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# SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

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## FORM 8-K

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**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): August 15, 2014**

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# WHEELER REAL ESTATE INVESTMENT TRUST, INC.

(Exact name of registrant as specified in its charter)

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**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**

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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 8.01 OTHER EVENTS.****On August 15, 2014, the Registrant entered into the following agreements and acquired three development properties:**

On August 15, 2014, the Registrant, through WD-III Associates, LLC, a Virginia limited liability company ("WD-III") and a wholly owned subsidiary of Wheeler REIT, L.P., a Virginia limited partnership ("Wheeler REIT") of which the Registrant is the sole general partner, entered into a Purchase and Sale Agreement, dated August 15, 2014, between WD-III, as buyer, and DF I-Edenton, LLC, a Virginia limited liability company ("DF Edenton") and LEMHG #3, a North Carolina limited liability company ("LEMHG"), as sellers, for the purchase of a development property located in Edenton, North Carolina, commonly known as Edenton Commons, for the sales price of Two Million Three Hundred Ninety-Five Thousand and 00/100 Dollars (\$2,395,000), which includes the assumption of debt. As of August 15, 2014, WD-III closed the transaction and acquired Edenton Commons for \$2,395,000.

Jon Wheeler, the Registrant's Chairman and Chief Executive Officer, is the managing member of WD-III, DF Edenton and LEMHG. No other director, officer or affiliate of the Registrant is affiliated with WD-III, DF Edenton or LEMHG.

On August 15, 2014, Wheeler REIT, entered into a Membership Interest Purchase and Sale Agreement, dated August 15, 2014, between Wheeler REIT, as buyer, and Development Fund I, LLC, a Virginia limited liability company ("Development Fund") as seller, for all of the membership interests of DF I – Courtland, LLC, a Virginia limited liability company ("DF Courtland"), and DF I – Moyock II, LLC, a Virginia limited liability company ("DF Moyock"), both of which Development Fund was the sole member, for One Million One Hundred Eighteen Thousand Three Hundred Eighteen and 57/100 Dollars (\$1,118,318.57) plus the assumption of debt for a total purchase price of for One Million Eight Hundred One Thousand Nine Hundred Eighteen and 57/100 Dollars (\$1,801,918.57). DF Courtland owns a development property known as Courtland Commons located in Courtland, Virginia. DF Moyock owns a development property known as Tull's Creek located in Moyock, North Carolina.

Jon Wheeler, the Registrant's Chairman and Chief Executive Officer, is the managing member of Development Fund, DF Courtland and DF Moyock and Ann L. McKinney, a director of the Registrant, is an investor in Development Fund. No other director, officer or affiliate of the Registrant is affiliated with Development Fund, DF Courtland or DF Moyock.

On August 19, 2014, the Registrant issued a press release announcing the acquisition of Edenton Commons, Tull's Creek and Courtland Commons. A copy of the press release is included as an exhibit to this Current Report on Form 8-K.

**ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

- (a) Financial statement of businesses acquired.

Not applicable.

- (b) Pro forma financial information.

Not applicable.

- (c) Shell company transactions.

Not Applicable.

- (d) Exhibits.

99.1 Purchase and Sale Agreement, dated August 15, 2014, between WD-III, as purchaser, and DF Edenton and LEMGH, as sellers.

99.2 Membership Interest Purchase and Sale Agreement, dated August 15, 2014, between Wheeler REIT, as purchaser, and Development Fund, as seller.

99.3 Press release, dated August 19, 2014, announcing the Registrant's acquisition of Edenton Commons, Tull's Creek and Courtland Commons.

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Pursuant to the requirements of the Securities and Exchange Act of 1934, the Registrant 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: August 21, 2014

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## EXHIBIT INDEX

<u>Number</u>	<u>Description of Exhibit</u>
99.1	Purchase and Sale Agreement, dated August 15, 2014, between WD-III, as purchaser, and DF Edenton and LEMGH, as sellers.
99.2	Membership Interest Purchase and Sale Agreement, dated August 15, 2014, between Wheeler REIT, as purchaser, and Development Fund, as seller.
99.3	Press release, dated August 19, 2014, announcing the Registrant's acquisition of Edenton Commons, Tull's Creek and Courtland Commons.

STATE OF NORTH CAROLINA            §  
   §  
 COUNTY OF CHOWAN                   §

**PURCHASE AND SALE AGREEMENT**

THIS PURCHASE AND SALE AGREEMENT (“Agreement”), made and entered into as of the 15<sup>th</sup> day of August, 2014 (“Effective Date”), by and between DF I-EDENTON, LLC, a Virginia limited liability company (“DF-I”) and LEMHG #3, LLC, a North Carolina limited liability company (“LEMHG;” with DF-I and LEMHG are collectively referred to herein as the “Seller”), and WD-III ASSOCIATES, LLC, a Virginia limited liability company (“Buyer”), provides as follows:

**Recitals:**

A. Seller is the owner of a certain parcel of undeveloped land containing approximately 45.59 acres located in Chowan County, North Carolina (the “Griffin parcel”) described on Exhibit A (each of DF-I and LEMHG owning an undivided one-half interest) and DF-I as the owner of a certain parcel of undeveloped land containing approximately 8.23 acres abutting the Griffin Parcel (the “Hollowell Parcel”) also described on Exhibit A.

