

Square, Inc.
Form 8-K
May 31, 2018

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

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 31, 2018

Square, Inc.

(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction

of incorporation)

001-37622
(Commission

File Number)

80-0429876
(I.R.S. Employer

Identification No.)

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1455 Market Street, Suite 600

San Francisco, CA 94103

(Address of principal executive offices including zip code)

(415) 375-3176

(Registrant's telephone number, including area code)

Not Applicable

(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation 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.

Item 7.01 Regulation FD Disclosure.

On May 31, 2018, Square, Inc., a Delaware corporation (the Company) completed its previously announced acquisition of Weebly, Inc., a Delaware corporation (Weebly).

In connection with the closing of the acquisition of Weebly, the Company issued a press release which included its updated financial outlook for the second quarter and full year 2018. A copy of the press release is attached hereto as Exhibit 99.1 and is incorporated herein by reference.

The information furnished pursuant to Item 7.01 on this Form 8-K, including Exhibit 99.1 attached hereto, shall not be deemed filed for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the Exchange Act), or otherwise subject to the liabilities of that section, nor shall it be deemed incorporated by reference into any other filing under the Securities Act of 1933, as amended, or the Exchange Act, except as expressly set forth by specific reference in such a filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	<u>Press Release issued by Square, Inc. entitled Square Updates Second Quarter and Full Year 2018 Guidance dated May 31, 2018.</u>

SIGNATURE

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.

SQUARE, INC.

Date: May 31, 2018

By: /s/ Jason S. Gao
Jason S. Gao
Assistant Secretary

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Equity:

Cedar Realty Trust, Inc. shareholders equity:

Preferred stock (\$.01 par value, 12,500,000 shares authorized):

Series A (\$25.00 per share liquidation value, 1,410,000 and 6,400,000, shares authorized, respectively, 1,408,000 and 6,400,000 shares, issued and outstanding, respectively)

34,882,000 158,575,000

Series B (\$25.00 per share liquidation value, 7,500,000 and 0 shares authorized, respectively, 5,429,000 and 0 shares, issued and, outstanding, respectively)

128,787,000

Common stock (\$.06 par value, 150,000,000 shares authorized, 71,817,000 and 67,928,000 shares, issued and outstanding, respectively)

4,309,000 4,076,000

Treasury stock (3,822,000 and 1,313,000 shares, respectively, at cost)

(21,702,000) (10,528,000)

Additional paid-in capital

748,194,000 718,974,000

Cumulative distributions in excess of net income

(378,254,000) (373,741,000)

Accumulated other comprehensive loss

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(2,560,000) (3,513,000)

Total Cedar Realty Trust, Inc. shareholders' equity

513,656,000 493,843,000

Noncontrolling interests:

Minority interests in consolidated joint ventures

6,081,000 56,511,000

Limited partners' OP Units

1,390,000 5,418,000

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Total noncontrolling interests

7,471,000 61,929,000

Total equity

521,127,000 555,772,000

Total liabilities and equity

\$1,369,903,000 \$1,512,163,000

See accompanying notes to consolidated financial statements.

Table of Contents**CEDAR REALTY TRUST, INC.****Consolidated Statements of Operations**

	Years ended December 31,		
	2012	2011	2010
Revenues:			
Rents	\$ 108,260,000	\$ 105,008,000	\$ 101,624,000
Expense recoveries	26,302,000	26,810,000	25,588,000
Other	6,021,000	3,010,000	3,786,000
Total revenues	140,583,000	134,828,000	130,998,000
Expenses:			
Operating, maintenance and management	23,037,000	27,457,000	25,499,000
Real estate and other property-related taxes	17,514,000	16,578,000	16,100,000
General and administrative	14,277,000	10,740,000	9,537,000
Management transition charges and employee termination costs	1,172,000	6,875,000	
Impairment charges	5,779,000	7,148,000	2,493,000
Acquisition transaction costs and terminated projects	116,000	1,436,000	3,958,000
Depreciation and amortization	44,540,000	43,105,000	34,735,000
Total expenses	106,435,000	113,339,000	92,322,000
Operating income	34,148,000	21,489,000	38,676,000
Non-operating income and expense:			
Interest expense	(39,359,000)	(41,746,000)	(43,007,000)
Accelerated write-off of deferred financing costs	(2,607,000)		(2,552,000)
Interest income	191,000	349,000	21,000
Equity in income of unconsolidated joint ventures	1,481,000	1,671,000	484,000
Gain (loss) on exit from unconsolidated joint ventures	30,526,000	(7,961,000)	
Gain on sales	997,000	130,000	
Total non-operating income and expense	(8,771,000)	(47,557,000)	(45,054,000)
Income (loss) from continuing operations	25,377,000	(26,068,000)	(6,378,000)
Discontinued operations:			
Income from operations	3,963,000	5,128,000	1,846,000
Impairment charges, net	(4,000)	(88,458,000)	(39,822,000)
Gain on sales	4,679,000	884,000	170,000
Total discontinued operations	8,638,000	(82,446,000)	(37,806,000)
Net income (loss)	34,015,000	(108,514,000)	(44,184,000)
Less, net (income) loss attributable to noncontrolling interests:			
Minority interests in consolidated joint ventures	(4,335,000)	2,507,000	1,613,000
Limited partners' interest in Operating Partnership	26,000	2,446,000	1,282,000
Total net (income) loss attributable to noncontrolling interests	(4,309,000)	4,953,000	2,895,000
Net income (loss) attributable to Cedar Realty Trust, Inc.	29,706,000	(103,561,000)	(41,289,000)
Preferred stock dividends	(14,819,000)	(14,200,000)	(10,196,000)
Preferred stock redemption costs	(4,998,000)		

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Net income (loss) attributable to common shareholders	\$ 9,889,000	\$ (117,761,000)	\$ (51,485,000)
Per common share attributable to common shareholders (basic and diluted):			
Continuing operations	\$ 0.07	\$ (0.61)	\$ (0.24)
Discontinued operations	0.06	(1.18)	(0.57)
	\$ 0.13	\$ (1.79)	\$ (0.81)
Amounts attributable to Cedar Realty Trust, Inc. common shareholders, net of noncontrolling interests:			
Income (loss) from continuing operations	\$ 5,935,000	\$ (39,348,000)	\$ (15,623,000)
Income (loss) from discontinued operations	3,954,000	(78,413,000)	(35,862,000)
Net income (loss)	\$ 9,889,000	\$ (117,761,000)	\$ (51,485,000)
Weighted average number of common shares basic and diluted	68,017,000	66,387,000	63,843,000

See accompanying notes to consolidated financial statements.

Table of Contents**CEDAR REALTY TRUST, INC.****CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)**

	Years ended December 31,		
	2012	2011	2010
Net income (loss)	\$ 34,015,000	\$ (108,514,000)	\$ (44,184,000)
Other comprehensive income (loss):			
Unrealized gain (loss) on change in fair value of cash flow hedges:			
Consolidated	836,000	3,000	(454,000)
Unconsolidated	118,000	(118,000)	
Other comprehensive income (loss)	954,000	(115,000)	(454,000)
Comprehensive income (loss)	34,969,000	(108,629,000)	(44,638,000)
Comprehensive (income)/loss attributable to noncontrolling interests	(4,309,000)	4,961,000	2,935,000
Comprehensive income (loss) attributable to Cedar Realty Trust, Inc.	\$ 30,660,000	\$ (103,668,000)	\$ (41,703,000)

See accompanying notes to consolidated financial statements.

Table of Contents**CEDAR REALTY TRUST, INC.****Consolidated Statement of Equity****Years ended December 31, 2012, 2011 and 2010**

	Preferred stock		Cedar Realty Trust, Inc. Shareholders Common stock				Cumulative distributions in excess of net income	Accumulated other comprehensive (loss)	Total
	Shares	\$25.00 Liquidation value	Shares	\$0.06 Par value	Treasury stock, at cost	Additional paid-in capital			
Balance, December 31, 2009	3,550,000	\$ 88,750,000	52,139,000	\$ 3,128,000	\$ (9,688,000)	\$ 621,299,000	\$ (162,041,000)	\$ (2,992,000)	\$ 538,456,000
Net (loss)							(41,289,000)		(41,289,000)
Unrealized loss on change in fair value of cash flow hedges								(414,000)	(414,000)
Share-based compensation, net			436,000	27,000	(679,000)	3,604,000			2,952,000
Net proceeds from the sale of preferred and common stock	2,850,000	69,825,000	12,455,000	747,000		77,433,000			148,005,000
Net proceeds from dividend reinvestment and direct stock purchase plan			1,451,000	87,000		8,144,000			8,231,000
Preferred distribution requirements							(10,196,000)		(10,196,000)
Distributions to common shareholders/ noncontrolling interest							(17,749,000)		(17,749,000)
Conversion of OP Units into common stock			39,000	2,000		401,000			403,000
Reallocation adjustment of limited partners interest						1,667,000			1,667,000
Balance, December 31, 2010	6,400,000	158,575,000	66,520,000	3,991,000	(10,367,000)	712,548,000	(231,275,000)	(3,406,000)	630,066,000
Net (loss)							(103,561,000)		(103,561,000)
Unrealized gain on change in fair value of cash flow hedges								11,000	11,000
Unrealized loss on change in fair value of cash flow hedge unconsolidated joint venture								(118,000)	(118,000)
Share-based compensation, net			676,000	41,000	(161,000)	1,753,000			1,633,000
Net proceeds from the sale of common stock			39,000	2,000		223,000			225,000
Net proceeds from dividend reinvestment and direct stock purchase plan			693,000	42,000		4,038,000			4,080,000
Preferred distribution requirements							(14,200,000)		(14,200,000)
Distributions to common shareholders/							(24,705,000)		(24,705,000)

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noncontrolling interest									
Contribution from minority interest partners									
Reallocation adjustment of limited partners interest						412,000			412,000
Balance, December 31, 2011	6,400,000	158,575,000	67,928,000	4,076,000	(10,528,000)	718,974,000	(373,741,000)	(3,513,000)	493,843,000
Net income (loss)							29,706,000		29,706,000
Unrealized gain on change in fair value of cash flow hedges								835,000	835,000
Unrealized gain on change in fair value of cash flow hedge unconsolidated joint venture								118,000	118,000
Share-based compensation, net			2,754,000	165,000	(11,174,000)	14,631,000			3,622,000
Net proceeds from sales of Series B shares	5,429,000	128,787,000				(4,417,000)			124,370,000
Redemptions/repurchases of Series A shares	(4,992,000)	(123,693,000)				3,754,000	(4,998,000)		(124,937,000)
Common stock sales and issuance expenses, net			1,000			(172,000)			(172,000)
Preferred stock dividends							(14,819,000)		(14,819,000)
Distributions to common shareholders/noncontrolling interests							(14,402,000)		(14,402,000)
Conversions of OP Units into common stock			1,134,000	68,000		7,827,000			7,895,000
Reallocation adjustment of limited partners interest						2,000			2,000
Acquisition of noncontrolling interest						7,595,000			7,595,000
Disposition of noncontrolling interest									
Balance, December 31, 2012	6,837,000	\$ 163,669,000	71,817,000	\$ 4,309,000	\$ (21,702,000)	\$ 748,194,000	\$ (378,254,000)	\$ (2,560,000)	\$ 513,656,000

Table of Contents**CEDAR REALTY TRUST, INC.****Consolidated Statements of Equity****Years ended December 31, 2012, 2011 and 2010***(continued)*

	Minority interests in consolidated joint ventures	Noncontrolling Interests		Total equity
		Limited partners OP Units	Total	
Balance, December 31, 2009	\$ 67,229,000	\$ 8,079,000	\$ 75,308,000	\$ 613,764,000
Net (loss)	(1,613,000)	(642,000)	(2,255,000)	(43,544,000)
Unrealized loss on change in fair value of cash flow hedges		(22,000)	(22,000)	(436,000)
Share-based compensation, net				2,952,000
Net proceeds from the sale of preferred and common stock				148,005,000
Net proceeds from dividend reinvestment and direct stock purchase plan				8,231,000
Preferred distribution requirements				(10,196,000)
Distributions to common shareholders/ noncontrolling interest	(3,566,000)	(209,000)	(3,775,000)	(21,524,000)
Conversion of OP Units into common stock		(194,000)	(194,000)	209,000
Reallocation adjustment of limited partners interest		(657,000)	(657,000)	1,010,000
Balance, December 31, 2010	62,050,000	6,355,000	68,405,000	698,471,000
Net (loss)	(2,507,000)	(1,320,000)	(3,827,000)	(107,388,000)
Unrealized gain on change in fair value of cash flow hedges		(5,000)	(5,000)	6,000
Unrealized loss on change in fair value of cash flow hedge unconsolidated joint venture				(118,000)
Share-based compensation, net				1,633,000
Net proceeds from the sale of common stock				225,000
Net proceeds from dividend reinvestment and direct stock purchase plan				4,080,000
Preferred distribution requirements				(14,200,000)
Distributions to common shareholders/ noncontrolling interest	(3,301,000)	(276,000)	(3,577,000)	(28,282,000)
Contribution from minority interest partners	269,000		269,000	269,000
Reallocation adjustment of limited partners interest		664,000	664,000	1,076,000
Balance, December 31, 2011	56,511,000	5,418,000	61,929,000	555,772,000
Net income (loss)	4,335,000	(35,000)	4,300,000	34,006,000
Unrealized gain on change in fair value of cash flow hedges		1,000	1,000	836,000
Unrealized gain on change in fair value of cash flow hedge unconsolidated joint venture				118,000
Share-based compensation, net				3,622,000
Net proceeds from sales of Series B shares				124,370,000
Redemptions/repurchases of Series A shares				(124,937,000)
Common stock sales and issuance expenses, net				(172,000)
Preferred stock dividends				(14,819,000)
Distributions to common shareholders/ noncontrolling interests	(4,182,000)	(74,000)	(4,256,000)	(18,658,000)
Conversions of OP Units into common stock		(3,998,000)	(3,998,000)	3,897,000
Reallocation adjustment of limited partners interest		78,000	78,000	80,000
Acquisition of noncontrolling interest	(13,743,000)		(13,743,000)	(6,148,000)
Disposition of noncontrolling interest	(36,840,000)		(36,840,000)	(36,840,000)
Balance, December 31, 2012	\$ 6,081,000	\$ 1,390,000	\$ 7,471,000	\$ 521,127,000

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See accompanying notes to consolidated financial statements

Table of Contents**CEDAR REALTY TRUST, INC.****Consolidated Statements of Cash Flows**

