
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

FORM 8-K

**CURRENT REPORT
PURSUANT TO SECTION 13 OR 15(d)
OF THE SECURITIES AND EXCHANGE ACT OF 1934**

Date of report (date of earliest event reported): March 21, 2014

WHEELER REAL ESTATE INVESTMENT TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland
(State or Other Jurisdiction
of Incorporation)

001-35713
(Commission
File Number)

45-2681082
(IRS Employer
Identification No.)

**2529 Virginia Beach Blvd., Suite 200
Virginia Beach, VA 23452**

Registrant's telephone number, including area code: (757) 627-9088

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligations of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
 - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
 - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
 - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On March 21, 2014, Wheeler Real Estate Investment Trust, Inc. (“Wheeler” or the “Company”), issued a press release announcing its financial results for the quarter and year ended December 31, 2013. A copy of the press release is attached as Exhibit 99.1 to this current report on Form 8-K and is incorporated herein by reference. A copy of the Company’s Supplemental Operating and Financial Data for the year ended December 31, 2013 is attached as Exhibit 99.2 to this current report on Form 8-K and is incorporated herein by reference.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

- (a) Financial statements of businesses acquired.

Not Applicable.

- (b) Pro forma financial information.

Not Applicable.

- (c) Shell company transactions.

Not Applicable.

- (d) Exhibits.

99.1 Press Release dated March 21, 2014 regarding financial results from the quarter and year ended December 31, 2013.

99.2 Supplemental Operating and Financial Data for the year ended December 31, 2013.

Pursuant to the requirements of the Securities and Exchange Act of 1934, the Company has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

WHEELER REAL ESTATE INVESTMENT TRUST,
INC.

By: /s/ Jon S. Wheeler
Jon S. Wheeler
Chairman and Chief Executive Officer

Dated: March 24, 2014



FOR IMMEDIATE RELEASE

**WHEELER REAL ESTATE INVESTMENT TRUST, INC. ANNOUNCES
2013 FOURTH QUARTER AND YEAR END OPERATING AND FINANCIAL RESULTS**

Company increased gross leasable area by 824,222 square feet for the year 2013

2013 Fourth Quarter Highlights

- Total revenue for the fourth quarter 2013 increased to \$3.5 million, compared to \$929,600 in the prior year period.
- Funds from Operations (“FFO”) increased by over \$1.4 million for the three month period ended December 31, 2013, as compared to the same quarter of the prior year.
- During the fourth quarter of 2013, Wheeler acquired eight properties located in Virginia, Oklahoma, New Jersey and South Carolina for a combined acquisition value of \$25.5 million.

2013 Year End Highlights

- Total revenue for the twelve month period ended December 31, 2013 increased 257.7% as compared to the prior year.
- For the year ended December 31, 2013, FFO was negative \$908,300, or negative \$0.13 per common share and Operating Partnership unit (“common unit”), which included approximately \$2.9 million in acquisition related expenses.
- During 2013, Wheeler acquired 824,222 square feet of gross leasable area for an aggregate acquisition value of approximately \$71.0 million or \$86.14 per leasable square foot.
- 94.0% of Wheeler’s portfolio was leased as of December 31, 2013.
- The Company’s Board of Directors throughout 2013 distributed monthly cash dividends of approximately \$0.035 per share. On an annualized basis, this amounted to a dividend of \$0.42 per common share and common unit, or a 9.8% dividend yield based on the December 31, 2013 closing price of \$4.28 per share.

Virginia Beach, VA – March 21, 2014 – Wheeler Real Estate Investment Trust, Inc. (NASDAQ:WHLR) (“Wheeler” or the “Company”), today reported operating and financial results for its fourth quarter and year ended December 31, 2013.

Jon S. Wheeler, Chairman and Chief Executive Officer, commented, “We are pleased with our progress this year. During 2013, we significantly increased total revenue, acquired an additional twelve assets, grew GLA by over 820,000 square feet, and expanded the Company’s geographic footprint into eight states throughout the Northeast, Mid-Atlantic and Southeastern regions of the US. We accomplished all of this while adhering to the Company’s business model of buying assets at attractive discounts to replacement cost which therefore increases value for our shareholders.”

Mr. Wheeler continued, “In the year ahead, we will continue to pursue accretive acquisitions in secondary and tertiary markets. In addition, we expect to grow the development portion of the Company, which was rolled into the REIT as a

taxable subsidiary in January 2014. We feel that this new subsidiary will generate a higher level of return for the Company in time. We are seeing a robust pipeline of 'necessity retail' shopping centers available, and expect to build upon the successes of the previous year. We are confident that the Company's growth will continue throughout 2014 and look forward to keeping you all apprised on our progress."

2013 Fourth Quarter Highlights (all comparisons to the same prior year period)

- Total revenue for the fourth quarter of 2013 was \$3.5 million, compared to \$929,600 in the prior year period.
- Wheeler reported FFO for the three month period ended December 31, 2013 of \$1.3 million, or \$0.14 per common share and common unit, compared to negative \$174,400, or a loss of \$0.03 per common share and common unit, in the prior year comparable period.
- Total Core FFO for the three months ended December 31, 2013 was approximately \$1.2 million as compared to negative \$174,400 for the same period of the prior year.
- Property net operating income ("NOI") was \$2.7 million for the quarter ended December 31, 2013, compared to \$742,700 in the prior year comparable period.
- Net loss attributable to Wheeler REIT for common shareholders for the fourth quarter 2013 was \$275,800, or a loss of \$0.04 per basic and diluted share, compared to a net loss of \$396,300 or \$0.12 per basic and diluted share, during the comparable 2012 period.

