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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): May 9, 2018 (May 8, 2018)**

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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 May 8, 2018, Wheeler Real Estate Investment Trust, Inc. (the “Company”), issued a press release announcing its financial results for the three months ended March 31, 2018. 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 ended March 31, 2018 is attached as Exhibit 99.2 to this Current Report on Form 8-K and is incorporated herein by reference.

## **ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.**

- (a) Financial 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 May 8, 2018, announcing the Company's financial results for the three months ended March 31, 2018.](#)

[99.2](#) [Supplemental Operating and Financial Data for the three months ended March 31, 2018.](#)

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## EXHIBIT INDEX

**Number**

**Description of Exhibit**

[99.1](#) [Press release, dated May 8, 2018, announcing the Company's financial results for the three months ended March 31, 2018.](#)

[99.2](#) [Supplemental Operating and Financial Data for the three months ended March 31, 2018.](#)

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**SIGNATURE PAGE**

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

WHEELER REAL ESTATE INVESTMENT TRUST, INC.

By:           /s/ David Kelly            
David Kelly  
Chief Executive Officer

Dated: May 9, 2018



FOR IMMEDIATE RELEASE

**WHEELER REAL ESTATE INVESTMENT TRUST, INC. ANNOUNCES 2018 FIRST QUARTER FINANCIAL RESULTS**

Virginia Beach, VA – May 8, 2018 – Wheeler Real Estate Investment Trust, Inc. (NASDAQ:WHLR) (“Wheeler” or the “Company”) today reported operating and financial results for the three months ending March 31, 2018.

	Three Months Ended March 31,	
	2018	2017
Net loss per common share	\$ (0.57)	\$ (0.42)
FFO per common share and common unit	0.16	0.15
AFFO per common share and common unit	0.21	0.31

**HIGHLIGHTS**

*(all comparisons to the same prior year period unless otherwise noted)*

- John Sweet elected Chairman of the board of directors (the "Board") for Wheeler.
- Andrew R. Jones, CFA, Founder and CEO of North Star Partners, LP and Sean F. Armstrong, CFA, Principal & Portfolio Manager of Westport Capital Partners LLC were appointed to the Board. Mr. Jones was appointed to the Board's Audit Committee and Mr. Armstrong as the Board's Investment Committee Chair.
- Successfully backfilled 2 Southeastern Grocers recaptures with Low Country Grocers d/b/a Piggly Wiggly's at Ladson Crossing and South Park.
- Filed a Certificate of Correction with the State Department of Assessments and Taxation of Maryland (the "SDAT") correcting an inadvertently omitted reference to "accumulated amortization" in "Section 10(a) - Mandatory Redemption for Asset Coverage" of the Articles Supplementary for the Series D Cumulative Convertible Preferred Stock, without par value (the "Series D Preferred Stock") that was previously filed with SDAT on September 16, 2016.
- Net loss attributable to Wheeler's common stock, \$0.01 par value per share ("Common Stock") shareholders of \$5.0 million, or \$(0.57) per share.
- Total revenue from continuing operations increased by 13.9% or \$2.0 million.
- Net Operating Income ("NOI") from continuing operations increased by 19.6% to approximately \$11.6 million.
- Adjusted Funds from Operations ("AFFO") of \$0.21 per share of the Company's Common Stock and common unit ("Common Unit") in our operating partnership, Wheeler REIT, L.P.
- Sold the Chipotle ground lease at Conyers Crossing for a contract price of \$1.3 million, resulting in a \$1.1 million gain and net proceeds of \$1.2 million.

**BALANCE SHEET**

- Cash and cash equivalents totaled \$5.1 million at March 31, 2018, compared to \$3.7 million at December 31, 2017.
- Total debt was \$379.1 million at March 31, 2018 (including debt associated with assets held for sale), compared to \$313.8 million at December 31, 2017. The increase in debt is primarily a result of \$65.4 million in debt associated with the JANAF acquisition. Wheeler's weighted-average interest rate and term of its debt was 4.7% and 4.72 years, respectively, at March 31, 2018 (including debt associated with assets held for sale), compared to 4.6% and 4.81 years, respectively, at December 31, 2017.

- Net investment properties as of March 31, 2018 totaled at \$457.7 million (including assets held for sale), compared to \$384.3 million as of December 31, 2017.
- Extended the \$3.0 million bank line of credit to June 15, 2018 with interest only payments due monthly at a rate of LIBOR plus 3.00% with a floor of 4.25%.
- In conjunction with the JANAF acquisition, executed three promissory notes: 1) \$53.7 million at a rate of 4.49%, maturing in July 2023 with monthly principal and interest payments of \$333,159; 2) \$5.2 million at a rate of 4.95%, maturing January 2026 with monthly principal and interest payments of \$29,964; and 3) \$6.5 million at a rate of 4.65%, maturing in January 2021 with interest due monthly.
- Renewed the Eagle Harbor promissory note for \$3.3 million for five years, which matures on March 2023 with monthly principal and interest payments of \$26,528. The loan bears interest at 5.10%.
- Extended Revere Loan to May 15, 2018.
- In conjunction with the JANAF acquisition, the Company issued and sold 1,363,636 shares of Series D Preferred Stock, in a public offering. Each share of Series D Preferred Stock was sold to investors at an offering price of \$16.50 per share. Net proceeds from the public offering totaled \$21.2 million, which includes the impact of the underwriters' selling commissions and legal, accounting and other professional fees.

#### **DIVIDENDS**

- For the three months ended March 31, 2018, the Company declared dividends of approximately \$3.0 million to our holders of shares of our Series A Preferred Stock, Series B Preferred Stock, and Series D Preferred Stock.

