



This presentation may contain “forward-looking” statements as defined in the Private Securities Litigation Reform Act of 1995. When the Company uses words such as “may,” “will,” “intend,” “should,” “believe,” “expect,” “anticipate,” “project,” “estimate” or similar expressions that do not relate solely to historical matters, it is making forward-looking statements. Forward-looking statements are not guarantees of future performance and involve risks and uncertainties that may cause the actual results to differ materially from the Company’s expectations discussed in the forward-looking statements. Although the Company believes that the expectations reflected in such forward-looking statements are based upon reasonable assumptions it can give no assurance that expected results will be achieved, and actual results may differ materially from expectations. Specifically, the Company’s statements regarding: (i) the anticipated implementation of the Company’s growth, acquisition and disposition strategy; (ii) the future generation of value to the Company from the acquisition of service orientated retail properties in secondary and tertiary, and the ability of the Company to acquire service oriented retail properties, including the current pipeline of assets; (iii) the development and return on undeveloped properties; and (iv) anticipated dividend coverage are forward-looking statements. These statements are not guarantees of future performance and are subject to risks, uncertainties and other factors, some of which are beyond our control, are difficult to predict and could cause actual results to differ materially from those expressed or forecasted in the forward-looking statements. For these reasons, among others, investors are cautioned not to place undue reliance upon any forward-looking statements in this press release. For additional factors that could cause the operations of the Company to differ materially from those listed in the forward-looking statements are discussed in the Company’s filings with the U.S. Securities and Exchange Commission, which are available for review at www.sec.gov. The Company undertakes no obligation to publicly revise these forward-looking statements to reflect events or circumstances that arise after the date hereof.

COMPANY OVERVIEW



- Wheeler is an internally-managed REIT focused on acquiring well-located, necessity-based retail properties
 - In November 2012, the Company listed on the NASDAQ exchange with eight assets and a market cap of \$13.8 million
 - Targets grocery-anchored shopping centers in secondary and tertiary markets with strong demographics and low competition
 - Acquires properties at attractive yields and significant discount to replacement cost
- Current portfolio of 66 properties with approximately 3.8 million square feet of Gross Leasable Area
 - 55 shopping center/retail properties, 9 undeveloped land parcels, one redevelopment property and one self-occupied office building
 - Approximately 90% of centers are anchored or shadow-anchored by a grocery store
- Dedicated management team with strong track record of acquiring and selling retail properties through multiple phases of the investment cycle
 - Predecessor firm achieved an average IRR of approximately 28% on 11 dispositions

Wheeler Real Estate Investment Trust

Exchange:	NASDAQ
Ticker:	WHLR
Market Cap ⁽¹⁾ :	\$129 million
Stock Price ⁽¹⁾ :	\$1.75
Common Shares and Operating partnership Units Outstanding:	73.6 million
Annualized Dividend:	\$0.21



Butler Square

1) As of 9/26/2016

Necessity-Based Retail

- Wheeler properties serve the essential day-to-day shopping needs of the surrounding communities
- Majority of tenants provide non-cyclical consumer goods and services that are less impacted by fluctuations in the economy and E-commerce

High Quality Existing Portfolio

- Industry leading occupancy rate of approximately 93.8%, as of June 30, 2016
- National and Regional merchants represent majority of Wheeler's tenants
- Predominately grocery-anchored portfolio, located throughout the Southeast
- Since July 2015, Company has acquired 25 properties totaling over \$150 million

Internally-Managed, Scalable Platform

- Ability to scale platform as the Company grows results in improved profitability
- Create value through intensive leasing and property expense management
- Deep retailer relationships provide unique market knowledge
- Third-party property management and development fees create additional revenue stream
- Experienced management team with over 150 years of real estate experience

Robust Pipeline

- Seven properties currently under LOI, totaling \$91.79 million
- Average cap rate of 8.03% with in place leases
- Company routinely evaluates and/or negotiates LOIs with a total value of \$75 - \$100 million

Board of Directors

- Eight Directors- 6 Independent Directors and 2 Non-Independent Directors
- Institutional representation from Westport Capital Partners

Strong Balance Sheet & Cash Flow

- Predominantly fixed rate, long-term debt
- Paid down \$21 million on Key Bank line of credit earlier in 3Q 2016 resulting in a 250bps reduction in interest expense on remaining \$46.1 million balance
- Recently raised \$40M of 8.75% Series D Convertible Preferred Stock (\$2.12 conversion)

WHLR's executive officers, together with the management teams of its service companies, have an aggregate of over 150 years of experience in the real estate industry.

Jon S. Wheeler

Chairman and CEO

- Over 34 years of experience in the real estate industry focused solely on retail
- In 1999, founded Wheeler Interests, LLC ("Wheeler Interests"), a company which we consider our predecessor firm, and oversaw the acquisition and development of 60 shopping centers totaling 4 million square feet
- Has overseen the acquisition of 70 properties in 11 states since going public in 2012

Wilkes Graham

Chief Financial Officer

- Over 16 years experience in the real estate and financial services industries
- Previously served as Director of Research and as a Senior Sell-Side Equity Research Analyst at Compass Point Research & Trading, LLC
- As a Real Estate Analyst, he has forecasted earnings and predicted the stock performance for over 30 publicly traded REITs, real estate operating companies and homebuilders and conducted due diligence on over 35 real estate related capital market transactions

Dave Kelly

SVP, Director of Acquisitions

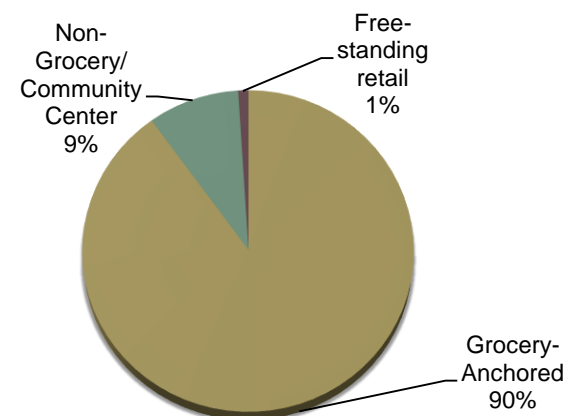
- Over 25 years of experience in the real estate industry
- Previously served 13 years as Director of Real Estate for Supervalu, Inc., a Fortune 100 supermarket retailer
- Focused on site selection and acquisition for Supervalu from New England to the Carolinas completing transactions totaling over \$500 million

STABLE PORTFOLIO FOCUSED ON NECESSITY-BASED SHOPPING



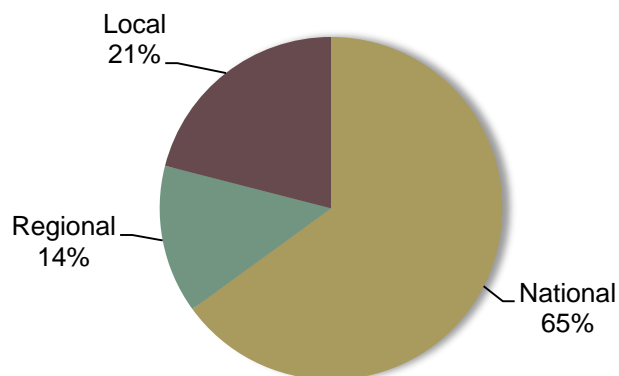
- Company believes necessity-based shopping centers are resistant to economic downturns. In our view, Necessity = Stability
- The average consumer in the US makes a trip to a grocery store 2.2 times per week¹
- From 2010-2015, US grocer sales increased 17.6%, demonstrating strength of the traditional grocery store¹

Predominantly Grocery-Anchored Portfolio²



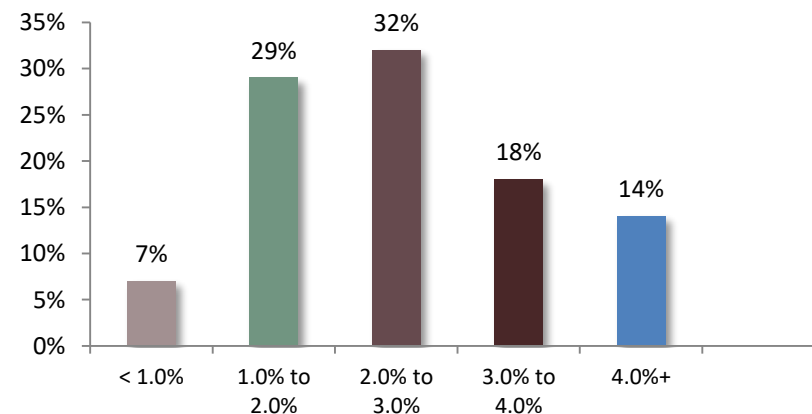
Strong National and Regional Tenants

79% of Wheeler's GLA is occupied by national & regional tenants



Strong Grocer Rent to Sales³

68% of grocery store GLA with a rent/sales ratio below 3%



1) Source: Statista (<http://www.statista.com/statistics/197626/annual-supermarket-and-other-grocery-store-sales-in-the-us-since-1992/>)