2013 Year-End Highlights (all comparisons to the prior year)

- For the year ended December 31, 2013, total revenue increased 257.7% to \$8.7 million from \$2.4 million in the comparable period of the prior year.
- For the year ended December 31, 2013, FFO was negative \$908,300, or negative \$0.14 per common share and common unit, which included approximately \$2.9 million in acquisition related expenses, as compared to negative \$383,500, or negative \$0.07 per common shares and common units for the same period of the prior year, which included approximately \$567,000 of acquisition related expenses.
- Total Core FFO for the year ended December 31, 2013 was approximately \$2.2 million as compared to \$183,500 for the previous year.
- For the year ended December 31, 2013, property NOI was \$7.0 million, compared to \$1.9 million in the prior year period. NOI for the year of 2013 includes a full year of operations for the 11 properties acquired prior to December 31, 2012 and a partial year of operations for the 12 properties acquired during the year ended December 31, 2013.
- For the year ended December 31, 2013, net loss attributable to Wheeler REIT for common shareholders was \$3.8 million, or \$0.82 per basic and diluted share, compared to a net loss of \$1.2 million, or \$0.35 per basic and diluted share, during the comparable 2012 period.

2013 Leasing Review

- During 2013, the Company signed nine new leases totaling 18,932 square feet at a weighted average rate of \$7.63 per square foot.
- For the year ended December 31, 2013, Wheeler signed nineteen renewal leases totaling approximately 152,774 square feet with a weighted average increase of \$0.06 per square foot.
- At December 31, 2013, the Company currently has 173 leases under contract as compared to 66 leases under contract at December 31, 2012.
- Approximately 4.56% of Wheeler's gross leasable area or 59,032 square feet is subject to leases that expire during the twelve months ending December 31, 2014. Based on recent market trends, the Company believes that these leases will be renewed at amounts and terms comparable to existing lease agreements.

Acquisition Activity

During the fourth quarter of 2013, Wheeler acquired eight properties located in Virginia, Oklahoma, New Jersey and South Carolina for a combined acquisition value of \$25.5 million. These properties include:

- Starbucks/Verizon, a 5,600 square foot free-standing building located in the Fairfield Shopping Center in Virginia Beach, Virginia. The property was acquired for \$1.4 million and is 100% leased by nationally known tenants, Starbucks Coffee and Verizon Wireless.
- Jenks Plaza, a 7,800 square foot shopping center located in Jenks, Oklahoma with a purchase price of approximately \$1.8 million. The property is 100% occupied by 5 retail and restaurant tenants.
- Winslow Plaza, a 40,695 square foot shopping center located in Sicklerville, New Jersey for a purchase price of approximately \$6.6 million. The property is 94.1% leased by 16 retail and restaurant tenants.
- South Carolina Property Portfolio, five grocery-anchored shopping centers with a combine gross leasable area of 261,689 square feet. The centers were purchased for an aggregate price of approximately \$15.8 million. Collectively, the properties are 89.5% occupied by 34 retail and restaurant tenants, with each center anchored by a Food Lion grocery store.

Balance Sheet Summary

- Total investment properties assets increased 134.8% to \$101.8 million as of December 31, 2013 as compared to \$43.3 million for the prior year.
- The Company's total fixed-rate debt was \$94.6 million at December 31, 2013, compared to \$31.8 million on December 31, 2012. Wheeler's weighted average interest rate and term of the Company's fixed-rate debt was 5.31% and 5.61 years at December 31, 2013, compared to 5.70% and 2.57 years, respectively, at December 31, 2012.

- On December 16, 2013, Wheeler completed the initial portion of a two tranche financing when it issued \$10 million in 9% convertible and non-convertible senior notes and warrants to purchase an aggregate of 421,053 shares of Wheeler common stock. In January 2014, the Company closed on the offering and sale of an additional \$2.2 million of the 9% non-convertible senior notes and warrants to purchase shares of Wheeler common stock. The warrants issued permit investors to purchase an aggregate 227,372 shares of Wheeler common stock at an exercise price of \$4.75 per share. The warrants have five year terms and are not exercisable unless the Company obtains shareholder approval for the transaction.

2013 Dividend Distribution

- For the three month and year ended December 31, 2013, the Company has distributed approximately \$954,700 and \$2.9 million, respectively, to holders of common shares and common units.
- The Company declared \$141,400 in dividends to holders of preferred shares for the year ended December 31, 2013. The Company declares dividends on preferred shares on a quarterly basis.

Supplemental Information

Further details regarding Wheeler Real Estate Investment Trust, Inc.'s operations and financials for the period ended December 31, 2013 are available through the Company's website by visiting www.whlr.us.

About Wheeler Real Estate Investment Trust, Inc.

Headquartered in Virginia Beach, VA, the Company specializes in owning, acquiring, financing, developing, renovating, leasing and managing income producing assets, such as community centers, neighborhood centers, strip centers and free-standing retail properties. Wheeler's portfolio contains strategically selected properties, primarily leased by nationally and regionally recognized retailers of consumer goods and located in the Northeast, Mid-Atlantic, Southeast and Southwest regions of the United States. For additional information about the Company, please visit: www.whlr.us.

Financial Information

A copy of Wheeler's Annual Report on Form 10-K which includes the Company's consolidated financial statements and Management's Discussion & Analysis, will be available upon filing via the U.S. Securities and Exchange Commission website (www.sec.gov) or through Wheeler's website at www.whlr.us.

