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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): August 9, 2017 ( August 8, 2017)**

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# WHEELER REAL ESTATE INVESTMENT TRUST, INC.

(Exact name of registrant as specified in its charter)

**Maryland**  
(State or Other Jurisdiction  
of Incorporation)

**001-35713**  
(Commission  
File Number)

**45-2681082**  
(IRS Employer  
Identification No.)

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

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

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

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Indicate by check mark whether the registrant is an emerging growth company as defined in as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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### ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION.

On August 8, 2017, Wheeler Real Estate Investment Trust, Inc. (the "Company"), issued a press release announcing its financial results for the three and six months ended June 30, 2017. 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 and six months ended June 30, 2017 is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

### ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.









### **2017 Second Quarter Financial Review**

- Total revenue from continuing operations increased by approximately 32.80% to \$14.7 million for the three months ended June 30, 2017, compared with total revenue from continuing operations of \$11.1 million for the same prior year period.
- Net loss attributable to Common Stock shareholders was \$3.2 million for the three months ended June 30, 2017, or \$0.37 per basic and diluted share, compared to a net loss of \$3.2 million, or \$0.38 per basic and diluted share, for the same prior year period.
  - The changes in net loss were primarily due to the incremental NOI derived from the nine retail property acquisitions occurring subsequent to June 30, 2016 and fourteen that occurred during the three months ended June 30, 2016, \$1.0 million net gain on sale of the Carolina Place land parcel and Rivergate Steak n' Shake outparcel and lower general and administrative expenses due to an overall decrease in salaries and compensation. These amounts were partially offset by additional depreciation, amortization, interest expense and preferred stock dividends.
- Wheeler reported Funds From Operations ("FFO") available to Common Stock shareholders and holders of OP Units of \$2.3 million for the three months ended June 30, 2017, or \$0.24 per share of Common Stock and OP Unit, compared to \$1.3 million, or \$0.14 per share of Common Stock and OP Unit for the same prior year period.
- AFFO was \$3.7 million for the three months ended June 30, 2017, or \$0.40 per share of Common Stock and OP Unit, compared to AFFO of \$2.7 million, or \$0.29 per share of Common Stock and OP Unit for the same prior year period.
- NOI from continuing operations increased by 26.6% to \$10.1 million for the three months ended June 30, 2017, as compared to NOI from continuing operations of \$8.0 million for the same prior year period.
- Adjusted Earnings Before Interest, Taxes, Depreciation and Amortization ("Adjusted EBITDA") was \$9.9 million for the three months ended June 30, 2017, as compared to \$6.3 million of Adjusted EBITDA for the same prior year period.
- The Company recorded \$360 thousand in interest income on notes receivable and \$163 thousand in development fees for the three months ended June 30, 2017 attributable to Sea Turtle Marketplace ("Sea Turtle Development").

### **2017 Year-to-Date Financial Review**

- Total revenue from continuing operations increased by approximately 43.6% to \$29.0 million for the six months ended June 30, 2017, compared with total revenue from continuing operations of \$20.2 million for the same prior year period.
- Net loss attributable to Common Stock shareholders was \$6.8 million for the six months ended June 30, 2017, or \$0.79 per basic and diluted share, compared to a net loss of \$7.0 million, or \$0.83 per basic and diluted share, for the same prior year period.
  - The decrease in net loss was primarily due to the incremental NOI derived from the nine retail property acquisitions occurring subsequent to June 30, 2016, \$1.5 million gain on the sale of the Ruby Tuesday's and Outback properties at Pierpont Shopping Center, \$1.0 million net gain on sale of the Carolina Place land parcel and the Rivergate Steak n' Shake outparcel and lower general and administrative expenses due to an overall decrease in salaries and compensation. These amounts were partially offset by additional depreciation, amortization, interest expense and preferred stock dividends.
- Wheeler reported FFO available to Common Stock shareholders and holders of OP Units of \$3.7 million for the six months ended June 30, 2017, or \$0.40 per share of Common Stock and OP Unit, compared to \$2.2 million, or \$0.25 per share of Common Stock and OP Unit for the same prior year period.
- AFFO was \$6.6 million for the six months ended June 30, 2017, or \$0.70 per share of Common Stock and OP Unit, compared to AFFO of \$4.6 million, or \$0.51 per share of Common Stock and OP Unit for the same prior year period.
- NOI from continuing operations increased by 42.6% to \$20.0 million for the six months ended June 30, 2017, as compared to NOI from continuing operations of \$14.0 million for the same prior year period.
- Adjusted EBITDA was \$18.7 million for the six months ended June 30, 2017, as compared to \$10.8 million of Adjusted EBITDA for the same prior year period.
- The Company recorded \$716 thousand in interest income on notes receivable and \$299 thousand in development fees for the six months ended June 30, 2017 attributable to Sea Turtle Development.

### **Leasing Review**

- For the three months ended June 30, 2017, the Company executed 23 renewals totaling 108,743 square feet at a weighted-average decrease of \$(0.21) per square foot, representing a decrease of (2.45)% over prior rates. In December 2016, at the time of the Village of Martinsville acquisition a decrease in rent was anticipated for the 23,523 square foot space occupied by Office Max. The renewal occurred in the three months ended June 30, 2017 at a premium to the Company's underwritten rental rate at the time
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of acquisition. If adjusted to exclude the Office Max renewal the weighted-average increase on renewals for the three months ended June 30, 2017 would total \$0.14 per square foot, representing an increase of 1.61% over prior rates.

