

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 8-K/A

**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 22, 2022**

WHEELER REAL ESTATE INVESTMENT TRUST, INC.

(Exact name of registrant as specified in its charter)

Maryland	001-35713	45-2681082
(State or other jurisdiction of incorporation or organization)	(Commission File Number)	(IRS Employer Identification No.)
2529 Virginia Beach Blvd. Virginia Beach, VA		23452
(Address of principal executive offices)		(Zip code)

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 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. ☐

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, \$0.01 par value per share	WHLR	Nasdaq Capital Market
Series B Convertible Preferred Stock	WHLRP	Nasdaq Capital Market
Series D Cumulative Convertible Preferred Stock	WHLRD	Nasdaq Capital Market
7.00% Senior Subordinated Convertible Notes due 2031	WHLRL	Nasdaq Capital Market

Item 8.01. Other Events.

On August 25, 2022, Wheeler Real Estate Investment Trust, Inc. filed a Form 8-K (the “Original 8-K”) to report the completion of the acquisition of Cedar Realty Trust, Inc on August 22, 2022. This amendment is being filed for the sole purpose of filing the financial statements and pro forma financial information required by Item 9.01 on Form 8-K, and should be read in conjunction with the Original 8-K.

ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(a) Financial statement of businesses acquired. *

Report of Independent Auditor.

Statements of Revenues and Certain Operating Expenses for the Six Months Ended June 30, 2022
(Unaudited) and the Year Ended December 31, 2021.

Notes to Statements of Revenues and Certain Operating Expenses for the Nine Months Ended June 30, 2022
(Unaudited) and the Year Ended December 31, 2021.

(b) Pro forma financial information. **

Unaudited Pro Forma Condensed Consolidated Balance Sheet as of June 30, 2022.

Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Six Months Ended
June 30, 2022.

Unaudited Pro Forma Condensed Consolidated Statement of Operations for the Year Ended December 31,
2021.

Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements.

(c) Shell company transactions.

Not Applicable.

(d) Exhibits.

[23.1 Consent of Cherry Bekaert LLP.](#)

[99.1 Statements of Revenues and Certain Operating Expenses of Cedar Realty Trust, Inc.](#)

[99.2 Unaudited Pro Forma Financial Information of Cedar Realty Trust, Inc.](#)

SIGNATURES

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

WHEELER REAL ESTATE INVESTMENT TRUST, INC.

By: /s/ M. Andrew Franklin
Name: M. Andrew Franklin
Title: Chief Executive Officer and President

Dated: October 31, 2022

Consent of Independent Auditor

We hereby consent to the incorporation by reference in the Registration Statements of Wheeler Real Estate Investment Trust, Inc. and Subsidiaries (the “Company”), on Form S-11 (Nos. 333-189363, 333-256015, 333-177262, 333-194831, 333-198245, and 333-256699), Form S-3 (Nos. 333-194252, 333-189887, 333-203563, 333-207241, 333-212426, 333-206014, 333-213294, 333-211506, 333-193563, 333-221877, and 333-222971), Form S-4 (No. 333-204957), and Form S-8 (Nos. 333-205845 and 333-213102) of our report dated October 31, 2022, relating to the combined statement of revenues and certain operating expenses of the portfolio of 19 properties (collectively referred to as the “Cedar Portfolio”) for the year ended December 31, 2021, and the related notes, which appears in the accompanying Current Report on Form 8-K/A.

/s/ Cherry Bekaert LLP

Virginia Beach, Virginia
October 31, 2022

Report of Independent Auditor

To the Board of Directors and Stockholders of
Wheeler Real Estate Investment Trust, Inc. and Subsidiaries

Opinion

We have audited the accompanying combined statement of revenues and certain operating expenses (the “Statement”) of the portfolio of 19 properties (collectively referred to as the “Cedar Portfolio”) for the year ended December 31, 2021, and the related notes.

In our opinion, the Statement referred to above presents fairly, in all material respects, the combined revenues and certain operating expenses of the Cedar Portfolio for the year ended December 31, 2021, in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Statement section of our report. We are required to be independent of the Cedar Portfolio and to meet our other ethical responsibilities in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

We draw attention to Note 2 to the Statement, which describes that the accompanying Statement was prepared for the purpose of complying with Regulation 210.3-14(a)(1) of Regulation S-X of the Securities and Exchange Commission and is not intended to be a complete presentation of the Cedar Portfolio’s revenues and expenses. As a result, the Statement may not be suitable for another purpose. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Statement

Management is responsible for the preparation and fair presentation of the Statement in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the Statement that is free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cedar Portfolio’s ability to continue as a going concern within one year after the date that the Statement is available to be issued.

