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# UNITED STATES 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 EXCHANGE ACT OF 1934**

**Date of report (date of earliest event reported): February 28, 2017 ( February 27, 2017)**

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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 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On February 27, 2017, Wheeler Real Estate Investment Trust, Inc. (the "Company"), issued a press release announcing its financial results for the three months and year ended December 31, 2016. 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 three months and year ended December 31, 2016 is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

## ITEM 8.01 OTHER EVENTS.

### One-for-Eight Reverse Stock Split

On February 27, 2017, the Company issued a press release announcing its Board of Directors has approved a reverse stock split of the Company's outstanding shares of common stock, \$0.01 par value per share (the "Common Stock") at a ratio of one-for-eight. The reverse stock split is scheduled to take effect at about 5:00 p.m. Eastern Time on March 31, 2017 (the "Effective Time"). At the Effective Time, every eight issued and outstanding shares of Common Stock of the Company will be converted into one share of Common Stock of the Company. In addition, at the Effective Time, the number of authorized shares of Common Stock will also be reduced on a one-for-eight basis. The par value of each share of Common Stock will remain unchanged. Trading in the Company's Common Stock on a split-adjusted basis is expected to begin at the market open on April 3, 2017. The Company's Common Stock will continue trading on NASDAQ under the symbol "WHLR" but will be assigned a new CUSIP number. As a result of the reverse stock split, the number of outstanding shares of Wheeler's Common Stock will be reduced from approximately 68,030,549 to approximately 8,503,819. Concurrently, the authorized number of shares of Common Stock will be reduced from 150,000,000 to 18,750,000. 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.

### Quarterly Dividends

On February 27, 2017 the Company issued a press release announcing that effective April 1, 2017, its Board of Directors has approved a change in the Company's Common Stock dividend payment schedule such that future dividends will be paid quarterly commencing in July 2017 to shareholders of record on June 30, 2017. Giving effect to the reverse stock split, the distribution rate will be multiplied by 8, or \$0.42 per share on a quarterly basis. 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.

## 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 Press release, dated February 27, 2017, announcing the Company's financial results for the three months and year ended December 31, 2016, reverse stock split and quarterly common stock dividend schedule.
- 99.2 Supplemental Operating and Financial Data for the three months and year ended December 31, 2016.
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## EXHIBIT INDEX

<u>Number</u>	<u>Description of Exhibit</u>
99.1	Press release, dated February 27, 2017, announcing the Company's financial results for the three months and year ended December 31, 2016, reverse stock split and quarterly common stock dividend schedule.
99.2	Supplemental Operating and Financial Data for the three months and year ended December 31, 2016.



**FOR IMMEDIATE RELEASE**

**WHEELER REAL ESTATE INVESTMENT TRUST, INC. ANNOUNCES 2016 ANNUAL RESULTS, 1-FOR-8 REVERSE STOCK SPLIT AND TRANSITION TO QUARTERLY COMMON STOCK DIVIDEND PAYMENTS**

*Reconciliation of non-GAAP financial measures, including FFO, Adjusted FFO, Property NOI, EBITDA and Adjusted EBITDA are included in the accompanying financial tables.*

- **Fourth Quarter 2016 Pro Forma AFFO Per Share run rate of \$0.21 on an Annualized Basis, in line with management's guidance of \$0.21 and the company's common stock dividend.**
- **Completed the acquisition of twenty-three grocery-anchored shopping centers in 2016 for a total aggregate purchase price of \$186 million.**
- **Leasing spread of 3.9% on renewals-the 16th consecutive quarter of positive rent spreads.**
- **GAAP and cash Same-store NOI growth for the year ended December 31, 2016 of 3.7% and 2.8%, respectively.**
- **Board of Directors has approved a reverse stock split of the company's outstanding shares of common stock at a ratio of 1-for-8. Management expects the reverse split to take effect on March 31, 2017 at 5:00PM EDT, and begin trading on a split-adjusted basis on the Nasdaq Capital Market at the market open on April 3, 2017.**
- **Effective April 1, 2017 WHLR amended its dividend payment schedule such that future common stock dividends will be paid quarterly commencing in July 2017 to shareholders of record on June 30, 2017. Giving effect to the reverse stock split, the distribution rate will be multiplied by 8, or \$0.42 per share on a quarterly basis.**
- **Management will announce Full-Year 2017 and First Quarter 2017 Core FFO and AFFO per share guidance on the February 28, 2017 earnings call.**

Virginia Beach, VA –February 27, 2017 – Wheeler Real Estate Investment Trust, Inc. (NASDAQ:WHLR) (“Wheeler” or the “Company”) today reported operating and financial results for its year ended December 31, 2016.

**2016 Fourth Quarter Highlights (all comparisons to the same prior year period unless otherwise noted)**

- Total revenue from continuing operations increased 30.3% or \$2.8 million.
- Property Net Operating Income (“NOI”) from continuing operations increased by 31.6% or \$2.0 million.
- Adjusted Funds from Operations (“AFFO”) of \$0.02 per share of the Company's common stock, \$0.01 par value per share (“Common Stock”) and common unit (“Operating Partnership Unit” or “OP Unit”) in our operating partnership, Wheeler REIT, L.P. (the “Operating Partnership”).
- Average rental rate increase on renewals signed during the quarter was 3.92%.
- Occupancy rate of 94.0% at December 31, 2016, compared to 94.2% at December 31, 2015.
- For the three month period, the Company declared monthly cash dividends of approximately \$0.0175 per share. On an annualized basis, this amounted to a dividend of \$0.21 per Common Stock share and OP Unit, or a 12.4% dividend yield based on the December 30, 2016 closing price of \$1.70 per share.
- During the three months ended December 31, 2016, \$14.4 million of net proceeds were raised in the Series D Cumulative Convertible Preferred Stock (“Series D Preferred Stock”) offering.
- Completed the acquisition of nine properties totaling \$115 million.
- Added 12th state, Pennsylvania, to the portfolio.

**2016 Year-to-Date Highlights (all comparisons to prior year unless otherwise noted)**

- Total revenue from continuing operations increased by 59.9% or \$16.5 million for the year ended December 31, 2016.
- NOI from continuing operations increased by 64.9% to approximately \$30.2 million for the year ended December 31, 2016.
- During the year, the Company completed the acquisition of an additional 1,760,850 square feet of gross leasable area.
- AFFO of \$0.12 per Common Stock share and OP Unit.

- As of December 31, 2016, Wheeler's property portfolio included 64 operating properties with a gross leasable area of 4,906,511 square feet, 8 undeveloped properties totaling approximately 71 acres of land, one redevelopment property and its corporate office building. As of December 31, 2015, the Company owned 42 properties with a gross leasable area of 3,151,358 square feet, 9 undeveloped properties totaling approximately 81 acres of land, one redevelopment property and its corporate office building.
- Average rental rate increase on renewals signed during the year was 4.9%.
- Increased credit facility with KeyBank National Association to \$75 million. The facility includes a provision that allows for expansion of the facility under certain conditions to a maximum of \$100 million through syndication with other lenders.
- Other income increased 116.9% to \$2.1 million for the year ended December 31, 2016 as a result of development fees and leasing commissions on non-REIT properties.

Jon S. Wheeler, Chairman and Chief Executive Officer, commented, "2016 was an exceptional year for us on multiple fronts. We acquired twenty-three grocery-anchored properties for an aggregate purchase price of \$186 million representing a weighted average cap rate of 8.3%. We expanded the portfolio geographically and added 1.76 million square feet of gross leasable area, now owning 74 properties and 4.6 million square feet in 12 states.

"Most importantly, we executed on our 2016 goal of achieving a run-rate of \$0.21 per share in AFFO, in line with our Common Stock dividend. Management's efforts to reduce general and administrative costs, increase value at the property level and acquire accretive acquisitions resulted in coverage of the dividend with pro forma 4Q16 AFFO for the first time in the Company's history. We feel poised for continued success in 2017 and look forward to sharing more information about our outlook and guidance for the year on the call tomorrow morning."

#### **2016 Fourth Quarter Financial Review**

- For the fourth quarter of 2016, total revenue from continuing operations increased by approximately 30.3% to \$12.0 million, compared with total revenue from continuing operations of \$9.2 million for the same prior year period.
- Net loss attributable to Wheeler Common Stock shareholders for the three months ended December 31, 2016 was \$6.2 million, or \$0.09 per basic and diluted share, compared to a net loss of \$2.7 million or \$0.04 per basic and diluted share, during the same 2015 period. The increase in net loss for the three months ended December 31, 2016 was primarily due to a \$1.9 million increase in preferred stock dividends, a \$1.0 million increase in interest expense, and the \$2.1 million gain on disposal of properties that occurred in 2015. These amounts were partially offset by the incremental NOI derived from 2016 retail property acquisitions.
- Wheeler reported Funds From Operations (FFO) available to Common Stock shareholders and holders of OP Units for the three months ended December 31, 2016 of \$(1.0) million, or \$(0.01) per share of Common Stock and OP Unit, compared to \$0.5 million, or \$0.01 per share of Common Stock and OP Unit for the prior year period.
- AFFO for the three months ended December 31, 2016 was \$1.5 million, or \$0.02 per share of Common Stock and OP Unit, compared to \$1.9 million, or \$0.03 per Common Stock share and OP Unit for the same period of the prior year.
- NOI from continuing operations increased by 31.6% to \$8.2 million for the three months ended December 31, 2016, as compared to NOI from continuing operations of \$6.2 million for the prior year period.
- Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") was \$6.4 million for the three months ended December 31, 2016, as compared to \$4.7 million of Adjusted EBITDA for the three months ended December 31, 2015.
- During the three months ended December 31, 2016, the Company recorded \$363 thousand in interest income on the notes receivable and \$64 thousand in development fees, net, attributable to Sea Turtle Marketplace ("Sea Turtle Development").

