

August 10, 2020



Cedar Realty Trust Reports Second Quarter 2020 Results And COVID-19 Update

PORT WASHINGTON, N.Y., Aug. 10, 2020 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE: CDR – the "Company") today reported results for the second quarter 2020. Net loss attributable to common shareholders was \$(0.10) per diluted share compared to net income of \$0.03 per diluted share for the comparable 2019 period. Other highlights include:

Quarter Highlights

- NAREIT-defined funds from operations (FFO) and Operating funds from operations (Operating FFO) of \$0.06 per diluted share
- Same-property net operating income (NOI) decreased 14.6% compared to the same period in 2019
- Collected 77%, signed deferral agreements for 6%, and in active deferral negotiations for an additional 4% of base rents and monthly charges
- Recorded \$4.6 million of uncollectible revenue/bad debt expense and wrote-off \$1.2 million of straight line rent receivables
- Signed 21 new and renewal leases for 182,300 square feet in the quarter
- Same-property portfolio 91.5% leased at quarter-end

Subsequent Events

- Collected 88% of July base rents and monthly charges
- On July 9, 2020, sold Metro Square for \$4.3 million
- On July 23, 2020, entered into lease with the Government of the District of Columbia for approximately 240,000 square feet of office space in a new 6-story building to be constructed at Senator Square
- On August 7, 2020, repaid \$70 million of borrowings under revolving credit facility

COVID-19 Update

The Company took various actions as a result of COVID-19, which were fully detailed in the Company's First Quarter 2020 Earnings Press Release on May 14, 2020. Deferred and waived base rents and monthly charges are as follows (dollars in millions):

	Quarter ended June 30, 2020	Total	Range		
			Deferred / Waived Months	Payback Months	Payback Begins
Deferred Rent	\$ 2.0	\$ 2.5	1 to 10	3 to 18	July 2020 to March 2021

			(Wtd Avg 4.6)	(Wtd Avg 9.9)	(Wtd Avg Dec 2020)
Waived Rent	\$ 0.4	\$ 0.5	1 to 9 (Wtd Avg 3.2)	N/A	N/A

Additionally, the following tenants recently filed for bankruptcy: 24 Hour Fitness, GNC (6 locations), Pier I, Gordmans (2 locations), a Pizza Hut franchisee, and Tuesday Morning. These tenants had aggregate base rent and monthly charges of approximately \$0.6 million for the quarter ended June 30, 2020.

"We continue to be pleased with the strength of our grocer-anchored shopping center portfolio with 77% collections for the quarter and 88% collections for July," commented Bruce Schanzer, President and CEO. "In addition to managing our portfolio through the challenges presented by COVID, we are excited about the recent signing of a lease agreement with the Government of the District of Columbia for the construction of a new 240,000 square feet office building at Senator Square."

Financial Results

Net loss attributable to common shareholders for the second quarter of 2020 was \$(8.8) million or \$(0.10) per diluted share, compared to net income of \$2.7 million or \$0.03 per diluted share for the same period in 2019. The principal difference in the comparative three-month results were the effects of COVID-19 in 2020, and a gain on a property sold in 2019. Net loss attributable to common shareholders for the six-month period ending June 30, 2020 was \$(13.7) million or \$(0.16) per dilutive share, compared to net income of \$2.9 million or \$0.03 per dilutive share for the same period of 2019. The principal differences in the comparative six-month results were lease termination income, an impairment charge on a property held for sale, the acceleration of depreciation relating to the demolition of certain existing buildings at redevelopment properties, and the effects of COVID-19 in 2020, and a gain on properties sold in 2019.

NAREIT-defined FFO and Operating FFO for the second quarter of 2020 was \$5.7 million or \$0.06 per diluted share, compared to \$10.2 million or \$0.11 per diluted share for the same period in 2019. NAREIT-defined FFO for the six-month period ended June 30, 2020 was \$22.0 million or \$0.24 per dilutive share, compared to \$20.4 million or \$0.22 per diluted share for the same period of 2019. Operating FFO for the six-month period ended June 30, 2020 was \$22.5 million or \$0.25 per diluted share, compared to \$20.4 million or \$0.22 per diluted share for the same period in 2019. The difference between Operating FFO and NAREIT-defined FFO in 2020 was redevelopment costs. The principal difference between the comparative three-month Operating FFO results was the effect of COVID-19. The principal differences between the comparative six-month Operating FFO results were the effects of COVID-19 and lease termination income in 2020.