#### **OPERATIONS AND LEASING**

- The Company's real estate portfolio is 91.9% leased at March 31, 2018, which includes leases executed through April 4, 2018.
- The Company executed 26 lease renewals totaling 154,440 square feet at a weighted-average decrease of \$0.29 per square foot, representing a decrease of 3.42% over prior rates.
- The Company signed 15 new leases totaling approximately 72,076 square feet with a weighted-average rate of \$8.08 per square foot.
- Approximately 8.44% of the Company's gross leasable area ("GLA") is subject to leases that expire over the next nine months, with 43.6% of this expiring GLA subject to renewal options.
- The Company modified thirteen leases with Southeastern Grocers anchor tenants and recaptured four locations. These modifications primarily include a combination of increases and decreases to lease term and rental rates, as well as deferred landlord contributions for remodels. The Company has elected to recapture Ladson Crossing, St. Matthews, South Park, and Tampa Festival in the second quarter of 2018. The Cypress Shopping Center lease expired on March 31, 2018. As part of the negotiated recaptures the Company received \$246 thousand in termination fees during the three months ended March 31, 2018. The remaining lease modifications remain subject to Southeastern Grocers' bankruptcy court approval. The initial annualized base rent impact of these modifications and recaptures is approximately \$2.50 million.

#### **SAME STORE RESULTS**

- Same-store NOI year-over-year growth for the three months ended March 31, 2018 was 2.5% and 1.6% on a cash basis. The same-store pool comprises the 4.9 million square feet that the Company owned as of January 1, 2017. Same-store results were driven, in part, by lease termination fees on Southeastern Grocers' recaptures, as well as a decrease of 61.1% in tenant provision for credit losses primarily resulting from increased collections on accounts receivable while property revenues and expenses remained relatively flat.

#### **ACQUISITIONS**

- As previously disclosed, the Company acquired JANAF, a retail shopping center located in Norfolk, Virginia, for a purchase price of \$85.65 million in January 2018.

#### **DISPOSITIONS**

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- The Company completed the sale of the Chipotle ground lease at Conyers Crossing for a contract price of \$1.3 million, resulting in a gain of \$1.1 million with net proceeds of \$1.2 million.

#### **SUPPLEMENTAL INFORMATION**

Further details regarding Wheeler Real Estate Investment Trust, Inc.'s operations and financials for the period ended March 31, 2018, including a supplemental presentation, are available at <https://ir.whlr.us/>.

#### **CONFERENCE CALL DIAL-IN AND WEBCAST INFORMATION:**

The Company will host a conference call and webcast on Wednesday, May 9, 2018 at 10:00 am Eastern Time to review its financial performance and operating results for the quarter ended March 31, 2018.

#### **Conference Call and Webcast:**

U.S. & Canada Toll Free: (877) 407-3101 / International: (201) 493-6789

Webcast: <https://78449.themediaframe.com/dataconf/productusers/whlr/mediaframe/24450/indexl.html>

#### **Replay:**

U.S. & Canada Toll Free: (877) 660-6853 / International: (201) 612-7415

Conference ID#: 13679474

Available May 9, 2018 (one hour after the end of the conference call) to June 9, 2018 at 11:00 am Eastern Time.

#### **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 owning and operating 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).

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).

#### **DEFINITIONS**

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, 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 STATEMENTS**

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 in secondary and tertiary markets; (ii) the recapture of Ladson Crossing, St. Matthews, South Park and Tampa Festival in the second quarter of 2018; and (iii) the thirteen lease modifications with Southeastern Grocers and the bankruptcy court's approval of the lease modifications 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. 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.

Mary Jensen  
Investor Relations  
(757) 627-9088 / [investorrelations@whlr.us](mailto:investorrelations@whlr.us)

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**Wheeler Real Estate Investment Trust, Inc. and Subsidiaries**  
**Condensed Consolidated Statements of Operations**  
(in thousands, except per share data)

	Three Months Ended March 31,	
	2018	2017
<b>REVENUE:</b>		
Rental revenues	\$ 12,697	\$ 11,129
Asset management fees	48	162
Commissions	14	115
Tenant reimbursements	3,222	2,680
Development and other revenues	333	236
<b>Total Revenue</b>	<b>16,314</b>	<b>14,322</b>
<b>OPERATING EXPENSES:</b>		
Property operations	4,599	3,994
Non-REIT management and leasing services	36	271
Depreciation and amortization	7,476	6,400
Provision for credit losses	21	252
Corporate general & administrative	2,508	2,232
<b>Total Operating Expenses</b>	<b>14,640</b>	<b>13,149</b>
Gain on disposal of properties	1,055	—
<b>Operating Income</b>	<b>2,729</b>	<b>1,173</b>
Interest income	1	356
Interest expense	(4,577)	(4,177)
<b>Net Loss from Continuing Operations Before Income Taxes</b>	<b>(1,847)</b>	<b>(2,648)</b>
Income tax expense	(25)	(41)
<b>Net Loss from Continuing Operations</b>	<b>(1,872)</b>	<b>(2,689)</b>
<b>Discontinued Operations</b>		
Income from discontinued operations	—	16
Gain on disposal of properties	—	1,513
<b>Net Income from Discontinued Operations</b>	<b>—</b>	<b>1,529</b>
<b>Net Loss</b>	<b>(1,872)</b>	<b>(1,160)</b>
Less: Net loss attributable to noncontrolling interests	(47)	(41)
<b>Net Loss Attributable to Wheeler REIT</b>	<b>(1,825)</b>	<b>(1,119)</b>
Preferred stock dividends	(3,207)	(2,483)
<b>Net Loss Attributable to Wheeler REIT Common Shareholders</b>	<b>\$ (5,032)</b>	<b>\$ (3,602)</b>
Loss per share from continuing operations (basic and diluted)	\$ (0.57)	\$ (0.59)
Income per share from discontinued operations	—	0.17
	<b>\$ (0.57)</b>	<b>\$ (0.42)</b>
Weighted-average number of shares:		
Basic and Diluted	8,900,416	8,554,304
Dividends declared per common share	\$ —	\$ 0.42