Auditor’s Responsibilities for the Audit of the Statement

Our objectives are to obtain reasonable assurance about whether the Statement as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the Statement.

In performing an audit in accordance with generally accepted auditing standards, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the Statement, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the Statement.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Cedar Portfolio's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the Statement.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Cedar Portfolio's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

/s/ Cherry Bekaert LLP
Virginia Beach, Virginia
October 31, 2022

Cedar Portfolio
Combined Statements of Revenues and Certain Operating Expenses
For the Six Months Ended June 30, 2022 (Unaudited) and the Year Ended December 31, 2021
(In thousands)

	Six Months Ended June 30, 2022	Year Ended December 31, 2021
	(unaudited)	
REVENUES:		
Rental revenues	\$ 11,528	\$ 23,399
Tenant reimbursements and other revenues	4,153	8,312
Total Revenues	15,681	31,711
CERTAIN OPERATING EXPENSES:		
Property operating	2,980	5,123
Real estate taxes	2,667	5,692
Repairs and maintenance	1,037	1,680
Total Certain Operating Expenses	6,684	12,495
Excess of Revenues Over Certain Operating Expenses	\$ 8,997	\$ 19,216

See accompanying notes to the combined statements of revenues and certain operating expenses.

Cedar Portfolio
Notes to Combined Statements of Revenues and Certain Operating Expenses
For the Six Months Ended June 30, 2022 (Unaudited) and the Year Ended December 31, 2021

1. Business and Purchase Agreement

On March 2, 2022, the Wheeler Real Estate Investment Trust, Inc. (referred to hereafter as the “Trust” or the “Company”) entered into an Agreement and Plan of Merger (as amended, the “Merger Agreement”) with Cedar Realty Trust, Inc. (“Cedar”), Cedar Realty Trust Partnership, L.P., (“Cedar OP”), WHLR Merger Sub Inc. (“Merger Sub I”), a wholly owned subsidiary of the Company, and WHLR OP Merger Sub LLC, a wholly owned subsidiary of Merger Sub I (“Merger Sub II”), pursuant to which the Company agreed to acquire Cedar, including 19 of its shopping center assets (the “Cedar Portfolio”), in an all-cash merger transaction (the “Cedar Acquisition”).

On the terms and subject to the conditions set forth in the Merger Agreement, Merger Sub II merged with and into Cedar OP (the “Partnership Merger”), with Cedar OP being the surviving partnership (the “Surviving Partnership”) in such merger, and, immediately following the Partnership Merger, Merger Sub I merged with and into Cedar (the “REIT Merger” and, together with the Partnership Merger, the “Mergers”), with Cedar being the surviving company (the “Surviving Company”) in the REIT Merger. As a result and after the Mergers, Cedar is a wholly owned subsidiary of the Company.

On August 22, 2022, the Company closed on the Cedar Acquisition; thereby acquiring a shopping center portfolio primarily in the Northeast from Virginia to Massachusetts. The Cedar Portfolio was acquired from Cedar through the purchase of the issued and outstanding shares of Cedar’s common stock, par value \$0.06 per share (“Cedar Common Stock”), and the issued and outstanding common units of Cedar OP held by persons other than Cedar for an aggregate of \$130.0 million of cash merger consideration. Pursuant to the terms of the Merger Agreement, Cedar’s currently outstanding 7.25% Series B Preferred Stock and 6.50% Series C Preferred Stock, (collectively “Cedar Preferred”) will remain outstanding and remain listed on the New York Stock Exchange.

The Cedar Acquisition included variable rate debt financing from KeyBank National Association in an amount of \$130.00 million with a maturity date of August 22, 2023.

2. Basis of Presentation

The Combined Statements of Revenues and Certain Operating Expenses (the “Statements”) have been prepared for the purpose of complying with Rule 3-14 of Regulation S-X, promulgated under the Securities Act of 1933, as amended. Accordingly, the Statements are not representative of the actual operations for the periods presented as revenues and certain operating expenses, which may not be directly attributable to the revenues and expenses expected to be incurred in the future operations of the Cedar Portfolio, have been excluded. Such items include depreciation, amortization, interest expense, interest income and amortization of above- and below-market leases. Management is not aware of any material factors relating to the Cedar Portfolio that would cause the reported financial information not to be necessarily indicative of future operating results. The Statements include only activity from the 19 shopping centers, the Cedar Portfolio.