	Years ended December 31,		
	2012	2011	2010
Cash flow from operating activities:			
Net income (loss)	\$ 34,015,000	\$ (108,514,000)	\$ (44,184,000)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Equity in income of unconsolidated joint ventures	(1,481,000)	(1,671,000)	(484,000)
Distributions from unconsolidated joint ventures	1,481,000	1,399,000	819,000
Acquisition transaction costs and terminated projects	116,000	1,436,000	1,302,000
Impairment charges, net	5,783,000	95,606,000	42,020,000
Gain on sales	(5,676,000)	(1,014,000)	(170,000)
Gain (loss) on exit from unconsolidated joint ventures	(30,526,000)	7,961,000	
Straight-line rents	(997,000)	(1,611,000)	(1,854,000)
Provision for doubtful accounts	2,826,000	3,270,000	3,952,000
Depreciation and amortization	44,674,000	48,606,000	46,464,000
Amortization of intangible lease liabilities	(5,364,000)	(6,524,000)	(9,154,000)
Expense and market price adjustments relating to share-based compensation	3,913,000	4,890,000	2,979,000
Amortization (including accelerated write-off) of deferred financing costs	4,875,000	4,138,000	8,109,000
Changes in operating assets and liabilities, net of effects of acquisitions and dispositions:			
Rents and other receivables, net	(307,000)	(3,374,000)	(4,561,000)
Prepaid expenses and other	(437,000)	(2,774,000)	(2,029,000)
Accounts payable and accrued liabilities	(2,307,000)	(2,578,000)	(1,507,000)
Net cash provided by operating activities	50,588,000	39,246,000	41,702,000
Cash flow from investing activities:			
Acquisition of real estate		(51,512,000)	(13,375,000)
Expenditures for real estate improvements	(31,497,000)	(40,640,000)	(16,780,000)
Net proceeds from sales of real estate	34,858,000	30,586,000	2,661,000
Net proceeds from exit from unconsolidated joint venture	41,551,000		
Net proceeds from transfers to unconsolidated joint venture		3,545,000	31,013,000
Investments in and advances to unconsolidated joint ventures		(4,300,000)	(51,441,000)
Distributions of capital from unconsolidated joint ventures	2,846,000	4,315,000	21,502,000
Construction escrows and other	2,356,000	(6,235,000)	(3,414,000)
Net cash provided by (used in) investing activities	50,114,000	(64,241,000)	(29,834,000)
Cash flow from financing activities:			
Net (repayments)/advances from revolving credit facilities	(10,317,000)	33,720,000	(125,088,000)
Proceeds from mortgage financings	30,000,000	45,791,000	26,984,000
Mortgage repayments	(79,637,000)	(17,404,000)	(20,944,000)
Payments of debt financing costs	(4,944,000)	(1,068,000)	(2,025,000)
Termination payment related to interest rate swaps			(5,476,000)
Noncontrolling interests:			
Purchase of joint venture minority interests share	(6,148,000)		
Contributions from consolidated joint venture minority interests		269,000	
Distributions to consolidated joint venture minority interests	(4,182,000)	(3,301,000)	(3,566,000)
Redemptions of Operating Partnership Units			(3,443,000)
Distributions to limited partners	(99,000)	(508,000)	(654,000)
Net proceeds from sales of preferred stock	124,370,000		

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Redemptions/repurchases of preferred stock	(124,937,000)		
Net proceeds from sales of common stock	(172,000)	4,305,000	141,248,000
Exercise of warrant			10,000,000
Preferred stock dividends	(14,782,000)	(14,200,000)	(9,457,000)
Distributions to common shareholders	(14,402,000)	(24,705,000)	(22,445,000)
Net cash (used in) provided by financing activities	(105,250,000)	22,899,000	(14,866,000)
Net (decrease) in cash and cash equivalents	(4,548,000)	(2,096,000)	(2,998,000)
Cash and cash equivalents at beginning of year	12,070,000	14,166,000	17,164,000
Cash and cash equivalents at end of year	\$ 7,522,000	\$ 12,070,000	\$ 14,166,000

See accompanying notes to consolidated financial statements.

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Cedar Realty Trust, Inc.

Notes to Consolidated Financial Statements

December 31, 2012

Note 1. Business and Organization

Cedar Realty Trust, Inc. (the **Company**) is a real estate investment trust (**REIT**) that focuses primarily on ownership and operation of grocery-anchored shopping centers straddling the Washington, DC to Boston corridor. At December 31, 2012, the Company owned and managed a portfolio of 67 operating properties (excluding properties held for sale/conveyance).

During 2011, the Company determined (1) to completely exit the Ohio market, principally the Discount Drug Mart portfolio of drugstore/convenience centers, and concentrate on the region that straddles the Washington DC to Boston corridor, (2) to concentrate on grocery-anchored strip centers, by disposing of its mall and single-tenant/triple-net-lease properties, (3) to focus on improving operations and performance at the Company's remaining properties, and (4) to reduce development activities, by disposing of certain development projects, land acquired for development, and other non-core assets.

On October 10, 2012, the Company concluded definitive agreements with RioCan Real Estate Investment Trust (**RioCan**) to exit the 20% Cedar / 80% RioCan joint venture that owned 22 retail properties. See Note 5 **Investment in Cedar/RioCan Joint Venture** for additional information relating to this transaction. On October 12, 2012, the Company concluded definitive agreements with Homburg Invest Inc. (**HII**) relating to the application of the buy/sell provisions of the joint venture agreements for each of the nine properties owned by the joint venture. See Note 4 **Properties Held For Sale and Related Transactions** for additional information relating to this transaction.

Cedar Realty Trust Partnership, L.P. (the **Operating Partnership**) is the entity through which the Company conducts substantially all of its business and owns (either directly or through subsidiaries) substantially all of its assets. At December 31, 2012, the Company owned a 99.6% economic interest in, and was the sole general partner of, the Operating Partnership. The limited partners' interest in the Operating Partnership (0.4% at December 31, 2012) is represented by Operating Partnership Units (**OP Units**). The carrying amount of such interest is adjusted at the end of each reporting period to an amount equal to the limited partners' ownership percentage of the Operating Partnership's net equity. The approximately 281,000 OP Units outstanding at December 31, 2012 are economically equivalent to the Company's common stock. The holders of OP Units have the right to exchange their OP Units for the same number of shares of the Company's common stock or, at the Company's option, for cash.

As used herein, the **Company** refers to Cedar Realty Trust, Inc. and its subsidiaries on a consolidated basis, including the Operating Partnership or, where the context so requires, Cedar Realty Trust, Inc. only.

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Cedar Realty Trust, Inc.

Notes to Consolidated Financial Statements

December 31, 2012

Note 2. Summary of Significant Accounting Policies

Principles of Consolidation/Basis of Preparation

The consolidated financial statements include the accounts and operations of the Company, the Operating Partnership, its subsidiaries, and certain joint venture partnerships in which it participates. The Company consolidates all variable interest entities (VIEs) for which it is the primary beneficiary. Generally, a VIE is an entity with one or more of the following characteristics: (1) the total equity investment at risk is not sufficient to permit the entity to finance its activities without additional subordinated financial support, (2) as a group, the holders of the equity investment at risk (a) lack the power through voting or similar rights to make decisions about the entity s activities that significantly impact the entity s performance, (b) have no obligation to absorb the expected losses of the entity, or (c) have no right to receive the expected residual returns of the entity, or (3) the equity investors have voting rights that are not proportional to their economic interests, and substantially all of the entity s activities either involve, or are conducted on behalf of, an investor that has disproportionately fewer voting rights. A VIE is required to be consolidated by its primary beneficiary. The primary beneficiary of a VIE has (1) the power to direct the activities that most significantly impact the entity s economic performance, and (2) the obligation to absorb losses of the VIE or the right to receive benefits from the VIE that could be significant to the VIE. Significant judgments related to these determinations include estimates about the current and future fair values, performance of real estate held by these VIEs, and general market conditions.

The Company s has three 60%-owned joint ventures originally formed to develop the projects known as Upland Square, Heritage Crossings and Crossroads II. These joint ventures are consolidated as they are deemed to be VIEs and the Company is the primary beneficiary. In each case, (1) the Company guarantees all related debt, (2) the Company s partners are not required to fund additional capital requirements, (3) the Company has an economic interest greater than its voting proportion, and (4) the Company participates in the management activities that significantly impact the performance of these joint ventures. As a result of these and other factors, the Company includes 100% of these joint ventures results of operations in net income (loss) attributable to common shareholders. At December 31, 2012, these VIEs owned real estate with a carrying value of \$141.3 million, one of the VIEs had a property-specific mortgage loan payable aggregating \$60.4 million, and the real estate owned by another VIE partially collateralized the Credit Facility to the extent of \$18.9 million. Heritage Crossings is treated as held for sale/conveyance at December 31, 2012 (see Note 4 Properties Held For Sale and Related Transactions).

With respect to its two other consolidated joint venture properties, the Company is the general partner and has a partnership interest of 40% in each. As (1) such entities are not VIEs, and (2) the Company is the sole general partner and exercises substantial operating control over these entities, the Company has determined that such entities should be consolidated for financial

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Cedar Realty Trust, Inc.

Notes to Consolidated Financial Statements

December 31, 2012

statement purposes. Current accounting guidance provides a framework for determining whether a general partner controls, and should consolidate, a limited partnership or similar entity in which it owns a minority interest.

With respect to its 20% interest in the Cedar/RioCan unconsolidated joint venture (see Note 1 – Business and Organization), formed in October 2009 for the acquisition of seven shopping center properties owned by the Company, all the properties had been transferred to the joint venture by May 2010. Although the Company provided management and other services, RioCan had significant management participation rights. The Company had determined that this joint venture was not a VIE and, accordingly, the Company accounted for its investment in this joint venture under the equity method. The accounting treatment presentation on the accompanying consolidated statements of operations for 2010 reflects the results of the properties' operations through the respective dates of transfer in current operations and, prospectively following their transfer to the joint venture, as equity in income of unconsolidated joint ventures . Accordingly, revenues for 2010 include \$3.3 million applicable to the periods prior to the dates of transfer.

With respect to its interest in the Homburg joint venture properties (See Note 4 – Properties Held For Sale and Related Transactions), the Company was the general partner and had partnership interests of 20% in each of the venture's nine properties. As (1) such entities are not VIEs, and (2) the Company was the sole general partner and exercised substantial operating control over these entities, the Company had determined that such entities should be consolidated for financial statement purposes.

Until June 2011, the Company had an approximate 85% limited partner's interest in an unconsolidated joint venture (increased in the second quarter of 2011 from approximately 76% for a payment of \$745,000) which owned a single-tenant property in Philadelphia, Pennsylvania. The Company had determined that this joint venture was not a VIE. As the Company had no control over the entity, did not provide any management or other services to the entity, and had no substantial participating or kick out rights, the Company had accounted for its investment in this joint venture under the equity method. In exchange for a payment by the Company of \$838,000 to its joint venture partners, the Company (1) obtained appropriate releases, (2) assigned its limited partnership interest to other partners of the joint venture, and (3) wrote off its investment in the joint venture (as more fully discussed in Note 4 – Properties Held For Sale and Related Transactions).

The accompanying financial statements are prepared on the accrual basis in accordance with accounting principles generally accepted in the United States (GAAP), which requires management to make estimates and assumptions that affect the disclosure of contingent assets and liabilities, the reported amounts of assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the periods covered by the financial statements. Actual results could differ from these estimates.

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The consolidated financial statements reflect certain reclassifications of prior period amounts to conform to the 2012 presentation, principally to reflect the sale and/or treatment as held for sale/conveyance of certain operating properties and the treatment thereof as discontinued operations. The reclassifications had no impact on previously-reported net income attributable to common shareholders or earnings per share.

Real Estate Investments

Real estate investments are carried at cost less accumulated depreciation. The provision for depreciation is calculated using the straight-line method based upon the estimated useful lives of the respective assets of between 3 and 40 years. Depreciation expense amounted to \$41.2 million, \$39.9 million and \$32.1 million for 2012, 2011 and 2010, respectively. Expenditures for betterments that substantially extend the useful lives of the assets are capitalized. Expenditures for maintenance, repairs, and betterments that do not substantially prolong the normal useful life of an asset are charged to operations as incurred.

Real estate investments include costs of ground-up development and redevelopment activities, and construction in progress. Capitalized costs, including interest and other carrying costs during the construction and/or renovation periods, are included in the cost of the related asset and charged to operations through depreciation over the asset's estimated useful life. A variety of costs are incurred in the acquisition, development and leasing of a property, such as pre-construction costs essential to the development of the property, development costs, construction costs, interest costs, real estate taxes, salaries and related costs, and other costs incurred during the period of development. After a determination is made to capitalize a cost, it is allocated to the specific component of a project that is benefited. The Company ceases capitalization on the portions substantially completed and occupied, or held available for occupancy, and capitalizes only those costs associated with the portions under development. The Company considers a construction project to be substantially completed and held available for occupancy upon the completion of tenant improvements, but not later than one year from cessation of major construction activity.

The Company allocates the fair value of real estate acquired to land, buildings and improvements. In addition, the fair value of in-place leases is allocated to intangible lease assets and liabilities. The fair value of the tangible assets of an acquired property is determined by valuing the property as if it were vacant, which value is then allocated to land, buildings and improvements based on management's determination of the relative fair values of these assets. In valuing an acquired property's intangibles, factors considered by management include an estimate of carrying costs during the expected lease-up periods, such as real estate taxes, insurance, other operating expenses, and estimates of lost rental revenue during the expected lease-up periods based on its evaluation of current market demand. Management also estimates costs to execute similar leases, including leasing commissions, tenant improvements, legal and other related costs.

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The values of acquired above-market and below-market leases are recorded based on the present values (using discount rates which reflect the risks associated with the leases acquired) of the differences between the contractual amounts to be received and management's estimate of market lease rates, measured over the terms of the respective leases that management deemed appropriate at the time of the acquisitions. Such valuations include a consideration of the non-cancellable terms of the respective leases as well as any applicable renewal periods. The fair values associated with below-market rental renewal options are determined based on the Company's experience and the relevant facts and circumstances that existed at the time of the acquisitions. The values of above-market leases are amortized to rental income over the terms of the respective non-cancelable lease periods. The portion of the values of below-market leases associated with the original non-cancelable lease terms are amortized to rental income over the terms of the respective non-cancelable lease periods. The portion of the values of the leases associated with below-market renewal options that are likely of exercise are amortized to rental income over the respective renewal periods. The value of other intangible assets (including leasing commissions, tenant improvements, etc.) is amortized to expense over the applicable terms of the respective leases. If a lease were to be terminated prior to its stated expiration or not renewed, all unamortized amounts relating to that lease would be recognized in operations at that time.

Management reviews each real estate investment for impairment whenever events or circumstances indicate that the carrying value of a real estate investment may not be recoverable. The review of recoverability of real estate investments held for use is based on an estimate of the future cash flows that are expected to result from the real estate investment's use and eventual disposition. These cash flows consider factors such as expected future operating income, trends and prospects, as well as the effects of leasing demand, capital expenditures, competition and other factors. If an impairment event exists due to the projected inability to recover the carrying value of a real estate investment, an impairment loss is recorded to the extent that the carrying value exceeds estimated fair value. Real estate investments held for sale/conveyance are carried at the lower of their respective carrying amounts or estimated fair values, less costs to sell. Depreciation and amortization are suspended during the periods held for sale/conveyance.

Sales of real estate are recognized only when sufficient down payments have been obtained, possession and other attributes of ownership have been transferred to the buyer and the Company has no significant continuing involvement. The Company believes these criteria were met for all real estate sold during 2012, 2011 and 2010.

In 2012, 2011, and 2010, the Company included in acquisition transaction costs and terminated projects (1) \$0.1 million, \$0.9 million and \$0, respectively, related to properties the Company acquired, and (2) costs incurred for potential development projects of \$0, \$0.5 million and \$1.3 million, respectively, that the Company determined would not go forward.

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During 2010, the Company incurred fees to its investment advisor of \$2.7 million related to the Cedar/RioCan joint venture, which is included in acquisition transaction costs and terminated projects.

Cash and Cash Equivalents / Restricted Cash

Cash and cash equivalents consist of cash in banks and short-term investments with original maturities of less than ninety days, and include cash at consolidated joint ventures of \$1.6 million and \$7.7 million at December 31, 2012 and 2011, respectively.

The terms of several of the Company's mortgage loans payable require the Company to deposit certain replacement and other reserves with its lenders. Such restricted cash is generally available only for property-level requirements for which the reserves have been established.

Fair Value Measurements

The accounting guidance for fair value measurement establishes a fair value hierarchy that prioritizes observable and unobservable inputs used to measure fair value into three levels:

Level 1 Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 Inputs to the valuation methodology include quoted prices for similar assets and liabilities in active markets, and inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The fair value hierarchy gives the highest priority to Level 1 inputs and the lowest priority to Level 3 inputs. In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible while also considering counterparty credit risk in the assessment of fair value.