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

	<b>March 31, 2018</b>	<b>December 31,</b>
	<b>(unaudited)</b>	<b>2017</b>
<b>ASSETS:</b>		
Investment properties, net	\$ 448,555	\$ 384,334
Cash and cash equivalents	5,148	3,677
Restricted cash	12,198	8,609
Rents and other tenant receivables, net	4,621	5,619
Notes receivable, net	6,739	6,739
Goodwill	5,486	5,486
Assets held for sale	9,134	—
Above market lease intangible, net	9,862	8,778
Deferred costs and other assets, net	41,010	34,432
<b>Total Assets</b>	<b>\$ 542,753</b>	<b>\$ 457,674</b>
<b>LIABILITIES:</b>		
Loans payable, net	\$ 373,047	\$ 308,122
Liabilities associated with assets held for sale	708	—
Related party payables, net	5	—
Below market lease intangible, net	13,382	9,616
Accounts payable, accrued expenses and other liabilities	11,033	10,624
Dividends payable	3,037	5,480
<b>Total Liabilities</b>	<b>401,212</b>	<b>333,842</b>
Series D Cumulative Convertible Preferred Stock (no par value, 4,000,000 shares authorized, 3,600,636 and 2,237,000 shares issued and outstanding; \$90.02 million and \$55.93 million aggregate liquidation preference, respectively)	74,542	53,236
<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, 1,875,748 and 1,875,848 shares issued and outstanding, respectively; \$46.90 million aggregate liquidation preference)	40,935	40,915
Common Stock (\$0.01 par value, 18,750,000 shares authorized, 8,947,416 and 8,744,189 shares issued and outstanding, respectively)	89	87
Additional paid-in capital	229,007	226,978
Accumulated deficit	(209,957)	(204,925)
<b>Total Shareholders' Equity</b>	<b>60,527</b>	<b>63,508</b>
Noncontrolling interests	6,472	7,088
<b>Total Equity</b>	<b>66,999</b>	<b>70,596</b>
<b>Total Liabilities and Equity</b>	<b>\$ 542,753</b>	<b>\$ 457,674</b>

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

Three Months Ended March 31,

	Same Store		New Store		Total		Period Over Period Changes	
	2018	2017	2018	2017	2018	2017	\$	%
	(in thousands, unaudited)							
Net Loss	\$ (1,932)	\$ (1,160)	\$ 60	\$ —	\$ (1,872)	\$ (1,160)	\$ (712)	(61.38)%
Depreciation and amortization of real estate assets	6,495	6,400	981	—	7,476	6,400	1,076	16.81 %
Gain on disposal of properties	(1,055)	—	—	—	(1,055)	—	(1,055)	(100.00)%
Gain on disposal of properties-discontinued operations	—	(1,513)	—	—	—	(1,513)	1,513	100.00 %
FFO	<u>\$ 3,508</u>	<u>\$ 3,727</u>	<u>\$ 1,041</u>	<u>\$ —</u>	<u>\$ 4,549</u>	<u>\$ 3,727</u>	<u>\$ 822</u>	<u>22.06 %</u>

	Three Months Ended March 31,	
	2018	2017
Net Loss	\$ (1,872)	\$ (1,160)
Depreciation and amortization of real estate assets	7,476	6,400
Gain on disposal of properties	(1,055)	—
Gain on disposal of properties-discontinued operations	—	(1,513)
FFO	<u>4,549</u>	<u>3,727</u>
Preferred stock dividends	(3,207)	(2,483)
Preferred stock accretion adjustments	170	195
FFO available to common shareholders and common unitholders	<u>1,512</u>	<u>1,439</u>
Acquisition costs	7	260
Capital related costs	53	220
Other non-recurring and non-cash expenses (1)	103	107
Share-based compensation	419	377
Straight-line rent	(200)	(185)
Loan cost amortization	379	763
Accrued interest income	—	(118)
Above (below) market lease amortization	(22)	193
Recurring capital expenditures and tenant improvement reserves	(290)	(206)
AFFO	<u>\$ 1,961</u>	<u>\$ 2,850</u>
Weighted Average Common Shares	8,900,416	8,554,304
Weighted Average Common Units	<u>629,009</u>	<u>761,954</u>
Total Common Shares and Units	<u>9,529,425</u>	<u>9,316,258</u>
FFO per Common Share and Common Units	<u>\$ 0.16</u>	<u>\$ 0.15</u>
AFFO per Common Share and Common Units	<u>\$ 0.21</u>	<u>\$ 0.31</u>

(1) Other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-Q for the period ended March 31, 2018.

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

Three Months Ended March 31,

	Same Store		New Store		Total	
	2018	2017	2018	2017	2018	2017
	(in thousands)					
<b>Net Loss</b>	\$ (1,932)	\$ (1,160)	\$ 60	\$ —	\$ (1,872)	\$ (1,160)
Adjustments:						
Net Income from Discontinued Operations	—	(1,529)	—	—	—	(1,529)
Income tax expense	25	41	—	—	25	41
Interest expense	3,974	4,177	603	—	4,577	4,177
Interest income	(1)	(356)	—	—	(1)	(356)
Gain on disposal of properties	(1,055)	—	—	—	(1,055)	—
Corporate general & administrative	2,499	2,232	9	—	2,508	2,232
Provision for credit losses - non-tenant	(77)	—	—	—	(77)	—
Depreciation and amortization	6,495	6,400	981	—	7,476	6,400
Non-REIT management and leasing services	36	271	—	—	36	271
Development income	—	(136)	—	—	—	(136)
Asset management and commission revenues	(62)	(277)	—	—	(62)	(277)
<b>Property Net Operating Income</b>	<b>\$ 9,902</b>	<b>\$ 9,663</b>	<b>\$ 1,653</b>	<b>\$ —</b>	<b>\$ 11,555</b>	<b>\$ 9,663</b>
Property revenues	\$ 13,970	\$ 13,909	\$ 2,282	\$ —	\$ 16,252	\$ 13,909
Property expenses	3,970	3,994	629	—	4,599	3,994
Provision for credit losses - tenant	98	252	—	—	98	252
<b>Property Net Operating Income</b>	<b>\$ 9,902</b>	<b>\$ 9,663</b>	<b>\$ 1,653</b>	<b>\$ —</b>	<b>\$ 11,555</b>	<b>\$ 9,663</b>

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

	Three Months Ended March 31,	
	2018	2017
Net Loss	\$ (1,872)	\$ (1,160)
Add back:		
Depreciation and amortization (1)	7,454	6,593
Interest Expense (2)	4,577	4,186
Income taxes	25	41
EBITDA	10,184	9,660
Adjustments for items affecting comparability:		
Acquisition costs	7	260
Capital related costs	53	220
Other non-recurring expenses (3)	103	107
Gain on disposal of properties	(1,055)	—
Gain on disposal of properties-discontinued operations	—	(1,513)
Adjusted EBITDA	\$ 9,292	\$ 8,734

(1) Includes above (below) market lease amortization.