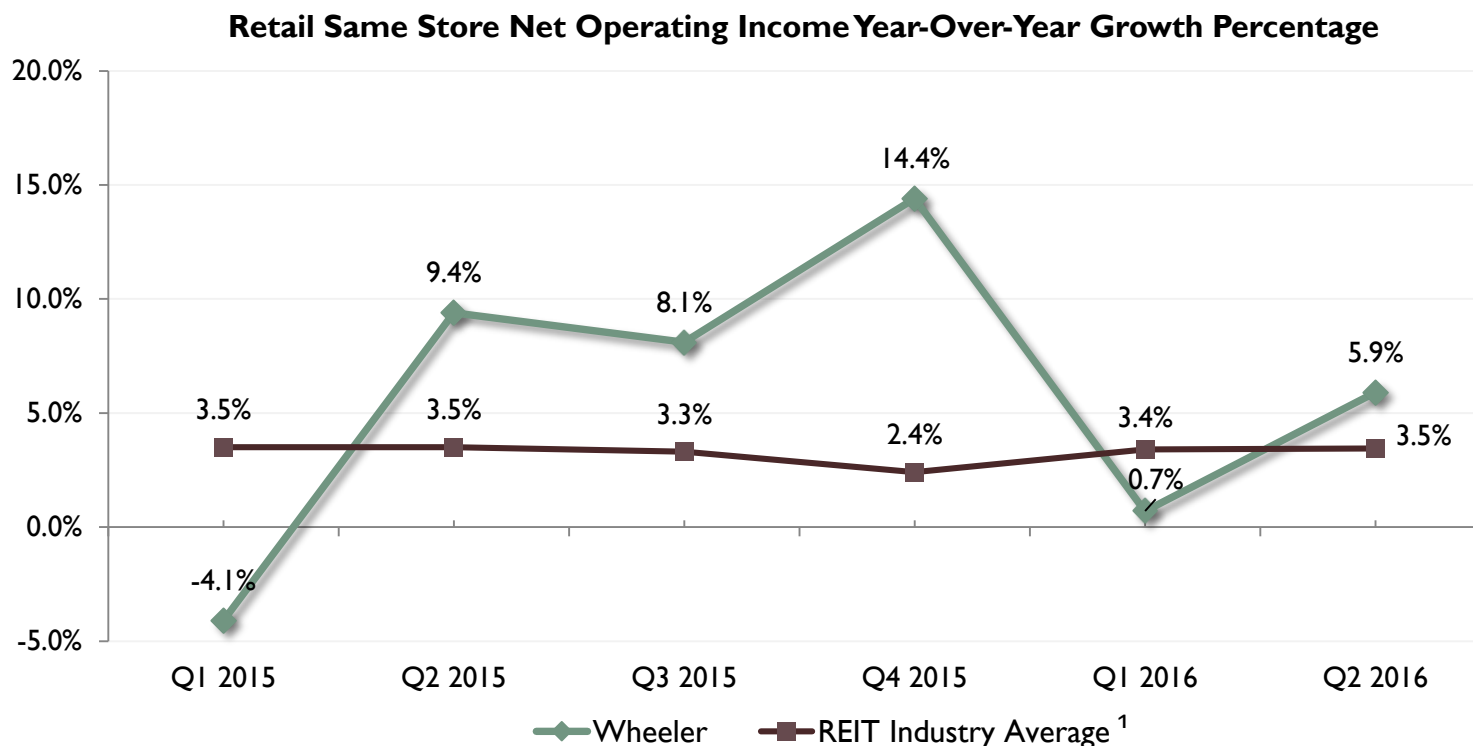
2) Based on percentage of GLA with a grocery store included in the shopping center or as a shadow-anchor as of June 30, 2016.

3) Based on most recent sales from 28 grocers who report sales to us in our current portfolio.

SOLID TENANTS FOCUSED ON NECESSITY-BASED RETAIL



- Majority of Wheeler's anchor and junior anchor tenants focus on 'necessity-based' products or services that are less likely to be impacted by E-commerce business and fluctuations in the economy
- From 2012-2013, Wheeler's anchor and junior anchor tenants reported a 2.3% increase in sales per square foot
- In 2014, Wheeler's anchor and junior anchor tenants reported a 4.1% increase in sales per square foot
- In 2015, Wheeler's anchor and junior anchor tenants reported a 0.3% increase in sales per square foot

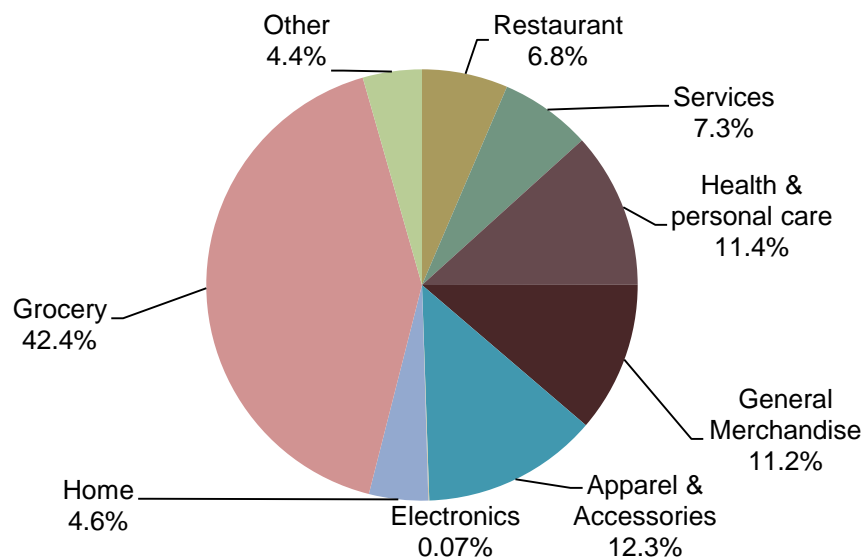


1. Source: Bloomberg







TENANT OVERVIEW

- Top tenants represent approximately 40% of portfolio
- Focus on tenants that create consistent consumer demand, offering items such as food, postal, dry-cleaning, health services and discount merchandise
- Minimal exposure to E-Commerce industry