- For the six months ended June 30, 2017, the Company executed 56 renewals totaling 287,864 square feet at a weighted-average increase of \$0.11 per square foot, representing an increase of 1.25% over prior rates. As discussed above, if adjusted to exclude the Office Max renewal the weighted-average increase on renewals for the six months ended June 30, 2017 would total \$0.25 per square foot, representing an increase of 2.90% over prior rates.
- For the three months ended June 30, 2017, Wheeler signed 14 new leases totaling approximately 33,792 square feet with a weighted-average rate of \$13.06 per square foot.
- For the six months ended June 30, 2017, Wheeler signed 32 new leases totaling approximately 88,071 square feet with a weighted-average rate of \$13.59 per square foot.
- Approximately 3.2% of Wheeler's gross leasable area ("GLA") is subject to leases that expire during the six months ending December 31, 2017. Of the GLA expiring during the six months ending December 31, 2017, 39.8% have options to renew. 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 June 30, 2017 was (4.9)% on a GAAP basis and (5.4)% on a cash basis. The same-store pool comprises the 3.2 million square feet that the Company owned as of January 1, 2016. Same-store results were driven by a 2.2% decrease in property revenues primarily resulting from the closure of Career Point Business School and an increase of 5.6% in property operating expenses as a result of the allocation of certain property management and facilities maintenance personnel expenses and related travel costs which were not allocated during the respective prior year period.
- Same-store NOI year-over-over growth for the six months ended June 30, 2017 was (1.5)% on a GAAP basis and (2.9)% on a cash basis. The same-store pool comprises the 3.2 million square feet that the Company owned as of January 1, 2016. Same-store results were driven by a decrease of 1.1% in property revenues primarily resulting from the closure of Career Point Business School while property expenses remained relatively flat.
- The Company's leased percentage is 94.3% of GLA at June 30, 2017, including leases executed through July 5, 2017.

#### **Balance Sheet Summary**

- The Company's cash and cash equivalents were \$7.1 million at June 30, 2017, compared to \$4.9 million at December 31, 2016.
- Wheeler's net investment properties as of June 30, 2017 (including assets held for sale) totaled at \$384.4 million, as compared to \$389.2 million as of December 31, 2016.
- The Company's total debt was \$311.4 million at June 30, 2017 (including debt associated with assets held for sale), compared to \$315.0 million at December 31, 2016. Wheeler's weighted-average interest rate and term of its debt (including debt associated with assets held for sale) was 4.5% and 5.00 years, respectively, at June 30, 2017, compared to 4.3% and 5.55 years, respectively, at December 31, 2016.

#### **Dividend Distribution**

- For the three months ended June 30, 2017, the Company declared approximately \$3.2 million in dividend payments to the holders of our Common Stock and OP Units.
- For the three months ended June 30, 2017, the Company declared approximately \$2.3 million in dividend payments to the holders of our Series A, Series B, and Series D preferred stock.
- For the six months ended June 30, 2017, the Company declared approximately \$7.1 million in dividend payments to the holders of our Common Stock and OP Units.
- For the six months ended June 30, 2017, the Company declared approximately \$4.6 million in dividend payments to the holders of our Series A, Series B, and Series D preferred stock.

#### **Dividend Payout Schedule**

- As previously announced, the Company amended its Common Stock dividend payment schedule such that dividends were paid quarterly commencing in July 2017 to shareholders of record on June 30, 2017 and future dividends are expected to be paid quarterly. Furthermore, it was announced that the annualized Common Stock rate was adjusted to \$1.44 on an annualized basis, given the first quarter dividend of \$0.42 per share.
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### **Subsequent Activity**

- On July 18, 2017, the Company extended the \$3.39 million Walnut Hill Loan maturity to October 31, 2017.
- On August 7, 2017, the Company executed a Third Amendment to the KeyBank Credit Agreement (the "Third Amendment"). The Third Amendment changed the interest payment date to the first day of each calendar month and decreased the total commitment on the revolving credit line by \$25 million to \$50 million effective October 7, 2017. The Company and KeyBank agreed Shoppes at Myrtle Park shall continue to be included in the calculation of the Borrowing Base Availability (as defined in the Credit Agreement) through December 21, 2017.

### **Third Quarter 2017 Outlook and Guidance**

Management will discuss Third Quarter 2017 and Full-Year 2017 guidance on the earnings conference call (August 9, 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/q2-2017>.

### **Supplemental Information**

Further details regarding Wheeler Real Estate Investment Trust, Inc.'s operations and financials for the period ended June 30, 2017, 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 Quarterly Report on Form 10-Q, 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.

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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, nonrecurring 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 retail focused properties; (ii) the Company's ability to complete future acquisitions of properties; (iii) the Company's expectation that tenants will renew leases at amounts and terms comparable to existing lease agreements; (iv) the Company's expectation that its properties remain the dominant location for retail in its markets; (v) the anticipated implementation of the Company's acquisition strategy; (vi) the Company's expectation that demand for space in the secondary and tertiary markets will remain largely insulated from e-commerce retail trends; (vii) the Company's annualized Common Stock dividend rate of \$1.44 per share on an annualized basis; 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 \$0.34 per share. A possible implication of this statement is that the Company will continuously pay quarterly dividends on the Company's common stock of \$0.34 per share. 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.

CONTACT:

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

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

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**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Condensed Consolidated Balance Sheets**  
(in thousands, except par value and share data)

	<u>June 30, 2017</u>	<u>December 31,</u>
	<u>(unaudited)</u>	<u>2016</u>
<b>ASSETS:</b>		
Investment properties, net	\$ 384,432	\$ 388,880
Cash and cash equivalents	7,052	4,863
Restricted cash	9,242	9,652
Rents and other tenant receivables, net	3,670	3,984
Related party receivables	1,803	1,456
Notes receivable	12,000	12,000
Goodwill	5,486	5,486
Assets held for sale	—	366
Above market lease intangible, net	10,954	12,962
Deferred costs and other assets, net	42,121	49,397
<b>Total Assets</b>	<b>\$ 476,760</b>	<b>\$ 489,046</b>
<b>LIABILITIES:</b>		
Loans payable, net	\$ 305,018	\$ 305,973
Liabilities associated with assets held for sale	—	1,350
Below market lease intangible, net	11,112	12,680
Accounts payable, accrued expenses and other liabilities	9,708	9,610
Dividends payable	5,473	1,711
<b>Total Liabilities</b>	<b>331,311</b>	<b>331,324</b>
Commitments and contingencies		
Series D Cumulative Convertible Preferred Stock (no par value, 4,000,000 shares authorized, 2,237,000 shares issued and outstanding; \$55.93 million aggregate liquidation preference)	52,869	52,530
<b>EQUITY:</b>		
Series A Preferred Stock (no par value, 4,500 shares authorized, 562 shares issued and outstanding)	453	453
Series B Convertible Preferred Stock (no par value, 5,000,000 authorized, 1,871,244 shares issued and outstanding; \$46.78 million aggregate liquidation preference)	40,776	40,733
Common Stock (\$0.01 par value, 18,750,000 shares authorized, 8,666,646 and 8,503,819 shares issued and outstanding, respectively)	87	85
Additional paid-in capital	226,075	223,939
Accumulated deficit	(183,729)	(170,377)
<b>Total Shareholders' Equity</b>	<b>83,662</b>	<b>94,833</b>
Noncontrolling interests	8,918	10,359
<b>Total Equity</b>	<b>92,580</b>	<b>105,192</b>
<b>Total Liabilities and Equity</b>	<b>\$ 476,760</b>	<b>\$ 489,046</b>