3. Summary of Significant Accounting Policies

Revenue Recognition

The Cedar Portfolio retains substantially all of the risks and benefits of ownership of the underlying assets and is leased to tenants under agreements that are classified as operating leases. The Company combines lease and nonlease components in lease contracts, which includes combining base rent and tenant reimbursement revenue. The leases include provisions under which the Cedar Portfolio is reimbursed for common area maintenance, real estate taxes and insurance costs. Pursuant to the lease agreements, income related to these reimbursed costs is recognized in the period the applicable costs are incurred. Certain leases contain renewal options at various periods at various rental rates. The Cedar Portfolio recognizes rental revenue from tenants on a straight-line basis over the lease term when collectability is reasonably assured and the tenant has taken possession or controls the physical use of the leased asset.

Operating Expense

Cedar Portfolio
Notes to Combined Statements of Revenues and Certain Operating Expenses
For the Six Months Ended June 30, 2022 (Unaudited) and the Year Ended December 31, 2021

Operating expense represents the direct expenses of operating the properties and consist primarily of repairs and maintenance, real estate taxes, management fees, insurance, utilities and other operating expenses that are expected to continue in the proposed future operations of the properties. Management fees were paid to Cedar and Cedar is considered a related party.

Use of Estimates

The Company has made estimates and assumptions relating to the reporting and disclosure of revenues and certain expenses during the reporting periods to present the Statements in conformity with accounting principles generally accepted in the United States ("US GAAP"). Actual results could differ from those estimates.

4. Minimum Future Rental Revenue

Future minimum rents to be received under noncancelable tenant operating leases for the six months ending December 31, 2022 and each of the next five years and thereafter, excluding common area maintenance expenses and percentage rent based on tenant sales volume, as of June 30, 2022 were as follows (in thousands, unaudited):

	Minimum Future Rental Revenue
For the remaining six months ended December 31, 2022	\$ 11,556
Years Ending December 31,	
2023	22,495
2024	19,817
2025	16,912
2026	14,463
2027	12,177
Thereafter	30,508
	<u>\$ 127,928</u>

Percentage rent for the six months ended June 30, 2022 and year ended December 31, 2021 was \$257 thousand and \$629 thousand, respectively.

5. Commitments and Contingencies

The Cedar Portfolio is subject to various legal proceedings and claims that arise in the ordinary course of business. Management believes that insurance coverage is sufficient to cover these matters. The Company believes that the ultimate settlement of these actions will not have a material adverse effect on the Cedar Portfolio's results of operations.

6. Ground Lease

As of June 30, 2022, the Cedar Portfolio is subject to one ground lease which terminates in 2071 and requires annual rental payments and includes escalation clauses and renewal options. The Cedar Portfolio incurred ground lease expense included in property operating expense of \$100 thousand and \$177 thousand for the six months ended June 30, 2022 and year ended December 31, 2021, respectively. Future lease payments for the succeeding five fiscal years will have an annual cost of \$206 thousand each fiscal year.

7. Subsequent Events

On October 28, 2022, the Company entered into a loan agreement (the "Guggenheim-Cedar Loan Agreement") with Guggenheim Real Estate, LLC., for \$110.00 million at a fixed rate of 5.25% with interest-only

Cedar Portfolio
Notes to Combined Statements of Revenues and Certain Operating Expenses
For the Six Months Ended June 30, 2022 (Unaudited) and the Year Ended December 31, 2021

payments due monthly through November 2027. Commencing in December 2027 and continuing until the maturity date, November 2032, the monthly payments will consist of principal and interest. The Guggenheim-Cedar Loan Agreement proceeds were used to paydown \$102.83 million of the variable rate KeyBank-Cedar Agreement. The Guggenheim-Cedar Loan Agreement is collateralized by 10 properties within the Cedar Portfolio.