Diversified Merchandise Mix¹



Top 10 Tenants¹

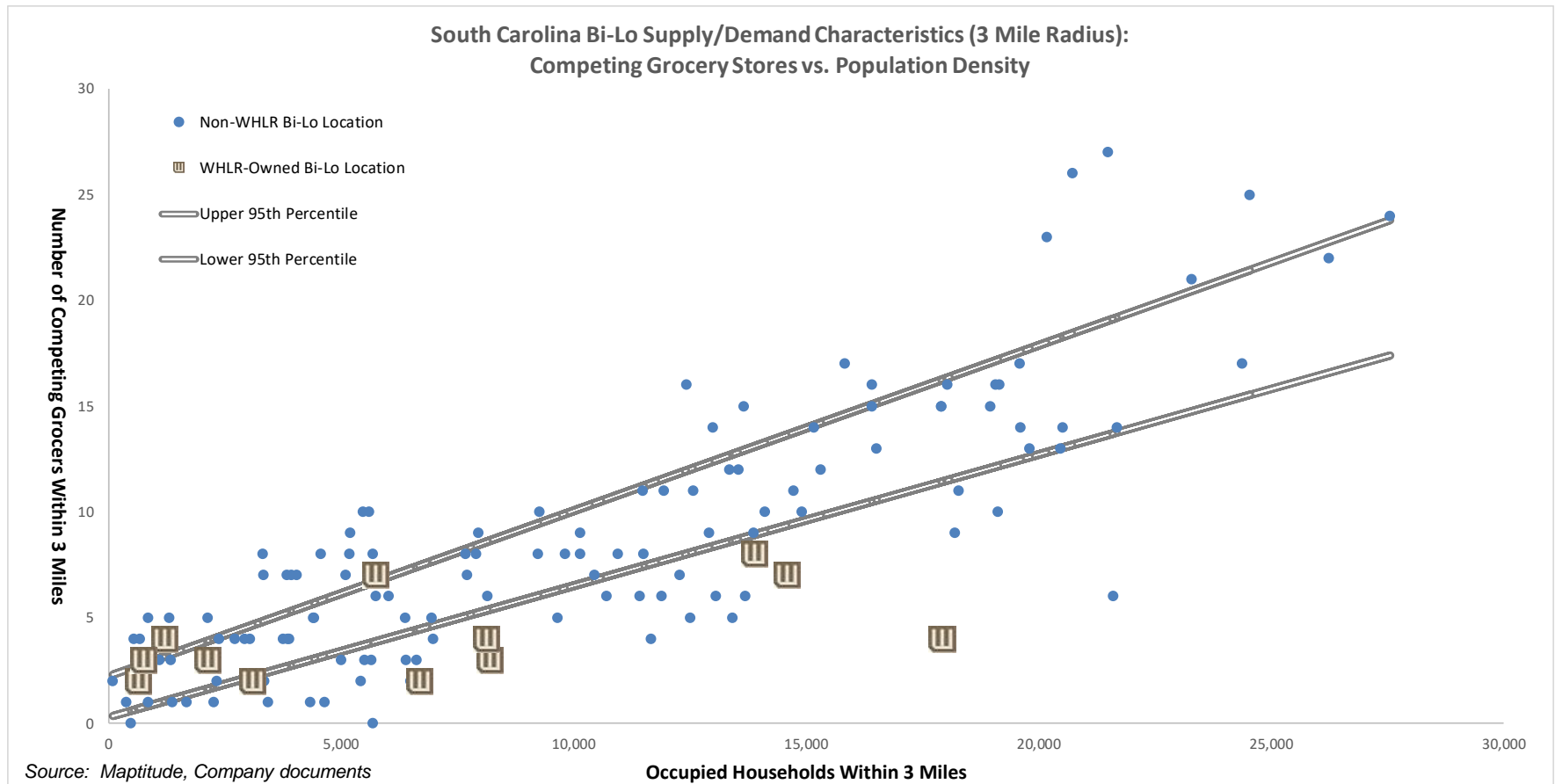
	Type	GLA	% of GLA	% of Annualized Base Rent
BI-LO	Grocery	649,173	17.31	17.66
	Grocery	325,576	8.68	7.91
	Grocery	136,343	3.63	3.98
HOBBY LOBBY	Retail	114,298	3.05	1.98
FAMILY DOLLAR	Retail	85,166	2.27	1.74
	Grocery	39,946	1.06	1.70
	Grocery	84,938	2.26	1.57
Goodwill 	Retail	56,343	1.50	1.27
Career Point College	Votech	26,813	0.71	1.14
	Retail	51,974	1.39	1.12
Total		1,570,570	41.86%	40.07%

1) As of 6/30/2016

WHLR-OWNED BI-LOs FACE LESS COMPETITION

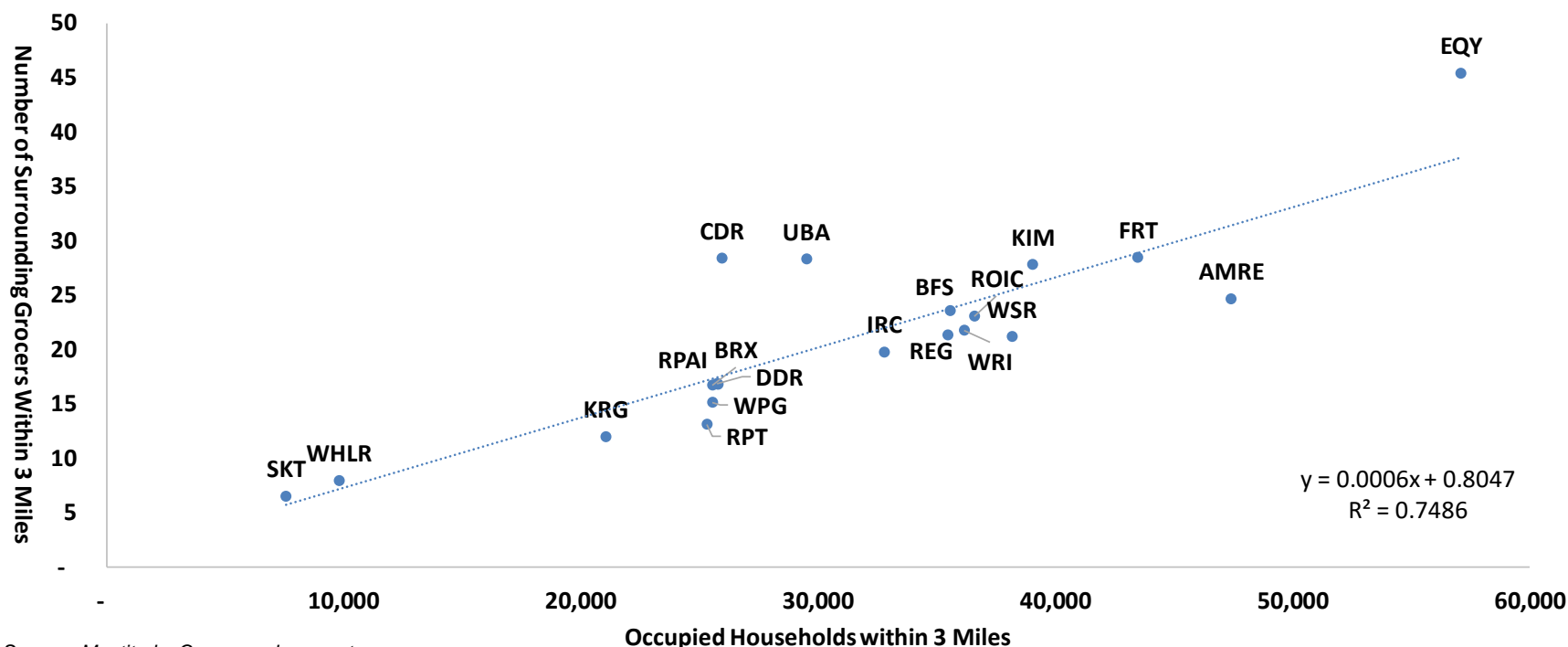


- WHLR-owned Bi-Lo's in South Carolina have 3 less competing grocers within a 3-mile radius, based on population density, than do non-WHLR owned Bi-Lo's
- The supply/demand ratio for 12 of the 13 WHLR-owned Bi-Lo's is ≤ 1 std. dev. of the mean



- WHLR's assets are located in lower population-density markets and have the 2nd lowest number of competing grocers within a 3-mile radius among all publicly traded shopping center REITs
- Lower density markets insulates our assets from e-commerce, and the lack of competing grocers supports WHLR's strategy of bringing institutional capital to secondary and tertiary markets

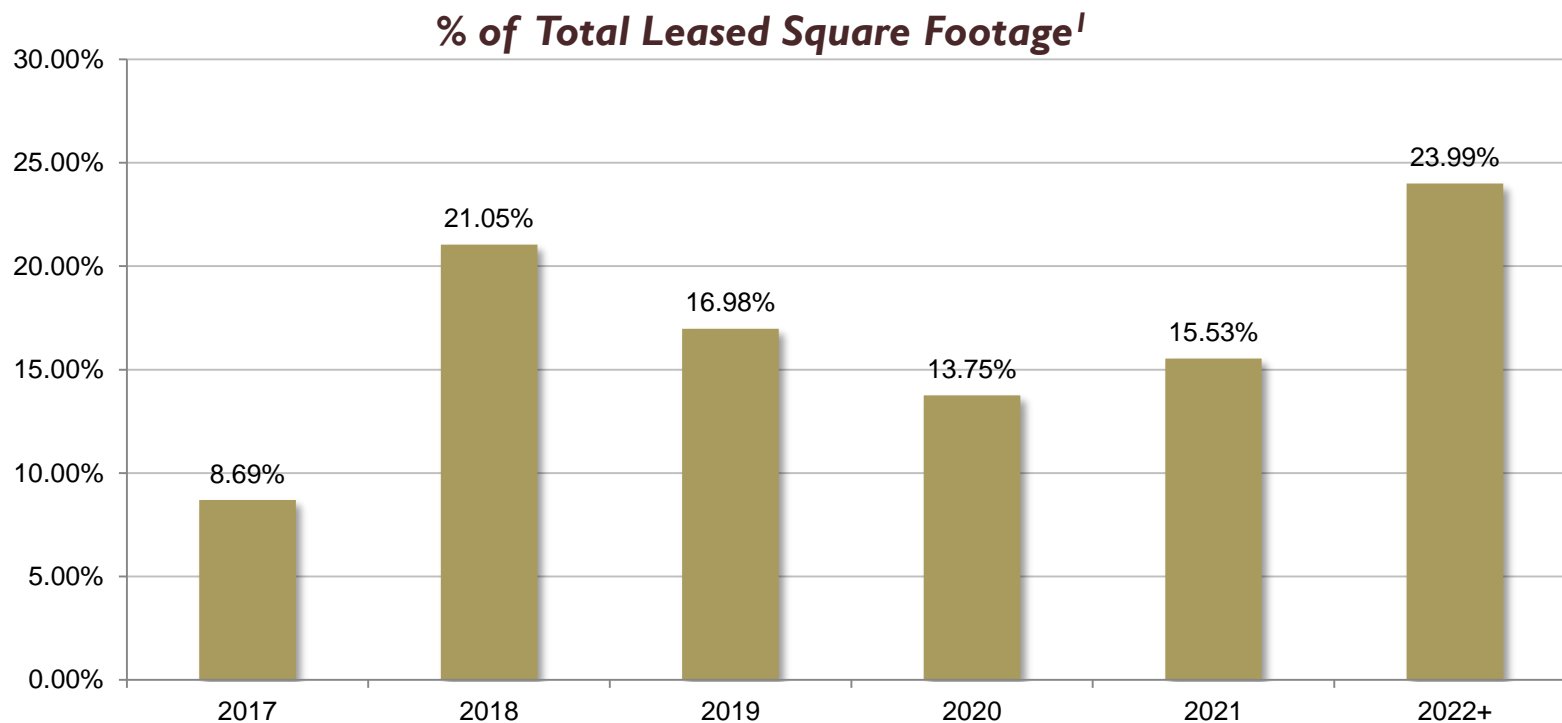
**Public Shopping Center REIT Portfolio Supply/Demand Profiles (3 Mile Radius):
Average Competing Grocery Stores vs. Population Density**