#### **2016 Year-to-Date Financial Review**

- For the year ended December 31, 2016, total revenue from continuing operations increased by approximately 59.9% to \$44.2 million, compared with total revenue from continuing operations of \$27.6 million for the same prior year period.
  - NOI from continuing operations increased by 64.9% to \$30.2 million for the year ended December 31, 2016, as compared to NOI from continuing operations of \$18.3 million for the year ended December 31, 2015.
  - Net loss attributable to Wheeler Common Stock shareholders for the year ended December 31, 2016 was \$15.9 million, or \$0.24 per basic and diluted share, compared to a net loss of \$103.8 million, or \$2.67 per basic and diluted share, for the year ended December 31, 2015. The decrease in net loss for the year ended December 31, 2016 was primarily due to the reduction of preferred stock dividends, the one-time \$72.6 million deemed dividend related to beneficial conversion feature of preferred stock that occurred in the third quarter 2015, and the incremental NOI derived from the property acquisitions occurring subsequent to December 31, 2015. These amounts were partially offset by additional depreciation, amortization and interest expense.
  - Wheeler reported FFO available to Common Stock shareholders and holders of OP Units for the year ended December 31, 2016 of \$3.4 million, or \$0.05 per share of Common Stock and OP Unit, compared to \$(8.1) million, or \$(0.19) per share of Common Stock and OP Unit for the year ended December 31, 2015.
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- AFFO for the year ended December 31, 2016 was \$8.7 million, or \$0.12 per share of Common Stock and OP Unit, compared to \$0.8 million, or \$0.02 per share of Common Stock and OP Unit for the year ended December 31, 2015.
- Adjusted EBITDA was \$24.5 million for the year ended December 31, 2016, as compared to \$14.3 million of Adjusted EBITDA for the year ended December 31, 2015.
- During the year ended December 31, 2016, the Company recorded \$657 thousand in interest income on the notes receivable, \$234 thousand in development fees, and \$184 thousand in commissions, net, on Sea Turtle Development.

#### **Acquisition Activity**

- On April 12, 2016, the Company completed its acquisition of 14 retail shopping centers located in Georgia and South Carolina (collectively the "A-C Portfolio") for an aggregate purchase price of \$71.00 million, paid through a combination of cash, debt and the issuance of 888,889 OP Units in the Operating Partnership. Collectively, the A-C Portfolio properties total 605,358 square feet in leaseable space, and were 92% leased as of the acquisition date by 77 primarily retail tenants. Each property is anchored by either a Bi-Lo, Harris Teeter or Piggly Wiggly grocery store.
- On November 10, 2016, we completed our acquisition of Berkley Shopping Center, a 47,945 square foot shopping center located in Norfolk, Virginia ("Berkley") from a related party for a contract price of \$4.18 million. Berkley was 100% leased as of the acquisition date and is anchored by a Farm Fresh grocery store. We acquired Berkley from a related party through a combination of cash and the issuance of 221,476 OP Units in the Operating Partnership.
- On November 10, 2016, we completed our acquisition of Sangaree Plaza and Tri-County Plaza, a 66,948 and 67,577 square foot shopping centers, respectively located in Summerville, South Carolina and Royston, Georgia (collectively "Sangaree/Tri-County"), from a related party for a total contract price of \$10.77 million. Sangaree/Tri-County was 95.2% leased as of the acquisition date and are anchored by Bi-Lo grocery store. We acquired Sangaree/Tri-County from a related party through a combination of cash and the issuance of 122,250 OP Units in the Operating Partnership.
- On November 15, 2016, the Company completed its acquisition of Riverbridge Shopping Center ("Riverbridge"), a 91,188 square foot shopping center located in Carrollton, Georgia for a contract price of \$7.00 million. Riverbridge was 98.5% leased as of the acquisition date and is anchored by Ingles. The Company acquired Riverbridge through a combination of cash and debt.
- On December 7, 2016, the Company completed the acquisition of Laburnum Square, a 109,405 square foot shopping center located in Richmond, Virginia ("Laburnum") for a contract price of \$10.50 million, paid through a combination of cash and debt. Laburnum was 96.9% leased as of the acquisition date and is anchored by Kroger.
- On December 12, 2016, the Company completed the acquisition of Franklin Village, a 151,673 square foot shopping center located in Kittanning, Pennsylvania ("Franklin") for a contract price of \$13.10 million, paid through a combination of cash and debt. Franklin was 98.0% leased as of the acquisition date and is anchored by Shop 'n Save.
- On December 16, 2016, the Company completed the acquisition of Village at Martinsville, a 297,950 square foot shopping center located in Martinsville, Virginia ("Martinsville") for a contract price of \$23.53 million, paid through a combination of cash and debt. Martinsville was 97.0% leased as of the acquisition date and is anchored by Kroger.
- On December 20, 2016, the Company completed the acquisition of New Market Crossing, a 116,976 square foot shopping center located in Mt. Airy, North Carolina ("New Market") for a contract price of \$9.00 million, paid through a combination of cash and debt. New Market was 93% leased as of the acquisition date and is anchored by Lowes Food Store.
- On December 21, 2016, the Company completed the acquisition of Rivergate Shopping Center, a 205,810 square foot shopping center located in Macon, Georgia ("Rivergate") for a contract price of \$37.25 million, paid through a combination of cash and debt. Rivergate was 96.0% leased as of the acquisition date and is anchored by Publix.

#### **Leasing Review**

- For the three months ended December 31, 2016, the Company executed twenty-nine renewals totaling 137,572 square feet at a weighted-average increase of \$0.38 per square foot, representing an increase of 3.92% over prior rates.
  - For the year ended December 31, 2016, the Company executed sixty-nine renewals totaling 286,263 square feet at a weighted-average increase of \$0.52 per square foot, representing an increase of 4.90% over prior rates.
  - For the three months ended December 31, 2016, Wheeler signed nine new leases totaling approximately 56,914 square feet with a weighted-average rate of \$8.53 per square foot.
  - For the year ended December 31, 2016, Wheeler signed forty-seven new leases totaling approximately 148,328 square feet with a weighted-average rate of \$12.00 per square foot.
  - Approximately 7.17% of Wheeler's gross leasable area is subject to leases that expire during the year ending December 31, 2016. Based on recent market trends, the Company believes that tenants will renew these leases at amounts and terms comparable to existing lease agreements.
  - Same-store NOI year-over-over growth for the three months ended December 31, 2016, was (4.1%) on a GAAP basis and (5.2%) on a cash basis. The same-store pool comprises the 1.7 million square feet that the Company owned as of January 1, 2015. Same-store
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results were driven by a 25 basis point increase in rental income, 33.6% decrease in tenant reimbursements and other income, offset by an 18.8% decrease in property operating expenses.

- Same-store NOI year-over-over growth for the year ended December 31, 2016, was 3.7% on a GAAP basis and 2.8% on a cash basis. Same-store results were driven by a 2.3% increase in rental income, a 5.3% decrease in property operating expenses, and offset by a 3.8% decrease in tenant reimbursements and other revenue.

#### **Balance Sheet Summary**

- The Company's cash and cash equivalents decreased to \$4.9 million at December 31, 2016, compared to \$10.5 million at December 31, 2015.
- Wheeler's net investment properties as of December 31, 2016 (including assets held for sale) were valued at \$389.1 million, as compared to \$240.0 million as of December 31, 2015.
- The Company's total debt was \$315.0 million (including debt associated with assets held for sale) at December 31, 2016, compared to \$191.3 million at December 31, 2015. Wheeler's weighted-average interest rate and term of its debt (including debt associated with assets held for sale) was 4.34% and 7.23 years, respectively, at December 31, 2016, compared to 4.71% and 7.60 years, respectively, at December 31, 2015.
- During the year, the Company entered into an \$11.0 million note receivable for the partial funding of Sea Turtle Development and a \$1.0 million note receivable in consideration for the sale of 10.39 acres of land owned by the Company. The notes are collateralized by a 2nd deed of trust on the property and accrue interest at 12% annually. The Company earns 8% cash interest, with 4% accruing until maturity of the loan.