The Company has evaluated all events and transactions that occurred through October 31, 2022, the date the Statements were available to be issued, and is not aware of any other events that have occurred that would require additional adjustments to or disclosures in the Statements.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

On August 22, 2022, Wheeler Real Estate Investment Trust, Inc. and Subsidiaries ("Wheeler REIT" and the "Company") closed on its previously announced merger with Cedar Realty Trust, Inc. ("Cedar"); thereby acquiring a 2.8 million square foot, 83% leased shopping center portfolio consisting of 19 properties located primarily in the Northeast from Virginia to Massachusetts (the "Cedar Portfolio"). The Cedar Portfolio was acquired from Cedar through the purchase of the issued and outstanding shares of Cedar's common stock, par value \$0.06 per share ("Cedar Common Stock"), and the issued and outstanding common units of Cedar OP held by persons other than Cedar for an aggregate of \$130.0 million of cash merger consideration. Pursuant to the terms of the Merger Agreement, Cedar's currently outstanding 7.25% Series B Preferred Stock and 6.50% Series C Preferred Stock, (collectively "Cedar Preferred") remain outstanding and listed on the New York Stock Exchange.

The unaudited pro forma condensed consolidated balance sheet as of June 30, 2022 is presented as if the acquisition of the Cedar Portfolio was completed on June 30, 2022 and is accounted for as an asset acquisition. The Wheeler REIT column represents the actual balance sheet presented in the Company's Quarterly Report on Form 10-Q ("Form 10-Q") filed on August 9, 2022 with the Securities and Exchange Commission ("SEC") as of the six months ended June 30, 2022. The transaction accounting adjustment column presents the purchase price allocation of the Cedar Portfolio and other related proforma adjustments.

The unaudited pro forma condensed consolidated statements of operations for the Company and Cedar Portfolio for the six months ended June 30, 2022 and the year ended December 31, 2021 give effect to the Company's acquisition of Cedar Portfolio as if it had occurred on the first day of the earliest period presented (January 1, 2021). The Wheeler REIT column for the six months ended June 30, 2022 represents the results of operations presented in the Company's Form 10-Q. The Wheeler REIT column for the year ended December 31, 2021 represents the results of operations presented in the Company's Annual Report on Form 10-K ("Form 10-K") filed with the SEC on February 28, 2022. The Cedar Portfolio column includes the full year's operating activity for the Cedar Portfolio for the year ended December 31, 2021 and six months' operating activity for the six months ended June 30, 2022, as the Cedar Portfolio was acquired subsequent to June 30, 2022 and therefore was not included in the Company's historical financial statements. The transaction accounting adjustment columns present the purchase price allocation of the Cedar Portfolio and other related proforma adjustments.

The unaudited pro forma condensed consolidated financial statements have been prepared by the Company's management based upon the historical financial statements of the Company and of the acquired Cedar Portfolio. These pro forma statements may not be indicative of the results that actually would have occurred had the anticipated acquisition been in effect on the dates indicated or which may be obtained in the future. Differences between the preliminary estimates reflected in these unaudited pro forma consolidated financial statements and the final acquisition accounting will likely occur, and these differences could have a material impact on the accompanying unaudited pro forma consolidated financial statements and the consolidated company's future results of operations and financial position.

In management's opinion, all adjustments necessary to reflect the effects of the Cedar Portfolio acquisition have been made. These unaudited pro forma condensed consolidated financial statements are for informational purposes only and should be read in conjunction with the historical financial statements of the Company, including the related notes thereto, which were filed with the SEC on February 28, 2022 as part of the Company's Form 10-K for the year ended December 31, 2021 and on August 9, 2022 as part of the Company's Form 10-Q for the period ended June 30, 2022.

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Unaudited Pro Forma Condensed Consolidated Balance Sheet
As of June 30, 2022
(In thousands)

		Transaction Accounting Adjustments	
	Wheeler REIT - Historical	Purchase Price Allocation	Pro Forma Condensed Consolidated
	(A)	(B)	
ASSETS:			
Investment properties, net	\$ 383,153	\$ 184,880	\$ 568,033
Cash and cash equivalents	24,606	1,687 (E)	26,293
Restricted cash	21,946	—	21,946
Rents and other tenant receivables, net	8,447	2,771	11,218
Assets held for sale	419	—	419
Above market lease intangibles, net	1,933	1,756	3,689
Operating lease right-of-use assets	12,307	2,913	15,220
Deferred costs and other assets, net	14,439	29,302	43,741
Total Assets	<u>\$ 467,250</u>	<u>\$ 223,309</u>	<u>\$ 690,559</u>
LIABILITIES:			
Loans payable	\$ 338,663	\$ 126,193 (C)	\$ 464,856
Liabilities associated with assets held for sale	—	—	—
Below market lease intangible, net	2,950	24,141	27,091
Derivative liabilities	6,653	—	6,653
Operating lease liabilities	12,956	3,549	16,505
Accounts payable, accrued expenses and other liabilities	12,207	4,581	16,788
Dividends payable	—	—	—
Total Liabilities	<u>373,429</u>	<u>158,464</u>	<u>531,893</u>
Series D cumulative convertible preferred stock	<u>97,033</u>	<u>—</u>	<u>97,033</u>
EQUITY:			
Series A preferred stock	453	—	453
Series B convertible preferred stock	43,242	—	43,242
Common stock	98	—	98
Additional paid-in capital	234,947	—	234,947
Accumulated deficit	(283,267)	—	(283,267)
Noncontrolling interest	1,315	64,845 (D)	66,160
Total Equity	<u>(3,212)</u>	<u>64,845</u>	<u>61,633</u>
Total Liabilities and Equity	<u>\$ 467,250</u>	<u>\$ 223,309</u>	<u>\$ 690,559</u>