FFO is a non-GAAP financial measure within the meaning of the rules of the Securities and Exchange Commission. Wheeler considers FFO to be an important supplemental measure of its operating performance and believes it is frequently used by securities analysts, investors and other interested parties in the evaluation of REITs, many of which present FFO when reporting their results. FFO is intended to exclude GAAP historical cost depreciation and amortization of real estate and related assets, which assumes that the value of real estate assets diminishes ratably over time. Historically, however, real estate values have risen or fallen with market conditions. Because FFO excludes depreciation and amortization unique to real estate, gains and losses from property dispositions and extraordinary items, it provides a performance measure that, when compared year-over-year, reflects the impact to operations from trends in occupancy rates, rental rates, operating costs, development activities and interest costs, providing perspective not immediately apparent from net income.

Management believes that the computation of FFO in accordance with NAREIT's definition includes certain items that are not indicative of the operating performance of the Company's real estate assets. These items include, but are not limited to, non-recurring expenses, legal settlements, legal and professional fees, and acquisition costs. Management uses Core FFO, which is a non-GAAP financial measure, to exclude such items. Management believes that reporting Core FFO in addition to FFO is a useful supplemental measure for the investment community to use when evaluating the operating performance of the Company on a comparative basis. A reconciliation of non-GAAP financial measures is included in the accompanying financial tables.

Forward-Looking Statement

This press release contains forward-looking statements, including (i) discussion and analysis of our financial condition, (ii) anticipated capital expenditures required to complete projects, (iii) amounts of anticipated cash distributions to the Company's shareholders in the future (iv) the availability of financing options to other market participants and (v) other matters. These forward-looking statements are not historical facts but are the intent, belief or current expectations of management based on its knowledge and understanding of our business and industry. Forward-looking statements are typically identified by the use of terms such as "may," "will," "should," "potential," "predicts," "anticipates," "expects," "intends," "plans," "believes," "seeks," "estimates," or the negative of such terms and variations of these words and similar expressions. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements.

Forward-looking statements that were true at the time made may ultimately prove to be incorrect or false. You are cautioned to not place undue reliance on forward-looking statements, which reflect management's view only as of the date of this press release. The Company undertakes no obligation to update or revise forward-looking statements to reflect changed assumptions, the occurrence of unanticipated events or changes to future operating results. Factors that could cause actual results to differ materially from any forward-looking statements made in this press release include:

- the imposition of federal taxes if the Company fails to qualify as a REIT in any taxable year or opts to forego an opportunity to ensure REIT status;
- uncertainties related to the national economy, the real estate industry in general and in our specific markets;
- legislative or regulatory changes, including changes to laws governing REITs;
- adverse economic or real estate developments in Virginia, Florida, Georgia, South Carolina, North Carolina, New Jersey, Tennessee, or Oklahoma;
- increases in interest rates and operating costs;
- inability to obtain necessary outside financing;
- litigation risks;
- lease-up risks;
- inability to obtain new tenants upon the expiration of existing leases;
- inability to generate sufficient cash flows due to market conditions, competition, uninsured losses, changes in tax or other applicable laws; and
- the need to fund tenant improvements or other capital expenditures out of operating cash flow.

CONTACT:

-OR-

INVESTOR RELATIONS:

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The Equity Group Inc.

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**Wheeler Real Estate Investment Trust
 Consolidated Statement of Operations**

	Three Months Ended December 31,		Years Ended December 31,	
	2013	2012	2013	2012
TOTAL REVENUES	\$3,484,144	\$ 929,593	\$ 8,707,492	\$ 2,433,979
OPERATING EXPENSES:				
Property operations	745,111	186,912	1,713,957	519,220
Depreciation and amortization	1,262,058	265,700	3,466,957	822,152
Provision for credit losses	36,908	25,000	106,828	25,000
Corporate general & administrative	<u>530,873</u>	<u>519,497</u>	<u>5,297,166</u>	<u>1,307,151</u>
Total Operating Expenses	<u>2,574,950</u>	<u>997,109</u>	<u>10,584,908</u>	<u>2,673,523</u>
Operating Income (Loss)	909,194	(67,516)	(1,877,416)	(239,544)
Interest expense	<u>(909,864)</u>	<u>(372,617)</u>	<u>(2,497,810)</u>	<u>(966,113)</u>
Net Loss	(670)	(440,133)	(4,375,226)	(1,205,657)
Less: Net income/loss attributable to noncontrolling interests	<u>235,292</u>	<u>(43,880)</u>	<u>(714,972)</u>	<u>(43,880)</u>
Net Loss Attributable to Wheeler REIT	(235,962)	(396,253)	(3,660,254)	(1,161,777)
Preferred stock dividends	<u>(39,869)</u>	<u>—</u>	<u>(141,418)</u>	<u>—</u>
Net Loss Attributable to Wheeler REIT Common Shareholders	<u>\$ (275,831)</u>	<u>\$ (396,253)</u>	<u>\$ (3,801,672)</u>	<u>\$ (1,161,777)</u>
Loss per share:				
Basic and Diluted	<u>\$ (0.04)</u>	<u>\$ (0.12)</u>	<u>\$ (0.82)</u>	<u>\$ (0.35)</u>
Weighted-average number of shares:				
Basic and Diluted	<u>7,121,000</u>	<u>3,301,502</u>	<u>4,620,600</u>	<u>3,301,502</u>