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

(3) Other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our Annual Report on Form 10-Q for the period ended March 31, 2018.



**Supplemental Operating and Financial Data**  
*for the three months ended March 31, 2018*

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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 owning and operating 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. 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

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## Executive Management

David Kelly - President & CEO

Matthew T. Reddy - CFO

M. Andrew Franklin - COO

## Board of Directors

John W. Sweet (Chairman)

Sean F. Armstrong

Stewart J. Brown

David Kelly

Andrew R. Jones

John P. McAuliffe

Carl B. McGowan, Jr.

Jeffrey M. Zwerdling

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## Transfer Agent and Registrar

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# Financial and Portfolio Overview

For the Three Months Ended March 31, 2018

## Financial Results

Net loss attributable to Wheeler REIT common shareholders (in 000s)	\$	(5,032)
Net loss per basic and diluted shares	\$	(0.57)
Funds from operations available to common shareholders and Operating Partnership (OP) unitholders (FFO) (in 000s) (1)	\$	1,512
FFO per common share and OP unit	\$	0.16
Adjusted FFO (AFFO) (in 000s) (1)	\$	1,961
AFFO per common share and OP unit	\$	0.21

## Assets and Leverage

Investment Properties, net of \$34.20 million accumulated depreciation (in 000s)	\$	448,555
Cash and Cash Equivalents (in 000s)	\$	5,148
Total Assets (in 000s)	\$	542,753
Debt to Total Assets <sup>(3)</sup>		69.86 %
Debt to Gross Asset Value		64.91 %

## Market Capitalization

Common shares outstanding		8,947,416	
OP units outstanding		625,312	
Total common shares and OP units		9,572,728	
	Shares Outstanding at March 31, 2018	First Quarter stock price range	Stock price as of March 31, 2018
Common Stock	8,947,416	\$3.25 - \$10.24	\$ 3.58
Series B preferred shares	1,875,748	\$12.74 - \$21.60	\$ 14.21
Series D preferred shares	3,600,636	\$14.66 - \$20.09	\$ 15.63
Total debt (in 000s) <sup>(3)</sup>			\$ 379,145
Common Stock market capitalization (as of March 31, 2018 closing stock price, in 000s)			\$ 32,032

## Portfolio Summary

Total Leasable Area (GLA) in sq. ft.	5,743,073
Occupancy Rate	90.8 %
Leased Rate (2)	91.9 %
Annualized Base Rent (in 000s)	\$ 51,037
Total number of leases signed or renewed during the first quarter of 2018	41
Total sq. ft. leases signed or renewed during the first quarter of 2018	226,516

- (1) See page 18 for the Company's definition of this non-GAAP measurement and reasons for using it.  
(2) Reflects leases executed through April 4, 2018 that commence subsequent to the end of current period.  
(3) Includes debt associated with assets held for sale.

# Consolidated Balance Sheets

\$ in 000s

	March 31, 2018 (unaudited)	December 31, 2017
<b>ASSETS:</b>		
Investment properties, net	\$ 448,555	\$ 384,334
Cash and cash equivalents	5,148	3,677
Restricted cash	12,198	8,609
Rents and other tenant receivables, net	4,621	5,619
Notes receivable, net	6,739	6,739
Goodwill	5,486	5,486
Assets held for sale	9,134	—
Above market lease intangible, net	9,862	8,778
Deferred costs and other assets, net	41,010	34,432
<b>Total Assets</b>	<b>\$ 542,753</b>	<b>\$ 457,674</b>
<b>LIABILITIES:</b>		
Loans payable, net	\$ 373,047	\$ 308,122
Liabilities associated with assets held for sale	708	—
Related party payables, net	5	—
Below market lease intangible, net	13,382	9,616
Accounts payable, accrued expenses and other liabilities	11,033	10,624
Dividends payable	3,037	5,480
<b>Total Liabilities</b>	<b>401,212</b>	<b>333,842</b>
Series D Cumulative Convertible Preferred Stock (no par value, 4,000,000 shares authorized, 3,600,636 and 2,237,000 shares issued and outstanding; \$90.02 million and \$55.93 million aggregate liquidation preference, respectively)	74,542	53,236
<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, 1,875,748 and 1,875,848 shares issued and outstanding, respectively; \$46.90 million aggregate liquidation preference)	40,935	40,915
Common Stock (\$0.01 par value, 18,750,000 shares authorized, 8,947,416 and 8,744,189 shares issued and outstanding, respectively)	89	87
Additional paid-in capital	229,007	226,978
Accumulated deficit	(209,957)	(204,925)
<b>Total Shareholders' Equity</b>	<b>60,527</b>	<b>63,508</b>
Noncontrolling interests	6,472	7,088
<b>Total Equity</b>	<b>66,999</b>	<b>70,596</b>
<b>Total Liabilities and Equity</b>	<b>\$ 542,753</b>	<b>\$ 457,674</b>