#### **One-for-Eight Reverse Stock Split**

- The Company's Board of Directors has approved a reverse stock split of Wheeler's outstanding shares of Common Stock at a ratio of one-for-eight. The reverse stock split is scheduled to take effect at about 5:00 p.m. Eastern Time on March 31, 2017 (the "Effective Time"). At the Effective Time, every eight issued and outstanding shares of Common Stock of the Company will be converted into one share of Common Stock of the Company. In addition, at the Effective Time, the number of authorized shares of Common Stock will also be reduced on a one-for-eight basis. The par value of each share of Common Stock will remain unchanged. Trading in Wheeler's Common Stock on a split adjusted basis is expected to begin at the market open on April 3, 2017. Wheeler's Common Stock will continue trading on the NASDAQ under the symbol "WHLR" but will be assigned a new CUSIP number.
- As a result of the reverse stock split, the number of outstanding shares of Wheeler's Common Stock will be reduced from approximately 68,030,549 to approximately 8,503,819. Concurrently, the authorized number of shares of Common Stock will be reduced from 150,000,000 to 18,750,000. No fractional shares will be issued in connection with the reverse stock split. Instead, Computershare, Wheeler's transfer agent will aggregate all fractional shares that otherwise would have been issued as a result of the reverse stock split and those shares will be sold into the market. Shareholders who would otherwise hold a fractional share of Wheeler's Common Stock will receive a cash payment from the net proceeds of the sale in lieu of such fractional share. In addition, the reverse stock split will effect a reduction in the number of shares of Common Stock issuable upon the exercise or conversion, as applicable, of the Company's warrants, Series B Convertible Preferred Stock ("Series B Preferred Stock"), Series D Preferred Stock and convertible debt outstanding immediately prior to the effectiveness of the reverse stock split, with corresponding increases in the exercise and conversion prices, as applicable, of such warrants, Series B Preferred Stock, Series D Preferred Stock and convertible debt.
- The reverse stock split will apply to all of Wheeler's authorized and outstanding shares of Common Stock as of the Effective Time. Stockholders of record will be receiving information from Computershare, regarding their stock ownership following the reverse stock split and cash in lieu of fractional share payments, if applicable. Stockholders who hold their shares in brokerage accounts or "street name" are not required to take any action in connection with the reverse stock split. The reverse stock split will also apply to the Operating Partnership Units, and all outstanding and authorized Operating Partnership Units will be reduced on the same one-for-eight basis as the Common Stock. No fractional Operating Partnership Units will be issued as a result of the reverse stock split and Operating Partnership Unit holders will receive cash in lieu for their fractional Operating Partnership Units, at the same rate as Common Stock holders receive for fractional shares of Common Stock.

#### **Dividend Distribution**

- For the three months ended December 31, 2016, the Company declared approximately \$3.9 million in dividend payments for Common Stock shareholders and holders of OP units.
  - For the three months ended December 31, 2016, the Company declared approximately \$2.3 million in dividends to the Series A, Series B and Series D Preferred Stock shareholders.
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- For the year ended December 31, 2016, the Company declared approximately \$15.3 million in dividend payments for Common Stock shareholders and holders of OP units.
- For the year ended December 31, 2016, the Company declared approximately \$4.3 million in dividends to the Series A, Series B and Series D Preferred Stock shareholders.

**Dividend Payout Schedule Amended**

- Effective April 1, 2017 the Company’s Board of Directors has approved a change in the Company’s Common Stock dividend payment schedule such that future dividends will be paid quarterly commencing in July 2017 to shareholders of record on June 30, 2017. Giving effect to the reverse stock split, the distribution rate will be multiplied by 8, or \$0.42 per share on a quarterly basis. Expected record and payment dates for the next four quarters are set out in the table below:

<u>Record date</u>	<u>Payable date</u>	<u>Amount</u>
June 30, 2017	July 15, 2017	\$0.42
September 29, 2017	October 15, 2017	\$0.42
December 29, 2017	January 15, 2018	\$0.42
March 30, 2018	April 15, 2018	\$0.42

**2017 Outlook and Guidance**

Management will discuss its outlook for 2017 and establish Full-Year and First Quarter Core FFO and AFFO per split-adjusted share guidance on the earnings call (February 28, 2017) at 10:00 AM ET.

**Conference Call Dial-in and Webcast Information:**

The dial-in numbers are:

Live Participant Dial-In (Toll-Free): 877-407-3101

Live Participant Dial-In (International): 201-493-6789

The conference call will also be webcast. To listen to the call, please go to the Investor Relations section of Wheeler’s website at [www.whlr.us](http://www.whlr.us), or click on the following link: <http://whlr.equisolvewebcast.com/q4-2016>.

**Supplemental Information**

Further details regarding Wheeler Real Estate Investment Trust, Inc.’s operations and financials for the year ended December 31, 2016, including a supplemental presentation, are available through the Company’s website by visiting [www.whlr.us](http://www.whlr.us).

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

Headquartered in Virginia Beach, VA, Wheeler Real Estate Investment Trust, Inc. is a fully-integrated, self-managed commercial real estate investment company focused on acquiring and managing income-producing retail properties with a primary focus on grocery-anchored centers. Wheeler’s portfolio contains well-located, potentially dominant retail properties in secondary and tertiary markets that generate attractive, risk-adjusted returns, with a particular emphasis on grocery-anchored retail centers. For additional information about the Company, please visit: [www.whlr.us](http://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 of financial condition and results of operations, will be available upon filing via the U.S. Securities and Exchange Commission website ([www.sec.gov](http://www.sec.gov)) or through Wheeler’s website at [www.whlr.us](http://www.whlr.us).

FFO, AFFO, Pro Forma AFFO, Property NOI, EBITDA and Adjusted EBITDA are non-GAAP financial measures within the meaning of the rules of the Securities and Exchange Commission. Wheeler considers FFO, AFFO, Pro Forma AFFO, Property NOI, EBITDA and Adjusted EBITDA to be important supplemental measures 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 and gains and losses from property dispositions, the Company believes that 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 the closest GAAP measurement, 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 AFFO, which is a non-GAAP financial measure, to exclude such items. Management believes that reporting AFFO and Pro Forma AFFO 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. Management also believes that Property NOI, EBITDA and Adjusted EBITDA represent important supplemental measures for securities analysts, investors and other interested parties, as they are often used in calculating net asset value, leverage and other financial metrics used by these parties in the evaluation of REITs.

#### **Forward-Looking Statement**

This press release may contain "forward-looking" statements as defined in the Private Securities Litigation Reform Act of 1995. When the Company uses words such as "may," "will," "intend," "should," "believe," "expect," "anticipate," "project," "estimate" or similar expressions that do not relate solely to historical matters, it is making forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause the actual results to differ materially from the Company's expectations discussed in the forward-looking statements. The Company's expected results may not be achieved, and actual results may differ materially from expectations. Specifically, the Company's statements regarding: (i) the future generation of financial returns from the acquisition of 'necessity based' retail focused properties; (ii) the Company's ability to complete future acquisitions of properties; (iii) the Company's expectation to maintain and/or increase its historical occupancy rates; (iv) the Company's expectation that tenants will renew leases at amounts and terms comparable to existing lease agreements; (v) the Company's ability to maintain and/or increase rent spreads; (vi) the Company's anticipated ability to effectuate the reverse stock split; (vii) the anticipated implementation of the Company's acquisition strategy; and (viii) the anticipated ability to produce returns and growth for the Company and its shareholders are forward-looking statements. 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. In addition, this press release states that the Company's quarterly dividend rate on the Company's common stock is \$0.42 per share. A possible implication of this statement is that the Company will continuously pay quarterly dividends on the Company's common stock of \$0.42 per share, or \$1.68 per share per year in the future. The Company's dividend rates are set and may be reset from time to time by its Board of Directors. The Company's Board of Directors will consider many factors when setting dividend rates, including the Company's historical and projected income, normalized funds from operations, the then current and expected needs and availability of cash to pay the Company's obligations, distributions which may be required to be paid to maintain the Company's tax status as a real estate investment trust and other factors deemed relevant by the Board of Directors in its discretion. Accordingly, future dividend rates may be increased or decreased and there is no assurance as to the rate at which future dividends will be paid. For these reasons, among others, investors are cautioned not to place undue reliance upon any forward-looking statements in this press release.

Additional factors are discussed in 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.

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CONTACT:

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

Wilkes Graham  
Chief Financial Officer  
(757) 627-9088 / wilkes@whlr.us

Laura Nguyen  
Director of Investor Relations  
(757) 627-9088 / lnguyen@whlr.us

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

	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
<b>REVENUE:</b>				
Rental revenues	\$ 9,377,123	\$ 6,810,000	\$ 33,164,924	\$ 20,553,870
Asset management fees	231,517	123,173	854,857	588,990
Commissions	130,420	54,692	963,936	361,984
Tenant reimbursement and other income	2,288,773	2,245,735	9,176,691	6,110,614
<b>Total Revenue</b>	<b>12,027,833</b>	<b>9,233,600</b>	<b>44,160,408</b>	<b>27,615,458</b>
<b>OPERATING EXPENSES:</b>				
Property operations	3,399,475	2,832,261	11,898,190	8,351,456
Non-REIT management and leasing services	215,488	175,647	1,567,128	1,174,833
Depreciation and amortization	5,330,609	5,160,298	20,636,940	16,882,462
Provision for credit losses	228,614	28,713	424,925	243,029
Corporate general & administrative	3,633,901	2,800,761	9,924,361	13,415,961
<b>Total Operating Expenses</b>	<b>12,808,087</b>	<b>10,997,680</b>	<b>44,451,544</b>	<b>40,067,741</b>
<b>Operating Loss</b>	<b>(780,254)</b>	<b>(1,764,080)</b>	<b>(291,136)</b>	<b>(12,452,283)</b>
Interest income	390,559	5,009	691,937	118,747
Interest expense	(3,554,669)	(2,593,300)	(13,356,111)	(9,043,761)
<b>Net Loss from Continuing Operations Before Income Taxes</b>	<b>(3,944,364)</b>	<b>(4,352,371)</b>	<b>(12,955,310)</b>	<b>(21,377,297)</b>
Income tax expense	(107,464)	—	(107,464)	—
<b>Net Loss from Continuing Operations</b>	<b>(4,051,828)</b>	<b>(4,352,371)</b>	<b>(13,062,774)</b>	<b>(21,377,297)</b>
<b>Discontinued Operations</b>				
Income from discontinued operations	20,996	151,698	136,459	499,781
Gain on disposal of properties	(535)	2,104,114	688,289	2,104,114
<b>Net Income from Discontinued Operations</b>	<b>20,461</b>	<b>2,255,812</b>	<b>824,748</b>	<b>2,603,895</b>
<b>Net Loss</b>	<b>(4,031,367)</b>	<b>(2,096,559)</b>	<b>(12,238,026)</b>	<b>(18,773,402)</b>
Less: Net income (loss) attributable to noncontrolling interests	(267,777)	78,571	(1,035,456)	(1,252,723)
<b>Net Loss Attributable to Wheeler REIT</b>	<b>(3,763,590)</b>	<b>(2,175,130)</b>	<b>(11,202,570)</b>	<b>(17,520,679)</b>
Preferred stock dividends	(2,449,759)	(511,300)	(4,713,169)	(13,627,532)
Deemed dividend related to beneficial conversion feature of preferred stock	—	—	—	(72,644,506)
<b>Net Loss Attributable to Wheeler REIT Common Shareholders</b>	<b>\$ (6,213,349)</b>	<b>\$ (2,686,430)</b>	<b>\$ (15,915,739)</b>	<b>\$ (103,792,717)</b>
Loss per share from continuing operations (Basic and Diluted)	\$ (0.09)	\$ (0.07)	\$ (0.25)	\$ (2.73)
Income per share from discontinued operations	0.00	0.03	0.01	0.06
	<b>\$ (0.09)</b>	<b>\$ (0.04)</b>	<b>\$ (0.24)</b>	<b>\$ (2.67)</b>
Weighted-average number of shares:				
Basic and Diluted	67,981,896	66,189,261	67,362,991	38,940,463