Revenue Recognition and Receivables

Management has determined that all of the Company's leases with its various tenants are operating leases. Rental income with scheduled rent increases is recognized using the straight-line method over the respective non-cancelable terms of the leases. The aggregate excess of rental revenue recognized on a straight-line basis over the contractual base rents is included in receivables on the consolidated balance sheet. Leases also generally contain provisions under which the tenants reimburse the Company for a portion of property operating expenses and real

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estate taxes incurred, generally attributable to their respective allocable portions of gross leasable area. Such income is recognized in the periods earned. In addition, a limited number of operating leases contain contingent rent provisions under which tenants are required to pay, as additional rent, a percentage of their sales in excess of a specified amount. The Company defers recognition of contingent rental income until those specified sales targets are met. Revenues also include items such as lease termination fees, which tend to fluctuate more than rents from year to year. Termination fees are fees that the Company has agreed to accept in consideration for permitting certain tenants to terminate their lease prior to the contractual expiration. The Company recognizes lease termination income when the following conditions are met: (1) the lease termination agreement has been executed, (2) the lease termination fee is determinable, (3) all the Company's landlord services pursuant to the terminated lease have been rendered, and (4) collectability of the lease termination fee is assured.

The Company must make estimates as to the collectability of its accounts receivable related to base rent, straight-line rent, percentage rent, expense reimbursements and other revenues. When management analyzes accounts receivable and evaluates the adequacy of the allowance for doubtful accounts, it considers such things as historical bad debts, tenant creditworthiness, current economic trends, current developments relevant to a tenant's business specifically and to its business category generally, and changes in tenants' payment patterns. The allowance for doubtful accounts was \$5.4 million and \$5.8 million at December 31, 2012 and 2011, respectively. The provision for doubtful accounts (included in operating, maintenance and management expenses) was \$1.9 million, \$1.9 million and \$2.1 million in 2012, 2011 and 2010, respectively.

Income Taxes

The Company has elected to be taxed as a REIT under the Internal Revenue Code of 1986, as amended (the Code). A REIT will generally not be subject to federal income taxation on that portion of its income that qualifies as REIT taxable income, to the extent that it distributes at least 90% of such REIT taxable income to its shareholders and complies with certain other requirements. As of December 30, 2012, the Company was in compliance with all REIT requirements.

The Company follows a two-step approach for evaluating uncertain federal, state and local tax positions. Recognition (step one) occurs when an enterprise concludes that a tax position, based solely on its technical merits, is more-likely-than-not to be sustained upon examination. Measurement (step two) determines the amount of benefit that more-likely-than-not will be realized upon settlement. Derecognition of a tax position that was previously recognized would occur when a company subsequently determines that a tax position no longer meets the more-likely-than-not threshold of being sustained. The Company has not identified any uncertain tax positions which would require an accrual.

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Derivative Financial Instruments

The Company occasionally utilizes derivative financial instruments, principally interest rate swaps, to manage its exposure to fluctuations in interest rates. The Company has established policies and procedures for risk assessment, and the approval, reporting and monitoring of derivative financial instruments. Derivative financial instruments must be effective in reducing the Company's interest rate risk exposure in order to qualify for hedge accounting. When the terms of an underlying transaction are modified, or when the underlying hedged item ceases to exist, all changes in the fair value of the instrument are marked-to-market with changes in value included in net income for each period until the derivative financial instrument matures or is settled. Any derivative financial instrument used for risk management that does not meet the hedging criteria is marked-to-market with the changes in value included in net income. The Company has not entered into, and does not plan to enter into, derivative financial instruments for trading or speculative purposes.

Noncontrolling Interest Limited Partners Mezzanine OP Units

The Company follows the accounting guidance related to noncontrolling interests in consolidated financial statements, which clarifies that a noncontrolling interest in a subsidiary (minority interests or certain limited partners' interest, in the case of the Company), subject to the classification and measurement of redeemable securities, is an ownership interest in a consolidated entity which should be reported as equity in the parent company's consolidated financial statements. The guidance requires a reconciliation of the beginning and ending balances of equity attributable to noncontrolling interests and disclosure, on the face of the consolidated income statement, of those amounts of consolidated net income attributable to the noncontrolling interests. The Company classifies the balances related to minority interests in consolidated joint ventures and limited partners' interest in the Operating Partnership into the consolidated equity accounts, as appropriate. Certain noncontrolling interests of the Company are classified in the mezzanine section of the balance sheet (the mezzanine OP Units) as such OP Units do not meet the requirements for equity classification (certain of the holders of such OP Units have registration rights that provide such holders with the right to demand registration under the federal securities laws of the common stock of the Company issuable upon conversion of such OP Units). The Company adjusts the carrying value of the mezzanine OP Units each period to equal the greater of its historical carrying value or its redemption value. Through December 31, 2012, there have been no cumulative net adjustments recorded to the carrying amounts of the mezzanine OP Units.

Share-Based Compensation

In June 2012, the Company's shareholders approved the 2012 Stock Incentive Plan (the 2012 Plan), which was designed to replace the existing 2004 Stock Incentive Plan (the 2004 Plan). In connection with the approval of the 2012 Plan, the Company agreed not to grant any additional new awards under the 2004 Plan. The 2012 Plan establishes the procedures for the

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granting of incentive stock options, stock appreciation rights, restricted stock awards, performance units, performance shares and specifically provides for the awarding of the remaining 2.0 million shares to the Company's President and Chief Executive Officer, as provided in his employment agreement. The maximum number of shares of the Company's common stock that may be issued pursuant to the 2012 Plan is 4.5 million, and the maximum number of shares that may be granted to a participant in any calendar year may not exceed 500,000. All grants issued pursuant to the 2012 Plan and 2004 Plan are restricted stock grants which generally vest (1) at the end of designated time periods for time-based grants, or (2) upon the completion of a designated period of performance for performance-based grants and satisfaction of performance criteria. Time-based grants are valued according to the market price for the Company's common stock at the date of grant. For performance-based grants, the Company generally engages an independent appraisal company to determine the value of the shares at the date of grant, taking into account the underlying contingency risks associated with the performance criteria. The value of all grants is being expensed on a straight-line basis over the respective vesting periods (irrespective of achievement of the performance-based grants) adjusted, as applicable, for forfeitures. For restricted share grants subject to graded vesting, the amounts expensed are at least equal to the measured expense of each vested tranche. Based on the current terms of the 2012 Plan and 2004 Plan, those grants of restricted shares that are transferred to Rabbi Trusts are classified as treasury stock on the Company's consolidated balance sheet.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012*****Supplemental Consolidated Statements of Cash Flows Information***

	Years ended December 31,		
	2012	2011	2010
Supplemental disclosure of cash activities:			
Cash paid for interest	\$ 43,663,000	\$ 47,611,000	\$ 46,247,000
Supplemental disclosure of non-cash activities:			
Conversion of OP Units into common stock	7,895,000		403,000
Exchange of joint venture interest for 100% interest in unconsolidated joint venture property:			
Real estate and related assets acquired	75,127,000		
Mortgage loan payable assumed	(43,112,000)		
Mortgage loans payable assumed by buyers	76,632,000	24,273,000	12,358,000
Mortgage loans payable assumed upon acquisition			(12,967,000)
Acquisition of noncontrolling interests in consolidated joint venture properties	7,595,000		
Disposition of noncontrolling interests in consolidated joint venture properties	(36,840,000)		
Capitalization of interest and deferred financing costs	1,314,000	2,629,000	2,541,000
Deconsolidation of properties transferred to joint venture:			
Real estate, net			139,743,000
Mortgage loans payable			(94,018,000)
Other assets/liabilities, net			(3,574,000)
Investment in and advances to unconsolidated joint venture			9,423,000

Recently-Issued Accounting Pronouncements

Effective January 1, 2012, the Company adopted the Financial Accounting Standards Board's (FASB) Accounting Standards Update (ASU) No. 2011-04, Fair Value Measurement: Amendments to Achieve Common Fair Value Measurement and Disclosure Requirements in US GAAP and IFRS. This update defines fair value, clarifies a framework to measure fair value, and requires specific disclosures of fair value measurements. The adoption of this guidance did not have a material impact on the Company's financial condition or results of operations.

Effective January 1, 2012, the Company adopted the FASB ASU 2011-05, Presentation of Comprehensive Income, which requires the components of other comprehensive income to be presented either in a single continuous statement of comprehensive income or in two separate but consecutive statements. The guidance has been applied retrospectively and, other than presentation as a separate financial statement, its adoption did not have an effect on the Company's financial position or results of operations.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****Note 3. Real Estate**

Real estate at December 31, 2012 and 2011 is comprised of the following:

	Years ended December 31,	
	2012	2011
<u>Cost</u>		
Balance, beginning of year (a)	\$ 1,363,936,000	\$ 1,283,287,000
Property acquired	76,185,000	46,863,000
Improvements and betterments	20,472,000	33,954,000
Write-off of fully-depreciated assets	(99,000)	(168,000)
 Balance, end of the year	 \$ 1,460,494,000	 \$ 1,363,936,000
<u>Accumulated depreciation</u>		
Balance, beginning of the year (a)	\$ (196,661,000)	\$ (156,917,000)
Depreciation expense	(41,189,000)	(39,912,000)
Write-off of fully-depreciated assets	99,000	168,000
 Balance, end of the year	 \$ (237,751,000)	 \$ (196,661,000)
 Net book value	 \$ 1,222,743,000	 \$ 1,167,275,000

(a) Restated to reflect the reclassifications of properties subsequently treated as held for sale/conveyance . As more fully discussed in Note 5 Investment in Cedar/RioCan Joint Venture , on October 10, 2012, the Company acquired a 100% interest in Franklin Village Plaza, located in Franklin, Massachusetts. As more fully discussed in Note 4 Properties Held For Sale and Related Transactions , on October 12, 2012, the Company acquired the non-controlling 80% ownership interests in Meadows Marketplace, located in Hershey, Pennsylvania, and Fieldstone Marketplace, located in New Bedford, Massachusetts.

On January 14, 2011, the Company acquired Colonial Commons, a shopping center located in Lower Paxton Township, Pennsylvania. The purchase price for the property was approximately \$49.1 million (in addition, the Company incurred transactions costs of \$0.6 million). At closing, the Company entered into a first mortgage in the amount of \$28.1 million, which bears interest at 5.6% per annum and matures in February 2021.

At December 31, 2012, substantially all of the Company's real estate was pledged as collateral for either mortgage loans payable or the Company's Credit Facility.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****Note 4 Properties Held For Sale and Related Transactions**

In connection with management's review of the Company's real estate investments, the Company determined in 2011 (1) to completely exit the Ohio market, principally the Discount Drug Mart portfolio of drugstore/convenience centers, and concentrate on the region that straddles the Washington DC to Boston corridor, (2) to concentrate on grocery-anchored strip centers, by disposing of its mall and single-tenant/triple-net-lease properties, (3) to focus on improving operations and performance at the Company's remaining properties, and (4) to reduce development activities, by disposing of certain development projects, land acquired for development, and other non-core assets.

The carrying values of the assets and liabilities of these properties, principally the net book values of the real estate and the related mortgage loans payable to be assumed by the buyers (or conveyed to the mortgagees), have been reclassified as held for sale/conveyance on the Company's consolidated balance sheets at December 31, 2012 and December 31, 2011. In addition, the properties' results of operations have been classified as discontinued operations for all years presented. The Company anticipates that sales of all such properties remaining classified as held for sale will be concluded during 2013.

The following is a summary of the components of income (loss) from discontinued operations:

	Years ended December 31,		
	2012	2011	2010
Revenues:			
Rents	\$ 16,535,000	\$ 27,432,000	\$ 30,734,000
Expense recoveries	4,358,000	6,668,000	7,221,000
Other	119,000	531,000	81,000
Total revenues	21,012,000	34,631,000	38,036,000
Expenses:			
Operating, maintenance and management	6,780,000	9,196,000	10,241,000
Real estate and other property-related taxes	3,714,000	5,427,000	5,462,000
Depreciation and amortization	134,000	5,501,000	11,709,000
Interest	6,421,000	9,379,000	8,778,000
Total expenses	17,049,000	29,503,000	36,190,000
Income from discontinued operations before impairments	3,963,000	5,128,000	1,846,000
Impairment charges, net	(4,000)	(88,458,000)	(39,822,000)
Income (loss) from discontinued operations	\$ 3,959,000	\$ (83,330,000)	\$ (37,976,000)
Gain on sales of discontinued operations	\$ 4,679,000	\$ 884,000	\$ 170,000

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Impairment charges and other write-offs are summarized as follows:

	Years ended December 31,		
	2012	2011	2010
Impairment charges Ohio property loan and land parcels (2012), land parcels (2011) and properties transferred to Cedar/RioCan joint venture (2010) (a)	\$ 5,779,000	\$ 7,148,000	\$ 2,493,000
Loss on exit from unconsolidated joint venture (b)	\$	\$ 7,961,000	\$
Impairment charges, net properties held for sale/conveyance (c)	\$ 4,000	\$ 88,458,000	\$ 39,822,000

(a) Included in operating income in the accompanying statements of operations.

(b) Represents the write-off of an investment in an unconsolidated joint venture, and is included in non-operating income and expense in the accompanying statements of operations.

(c) Included in discontinued operations in the accompanying statements of operations.

In April 2011, the Company made a two-year \$4.1 million loan to the developers of a site located in Reynoldsburg, Ohio (the developers are members of the group from which the Company acquired substantially all of its drug store/convenience centers). The loan bears interest at 6.25% per annum and is collateralized by a first mortgage on the development parcel and personal guarantees from certain of the borrowers. During the fourth quarter of 2012, the borrowers failed to make a scheduled payment. The Company has concluded that the loan is unlikely to be paid given (1) the current inability of the developers to find an anchor tenant for the development site, (2) certain use restrictions on the land, and (3) numerous legal judgments against individuals that provided the personal guarantees. Further, the Company does not desire to own the land as it has ceased ground-up development activities. Finally, it is unlikely the Company would foreclose and subsequently sell the property as the tax arrearages associated with the property, legal fees, transfer taxes, brokerage and other costs to sell the land along with the uncertain timing of such a sale makes this not a cost beneficial alternative. Accordingly, in the fourth quarter of 2012, the Company ceased recording any related interest income and wrote off the loan and accrued interest, resulting in an impairment charge of \$4.4 million.

Impairment charges, net, included in discontinued operations for 2012 included (1) impairment reversals of \$2.4 million related to the Homburg joint venture properties, off-set by (2) net impairment charges of \$2.4 million related to other properties. Impairment charges included in discontinued operations for 2011 included \$11.1 million related to the Discount Drug Mart portfolio, \$33.1 million related to malls, \$5.3 million related to single-tenant/triple-net-lease properties, \$36.6 million related to development projects and other non-core properties, and \$2.4 million related to the Homburg joint venture properties. Impairment charges included in

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discontinued operations for 2010 included \$ 26.8 million related to the Discount Drug Mart portfolio, \$12.6 million related to malls, \$0.1 million related to a single-tenant/triple-net-lease property, and \$0.3 million related to a development project.

