

July 29, 2021



Cedar Realty Trust Reports Second Quarter 2021 Results

MASSAPEQUA, N.Y., July 29, 2021 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE: CDR – the "Company") today reported results for the second quarter of 2021. Net income attributable to common shareholders was \$3.52 per diluted share. Other highlights include:

Operating Highlights

- NAREIT-defined Funds from operations (FFO) of \$0.59 per diluted share for the quarter
- Operating FFO of \$0.61 per diluted share for the quarter
- Collected 96.8% of base rents and monthly charges for the quarter
- Same-property net operating income (NOI) increased 8.2% for the quarter
- Signed 38 comparable leases for 199,300 square feet
 - Signed 23 renewal leases for 153,200 square feet at an increase of 2.6%
 - Signed 15 new leases for 46,100 square feet at a decrease of (18.7)%

Balance Sheet Highlights

- On May 5, 2021, the Company closed a non-recourse mortgage for \$114.0 million maturing June 1, 2031
- On May 5, 2021, the Company formed a joint venture with Goldman Sachs Urban Investment Group and Asland Capital Partners for the construction of an approximately 258,000 square foot commercial building in Washington D.C.
- On May 5, 2021, the Company sold The Commons for \$9.8 million
- On June 21, 2021, the Company sold Camp Hill for \$89.7 million
- On June 29, 2021, the Company paid-off a \$50.0 million term-note that was scheduled to mature in February 2022

Financial Results

Net income attributable to common shareholders for the second quarter of 2021 was \$48.4 million or \$3.52 per diluted share, compared to net loss of \$(8.8) million or \$(0.67) per diluted share for the same period in 2020. Net income attributable to common shareholders for the six-months period ending June 30, 2021 was \$46.8 million or \$3.41 per dilutive share, compared to net loss of \$(13.7) million or \$(1.06) per dilutive share for the same period of 2020. The principal differences in the comparative three and six month results were gain on sales of properties in 2021, and an impairment (reversal) charges on a properties held for sale in 2021 and 2020, a lease termination fee from a property held for sale in 2020, and the acceleration of depreciation relating to the demolition of certain existing buildings at redevelopment properties in 2020.

NAREIT-defined FFO for the second quarter of 2021 was \$8.2 million or \$0.59 per diluted share, compared to \$5.7 million or \$0.41 per diluted share for the same period in 2020.

Operating FFO for the second quarter of 2021 was \$8.5 million or \$0.61 per diluted share, compared to \$5.7 million or \$0.41 per diluted share for the same period in 2020. The difference between Operating FFO and NAREIT-defined FFO in 2020 was redevelopment costs and financing costs. The principal difference in the comparative three-month NAREIT-defined FFO and Operating FFO was the second quarter of 2020 was significantly impacted by the effects of COVID-19.

NAREIT-defined FFO for the six months ended June 30, 2021 was \$16.8 million or \$1.21 per diluted share, compared to \$22.0 million or \$1.59 per dilutive share for the same period in 2020. Operating FFO for the six-months ended June 30, 2021 was \$17.1 million or \$1.21 per diluted share, as compared to \$22.5 million or \$1.62 per dilutive share for the same period in 2020. The principal differences between the comparative six-month NAREIT-defined FFO and Operating FFO results were the effects of COVID-19 and lease termination income in 2020.

Portfolio Update

During the second quarter of 2021, the Company signed 40 leases for 209,100 square feet. On a comparable space basis, the Company signed 23 renewal leases for 153,200 square feet at an increase of and 2.6% and 15 new leases for 46,100 square feet at a decrease of (18.7)%. During the six-month period ended June 30, 2021, the Company signed 71 leases for 477,300 square feet. On a comparable space basis, the Company signed 44 renewal leases for 297,300 square feet at an increase of 1.2% and 19 new leases for 79,600 square feet at a decrease of (8.1)%.

Excluding redevelopments, same property NOI increased 8.2% for the second quarter of 2021 and increased 0.8% for the six months ended June 30, 2021, as compared to the same periods of 2020. Including redevelopments same property NOI increased 10.5% for the second quarter of 2021 and decreased (0.7)% for the six months ended June 30, 2021, as compared to the same period of 2020. The second quarter of 2020 was significantly impacted by the effects of COVID-19.

The Company's same-property portfolio was 90.9% leased at June 30, 2021, compared to 90.1% at March 31, 2021 and 92.1% at June 30, 2020. The Company's total portfolio, excluding properties held for sale, was 88.7% leased at June 30, 2021, compared to 87.8% at March 31, 2021 and 90.0% at June 30, 2020. Subsequent to June 30, 2021, the Company executed three anchor leases for 95,207 square feet. Hobby Lobby and Grocery Outlet will be our new anchors at Valley Plaza, back filling a former Kmart box. Additionally, Porter and Chester Institute will be joining the lineup at the ShopRite-anchored New London Mall.

Balance Sheet

On May 5, 2021, the Company closed a non-recourse mortgage for \$114.0 million. The mortgage matures June 1, 2031, bears interest at a fixed-rate of 3.49% and requires payment of interest only for the first five years followed by payments of principal and interest based on thirty-year amortization for the remainder of the term. The loan is secured by five shopping centers consisting of Lawndale Plaza, The Shops at Suffolk Downs, Christina

Crossing, Trexlertown Plaza, and The Point. These properties had no pre-existing debt and the proceeds from this new loan were used to reduce amounts outstanding under the Company's revolving credit facility.