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

	<b>December 31,</b>	
	<b>2016</b>	<b>2015</b>
<b>ASSETS:</b>		
Investment properties, net	\$ 388,880,290	\$ 238,764,631
Cash and cash equivalents	4,863,372	10,477,576
Restricted cash	9,652,178	7,592,984
Rents and other tenant receivables, net	3,983,949	2,970,380
Related party receivable	1,456,131	482,320
Notes receivable	12,000,000	—
Goodwill	5,485,823	5,485,823
Assets held for sale	365,880	1,692,473
Above market lease intangibles, net	12,962,169	6,517,529
Deferred costs and other assets, net	49,396,543	35,259,526
	<b>\$ 489,046,335</b>	<b>\$ 309,243,242</b>
<b>LIABILITIES:</b>		
Loans payable, net	\$ 305,972,679	\$ 184,629,082
Liabilities associated with assets held for sale	1,350,000	1,992,318
Below market lease intangible, net	12,680,405	7,721,335
Accounts payable, accrued expenses and other liabilities	11,320,614	7,533,769
	<b>331,323,698</b>	<b>201,876,504</b>
Commitments and contingencies	—	—
Series D Cumulative Convertible Preferred Stock (no par value, 4,000,000 and 0 shares authorized, 2,237,000 and 0 shares issued and outstanding, respectively; \$55.93 million aggregate liquidation preference)	52,530,051	—
	<b>—</b>	<b>—</b>
<b>EQUITY:</b>		
Series A Preferred Stock (no par value, 4,500 shares authorized, 562 shares issued and outstanding)	452,971	452,971
Series B Convertible Preferred Stock (no par value, 5,000,000 and 3,000,000 shares authorized, 1,871,244 and 729,119 shares issued and outstanding, respectively; \$46.78 million and \$18.23 million aggregate liquidation preference, respectively)	40,732,621	17,085,147
Common Stock (\$0.01 par value, 150,000,000 and 150,000,000 shares authorized, 68,030,549 and 66,259,673 shares issued and outstanding, respectively)	680,305	662,596
Additional paid-in capital	223,344,937	220,370,984
Accumulated deficit	(170,377,414)	(140,306,846)
	<b>94,833,420</b>	<b>98,264,852</b>
Total Shareholders' Equity		
Noncontrolling interests	10,359,166	9,101,886
	<b>105,192,586</b>	<b>107,366,738</b>
<b>Total Equity</b>		
	<b>105,192,586</b>	<b>107,366,738</b>
<b>Total Liabilities and Equity</b>	<b>\$ 489,046,335</b>	<b>\$ 309,243,242</b>

**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Reconciliation of Funds From Operations (FFO)**

**Years Ended December 31,**

	Same Stores		New Stores		Total		Year Over Year Changes	
	2016	2015	2016	2015	2016	2015	\$	%
Net loss	\$ (10,449,484)	\$ (13,921,009)	\$ (1,788,542)	\$ (4,852,393)	\$ (12,238,026)	\$ (18,773,402)	\$ 6,535,376	34.81 %
Depreciation of real estate assets from continuing operations	7,068,209	9,548,148	13,568,731	7,334,314	20,636,940	16,882,462	3,754,478	22.24 %
Depreciation of real estate assets from discontinued operations	—	510,818	—	69,073	—	579,891	(579,891)	(100.00)%
Depreciation of real estate assets	7,068,209	10,058,966	13,568,731	7,403,387	20,636,940	17,462,353	3,174,587	18.18 %
Gain on sale of discontinued operations	(688,289)	(2,104,114)	—	—	(688,289)	(2,104,114)	1,415,825	67.29 %
FFO	\$ (4,069,564)	\$ (5,966,157)	\$ 11,780,189	\$ 2,550,994	\$ 7,710,625	\$ (3,415,163)	\$ 11,125,788	325.78 %

**Three Months Ended December 31,**

	Same Stores		New Stores		Total		Year Over Year Changes	
	2016	2015	2016	2015	2016	2015	\$	%
Net loss	\$ (3,675,960)	\$ (905,502)	\$ (355,407)	\$ (1,191,057)	\$ (4,031,367)	\$ (2,096,559)	\$ (1,934,808)	(92.28)%
Depreciation of real estate assets from continuing operations	1,614,715	2,129,878	3,715,894	3,030,420	5,330,609	5,160,298	170,311	3.30 %
Depreciation of real estate assets from discontinued operations	—	—	—	—	—	—	—	— %
Depreciation of real estate assets	1,614,715	2,129,878	3,715,894	3,030,420	5,330,609	5,160,298	170,311	3.30 %
Gain on sale of discontinued operations	535	(2,104,114)	—	—	535	(2,104,114)	2,104,649	100.03 %
FFO	\$ (2,060,710)	\$ (879,738)	\$ 3,360,487	\$ 1,839,363	\$ 1,299,777	\$ 959,625	\$ 340,152	35.45 %

**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Reconciliation of Adjusted Funds From Operations (AFFO)**

	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015 (3)	2016	2015 (3)
Net loss	\$ (4,031,367)	\$ (2,096,559)	\$ (12,238,026)	\$ (18,773,402)
Depreciation of real estate assets from continuing operations	5,330,609	5,160,297	20,636,940	16,882,462
Depreciation of real estate assets from discontinued operations	—	—	—	579,891
Depreciation of real estate assets	5,330,609	5,160,297	20,636,940	17,462,353
Loss (gain) on sale of discontinued operations	535	(2,104,114)	(688,289)	(2,104,114)
Total FFO	1,299,777	959,624	7,710,625	(3,415,163)
Preferred stock dividends	(2,449,759)	(511,300)	(4,713,169)	(13,627,532)
Preferred stock accretion adjustments	161,178	88,525	416,598	8,925,221
FFO available to common shareholders and common unitholders	(988,804)	536,849	3,414,054	(8,117,474)
Acquisition costs	1,114,440	703,659	2,028,742	3,871,037
Capital related costs	203,015	207,584	513,562	2,655,474
Other non-recurring and non-cash expenses (1)	157,361	203,944	663,618	770,757
Share-based compensation	872,660	191,000	1,454,410	547,000
Straight-line rent	(162,822)	(68,843)	(385,965)	(270,873)
Loan cost amortization	661,235	252,190	2,125,582	1,300,901
Above (below) market lease amortization	(39,838)	53,678	29,371	616,665
Perimeter legal accrual	—	5,478	—	133,282
Accrued interest income	(120,987)	—	(415,025)	—
Recurring capital expenditures and tenant improvement reserves	(245,326)	(221,400)	(759,900)	(658,500)
AFFO	\$ 1,450,934	\$ 1,864,139	\$ 8,668,449	\$ 848,269
Weighted Average Common Shares	67,981,896	66,189,261	67,362,991	38,940,463
Weighted Average Common Units	5,946,188	4,058,398	5,513,296	3,863,339
Total Common Shares and Units	73,928,084	70,247,659	72,876,287	42,803,802
FFO per Common Share and Common Units	\$ (0.01)	\$ 0.01	\$ 0.05	\$ (0.19)
AFFO per Common Share and Common Units	\$ 0.02	\$ 0.03	\$ 0.12	\$ 0.02
Pro forma AFFO per Common Share and Common Units (2)	\$ 0.05		\$ 0.21	

(1) Annual other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our December 2016 Annual Report on Form 10-K.

(2) Pro forma AFFO assumes the following transactions had occurred on January 1, 2016: (i) the A-C Portfolio, Sangaree Plaza, Tri-County Plaza, Berkley Shopping Center, Riverbridge Shopping Center, Laburnum Square, Franklin Village, Village at Martinsville, New Market Crossing, and Rivergate Shopping Center acquisitions; the sales of Starbucks/Verizon; and the Series B and D Preferred Stock capital raises. Adjustments also include \$46 thousand bad debt expense for six months for Career Point and otherwise a 0.5% bad debt reserve based on NOI, \$60 thousand a month in development fees, 15% pre-tax profit on non-reit business, and adjustments for seasonal expenses. Additionally, we excluded all non-recurring expenses detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our December 2016 Annual Report on Form 10-K, and any additional Common Stock and common units issued during the year ended December 31, 2016 were outstanding for the entire period. The Pro forma AFFO is being presented solely for purposes of illustrating the potential impact of these transactions as if they occurred on January 1, 2016, based on information currently available to management, and is not necessarily indicative of what actual results would have been had the transactions referred to above occurred on January 1, 2016.