LEASE EXPIRATION SCHEDULE¹



- Approximately 70% of total leased square footage beyond two years
- Weighted average remaining lease term of 3.96 years
- Weighted average remaining lease term for grocery anchor tenants is 4.54 years

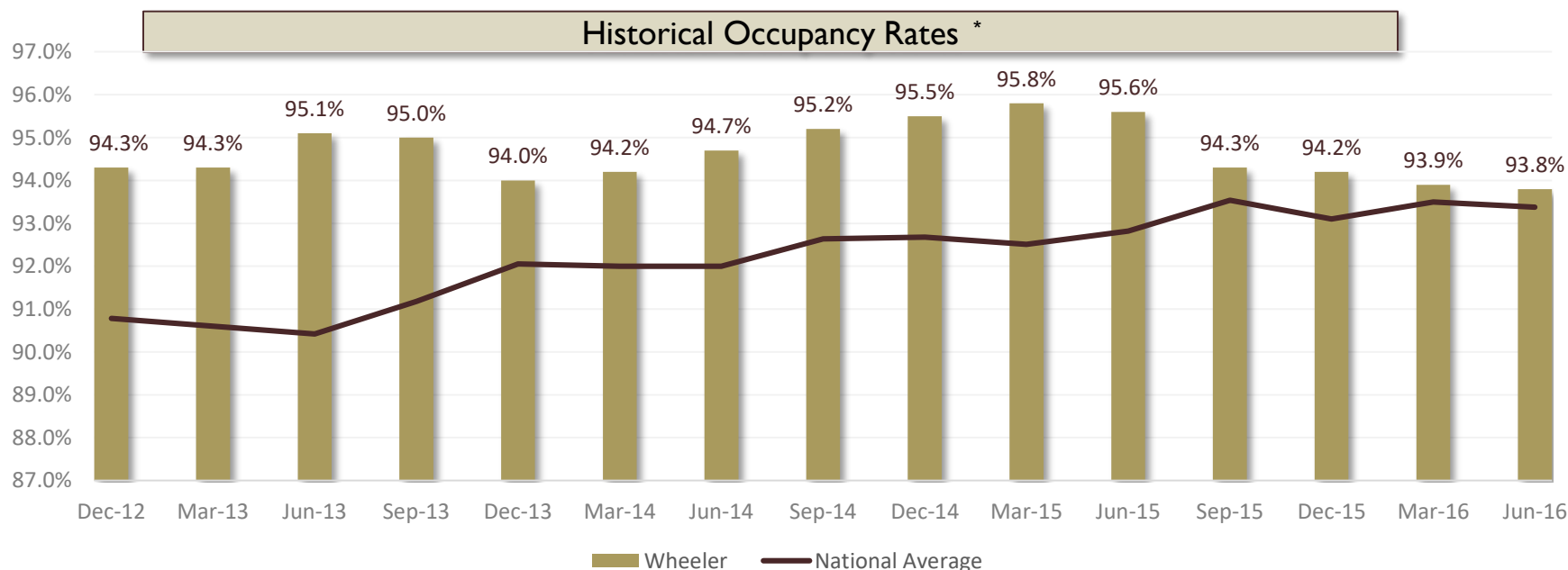


1) As of June 30, 2016

STRONG LEASING TRENDS



- Wheeler has maintained stable occupancy rates – average of 94.8% since the Company's IPO
- For the three months ended June 30, 2016, approximately 76,761 square feet was renewed at an average weighted increase of 3.6% over prior rates
- As of June 30, 2016, average occupancy rate of a U.S. shopping center was measured at 93.38%¹
- Company believes there is upside potential in occupancy rates for the assets acquired since June 30, 2015*



¹) Source: ICSC <http://quickstats.icsc.org/ViewSeries.aspx?id=12738>

* Average occupancy of assets acquired since June 30, 2015 was 92.3% which resulted in a decrease in occupancy rates as compared to the sequential quarter and as compared to the prior year.

INTEGRATED PLATFORM, PROVEN SUCCESS



- **Wheeler has acquisition, leasing, property management, development and re-development services all in-house and maintains a scalable, manageable platform**
 - Over 50 associates between the Company's headquarters in Virginia Beach and Charleston regional office
- **Development, property management and leasing services generate fees from third-party contracts**
- **Predecessor development segment developed nine properties in four states – seven are currently owned by Wheeler**
- **Sea Turtle Marketplace Development expected to generate significant fee and interest income**
 - 146,842 square foot shopping center with prime location in Hilton Head, SC
 - 81% pre-leased to national tenants including Stein Mart, Starbucks, and PetSmart
 - Full-service grocery store will occupy 36,000 square feet and purchase just over two acres of land
 - Expected to generate considerable development and leasing fees
 - Wheeler intends to contribute land and loan \$11 million to the development in return for a \$12 million note that will earn 12% interest



- Well located properties in secondary and tertiary markets
 - High unlevered returns (expected cap rates of ~9%)
- Focus on best in market multi-tenant grocery-anchored centers with necessity-based inline tenants
 - National & regional tenants
 - High traffic count and ease of access
 - Sale of non-core assets
- Ancillary & Specialty Income
 - Opportunity to improve revenue through active lease and expense management
 - Utilizing exterior parking for build-to-suit outparcels or pad sales
 - Maximizing CAM reimbursement income available from existing leases
- Company utilizes strict underwriting guidelines and unique due diligence processes to identify key issues and uncover hidden opportunities with large potential upside



PIPELINE OF ACCRETIVE ASSETS



- **The Company currently has 7 properties under LOI that it is actively investigating totaling approximately \$91.8 million with an average cap rate of 8.03% utilizing 60-65% LTV¹**
- **The Company has an additional 4 properties under review totaling approximately \$131.6 million and 1.43 million square feet**
- **Well-located properties in secondary and tertiary markets**
- **Focus on best in market multi-tenant grocery-anchored centers with necessity-based inline tenants**
 - National & regional tenants
 - High traffic count and ease of access
 - Sale of non-core assets
- **Ancillary & Specialty Income**
 - Opportunity to improve revenue through active lease and expense management
 - Utilizing exterior parking for build-to-suit outparcels or pad sales
 - Maximizing CAM reimbursement income available from existing leases
- **Company utilizes strict underwriting guidelines and unique due diligence processes to identify key issues and uncover hidden opportunities with large potential upside**

Selected Properties Under LOI

Location	Martinsville, VA
Square Feet	297,950
Purchase Price	\$23.53million
Anchor	Kroger
Expected ROE ¹	15.70%

Location	Mt. Airy, NC
Square Feet	116,976
Purchase Price	\$9.0 million
Anchor	Ingles
Expected ROE ¹	16.07%

1) Subject to further diligence

CURRENT PIPELINE for 2016 (as of 9/28/2016)