B. Seller has agreed to sell, and Buyer has agreed to purchase, the Griffin Parcel and DF-I has agreed to sell and Buyer has agreed to purchase the Hollowell Parcel (the Griffin Parcel and the Hollowell Parcel are together referred to below as the “Property”).

**Agreement:**

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged and which includes the mutual promises of the parties, the parties agree as follows:

1. *Property.* Seller agrees to sell the Property to Buyer, and Buyer agrees to purchase the Property from Seller. The Property includes all strips, gores, easements, privileges, rights-of-way, riparian and other water rights, rights to lands underlying any adjacent streets or roads, and other tenements, hereditaments and appurtenances, if any, pertaining to or accruing to the benefit of the Property.

2. *Purchase Price.* The purchase price (“Purchase Price”) for the Property is TWO MILLION THREE HUNDRED NINETY-FIVE THOUSAND AND NO/100 DOLLARS (\$2,395,000.00).

3. *Closing.* The purchase of the Property will be closed (“Closing”) on or before August 15, 2014. The Closing will be held at 10:00 A.M. local time in the offices of Kaufman & Canoles, Norfolk, Virginia, unless otherwise agreed upon by the parties. The Purchase Price shall be paid at closing by Buyer’s assumption of (a) the existing loan (the “Loan”) to Seller from the Bank of Hampton Roads (the “Lender”) in the original principal amount of \$2,394,902.07, which Loan is evidenced by the promissory note of Seller dated October 2, 2013, as modified, amended and restated by Promissory Note dated June 5, 2014, in the original principal amount of \$2,394,902.07, a copy of which is attached hereto as Exhibit C-1 and is secured by two Deeds of Trust and Assignment of All Rents encumbering the Property, one Deed of Trust and

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Assignment encumbering the Griffin Parcel and the other Deed of Trust and Assignment encumbering the Hollowell Parcel and (b) the Owner loans to Seller from DF-I Edenton, LLC in the principal amount of \$245,000.00.

4. *Earnest Money Deposit.* There shall be not earnest money deposit.

5. *Title and Survey.* Seller will convey title to the Property to Seller by Special Warranty Assumption Deed, the form of which is attached as Exhibit B, subject only to the matters listed as part of the Special Warranty Deed. The Special Warranty Assumption Deed shall provide that Buyer assumes Seller's obligations and liabilities under the Loan and all documents evidencing and securing the Loan, including, but not limited to, the Note, the two Deeds of Trust and the two Assignments of All Rents.

6. *Closing Costs; Settlement Adjustments.*

- 6.1. Buyer shall pay any North Carolina transfer tax with respect to the transfer of title to the Property.
- 6.2. Buyer shall be responsible for the payment of the title insurance premiums, its attorneys' fees, any financing costs, and the cost of recording the title instruments and any financing documents.
- 6.3. Seller shall be responsible for all delinquent or deferred real estate property taxes applicable to the Property, including any interest or penalties. All other current year real estate property taxes for the Property shall be assumed and paid by Buyer.
- 6.4. Seller shall be responsible for all governmental assessments confirmed as of the Closing, and Buyer shall be responsible for any such assessments or dues confirmed thereafter. Any current year owner's association dues shall be prorated as of the date of Closing on a calendar year basis.

7. *Seller's Representations and Warranties.* Seller represents and warrants to Buyer that as of the Effective Date and as of the Closing:

- 7.1. This Agreement has been duly executed and delivered by the Seller, constitutes the valid and binding obligation of the Seller, and is enforceable against the Seller in accordance with its terms.
- 7.2. To the best of Seller's knowledge, there are no pending, threatened or contemplated condemnation actions involving all or any portion of the Property, and Seller has received no notice of any such action.
- 7.3. Seller has received no notice of and to the best of Seller's knowledge there is no pending litigation involving Seller or the Property which would in any way (i) be binding upon the Buyer and materially and adversely limit the Buyer's full use and enjoyment of the Property, or (ii) limit or restrict Seller's right or ability to enter into this Agreement and consummate the transactions contemplated under this Agreement.

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- 7.4. DF-I is duly organized and validly existing under the laws of the Commonwealth of Virginia, with full power and authority to enter into the transactions set forth in this Agreement. LEMHG is duly organized and validly existing under the laws of the State of North Carolina with full power and authority to enter into the transactions set forth in this Agreement. Upon request by Buyer, each Seller shall supply to Buyer a true and complete copy of resolutions or organizational documents as shall be reasonably necessary to provide evidence that Seller is properly organized and that Seller's constituent officers or partners are authorized to execute all the documents contemplated by this Agreement.
  - 7.5. Seller will not apply for or consent to any zoning or rezoning of the Property without Buyer's prior written consent.
  - 7.6. To the best of Seller's knowledge, without independent investigation or inquiry, and except to the extent otherwise disclosed or in any environmental report or study delivered by Seller to Buyer prior to Closing: (a) Seller has not received written notice from any governmental authority relating to an existing violation of the Property under any applicable environmental law; (b) Seller has not caused, and there has not otherwise occurred during the period of Seller's ownership of the Property, any discharge of hazardous materials on or from the Property in violation of any applicable environmental law; and (c) there occurred no discharge of hazardous materials on or from the Property in violation of any applicable law prior to Seller's ownership if the Property.
    - 7.6.1. The term "applicable environmental law" means any law, statute, code, rule, or regulation of the United States, the State of North Carolina, and all local governmental or regulatory authorities exercising jurisdiction over Seller or the Property, pertaining to prohibition or regulation of hazardous or toxic wastes or materials, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) and the Superfund Amendments and Reauthorization Act (SARA) (42 U.S.C. Section 9601, et seq.), as amended from time to time.
  - 7.7. Seller is not a "foreign person" within the meaning of Section 1445 of the Internal Revenue Code of 1954 as amended.