(3) We did not provide Pro Forma AFFO per common share and common unit for 2015 as we consider it not meaningful to the 2016 presentation.

**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Reconciliation of Property Net Operating Income**

	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
Property Revenues	\$ 11,590,957	\$ 9,055,735	\$ 42,097,531	\$ 26,664,484
Property Expenses	3,399,475	2,832,261	11,898,190	8,351,456
Property Net Operating Income	8,191,482	6,223,474	30,199,341	18,313,028
Asset Management and Commission Revenue	361,937	177,865	1,818,793	950,974
Other Non-property Income	74,939	—	244,084	—
Other Income	436,876	177,865	2,062,877	950,974
Non-REIT management and leasing services	215,488	175,647	1,567,128	1,174,833
Depreciation and amortization	5,330,609	5,160,298	20,636,940	16,882,462
Provision for credit losses	228,614	28,713	424,925	243,029
Corporate general & administrative	3,633,901	2,800,761	9,924,361	13,415,961
Total Other Operating Expenses	9,408,612	8,165,419	32,553,354	31,716,285
Interest income	390,559	5,009	691,937	118,747
Interest expense	(3,554,669)	(2,593,300)	(13,356,111)	(9,043,761)
Net Loss from Continuing Operations Before Income Taxes	(3,944,364)	(4,352,371)	(12,955,310)	(21,377,297)
Income tax expense	(107,464)	—	(107,464)	—
Net Loss from Continuing Operations	(4,051,828)	(4,352,371)	(13,062,774)	(21,377,297)
Discontinued Operations				
Income from discontinued operations	20,996	151,698	136,459	499,781
Gain (loss) on disposal of properties	(535)	2,104,114	688,289	2,104,114
Net Income from Discontinued Operations	20,461	2,255,812	824,748	2,603,895
Net Loss	\$ (4,031,367)	\$ (2,096,559)	\$ (12,238,026)	\$ (18,773,402)



**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Reconciliation of Earnings Before Interest, Taxes, Depreciation and Amortization - EBITDA**

	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
Net Loss	\$ (4,031,367)	\$ (2,096,559)	\$ (12,238,026)	\$ (18,773,402)
Add back: Depreciation and amortization (1)	5,290,771	5,213,975	20,666,311	18,079,018
Interest Expense (2)	3,568,053	2,618,384	13,425,458	9,758,842
Income taxes	107,464	—	107,464	—
EBITDA	4,934,921	5,735,800	21,961,207	9,064,458
Adjustments for items affecting comparability:				
Acquisition costs	1,114,440	703,659	2,028,742	3,871,037
Capital related costs	203,015	207,584	513,562	2,655,474
Other non-recurring expenses (3)	157,361	203,944	663,618	770,757
Gain on disposal of properties	535	(2,104,114)	(688,289)	(2,104,114)
Adjusted EBITDA	\$ 6,410,272	\$ 4,746,873	\$ 24,478,840	\$ 14,257,612

(1) Includes above (below) market lease amortization and amounts associated with assets held for sale.

(2) Includes loan cost amortization and amounts associated with assets held for sale.

(3) Annual other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our December 2016 Annual Report on Form 10-K.



**Supplemental Operating and Financial Data**  
*for the three months and year ended December 31, 2016*



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### Forward-Looking Statements

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, Inc. 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, Inc.'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, Inc.'s inability to successfully complete real estate acquisitions or successfully operate acquired properties and Wheeler Real Estate Investment Trust, Inc.'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, Inc.'s future results, performance or transactions, see the reports filed by Wheeler Real Estate Investment Trust, Inc. with the Securities and Exchange Commission, including its quarterly reports on Form 10-Q and annual reports on Form 10-K. Wheeler Real Estate Investment Trust, Inc. 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. is a fully-integrated, self-managed commercial real estate investment company focused on acquiring and managing income-producing retail properties with a primary focus on grocery-anchored centers. Wheeler's portfolio contains well-located, potentially dominant retail properties in secondary and tertiary markets that generate attractive, risk-adjusted returns, with a particular emphasis on grocery-anchored retail centers. Wheeler's common stock, Series B convertible preferred stock, Series D cumulative convertible preferred stock and common stock warrants trade publicly on the Nasdaq under the symbols "WHLR", "WHLRP", "WHLRD" and "WHLRW", respectively.

## Corporate Headquarters

Wheeler Real Estate Investment Trust, Inc.

Riversedge North

2529 Virginia Beach Boulevard

Virginia Beach, VA 23452

Phone: (757) 627-9088

Toll Free: (866) 203-4864

Email: [info@whlr.us](mailto:info@whlr.us)

Website: [www.whlr.us](http://www.whlr.us)

## Executive Management

Jon S. Wheeler - Chairman & CEO

Wilkes J. Graham - CFO

Matthew T. Reddy - CAO

Robin A. Hanisch - Secretary

David R. Kelly - CIO

Andy Franklin - Senior VP of Operations

## Board of Directors

Jon S. Wheeler, Chairman

Stewart J. Brown

Kurt R. Harrington

David Kelly

John W. Sweet

William W. King

Carl B. McGowan, Jr.

John McAuliffe

Jeffrey M. Zwerdling

## Investor Relations Contact

Laura Nguyen

Director of Investor Relations

2529 Virginia Beach Boulevard

Virginia Beach, VA 23452

Phone: (757) 627-9088

[www.WHLR.us](http://www.WHLR.us)

## Transfer Agent and Registrar

Computershare Trust Company, N.A.

250 Royall Street

Canton, MA 02021

[www.computershare.com](http://www.computershare.com)

## Financial and Portfolio Overview

For the Three Months Ended December 31, 2016 (Unaudited)

### Financial Results

Net loss attributable to Wheeler REIT common stockholders	\$ (6,213,349)
Net loss per basic and diluted share	\$ (0.09)
Funds from operations available to common shareholders and Operating Partnership (OP) unitholders (FFO) (1)	\$ (988,804)
FFO per common share and OP unit	\$ (0.01)
Adjusted FFO (AFFO) (1)	\$ 1,450,934
AFFO per common share and OP unit	\$ 0.02
Pro forma AFFO per common share and OP unit (2)	\$ 0.05

### Assets

Investment Properties, net (less accumulated depreciation and amortization) (3)	\$ 389,097,082
Total Assets	\$ 489,046,335
Debt to Total Assets (3)	64.42%
Debt to Gross Asset Value	62.58%

### Market Capitalization

Common shares outstanding	68,030,549
OP units outstanding	6,095,634
Total common shares and OP units	74,126,183
Range of Common Stock prices for the fourth quarter 2016	\$1.50-\$1.80
Common Stock closing price at year end	\$ 1.70
Total number of Series B preferred shares	1,871,244
Range of Series B preferred prices for the fourth quarter 2016	\$20.63-\$23.00
Series B preferred closing price at year end	\$ 22.15
Total number of Series D preferred shares	2,237,000
Range of Series D preferred closing prices for the fourth quarter 2016	\$23.01-\$25.50
Series D preferred price at year end	\$ 23.50
Total debt (3)	\$ 315,047,889
Common Stock market capitalization (as of December 31, 2016 closing stock price)	\$ 115,651,933

### Portfolio Summary

Total Gross Leasable Area (GLA) in sq. ft.	4,906,511
Occupancy Rate	94.0%
Annualized Base Rent	\$ 44,568,047
Total number of leases signed or renewed during 2016	116
Total sq. ft. leases signed or renewed during 2016	434,591

(1) See page 15 for the Company's definition of this non-GAAP measurement and reasons for using it.

(2) See page 7 for the Company's calculation of Pro Forma AFFO.

(3) Investment properties, net includes investment properties held for sale. Debt to total assets includes debt associated with assets held for sale.



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

	December 31,	
	2016	2015
<b>ASSETS:</b>		
Investment properties, net	\$ 388,880,290	\$ 238,764,631
Cash and cash equivalents	4,863,372	10,477,576
Restricted cash	9,652,178	7,592,984
Rents and other tenant receivables, net	3,983,949	2,970,380
Related party receivable	1,456,131	482,320
Notes receivable	12,000,000	—
Goodwill	5,485,823	5,485,823
Assets held for sale	365,880	1,692,473
Above market lease intangible, net	12,962,169	6,517,529
Deferred costs and other assets, net	49,396,543	35,259,526
<b>Total Assets</b>	<b>\$ 489,046,335</b>	<b>\$ 309,243,242</b>
<b>LIABILITIES:</b>		
Loans payable, net	\$ 305,972,679	\$ 184,629,082
Liabilities associated with assets held for sale	1,350,000	1,992,318
Below market lease intangible, net	12,680,405	7,721,335
Accounts payable, accrued expenses and other liabilities	11,320,614	7,533,769
<b>Total Liabilities</b>	<b>331,323,698</b>	<b>201,876,504</b>
Commitments and contingencies	—	—
Series D Cumulative Convertible Preferred Stock (no par value, 4,000,000 and 0 shares authorized, 2,237,000 and 0 shares issued and outstanding, respectively; \$55.93 million aggregate liquidation preference)	52,530,051	—
<b>EQUITY:</b>		
Series A Preferred Stock (no par value, 4,500 shares authorized, 562 shares issued and outstanding)	452,971	452,971
Series B Convertible Preferred Stock (no par value, 5,000,000 and 3,000,000 shares authorized, 1,871,244 and 729,119 shares issued and outstanding, respectively; \$46.78 million and \$18.23 million aggregate liquidation preference, respectively)	40,732,621	17,085,147
Common Stock (\$0.01 par value, 150,000,000 and 150,000,000 shares authorized, 68,030,549 and 66,259,673 shares issued and outstanding, respectively)	680,305	662,596
Additional paid-in capital	223,344,937	220,370,984
Accumulated deficit	(170,377,414)	(140,306,846)
<b>Total Shareholders' Equity</b>	<b>94,833,420</b>	<b>98,264,852</b>
Noncontrolling interests	10,359,166	9,101,886
<b>Total Equity</b>	<b>105,192,586</b>	<b>107,366,738</b>