Status	Property Name	Location	Square Footage	Anchor	Purchase Price	Cap Rate	Interest Rate	LTV	ROE ¹	Notes
Closed	AC Portfolio	SC & GA	605,358	BI-LO, Piggly Wiggly, Harris Teeter	\$ 71,000,000	8.85%	5.43 %	65%		Closed 4-12
	Total Closed		605,358		\$ 71,000,000	8.85%	5.43%	65%		
Under Contract	Shopping Center 1 ²	Norfolk, VA	47,945	Grocery	\$ 4,250,000	7.38%	TBD	64%	18.41%	
	Shopping Center 2	Summerville, SC	66,948	Grocery	\$ 6,265,000	7.99%	TBD	60%	13.29%	
	Shopping Center 3	Carrollton, GA	91,175	Grocery	\$ 7,000,000	8.68%	TBD	65%	12.84%	
	Shopping Center 4	Martinsville, VA	297,950	Grocery	\$ 23,533,000	8.24%	TBD	65%	15.70%	
	Shopping Center 5	Mount Airy, NC	116,976	Grocery	\$ 9,000,000	9.16%	TBD	65%	16.07%	
	Shopping Center 6	Macon, GA	205,810	Grocery	\$ 37,250,000	7.47%	TBD	65%	13.87%	Includes future outparcel sales
	Shopping Center 7	Royston, GA	67,577	Grocery	\$ 4,500,000	8.88%	TBD	65%	16.52%	
Total Under Contract			894,381		\$ 91,798,000	8.03%		65%	15.24%	
Total All Categories			1,499,739		\$ 162,798,000	8.33%		65%		

1) Expected Cash on Cash return based on preliminary underwriting. Subject to change.

2) 1031 Exchange Funds of \$837,000

- Core focus on acquiring multi-tenant properties and monetize non-core assets using the proceeds to re-invest in core assets.
- As of June 29, 2016, Wheeler has sold 4 of its single-tenant assets for an average 7.14% cap rate versus the purchase average cap rate of 7.68% and has another two under contract for sale at an average 5.82% cap rate versus the purchase cap rate average of 9.23%.

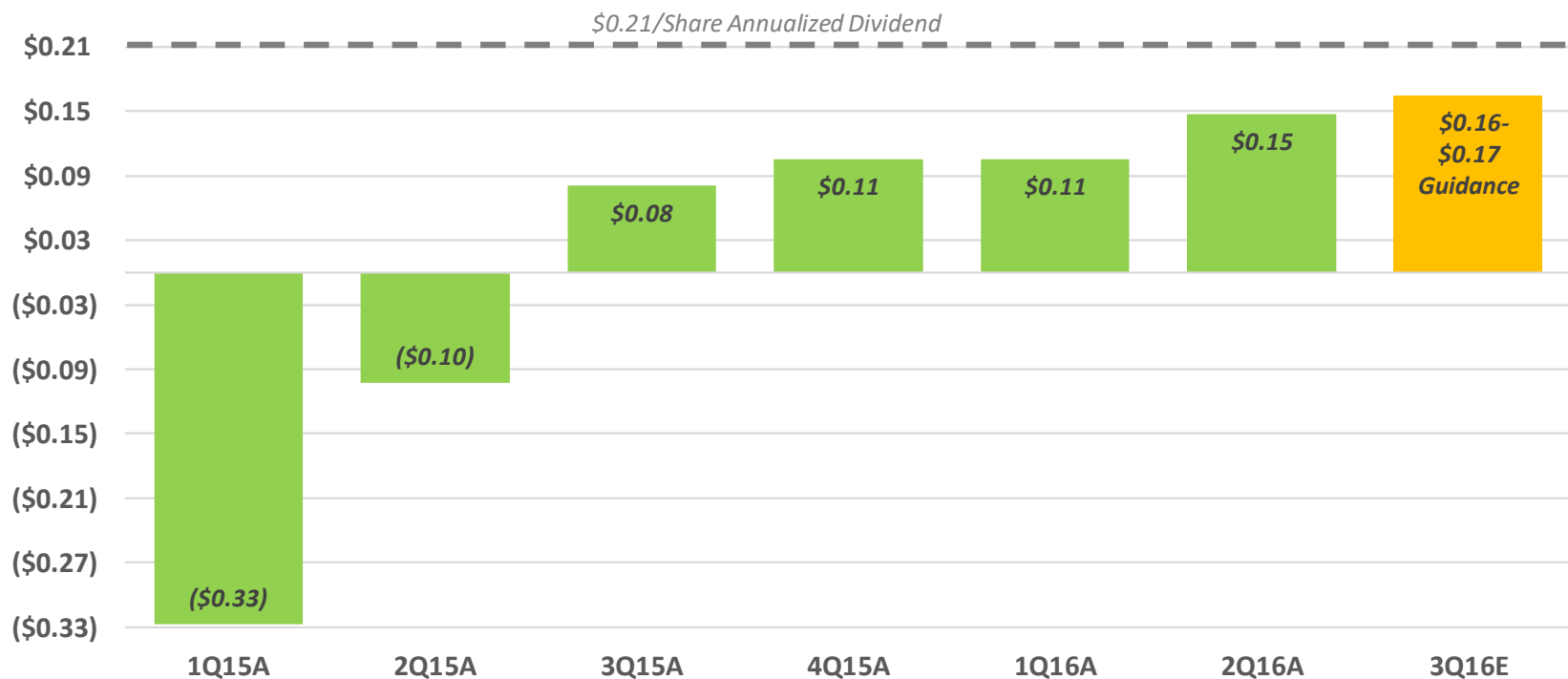
Status	Property Name	Location	Square Footage	Purchase Price	Purchase NOI	Purchase Cap	Sale Price	Sale NOI	Sale Cap
Closed	Reasors - Jenks	Jenks, OK	81,000	\$ 11,400,000	912,000	8.00%	\$ 12,160,000	912,000	7.50%
	Reasors - Bixby	Bixby, OK	74,889	\$ 10,600,000	769,000	7.25%	\$ 10,979,000	769,000	7.00%
	Harps	Grove, OK	31,500	\$ 4,555,000	364,000	8.00%	\$ 5,206,000	364,000	7.00%
	Starbucks/Verizon	Virginia Beach, VA	5,600	\$ 1,394,000	101,000	7.25%	\$ 2,127,500	130,000	6.10%
Total Closed			192,989	\$ 27,949,000	2,146,000	7.68%	30,472,500	2,175,000	7.14%
Under Contract	Ruby Tuesday/Outback Steakhouse	Morgantown, WV	11,097	\$ 1,265,000	109,000	8.62%	\$ 2,285,000	133,000	5.82%
Total Under Contract			11,097	\$ 1,265,000	109,000	8.62%	\$ 2,285,000	133,000	5.82%

AFFO PROGRESSION TO DIVIDEND COVERAGE CONTINUES



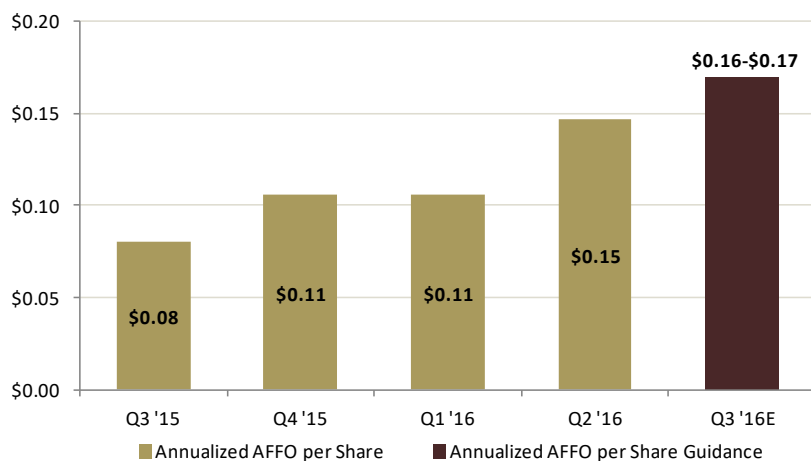
- Following its \$93 Million “re-IPO” in March 2015, Wheeler has made great strides towards covering its \$0.21 annual dividend with Adjusted Funds From Operations, or AFFO
- Following the internalization of its management structure in October 2014, which brought all G&A in-house, WHLR lost \$0.33/share on an annualized basis in 1Q15
- Latest guidance for 3Q16 is \$0.16-\$0.17 annualized, excluding any material 3rd party fees