Closing:

8. *Buyer's Representations and Warranties.* Buyer represents and warrants to Seller that as of the Effective Date and as of the Closing:
  - 8.1. This Agreement has been duly executed and delivered by the Buyer, constitutes the valid and binding obligation of the Buyer, and is enforceable against the Buyer in accordance with its terms.
  - 8.2. Buyer is duly organized and validly existing under the laws of the place of its formation with full power and authority to enter into the transactions set forth in

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this Agreement. Upon request by Seller, Buyer shall supply to Seller a true and complete copy of resolutions and organizational documents as shall be reasonably necessary to provide evidence that Buyer is properly organized and that Buyer's constituent officers or partners are authorized to execute all the documents contemplated by this Agreement.

- 8.3. Buyer has not filed a petition or an answer seeking reorganization or an arrangement with creditors or to take advantage of any insolvency or bankruptcy law.

9. *Conditions to Closing.*

- 9.1. The obligations of the Buyer hereunder are subject to the satisfaction at or prior to Closing of the following conditions and upon each of the factual statements set forth below being true:
- 9.1.1. The Seller shall have performed and complied with all terms and conditions required by this Agreement to be performed or complied with by the Seller prior to or at Closing.
  - 9.1.2. The representations and warranties of Seller contained in this Agreement shall be true and correct on the date of Closing.
  - 9.1.3. There shall be no encumbrances or other defects in the title to the Property other than the Permitted Exceptions.
  - 9.1.4. The Lender shall have approved the conveyance of the Property to Buyer and Buyer's assumption of the Loan and Buyer shall have received confirmation that no default or occurrence which with the passage of time or giving of notice, or both, would be a default exists under the Loan.
- 9.2. The obligations of the Seller hereunder are subject to the satisfaction at or prior to Closing of the following conditions and upon each of the factual statements set forth below being true:
- 9.2.1. The Buyer shall have performed and complied with all terms and conditions required by this Agreement to be performed or complied with by the Buyer prior to or at Closing.
  - 9.2.2. The representations and warranties of Buyer contained in this Agreement shall be true and correct on the date of Closing.

10. *Seller's Obligations at Closing.* Seller shall deliver to Buyer the following at Closing:

- 10.1. An executed counterpart of a settlement statement showing the Purchase Price and all credits, allocations, prorations and other financial adjustments between the parties as set forth in this Agreement ("Settlement Statement").



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- 10.2. The executed and acknowledged Special Warranty Assumption Deed to the Property.
  - 10.3. A duly executed lien affidavit sufficient to permit the Title Company to issue its title policy without exception for unpaid laborers' and materialmen's liens.
  - 10.4. A certificate given under penalty of perjury and on a form approved under regulations promulgated under Section 1445 of Internal Revenue Code of 1954 as amended, that Seller is not a foreign person.
  - 10.5. Such other documents and instruments which may be necessary for the consummation of the transactions contemplated by this Agreement as may be reasonably requested by Buyer or Buyer's counsel.

11. *Buyer's Obligations at Closing.* Buyer shall deliver the following to the Seller at Closing:

- 11.1. An executed counterpart of the Settlement Statement.
- 11.2. The executed and acknowledged Special Warranty Assumption Deed to the Property pursuant to which Buyer will assume Seller's obligations to repay the Loan.
- 11.3. Such other documents and instruments which may be necessary for the consummation of the transactions contemplated by this Agreement as may be reasonably requested by Seller or Seller's counsel.

12. *Risk of Loss.* Risk of loss prior to Closing shall be on Seller and Seller shall provide notice to Buyer promptly after the occurrence of any loss of or damage to the Property.

13. *Eminent Domain.* If, prior to Closing, more than five percent (5%) of the Property is taken by eminent domain, or if such condemnation proceedings are commenced, Buyer shall have the option, by written notice to Seller, to terminate this Agreement. If Buyer does not elect to terminate this Agreement then (i) this Agreement shall remain in full force and effect, (ii) Seller shall assign, transfer and set over to Buyer at the Closing all of Seller's right, title and interest in and to the eminent domain proceedings and any awards that may be made for such taking (including any funds which Seller may have received for such condemnation prior to Closing), and (iii) after Closing, Buyer shall be solely responsible, at its cost, for litigating any eminent domain proceedings that have not been completed prior to Closing.

14. *Brokerage Commissions.* Seller and Buyer represent and warrant each to the other that they have not dealt with any broker or realtor in connection with this transaction.