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

**Three Months Ended June 30,**

	Same Stores		New Stores		Total		Period Over Period Changes	
	2017	2016	2017	2016	2017	2016	\$	%
	Net (Loss) Income	\$ (1,189)	\$ (1,860)	\$ 463	\$ (1,151)	\$ (726)	\$ (3,011)	\$ 2,285
Depreciation and amortization of real estate assets	3,803	4,470	2,506	962	6,309	5,432	877	16.15%
Loss (gain) on disposal of properties	11	—	(1,033)	—	(1,022)	—	(1,022)	—%
Loss (gain) on disposal of properties-discontinued operations	11	(688)	—	—	11	(688)	699	101.60%
<b>FFO</b>	<b>\$ 2,636</b>	<b>\$ 1,922</b>	<b>\$ 1,936</b>	<b>\$ (189)</b>	<b>\$ 4,572</b>	<b>\$ 1,733</b>	<b>\$ 2,839</b>	<b>163.82%</b>

**Six Months Ended June 30,**

	Same Stores		New Stores		Total		Period Over Period Changes	
	2017	2016	2017	2016	2017	2016	\$	%
	Net loss	\$ (1,763)	\$ (5,422)	\$ (123)	\$ (1,151)	\$ (1,886)	\$ (6,573)	\$ 4,687
Depreciation and amortization of real estate assets	7,657	9,350	5,052	962	12,709	10,312	2,397	23.24 %
Loss (gain) on disposal of properties	11	—	(1,033)	—	(1,022)	—	(1,022)	— %
Gain on disposal of properties-discontinued operations	(1,502)	(688)	—	—	(1,502)	(688)	(814)	(118.31)%
<b>FFO</b>	<b>\$ 4,403</b>	<b>\$ 3,240</b>	<b>\$ 3,896</b>	<b>\$ (189)</b>	<b>\$ 8,299</b>	<b>\$ 3,051</b>	<b>\$ 5,248</b>	<b>172.01 %</b>

**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Reconciliation of Adjusted Funds From Operations (AFFO)**  
(unaudited, in thousands, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Net Loss	\$ (726)	\$ (3,011)	\$ (1,886)	\$ (6,573)
Depreciation and amortization of real estate assets	6,309	5,432	12,709	10,312
Gain on disposal of properties	(1,022)	—	(1,022)	—
Loss (gain) on disposal of properties-discontinued operations	11	(688)	(1,502)	(688)
FFO	4,572	1,733	8,299	3,051
Preferred stock dividends	(2,494)	(512)	(4,977)	(1,023)
Preferred stock accretion adjustments	205	88	400	177
FFO available to common shareholders and common unitholders	2,283	1,309	3,722	2,205
Acquisition costs	339	383	599	796
Capital related costs	166	188	386	250
Other non-recurring and non-cash expenses (1)	23	222	130	459
Share-based compensation	224	261	601	411
Straight-line rent	(219)	(135)	(404)	(142)
Loan cost amortization	1,064	645	1,827	835
Accrued interest income	(120)	—	(238)	—
Above (below) market lease amortization	190	—	383	72
Recurring capital expenditures and tenant improvement reserves	(245)	(187)	(451)	(326)
AFFO	<u>\$ 3,705</u>	<u>\$ 2,686</u>	<u>\$ 6,555</u>	<u>\$ 4,560</u>
Weighted Average Common Shares	8,628,204	8,410,618	8,591,458	8,347,367
Weighted Average Common Units	728,934	705,558	745,353	646,732
Total Common Shares and Units	9,357,138	9,116,176	9,336,811	8,994,099
FFO per Common Share and Common Units	<u>\$ 0.24</u>	<u>\$ 0.14</u>	<u>\$ 0.40</u>	<u>\$ 0.25</u>
AFFO per Common Share and Common Units	<u>\$ 0.40</u>	<u>\$ 0.29</u>	<u>\$ 0.70</u>	<u>\$ 0.51</u>

(1) Other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Quarterly Report on Form 10-Q for the period ended June 30, 2017.

**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Reconciliation of Property Net Operating Income**  
(unaudited, in thousands)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
Property Revenues	\$ 13,862	\$ 10,788	\$ 27,771	\$ 19,518
Property Expenses	3,747	2,797	7,741	5,472
Property Net Operating Income	10,115	7,991	20,030	14,046
Asset Management and Commission Revenue	694	296	971	704
Other non-property income	163	—	299	—
Other Income	857	296	1,270	704
Non-REIT management and leasing services	636	279	907	656
Depreciation and amortization	6,309	5,432	12,709	10,312
Provision for credit losses	168	77	420	165
Corporate general & administrative	1,317	2,512	3,549	4,794
Total Other Operating Expenses	8,430	8,300	17,585	15,927
Gain on disposal of properties	1,022	—	1,022	—
Interest income	360	1	716	2
Interest expense	(4,570)	(3,742)	(8,747)	(6,162)
Net Loss from Continuing Operations Before Income Taxes	(646)	(3,754)	(3,294)	(7,337)
Income tax expense	(69)	—	(110)	—
Net Loss from Continuing Operations	(715)	(3,754)	(3,404)	(7,337)
Discontinued Operations				
Income from operations	—	55	16	76
(Loss) gain on disposal of properties	(11)	688	1,502	688
Net (Loss) Income from Discontinued Operations	(11)	743	1,518	764
Net Loss	\$ (726)	\$ (3,011)	\$ (1,886)	\$ (6,573)





**Supplemental Operating and Financial Data**  
*for the three and six months ended June 30, 2017*

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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

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## Executive Management

Jon S. Wheeler - Chairman & CEO

Wilkes J. Graham - CFO

Matthew T. Reddy - CAO

Robin A. Hanisch - Secretary

David Kelly - CIO

M. Andrew Franklin - Senior VP of Operations

## Board of Directors

Jon S. Wheeler, Chairman

William W. King

Stewart J. Brown

Carl B. McGowan, Jr.

