$
Real estate depreciation and amortization	9,886,000	
Limited partners' interest	9,000	
Gain on sales	-	
Impairment (reversals)/charges	(312,000)	
Consolidated minority interests:		
Share of income/(loss)	130,000	
Share of FFO	(118,000)	
Funds From Operations ("FFO") applicable to diluted common shares	12,223,000	
Adjustments for items affecting comparability:		
Acquisition pursuit costs (a)	-	
Financing costs (b)	210,000	
Redevelopment costs (c)	-	
Management transition costs (d)	-	
Preferred stock redemption costs	-	
Operating Funds From Operations ("Operating FFO") applicable to diluted common shares	\$ 12,433,000	\$
FFO per diluted common share:	\$ 0.13	\$
Operating FFO per diluted common share:	\$ 0.14	\$
Weighted average number of diluted common shares:		
Common shares	91,317,000	

OP Units

348,000	
91,665,000	

View original content:<http://www.prnewswire.com/news-releases/cedar-realty-trust-reports-fourth-quarter-and-full-year-2017-results-300596002.html>

SOURCE Cedar Realty Trust, Inc.