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15. *Default and Remedies.*

- 15.1. If Seller fails to perform any of the terms and conditions of this Agreement or is otherwise in default under this Agreement, then Buyer, at Buyer's sole option and as its sole remedies, may elect to:
  - 15.1.1. Waive the default or failure and close "as is"; or
  - 15.1.2. Terminate this Agreement by written notice to Seller given on or before the date of Closing, in which event Buyer shall be entitled to recover the Deposit, in which case both parties shall be released from all further obligations under this Agreement except for those obligations that specifically survive termination of this Agreement; or
  - 15.1.3. Seek specific performance of Seller's obligations under this Agreement.
- 15.2. If Buyer fails to perform any of the terms and conditions of this Agreement or is otherwise in default under this Agreement, then Seller, as its sole remedy, shall receive the Deposit as agreed and liquidated damages for the breach, whereupon the parties shall be relieved of all further obligations under this Agreement except for Buyer's indemnity obligations which survive termination of this Agreement.
- 15.3. If either party is in breach of its representations or warranties, and such breach is not disclosed by the breaching party to the other party in writing prior to Closing, then the other party shall have whatever rights or remedies are available against the breaching party at law or equity.
- 15.4. In no event shall either party be liable to the other party for consequential or punitive damages.
- 15.5. In the event either party brings any legal action to enforce its rights against the other party, then the prevailing party shall be entitled to recover from the other party all legal costs (including reasonable attorneys fees at all tribunal levels).

16. *Assignment.*

- 16.1. Neither party shall assign this Agreement without the prior written consent of the other; provided that, Buyer may assign its right to take title under this Agreement to another entity owned or controlled by Buyer or the principal owners of Buyer, but Buyer shall not be relieved of its obligations under this Agreement.

17. *Miscellaneous.*

- 17.1. Notices. All notices under this Agreement shall be given in writing and shall be: (a) delivered against a written receipt of delivery, (b) mailed by registered or certified mail of the United States Postal Service, return receipt requested, postage prepaid, (c) delivered to a nationally recognized overnight courier service for next business day delivery, or (d) delivered via telecopier or facsimile transmission to the facsimile number listed below, provided, however, that if such notice is given via telecopier or facsimile transmission, an original counterpart of such communication shall concurrently be sent in either the manner specified in the clause (b) or (c) above. Each such notice, demand or request, shall be deemed to have been given upon the earlier of (i) actual receipt or refusal by the addressee or (ii) three days after deposit thereof in any main office or branch office of the

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United States Post Office if sent in accordance with clause (b) above, or (iii) one day after the deposit thereof with a courier if sent pursuant to clause (c) above. Notices shall be directed as follows:

TO BUYER:     WD-III Associates, LLC  
                  Attn: Jon S. Wheeler  
                  Riversedge North  
                  2529 Virginia Beach Blvd., Suite 200  
                  Virginia Beach, VA 23452

TO SELLER:     DF I-Edenton, LLC  
                  LEMHG ##, LLC  
                  Attn: Jon S. Wheeler  
                  Riversedge North  
                  2529 Virginia Beach Blvd., Suite 200  
                  Virginia Beach, VA 23452

Notices may be given on behalf of any party by its legal counsel. Either party may, from time to time, by notice as herein provided, designate a different address to which notice to it shall be sent.

- 17.2. Knowledge. The phrases “to the best of Seller’s knowledge,” “to Seller’s knowledge,” “to Seller’s actual knowledge,” “Seller has no knowledge of,” and similar phrases shall mean the actual, and not constructive, current knowledge of Jon S. Wheeler; and shall not impose any requirement upon such individuals to undertake any independent investigation or inquiry.
- 17.3. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.
- 17.4. Entire Agreement. This instrument and any exhibits and addenda hereto contain the entire understanding and agreement by and between the parties and all prior or contemporaneous oral or written agreements or instruments are merged herein and no amendment to this Agreement shall be effective unless the same is in writing and signed by the parties hereto. There are no representations, warranties or undertakings given or made by either party hereto except as set forth herein or in any instrument delivered pursuant hereto.
- 17.5. Survival. The indemnity obligations of the parties set forth in this Agreement shall survive termination of this Agreement and Closing. The representations and warranties of the parties shall survive for a period of one (1) year after Closing. All obligations of the parties which are required to be performed by a party after Closing under the terms of this Agreement, including all obligations regarding the Development Obligations, shall survive closing.
- 17.6. Binding Effect. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto and their respective permitted successors and assigns.

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- 17.7. Captions and Headings. The captions and headings throughout this Agreement are for convenience and reference only and the words contained therein shall in no way be held to define or add to the interpretation, construction or meaning of any provision of this Agreement.
- 17.8. Counterpart Originals. This Agreement may be executed in separate counterparts with multiple originals.
- 17.9. Time. Time periods under this Agreement shall be computed by excluding the starting day and including the ending day of the period. The term “business day” shall mean any day that is not a Saturday, Sunday or a day in which the North Carolina courts or federal banks are closed. When any date for taking action does not fall on a business day, then the time for taking such action will be extended to the next business day. Time is of the essence with respect to the rights and obligations created under this Agreement.

**[Signature Page Follows]**

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IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed and sealed as of the Effective Date.

Seller:

DF I – EDENTON, LLC, a Virginia limited liability company

By: Development Fund I, LLC, its sole member

By: DF I Management, LLC, its manager

By: /s/ Jon S. Wheeler

Jon S. Wheeler, Manager

LEMHG #3, LLC, a North Carolina limited liability company

By: GEMC, LLC, manager

By: /s/ Jon S. Wheeler

Jon S. Wheeler, Sole Member

Buyer:

WD-III ASSOCIATES, LLC, a Virginia limited liability company

By: Wheeler REIT, L.P., sole member

By: Wheeler Real Estate Investment Trust, Inc.,  
general partner

By: /s/ Jon S. Wheeler

Jon S. Wheeler, CEO

**MEMBERSHIP INTEREST PURCHASE AND SALE AGREEMENT**

**BETWEEN**

**DEVELOPMENT FUND I, LLC,**

**AS SELLER,**

**AND**

**WHEELER REIT, L.P.,**

**AS BUYER**

**DATE: AS OF AUGUST 15, 2014**

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## MEMBERSHIP INTEREST PURCHASE AND SALE AGREEMENT

**THIS MEMBERSHIP INTEREST PURCHASE AND SALE AGREEMENT** (this "Agreement") is made as of the 15th day of August, 2014 (the "Effective Date") by and between **DEVELOPMENT FUND I, LLC**, a Virginia limited liability company (the "Seller"), and **WHEELER REIT, L.P.**, a Virginia limited partnership (or its assignee pursuant to Section 9.1) (the "Buyer").