Impairment charges were based on a comparison of the carrying values of the properties with either (1) actual sales prices less costs to sell for properties sold, or contract amounts for properties in the process of being sold, (2) estimated sales prices based on discounted cash flow analyses, if no contract amounts were as yet being negotiated, as discussed in more detail in Note 6 Fair Value Measurements, (3) an appraisal with respect to the Philadelphia Redevelopment Property (see below), or (4) with respect to land parcels, estimated sales prices, less cost to sell, based on comparable sales completed in the selected market areas. Prior to the Company's plan to dispose of properties reclassified to held for sale/conveyance, the Company performed recoverability analyses based on the estimated undiscounted cash flows that were expected to result from the real estate investments' use and eventual disposal. The projected undiscounted cash flows of each property reflected that the carrying value of each real estate investment would be recovered. However, as a result of the properties' meeting the held for sale criteria, such properties were written down to the lower of their carrying value and estimated fair values less costs to sell.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****2012 Transactions**

During 2012, the Company completed the following transactions related to properties held for sale/conveyance :

Property	Percent Sold	Location	Date Sold	Sales Price	Gain on Sale
<u>Discontinued operations:</u>					
Hilliard Discount Drug Mart Plaza	100%	Hilliard, OH	2/7/2012	\$ 1,434,000	\$
First Merit Bank at Akron	100%	Akron, OH	2/23/2012	633,000	
Grove City Discount Drug Mart Plaza	100%	Grove City, OH	3/12/2012	1,925,000	
CVS at Naugatuck	50%	Naugatuck, CT	3/20/2012	3,350,000	457,000
CVS at Bradford	100%	Bradford, PA	3/30/2012	967,000	
CVS at Celina	100%	Celina, OH	3/30/2012	1,449,000	
CVS at Erie	100%	Erie, PA	3/30/2012	1,278,000	
CVS at Portage Trail	100%	Akron, OH	3/30/2012	1,061,000	
Rite Aid at Massillon	100%	Massillon, OH	3/30/2012	1,492,000	
Kingston Plaza	100%	Kingston, NY	4/12/2012	1,182,000	293,000
Stadium Plaza	100%	East Lansing, MI	5/3/2012	5,400,000	
Homburg Joint Venture (seven properties)	20%	Various	10/12/2012	23,642,000	3,929,000
The Point at Carlisle	100%	Carlisle, PA	10/15/2012	7,350,000	
				\$ 51,163,000	\$ 4,679,000
<u>Continuing operations:</u>					
Blue Mountain Commons (land parcel)	100%	Harrisburg, PA	6/19/2012	\$ 102,000	\$ 79,000
Oregon Pike (land parcel)	100%	Lancaster, PA	6/28/2012	1,100,000	
Trindle Springs (land parcel)	100%	Mechanicsburg, PA	7/20/2012	800,000	
Aston (land parcel)	100%	Aston, PA	7/27/2012	1,365,000	402,000
Wyoming (land parcel)	100%	Wyoming, MI	11/16/2012	1,000,000	516,000
				\$ 4,367,000	\$ 997,000

On October 12, 2012, the Company concluded definitive agreements with Homburg Invest Inc. (HII) relating to the application of the buy/sell provisions of the joint venture

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agreements for each of the nine properties owned by the joint venture. In February 2011, HII had exercised its buy/sell option pursuant to the terms of the joint venture agreements for each of the nine properties owned by the venture. Richard Homburg, a director of the Company until October 2011, was the Chairman and Chief Executive Officer of HII at the time the joint venture was formed and the buy/sell option was exercised. The Company made elections to purchase HII's 80% interest in two of the nine properties, Meadows Marketplace, located in Hershey, Pennsylvania, and Fieldstone Marketplace, located in New Bedford, Massachusetts. The Company also determined not to meet HII's buy/sell offers for each of the remaining seven properties, which were thereupon treated as held for sale/conveyance. Pursuant to the agreements, the Company acquired HII's 80% ownership in Meadows Marketplace, located in Hershey, Pennsylvania, and Fieldstone Marketplace, located in New Bedford, Massachusetts, for approximately \$27.3 million, including the assumption of related in-place mortgage financing of \$21.8 million, giving the Company a 100% ownership interest in these two properties. As the two properties were previously controlled and consolidated by the Company, the acquisitions of the 80% noncontrolling interests were recorded as a capital transaction. As such, the excess (\$7.6 million) of the carrying amount of the noncontrolling interests over amounts paid by the Company was recognized as an increase in the Company's shareholders' equity and a corresponding decrease in noncontrolling interests. In addition, the Company sold to HII its 20% ownership interest in the remaining seven joint venture properties for approximately \$23.6 million, including the assumption of related in-place mortgage financing of \$14.5 million. In connection with the transactions, the Company has recorded a gain of \$3.9 million relating to the sale of the seven properties. The Company's property management agreements for the sold properties terminated upon the closing of the sale.

In March 2012, the Company determined to sell Kingston Plaza, located in Kingston, New York, and subsequently sold the property in April 2012. In December 2012, the Company determined to sell East Chestnut, located in Lancaster, Pennsylvania, and subsequently sold the property in January 2013 for a sales price of approximately \$3.1 million, which approximated the property's carrying value. As such, the properties have been treated as discontinued operations for all periods presented. At December 31, 2012, the Company had 10 shopping-center properties that were held for sale/conveyance.

At December 31, 2012, the Company was in the process of negotiating with the respective lenders to four of its properties (Roosevelt II, Gahanna Discount Drug Mart Plaza, Westlake Discount Drug Mart Plaza and McCormick Place) to convey the properties either through short sale, foreclosure, or deed-in-lieu of foreclosure processes (mortgage loans payable and accrued interest aggregated \$23.7 million at that date). In connection with these conveyances, each applicable subsidiary borrower has stopped paying monthly mortgage payments and is currently in default on these non-recourse mortgages. At the time of such conveyances, the Company would recognize gains (an aggregate of approximately \$11.4 million as of December 31, 2012) based on the excess of the carrying amounts of the liabilities (mortgage principal and any accrued property-related expenses) over the carrying amounts of the properties.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****2011 Transactions**

During 2011, the Company completed the following transactions related to properties held for sale/conveyance :

Property	Percent Sold	Location	Date Sold	Sales Price	Gain on Sale
<u>Discontinued operations:</u>					
Bergstrasse	100%	Ephrata, PA	2/14/2011	\$ 1,900,000	\$ 33,000
Ohio Properties (two)	100%	OH	3/30/2011	4,032,000	
Fairfield Plaza	100%	Fairfield, CT	4/15/2011	10,840,000	470,000
CVS at Kingston	100%	Kingston, NY	11/14/2011	5,250,000	185,000
CVS at Kinderhook	100%	Kinderhook, NY	12/8/2011	4,000,000	196,000
Shoppes at Salem Run	100%	Fredericksburg, VA	12/12/2011	1,675,000	
Virginia Center Commons	100%	Glen Allen, VA	12/21/2011	3,550,000	
Ohio Properties (nine)	100%	OH	12/28/2011	25,257,000	
				\$ 56,504,000	\$ 884,000

Philadelphia Redevelopment Property. The tenant at two properties, one owned in an unconsolidated joint venture and the other owned 100% by the Company (acquired in October 2010), vacated both premises in April 2011, at which time both the joint venture and the Company's wholly-owned subsidiary had CMBS non-recourse first mortgage loans secured by the properties in the amounts of \$14.7 million due for payment in May 2011 and \$12.9 million due for payment in March 2012, respectively (\$250,000 of the \$12.9 million loan was guaranteed by the Company and paid in 2012). The Company reviewed its investment alternatives and determined that it would not be prudent to proceed with the development, sale or lease of the properties, or to advance the funds necessary to pay off the mortgages. Such determination was based on the uncertainty in obtaining favorable revisions to zoning, difficult existing deed restrictions, the uncertainty in achieving required economic returns given the extensive additional capital investments required, and uncertain current market conditions for sale or lease. Accordingly, during 2011, the Company wrote off its investment in the joint venture (\$8.0 million) and recorded an impairment charge related to the value of the 100%-owned property (\$9.1 million). No payments have been made on the 100%-owned property mortgage since May 2011, although the Company has been accruing interest expense and will pay certain property-related maintenance/security expenses as they become due. The Company is negotiating a

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conveyance of the property to the mortgagee by a deed-in-lieu of foreclosure process, whereby the Company's subsidiary would be released from all obligations, including any unpaid principal and interest. At the time of such conveyance, the Company would recognize a gain (approximately \$8.1 million as of December 31, 2012) based on the excess of the carrying amount of the liabilities (mortgage principal and any accrued property-related expenses) over the carrying amount of the property.

Ohio Properties. Impairment charges recorded in 2011 included additional charges of approximately \$10.5 million, principally representing adjustments to the net realizable values of certain of the properties treated as held for sale/conveyance as of December 31, 2010. The additional charges were based principally on changes in the structure of previously-negotiated transactions, whereby (1) the Company terminated a contract to swap three properties for certain land parcels in Ohio and instead entered into a new agreement to sell the properties for cash and assumption of existing debt, and (2) as a result of amending its contract for the sale of the 12 properties, the Company revalued the properties on an individual basis, and not a portfolio basis (the buyers in both cases being members of the group from which the Company originally acquired substantially all of its drug store/convenience centers).

Note 5. Investment in Cedar/RioCan Joint Venture

On October 10, 2012, the Company concluded definitive agreements with RioCan to exit the 20% Cedar / 80% RioCan joint venture that owned 22 retail properties. Pursuant to the agreements, the Company exchanged its 20% interest in the joint venture for (1) a 100% ownership interest in Franklin Village Plaza, located in Franklin, Massachusetts, at an agreed-upon value of approximately \$75.1 million, including the assumption of related in-place mortgage financing of approximately \$43.1 million, and (2) approximately \$41.6 million in cash, which was initially used to reduce the outstanding balance under the Company's Credit Facility. The Company continued to manage the properties acquired by RioCan subject to a management agreement which terminated effective January 31, 2013. In connection with the transactions, the Company has recorded a net gain of \$30.5 million relating to the exit from the joint venture.

The Company earned fees from the joint venture of approximately \$2.8 million, \$2.8 million and \$3.6 million for 2012, 2011, and 2010, respectively. Such fees are included in other revenues in the accompanying consolidated statements of operations.

In connection with the formation of the joint venture and the agreement to transfer properties which were reclassified as held for sale, the Company recorded additional impairment charges of \$2.5 million in 2010, after having recorded an initial impairment charge of \$23.6 million in 2009. Such charges were based on a comparison of the arms-length negotiated transfer amounts set forth in the contract with the carrying values of the properties transferred. In 2010, the Company incurred fees to its investment advisor as it relates to the Cedar/RioCan joint venture of \$2.7 million.

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The following summarizes certain financial information related to the Company's investment in the Cedar/RioCan unconsolidated joint venture:

Balance Sheet	December 31, 2011
Assets:	
Real estate, net	\$ 532,071,000
Cash and cash equivalents	12,797,000
Restricted cash	3,689,000
Rent and other receivables	2,419,000
Straight-line rents	2,743,000
Deferred charges, net	12,682,000
Other assets	5,549,000
Total assets	\$ 571,950,000
Liabilities and partners' capital:	
Mortgage loans payable	\$ 317,293,000
Due to the Company	1,203,000
Unamortized intangible lease liabilities	22,182,000
Other liabilities	8,248,000
Total liabilities	348,926,000
Preferred stock	97,000
Partners' capital	222,927,000
Total liabilities and partners' capital	\$ 571,950,000
The Company's share of partners' capital	\$ 44,743,000

On April 15, 2011, the joint venture acquired Northwoods Crossing, located in Taunton, Massachusetts. The purchase price of the property was approximately \$23.5 million, and the joint venture assumed a mortgage in the amount of \$14.4 million, which bore interest at 5.2% per annum and was scheduled to mature in February 2016.

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Statements of Income	January 1, 2012 to October 10, 2012 (Sale Date)	Years ended December 31, 2011 2010	
Revenues	\$ 49,341,000	\$ 62,500,000	\$ 30,194,000
Property operating and other expenses	(4,373,000)	(6,631,000)	(2,636,000)
Management fees	(1,653,000)	(2,006,000)	(973,000)
Real estate taxes	(5,941,000)	(7,214,000)	(3,286,000)
Acquisition transaction costs	(964,000)	(917,000)	(7,119,000)
General and administrative	(174,000)	(308,000)	(622,000)
Depreciation and amortization	(15,769,000)	(20,616,000)	(9,523,000)
Interest and other non-operating expenses, net	(13,027,000)	(18,078,000)	(7,903,000)
Net income (loss)	\$ 7,440,000	\$ 6,730,000	\$ (1,868,000)
The Company's share of net income (loss)	\$ 1,481,000	\$ 1,346,000	\$ (375,000)

Note 6. Fair Value Measurements

The carrying amounts of cash and cash equivalents, restricted cash, rents and other receivables, certain other assets, and accounts payable and accrued liabilities approximate fair value. The fair value of the Company's investments and liabilities related to share-based compensation were determined to be a Level 1 within the valuation hierarchy, and were based on independent values provided by financial institutions.

The valuation of the liability for the Company's interest rate swaps, which is measured on a recurring basis, was determined to be a Level 2 within the valuation hierarchy, and was based on independent values provided by financial institutions. Such valuations were determined using widely accepted valuation techniques, including discounted cash flow analysis, on the expected cash flows of each derivative. The analysis reflects the contractual terms of the swaps, including the period to maturity, and uses observable market-based inputs, including interest rate curves (significant other observable inputs). The fair value calculation also includes an amount for risk of non-performance using significant unobservable inputs such as estimates of current credit spreads to evaluate the likelihood of default. The Company has concluded that, as of December 31, 2012, the fair value associated with the significant unobservable inputs relating

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to the Company's risk of non-performance was insignificant to the overall fair value of the interest rate swap agreements and, as a result, that the relevant inputs for purposes of calculating the fair value of the interest rate swap agreements, in their entirety, were based upon significant other observable inputs.

Nonfinancial assets and liabilities measured at fair value in the consolidated financial statements consists of real estate held for sale/conveyance, which are measured on a nonrecurring basis, have been determined to be (1) a Level 2 within the valuation hierarchy, where applicable, based on the respective contracts of sale, adjusted for closing costs and expenses, or (2) a Level 3 within the valuation hierarchy, where applicable, based on estimated sales prices, adjusted for closing costs and expenses, determined by discounted cash flow analyses, direct capitalization analyses or a sales comparison approach if no contracts had been concluded. The discounted cash flow and direct capitalization analyses include all estimated cash inflows and outflows over a specific holding period and, where applicable, any estimated debt premiums. These cash flows were comprised of unobservable inputs which included forecasted rental revenues and expenses based upon existing in-place leases, market conditions and expectations for growth. Capitalization rates and discount rates utilized in these analyses were based upon observable rates that the Company believed to be within a reasonable range of current market rates for the respective properties. The sales comparison approach was utilized for certain land values and include comparable sales that were completed in the selected market areas. The comparable sales utilized in these analyses were based upon observable per acre rates that the Company believed to be within a reasonable range of current market rates for the respective properties.

The Company engaged third party valuation experts to assist with the preparation of certain of its valuations. Other valuations were prepared using internally-developed valuation models. In addition, these valuations are reviewed and approved, during each reporting period, by a diverse group of management, as deemed necessary, including personnel from acquisitions, accounting, finance, operations, development and leasing departments, and the valuations are updated as appropriate.

The following tables show the hierarchy for those assets measured at fair value on a recurring basis as of December 31, 2012 and December 31, 2011, respectively:

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012**

Description	Assets/Liabilities Measured at Fair Value on a Recurring Basis December 31, 2012			
	Level 1	Level 2	Level 3	Total
Investments related to share- based compensation liabilities (a)	\$ 450,000	\$	\$	\$ 450,000
Share-based compensation liabilities (b)	\$ 445,000	\$	\$	\$ 445,000
Interest rate swaps liability (b)	\$	\$ 1,577,000	\$	\$ 1,577,000

Description	December 31, 2011			
	Level 1	Level 2	Level 3	Total
Investments related to share- based compensation liabilities (a)	\$ 3,562,000	\$	\$	\$ 3,562,000
Share-based compensation liabilities (b)	\$ 3,562,000	\$	\$	\$ 3,562,000
Interest rate swaps liability (b)	\$	\$ 2,053,000	\$	\$ 2,053,000

(a) Included in other assets in the accompanying consolidated balance sheets.

(b) Included in accounts payable and accrued liabilities in the accompanying consolidated balance sheets.

The fair value of the Company's fixed rate mortgage loans payable was estimated using available market information and discounted cash flows analyses based on borrowing rates the Company believes it could obtain with similar terms and maturities. As of December 31, 2012 and December 31, 2011, the aggregate fair values of the Company's fixed rate mortgage loans payable, which were determined to be a Level 3 within the valuation hierarchy, were approximately \$565.4 million and \$526.7 million, respectively; the carrying values of such loans were \$544.8 million and \$523.0 million, respectively.