Kurt R. Harrington

John P. McAuliffe

David Kelly

Jeffrey M. Zwerdling

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## Investor Relations Contact

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## Transfer Agent and Registrar

Computershare Trust Company, N.A.

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# Condensed Consolidated Balance Sheets

\$ in 000s

	June 30, 2017	December 31, 2016
<b>ASSETS:</b>	<b>(unaudited)</b>	
Investment properties, net	\$ 384,432	\$ 388,880
Cash and cash equivalents	7,052	4,863
Restricted cash	9,242	9,652
Rents and other tenant receivables, net	3,670	3,984
Related party receivable	1,803	1,456
Notes receivable	12,000	12,000
Goodwill	5,486	5,486
Assets held for sale	—	366
Above market lease intangible, net	10,954	12,962
Deferred costs and other assets, net	42,121	49,397
<b>Total Assets</b>	<b>\$ 476,760</b>	<b>\$ 489,046</b>
<b>LIABILITIES:</b>		
Loans payable, net	\$ 305,018	\$ 305,973
Liabilities associated with assets held for sale	—	1,350
Below market lease intangible, net	11,112	12,680
Accounts payable, accrued expenses and other liabilities	9,708	9,610
Dividends payable	5,473	1,711
<b>Total Liabilities</b>	<b>331,311</b>	<b>331,324</b>
Commitments and contingencies		
Series D Cumulative Convertible Preferred Stock (no par value, 4,000,000 shares authorized, 2,237,000 shares issued and outstanding; \$55.93 million aggregate liquidation preference)	52,869	52,530
<b>EQUITY:</b>		
Series A Preferred Stock (no par value, 4,500 shares authorized, 562 shares issued and outstanding)	453	453
Series B Convertible Preferred Stock (no par value, 5,000,000 authorized, 1,871,244 shares issued and outstanding; \$46.78 million aggregate liquidation preference)	40,776	40,733
Common Stock (\$0.01 par value, 18,750,000 shares authorized, 8,666,646 and 8,503,819 shares issued and outstanding, respectively)	87	85
Additional paid-in capital	226,075	223,939
Accumulated deficit	(183,729)	(170,377)
<b>Total Shareholders' Equity</b>	<b>83,662</b>	<b>94,833</b>
Noncontrolling interests	8,918	10,359

<b>Total Equity</b>	92,580	105,192
<b>Total Liabilities and Equity</b>	\$ 476,760	\$ 489,046

# Condensed Consolidated Statements of Operations

\$ in 000s

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
	(unaudited)			
<b>TOTAL REVENUES</b>	\$ 14,719	\$ 11,084	\$ 29,041	\$ 20,222
<b>OPERATING EXPENSES:</b>				
Property operations	3,747	2,797	7,741	5,472
Non-REIT management and leasing services	636	279	907	656
Depreciation and amortization	6,309	5,432	12,709	10,312
Provision for credit losses	168	77	420	165
Corporate general & administrative	1,317	2,512	3,549	4,794
<b>Total Operating Expenses</b>	<b>12,177</b>	<b>11,097</b>	<b>25,326</b>	<b>21,399</b>
<b>Operating Income (Loss)</b>	<b>2,542</b>	<b>(13)</b>	<b>3,715</b>	<b>(1,177)</b>
Gain on disposal of properties	1,022	—	1,022	—
Interest income	360	1	716	2
Interest expense	(4,570)	(3,742)	(8,747)	(6,162)
<b>Net Loss from Continuing Operations Before Income Taxes</b>	<b>(646)</b>	<b>(3,754)</b>	<b>(3,294)</b>	<b>(7,337)</b>
Income tax expense	(69)	—	(110)	—
<b>Net Loss from Continuing Operations</b>	<b>(715)</b>	<b>(3,754)</b>	<b>(3,404)</b>	<b>(7,337)</b>
<b>Discontinued Operations</b>				
Income from discontinued operations	—	55	16	76
(Loss) gain on disposal of properties	(11)	688	1,502	688
<b>Net (Loss) Income from Discontinued Operations</b>	<b>(11)</b>	<b>743</b>	<b>1,518</b>	<b>764</b>
<b>Net Loss</b>	<b>(726)</b>	<b>(3,011)</b>	<b>(1,886)</b>	<b>(6,573)</b>
Less: Net loss attributable to noncontrolling interests	(13)	(313)	(54)	(646)
<b>Net Loss Attributable to Wheeler REIT</b>	<b>(713)</b>	<b>(2,698)</b>	<b>(1,832)</b>	<b>(5,927)</b>
Preferred stock dividends	(2,494)	(512)	(4,977)	(1,023)
<b>Net Loss Attributable to Wheeler REIT Common Shareholders</b>	<b>\$ (3,207)</b>	<b>\$ (3,210)</b>	<b>\$ (6,809)</b>	<b>\$ (6,950)</b>
Loss per share from continuing operations (basic and diluted)	\$ (0.37)	\$ (0.46)	\$ (0.96)	\$ (0.91)
Income per share from discontinued operations	—	0.08	0.17	0.08
	\$ (0.37)	\$ (0.38)	\$ (0.79)	\$ (0.83)
<b>Weighted-average number of shares:</b>				
Basic and Diluted	8,628,204	8,410,618	8,591,458	8,347,367

# Reconciliation of Non-GAAP Measures<sup>(1)</sup>

## FFO and AFFO

\$ in 000s

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
	(unaudited)			
Net Loss	\$ (726)	\$ (3,011)	\$ (1,886)	\$ (6,573)
Depreciation and amortization of real estate assets	6,309	5,432	12,709	10,312
Gain on disposal of properties	(1,022)	—	(1,022)	—
Loss (gain) on disposal of properties-discontinued operations	11	(688)	(1,502)	(688)
FFO	4,572	1,733	8,299	3,051
Preferred stock dividends	(2,494)	(512)	(4,977)	(1,023)
Preferred stock accretion adjustments	205	88	400	177
FFO available to common shareholders and common unitholders	2,283	1,309	3,722	2,205
Acquisition costs	339	383	599	796
Capital related costs	166	188	386	250
Other non-recurring and non-cash expenses <sup>(2)</sup>	23	222	130	459
Share-based compensation	224	261	601	411
Straight-line rent	(219)	(135)	(404)	(142)
Loan cost amortization	1,064	645	1,827	835
Accrued interest income	(120)	—	(238)	—
Above (below) market lease amortization	190	—	383	72
Recurring capital expenditures and tenant improvement reserves	(245)	(187)	(451)	(326)
AFFO	\$ 3,705	\$ 2,686	\$ 6,555	\$ 4,560
Weighted Average Common Shares	8,628,204	8,410,618	8,591,458	8,347,367
Weighted Average Common Units	728,934	705,558	745,353	646,732
Total Common Shares and Units	9,357,138	9,116,176	9,336,811	8,994,099
FFO per Common Share and Common Units	\$ 0.24	\$ 0.14	\$ 0.40	\$ 0.25
AFFO per Common Share and Common Units	\$ 0.40	\$ 0.29	\$ 0.70	\$ 0.51

(1) See page 19 for the Company's definition of this non-GAAP measurement and reasons for using it.