**Total Liabilities and Equity**

**\$ 489,046,335**

**\$ 309,243,242**



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

	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
<b>TOTAL REVENUES</b>	\$ 12,027,833	\$ 9,233,600	\$ 44,160,408	\$ 27,615,458
<b>OPERATING EXPENSES:</b>				
Property operations	3,399,475	2,832,261	11,898,190	8,351,456
Non-REIT management and leasing services	215,488	175,647	1,567,128	1,174,833
Depreciation and amortization	5,330,609	5,160,298	20,636,940	16,882,462
Provision for credit losses	228,614	28,713	424,925	243,029
Corporate general & administrative	3,633,901	2,800,761	9,924,361	13,415,961
<b>Total Operating Expenses</b>	<b>12,808,087</b>	<b>10,997,680</b>	<b>44,451,544</b>	<b>40,067,741</b>
<b>Operating Loss</b>	<b>(780,254)</b>	<b>(1,764,080)</b>	<b>(291,136)</b>	<b>(12,452,283)</b>
Interest income	390,559	5,009	691,937	118,747
Interest expense	(3,554,669)	(2,593,300)	(13,356,111)	(9,043,761)
<b>Net Loss from Continuing Operations Before Income Taxes</b>	<b>(3,944,364)</b>	<b>(4,352,371)</b>	<b>(12,955,310)</b>	<b>(21,377,297)</b>
Income tax expense	(107,464)	—	(107,464)	—
<b>Net Loss from Continuing Operations</b>	<b>(4,051,828)</b>	<b>(4,352,371)</b>	<b>(13,062,774)</b>	<b>(21,377,297)</b>
<b>Discontinued Operations</b>				
Income from discontinued operations	20,996	151,698	136,459	499,781
Gain on disposal of properties	(535)	2,104,114	688,289	2,104,114
<b>Net Income from Discontinued Operations</b>	<b>20,461</b>	<b>2,255,812</b>	<b>824,748</b>	<b>2,603,895</b>
<b>Net Loss</b>	<b>(4,031,367)</b>	<b>(2,096,559)</b>	<b>(12,238,026)</b>	<b>(18,773,402)</b>
Less: Net income (loss) attributable to noncontrolling interests	(267,777)	78,571	(1,035,456)	(1,252,723)
<b>Net Loss Attributable to Wheeler REIT</b>	<b>(3,763,590)</b>	<b>(2,175,130)</b>	<b>(11,202,570)</b>	<b>(17,520,679)</b>
Preferred stock dividends	(2,449,759)	(511,300)	(4,713,169)	(13,627,532)
Deemed dividend related to beneficial conversion feature of preferred stock	—	—	—	(72,644,506)
<b>Net Loss Attributable to Wheeler REIT Common Shareholders</b>	<b>\$ (6,213,349)</b>	<b>\$ (2,686,430)</b>	<b>\$ (15,915,739)</b>	<b>\$ (103,792,717)</b>
Loss per share from continuing operations (basic and diluted)	\$ (0.09)	\$ (0.07)	\$ (0.25)	\$ (2.73)
Income per share from discontinued operations	—	0.03	0.01	0.06
	\$ (0.09)	\$ (0.04)	\$ (0.24)	\$ (2.67)
<b>Weighted-average number of shares:</b>				
Basic and Diluted	67,981,896	66,189,261	67,362,991	38,940,463

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries  
Reconciliation of Non-GAAP Measures (1)

FFO and AFFO	Three Months Ended		Years Ended	
	December 31,		December 31,	
	2016	2015 (4)	2016	2015 (4)
Net loss	\$ (4,031,367)	\$ (2,096,559)	\$ (12,238,026)	\$ (18,773,402)
Depreciation of real estate assets from continuing operations	5,330,609	5,160,297	20,636,940	16,882,462
Depreciation of real estate assets from discontinued operations	—	—	—	579,891
Depreciation of real estate assets	5,330,609	5,160,297	20,636,940	17,462,353
Loss (gain) on sale of discontinued operations	535	(2,104,114)	(688,289)	(2,104,114)
Total FFO	1,299,777	959,624	7,710,625	(3,415,163)
Preferred stock dividends	(2,449,759)	(511,300)	(4,713,169)	(13,627,532)
Preferred stock accretion adjustments	161,178	88,525	416,598	8,925,221
FFO available to common shareholders and common unitholders	(988,804)	536,849	3,414,054	(8,117,474)
Acquisition costs	1,114,440	703,659	2,028,742	3,871,037
Capital related costs	203,015	207,584	513,562	2,655,474
Other non-recurring and non-cash expenses (2)	157,361	203,944	663,618	770,757
Share-based compensation	872,660	191,000	1,454,410	547,000
Straight-line rent	(162,822)	(68,843)	(385,965)	(270,873)
Loan cost amortization	661,235	252,190	2,125,582	1,300,901
Above (below) market lease amortization	(39,838)	53,678	29,371	616,665
Perimeter legal accrual	—	5,478	—	133,282
Accrued interest income	(120,987)	—	(415,025)	—
Recurring capital expenditures and tenant improvement reserves	(245,326)	(221,400)	(759,900)	(658,500)
AFFO	\$ 1,450,934	\$ 1,864,139	\$ 8,668,449	\$ 848,269
Weighted Average Common Shares	67,981,896	66,189,261	67,362,991	38,940,463
Weighted Average Common Units	5,946,188	4,058,398	5,513,296	3,863,339
Total Common Shares and Units	73,928,084	70,247,659	72,876,287	42,803,802
FFO per Common Share and Common Units	\$ (0.01)	\$ 0.01	\$ 0.05	\$ (0.19)
AFFO per Common Share and Common Units	\$ 0.02	\$ 0.03	\$ 0.12	\$ 0.02
Pro forma AFFO per Common Share and Common Units (3)	\$ 0.05		\$ 0.21	

(1) See page 15 for the Company's definition of this non-GAAP measurement and reasons for using it.

(2) Annual other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our December 2016 Annual Report on Form 10-K.

(3) Pro forma AFFO assumes the following transactions had occurred on January 1, 2016: (i) the A-C Portfolio, Sangaree Plaza, Tri-County Plaza, Berkley Shopping Center, Riverbridge Shopping Center, Laburnum Square, Franklin Village, Village at Martinsville, New Market Crossing, and Rivergate Shopping Center acquisitions; the sales of Starbucks/Verizon; and the Series B and D Preferred Stock capital raises. Adjustments also include \$46 thousand bad debt expense for six months for Career Point and otherwise a 0.5% bad debt reserve based on NOI, \$60 thousand a month in development fees, 15% pre-tax profit on non-reit business, and adjustments for seasonal expenses. Additionally, we excluded all non-recurring expenses detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our December 2016 Annual Report on Form 10-K, and any additional common stock and common units issued during the year ended December 31, 2016 were outstanding for the entire period. The Pro forma AFFO is being presented solely for purposes of illustrating the potential impact of these transactions as if they occurred on January 1, 2016, based on information currently available to management, and is not necessarily indicative of what actual results would have been had the transactions referred to above occurred on January 1, 2016.

(4) We did not provide Pro Forma AFFO per common share and common unit for 2015 as we consider it not meaningful to the 2016 presentation.

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

Property Net Operating Income	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
Property Revenues	\$ 11,590,957	\$ 9,055,735	\$ 42,097,531	\$ 26,664,484
Property Expenses	3,399,475	2,832,261	11,898,190	8,351,456
Property Net Operating Income	8,191,482	6,223,474	30,199,341	18,313,028
Asset Management and Commission Revenue	361,937	177,865	1,818,793	950,974
Other Non-property Income	74,939	—	244,084	—
Other Income	436,876	177,865	2,062,877	950,974
Non-REIT management and leasing services	215,488	175,647	1,567,128	1,174,833
Depreciation and amortization	5,330,609	5,160,298	20,636,940	16,882,462
Provision for credit losses	228,614	28,713	424,925	243,029
Corporate general & administrative	3,633,901	2,800,761	9,924,361	13,415,961
Total Other Operating Expenses	9,408,612	8,165,419	32,553,354	31,716,285
Interest income	390,559	5,009	691,937	118,747
Interest expense	(3,554,669)	(2,593,300)	(13,356,111)	(9,043,761)
Net Loss from Continuing Operations Before Income Taxes	(3,944,364)	(4,352,371)	(12,955,310)	(21,377,297)
Income tax expense	(107,464)	—	(107,464)	—
Net Loss from Continuing Operations	(4,051,828)	(4,352,371)	(13,062,774)	(21,377,297)
Discontinued Operations				
Income from discontinued operations	20,996	151,698	136,459	499,781
Gain (loss) on disposal of properties	(535)	2,104,114	688,289	2,104,114
Net Income from Discontinued Operations	20,461	2,255,812	824,748	2,603,895
Net Loss	\$ (4,031,367)	\$ (2,096,559)	\$ (12,238,026)	\$ (18,773,402)

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

EBITDA	Three Months Ended December 31,		Years Ended December 31,	
	2016	2015	2016	2015
Net Loss	\$ (4,031,367)	\$ (2,096,559)	\$ (12,238,026)	\$ (18,773,402)
Add back: Depreciation and amortization (1)	5,290,771	5,213,975	20,666,311	18,079,018
Interest Expense (2)	3,568,053	2,618,384	13,425,458	9,758,842
Income taxes	107,464	—	107,464	—
EBITDA	4,934,921	5,735,800	21,961,207	9,064,458
Adjustments for items affecting comparability:				
Acquisition costs	1,114,440	703,659	2,028,742	3,871,037
Capital related costs	203,015	207,584	513,562	2,655,474
Other non-recurring expenses (3)	157,361	203,944	663,618	770,757
Gain on disposal of properties	535	(2,104,114)	(688,289)	(2,104,114)
Adjusted EBITDA	\$ 6,410,272	\$ 4,746,873	\$ 24,478,840	\$ 14,257,612

(1) Includes above (below) market lease amortization and amounts associated with assets held for sale.