Portfolio Update

During the second quarter of 2020, the Company signed 21 leases for 182,300 square feet. On a comparable space basis, the Company leased 182,300 square feet at a negative lease spread of (3.9)% on a cash basis (new leases decreased 30.4% and renewals increased 2.6%). During the six-month period ended June 30, 2020, the Company signed 51 leases for

491,800 square feet. On a comparable space basis, the Company leased 490,200 square feet at a negative lease spread of (0.4)% on a cash basis (new leases decreased 15.5% and renewals increased 1.4%).

Same-property NOI decreased 14.6% excluding redevelopment properties and decreased 19.3% including redevelopment properties compared to the same period in 2019. Same-property NOI was negatively impacted by COVID-19.

The Company's same-property portfolio was 91.5% leased at June 30, 2020, compared to 93.0% at December 31, 2019 and 91.6% at June 30, 2019. The Company's total portfolio, excluding properties held for sale, was 90.0% leased at June 30, 2020, compared to 93.2% at December 31, 2019 and 91.5% at June 30, 2019. The sequential decrease in total leased portfolio percentage was driven by 24 Hour Fitness at Carman's Plaza and A.C. Moore at The Point and New London vacating in the second quarter of 2020.

Balance Sheet

On August 4, 2020 the Company amended its unsecured revolving credit facility and term loans. The primary changes resulting from the amendments are the financial ratios and borrowing base are now computed using the trailing four quarters as opposed to the current quarter annualized and interest rate swaps that are a hedge of existing debt are now excluded from the definition of debt. As of today, the Company has \$4.5 million of cash and \$74.5 million available under its revolving credit facility and is in compliance with all financial covenants.

As of June 30, 2020, The Commons, located in Dubois, Pennsylvania, Carll's Corner, located in Bridgeton, New Jersey, Suffolk Plaza, located in Suffolk, Virginia, and Metro Square, located in Owings Mills, Maryland, have been classified as "real estate held for sale". On July 9, 2020, the Company sold Metro Square.

Non-GAAP Financial Measures

NAREIT-defined FFO is a widely recognized supplemental non-GAAP measure utilized to evaluate the financial performance of a REIT. The Company considers NAREIT-defined 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. NAREIT-defined 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 NAREIT-defined FFO and Operating FFO for the three and six months ended June 30, 2020 and 2019 is detailed in the attached schedule.

EBITDAre is a recognized supplemental non-GAAP financial measure. The Company presents EBITDAre in accordance with the definition adopted by NAREIT, which generally defines EBITDAre as net income plus interest expense, income tax expense, depreciation, amortization, and impairment write-downs of depreciated property, plus or minus losses and gains on the disposition of depreciated property, and adjustments to reflect the Company's share of EBITDAre of unconsolidated affiliates. The Company believes EBITDAre provides additional information with respect to the Company's performance and ability to meet its future debt service requirements. The Company also considers Adjusted EBITDAre 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 management transition, acquisition pursuit and redevelopment costs. The Company believes Adjusted EBITDAre further assists in comparing the Company's performance across reporting periods on a consistent basis by excluding such items. EBITDAre and Adjusted EBITDAre should be reviewed with GAAP net income, the most directly comparable GAAP financial measure, when trying to understand the Company's operating performance. EBITDAre and Adjusted EBITDAre do not represent cash generated from operating activities and should not be considered as an alternative to income from continuing operations or to cash flow from operating activities. The Company's computation of Adjusted EBITDAre may differ from the computations utilized by other companies and, accordingly, may not be comparable to such companies.