### RECITALS

A. Seller is the owner of all of the membership interests (the "Courtland Membership Interests") of the limited liability company organized in Virginia and known as DF I – Courtland, LLC ("Courtland").

B. Seller is the owner of all of the membership interests (the "Moyock Membership Interests" and collectively with the Courtland Membership Interests, the "Membership Interests") of DF I – Moyock II, LLC ("Moyock" and collectively with Courtland, the "Companies").

C. Courtland is the owner of certain real property located in Courtland, Virginia, identified as LOT 2 (43,898 SQ FT) (1.008 ACRES) on the plat entitled "SUBDIVISION PLAT OF COURTLAND COMMERCIAL CENTER TOWN OF COURTLAND, FRANKLIN MAGISTERIAL DISTRICT SOUTHAMPTON COUNTY, VIRGINIA" dated December 13, 2007, prepared by Midgette & Associates, P.C. and recorded in the Clerk's Office of the Circuit Court of Southampton County, Virginia in Plat Book 31, at page 134; and Moyock is the owner of certain real property located at 100 Currituck Commercial Drive, Moyock, North Carolina, (together, the "Real Properties");

D. The Membership Interests represent all of the economic benefits of, and all of the voting, management and other rights with respect to, each Company.

E. Seller has agreed to sell and Buyer has agreed to buy the Membership Interests for the price and upon the terms set forth in this Agreement.

### **ARTICLE 1** **PURCHASE AND SALE**

Section 1.1. Agreement of Purchase and Sale. Subject to the terms and conditions hereinafter set forth, on the Closing Date (as defined in Section 4.1), Seller agrees to sell, assign, and transfer to Buyer, and Buyer agrees to purchase, assume, acquire and accept from Seller, the Membership Interests, whether represented by certificates or otherwise, by execution and delivery of the Transfer Powers (as defined in Section 4.2 below) from Seller to Buyer.

Section 1.2. Consideration. Seller is to sell and assign, and Buyer is to acquire and assume, the Membership Interests for the sum of ONE MILLION ONE HUNDRED EIGHTEEN THOUSAND THREE HUNDRED EIGHTEEN AND 57/100 DOLLARS (\$1,118,318.57) (the "Purchase Price").

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Section 1.3. Method of Payment. The Purchase Price shall be payable by Buyer in immediately available funds as follows: \$618,318.57 shall be paid at "Closing" (defined below); \$250,000 shall be paid on or before December 31, 2014 and \$250,000 shall be paid on or before March 31, 2015.

**ARTICLE 2**  
**DUE DILIGENCE INVESTIGATION**

Section 2.1. Delivery of Due Diligence Documents. Buyer acknowledges that prior to the Effective Date, Seller has delivered to it copies of books and records of each Company, including Organizational Documents (as defined in Section 3.2(iii) below) for each Company and such title, survey and other real property investigation matters as have been requested by Buyer (collectively the "Due Diligence Documents").

**ARTICLE 3**  
**CLOSING; CLOSING ADJUSTMENTS AND COSTS; CONDITIONS**

Section 3.1. Time and Place. The consummation of the transactions contemplated hereby (the "Closing") shall be held at the offices of Buyer's counsel on August 15, 2014 (the "Closing Date"). At the Closing, Seller and Buyer shall perform the obligations set forth in, respectively, Section 3.2 and Section 3.3, the performance of which obligations shall be concurrent conditions.

Section 3.2. Seller's Obligations at Closing. At or prior to Closing, Seller shall execute (or cause the execution of) and deliver the following to Buyer (the "Seller's Closing Documents"):

(i) a duly executed Membership Interests Transfer Powers for each of Courtland and Moyock (the "Transfer Powers") in the form attached hereto and made a part hereof as **Exhibit A**;

(ii) a resolution (or other documentation) evidencing the authority of Seller to consummate the transactions contemplated herein and the authority of the signatory to this Agreement; and

(iii) each Company's minute books and records, together with true, correct and complete copies of each Company's operating agreement and Articles of Organization ("Organizational Documents").

Section 3.3. Buyer's Obligations at Closing. At the Closing, Buyer shall pay to Seller the amount of the Purchase Price then due in the manner set forth in Section 1.3.



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**ARTICLE 4**  
**REPRESENTATIONS, WARRANTIES AND COVENANTS**

Section 4.1. Representations and Warranties of Seller. Seller hereby makes the following representations and warranties to Buyer as of the Effective Date:

(a) Organization and Authority. Each of Seller and each Company has been duly formed and is validly existing under the laws of the Commonwealth of Virginia. Seller has the full right and authority to enter into this Agreement and to transfer the Membership Interests and to consummate or cause to be consummated the transactions contemplated by this Agreement. The persons signing this Agreement on behalf of Seller are authorized to do so.