(2) Includes loan cost amortization and amounts associated with assets held for sale.

(3) Annual other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our December 2016 Annual Report on Form 10-K.

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries

**Debt Summary**

For the Year Ended December 31, 2016

Loans Payable: \$315.0 million

Weighted Average Interest Rate: 4.34%

Total Debt to Total Assets: 64.42%

**Debt from Continuing Operations:**

Maturities by Year	Amount for the Years Ending December 31,	% Total Maturities
2017	\$ 17,447,169	5.56 %
2018	82,642,065	26.34 %
2019	26,377,589	8.41 %
2020	9,089,332	2.90 %
2021	1,651,389	0.53 %
Thereafter	176,490,345	56.26 %
<b>Total principal maturities</b>	<b>\$ 313,697,889</b>	<b>100.00 %</b>

**Debt Associated with Assets Held for Sale:**

Maturities by Year	Amount for the Years Ending December 31,	% Total Maturities
2017	\$ —	0.00 %
2018	—	0.00 %
2019	—	0.00 %
2020	24,580	1.82 %
2021	27,901	2.07 %
Thereafter	1,297,519	96.11 %
<b>Total principal maturities</b>	<b>\$ 1,350,000</b>	<b>100.00 %</b>

**Total Debt:**

Maturities by Year	Amount for the Years Ending December 31,	% Total Maturities
2017	\$ 17,447,169	5.54 %
2018	82,642,065	26.23 %
2019	26,377,589	8.37 %
2020	9,113,912	2.89 %
2021	1,679,290	0.53 %
Thereafter	177,787,864	56.44 %
<b>Total principal maturities</b>	<b>\$ 315,047,889</b>	<b>100.00 %</b>

## Debt Summary (continued)

Property/Description	Monthly Payment	Interest Rate	Debt Maturity	December 31,	
				2016	2015
Shoppes at Eagle Harbor	\$ 25,100	4.34%	March 2018	\$ 3,492,178	\$ 3,634,085
Monarch Bank Building	\$ 9,473	4.15%	December 2017	1,319,767	1,376,452
Perimeter Square	Interest Only	4.06%	August 2026	4,500,000	4,166,406
Riversedge North	\$ 8,802	6.00%	January 2019	914,026	962,281
Walnut Hill Plaza	\$ 24,273	5.50%	July 2017	3,439,587	3,535,606
Twin City Commons	\$ 17,827	4.86%	January 2023	3,169,620	3,225,473
Shoppes at TJ Maxx	\$ 33,880	3.88%	May 2020	5,907,597	6,081,272
Vantage South Bank Line of Credit	Interest only	4.25%	September 2017	3,000,000	—
KeyBank Line of Credit	Interest only	3.24%	May 2018	74,077,250	6,873,750
Forrest Gallery	\$ 50,973	5.40%	September 2023	8,802,243	8,926,712
Tampa Festival	\$ 50,797	5.56%	September 2023	8,502,198	8,627,294
Starbucks/Verizon	\$ 4,383	5.00%	July 2019	—	632,042
Winslow Plaza	Interest only	4.82%	December 2025	4,620,000	4,620,000
Cypress Shopping Center	\$ 34,360	4.70%	July 2024	6,585,228	6,625,000
Harrodsburg Marketplace	\$ 19,112	4.55%	September 2024	3,616,999	3,677,501
Port Crossing	\$ 34,788	4.84%	August 2024	6,370,373	6,471,636
LaGrange Marketplace	\$ 15,065	5.50%	March 2020	2,369,225	2,418,212
Freeway Junction	\$ 31,265	4.60%	September 2024	8,119,327	8,150,000
DF I-Edenton	\$ 250,000 (1)	3.75%	September 2016	—	650,000
DF I-Moyock	\$ 10,665	5.00%	July 2019	309,319	418,538
Graystone Crossing	\$ 15,672	4.55%	October 2024	3,990,048	4,000,000
Bryan Station	\$ 17,421	4.52%	November 2024	4,618,932	4,625,000
Crockett Square	Interest only	4.47%	December 2024	6,337,500	6,337,500
Harbor Point	\$ 11,024	5.85%	December 2018	649,366	732,685
Pierpont Centre	Interest only	4.15%	February 2025	9,800,000	9,800,000
Alex City Marketplace	Interest only	3.95%	April 2025	5,750,000	5,750,000
Butler Square	Interest only	3.90%	May 2025	5,640,000	5,640,000
Brook Run Shopping Center	Interest only	4.08%	June 2025	10,950,000	10,950,000
Beaver Ruin Village I and II	Interest only	4.73%	July 2025	9,400,000	9,400,000
Columbia Fire Station	Interest only	8.00%	December 2017	487,408	450,053
Sunshine Shopping Plaza	Interest only	4.57%	August 2025	5,900,000	5,900,000
Barnett Portfolio	Interest only	4.30%	September 2025	8,770,000	8,770,000
Grove Park Shopping Center	Interest only	4.52%	October 2025	3,800,000	3,800,000
Parkway Plaza	Interest only	4.57%	October 2025	3,500,000	3,500,000
Conyers Crossing	Interest only	4.67%	October 2025	5,960,000	5,960,000
Fort Howard Shopping Center	Interest only	4.57%	October 2025	7,100,000	7,100,000
Chesapeake Square	\$ 23,857	4.70%	August 2026	4,577,709	—
Revere Loan	Interest only	8.00%	April 2017	7,450,000	—
Senior convertible notes	Interest only	9.00%	December 2018	1,400,000	3,000,000
Senior non-convertible notes	Interest only	9.00%	January 2016	—	2,160,000
South Carolina Food Lions Note	\$ 68,320	5.25%	January 2024	12,224,489	12,375,000
Sangaree/Tri-County/Berkley	Interest only	4.78%	December 2026	9,400,000	—
Franklin	Interest only	4.93%	January 2027	8,515,000	—
Rivergate	Interest only	3.67%	December 2019	24,212,500	—
Riverbridge	Interest only	4.48%	December 2026	4,000,000	—
Lumber River	Interest only	3.67%	June 2018	1,500,000	—
<b>Total principal balance</b>				<b>315,047,889</b>	<b>191,322,498</b>
Unamortized debt issuance costs				(7,725,210)	(4,726,610)
<b>Total Loans Payable (2)</b>				<b>\$307,322,679</b>	<b>\$186,595,888</b>

(1) Represents quarterly payment.

(2) Includes debt associated with assets held for sale.