# Consolidated Statements of Operations

\$ in 000s

	Three Months Ended March 31,	
	2018	2017
<b>REVENUE:</b>		
Rental revenues	\$ 12,697	\$ 11,129
Asset management fees	48	162
Commissions	14	115
Tenant reimbursements	3,222	2,680
Development and other revenues	333	236
<b>Total Revenue</b>	<b>16,314</b>	<b>14,322</b>
<b>OPERATING EXPENSES:</b>		
Property operations	4,599	3,994
Non-REIT management and leasing services	36	271
Depreciation and amortization	7,476	6,400
Provision for credit losses	21	252
Corporate general & administrative	2,508	2,232
<b>Total Operating Expenses</b>	<b>14,640</b>	<b>13,149</b>
Gain on disposal of properties	1,055	—
<b>Operating Income</b>	<b>2,729</b>	<b>1,173</b>
Interest income	1	356
Interest expense	(4,577)	(4,177)
<b>Net Loss from Continuing Operations Before Income Taxes</b>	<b>(1,847)</b>	<b>(2,648)</b>
Income tax expense	(25)	(41)
<b>Net Loss from Continuing Operations</b>	<b>(1,872)</b>	<b>(2,689)</b>
<b>Discontinued Operations</b>		
Income from discontinued operations	—	16
Gain on disposal of properties	—	1,513
<b>Net (Loss) Income from Discontinued Operations</b>	<b>—</b>	<b>1,529</b>
<b>Net Loss</b>	<b>(1,872)</b>	<b>(1,160)</b>
Less: Net loss attributable to noncontrolling interests	(47)	(41)
<b>Net Loss Attributable to Wheeler REIT</b>	<b>(1,825)</b>	<b>(1,119)</b>
Preferred stock dividends	(3,207)	(2,483)
<b>Net Loss Attributable to Wheeler REIT Common Shareholders</b>	<b>\$ (5,032)</b>	<b>\$ (3,602)</b>
Loss per share from continuing operations (basic and diluted)	\$ (0.57)	\$ (0.59)
Income per share from discontinued operations	—	0.17
	<b>\$ (0.57)</b>	<b>\$ (0.42)</b>
<b>Weighted-average number of shares:</b>		
Basic and Diluted	8,900,416	8,554,304

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

## FFO and AFFO

\$ in 000s

	Three Months Ended March 31,	
	2018	2017
Net Loss	\$ (1,872)	\$ (1,160)
Depreciation and amortization of real estate assets	7,476	6,400
Gain on disposal of properties	(1,055)	—
Gain on disposal of properties-discontinued operations	—	(1,513)
FFO	4,549	3,727
Preferred stock dividends	(3,207)	(2,483)
Preferred stock accretion adjustments	170	195
FFO available to common shareholders and common unitholders	1,512	1,439
Acquisition costs	7	260
Capital related costs	53	220
Other non-recurring and non-cash expenses <sup>(2)</sup>	103	107
Share-based compensation	419	377
Straight-line rent	(200)	(185)
Loan cost amortization	379	763
Accrued interest income	—	(118)
(Below) above market lease amortization	(22)	193
Recurring capital expenditures and tenant improvement reserves	(290)	(206)
AFFO	\$ 1,961	\$ 2,850
Weighted Average Common Shares	8,900,416	8,554,304
Weighted Average Common Units	629,009	761,954
Total Common Shares and Units	9,529,425	9,316,258
FFO per Common Share and Common Units	\$ 0.16	\$ 0.15
AFFO per Common Share and Common Units	\$ 0.21	\$ 0.31

(1) See page 18 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 three months ended March 31, 2018.

## Reconciliation of Non-GAAP Measures (continued)

### Property Net Operating Income

\$ in 000s

	Three Months Ended	
	March 31,	
	2018	2017
<b>Net Loss</b>	\$ (1,872)	\$ (1,160)
Adjustments:		
Net Income from Discontinued Operations	—	(1,529)
Income tax expense	25	41
Interest expense	4,577	4,177
Interest income	(1)	(356)
Gain on disposal of properties	(1,055)	—
Corporate general & administrative	2,508	2,232
Provision for credit losses - non-tenant	(77)	—
Depreciation and amortization	7,476	6,400
Non-REIT management and leasing services	36	271
Development income	—	(136)
Asset management and commission revenues	(62)	(277)
<b>Property Net Operating Income</b>	\$ 11,555	\$ 9,663
Property revenues	\$ 16,252	\$ 13,909
Property expenses	4,599	3,994
Provision for credit losses - tenant	98	252
<b>Property Net Operating Income</b>	\$ 11,555	\$ 9,663

## Reconciliation of Non-GAAP Measures (continued)

### EBITDA

\$ in 000s

	Three Months Ended March 31,	
	2018	2017
Net Loss	\$ (1,872 )	\$ (1,160 )
Add back: Depreciation and amortization (1)	7,454	6,593
Interest Expense (2)	4,577	4,186
Income taxes	25	41
<b>EBITDA</b>	<b>10,184</b>	<b>9,660</b>
Adjustments for items affecting comparability:		
Acquisition costs	7	260
Capital related costs	53	220
Other non-recurring expenses (3)	103	107
Gain on disposal of properties	(1,055 )	—
Gain on disposal of properties-discontinued operations	—	(1,513 )
<b>Adjusted EBITDA</b>	<b>\$ 9,292</b>	<b>\$ 8,734</b>

(1) Includes above (below) market lease amortization.

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

(3) 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 March 31, 2018.