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 June 30, 2020. 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, August 10, 2020, 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 August 10, 2020, until midnight (ET) on August 24, 2020. The replay dial-in numbers are (844) 512-2921 or (1) (412) 317-6671 for international callers. Please use passcode 13706825 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 55 properties, with approximately 8.3 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

Certain statements made in this press release that are not strictly historical are "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended, and, as such, may involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of Cedar Realty Trust, Inc. (the "Company") to be materially different from future results, performance or achievements expressed or implied by such forward-looking statements. Forward-looking statements, which are based on certain assumptions and describe the Company's future plans, strategies and expectations, are generally identifiable by use of the words "may", "will", "should", "estimates", "projects", "anticipates", "believes", "expects", "intends", "future", and words of similar import, or the negative thereof. Factors that could cause actual results, performance or achievements to differ materially from current expectations include, but are not limited to: (i) the economic, political and social impact of, and uncertainty relating to, the COVID-19 pandemic, including: (a) the effectiveness or lack of effectiveness of governmental relief in providing assistance to large and small businesses, particularly including our retail tenants and other retailers, that have suffered significant declines in revenues as a result of mandatory business shut-downs, "shelter-in-place" or "stay-at-home" orders and social distancing practices, as well as individuals adversely impacted by the COVID-19 pandemic, (b) the duration of any such orders or other formal recommendations for social distancing and the speed and extent to which revenues of our retail tenants recover following the lifting of any such orders or recommendations, (c) the potential impact of any such events on the obligations of the Company's tenants to make rent and other payments or honor other commitments under existing leases, (d) the potential adverse impact on returns from redevelopment projects, (e) to the extent we were seeking to sell properties in the near term, significantly greater uncertainty regarding our ability to do so at attractive prices, and (f) the broader impact of the severe economic contraction and increase in unemployment that has occurred in the short term and negative consequences that will occur if these trends are not quickly reversed; (ii) the ability and willingness of the Company's tenants and other third parties to satisfy their obligations under their respective contractual arrangements with the Company; (iii) the loss or bankruptcy of the Company's tenants, particularly in light of the adverse impact to the financial health of many retailers that has occurred and continues to occur as a result of the COVID-19 pandemic; (iv) the ability and willingness of the Company's tenants to renew their leases with the Company upon expiration, the Company's ability to re-lease its properties on the same or better terms

in the event of nonrenewal or in the event the Company exercises its right to replace an existing tenant, and obligations the Company may incur in connection with the replacement of an existing tenant, particularly, in light of the adverse impact to the financial health of many retailers that has occurred and continues to occur as a result of the COVID-19 pandemic, and the significant uncertainty as to when and the conditions under which potential tenants will be able to operate physical retail locations in future; (v) macroeconomic conditions, such as a disruption of or lack of access to capital markets and the adverse impact of the recent significant decline in the Company's share price from prices prior to the spread of the COVID-19 pandemic; (vi) financing risks, such as the Company's inability to obtain new financing or refinancing on favorable terms as the result of market volatility or instability; (vii) increases in the Company's borrowing costs as a result of changes in interest rates and other factors, including the potential phasing out of LIBOR after 2021; (viii) the impact of the Company's leverage on operating performance; (ix) risks related to the market for retail space generally, including reductions in consumer spending, variability in retailer demand for leased space, adverse impact of e-commerce, ongoing consolidation in the retail sector and changes in economic conditions and consumer confidence; (x) risks endemic to real estate and the real estate industry generally; (xi) competitive risks; (xii) risks related to the geographic concentration of the Company's properties in the Washington, D.C. to Boston corridor; (xiii) damage to the Company's properties from catastrophic weather and other natural events, and the physical effects of climate change; (xiv) the inability of the Company to realize anticipated returns from its redevelopment activities; (xv) uninsured losses; (xvi) the Company's ability and willingness to maintain its qualification as a REIT in light of economic, market, legal, tax and other considerations; and (xvii) information technology security breaches. For further discussion of factors that could materially affect the outcome of forward-looking statements, see "Risk Factors" in Part I, Item 1A, of the Company's Annual Report on Form 10-K for the year ended December 31, 2019 and other documents that the Company files with the Securities and Exchange Commission from time to time.

Except for ongoing obligations to disclose material information as required by the federal securities laws, the Company undertakes no obligation to release publicly any revisions to any forward-looking statements to reflect events or circumstances after the date hereof or to reflect the occurrence of unanticipated events. All of the above factors are difficult to predict, contain uncertainties that may materially affect the Company's actual results and may be beyond the Company's control. New factors emerge from time to time, and it is not possible for the Company's management to predict all such factors or to assess the effects of each factor on the Company's business. Accordingly, there can be no assurance that the Company's current expectations will be realized.