**Portfolio Summary (as of December 31, 2016)**

Property	Location	Number of Tenants	Gross Leasable Square Feet	Total SF Leased	Percentage Leased	Annualized Base Rent (\$)	Annualized Base Rent per Leased Sq. Foot
Alex City Marketplace	Alexander City, AL	18	147,791	146,591	99.2%	1,081,763	7.38
Amscot Building (2)	Tampa, FL	1	2,500	2,500	100.0%	115,849	46.34
Beaver Ruin Village	Lilburn, GA	27	74,038	63,214	85.4%	1,046,318	16.55
Beaver Ruin Village II	Lilburn, GA	4	34,925	34,925	100.0%	410,403	11.75
Berkley (3)	Norfolk, VA	—	—	—	—%	—	—
Berkley Shopping Center	Norfolk, VA	11	47,945	45,140	94.2%	358,414	7.94
Brook Run Shopping Center	Richmond, VA	18	147,738	133,927	90.7%	1,496,685	11.18
Brook Run Properties (3)	Richmond, VA	—	—	—	—%	—	—
Bryan Station	Lexington, KY	8	54,397	50,397	92.7%	507,008	10.06
Butler Square	Mauldin, SC	16	82,400	82,400	100.0%	789,180	9.58
Cardinal Plaza	Henderson, NC	6	50,000	45,500	91.0%	430,250	9.46
Carolina Place (3)	Onley, VA	—	—	—	—%	—	—
Chesapeake Square	Onley, VA	12	99,848	81,614	81.7%	688,193	8.43
Clover Plaza	Clover, SC	9	45,575	45,575	100.0%	348,512	7.65
Columbia Fire Station (5)	Columbia, SC	—	—	—	—%	—	—
Conyers Crossing	Conyers, GA	14	170,475	169,425	99.4%	966,678	5.71
Courtland Commons (3)	Courtland, VA	—	—	—	—%	—	—
Crockett Square	Morristown, TN	3	107,122	99,122	92.5%	812,322	8.20
Cypress Shopping Center	Boiling Springs, SC	17	80,435	79,035	98.3%	844,116	10.68
Darien Shopping Center	Darien, GA	1	26,001	26,001	100.0%	208,008	8.00
Devine Street	Columbia, SC	2	38,464	38,464	100.0%	549,668	14.29
Edenton Commons (3)	Edenton, NC	—	—	—	—%	—	—
Folly Road	Charleston, SC	5	47,794	47,794	100.0%	720,863	15.08
Forrest Gallery	Tullahoma, TN	27	214,451	178,436	83.2%	1,138,754	6.38
Fort Howard Shopping Center	Rincon, GA	17	113,652	109,152	96.0%	971,889	8.90
Franklin Village	Kittanning, PA	29	151,673	151,673	100.0%	1,143,829	7.54
Franklinton Square	Franklinton, NC	13	65,366	59,300	90.7%	537,182	9.06
Freeway Junction	Stockbridge, GA	15	156,834	150,874	96.2%	1,096,623	7.27
Georgetown	Georgetown, SC	2	29,572	29,572	100.0%	267,215	9.04
Graystone Crossing	Tega Cay, SC	11	21,997	21,997	100.0%	524,588	23.85
Grove Park	Orangeburg, SC	15	106,557	93,579	87.8%	669,417	7.07
Harbor Point (3)	Grove, OK	—	—	—	—%	—	—
Harrodsburg Marketplace	Harrodsburg, KY	9	60,048	60,048	100.0%	441,940	7.36
Jenks Plaza	Jenks, OK	5	7,800	7,800	100.0%	151,779	19.46
Laburnum Square	Richmond, VA	22	109,405	109,405	100.0%	938,268	8.58
Ladson Crossing	Ladson, SC	14	52,607	50,207	95.4%	731,085	14.56
LaGrange Marketplace	LaGrange, GA	13	76,594	73,594	96.1%	411,085	5.59
Lake Greenwood Crossing	Greenwood, SC	6	47,546	41,546	87.4%	408,841	9.84
Lake Murray	Lexington, SC	5	39,218	39,218	100.0%	349,510	8.91
Laskin Road (3)	Virginia Beach, VA	—	—	—	—%	—	—
Litchfield Market Village	Pawleys Island, SC	18	86,740	72,763	83.9%	1,063,340	14.61
Lumber River Village	Lumberton, NC	11	66,781	66,781	100.0%	511,006	7.65
Monarch Bank	Virginia Beach, VA	1	3,620	3,620	100.0%	265,796	73.42
Moncks Corner	Moncks Corner, SC	1	26,800	26,800	100.0%	324,390	12.10
Nashville Commons	Nashville, NC	12	56,100	56,050	99.9%	575,977	10.28
New Market Crossing	Mt. Airy, NC	11	116,976	104,468	89.3%	931,517	8.92
Parkway Plaza	Brunswick, GA	5	52,365	50,765	96.9%	536,069	10.56
Perimeter Square	Tulsa, OK	7	58,277	55,440	95.1%	733,601	13.23
Pierpont Centre	Morgantown, WV	20	122,259	122,259	100.0%	1,450,993	11.87
Port Crossing	Harrisonburg, VA	9	65,365	64,000	97.9%	799,589	12.49
Ridgeland	Ridgeland, SC	1	20,029	20,029	100.0%	140,203	7.00
Riverbridge Shopping Center	Carrollton, GA	11	91,188	89,788	98.5%	660,038	7.35
Riversedge North (4)	Virginia Beach, VA	—	—	—	—%	—	—
Rivergate Shopping Center	Macon, GA	32	205,810	200,177	97.3%	2,936,715	14.67
Sangaree Plaza	Summerville, SC	9	66,948	66,948	100.0%	577,360	8.62
Shoppes at Myrtle Park	Bluffton, SC	11	56,380	55,376	98.2%	913,674	16.50
Shoppes at TJ Maxx	Richmond, VA	18	93,624	93,624	100.0%	1,128,459	12.05
South Lake	Lexington, SC	10	44,318	44,318	100.0%	419,349	9.46



South Park	Mullins, SC	2	60,734	43,218	71.2%	491,245	11.37
South Square	Lancaster, SC	5	44,350	39,850	89.9%	321,742	8.07
St. George Plaza	St. George, SC	4	59,279	41,328	69.7%	273,186	6.61
St. Matthews	St. Matthews, SC	5	29,015	25,314	87.2%	307,382	12.14
Sunshine Plaza	Lehigh Acres, FL	22	111,189	109,186	98.2%	999,936	9.16
Surrey Plaza	Hawkinsville, GA	5	42,680	42,680	100.0%	292,995	6.86
Tampa Festival	Tampa, FL	20	137,987	135,387	98.1%	1,224,605	9.05
The Shoppes at Eagle Harbor	Carrollton, VA	7	23,303	23,303	100.0%	456,539	19.59
Tri-County Plaza	Royston, GA	7	67,577	61,177	90.5%	445,450	7.28

Property	Location	Number of Tenants	Gross Leasable Square Feet	Total SF Leased	Percentage Leased	Annualized Base Rent (1)	Annualized Base Rent per Leased Sq. Foot
Tulls Creek (3)	Moyock, NC	—	—	—	—%	—	—
Twin City Commons	Batesburg-Leesville, SC	5	47,680	47,680	100.0%	453,763	9.52
Village of Martinsville	Martinsville, VA	18	297,950	286,431	96.1%	2,230,040	7.79
Walnut Hill Plaza	Petersburg, VA	10	87,239	61,417	70.4%	501,891	8.17
Waterway Plaza	Little River, SC	10	49,750	49,750	100.0%	477,718	9.60
Westland Square	West Columbia, SC	9	62,735	48,290	77.0%	443,336	9.18
Winslow Plaza	Sicklerville, NJ	14	40,695	35,400	87.0%	523,908	14.80
Total Portfolio		705	4,906,511	4,611,642	94.0%	\$ 44,568,047	\$ 9.66

(1) Annualized base rent per leased square foot excludes the impact of tenant concessions.

(2) We own the Amscot building, but we do not own the land underneath the buildings and instead lease the land pursuant to ground leases with parties that are affiliates of Jon Wheeler. As discussed in the financial statements in Item 15, these ground leases require us to make annual rental payments and contain escalation clauses and renewal options.

(3) This information is not available because the property is undeveloped.

(4) This property is our corporate headquarters that we 100% occupy.

(5) This information is not available because the property is a redevelopment property.

**Top Ten Tenants by Annualized Base Rent**  
(as of December 31, 2016)

Total Tenants : 705

Tenants	Annualized Base Rent (\$ in 000s)	% of Total Annualized Base Rent	Total Gross Leasable Square Feet	% of Total Gross Leasable Square Feet	Base Rent Per Leased Square Foot
1. Bi-Lo	\$ 5,398	12.11%	554,073	11.29%	\$ 9.74
2. Food Lion	2,691	6.04%	325,576	6.64%	8.27
3. Piggly Wiggly	1,356	3.04%	136,343	2.78%	9.95
4. Kroger	1,294	2.90%	186,064	3.79%	6.95
5. Winn Dixie	1,236	2.77%	179,175	3.65%	6.90
6. Hobby Lobby	675	1.51%	114,298	2.33%	5.91
7. Harris Teeter	578	1.30%	39,946	0.81%	14.47
8. Lowes Foods	571	1.28%	54,838	1.12%	10.41
9. Family Dollar	546	1.23%	75,291	1.53%	7.25
10. Dollar Tree	470	1.05%	59,533	1.21%	7.89
	\$ 14,815	33.23%	1,725,137	35.15%	\$ 8.59

**Leasing Summary**  
(as of December 31, 2016)

Gross Leasable Area: 4,906,511 square feet  
Total Square Footage Leased: 4,611,642 square feet  
Occupancy Rate: 94.0%

Lease Expiration Schedule

Lease Expiration Year Ended December 31,	Number of Expiring Leases	Total Expiring Gross Leasable Square Footage	% of Total Expiring Gross Leasable Square Footage	% of Total Leased Square Footage Expiring	Expiring Annualized Base Rent (in 000s)	% of Total Annualized Base Rent	Expiring Base Rent Per Leased Square Foot
Available	—	294,869	6.01%		\$ —	—	\$ —
2017	112	351,660	7.17%	7.63%	4,043	9.07%	11.50
2018	133	757,654	15.44%	16.43%	7,039	15.79%	9.29
2019	144	740,276	15.09%	16.05%	7,250	16.27%	9.79
2020	113	910,696	18.56%	19.75%	8,143	18.27%	8.94
2021	77	531,905	10.84%	11.53%	4,970	11.15%	9.34
2022	42	250,841	5.11%	5.44%	2,560	5.74%	10.21
2023	17	318,627	6.49%	6.91%	2,638	5.92%	8.28
2024	18	145,502	2.97%	3.16%	1,433	3.22%	9.85
2025	16	251,511	5.13%	5.45%	2,430	5.45%	9.66
2026 and thereafter	33	352,970	7.19%	7.65%	4,062	9.12%	11.51
		4,906,511	100.00%	100.00%	\$ 44,568	100.00%	\$ 9.66

## 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.

**Adjusted FFO (AFFO):**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, acquisition costs and capital raise costs. Management uses AFFO, which is a non-GAAP financial measure, to exclude such items. Management believes that reporting AFFO 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. The Company also presents Pro Forma AFFO which shows the impact of certain activities assuming they occurred at the beginning of the year.

**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 interests, income taxes, and depreciation and amortization, from income from continuing operations. The Company also presents Adjusted EBITDA which excludes affecting the comparability of the periods presented, including but not limited to, costs associated with acquisitions and capital related activities.

**Net Operating Income (NOI)** The Company 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.