(b) Noncontravention. Neither the entry into nor the performance of, or compliance with, this Agreement by Seller has resulted, or will result, in any violation of, or default under, or result in the acceleration of, any obligation under any existing organizational documents or agreements, mortgage, indenture, lien agreement, note, contract, permit, judgment, decree, order, restrictive covenant, statute, rule, or regulation applicable to Seller or to either Company.

(c) Agreement Binding. This Agreement constitutes a legal, valid and binding obligation of Seller enforceable against Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and by general principles of equity (whether applied in a proceeding at law or in equity). All Related Documents executed by Seller at or in connection with the Closing will be duly authorized, executed, and delivered by Seller, are or at the Closing will be legal, valid, and binding obligations of Seller in accordance with its terms, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and by general principles of equity (whether applied in a proceeding at law or in equity) and do not violate any provisions of any agreement to which either Seller or the Company is a party or to which it is subject. The term "Related Documents" shall mean any document or instrument executed and/or delivered by Seller or Buyer in connection with or pursuant to the Closing of the transaction contemplated by this Agreement including, without limitation, the Transfer Powers.

(d) Ownership. Seller represents and warrants to Buyer that (i) Seller is the owner of the Membership Interests free and clear of all liens and encumbrances, and has not pledged, collaterally assigned, hypothecated or otherwise encumbered all or any portion thereof, (ii) no understanding, agreement (either express or implied), or reasonable expectancy of agreement with respect to the sale or transfer of the Membership Interests exists between Seller and any third party, (iii) there are no (A) outstanding or authorized options, warrants, or convertible securities relating to any ownership interest in either Company or (B) other rights, agreements, arrangements or commitments of any character relating to the Membership Interests that would be binding on Buyer as the successor owner thereof or would encumber the Membership Interest; and (iv) the Companies hold title to the Real Properties as more particularly described in, and to the extent set forth in, the title policies issued to the Companies and provided to Buyer in connection with this Agreement.

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(e) No Pending Actions. Neither Seller nor the Company has received any written notice of: (i) any pending (and to Seller's knowledge there is no threatened) action, suit, arbitration, unsatisfied order or judgment relating to the Membership Interests; or (ii) any government investigation or proceeding pending against either Company.

(f) The Companies' Financial Obligations. At Closing, the Companies will have no financial obligations whatsoever, except (i) routine obligations for operating expenses arising prior to Closing for which a bill or invoice has not been received, (ii) operating expenses or outstanding trade debt (clauses (i) and (ii) collectively, "Financial Obligations") and (iii) the Mortgage Indebtedness (as defined in Section 4.4 below). The Companies shall retain, pay and perform, and the Seller shall have no obligation with respect to, the Mortgage Indebtedness (as defined in Section 4.4 below). Seller shall pay and perform, and indemnify and hold the Companies and Buyer harmless from and against, the Financial Obligations and all other obligations and liabilities, and any cost or expense incurred in connection therewith, excepting only the Mortgage Indebtedness.

(g) Organizational Documents. The Organizational Documents are true, correct and complete copies thereof and are in full force and effect.

(h) Completeness and Accuracy. To Seller's knowledge, the documents delivered by Seller to Buyer pursuant to Section 3.1 are true, accurate and complete.

Section 4.2. Survival of Seller's Representations and Warranties. Seller agrees to indemnify, defend and hold Buyer harmless against all losses, damages, suits, actions obligations, expenses, reasonable attorneys fees, costs claims or liabilities (collectively, the "Claims") arising out of a breach of any representation or warranty of Seller contained in this Agreement and first discovered by or disclosed to Buyer following the Closing. Seller's indemnity obligation relating to a breach of any representation or warranty under this Agreement shall survive for a period of twelve (12) months from the Closing Date (the "Indemnification Period"); provided, however, that in no event shall Seller be liable for any claim or claims made by Buyer for a breach of any representation, warranty, or covenant under this Agreement unless the aggregate thereof is equal to or greater than \$25,000.00. In no event shall Seller be liable for any consequential damages incurred or suffered by Buyer and in no event shall Seller be liable for aggregate amounts in excess of \$250,000.

Section 4.3. Representations, Warranties and Covenants of Buyer. Buyer hereby makes the following representations and warranties to Seller as of the Effective Date and as of the Closing Date:

(a) Organization and Authority of Buyer. Buyer has been duly formed and is validly existing under the laws of the Commonwealth of Virginia. Buyer has the full right and authority to enter into this Agreement, to purchase all of the Property and to consummate or cause to be consummated the transaction contemplated by this Agreement. This Agreement and all Related Documents executed by Buyer at the Closing will be duly authorized, executed, and delivered by Buyer and do not violate any provisions of any agreement to which Buyer is a party or to which it is subject.

(b) Agreement Binding. This Agreement and the Related Documents constitute legal, valid and binding obligations of Buyer enforceable against Buyer in accordance with the terms hereof, except as such enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other laws affecting creditors' rights and by general principles of equity (whether applied in a proceeding at law or in equity).

(c) Pending Actions. To Buyer's knowledge, there is no action, suit, arbitration, unsatisfied order or judgment, government investigation or proceeding pending against Buyer which, if adversely determined, could individually or in the aggregate materially interfere with the consummation of the transaction contemplated by this Agreement.