# Debt Summary as of March 31, 2018

\$ in 000s

Loans Payable: \$379.15 million  
 Weighted Average Interest Rate: 4.72%  
 Total Debt to Total Assets: 69.86%

<u>Property/Description</u>	<u>Monthly Payment</u>	<u>Interest Rate</u>	<u>Maturity</u>	<u>March 31, 2018</u>	<u>December 31, 2017</u>
Revere Loan (2)	Interest only	8.00%	April 2018	\$ 6,808	\$ 6,808
Lumber River	\$ 10,723	Libor + 295 basis points	June 2018	1,485	1,500
Bank Line of Credit	Interest only	Libor + 300 basis points	June 2018	3,000	3,000
KeyBank Line of Credit	Interest only	Libor + 250 basis points	July 2018	15,532	15,532
Senior convertible notes	Interest only	9.00%	December 2018	1,369	1,369
Harbor Point (1)	\$ 11,024	5.85%	December 2018	528	553
Perimeter Square	Interest only	5.50%	December 2018	5,691	5,382
Riversedge North	\$ 8,802	6.00%	January 2019	849	863
Monarch Bank Building	\$ 7,340	4.85%	June 2019	1,259	1,266
DF I-Moyock (1)	\$ 10,665	5.00%	July 2019	165	194
Rivergate	\$ 127,217	Libor + 295 basis points	December 2019	22,546	22,689
KeyBank Line of Credit	Interest only	Libor + 250 basis points	December 2019	52,500	52,500
LaGrange Marketplace	\$ 15,065	Libor + 375 basis points	March 2020	2,305	2,317
Folly Road	Interest only	4.00%	March 2020	6,181	6,181
Columbia Fire Station construction loan	Interest only	4.00%	May 2020	4,014	3,421
Shoppes at TJ Maxx	\$ 33,880	3.88%	May 2020	5,681	5,727
JANAF Bravo	Interest only	4.65%	January 2021	6,500	—
Walnut Hill Plaza	Interest only	5.50%	September 2022	3,903	3,903
Twin City Commons	\$ 17,827	4.86%	January 2023	3,095	3,111
Shoppes at Eagle Harbor	\$ 26,528	5.10%	March 2023	3,316	3,341
JANAF	\$ 333,159	4.49%	July 2023	53,436	—
Tampa Festival	\$ 50,797	5.56%	September 2023	8,332	8,368
Forrest Gallery	\$ 50,973	5.40%	September 2023	8,633	8,669
South Carolina Food Lions Note	\$ 68,320	5.25%	January 2024	12,004	12,050
Cypress Shopping Center	\$ 34,360	4.70%	July 2024	6,458	6,485
Port Crossing	\$ 34,788	4.84%	August 2024	6,234	6,263
Freeway Junction	\$ 41,798	4.60%	September 2024	7,961	7,994
Harrodsburg Marketplace	\$ 19,112	4.55%	September 2024	3,536	3,553
Graystone Crossing	\$ 20,386	4.55%	October 2024	3,912	3,928
Bryan Station	\$ 23,489	4.52%	November 2024	4,528	4,547
Crockett Square	Interest only	4.47%	December 2024	6,338	6,338
Pierpont Centre	Interest only	4.15%	February 2025	8,113	8,113
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
Winslow Plaza	Interest only	4.82%	December 2025	4,620	4,620
JANAF BJ's	\$ 29,964	4.95%	January 2026	5,141	—
Chesapeake Square	\$ 23,857	4.70%	August 2026	4,486	4,507
Berkley/Sangaree/Tri-County	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
<b>Total Principal Balance (1)</b>				<b>379,145</b>	<b>313,778</b>
Unamortized debt issuance cost				(5,405)	(5,656)
<b>Total Loans Payable</b>				<b>\$ 373,740</b>	<b>\$ 308,122</b>

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

(2) Subsequent to March 31, 2018, the Company extended the Revere Loan to May 15, 2018.





## Debt Summary as of March 31, 2018 (continued)

### Total Debt

\$ in 000s

Scheduled principal repayments and maturities by year	Amount	% Total Principal Payments and Maturities
For the nine months remaining December 31, 2018	\$ 37,561	9.91 %
December 31, 2019	80,641	21.27 %
December 31, 2020	21,249	5.60 %
December 31, 2021	10,236	2.70 %
December 31, 2022	7,736	2.04 %
December 31, 2023	67,722	17.86 %
Thereafter	154,000	40.62 %
Total principal repayments and maturities	\$ 379,145	100.00 %

