

November 4, 2021



Cedar Realty Trust Reports Third Quarter 2021 Results

MASSAPEQUA, N.Y., Nov. 4, 2021 /PRNewswire/ -- Cedar Realty Trust, Inc. (NYSE: CDR – the "Company") today reported results for the third quarter of 2021. Net loss attributable to common shareholders was \$(6.28) per diluted share. Other highlights include:

Operating Highlights

- NAREIT-defined Funds from operations (FFO) of \$0.62 per diluted share for the quarter
- Operating FFO of \$0.63 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 10.5% for the quarter
- Signed 29 comparable leases for 216,800 square feet
 - Signed 19 renewal leases for 87,900 square feet at an increase of 2.5%
 - Signed 10 new leases for 128,900 square feet at an increase of 52.7%

Balance Sheet Highlights

- On August 30, 2021, the Company amended its existing \$300 million unsecured credit facility and \$50 million term loan with a new \$185 million unsecured revolving credit facility with an expiration in August 2024
- On September 9, 2021, the Company announced that it is exploring a potential sale or merger involving the entire Company, and alternatively the potential sale of its core grocery-anchored shopping center portfolio and its mixed-use redevelopment projects

Financial Results

Net loss attributable to common shareholders for the third quarter of 2021 was \$(83.2) million or \$(6.28) per diluted share, compared to net loss of \$(1.4) million or \$(0.11) per diluted share for the same period in 2020. Net loss attributable to common shareholders for the nine-month period ended September 30, 2021 was \$(36.4) million or \$(2.77) per diluted share, compared to net loss of \$(15.1) million or \$(1.17) per dilutive share for the same period of 2020. The principal differences in the comparative three and nine month results were gain on sales of properties in 2021, and 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 third quarter of 2021 was \$8.6 million or \$0.62 per diluted share, compared to \$8.0 million or \$0.58 per diluted share for the same period in 2020. Operating FFO for the third quarter of 2021 was \$8.8 million or \$0.63 per diluted share,

compared to \$8.0 million or \$0.58 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 nine months ended September 30, 2021 was \$25.4 million or \$1.84 per diluted share, compared to \$30.0 million or \$2.17 per dilutive share for the same period in 2020. Operating FFO for the nine months ended September 30, 2021 was \$25.8 million or \$1.87 per diluted share, as compared to \$30.5 million or \$2.20 per dilutive share for the same period in 2020. The principal differences between the comparative nine-month NAREIT-defined FFO and Operating FFO results were the effects of COVID-19 and lease termination income in 2020.

Portfolio Update

During the third quarter of 2021, the Company signed 33 leases for 230,200 square feet. On a comparable space basis, the Company signed 19 renewal leases for 87,900 square feet at an increase of 2.5% and 10 new leases for 128,900 square feet at an increase of 52.7%. During the nine-month period ended September 30, 2021, the Company signed 104 leases for 707,500 square feet. On a comparable space basis, the Company signed 63 renewal leases for 385,200 square feet at an increase of 1.6% and 29 new leases for 208,500 square feet at an increase of 16.0%.

Excluding redevelopments, same-property NOI increased 10.5% for the third quarter of 2021 and increased 3.8% for the nine months ended September 30, 2021, as compared to the same periods of 2020. Including redevelopments same-property NOI increased 9.5% for the third quarter of 2021 and 2.5% for the nine months ended September 30, 2021, as compared to the same periods of 2020. The third quarter of 2020 was significantly impacted by the effects of COVID-19.

The Company's same-property portfolio was 91.4% leased at September 30, 2021, compared to 90.9% at June 30, 2021 and 92.0% at September 30, 2020. The Company's total portfolio, excluding properties held for sale, was 89.8% leased at September 30, 2021, compared to 88.7% at June 30, 2021 and 89.8% at September 30, 2020. During the third quarter of 2021, the Company executed four anchor leases for 115,819 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 join the lineup at the ShopRite-anchored New London Mall and PetSmart will join the lineup at Colonial Commons.