The following tables show the hierarchy for those assets measured at fair value on a non-recurring basis as of December 31, 2012 and December 31, 2011, respectively:

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012**

Asset Description	Assets Measured at Fair Value on a Non-Recurring Basis December 31, 2012			Total
	Level 1	Level 2	Level 3	
Real estate held for sale/conveyance	\$	\$ 15,574,000	\$ 62,219,000	\$ 77,793,000

Asset Description	December 31, 2011			Total
	Level 1	Level 2	Level 3	
Real estate held for sale/conveyance	\$	\$ 124,154,000	\$ 82,520,000	\$ 206,674,000(a)

(a) Excludes \$5.0 million relating to properties subsequently treated as held for sale/conveyance . The following table details the quantitative information regarding Level 3 assets measured at fair value on a non-recurring basis as of December 31, 2012:

	Quantitative Information about Level 3 Fair Value Measurements			Range (weighted average)
	Fair value at December 31, 2012	Valuation Technique	Unobservable inputs	
Real estate held for sale/conveyance:				
Operating retail real estate (seven properties)	\$ 51,042,000	Discounted cash flow	Capitalization rates	7.8% to 12.0% (8.9%)
			Discount rates	9.2% to 12.8% (10.0%)
Land development property			Capitalization rate	7.3%
	9,587,000	Discounted cash flow	Discount rate	7.8%
Land (three parcels)	1,590,000	Sales comparison approach	Price per acre	\$25,000 to \$156,000 per acre
				(\$49,000 per acre)
	\$ 62,219,000			

Note 7. Concentration of Credit Risk

Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents in excess of insured amounts and tenant receivables. The Company places its cash and cash equivalents with high quality financial

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institutions. Management performs ongoing credit evaluations of its tenants and requires certain tenants to provide security deposits and/or suitable guarantees.

Giant Food Stores, LLC, Stop & Shop, Inc. and Martin's at Glen Allen, each of which is owned by Ahold N.V., a Netherlands corporation, accounted for an aggregate of approximately 15%, 14% and 14% of the Company's total revenues during 2012, 2011 and 2010, respectively (excluding properties treated as discontinued operations).

The Company's properties are located largely in the region straddling the Washington DC to Boston corridor, which exposes it to greater economic risks than if the properties it owned were located in a greater number of geographic regions (in particular, 31 of the Company's properties are located in Pennsylvania).

Note 8. Receivables

Receivables at December 31, 2012 and 2011 are comprised of the following:

	December 31,	
	2012	2011
Rents and other receivables, net	\$ 3,317,000	\$ 6,882,000
Straight-line rents	14,353,000	13,418,000
Other (a) (b)	619,000	5,360,000
	\$ 18,289,000	\$ 25,660,000

(a) The 2011 amount includes \$4.3 million relating to a loan receivable which was written-off in 2012 (see Note 4- Properties Held For Sale and Related Transactions).

(b) Includes \$0.6 million and \$1.2 million at December 31, 2012 and 2011, respectively, due from the Cedar/RioCan joint venture.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****Note 9. Other Assets**

Other assets at December 31, 2012 and 2011 are comprised of the following:

	December 31,	
	2012	2011
Prepaid expenses	\$ 5,196,000	\$ 5,857,000
Leasehold improvements, furniture and fixtures	1,161,000	1,035,000
Investments related to share-based compensation	450,000	3,562,000
Property and other deposits	152,000	1,430,000
Other	351,000	474,000
	\$ 7,310,000	\$ 12,358,000

Note 10. Deferred Charges, Net

Deferred charges at December 31, 2012 and 2011 are net of accumulated amortization and are comprised of the following:

	December 31,	
	2012	2011
Lease origination costs (a)	\$ 15,158,000	\$ 14,217,000
Financing costs	5,686,000	6,224,000
Other	1,650,000	931,000
	\$ 22,494,000	\$ 21,372,000

- (a) Lease origination costs include the unamortized balance of intangible lease assets resulting from purchase accounting allocations of \$6.3 million (cost of \$17.8 million and accumulated amortization of \$11.5 million) and \$6.6 million (cost of \$16.7 million and accumulated amortization of \$10.1 million), respectively.

Deferred charges are amortized over the terms of the related agreements. Amortization expense related to deferred charges (including amortization of deferred financing costs included in non-operating income and expense) amounted to \$8.0 million, \$7.4 million and \$10.8 million for 2012, 2011 and 2010, respectively. The unamortized balances of deferred lease origination costs and deferred financing costs are net of accumulated amortization of \$18.5 million and \$8.0 million, respectively, and will be charged to future operations as follows (lease origination costs through 2033, and financing costs through 2029):

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	Lease origination costs	Financing costs
2013	\$ 2,804,000	\$ 2,285,000
2014	2,427,000	1,795,000
2015	2,059,000	640,000
2016	1,731,000	276,000
2017	1,225,000	145,000
Thereafter	4,912,000	545,000
	\$ 15,158,000	\$ 5,686,000

Note 11. Mortgage Loans Payable and Secured Revolving Credit Facilities

Secured debt is comprised of the following at December 31, 2012 and 2011:

Description	December 31, 2012			December 31, 2011 (a)		
	Balance outstanding	Weighted average Interest rates	Range	Balance outstanding	Weighted average Interest rates	Range
Fixed-rate mortgages (b)	\$ 544,799,000	5.6%	3.1% 7.5%	\$ 522,975,000	5.9%	5.0% 7.6%
Variable-rate mortgage	60,417,000	3.0%		63,768,000	3.0%	
Total property-specific mortgages	605,216,000	5.3%		586,743,000	5.5%	
Corporate Credit Facility:						
Revolving facility	81,000,000	2.8%				
Term loan	75,000,000	2.8%				
Stabilized property credit facility				74,035,000	5.5%	
Development property credit facility				92,282,000	2.5%	
	\$ 761,216,000	4.8%		\$ 753,060,000	5.2%	

Mortgage loans payable related to real estate held for sale/conveyance discontinued operations (a)

Fixed-rate mortgages	\$ 23,258,000	6.1%	5.2% 6.5%	\$ 105,988,000	5.7%	5.0% 6.5%
Variable-rate mortgage				18,900,000	5.9%	
	\$ 23,258,000	6.1%		\$ 124,888,000	5.7%	

(a) Restated to reflect the reclassifications of properties subsequently treated as held for sale/conveyance .

(b) At December 31, 2012 and 2011, the Company had approximately \$31.4 million and \$32.1 million, respectively, of mortgage loans payable subject to interest rate swaps which converted LIBOR-based variable rates to fixed annual rates ranging from 5.2% to 6.5% per

annum.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012*****Mortgage loans payable***

Mortgage loan activity for 2012 and 2011 is summarized as follows:

	Years ended December 31,	
	2012	2011
Balance, beginning of year (a)	\$ 586,743,000	\$ 548,121,000
New mortgage borrowings and assumptions (b)	74,605,000	45,791,000
Repayments	(56,132,000)	(7,169,000)
Balance, end of the year	\$ 605,216,000	\$ 586,743,000

(a) Restated to reflect the reclassifications of properties subsequently treated as held for sale/conveyance .

(b) Includes \$1.5 million increase relating to Franklin Village Plaza purchase accounting allocations.

Amended, Restated and Consolidated Credit Facility

On January 26, 2012, the Company entered into a \$300 million secured credit facility (the Credit Facility), which amended, restated and consolidated its \$185 million stabilized property revolving credit facility and its \$150 million development property credit facility. The two prior facilities were due to expire on January 31, 2012 and June 13, 2012, respectively.

The Credit Facility is comprised of a four-year \$75 million term loan and a three-year \$225 million revolving credit facility, subject to collateral in place. In connection with the Credit Facility, the Company paid participating lender fees and closing and transaction costs of approximately \$4.0 million. In addition, the Company wrote off \$2.6 million of unamortized fees associated with the terminated stabilized property and development credit facilities.

Borrowings under the Credit Facility are priced at LIBOR plus 250 bps (a weighted average rate of 2.8% per annum at December 31, 2012), and can range from LIBOR plus 200 to 300 bps based on the Company's leverage ratio. Subject to customary conditions, the term loan and the revolving credit facility may both be extended for one additional year at the Company's option. Under an accordion feature, the Credit Facility can be increased to \$500 million, subject to customary conditions, collateral in place and lending commitments from participating banks.

The Credit Facility contains financial covenants including, but not limited to, maximum debt leverage, minimum interest coverage, minimum fixed charge coverage, and minimum net worth. In addition, the Credit Facility contains restrictions including, but not limited to, limits on

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indebtedness, certain investments and distributions. The Company's failure to comply with these covenants or the occurrence of an event of default under the Credit Facility could result in the acceleration of the related debt. The Credit Facility is available to fund acquisitions, redevelopment and remaining development activities, capital expenditures, mortgage repayments, dividend distributions, working capital and other general corporate purposes.

As of December 31, 2012, the Company has \$81.0 million outstanding under the revolving credit portion of the Credit Facility, and had \$81.8 million available for additional borrowings as of that date.

Scheduled Principal Payments

Scheduled principal payments on mortgage loans payable and the Credit Facility at December 31, 2012, due on various dates from 2012 to 2029, are as follows:

2013	\$ 119,050,000 (a)
2014	107,786,000
2015	154,766,000(b)
2016	214,939,000(c)
2017	63,384,000
Thereafter	101,291,000
	\$ 761,216,000

(a) Includes \$59.7 million subject to a one-year extension option.

(b) Includes \$81.0 million subject to a one-year extension option.

(c) Includes \$75.0 million subject to a one-year extension option.

Derivative financial instruments

At December 31, 2012, the Company had approximately \$31.4 million of mortgage loans payable subject to interest rate swaps. Such interest rate swaps converted LIBOR-based variable rates to fixed annual rates of 5.2% to 6.5% per annum. At that date, the Company had accrued liabilities of \$1.6 million (included in accounts payable and accrued liabilities on the consolidated balance sheet) relating to the fair value of interest rate swaps applicable to existing mortgage loans payable. Charges and/or credits relating to the changes in fair values of such interest rate swaps are made to accumulated other comprehensive (loss) income, noncontrolling interests (minority interests in consolidated joint ventures and limited partners' interest), or operations (included in interest expense), as appropriate.

The following is a summary of the derivative financial instruments held by the Company and the Cedar/RioCan joint venture at December 31, 2012 and December 31, 2011:

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Designation/ Cash flow	Derivative	Count	Notional values		Maturity dates	Balance sheet location	Fair value		
			December 31, 2012	Count			December 31, 2011	December 31, 2012	December 31, 2011
	Interest					Accrued			
	rate swaps					liabilities			
Qualifying	Consolidated	3	\$ 31,417,000	3	\$ 32,091,000	2013-2018	Consolidated	\$ 1,577,000	\$ 2,053,000
	Cedar/RioCan					Cedar/RioCan			
Qualifying	Joint Venture		\$	1	\$ 14,182,000		Joint Venture	\$	\$ 2,419,000

The following presents the effect of the Company's derivative financial instruments on the consolidated statements of operations and the consolidated statements of equity for 2012, 2011 and 2010, respectively:

Designation/ Cash flow	Derivative	Amount of gain (loss) recognized in other comprehensive income (loss) (effective portion) Years ended December 31,		
		2012	2011	2010
Qualifying	Consolidated	\$ 836,000	\$ (398,000)	\$ (670,000)
	Cedar/RioCan			
Qualifying	Joint Venture	\$ 118,000	\$ (118,000)	\$

As of December 31, 2012, the Company believes it has no significant risk associated with non-performance of the financial institutions which are the counterparties to its derivative contracts. Additionally, based on the rates in effect as of December 31, 2012, if a counterparty were to default, the Company would receive a net interest benefit. On January 20, 2010, the Company paid approximately \$5.5 million to terminate interest rate swaps applicable to the financing for its development joint venture project in Stroudsburg, Pennsylvania.

Note 12. Intangible Lease Asset/Liability

Unamortized intangible lease liabilities that relate to below-market leases amounted to \$30.5 million and \$35.0 million at December 31, 2012 and December 31, 2011, respectively. Unamortized intangible lease assets that relate to above-market leases amounted to \$0.4 million and \$0.5 million at December 31, 2012 and December 31, 2011, respectively.

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The unamortized balance of intangible lease liabilities at December 31, 2012 is net of accumulated amortization of \$57.3 million, and will be credited to future operations through 2043 as follows:

2013	\$ 4,400,000
2014	4,281,000
2015	3,347,000
2016	2,667,000
2017	2,408,000
Thereafter	13,405,000
	\$ 30,508,000

Note 13. Commitments and Contingencies

The Company is a party to certain legal actions arising in the normal course of business. Management does not expect there to be adverse consequences from these actions that would be material to the Company's consolidated financial statements.

Under various federal, state, and local laws, ordinances, and regulations, an owner or operator of real estate may be required to investigate and clean up hazardous or toxic substances, or petroleum product releases, at its properties. The owner may be liable to governmental entities or to third parties for property damage, and for investigation and cleanup costs incurred by such parties in connection with any contamination. Generally, the Company's tenants must comply with environmental laws and meet any remediation requirements. In addition, leases typically impose obligations on tenants to indemnify the Company from any compliance costs the Company may incur as a result of environmental conditions on the property caused by the tenant. However, if a lease does not require compliance, or if a tenant fails to or cannot comply, the Company could be forced to pay these costs. Management is unaware of any environmental matters that would have a material impact on the Company's consolidated financial statements.

The Company's executive offices are located at 44 South Bayles Avenue, Port Washington, New York, which it leased from a partnership owned in part by the Company's former Chairman and Chief Executive Officer. The terms of the lease, which will expire in February 2020, provide for future minimum rents as follows: 2013 \$509,000, 2014 \$523,000, 2015 \$537,000, 2016 \$552,000, 2017 \$567,000, and thereafter -\$1.3 million. In addition, several of the Company's properties and portions of several others are owned subject to operating leases which provide for annual payments subject, in certain cases, to cost-of-living or

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fair market value adjustments, as follows: 2013 \$1.0 million, 2014 \$1.0 million, 2015 \$1.0 million, 2016 \$1.0 million, 2017 \$0.5 million, and thereafter \$8.7 million.

Rent expense was \$1.4 million, \$1.3 million and \$1.0 million for 2012, 2011 and 2010, respectively.

Note 14. Shareholders' Equity

The Company's 7.25% Series B Cumulative Redeemable Preferred Stock (Series B Preferred Stock) has a liquidation preference of \$25.00 per share, has no stated maturity, is not convertible into any other security of the Company, and is redeemable at the Company's option beginning May 22, 2017 at a price of \$25.00 per share plus accrued and unpaid distributions. In May 2012, the Company concluded a public offering of 400,000 shares of Series B Preferred Stock at \$23.00 per share, and realized net proceeds, after offering expenses, of approximately \$8.6 million. On September 11, 2012, the Company concluded another public offering of 4,200,000 shares of its Series B Preferred Stock at \$23.94 per share, and realized net proceeds, after offering expenses, of approximately \$96.8 million. On September 14, 2012, the underwriters exercised their over-allotment option to the extent of 630,000 additional shares of the Company's Series B Preferred Stock, and the Company realized additional net proceeds of \$14.5 million. On February 12, 2013, the Company concluded a further public offering of 2,000,000 shares of its Series B Preferred Stock at \$24.58 per share, and realized net proceeds, after offering expenses, of approximately \$47.6 million. On February 12, 2013, the underwriters exercised their over-allotment option to the extent of 300,000 additional shares of the Company's Series B Preferred Stock, and the Company realized additional net proceeds of \$7.1 million.

In addition, on May 29, 2012 the Company entered into an at-the-market (ATM) equity program in which the Company may, from time to time, offer and sell additional shares of its Series B Preferred Stock. During 2012, the Company sold approximately 199,000 shares under the ATM equity program at a weighted average price of \$23.23 per share, and realized net proceeds, after offering expenses, of approximately \$4.6 million. During the two months ended February 28, 2013, the Company sold approximately 220,000 shares under the ATM equity program at a weighted average price of \$24.52 per share, and realized net proceeds, after offering expenses, of approximately \$5.3 million.