CEDAR REALTY TRUST, INC.
Condensed Consolidated Balance Sheets
(unaudited)

	June 30, 2020	December 31, 2019
ASSETS		
Real estate, at cost	\$ 1,518,008,000	\$ 1,515,206,000
Less accumulated depreciation	(411,041,000)	(389,861,000)
Real estate, net	1,106,967,000	1,125,345,000

Real estate held for sale	16,980,000	13,230,000
Cash and cash equivalents	68,233,000	2,747,000
Receivables	22,990,000	22,164,000
Other assets and deferred charges, net	38,928,000	42,139,000
TOTAL ASSETS	\$ 1,254,098,000	\$ 1,205,625,000

LIABILITIES AND EQUITY

Liabilities:

Mortgage loan payable	\$ 45,882,000	\$ 46,370,000
Finance lease obligation	5,353,000	5,364,000
Unsecured revolving credit facility	176,900,000	106,000,000
Unsecured term loans	473,195,000	472,841,000
Accounts payable and accrued liabilities	61,664,000	50,502,000
Unamortized intangible lease liabilities	9,602,000	10,473,000
Total liabilities	772,596,000	691,550,000

Equity:

Preferred stock	159,541,000	159,541,000
Common stock and other shareholders' equity	318,339,000	351,020,000
Noncontrolling interests	3,622,000	3,514,000
Total equity	481,502,000	514,075,000

TOTAL LIABILITIES AND EQUITY	\$ 1,254,098,000	\$ 1,205,625,000
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CEDAR REALTY TRUST, INC. Condensed Consolidated Statements of Operations (unaudited)

	Three months ended June 30,	
	2020	2019
PROPERTY REVENUES		
Rental revenues	\$ 28,461,000	\$ 35
Other	159,000	
Total property revenues	28,620,000	35
PROPERTY OPERATING EXPENSES		
Operating, maintenance and management	5,508,000	6
Real estate and other property-related taxes	4,978,000	5
Total property operating expenses	10,486,000	11
PROPERTY OPERATING INCOME	18,134,000	24
OTHER EXPENSES AND INCOME		
General and administrative	3,906,000	5
Depreciation and amortization	14,426,000	10
Gain on sales	-	(2.
Impairment charges	133,000	
Total other expenses and income	18,465,000	12

OPERATING INCOME	<u>(331,000)</u>	<u>11</u>
NON-OPERATING INCOME AND EXPENSES		
Interest expense	<u>(5,678,000)</u>	<u>(5)</u>
Total non-operating income and expense	<u>(5,678,000)</u>	<u>(5)</u>
NET (LOSS) INCOME	<u>(6,009,000)</u>	<u>5</u>
Attributable to noncontrolling interests	<u>(88,000)</u>	<u>(</u>
NET (LOSS) INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	<u>(6,097,000)</u>	<u>5</u>
Preferred stock dividends	<u>(2,688,000)</u>	<u>(2)</u>
NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS	<u>\$ (8,785,000)</u>	<u>\$ 2</u>
NET (LOSS) INCOME PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED):	<u>\$ (0.10)</u>	<u>\$</u>
Weighted average number of common shares - basic and diluted	<u>86,509,000</u>	<u>86</u>

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

	Three months ended June 30,	
	2020	2019
Net (loss) income attributable to common shareholders	\$ (8,785,000)	\$ 2,695,000
Real estate depreciation and amortization	14,400,000	10,300,000
Limited partners' interest	(52,000)	17,000
Gain on sales	-	(2,841,000)
Impairment charges	133,000	-
Consolidated minority interests:		
Share of income	140,000	144,000
Share of FFO	(118,000)	(107,000)
Funds From Operations ("FFO") applicable to diluted common shares	5,718,000	10,208,000
Adjustments for items affecting comparability:		
Redevelopment costs	-	-
Operating Funds From Operations ("Operating FFO") applicable to diluted common shares	\$ 5,718,000	\$ 10,208,000
FFO per diluted common share:	\$ 0.06	\$ 0.11
Operating FFO per diluted common share:	\$ 0.06	\$ 0.11
Weighted average number of diluted common shares:		
Common shares and equivalents	90,829,000	90,526,000

OP Units

537,000	553,000
91,366,000	91,079,000

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