# Property Summary as of March 31, 2018

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	19	147,791	100.0%	100.0%	147,791	\$ 1,155,965	\$ 7.82
Amscot Building (3)	Tampa, FL	1	2,500	100.0%	100.0%	2,500	115,849	46.34
Beaver Ruin Village	Lilburn, GA	29	74,038	90.8%	86.7%	64,201	1,105,840	17.22
Beaver Ruin Village II	Lilburn, GA	4	34,925	100.0%	100.0%	34,925	417,102	11.94
Berkley (4)	Norfolk, VA	—	—	—%	—%	—	—	—
Berkley Shopping Center	Norfolk, VA	11	47,945	94.2%	94.2%	45,140	341,160	7.56
Brook Run Shopping Center	Richmond, VA	17	147,738	90.9%	90.9%	134,291	1,475,006	10.98
Brook Run Properties (4)	Richmond, VA	—	—	—%	—%	—	—	—
Bryan Station	Lexington, KY	10	54,397	99.8%	99.8%	54,277	582,113	10.72
Butler Square	Mauldin, SC	16	82,400	98.2%	98.2%	80,950	804,183	9.93
Cardinal Plaza	Henderson, NC	7	50,000	94.0%	94.0%	47,000	447,350	9.52
Chesapeake Square	Onley, VA	13	108,982	97.8%	97.8%	106,582	782,496	7.34
Clover Plaza	Clover, SC	9	45,575	100.0%	100.0%	45,575	354,044	7.77
Columbia Fire Station (6)	Columbia, SC	1	21,273	79.0%	14.4%	3,063	81,476	26.60
Courtland Commons (4)	Courtland, VA	—	—	—%	—%	—	—	—
Conyers Crossing	Conyers, GA	13	170,475	99.1%	99.1%	168,975	877,687	5.19
Crockett Square	Morristown, TN	4	107,122	100.0%	100.0%	107,122	920,322	8.59
Cypress Shopping Center	Boiling Springs, SC	15	80,435	37.8%	37.8%	30,375	392,810	12.93
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	318,500	8.28
Edenton Commons (4)	Edenton, NC	—	—	—%	—%	—	—	—
Folly Road	Charleston, SC	6	47,794	100.0%	100.0%	47,794	725,152	15.17
Forrest Gallery	Tullahoma, TN	27	214,451	94.4%	94.4%	202,469	1,357,392	6.70
Fort Howard Shopping Center	Rincon, GA	17	113,652	75.1%	75.1%	85,344	800,661	9.38
Freeway Junction	Stockbridge, GA	15	156,834	96.9%	96.9%	151,959	1,120,756	7.38
Franklin Village	Kittanning, PA	29	151,821	100.0%	100.0%	151,821	1,210,944	7.98
Franklinton Square	Franklinton, NC	14	65,366	90.7%	90.7%	59,300	541,102	9.12
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	539,113	24.51
Grove Park	Orangeburg, SC	14	106,557	86.9%	86.9%	92,615	706,849	7.63
Harbor Point (4)	Grove, OK	—	—	—%	—%	—	—	—
Harrodsburg Marketplace	Harrodsburg, KY	9	60,048	100.0%	100.0%	60,048	406,840	6.78
JANAF (7)	Norfolk, VA	121	810,137	93.8%	93.8%	760,269	8,454,374	11.12
Jenks Plaza	Jenks, OK	4	7,800	64.1%	64.1%	5,000	101,764	20.35
Laburnum Square	Richmond, VA	21	109,405	100.0%	100.0%	109,405	983,423	8.99
Ladson Crossing	Ladson, SC	15	52,607	97.7%	97.7%	51,407	758,819	14.76
LaGrange Marketplace	LaGrange, GA	14	76,594	95.3%	95.3%	72,994	385,247	5.28
Lake Greenwood Crossing	Greenwood, SC	6	47,546	95.0%	95.0%	45,146	433,947	9.61
Lake Murray	Lexington, SC	5	39,218	100.0%	100.0%	39,218	352,185	8.98
Laskin Road (4)	Virginia Beach, VA	—	—	—%	—%	—	—	—
Litchfield Market Village	Pawleys Island, SC	17	86,740	83.8%	83.8%	72,663	1,088,817	14.98
Lumber River Village	Lumberton, NC	11	66,781	98.2%	96.4%	64,381	483,813	7.51
Monarch Bank	Virginia Beach, VA	1	3,620	100.0%	100.0%	3,620	126,700	35.00
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	585,453	10.45
New Market Crossing	Mt. Airy, NC	13	116,976	96.1%	96.1%	112,368	975,321	8.68
Parkway Plaza	Brunswick, GA	4	52,365	81.7%	81.7%	42,785	489,096	11.43
Perimeter Square	Tulsa, OK	10	58,277	90.9%	57.5%	33,505	420,009	12.54
Pierpont Centre	Morgantown, WV	17	122,259	89.3%	89.3%	109,203	1,268,769	11.62
Port Crossing	Harrisonburg, VA	9	65,365	97.9%	97.9%	64,000	807,732	12.62
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	683,512	7.61
Riversedge North (5)	Virginia Beach, VA	—	—	—%	—%	—	—	—
Rivergate Shopping Center	Macon, GA	30	201,680	96.6%	96.6%	194,819	2,755,110	14.14
Sangaree Plaza	Summerville, SC	8	66,948	87.4%	87.4%	58,498	538,060	9.20



## Portfolio Summary as of March 31, 2018, (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	75.4%	32.8%	18,480	\$ 367,374	\$ 19.88
Shoppes at TJ Maxx	Richmond, VA	18	93,624	100.0%	100.0%	93,624	1,149,817	12.28
South Lake	Lexington, SC	8	44,318	22.3%	22.3%	9,900	100,698	10.17
South Park	Mullins, SC	2	60,734	71.2%	71.2%	43,218	491,245	11.37
South Square	Lancaster, SC	4	44,350	70.8%	70.8%	31,400	256,255	8.16
St. George Plaza	St. George, SC	4	59,279	76.3%	76.3%	45,218	299,193	6.62
St. Matthews	St. Matthews, SC	5	29,015	87.2%	87.2%	25,314	307,693	12.16
Sunshine Plaza	Lehigh Acres, FL	20	111,189	94.2%	94.2%	104,743	971,948	9.28
Surrey Plaza	Hawkinsville, GA	5	42,680	100.0%	100.0%	42,680	286,245	6.71
Tampa Festival	Tampa, FL	19	137,987	98.8%	98.8%	136,387	1,285,580	9.43
The Shoppes at Eagle Harbor	Carrollton, VA	7	23,303	100.0%	100.0%	23,303	468,864	20.12
Tri-County Plaza	Royston, GA	6	67,577	89.2%	89.2%	60,277	431,969	7.17
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	2,218,659	7.75
Walnut Hill Plaza	Petersburg, VA	7	87,239	47.8%	47.8%	41,737	248,429	5.95
Waterway Plaza	Little River, SC	10	49,750	100.0%	100.0%	49,750	482,686	9.70
Westland Square	West Columbia, SC	9	62,735	77.1%	77.1%	48,380	444,736	9.19
Winslow Plaza	Sicklerville, NJ	15	40,695	89.9%	89.9%	36,600	559,434	15.29
<b>Total Portfolio</b>		<b>821</b>	<b>5,743,073</b>	<b>91.9%</b>	<b>90.8%</b>	<b>5,217,221</b>	<b>\$ 51,036,880</b>	<b>\$ 9.78</b>

(1) Reflects leases executed through April 4, 2018 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 Amcote 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 our former CEO, 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) The property is a redevelopment property that is reaching completion and spaces are being delivered.

(7) Square footage is net of management office the Company occupies on premise and buildings on ground lease which the Company only leases the land.