Annualized AFFO/Share: 1Q15A - 3Q16E

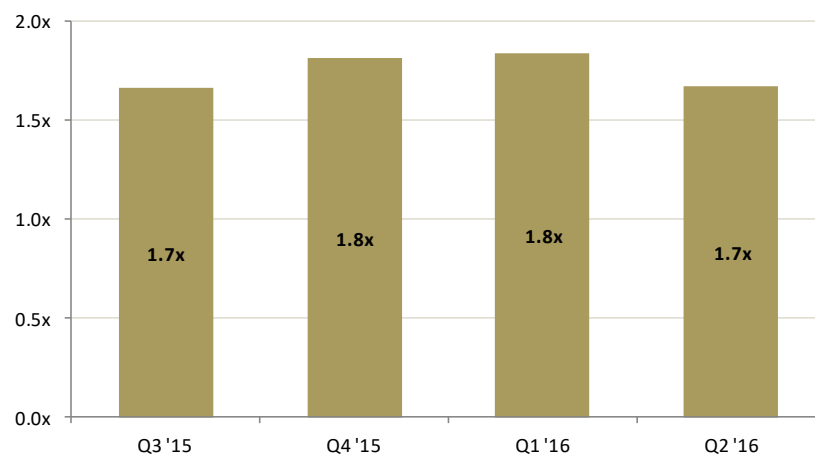


STRENGTH IN INCOME METRICS

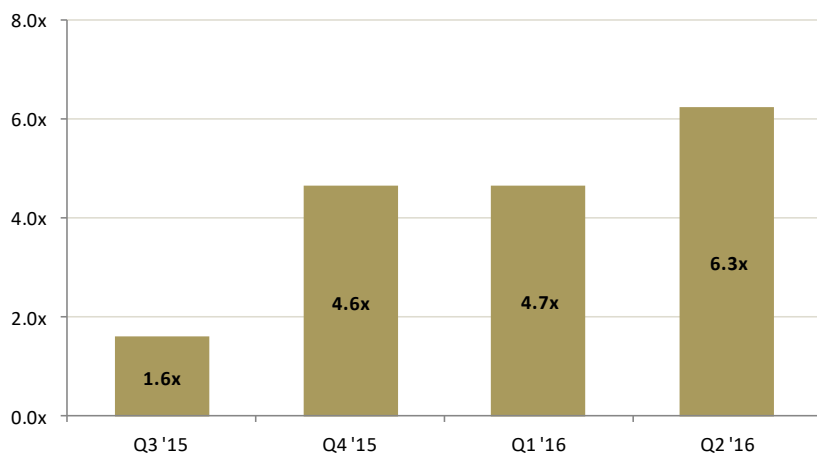
Annualized AFFO per Share¹



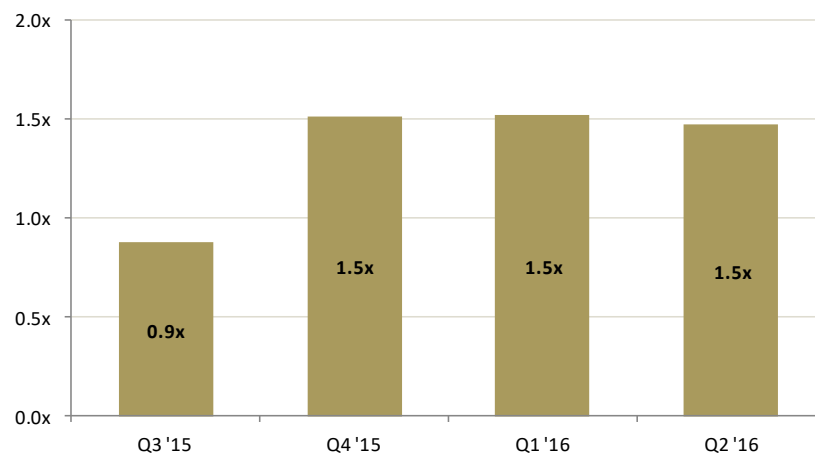
Adjusted EBITDA / Interest Expense^{1,2}



AFFO before Pref. Dividends / Pref. Dividends^{1,2}



Adjusted EBITDA / Fixed Charges^{1,2}



1) For a definition of AFFO, Adjusted EBITDA and other Non-GAAP measures and a reconciliation to GAAP measures, please see the Appendix

2) For a detailed calculation of the ratios shown above, please see the Appendix



Appendix

PROPERTY OVERVIEW (as of 6/30/2016)



Property	Location	Number of Tenants	Net Leasable Square Feet	Total SF Leased	Percentage Leased	Annualized Base Rent	Annualized Base Rent per Leased Sq. Foot
Alex City Marketplace	Alexander City, AL	17	147,791	128,741	87.1 %	\$ 918,688	\$ 7.14
Amscot Building	Tampa, FL	1	2,500	2,500	100.0 %	115,849	46.34
Beaver Ruin Village	Lilburn, GA	27	74,048	62,461	84.4 %	1,035,043	16.57
Beaver Ruin Village II	Lilburn, GA	4	34,925	34,925	100.0 %	407,976	11.68
Berkley (2)	Norfolk, VA	—	—	—	— %	—	—
Brook Run Shopping Center	Richmond, VA	18	147,738	133,927	90.7 %	1,489,978	11.13
Brook Run Properties (2)	Richmond, VA	—	—	—	— %	—	—
Bryan Station	Lexington, KY	9	54,397	54,397	100.0 %	553,004	10.17
Butler Square	Mauldin, SC	16	82,400	82,400	100.0 %	782,720	9.50
Cardinal Plaza	Henderson, NC	7	50,000	42,000	84.0 %	424,500	10.11
Carolina Place (2)	Onley, VA	—	—	—	— %	—	—
Chesapeake Square	Onley, VA	11	99,848	80,214	80.3 %	636,713	7.94
Clover Plaza	Clover, SC	9	45,575	45,575	100.0 %	346,634	7.61
Courtland Commons (2)	Courtland, VA	—	—	—	— %	—	—
Columbia Fire Station (2)	Columbia, SC	—	—	—	— %	—	—
Conyers Crossing	Conyers, GA	15	170,475	170,475	100.0 %	984,909	5.78
Crockett Square	Morristown, TN	3	107,122	99,122	92.5 %	804,822	8.12
Cypress Shopping Center	Boiling Springs, SC	17	80,435	79,035	98.3 %	826,420	10.46
Darien Shopping Center	Darien, GA	1	26,001	26,001	100.0 %	208,008	8.00
Devine Street	Columbia, SC	2	38,464	38,464	100.0 %	549,668	14.29
Edenton Commons (2)	Edenton, NC	—	—	—	— %	—	—
Folly Road	Charleston, SC	5	47,794	47,794	100.0 %	720,197	15.07
Forrest Gallery	Tullahoma, TN	27	214,450	202,216	94.3 %	1,226,254	6.06
Fort Howard Shopping Center	Rincon, GA	17	113,652	109,152	96.0 %	970,698	8.89
Freeway Junction	Stockbridge, GA	16	156,834	151,924	96.9 %	1,024,353	6.74
Franklinton Square	Franklinton, NC	11	65,366	56,300	86.1 %	495,182	8.80
Georgetown	Georgetown, SC	2	29,572	29,572	100.0 %	267,215	9.04
Graystone Crossing	Tega Cay, SC	11	21,997	21,997	100.0 %	522,351	23.75
Grove Park	Grove, OK	16	106,557	95,829	89.9 %	646,132	6.74
Harbor Point (2)	Grove, OK	—	—	—	— %	—	—
Harrodsburg Marketplace	Harrodsburg, KY	7	60,048	56,448	94.0 %	415,606	7.36
Hilton Head (2)	Hilton Head, SC	—	—	—	— %	—	—
Jenks Plaza	Jenks, OK	5	7,800	7,800	100.0 %	150,336	19.27
Ladson Crossing	Ladson, SC	12	52,607	47,207	89.7 %	691,248	14.64
LaGrange Marketplace	LaGrange, GA	13	76,594	73,594	96.1 %	405,781	5.51
Lake Greenwood Crossing	Greenwood, SC	6	47,546	41,546	87.4 %	408,141	9.82
Lake Murray	Lexington, SC	5	39,218	39,218	100.0 %	348,910	8.90
Laskin Road (2)	Virginia Beach, VA	—	—	—	— %	—	—
Litchfield Market Village	Pawleys Island, SC	18	86,740	72,763	83.9 %	1,067,310	14.67
Lumber River Village	Lumberton, NC	11	66,781	66,781	100.0 %	509,086	7.62