Section 4.4. Payment of Mortgage Indebtedness. As of the Effective Date, the Companies have outstanding indebtedness secured by the Properties in an amount not to exceed \$565,000 with respect to Moyock and \$125,000 with respect to Courtland (together, the "Mortgage Indebtedness"). Buyer acknowledges the Mortgage Indebtedness and the Companies and the Buyer shall pay and perform and hold Seller harmless from and against, the Mortgage Indebtedness, not to exceed the amounts set forth above. Commencing on the Effective Date, Buyer and Seller shall work actively and in good faith with the holder of the Mortgage Indebtedness to ensure that the holder thereof will consent to the transfer of the Membership Interests to Buyer and will release the any guarantor from liability. Buyer shall be responsible for the payment of all fees (including attorney's fees) which may be imposed by the holder of the Mortgage Indebtedness as a condition of approving the transfer of the Membership Interests.

## **ARTICLE 5** **MISCELLANEOUS**

Section 5.1. Assignment. Subject to the provisions of this Section 5.1, the terms and provisions of this Agreement are to apply to and bind the permitted successors and assigns of the parties hereto. Buyer may not assign its rights under this Agreement without first obtaining Seller's written approval, which approval may not be unreasonably withheld, conditioned or delayed if such transfer is to a wholly-owned affiliate entity; provided, however, Buyer shall have the right to assign this Agreement to a wholly-owned subsidiary of Buyer without the prior written consent of Seller. An assignment by Buyer of its rights under this Agreement shall not relieve Buyer of any liability hereunder.

Section 5.2. Notices. Any notice pursuant to this Agreement shall be given in writing by (a) personal delivery, (b) reputable overnight delivery service with proof of delivery, or (c) legible facsimile transmission, sent to the intended addressee at the address set forth below, or to such other address or to the attention of such other person as the addressee shall have designated by written notice sent in accordance herewith, and shall be deemed to have been given upon receipt or refusal to accept delivery, or, in the case of facsimile transmission, as of the date of the facsimile transmission (if such is received by 5:00 p.m. local time of the recipient) provided that an original of such facsimile is also sent to the intended addressee by means described in clauses (a), or (b) above. Unless changed in accordance with the preceding sentence, the addresses for notices given pursuant to this Agreement shall be as follows:

If to Seller:

Development Fund I, LLC  
Riversedge North  
2529 Virginia Beach Blvd., Suite 200  
Virginia Beach, Virginia 23452  
Tel: 757-627-9088  
Fax: 757-627-9081

If to Buyer:

Wheeler REIT, LP  
Riversedge North  
2529 Virginia Beach Blvd., Suite 200  
Virginia Beach, Virginia 23452  
Tel: 757-627-9088  
Fax: 757-627-9081

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Section 5.3. Modifications. This Agreement cannot be changed orally, and no executory agreement shall be effective to waive, change, modify or discharge it in whole or in part unless such executory agreement is in writing and is signed by the parties against whom enforcement of any waiver, change, modification or discharge is sought.

Section 5.4. Entire Agreement. This Agreement, including the exhibits and schedules hereto, contains the entire agreement between the parties hereto pertaining to the subject matter hereof and fully supersedes all prior written or oral agreements and understandings between the parties pertaining to such subject matter.

Section 5.5. Further Assurances. Each party agrees that it will execute and deliver such other documents and take such other action, whether prior or subsequent to the Closing, as may be reasonably requested by the other party to consummate the transaction contemplated by this Agreement.

Section 5.6. Counterparts. This Agreement may be executed in counterparts, all such executed counterparts shall constitute the same agreement, and the signature of any party to any counterpart shall be deemed a signature to, and may be appended to, any other counterpart.

Section 5.7. Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall nonetheless remain in full force and effect; provided that the invalidity or unenforceability of such provision does not materially adversely affect the benefits accruing to any party hereunder.

Section 5.8. Applicable Law. This Agreement and the Related Documents shall be governed by and construed in accordance with the internal laws of the Commonwealth of Virginia without regard to conflicts of law principles. The parties hereto agree that the provisions of this Section 5.8 shall survive the Closing or any termination of this Agreement.

Section 5.9. No Third-Party Beneficiary. The provisions of this Agreement and of the documents to be executed and delivered on the Closing Date are and will be for the benefit of Seller and Buyer only and, subject to the provisions of Section 5.1, are not for the benefit of any third party, and accordingly, no third party shall have the right to enforce the provisions of this Agreement or of the documents to be executed and delivered on the Closing Date.

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Section 5.10. Captions. The section headings appearing in this Agreement are for convenience of reference only and are not intended, to any extent and for any purpose, to limit or define the text of any section or any subsection hereof.

Section 5.11. Construction. The parties acknowledge that the parties and their counsel have reviewed and revised this Agreement and that any normal rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement or any exhibits or amendments hereto.

Section 5.12. Disclosure of Information. Seller acknowledges that the general partner of Buyer is a publicly traded real estate investment trust. Seller acknowledges that the rules and regulations promulgated by the United States Securities and Exchange Commission (the “SEC”) may require Buyer to disclose certain basic information concerning this Agreement and the transactions contemplated herein in documents to be filed with the SEC. The parties agree that Buyer shall be permitted to make such disclosures and that such disclosures shall not constitute a breach or a violation of any confidentiality or non-disclosure agreement executed by the parties prior to the Effective Date. Such confidentiality or non-disclosure agreement, if any, shall be amended and modified to the extent provided in this Section.