# Top Ten Tenants by Annualized Base Rent as of March 31, 2018

Total Tenants : 821

Tenants	Annualized Base Rent (\$ in 000s)	% of Total Annualized Base Rent	Total Occupied Square Feet	Percent Total Leasable Square Foot	Base Rent Per Occupied Square Foot
1. BI-LO (1)	\$ 4,376	8.57%	468,913	8.16%	\$ 9.33
2. Food Lion	2,691	5.27%	325,576	5.67%	8.27
3. Kroger (2)	1,309	2.56%	186,064	3.24%	7.04
4. Winn Dixie (1)	1,031	2.02%	133,575	2.33%	7.72
5. Piggly Wiggly	858	1.68%	103,125	1.80%	8.32
6. Hobby Lobby	675	1.32%	114,298	1.99%	5.91
7. BJ's Wholesale Club	594	1.16%	147,400	2.57%	4.03
8. Harris Teeter (2)	578	1.13%	39,946	0.70%	14.47
9. TJ Maxx	575	1.13%	69,783	1.22%	8.24
10. Lowes Foods	571	1.12%	54,838	0.95%	10.41
	\$ 13,258	25.96%	1,643,518	28.63%	\$ 8.07

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

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

## Leasing Summary as of March 31, 2018

Total Leasable Area: 5,743,073 square feet  
 Total Square Footage Occupied: 5,217,221 square feet  
 Occupancy Rate: 90.8%

### Lease Expiration Schedule

Lease Expiration Period	Number of Expiring Leases	Total Expiring 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	—	525,852	9.16%	—%	\$ —	—%	\$ —
2018	104	484,471	8.44%	9.29%	5,165	10.12%	10.66
2019	168	789,574	13.75%	15.13%	8,162	15.99%	10.34
2020	163	1,125,388	19.60%	21.57%	9,549	18.71%	8.49
2021	118	708,276	12.33%	13.58%	6,920	13.56%	9.77
2022	107	459,795	8.01%	8.81%	5,360	10.50%	11.66
2023	56	446,949	7.78%	8.57%	4,141	8.11%	9.27
2024	24	195,320	3.40%	3.74%	1,923	3.77%	9.85
2025	20	297,598	5.18%	5.70%	2,897	5.68%	9.73
2026	23	304,186	5.30%	5.83%	2,690	5.27%	8.84
2027 and thereafter	38	405,664	7.05%	7.78%	4,230	8.29%	10.43
<b>Total</b>	<b>821</b>	<b>5,743,073</b>	<b>100.00%</b>	<b>100.00%</b>	<b>51,037</b>	<b>100.00%</b>	<b>\$ 9.78</b>

# Leasing Summary as of March 31, 2018, (continued)

## Anchor Lease Expiration Schedule (1)

Lease Expiration Nine 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	—	101,454	\$ —	—	\$ —	—	24,050	\$ —	—	\$ —
2018	4	133,838	1,442	64.61%	10.77	3	92,219	835	4.22%	9.06
2019	1	21,213	292	13.08%	13.77	9	364,544	2,700	13.63%	7.41
2020	1	20,858	55	2.46%	2.64	14	685,554	3,877	19.57%	5.66
2021	2	43,427	88	3.94%	2.03	11	332,369	2,645	13.35%	7.96
2022	—	—	—	—%	—	4	148,663	1,277	6.45%	8.59
2023	2	42,061	355	15.91%	8.44	9	272,883	1,958	9.88%	7.17
2024	—	—	—	—%	—	3	108,455	823	4.15%	7.58
2025	—	—	—	—%	—	6	239,648	2,005	10.12%	8.37
2026	—	—	—	—%	—	6	221,755	1,591	8.03%	7.18
2027+	—	—	—	—%	—	9	300,062	2,098	10.60%	6.99
Total	10	362,851	\$ 2,232	100.00%	\$ 8.54	74	2,790,202	\$ 19,809	100.00%	\$ 7.16

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

## Non-anchor Lease Expiration Schedule

Lease Expiration Nine 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	—	400,348	\$ —	—	\$ —	—	—	\$ —	—	\$ —
2018	68	139,228	1,540	13.57%	11.05	29	119,186	1,348	7.64%	11.31
2019	85	161,947	2,204	19.42%	13.61	73	241,870	2,966	16.81%	12.26
2020	94	244,421	3,202	28.21%	13.11	54	174,555	2,415	13.69%	13.83
2021	51	132,422	1,640	14.45%	12.38	54	200,058	2,547	14.43%	12.73
2022	34	79,307	1,130	9.96%	14.25	69	231,825	2,953	16.73%	12.74
2023	16	33,098	376	3.31%	11.37	29	98,907	1,452	8.23%	14.68
2024	11	21,238	310	2.73%	14.61	10	65,627	790	4.48%	12.03
2025	7	18,316	262	2.31%	14.31	7	39,634	630	3.57%	15.89
2026	6	14,681	262	2.31%	17.80	11	67,750	837	4.74%	12.36
2027+	7	18,561	423	3.73%	22.81	22	87,041	1,708	9.68%	19.62
Total	379	1,263,567	\$ 11,349	100.00%	\$ 13.15	358	1,326,453	\$ 17,646	100.00%	\$ 13.30

# Leasing Summary as of March 31, 2018, (continued)

## Leasing Renewals, New Leases and Expirations

	Three Months Ended March 31,	
	2018	2017
<b>Renewals:</b>		
Leases renewed with rate increase (sq feet)	35,393	92,223
Leases renewed with rate decrease (sq feet)	38,480	16,804
Leases renewed with no rate change (sq feet)	80,567	70,094
Total leases renewed (sq feet)	154,440	179,121
Leases renewed with rate increase (count)	16	22
Leases renewed with rate decrease (count)	5	3
Leases renewed with no rate change (count)	5	8
Total leases renewed (count)	26	33
Option exercised (count)	7	12
Weighted average on rate increases (per sq foot)	\$ 0.77	\$ 0.70
Weighted average on rate decreases (per sq foot)	\$ (1.86)	\$ (0.60)
Weighted average rate (per sq foot)	\$ (0.29)	\$ 0.30
Weighted average change over prior rates	(3.42)%	3.50%
<b>New Leases:</b>		
New leases (sq feet)	72,076	54,279
New leases (count)	15	18
Weighted average rate (per sq foot)	\$ 8.08	\$ 13.92
Gross Leasable Area ("GLA") expiring during the next 9 months	8.44 %	4.71 %



## 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.