Balance Sheet

On August 30, 2021, the Company amended its existing \$300 million unsecured credit facility and \$50 million term loan. After the amendment, the new unsecured revolving credit facility is \$185 million with an expiration in August 2024. The new unsecured revolving credit facility may be extended, at the Company's option for two additional one-year periods, subject to customary conditions. Interest on the borrowings under the new unsecured revolving credit facility component can range from LIBOR plus 135 bps to 195 bps (150 bps at September 30, 2021), based on the Company's leverage ratio. Interest on borrowings under the unsecured credit facility is based on the Company's leverage ratio. The Company

extended its \$50 million term note four years with an expiration in August 2026. As of September 30, 2021, the Company had \$66.0 million outstanding and \$117.9 million available for additional borrowings under its revolving credit facility and was in compliance with all financial covenants.

On September 9, 2021, the Company announced that it is exploring, among other alternatives, a potential sale or merger involving the entire Company, and alternatively the potential sale of its core grocery-anchored shopping center portfolio and its mixed-use redevelopment projects. As part of this dual-track strategic alternatives process, the Company has determined that certain of the Company's operating properties would be sold significantly prior to the end of their previously estimated hold periods. Therefore, the Company recorded \$82.7 million in impairment charges.

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 nine months ended September 30, 2021 and 2020 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 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 September 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.

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>September 30,</u>	<u>December 31,</u>
	<u>2021</u>	<u>2020</u>
ASSETS		
Real estate, at cost	\$ 1,398,188,000	\$ 1,527,478,000
Less accumulated depreciation	(432,488,000)	(428,569,000)
Real estate, net	965,700,000	1,098,909,000
Real estate held for sale	1,876,000	9,498,000
Investment in unconsolidated joint venture	3,193,000	-
Cash and cash equivalents	4,731,000	1,637,000
Restricted cash	230,000	-
Receivables	22,290,000	21,952,000
Other assets and deferred charges, net	38,751,000	45,255,000
TOTAL ASSETS	<u>\$ 1,036,771,000</u>	<u>\$ 1,177,251,000</u>
LIABILITIES AND EQUITY		
Liabilities:		
Mortgage loan payable, net	\$ 157,040,000	\$ 45,385,000
Finance lease obligation	5,324,000	5,340,000
Unsecured revolving credit facility	66,000,000	175,000,000
Unsecured term loans, net	298,809,000	398,549,000
Accounts payable and accrued liabilities	45,173,000	56,580,000
Unamortized intangible lease liabilities	8,066,000	8,939,000
Total liabilities	<u>580,412,000</u>	<u>689,793,000</u>
Equity:		
Preferred stock	159,541,000	159,541,000
Common stock and other shareholders' equity	292,684,000	323,957,000
Noncontrolling interests	4,134,000	3,960,000
Total equity	<u>456,359,000</u>	<u>487,458,000</u>
TOTAL LIABILITIES AND EQUITY	<u>\$ 1,036,771,000</u>	<u>\$ 1,177,251,000</u>

CEDAR REALTY TRUST, INC.

Condensed Consolidated Statements of Operations
(unaudited)