[Signature Page Follows]

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IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement as of the Effective Date.

**SELLER:**

**DEVELOPMENT FUND I, LLC,**  
a Virginia limited liability company

By: DF I Management, LLC,  
a Virginia limited liability company,  
its Manager

By: /s/ Jon S. Wheeler  
Jon S. Wheeler, Manager

**BUYER:**

**WHEELER REIT, L.P.**  
a Virginia limited partnership

By: Wheeler Real Estate Investment  
Trust, Inc. a Maryland corporation,  
its General Partner

By: /s/ Jon S. Wheeler  
Jon S. Wheeler, President

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**LIST OF EXHIBITS/SCHEDULES**

**EXHIBITS**

EXHIBIT A — Membership Interest Transfer Power



**FOR IMMEDIATE RELEASE**

**Wheeler Real Estate Investment Trust, Inc. Acquires  
Three Retail Development Properties for \$4.2 Million**

**Virginia Beach, VA – August 19, 2014 – Wheeler Real Estate Investment Trust, Inc. (NASDAQ:WHLR)** (“Wheeler” or the “Company”), a company specializing 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, announced today that it has acquired three development properties for an acquisition value of \$4.2 million. The three assets were acquired from Development Fund I, LLC, an affiliate of the Company, and were paid for using a combination of cash and the assumption of debt. The Company plans to develop the parcels into future retail properties.

Jon S. Wheeler, Chairman and Chief Executive Officer, stated, “We are very pleased to close on these three retail-focused development properties. The parcels of land are prime examples of the broad pipeline of locations available for us to develop in secondary and tertiary markets and are located in growing communities in which our team already has strong relationships. We view this as an opportunity to establish and grow the development portion of the REIT while adding value to the Company over the long term.”

**Development Properties**

The three undeveloped properties consist in total of approximately 55.2 acres of land located in Edenton, North Carolina; Moyock, North Carolina; and Courtland, Virginia. Each of the assets is located in commercial zones.

Edenton Commons is a 52.9 acre parcel located at the intersection of US Highway 17 and North Carolina Highway 32 in Edenton, North Carolina. The land can accommodate a 210,000 square foot retail space as well as an additional 89,835 square feet in small shop retailers.

Tull’s Creek is a 1.28 acre parcel located in Moyock, North Carolina on US Highway 168, a major connection from the north to the Outer Banks of North Carolina. The land can accommodate a 9,000 square foot building and neighboring retail includes a Food Lion grocery store and Dollar Tree as well as several other nationally known merchants.

Courtland Commons is a 1.01 acre parcel located in Courtland, Virginia off of US Route 58 (Southampton Parkway), an east to west U.S. Highway that runs slightly northwest of Harrogate, Tennessee to Virginia Beach, Virginia. The land is suitable for an 8,400 square foot freestanding building or strip center and is adjacent to a Food Lion grocery store.



**About Wheeler Real Estate Investment Trust Inc.**

Headquartered in Virginia Beach, VA, Wheeler Real Estate Investment Trust, Inc. 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.

Additional information about Wheeler Real Estate Investment Trust, Inc. can be found at the Company's corporate website: [www.whlr.us](http://www.whlr.us).

**Forward looking Statement**

Wheeler Real Estate Investment Trust, Inc. (the "Company") considers portions of the information in this press release relating to its business operations contemplated acquisition strategy to be forward - looking statements within the meaning of Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934, both as amended. Although the Company believes that the expectations reflected in such forward - looking statements are based upon reasonable assumptions, it can give no assurance that its expectations will be achieved. For this purpose, any statements contained herein that are not historical fact may be deemed to be forward - looking statements. Specifically, the Company's statements regarding the anticipated accretive nature of these properties are forward-looking statements. There are a number of important factors that could cause the Company's operations to differ from those indicated by such forward - looking statements, including, among other factors, local conditions such as oversupply of space or a reduction in demand for real estate in the area; competition from other available space; dependence on rental income from real property; the loss of, significant downsizing of or bankruptcy of a major tenant; constructing properties or expansions that produce a desired yield on investment; the Company's ability to renew or enter into new leases at favorable rates; its ability to buy or sell assets on commercially reasonable terms; its ability to complete acquisitions or dispositions of assets under contract; its ability to secure equity or debt financing on commercially acceptable terms or at all; the Company's ability to enter into definitive agreements with regard to its financing and joint venture arrangements or its failure to satisfy conditions to the completion of these arrangements and the success of its capital recycling strategy. For additional factors that could cause the operations of the Company to differ materially from those indicated in the forward - looking statements, please refer to the Company's filings with the U.S. Securities and Exchange Commission which are available for review at [www.sec.gov](http://www.sec.gov). The Company undertakes no obligation to publicly revise these forward - looking statements to reflect events or circumstances that arise after the date hereof.

CONTACT:

**Wheeler Real Estate Investment Trust Inc.**

Robin Hanisch  
Corporate Secretary  
(757) 627-9088 / [robin@whlr.us](mailto:robin@whlr.us)

-OR-

INVESTOR RELATIONS:

**The Equity Group Inc.**

Terry Downs  
Associate  
(212)836-9615  
[t downs@equityny.com](mailto:t downs@equityny.com)

Adam Prior  
Senior Vice-President  
(212)836-9606  
[aprior@equityny.com](mailto:aprior@equityny.com)