**Wheeler Real Estate Investment Trust
 Balance Sheet**

	December 31,	
	2013	2012
ASSETS:		
Investment properties, net	\$101,772,335	\$43,345,665
Cash and cash equivalents	1,155,083	2,053,192
Rents and other tenant receivables, net	1,594,864	761,114
Deferred costs and other assets, net	<u>20,847,984</u>	<u>6,527,906</u>
Total Assets	<u>\$125,370,266</u>	<u>\$52,687,877</u>
LIABILITIES:		
Loans payable	\$ 94,562,503	\$31,843,503
Below market lease intangible, net	2,674,566	3,673,019
Accounts payable, accrued expenses and other liabilities	<u>2,526,388</u>	<u>938,896</u>
Total Liabilities	<u>99,763,457</u>	<u>36,455,418</u>
Commitments and contingencies	—	—
EQUITY:		
Series A preferred stock (no par value, 500,000 shares authorized, 1,809 and no shares issued and outstanding, respectively)	1,458,050	—
Common stock (\$0.01 par value, 75,000,000 and 15,000,000 shares authorized, 7,121,000 and 3,301,502 shares issued and outstanding, respectively)	71,210	33,015
Additional paid-in capital	28,169,693	14,097,453
Accumulated deficit	<u>(11,298,253)</u>	<u>(5,443,099)</u>
Total Shareholders' Equity	18,400,700	8,687,369
Noncontrolling interests	<u>7,206,109</u>	<u>7,545,090</u>
Total Equity	<u>25,606,809</u>	<u>16,232,459</u>
Total Liabilities and Equity	<u>\$125,370,266</u>	<u>\$52,687,877</u>

**Wheeler Real Estate Investment Trust
Funds From Operations (FFO)**

	Three Months Ended December 31, 2013							
	Same Stores		New Stores		Total		Period Over Period Changes	
	2013	2012	2013	2012	2013	2012	\$	%
Net income (loss)	\$ (527,842)	\$ (377,476)	\$ 527,172	\$ (62,657)	\$ (670)	\$ (440,133)	\$ 439,463	(99.85%)
Depreciation of real estate assets	123,407	96,763	1,138,651	168,937	1,262,058	265,700	996,358	374.99%
Total FFO	\$ (404,435)	\$ (280,713)	\$ 1,665,823	\$ 106,280	\$ 1,261,388	\$ (174,433)	\$ 1,435,821	(823.14%)
FFO/Share and Unit	\$ (0.04)	\$ (0.05)	\$ 0.18	\$ 0.02	\$ 0.14	\$ (0.03)	\$ 0.17	(566.67%)

	Years Ended December 31, 2013							
	Same Stores		New Stores		Total		Period Over Period Changes	
	2013	2012	2013	2012	2013	2012	\$	%
Net income (loss)	\$(2,255,740)	\$(1,143,000)	\$(2,119,486)	\$(62,657)	\$(4,375,226)	\$(1,205,657)	\$ (3,169,569)	(262.89%)
Depreciation of real estate assets	488,975	653,215	2,977,982	168,937	3,466,957	822,152	2,644,805	321.69%
Total FFO	\$(1,766,765)	\$ (489,785)	\$ 858,496	\$ 106,280	\$ (908,269)	\$ (383,505)	\$ (524,764)	(136.83%)
FFO/Share and Unit	\$ (0.27)	\$ (0.09)	\$ 0.13	\$ 0.02	\$ (0.14)	\$ (0.07)	\$ (0.07)	(50%)

**Wheeler Real Estate Investment Trust
Core Funds From Operations (Core FFO)**

	Three Months Ended December 31,		Years Ended December 31,	
	2013	2012	2013	2012
Total FFO	\$ 1,261,388	\$ (174,433)	\$ (908,269)	\$ (383,505)
Acquisition fees	677,000	—	2,102,000	—
Legal and accounting costs for acquisitions	138,000	—	754,000	567,000
Perimeter legal accrual	—	—	267,000	—
Harps legal accrual	(856,000)	—	—	—
Total Core FFO	\$ 1,220,388	\$ (174,433)	\$ 2,214,731	\$ 183,495
Core FFO/Share and Unit	\$ 0.13	\$ (0.03)	\$ 0.34	\$ 0.04



Supplemental Operating and Financial Data
for the year ended December 31, 2013

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This document contains forward-looking statements that are based on current expectations, forecasts and assumptions that involve risks and uncertainties that could cause actual outcomes and results to differ materially. These risks include, without limitation: adverse economic or real estate developments in the retail industry or the markets in which Wheeler Real Estate Investment Trust operates; defaults on or non-renewal of leases by tenants; increased interest rates and operating costs; decreased rental rates or increased vacancy rates; Wheeler Real Estate Investment Trust's failure to obtain necessary outside financing on favorable terms or at all; changes in the availability of additional acquisition opportunities; Wheeler Real Estate Investment Trust's inability to successfully complete real estate acquisitions or successfully operate acquired properties and Wheeler Real Estate Investment Trust's failure to qualify or maintain its status as a REIT. For a further list and description of such risks and uncertainties that could impact Wheeler Real Estate Investment Trust's future results, performance or transactions, see the reports filed by Wheeler Real Estate Investment Trust with the Securities and Exchange Commission, including its final prospectus relating to its initial public offering, quarterly reports on Form 10-Q and annual reports on Form 10-K. Wheeler Real Estate Investment Trust disclaims any intention or obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise.