	Three months ended September 30,		Nine months ended September 30,	
	2021	2020	2021	2020
PROPERTY REVENUES				
Rental revenues	\$ 30,395,000	\$ 30,890,000	\$ 95,611,000	\$ 94,466,000
Other	167,000	285,000	722,000	7,814,000
Total property revenues	<u>30,562,000</u>	<u>31,175,000</u>	<u>96,333,000</u>	<u>102,280,000</u>
PROPERTY OPERATING EXPENSES				
Operating, maintenance and management	5,570,000	5,579,000	19,646,000	18,808,000
Real estate and other property-related taxes	<u>4,797,000</u>	<u>5,253,000</u>	<u>14,968,000</u>	<u>15,353,000</u>
Total property operating expenses	<u>10,367,000</u>	<u>10,832,000</u>	<u>34,614,000</u>	<u>34,161,000</u>
PROPERTY OPERATING INCOME	<u>20,195,000</u>	<u>20,343,000</u>	<u>61,719,000</u>	<u>68,119,000</u>
OTHER EXPENSES AND INCOME				
General and administrative	4,229,000	3,925,000	13,630,000	12,833,000
Depreciation and amortization	9,510,000	10,035,000	30,978,000	38,208,000
Gain on sales	-	(679,000)	(49,904,000)	(679,000)
Impairment charges	<u>82,736,000</u>	<u>-</u>	<u>80,887,000</u>	<u>7,607,000</u>
Total other expenses and income	<u>96,475,000</u>	<u>13,281,000</u>	<u>75,591,000</u>	<u>57,969,000</u>
OPERATING (LOSS) INCOME	<u>(76,280,000)</u>	<u>7,062,000</u>	<u>(13,872,000)</u>	<u>10,150,000</u>
NON-OPERATING INCOME AND EXPENSES				
Interest expense	<u>(4,603,000)</u>	<u>(5,658,000)</u>	<u>(14,294,000)</u>	<u>(16,853,000)</u>
Total non-operating income and expense	<u>(4,603,000)</u>	<u>(5,658,000)</u>	<u>(14,294,000)</u>	<u>(16,853,000)</u>
NET (LOSS) INCOME	<u>(80,883,000)</u>	<u>1,404,000</u>	<u>(28,166,000)</u>	<u>(6,703,000)</u>
Attributable to noncontrolling interests	<u>367,000</u>	<u>(137,000)</u>	<u>(183,000)</u>	<u>(373,000)</u>
NET (LOSS) INCOME ATTRIBUTABLE TO CEDAR REALTY TRUST, INC.	<u>(80,516,000)</u>	<u>1,267,000</u>	<u>(28,349,000)</u>	<u>(7,076,000)</u>
Preferred stock dividends	<u>(2,688,000)</u>	<u>(2,688,000)</u>	<u>(8,064,000)</u>	<u>(8,064,000)</u>
NET LOSS ATTRIBUTABLE TO COMMON SHAREHOLDERS	<u>\$ (83,204,000)</u>	<u>\$ (1,421,000)</u>	<u>\$ (36,413,000)</u>	<u>\$ (15,140,000)</u>

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

	\$ (6.28)	\$ (0.11)	\$ (2.77)	\$ (1.17)
Weighted average number of common shares - basic and diluted	13,252,000	13,110,000	13,191,000	13,101,000

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 30,	
	2021	2020	2021	2020
Net loss attributable to common shareholders	\$ (83,204,000)	\$ (1,421,000)	\$ (36,413,000)	\$ (15,140,000)
Real estate depreciation and amortization	9,497,000	10,010,000	30,917,000	38,115,000
Limited partners' interest	(492,000)	(7,000)	(214,000)	(87,000)
Gain on sales	-	(679,000)	(49,904,000)	(679,000)
Impairment charges	82,736,000	-	80,887,000	7,607,000
Consolidated minority interests:				
Share of income	125,000	144,000	397,000	460,000
Share of FFO	(78,000)	(15,000)	(279,000)	(276,000)
Funds From Operations ("FFO") applicable to diluted common shares	8,584,000	8,032,000	25,391,000	30,000,000
Adjustments for items affecting comparability:	-	-		
Redevelopment costs (a)	-	-	230,000	483,000
Financing costs (b)	171,000	-	215,000	-
Operating Funds From Operations ("Operating FFO") applicable to diluted common shares	\$ 8,755,000	\$ 8,032,000	\$ 25,836,000	\$ 30,483,000
FFO per diluted common share:	\$ 0.62	\$ 0.58	\$ 1.84	\$ 2.17
Operating FFO per diluted common share:	\$ 0.63	\$ 0.58	\$ 1.87	\$ 2.20
Weighted average number of diluted common shares:				
Common shares and equivalents	13,790,000	13,760,000	13,751,000	13,758,000
OP Units	81,000	81,000	81,000	81,000
	13,871,000	13,841,000	13,832,000	13,839,000

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