(2) Other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Quarterly Report on Form 10-Q for the period ended June 30, 2017.

## Reconciliation of Non-GAAP Measures (continued)

### Property Net Operating Income

\$ in 000s

	Three Months Ended June 30,		Six Months Ended June 30,	
	2017	2016	2017	2016
	(unaudited)			
Property Revenues	\$ 13,862	\$ 10,788	\$ 27,771	\$ 19,518
Property Expenses	3,747	2,797	7,741	5,472
Property Net Operating Income	10,115	7,991	20,030	14,046
Asset Management and Commission Revenue	694	296	971	704
Other non-property income	163	—	299	—
Other Income	857	296	1,270	704
Non-REIT management and leasing services	636	279	907	656
Depreciation and amortization	6,309	5,432	12,709	10,312
Provision for credit losses	168	77	420	165
Corporate general & administrative	1,317	2,512	3,549	4,794
Total Other Operating Expenses	8,430	8,300	17,585	15,927
Gain on disposal of properties	1,022	—	1,022	—
Interest income	360	1	716	2
Interest expense	(4,570)	(3,742)	(8,747)	(6,162)
Net Loss from Continuing Operations Before Income Taxes	(646)	(3,754)	(3,294)	(7,337)
Income tax expense	(69)	—	(110)	—
Net Loss from Continuing Operations	(715)	(3,754)	(3,404)	(7,337)
Discontinued Operations				
Income from operations	—	55	16	76
(Loss) gain on disposal of properties	(11)	688	1,502	688
Net (Loss) Income from Discontinued Operations	(11)	743	1,518	764
Net Loss	\$ (726)	\$ (3,011)	\$ (1,886)	\$ (6,573)





# Debt Summary as of June 30, 2017

Loans Payable: \$311.44 million  
 Weighted Average Interest Rate: 4.47%  
 Total Debt to Total Assets: 65.32%

Property/Description	Monthly Payment	Interest Rate	Maturity	June 30, 2017		December 31, 2016	
				(unaudited, \$ in 000s)		(\$ in 000s)	
Walnut Hill Plaza	\$ 24,273	5.50%	July 2017	\$ 3,389	\$ 3,440		
Bank Line of Credit	Interest only	4.25%	September 2017	3,000		3,000	
Columbia Fire Station	Interest only	8.00%	December 2017	254		487	
Monarch Bank Building	\$ 9,473	4.15%	December 2017	1,290		1,320	
Shoppes at Eagle Harbor	\$ 25,100	4.34%	March 2018	3,418		3,492	
Revere Loan	Interest only	8.00%	April 2018	6,833		7,450	
KeyBank Line of Credit	Interest only	Libor + 250 basis points	May 2018	68,032		74,077	
Lumber River	Interest only	Libor + 295 basis points	June 2018	1,500		1,500	
Senior convertible notes	Interest only	9.00%	December 2018	1,369		1,400	
Harbor Point	\$ 11,024	5.85%	December 2018	602		649	
Perimeter Square	Interest only	5.50%	December 2018	5,208		4,500	
Riversedge North	\$ 8,802	6.00%	January 2019	889		914	
DF I-Moyock	\$ 10,665	5.00%	July 2019	253		309	
Rivergate	Interest only	Libor + 295 basis points	December 2019	22,689		24,213	
LaGrange Marketplace	\$ 15,065	Libor + 375 basis points	March 2020	2,344		2,369	
Folly Road	Interest only	4.00%	March 2020	6,181		—	
Columbia Fire Station construction loan	Interest only	4.00%	May 2020	587		—	
Shoppes at TJ Maxx	\$ 33,880	3.88%	May 2020	5,818		5,908	
Twin City Commons	\$ 17,827	4.86%	January 2023	3,140		3,170	
Tampa Festival	\$ 50,797	5.56%	September 2023	8,436		8,502	
Forrest Gallery	\$ 50,973	5.40%	September 2023	8,736		8,802	
South Carolina Food Lions Note	\$ 68,320	5.25%	January 2024	12,138		12,224	
Cypress Shopping Center	\$ 34,360	4.70%	July 2024	6,535		6,585	
Port Crossing	\$ 34,788	4.84%	August 2024	6,317		6,370	
Freeway Junction	\$ 41,798	4.60%	September 2024	8,057		8,119	
Harrodsburg Marketplace	\$ 19,112	4.55%	September 2024	3,585		3,617	
Graystone Crossing	\$ 20,386	4.55%	October 2024	3,959		3,990	
Bryan Station	\$ 23,489	4.52%	November 2024	4,583		4,619	
Crockett Square	Interest only	4.47%	December 2024	6,338		6,338	
Pierpont Centre	Interest only	4.15%	February 2025	8,113		9,800	
Alex City Marketplace	Interest only	3.95%	April 2025	5,750		5,750	
Butler Square	Interest only	3.90%	May 2025	5,640		5,640	
Brook Run Shopping Center	Interest only	4.08%	June 2025	10,950		10,950	
Beaver Ruin Village I and II	Interest only	4.73%	July 2025	9,400		9,400	
Sunshine Shopping Plaza	Interest only	4.57%	August 2025	5,900		5,900	
Barnett Portfolio	Interest only	4.30%	September 2025	8,770		8,770	
Fort Howard Shopping Center	Interest only	4.57%	October 2025	7,100		7,100	
Conyers Crossing	Interest only	4.67%	October 2025	5,960		5,960	
Grove Park Shopping Center	Interest only	4.52%	October 2025	3,800		3,800	
Parkway Plaza	Interest only	4.57%	October 2025	3,500		3,500	
Chesapeake Square	\$ 23,857	4.70%	August 2026	4,539		4,578	
Winslow Plaza	Interest only	4.82%	December 2025	4,620		4,620	
Sangaree/Tri-County/Berkley	Interest only	4.78%	December 2026	9,400		9,400	
Riverbridge	Interest only	4.48%	December 2026	4,000		4,000	
Franklin	Interest only	4.93%	January 2027	8,516		8,516	
Total Principal Balance				311,438		315,048	
Unamortized debt issuance cost				(6,420)		(7,725)	
Total Loans Payable (1)				\$ 305,018		\$ 307,323	