Company Overview

Headquartered in Virginia Beach, VA, Wheeler Real Estate Investment Trust, Inc. (“Wheeler” or the “Company”) specializes in owning, acquiring, financing, developing, renovating, leasing and managing income producing assets, such as community centers, neighborhood centers, strip centers and free-standing retail properties. Wheeler’s portfolio contains strategically selected properties, primarily leased by nationally and regionally recognized retailers of consumer goods and located in the Northeastern, Mid-Atlantic, Southeast and Southwest regions of the United States. Wheeler trades publicly on the Nasdaq under the symbol “WHLR”.

Corporate Headquarters

Wheeler Real Estate Investment Trust Inc.
Riversedge North
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Virginia Beach, VA 23452
Phone: (757) 627-9088
Toll Free: (866) 203-4864
Email: info@whlr.us
Website: www.whlr.us

Executives Management

Jon S. Wheeler - Chairman & CEO
Steven M. Belote - CFO
Robin A. Hanisch - Secretary

Board of Directors

Jon S. Wheeler, Chairman	Sanjay Madhu
Christopher J. Ettel	Carl B. McGowan, Jr.
David Kelly	Ann L. McKinney
William W. King	Jeffrey M. Zwerdling

Corporate Counsel

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Transfer Agent and Registrar

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Canton, MA 02021
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Financial and Portfolio Overview

For the Year Ended December 31, 2013

Financial Results

Net loss attributable to Wheeler REIT common stockholders	(\$	3,801,672)
Net loss per basic and diluted share	(\$	0.82)
Funds from operations (FFO)	(\$	908,269)
FFO per common share and common unit	\$	0.14
Core FFO	\$	2,214,731
Core FFO per common share and common unit	\$	0.34

Assets

Investment Properties, net (less accumulated depreciation and amortization)	\$	101,772,335
Total Assets	\$	125,370,266
Total liabilities to Investment Properties, net		98.0%
Debt to Total Assets		75.4%

Market Capitalization

Common shares outstanding		7,121,000
OP units outstanding		2,072,352
Total common shares and OP units		6,514,021
Range of closing prices for the fourth quarter 2013	\$	3.83-4.48
Closing price at fourth quarter end	\$	4.28
Preferred shares		1,809
Total debt	\$	94,562,503
Market capitalization	\$	30,477,880
Debt/market capitalization		310.3%

Portfolio Summary

Total Gross Leasable Area (GLA)		1,294,572 sq. ft.
Occupancy Rate		94.0%
Annualized Base Rent	\$	11,749,798
Total number of leases signed or renewed - 2013		28
Total sq. ft. leases signed or renewed - 2013		171,706 sq. ft.

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets

	<u>December 31,</u> <u>2013</u>	<u>December 31,</u> <u>2012</u>
ASSETS:		
Investment properties, net	\$101,772,335	\$43,345,665
Cash and cash equivalents	1,155,083	2,053,192
Rents and other tenant receivables, net	1,594,864	761,114
Deferred costs and other assets, net	<u>20,847,984</u>	<u>6,527,906</u>
Total Assets	<u>\$125,370,266</u>	<u>\$52,687,877</u>
LIABILITIES:		
Loans payable	\$ 94,562,503	\$31,843,503
Below market lease intangible, net	2,674,566	3,673,019
Accounts payable, accrued expenses and other liabilities	<u>2,526,388</u>	<u>938,896</u>
Total Liabilities	<u>99,763,457</u>	<u>36,455,418</u>
Commitments and contingencies	—	—
EQUITY:		
Series A preferred stock (no par value, 500,000 shares authorized, 1,809 and no shares issued and outstanding, respectively)	1,458,050	—
Common stock (\$0.01 par value, 75,000,000 and 15,000,000 shares authorized, 7,121,000 and 3,301,502 shares issued and outstanding, respectively)	71,210	33,015
Additional paid-in capital	28,169,693	14,097,453
Accumulated deficit	<u>(11,298,253)</u>	<u>(5,443,099)</u>
Total Shareholders' Equity	18,400,700	8,687,369
Noncontrolling interests	<u>7,206,109</u>	<u>7,545,090</u>
Total Equity	<u>25,606,809</u>	<u>16,232,459</u>
Total Liabilities and Equity	<u>\$125,370,266</u>	<u>\$52,687,877</u>

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Condensed Consolidated and Combined Statements of Operations

	Three Months Ended December 31,		Year-End December 31,	
	2013	2012	2013	2012
TOTAL REVENUES	<u>\$3,484,144</u>	<u>\$ 929,593</u>	<u>\$ 8,707,492</u>	<u>\$ 2,433,979</u>
OPERATING EXPENSES:				
Property operations	745,111	186,912	1,713,957	519,220
Depreciation and amortization	1,262,058	265,700	3,466,957	822,152
Provision for credit losses	36,908	25,000	106,828	25,000
Corporate general & administrative	<u>530,873</u>	<u>519,497</u>	<u>5,297,166</u>	<u>1,307,151</u>
Total Operating Expenses	<u>2,574,950</u>	<u>997,109</u>	<u>10,584,908</u>	<u>2,673,523</u>
Operating Income (Loss)	909,194	(67,516)	(1,877,416)	(239,544)
Interest expense	<u>(909,864)</u>	<u>(372,617)</u>	<u>(2,497,810)</u>	<u>(966,113)</u>
Net Loss	(670)	(440,133)	(4,375,226)	(1,205,657)
Less: Net income (loss) attributable to noncontrolling interests	<u>235,292</u>	<u>(43,880)</u>	<u>(714,972)</u>	<u>(43,880)</u>
Net Loss Attributable to Wheeler REIT	<u>(235,962)</u>	<u>(396,253)</u>	<u>(3,660,254)</u>	<u>(1,161,777)</u>
Preferred stock dividends	<u>(39,869)</u>	<u>—</u>	<u>(141,418)</u>	<u>—</u>
Net Loss Attributable to Wheeler REIT Common Shareholders	<u>\$ (275,831)</u>	<u>\$ (396,253)</u>	<u>\$ (3,801,672)</u>	<u>\$ (1,161,777)</u>
Loss per share:				
Basic and Diluted	<u>\$ (0.04)</u>	<u>\$ (0.12)</u>	<u>\$ (0.82)</u>	<u>\$ (0.35)</u>
Weighted-average number of shares:				
Basic and Diluted	<u>7,121,000</u>	<u>3,301,502</u>	<u>4,620,600</u>	<u>3,301,502</u>