The Company's 8.875% Series A Cumulative Redeemable Preferred Stock (Series A Preferred Stock) has no stated maturity, is not convertible into any other security of the Company, and is redeemable at the Company's option at a price of \$25.00 per share, plus accrued and unpaid distributions. During 2012, the Company redeemed and/or purchased on the open-market approximately 4,992,000 shares of its Series A Preferred Stock for a total cash outlay of \$126.4 million (including \$1.2 million of redemption costs and \$1.6 million of accrued dividends). On February 7, 2013, the Company announced that it would redeem, on or about

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March 11, 2013, the remaining 1,408,000 shares of its Series A Preferred Stock, requiring a total cash outlay of approximately \$35.4 million (including redemption costs and accrued dividends).

The Company has a Dividend Reinvestment and Direct Stock Purchase Plan (DRIP) which offers a convenient method for shareholders to invest cash dividends and/or make optional cash payments to purchase shares of the Company s common stock. Such purchases are at 100% of market value (increased in March 2011 from 98% of market value). During 2012 and 2011, the Company issued 1,000 shares and 693,000 shares of its common stock, respectively, at average prices of \$4.96 per share and \$6.02 per share, respectively, and realized proceeds after expenses of approximately \$6,000 and \$4.1 million, respectively. At December 31, 2012, there remained 2,854,000 shares authorized under the DRIP.

During 2012, holders of approximately 1,134,000 OP Units (including 564,000 mezzanine OP Units) converted their holdings to shares of the Company s common stock. In connection therewith, \$3.9 million of the carrying value of mezzanine OP Units was reclassified to equity.

In connection with an acquisition of a shopping center in 2002, the Operating Partnership issued warrants to purchase approximately 83,000 OP Units at an exercise price of \$13.50 per unit. Such warrants expired on May 31, 2012.

In connection with a litigation settlement in the Company s favor in 2011, the Company received a cash payment of \$225,000. In addition, the defendants acquired 39,000 shares of the Company s common stock at an average price of \$5.78 per share from which the Company realized additional net proceeds of \$225,000.

The following table provides a summary of dividends declared per share:

	Years ended December 31,		
	2012	2011	2010
Common stock	\$ 0.200	\$ 0.360	\$ 0.270
Cumulative Redeemable Preferred Stock:			
8.875% Series A	\$ 2.219	\$ 2.219	\$ 2.219
7.250% Series B	\$ 0.906	\$	\$

Dividends paid to common shareholders in 2012, 2011 and 2010 were \$14,402,000, \$24,705,000 and \$22,445,000, respectively. At December 31, 2012 and 2011, there were \$1.7 million and \$1.6 million of accrued preferred stock dividends.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****Note 15. Revenues**

Rents for 2012, 2011 and 2010, respectively, are comprised of the following:

	Years ended December 31,		
	2012	2011	2010
Base rents	\$ 100,836,000	\$ 97,015,000	\$ 93,074,000
Percentage rent	1,074,000	1,058,000	906,000
Straight-line rents	986,000	1,199,000	1,550,000
Amortization of intangible lease liabilities	5,364,000	5,736,000	6,094,000
Total rents	\$ 108,260,000	\$ 105,008,000	\$ 101,624,000

Other revenues include lease termination income (approximately \$3.0 million) in 2012 and fees earned from the Cedar/RioCan joint venture. The management agreement relating to the Cedar/RioCan joint venture properties terminated on January 31, 2013 (see Note 5 Investment in Cedar/RioCan Joint Venture).

Annual future base rents due to be received under non-cancelable operating leases in effect at December 31, 2012 are approximately as follows (excluding those base rents applicable to properties treated as discontinued operations):

2013	\$ 103,253,000
2014	94,053,000
2015	82,900,000
2016	71,206,000
2017	59,621,000
Thereafter	304,714,000
	\$ 715,747,000

Total future minimum rents do not include expense recoveries for real estate taxes and operating costs, or percentage rents based upon tenants sales volume. Such additional revenue amounts aggregated approximately \$27.4 million, \$27.9 million and \$26.5 million for 2012, 2011 and 2010, respectively. Such amounts do not include amortization of intangible lease liabilities.

Note 16. 401(k) Retirement Plan

The Company has a 401(k) retirement plan (the Plan), which permits all eligible employees to defer a portion of their compensation under the Code. Pursuant to the provisions of

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the Plan, the Company may make discretionary contributions on behalf of eligible employees. The Company made contributions to the Plan of \$253,000, \$275,000, and \$266,000 in 2012, 2011, and 2010, respectively.

Note 17. Management Transition Charges and Employee Termination Costs

The Company concluded separation arrangements and terminations of employment agreements relating primarily to employee headcount reductions in connection with the recent property dispositions and exit from the Cedar/RioCan joint venture. As a result, the Company recorded an approximate \$1.2 million charge in 2012 applicable thereto (included in management transition charges and employee termination costs in the consolidated statements of operations).

In June 2011, the Company's then Chairman of the Board, Chief Executive Officer and President retired, and the employment of the Company's then Chief Financial Officer ended. Pursuant to their respective employment and/or separation agreements, (1) they received an aggregate of approximately \$3.7 million in cash severance payments (including the cost of related payroll taxes and benefits), and (2) all of their unvested restricted share grants became vested and all related amounts were written off (an aggregate of approximately \$2.0 million - see Note 18

Share-Based Compensation). Together with approximately \$1.2 million of other non-recurring costs, primarily professional fees and expenses related to the hiring of a new President/Chief Executive Officer and Chief Financial Officer, the Company recorded an aggregate charge of approximately \$6.9 million (included in management transition charges and employee termination costs in the consolidated statements of operations).

Note 18. Share-Based Compensation

The following tables set forth certain share-based compensation information for 2012, 2011, and 2010, respectively:

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	Years ended December 31,		
	2012	2011	2010
Share-based compensation:			
Expense relating to share grants (a)	\$ 3,903,000	\$ 5,665,000	\$ 3,260,000
Adjustments to reflect changes in market price of Company's common stock	10,000	(775,000)	(281,000)
Total charged to operations (b)	\$ 3,913,000	\$ 4,890,000	\$ 2,979,000

	Shares	Weighted average grant date value
Unvested shares, December 31, 2011	1,106,000	\$ 5.31
Restricted share grants (c)	2,948,000	4.68
Vested during period	(436,000)	4.86
Forfeitures/cancellations	(103,000)	5.73
Unvested shares, December 31, 2012	3,515,000	\$ 4.83

- (a) Includes expense relating to equity and liability awards, as discussed below.
- (b) The 2012 and 2011 amounts include \$362,000 and \$1,980,000 applicable to accelerated vestings, respectively, and are included in management transition charges and employee termination costs.
- (c) Includes 2,250,000 shares granted to the Company's President and Chief Executive Officer in 2011, but not issued until 2012, as discussed below.

During 2012, in addition to shares issued to the Company's President and Chief Executive Officer, as discussed below, there were 698,000 other time-based restricted shares issued with a weighted average grant date fair value of \$4.75 per share. The 2012 Plan authorized 4.5 million shares to be available for grant and increased the maximum number of shares that may be granted to a participant in any calendar year to 500,000. At December 31, 2012, 2.4 million shares remained available for grants pursuant to the 2012 Plan and, at that date, there remained an aggregate of approximately \$12.1 million applicable to all grants and awards to be expensed over a weighted average period of 4.8 years.

The per share weighted average grant date fair values of shares granted during 2012, 2011, and 2010 were \$4.68, \$5.40 and \$6.54, respectively. The total fair values of shares vested during 2012, 2011, and 2010 were \$2,126,000, \$5,507,000, and \$996,000, respectively (the 2012 and 2011 amounts include \$585,000 and \$3,569,000, respectively, applicable to accelerated vestings).

In June 2011, in connection with the retirement of the Company's Chairman of the Board, Chief Executive Officer and President, and the end of the employment of the Company's Chief Financial Officer (see Note 17 Management Transition Charges and Employee

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Termination Costs), all of their outstanding restricted share grants, consisting of time-based grants (284,000 shares) and performance-based grants (422,000 shares) became vested (an aggregate of 706,000 shares), and were expensed in full at the then market value of the shares (an aggregate of approximately \$2.0 million).

The Company's new President and Chief Executive Officer was to receive restricted share grants totaling 2.5 million shares, one-half of which to be time-based, vesting upon the seventh anniversary of the date of grant (vesting on June 15, 2018), and the other half to be performance-based, to be earned if the total annual return on an investment in the Company's common stock (TSR) is at least an average of 6.5% per year for the seven years ending June 15, 2018. An independent appraisal determined the value of the performance-based award to be \$4.39 per share compared to a market price at the date of grant of \$4.98 per share. As a result of a per-person limitation within the 2004 Plan, only 500,000 shares had been issued through June 2012, 1.5 million shares had been accounted for as an equity award, and 500,000 shares had been accounted for as a liability award. The values of the equity and liability awards were expensed on a straight-line basis over the vesting period. As specifically provided in the 2012 Plan, the 2.0 million shares previously designated as equity and liability awards were issued, with the liability award being reclassified to equity. Consistent with such awards to other recipients, dividends were paid on all the shares, including the equity and liability award shares, with the dividends paid on the equity award shares treated as distributions to common shareholders and included in the statement of equity, and the dividends paid on the liability award shares treated as compensation and included in the statement of operations. In addition, with respect to the liability award, adjustments to reflect changes in the fair value of the award (based on changes in the market price of the Company's common stock) were also charged to operations.

In January 2011 and 2010, the Company issued shares of common stock as performance-based grants, with vesting to be based on the TSR over the three calendar years commencing with the dates of grant. Portions of each grant would vest (1) if the TSR on the Company's common stock is equal to or greater than a specified average return per year (the Absolute TSR), and (2) if there is a positive comparison of the TSR on the Company's common stock to the Company's peer group (the Relative TSR). The Company obtained independent appraisals to determine the values of each category of the performance-based shares issued. The following table summarizes information relating to the performance-based grants:

Grant year	Shares granted	Grant date market price	Portion of grant	Absolute TSR		Relative TSR	
				Annual average return	Appraisal value	Portion of grant	Appraisal value
2011	275,000	\$ 6.54	50%	8%	\$ 4.40	50%	\$ 5.91
2010	227,000	\$ 6.70	50%	6%	\$ 4.56	50%	\$ 6.00

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After accelerated vestings in 2012 and 2011 of certain of these shares, there remained 100,000 shares and 73,000 shares, respectively, of the 2011 and 2010 performance-based awards. However, as the Company did not achieve either TSR measure for the three years ended December 31, 2012, none of the shares granted in 2010 vested. In addition to the performance-based grants, there were other time-based restricted shares issued of 436,000 shares and 279,000 shares for 2011 and 2010, respectively.

Note 19. Noncontrolling Interest Limited Partners Mezzanine OP Units

	December 31,	
	2012	2011
Balance, beginning of year	\$ 4,616,000	\$ 7,053,000
Net income (loss)	9,000	(1,126,000)
Unrealized gain on change in fair value of cash flow hedges		(3,000)
Total other comprehensive loss	9,000	(1,129,000)
Distributions	(25,000)	(232,000)
Conversions of OP Units into shares of common stock	(3,897,000)	
Reallocation adjustment of limited partners interest	(80,000)	(1,076,000)
Balance, end of year	\$ 623,000	\$ 4,616,000

Note 20. Earnings Per Share

Basic earnings per share (EPS) is calculated by dividing net income (loss) attributable to the Company's common shareholders by the weighted average number of common shares outstanding for the period including participating securities (restricted shares issued pursuant to the Company's share-based compensation program are considered participating securities, as such shares have non-forfeitable rights to receive dividends). Unvested restricted shares are not allocated net losses and/or any excess of dividends declared over net income, as such amounts are allocated entirely to the common shareholders. For 2012 and 2011, the Company had 3.3 million and 2.3 million, respectively, of weighted average unvested restricted shares outstanding. EPS for 2010 is calculated based on the data presented on the face of the consolidated statements of operations. The following table provides a reconciliation of the numerator and denominator of the EPS calculations for 2012 and 2011, respectively:

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	Years ended December 31,	
	2012	2011
<u>Numerator</u>		
Income (loss) from continuing operations	\$ 25,377,000	\$ (26,068,000)
Preferred stock dividends	(14,819,000)	(14,200,000)
Preferred stock redemption costs	(4,998,000)	
Net loss attributable to noncontrolling interests	375,000	920,000
Net earnings allocated to unvested shares	(806,000)	(810,000)
Income (loss) from continuing operations attributable to common shareholders	5,129,000	(40,158,000)
Results from discontinued operations, net of noncontrolling interests	3,954,000	(78,413,000)
Net income (loss) attributable to common shareholders, basic and diluted	\$ 9,083,000	\$ (118,571,000)
<u>Denominator</u>		
Weighted average number of vested common shares outstanding	68,017,000	66,387,000
<u>Earnings (loss) per common share, basic and diluted</u>		
Continuing operations	\$ 0.07	\$ (0.61)
Discontinued operations	\$ 0.06	\$ (1.18)
	\$ 0.13	\$ (1.79)

Fully-diluted EPS reflects the potential dilution that could occur if securities or other contracts to issue common stock were exercised or converted into shares of common stock. The net loss attributable to noncontrolling interests of the Operating Partnership has been excluded from the numerator and the related OP Units have been excluded from the denominator for the purpose of calculating diluted EPS as there would have been no effect had such amounts been included. The weighted average number of OP Units outstanding for 2012, 2011 and 2010 were 459,000, 1,415,000 and 1,814,000, respectively. In addition, warrants for the purchase of OP Units, which expired on May 31, 2012, have been excluded as they were anti-dilutive for all applicable periods.

Table of Contents**Cedar Realty Trust, Inc.****Notes to Consolidated Financial Statements****December 31, 2012****Note 21. Selected Quarterly Financial Data (unaudited)**

Year	Quarter ended			
	March 31	June 30	September 30	December 31
2012				
Revenues as previously reported	\$ 34,477,000	\$ 36,990,000	\$ 33,579,000	\$ 35,813,000
Revenues from discontinued operations and reclassifications (a)	(93,000)	(92,000)	(91,000)	
Revenues	\$ 34,384,000	\$ 36,898,000	\$ 33,488,000	\$ 35,813,000
Net (loss) income	\$ (4,868,000)	\$ 5,895,000	\$ 2,298,000	\$ 30,690,000
Net (loss) income attributable to common shareholders	\$ (9,340,000)	\$ 1,236,000	\$ (4,299,000)	\$ 22,292,000
Per common share (basic and diluted) (b)	\$ (0.14)	\$ 0.01	\$ (0.07)	\$ 0.31
2011				
Revenues as previously reported	\$ 34,510,000	\$ 32,578,000	\$ 33,418,000	\$ 34,334,000
Revenues from discontinued operations and reclassifications (a)	25,000	46,000	68,000	(151,000)
Revenues	\$ 34,535,000	\$ 32,624,000	\$ 33,486,000	\$ 34,183,000
Net loss	\$ (9,093,000)	\$ (24,729,000)	\$ (71,265,000)	\$ (3,427,000)
Net loss attributable to common shareholders	\$ (12,309,000)	\$ (27,668,000)	\$ (70,105,000)	\$ (7,679,000)
Per common share (basic and diluted) (b)	\$ (0.18)	\$ (0.41)	\$ (1.05)	\$ (0.12)

(a) Represents revenues from discontinued operations which were included in revenues as previously reported.

(b) Differences between the sum of the four quarterly per share amounts and the annual per share amounts are attributable to the effect of the weighted average outstanding share calculations for the respective periods.

Note 22. Subsequent Events

In determining subsequent events, management reviewed all activity from January 1, 2013 through the date of filing this Annual Report on Form 10-K.

On January 25, 2013, the Company's Board of Directors declared a dividend of \$0.05 per share with respect to its common stock as well as an equal distribution per unit on its outstanding OP Units. At the same time, the Board declared dividends of \$0.5546875 per share with respect to the Company's 8.875% Series A Preferred Stock and \$0.453125 per share with

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respect to the Company's 7.25% Series B Preferred Stock. The distributions are payable on February 20, 2013 to shareholders of record on February 8, 2013.