On May 5, 2021, the Company formed a joint venture with Goldman Sachs Urban Investment Group and Asland Capital Partners for the construction of an approximately 258,000 square foot six-story commercial building in Washington D.C. consisting of approximately 240,000 square feet of office space which is 100% leased to the Washington, D.C., Department of General Services (DGS) for its headquarters and approximately 18,000 square feet of street-level retail. This building is planned as the first phase of Northeast Heights, a redevelopment of two existing shopping centers, East River Park and Senator Square, into a mixed-use residential, office and retail property. Further, the joint venture has secured construction financing from JP Morgan not to exceed \$105 million. The construction loan initially bears interest at LIBOR plus 200 basis points and has an initial term of three years with two, one-year extension options subject to customary conditions. The Company has a 10% interest in the joint venture and be a co-general partner along with Asland Capital Partners. As of June 30, 2021, the Company has contributed approximately \$2.5 million to the unconsolidated joint venture.

On May 5, 2021, the Company sold The Commons for \$9.8 million and on June 21, 2021, sold Camp Hill for \$89.7 million.

On June 29, 2021, the Company paid-off a \$50.0 million term note that was scheduled to mature in February 2022. As of June 30, 2021, the Company has \$112.1 million available under its revolving credit facility and is in compliance with all financial covenants.

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 twelve months ended December 31, 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 EBITDA of unconsolidated affiliates. 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 management transition, acquisition pursuit and redevelopment 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, the most directly comparable GAAP financial measure, when trying to understand the Company's operating performance. EBITDA and Adjusted EBITDA 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 EBITDA 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, 2021. 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, July 29, 2021, 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 July 29, 2021, until midnight (ET) on August 12, 2021. The replay dial-in numbers are (844) 512-2921 or (1) (412) 317-6671 for international callers. Please use passcode 13720828 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 53 properties, with approximately 7.6 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 years ended December 31, 2020 and December 31, 2019, when available, 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)

	<u>June 30,</u>	<u>December 31,</u>
	<u>2021</u>	<u>2020</u>
ASSETS		
Real estate, at cost	\$ 1,474,090,000	\$ 1,527,478,000
Less accumulated depreciation	<u>(423,671,000)</u>	<u>(428,569,000)</u>
Real estate, net	1,050,419,000	1,098,909,000
Real estate held for sale	2,219,000	9,498,000
Investment in unconsolidated joint venture	2,481,000	-
Cash and cash equivalents	5,603,000	1,637,000

Restricted cash	230,000	-
Receivables	23,254,000	21,952,000
Other assets and deferred charges, net	32,488,000	45,255,000
TOTAL ASSETS	\$ 1,116,694,000	\$ 1,177,251,000
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage loan payable, net	\$ 157,298,000	\$ 45,385,000
Finance lease obligation	5,328,000	5,340,000
Unsecured revolving credit facility	12,000,000	175,000,000
Unsecured term loans, net	348,894,000	398,549,000
Accounts payable and accrued liabilities	45,037,000	56,580,000
Unamortized intangible lease liabilities	8,355,000	8,939,000
Total liabilities	576,912,000	689,793,000
Equity:		
Preferred stock	159,541,000	159,541,000
Common stock and other shareholders' equity	375,770,000	323,957,000
Noncontrolling interests	4,471,000	3,960,000
Total equity	539,782,000	487,458,000
TOTAL LIABILITIES AND EQUITY	\$ 1,116,694,000	\$ 1,177,251,000

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

	Three months ended June 30,	
	2021	2020
PROPERTY REVENUES		
Rental revenues	\$ 31,880,000	\$ 28,461,000
Other	340,000	159,000
Total property revenues	32,220,000	28,620,000
PROPERTY OPERATING EXPENSES		
Operating, maintenance and management	6,296,000	5,508,000
Real estate and other property-related taxes	5,051,000	4,978,000
Total property operating expenses	11,347,000	10,486,000
PROPERTY OPERATING INCOME	20,873,000	18,134,000
OTHER EXPENSES AND INCOME		
General and administrative	4,873,000	3,906,000
Depreciation and amortization	10,257,000	14,426,000
Gain on sales	(48,857,000)	
Impairment (reversal) charges	(1,849,000)	133,000

Total other expenses and income	(35,576,000)	18,465,000
OPERATING INCOME (LOSS)	56,449,000	(331,000)
NON-OPERATING INCOME AND EXPENSES		
Interest expense	(4,985,000)	(5,678,000)
Total non-operating income and expense	(4,985,000)	(5,678,000)
NET INCOME (LOSS)	51,464,000	(6,009,000)
Attributable to noncontrolling interests	(409,000)	(88,000)
NET INCOME (LOSS) ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	51,055,000	(6,097,000)
Preferred stock dividends	(2,688,000)	(2,688,000)
NET INCOME (LOSS) ATTRIBUTABLE TO COMMON SHAREHOLDERS	\$ 48,367,000	\$ (8,785,000)
NET INCOME (LOSS) PER COMMON SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS (BASIC AND DILUTED):	\$ 3.52	\$ (0.6)
Weighted average number of common shares - basic and diluted	13,197,000	13,107,000

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

	Three months ended
	2021
Net income (loss) attributable to common shareholders	\$ 48,367,000
Real estate depreciation and amortization	10,227,000
Limited partners' interest	287,000
Gain on sales	(48,857,000)
Impairment charges	(1,849,000)
Consolidated minority interests:	
Share of income	122,000
Share of FFO	(88,000)
Funds From Operations ("FFO") applicable to diluted common shares	8,209,000
Adjustments for items affecting comparability:	-
Redevelopment costs	230,000
Financing costs	44,000
Operating Funds From Operations ("Operating FFO") applicable to diluted common shares	\$ 8,483,000
FFO per diluted common share:	\$ 0.59

Operating FFO per diluted common share:	\$ 0.61
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Weighted average number of diluted common shares:	
Common shares and equivalents	13,855,000
OP Units	81,000
	<hr/>
	13,936,000
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