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Pro Forma Balance Sheet

- A. Reflects the unaudited condensed consolidated balance sheet of the Company as of June 30, 2022 included in the Company's Form 10-Q filed on August 9, 2022.
- B. Represents the estimated pro forma effect of the Company's acquisition of Cedar, which is accounted for as an asset acquisition. The Company has initially allocated the purchase price of the acquired property to land, building and improvements, identifiable intangible assets, and other acquired assets and liabilities based on their estimated fair values. Identifiable intangibles include amounts allocated to above/below market leases and the value of in-place leases. The Company estimated fair value based on estimated cash flow projections that utilize appropriate discount and capitalization rates and available market information. Estimates of future cash flows are based on a number of factors including the historical operating results of the Cedar Portfolio, known trends and specific market and economic conditions that may affect the Cedar Portfolio. Factors considered by management in its analysis of estimating the as-if-vacant property value include an estimate of carrying costs during the expected lease-up periods considering market conditions and costs to execute similar leases. In estimating carrying costs, management includes real estate taxes, insurance and estimates of lost rentals at market rates during the expected lease-up periods, tenant demand and other economic conditions. Management also estimates costs to execute similar leases including tenant improvements. Intangibles related to above/below market leases, and in-place lease value are recorded as acquired lease intangibles and are amortized as an adjustment to rental revenue or amortization expense, as appropriate, over the remaining terms of the underlying leases.

The following summarizes the consideration paid in conjunction with the acquisition of the Cedar Portfolio described above (in thousands).

Purchase consideration:

Cash merger consideration	\$	130,000
Capitalized acquisition costs		5,510
Total consideration, excluding noncontrolling interest	\$	135,510

- C. Represents a \$130.0 million variable rate debt financing agreement with KeyBank National Association with a maturity date of August 22, 2023, net of debt issuance costs of \$3.8 million.
- D. Represents the fair market value of the Cedar Preferred, assumed at the time of acquisition.
- E. Cash and Cash equivalents consist of the following activity:

Acquired cash at Cedar	\$	11,004
Loan proceeds		130,000
Debt issuance costs payments		(3,807)
Cash merger consideration including payment of merger-related expenses		(135,510)
Total adjustments to cash and cash equivalents	\$	1,687

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Unaudited Pro Forma Condensed Consolidated Statement of Operations
For the Six Months Ended June 30, 2022
(In thousands, except share and per share data)

	Transaction Accounting Adjustments				
	Wheeler REIT - Historical	Cedar Portfolio	Pro Forma Adjustments	Pro Forma Condensed Consolidated	
	(A)	(B)	(C)		
REVENUES:					
Rental revenues	\$ 30,656	\$ 15,617	\$ 2,293 (1)	\$ 48,566	
Other revenues	320	64	—	384	
Total Revenues	30,976	15,681	2,293	48,950	
OPERATING EXPENSES:					
Property operations	9,982	6,684	—	16,666	
Depreciation and amortization	7,241	—	6,497 (2)	13,738	
Impairment of assets held for sale	760	—	—	760	
Corporate general & administrative	2,937	—	—	2,937	
Total Operating Expenses	20,920	6,684	6,497	34,101	
Gain on sale of real estate	(15)	—	—	(15)	
Operating Income (Loss)	10,041	8,997	(4,204)	14,834	
Interest income	27	—	—	27	
Interest expense	(12,129)	—	(5,089) (3)	(17,218)	
Net changes in fair value of derivative liabilities	(1,877)	—	—	(1,877)	
Other income	—	—	—	—	
Other expense	(691)	—	—	(691)	
Net Income (Loss) Before Income Taxes	(4,629)	8,997	(9,293)	(4,925)	
Income Tax Expense	—	—	—	—	
Net Income (Loss) after Income Taxes	(4,629)	8,997	(9,293)	(4,925)	
Less: Net income (loss) attributable to noncontrolling interests	3	5,376	—	5,379	
Net Income (Loss) Attributable to Wheeler REIT	\$ (4,632)	\$ 3,621	\$ (9,293)	\$ (10,304)	
Net (loss) per share:					
Basic and diluted	\$ (0.94)			\$ (1.52)	
Weighted-average number of shares outstanding:					
Basic and diluted	9,727,711			9,727,711	