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

## Debt Summary as of June 30, 2017 (continued)

### Total Debt

\$ in 000s

Scheduled principal repayments and maturities by year	Amount	% Total Principal Payments and Maturities
For the remaining six months ended December 31, 2017	\$ 8,815	2.83 %
December 31, 2018	89,097	28.61 %
December 31, 2019	24,640	7.91 %
December 31, 2020	15,622	5.02 %
December 31, 2021	1,720	0.55 %
December 31, 2022	1,944	0.62 %
Thereafter	169,600	54.46 %
Total principal repayments and maturities	\$ 311,438	100.00 %

# Portfolio Summary as of June 30, 2017 (unaudited)

Property	Location	Number of Tenants (1)	Total Leasable Square Feet	Percentage Leased (1)	Percentage Occupied	Total SF Occupied	Annualized Base Rent (2)	Annualized Base Rent per Occupied Sq. Foot
Alex City Marketplace	Alexander City, AL	18	147,791	99.2%	99.2%	146,591	\$ 1,092,037	\$ 7.45
Amscot Building (3)	Tampa, FL	1	2,500	100.0%	100.0%	2,500	115,849	46.34
Beaver Ruin Village	Lilburn, GA	28	74,038	89.1%	89.1%	65,989	1,048,802	15.89
Beaver Ruin Village II	Lilburn, GA	4	34,925	100.0%	100.0%	34,925	414,027	11.85
Berkley (4)	Norfolk, VA	—	—	—%	—%	—	—	—
Berkley Shopping Center	Norfolk, VA	11	47,945	94.2%	94.2%	45,140	363,048	8.04
Brook Run Shopping Center	Richmond, VA	19	147,738	92.3%	92.3%	136,327	1,527,624	11.21
Brook Run Properties (4)	Richmond, VA	—	—	—%	—%	—	—	—
Bryan Station	Lexington, KY	10	54,397	99.8%	99.8%	54,277	551,219	10.16
Butler Square	Mauldin, SC	16	82,400	98.2%	98.2%	80,950	797,926	9.86
Cardinal Plaza	Henderson, NC	7	50,000	94.0%	94.0%	47,000	447,350	9.52
Chesapeake Square	Onley, VA	14	99,848	90.4%	89.0%	88,814	706,912	7.96
Clover Plaza	Clover, SC	9	45,575	100.0%	100.0%	45,575	352,152	7.73
Columbia Fire Station (6)	Columbia, SC	—	—	—%	—%	—	—	—
Conyers Crossing	Conyers, GA	14	170,475	99.4%	99.4%	169,425	942,508	5.56
Courtland Commons (4)	Courtland, VA	—	—	—%	—%	—	—	—
Crockett Square	Morristown, TN	4	107,122	100.0%	100.0%	107,122	920,322	8.59
Cypress Shopping Center	Boiling Springs, SC	17	80,435	98.3%	98.3%	79,035	869,386	11.00
Darien Shopping Center	Darien, GA	1	26,001	100.0%	100.0%	26,001	208,008	8.00
Devine Street	Columbia, SC	2	38,464	100.0%	100.0%	38,464	549,668	14.29
Edenton Commons (4)	Edenton, NC	—	—	—%	—%	—	—	—
Folly Road	Charleston, SC	6	47,794	100.0%	100.0%	47,794	720,863	15.08
Forrest Gallery	Tullahoma, TN	28	214,451	94.7%	94.7%	202,981	1,347,366	6.64
Fort Howard Shopping Center	Rincon, GA	16	113,652	91.2%	91.2%	103,620	828,908	8.00
Franklin Village	Kittanning, PA	29	151,673	100.0%	100.0%	151,673	1,159,029	7.64
Franklinton Square	Franklinton, NC	14	65,366	93.0%	93.0%	60,800	556,594	9.15
Freeway Junction	Stockbridge, GA	14	156,834	94.6%	94.6%	148,424	1,071,521	7.22
Georgetown	Georgetown, SC	2	29,572	100.0%	100.0%	29,572	267,215	9.04
Graystone Crossing	Tega Cay, SC	11	21,997	100.0%	100.0%	21,997	535,030	24.32
Grove Park	Orangeburg, SC	15	106,557	87.8%	87.8%	93,579	650,713	6.95
Harbor Point (4)	Grove, OK	—	—	—%	—%	—	—	—
Harrodsburg Marketplace	Harrodsburg, KY	9	60,048	100.0%	100.0%	60,048	441,940	7.36
Jenks Plaza	Jenks, OK	5	7,800	83.5%	66.7%	5,200	101,664	19.55
Laburnum Square	Richmond, VA	22	109,405	100.0%	100.0%	109,405	974,256	8.91
Ladson Crossing	Ladson, SC	14	52,607	95.4%	95.4%	50,207	734,094	14.62
LaGrange Marketplace	LaGrange, GA	15	76,594	100.0%	98.0%	75,094	429,597	5.72
Lake Greenwood Crossing	Greenwood, SC	6	47,546	87.4%	87.4%	41,546	408,841	9.84
Lake Murray	Lexington, SC	5	39,218	100.0%	100.0%	39,218	351,117	8.95
Laskin Road (4)	Virginia Beach, VA	—	—	—%	—%	—	—	—
Litchfield Market Village	Pawleys Island, SC	17	86,740	83.8%	83.8%	72,663	1,051,655	14.47
Lumber River Village	Lumberton, NC	11	66,781	100.0%	100.0%	66,781	514,956	7.71
Monarch Bank	Virginia Beach, VA	1	3,620	100.0%	100.0%	3,620	265,796	73.42
Moncks Corner	Moncks Corner, SC	1	26,800	100.0%	100.0%	26,800	323,451	12.07
Nashville Commons	Nashville, NC	12	56,100	99.9%	99.9%	56,050	583,953	10.42
New Market Crossing	Mt. Airy, NC	12	116,976	94.8%	94.8%	110,868	956,857	8.63
Parkway Plaza	Brunswick, GA	5	52,365	96.9%	96.9%	50,765	537,592	10.59
Perimeter Square	Tulsa, OK	8	58,277	85.2%	51.8%	30,162	372,272	12.34
Pierpont Centre	Morgantown, WV	18	122,259	90.9%	90.9%	111,162	1,321,240	11.89
Port Crossing	Harrisonburg, VA	9	65,365	97.9%	97.9%	64,000	803,368	12.55
Ridgeland	Ridgeland, SC	1	20,029	100.0%	100.0%	20,029	140,203	7.00
Riverbridge Shopping Center	Carrollton, GA	11	91,188	98.5%	98.5%	89,788	663,789	7.39
Riversedge North (5)	Virginia Beach, VA	—	—	—%	—%	—	—	—
Rivergate Shopping Center	Macon, GA	30	201,680	96.6%	96.6%	194,819	2,717,481	13.95
Sangaree Plaza	Summerville, SC	9	66,948	100.0%	100.0%	66,948	588,160	8.79