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Reconciliation of Non-GAAP Measures

FFO and Core FFO	Three Months Ended December 31,		Year-End December 31,	
	2013	2012	2013	2012
Net Loss	\$ (670)	\$(440,133)	\$(4,375,226)	\$(1,205,657)
Depreciation of real estate assets	1,262,058	265,700	3,466,957	822,152
Total FFO	1,261,388	\$(174,433)	\$ (908,269)	\$ (383,505)
Acquisition fees	677,000	—	2,102,000	—
Legal and accounting costs for acquisitions	138,000	—	754,000	567,000
Perimeter legal settlement accrual	—	—	267,000	—
Harp's legal settlement accrual	(856,000)	—	—	—
Total Core FFO	\$1,220,388	\$(174,433)	\$ 2,214,731	\$ 183,495
Total FFO per common share and common unit	\$ 0.14	\$ (0.03)	\$ (0.14)	\$ (0.07)
Total Core FFO per common share and common unit	\$ 0.13	\$ (0.03)	\$ 0.34	\$ 0.04

Property Net Operating Income	Three Months Ended December 31,		Year-End December 31,	
	2013	2012	2013	2012
Property Revenues	\$3,484,144	\$ 929,593	\$ 8,707,492	\$ 2,433,979
Property Expenses	745,111	186,912	1,713,957	519,220
Property Net Operating Income	2,739,033	742,681	6,993,535	1,914,759
Depreciation and amortization	1,262,058	265,700	3,466,957	822,152
Provision for credit losses	36,908	25,000	106,828	25,000
Corporate general & administrative	530,873	519,497	5,297,166	1,307,151
Total Other Operating Expenses	1,829,839	810,197	8,870,951	2,154,303
Interest Expense	909,864	372,617	2,497,810	966,113
Net Loss	\$ (670)	\$(440,133)	\$(4,375,226)	\$(1,205,657)

EBITDA	Three Months Ended December 31,		Year-End December 31,	
	2013	2012	2013	2012
Net Loss	\$ (670)	\$(440,133)	\$(4,375,226)	\$(1,205,657)
Add back: Depreciation and amortization	1,262,058	265,700	3,466,957	822,152
Interest Expense	909,864	372,617	2,497,810	966,113
EBITDA	\$2,171,252	\$ 198,184	\$ 1,589,541	\$ 582,608

Debt Summary

For the Year Ended December 31, 2013

Loans Payable: \$94.6 million

Weighted Average Interest Rate: 5.31%

Total Debt Maturities to Total Assets: 75.4%

Maturities by Year	Amount	% Total Maturities
2014	\$ 6,423,955	6.8%
2015	16,072,979	17.0%
2016	13,823,136	14.6%
2017	2,586,427	2.7%
2018	16,553,214	17.5%
Thereafter	39,102,792	41.4%
Total principal maturities	\$94,562,503	100.0%

Property/Description	Monthly Payment	Interest Rate	Debt Maturity	December 31,	
				2013	2012
Shoppes at Eagle Harbor	\$ 24,692	4.34%	March 2018	\$ 3,905,321	\$ —
Lumber River Plaza	\$ 18,414	5.65%	May 2015	2,973,987	3,050,117
Monarch Bank Building	\$ 9,473	4.15%	December 2017	1,483,230	1,533,346
Perimeter Square	\$ 28,089	6.38%	June 2016	4,417,812	4,537,456
Riversedge North	\$ 13,556	6.00%	January 2019	2,061,790	2,098,138
Walnut Hill Plaza	\$ 25,269	6.75%	April 2014	3,464,465	3,528,232
Harps at Harbor Point	\$ 18,122	3.99%	December 2015	3,335,628	3,416,550
Twin City Commons	\$ 17,827	4.86%	January 2023	3,330,108	3,375,000
Shoppes at TJ Maxx	\$ 33,880	3.88%	May 2020	6,409,077	—
Bixby Commons	Interest only	2.77%	June 2018	6,700,000	—
Bank Line of Credit	Interest only	4.50%	May 2014	2,000,000	—
Forrest Gallery	\$ 50,973	5.40%	September 2023	9,075,000	—
Jenks Reasors	Interest only	4.25%	September 2016	8,550,000	—
Tampa Festival	\$ 50,797	5.56%	September 2023	8,859,888	—
Starbucks/Verizon	\$ 7,405	6.50%	April 2023	621,197	—
Winslow Plaza	Interest only	5.22%	December 2015	5,000,000	—
Senior convertible notes	Interest only	9.00%	December 2018	6,000,000	—
Senior non-convertible notes	Interest only	9.00%	December 2015	4,000,000	—
South Carolina Food Lions Note	Interest only	5.25%	January 2024	12,375,000	—
Shoppes at Eagle Harbor	\$ 30,863	6.20%	February 2013	—	3,904,664
Shoppes at TJ Maxx	Interest only	6.00%	April 2013	—	6,400,000
Total Loans Payable				\$94,562,503	\$31,843,503