PROPERTY OVERVIEW CONTINUED (as of 6/30/2016)



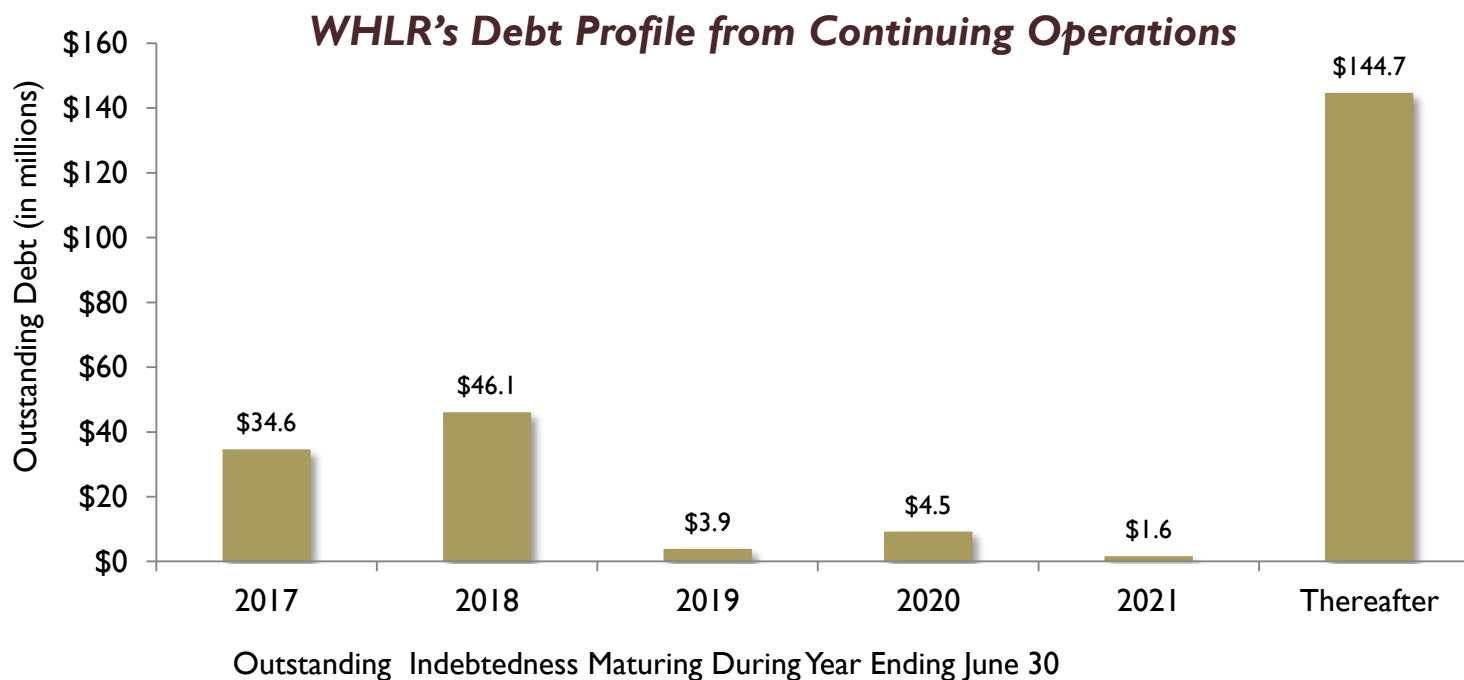
Property	Location	Number of Tenants	Net Leasable Square Feet	Total SF Leased	Percentage Leased	Annualized Base Rent	Annualized Base Rent per Leased Sq. Foot
Monarch Bank	Virginia Beach, VA	1	3,620	3,620	100.0%	258,054	\$ 71.29
Moncks Corner	Moncks Corner, SC	2	26,800	26,800	100.0%	327,651	12.23
Nashville Commons	Nashville, NC	12	56,100	56,100	100.0%	571,660	10.19
Parkway Plaza	Brunswick, GA	5	52,365	50,765	96.9%	535,397	10.55
Perimeter Square	Tulsa, OK	8	58,277	57,139	98.1%	756,788	13.24
Pierpont Centre	Morgantown, WV	20	122,259	122,259	100.0%	1,440,740	11.78
Port Crossing	Harrisonburg, VA	9	65,365	64,000	97.9%	795,613	12.43
Ridgeland	Ridgeland, SC	1	20,029	20,029	100.0%	140,203	7.00
Riversedge North (1)	Virginia Beach, VA	—	—	—	—%	—	—
Shoppes at Myrtle Park	Bluffton, SC	12	56,380	56,380	100.0%	909,944	16.14
Shoppes at TJ Maxx	Richmond, VA	18	93,552	93,552	100.0%	1,119,670	11.97
South Lake	Lexington, SC	10	44,318	44,318	100.0%	401,457	9.06
South Park	Mullins, SC	2	60,734	43,218	71.2%	491,245	11.37
South Square	Lancaster, SC	5	44,350	39,850	89.9%	319,806	8.03
St. George Plaza	St. George, SC	5	59,279	42,828	72.3%	293,421	6.85
St. Matthews	St. Matthews, SC	2	29,015	22,860	78.8%	283,380	12.40
Sunshine Plaza	Lehigh Acres, FL	21	111,189	107,396	96.6%	961,850	8.96
Surrey Plaza	Hawkinsville, GA	5	42,680	42,680	100.0%	292,245	6.85
Tampa Festival	Tampa, FL	20	137,987	134,766	97.7%	1,212,738	9.00
The Shoppes at Eagle Harbor	Carrollton, VA	7	23,303	23,303	100.0%	451,928	19.39
Tulls Creek (2)	Moyock, NC	—	—	—	—%	—	—
Twin City Commons	Batesburg-Leesville, SC	5	47,680	47,680	100.0%	450,838	9.46
Walnut Hill Plaza	Petersburg, VA	10	87,239	70,017	80.3%	553,806	7.91
Waterway Plaza	Little River, SC	10	49,750	49,750	100.0%	474,838	9.54
Westland Square	West Columbia, SC	10	62,735	57,665	91.9%	489,414	8.49
Winslow Plaza	Sicklerville, NJ	17	40,695	40,695	100.0%	541,260	13.3
Total		556	3,750,976	3,518,048	93.8%	\$ 34,027,678	\$ 9.67

1) Riversedge North is the Company's corporate office.

2) Undeveloped/redevelopment property

- Strong lending relationships with nationally recognized banks
- Expanded revolving credit facility with KeyBank National Association to approximately \$67.2 million in 2Q16
 - As of August 12, 2016 have reduced KeyBank facility to \$46.1 million
- Senior non-convertible debt paid in full as of January 2016
- Weighted average interest rate of 4.7%¹

Total Outstanding Debt:
\$240.2 million¹



1) Following pay down of Key Bank line of credit to \$46M

CONSOLIDATED STATEMENT OF OPERATIONS



	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015	2016	2015
	(unaudited)			
TOTAL REVENUES	\$ 11,085,374	\$ 6,081,891	\$ 20,224,036	\$ 11,235,643
OPERATING EXPENSES:				
Property operations	2,797,096	1,848,284	5,472,121	3,401,958
Non-REIT management and leasing services	265,947	231,777	643,355	601,552
Depreciation and amortization	5,431,672	3,839,249	10,311,759	6,840,227
Provision for credit losses	77,455	54,538	164,981	101,736
Corporate general & administrative	2,526,574	3,508,497	4,807,682	5,817,461
Total Operating Expenses	<u>11,098,744</u>	<u>9,482,345</u>	<u>21,399,898</u>	<u>16,762,934</u>
Operating loss	(13,370)	(3,400,454)	(1,175,862)	(5,527,291)
Interest expense	(3,742,213)	(1,979,266)	(6,162,028)	(4,121,985)
Net Loss from Continuing Operations	(3,755,583)	(5,379,720)	(7,337,890)	(9,649,276)
Discontinued Operations				
Income from discontinued operations	55,824	84,482	76,349	130,849
Gain on Sales	688,019	—	688,019	—
Income from Discontinued Operations	<u>743,843</u>	<u>84,482</u>	<u>764,368</u>	<u>130,849</u>
Net Loss	(3,011,740)	(5,295,238)	(6,573,522)	(9,518,427)
Less: Net loss attributable to noncontrolling interests	(312,911)	(440,216)	(645,787)	(902,592)
Net Loss Attributable to Wheeler REIT	(2,698,829)	(4,855,022)	(5,927,735)	(8,615,835)
Preferred stock dividends	(511,299)	(8,334,102)	(1,022,599)	(10,836,325)
Deemed dividend related to beneficial conversion feature of preferred stock	—	(59,520,000)	—	(59,520,000)
Net Loss Attributable to Wheeler REIT				
Common Shareholders	<u>\$ (3,210,128)</u>	<u>\$ (72,709,124)</u>	<u>\$ (6,950,334)</u>	<u>\$ (78,972,160)</u>
Loss per share from continuing operations (basic and diluted):	\$ (0.06)	\$ (4.13)	\$ (0.11)	\$ (6.21)
Income per share from discontinued operations:	0.01	—	0.01	0.01
	<u>\$ (0.05)</u>	<u>\$ (4.13)</u>	<u>\$ (0.10)</u>	<u>\$ (6.20)</u>
Weighted-average number of shares:				
Basic and Diluted	<u>67,284,942</u>	<u>17,594,873</u>	<u>66,778,934</u>	<u>12,727,710</u>