## Portfolio Summary as of June 30, 2017 (unaudited), (continued)

Property	Location	Number of Tenants (1)	Total Leasable Square Feet	Percentage Leased (1)	Occupied Square Foot Percentage	Total SF Occupied	Annualized Base Rent (2)	Annualized Base Rent per Occupied Sq. Foot
Shoppes at Myrtle Park	Bluffton, SC	12	56,380	100.0%	100.0%	56,380	\$ 936,495	\$ 16.61
Shoppes at TJ Maxx	Richmond, VA	18	93,624	100.0%	100.0%	93,624	1,133,025	12.10
South Lake	Lexington, SC	10	44,318	100.0%	100.0%	44,318	440,038	9.93
South Park	Mullins, SC	2	60,734	71.2%	71.2%	43,218	491,245	11.37
South Square	Lancaster, SC	5	44,350	89.9%	89.9%	39,850	321,742	8.07
St. George Plaza	St. George, SC	3	59,279	62.0%	62.0%	36,768	273,186	7.43
St. Matthews	St. Matthews, SC	5	29,015	87.2%	87.2%	25,314	307,382	12.14
Sunshine Plaza	Lehigh Acres, FL	20	111,189	92.8%	92.8%	103,133	928,517	9.00
Surrey Plaza	Hawkinsville, GA	5	42,680	100.0%	89.5%	38,180	261,495	6.85
Tampa Festival	Tampa, FL	18	137,987	94.0%	94.0%	129,687	1,164,085	8.98
The Shoppes at Eagle Harbor	Carrollton, VA	7	23,303	100.0%	100.0%	23,303	463,359	19.88
Tri-County Plaza	Royston, GA	7	67,577	90.5%	90.5%	61,177	440,787	7.21
Tulls Creek (4)	Moyock, NC	—	—	—%	—%	—	—	—
Twin City Commons	Batesburg-Leesville, SC	5	47,680	100.0%	100.0%	47,680	454,315	9.53
Village of Martinsville	Martinsville, VA	18	297,950	96.1%	96.1%	286,431	2,250,556	7.86
Walnut Hill Plaza	Petersburg, VA	8	87,239	65.0%	65.0%	56,737	446,519	7.87
Waterway Plaza	Little River, SC	10	49,750	100.0%	100.0%	49,750	479,068	9.63
Westland Square	West Columbia, SC	10	62,735	80.8%	80.8%	50,690	457,324	9.02
Winslow Plaza	Sicklerville, NJ	14	40,695	87.0%	87.0%	35,400	534,708	15.10
Total Portfolio		708	4,902,381	94.3%	93.7%	4,595,388	\$ 44,110,205	\$ 9.60

(1) Reflects leases executed through July 5, 2017 that commence subsequent to the end of the current period.

(2) Annualized based rent per occupied square foot, assumes base rent as of the end of the current reporting period, excludes the impact of tenant concessions and rent abatements.

(3) 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, these ground leases require us to make annual rental payments and contain escalation clauses and renewal options.

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

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

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

## Top Ten Tenants by Annualized Base Rent as of June 30, 2017 (unaudited)

Total Tenants : 708

Tenants	Annualized Base Rent (\$ in 000s)	% of Total Annualized Base Rent	Total Occupied Square Feet	Square Footage Percent Occupied	Base Rent Per Occupied Square Foot
1. Bi-Lo <sup>(1)</sup>	\$ 5,398	12.24%	554,073	11.30%	\$ 9.74
2. Food Lion	2,691	6.10%	325,576	6.64%	8.27
3. Piggly Wiggly	1,355	3.07%	136,343	2.78%	9.94
4. Kroger <sup>(2)</sup>	1,309	2.97%	186,064	3.80%	7.04
5. Winn Dixie <sup>(1)</sup>	1,236	2.80%	179,175	3.65%	6.90
6. Hobby Lobby	675	1.53%	114,298	2.33%	5.91
7. Harris Teeter <sup>(2)</sup>	578	1.31%	39,946	0.81%	14.47
8. Lowes Foods	571	1.29%	54,838	1.12%	10.41
9. Family Dollar	546	1.24%	75,291	1.54%	7.25
10. Goodwill	480	1.09%	56,343	1.15%	8.52
	\$ 14,839	33.64%	1,721,947	35.12%	\$ 8.62

(1) These tenants are both owned by Southeastern Grocers.

(2) These tenants are both owned by The Kroger Company.