Acquisitions and Development Projects

For the year ended December 31, 2013

Acquisitions

Property	Location	Year Built/ Renovated	Total GLA (sq. ft.)	Acquisition Date	Price Sq. Ft	Acquisition Value
Bixby Commons	Bixby, OK	2012	75,000	June 11	\$141.33	\$ 10.6 mil
Forrest Gallery	Tullahoma, TN	1987	214,451	Aug. 29	\$ 53.63	\$ 11.5 mil
Jenks Plaza	Jenks, OK	2007	7,800	Dec. 17	\$224.36	\$ 1.8 mil
Jenks Reasor's	Jenks, OK	2011	81,000	Sept. 25	\$140.74	\$ 11.4 mil
Starbucks/Verizon	Virginia Beach, VA	1985/2012	5,600	Oct. 21	\$250.00	\$ 1.4 mil
Tampa Festival	Tampa, FL	1965/2009/2012	137,987	Aug. 26	\$ 86.24	\$ 11.9 mil
Winslow Plaza	Sicklerville, NJ	1990/2009	40,695	Dec. 19	\$162.18	\$ 6.6 mil
Portfolio (5 Grocery-Anchored Shopping Centers)				Dec. 23	\$ 60.76	\$ 15.8 mil
Clover Plaza	Clover, SC	1990	45,575			
South Square	Lancaster, SC	1992	44,350			
St. George's Plaza	St. George, SC	1982	59,279			
Waterway Plaza	Little River, SC	1991	49,750			
Westland Square	West Columbia, SC	1986/1994	62,735			
Total			824,222		\$ 86.14	\$ 71.0 mil

Development Projects

(as of December 31, 2013)

Property	Location	GLA	Completion	Estimated		% GLA Committed
				Carrying Cost	Cost to Complete	
n/a						

Portfolio Summary

(as of December 31, 2013)

Property	Location	Year Built/ Renovated	Net Rentable Square Feet	Number of Tenants	Percentage Leased	Annualized Base Rent	Annualized Base Rent per Leased Sq. Foot
Amscot	Tampa, FL	2004	2,500	1	100.0%	\$ 101,395	\$ 40.56
Bixby Commons	Bixby, OK	2012	75,000	1	100.0%	768,500	10.25
Clover Plaza	Clover, SC	1990	45,575	10	100.0%	352,765	7.74
Forrest Gallery	Tullahoma, TN	1987	214,451	24	90.5%	1,143,267	5.89
Harps	Grove, OK	2012	31,500	1	100.0%	364,432	11.57
Jenks Plaza	Jenks, OK	2007	7,800	5	100.0%	143,611	18.41
Jenks Reasors	Jenks, OK	2011	81,000	1	100.0%	912,000	11.26
Lumber River Village	Lumberton, NC	1985/1997- 98 (expansion)/ 2004	66,781	12	100.0%	526,846	7.89
Monarch Bank	Virginia Beach, VA	2002	3,620	1	100.0%	250,757	69.27
Perimeter Square	Tulsa, OK	1982-1983	58,277	8	95.7%	708,055	12.70
Riversedge North	Virginia Beach, VA	2007	10,550	1	100.0%	291,372	27.62
Shoppes at TJ Maxx	Richmond, VA	1982/1999	93,552	15	88.8%	922,490	11.11
South Square	Lancaster, SC	1992	44,350	5	89.9%	317,309	7.96
Starbucks/ Verizon	Virginia Beach, VA	1985/2012	5,600	2	100.0%	198,854	35.51
St. George Plaza	St. George, SC	1982	59,279	6	85.8%	357,175	7.03
Surrey Plaza	Hawkinsville, GA	1993	42,680	5	100.0%	292,486	6.85
Tampa Festival	Tampa, FL	1965/2009/ 2012	137,987	22	100.0%	1,222,859	8.86
Eagle Harbor	Carrollton, VA	2009	23,303	6	94.5%	416,261	18.91
Twin City Commons	Batesburg- Leesville, SC	1998/2002	47,680	5	100.0%	450,796	9.45
Walnut Hill Plaza	Petersburg, VA	1959/2006/ 2008	89,907	11	82.7%	575,462	7.74
Waterway Plaza	Little River, SC	1991	49,750	9	97.6%	436,965	9.00
Westland Square	West Columbia, SC	1986/1994	62,735	6	83.1%	414,086	7.94
Winslow Plaza	Sicklerville, NJ	1990/2009	40,695	16	94.1%	582,055	15.20
Total			<u>1,294,572</u>	<u>173</u>	<u>94.0%</u>	<u>\$11,749,798</u>	<u>\$ 9.65</u>

Top Ten Tenants by Annualized Base Rent

(as of December 31, 2013)

Total Tenants : 173

Tenants	Total Net Rentable Square Feet	% of Total Net Rentable Square Feet	Annualized Base Rent (\$ in 000s)	% of Total Annualized Base Rent	Base Rent Per Leased Square Foot
1. Food Lion	179,798	13.89%	\$ 1,161	9.88%	\$ 6.46
2. Reasor's Foods	81,000	6.26%	912	7.76%	11.26
3. Associated Wholesale Grocers	75,000	5.79%	769	6.54%	10.25
4. Family Dollar	57,427	4.44%	359	3.06%	6.25
5. Kroger	48,780	3.77%	279	2.37%	5.72
6. Winn Dixie	45,600	3.52%	239	2.03%	5.24
7. Bi-Lo	41,980	3.24%	357	3.04%	8.50
8. Peebles	32,680	2.52%	173	1.47%	5.29
9. TJ Maxx	32,400	2.50%	294	2.50%	9.07
10. Harvey's Supermarket	29,000	2.24%	187	1.59%	6.45
	<u>623,665</u>	<u>48.17%</u>	<u>\$ 4,730</u>	<u>40.24%</u>	<u>\$ 7.58</u>