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Unaudited Pro Forma Condensed Consolidated Statement of Operations
For the Year Ended December 31, 2021
(In thousands, except share and per share data)

	Transaction Accounting Adjustments			Pro Forma Condensed Consolidated
	Wheeler REIT - Historical	Cedar Portfolio	Pro Forma Adjustments	
	(D)	(E)	(C)	
REVENUES:				
Rental revenues	\$ 60,368	\$ 31,635	\$ 5,781 (1)	\$ 97,784
Other revenues	942	76	—	1,018
Total Revenues	61,310	31,711	5,781	98,802
OPERATING EXPENSES:				
Property operations	19,618	12,495	—	32,113
Depreciation and amortization	14,797	—	14,658 (2)	29,455
Impairment of assets held for sale	2,300	—	—	2,300
Corporate general & administrative	7,140	—	—	7,140
Total Operating Expenses	43,855	12,495	14,658	71,008
Gain on sale of real estate	2,055	—	—	2,055
Operating Income (Loss)	19,510	19,216	(8,877)	29,849
Interest income	34	—	—	34
Interest expense	(33,028)	—	(10,240) (3)	(43,268)
Net changes in fair value of derivative liabilities	3,768	—	—	3,768
Other income	552	—	—	552
Other expense	(185)	—	—	(185)
Net Income (Loss) Before Income Taxes	(9,349)	19,216	(19,117)	(9,250)
Income Tax Expense	(2)	—	—	(2)
Net Income (Loss) after Income Taxes	(9,351)	19,216	(19,117)	(9,252)
Less: Net income (loss) attributable to noncontrolling interests	92	10,752	—	10,844
Net Income (Loss) Attributable to Wheeler REIT	\$ (9,443)	\$ 8,464	\$ (19,117)	\$ (20,096)
Net (loss) per share:				
Basic and diluted	\$ (1.36)			\$ (2.46)
Weighted-average number of shares outstanding:				
Basic and diluted	9,711,944			9,711,994

See accompanying notes to unaudited pro forma condensed consolidated financial statements.

Wheeler Real Estate Investment Trust, Inc. and Subsidiaries
Notes to Unaudited Pro Forma Condensed Consolidated Financial Statements

Pro Forma Statements of Operations

- A. Reflects the unaudited consolidated statement of operations of the Company for the six months ended June 30, 2022 included in the Company's Form 10-Q filed on August 9, 2022, excluding discontinued operations.
- B. Amounts reflect the unaudited historical operations of the Cedar Portfolio for the six months ended June 30, 2022, unless otherwise noted.
- C. Represents the estimated unaudited pro forma adjustments related to the acquisition for the period presented.
 - (1) Represents estimated straight-line rental revenue and amortization of above/below market leases which are being amortized on a straight-line basis over the remaining terms of the related leases.
 - (2) Represents the estimated depreciation and amortization of the buildings and related improvements and in place leases resulting from the preliminary estimated purchase price allocation in accordance with accounting principles generally accepted in the United States of America. The buildings and site improvements are being depreciated on a straight-line basis over their estimated useful lives up to 39 years and 15 years, respectively. The tenant improvements and in place leases are being amortized on a straight-line basis over the remaining terms of the related leases.
 - (3) Represents interest expense on \$130.00 million in debt assumed at time of acquisition, as if the borrowing occurred on January 1, 2021, which accrues interest at a rate of 4.90% per annum on \$130.00 million maturing August 22, 2023 and loan amortization expense on \$3.8 million of debt issuance costs.
- D. Reflects the consolidated statement of operations of the Company for the year ended December 31, 2021, included in the Company's Form 10-K filed on February 28, 2022.
- E. Amounts reflect the historical operations of the Cedar Portfolio for the year ended December 31, 2021, unless otherwise noted.