See Note 14 Shareholders' Equity for information relating to the sale, in February 2013, of additional shares of the Company's Series B Preferred Stock, and the announced redemption of the remaining shares of the Company's Series A Preferred Stock.

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Cedar Realty Trust, Inc.

Schedule III**Real Estate and Accumulated Depreciation**

Year ended December 31, 2012

Property	State	Year acquired	Percent owned	Year built/ Year last renovated	Gross leasable area	Initial cost to the Company Building and	
						Land	Improvements
Academy Plaza	PA	2001	100%	1965/1998	137,662	\$ 2,406,000	\$ 9,623,000
Annie Land Plaza	VA	2006	100%	1999	42,500	809,000	4,015,000
Camp Hill	PA	2002	100%	1958/2005	470,117	4,460,000	17,857,000
Carbondale Plaza	PA	2004	100%	1972/2005	120,689	1,586,000	7,289,000
Carll s Corner	NJ	2007	100%	1960 s-1999	129,582	3,034,000	15,293,000
Carmans Plaza	NY	2007	100%	1954/2007	194,082	8,539,000	35,804,000
Circle Plaza	PA	2007	100%	1979/1991	92,171	561,000	2,884,000
Coliseum Marketplace	VA	2005	100%	1987/2005	105,998	2,924,000	14,416,000
Colonial Commons	PA	2011	100%	2011	466,233	9,367,000	37,496,000
Crossroads II	PA	2008	60%	2009	133,717	15,383,000	
Elmhurst Square	VA	2006	100%	1961-1983	66,250	1,371,000	5,994,000
Fairview Plaza	PA	2003	100%	1992	71,979	2,128,000	8,483,000
Fairview Commons	PA	2007	100%	1976/2003	42,314	858,000	3,568,000
Fieldstone Marketplace	MA	2005/2012	100%	1988/2003	193,970	5,229,000	21,440,000
Fort Washington	PA	2002	100%	2003	41,000	2,462,000	
Franklin Village Plaza	MA	2004/2012	100%	1987/2005	304,347	14,270,000	61,915,000
General Booth Plaza	VA	2005	100%	1985	71,639	1,935,000	9,493,000
Gold Star Plaza	PA	2006	100%	1988	71,720	1,644,000	6,519,000
Golden Triangle	PA	2003	100%	1960/2005	202,943	2,320,000	9,713,000
Groton Shopping Center	CT	2007	100%	1969	117,186	3,070,000	12,320,000
Halifax Plaza	PA	2003	100%	1994	51,510	1,412,000	5,799,000
Hamburg Commons	PA	2004	100%	1988-1993	99,580	1,153,000	4,678,000
Huntingdon Plaza	PA	2004	100%	1972-2003	142,845	933,000	4,129,000
Jordan Lane	CT	2005	100%	1969/1991	177,504	4,291,000	21,176,000
Kempsville Crossing	VA	2005	100%	1985	94,477	2,207,000	11,000,000
Kenley Village	MD	2005	100%	1988	51,894	726,000	3,512,000
Kings Plaza	MA	2007	100%	1970/1994	168,243	2,413,000	12,604,000
Lake Raystown Plaza	PA	2004	100%	1995	142,559	2,231,000	6,735,000
Liberty Marketplace	PA	2005	100%	2003	68,200	2,665,000	12,639,000
Martins s at Glen Allen	VA	2005	100%	2000	63,328	6,769,000	683,000
Meadows Marketplace	PA	2004/2012	100%	2005	91,518	1,914,000	
Mechanicsburg Giant	PA	2005	100%	2003	51,500	2,709,000	12,159,000
Metro Square	MD	2008	100%	1999	71,896	3,121,000	12,341,000
Newport Plaza	PA	2003	100%	1996	64,489	1,721,000	7,758,000
New London Mall	CT	2009	40%	1967/1997	259,293	14,891,000	24,967,000
Northside Commons	PA	2008	100%	2009	64,710	3,332,000	

Table of Contents**Cedar Realty Trust, Inc.****Schedule III****Real Estate and Accumulated Depreciation**

Year ended December 31, 2012

<i>(continued)</i> Property	Subsequent cost capitalized	Gross amount at which carried at December 31, 2012			Accumulated depreciation (4)	Amount of Encumbrance
		Land	Building and improvements	Total		
Academy Plaza	\$ 3,142,000	\$ 2,406,000	\$ 12,765,000	\$ 15,171,000	\$ 3,317,000	\$ 8,633,000
Annie Land Plaza	139,000	809,000	4,154,000	4,963,000	909,000	(3)
Camp Hill	43,595,000	4,424,000	61,488,000	65,912,000	12,980,000	64,250,000
Carbondale Plaza	5,418,000	1,586,000	12,707,000	14,293,000	3,164,000	4,770,000
Carll s Corner	(1,261,000)	2,898,000	14,168,000	17,066,000	2,640,000	(3)
Carmans Plaza	(421,000)	8,421,000	35,501,000	43,922,000	6,300,000	33,414,000
Circle Plaza	65,000	546,000	2,964,000	3,510,000	432,000	(3)
Coliseum Marketplace	5,290,000	3,586,000	19,044,000	22,630,000	4,296,000	11,429,000
Crossroads II	28,598,000	17,671,000	26,310,000	43,981,000	2,170,000	(3)
Colonial Commons	918,000	9,367,000	38,414,000	47,781,000	3,533,000	27,272,000
Elmhurst Square	390,000	1,371,000	6,384,000	7,755,000	1,442,000	3,810,000
Fairview Plaza	308,000	2,129,000	8,790,000	10,919,000	2,360,000	
Fairview Commons	2,000	858,000	3,570,000	4,428,000	785,000	(3)
Fieldstone Marketplace	595,000	5,167,000	22,097,000	27,264,000	5,152,000	17,506,000
Fort Washington	5,176,000	2,462,000	5,176,000	7,638,000	1,366,000	5,396,000
Franklin Village Plaza		14,270,000	61,915,000	76,185,000	620,000	44,408,000
General Booth Plaza	283,000	1,935,000	9,776,000	11,711,000	2,777,000	4,992,000
Gold Star Plaza	313,000	1,644,000	6,832,000	8,476,000	1,588,000	1,787,000
Golden Triangle	9,900,000	2,320,000	19,613,000	21,933,000	5,649,000	20,052,000
Groton Shopping Center	384,000	3,073,000	12,701,000	15,774,000	2,634,000	11,293,000
Halifax Plaza	243,000	1,347,000	6,107,000	7,454,000	1,533,000	
Hamburg Commons	5,402,000	1,153,000	10,080,000	11,233,000	2,044,000	4,928,000
Huntingdon Plaza	1,896,000	933,000	6,025,000	6,958,000	1,192,000	(3)
Jordan Lane	1,107,000	4,291,000	22,283,000	26,574,000	5,241,000	12,384,000
Kempsville Crossing	142,000	2,207,000	11,142,000	13,349,000	3,382,000	5,629,000
Kenley Village	204,000	726,000	3,716,000	4,442,000	1,196,000	(3)
Kings Plaza	348,000	2,408,000	12,957,000	15,365,000	2,551,000	7,389,000
Lake Raystown Plaza	6,845,000	2,231,000	13,580,000	15,811,000	3,333,000	(3)
Liberty Marketplace	294,000	2,695,000	12,903,000	15,598,000	2,824,000	8,559,000
Martins s at Glen Allen	3,000	5,367,000	2,088,000	7,455,000	551,000	(3)
Meadows Marketplace	11,404,000	1,914,000	11,404,000	13,318,000	1,981,000	9,823,000
Mechanicsburg Giant		2,709,000	12,159,000	14,868,000	2,470,000	8,759,000
Metro Square	(301,000)	5,250,000	9,911,000	15,161,000	1,345,000	8,520,000
Newport Plaza	322,000	1,682,000	8,119,000	9,801,000	1,923,000	
New London Mall	1,110,000	8,807,000	32,161,000	40,968,000	5,859,000	26,689,000
Northside Commons	10,000,000	3,378,000	9,954,000	13,332,000	807,000	(3)

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Cedar Realty Trust, Inc.

Schedule III**Real Estate and Accumulated Depreciation**

Year ended December 31, 2012

(continued)

Property	State	Year acquired	Percent owned	Year built/ Year last renovated	Gross leasable area	Initial cost to the Company	
						Land	Building and Improvements
Norwood Shopping Center	MA	2006	100%	1965/2006	102,459	\$ 1,874,000	\$ 8,453,000
Oak Ridge	VA	2006	100%	2000	38,700	960,000	4,254,000
Oakland Commons	CT	2007	100%	1962/1995	90,100	2,504,000	15,662,000
Oakland Mills	MD	2005	100%	1960 s/2004	58,224	1,611,000	6,292,000
Palmyra Shopping Center	PA	2005	100%	1960/1995	111,051	1,488,000	6,566,000
Pine Grove Plaza	NJ	2003	100%	2001/2002	86,089	2,010,000	6,489,000
Port Richmond Village	PA	2001	100%	1988	154,908	2,942,000	11,769,000
Price Chopper Plaza	MA	2007	100%	1960 s-2004	101,824	3,551,000	18,412,000
River View Plaza	PA	2003	100%	1991/1998	226,786	9,718,000	40,356,000
San Souci Plaza	MD	2009	40%	1985 - 1997	264,134	14,849,000	18,445,000
Smithfield Plaza	VA	2005/2008	100%	1987/1996	134,664	2,947,000	12,737,000
South Philadelphia	PA	2003	100%	1950/2003	283,415	8,222,000	36,314,000
Southington Shopping Center	CT	2003	100%	1972/2000	155,842		11,834,000
St. James Square	MD	2005	100%	2000	39,903	688,000	3,838,000
Suffolk Plaza	VA	2005	100%	1984	67,216	1,402,000	7,236,000
Swede Square	PA	2003	100%	1980/2004	100,816	2,268,000	6,232,000
The Brickyard	CT	2004	100%	1990	249,200	7,632,000	29,308,000
The Commons	PA	2004	100%	2003	203,426	3,098,000	14,047,000
The Point	PA	2000	100%	1972/2001	268,037	2,700,000	10,800,000
The Shops at Suffolk Downs	MA	2005	100%	2005	121,251	7,580,000	11,089,000
Timpany Plaza	MA	2007	100%	1970 s-1989	183,775	3,412,000	19,240,000
Townfair Center	PA	2004	100%	2002	218,662	3,022,000	13,786,000
Trexler Mall	PA	2005	100%	1973/2004	339,363	6,932,000	32,815,000
Trexlertown Plaza	PA	2006	100%	1990/2005	316,143	13,349,000	23,867,000
Ukrop s at Fredericksburg	VA	2005	100%	1997	63,000	3,213,000	12,758,000
Valley Plaza	MD	2003	100%	1975/1994	190,939	1,950,000	7,766,000
Virginia Little Creek	VA	2005	100%	1996/2001	69,620	1,650,000	8,350,000
Washington Center Shoppes	NJ	2001	100%	1979/1995	157,394	2,061,000	7,314,000
West Bridgewater Plaza	MA	2007	100%	1970/2007	133,039	2,823,000	14,901,000
Upland Square	PA	2007	60%	2009	391,578	28,187,000	
Yorktowne Plaza	MD	2007	100%	1970/2000	158,982	5,940,000	25,505,000
Total Consolidated Portfolio					9,820,185	\$ 287,427,000	\$ 870,737,000

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Cedar Realty Trust, Inc.

Schedule III**Real Estate and Accumulated Depreciation**

Year ended December 31, 2012

<i>(continued)</i>	Subsequent cost	Gross amount at which carried at December 31, 2012			Accumulated depreciation (4)	Amount of Encumbrance
		capitalized	Land	improvements		
Norwood Shopping Center	\$ 530,000	\$ 1,874,000	\$ 8,983,000	\$ 10,857,000	\$ 2,149,000	(3)
Oak Ridge	28,000	960,000	4,282,000	5,242,000	824,000	3,293,000
Oakland Commons	(498,000)	2,504,000	15,164,000	17,668,000	2,977,000	(3)
Oakland Mills	39,000	1,611,000	6,331,000	7,942,000	1,694,000	4,657,000
Palmyra Shopping Center	1,219,000	1,488,000	7,785,000	9,273,000	1,875,000	(3)
Pine Grove Plaza	139,000	2,010,000	6,628,000	8,638,000	1,612,000	5,455,000
Port Richmond Village	932,000	2,843,000	12,800,000	15,643,000	3,711,000	13,867,000
Price Chopper Plaza	(484,000)	4,082,000	17,397,000	21,479,000	2,914,000	(3)
River View Plaza	4,319,000	9,718,000	44,675,000	54,393,000	11,044,000	(3)
San Souci Plaza	1,608,000	13,406,000	21,496,000	34,902,000	5,526,000	27,200,000
Smithfield Plaza	415,000	2,919,000	13,180,000	16,099,000	2,832,000	9,959,000
South Philadelphia	2,656,000	8,222,000	38,970,000	47,192,000	11,346,000	(3)
Southington Shopping Center	174,000		12,008,000	12,008,000	2,789,000	5,462,000
St. James Square	661,000	688,000	4,499,000	5,187,000	1,339,000	(3)
Suffolk Plaza		1,402,000	7,236,000	8,638,000	2,252,000	4,215,000
Swede Square	5,633,000	2,272,000	11,861,000	14,133,000	3,508,000	10,311,000
The Brickyard	8,887,000	7,648,000	38,179,000	45,827,000	19,524,000	(3)
The Commons	2,878,000	3,098,000	16,925,000	20,023,000	4,389,000	(3)
The Point	14,530,000	2,996,000	25,034,000	28,030,000	6,549,000	29,960,000
The Shops at Suffolk Downs	8,655,000	7,580,000	19,744,000	27,324,000	3,152,000	(3)
Timpany Plaza	740,000	3,368,000	20,024,000	23,392,000	3,480,000	7,793,000
Townfair Center	7,515,000	3,022,000	21,301,000	24,323,000	3,690,000	16,048,000
Trexler Mall	5,794,000	6,932,000	38,609,000	45,541,000	7,779,000	20,160,000
Trexlertown Plaza	22,317,000	13,351,000	46,182,000	59,533,000	4,930,000	(3)
Ukrop s at Fredericksburg		3,213,000	12,758,000	15,971,000	2,640,000	(3)
Valley Plaza	946,000	1,950,000	8,712,000	10,662,000	2,168,000	(3)
Virginia Little Creek	(10,000)	1,639,000	8,351,000	9,990,000	2,390,000	4,870,000
Washington Center Shoppes	3,780,000	2,000,000	11,155,000	13,155,000	3,392,000	(3)
West Bridgewater Plaza	(829,000)	2,600,000	14,295,000	16,895,000	2,495,000	10,535,000
Upland Square	67,602,000	27,112,000	68,677,000	95,789,000	5,344,000	60,417,000
Yorktowne Plaza	301,000	5,834,000	25,912,000	31,746,000	5,091,000	19,322,000
Total Consolidated Portfolio	\$ 302,330,000	\$ 282,383,000	\$ 1,178,111,000	\$ 1,460,494,000	\$ 237,751,000	\$ 605,216,000

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Cedar Realty Trust, Inc.