## Leasing Summary as of June 30, 2017 (unaudited)

Total Leasable Area: 4,902,381 square feet  
 Total Square Footage Occupied: 4,595,388 square feet  
 Occupancy Rate: 93.7%

### Lease Expiration Schedule

Lease Expiration Period	Number of Expiring Leases	Total Expiring Occupied Square Footage	% of Total Expiring Occupied Square Footage	% of Total Occupied Square Footage Expiring	Expiring Annualized Base Rent (in 000s)	% of Total Annualized Base Rent	Expiring Base Rent Per Occupied Square Foot
Available	—	306,993	6.26%	—%	\$ —	—%	\$ —
For the remaining six months ended December 31, 2017	56	157,465	3.21%	3.43%	1,589	3.60%	10.09
December 31, 2018	124	569,039	11.61%	12.38%	5,668	12.85%	9.96
December 31, 2019	144	735,830	15.01%	16.01%	7,226	16.38%	9.82
December 31, 2020	128	904,847	18.46%	19.69%	8,333	18.89%	9.21
December 31, 2021	79	558,682	11.40%	12.16%	5,121	11.61%	9.17
December 31, 2022	81	376,329	7.68%	8.19%	4,045	9.17%	10.75
December 31, 2023	19	322,808	6.58%	7.02%	2,678	6.07%	8.30
December 31, 2024	19	146,702	2.99%	3.19%	1,457	3.30%	9.93
December 31, 2025	16	238,534	4.87%	5.19%	2,289	5.19%	9.60
December 31, 2026	20	278,223	5.68%	6.05%	2,418	5.48%	8.69
Thereafter	22	306,929	6.25%	6.69%	3,286	7.46%	10.71
<b>Total</b>	<b>708</b>	<b>4,902,381</b>	<b>100.00%</b>	<b>100.00%</b>	<b>\$ 44,110</b>	<b>100.00%</b>	<b>\$ 9.60</b>



# Leasing Summary as of June 30, 2017 (unaudited), (continued)

## Anchor Lease Expiration Schedule (1)

Lease Expiration Six and Twelve Month Periods Ending December 31,	No Option					Option				
	Number of Expiring Leases	Expiring Occupied Square Footage	Expiring Annualized Based Rent (in 000s)	% of Total Annualized Base Rent	Expiring Base Rent per Square Foot	Number of Expiring Leases	Expiring Occupied Square Footage	Expiring Annualized Based Rent (in 000s)	% of Total Annualized Base Rent	Expiring Base Rent per Square Foot
Available	—	—	\$ —	—	\$ —	—	—	\$ —	—	\$ —
2017	1	20,976	150	3.67%	7.15	—	—	—	—%	—
2018	2	85,160	1,022	24.98%	12.00	6	201,617	1,400	8.17%	6.94
2019	1	83,552	177	4.33%	2.11	8	280,992	2,524	14.72%	8.98
2020	2	80,642	772	18.87%	9.58	11	486,938	3,106	18.12%	6.38
2021	2	43,427	88	2.15%	2.03	9	290,314	2,214	12.92%	7.63
2022	1	55,969	514	12.56%	9.19	3	92,694	763	4.45%	8.23
2023	2	42,061	355	8.68%	8.44	9	260,232	2,051	11.96%	7.88
2024	—	—	—	—%	—	2	81,140	603	3.52%	7.43
2025	—	—	—	—%	—	5	192,224	1,661	9.69%	8.64
2026	1	62,000	390	9.53%	6.29	5	159,755	1,201	7.01%	7.52
2027+	2	59,209	623	15.23%	10.53	5	189,788	1,619	9.44%	8.53
<b>Total</b>	<b>14</b>	<b>532,996</b>	<b>\$ 4,091</b>	<b>100.00%</b>	<b>\$ 7.68</b>	<b>63</b>	<b>2,235,694</b>	<b>\$ 17,142</b>	<b>100.00%</b>	<b>\$ 7.67</b>

(1) Anchors defined as leases occupying 20,000 square feet or more.

## Non-anchor Lease Expiration Schedule

Lease Expiration Six and Twelve Month Periods Ending December 31,	No Option					Option				
	Number of Expiring Leases	Expiring Occupied Square Footage	Expiring Annualized Based Rent (in 000s)	% of Total Annualized Base Rent	Expiring Base Rent per Square Foot	Number of Expiring Leases	Expiring Occupied Square Footage	Expiring Annualized Based Rent (in 000s)	% of Total Annualized Base Rent	Expiring Base Rent per Square Foot
Available	—	306,993	\$ —	—	\$ —	—	—	\$ —	—	\$ —
2017	37	73,882	574	5.59%	7.77	18	62,607	865	6.86%	13.82
2018	73	150,564	1,803	17.57%	11.97	43	131,698	1,443	11.44%	10.96
2019	75	171,211	2,100	20.46%	12.27	60	200,075	2,425	19.22%	12.12
2020	67	167,922	2,277	22.19%	13.56	48	169,345	2,178	17.27%	12.86
2021	35	106,904	1,264	12.32%	11.82	33	118,037	1,555	12.33%	13.17
2022	28	52,916	821	8.00%	15.51	49	174,750	1,947	15.44%	11.14
2023	1	1,500	22	0.21%	14.95	7	19,015	250	1.98%	13.11
2024	11	19,438	324	3.16%	16.64	6	46,124	530	4.20%	11.50
2025	7	21,016	276	2.69%	13.15	4	25,294	352	2.79%	13.93
2026	8	30,729	466	4.54%	15.17	6	25,739	361	2.86%	14.01
2027+	4	18,870	336	3.27%	17.81	11	39,062	708	5.61%	18.12
<b>Total</b>	<b>346</b>	<b>1,121,945</b>	<b>\$ 10,263</b>	<b>100.00%</b>	<b>\$ 9.15</b>	<b>285</b>	<b>1,011,746</b>	<b>\$ 12,614</b>	<b>100.00%</b>	<b>\$ 12.47</b>



# Leasing Summary as of June 30, 2017 (unaudited), (continued)

## Capital Expenditures Schedule

\$ in 000s

Reserves	Three months ended June 30, 2017	Six months ended June 30, 2017
Quarterly capital expenditure reserve (1)	\$ 245	\$ 490
Amounts included in operating expenditures	—	(39)
<b>Net Reserves</b>	<b>\$ 245</b>	<b>\$ 451</b>

(1) Capital expenditure reserve estimated at \$0.05 per square foot (\$0.20 on an annualized basis).

Actual	Capital Expenditures	Tenant Improvements	Total
Three months ended June 30, 2017	\$ 705	\$ 541	\$ 1,246
Funded by lender reserves	(386)	(403)	(789)
<b>Net Actuals</b>	<b>\$ 319</b>	<b>\$ 138</b>	<b>\$ 457</b>

Actual	Capital Expenditures	Tenant Improvements	Total
Six months ended June 30, 2017	\$ 906	\$ 774	\$ 1,680
Funded by lender reserves	(587)	(538)	(1,125)
<b>Net Actuals</b>	<b>\$ 319</b>	<b>\$ 236</b>	<b>\$ 555</b>

## 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, 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.