BALANCE SHEET SUMMARY



	June 30, 2016 (unaudited)	December 31, 2015
ASSETS:		
Investment properties, net	\$ 294,822,999	\$ 238,764,631
Cash and cash equivalents	2,651,557	10,477,576
Restricted cash	9,020,723	7,592,984
Rents and other tenant receivables, net	3,097,931	3,452,700
Goodwill	5,485,823	5,485,823
Assets held for sale	365,880	1,692,473
Above market lease intangible, net	8,303,799	6,517,529
Deferred costs and other assets, net	42,039,200	35,259,526
Total Assets	\$ 365,787,912	\$ 309,243,242
LIABILITIES:		
Loans payable	\$ 248,202,613	\$ 184,629,082
Liabilities associated with assets held for sale	1,350,000	1,992,318
Below market lease intangible, net	9,307,292	7,721,335
Accounts payable, accrued expenses and other liabilities	9,161,674	7,533,769
Total Liabilities	268,021,579	201,876,504
Commitments and contingencies	—	—
EQUITY:		
Series A preferred stock (no par value, 4,500 shares authorized, 562 shares issued and outstanding, respectively)	452,971	452,971
Series B convertible preferred stock (no par value, 3,000,000 shares authorized, 729,119 shares issued and outstanding, respectively)	17,262,198	17,085,147
Common stock (\$0.01 par value, 150,000,000 and 75,000,000 shares authorized, 67,860,281 and 66,259,673 shares issued and outstanding, respectively)	678,602	662,596
Additional paid-in capital	222,341,497	220,370,984
Accumulated deficit	(154,277,513)	(140,306,846)
Total Shareholders' Equity	86,457,755	98,264,852
Noncontrolling interests	11,308,578	9,101,886
Total Equity	97,766,333	107,366,738
Total Liabilities and Equity	\$ 365,787,912	\$ 309,243,242

FFO and AFFO	Three Months Ended June 30,		Six Months Ended June 30,	
	2016	2015 (4)	2016	2015 (4)
	(unaudited)			
Net (loss)	\$ (3,011,740)	\$ (5,295,238)	\$ (6,573,522)	\$ (9,518,427)
Depreciation of real estate assets from continuing operations	5,431,672	3,839,249	10,311,759	6,840,227
Depreciation of real estate assets from discontinued operations	—	235,500	—	471,006
Depreciation of real estate assets	5,431,672	4,074,749	10,311,759	7,311,233
Gain on sale of discontinued operations	(688,019)	—	(688,019)	—
Total FFO	1,731,913	(1,220,489)	3,050,218	(2,207,194)
Preferred stock dividends	(511,299)	(8,334,102)	(1,022,599)	(10,836,325)
Preferred stock accretion adjustments	88,526	5,768,361	177,051	6,979,563
FFO available to common shareholders and common unitholders	1,309,140	(3,786,230)	2,204,670	(6,063,956)
Acquisition costs	383,041	740,223	796,351	1,433,739
Capital related costs	187,699	553,132	249,868	621,650
Other non-recurring and non-cash expenses (1)	221,742	327,480	459,202	416,980
Share-based compensation	260,750	256,300	411,000	301,300
Straight-line rent	(134,964)	(34,824)	(142,070)	(93,435)
Loan cost amortization	645,906	259,050	835,448	745,248
Above (below) market lease amortization	650	213,746	72,262	409,475
Perimeter legal accrual	—	124,300	—	124,300
Recurring capital expenditures and tenant improvement reserves	(187,836)	(139,500)	(327,019)	(270,400)
AFFO	\$ 2,686,128	\$ (1,486,323)	\$ 4,559,712	\$ (2,375,099)
Weighted Average Common Shares	67,284,942	17,594,873	66,778,934	12,727,710
Weighted Average Common Units	5,644,460	3,695,990	5,173,854	3,618,712
Total Common Shares and Units	72,929,402	21,290,863	71,952,788	16,346,422
FFO per Common Share and Common Units	\$ 0.02	\$ (0.18)	\$ 0.03	\$ (0.37)
AFFO per Common Share and Common Units	\$ 0.04	\$ (0.07)	\$ 0.06	\$ (0.15)
Pro forma AFFO per Common Share and Common Units (2)	\$ 0.04			

- Other non-recurring expenses are detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our June 2016 Quarterly Report on Form 10-Q.
- Pro forma AFFO assumes the A-C Portfolio acquisition, as well as all financings, share issuances and cost containment initiatives, had occurred on April 1, 2016. Additionally, we excluded all non-recurring expenses detailed in "Management's Discussion and Analysis of Financial Condition and Results of Operations" included in our June 2016 Quarterly Report on Form 10-Q and any additional common stock and common units issued during the three months ended June 30, 2016 were outstanding for the entire period. The Pro forma AFFO is being presented solely for purposes of illustrating the potential impact of these transactions as if they occurred on April 1, 2016, based on information currently available to management, and is not necessarily indicative of what actual results would have been had the transactions referred to above occurred on April 1, 2016.
- We did not provide Pro Forma AFFO per common share and common unit for 2015 as we consider it not meaningful to the 2016 presentation.

CAPITAL STRUCTURE



Security

Senior Non-Convertible Debt (9% Coupon, Dec-15 / Jan-16 Maturity)¹
 Senior Convertible Debt (9% Coupon, Dec-18 Maturity)²
 Key Bank Line of Credit (5.44% @ 6/30/16, 2.94% @ 8/11/16, May-18 Maturity)
 Vantage South Line of Credit (4.25%, Sept-16 Maturity)
 Revere High Yield Fund (8.00%, April-17 Maturity, 1-yr ext. w/ \$450k pay down)
 Property Debt (4.74%/4.68% Weighted Average Coupon, Various Maturities)

March 31, 2015	June 30, 2016	September 27, 2016
Debt		
Outstanding (\$000)	Outstanding (\$000)	Outstanding (\$000)
\$6,160	-	-
\$3,000	\$1,400	\$1,400
-	\$67,194	\$46,127
\$2,074	\$3,000	\$3,000
-	\$7,450	\$7,450
\$138,474	\$177,683	\$182,207

Total Debt

\$147,634	\$256,727	\$240,184
March 31, 2015	June 30, 2016	September 27, 2016
Equity		
Shares	Shares	Shares
Outstanding Amount (\$000)	Outstanding Amount (\$000)	Outstanding Amount (\$000)

Security

Series A 9% Preferred (\$1,000 / share)
 Series B 9% Preferred (\$25 / share, \$5.00 conversion price)³
 Series C Preferred (\$1,000 / share, \$2.00 conversion price)
 Series D 8.75% Preferred (\$1,000 / share, \$2.12 conversion price)
 Common Stock / OP Units⁴

1,809	\$1,809	562	\$562	562	562
1,595,900	\$39,898	729,119	\$18,228	1,871,374	\$46,784
93,000	\$93,000	-	-	-	-
-	-	-	-	1,600,000	\$40,000
11,358,759	\$26,012	73,612,189	\$113,363	73,641,259	\$113,408

Market Value of Equity

\$160,718 \$132,153 \$153,764

Total Capitalization

\$308,352 \$388,880 \$393,948

- 648,425 warrants were issued in connection with the Senior Non-Convertible Debt, each with a \$4.75 exercise price and expiration in Jan-19
- 20,069 shares remained convertible at 6/30/16
- 1,987,500 warrants were issued in connection with the Series B Preferred Stock, each with a \$5.50 exercise price and expiration in Apr-19
- As of September 27, 1,142,255 shares had been issued at \$21.23/share gross and \$20.61/share net via the Company's ATM



WHEELER

REAL ESTATE INVESTMENT TRUST

NASDAQ:WHLR

Think Retail. Think Wheeler.®