Schedule III**Real Estate and Accumulated Depreciation**

Year ended December 31, 2012

(continued)

The changes in real estate and accumulated depreciation for the three years ended December 31, 2012 are as follows (1):

Cost	2012	2011	2010
Balance, beginning of the year	\$ 1,363,936,000	\$ 1,283,287,000	\$ 1,266,566,000
Properties acquired	76,185,000	46,863,000	
Improvements and betterments	20,472,000	33,954,000	17,631,000
Write-off fully-depreciated assets	(99,000)	(168,000)	(910,000)
Balance, end of the year (2)	\$ 1,460,494,000	\$ 1,363,936,000	\$ 1,283,287,000
<u>Accumulated depreciation</u>			
Balance, beginning of the year	\$ 196,661,000	\$ 156,917,000	\$ 125,689,000
Depreciation expense	41,189,000	39,912,000	32,138,000
Write-off fully-depreciated assets	(99,000)	(168,000)	(910,000)
Balance, end of the year	\$ 237,751,000	\$ 196,661,000	\$ 156,917,000
Net book value	\$ 1,222,743,000	\$ 1,167,275,000	\$ 1,126,370,000

- (1) Restated to reflect the reclassifications of properties to real estate held for sale/conveyance during 2012.
- (2) At December 31, 2012, the aggregate cost for federal income tax purposes was approximately \$3.1 million less than the Company's recorded values.
- (3) At December 31, 2012, the total net book value of properties pledged as collateral under the Company's Credit Facility was \$369.6 million (in addition, net book value of \$11.6 million relating to properties treated as real estate held for sale/conveyance was also pledged as collateral under the Company's Credit Facility); the total amount outstanding under the Credit Facility was \$156,000,000.
- (4) Depreciation is provided over the estimated useful lives of the buildings and improvements, which range from 3 to 40 years.

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Item 9. Changes in and Disagreements with Accountants on Accounting and Financial Disclosure

None

Item 9A. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

The Company maintains disclosure controls and procedures and internal controls designed to ensure that information required to be disclosed in its filings under the Securities Exchange Act of 1934 is reported within the time periods specified in the rules and regulations of the Securities and Exchange Commission (SEC). In this regard, the Company has formed a Disclosure Committee currently comprised of several of the Company s executive officers as well as certain other employees with knowledge of information that may be considered in the SEC reporting process. The Committee has responsibility for the development and assessment of the financial and non-financial information to be included in the reports filed with the SEC, and assists the Company s Chief Executive Officer and Chief Financial Officer in connection with their certifications contained in the Company s SEC filings. The Committee meets regularly and reports to the Audit Committee on a quarterly or more frequent basis. The Company s principal executive and financial officers have evaluated its disclosure controls and procedures as of December 31, 2012, and have determined that such disclosure controls and procedures are effective.

There have been no changes in the internal controls over financial reporting or in other factors that have materially affected, or are reasonably likely to materially affect, these internal controls over financial reporting during the last quarter of 2012.

Management Report on Internal Control Over Financial Reporting

The Company s management is responsible for establishing and maintaining adequate internal control over financial reporting. The Company s internal control system was designed to provide reasonable assurance to the Company s management and Board of Directors regarding the preparation and fair presentation of published financial statements. All internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation.

The Company s management assessed the effectiveness of the Company s internal control over financial reporting as of December 31, 2012. In making this assessment, it used the criteria set forth by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) in Internal Control Integrated Framework . Based on such assessment, management believes that, as of December 31, 2012, the Company s internal control over financial reporting is effective based on those criteria.

Ernst & Young LLP, the Company s independent registered public accounting firm, has issued an opinion on the Company s internal control over financial reporting, which appears elsewhere in this report.

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Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders of

Cedar Realty Trust, Inc.

We have audited Cedar Realty Trust, Inc.'s (the Company) internal control over financial reporting as of December 31, 2012, based on criteria established in Internal Control - Integrated Framework issued by the Committee of Sponsoring Organizations of the Treadway Commission (the COSO criteria). Cedar Realty Trust, Inc.'s management is responsible for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Item 9A. Controls and Procedures

Management Report on Internal Control Over Financial Reporting. Our responsibility is to express an opinion on the Company's internal control over financial reporting based on our audit.

We conducted our audit in accordance with the standards of the Public Company Accounting Oversight Board (United States). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether effective internal control over financial reporting was maintained in all material respects. Our audit included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, testing and evaluating the design and operating effectiveness of internal control based on the assessed risk, and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion.

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

In our opinion, Cedar Realty Trust, Inc. maintained, in all material respects, effective internal control over financial reporting as of December 31, 2012, based on the COSO criteria.

We also have audited, in accordance with the standards of the Public Company Accounting Oversight Board (United States), the 2012 consolidated financial statements of Cedar Realty Trust, Inc. and our report dated March 7, 2013 expressed an unqualified opinion thereon.

/s/ ERNST & YOUNG LLP

New York, New York
March 7, 2013

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Part III.

Item 10. Directors, Executive Officers and Corporate Governance

This item is incorporated by reference to the definitive proxy statement for the 2013 Annual Meeting of Shareholders, to be filed pursuant to Regulation 14A.

Item 11. Executive Compensation

This item is incorporated by reference to the definitive proxy statement for the 2013 Annual Meeting of Shareholders, to be filed pursuant to Regulation 14A.

Item 12. Security Ownership of Certain Beneficial Owners and Management and Related Stockholder Matters

This item is incorporated by reference to the definitive proxy statement for the 2013 Annual Meeting of Shareholders, to be filed pursuant to Regulation 14A.

Item 13. Certain Relationships and Related Transactions and Director Independence

This item is incorporated by reference to the definitive proxy statement for the 2013 Annual Meeting of Shareholders, to be filed pursuant to Regulation 14A.

Item 14. Principal Accountant Fees and Services

This item is incorporated by reference to the definitive proxy statement for the 2013 Annual Meeting of Shareholders, to be filed pursuant to Regulation 14A.

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Part IV

Item 15. Exhibits and Financial Statement Schedules

- (a) 1. Financial Statements
The response to this portion of Item 15 is included in Item 8 of this report.
- 2. Financial Statement Schedules
The response to this portion of Item 15 is included in Item 8 of this report.
- 3. Exhibits

Item	Title or Description
3.1	Articles of Incorporation of Cedar Realty Trust, Inc., including all amendments and articles supplementary previously filed.
3.2	By-laws of Cedar Realty Trust, Inc., including all amendments previously filed, incorporated by reference to Exhibit 3.2 of Form 10-K for the year ended December 31, 2011.
3.3.a	Agreement of Limited Partnership of Cedar Shopping Centers Partnership, L.P., incorporated by reference to Exhibit 3.4 of the Registration Statement on Form S-11 filed on August 20, 2003, as amended.
3.3.b	Amendment No. 1 to Agreement of Limited Partnership of Cedar Shopping Centers Partnership, L.P., incorporated by reference to Exhibit 3.5 of the Registration Statement on Form S-11 filed on August 20, 2003, as amended.
3.3.c	Amendment No. 2 to Agreement of Limited Partnership of Cedar Shopping Centers Partnership, L.P., incorporated by reference to Exhibit 3.3.c of Form 10-K for the year ended December 31, 2004.
3.3.d	Amendment No. 3 to Agreement of Limited Partnership of Cedar Shopping Centers Partnership, L.P., incorporated by reference to Exhibit 3.3.d of Form 10-K for the year ended December 31, 2006.
3.3.e	Amendment No. 4 to Agreement of Limited Partnership of Cedar Shopping Centers Partnership, L.P., incorporated by reference to Exhibit 3.2 of Form 10-Q for the quarterly period ended September 30, 2010.
3.3.f	Amendment No. 5 to Agreement of Limited Partnership of Cedar Realty Trust Partnership, L.P., incorporated by reference to Exhibit 3.2 of Form 8-K filed on May 16, 2012.
3.3.g	Amendment No. 6 to Agreement of Limited Partnership of Cedar Realty Trust Partnership, L.P., incorporated by reference to Exhibit 3.2 of Form 8-K filed on May 29, 2012.
3.3.h	Amendment No. 7 to Agreement of Limited Partnership of Cedar Realty Trust Partnership, L.P., incorporated by reference to Exhibit 3.2 of Form 8-K filed on September 14, 2012.

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- 3.3.i Amendment No. 8 to Agreement of Limited Partnership of Cedar Realty Trust Partnership, L.P., incorporated by reference to Exhibit 3.3 of Form 8-K filed on November 21, 2012.
- 3.3.j Amendment No. 9 to Agreement of Limited Partnership of Cedar Realty Trust Partnership, L.P., incorporated by reference to Exhibit 3.2 of Form 8-K filed on February 11, 2013.
- 10.1.a* Cedar Shopping Centers, Inc. Senior Executive Deferred Compensation Plan, effective as of October 29, 2003, incorporated by reference to Exhibit 10.6.a of Form 10-K for the year ended December 31, 2004.
- 10.1.b* Amendment No. 1 to the Cedar Shopping Centers, Inc. Senior Executive Deferred Compensation Plan, effective as of October 29, 2003, incorporated by reference to Exhibit 10.6.b of Form 10-K for the year ended December 31, 2004.
- 10.1.c* Amendment No. 2 to the Cedar Shopping Centers, Inc. Senior Executive Deferred Compensation Plan, effective as of August 9, 2004, incorporated by reference to Exhibit 10.6.c of Form 10-K for the year ended December 31, 2004.
- 10.1.d* Amendment No. 3 to the Cedar Shopping Centers, Inc. Senior Executive Deferred Compensation Plan, effective as of December 19, 2005, incorporated by reference to Exhibit 10.2 of Form 8-K filed on December 22, 2005.
- 10.1.e* Amendment No. 4 to the Cedar Shopping Centers, Inc. Senior Executive Deferred Compensation Plan, effective as of December 21, 2006, incorporated by reference to Exhibit 10.1.e of Form 10-K for the year ended December 31, 2006.
- 10.1.f* Amendment No. 5 to the Cedar Shopping Centers, Inc. Senior Executive Deferred Compensation Plan, effective as of December 11, 2007, incorporated by reference to Exhibit 10.1.f of Form 10-K for the year ended December 31, 2007.
- 10.1.g* Amendment No. 6 to the Cedar Realty Trust, Inc. Senior Executive Deferred Compensation Plan, effective as of December 14, 2011, incorporated by reference to Exhibit 10.1.g of Form 10-K for the year ended December 31, 2011.
- 10.2.a* 2005 Cedar Shopping Centers, Inc. Deferred Compensation Plan, incorporated by reference to Exhibit 10.1 of Form 8-K filed on December 22, 2005.
- 10.2.b* Amendment No. 1 to the 2005 Cedar Shopping Centers, Inc. Deferred Compensation Plan, effective as of December 21, 2006, incorporated by reference to Exhibit 10.2.b of Form 10-K for the year ended December 31, 2006.
- 10.2.c* Amendment No. 2 to the 2005 Cedar Shopping Centers, Inc. Deferred Compensation Plan, effective as of December 11, 2007, incorporated by reference to Exhibit 10.2.c of Form 10-K for the year ended December 31, 2007.
- 10.2.d* Amendment No. 3 to the 2005 Cedar Shopping Centers, Inc. Deferred Compensation Plan, effective as of December 16, 2008, incorporated by reference to Exhibit 10.2.d of Form 10-K for the year ended December 31, 2008.
- 10.2.e* Amendment No. 4 to the 2005 Cedar Shopping Centers, Inc. Deferred Compensation Plan, effective as of June 30, 2011, incorporated by reference to Exhibit 10.4 of Form 10-Q for the quarterly period ended September 30, 2011.
- 10.2.f* Amendment No. 5 to the 2005 Cedar Realty Trust, Inc. Deferred Compensation Plan, effective as of December 14, 2011, incorporated by reference to Exhibit 10.2.f of Form 10-K for the year ended December 31, 2011.
- 10.2.g* Amendment No. 6 to the 2005 Cedar Realty, Inc. Deferred Compensation Plan, effective as of December 12, 2012.

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10.3.a*	Employment Agreement between Cedar Shopping Centers, Inc. and Philip R. Mays, dated as of May 24, 2011, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarterly period ended June 30, 2011.
10.3.b*	Employment Agreement between Cedar Shopping Centers, Inc. and Bruce J. Schanzer, dated as of May 31, 2011, incorporated by reference to Exhibit 10.2 of Form 10-Q for the quarterly period ended June 30, 2011.
10.3.c*	Second Amended And Restated Employment Agreement between Cedar Realty Trust, Inc. and Brenda J. Walker, dated as of October 19, 2012.
10.4	Amended, Restated and Consolidated Loan Agreement (the "Loan Agreement") by and among Cedar Realty Trust Partnership, L.P., KeyBank, National Association, the other lending institutions which are or may become parties to the Loan Agreement (the "Lenders"), and KeyBank National Association (as Administrative Agent), dated as of January 26, 2012, incorporated by reference to Exhibit 10.4 of Form 10-K for the year ended December 31, 2011.
10.5	Voting Agreement dated February 13, 2008 among Cedar Shopping Centers, Inc., Inland American Real Estate Trust, Inc., Inland Investment Advisors, Inc. Inland Real Estate Investment Corporation and The Inland Group, Inc., incorporated by reference to Exhibit 10.11 of Form 10-K for the year ended December 31, 2007.
10.6.a	Securities Purchase Agreement dated as of October 26, 2009, by and among Cedar Shopping Centers, Inc., Cedar Shopping Centers Partnership L.P., RioCan Holdings USA Inc. and RioCan Real Estate Investment Trust, incorporated by reference to Exhibit 10.6.a of Form 10-Q for the quarterly period ended September 30, 2010.
10.6.a.i	Amendment to Securities Purchase Agreement dated February 5, 2010, incorporated by reference to Exhibit 10.6.b of Form 10-Q for the quarterly period ended September 30, 2010.
10.6.a.ii	Amendment to Securities Purchase Agreement dated February 26, 2010, incorporated by reference to Exhibit 10.6.c of Form 10-Q for the quarterly period ended September 30, 2010.
10.6.b	Agreement regarding purchase of Partnership Interests dated October 26, 2009 between Cedar Shopping Centers, Inc. and RioCan Holdings USA Inc., incorporated by reference to Exhibit 10.7 of Form 10-Q for the quarterly period ended September 30, 2010.
10.6.c	Agreement Regarding Purchase of Partnership Interests dated September 6, 2012, incorporated by reference to Exhibit 1.1 of Form 8-K filed on September 7, 2012.
10.6.d	Agreement Regarding Purchase Of Interests (Franklin) By And Between RC Cedar REIT Property Subsidiary LP And Cedar Realty Trust Partnership, L.P. And RC Cedar REIT LP And RioCan Holdings USA Inc., dated as of September 6, 2012, incorporated by reference to Exhibit 10.1 of Form 10-Q for the quarterly period ended September 30, 2012.
21.1	List of Subsidiaries of the Registrant
23.1	Consent of Ernst & Young LLP, Independent Registered Public Accounting Firm
31.1	Section 302 Chief Executive Officer Certification
31.2	Section 302 Chief Financial Officer Certification
32.1	Section 906 Chief Executive Officer Certification
32.2	Section 906 Chief Financial Officer Certification
101.INS	XBRL Instance Document

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101.SCH	XBRL Taxonomy Extension Schema Document
101.CAL	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB	XBRL Taxonomy Extension Label Linkbase Document
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document

* Management contracts or compensatory plans required to be filed pursuant to Rule 601 of Regulation S-K.

(b) Exhibits

The response to this portion of Item 15 is included in Item 15(a) (3) above.

(c) The following financial statement schedules are filed as part of the report:

The response to this portion of Item 15 is included in Item 15(a) (2) above.

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SIGNATURES

Pursuant to the requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

CEDAR REALTY TRUST, INC.

/s/ BRUCE J. SCHANZER
Bruce J. Schanzer
President
(principal executive officer)

/s/ PHILIP R. MAYS
Philip R. Mays
Chief Financial Officer
(principal financial officer)

/s/ GASPARE J. SAITTA, II
Gaspare J. Saitta, II
Chief Accounting Officer
(principal accounting officer)
March 7, 2013

Pursuant to the requirements of the Securities Exchange Act of 1934, this report has been signed by the following persons on behalf of the registrant and in the capacities and as of the date indicated.

/s/ JAMES J. BURNS
James J. Burns
Director

/s/ PAMELA N. HOOTKIN
Pamela N. Hootkin
Director

/s/ PAUL G. KIRK, JR
Paul G. Kirk, Jr.
Director

/s/ EVERETT B. MILLER, III
Everett B. Miller, III
Director

/s/ BRUCE J. SCHANZER
Bruce J. Schanzer
Director
March 7, 2013

/s/ROGER M. WIDMANN
Roger M. Widmann
Director