Leasing Summary

(as of December 31, 2013)

Gross Leasable Area: 1,294,572 square feet
 Total Square Footage Leased: 1,217,124 square feet
 Occupancy Rate: 94.0%

Lease Expiration Schedule

Year	Number of Expiring Leases	Total Expiring Net Rentable Square Footage	% of Total Expiring Net Rentable Square Footage	Expiring Base Rent (in 000s)	% of Total Base Rent	Expiring Base Rent Per Leased Square Foot
Available	—	77,448	5.98%	\$ —	—	\$ —
2014	27	58,991	4.56%	682	5.80%	11.56
2015	31	144,564	11.17%	1,350	11.49%	9.34
2016	34	172,378	13.32%	1,613	13.73%	9.36
2017	27	179,382	13.86%	1,800	15.32%	10.03
2018	25	316,536	24.45%	2,365	20.13%	7.47
2019	11	72,219	5.58%	700	5.96%	9.69
2020	6	17,774	1.37%	351	2.99%	19.75
2021	1	41,980	3.24%	357	3.04%	8.5
2022	3	12,985	1.00%	275	2.34%	21.18
2023 and thereafter	8	200,315	15.47%	2,257	19.20%	11.31
		<u>1,294,572</u>	<u>100.00%</u>	<u>\$ 11,750</u>	<u>100.00%</u>	<u>\$ 9.65</u>

Definitions

Funds from Operations (FFO): an alternative measure of a REIT's operating performance, specifically as it relates to results of operations and liquidity. FFO is a measurement that is not in accordance with accounting principles generally accepted in the United States ("GAAP"). Wheeler computes FFO in accordance with standards established by the Board of Governors of NAREIT in its March 1995 White Paper (as amended in November 1999 and April 2002). As defined by NAREIT, FFO represents net income (computed in accordance with GAAP), excluding gains (or losses) from sales of property, plus real estate related depreciation and amortization (excluding amortization of loan origination costs) and after adjustments for unconsolidated partnerships and joint ventures.

Most industry analysts and equity REITs, including Wheeler, consider FFO to be an appropriate supplemental measure of operating performance because, by excluding gains or losses on dispositions and excluding depreciation, FFO is a helpful tool that can assist in the comparison of the operating performance of a company's real estate between periods, or as compared to different companies. Management uses FFO as a supplemental measure to conduct and evaluate the business because there are certain limitations associated with using GAAP net income alone as the primary measure of our operating performance. Historical cost accounting for real estate assets in accordance with GAAP implicitly assumes that the value of real estate assets diminishes predictably over time, while historically real estate values have risen or fallen with market conditions.

Core FFO: Management believes that the computation of FFO in accordance with NAREIT's definition includes certain items that are not indicative of the operating performance of the Company's real estate assets. These items include, but are not limited to, non-recurring expenses, legal settlements and acquisition costs. Management uses Core FFO, which is a non-GAAP financial measure, to exclude such items. Management believes that reporting Core FFO in addition to FFO is a useful supplemental measure for the investment community to use when evaluating the operating performance of the Company on a comparative basis.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA): another widely-recognized non-GAAP financial measure that the Company believes, when considered with financial statements prepared in accordance with GAAP, is useful to investors and lenders in understanding financial performance and providing a relevant basis for comparison among other companies, including REITs. While EBITDA should not be considered as a substitute for net income attributable to the Company's common shareholders, net operating income, cash flow from operating activities, or other income or cash flow data prepared in accordance with GAAP, the Company believes that EBITDA may provide additional information with respect to the Company's performance or ability to meet its future debt service requirements, capital expenditures and working capital requirements. The Company computes EBITDA by excluding interest expense, net loss attributable to noncontrolling interest, and depreciation and amortization, from income from continuing operations.

Net Operating Income (NOI): Wheeler believes that NOI is a useful measure of the Company's property operating performance. The Company defines NOI as property revenues (rental and other revenues) less property and related expenses (property operation and maintenance and real estate taxes). Because NOI excludes general and administrative expenses, depreciation and amortization, interest expense, interest income, provision for income taxes, gain or loss on sale or capital expenditures and leasing costs, it provides a performance measure, that when compared year over year, reflects the revenues and expenses directly associated with owning and operating commercial real estate properties and the impact to operations from trends in occupancy rates, rental rates and operating costs, providing perspective not immediately

apparent from net income. The Company uses NOI to evaluate its operating performance since NOI allows the Company to evaluate the impact of factors, such as occupancy levels, lease structure, lease rates and tenant base, have on the Company's results, margins and returns. NOI should not be viewed as a measure of the Company's overall financial performance since it does not reflect general and administrative expenses, depreciation and amortization, involuntary conversion, interest expense, interest income, provision for income taxes, gain or loss on sale or disposition of assets, and the level of capital expenditures and leasing costs necessary to maintain the operating performance of the Company's properties. Other REITs may use different methodologies for calculating NOI, and accordingly, the Company's NOI may not be comparable to that of other REITs.